

Office
 District I – (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II – (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III – (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV – (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM
 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-10625	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Skelly Penrose A Unit	
8. Well Number 16	
9. OGRID Number 240974	
10. Pool name or Wildcat LANGLIE MATTIX; 7 RVRS-Q-GB	
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator LEGACY RESERVES OPERATING LP	
3. Address of Operator 15 SMITH ROAD, SUITE 3000, MIDLAND, TX 79705	
4. Well Location Unit Letter <u>A</u> : <u>660</u> feet from the <u>NORTH</u> line and <u>660</u> feet from the <u>EAST</u> line Section <u>4</u> Township <u>23S</u> Range <u>37E</u> NMPM County <u>LEA</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3329' GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- MIRU service and kill well.
- ND wellhead
- Pull tubing and stand back in derrick in doubles
- RU wireline.
- RIH with 7" gauge ring run to 3335'
- RIH with CIBP to 3328'. Perform pressure test to 500 psi.
- If pressure falls off, use pkr to hunt holes. Repaired casing in 1974' from 385'-781'.
- Spot 25 sacks of class C from 3328-3128 (CIBP)
- Spot 25 sacks from 2738'-2638' (Yates)
- Spot 25 sacks from 2387'-2287' (B-salt). WOC & Tag
- Spot 25 Sacks Class C @ 1440 – 1340'. (T-salt). WOC & Tag
- Perforate & Circulate with 65 Sacks Class C @ 191 – 0. (Est TOC & Casing Shoe). Verify Cement @ Surface
- Cut off well head, verify cmt at surface, weld on dry hole marker.

See attached conditions of approval

Spud Date: 4" Diameter 4' tall above ground marker Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Melanie Reyes TITLE Regulatory Tech DATE 11/30/2022

Type or print name Melanie Reyes E-mail address mreyes@legacyreserves.com PHONE: (432 221-6358)

For State Use Only

APPROVED BY: Kerry Fortner TITLE Compliance Officer A DATE 12/12/22
 Conditions of Appro

**CONDITIONS OF APPROVAL
FOR PLUGGING AND ABANDONMENT
OCD - Southern District**

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, Notify NMOCD District Office I (Hobbs) at (575)-263-6633 at least 24 hours before beginning work. After MIRU rig will remain on well until it is plugged to surface. OCD is to be notified before rig down.

Company representative will be on location during plugging procedures.

1. A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.
2. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.
3. Trucking companies being used to haul oilfield waste fluids to a disposal - commercial or private- shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall be able to produce a copy upon request of an NMOCD Field inspector.
4. Filing a subsequent C-103 will serve as notification that the well has been plugged.
5. A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can be released.
6. If work has not begun within 1 Year of the approval of this procedure, an extension request must be file stating the reason the well has not been plugged.
7. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.
8. Produced water will not be used during any part of the plugging operation.
9. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
10. All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
11. Class 'C' cement will be used above 7500 feet.
12. Class 'H' cement will be used below 7500 feet.
13. A cement plug is required to be set 50' above and 50' below, casing stubs, DV tools, attempted casing cut offs, cement tops outside casing, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged
14. All Casing Shoes Will Be Perforated 50' below shoe depth and Attempted to be Squeezed, cement needs to be 50' above and 50' Below Casing Shoe inside the Production Casing.
16. When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set
17. A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.
18. A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, (WOC 4 hrs and tag).

19. No more than 3000' is allowed between cement plugs in cased hole and 2000' in open hole.
20. Some of the Formations to be isolated with cement plugs are: These plugs to be set to isolate formation tops
- A) Fusselman
 - B) Devonian
 - C) Morrow
 - D) Wolfcamp
 - E) Bone Springs
 - F) Delaware
 - G) Any salt sections
 - H) Abo
 - I) Glorieta
 - J) Yates.
 - K) Potash---(In the R-111-P Area (Potash Mine Area),
A solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, WOC 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.
21. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, WOC and tagged. These plugs will be set 50' below formation bottom to 50' above formation top inside the casing.

