N.M. OIL CONS. COMMISSION P.C /OX 1980

Form 3160-5 (June 1990)	DEPARTMEN	TED STATES IT OF THE INTER LAND MANAGE	RECEIVED	FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993 5. Lease Designation and Serial No.
SUNDRY NOTICES AND REPORTS ON WELLS MONT 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				LC-029519-A 6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE				7. If Unit or CA, Agreement Designation
1. Type of Well Signature Gas Other				8. Well Name and No. B.V. Lynch "A" Fed No. 6 9. API Well No.
3. Address and Telephone No. 16414 San Pedro, Suite 470, San Antonio, Texas 78232(210-4962466) 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FSL & 330' FEL of Section 35, T 20S, R 34E				30-025-02508 10. Field and Pool, or Exploratory Area Lynch/Yates/SA 5 11. County or Parish, State Lea Co., New Mexico
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPOR				
TYPE O	TYPE OF SUBMISSION TYPE OF ACTION			
	e of Intent quent Report Abandonment Notice	R PI	bandonment ecompletion dugging Back fasing Repair eltering Casing ther Temporary Abandonment	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
Well Condit hole 3666 - Olsen Energ pressure te The Lynch "Low oil pri	ions: 5½" 15.5# c. 3726'. 2-3/8" tuy, Inc. proposes to st the casing. A" Fed No. 6 was pose does not justif	asing set @ 36 bing @ 3500'. o pull the tub roducing with y replacing th	of66" cemented to the surfacions and rerun with a pack	ace. Completed open ker to 3620' and the motor burned out. wever, Olsen Energy, Inc.

Title Drilling/Production Manager (This space for PETROLEUM ENGINEER Approved by Conditions of approval, if any Title

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:

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