

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.5. Lease Serial No.
NMSF079485B

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: COAL BED METHANE

8. Well Name and No.

SAN JUAN 30-4 UNIT 12

2. Name of Operator

SOUTHLAND ROYALTY COMPANY LLC

Contact: ERIC KITTINGER

E-Mail: EKITTINGER@MSPARTNERS.COM

9. API Well No.

30-039-07878

3a. Address

400 W 7TH ST
FORT WORTH, TX 76102

3b. Phone No. (include area code)

Ph: 817-334-8302

10. Field and Pool or Exploratory Area
BASIN FRUITLAND COAL

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

Sec 8 T30N R4W 1840FSL 1190FWL

11. County or Parish, State

RIO ARRIBA COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input 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"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input checked="" type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Final Abandonment Notice	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

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 recomplate horizontally, give subsurface locations and 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Southland Royalty Company LLC/MorningStar Operating LLC submits the attached Final Abandonment report for the San Juan 30-4 Unit #12.

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

**Electronic Submission #533332 verified by the BLM Well Information System
For SOUTHLAND ROYALTY COMPANY LLC, sent to the Farmington**

Name (Printed/Typed) CONNIE BLAYLOCK

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 10/08/2020

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

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.

(Instructions on page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Reclamation Report for the San Juan 30-4 Unit #12 Well Pad and Access Road

This report presents the results of the field investigation of the plugged and abandoned (P&A) San Juan 30-4 Unit #12 well pad and access road. The field examination was conducted to determine reclamation success prior to submittal of a Final Abandonment Notice (FAN) to the Bureau of Land Management and the Jicarilla Ranger District of the Carson National Forest. The Jicarilla Ranger District has established requirements that must be achieved for approval of FANs. These requirements are:

- Established native vegetative cover equal to 70% of the adjacent undisturbed areas,
- No noxious/invasive weeds are present. This includes no New Mexico Department of Agriculture (NMDA) Class A or B noxious weed species and no more than 10% Class C noxious weed species throughout the entire project area (well pad location, road, etc.). If Class A or B species, or greater than 10% Class C species are observed then a treatment plan will be required.
- No excessive erosion exists,
- No signs of unauthorized motor vehicle use exists, and
- No signs of garbage/waste, such as pit liner, old flow lines, cables, etc.

On September 25, 2020, Mr. Jason Peace of Morningstar Operating LLC (Morningstar) and Ms. Ilyse Gold of Nelson Consulting Inc. (NCI) visited the San Juan 30-4 Unit #12 P&A location. Ms. Gold walked the entirety of the reclamation well pad and access road areas as identified in the field by Mr. Peace who oversees reclamation for Morningstar (see maps in Appendix A). In addition to the reclamation areas, the survey also included a minimum 50-foot buffer adjacent to the reclaimed areas. The adjacent, native vegetation is that of pinyon-juniper woodland with montane shrubs. A list of the plant species observed is attached (Appendix B). A visual estimate of reclaimed vegetation cover relative to the adjacent undisturbed areas was documented. The inventory focused on live vegetation. Previous year's dead/dormant vegetation and litter was also noted.

Vegetation on the reclaimed well pad is dominated by rubber rabbitbrush (*Ericameria nauseosa*). Understory vegetation consists of crested wheatgrass (*Agropyron cristatum*), western wheatgrass (*Pascopyrum smithii*), yarrow (*Achillea spp.*), and prairie sagewort (*Artemisia frigida*). The wheatgrasses on the well pad were heavily grazed, with evidence of both horses and cattle using the area. No NMDA A, B or C noxious species were observed. No cheatgrass (*Bromus tectorum*) was observed on the well pad. Minor erosion is evident on the well pad cut slopes. This erosion is limited to the slopes themselves. Dead trees, most likely from the well pad, have been piled in the drainage leading off the pad, assisting in erosion control. There is little erosion on the well pad or leading off the pad. Due to the rabbitbrush overstory, vegetation cover across the well pad is estimated at 60%. Adjacent vegetation cover is estimated at 40%. There is no trash or well debris on the well pad.

