Form 3160-5 (June 2019)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| FORM APPROVE | D |
|------------------------|-----|
| OMB No. 1004-013 | 37 |
| Expires: October 31, 2 | 202 |

| 5. Lease Seria | l No |
|----------------|------|
|----------------|------|

| DOK | EAU OF LAND MANAGEMENT | | | |
|--|--|----------------------|-----------------------------|---|
| Do not use this t | IOTICES AND REPORTS ON Worm for proposals to drill or to Use Form 3160-3 (APD) for suc | o re-enter an | 6. If Indian, Allottee or | Tribe Name |
| | . , | | 7. If Unit of CA/Agree | ment, Name and/or No. |
| SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well | | | | |
| Oil Well Gas W | Vell Other | | 8. Well Name and No. | |
| 2. Name of Operator | | | 9. API Well No. | |
| | | (include avea ende) | 10. Field and Pool or E | Synloratory Area |
| 3a. Address | 30. Filone No. | (include dred code) | 10. I leid and I ool of L | Apiolatory Area |
| 4. Location of Well (Footage, Sec., T., K | 2.,M., or Survey Description) | | 11. Country or Parish, | State |
| 12. CHE | CK THE APPROPRIATE BOX(ES) TO IN | DICATE NATURE OF NO | TICE, REPORT OR OTH | ER DATA |
| TYPE OF SUBMISSION | | TYPE OF A | CTION | |
| Notice of Intent | Acidize Deep | pen Pro | oduction (Start/Resume) | Water Shut-Off |
| Notice of intent | Alter Casing Hydr | raulic Fracturing Re | clamation | Well Integrity |
| Subsequent Report | | | complete | Other |
| Final Abandonment Notice | | = | mporarily Abandon | |
| | Convert to Injection Plug peration: Clearly state all pertinent details, i | | iter Disposal | |
| | | | | |
| 14. I hereby certify that the foregoing is | true and correct. Name (Printed/Typed) | | | |
| | | Title | | |
| | | | | |
| Signature | | Date | | |
| | THE SPACE FOR FED | ERAL OR STATE O | FICE USE | |
| Approved by | | | | |
| | | Title | | Date |
| | ned. Approval of this notice does not warran equitable title to those rights in the subject led duct operations thereon. | | | |
| | 3 U.S.C Section 1212, make it a crime for all ents or representations as to any matter with | | illfully to make to any dep | partment or agency of the United States |

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c)and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

(Form 3160-5, page 2)

Additional Information

Location of Well

 $0. \ SHL: \ NWNW \ / \ 990 \ FNL \ / \ 330 \ FWL \ / \ TWSP: \ 17S \ / \ RANGE: \ 30E \ / \ SECTION: \ 22 \ / \ LAT: \ 0.0 \ / \ LONG: \ 0.0 \ (\ TVD: \ 0 \ feet, \ MD: \ 0 \ feet \)$ BHL: \ NWNW \ / \ 990 \ FNL \ / \ 330 \ FWL \ / \ TWSP: \ 17S \ / \ SECTION: \ / \ LAT: \ 0.0 \ / \ LONG: \ 0.0 \ (\ TVD: \ 0 \ feet, \ MD: \ 0 \ feet \)

Dale H. Parke A Tract 1 #18 990' FNL, 330' FWL D-22-17S-30E Eddy Co., N0M 30-015-30455

Well Data:

8-5/8" @ 443', TOC @ surface 5-½" @ 5090', DV @ 3,319', Circ Cmt Both Stages 4" @ 4905' - 6,491', DV @ 4905', cmt 14 sx.

