

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No 1004-0137  
Expires: March 31, 2007

**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 ☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator **Seely Oil Company**

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

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

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

**UL: N Sec. 11-T18S-R33E  
660' FSL & 1980' FWL**

5. Lease Serial No.  
**NM130398**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**Caviness Federal No. 2**

9. API Well No.  
**30-025-29428**

10. Field and Pool, or Exploratory Area  
**Mescalero Escarpe; Bone Spring**

11. County or Parish, State

**Lea County, New Mexico**

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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 recomplate 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.)

Seely Oil Company proposes to plug and abandon the above cited well as follows:

CIBP @ 8285' w/ 35" cmt on top (already set)  
Perforate holes @ 4900' Squeeze w/ 150 sxs.  
25 sxs @ 3100' (Base of Salt)  
25 sxs @ 1700' (Top of Salt)  
Perforate holes @ 400'. Circulate cmt.  
Erect dry hole markers & clean location.

**RECEIVED**

**APR 29 2008**

**HOBBS OCD**

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

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

**David L. Henderson**

Title **Executive Vice President**

Signature

*David L. Henderson*

Date

**04/14/2008**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

*Chris Williams*

**OC DISTRICT SUPERVISOR/GENERAL MANAGER**

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

**APPROVED**

**APR 23 2008**

**JAMES A. AMOS  
SUPERVISOR-EPS**

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

Seely Oil Company  
NMNM30398; Caviness Federal 2  
660' FSL & 1980' FWL  
Section 11, T.18 S., R.33 E.  
Lea County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

1. Perforate 5-1/2" casing @ 6730'. Squeeze adequate cement for a 160' plug from 6730'-6570' (covers top of Bone Springs). WOC and tag no lower than 6570'.
2. Perforate 5-1/2" casing @ 4740'. Squeeze adequate cement for a 140' plug from 4740'-4600' (covers top of Grayburg). WOC and tag no lower than 4600'.
3. Perforate 5-1/2" casing @ 3340'. Squeeze adequate cement for a 180' plug from 3340'-3160' (covers 8-5/8" shoe, top of Yates and Base of Salt). WOC and tag no lower than 3160'.
4. Perforate 5-1/2" casing @ 1790'. Squeeze adequate cement for a 100' plug from 1790'-1690' (covers top of salt). WOC and tag no lower than 1690'.
5. Perforate 5-1/2" casing @ 625'. Squeeze with adequate cement for a 100' plug from 625'-525' (covers the 13-3/8" casing shoe) WOC and tag no lower than 525'.
6. Perforate the 5-1/2" and 8-5/8' casings @ 400'. Circulate adequate cement to circulate all strings to surface inside and out. POH and top off with cement.

Note: Cut and pulling casings would alter this procedure, mostly in the perforating and WOC inside casings. Cuts could be at formation tops where a plug would be set anyway.

See attached standard COA's.

James A. Amos  
505-234-5909

4/26/08

**BUREAU OF LAND MANAGEMENT**  
**Carlsbad Field Office**  
**620 East Greene Street**  
**Carlsbad, New Mexico 88220**  
**575-234-5972**

**Permanent Abandonment of Federal Wells**  
**Conditions of Approval**

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

**If you are unable to plug the well by the 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.**

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement.** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on-site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.