HOBBS OCD	NMOCD				
HOBBS Form 3160-5	Hobbs	FORM APPROVED			
(September 2001) 9 2016 MAY 1 9 2016 MAY 1 9 2016 BUREAU OF LAND MANAGEMEN	OM B No. 1004-0135 Expires: January 31, 2004				
DECESSION NOTICES AND REPORTS	5. Lease Serial No. NMNM83197				
RE Do not use this form for proposals to drill or abandoned well. Use Form 3160-3 (APD) for	6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No.				
SUBMIT IN TRIPLICATE- Other instructions					
1. Type of Well Oil Well Gas Well Other		8. Well Name and No.			
2. Name of Operator RIDGEWAY ARIZONA OIL CROP		FEDERAL 23 #2 9. API Well No.			
3a. Address 3b. Phone 777 N. ELDRIDGE PRKWY #150, HOUSTON, TX 77079 832-48	30-041-00196				
4. Location of Well (Footage, Sec., A., R., M., pr Survey Description)		10. Field and Pool, or Exploratory Area CHAVEROO; SAN ANDRES			
SECTION 23, 07S-33E 660 FSL 1980 FWL	11. County or Parish, State				
12. CHECK APPROPRIATE BOX(ES) TO INDICAT	TE NATURE OF NOTICE F	ROOSEVELT COUNTY, NM			
TYPE OF SUBMISSION	TYPE OF ACTION	as only on on lat brin			
Acidize Deeper		art/Res INT TO PA PM X -			
Subsequent Report	Construction Recomplete	P&A R			
Final Abandonment Notice	nd Abandon Temporarily A Back Water Disposal				
IN RESPONSE TO INC 160T12 T RIDGEWAY ARIZON OIL CORP REQUESTS APPROVAL TO ATTACHED PLUGGING PROCEDURE.		0.0			
THE COMPANY WILL NOTIFY BLM 24 HOURS PRIOR TO	COMMENCING PLUGGING O	DUG NUCLES			
	CEE ATTACH	IED FOR			
	CONDITION	S OF APPROVAL			
	CONDITION				
14. Thereby certify that the foregoing is true and correct					
Name (Printed/Typed) JAMIE L HOGUE	Title VP REGULATORY	AFFAIRS			
Signature and Horal	Date	05/04/2016 ROV			
THIS SPACE FOR FEDER	RAL OR STATE OFFIC	USE			
Approved by Conditions of approval, if any, are attached. Approval of this notice does not w certify that the applicant holds legal or equitable title to those rights in the subje which would entitle the applicant to conduct operations thereon.		MAY Date 2016 Date MENT			
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for States any false, fictitious or fraudulent statements or representations as to any r	r any person knowingly and willfull matter within its jurisdiction	y to make to any department or agency of the United			
(Instructions on page 2)	/				



Plugging Procedure Federal 23 #2 API No. 30-041-00196 N-23-07S-33E 660 FSL 1980 FWL

- 1. Prepare location and test anchors
- 2. MIRU plugging rig
- 3. Notify BLM 24 hours prior to commencement of P & A procedure.
- 4. NDWH/NU BOP
- 5. RIH w-4 ½ CIBP on 2 3/8 WS @ 4080' (+/-) within 50' of top perf (4130')
 - a. Spot 35' of cement on CIBP
 - b. WOC -4030' (+/-)

6. Load well with a minimum of 9 lb. mud and conduct MIT to 500 psi; test for leak off.

- a. Bleed pressure off after MIT.
- 7. MIRU WL and RIH w/perf gun to 3389'
 - a. perforate @ 2 JSPF
 - b. POOH w/WL
 - c. RDWL
- 8. TIH w/WS Squeeze 40 SX cement plug @ 3489' to 3389' (+/-)
 - a. Casing shoe @ 3439'
 - b. Wait on cement
 - c. Tag plug @ 3359' or above.

