Form 3160-5 (June 2015)

OCD-HOBBS

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM 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 SFP 1 1 2017

Lease Serial No. NMLC063965

| | 11112000000 | | | | | |
|----|-------------|----------|----------|------|--|---|
| 5. | If Indian, | Allottee | or Tribe | Name | | ١ |

| abandoned wel | I. Use form 3160-3 (APD) for | such proposals. | 1 2017 6 | If Indian, A | Allottee or Tribe Name | |
|--|--|---|-------------------------------|--------------------------|---|--|
| SUBMIT IN 1 | RIPLICATE - Other instruction | ons on page 2 REC | EIVED 7 | | A/Agreement, Name and/or No. | |
| Type of Well | er: INJECTION | | 8 | Well Name | | |
| Name of Operator LEGACY RESERVES OPERA | Contact: JOHN | N SAENZ .com | 9. | . API Well N 30-025-0 | | |
| 3a. Address 303 W WALL ST STE 1800 MIDLAND, TX 79701 | | Phone No. (include area code) 432-689-5200 Ext: 5282 | | | Pool or Exploratory Area ;T-Y-7R/LM;7R-Q-G | |
| 4. Location of Well (Footage, Sec., T. | , R., M., or Survey Description) | | 1 | 1. County or | Parish, State | |
| Sec 24 T24S R36E NESE 231 | OFSL 990FEL | | | LEA CO | COUNTY, NM | |
| · · | | | | | | |
| 12. CHECK THE AF | PROPRIATE BOX(ES) TO I | NDICATE NATURE OF | F NOTICE, RI | EPORT, O | R OTHER DATA | |
| TYPE OF SUBMISSION | | TYPE OF | ACTION | | | |
| Notice of Intent | ☐ Acidize | □ Deepen | ☐ Production | (Start/Re | INT TO PA PM X | |
| | ☐ Alter Casing | ☐ Hydraulic Fracturing | ☐ Reclamation | on | INT TO PA PM X P&A NR | |
| ☐ Subsequent Report | ☐ Casing Repair | ■ New Construction | ☐ Recomplet | | P&A R | |
| ☐ Final Abandonment Notice | ☐ Change Plans | ☑ Plug and Abandon | ☐ Temporari | • | | |
| 13. Describe Proposed or Completed Ope | ☐ Convert to Injection | ☐ Plug Back | ☐ Water Disp | | | |
| If the proposal is to deepen directionally or recomplete 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 recompletion 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. SEE ATTACHED FOR | | | | | | |
| Proposed P&A Procedure: 1. MIRU. Install BOP. Lay down injection tubing and packer. Pick up work string. 2. RIH and set CIBP at 3200'. 3. RIH and set CIBP at 2975'. 4. Circulate minimum 9.5 ppg P&A mud to surface and spot 100' of cement on top of CIBP at 2975'. 5. TOOH. Spot balanced cement plug from 1200' to 1100'. 6. TOOH. Perforate at 320'. Attempt to inject. 7. RIH with PKR to 200'. Pump into perf @ 320' w/minimum 35 sx cement. WOC, POOH w/packer. RIH w/opened ended tubing and tag TOC at/above 220'. 8. TOOH. WITNESS | | | | | | |
| 14. I hereby certify that the foregoing is | Electronic Submission #37879 | 9 verified by the BLM Well | Information S | ystem | | |
| | For LEGACY RESERV Committed to AFMSS for proce | ES OPERATING LP, sent t ssing by DEBORAH MCKII | to the Hobbs NNEY on 06/14 | /2017 () | | |
| Name (Printed/Typed) JOHN SA | ENZ | Title OPERA | TIONS ENGIN | IEER | | |
| Signature (Electronic S | Submission) | Date 06/13/20 | 017 | APP | ROVED | |
| | THIS SPACE FOR F | EDERAL OR STATE (| OFFICE USE | | | |
| Approved By | | Title TPE | T . | PRS | warth Date 08/18/1 | |
| Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to condu- | uitable title to those rights in the subject operations thereon. | ot lease Office | | CARLSBA | LAND MANAGEMENT | |
| 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 depar | tment 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)

