



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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

DRIYRY 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

Clayton Williams Energy, Inc.

ATTN:

Betsy Luna

3a. Address

2100

79705

3b. Phone No. (include area code)

Six Dista Dr., #3000 Midland TX

432-682-6324

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

Sec. 8, T22S R22E

990' FNL & 660' FEL; UL A

5. Lease Serial No.

NMNM 95627

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Rocky Arroyo Federal #1

9. API Well No.

30-015-34095

10. Field and Pool, or Exploratory Area

Rocky Arroyo (Morrow Gas)

11. County or Parish, State

Eddy Co., New Mexico

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 checked="" 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 checked="" 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 recompleate 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 recompleation 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.)

Plugback & Recomplete:

See COB

1. Set CIBP @ 8270' and cap with 35' of cement to abandon Morrow & Atoka zones.
2. Perforate Strawn for production 8161' - 8167', 3 jsf, 18 holes
3. Breakdown formation with 2000 gals. 15% HCl
4. Well to Production

Reference BLM Bond No. NM2787 (Surety Bond No. RLB0002027)

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

| | | |
|--|--|--|
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Betsy Luna | | Title Engineering Technician |
| Signature Betsy Luna | | Date 08-10-2010 |
| 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. | | Date AUG 26 2010 |
| 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. | | Office WESLEY W. INGRAM PETROLEUM ENGINEER |

(Instructions on page 2)

dm

mm

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

AUG 30 2010
NMOCD ARTESIA

Form C-102
Revised March 17, 1999
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|------------------------------------|--|--|
| API Number 30-015- 34095 | Pool Code | Pool Name Rocky Arroyo (Morrow Gas) |
| Property Code | Property Name ROCKY ARROYO FEDERAL | Well Number 1 |
| OGRID No. 25706 | Operator Name CLAYTON WILLIAMS ENERGY, INC. | Elevation 4473' |

Surface Location

| | | | | | | | | | |
|--------------------|--------------|------------------|---------------|---------|----------------------|---------------------------|----------------------|------------------------|----------------|
| UL or lot No. A | Section 8 | Township 22 S | Range 22 E | Lot Idn | Feet from the 990 | North/South line NORTH | Feet from the 660 | East/West line EAST | County EDDY |
|--------------------|--------------|------------------|---------------|---------|----------------------|---------------------------|----------------------|------------------------|----------------|

Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|------------------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| Dedicated Acres 320 | Joint or Infill | Consolidation Code | Order No. | | | | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | | |
|--|---|--|
| | OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <u>Betsy Luna</u> Signature Betsy Luna Printed Name Engineering Technician Title 03-22-2005 Date | |
| | SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. FEBRUARY 7, 2005 Date Surveyed | |
| | Signature of Professional Surveyor Professional Surveyor NEW MEXICO 1977 W.O. No. 4956 Certificate No. Gary L. Jones 7977 PROFESSIONAL LAND SURVEYOR BASIN SURVEYS | |
| | | |

**Rocky Arroyo Federal 1
30-015-34095
Clayton Williams Energy, Inc.
August 26, 2010
Conditions of Approval**

- A. 3M BOP to be installed and tested. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.**
- B. Closed loop system to be used.**
- C. Contact BLM at 575-361-2822 a minimum of 24 hours prior to starting work.**
- 0. Add: Set Class H cement plug from 8925'-8540' (Morrow perfs, Morrow top, Atoka perfs). WOC 3-4 hours and tag at 8540' or shallower. Reset as necessary.**
- 1. Ok – cement bailed to be Class H.**
- 2. Ok**
- 3. Ok**
- 4. Ok**
- 5. Submit subsequent report detailing work with new well test data.**
- 6. Work to be completed in 120 days (December 24, 2010).**

WWI 082610