

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OIL CONSERVATION DIV
811 S. 1st ST.
ARTESIA, NM 88210-2834

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or recomplete a well or to plug a well or to alter a well.
Use "APPLICATION FOR PERMIT—" for such proposals

RECEIVED

SUBMIT IN TRIPLICATE JUL - 1 1996

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Xeric Oil & Gas Corporation

3. Address and Telephone No.
P.O. Box 352, Midland, TX 79702 (915)683-3171

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2310' FSL and 1650' FEL of Section 28, T-16-S, R-31-E,
N.M.P.M.

OIL CON. DIV.
DIST. 2

5. Lease Designation and Serial No.
LC-056302[B]

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Kennedy No. 3

9. API Well No.

10. Field and Pool, or Exploratory Area
Square Lake

11. County or Parish, State
Eddy County, N.M.

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. 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 subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Procedure:

1. Set 5 1/2" CIBP @ 3375' and cap with 35' of cement,
2. Cut and pull 5 1/2" casing as deep as possible,
3. Spot 50 sxs of cement in and out of stub and tag,
4. Spot 50 sxs of cement @ 414'- 314' and tag,
5. Spot 10 sxs of cement @ surface,
6. Install dry hole marker.

14. I hereby certify that the foregoing is true and correct

Signed [Signature] Title Vice President Date 5-28-96

(This space for Federal or State office use)
Approved by (ONG. SUP.) JOE G. LARA Title PETROLEUM ENGINEER Date 6/27/96

Conditions of approval, if any: See attached.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

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BUREAU OF LAND MANAGEMENT CARLSBAD RESOURCE AREA

Conditions of Approval for the Permanent Abandonment of Federal Wells

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. **Plugging operations** shall commence within 90 days from the approval date of this Notice of Intent to Abandon.
2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Eddy County call (505) 887-6544; for wells in Lea County call (505) 393-3612.
3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.
5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either class "C", for up to 7,500 feet of depth, mixed at 14.8 lbs./gal. with 6.3 gallons of fresh water per sack or class "H", for deeper than 7,500 feet plugs, mixed at 16.4 lbs./gal. with 4.3 gallons of fresh water per sack.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: Well name and number, the name of the operator, the lease serial number, the surveyed location (the quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer; such as metes and bounds).
7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.

Following the submittal and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.

District I
 PO Box 1900, Hobbs, NM 88241-1900
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Minerals & Natural Resources Department

Form C-104
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 5 Copies

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OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address Xeric Oil & Gas Corporation P. O. Box 51311 Midland, TX 79710-1311		OGRID Number 25482
		Reason for Filing Code CH - effective 4-1-95
API Number 30-015-04890	Pool Name Square Lake Grayburg San Andres	Pool Code 57570
Property Code 17065	Property Name Kennedy	Well Number 3

II. Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West Line	County
J	28	16S	31E		2310	FSL	1650	FEL	Eddy

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West Line	County
Lee Code	Producing Method Code	Gas Connection Date	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
015694	Navajo Refining Co. P.O. Drawer 159 Artesia, NM 88211-0159	2712910	O	Unit J Sec. 28-T16S-R31E Eddy County
017666-917	Phillips Petroleum Co. 4001 Pennbrook Odessa, TX 79762	2717930	G	Unit J Sec. 28-T16S-R31E Eddy County

IV. Produced Water

POD	POD ULSTR Location and Description

V. Well Completion Data

Spud Date	Ready Date	TD	PBTD	Perforations
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement	
				Post ID-3 5-5-95 by well name

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Gas Pressure
Choke Size	Oil	Water	Gas	AOF	Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *C. O. Brininstool, Jr.*
 Printed name: C. O. Brininstool, Jr.
 Title: Vice President
 Date: 4-20-95 Phone: 915-683-3171

OIL CONSERVATION DIVISION
 Approved by: *[Signature]*
 Title: *[Title]*
 Approval Date: APRIL ~~MAR 26~~ 1995

If this is a change of operator, fill in the OGRID number and name of the previous operator
[Signature] Randy G. Patterson Attorney-in-Fact 4-13-95
 Previous Operator Signature Printed Name Title Date
 YATES PETROLEUM CORPORATION (Ogrid No. 025575)