DRY HOLE MARKER REQUIREMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least ¼" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

1. Operator name
2. Lease and Well Number
3. API Number
4. Unit letter
5. Quarter Section (feet from the North, South, East or West)
6. Section, Township and Range
7. Plugging Date
8. County

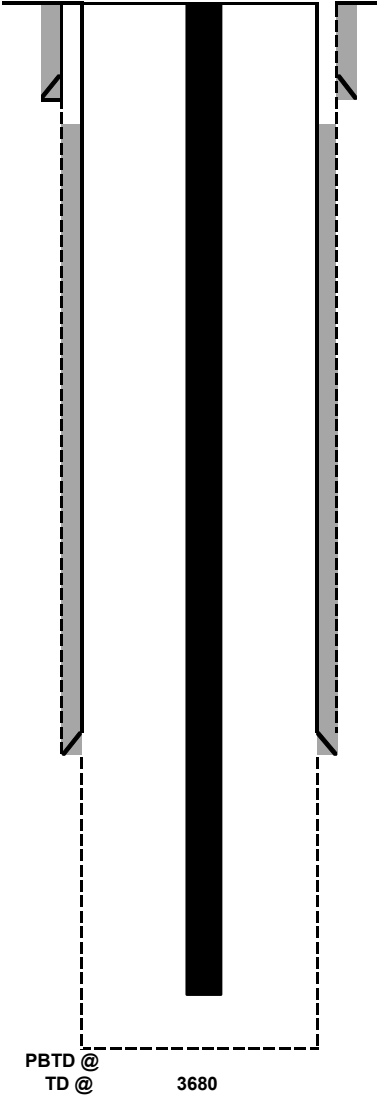
SPECIAL CASES -----AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS

In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)

SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION

Legacy Reserves Operating		CURRENT	
Author:	<u>J. Valdez</u>	Well No.	<u>#16</u>
Well Name	<u>Skelly Penrose A Unit</u>	API #:	<u>30-025-10625</u>
Field/Pool	<u>Langlie Mattix; 7Rvrs-Queen</u>	Location:	<u>Section 4, T23S, R 37E</u>
County	<u>Lea</u>	State	<u>NM</u>
Spud Date	<u>12/21/1940</u>	GL:	<u>660' FNL x 660' FEL</u>
			<u>3329'</u>

Description	O.D.	Grade	Weight	Depth	Hole	Cmt Sx	TOC
Surface Csg	16.00"		70	81	18.00"	100	circ'd
Inter Csg **Pulled	13.00"		50	427	15.5"		Pulled when 7" set
Inter Csg **pulled	10.75"		40	699	12.75"		Pulled when 7" set
Inter Csg **Pulled	8.625"		32	1,181	10.00"		Pulled when 7" set
Prod Csg	7.00"		20	3378'	8.00"	250	Est TOC @ 140' (calc)
Open Hole	6 1/4"			3680	6 1/4"	OH	90,000# 20/40 sand

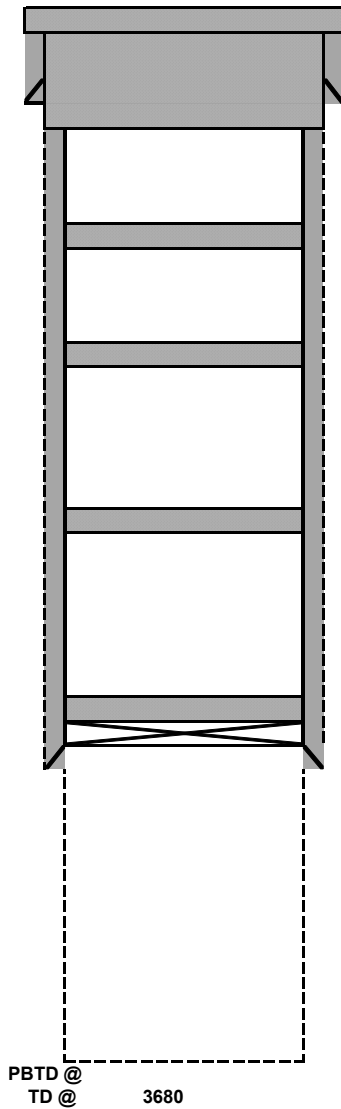


Formation	Top
Rustler (T Salt)	1390
Bsalt (offset)	2337
Yates	2688
7 Rivers	2930
Queen	3431
Grayburg	3537

Legacy Reserves Operating		PROPOSED	
Author:	<u>J. Valdez</u>	Well No.	<u>#16</u>
Well Name	<u>Skelly Penrose Unit A</u>	API #:	<u>30-025-10625</u>
Field/Pool	<u>Langlie Mattix; 7Rvrs-Queen</u>	Location:	<u>Section 4, T23S, R 37E</u>
County	<u>Lea</u>	State	<u>NM</u>
Spud Date	<u>12/20/1940</u>	GL:	<u>660' FNL x 660' FEL</u>
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Formation	Top
Rustler (T Salt)	1390
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7 Rivers	2930
Queen	3431
Grayburg	3537



Cut off well head, verify cmt at surface, weld on dry hole marker.

