Form 3160-5 (June 2015)

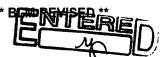
UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

5. Lease Serial No.

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.					NMNM0486483		
					6. If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE - Other instructions on page 2					7. If Unit or CA/Agreement, Name and/or No. SW381		
1. Type of Well ☐ Oil Well ☑ Gas Well ☐ Other					8. Well Name and No. SHELL FED COM 1		
Name of Operator Contact: ADDISON GUELKER FASKEN OIL & RANCH LIMITED E-Mail: addisong@forl.com					9. API Well No. 30-015-10881-00-S1		
3a. Address 6101 HOLIDAY HILL ROAD MIDLAND, TX 79707			(include area code) 7-1777		10. Field and Pool or Exploratory Area INDIAN BASIN-STRAWN WOLFCAMP		
4. Location of Well (Footage, Sec., T	11. County or Pari		11. County or Parish,	State			
Sec 5 T21S R24E NESW 198			EDDY COUNTY, NM '				
12. CHECK THE A	PPROPRIATE BOX(ES)	TO INDICA	ΓE NATURE O	F NOTICE,	REPORT, OR OTH	IER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION						
Notice of Intent	☐ Acidize	☐ Deep	en	☐ Production (Start/Resume)		■ Water Shut-Off	
_	☐ Alter Casing	☐ Hydi	draulic Fracturing		ation	■ Well Integrity	
☐ Subsequent Report	Casing Repair	□ New	Construction	Recomp	olete	Other	
☐ Final Abandonment Notice	☐ Change Plans	🛭 Plug	and Abandon	☐ Tempor	arily Abandon		
	☐ Convert to Injection	Plug	□ Plug Back		Disposal		
following completion of the involved testing has been completed. Final Ab determined that the site is ready for fi Fasken Oil and Ranch, Ltd. re attached procedure, current an	nandonment Notices must be filinal inspection. Quests approval to plug a	ed only after all t and abandon t	equirements, includ	ing reclamation	new interval, a Form 316 n, have been completed a	nd the operator has	
Accepted for record - NMOCD			CONDITIONS			iED FOR S OF APPROVAL	
				_			
14. I beach and Gabash Garage in the		DISTRICT	-ARTESIA O.C.	D			
14. I hereby certify that the foregoing is Commi	Electronic Submission #	L & RANCH LI	MIŤED, sent to ti	ne Carlsbad	•		
Name (Printed/Typed) ADDISON GUELKER			Title REGUL	Title REGULATORY ANALYST			
Signatura (Floatrania S	(uhumiaaiam)		Data 40/40/04	240			
Signature (Electronic S	THIS SPACE FO	DR FEDERA	Date 10/19/20				
	THIS SPACE FO	TEDERA	LOKSIAIL	OFFICE O			
Approved By Amery		Title	KT		10 - 31-18 Date		
Conditions of approver, if any, are attached ertify that the applicant holds legal or equivalent to condu	Office AC	?					
itle 18 U.S.C Section 1001 and Title 43 states any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a tatements or representations as	crime for any per	son knowingly and	willfully to ma	ike to any department or	agency of the United	



Recommended P&A Procedure Fasken Oil and Ranch, Ltd. Shell Fed Com No. 1

OBJECTIVE:

Plug and Abandon

WELL DATA (as of 9-26-18):

13-3/8" 48# casing:

Set at 310', 350 sx. Circ 325sx cmt to surface.

8-5/8" 24 # casing:

Set at 3,100', w/1100sx Incor+ 330sx "C" neat; Circ 276 sx to

surface.

4-1/2" 11.6# N80&J55 casing:

Set at 9,900' 450 sx Incor ("C") TOC @ 7,750' Temp survey.

Cutoff at 6590' 6-27-18

Perfs & Plugs:

Yeso: 2789'-67' Swb non-commercial 7-17-18

Plug7 8-5/8" shoe, 75sx "C" 3246'-2998' Tag 7-16-18

Yeso: 3050'-80', swab wet.