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

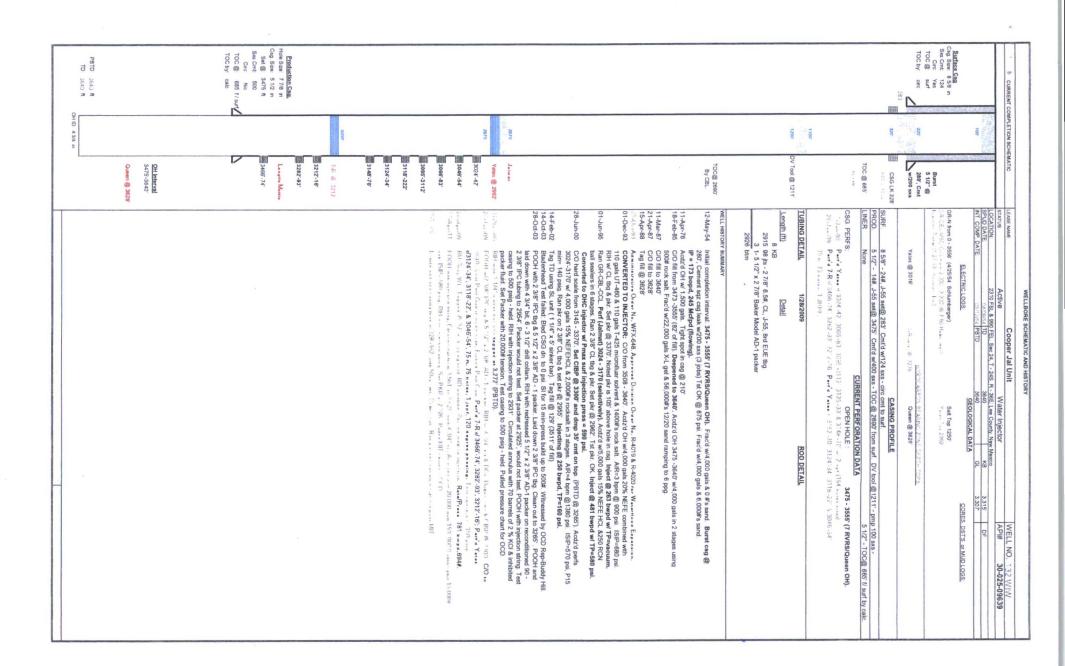
FOR RECORD ONLY

Additional data for EC transaction #378799 that would not fit on the form

32. Additional remarks, continued

Spot cement plug from 100' to surface.
 POOH, top off casing, remove WH, set P&A marker, clean and reclaim location.
 Installed Closed-Loop System with steel tanks. Haul contents from Closed-Loop System to approved NMOCD disposal location according to Rule 19.15.17.

| WELLBORE SCHEMATIC AND HISTOI Cooper Jal Unit | ACTION A | 12-May-54 Initial completion interval: 3475 - 3555 (7 RVRSiQueen Oth, Fractio wid, 000 gals & 6,0008's sand. Burst esg @ 200 Cameric esg cago leak wi2700 ass (7 RVRSiQueen Oth, Fractio wid, 000 gals & 6,0008's sand. Burst esg @ 200 Cameric esg cago leak wi2700 ass (3 piss) Tail Off (1 Round) and 3473-3555 (82 of file). Despended to 3440'. Acd2'd OH 44,000 gals in 2 stages using part 1-Mars 87. Cof file loads and read with 250 gals. Tright sport in 2840's Act and ampiring to 6 ppg. 11-Mars 87. Cof file loads and read with 250 gals. Act get 8 6,0008's 1220 sand ramping to 6 ppg. 12-May-78. Cof file loads and read with 250 gals. Act get 8 6,0008's 1220 sand ramping to 6 ppg. 13-May-87. Cof file loads and read with 250 gals. Act get 8 6,0008's 1220 sand ramping to 6 ppg. 14-Mars 87. Cof file loads and read with 250 gals. Act get 8 6,0008's 1220 sand ramping to 6 ppg. 14-Mars 87. Cof file loads and read set 80 gals. Tright sport in 2840's Act get 80 gals. Tright sport set 81 gals. Set 90 gals. 14-Cod-38. Tright sport set 820 gals. Tright sport set 90 gals. 15-Mars 98. Tright sport set 820 gals. Tright sport set 90 gals. 15-Mars 98. Tright sport set 120 gals 120 gals. Tright sport set 90 gals. 15-Mars 99. Tright sport set 120 gals. Tright set 120 gals. Tright sport set 120 gals. Tright set 120 gals. | | |
|--|--|--|--|---|
| | Burst 5 172 @ 5 172 @ 280, Cont 280, Cont 280, Cont 280, Cont 280 see 5 170 C @ 665 7 | By CBL James & 2992 James & 2992 118-222 218-222 218-222 | 7-R G 3272 3212-16 3282-93* La pile Menta 3466-74* | 9475:3640' Queen @ 3628' Queen @ 3628' A34 in |
| , CURRENT COMPLETION SCHEMATIC | Surfee Cog Cog Size: 8 558 m Sas Ont: 124 m Crc. Yes TOC & auf TOC by circ | X | Production Csg. Hole Stge. 7 778 in Cep. Stee. 5 12 in See Cent. 500 Cer. No Cer. No TOC® 685 1/surf. TOC by cale. | PBTD. 364. ft TD: 364.7 ft |



