Submit 1 Copy To Appropriate District State of New Mexico	Form C-103
Office Energy Minamla and Natural Da	
District I – (575) 393-6161 Energy, Millerais and Natural Re 1625 N. French Dr., Hobbs, NM 88240	WELL API NO.
District II – (575) 748-1283 811 S. First St., Artesia, NM 88210 OIL CONSERVATION DIV	ISION 30-041-20698
<u>District III</u> – (505) 334-6178 1220 South St. Francis D	5. Indicate Type of Lease
1000 Rio Brazos Rd., Aztec, NM 87410 District IV – (505) 476-3460 Santa Fe, NM 87505	6. State Oil & Gas Lease No.
1220 S. St. Francis Dr., Santa Fe, NM	o. State on & Gas Eduse No.
87505 SUNDRY NOTICES AND REPORTS ON WELLS	7. Lease Name or Unit Agreement Name
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BAC	
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCI PROPOSALS.)	Н
1. Type of Well: Oil Well 🛛 Gas Well 🗌 Other	8. Well Number 23
2. Name of Operator	9. OGRID Number 164557
Ridgeway Arizona Operating Company	
3. Address of Operator 575 N Dairy Ashford Rd, EC II Suite 210, Houston, TX 77079	10. Pool name or Wildcat
4. Well Location	
Unit Letter M : 1310 feet from the South	line and 1310 feet from the West line
	e 33E NMPM County Roosevelt
11. Elevation (Show whether DR, RKB,	
The Definition (Show whether Dr., Fitte),	
12. Check Appropriate Box to Indicate Nature	of Notice, Report or Other Data
	SUBSEQUENT REPORT OF:
	IMENCE DRILLING OPNS. P AND A
	ING/CEMENT JOB
	FR. \Box
13. Describe proposed or completed operations. (Clearly state all pertinent	In the second
of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For	
proposed completion or recompletion.	
Approved BLM sundry attached including procedure and WBS	SUD
	SUBJECT TO LIKE
	APPROVAL BY BLM
	- 1 1
	See Attached
	Conditions of Approval
	• Here and the second sec
Spud Date: Rig Release Date:	
I have have a set if that the information should be two and complete to the heat of m	un la cuit de card helief
I hereby certify that the information above is true and complete to the best of n	ny knowledge and beller.
1 A THE LAND	
SIGNATURE UM M	Regulatory MgrDATE3/30/2021
Type or print nameWilliam Boyd E-mail address:wboyd	d@pedevco.com PHONE:713-574-7912
For State Use Only	
APPROVED BY: Kerry Fortmer TITLE_ Compliance	Officer A DATE 5/6/21
Conditions of Approval (if any):	10
•• • • •	

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Page 1 of 15

Received by WCD.S/30/2021 1:26:50 PM U.S. Department of the Interior		Sundry Print Report 03/25/2021
BUREAU OF LAND MANAGEMENT		
Well Name: FARRELL FEDERAL	Well Location: T7S / R33E / SEC 28 / SWSW /	County or Parish/State: ROOSEVELT / NM
Well Number: 23	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM83197	Unit or CA Name:	Unit or CA Number:
US Well Number: 300412069800S1	Well Status: Oil Well Shut In	Operator: RIDGEWAY ARIZONA OIL CORPORATION

