

HOBBS OGD

FEB 20 2017

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNMOC
HobbsFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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 page 2

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION	5. Lease Serial No. NMNM15677
2. Name of Operator CROSS BORDER RESOURCES, INC E-Mail: ROSS@REDMOUNTAINRESOURCES.COM	6. If Indian, Allottee or Tribe Name
3a. Address 14282 GILLIS ROAD FARMERS BRANCH, TX 75244	7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 214-871-0400 Ext: 1019 Fx: 214-871-0406	8. Well Name and No. HAHN FEDERAL 5
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 27 T7S R31E NESW 1980FSL 1980FWL ✓	9. API Well No. 30-005-20532-00-S1
	10. Field and Pool or Exploratory Area TOM TOM-SAN ANDRES
	11. County or Parish, State CHAVES COUNTY, NM

12. CHECK THE 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"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Hydraulic Fracturing
	<input type="checkbox"/> Production (Start/R
	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Reclamation
	<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 Aban
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Water Disposal

INT TO PA
P&A NR
P&A R

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 recompleate 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

1. POOH with injection tubing and packer. Lay down injection string.
2. RIH w/ 2-3/8" 4.7# EUE J-55 workstring. Load hole with 9.5 PPG mud.
3. POOH. RIH w/ 4-1/2" CIBP and set @ 3910'. Spot 25 sxs cmt on top.
4. RIH w/ RBP and treating packer and look for holes in the casing. If no casing issues proceed forwards.
5. RIH w/ perf csg guns and perforate 3150'. POOH. RIH w/ cmt retainer and set retainer at 3100'.
6. RIH w/ 2-3/8" workstring. Sting into cmt retainer. Establish injection rate.
7. Mix and pump 650 sxs 50/50 Pozmix class "C" with 2% gel. Attempt to circulate cmt from the 3150' to surface in the 4.5' by 7-7/8" annulus.
8. Sting out of the cmt retainer and reverse circulate to clear the tubing.
9. PU tubing to 2150'. Mix and pump 50 sxs class "C" neat cmt from 2150' to 1550'. Cmt plug to cover Yates and Salt Section.

WOC & Tag At Or Above 1550'

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #366982 verified by the BLM Well Information System For CROSS BORDER RESOURCES, INC., sent to the Roswell Committed to AFMSS for processing by DAVID GLASS on 02/14/2017 (17DRG0097SE)	
Name (Printed/Typed) ROSS PEARSON	Title VP OPERATION
Signature (Electronic Submission)	Date 02/14/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By DAVID E. GLASS	Title PETROLEUM ENGINEER	Date FEB 15 2017
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)

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

APPROVED FOR 3 MONTH PERIOD
ENDING MAY 15 2017SEE ATTACHED FOR
CONDITIONS OF APPROVALFOR RECORD ONLY
mw/ocd 02/20/2017

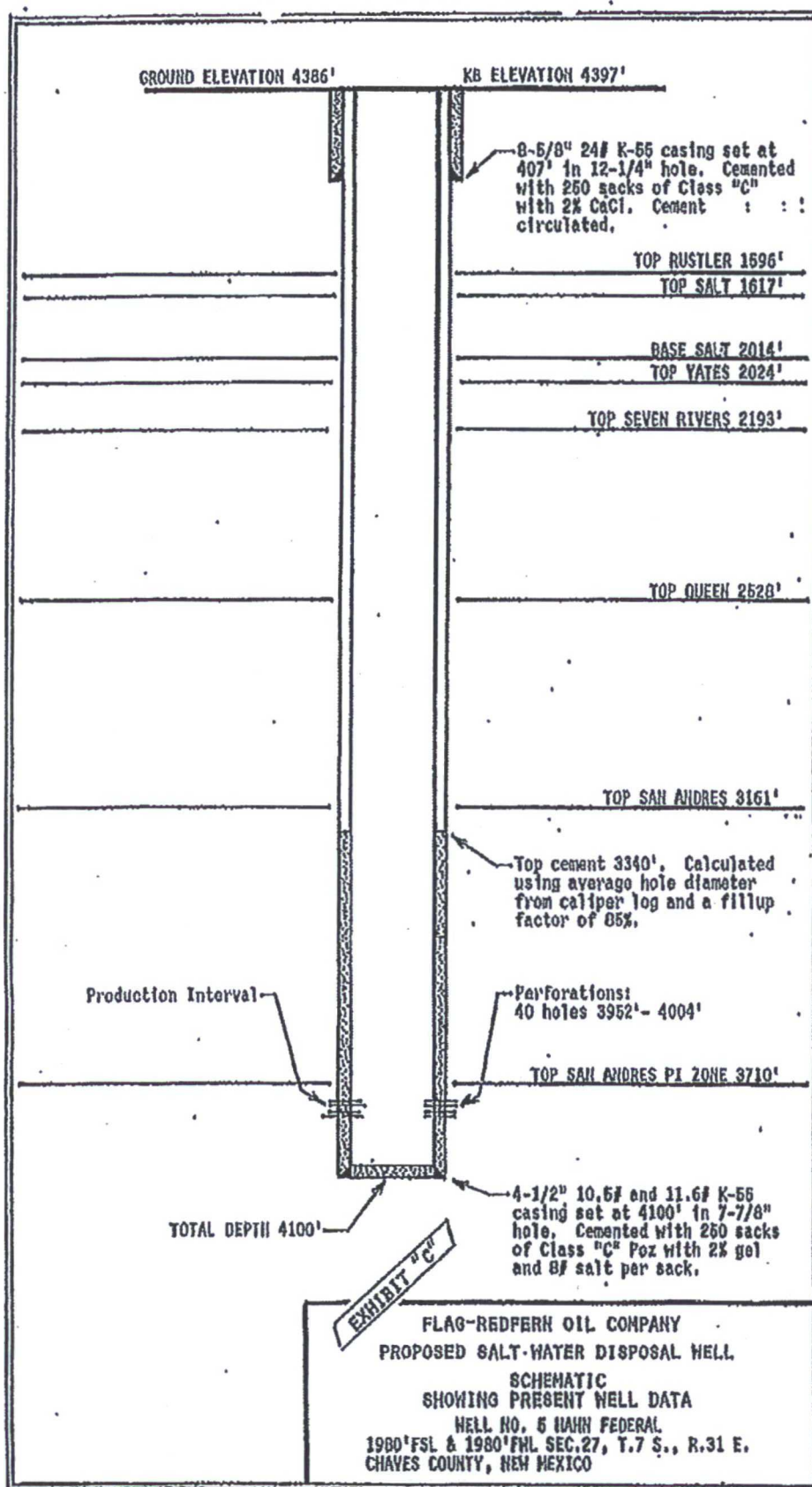
Additional data for EC transaction #366982 that would not fit on the form

