

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs
HOBBS OCD

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

APR 08 2013

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.

RECEIVED

Lease Serial No.
NM 111801X

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

1. Type of Well

Oil Well Gas Well Other

8. Well Name and No.
EK Penrose Sand Unit #202

2. Name of Operator
Seely Oil Company

9. API Well No.
30-025-02373

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

3b. Phone No. (include area code)
817-332-1377

10. Field and Pool or Exploratory Area
EK Yates-SR-Queen

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
UL: B Sec. 30-T18S-R34E
660' FNL & 1980' FEL

11. County or Parish, State
Lea County, NM

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

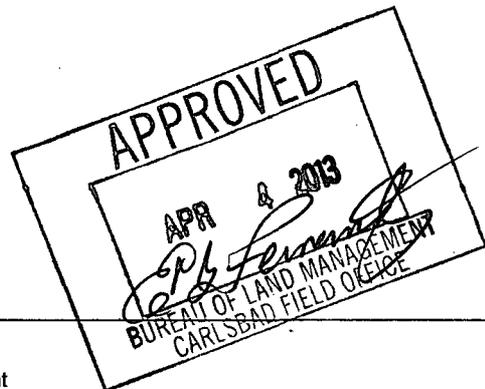
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input checked="" 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/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.)

On a Sundry Notice, Form 3160-5, dated 2/4/2013, Seely Oil Company requested and received permission to convert the subject well to water injection. During the workover, a casing leak was discovered. Seely Oil Company hereby requests permission to squeeze the leak in stages until the casing will hold the required pressure.

Insufficient documentation & work procedure
Operator supplied additional info on a second sundry dated 3/28/2013

Comply with Written Order
SEE ATTACHED FOR
& CONDITIONS OF APPROVAL



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

David L. Henderson

Title President

Signature

[Signature]

Date 02/28/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Petroleum Engineer

Title

Date

APR 08 2013

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

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)

APR 08 2013

Conditions of Approval

Sundry dated 2/28/2013 and 3/28/2013

Seely Oil Company

EK Penrose Sand Unit #202

API 3002502373, T18S-R34E, Sec 30

April 3, 2013

Per Sundry dated 02/28/2013

1. Surface disturbance beyond the existing pad shall have prior approval.
2. Casing added or replaced requires a prior notice of intent (BLM Form 3160-5) approval of the design.
3. **Per Sundry dated 03/28/2013 – Operator replace top joint of casing without proper approval from BLM. Per CFR 3162.3-2, a proposal for further well operations shall be submitted by the operator on Form 3160-5 for approval by the authorized officer prior to commencing operators to perform casing repairs. Replacing the top joint of casing due to a hole is casing repair.**
4. **Operator to provide specification of the top joint of casing.**
5. **Operator shall comply with the enclosed Written Order of the Authorized Officer**

Per Sundry dated 03/28/2013

6. **Operator to perform cement squeeze job as stated and cement to circulate to surface**
7. **Wait on cement 24hrs then drill out.**
8. **Run a CBL from 3200 feet or below to top of cement to surface to confirm top of cement of primary cement job and results of casing repair. Submit to BLM ASAP for review. If possible provide BLM with an electronic copy (Adobe Acrobat Document) cement bond log. The CBL may be attached to a pswartz@blm.gov email.**
9. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
10. Functional H₂S monitoring equipment shall be on location.
11. A 2000 (2M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. A ram system including a blind ram and pipe ram(s) designed to close on all of the work string(s) used is required equipment. Manual BOP closure (hand wheels) equipment shall be installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.

12. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
13. File intermediate **subsequent sundry** Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry.
14. Submit the BLM Form 3160-4 **Recompletion Report** within 30 days of the date all BLM approved procedures are complete.
15. Workover approval is good for 90 days (completion to be within 90 days of approval). A legitimate request is necessary for extension of that date.

EGF 040313