

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. OIL CONS. COMMISSION
P.O. BOX 1980
HOBBES, NEW MEXICO 88240

Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS RECEIVED

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

5. Lease Designation and Serial No.
NM-0450847
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE

BUREAU OF LAND MGMT.
HOBBES, NM.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
PENROC OIL CORPORATION

3. Address and Telephone No.
P.O. Box 5970, Hobbes, NM 88241-5970 (505) 397-3596

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**N614 SW/4, Sec. 13, T. 9. S, R. 35. E.
2005 S + 1873 W**

7. If Unit or CA, Agreement Designation

8. Well Name and No.
FEDERAL A' NO. 7

9. API Well No.
30-025-23202

10. Field and Pool, or Exploratory Area
BOUGH DEVONIAN

11. County or Parish, State
LEA COUNTY, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other **REQUEST FOR TEMP. ABANDONMENT**

- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

In April, 1993 - 3160 was approved to P&A' this well. At this point we request extension of temporarily abandonment status, and propose to set a packer above 6950' and testing casing above. If test O.K. would maintain TA status. If casing don't test - will plug and abandon per procedure approved 4/9/93.

14. I hereby certify that the foregoing is true and correct

Signed Lohan J. Merchant Title President

Date 8/29/94

(This space for Federal or State office use)

(ORIG. SGD.) JOE G. LARA

Approved by JOE G. LARA Title PETROLEUM ENGINEER

Date 9/27/94

Conditions of approval, if any: See attached.

Title 18 U.S.C. Section 1001, makes 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.

BUREAU OF LAND MANAGEMENT
CARLSBAD RESOURCE AREA

Temporary Abandonment of Wells on Federal Lands

Conditions of Approval

According 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 casing integrity test as follows:

1. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County call (505) 887-6544 ; for wells in Lea County call (505) 393-3612.
2. A bridge plug or packer shall be set at a maximum of 50 feet above any open perforations or open hole.
3. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
4. The production casing shall 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 leak-off.

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

1. Submits a subsequent Sundry Notice requesting TA approval,
2. Attaches a clear copy or the original of the pressure test chart,
3. And attaches a detailed justification why the well should not be plugged and abandoned.

The TA status could be extended without another casing integrity test provided there was no leak-off during the test.

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:

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