



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

RECEIVED

AUG 31 2007

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

30-Aug-2007

SOUTHWEST ROYALTIES INC 21355
6 DESTA DRIVE
SUITE 2100
MIDLAND, TX 79705-

3/4/2008
PLA'd OK to Release
WMS

Property Name: WARREN AMERICAN

M-32-9S-33E 30-025-26367-00-00 001

Form C-103, Report of Plugging has been approved as to plugging of the Well Bore. Liability under bond is retained until an NMOCD representative has made an inspection of the location and found it to be cleared to comply with OCD rules and regulations. Please check each item in the space provided to indicate that the work has been accomplished and the location is ready for final inspection.

- ☒ 1. All pits have been remediated, filled and leveled.
- ☒ 2. Rat hole and cellar have been filled and leveled.
- ☒ 3. A steel marker 4" in diameter and approximately 4' above mean ground level has been set in concrete to mark the exact location of the plugged well. (Marker must have operator name, lease name, well number and location including quarter/quarter section or unit letter, section, township, range and API well ID number permanently welded, stamped or otherwise engraved into the metal marker.)
- ☒ 4. The location has been leveled as nearly as possible to original top ground contour and has been cleared of all junk and equipment.
- ☒ 5. The dead men and tie downs have been cut and removed.
- ☒ 6. If a one well lease or last remaining well on lease, the battery and burn pit locations have been remediated, leveled and cleared of all junk & equipment.
- ☒ 7. All environmental concerns have been addressed as per OCD guidelines.

The above are minimum requirements and no plugging bond will be cancelled until all locations for plugged and abandoned wells have been inspected.

When all of the work outlined above has been done, please notify this office by completing, signing and returning this letter to us so that our representative will not have to make more than one trip to the location.

I certify that the above work has been done and the above-mentioned lease is ready for OCD inspection and approval.

Name

Joanna Prukop

Title

Asst 2/29/08

27398 Submit 3 Copies To Appropriate
District Office
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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised June 10, 2003

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

| |
|---|
| WELL API NO. 30-025-26367 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease OG1826 |
| 7. Lease Name or Unit Agreement Name WARREN AMERICAN |
| 8. Well Number 1 |
| 9. OGRID Number 021355 |
| 10. Pool name or Wildcat FLYING M SAN ANDRES |

| | |
|---|--|
| 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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> P&A'd wellbore | |
| 2. Name of Operator Southwest Royalties, Inc. | |
| 3. Address of Operator 6 Desta Drive, Ste 2100, Midland, Texas 79705 | |
| 4. Well Location Unit Letter <u>M</u> : <u>660</u> feet from the <u>S</u> line and <u>660</u> feet from the <u>W</u> line Section <u>32</u> Township <u>9-S</u> Range <u>33-E</u> NMPM LEA County | |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4251 RKB | |

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☒
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

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.

REQUEST FOR FINAL INSPECTION.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Dawn M. Howard TITLE OPERATIONS ASSISTANT DATE 2/29/08

Type or print name DAWN M. HOWARD E-mail address: dhoward@claytonwilliams.com Telephone No. 432/686-9927

(This space for State use)

APPROVED BY Maley J. Brown TITLE COMPLIANCE OFFICER DATE 3/4/2008

Conditions of approval, if any:

COMPLIANCE OFFICER

RECEIVED

Inspected 3/4/2008
OK

MAR 04 2008

HOBBS OCD