UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an

5. Lease Serial No. HOBBS OCIO NMLC059001

If Indian Allottee or Tribe Name

abandoned we	II. Use form 3160-3 (APL	O) for such proposals. 	1 200				
SUBMIT IN TRI	7. If Unit or CA/Agreement, Name and/or No.						
1: Type of Well Gas Well Oth	ner .	RECEI	IVED 8. Well Name and No. MCA UNIT 412				
Name of Operator CONOCOPHILLIPS COMPAN		GREG BRYANT /ANT@BASICENERGYSERVICES.C	9. API Well No. 30-025-38980 ~				
3a. Address 3300 N. 'A' ST BLDG 6 MIDLAND, TX 79705		3b. Phone No. (include area code) Ph: 432-563-3355	10. Field and Pool, or Exploratory (MALJAMAR - GB/SA				
4. Location of Well (Footage, Sec., T Sec 33 T17S R32E 32.798274 N Lat, 103.769870	10. FAC	& 2150 FEL	11. County or Parish, and State LEA COUNTY, NM				
12. CHECK APPI	ROPRIATE BOX(ES) TO	INDICATE NATURE OF NOT	ΓΙCE, REPORT, OR OTHER DATA				
TYPE OF SUBMISSION	TYPE OF ACTION_						
☑ Notice of Intent ☐ Subsequent Report	☐ Acidize ☐ Alter Casing ☐ Casing Repair	☐ Fracture Treat ☐ New Construction	E-PERMITTING <swdinjectio CONVERSION RBDMS RETURN TO TA</swdinjectio 				

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 recomplete 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 recompletion 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.)

□ Plug Back

Plug and Abandon

RIH Tbg - Tag CIBP @ 3506'. Circ hole w/ MLF. Cap BP w/ 35sx cmt to 3200' Spot 25sx cmt @ 2650'-2500' - Tag

□ Change Plans

□ Convert to Injection

Spot 30sx cmt @ 2300'-2050' - Tag

Spot 35sx cmt @ 1150'-850' - Tag Spot 30sx cmt @ 250' to surface.

☐ Final Abandonment Notice

7) Top off well. RDMO. Cut off WH & anchors. Install dry hole marker.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

RECLAMATION PROCEDURE

Ground lev	oul Dry Hole Marker Requ	icea	•	ATTACHED				
	he foregoing is true and correct. Electronic Submission #304182 verifie For CONOCOPHILLIPS CO Committed to AFMSS for processing	d by the MPANY,	BLM Well Information Systemsent to the Hobbs	m				
Name(Printed/Typed)	GREG BRYANT	Title .	AGENT		<u> </u>			
Signature	(Electronic Submission)	Date	06/05/2015					
	THIS SPACE FOR FEDER	AL OH.	STATE OFFICE USE					
Approved By	emes a. amos	Title	SPET		9-10-15 Date			
Conditions of approval, if a certify that the applicant ho	ny, are attached. Approval of this notice does not warrant or lds legal or equitable title to those rights in the subject lease licant to conduct operations thereon.	Office	CFO					
Title 18 H S Section 100	I and Title 43 U.S.C. Section 1212, make it a crime for any n	erson kno	wingly and willfully to make to an	v department or agend	v of the United			