Vegetation on the access road is dominated by a variety of shrubs, including antelope bitterbrush (*Purshia tridentata*), big sagebrush (*Artemisia tridentata*), prairie sagewort, beetle silver sagebrush (*Artemisia cana*), and four-wing saltbush (*Atriplex canescens*). A number of young pinyon (*Pinus edulis* Engelm) and Utah juniper (*Juniperus osteosperma*) trees were noted. Grass species include crested wheatgrass and intermediate wheatgrass (*Thinopyrum intermedium*). No NMDA A, B or C noxious species were observed. No cheatgrass was observed on the access road. Some erosion is evident within the access road in a few places. However, this erosion has been contained to the road and properly drained off the road via

water bars. The water bars appear to be functioning correctly, as little to no erosion is occurring off the access road. The access road is blocked to vehicle access by a number of t-posts in place at the junction with Forest Service Road 310E1. Vegetation cover across the access road is estimated at 35%. Adjacent vegetation cover is estimated at 45%. There is no trash or well debris on the access road.

Although this well pad and access road are over 50 years old, there is evidence of reseeding on the well pad and access road, in addition to water barring on the access road. The well pad meets the 70% standard of the adjacent vegetation (28%) with an estimated cover of 60%. The access road also meets the 70% standard (24.5%) with an estimated cover of 35%. Although, some erosion is evident, little erosion from the disturbance is evident off the originally disturbed areas. Even though cut slopes from well pad construction remain, it is NCI's recommendation that no dirt work be done because of the successful reclamation and the current lack of cheatgrass. The waterbars on the access road appear to be functioning properly; therefore, no further reclamation is recommended. No NMDA A, B, or C noxious species were observed. There is no trash or well debris on the well pad or access road.

It is NCI's recommendation that the reclamation on the San Juan 30-4 #12 well pad and access road be considered successful.

The following Appendices are included in this report:

Appendix A

Orthophotographic map of the San Juan 30-4 Unit #12 Well Pad and Access Road
Topographic map of the San Juan 30-4 Unit #12 Well Pad and Access Road

