

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

New Mexico Oil Conservation Division, District 4  
1625 N. French Drive  
Hobbs, NM 88240  
FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

HOBBS OCD

**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.**

5. Lease Serial No. NM-15677  
6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2. RECEIVED**

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other SWD

2. Name of Operator

Doral Energy Corporation

3a. Address

Agent Address : P. O. Box 1361  
Roswell, NM 88202

3b. Phone No. (include area code)

Agent Phone 575-623-0438

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980 FSL & 1980 FWL, Sec 27 7S 31E

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No. Hahn Federal #5

9. API Well No. 30-005-20532

10. Field and Pool or Exploratory Area  
SWD San Andres

11. Country or Parish, State  
Chaves, 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 recompleate 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.)

In response to a Letter of Violation from the BLM dated July 7, 2011, the well will be P&A as followed:

- 1) Set CIR @ 3925 just above top of perfs and dump bail 35' cmt on top.
- 2) Circ hole with 9 ppg mud laden fluid.
- 3) Cut and pull 4 1/2" csg from approximate TOC at 2800', pull csg and lay down.
- 4) Set 130' cmt plug at 1/2 in and 1/2 above top of csg stub. - Minimum 35 SX-Tag
- 5) Set 110' cmt plug 1560' - 1670' over T/Salt located 1617' - Minimum 35 SX-Tag
- 6) Set 100' cmt plug at 350' - 450' across 8 5/8" surface casing shoe. - Minimum 35 SX-Tag
- 7) Set 25' cmt plug from 25' to surface. - Minimum 20 SX-Tag
- 8) Cut off well head and weld on dry hole marker that is no less than 4" in diameter and a minimum 4' above ground level set in cement that describes operator name, lease name, well number, and legal location.
- 9) Remove anchors and debris, level and reclaim location as required.

APPROVED FOR 3 MONTH PERIOD  
ENDING AUG 14 2012

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)  
John C. Maxey - Agent

Title Petroleum Engineer

Signature

Date 04/06/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Title PETROLEUM ENGINEER

Date MAY 14 2012

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.

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.

(Instructions on page 2)

ALL ATTACHED FOR  
CONDITIONS OF APPROVAL

AUG 29 2012

Hahn Fed #5 SWD  
Sec 27 T7S R31E  
Chaves County, NM

Current Wellbore  
Configuration  
4/6/2012

GLE 4386'

8 5/8" 24# J55 STC casing set @  
407', cmt w/ 250 sx. Circ to surf.

TOC by calc 2900'.

Perf San Andres 3952' --- 4004'.

Drilled 7 7/8" hole to 4100' TD. Set 4 1/2" 10.5 & 11.6# K55 STC at  
4100'. Cmt with 250 sx, TOC by calc 2900'.

**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.

HOBBS OCD

## New Mexico Oil Conservation Division, District 1

Form 3160-5  
(August 2007)

MAY 21 2012

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT1625 N. French Drive  
Hobbs, NM 88240  
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A Sundry to P&A the subject well was recently submitted and the operator would like to change the P&A to TA. The well is currently perforated in the San Andres P2 porosity at 3952' - 4004'. There is P3 porosity in this well that has not been perforated and the P3 does produce commercially in the field. For this reason and in response to an INC dated July 7, 2011, the operator would like to TA the well as follows:

- 1) Set a CIBP 25' above the top perf at 3927'.
- 2) Circ hole with fresh water containing 1 gpt corrosion inhibitor.
- 3) Run an MIT test on the 4 1/2" 10.5# K55 casing.

*Denied Variance. Test According To The Attached Conditions Of Approval (500psi).*  
The operator would like to request a variance of the 500 psi MIT requirement. Since the casing is 36 years old the operator would like to request a variance to run the MIT at 300 psi.

**ACCEPTED**  
**APPROVED FOR 3 MONTH PERIOD**  
**ENDING AUG 14 2012**

**SEE ATTACHED FOR**  
**CONDITIONS OF APPROVAL**

## 14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

John C. Maxey - Agent

Title Consulting Petroleum Engineer

Signature

Date 04/11/2012

**ACCEPTED FOR RECORD**  
Approved by **DAVID R. GLASS**

**Reminder: You Also Have Approval To**  
**Plug The Well On Or Before AUG 14**  
**2012!**

Conditions of approval, if any, are attached. Approval of this notice does not entitle the applicant to conduct operations thereon.

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.

(Instructions on page 2)

## **BUREAU OF LAND MANAGEMENT**

**Roswell Field Office  
2909 West Second Street  
Roswell, New Mexico 88201  
575-627-0272**

### **Temporary Abandonment of Wells on Federal Lands Conditions of Approval**

A temporary abandoned well is defined as a completion that is not capable of production in paying quantities but may have value as a service well. Pursuant to 43 CFR 3162.3-4(c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
  - A. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
  - B. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
  - C. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
  - D. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
  - E. Contact the BLM Roswell Field Office at least 24 hours prior to the scheduled Casing Integrity Test. 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.

Wells that successfully pass the casing integrity test may be approved for Temporary Abandonment (TA) status up to 12 months.

1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval.
2. Attaches a clear copy of the original pressure test chart.
3. Provided justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.
4. Describes the temporary abandonment procedure.

The TA status could be extended without another casing integrity test provided there was no leak-off during the test and the test was witnessed by a BLM representative.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.