Form 3160-5 (February 2005)

UNITED **DEPARTMENT** (BUREAU OF LAND MANAGEMENT

STATES	>	CCD-F
OF THE INTERI	OR	

FORM APPROVED	
OM B No. 1004-0137	_
Expires: March 31, 20	0

5.	Lease Serial No.
	T C 065304

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.			,	lottee or Tribe Name	
SUBMIT IN TRIPLICATE- Other instructions on reverse side.			7. If Unit or CA/Agreement, Name and/or No. EK Queen Unit		
1. Type of Well Oil Well	Gas Well Other	<u> </u>		8. Well Name a	
2. Name of Operator Seely Oil Con	npany			9. API Well N	√o.
3a Address 815 W. 10th Street, Fort Worth		3b. Phone No. (include 817-332-1377	area code)		333 col, or Exploratory Area Seven Rivers Queen
4. Location of Well (Footage, Sec., 7				11. County or F	
1980' FSL & 1980' FWL Section 18-T 18S-R34E			Lea, New Mexico		
12. CHECK AF	PROPRIATE BOX(ES) TO	INDICATE NATUR	E OF NOTICE, R	EPORT, OR C	THER DATA
TYPE OF SUBMISSION		TYF	E OF ACTION		
Notice of Intent Subsequent Report	Acidize Alter Casing Casing Repair Change Plans	Deepen Fracture Treat New Construction Plug and Abandon	Production (Stan Reclamation Recomplete Temporarily Ab		Water Shut-Off Well Integrity Other
Final Abandonment Notice	Convert to Injection	Plug Back	Water Disposal	andon.	
Attach the Bond under which t	ed Operation (clearly state all perti- ectionally or recomplete horizontal he work will be performed or prov volved operations. If the operation nal Abandonment Notices must be	lly, give subsurface location vide the Bond No. on file was results in a multiple comp	ns and measured and tru vith BLM/BIA. Requir eletion or recompletion i	ie vertical depths o ed subsequent rep in a new interval, a	orts must be filed within 30 days Form 3160-4 must be filed once
Seely Oil Company reque		abandon this well. A	CIBP will be set @ 43	380' and 35' cm	t will be dumped on plug. The

SEE ATTACHED FUR CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)				
David L. Henderson	Title 1	Executive Vice President		
Signature () All Monday	Date	09/20/2)06	
Jan A Jana are			APPROVED	
THIS SPACE FOR FEDERAL	LOR	STATE OFFICE USE		
Approved by Jany W. Wink	i i ito dimi	Title	Date OCT 6 2006	
Conditions of approval, if any, are attached. Approval of this notice does not warra certify that the applicant holes legal or equitable title to those rights in the subject le	ant or ease	Office		
which would entitle the applicant to conduct operations thereon.			WESLEY W. INGRAM	
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 of the ELEPTED States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.				

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 505-234-5972

Temporary Abandonment of Wells on Federal Lands Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

- 1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
- 2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Chaves and Roosevelt County, call 505-627-0272; Eddy County, 505-234-5972; Lea County 505-393-3612.

Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment (TA) status for a 12 month period provided that the operator:

- 1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval.
- 2. Describes the temporary abandonment procedure.
 - Attaches a clear copy or the original of the pressure test chart.

Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.

The TA status could be extended for an additional 12 month period without another casing integrity test provided there was no leak-off during the test and the test was witnessed by a BLM representative. The operator must submit a sundry notice requesting an extension of TA status 30 days prior to expiration of the previous approval and appropriate justification for extending the TA status is included.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

- A procedure to repair the casing so that a TA approval can be granted.
- 2. A procedure to plug and abandon the well.

acs - 5/26/2005

3.

Ref: IM: NM-95-022 (12/16/94)