Appendix B

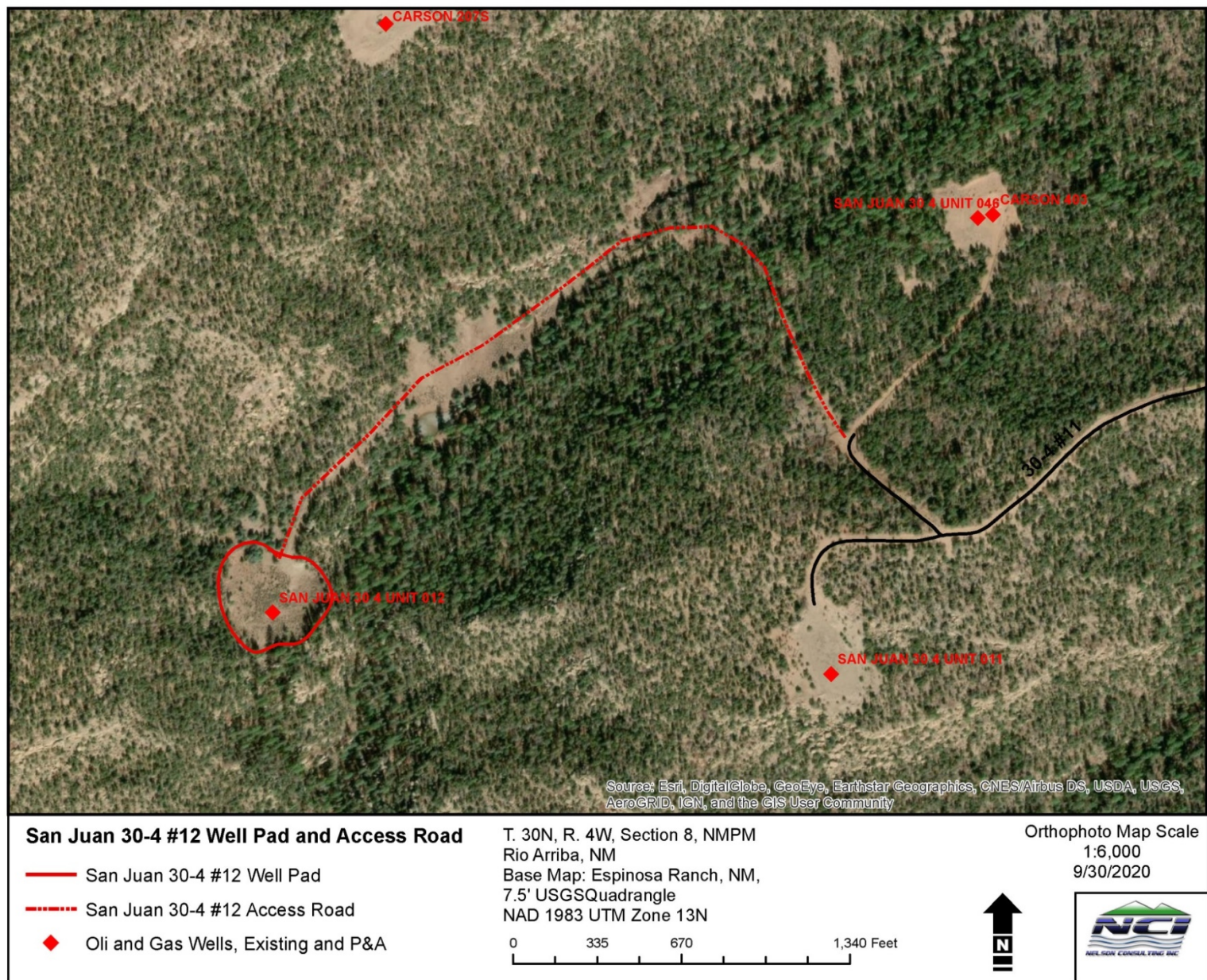
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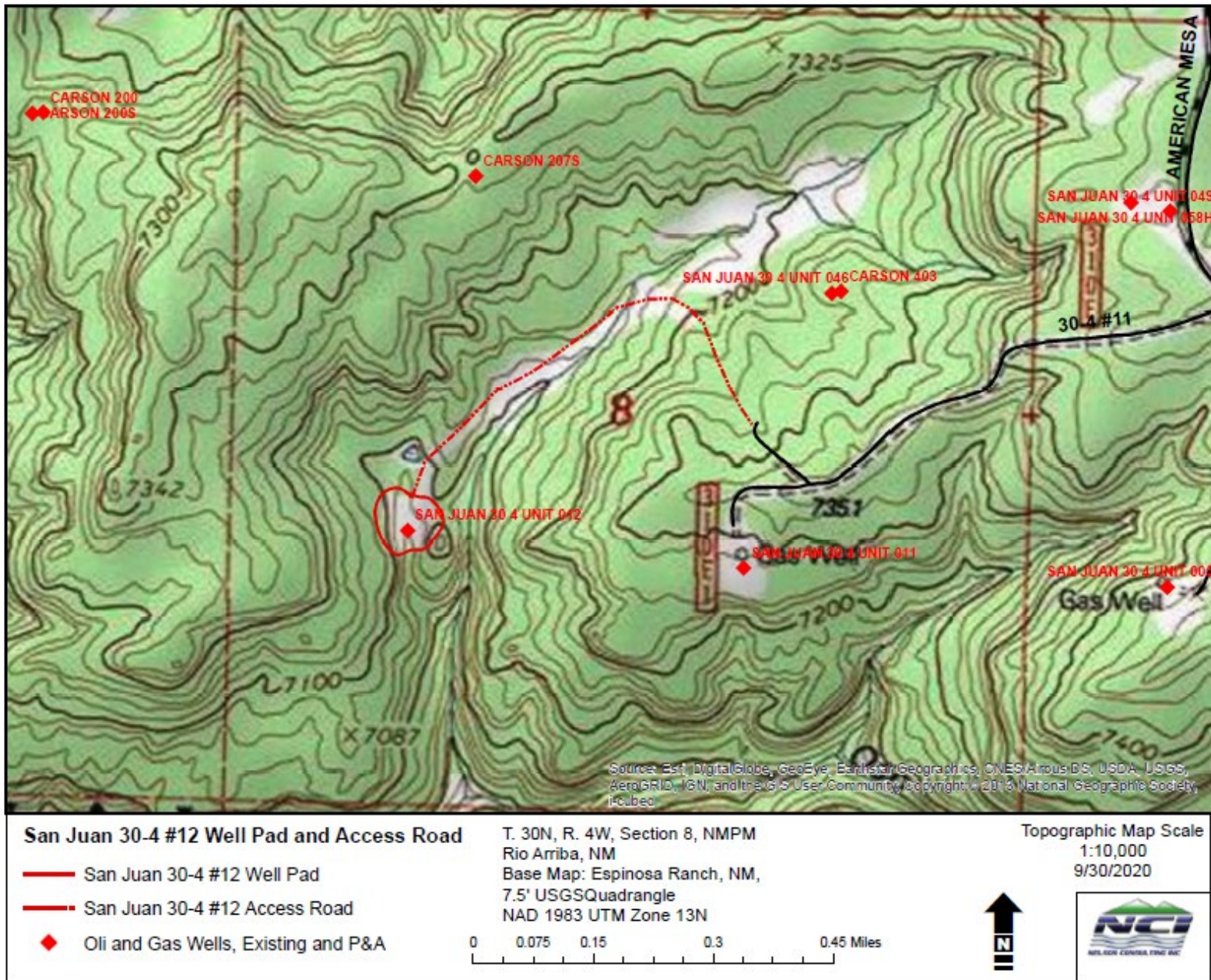
Appendix C

