Form 3160-5 (August 2007)

N.M. Oil Cons. DIV-Dist. 2

FORM APPROVED OMB No 1004-0137 Expires July 31, 2010

Do not use this t	IOTICES AND REPOR form for proposals to Use Form 3160-3 (AP	drill or to re-e	nter∩an cEb l 3	6. If Indian, Allottee AM 11: 23	or Tribe Name	;			
	T IN TRIPLICATE - Other in	structions on page	2. STATE	7: If Unit of CA/Agre FW MEXICO	ement, Name	and/or No.			
1. Type of Well	7-II		JANTA	8. Well Name and No).	N.a.			
Oil Well X Gas Well Other 2. Name of Operator				Cazador Federal Com #1 9. API Well No.					
Primexx Operating Corporation				30-00564030					
3a. Address 4849 Greenville A Dallas, Texas 752	b. Phone No. (include 214–369–5909	le area code)	10. Field and Pool or Exploratory Area WC: Mississippian						
4. Location of Well (Footage, Sec., T., 2034 FNL & 660 FEL,	7E.		11. Country or Parish, State Chaves County, M						
12. CHE	CK THE APPROPRIATE BOX	(ES) TO INDICATE	NATURE OF NOTIC	CE, REPORT OR OTH	IER DATA				
TYPE OF SUBMISSION	TYPE OF SUBMISSION				TYPE OF ACTION				
X Notice of Intent	Acidize Alter Casing	Deepen Fracture Treat		uction (Start/Resume)	ne)				
	Casing Repair		w Construction Recomplete		Other				
Subsequent Report	Change Plans	XX Plug and Ab	= ·		, 🗀 🥯				
Final Abandonment Notice				er Disposal					
APPROVED FOR	Plugging Procedure. R_3_MONTH PE	RIOD 	RECEI OCT 05 NMOCD AF	2010		2010 SEP 21 AH 9: 45	HECHVED.		
14. I hereby certify that the foregoing is Andrea Molinar	true and correct. Name (Printed)	Typed)	Regulatory A	Inalys t					
Signature andrea	Molinar	Date	9/09/2010						
***************************************	THIS SPACE F	OR FEDERAL	OR STATE OF	FICE USE					
Approved by /S/ DAVID R. GLASS		S	PETROLEUM	ENGINEER Date SEP 2 7 2010					
Conditions of approval, if any, are attache that the applicant holds legal or equitable entitle the applicant to conduct operations	title to those rights in the subject	ot warrant or certify	Office	Fir Attac					

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

Cazador Federal Com #1 Plugging Procedure:

RECEIVED B.L.M. - MAILROOM

2010 SEP 13 AM 11:23

STATE OFFICE SANTA FE, NEW MEXICO

T.D.: 6500'

CIBP Already Set @ 6160'

Casing Already Set:

13-3/8", 48.00# Set @ 360' W/Cement Circulated 9-5/8", 32.30# Set @ 1300' W/Cement Circulated 4-1/2", 11.60# Set @ 6362' W/Cement Circulated - 11.459 Lin Ft/Cu Ft

5494'Perforations F/5490-5485', 5500-5594', 5518-5510', 5530-5526'

Procedure To Plug Well:

- 1. Set 35' Cement On Top Of CIBP Set @ 6160'
- 2. Set CIBP @ 5435' W/35' Cement On Top
- 3. Set Minimum 25 Sx Cement Plug From 3200-3100'-Tag
- 4. Set Minimum 25 Sx Cement Plug From 1350-1250'-Tag
- ~410-310° 5. Set Minimum 25 Sx Cement Plug From 410-369-Tag
- 6. Set Minimum 10 Sx Cement Plug From 60-0' (Surface) W/Dry Hole Marker

2010 SEP 21 MH 9: 45

BUREAU OF LAND MANAGEMENT

Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201 (575) 627-0272

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 ninety (90) 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 the BLM Roswell Field Office, prior to the 90th day, with the reason for not meeting the deadline and a date when the BLM Roswell Field Office can expect the well to be plugged. Failure to do so will result in enforcement action.
- 2. <u>Notification:</u> Contact the BLM Roswell Field Office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, during office hours call (575) 627-0205 or after office hours call (575) 420-2832. Engineer on call during office hours phone (575) 627-0275 or phone (after hours) call (575) 626-5749.
- 3. <u>Blowout Preventers:</u> A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9090 feet; a 3M system for a well not deeper than 13636 feet; and a 5M system for a well not deeper than 22727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at a rate of 25 sacks (50 pounds each) of gel per 100 barrels of 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 not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 50 feet of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either class "C" for up to 7500 feet of depth, mixed at 14.8 lbs./gal with 6.3 gallons of fresh water per sack or class "H" for deeper than 7500 feet plugs, mixed at 16.4 lbs./gal with 4.3 gallons of fresh water per sack.

- 6. <u>Dry Hole Marker:</u> All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10 feet in length, 4 feet above the ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: Well name and number, the name of the operator, the lease serial number, the surveyed location (the 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 five copies of the Subsequent Report of Abandonment, Form 3160-5 to the BLM Roswell Field Office. 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>

Following the submittal and approval of the Subsequent Report of Abandonment, a Notice of Intent for Final Abandonment with the proposed surface restoration procedure must be submitted for approval.