

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUL 27 2015

RECEIVED

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010SUNDRY 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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		5. Lease Serial No. NMNM25465
2. Name of Operator OILFIELD WATER LOGISTICS Contact: KATY WELCH E-Mail: KWelch@oilfieldwaterlogistics.com		6. If Indian, Allottee or Tribe Name
3a. Address 8214 WESTCHESTER DRIVE SUITE 850 DALLAS, TX 75225	3b. Phone No. (include area code) Ph: 432-234-0427	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T23S R33E Mer NMP NESE 1650FSL 660FEL		8. Well Name and No. MARY FEDERAL 3
		9. API Well No. 30-025-27479
		10. Field and Pool, or Exploratory BELL LAKE
		11. County or Parish, and State LEA COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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 recompleat 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Please find attached proposed plugging plan for OWL - per Jim Ward - Engineer for Mary Federal #3.

SUBJECT TO LIKE
APPROVAL BY STATESEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Electronic Submission #309487 verified by the BLM Well Information System For OILFIELD WATER LOGISTICS, sent to the Hobbs Committed to AFMSS for processing by PAUL SWARTZ on 07/17/2015 ()	
Name (Printed/Typed) KATY WELCH	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 07/17/2015
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
APPROVED	
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 entitle the applicant to conduct operations thereon.	Date
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.	Office
BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE	
** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **	

AUG 31 2015

OWL Mary Federal #3

API# 30-025-27479

1650' FSL & 660' FEL

Sect 25-T23S-R33E

Lea County, NM

OBJECT: Re-enter & Plug abandoned well.

Elevation: GL 3636', KB 3650' (RKB to GL = 14.0')

Production Casing: 2-7/8" 6.5# J-55 @ 8,968' **PBTD @ 8,900'?**
Internal Yield: 7,260 psig. **80% yld = 5,800 psig.**
Capacity: .00579 bbls/ft.
Drift ID: 2.347"

DIRECTIONS TO LOCATION

From Jal, NM:

Go 21 mi West on Hwy 128.

Turn right & go 4-1/2 mi NORTH on CR 21 to XL Road.

Turn left & go 1/2 mi WEST on XL Road to double green cattleguard.

Go North then East then North about 3/4 mi total into location.

Re-Entry/Plugging Details:

1. MIRU pulling unit, reverse unit, power swivel, pipe racks, catwalk, trash trailer/porta-toilet & H2S monitors. *(Notify BLM prior to beginning work.)*
2. Drill out cmt w/7—7/8" bit & DC's to top of 4-1/2" csg stub @ 377'. (No wellhead on P&A'd well. PU returns w/jet or sump pump circulating through pits.) Circ clean. POH.
3. Drill out cmt w/3—7/8" bit & DC's to top of 2-7/8" csg stub @ 495'. Circ clean. POH.
4. GIH w/2-7/8" tbg open-ended & attempt to screw into fish. If unsuccessful, GIH w/3-7/8" piranha mill on 2-7/8" tbg. Mill off tbg collar to jt body. POH. GIH w/3-5/8" x 2-7/8" Logan Type 'A' tbg patch & locate tbg top. Work over & ease down until patch lands. Ease up & verify patch engagement. Test patch. NU BOP/ test.
5. GIH w/wireline spear on 1-1/4" tbg work string. Tag fish & twist/catch any wire left in hole. (1,563'? -Fish is swab stuck in hole. Unknown if wire on top.) POH.
6. If unsuccessful, try to fish swab with overshot. (Determine fishing tools needed from examining swab assembly on rig & fishing necks.) Retrieve fish, or push down hole to btm. If fish can't be retrieved or pushed down hole, attempt to establish injection rate past fish down 2-7/8" tbg. (We will work with BLM to possibly permit us to pump cement down tbg past fish if unable to pull fish after "good faith" attempt.)
7. If successful retrieving fish. GIH w/2.4" mill & clean out hole to 8,740'. Circ clean w/9 ppg CBW + 25sx/100 bbl salt water gel. POH.
8. RU wireline. GIH w/gauge ring- junk basket to 8,740'. Set CIBP @ 8,700'. Dump bail 35' (~1.0 sx) CI H cmt on top of plug.
9. Perf 5,467' (50' below 4-1/2" csg seat.) RD WLU. Either pump down 2-7/8" tbg; attempt to establish circulation up 4-1/2", or establish an injection rate into perfs. If able to circulate, mix & pump 35 sx CI C cmt (Note: Ensure 8-5/8" & 4-1/2" casings are open & fluid can freely circulate to surface up annulus.) Displace to 5,000' w/wtr. *If unable to circulate or inject into perfs at reasonable pressure, GIH w/1-1/4" tbg to 5,470 & spot 20 sx CI C cmt. Pull 600' & reverse clean. WOC 4 hrs. Tag cmt top. POH.*
10. Perf 1,380' (50' below 8-5/8" csg seat.) RD WLU. Either pump down 2-7/8" tbg; attempt to establish circulation up 4-1/2", or establish an injection rate into perfs. If able to circulate, mix & pump 60 sx CI C cmt (Note: Ensure 8-5/8" & 4-1/2" casings are open & fluid can freely circulate to surface up annulus.) Leave 2-7/8" csg filled with cmt to surface. *If unable to circulate, or inject into perfs at reasonable pressure, GIH w/1-1/4" tbg to 1,380 & circulate ~ 10 sx cmt to surface. LD work string.*
11. ND BOP. Back-off top jt of tbg. Fill hole w/cmt.
12. Install dry hole marker. RDMOPU & equipment.