Photo Documentation of the San Juan 30-4 Unit #12 Well Pad and Access Road.

APPENDIX A

Maps





APPENDIX B
Plant Species Observed on the San Juan 30-4 Unit #12
Well Pad and Access Road

Scientific Name	Common Name
Grasses	
<i>Achnatherum hymenoides</i>	Indian ricegrass
<i>Agropyron cristatum</i>	Crested wheatgrass
<i>Elymus elymoides</i>	Bottlebrush squirreltail
<i>Pascopyrum smithii</i>	Western wheatgrass
<i>Sporobolus cryptandrus</i>	Sand dropseed
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Forbs	
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<i>Quercus gambelii</i>	Gambel's oak
<i>Yucca baileyi</i>	Bailey's yucca
Trees	
<i>Juniperus osteosperma</i>	Utah juniper
<i>Pinus edulis Engelm</i>	Pinyon pine

APPENDIX C
Selected Photographs of the Reclaimed Well Pad and Access Road



Reclaimed San Juan 30-4 #12 Well Pad



Undisturbed Area near the San Juan 30-4 #12 Well Pad



Dead Trees Placed in Drainage along Well Pad Fill Slope



Well Pad Cut Slope, Showing some Erosion



Well Pad Cut Slope with Little Erosion



Access Road Blocked to Motorized Vehicles at the Junction of Forest Service Road 310E1



Erosion along Access Road



Erosion along Access Road



Access Road Looking South, Southwest to the Well Pad



Water Bar within Access Road



Area Adjacent to Access Road that Appears to have been Disturbed. Reason for Disturbance Unknown



