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DEPARTMENT OF THE INTERIO	OR	FORM APPROVED OMB No. 1004-0135 Expires: January 31, 2004	
DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMEN NAY 1 9 2016 DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMEN NOTICES AND REPORTS		5. Lease Serial No. NMNM83197	
RECEPO not use this form for proposals to drill o abandoned well. Use Form 3160-3 (APD) for		6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRIPLICATE- Other instructions	on reverse side.	7. If Unit or CA/Agreement, Name and/or No.	
1. Type of Well ☐ ☐ Gas Well ☐ ☐ Other			
	8. Well Name and No. FEDERAL 23 #3		
2. Name of Operator RIDGEWAY ARIZONA OIL CROP	9. API Well No.		
3a. Address 777 N. ELDRIDGE PRKWY #150, HOUSTON, TX 77079 3b. Phone 832-48	30-041-10529 10. Field and Pool, or Exploratory Area		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		CHAVEROO; SAN ANDRES	
SECTION 23, 07S-33E 660 FSL 1980 FEL		11. County or Parish, State ROOSEVELT COUNTY, NM	
12. CHECK APPROPRIATE BOX(ES) TO INDICAT	TE NATURE OF NOTICE, I	REPORT, OR OTHER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION		
	re Treat Reclamation Construction Recomplete and Abandon Temporarily A	P&A NR	
following completion of the involved operations. If the operation results in a resting has been completed. Final Abandonment Notices shall be filed only af determined that the site is ready for final inspection.)			
IN RESPONSE TO INC 160T03			
RIDGEWAY ARIZON OIL CORP REQUESTS APPROVAL TO ATTACHED PLUGGING PROCEDURE.	PLUG AND ABANDON THE	WELL IN ACCORDANCE WITH THE	
THE COMPANY WILL NOTIFY BLM 24 HOURS PRIOR TO C	COMMENCING PLUGGING OF THE PROPERTY OF THE PRO	OPERATIONS. FOR	
CC	ONDITIONS OF	APPROVAL	
14. Thereby certify that the foregoing is true and correct Name (Printed/Typed)			
JAMIE L HOGUE	Title VP REGULATORY	AVFAIRS	
Signature CL N HOR L	Date	05/04/2016	
THIS SPACE FOR FEDER	AL OR STATE OFFIC	EUSEAY 1 6 2016	
Approved by Conditions of approval, if any, are attached. Approval of this notice does not we certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon.		WELL FIELD OFFICE	

(Instructions on page 2)

FOR RECORD ONLY
MW/00 5/23/2016

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.



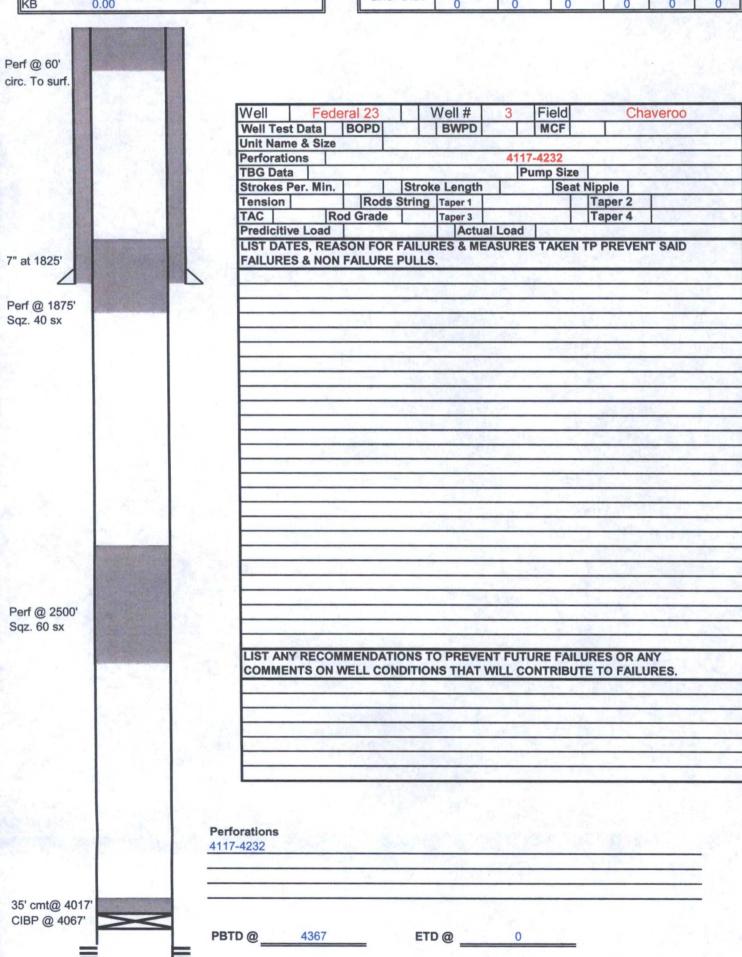
Plugging Procedure Federal 23 #3 API No. 30-041-10529 O-23-07S-33E 660 FSL 1980 FEL

- 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 @ 4067' (+/-) within 50' of top perf (4117')
 - a. Spot 35' of cement on CIBP
 - b. WOC -4017' (+/-)
- 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 2500'
 - a. perforate @ 2 JSPF
 - b. POOH w/WL
 - c. RDWL
- 8. TIH w/WS Squeeze 60 SX cement plug @ 2500' to 2300' (+/-)
 - a. Wait on cement
 - b. Tag plug @ 2300' or above.
- 9. MIRU WL and RIH w/perf gun to 1867'
 - a. perforate @ 2 JSPF
 - b. POOH w/WL
 - c. RDWL
- 10. TIH w/WS Squeeze 40 SX cement plug @ 1875' to 1775' (+/-)
 - a. Wait on cement
 - b. Tag plug @ 1775' 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

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Lease	NMNM83197	
Well Name	Federal 23	Well No. 3
Field County State	Chaveroo	4 7 7 7
County	Roosevelt	4 12
State	NM	
Date	5/3/2016	
Date Comp		
KB	0.00	34-7

Description	O.D.	Grade	Weight	Depth	Cmt Sx	тос
Surface Csg	7	0	20#	1825	375	Surface
Inter Csg	0	0	0	0	0	0
Prod Csg	4 1/2	0	9 1/2	4448	330	0
Liner O.D.	0	0	0	0	0	0



TD@

4400

Federal 23 3 30-041-10529 Ridgeway Arizona Oil Corp May 16, 2016 Conditions of Approval

- 1. Operator shall place CIBP at 4,067' (50'-100' above top most perf) and place 35' of Class C cement on top as proposed. WOC and TAG.
- 2. Operator shall perf and squeeze at 2,500'as proposed tagging plug at 2,300'.
- 3. Operator shall place a balanced Class C cement plug from 2,300'-2,150' to seal the top of the Yates formation. WOC and TAG.
- 4. Operator shall perf and squeeze at 1,875' as proposed tagging plug at 1,775' to seal the surface shoe.
- 5. Operator shall place a balanced Class C cement plug from 60'- surface as proposed
- 6. 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. **Show date well was plugged.**

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.