Operator: Toco L. L. C.
Surface Lease: NM25465

BHL: NM25465
Lease Agreement

Well: Mary - 03

API: 3002527479

@ Srfce: T23S-R33E, Sec 25, 1650FSL & 660FEL

@ M TD: T23S-R33E, Sec 25, 1650FSL & 660FEL

Subsurface Concerns for Casing Designs:

Well Status: p&A

Spud date: 07/07/1981

KB: 3650

GL: 3636

Corr: 14

05/19/2000
05/18-19/2000

??/??/????

07/23/1981

tag cmt at 378, cut & pull 4 1/2" from 377,s

495ft - 2 7/8" backoff & pulled
1520 TOC temp, 1" w/400sx circ 40sx

(1282 Rustler
1330,12.25"hole,8.625 24# K55 csg, 650sx 0sx circ

(1428 T Salt)

1563 top of fish

Swab stuck in 2 7/8" tbg

4130 TOC temp

(4862 B Salt)

(5193 Delaware Sand)

<5214-22>

09/15/1981

5265 CIBP w/cmt cap

09/13/1981

<5275-89>

09/12/1981

5328 CIBP w/cmt cap

09/10/1981

<5337-49>

08/02/1981

5417,7.875"hole,4.5 10.5# K55 csg, 300sx 0sx circ
Pmp'd 400sx dwn backside, to "sqz" old perms.

???? TOC

Plugging reports to sketchy.

No confirmation found of isolation btwn 2 7/8" and 4 1/2" csgs.

No evidence found of 2 7/8" TOC.

09/04/1999

<8740-61 Bone Spring?>

08/31/1999

8968,4"hole,2.875" 6.5# J55 csg, 350sx 0sx circ

Diagram last updated: 04/09/2015

_WB Rcd(4.31, Mary-03 3002527479

Conditions of Approval

Oilfield Water Logistics

Mary - 03, API 3002527479

T23S-R33E, Sec 25, 1650FSL & 660FEL

July 17, 2015

1. Notify BLM 575-393-3612 Lea Co as work begins. Some procedures are to be witnessed. If there is no response, leave a voice mail with the API#, workover purpose, and a call back phone number.
2. Surface disturbance beyond the existing pad must have prior approval.
3. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
4. Functional H₂S monitoring equipment shall be on location.
5. 2000 (2M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels) equipment shall be installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.
6. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
7. The BLM PET witness is to run tbq tally and agree to cement volumes and placement. Sample each plug for cement curing time and tag and/or pressure test as requested by BLM PET witness.
8. **This procedure is subject to the next three numbered paragraphs.**
9. Mix cement plugs to cover a minimum of 100ft plus 10ft for every 1,000ft from the bottom of the plug, rounding the number of necessary sacks up to the nearest 5 sacks. Never use less than 25sx. Examples: A cement plug set at 8000 in 7" casing would require a min of 35sx. A 25sx plug in 5 ½" casing should cover 250ft, which may exceed 100ft plus 10ft per 1000ft.
10. Class H > 7500ft & C < 7500ft) cement plugs(s) will be necessary. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Formation isolation plugs of Class "C" to be mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water and "H" to be mixed 16.4#/gal, 1.06ft³/sx, 4.3gal/sx water.
11. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.

12. 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 initial plugging completion.**
13. 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).

Access information for use of Form 3160-5 "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.