Sundry Print Report

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Well Name: CV 23 FEDERAL Well Location: T16S / R27E / SEC 23 / County or Parish/State: EDDY /

SWNW /

**V** /

INIVI

Well Number: 1 Type of Well: OIL WELL Allottee or Tribe Name:

Lease Number: NMNM93469 Unit or CA Name: Unit or CA Number:

US Well Number: 300152857000S1 Well Status: Producing Oil Well Operator: CHI OPERATING

INCORPORATED

Accepted for record – NMOCD gc 9/6/2022

LONG VO

Digitally signed by LONG

Date: 2022.07.15 07:39:09

-05'00'

**Notice of Intent** 

**Sundry ID:** 2680618

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 07/06/2022 Time Sundry Submitted: 02:18

Date proposed operation will begin: 10/03/2022

**Procedure Description:** Chi Operating, Inc. respectfully submits this proposal to plug and abandon this well. Plugging will be done according to the following procedure. -MIRU, ND wellhead, NUBOP -RIH to unset pkr; TOH w/prod equip -RU swb unit & Swab well -POOH & LD swab equip -NDBOP & RU cmt equip -Pump 5.5 yds of concrete to fill to surface, WOC. -Set DHM Attached is current wellbore diagram. Plugging operations will begin within 90 days of BLM/OCD approval. Reclamation to be completed within BLM timeframe. Thank you for your time spent reviewing this Notice of Intent.

### **Surface Disturbance**

Is any additional surface disturbance proposed?: No

#### **NOI Attachments**

**Procedure Description** 

CV\_23\_CurrentWBD\_2022\_20220706141205.pdf

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eceived by OCD: 9/1/2022 8:48:52 AM Well Name: CV 23 FEDERAL

Well Location: T16S / R27E / SEC 23 /

SWNW /

County or Parish/State: EDDY? of

Well Number: 1

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM93469

**Unit or CA Name:** 

**Unit or CA Number:** 

**US Well Number: 300152857000S1** 

Well Status: Producing Oil Well

**Operator: CHI OPERATING** 

**INCORPORATED** 

# **Operator**

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

Operator Electronic Signature: SUSAN MAUNDER Signed on: JUL 06, 2022 02:12 PM

Name: CHI OPERATING INCORPORATED

Title: Regulatory Specialist

Street Address: PO BOX 1799

City: MIDLAND State: TX

Phone: (432) 556-6501

Email address: SMAUNDER@PROTONMAIL.COM

#### **Field**

**Representative Name:** 

**Street Address:** 

City:

State:

Zip:

Phone:

**Email address:** 

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# PLUG AND ABANDONMENT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Chi Operating Incorporated
LEASE NO.:	NMNM93469
WELL NAME & NO.:	CV 23 Federal 1
US Well Number:	3001528570
LOCATION:	Section 23, T.16 S., R.27 E., NMPM
COUNTY:	Eddy County, New Mexico
Sundry ID:	2680618
Karst:	□Low □Medium ⊠High □Critical
Potash:	□Secretary □R111P
Special Area:	□Prairie Chicken □Capitan Reef

Chi Operating, Inc. respectfully submits this proposal to plug and abandon this well. Plugging will be done according to the following procedure.

- -MIRU, ND wellhead, NUBOP
- -RIH to unset pkr; TOH w/prod equip
- -RU swb unit & Swab well
- -POOH & LD swab equip
- -NDBOP & RU cmt equip
- -Spot cement from 1560' to 980'. Class C. 59 sx. WOC and Tag.
- Pump 5.5 yds of concrete to fill to surface, WOC.

