

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

New Mexico Oil Conservation Division, District I  
1625 N. French Drive  
Hobbs, NM 88240

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2014

HOBBS OCE

**SUNDRY 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 page 2. **RECEIVED**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM 53389
2. Name of Operator HALCON HOLDINGS, INC		6. If Indian, Allottee or Tribe Name N/A
3a. Address 5100 E. SKELLY DRIVE, SUITE 650 TULSA, OK 74135	3b. Phone No. (include area code) (918) 663-2800	7. If Unit of CA/Agreement, Name and/or No. N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 680' FNL & 510' FEL SEC. 25, T08S, R36E		8. Well Name and No. EL ZORRO A FEDERAL #001
		9. API Well No. 30-041-20797
		10. Field and Pool or Exploratory Area ALLISON; PENN
		11. County or Parish, State ROOSEVELT COUNTY, NM

**12. CHECK THE 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 checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input 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 recomple 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 recomple 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.)

WELL WAS COMPLETED IN THE BOUGH C SAND ON 12/27/1985. THE ZONE WAS ABANDONED IN 2003 AND THE SAN ANDRES WAS TESTED. THIS FORMATION PROVED TO BE NON-COMMERCIAL AND WAS PLUGGED. THE WELLBORE WAS TEMPORARILY ABANDONED. A GEOLOGIC REVIEW INDICATES THERE ARE NO OTHER POTENTIAL UPHOLE ZONES. PLEASE SEE ATTACHED THE PROPOSED SUMMARY TO PLUG AND ABANDON, PROPOSED WELLBORE DIAGRAM AND A CURRENT WELLBORE DIAGRAM. THE ESTIMATED STARTING DATE TO PERFORM THIS WORK IS APRIL 15, 2013. ALL WORK IS TO BE PERFORMED UNDER BLM BOND NO. WYB000905; RIDER NO. SUR0003902.

Halcon Holdings Inc. Is Not The Approved  
BLM Operator But Is Approved To Do The  
Downhole Plugging Of This Well For Ram  
Energy Inc. Approval To Change Operator  
Is Contigent On Halcon Bond Increase.

APPROVED FOR 3 MONTH PERIOD  
ENDING JUN 12 2013

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed). STEPHEN MILINICHIK		Title SR. OPERATIONS ENGINEER
Signature		Date 02/21/2013

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by <u>/S/ DAVID R. GLASS</u>	PETROLEUM ENGINEER	Date <u>MAR 12 2013</u>
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.		
Office <u>ROSWELL FIELD OFFICE</u>		

Title 18 U.S.C. Section 1001 and Title 48 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.

(Instructions on page 2) **SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

APR 11 2013

## El Zorro A Federal #1 P&A Summary

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1. Contact local BLM & NMOCD representatives at least 24 hours before starting operations ( ?, (?) ). If available, have CBL for depth and collar correlation.
2. MIRU plugging company rig. MI 5000' of 2 3/8" tubing for workstring.
3. Hole is currently loaded with fresh water.
4. PU & TIH w/ OE 2 3/8" workstring to top of cement @ 4717'KB. Spot 11 1/2 bbls 9.0 ppg drilling mud from 4170'- 4717'KB in 5 1/2" casing w/16 bbls fresh water. TOOH.
5. RIH w/ string shot and perforate casing at 4170'KB w/ 2 shots.
6. PU & RIH w/ 5 1/2" cement retainer to 4100'KB. Set retainer.
7. MIRU Cementing Services (NMOCD Certified Cementer).
8. Mix and pump 50 sx Class "H" cement into holes (**Plug #1: 4070'-4170'KB**). Displace cement slurry w/15 bbls fresh water (45 sx below retainer).
9. Pull out of cement retainer. Leave 5 sx cement on top of retainer.
10. Pull uphole to 4125'KB. Spot 24 bbls 9.0 ppg (40 cp viscosity) drilling mud on cement and retainer w/11 bbls fresh water.
11. Latch on to 5 1/2" casing. TIH w/string charge on wireline to approximately 3000' KB. Backoff casing.
12. Circulate hole capacity via 5 1/2" casing with 160 bbls 9.0 ppg drilling mud. Pull & LD recovered 5 1/2" casing.
13. TIH w/ open-ended 2 3/8" tubing to 3100'KB (100' inside cutoff casing).
14. Mix and pump 45 sx Class "H" cement (16.4 ppg, 1.06 ft<sup>3</sup>/sk) via tubing at no more than 3 BPM. Flush cement with 11 bbls drilling mud (**Plug #2:2900'-3100'KB**).
15. WOC 12 hrs. RIH w/ tubing and tag cement top ~ 2900'KB.
16. RIH w/ string shot and perforate 8 5/8" casing at 407'KB w/ 2 shots.
17. Mix and pump 50 sx Class "H" cement via 8 5/8" casing into holes (**Plug #3:307'-407'KB**). Stage squeeze cement to standing pressure of 500 psi. Displace cement slurry w/19 bbls drilling mud.
18. RIH w/ tubing and tag cement top ~ 307'KB.
19. Spot final 25 sx Class "H" cement plug from 3'-50'KB (**Plug #4**). RD cementers.
20. Cutoff casing(s) 3' below ground level.
21. Weld on ID plate with API number and date plugged (vent ID plate).

