

Form 3160-3
(April 2004)

RECEIVED

JUN 21 2010

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

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUMMARY 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

Slayton Resources Inc.

3a Address
Roswell, NM 88202
PO Box 2035

3b. Phone No. (include area code)
575-623-7184

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

990' FNL & 990' FEL Sec. 19, T15S, R28E

5. Lease Serial No.

NMNM036718

6 If Indian, Allottee or Tribe Name

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

8. Well Name and No

Brotar Fed. #3

9. API Well No.

30-005-61825

10. Field and Pool, or Exploratory Area

Buffalo Valley Penn

11. County or Parish, State

Chaves Co. NM

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☒ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Temporary shut in

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.)

As we discussed in our meeting of March 30 2010 with Angel Mayes, Glenn Garnard, Stephen Caffen and Eddie Fitzpatric.

We hereby request a 6 month shut-in for the Brotar #3 Gas Well untill Gas prices improve.

APPROVED FOR 90 ^{DAY} ~~MONTH~~ PERIOD
ENDING SEP 02 2010

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Accepted for record
NMOCD RS

6/22/10

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Title Agent

Signature

Date 5-18-10

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

PETROLEUM ENGINEER

Title

Date

JUN 04 2010

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

ROSWELL FIELD OFFICE

Title 18 USC Section 1001 and Title 43 USC
States any false, fictitious or fraudulent stat

(Instructions on page 2)

This Well May Be Approved For Shut-In/Temporary Abandonment (SI/TA) Status Up To 6 Months. Contact The BLM Roswell Field Office At Least 24 Hours Prior To The Scheduled Casing Integrity Test. For Wells In Chaves And Roosevelt County, Call (575) 627-0205 Or After Office Hours Call (575) 420-2832.

by department or agency of the United

BUREAU OF LAND MANAGEMENT

**Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201
575-627-0272**

Temporary Abandonment of Wells on Federal Lands Conditions of Approval

A temporary abandoned well is defined as a completion that is not capable of production in paying quantities but may have value as a service well. Pursuant to 43 CFR 3162.3-4(c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - A. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - B. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
 - C. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - D. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - E. Contact the BLM Roswell Field Office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Chaves and Roosevelt County, call (575) 627-0205 or after office hours call (575) 420-2832.

Wells that successfully pass the casing integrity test may be approved for Temporary Abandonment (TA) status up to 12 months.

1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval.
2. Attaches a clear copy of the original pressure test chart.
3. Provided justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.
4. Describes the temporary abandonment procedure.

The TA status could be extended without another casing integrity test provided there was no leak-off during the test and the test was witnessed by a BLM representative.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.

Ref: IM: NM-95-022 (12/16/1994)