Perf and squeeze from 980' to surface. (In/Out) 229 sx Class C (Verity at surface)

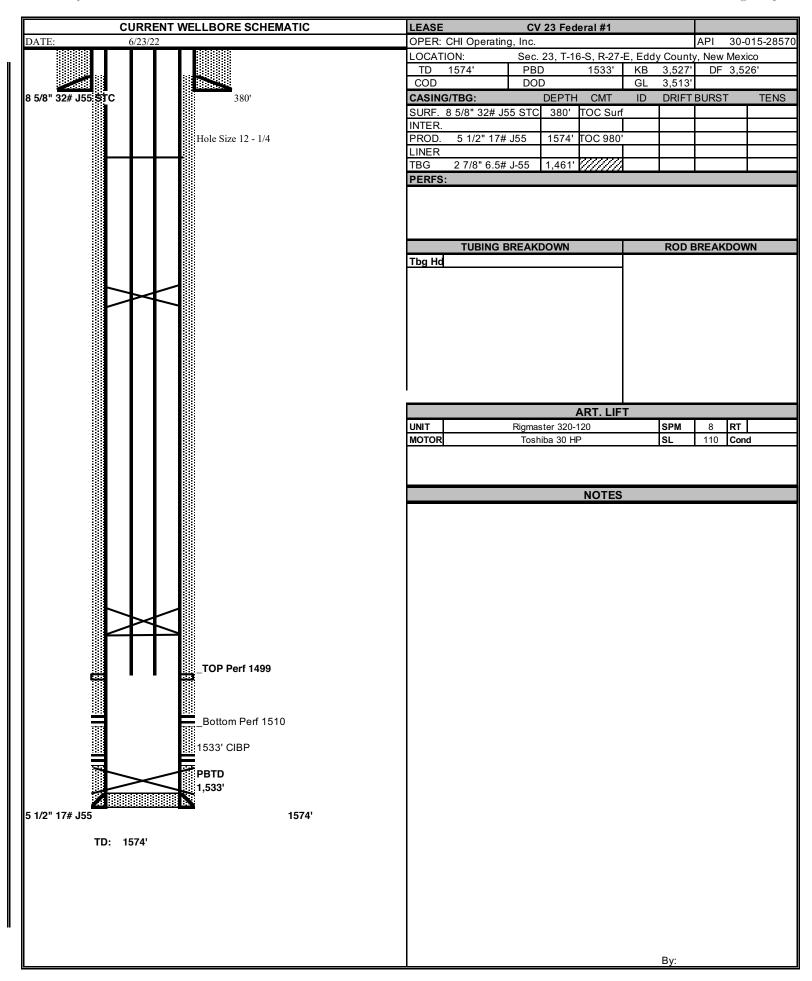
Cut casing 3' below ground level or at base of the cellar (whichever is deeper).

-Set DHM

Attached is current wellbore diagram. Plugging operations will begin within 90 days of BLM/OCD approval. Reclamation to be completed within BLM timeframe.

Thank you for your time spent reviewing this Notice of Intent.

# Approval Subject to General Requirements and Special Stipulations Attached



Perforations Plug (If No CIBP)

Shoe Plug

and Tag. (59 sx). Perf and Squeeze from 980' to surface (229 sx) (In/Out)

288.00 Verify at surface.

Sundry ID	2680618					
Plug Type	Тор	Bottom	Length	Tag	Sacks	Notes
Surface Plug	0.00	200.00	200.00	Tag/Verify		
Yates @ 119	67.81	169.00	101.19	If solid		
Shoe Plug	326.20	430.00	103.80	Tag/Verify		
						Spot cement from
						1560' to 980'. WOC

1560.00

1624.00

1444.90

1508.26

115.10 Tag/Verify

115.74 Tag/Verify

No more than 2000' is to be allowed between plugs in open hole, and no more than 3000' between plugs in cased hole.

Class H >7500'

Class C<7500'

Fluid used to mix the cement in R111P shall be saturated with the salts common to the section penetrated, and in suitable proportions, but not more than 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible.

Medium, Secretary: Top of salt to surface If no salt take the deepest fresh water.

High, Critical: Bottom of Karst to surface or Deepest fresh water, whichever is greater

R111P: 50 Feet from Base of Salt to surface.

Class C: 1.32 ft^3/sx Class H: 1.06 ft^3/sx

Onshore Order 2.III.G Drilling Abandonment Requirements: "All formations bearing usable-quality water, oil, gas, or geothermal resources, and/or a prospectively valuable deposit of minerals shall be protected.

