NM OIL TINS COMMISSION Drawer _J Form 3160-5 UNITED STATES FORM APPROVED Artesia, NM 88210 (June 1990) Budget Bureau No. 1004-0135 DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 **BUREAU OF LAND MANAGEMENT** 5. Lease Designation and Serial No. NM1019 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Alionne or Tribe Name 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 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE RECEIVED 14-08-001-11572 1. Type of Well Oil Gas Well Well X Other WIW 8. Well Name and No. 2. Name of Operator East Shugart Unit # 23 Devon Energy Corporation (Nevada) \(\bar{\chi}\) 9. API Well No. 3. Address and Telephone No. 30-015-05699 20 N. Broadway, Suite 100, OKC, OK 73102-8260 4057/295-OFFICE 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Shugart (Y-SR-O-G) 11. County or Parish, State 330' FSL & 2329' FEL, Sec. 35-T18S-R31E, Unit O Eddy, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF SUBMISSION TYPE OF ACTION ice of Inten run integrity test 13. Describe Proposed or Completed Operations (Clearly at ertinent details, and give pert ed and true vertical depths for all markers and zon Rig up pump truck on casing. (1)Load casing with water and pressure test to 500 psi for 30 mins. (2) The BLM will be notified 24 hours prior to testing. (1) **()** 14. I hereby certify that the foregoing is Candace R. Graham Engineering Tech. (This space for Federal or State office use) (ORIG. SGD.) JOE G. LARA <u>PETROLEUM ENGINEER</u>

(Rev. 5/23/94)

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:

- 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.
- 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,
- 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:

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