Form 3160-5 (June 2015)	UNITED STATES OCD Hobbs			FORM APPROVED OMB No. 1004-0137 xpires: January 31, 2018	
BUREAU OF LAND MANAGEMENT			5. Lease Serial No.	NMNM106916	
SUNDRY NOTICES AND REPORTS ON WELLS			6. If Indian, Allottee	a realit alterit e lette a	
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.					
	NTRIPLICATE - Other instructions on pa	and the second se		reement, Name and/or No.	
1. Type of Well	TRIPLICATE - Other Instructions on pa	age 2			
☑ Oil Well	Well Other	MAY 2	3 20 8. Well Name and N	^{Io.} East Livingston '31' Federal #1	
2. Name of Operator US Energy Development Corporation					
14068 (716) 636-04		o. (include area code) 0401	Livingston Ridge, Delaware, SE		
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) 560' FNL & 330' FEL Sec 31 T22S R32E			11. Country or Parish, State Lea, NM		
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF SUBMISSION TYPE OF ACTION				
✓ Notice of Intent		epen draulic Fracturing	Production (Start/Resume Reclamation	INT TO PA PM P&A NR	
Subsequent Report		w Construction	Recomplete Temporarily Abandon	P&A R	
Final Abandonment Notice	Convert to Injection Plu	ig Back	Water Disposal		
 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 detennined that the site is ready for final inspection.) Plan to Plug & Abandon well, reclaim flowline, surface locations and tank battery access road to natural conditions. All Proposed Cement Plugs are 14.8 ppg Class C Cement. Other Fluid: 9.0 ppg mud (25 sks salt water gel per 100 bbls brine). 1) Set CIBP @ 6825'. Spot 25sks cement from 6655'-6825'. Tag at 6655' or above. 2) Load hole with 9ppg mud. 3) Perf @ 4623'. Squeeze 55sks cement to 4315'. Tag at 4315' or above. 4) Perf @ 1060'. Squeeze 50sks cement to 774'. Tag at 774' or above. 5) Perf @ 60'. Squeeze 15sks cement to surface. 					
Below ground lavel day hole marker required					
14. I hereby certify that the foregoing is true and correct. Name (Printed/Pyped) ANGLE CAFE Title DEGULATORY ANALYST					
Signature Date 5/11/2018					
THE SPACE FOR FEDERAL OR STATE OFICE USE					
Approved by					
hanna /	20	Title Su	ALT	Date 5-19-18	
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.					
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) FOR RECORD ONLY NMOCD 05/29/2018					

TRUCKME Miller inver Operator Leho Prod Tuc Well Name (NO. East Civingston 31.7 Hole Size 17/2" API 30025 36280 560 DS 330 (DA) SEC. 3/ PARTE 60' SOZ Cont to R-111-P Surface. 745 SXS Cement TOC At Sur F. Secretary Poloch Cana/Korai LAROF Tag @ 774. 133/8" Casing Set at 824 3 Purte 1060, SQZ Contto Top Salt 1010 774. Hole Size 1214" Base Salt 4265 +1-1485 SXS Cement FORMATIONS T/ Salf 200 1010 TOC At Surf. B/Salt 4365 th De/ 4565 85/8" Casing Set at 4573 8460 Hole Size 7% WOC Tas @ 4315. Q. A.F.@ 4623 SOZ emt to 4315. 750 SXS Cement Cap w/25 sx cmt. To 6655 TOC AT 5500 (CBL) DSet CIBAR 6825 (min) DVT Below ground level PERFORATIONS. dry hole Marker 8376- 86 8394- 8406 required. 8430- 42 6925 7139 51/2" Cosing Set at 8800 TD AT _ 8800 PBTD _ 8678 James K. Amos 575-234-5909 575-361-2648.

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 (LPC Habitat)

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>Below Ground Level Cap (Lesser Prairie-Chicken Habitat)</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. Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings 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. A weep hole shall be left in the plate and/or casing.

NMOCD also requires the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a below ground cap was installed as required in the COA's from the BLM.

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.

Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:

From March 1st through June 15th annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted