

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD

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

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

5. Lease Serial No.
NMNM025503

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
RAY WESTALL OPERATING, INC. Contact: RENE HOPE
E-Mail: hope_rene@yahoo.com

3a. Address
PO BOX 4
LOCO HILLS, NM 88255

3b. Phone No. (include area code)
Ph: 575-677-2372

8. Well Name and No.
RITZ FEDERAL 4

9. API Well No.
30-015-25142

10. Field and Pool or Exploratory Area
SHUGART Y-SR-Q-GB-SA

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 35 T18S R30E Mer NMP 890FNL 2110FEL

11. County or Parish, State
EDDY COUNTY, NM

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|---|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input checked="" type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Hydraulic Fracturing | <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 type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> 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 recomplete 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/BLA. Required subsequent reports must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Note: Original intent was to convert to SWD per NMOCD Order SWD-1676; during these operations, it was decided to return the well to production do to downhole conditions.

To wit;

9/25/17 ? MIRU ? pull rods & pump; install BOP and pull tubing; laid all down; SDFN.
 9/26/17 ? RIH w/ PKR & workstring @ 2200?; test CSG ? no test; move to isolate and found hole between 583?-616?. Notified BLM ? rcv'd verbal approval to pull CSG from 620?. SDFN.
 9/27/17 ? RU wireline for freepoint; located @ 340?. Decided not to pull CSG ? notified BLM.
 9/28/17 ? RU cement crew and Sqz hole w/ 100 sx ? C? + 2% CaCl ? 590 psi; SDFN.
 10/02/17 ? RU reverse unit; D/O & fell thru cement @ 584?. Pressure to 390 psi and started pumping 1 bpm @ 420 psi. Will attempt to re-squeeze; SDFN.

Accepted for record
NMOCD RE
11/7/17

NM OIL CONSERVATION
ARTESIA DISTRICT
NOV 07 2017

Well did not pass casing test. Remediation needed. Sundry.

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

Electronic Submission #392535 verified by the BLM Well Information System
For RAY WESTALL OPERATING, INC., sent to the Carlsbad
Committed to AFMSS for processing by JENNIFER SANCHEZ on 10/23/2017 ()

Name (Printed/Typed) BEN STONE Title AGENT / CONSULTANT

Signature (Electronic Submission) Date 10/19/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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 _____

ACCEPTED FOR RECORD
OCT 23 2017
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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 page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #392535 that would not fit on the form

32. Additional remarks, continued

10/04/17 ? RU cement crew; sqz w/ 100 sx ?C? and 2? CaCl @ 650 psi: SDFN
10/05/17 ? D/O cement ? fell thru @ 554?. Pressure to 500 psi ? would not hold Notify BLM
decision to return to production; asked to submit sundry.
10/06/17 ? RIH w/ TBG & bit; C/O to 3449?. SDFN.
10/09/17 ? POOH & lay down all; SDFN. Wait on production TBG & rods.
10/11/17 ? RIH w/ production TBG, pump & rods; hang back on PU and start pumping. RDMO well
service unit.

CURRENT WELLBORE DIAGRAM ATTACHED.



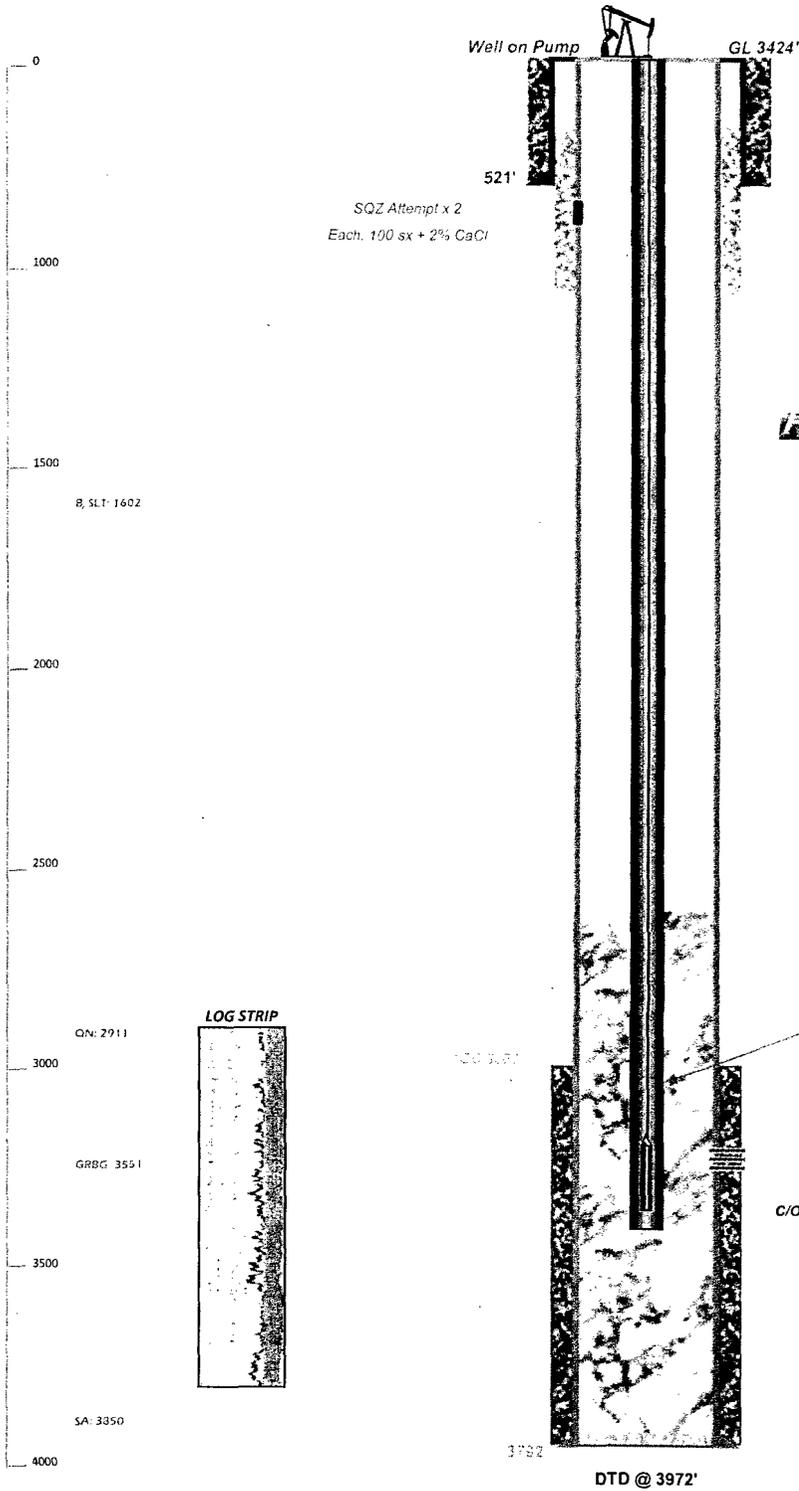
WELL SCHEMATIC - CURRENT
Ritz Federal Well No.1

Shugart; Yts-7 Rs-Qu-Grayburg (56439)

API 30-015-25142

890' FNL & 2110' FEL, SEC. 35-T18S-R30E
 EDDY COUNTY, NEW MEXICO

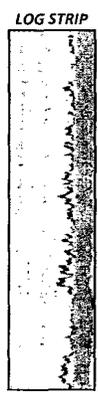
Spud Date: 1/01/1985
 W/O Cmplt Date: 10/11/20



Surface Casing
 8.625" Csg. (17.5" Hole) @ 521'
 300 sx - 40 sx Circulated to Surface



Workover: Intent to configure for SWD; no go. Returned to Production; W/O from 9/25/17 to 10/11/17. Set TBG @ 3430'; Hung on pump. BLM Notified of events.



Production Casing
 5.5", 17.0# J-55 Csg. (7.875" Hole) @ 3792'
 113 sx - TOC @ 3000' by Calc.

Drawn by: Eer Stone, 2/17/2017