32. Additional remarks, continued

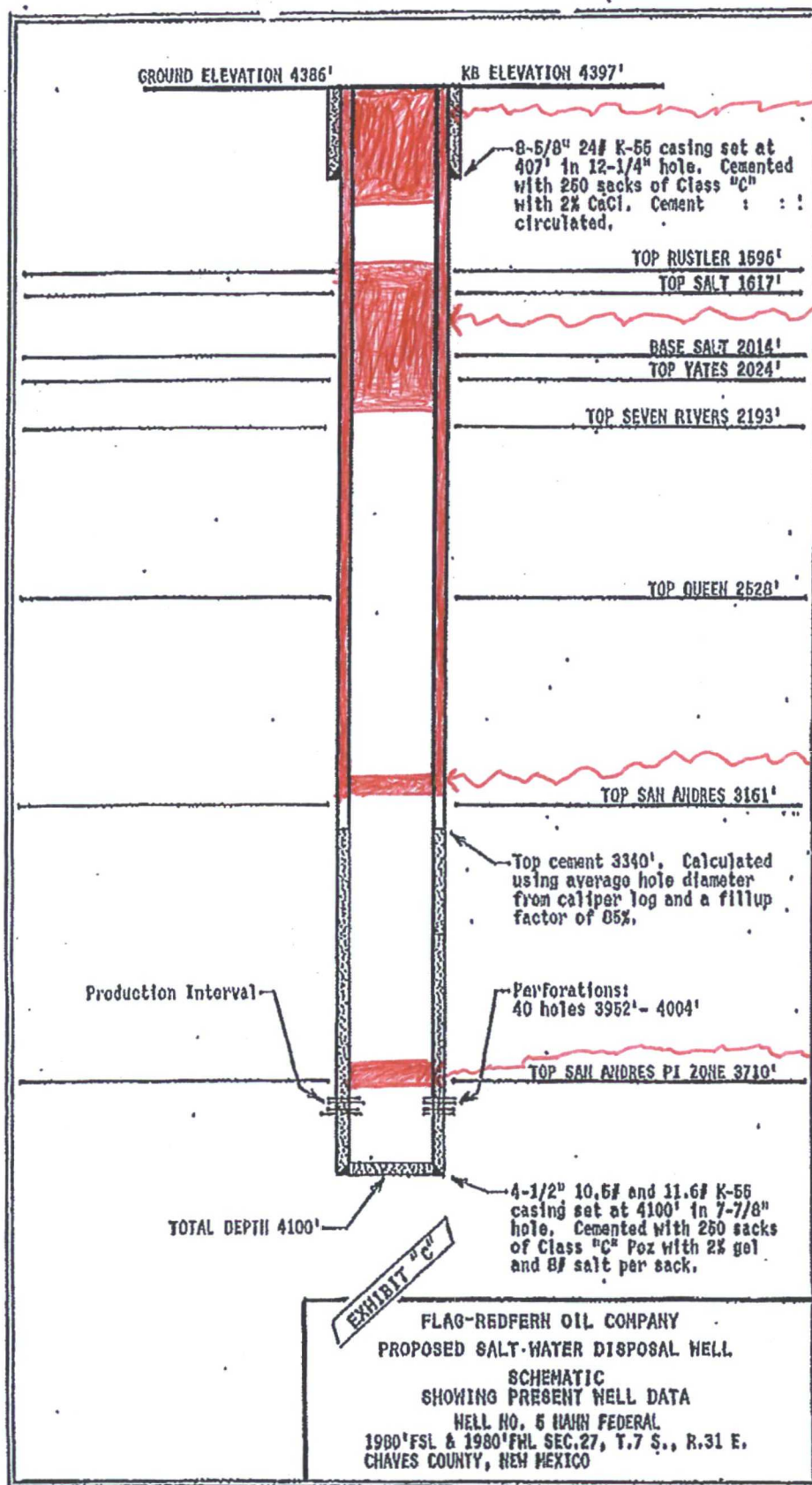
10. Pick up to ^{160'}400' and pump a ³⁵10 sx surface plug.
11. Cut off wellhead 3' below ground level and install dry hole marker.

**Before & After Plugging
Diagrams Attached.**

BEFORE



AFTER



355X Cement Plug
F/460-Surface

Pump 505X.
Cement F/2150-
1550' WOC &
Tag At Or Above
1550'

Cement Retainere
3100' W/ Port 5e
3150' & 6505X.
Cement Circulated
To Surface In 4.500"
X 7.875" Annulus

C10Pe 3910'
W/255X Cement
On Top

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.