

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT OR REPLICATE  
Name of Applicant  
811 S. 1st St.  
ARTEZIA, NM 88210-2854

Budget Bureau No. 1004-0135  
Expires August 31, 1985  
Division  
RNM 130  
IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	7. UNIT AGREEMENT NAME
2. NAME OF OPERATOR HERMAN V. WALLIS	8. FARM OR LEASE NAME LURA FEDERAL
3. ADDRESS OF OPERATOR Post Office Box 1858, Kerrville, Texas 78028-1858	9. WELL NO. 1
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) 660' ESL & 820' FWL (SWSW)	10. FIELD AND FOOT, OR WILDCAT Sams Ranch Grayburg
11. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) 660' ESL & 820' FWL (SWSW)	11. SEC., T., R., M., OR BLK. AND RANGE OR ARMA Sec 10, T14S, R28E
12. COUNTY OR PARISH Chaves	13. STATE New Mexico
14. PERMIT NO.	15. PERMITTING (Show whether DE, RE, or etc.) 3572' GR

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	WELL OR ALTER CASING	WATER SHUT-OFF	REPAIRING WELL
FRACURE TREAT	MULTIPLE COMPLETION	FRACURE TREATMENT	ALTERING CASING
SHOOT OR ACIDIZE	ABANDON*	SHOOTING OR ACIDIZING	ABANDONMENT*
REPAIR WELL	CHANGE PLANS	(Other)	
(Other) GSI	X	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give surface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Well produces dry natural gas from shallow Grayburg, completed above the San Andres Formation. Production Casing is cemented with cement circulated to surface. No fluids have have been produced from Grayburg Gas Wells during 19 year history of Sams Ranch Grayburg Natural Gas Wells. Sams Ranch Natural Gas is free of all corrosives and is sweet to Lead Acetate. Surface Pipe is cemented in place with cement circulated circulated to surface. Surface Pipe is vented to air and has no activity. Well is shut in and is not an ecologic hazard. Present natural gas prices, tax burden and costs of operation has narrowed the Profit and Loss Status to a critical. Costs of tests will put Operator in Economic Stress, further narrowing the Profit and Loss situation. Sams Ranch Grayburg Dry Gas is very marketable with 900 BTU and a Test GPM of over 2.00 Gallons Per Thousand. Demand for Natural Gas is slowly returning. This shut in well is in worthy condition to allow time for market to reach it. Stimulation or horizontal drilling are future programs as market and prices come back into line. Further request 5 year period for shut in be granted on basis of above.

APPROVED  
PETER W. CHESTER  
JUN 4 1996  
BUREAU OF LAND MANAGEMENT  
ROS WELL RESOURCES  
OPERATOR

18. I hereby certify that the foregoing is true and correct.  
SIGNED *Herman V. Wallis* TITLE OPERATOR DATE May 28, 1996  
(This space for Federal or State office use)

APPROVED BY: APPROVED FOR 5 year  
CONDITIONS OF APPROVAL IF ANY: ENDING June 4, 2001  
DATE

\*See Instructions on Reverse Side