| | | OCH HAN | | | |
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| | UNITED STATES PARTMENT OF THE INTERI REAU OF LAND MANAGEM | | 5. Lease Serial No. N | FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018 5. Lease Serial No. NMLC 060944 | |
| Do not use this | NOTICES AND REPORTS (form for proposals to drill Use Form 3160-3 (APD) fo | or to re-enter and | 6. If Indian, Allottee o | r Tribe Name | |
| SUBMIT IN | TRIPLICATE - Other instructions o | 7. If Unit of CA/Agre | ement, Name and/or No. | | |
| 1. Type of Well | Well Other | 8. Well Name and No. | Federal B # 1 | | |
| Oil Well & Gas | Land I | | 9. API Well No. 30-025-11591 | | |
| 2. Name of Operator 3a. Address 1008 WEST Broadway 3b. Phone No. (include area code) | | | | 10. Field and Pool or Exploratory Area | |
| Hobbs NM 88240 (575) 631-7192 | | | SR-QU-GB | SR-QU-GB | |
| 4. Location of Well (Footage, Sec., T., 1980 FNL, 1980 FEL G-14-25S-3 | | 11. Country or Parish Lea County, NM | 11. Country or Parish, State Lea County, NM | | |
| 12. CHI | ECK THE APPROPRIATE BOX(ES) | TO INDICATE NATURE | OF NOTICE, REPORT OR OT | HER DATA | |
| TYPE OF SUBMISSION | Acidize | TYPE OF ACTION | | | |
| Monce of Intent | Alter Casing | Hydraulic Fracturing | Reclamation | P&A NR | |
| Subsequent Report | Casing Repair | New Construction | Recomplete | P&A R | |
| Final Abandonment Notice | Convert to Injection | Plug Back | Water Disposal | | |
| 30 sx f/ 1050-800 top salt tag perf / squeeze 90 sx f/348-0 si cut off well head install DHM. possible start date 11/12/2016 | Werify cmt in all 9 | rmuluses at su | chuce. | | |
| | | | | | |
| | | OFF ATTACH | | | |
| SEE ATTACHED FOR CONDITIONS OF APPROVAL | | | | | |
| 14. I hereby certify that the foregoing is Mike Dennis | true and correct. Name (Printed/Type | ed) agent Title | a. | | |
| Signature Michael annis/ Agent Date | | | 11/04/ | 11/04/2016 | |
| | THE SPACE FOR | FEDERAL OR STA | TE OFICE USE | | |
| Approved by Wills | | Title E | 19 | Date 11/7/16 | |
| Conditions of approval, if any, are attach certify that the applicant holds legal or e which would entitle the applicant to con | quitable title to those rights in the sub | varrant or oject lease Office | 20 | | |
| Title 18 U.S.C Section 1001 and Title 4: any false, fictitious or fraudulent statem | U.S.C Section 1212, make it a crime ents or representations as to any matte | for any person knowingly r within its jurisdiction. | and willfully to make to any d | lepartment or agency of the United States | |
| (Instructions on page 2) | FO | WOCD 11/1 | 0 ONLY 4/2016 | | |

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Operator Name: . Tora Oil + Gas Well Name : Fed B # 1 API#: 30-015-11591 R-III-P 1 inch if necessary Cave Potential LPC Habitat Hole ______ ferft sq 2 90 sx from 348'-0 @ <u>299</u> TOC <u>?</u> (200 SY) Spot 30 5x From 1050-800' Du tool @ 1000 Tag Formation Tops Rala ROS 3090 Julen Perf+52= 305x from 2230-2100 Tag Hole Size_ (1BPQ 3200 W/25 Sxcnit ferts 0 154 Stage (200 SX) TOC (100 SX) 2n) TD:

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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

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. <u>Dry Hole Marker</u>: 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.

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

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.