Cave Karst/Potash Cement	High	Bottom of Karst/take dee	pest fresh water/top of salt whichever is
Shoe @	380.00	g	reater to surface
Shoe @	1574.00	тос @	980.00
Perforatons Top @	1499.00	Perforations	1510.00

#### 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

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 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> 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 575-689-5981.
- 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>Dry Hole Marker</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 10<sup>th</sup> day, the BLM is to be contacted with justification to receive an extension for completing the cut off.

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds). A weep hole shall be left if a metal plate is welded in place.

- 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.



# **United States Department of the Interior**

#### BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E. Greene St. Carlsbad, New Mexico 88220-6292 www.blm.gov/nm



In Reply Refer To: 1310

#### **Reclamation Objectives and Procedures**

**Reclamation Objective:** Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses. 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 predisturbance 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/all contaminants, scrap/trash, equipment, pipelines and powerlines (Contact service companies, allowing plenty of time to have the risers and power lines and poles removed prior to reclamation, don't wait till the last day and try to get them to remove infrastructure). Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip (across the slope and seed as specified in the original APD COA. This will apply to well pads, facilities, and access roads. Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

- 1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include 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 wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
- 3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
- 4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have 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 would 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. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

- 5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
- 6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the 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 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 the BLM specialist will 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 of 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 Petroleum Engineering Tech/Environmental Protection Specialist 575-234-5909 (Office), 575-361-2648 (Cell)

Arthur Arias Environmental Protection Specialist 575-234-6230

Crisha Morgan Environmental Protection Specialist 575-234-5987

Jose Martinez-Colon Environmental Protection Specialist 575-234-5951

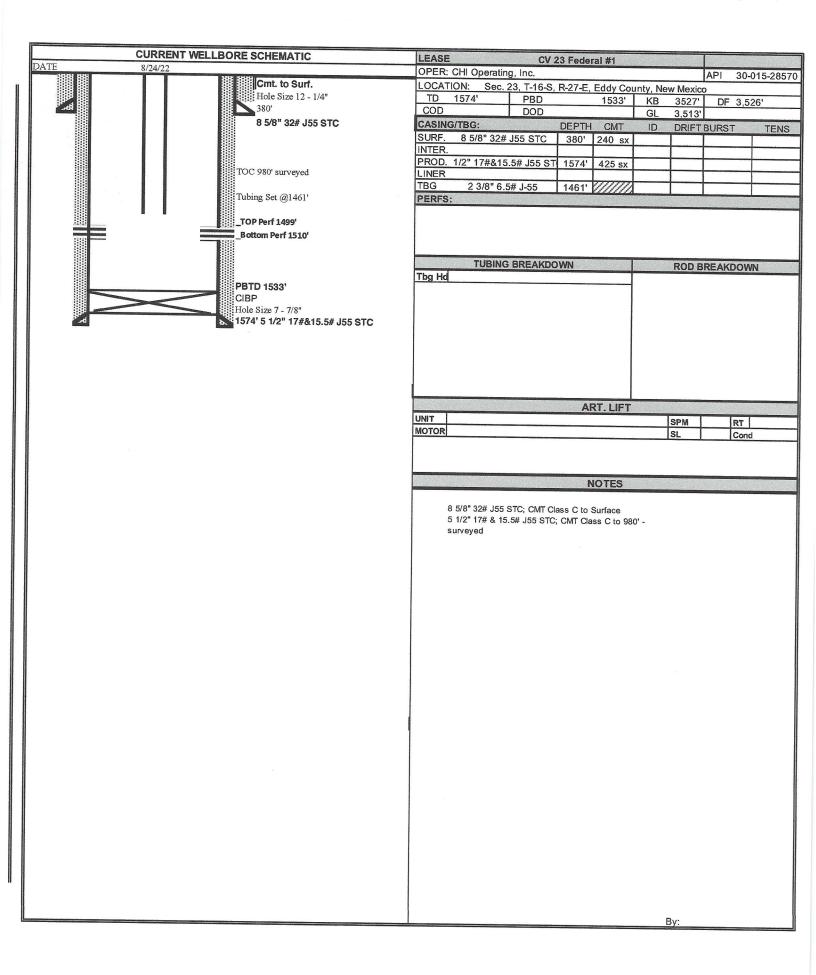
Mark Mattozzi Environmental Protection Specialist 575-234-5713