Notice of Intent

Type of Submission: Notice of Intent

Date Sundry Submitted: 03/16/2021

Type of Action Plug and Abandonment

Time Sundry Submitted: 02:20

Date proposed operation will begin: 05/09/2021

Procedure Description: 1) SET 4-1/2" CIBP @ 4,150'; CIRC. WELL W/ M.L.F.; PRES. TEST 4-1/2" CIBP X CSG. TO 500# X HOLD; PUMP 25 SXS. CMT. @ 4,150'-3,900'. 2) PERF. X ATTEMPT TO SQZ. 50 SXS. CMT. @ 3,048'-2,918' (T/QN.); WOC X TAG TOC. 3) PERF. X ATTEMPT TO SQZ. 45 SXS. CMT. @ 2,340'-2,200' (T/YATES, B/SALT); WOC X TAG TOC. 4) PERF. X ATTEMPT TO SQZ. 75 SXS. CMT. @ 1,950'-1,747' (T/SALT, 8-5/8" CSG.SHOE); WOC X TAG TOC. 5) PERF. X CIRC. TO SURF., FILLING ALL ANNULI, 30 SXS. CMT. @ 100'-3'. 6) DIG OUT X CUT OFF WELLHEAD 3' B.G.L.; VERIFY CMT. TO SURF. ON ALL ANNULI; WELD ON STEEL PLATE TO CSGS. X INSTALL BELOW GROUND DRY HOLE MARKER. DURING THIS PROCEDURE WE PLAN TO USE A CLOSED-LOOP SYSTEM W/ A STEEL TANK AND HAUL CONTENTS TO THE REQUIRED DISPOSAL, PER OCD RULE 19.15.17.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Ridgeway_Arizona_Ferrell_Fed_023_20210316141958.pdf

of 15

Conditions of Approval

Specialist Review

Conditions_of_Approval_20210325085215.pdf

General_Conditons_of_Approval_20210325085215.pdf

Operator Certification

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: EYLER

Name: RIDGEWAY ARIZONA OIL CORPORATION

Title: Agent

Street Address: 415 W. WALL AVE., SUITE 1118

City: MIDLAND

State: TX

State:

Phone: (432) 687-3033

Email address: DEYLER@MILAGRO-RES.COM

Field Representative

Representative Name: Street Address: City: Phone: Email address:

BLM Point of Contact

BLM POC Name: JENNIFER SANCHEZ BLM POC Phone: 5756270237

Disposition: Approved

Signature: Jennifer Sanchez

Signed on: MAR 16, 2021 02:20 PM

BLM POC Title: Petroleum Engineer

Zip:

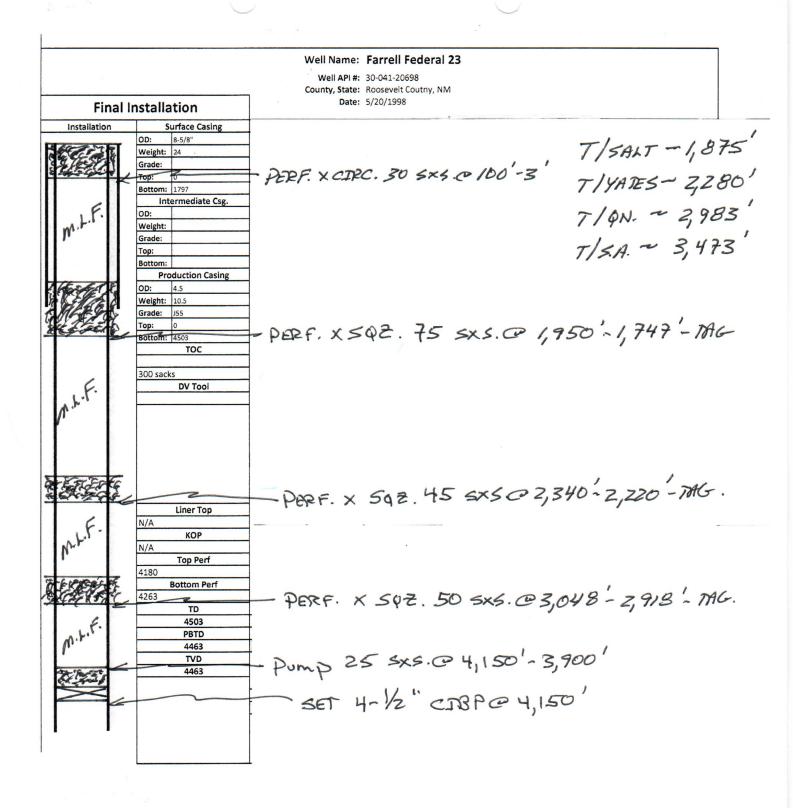
BLM POC Email Address: j1sanchez@blm.gov

