

HOBBS OCD

AUG 15 2016

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD

Hobbs

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 abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

5. Lease Serial No. NMNM03210
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No. 8910084860
8. Well Name and No. WEST CAP QUEEN SAND UNIT 3
9. API Well No. 30-005-01094-00-S1
10. Field and Pool, or Exploratory CAPROCK-QUEEN
11. County or Parish, and State CHAVES COUNTY, NM

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	2. Name of Operator LEGACY RESERVES OPERATING	Contact: LAURA PINA E-Mail: lpina@legacyp.com
3a. Address PO BOX 10848 MIDLAND, TX 79702-7848	3b. Phone No. (include area code) Ph: 432-689-5200	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T14S R31E NWSE Tract 7 1982FNL 1979FEL 33.104892 N Lat, 103.841906 W Lon		

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/R	INT TO PA <u>Pmx</u> P&A NR _____ P&A R _____
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Aband	
	<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 shall 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 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.)

NOTE: All plugs to be minimum 25 sacks of cement.

Proposed P&A Procedure:

1. MIRU. Lay down rod string and tubing string. Pick up work string.
2. RIH and set CIBP @ 2700'. Spot 25 sx of cement on top of CIBP.
3. Circulate minimum 9.5 ppg P&A mud to surface.
4. Pressure test and isolate leak if any.
5. TOOH. Perforate @ 1940'.
6. RIH with PKR to 1750'. Pump into perf @ 1940' w/minimum 35 sx cement. WOC, POOH w/packer, RIH w/opened ended tubing and tag TOC at/above 1840'.
7. TOOH. Perforate @ 1060'.

FOR RECORD ONLY
mw/ocd 8/15/2016

14. I hereby certify that the foregoing is true and correct. Electronic Submission #347161 verified by the BLM Well Information System For LEGACY RESERVES OPERATING, sent to the Roswell Committed to AFMSS for processing by DAVID GLASS on 08/09/2016 (16DRG0328SE)	
Name (Printed/Typed) LAURA PINA	Title COMPLIANCE COORDINATOR
Signature (Electronic Submission)	Date 08/09/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>/S/ DAVID R. GLASS</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>AUG 09 2016</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		

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.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

SEE ATTACHED FOR
CONDITIONS OF APPROVALAPPROVED FOR 3 MONTH PERIOD
ENDING NOV 09 2016

Additional data for EC transaction #347161 that would not fit on the form

32. Additional remarks, continued

8. RIH with PKR to 1050'. Pump into perf @ 1060' w/minimum 35 sx cement. WOC, POOH w/packer, RIH w/opened ended tubing and tag TOC at/above 960'.
9. TOOH. Perforate @ 250'.
10. Circulate cement from 250' to surface.
11. POOH, top off casing, remove WH, set P&A marker, clean and reclaim location.

Current & proposed wellbore diagrams attached.