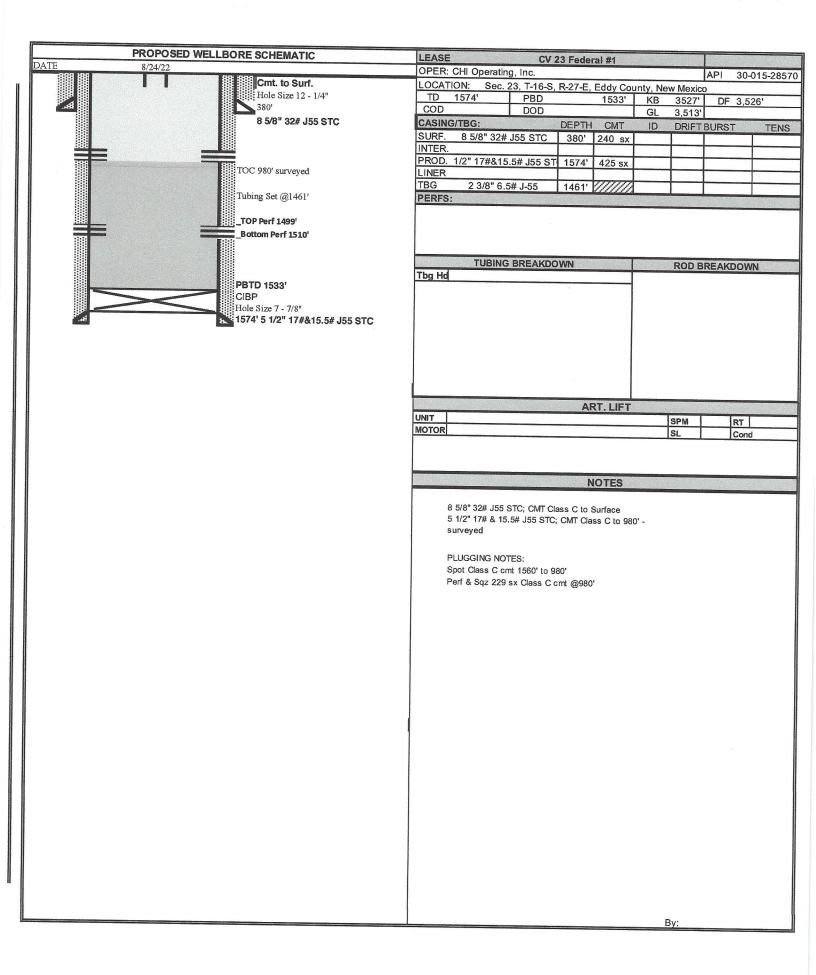
Robert Duenas Environmental Protection Specialist 575-234-2229

Trishia Bad Bear, Hobbs Field Station Natural Resource Specialist 575-393-3612

## CV 23 Federal #001 30-015-28570 Plugging Plan

- -MIRU, ND wellhead, NUBOP.
- -RIH unset pkr.
- -TOH prod equip.
- -RU swab unit & swab well.
- -POOH/LD swab equip. RU cmt equip.
- -Spot Class C cmt 1560' to 980' (current est 59 sx), WOC, Tag
- -Perf & sqz Class C cmt from 980' to surface, enough for in & out of csg (current est 229 sx)
- -Verify cmt to surface
- -RD & MO





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

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

Action 140119

#### **CONDITIONS**

Operator:	OGRID:
CHI OPERATING INC	4378
P.O. Box 1799	Action Number:
Midland, TX 79702	140119
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

#### CONDITIONS

Created By	Condition	Condition Date
gcordero	None	9/6/2022