Disposition Date: 03/25/2021

Final	Installation		Well API #: County, State:	Farrell Federal 23 30-041-20698 Roosevelt Coutny, NM 5/20/1998		
Installation	Surface Casing	Make	Size	Wellhead Detail	OD	ID
	OD: 8-5/8" Weight: 24 Grade:		Depth	Tubing Detail (Top Down) KB N/A	OD	ID
	Liner Top N/A KOP N/A Top Perf 4180 Bottom Perf 4263 TD 4503	Count	Length	ROD DETAIL (Bottom Up) N/A Pump Set Depth		
			0	Ir amp set beptil	1	
	PBTD			Dumping Unit Coose		
	4463		1	Pumping Unit Specs	1	
	TVD 4463	P.U. Make: P.U. Size: P.U. SL: SPM:	N/A	Pump Details	_	
		PUMP SIZE: PLUNGER: STDG VALVE: STROKE:	N/A			

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Farrell Federal 23 30-041-20698 Ridgeway Arizona Oil Corp March 25, 2021 Conditions of Approval

- 1. Operator shall place CIBP at 4,130' (50'-100' above top most perf) and place 25 sx of Class C cement on top as proposed. <u>WOC and TAG.</u>
- 2. Operator shall perf and squeeze at 3,048' as proposed. Operator shall place a balanced Class C cement plug from 3,048'-2,918' as proposed. <u>WOC and TAG</u>.
- 3. Operator shall perf and squeeze at 2,340'. Operator shall place a balanced Class C cement plug from 2,340'-2,185' to seal the Yates Formation and the bottom of the Salt. <u>WOC and TAG.</u>
- 4. Operator shall perf and squeeze at 2,048'. Operator shall place a balanced Class C cement plug from 2,048'-1,825' to seal the top of the Salt. <u>WOC and TAG</u>.
- 5. Operator shall perf and squeeze at 1,847'. Operator shall place a balanced Class C cement plug from 1,847'-1,747' to seal the 8-5/8'' casing shoe. <u>WOC and TAG</u>.
- 6. Operator shall perf and squeeze at 200'as proposed. Operator shall place a balanced Class C cement plug from 200' to surface.
- 7. See Attached for general plugging stipulations.

JAM 03252021

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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.

CONDITIONS OF APPROVAL FOR PLUGGING AND ABANDONMENT OCD - Southern District

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, Notify NMOCD District Office I (Hobbs) at (575)-263-6633 at least 24 hours before beginning work. After MIRU rig will remain on well until it is plugged to surface. OCD is to be notified before rig down.

Company representative will be on location during plugging procedures.

1. A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.

2. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.

3. Trucking companies being used to haul oilfield waste fluids to a disposal - commercial or private- shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall be able to produce a copy upon request of an NMOCD Field inspector.

4. Filing a subsequent C-103 will serve as notification that the well has been plugged.

5. A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can +be released.

6. If work has not begun within 1 Year of the approval of this procedure, an extension request must be file stating the reason the well has not been plugged.

7. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.

8. Produced water will not be used during any part of the plugging operation.

9. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.

10. All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.

11. Class 'C' cement will be used above 7500 feet.

12. Class 'H' cement will be used below 7500 feet.

13. A cement plug is required to be set 50' above and 50' below, casing stubs, DV tools, attempted casing cut offs, cement tops outside casing, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged

14. All Casing Shoes Will Be Perforated 50' below shoe depth and Attempted to be Squeezed, cement needs to be 50' above and 50' Below Casing Shoe inside the Production Casing.

16. When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set

17. A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.

18. A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, (WOC 4 hrs and tag).

19. No more than 3000' is allowed between cement plugs in cased hole and 2000' in open hole.

20. Some of the Formations to be isolated with cement plugs are: These plugs to be set to isolate formation tops

- A) Fusselman
- B) Devonian
- C) Morrow
- D) Wolfcamp
- E) Bone Springs
- F) Delaware
- G) Any salt sections
- H) Abo
- I) Glorieta
- J) Yates.

K) Potash---(In the R-111-P Area (Potash Mine Area),

A solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, woe 4 hours and tag, this plug will be SO' below the bottom and 50' above the top of the Formation.

21. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, woe and tagged. These plugs will be set SO' below formation bottom to 50' above formation top inside the casing.