9. TIH w/WS - Squeeze 60 SX cement plug @ 2500' to 2300' (+/-)

- a. Casing shoe @ 1825'

- c. Tag plug @ 2300' or above # additional plug from 2300-2175' w/WS Squeeze 40 SX cement plug @ 555' to 455' (+()) to 5 Carl yated formation. 10. TIH w/WS - Squeeze 40 SX cement plug @ 555' to 455' (+/-)
 - a. Casing shoe @ 505'
 - b. Wait on cement
 - c. Tag plug @ 455' or above
- 11. TIH w/WS Circulate cement plug from 60' to surface
 - a. Wait on cement
 - b. Cut off well head 4' below ground level
 - c. Cut anchors
- 12. RDMO Plugging Rig
- 13. Install below grade P & A marker at least 3' below ground level

777 North Eldridge Parkway, Suite 150 Houston, TX 77079 Tel: 832-485-8500

				Description	O.D.	Grade	Weight	Depth	Cmt Sx	тос
Lease Well Name	NMNM83197 Federal 23	Well No. 2		Surface Csg	13 3/8	0	48	505	400	Surface
Field County	Chaveroo Roosevelt			Inter Csg	11		24#	3439	800	Surfac
State Date	NM 5/3/2016			Prod Csg	4 1/2	0	9 1/2	4384	300	0
Date Comp	6.0			Liner O.D.	1.00		1			
KB	0.00				0	0	0	0	0	0
f @ 60' . To surf. 3/8" @ 5' ot @ 555'		Unit Na Perfora TBG Da Strokes Tensio TAC Predici LIST D	est Data ime & Size itions ata s Per. Min. n Ro tive Load ATES, REA	BOPD	Taper 3 Actual RES & MEA	4130-42 Pump	Size Seat Nip Ta	ple aper 2 aper 4		
				IMENDATIONS TO						
				WELL CONDITION	NS THAT W	/ILL CONT	RIBUTE 1		JRES.	
	-	Perforations								
" @ 343 91 erf @ 3489'		4130-4243								=

Federal 23 2 30-041-00196 Ridgeway Arizona Oil Corp May 16, 2016 Conditions of Approval

- 1. Operator shall place CIBP at 4,080' (50'-100' above top most perf) and place 35' of Class C cement on top as proposed. <u>WOC and TAG.</u>
- 2. Operator shall perf and squeeze as proposed tagging plug at a minimum of 3,359' to seal the intermediate casing shoe.
- 3. Operator shall perf and squeeze at 2,500'as proposed tagging plug at 2,300'.
- 4. Operator shall place a balanced Class C cement plug from 2,300'-2,175' to seal the top of the Yates formation. WOC and TAG.
- 5. Operator shall perf and squeeze at 555'as proposed tagging plug at 455' to seal the surface shoe.
- 6. Operator shall place a balanced Class C cement plug from 60'- surface as proposed
- 7. See Attached for general plugging stipulations.

JAM 051616

BUREAU OF LAND MANAGEMENT Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201 (575) 627-0272

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 the BLM Roswell Field Office (RFO), prior to the 90th day, with the reason for not meeting the deadline and a date when the BLM Roswell Field Office can expect the well to be plugged. Failure to do so will result in enforcement action. Unless the well has been properly plugged, the rig shall not be removed from over the hole without prior approval.

2. <u>Notification</u>: Contact the BLM Roswell Field Office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, during office hours or after office hours call (575) 627-0205. Engineer on call during office hours phone (575) 627-0275 or phone (after hours) call (575) 626-5749.

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 9090 feet; a 3M system for a well not deeper than 13636 feet; and a 5M system for a well not deeper than 22727 feet.

4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at a 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 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 cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 50 feet 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 class "C" for up to 7500 feet of depth, mixed at 14.8 lbs./gal with 6.3 gallons of fresh water per sack or class "H" for deeper than 7500 feet plugs, mixed at 16.4 lbs./gal with 4.3 gallons of fresh water per sack.

6. <u>Monument:</u> Upon abandonment of the well, 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 covered with a metal plate at least ¼ inch thick and welded in place. The following information shall be permanently inscribed on the dry hole marker: Well name and number, the name of the operator, the lease serial number, the surveyed location (the quarter-quarter 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 the BLM Roswell Field Office. 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. <u>Show date well was plugged.</u>

Following the submittal and approval of the Subsequent Report of Abandonment, a Notice of Intent for Final Abandonment with the proposed surface restoration procedure must be submitted for approval.