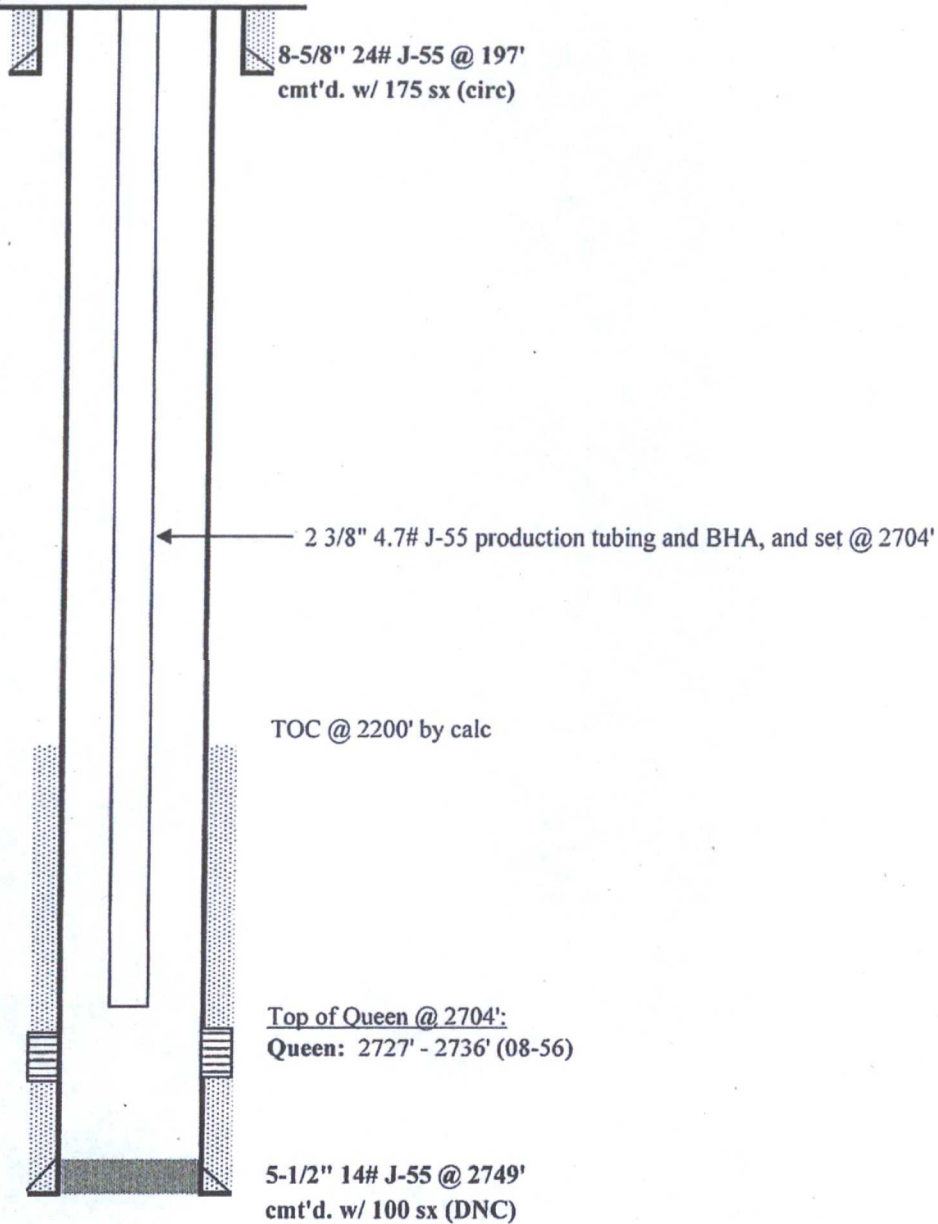
Legacy Reserves LP

FIELD: Caprock
LEASE/UNIT: West Cap Queen Sand Unit
COUNTY: Chaves

WELL: 3
STATE: New Mexico

Location: 1982' FNL & 1979' FEL, Sec 17G, T14S, R31ECM
SPUD: 08/56 COMP: 08/56
CURRENT STATUS: Producer
Original Well Name: Cleat #3

KB = 4111'
GL = 4100'
API = 30-005-01094



PBTD - 2744'
TD - 2749'

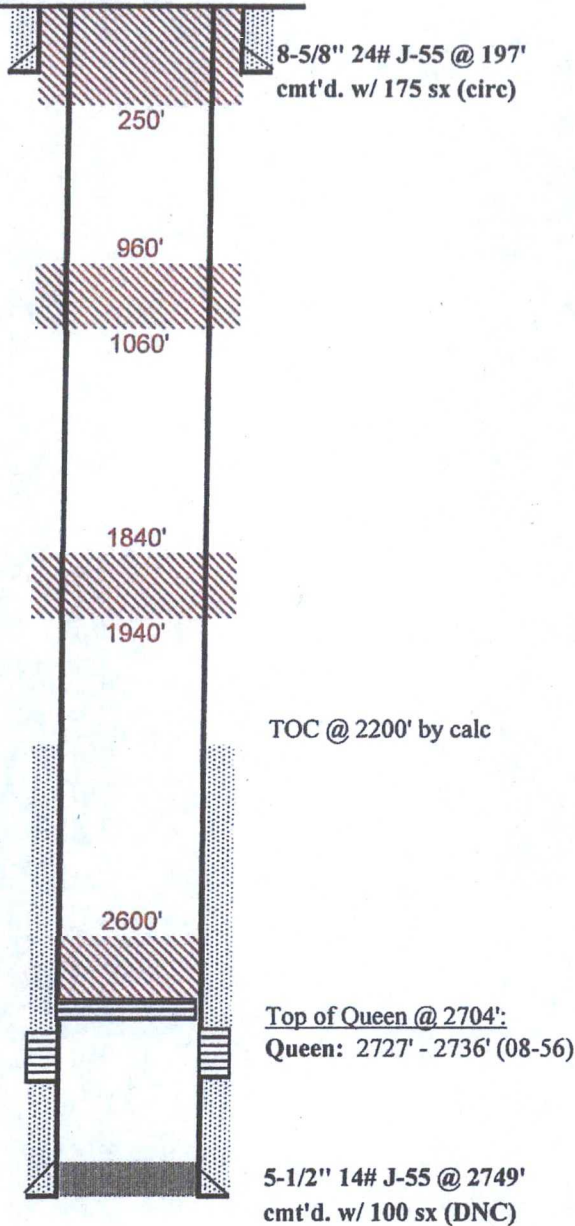
Legacy Reserves LP

FIELD: Caprock
LEASE/UNIT: West Cap Queen Sand Unit
COUNTY: Chaves

WELL: 3
STATE: New Mexico

Location: 1982' FNL & 1979' FEL, Sec 17G, T14S, R31ECM
SPUD: 08/56 COMP: 08/56
CURRENT STATUS: Producer
Original Well Name: Cleat #3

KB = 4111'
GL = 4100'
API = 30-005-01094



Rustler 1058'
Yates 1940'

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) 627-0275 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.