16.00" 70 CSG @ 81

8" Hole Size Est TOC 140'

Perforate & Circulate with 65 Sacks Class C @ 190 – 0

Spot 25 sacks class C from 1440'-1340'. WOC & Tag

Spot 25 sacks class C from 2387'-2287'. WOC & Tag

Spot 25 sacks class C from 2738'-2638'.

Set CIBP @ 3328'. Pressure test to 500 psi. Cap CIBP with 25 sx Class C.

7.00" 20 CSG @ 3378'

Open Hole Completion: 3378'-3680'

POOH with Production Equipment. RIH w/scraper or gauge ring to 3350'

Tubing Set @ 3578'. Rods/pump

PBTD @
TD @ 3680

1. MIRU service and kill well.
2. ND wellhead.
3. Pull tubing and stand back in derrick in doubles.
4. RU wireline.
5. RIH with 7" gauge ring run to 3335'.
6. RIH with CIBP to 3328'. Perform pressure test to 500 psi.
7. If pressure falls off, use pkr to hunt holes. Repaired casing in 1974' from 385'-781'.
8. Spot 25 sacks of class C from 3328-3128 (CIBP).
9. Spot 25 sacks from 2738'-2611' (Yates).
10. Spot 25 sacks from 2387'-2263' (B-salt). WOC & Tag.
11. Spot 25 Sacks Class C @ 1440 – 1326'. (T-salt). WOC & Tag.
12. Perforate & Circulate with 65 Sacks Class C @ 191 – 0. (Est TOC & Casing Shoe). Verify Cement @ Surface.
13. Cut off well head, verify cmt at surface, weld on dry hole marker.

BLM Note: Adjusted plug tops to incorporate 10%/1000' excess

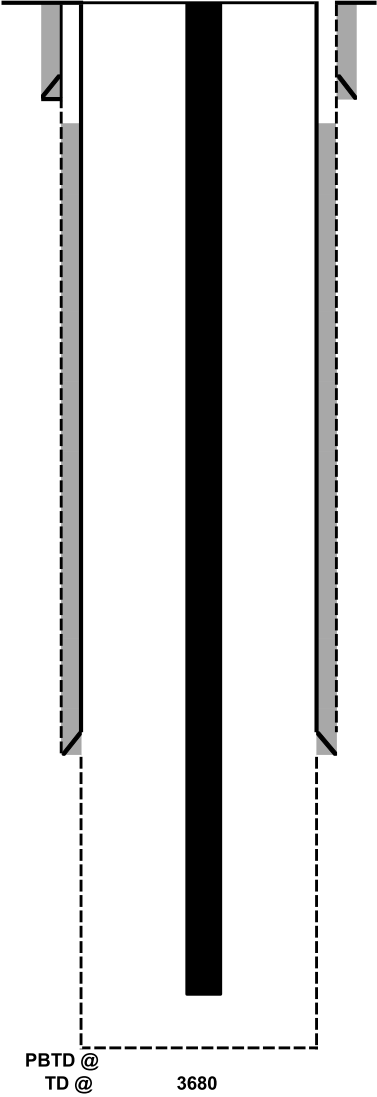
KEITH

IMMATTY

Digitally signed by
KEITH IMMATTY
Date: 2022.11.18
11:36:54 -07'00'

Legacy Reserves Operating		PROPOSED	
Author:	J. Valdez	Well No.	#16
Well Name	Skelly Penrose A Unit	API #:	30-025-10625
Field/Pool	Langlie Mattix; 7Rvrs-Queen	Location:	Section 4, T23S, R 37E
County	Lea	State	NM
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			3329'

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Prod Csg	7.00"		20	3378'	8.00"	250	Est TOC @ 140' (calc)
Open Hole	6 1/4			3680	6 1/4	OH	90,000# 20/40 sand



