

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNew Mexico Oil Conservation Division, District 1
1625 N. French Drive
HOBBS, NM 88240FORM APPROVED
OMB No 1004-0137
Expires: October 31, 2014

AUG 02 2012

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.5. Lease Serial No.
NM - 83197

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Ridgeway Arizona Oil Corp.

3a. Address

200 N. Loraine STE 1440
Midland, TX 79701

3b. Phone No. (include area code)

432-687-0303

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

1980 FSL 660 FEL
Sec 23, T-7S, R-33E

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

8. Well Name and No
Federal 23 #8

9. API Well No

30-041-10534

10. Field and Pool or Exploratory Area

Chaveroo - Sand Andres

11. County or Parish, State

Roosevelt County

12. CHECK THE 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 <u>Workover</u>
	☐ 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 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/BIA. 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.)

MIRU PU/RU/WS

1. POOH w/rods, down hole pump, laying down
2. NDWH/NUBOP, POOH w/tubing - laying down
3. Pick up 2 3/8 WS from rack, pick up bit sub, 2 3/8 x 3 7/8 bit - RIN w/WS to ck casing/tag up - tallin in
4. If casing checks good, Notify BLM/RFO Field Tech that MIT will occur within 24 hours.
5. RIH w/ 2 3/8 x 4 1/2 CIBP/Packer to within 100ft. of top perf, set CIBP, Pull up 1 stand, set pkr, test CIBP
6. If tests good, POOH w/WS to 50 ft. from surface - Rig up Rerverse unit and load hole w/FW - work out air- Rig up chart recorder
7. Set pkr/shut in backside and pressure casing to 500 psi for 30 minutes.
8. If MIT is successful - get BLM Field Tech to sign chart and send chart to Midland Office.
9. If MIT is unsuccessful - release packer and spot casing leak and establish rate - Contact Midland Office - plans will be made to either squeeze casing leak and proceed with reactivation or initiate P & A process.
10. If casing has integrity, release packer, RIH and retrieve CIBP, POOH w/WS/pkr/CIBP - laying down CIBP/PKR
11. RIH w/bit/bit sub/WS, rig up reverse unit and circulate any fill out to TD
12. POOH w/WS/bit, lay down bit, pick up packer, RIH to within 100ft. of top perf - set packer and prepare for acid job
13. MIRU acid truck and pump 150 gal 15% HCL - record pressure and rate - Rig down acid truck, POOH w/WS/Bit - laying down
14. Haul new tubing string/rod string/rod pump to location - RIH w/Downhole equipment, hang well on, load tubing, wait for pump up
15. RDMO PU

DENIED

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

Kelly Cox

Title Regulatory Assistant

Signature

Date 07/23/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE**Denied! /S/ DAVID R. GLASS**

PETROLEUM ENGINEER

Title

Date

JUL 30 2012

Denied! Lease NM-83197 Expired 11-30-2010, The Last Day Of The Month During Which The Production Of Oil And/Or Gas Ceased By BLM-NMSO Decision Dated 01-30-2012. Well Must Be Plugged With A BLM Approved Plugging Program.

Grant or certify
which would

Office

for any person knowingly and willfully making to any department or agency of the United States any false, or any person knowingly and willfully making to any department or agency of the United States any false, information in violation of the jurisdiction

DENIED

AUG 02 2012

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOTICE OF INCIDENTS OF NONCOMPLIANCE

☒ Certified Mail - Return Receipt Requested 70081830000260366145
☐ Hand Delivered Received by

Identification	
ID	NMNM83197*OEI
Lease	NMNM83197
CA	
Unit	
PA	

Bureau of Land Management Office ROSWELL FIELD OFFICE				Operator RIDGEWAY ARIZONA OIL CORP			
Address 2909 W. SECOND ST. ROSWELL NM 88201				Address ONE RIVERWAY SUITE 610 HOUSTON TX 77056			
Telephone 505-627-0229				Attention			
Inspector BUSSELL				Attn Addr			
Site Name FEDERAL 23	Well or Facility 8	1/4 1/4 Section NESE 23	Township 7S	Range 33E	Meridian NMP	County ROOSEVELT	State NM
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State

THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE

Date	Time (24 - hour clock)	Violation	Gravity of Violation
07/12/2012	09:52	43 CFR 3162.3-4(c)	MINOR
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
08/21/2012			43 CFR 3163.1(i)

Remarks

THE ABOVE REFERENCED WELL IS TEMPORARY ABANDONED / SHUT-IN WITHOUT PRIOR APPROVAL. 43 CFR 3162.3-4 (c) REQUIRES THAT WELL(S) INCAPABLE OF PRODUCTION IN PAYING QUANTITIES BE PROMPTLY PLUGGED AND ABANDONED AND REQUIRES APPROVAL FOR ANY WELL TEMPORARILY ABANDONED/ SHUT-IN FOR MORE THAN 30 DAYS. THEREFORE YOU ARE ORDERED TO DO ONE OF THE FOLLOWING:
(Remarks continued on following page(s).)

When violation is corrected, sign this notice and return to above address.

Company Representative Title Regulatory Mgr. Signature Jana Lee Date 7/23/12
Company Comments Sundry notice of intent attached

WARNING

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

REVIEW AND APPEAL RIGHTS

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer <u>[Signature]</u>		Date <u>7/23/12</u>	Time <u>09:54</u>
FOR OFFICE USE ONLY			
Number 53	Date	Assessment	Penalty
Type of Inspection PI			Termination

BLM Remarks, continued

1. IF YOU DECIDE TO RETURN THE WELL TO PRODUCTION, SUBMIT A SUNDRY NOTICE (FORM 3160-5, ORIGINAL AND 5 COPIES) OF INTENT WITHIN 30 DAYS OF RECEIPT OF THIS LETTER. INCLUDE THE DATE YOU ANTICIPATED THE WELL BEING PLACED BACK IN SERVICE. 43 CFR 3162.4-1(c) ALSO REQUIRES YOU TO NOTIFY THE AUTHORIZED OFFICER, NOT LATER THAN THE FIFTH BUSINESS DAY AFTER PRODUCTION IS RESUMED FOR ANY WELL WHICH HAS BEEN OFF PRODUCTION FOR MORE THAN 90 DAYS, THE DATE ON WHICH SUCH PRODUCTION WAS RESUMED. NOTIFICATION MAY BE BY LETTER OR SUNDRY NOTICE, OR ORALLY FOLLOWED BY LETTER OR SUNDRY NOTICE.

2. IF THE WELL IS TO BE USED FOR BENEFICIAL PURPOSES, SUBMIT A SUNDRY NOTICE (FORM 3160-5, ORIGINAL AND 5 COPIES) WITHIN 30 DAYS OF RECEIPT OF THIS LETTER AND INCLUDE INFORMATION CONCERNING FUTURE USE. A BRIEF DESCRIPTION OF YOUR PROPOSED PLANS AND ECONOMIC FEASIBILITY AND AN ANTICIPATED DATE FOR PLACING THE WELL IN BENEFICIAL USE WILL SUFFICE.

3. IF YOU DECIDE TO PLUG AND ABANDON THE WELL, SUBMIT A SUNDRY NOTICE FORM 3160-5, ORIGINAL AND 5 COPIES) WITHIN 30 DAYS OF RECEIPT OF THIS LETTER AND DESCRIBE THE PROPOSED PLUGGING PROGRAM.

FOR MONITORING AND TRACKING PURPOSES;

SUBMIT APPROPRIATE PAPERWORK TO THIS OFFICE

ATTENTION: ROBERT E. HOSKINSON Sr.

IF YOU HAVE ANY QUESTIONS, CONTACT:

Kevin Bussell

Petroleum Engineering Technician

2909 West Second Street

Roswell, NM 88201

Office: (575) 627-0218

Cell: (575) 361-0106

E-Mail: kbussell@blm.gov