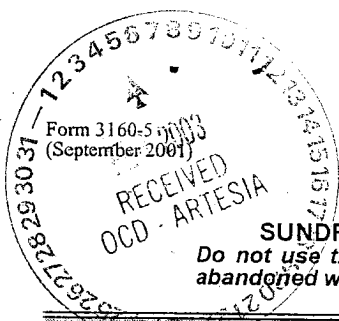




Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Southwest Royalties, Inc

3a. Address

P.O. Box 11390 Midland Tx 79702

3b. Phone No. (include area code)

(915) 636-9927

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

Unit L; 1930' FSL & 660' FWL
Sec 17, T17S, R30E

5. Lease Serial No.

NM 80625

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Arco Fed No 2

9. API Well No.

30-015-20632

10. Field and Pool, or Exploratory Area

Grayburg-Jackson

11. County or Parish, State

Eddy, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☒ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☒ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☒ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (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 recompleat 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 recompleat 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.)

12/22-23/02 MIRU WS. TOH w/ prod csuip. T1 4w/ bit & scraper to 3600'. TOH w/ bit & scraper. T1H & set RBP @ 2411'. Circ hole clean w/ 2 3/8 KCL wtr. RU WL. T1H w/ CBL & logged for 2,096'-100'. T1H & RD WL.

12/30-12/31/02 MIRU WL. Ran csy inspection log for 2020' to surface. RD inspection log. RU free point tool. Found csy stuck @ 800'. Poo 4w/ free point tool. Pdl chemical cutter. Cut 4 1/2" csy @ 274'. TOH & lay down bond csy.

01/02-01/04/03 Pdl 4 1/2 csy patch & Tifton replacement 4 1/2 csy. Engage csy slab & set patch. RU WL & shut & squeeze holes @ 1460'. (cont on back)

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

Name (Printed/Typed)

C. M. Blockworth, P.E.

Title Arco Supervisor

Signature

Date 01/25/03

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Office

FEB 5 2003
Date

LES BABYAK
PETROLEUM ENGINEER

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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)

01/02/03 - 01/06/03 cont'd

RD. WL. RU Service Co. Ppd 2255x class 2" cut thru squeeze holes. RU on Bradenhead & ppd 192 5x class 2". Filled 8 5/8" annular to surface. WOK.

RU bit, TIT & drld out squeeze. TST & squeeze to 500 p.s.i. Hold OK.

01/07/03 RU WL. Nan CBL. Found top of cnt @ 980'.

RDCBL. TIT & perf 1990' - 2035'. RU Service Co & acidized perf's w/ 500 gals 15% HCl acid w/ BS. RU swab. Swabbed well dry.

01/09 - 01/10/03 RD Swab, RU Service Co. Frac ports w/ 25000 gals gelled wtr w/ 53000 lbs 20/40 SL.

01/11 - 01/22/03 TDHW/workstring, TIT w/ production equipment. Put well on tst pumping.

P.O.B.O., 11 BW, 0 mcf.