

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Hobbs

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

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 reverse side.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
RIDGEWAY ARIZONA OIL CORP

3a. Address
777 N ELDRIDGE PKWY #150 HOUSTON, TX 77079

3b. Phone No. (include area code)
832-485-8522

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

**SECTION 23, 07S-33E
660 FSL 1980 FWL**

5. Lease Serial No.
NMNM83197

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
FEDERAL 23 #2

9. API Well No.
30-041-00196

10. Field and Pool, or Exploratory Area
CHAVEROO, SAN ANDRES

11. County or Parish, State

ROOSEVELT COUNTY, NM

12. CHECK 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 checked="" type="checkbox"/> Other AMENDING |
| | <input type="checkbox"/> Change Plans | <input checked="" type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | PREVIOUS |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | SUBMITTAL |

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 recompleat 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 recompleat 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.)

IN RESPONSE TO INC 160T121

RIDGEWAY ARIZONA OIL CORP REQUESTS APPROVAL TO PLUG AND ABANDON THE WELL IN ACCORDANCE WITH THE ATTACHED REVISED PLUGGING PROCEDURE.

THE COMPANY WILL NOTIFY BLM 24 HOURS PRIOR TO COMMENCING PLUGGING OPERATIONS.

**E-PERMITTING <SWD INJECTION>
CONVERSION _____ RBDMS _____
RETURN TO _____ TA _____
CSNG _____ ENVIRO _____ CHG LOC _____
INT TO PA for P&A NR _____ P&A R _____**

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

JAMIE L HOGUE

Title **VP REGULATORY AFFAIRS**

Signature

Date

05/24/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

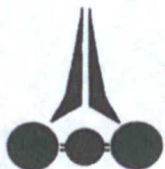
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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)

MWB/OCD 6/9/2016



Ridgeway

Arizona Oil Corporation

Plugging Procedure
Federal 23 #2
API No. 30-041-00196
N-23-07S-33E
660 FSL 1980 FWL

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 @ 4080' (+/-) – within 50' of top perf (4130')
 - a. Spot 35' of cement on CIBP *by wireline OR 25 sxs by tbg.*
 - b. WOC -4030' (+/-)
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 3389' *3489' per diagram (50' below shoe)*
 - a. perforate @ 2 JSPF
 - b. POOH w/WL
 - c. RDWL
8. TIH w/WS – Squeeze 100' cement from 3489' to 3389' (+/-)
 - a. Casing shoe @ 3439'
 - b. Wait on cement
 - c. Tag plug @ 3389' or above.
9. TIH w/WS – Spot 125' cement from 2300' to 2175' (+/-) *water @ 2243' ✓ OK*
 - a. Wait on cement
 - b. Tag plug @ 2175' or above
10. TIH w/WS – Squeeze 100' cement from 555' to 455' (+/-)
 - a. Casing shoe @ 505'
 - b. Wait on cement
 - c. Tag plug @ 455' 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

Federal 23 2
30-041-00196
Ridgeway Arizona Oil Corp
May 27, 2016
Conditions of Approval

1. Operator shall place CIBP at 4,080' (50'-100' above top most perf) and place 35' of Class C cement on top as proposed. WOC and TAG. *by wireline
or 25 sxs by tbg.
MAB/OCD*
2. Operator shall perf and squeeze at 3,489 (50' below casing shoe) tagging plug at a minimum of 3,389' to seal the intermediate casing shoe.
3. Operator shall perf and squeeze at 2,300' as proposed. Operator shall place a balanced Class C cement plug from 2,300'-2,175' to seal the top of the Yates formation. WOC and TAG.
4. Operator shall perf and squeeze at 555' as proposed tagging plug at 455' 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 052716

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. **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) 627-0237 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. **Dry Hole Marker:** 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 capped with a 4-inch pipe, 10 feet in length, 4 feet above the ground and embedded in cement. 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, section, township and range or other authorized survey designation acceptable to the authorized officer; such as metes and bounds).

7. **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.