Conditions of Approval

Legacy Reserves Operating LP Cooper Jal Unit - 132, API 3002509639 T24S-R36E, Sec 24, 2310FSL & 990FEL August 18, 2017

- 1. Within 90 days of these conditions of approval for the processed Electronic Submission #378799 notice of intent begin wellbore operations.
- 2. Operator is required to have the BLM approved NOI procedure with applicable conditions of approval on location during this workover operation.
- 3. Notify BLM 575-393-3612 Lea Co as work begins. Plugging procedures are to be witnessed. If there is no response leave a voice mail with the API#, workover purpose, and a call back phone number.
- 4. Surface disturbance beyond the existing pad must have prior approval.
- 5. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
- 6. Functional H₂S monitoring equipment shall be on location.
- 7. 2000 (2M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels) equipment shall be installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.
- 8. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during any other crew-intensive operations.
- The BLM PET witness is to run tbg tally and agree to cement volumes and placement.
 Sample each plug for cement curing time and tag and/or pressure test as requested by BLM PET witness.
- 10. Cementing procedure is subject to the next three numbered paragraphs.
- 11. Mix cement plugs to cover a minimum of 100ft plus 10ft for every 1,000ft to the bottom of the plug, rounding the number of necessary sacks up to the nearest 5 sacks. Never use less than 25sx. Examples: A cement plug set at 8000 in 7" casing would require a min of 35sx. A 25sx plug in 5 ½" casing should cover 250ft, which may exceed 100ft plus 10ft per 1000ft.
- 12. Class H > 7500ft & C < 7500ft) cement plugs(s) will be necessary. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Formation isolation plugs of Class "C" to be mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water and "H" to be mixed 16.4#/gal, 1.06ft³/sx, 4.3gal/sx water.
- 13. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.

- 14. Set a balanced Class "C" plug on the Step 3 CIBP at 2975. Tag the plug with tubing above 2800 to cover base of salt.
- 15. Perforate at 1350. Sqz the perfs leaving cmt inside and outside of the 5 ½ csg with a top of cmt above 1150 to cover top of salt.
- 16. Leave the Pkr set with the displacement fluid trapped above the plug by closing the surface tbg valve. WOC 4hrs minimum, unset the pkr, and tag the plug with tbg.
- 17. Preform Steps 6 & 7 of procedure.
- 18. Perf at 60ft or below and circulate cmt to surface between the 8 5/8" and 5 ½" csgs.
- 19. Set a dry hole marker.
- 20. File **subsequent sundry** Form 3160-**5** within 30 days of workover procedures. Include (dated daily) descriptions of the well work, i.e. procedure descriptions and setting depths of each plug in the subsequent sundry.

Reclamation Objectives and Procedures

In Reply Refer To: 1310

Reclamation Objective: At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its pre-disturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip and seed as needed. This will apply to well pads, facilities, and access roads. Barricade all access road(s) at the starting point. If reserve pits have not been adequately reclaimed due to salts or other contaminants, propose a plan for BLM approval to provide restoration of the pit area.

- 1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations should have included adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
- 2. For locations and/or access roads not having an approved plan, or an inadequate plan for surface reclamation the operator must submit a proposal describing the procedures for reclamation. The appropriate time for submittal would be when filing the Notice of

Intent, or with the Subsequent Sundry Report of Abandonment on Form 3160-5. The final reclamation goal is to be completed within 6 months of wellbore abandonment.

- 3. With an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you have issues or concerns, contact a BLM specialist to assist you. It may be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives.
- 4. Upon reclamation conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a BLM specialist to inspect the location to verify work was completed as per approved plans.
- 5. The BLM approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been tentatively reestablished. If the objectives have not been met BLM will be notify the operator of the required corrective actions.
- 6. It is the responsibility of the operator to monitor these locations and/or access roads until such time the full BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the full BLM objectives have been met, submit a Final Abandonment Notice (FAN) Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
- 7. At this time a BLM specialist will again inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability for the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos Supervisory Environmental Protection Specialist 575-234-5909, 575-361-2648 (Cell)

Trishia Bad Bear Natural Resource Specialist 575-393-3612, 575-390-2258 (Cell)

Jesse Bassett Natural Resource Specialist 575-234-5913, 575-499-5114 (Cell) Robertson, Jeffery Natural Resource Specialist 575-234-2230, 575-706-1920 (Cell)

Vance Wolf Natural Resource Specialist 575-234-5979

Brooke Wilson Natural Resource Specialist 575-234-6237 Paul Murphy Natural Resource Specialist 757-234-5975, 575-885-9264 (Cell)

Henryetta Price Environmental Protection Specialist 575-234-5951, 575-706-2780 (Cell) Arthur Arias Environmental Protection Specialist 575-234-6230, 575-499-3378 (Cell)

Shelly Tucker Environmental Protection Specialist 575-234-5905, 575-361-0084 (Cell)

