-	DEPARTMENT OF THE INTE		Rossali Field Off		08-12-2014 OMB No. 1004-0137 Expires: July 31, 2010	2/13
BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS			5. Lease Serial No.	NMNM0347394		
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.				6. If Indian, Allotte	e or Tribe Name	
SUBMIT IN TRIPLICATE - Other instructions on page 10885 OCO				7. If Unit of CA/A	greenent, Name and/or N	0.
1. Type of Well Oil Well Gas V			AUG 1 9 2014	8. Well Name and	No Wilson Federal #1	*
2. Name of Operator Cano Petro o	New Mexico, Inc.	·	•	9. API Well No.	30-005-10462	
3a. Addyrąs PO Bos 4470, Tulsą, OK 74159	-0470	3b. Phone No. <i>(include</i> 918-582-	: area (1996) 0088		or Exploratory Area Tomahawk, San Andre	es
4. Location of Well (Roologe, Sec., T.,	_	,	11. Country or Pari	sh, State Chaves County, I	New Mexico	
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA						
TYPE OF SUBMISSION	TYPE OF ACTION					
	Acidize	Deepen		uction (Start/Resume)	Water Shut-Of	, T
Notice of Intent	Alter Casing	Fracture Treat	==	emation	Well Integrity	•
Subsequent Report	Casing Repair Change Plans	New Construct Plug and Abar		mplete porarily Abandon	Other	
Final Abandonment Notice	Convert to Injection	Plug Back	· === .	r Disposal		
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. In the proposal is to deepen directionally or recomplete 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 recompletion 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.)						
To Plug & Abandon this well on a lo				SFF ATT	ACHED FOR	
1. MIRU Well Plug Unit. 2. POOH w/rods, pump & tubing if present. 3. RIH w/bit & scrapper to top of perfs @ 4053'. Then POOH w/same.				CONDITIONS OF APPROVAL		
4. RIH w/4-1/2" CIEP & set @ 4030 5. Spot 50 sx. Class H=16.4 #/gal cm 6. POOH to 2250', WOC 4 hrs. Tag 7. RU perforator & shoot 4 spft @ 2 8. Mix & spot 65 sx Class H 16.4 #/g 9. POOH w/WS to 450' & WOC ove 10. Tag last plug @ 2200' or higher. 11.RU perforator & shoot 4 spft @ 5 12. Mix and circulate 175 sx Class H 13. WOC 6 hrs to assure cmt at sur	It on CIBP to fill Csg to abo plug. If below 3800' then in \$901'. Establish annular circ gal cmt @ 2300' then sque might. If not above 2200' then mi 00'. Establish circulation to t 16.4 #/gal cmt to surface face.	nix cmt to fill csg to ab culation. Perfect eze 45 sx into annulu x cmt to fill above 220 o surface:	ove 4500!. 325 2 3380, 50 5. This should result 10: 3250,	2 DZ cont to tin-a-200 balance Poot@ Zi	652 03250, 2000 of plug from 2300 to 2 3380- (60, 592 cm) 2000 Tag 70	704 (7/5) 100,750 7 To 166 7/202 Sa
14. Cutoff casing strings 3' below G 15. Restore location per BLM speci LPC Hab: tat Below G		Macker	Leguire		MATION PROCEDUR ATTACHED	E

I hereby certify that the foregoing is true Senior Oil + Gos Engineer Name (Printed/Typed) Date Signature Approved by Title 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 Rosecti Field Office 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 ficultions or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

MOB/OCD 8/19/2014

- AUG-2 0 2014

Well Bore Schematic

Well: Wilson Federal #1 Unit Ltr: D 660 FNL & 660 FWL Present: XXXX Field: Tomahawk; San Andres Soc 8 - TBS-R32E Proposed: Chaves County, New Mexico Original Elev: GL 4444' SURFACE API Number: 30-051-10462 KB 4453' 6/9/66 Spud Date: Comp Date: 7/23/66 Lease No. or Type: NMNM0347394 First Prod: 8-5/8" 20#/ft @ 369' in 11" hole Cmt'd w/ 200 sx & circ to surface Salt 17/0 B/ 2/10 Nothing is known about any Workovers in this wellbore Johns 2110 On 2830 SA 3315 Calc TOC = 3603' Perfs: 4053' - 4069' & 4110' - 4117' w/2 spft 4-1/2" 10.5 #/ft @ 4323' w/150 sx

_ TD: 7-7/8" hole @ 4340'

Well Bore Schematic

Nell: Fleld:

Wilson Federal #1

Tomahawk; San Andres

Unit Lti: D 560 FNL & 660 FWL

Sec 6 - T8S-R32E Chaves County, New Mexico Present:

Proposed: XXXX

Original Elev:

Lease No. or Type:

GL 4444'

KB 4453'

NMNM0347394

SURFACE

API Number: 30-051-10462 Spud Date:

6/9/66

Comp Date:

7/23/66

First Prod:

Perf 4-1/2" @ 500". Then mix and circulate 175 sx Class H 16.4 #/gal crnt to surface. Filling 4-1/2" also.

> 8-5/8" 20#/ft @ 369' in 11" hole Cmt'd w/ 200 sx & circ to surface

Nothing Is known about any Workovers in this wellbore All data collected from BLM & State records.

Perf 4-1/2" @ 2300' w/4 spft. Then mix and pump 65 sx Class H 16.4 #/gal cmt & Sqz 45 sx into annulus. This will leave 20 sx inside 4-1/2" to make a 200' plug from 2300' to 2100'.

> Spot 50 sx Class H 16.4 #/gal cmt from CIBP @ 4030' to 3400' inside 4-1/2" Csg.

> > CIBP @ 4030'

Calc TOC = 3603'

Perfs: 4053' - 4069' & 4110' - 4117' w/2 spft

TD: 7-7/8" hole @ 4340"

4-1/2" 10.5 #/ft @ 4323' w/150 sx

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 <u>ninety (90)</u> 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.

- 2. <u>Notification:</u> 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 575-393-3612.
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. 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. <u>Mud Requirement:</u> 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 water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: 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. In lieu of a cement plug in a cased hole, 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.

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. <u>Dry Hole Marker</u>: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. 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).
- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and five 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. <u>Trash:</u> 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 conditions of approval will be developed and furnished to you.



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 predisturbance 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 and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, redistribute the native soils, provide erosion control as needed, rip 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.

- 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.
- 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 575-234-5909, 575-361-2648 (Cell)

Solomon Hughes Natural Resource Specialist 575-234-5951

Jeffery Robertson Natural Resource Specialist 575-234-2230

Duncan Whitlock Environmental Protection Specialist 575-234-5926

Linda Denniston Environmental Protection Specialist 575-234-5974 Cody Layton Supervisory Multi Resources 575-234-5959

Trishia Bad Bear Natural Resource Specialist 575-393-3612

Amanda Lynch Natural Resource Specialist 575-234-5922

Jessie Rice Natural Resource Specialist 575-234-5913

Indra Dahal Natural Resource Specialist 575-234-5996

Contact Roswell Field Office for Reclamation. 575-627-0272,