DRY HOLE MARKER REQ.UIRMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least¹/₄" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

- 1. Operator name
- 2. Lease and Well Number
- 3. API Number
- 4. Unit letter
- 5. Quarter Section (feet from the North, South, East or West)
- 6. Section, Township and Range
- 7. Plugging Date
- 8. County

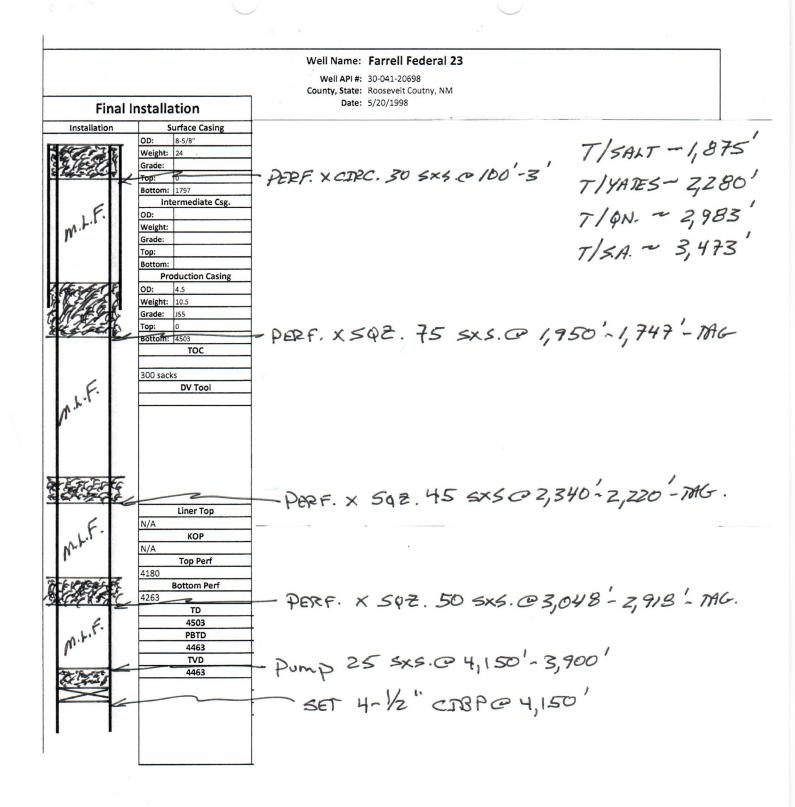
SPECIAL CASES -----AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS

In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)

SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION

Final	Installation		Well API #: County, State:	Farrell Federal 23 30-041-20698 Roosevelt Coutny, NM 5/20/1998		
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Installation	Surface Casing OD: 8-5/8" Weight: 24 Grade:	Make	Depth	Wellhead Detail Tubing Detail (Top Down) KB N/A	OD	ID
	Liner Top N/A KOP N/A Top Perf 4180 Bottom Perf 4263 TD 4503 PBTD 4463 TVD 4463	Count Count P.U. Make: P.U. Size: P.U. Size: P.U. Size: P.U. Size:	Length O'	ROD DETAIL (Bottom Up) N/A Pump Set Depth Pumping Unit Specs		
		PUMP SIZE: PLUNGER: STDG VALVE STROKE:	N/A	Pump Details		

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DA8 03/09/21

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Farrell Federal 23 30-041-20698 Ridgeway Arizona Oil Corp March 25, 2021 Conditions of Approval

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JAM 03252021

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COMMENTS

Action 22356

Action Type:

C-103F

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

Bit S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

Operator:

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

	COMMENTS		
RIDGEWAY ARIZONA OIL CORP.	575 N. Dairy Ashford	OGRID:	Action Number:
0 Houston, TX77079		164557	22356

Suite 210 Houston, TX77079				
Created By	Comment	 Comment Dat	e	
plmartinez	DATA ENTRY PM	05/07/2021		

CONDITIONS

Action 22356

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS OF APPROVAL

Operator: RIDGEWAY ARIZONA OIL CORP. 57 Suite 210 Houston, TX77079	′5 N. Dairy Ashford	OGRID: 164557	Action Number: 22356	Action Type: C-103F
OCD Reviewer kfortner	Condition See attached conditions of approval			