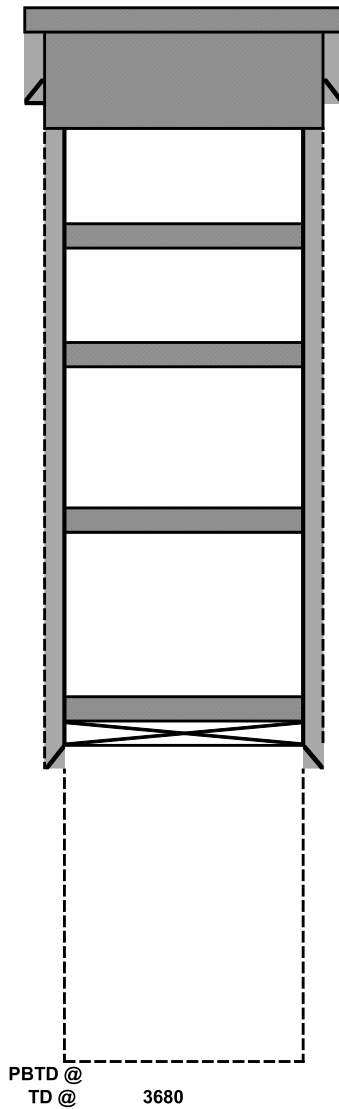
Formation	Top
Rustler (T Salt)	1390
Bsalt (offset)	2337
Yates	2688
7 Rivers	2930
Queen	3431
Grayburg	3537

Legacy Reserves Operating		PROPOSED	
Author:	J. Valdez	Well No.	#16
Well Name	Skelly Penrose Unit A	API #:	30-025-10625
Field/Pool	Langlie Mattix; 7Rvrs-Queen	Location:	Section 4, T23S, R 37E
County	Lea	State	NM
Spud Date	12/20/1940	GL:	660' FNL x 660' FEL
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Open Hole	6 1/4"			3680	6 1/4"	OH	90,000# 20/40 sand

Cut off well head, verify cmt at surface, weld on dry hole marker.

Formation	Top
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16.00" 70 CSG @ 81

8" Hole Size Est TOC 140'

Perforate & Circulate with 65 Sacks Class C @ 190 – 0

Spot 25 sacks class C from 1440'-1440'. WOC & Tag
1326'

Spot 25 sacks class C from 2387'-2287'. WOC & Tag
2263'

Spot 25 sacks class C from 2738'-2638'.
2611'

Set CIBP @ 3328'. Pressure test to 500 psi. Cap CIBP with 25 sx Class C.

7.00" 20 CSG @ 3378'

Open Hole Completion: 3378'-3680'

POOH with Production Equipment. RIH w/scraper or gauge ring to 3350'

Tubing Set @ 3578'. Rods/pump

BLM Note: Adjusted plug tops to incorporate 10%/1000' excess

PBTD @
TD @ 3680

FORM C-66

DUPLICATE

NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

WELL RECORD

Mail to Oil Conservation Commission, Santa Fe, New Mexico, or its proper agent not more than twenty days after completion of well. Follow instructions in the Rules and Regulations of the Commission. Indicate questionable data by following it with (?). SUBMIT IN TRIPLICATE.

AREA 640 ACRES
LOCATE WELL CORRECTLY

SKELLY OIL COMPANY - **Tulsa, Oklahoma**
Company or Operator Address
H. O. Sims Well No. **14** In **CNK NE** of Sec. **4** T. **23S**
Lease
R. 37E N. M. P. M. **Skelly** Field, **Lea** County.
Well **660** feet south of the North line and **660** feet west of the East line of **Section 4 -**
If State land the oil and gas lease is No. Assignment No.
If patented land the owner is **Hugh O. Sims** Address **Bunice, New Mexico**
If Government land the permittee is Address
The Lessee is **SKELLY OIL COMPANY** Address **Tulsa, Oklahoma**
Drilling commenced **Dec. 20**, 19 **40** Drilling was completed **Feb. 10**, 19 **41**
Name of drilling contractor **R. G. Pattillo** Address **Monahans, Texas**
Elevation above sea level at top of casing **3520** feet.
The information given is to be kept confidential until 19

OIL SANDS OR ZONES
No. 1, from **3562'** to **3680'** No. 4, from to
No. 2, from to No. 5, from to
No. 3, from to No. 6, from to

IMPORTANT WATER SANDS
Include data on rate of water inflow and elevation to which water rose in hole.
No. 1, from to feet.
No. 2, from to feet.
No. 3, from to feet.
No. 4, from to feet.