4"/10.46ppf/L80/LTC 2-7/8"/6.5ppf/J55/EUE Burst=7,700 psi, 6160 psi at 80% Nom ID=3.476" Drift ID=3.351" Burst=7260 psi, 5808 psi at 80% Nom ID=2.441" Drift ID=2.347"

Collapse=7680 psi, 6144 psi at 80%

Tensile=99660 lb with no safety factor

Centralizer Locations:

@DV:

@Shoe:

@Middle:

PBTD:

Proposed Perfs:

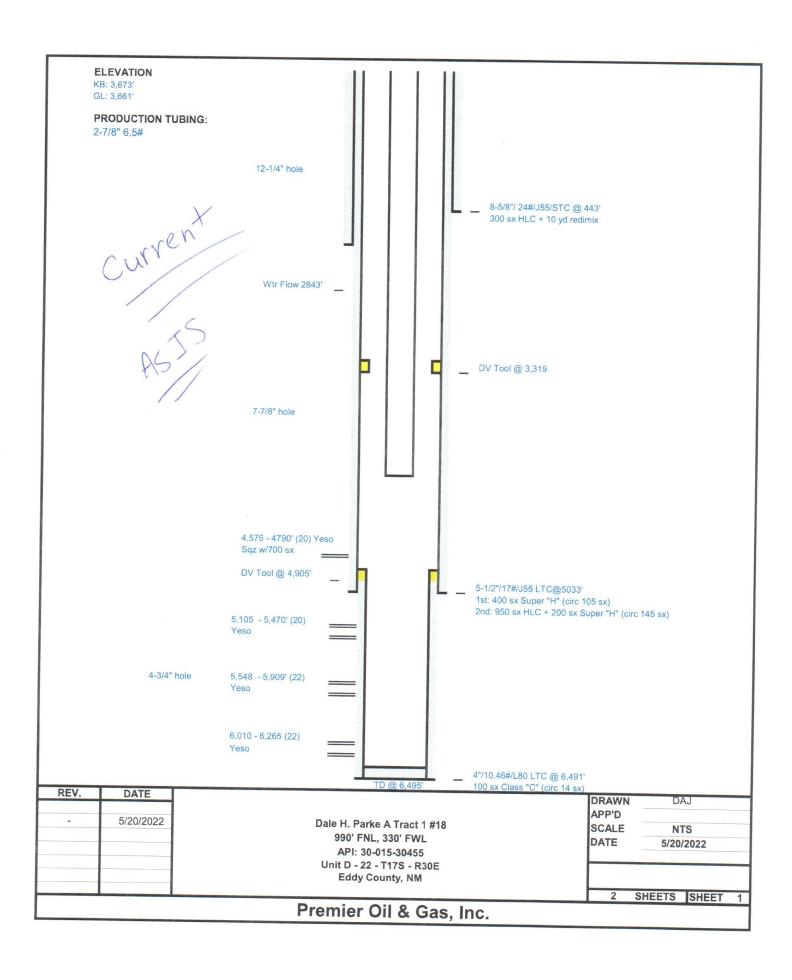
<u>Grayburg – San Andres 1</u>: 3530, 3538, 3547, 3558, 3577, 3604, 3637, 3666, 3700, 3720, 3734, 3754, 3767, 3785, 3798, 3811, 3829, 3851, 3863, 3881, 3887 (21)