Undisturbed Area Adjacent to the Access Road

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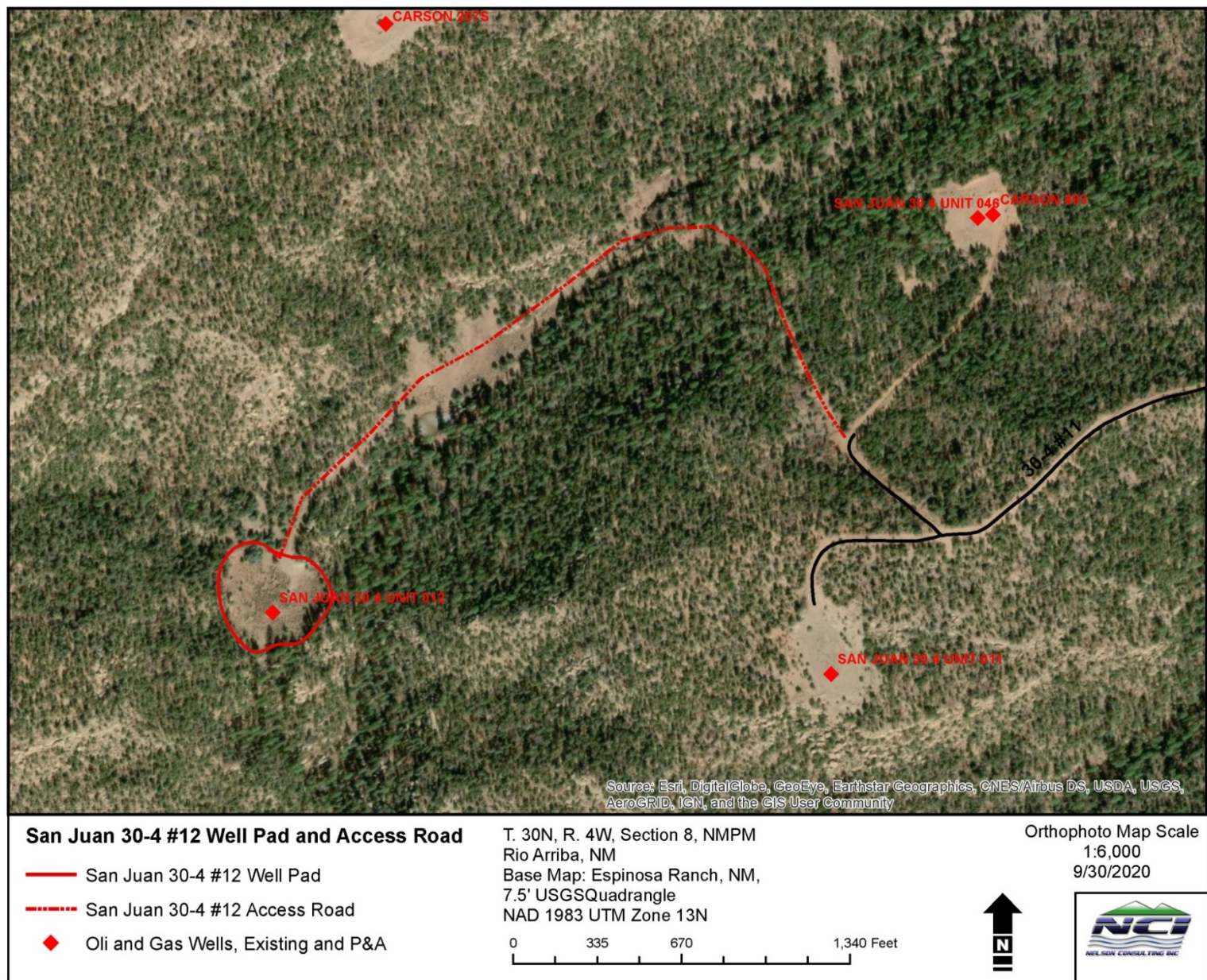