CASING RECORD

SIZE	WEIGHT PER FOOT	THREADS PER INCH	MAKE	AMOUNT	KIND OF SHOT	CUT & FILLED FROM	PERFORATED FROM TO	PURPOSE
16"	70	8	LW	71'4"				
13"	50	8	LW	428'9"	(Later pulled)			
10-3/4"	40	8	LW	698'9"				
8-5/8"	32	8	LW	1180'0"				
7"	20	8	SS	3396'1"				
Tubing								
2" EUE	4.7	8	SS	3667'2"				

MUDGING AND CEMENTING RECORD

SIZE OF HOLE	SIZE OF CASING	WHOLE SET	NO. SACKS OF CEMENT	METHOD USED	MUD GRAVITY	AMOUNT OF MUD USED
16"	16"	81'	100	Halliburton	Cement circulated to cellar.	
8"	7"	337'8"	250	Halliburton		
Tubing						
2" EUE		3648'	Swing			

PLUGS AND ADAPTERS

Heaving plug—Material Length Depth Set
Adapters—Material Size

RECORD OF SHOOTING OR CHEMICAL TREATMENT

SIZE	MIXED USED	EXPLOSIVE OR CHEMICAL USED	QUANTITY	DATE	DEPTH SHOT OR TREATED	DEPTH CLEANED OUT
450 Qts	3" & 5"	Nitroglycerin (Solidified)	450 Qts	2/12/41	3552-3680'	to Total Depth.

Results of shooting or chemical treatment **Increased production from an estimated 20 bbls per day to 44 bbls 24 hrs thru choke on 2" tubing.**

RECORD OF DRILL-STEM AND SPECIAL TESTS

If drill-stem or other special tests or deviation surveys were made, submit report on separate sheet and attach hereto.

TOOLS USED

Rotary tools were used from feet to feet, and from feet to feet
Cable tools were used from **Top 1/2** feet to **3680** feet, and from feet to feet

PRODUCTION

Put to producing **Feb. 18**, 19 **41**
The production of the first 24 hours was **44** barrels of fluid of which **100** % was oil; % emulsion; % water; and % sediment. Gravity, Be
If gas well, cu. ft. per 24 hours Gallons gasoline per 1,000 cu. ft. of gas
Rock pressure, lbs. per sq. in.

EMPLOYEES

R. M. Jones Driller
L. H. Houser Driller

FORMATION RECORD ON OTHER SIDE

I hereby swear or affirm that the information given herewith is a complete and correct record of the well and all work done on it so far as can be determined from available records.

Subscribed and sworn to before me this **5** day of **April**, 19 **41**
J. E. Wilson Notary Public
My Commission expires **December 17, 1944**
Hobbs, New Mex. **April 5, 1941**
Name **J. E. Wilson**
Position **District Superintendent**
Representing **SKELLY OIL COMPANY**
Company or Operator
Address **Hobbs, New Mexico**

FORMATION RECORD

FROM	TO	THICKNESS IN FEET	FORMATION
Top	30	30	Caliche
30	76	46	Sand
76	160	84	Red rock
160	200	40	Red shale
200	225	25	Sand
225	310	85	Sand & red shale
310	325	15	Red rock
325	510	185	Red shale
510	625	115	Blue shale
625	690	65	Red shale
690	745	55	Sandy shale
745	787	12	Water sand
787	800	43	Shale
800	870	70	Blue shale
870	880	10	Red sand
880	940	60	Blue shale
940	975	35	Red shale
975	1165	190	Red rock
1165	1270	105	Anhydrite
1270	1305	35	Red anhydrite
1305	1310	5	Salt & red rock
1310	1725	415	Salt, anhydrite & red rock
1725	1775	50	Anhydrite, salt & shale
1775	1875	100	Salt & potash
1875	1915	40	Potash & anhydrite
1915	1935	20	Salt
1935	1985	50	Anhydrite & potash
1985	2055	70	Salt & red rock
2055	2205	150	Salt & potash
2205	2245	40	Salt, potash & anhydrite
2245	2300	55	Salt
2300	2345	45	Anhydrite & salt
2345	2485	140	Salt
2485	2685	200	Anhydrite
2685	2765	80	Broken anhydrite
2765	2780	15	Lime
2780	2925	145	Anhydrite
2925	3423	498	Lime
3423	3445	22	Soft lime
3445	3530	85	Hard & med. lime
3530	3540	10	Med. lime
3540	3545	5	Hard lime
3545	3570	25	Lime
3570	3580	10	Soft sand
3580	3612	32	Hard lime
3612	3635	24	Med. lime
3635	3680	45	Hard lime

