

State of New Mexico
Energy, Minerals and Natural Resources

<p>RECEIVED NOV 02 2009 HOBBSOCD</p> <p>CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505</p>		<p>WELL API NO. / 30-025-24808</p>
<p>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.)</p>		<p>5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/></p>
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>6. State Oil & Gas Lease No.</p>
<p>2. Name of Operator Seely Oil Company</p>		<p>7. Lease Name or Unit Agreement Name Scharbauer</p>
<p>3. Address of Operator 815 W. 10th St. Ft. Worth, TX 76102</p>		<p>8. Well Number #1</p>
<p>4. Well Location Unit Letter M: 330 feet from the south line and 330 feet from the west line Section 20 Township 18S Range 34E NMPM Lea County</p>		<p>9. OGRID Number 20497</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4004' GR 4014' RKB</p>		<p>10. Pool name or Wildcat EK-Yates-SR-Queen</p>

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 COMPL ☐
 DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/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.

The subject well has been producing only water with a high fluid level indicating a possible casing leak.

Seely Oil Company proposes to isolate and repair the leak by squeeze cementing.
A Sundry Notice will be submitted after the repair is completed.

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

SIGNATURE

David L. Henderson

TITLE: Executive Vice President

DATE: 10/30/2009

Type or print name: David L. Henderson

E-mail address: dhenderson@seelyoil.com

PHONE: 817-332-1377

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

NOV 03 2009