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

MUS/000 9/21/2015

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

WELLBORE SKETCH ConocoPhillips Company -- Permian Basin Business Unit

f.larch 10, 2015 RKB@ 3970 OF @ 3936 GL @ Subarea : Lease & Well No. : MCA Unit No. 412 Legal Description: 10 FNL & 2150 FEL Sec. 33, T-17S, R-32E 17 1/2" Hole County: Lea State: New Mexico 13 3/8" 48# H-40 @ 80' Field: Cmt sx, Circ Date Spudded 10/4/2008 Rig Released: 10/31/2008 TOC @ surface API Number : 30-025-38980 Spot 30sx cmt @ 250'-3' Status: Producing LC-059001 Lease # Stimulation History: Top Salt @ Max Max Lbs. interval Date Type <u>Gals</u> Sand Press ISIP Rate Down 12 1/4" Hole 10/24/2008 TOF @ 3835' 8-5/8" 24# J-55 @ 970' 10/24/2008 Set Kick off plugs tr 3260-3830' w/ 200 sxs cmt Cmt 570 sx, Circ 189 sxs 10/28/2008 DO to 3507; start sidetrack 11/11/2008 Perf 3937-3945, 3951-3963, 3977-3990, 3996-4002, TOC @ Surface Spot 35sx cmt @ 1150'-850' - Tag 4075-4091, 4102-4124, 4139-4160 w/ 3 SPF 3937-4160 11/13/2008 20% HCL 7900 3937-4002 11/19/2008 16/30 sand 59,956 2835 2227 9/26/2014 Tag fill @ 3719; CO To 4262' 10/13/2014 Csg Lk fr 3604-3669 10/16/2014 Set RBP @ 3823' w/ 15' sand on top 10/18/2014 Sqz csg w/ 14 bbts cmt; did not work 10/20/2014 Tag cmt @ 3016; DO & fell out @ 3690" 10/22/2014 Sqz w/ 85 sxs crnt; did not work 10/23/2014 Tag @ 3560'; 10/26/2014 DO RBP 10/29/2014 Set CIBP @ 3506 Base Salt @ Spot 30sx cmt @ 2300'-2050' - Tag Spot 25sx cmt @ 2650'-2500' - Tag Spot 35sx cmt @ 3506'-3200' CIBP @ 3506 KOP @ 3507 Cmt Plugs fr 3507-3830' w/ 200 sxs cmt original hole Sqz csp lk 3604-3669 w/ 85 sxs cmt; did not work Junk in the hole fr 3835-4356'; original hote 3937-3990 3996-4091 4102-4160 Formation Tops: Rustler 930. 1122 Salado Tansill 2114 Yates 2252 7-7/8" Hole 5-1/2" 17# J-55 @ 4340" Seven Rivers 2614 3237 Cmt 1000 sxs; Circ Queen Grayburg 3608 TOC @ Surface 4059 San Andres

PBID @ 4295 ID @ 4360

WELLBORE SKETCH ConocoPhillips Company -- Permian Basin Business Unit

DF @ GL @	3936	•		Subarea Lease & Well No Legal Descriptor		MCA Unit 10 FNL & 2150 FE	No. 41				······································	
1111		17 1/2" Hole		County	`	Lea		tate	New Mexico			
		13 3/8" 48#	•	Field		Maljamar (Graybur	g-San Andres)					
	-	Cmt sx, Circ TOC @ surfa		Date Spudded : API Number :		10/4/2008 30-025-38980		Rig Rele	ases. 10	3/31/200	18	
111		100 8 11		Status;		Producing						
									OGRID Lease #	21781 LC-05		
		Top Sall @		Stimulation His	tory:				CORSO #		3001	
				Intorval	Date	Туро	Gal	Lbs. Sand		ISIP	Max Rate	Down
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		Base Salt (:									
l j	31.74.1											
- 1		ii	CIEP @ 3505' KOP @ 3507' Cmt Plugs fr 3507-3	830' w/ 200 sxs cmt on	ginal hole							
	·		Sqz csg ik 3604-360	9 w/ 65 exe amt; did no	of work							
		==	Junk in the hole fr 31 3937-3990	935-4356'; onginal hole								
	X ==		3996-4091									
			4102-4160'									
The state of the s		T- 22	7-7/8* Hole 5-1/2* 17# J-55 @ 4 Cmt 1000 sxs Circ TOC @ Surface	i340°		:	Salado Tansili Yates Seven Rivers Queen	930' 1122' 2114' 2252'				
	(2-13/7)	1 1	. Co & Dalmos					4059				

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Permanent Abandonment of Federal Wells Conditions of Approval (LPC Habitat)

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 <u>ninety (90)</u> 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 this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** 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 are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. Below Ground Level Cap (Lesser Prairie-Chicken Habitat): 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 well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off. Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings 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. A weep hole shall be left in the plate and/or casing.

NMOCD also requires the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a below ground cap was installed as required in the COA's from the BLM.

- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. 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.**
- 8. <u>Trash:</u> All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.

<u>Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:</u>
From March 1st through June 15th annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E. Greene St. Carlsbad, New Mexico 88220-6292 www.blm.gov/nm



In Reply Refer To: 1310

Reclamation Objectives and Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses. At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its predisturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, redistribute the native soils, provide erosion control as needed, rip and seed as specified in the original APD COA. This will apply to well pads, facilities, and access roads. Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

- 1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
- 2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
- 3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
- 4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation

equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

- 5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
- 6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
- 7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos Supervisory Petroleum Engineering Tech 575-234-5909, 575-361-2648 (Cell)

Arthur Arias Environmental Protection Specialist 575-234-6230

Linda Denniston Environmental Protection Specialist 575-234-5974

Henryetta Price Environmental Protection Specialist 575-234-5951

Dara Glass Environmental Protection Specialist 575-234-5924

Shelly Tucker Environmental Protection Specialist 575-234-5979