Sundry ID 2698616

Plug Type	Top	Bottom	Length	Tag	Sacks	Notes
Surface Plug	0.00	190.00	190.00	Verify circulated to surface	65.00	Perf and sqz
Shoe Plug	20.29	121.00	100.71	WOC and Tag	65.00	Perf and sqz
Top of Salt @ 1390	1326.10	1440.00	113.90	WOC and Tag	25.00	
Base of Salt @ 2337	2263.63	2387.00	123.37	WOC and Tag	25.00	
Yates @ 2688	2611.12	2738.00	126.88	WOC and Tag	25.00	
CIBP Plug	3293.00	3328.00	35.00	WOC and Tag	25.00	Leak test 500psi, 30mins

No more than 2000' is to be allowed between plugs in open hole, and no more than 3000' between plugs in cased hole.
Class H >7500'
Class C <7500'
Fluid used to mix the cement in R111P shall be saturated with the salts common to the section penetrated, and in suitable proportions, but not more than 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible.
Critical, High Cave Karst: Cave Karst depth to surface
R111P: Solid plug in all annuli - 50' from bottom of salt to surface.

Class C: 1.32 ft ³ /sx

Class H: 1.06 ft ³ /sx

Onshore Order 2.III.G Drilling Abandonment Requirements: "All formations bearing usable-quality water, oil, gas, or geothermal resources, and/or a prospectively valuable deposit of minerals shall be protected.

Cave Karst/Potash Cement	Low	500.00
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Shoe @	71.00
Shoe @	3396.00
Shoe @	3667.00

Perforatons Top @	3378.00	Perforations Bottom @	3663.00
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CIBP @	3328.00
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**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 **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 this office, prior to the 90th 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. **Notification:** 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 575-689-5981.

3. **Blowout Preventers:** 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. **Mud Requirement:** 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. **Cement Requirement:** 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 10th 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). A weep hole shall be left if a metal plate is welded in place.

7. Subsequent Plugging Reporting: 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. **Show date well was plugged.**

8. Trash: 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.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene St.
Carlsbad, New Mexico 88220-6292
www.blm.gov/nm



In Reply Refer To: 1310

Reclamation Objectives and Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo “interim” reclamation in order to minimize the environmental impacts of development on other resources and uses. At final abandonment, well locations, production facilities, and access roads must undergo “final” reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its pre-disturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any/all contaminants, scrap/trash, equipment, pipelines and powerlines **(Contact service companies, allowing plenty of time to have the risers and power lines and poles removed prior to reclamation, don't wait till the last day and try to get them to remove infrastructure)**. Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip (across the slope and seed as specified in the original APD COA. **This will apply to well pads, facilities, and access roads.** Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you

have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos
Supervisory Petroleum Engineering Tech/Environmental Protection Specialist
575-234-5909 (Office), 575-361-2648 (Cell)

Arthur Arias
Environmental Protection Specialist
575-234-6230

Crisha Morgan
Environmental Protection Specialist
575-234-5987

Jose Martinez-Colon
Environmental Protection Specialist
575-234-5951

Mark Mattozzi
Environmental Protection Specialist
575-234-5713

Robert Duenas
Environmental Protection Specialist
575-234-2229

Trishia Bad Bear, Hobbs Field Station
Natural Resource Specialist
575-393-3612

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

COMMENTS

Action 162592

COMMENTS

Operator: LEGACY RESERVES OPERATING, LP 15 Smith Road Midland, TX 79705	OGRID: 240974
	Action Number: 162592
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

COMMENTS

Created By	Comment	Comment Date
plmartinez	DATA ENTRY PM.	12/13/2022

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Created By	Condition	Condition Date
kfortner	See attached COA	12/12/2022