Form 3160-5 (August 2007)	BUREAU OF LAN	OF THE INTERIOR	Hobbs	FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010 5. Lease Serial No. NM 533890
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.				6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE – Other instructions on page 2				7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well				1
2. Name of Operator	Other			8. Well Name and No. El Zorro A Federal #3
EnergyQuest 3a. Address	<u>√</u>	3b. Phone No. (include area code	HOBBS OC	9. API Well No. 30-041-20834
4526 Research Forest Dr. S The Woodlands, TX 77381	te. 200	281-875-6500	MAR 0 7 2016	10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R. 1980 FSL & 510 FEL Sec. 25, T8S, R36E	, M., or Survey Descripti	ion)	RECEIVED	Allison Sandres 11. County or Parish, State Roosevelt, NM
	PROPRIATE BOX	(ES) TO INDICATE NAT	TURE OF NOTICE, REP	ORT, OR OTHER DATA
TYPE OF SUBMISSION			TYPE OF ACTION	
Notice of Intent	Acidize	Deepen Fracture Treat	Production (Start/Resume)	
Subsequent Report	Casing Repair	New Construction	Recomplete	□ or P&A R
Final Abandonment Notice	Change Plans	Plug and Abandon	Temporarily Abandon Water Disposal	_
 CIBP @ 4820'. Circulate hole w/ mud laden fluid. Spot 20 sx cement @ 4820-4670' WOC-S TAG. Perf & Sqz 65 sx cement @ 4210-4110. WOC & Tag. See CoAs plugs Mod Red. Perf & Sqz 45 sx cement @ 2415-2215. WOC & Tag. Top of Salt). Perf & Sqz 75 sx cement @ 660-338. WOC & Tag. (Shoe) The base for the second second				
Approved as to plugg well bore Liability un is retained until surfa ration is completed.	nder bond		SEE ATT. CONDITI	ACHED FOR ONS OF APPROVAL
1 2				\bigcirc
14. I hereby certify that the foregoing is the Name (Printed/Typed) Rey Montgome		Title	Agent	\cap
Signature Bar out	$\overline{\vee}$	Date	2-8-16	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE PROVED				
Approved by Title Date 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 agende of the Unued States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.				
(Instructions on page 2) FOR RECORD ONLY MAR 0 8 2016 MAR 0 8 2016 WY				

WELL DATA SHEET

EL ZORRO A Federal #3 NE SW 25-T8S-R36E

13 3/" @ 352" Cmt'd to Surface 4 5/8" OS w/ a 4 5/8' X 5.8' long extension set down @ 1219' and would not go Est. TOC @ 3000' 8 5/8" 32# J-55 @ 4160' Cmtd w/ 1900 sx, Circ. to Surface TOC @in 5 1/2" 5763' Retainer @ 6252' N TOF @ 6274' TAC pulled into & got stuck @ 6347' SN @ 9708' 2' sub, SN @ 9709' 3' Perf. Nipple @ 9712' TAC @ 9715' End of Tubing @ 9718' 5 1/2" 20.0 & 17# J-55 at 9750' TD @ 9750' Cmtd w/ 1300 sx

Date:11/16/08

API # 30-041-20834 ROOSEVELT CO., NM

SPUD: 8/15/1988 KB - 12' TD: 9750' COMPLETED: 10/14/88 12 BO + 23 MCFD + 182 BW IP: Bough "C" AS OF 10/07/09 2 7/8" 6.50# N-80 EUE 8RD TUBING:

