

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-24939
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Scharbauer
8. Well Number 2
9. OGRID Number 20497
10. Pool name or Wildcat EK-Yates-Seven Rivers-Queen

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other Water Injection

2. Name of Operator
Seely Oil Company

3. Address of Operator
815 W. 10th St., Ft. Worth, TX 76102

4. Well Location
Unit Letter: N: 330 feet from the South line and 1650 feet from the West line.
Section 20 Township 18S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3973' GL 3985' RKB

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

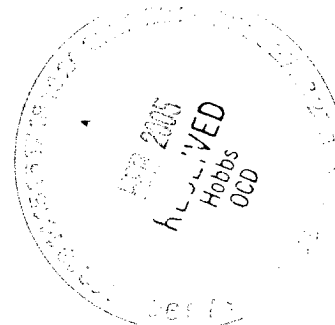
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
MULTIPLE COMPL <input type="checkbox"/>	
OTHER: Convert to Water Injection <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Seely Oil Company proposes to convert this well to Water Injection as set out in Waterflood Order No. R-11929

- Squeeze Queen Sand perforations from 4474'-4482'.
- Drill out cement. Drill out CIBP @ 4550'. clean out csg.
- Re-perforate Penrose Sand from 4746'-4753' w/ 4 spf.
- Acidize w/ 1000 gallons.
- Fracture treat w/ 10,000 gallons & 18,000 lbs. sand.
- Run plastic lined tbg & a plastic lined AD-I pkr to 4700' ±.
- Circulate pkr fluid & set pkr.
- Test csg to 500 psi per OCD regulations.
- Begin injection.



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE David L. Henderson TITLE: Executive Vice President DATE: 2/15/05

Type or print name David L. Henderson E-mail address: dhenderson@seelyoil.com Telephone No. 817-332-1377

For State Use Only

APPROVED BY: Harry W. Wink TITLE: FIELD REPRESENTATIVE II/STAFF MANAGER

Conditions of Approval (if any):

DATE FEB 24 2005