Form 3160-5 (June 2019)

UNITED STATES DEPARTMENT OF THE INTERIOR BURGALLOG LAND MANAGEMENT

NMOCD Hobbs

FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2021

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| BUREAU OF LAND MANAGEMENT | 5. Lease Serial No. NM-0108997(A) |
| Do not use this form for proposals to drift to re-enter an | 6. If Indian, Allottee or Tribe Name |
| SUBMIT IN THIPLICATE - Other Instructions on page 2 | 7. If Unit of CA/Agreement, Name and/or No. |
| 1. Type of Well | 8. Well Name and No. Farrell Federal # 12 |
| ✓ Oil Well Gas Well Other | |
| 2. Name of Operator Ridgeway Arizona Oil Corp. | 9. API Well No. 30-041-10460 |
| 3a. Address 1250 Wood Branch Park Dr., Set 400 Houston, Texas. 77079 3b. Phone No. (include area code) (512) 944-5866 | 10. Field and Pool or Exploratory Area Chaveroo San Andreas |
| 4. Location of Well <i>(Footage, Sec., T.,R.,M., or Survey Description)</i> 1980' FNL & 1980' FEL of Sec. 28, Township 7-S Range 33-E / Unit G | 11. Country or Parish, State Roosevelt |
| 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA | |
| TYPE OF SUBMISSION TYPE OF ACT | TION |
| Notice of Intent | uction (Start/Resume) Water Shut-Off umation Well Integrity |
| Subsequent Report Casing Repair New Construction Record | mplete Other |
| Change Plans Plug and Abandon Temp | oorarily Abandon r Disposal |
| 3. 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 perfonned 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 detennined that the site is ready for final inspection.) | |
| Ridgeway Arizona Oil Corp. proposes to P&A the subject well by the attached procedure. | |
| A closed loop system will be used for all well-bore fluids leaving this well-bore and disposed of required by OCD Rule 19.15.17. Notification to the OCD will be made 24 hours prior to commencement of Plugging Operations. | |
| SEE ATTACHED FOR CONDITIONS OF APPROVAL | · , · · · · · · · · · · · · · · · · · · |
| 14 I hearby soutify that the foregoing is true and correct. Name (Printed/Timed) | |

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Aimee Thomas

Title

APPROVEE/11/2019

THE SPACE FOR FEDERAL OR STATE OFIGE USE 5 2019

Approved by

Title

Title

Title

Title

BUREAU OF LAND MANAGEMENT

Conditions of apprayar, if any, are attached, Approva of this notice does not warrant or certify that the applicant holds legal or adjutable titly to those rights/in the subject lease which would entitle the applicant to conductor greations thereon.

Agent/Engineer

Title

BUREAU OF LAND MANAGEMENT

ROSWELL FIELD OFFICE

Office

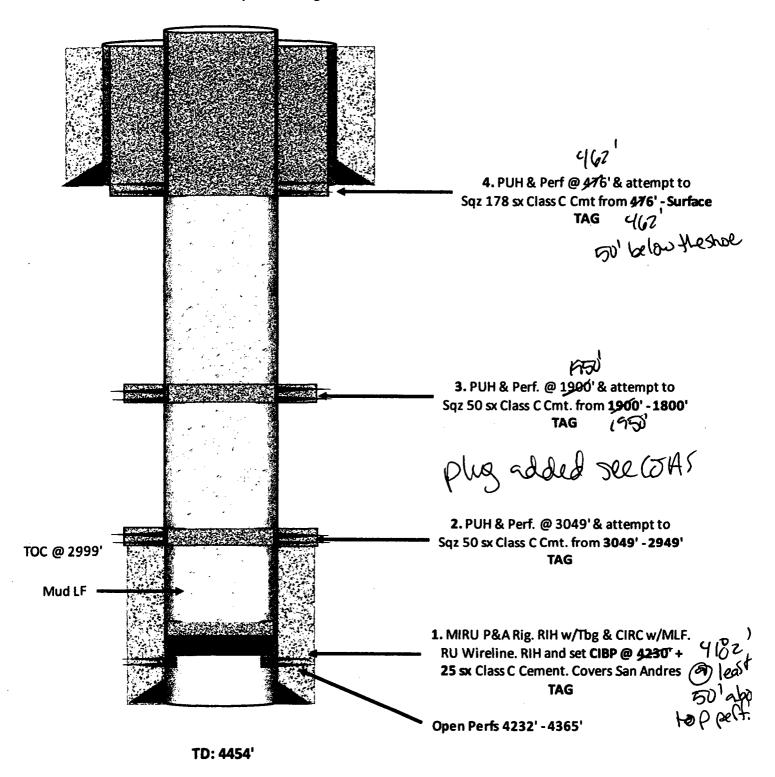
Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crippe for any person knowingly and willfully to make to an experience of the United States any false fictitious or fraudulent statements or representations as to any practice within its jurisdiction.

(Instructions on page 2)

X7 NMOCD 9-9-19

RIDGEWAY ARIZONA OIL CORP.

Proposed Plug & Abandonment Procedure



8 5/8" C inside 11" H @ 412' w/ 250 sx

4 1/2" C inside 7 7/8" H @ 4454' w/800 sx

Lease & Well # : Farrell Federal # 12

API # : 30-041-10460

County: Roosevelt County

Farrell Federal 12 30-041-10460 Ridgeway Arizona Oil Corp September 5, 2019 Conditions of Approval

- 1. Operator shall place CIBP at 4,182' (50'-100' above top most perf) and place 25 sx of Class C cement on top as proposed. WOC and TAG.
- 2. Operator shall perf and squeeze at 3,049' as proposed. Operator shall place a balanced Class C cement plug from 3,049'-2,949' as proposed. WOC and TAG.
- 3. Operator shall perf and squeeze at 2,330'. Operator shall place a balanced Class C cement plug from 2,330'-2,205' to seal the Yates Formation and the bottom of the Salt. WOC and TAG.
- 4. Operator shall perf and squeeze 50 sx of class C cement as proposed at 1,950'. Operator shall place a balanced Class C cement plug from 1,950'-1,800' to seal the top of the Salt. WOC and TAG as proposed.
- 5. Operator shall perf and squeeze at 462'as proposed. Operator shall place a balanced Class C cement plug from 462' to surface to seal the 8-5/8" casing shoe.
- 6. See Attached for general plugging stipulations.

JAM 090519

BUREAU OF LAND MANAGEMENT

Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201 (575) 627-0272

Permanent Abandonment of Production Zone 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</u> (90) 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. 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) 627-0237 or phone (after hours) call (575) 626-5871.
- 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.

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. Trash: 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.