153 Jts (4881') w/ SN @ 4877' & TAC @ 4656' RODS: 8, 6 & 4' X 7/8" subs, 42- 7/8" and 150-3/4" PR: 1 1/2" X 26'

PUMP: 2 1/2" X 1 1/4" X 24' w/ 6" gas strainer

SUBSEQUENT WORK: See well reports

Tight spot at 4274' w/ 4 5/8" OD overshot

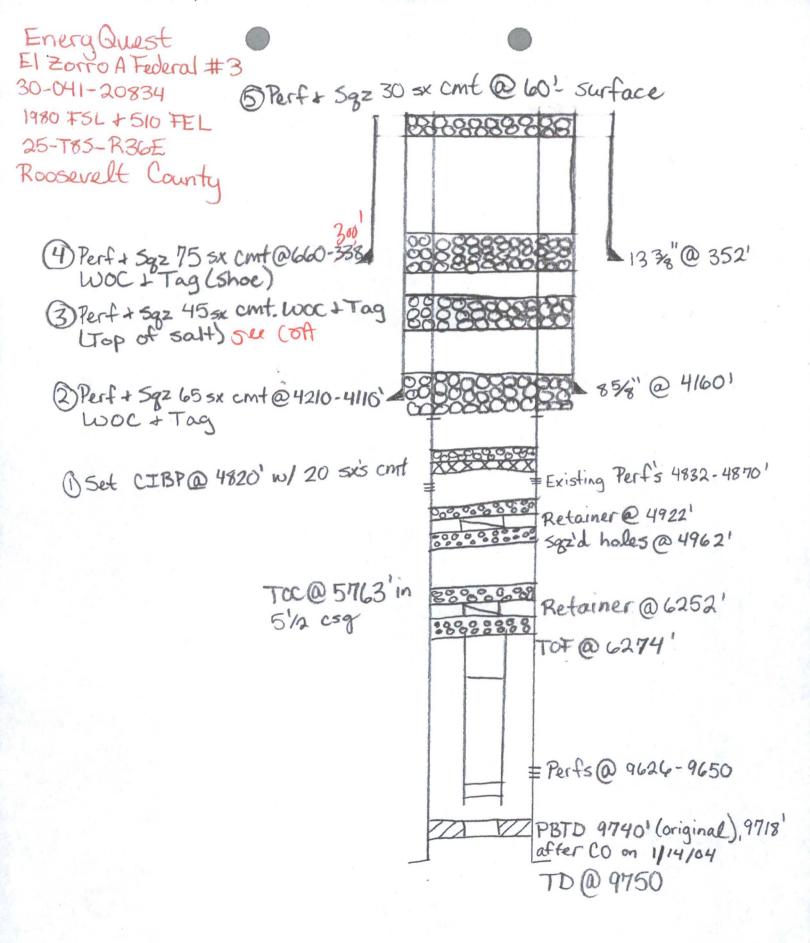
Existing San Andres perfs @ 4832-70'

Ketainer (0) 4922' Squeeze holes @ 4962

top of 3/4" rods inside 2 7/8" @ 6715' obstruction @ 6925'

PERFS @ 9626-50 (96 HOLES), Bough "C", ACZD W/ 2000 GALS OF 15% HCL

PBTD 9740' (original), 9718' after CO on 1/14/04



1.

El Zorro A Federal 3 30-041-20834 Energy Quest February 29, 2016 Conditions of Approval HOBBS OCD MAR 0 7 2016 RECEIVED

- 1. Operator shall place CIBP at 4,820' (50'-100' above top most perf) and place 20sx of Class C cement on top as proposed. WOC and TAG.
- 2. Operator shall place a balanced Class C cement plug from 4,820'-4,670' as proposed.
- 3. Operator shall place a balanced Class C cement plug from 4,210'-4,110' to seal the 8-5/8'' shoe as proposed. WOC and TAG required.
- 4. Operator shall place a balanced Class C cement plug from 2,880'-2,750' to seal the Yates formation. WOC and TAG.
- 5. Operator shall place a balanced Class C plug from 2,400'-2,100' to seal the salt. WOC and TAG.
- 6. Operator shall place a balanced Class C cement plug from 600-300' to seal the 13-3/8'' shoe. WOC and TAG required.
- 7. Operator shall place a balanced Class C cement plug from 60'- surface as proposed
- 8. See Attached for general plugging stipulations.

JAM 022916

BUREAU OF LAND MANAGEMENT Roswell Field Office 2909 W. Second STreet Roswell, New Mexico 88201 575-627-0272

HOBBS OCD

MAR 0 7 2016

RECEIVED

General Requirements for Plug Backs

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</u>** (90) days from this approval.

If you are unable to plug back 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 back. Failure to do so will result in enforcement action.

2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. Call 575-627-0205.

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. **Before pumping 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. <u>Subsequent Plug back Reporting</u>: Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back 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 work was completed</u>.

7. <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.