

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

| | |
|--|--|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | 5. Lease Designation and Serial No. NM 032325 |
| 2. Name of Operator RM Energy, A Limited Liability Company | 6. If Indian, Allottee or Tribe Name |
| 3. Address and Telephone No. PO Box 831, Casper, WY 82602 (307) 234-6419 | 7. If Unit or CA, Agreement Designation |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 990 ' FNL 990' FEL, Sec 8, T27N-R12W | 8. Well Name and No. Sarah E. Lilly B #1 |
| | 9. API Well No. 30-045-06728 |
| | 10. Field and Pool, or Exploratory Area West Kutz, PC |
| | 11. County or Parish, State San Juan County, NM |

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

| TYPE OF SUBMISSION | TYPE OF ACTION |
|---|--|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Abandonment |
| <input checked="" 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 checked="" type="checkbox"/> Other <u>Shut-in</u> |
| | <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.)*

Please be advised that the subject well was shut-in June 29, 1994 due to economic conditions. Low gas prices coupled with high compression costs made the well uneconomical at this time.

We are currently evaluating options that may be available when gas prices improve that may allow the well to be returned to production.

THIS APPROVAL EXPIRES JUL 15 1995

RECEIVED
JUL 20 1994
OIL CON. DIV.
DIST. 3

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

Signed Lance Neiberger Title Partner

Date 7-11-94

(This space for Federal or State office use)

Approved by _____ Title _____
Conditions of approval, if any:

APPROVED

Date JUL 15 1994
Chip Hansen

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