

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

04/05/2022

Well Name: FEDERAL L	Well Location: T23N / R7W / SEC 28 / SWSE / 36.191875 / -107.577072	County or Parish/State: SANDOVAL / NM
Well Number: 1	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM58878	Unit or CA Name:	Unit or CA Number:
US Well Number: 300432082500S1	Well Status: Producing Oil Well	Operator: EPIC ENERGY LLC

Notice of Intent

Sundry ID: 2664327

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 03/29/2022

Time Sundry Submitted: 11:01

Date proposed operation will begin: 03/29/2022

Procedure Description: Please find attached the P&A Procedures, WBD and the Reclamation plan for the subject well.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments**Procedure Description**

Federal_L_1_Reclamation_Plan_20220329132835.pdf

Federal_L_001_WBD_PA_20220329110039.pdf

Federal_L_001_PA_Procedure_20220329110022.pdf

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Conditions of Approval**Additional Reviews**

2664327_NOIA_1_3004320825_KR_04052022_20220405112013.pdf

General_Requirement_PxA_20220405111953.pdf

23N07W28OKg_Federal_L_1_20220405110353.pdf

Operator Certification

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: ARLEEN SMITH

Signed on: MAR 29, 2022 01:28 PM

Name: EPIC ENERGY LLC

Title: Regulatory Specialist

Street Address: 332 RD 3100

City: AZTEC

State: NM

Phone: (505) 327-4892

Email address: ARLEEN@WALSHENG.NET

Field Representative

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647742

BLM POC Email Address: krennick@blm.gov

Disposition: Approved

Disposition Date: 04/05/2022

Signature: Kenneth Rennick

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

AFMSS 2 Sundry ID 2664327

Attachment to notice of Intention to Abandon

Well: Federal L 1

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.
3. The following modifications to your plugging program are to be made:
 - a. Adjust Plug #3 (Cliff House) to cover BLM formation top pick at 3040'.
 - b. Combine Plug #5 and Plug #6 to cover BLM Kirtland pick at 1218'.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.

K. Rennick 04/05/2022

**GENERAL REQUIREMENTS FOR
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES
FARMINGTON FIELD OFFICE**

- 1.0 The approved plugging plans may contain variances from the following minimum general requirements.
- 1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.
 - 1.2 Requirements may be added to address specific well conditions.
- 2.0 Materials used must be accurately measured. (densometer/scales)
- 3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.
- 3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.
- 4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
- 4.1 The cement shall be as specified in the approved plugging plan.
 - 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.3 Surface plugs may be no less than 50' in length.
 - 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.
 - 4.6 **A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.**

5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

- 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.
- 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.
- 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.
- 5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

- 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
- 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H₂S.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.

9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.

(October 2012 Revision)

BLM FLUID MINERALS P&A Geologic Report

Date Completed: 04/05/2022

Well No. Federal L #1 (API# 30-043-20825)	Location	490	FSL	&	1765	FEL
Lease No. NMNM-58878	Sec. 28	T23N			R07W	
Operator Epic Energy, LLC	County	Sandoval		State	New Mexico	
Total Depth 5387'	PBTD 5296'	Formation Gallup (Mancos)				
Elevation (GL) 6930'	Elevation (KB) 6942'					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					
Nacimiento Fm			Surface	1064	Surface/possible freshwater sands
Ojo Alamo Ss			1064	1218	Aquifer (possible freshwater)
Kirtland Shale			1218	1302	
Fruitland Fm			1302	1586	Coal/Gas/Possible water
Pictured Cliffs Ss			1586	1690	Gas
Lewis Shale			1690	1987	
Chacra			1987	3040	Possible Gas
Cliff House Ss			3040	3206	Water/Possible gas
Menefee Fm			3206	3953	Coal/Ss/Water/Possible O&G
Point Lookout Ss			3953	4114	Probable water/Possible O&G
Mancos Shale			4114	4842	
Gallup			4842	PBTD	O&G/Water
Greenhorn					
Graneros Shale					
Dakota Ss					
Morrison Formation					

Remarks:

P & A

- BLM picks for the Cliff House and Kirtland formation tops vary from Operator.

- Adjust Plug #3 (Cliff House) to cover BLM formation top pick at 3040'.

- Combine Plug #5 and Plug #6 to cover BLM Kirtland pick at 1218'.

- The plugs proposed in the P&A procedure, with changes recommended above, will adequately protect any freshwater sands in this well bore.

- Gallup perfs 4986' – 5198'.

