

State of New Mexico
Energy, Minerals and Natural Resources

RECEIVED

MAR 29 2010

HOBBSUCD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-025-24939	✓
5. Indicate Type of Lease FEDERAL <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	✓
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name EK Penrose Sand Unit	✓
8. Well Number 802	✓
9. OGRID Number 20497	✓
10. Pool name or Wildcat EK Yates-SR-Queen	✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	

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 ☐ Gas Well ☐ Other – Water Injection ☒

2. Name of Operator

Seely Oil Company

3. Address of Operator

815 W. 10th St., Ft. Worth, TX 76102

4. Well Location

Unit Letter N: 330 feet from the South line and 1650 feet from the West line

Section 20 Township 18S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 COMPLETIONS ☐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 failed an MIT. Seely Oil Company proposes to remove the lined tbg and pkr to determine the problem. If there is a csg leak, we plan to repair it by squeezing. If it is tbg or pkr leak, the bad equipment will be replaced and re-run. An MIT will be performed before the request is made to return the well to water injection.

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: 3/25/2010

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: STAFF MGR DATE: 3-29-10

Conditions of Approval (if any):