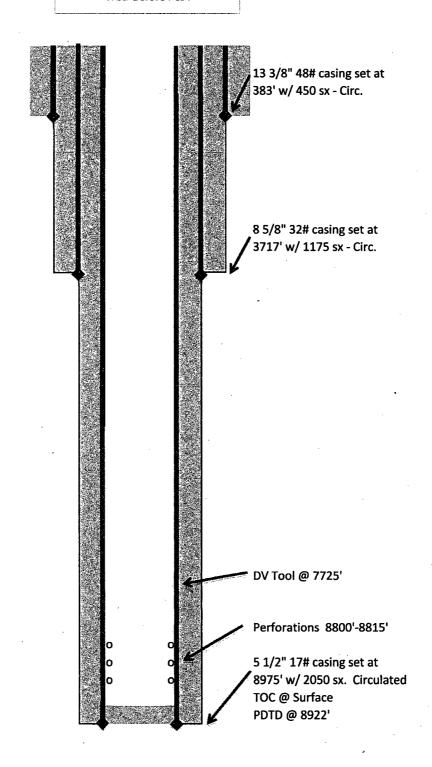
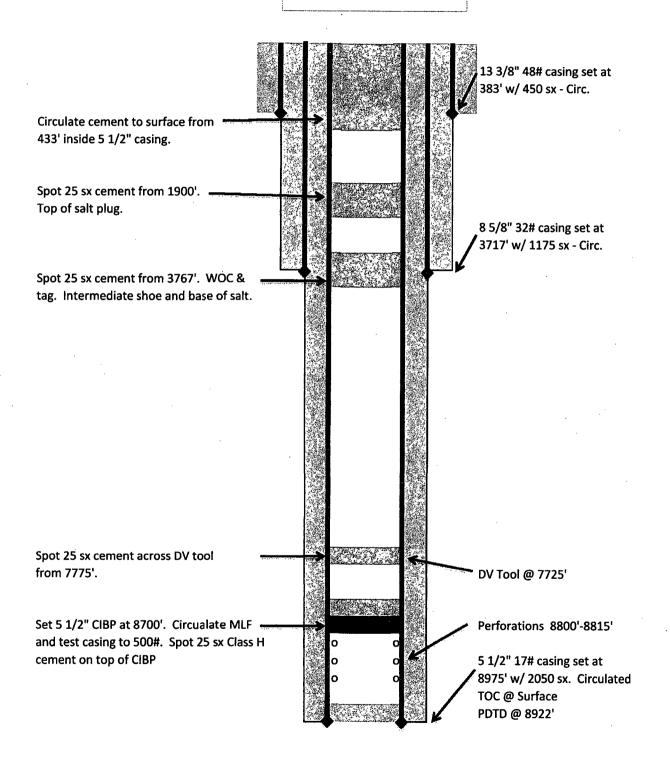
NMOCD Form 3160-5 FORM APPROVED **UNITED STATES** (September 2001) OM B No. 1004-0135 Expires: January 31, 2004 Hobbs DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 5. Lease Serial No. NM-111966 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned∈well. Use Form 3160 - 3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT PATRIPLICATE- Other instructions on reverse side. Öil Well□ □ Gas Well □□ Other 8. Well Name and No. 2. Name of Operator Manzano, LLC Brennan Fed. Com #2 9 API Well No. 30-041-20922 3a. Address 3b. Phone No. (include area code) P.O. Box 2107, Roswell, NM 88202-2107 575-623-1996 10. Field and Pool, or Exploratory Area Chaveroo N. Lower Penn 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11 County or Parish, State 1980' FNL & 660' FWL SEC 34-T6S-R33E Roosevelt, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE. REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Production (Start/Resume) Acidize Deepen Water Shut-Off ✓ Notice of Intent Alter Casing Well Integrity Fracture Treat Reclamation Casing Repair New Construction Recomplete Subsequent Report Change Plans __ Temporarily Abandon Plug and Abandon Final Abandonment Notice Convert to Injection Plug Back 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 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 shall 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 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.) 1. Move in plugging equipment and POOH with production equipment. 2. Make gauge ring run and set 5 1/2" CIBP at 8700'. Circulate MLF and test casing to 500# 3. Spot 25 sx Class H cement on top of CIBP. 4. POOH to 7775' and spot 25 sx Class H cement across DV tool. 5. POOH to 3767' and spot 25 sx cement across 8 5/8" casing shoe. WOC and tag @ 3545' or higher. Intermidiate shoe and base of salt plug.

6. Spot 25 sx cement from 1360. WOC and tag above 1800'. Top of salt plug. 7. Circulate cement from 433' to surface inside of 5 1/2" casing. 8. Install below ground marker and cut off anchors. SEE ATTACHED FOR CONDITIONS OF APPROVAL 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) John R. Stearns, Jr. Title Agent 12/10/2018 PR Signature Date THIS SPACE FOR FEDERAL OR STATE OFFICE USE JAN 0 20 Title 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 Office 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 killfully to make to States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction (Instructions on page 2) NMUCD 12-14-19

Manzano, LLC Brennan Fed. Com #2 API 30-041-20922 WBD Before P&A



Manzano, LLC Brennan Fed. Com #2 API 30-041-20922 WBD After P&A



Brennan Fed Com 2 Manzano, LLC January 30, 2019 Conditions of Approval

- 1. Operator shall place CIBP at 8,700' (50'-100' above top most perf) and place 25 sx of Class H cement on top as proposed. WOC and TAG.
- 2. Operator shall place a balanced Class H cement plug from 7,775'-7,600' to seal the DV tool and top of the Wolfcamp Formation.
- 3. Operator shall place a balanced Class C cement plug from 6,900'-6,730' to seal the top of the Abo Formation.
- 4. Operator shall place a balanced Class C cement plug from 5,500'-5,345' for the purpose of a spacer plug as no more than 3,000' is allowed between plugs.
- 5. Operator shall place 25sx Class C cement at 3,767' as proposed to seal the 8-5/8' shoe. WOC and TAG. Tag must be a minimum of 3,667'.
- 6. Operator shall place a balanced Class C cement plug from 2,200'-2080' to seal the Yates formation. WOC and TAG.
- 7. Operator shall place a balanced Class C cement plug from 1,950'-1,700' to seal the Salt formation. WOC and TAG.

Note: Operator may combine plugs 6 and 7.

- 8. Operator shall place a balanced Class C cement plug from 433'- surface to isolate the 13-3/8" shoe.
- 9. See Attached for general plugging stipulations.

JAM 013019

BUREAU OF LAND MANAGEMENT Roswell Field Office 2909 W. Second Street Roswell, New Mexico 88201 575-627-0272

General Requirements for Plug Backs

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 this approval.

If you are unable to plug back 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 back. Failure to do so will result in enforcement action.

- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. Call 575-627-0205.
- 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. Before pumping 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>Subsequent Plug back Reporting</u>: Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back 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. <u>Show date work was completed.</u>
- 7. <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.