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

No. 777A

<ol><li>Lease Serial 1</li></ol>
NMLC0377

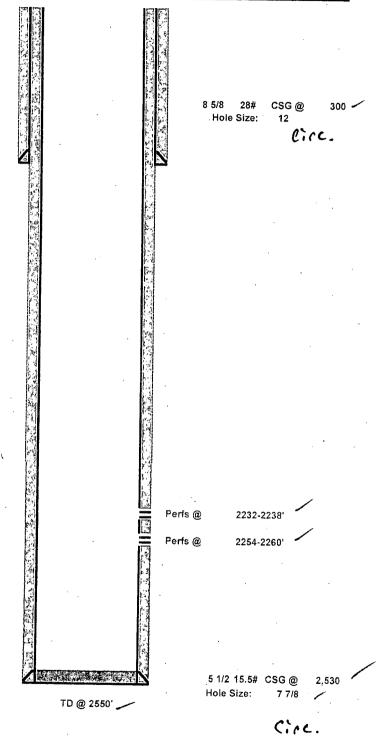
SUNDRY N	OTICES AND REPORTS ON WELLS
	form for proposals to drill or to re-enter an
abandoned well.	Use form 3160-3 (APD) for such proposals.

6. If Indian, Allottee or Tribe Name

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FOR FEDERA	L OR STAT	E OFFICE U	ISE	
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	Ory Hole Marker.  1 9 NMOCD  on #461204 verifie PERATING OF NN cessing by DEBO  FOR FEDERA  does not warrant or n the subject lease	Ory Hole Marker.  On #461204 verified by the BLM of the PERATING OF NM LLC, sent to cessing by DEBORAH MCKINNE Title AGE  Date 04/1  FOR FEDERAL OR STATE  does not warrant or n the subject lease  Office	SEE AT CONDI  On #461204 verified by the BLM Well Information PERATING OF NM LLC, sent to the Carlsbad cessing by DEBO RAH MCKINNEY on 04/12/2017 Title AGENT  Date 04/11/2019  FOR FEDERAL OR STATE OFFICE L  does not warrant or in the subject lease  Office Condition  Office Conditio	SEE ATTACHESTEC  SEE ATTACHESTEC  CONDITIONS OF A  CONDIT

rating		
BCM & Associates, Inc		
Levers Federal	Well No.	#6
Grbg Jackson	API #:	30-015-23032
Eddy	Lease/ID#	
New Mexico	Zone:	7RVS-QN-GB-SA
3/28/1980		1650'FSL & 990'FEL
3594		Sec 33, T16S, R29E
	BCM & Associates, inc Levers Federal Grbg Jackson Eddy New Mexico 3/28/1980	BCM & Associates, inc   Levers Federal   Well No.     Grbg Jackson   API #:   Lease/ID#     New Mexico   Zone:   3/28/1980

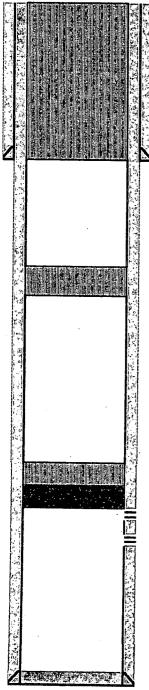
Description	O.D.	Grade	Weight	Depth	Hole	Cmt Sx	TOC
Surface Csg	8 <b>5</b> /8		28#	300	12	275	Circ'd
Prod Csg	5 1/2		15.5#	2,530	7 7/8	1,121	Circ'd



Saft 278
Yates 861
7R 1892
Qu 1648
GB 1997
SA 2411
Lor 2482

MCI Ope	rating of NM, LLC		
Author:	BCM & Associates, Inc		•
Well Name	Levers Federal	Well No.	. #6
Field	Grbg Jackson	API#:	30-015-23032
County	Eddy	Lease/ID#	
State	New Mexico	Zone:	7RVS-QN-GB-SA
Spud Date	3/28/1980		1650'FSL & 990'FEL
GL	3594 ,		Sec 33, T16S, R29E

Description	O.D.	Grade	Weight	Depth	Hole	Cmt Sx	TOC
Surface Csg	8 5/8		28#	300	12	275	Circ'd
Prod Csg	5 1/2		15.5#	2,530	7 7/8	1,121	Circ'd



TD @ 2550' TDPB @ 2530'

8 5/8 28# 300 Hole Size:

3. Spot 40 sx cmt @ 350' to Surface.

2. Spot 25 sx cmt @ 727-527'. WOC & Tag (B/Salt)

1. Set 5 1/2" CIBP @ 2182'. Circ hole w/ MLF. Pressure test csg. Spot 25 sx cmt @ 2182-1980'.

Perfs @ 2232-2238'

Perfs @ 2254-2260'

> 5 1/2 15.5# CSG @ 2,530 Hole Size:

## 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 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> 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 10<sup>th</sup> 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. <u>Show date well was plugged</u>.
- 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.