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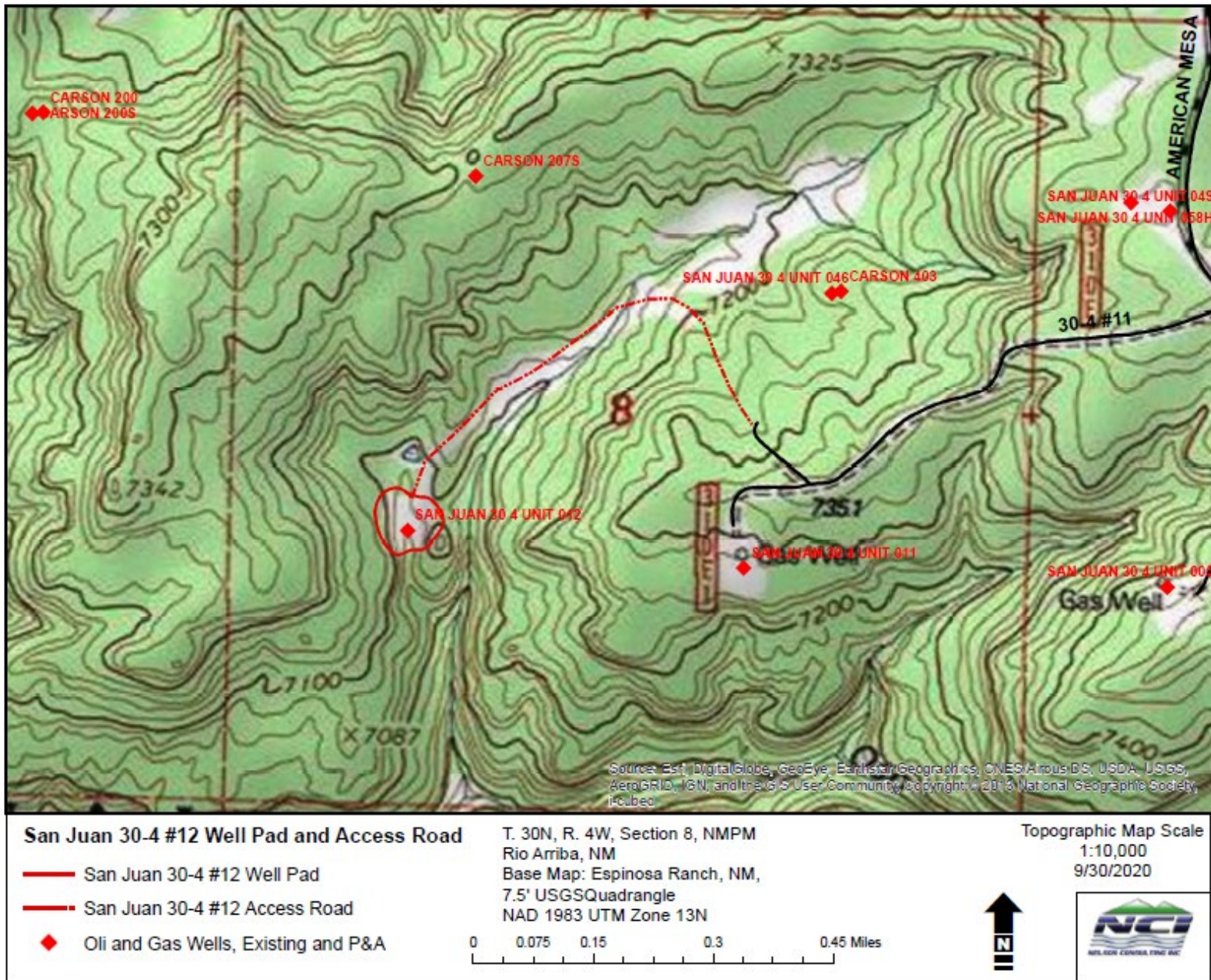
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