Plug6 50sx "C" 3406'-4346' Tag 7-3-18 Plug5 95sx "C" 7030'-6458/ Tag 7-2-18

Cut and pull csg 6590' 6-27-18, CIBP @ 7030' 6-26-18

CIBP @ 7030' 6-26-18 Wolfcamp: 7106'-7129'

Plug4 Cmt Ret 7650', Remeidal Sqz 7700'-7210'165x, Sqz

7210'-7080' 145sx, 2-22-17

Plug3 CIBP @ 8,501' w/358' cmt 2-16-17

Strawn: 8568'-76', Dec 2014 Strawn: 8895'-8910', May 2015:

Plug2 CIBP @ 9131'-8901' w/230' "H" cmt 12-24-14, WL tag

5-18-15

Atoka: 9181'-9422', Jul 2014 CIBP 9550 w/35' "H" cmt

CIBP 9560

Morrow: 9670'-9731'Feb 2017

Tubing: None – all tubing retrieved on 7-17-2018

KB:

13'

TD: 9,901'

PBTD: 2,956' (Plug @ 3,246' w/290'cmt) 7-7-2018

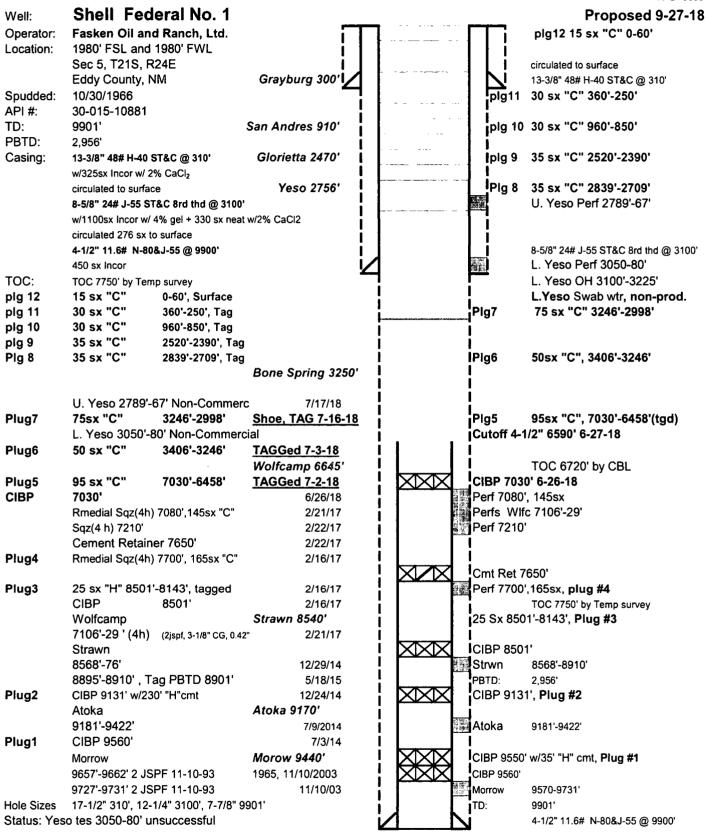
- 1. Notify BLM in Carlsbad @ 575-361-2822 of intent to plug and abandon 24 hours prior to rigging up on well.
- 2. Make sure mast anchors have been tested and tagged in last 24 months.
- 3. RUPU, set rig mats, cat walk, 2 sets pipe racks and a half-frac workover tank on location.
- 4. Lay flow line to workover tank. Receive +/- 3,100' 2-3/8" EUE 8rd 4.7#/ft N80 workstring tubing.
- 5. Bleed casing pressure (if any) to tank.
- 6. RU pump truck and kill well via tubing with 40 bbls fresh water.
- 7. RIW with 2-3/8" notched collar, 2-3/8" EUE 8rd 4.7#/ft N80 tubing to PBTD 2,998' (tagged 7-16-18).
- 8. RU cement pump and mix and pump 159 bbls 9.5# salt gel mud with a minimum of 12.5 pounds of gel per barrel (or 25 sacks at 50 LB/sack per 100 bbls). Displace all cement plugs (estimated 540 feet of total cement plugs) with mud laden brine water.