Reference Well:

1) Formation Tops
Same

Prepared by: Chris Wenman

P&A Procedure
EPIC Energy – Federal L #001

Alamito Gallup

490' FNL & 1765' FWL, Section 28, T23N, R7W

Sandoval Co, New Mexico, API #30-043-20825

Plug & Abandonment Procedure:

Note: All cement volumes use 100% excess outside casing and 50' excess inside pipe. Stabilizing wellbore fluid will be 8.33 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Class G neat 1.15 ft³/sk or equivalent. If casing pressure tests tagging plugs will not be required. Cement circulated on surface and production casing strings. Volumes calculated off 4-1/2" 11.6# casing.

Prior to Mobilization

1. Notify BLM & NMOCD
2. Verify all cement volumes based on actual slurry to be pumped. Calculations based on 1.15 ft³/sk.
3. Comply with all COA's from BLM and NMOCD

P&A Procedure

1. MIRU PU and cement equipment
 2. ND WH, NU BOP, RU rig floor and 2 3/8" handling tools
 3. POOH 2 3/8" production string set at ~5169'.
 4. TIH with 4 1/2" casing scraper to 4960'. TOOHL 4 1/2" scraper.
 5. TIH with CICR and set @ 4936'. Roll hole with fresh water. PT tubing to 500 psi. PT casing to 500 psi.
-
1. **Plug #1, 4936' – 4792' (Gallup top: 4842', Perfs 4986' - 5198')**: Sting out of CICR, mix & spot 12 sxs (13.8 ft³) of Class G neat cement on top of CICR in balanced plug. PU 200' above plug reverse circulate to clean tubing. WOC and tag plug if casing does not test. Re-spot cement if necessary.
 2. **Plug #2, 4164' – 4064' (Mancos Top: 4114')**: Mix & spot 12 sx (13.8 ft³) Class G neat cement in balanced plug. PU 200' above plug and reverse circulate tubing clean. WOC and tag plug if casing does not test. Re-spot cement if necessary.
 3. **Plug #3, 3200' – 3100' (Cliff House Top: 3150')**: Mix & spot 12 sx (13.8 ft³) Class G neat cement in balanced plug. PU 100' above plug and reverse circulate tubing clean. WOC and tag plug if casing does not test. Re-spot cement if necessary.

4. **Plug #4, 2037' – 1937' (Chacra Top: 1987'):** Mix & spot 12 sx (13.8 ft³) Class G neat cement in balanced plug. PU 100' above plug and reverse circulate tubing clean. WOC and tag plug if casing does not test. Re-spot cement if necessary.
5. **Plug #5, 1636' – 1252' (FT Coal Top: 1302', PC Top: 1586'):** Mix and spot 33 sx (37.95 ft³) Class G neat cement in balanced plug. PUH 100' above plug and reverse circulate tubing clean. WOC and tag plug if casing does not test. Re-spot cement if necessary.
6. **Plug #6, 1200' – 1014' (Ojo Alamo top: 1064', Kirtland: 1150'):** Mix and spot 18 sx (20.7 ft³) Class G neat cement in balanced plug. PUH 100' above plug and reverse circulate tubing clean. WOC and tag plug if casing does not test. Re-spot cement if necessary.
7. **Plug #7, 262' – Surface (8-5/8" Shoe @ 212'):** Note: Cement circulated on surface casing string. Mix and pump 20 sx (23.0 ft³) or until cement circulates to surface. Top off cement as necessary.
6. ND BOP and cut off wellhead below surface casing flange, top off casing and annulus as necessary. Install P&A marker and cut off and/or remove anchors. RD, MOL - Restore location per BLM stipulations. Take pictures from all cardinal directions. Ensure to notify project management of all remaining equipment on location once plugging is complete.

Kyle T. Mason
Engineer

Federal L #1

Proposed P&A

Alamito Gallup

490' FNL & 1765' FWL, Section 28, T23N, R7W, Sandoval, NM

API: 30-043-20825

Today's Date: 03/28/2022

Spud: 7/19/1988

Completed: 10/5/1988

Elevation: 6960' GL

Ojo Alamo @ 1064'

Kirtland @ 1150'

Fruitland @ 1302'

