

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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

QUAY VALLEY, INC.

3a. Address

P. O. BOX 10280 MIDLAND TX 79702-5026

3b. Phone No. (include area code)

(915)687-4220

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

1980' FNL & 1980' FWL, SECTION 25, T-26-S, R-32-E

Base Serial No.

LC069515

6. If Indian, Allottee or Tribe Name

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

8910138040

8. Well Name and No.

NORTH EL MAR UNIT #14

9. API Well No.

30-025-08277

10. Field and Pool, or Exploratory Area

EL MAR; DELAWARE

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 checked="" type="checkbox"/> Other POSSIBLE REPAIR |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | TO CASING OR |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | CIBP |

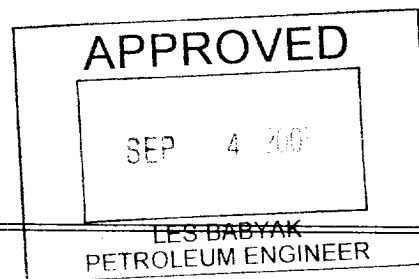
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations measured and true vertical depths 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 recompleat 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.)

THIS WELL FAILED THE MECHANICAL INTEGRITY TEST.

THE PROBLEM IS A POSSIBLE CIBP OR CASING LEAK.

IT IS PROPOSED THAT THE WELL BORE BE CHECKED OUT TO DETERMINE THE PROBLEM AND IF FEASIBLE; MAKE REPAIRS TO THE WELL BORE BY SQUEEZING OPERATION OR REPLACE THE CIBP.

IF REPAIRS ARE TOO COSTLY, THE WELL MAY HAVE TO BE P/A'D.



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

Name (Printed/Typed)

STELLA SWANSON, CPL

Title

PRESIDENT

Signature

Date

08/16/2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| Approved by | Title | Date |
|---|--------|------|
| 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 | |

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FOSWELL OFFICE