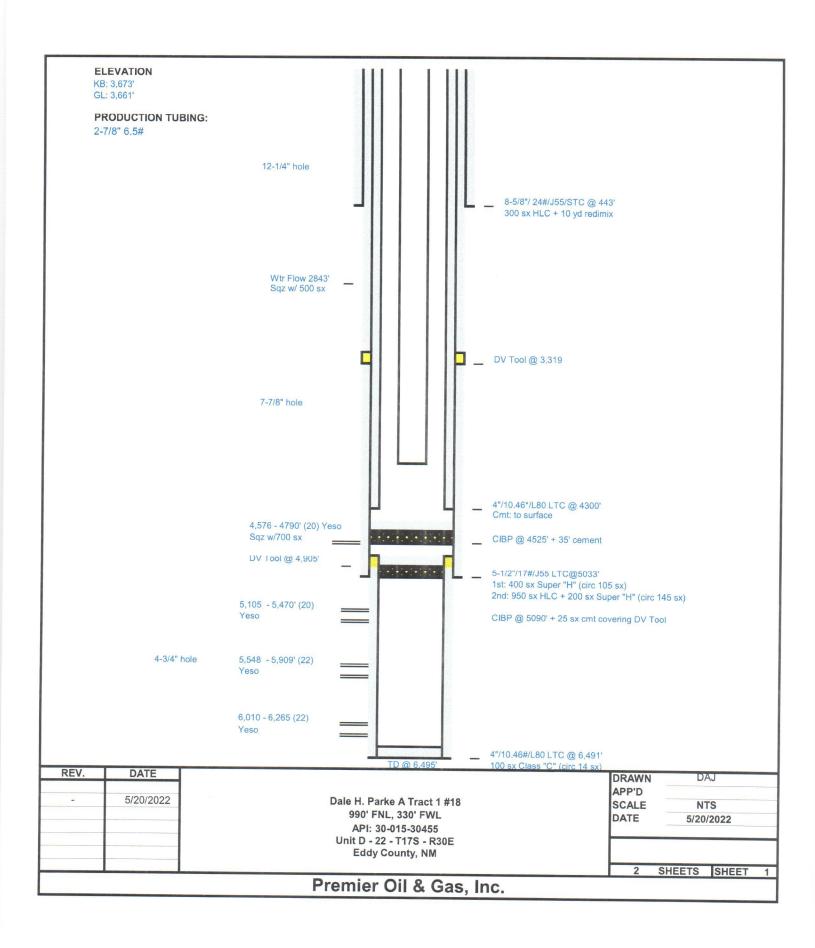
Objective: Plug off Yeso and complete well in Grayburg-San Andres.

Procedure:

- 1) Rig up Pulling Unit. Trip out of hole with tubing, pump, and rods. SDON.
- 2) RIH w/ bit and scraper to 5150'.
- 3) RIH w/ tubing and CIBP. Set CIBP @ 5090'. Pressure test CIBP to 2000#. Dump 30 sx of cmt on CIBP covering DV Tool and liner.
- 4) RIH w/ tubing and CIBP. Set CIBP @ 4525'. Pressure test CIBP to 2000#. Dump 35' of cmt on CIBP. Come back out of hole. Stand rest back in derrick. SDON.
- 5) Found casing leak @ 2843'. RIH w/ CIBP and set at 2900'. POOH and run cement retainer and squeeze off leak w/ 500 sx of cement.
- 6) Drill out to plug back depth of ~4490' and prepare to run new 4" L80/ 10.46#/ft casing and set to 4300'. Cmt casing with 200 sacks of class "C" to surface and circulate ~25 sx. WOC.
- 7) RIH w/ bit and scraper to ~4300'.

- 8) RU Hot oiler, spot 1000 gal 10% acidic acid pump ~18 bbls flush. POOH w/ tubing. Rig up lubricator and wireline and perforate Grayburg-San Andres from 3530 3887 (22) with 2.75" HSC select fire guns with Titan 22.7 gr charges (0.40" ehd, 20.5" penetration).
- 9) MIRU frac crew and water transfer crew and frac Grayburg-San Andres from 3530 3887'.
- 10) Clean well out to PBD using a nitrogen foam or foam air unit. Run pump, rods, and tubing. Hang well on and begin pumping





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

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 219770

CONDITIONS

| Operator: | OGRID: |
|-----------------------|-------------------------------|
| PREMIER OIL & GAS INC | 17985 |
| PO Box 837205 | Action Number: |
| Richardson, TX 75083 | 219770 |
| | Action Type: |
| | [C-103] NOI Workover (C-103G) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|---|-------------------|
| dmcclure | CIBP at 5090' with 25 sx cmt (minimum) cover liner top and DV tool – WOC and tag CIBP at 4525' and Dump bail 35' of cmt – WOC and tag | 6/23/2023 |
| dmcclure | Notify NMOCD 24 Hours Prior to beginning operations | 6/23/2023 |
| dmcclure | The leak at 2843 shall be remediated such that cement shall return to surface when cementing in the liner. | 6/23/2023 |