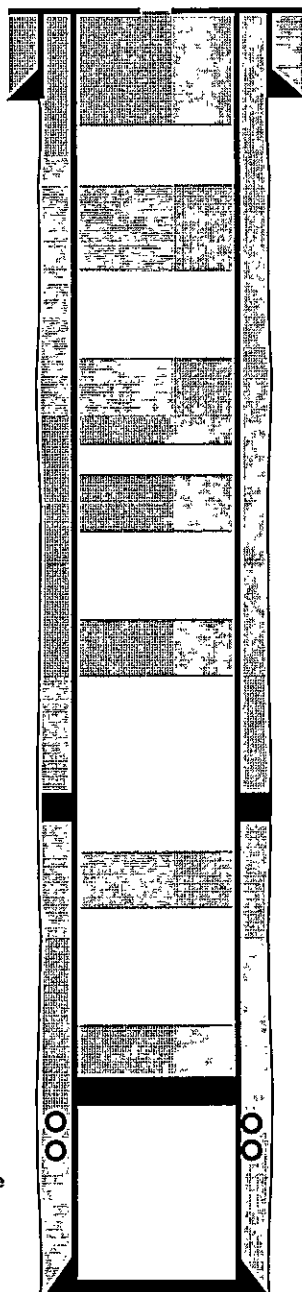
Pictured Cliffs @ 1586'

Chacra @ 1987'

Cliff House @ 3150'

Mancos @ 4114'

Gallup @ 4842'

Hole Size
7.875

PBTD: 5296'

TD: 5387'

Hole Size: 12-1/4"

8-5/8", 23#, Casing set @ 212'

Cement with 155 sx, Circ to surface

Plug #7: 8-5/8" Surface Shoe - 262' - Surface

Class G neat, 20 sx (23.0 ft³)

Plug #6: Ojo Alamo/Kirtland - 1200'-1014'

Class G neat, 18 sx (20.7 ft³)

Plug #5: Fruitland/PC - 1636'-1252'

Class G neat, 33 sx (37.95 ft³)

Plug #4: Chacra - 2037'-1937'

Class G neat, 12 sx (13.8 ft³)

Plug #3: Cliff House - 3200'-3100'

Class G neat, 12 sx (13.8 ft³)

Plug #2: Mancos - 4164'-4064'

Class G neat, 12 sx (13.8 ft³)

SET CIRC @ 4936'

Plug #1: Gallup - 4936'-4792'

Class G neat, 12 sx (13.8 ft³)

Gallup Perforations

4986'-5198'

4-1/2", 11.6#, casing set @ 5384'

Production CMT:

1st stage: 1050 sxs. Circ 65 bbls to surface

Well/Facility:	Federal L#1	Well Status:	Testing for Production
Operator:	Thompson E&P	Orig Oper:	QEP
Lease/Op Agmt:		KB:	12'
Field:	Alamito Gallup	API #:	30-043-20825
County:	Sandoval	GR/KB:	6930'
State:	NM	TD:	5387' KB
Spud:	7/19/1988	PBTD:	5296' KB
Comp. Date:	10/5/1988	WI:	
1st Prod:	10/5/1988	NRI:	
Wellhead Conn:	8-5/8" Companion Flange		
Surface Loc:	490' fs1 & 1765' fel		
Sec-Twn-Rge:	Sec 28/T23N17W		
Pumper:	Michael Dean	505-960-0481	michael.dean@wellsjones.net
Foreman:	Mike Coley	505-320-6820	mcoley@wellsjones.net
Anchors Tested	N/A		
Notes:			

Date Drawn: September 2019 (JCT)



Hole Size: 12-1/4"

Surf Csg @ 212' KB
8-5/8", 23#, J55
155 sxs - Circ cement to surface

Hole Size
7-7/8"

Tubing:
Mud Anchor, SN, 160 Jts of 2-3/8"
EOT: 5169'
SN: 5136'

Isolated holes in csg (3931' - 4006') In 2019'

Gallup Perfs:
4986', 4990', 5106', 5110', 5120', 5126',
5185', 5198'. 0.39" EHD. Select Fire

Balled fill to 5186' 9/4/19
Frac: 129,229 gals 70% foam, 320K #20-40

4-1/2", 11.6#, J55 at 5384' KB
Cement w/ 1050 sxs
Single stage circ 65 bbls to surface

PETD: 5296' KB
TD: 5387' KB

[illegible][illegible][illegible]

Pumping Unit:	_____	Gear Sheave:	_____
API Designation:	_____	Stroke Length:	_____
Samson Post SN:	_____	Gear Ratio:	_____
Gear Box SN:	_____	SPM:	_____
Structural Unbalance:	_____	Horse Power:	_____
Power:	_____	Volts:	_____
Power SN:	_____	Amps:	_____
Sheave Size:	_____	Belts:	_____

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 96233

CONDITIONS

Operator: EPIC ENERGY, L.L.C. 332 Road 3100 Aztec, NM 87410	OGRID: 372834
	Action Number: 96233
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	4/8/2022
kpickford	Adhere to BLM approved COAs and plugs. See GEO report.	4/8/2022