**AKER OIL TOOLS, INC.** Current

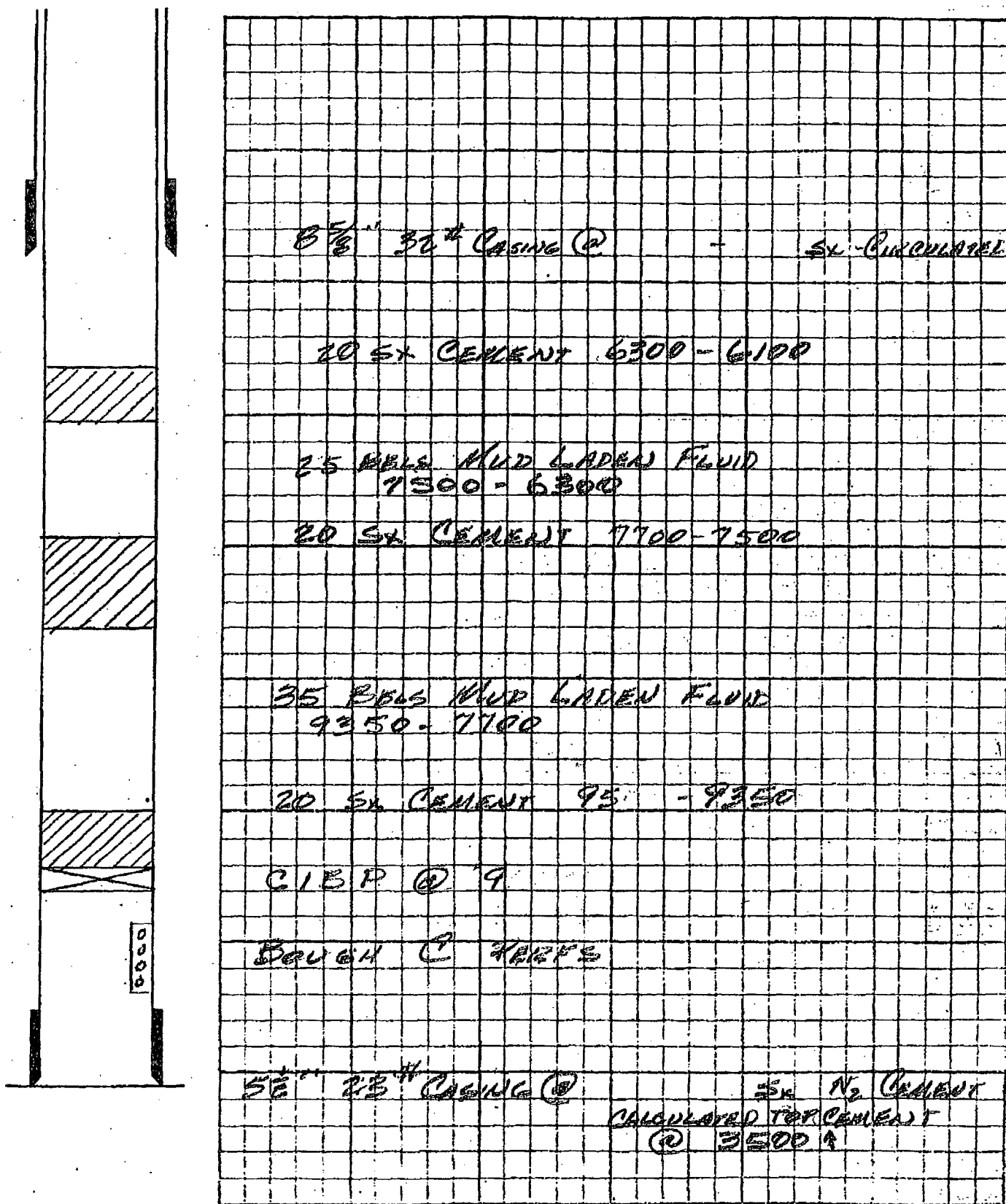
## SERVING THE WORLD

DATE 4-27-03

WELL NO. 1

LEASE E. ZORRO

FIELD Wilson Tenn



BRIDGE PLUG



**PACKER**

De

## CENTRALIZER

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## SCRATCHER

V

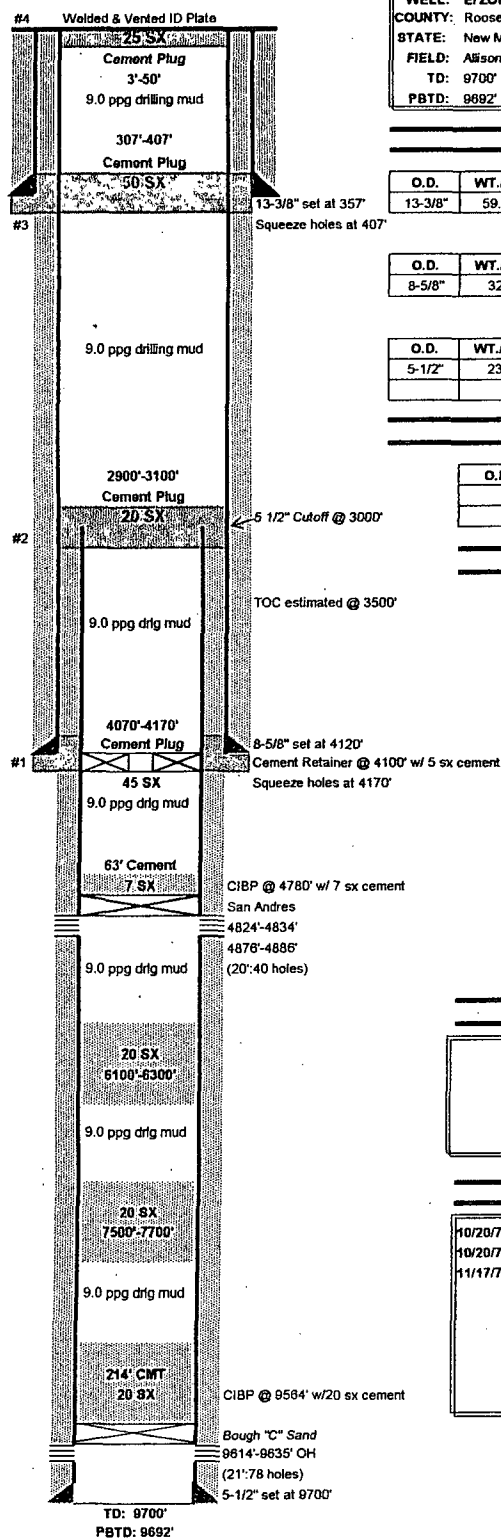
## BASKET



## EVAPORATION

1100 - please add for additional remarks & sketches

Proposed



WELL:	El ZORRO A FEDERAL #1	OPERATOR:	Halcon Holdings, Inc.	SPUD DATE:	10/25/1985
COUNTY:	Roosevelt	LEASE #:	NMS53389	COMP. DATE:	12/27/1985
STATE:	New Mexico	API #:	30-041-20797	LOCATION:	680' FNL & 510' FEL
FIELD:	Allison	FORMATION:	TA'D	SURVEY:	Section 25-8S-36E
TD:	9700'				
PBDT:	9892'	ELEVATION:	4053' GL; 4086' KB	ZERO DATUM:	13.0' FT. ABOVE: GL

### CASING RECORD

## SURFACE CASING

SURFACE CASING									
O.D.	WT./FT.	GRADE	THD	TOP	BTM	NO. JTS.	BIT S2	SX CMT.	TOP CMT.
13-3/8"	59.5#	J-55	8RD ST&C	surface	357'		17-1/2"	350	Surface

### INTERMEDIATE CASING

INTERMEDIATE CASING									
O.D.	WT./FT.	GRADE	THD	TOP	BTM	NO. JTS.	BIT SZ.	SX CMT.	TOP CMT.
8-5/8"	32#	J-55	8RD.ST&C	surface	4120'		11"	1470	Surface

## PRODUCTION CASING

O.D.	WT./FT.	GRADE	THD	TOP	BTM	NO. JTS.	BIT SZ.	SX CMT.	TOP CMT.
5-1/2"	23#	N-80	8RD,LT&C	surface	9700'		7-7/8"	1200	3500'

## TUBING

O.D.	WT./FT.	GRADE	THD	TOP	BTM	NO. JTS.	Packer?

### PERFORATION RECORD

[illegible]

## TREATMENT

[illegible]

## REMARKS

10/20/72	Bough "C" Sand completed 10/26/1980.
10/20/72	Bough "C" Sand plugged and abandoned
11/17/72	Completed San Andres

Engineer: Stephen Milinichik  
Office#: (918) 632-0608  
Cell#: (918) 714-1806

Prepared By: SJM  
Date: 2/26/2013  
Updated: 2-26-2013 SJM

**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 90<sup>th</sup> day provide the BLM Roswell Field Office (RFO), prior to the 90<sup>th</sup> 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. Notification: 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. Blowout Preventers: 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. Mud Requirement: 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. Cement Requirement: 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. Monument: 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. Timing Limitation Lease Stipulation / Condition of Approval For Lesser Prairie-Chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1 through June 15 annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D seismic operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

8. Subsequent Plugging Reporting: 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.