

HOBBS OGD

SEP 21 2016

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Hobbs

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

RECEIVED

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | | |
|---|---|---|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMNM0199827A |
| 2. Name of Operator <i>Canyon E&P Company</i> Contact: JOYCE WILLIAMS Sheridan Production Company E-Mail: jwilliams@sheridanproduction.com | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 9 Greenway Plaza, Suite 1300 Houston, TX 77046 | 3b. Phone No. (include area code) Ph: 713-548-1000 | 7. If Unit or CA/Agreement, Name and/or No. |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 6 T15S R30E NESW Tract 7 2310FSL 1650FWL ✓ 33.044155 N Lat, 103.967704 W Lon | | 8. Well Name and No. SUE FEDERAL 2 ✓ |
| | | 9. API Well No. 30-005-20330-00-S1 |
| | | 10. Field and Pool, or Exploratory DOUBLE L-QUEEN (ASSOCIATED) |
| | | 11. County or Parish, and State CHAVES COUNTY, NM |

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 type="checkbox"/> Recomplete | <input checked="" 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 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 shall 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 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.)

P&A PROCEDURE IS ATTACHED.

SHERIDAN IS REQUESTING A PLUGGING DATE EXTENSION. UNTIL WE WERE NOTIFIED BY THE BLM, WE HAD NO RECORD OF HAVING ANY INTEREST IN THIS WELL. UPON FURTHER REVIEW, WE FOUND THAT WE WERE SOLD A LEASEHOLD INTEREST ONLY IN SPECIFIC WELLS, THIS BEING ONE OF THEM. HOWEVER, WE HAD NO DATA IN HOUSE OR ELECTRONICALLY. WE HAVE BEEN RESEARCHING AND TRYING TO DETERMINE WELLBORE OWNERSHIP. CANYON E&P IS THE LAST KNOWN OPERATOR OF THE WELLBORE, BUT BECAUSE WE HAVE A LEASEHOLD INTEREST ONLY, WE ARE ON THE HOOK, ALONG WITH PALADIN. WITH THAT BEING SAID, PALADIN IS IN THE MIDST OF BANKRUPTCY, SO THEY WILL NOT BE OF ANY HELP IN THIS MATTER. GIVEN THE CIRCUMSTANCES SURROUNDING THIS WELL AND THE BURDEN THAT SHERIDAN IS HAVING TO INCUR TO PLUG THIS WELL, WE RESPECTFULLY REQUESTS AN EXTENSION TO PLUG THIS WELLBORE UNTIL DECEMBER 15, 2016.

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|---|--------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #350862 verified by the BLM Well Information System For CANYON E&P COMPANY, sent to the Roswell Committed to AFMSS for processing by DAVID GLASS on 09/15/2016 (16DRG0368SE) | |
| Name (Printed/Typed) JOYCE WILLIAMS | Title REGULATORY ANALYST |
| Signature (Electronic Submission) | Date 09/12/2016 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|------------------------------------|--------------------|
| Approved By /S/ DAVID R. GLASS | Title PETROLEUM ENGINEER | SEP 15 2016 |
| 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 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person to make any false, fictitious or fraudulent statements or representations as to any matter within the jurisdiction of the United States Government.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ****

This Approval Is Subject To The Original Procedure And Stipulations To Plug Approved On JUL 06 2016. Plugging Operations Must Be Commenced By DEC 15 2016!