

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED  
OMB No. 1004-0135  
Expires July 31, 1996

5. Lease Serial No.

NM-23233

6. If Indian, Allottee or Tribe Name

RECEIVED

7. If Unit or CA/Agreement, Name and/or N

070 FARMINGTON NM

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Elm Ridge Resources, Inc.

3a. Address

PO Box 156, Bloomfield, NM 87413

3b. Phone No. (include area code)

505-632-3476

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660 FSL X 660 FEL

Sec. 22-T24N-R8W

Unit Letter: P

8. Well Name and No.

South Blanco Federal Goal 22-2

9. API Well No.

30-045-25097

10. Field and Pool, or Exploratory Area

Lybrook Gallup Ext.

11. County or Parish, State

San Juan County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other Test
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> Productive
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal <input type="checkbox"/> Capability

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Elm Ridge Resources moved a rig on this location in an attempt to restore production. The casing would not hold pressure, and subsequent testing isolated the failure between 3410' and 4425'. Since this interval is too large to effectively squeeze, approval is requested to produce the Gallup zone below a packer for a period of six months. This will allow sufficient time to determine if the reservoir is still capable of sustained production. This lease will be subject to termination if this well cannot be returned to production. If the production test is successful, either a sundry for a permanent repair, or an APD for a re drill will be submitted. If the production test is not successful, a sundry to plug and abandon will be submitted. Verbal approval was obtained by Mr. Stephen Mason on 6-1-2005.

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

Name (Printed/Typed)

Amy Mackey

Title

Production Assistant

Signature

Date

June 2, 2005

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Original Signed: Stephen Mason

Title

Date

JUN 02 2005

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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.

(Instructions on reverse)

NMOCED