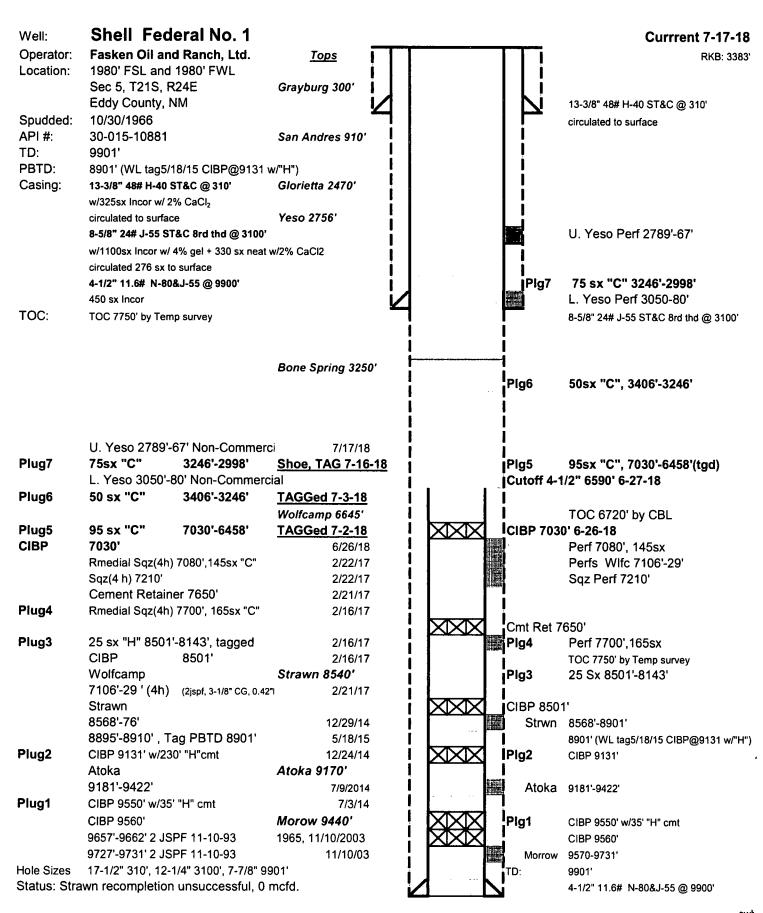
2706

- 9. Plug #8: POW laying down tubing to 2839'. Mix and spot 35 sx Class "C" cement plug at 2839'-2709'. POW and WOC for 4 hrs and tag plug @ or above 2739'. Notify Midland Office and BLM of the results. POW to 2520'.
- 10. Plug #9: POW laying down tubing to 2520'. Mix and spot 35 sx Class "C" cement plug at 2520'-2390'. POW and WOC for 4 hrs and tag plug @ or above 2420'. Notify Midland Office and BLM of the results.
- 11. Plug #10: POW laying down tubing to 960'. Mix and spot 30 sx Class "C" cement plug at 960'-850'. POW and WOC for 4 hrs and tag plug @ or above 860'. Notify Midland Office and BLM of the results.
- 12. Plug #11: (13-3/8" shoe 310'): POW to 360'. Mix and spot a 30 sx Class "C" cement plug at 360'-250'. POW and WOC 4 hrs. RIW with tubing and TAG cement plug @ or above 260' and notify Midland Office and BLM of the results.
- Plug #12 (Surface): Mix and spot a 16 sx Class "C" cement plug at 60', displacing cement to surface.
- 14. Dig out wellheads and cut-off below "A" section.
- 15. Weld plate onto casing with marker joint with the following information. Fasken Oil & Ranch Ltd., Shell Federal Com No.1, Section 5, T21S, R24E, 1980' FSL and 1980' FWL, Unit C.
- 16. Install 1" 2000 psi valve welded into top of marker joint. Remove valve handle and close valve.
- Send wellheads to Downing Wellhead in Midland. Clean location, RDPU and release all rental equipment.

9-26-18

RKB: 3383'





BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within <u>ninety (90)</u> days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

- 7. <u>Subsequent Plugging Reporting</u>: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**
- 8. <u>Trash</u>: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.