

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD

Artesia

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMMN15295

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
CK FEDERAL 2

2. Name of Operator

WADI PETROLEUM INCORPORATED

Contact: EDUARDO A RIDDLE

E-Mail: e.a.riddle@riddle-eng.com

9. API Well No.

30-015-32809-00-S1

3a. Address

4355 SYLVANFIELD SUITE 200
HOUSTON, TX 77014

3b. Phone No. (include area code)

Ph: 361-452-2703
Fx: 361-452-2642

10. Field and Pool or Exploratory Area
WHITE CITY-WOLFCAMP

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 8 T24S R26E NWNE 1200FNL 1400FEL

11. County or Parish, State

EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat 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 determined that the site is ready for final inspection.

Wadi Petroleum, Inc. requests approval to temporarily abandon this well for a period of one year. The reason for this request is to allow time to evaluate recent recompleat/frac activity in the Strawn and Ciscamp formations in nearby wells on leases operated by others.

The proposed temporary abandonment procedure is attached along with current and proposed wellbore diagrams.

Accepted for record
NMOCD RE
8/11/17
NM OIL CONSERVATION
ARTESIA DISTRICT

This approval will be for 6 months only.
This well has been shut in since 2012
without approval. The well must be
producing or plugged by 02/02/2018.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

AUG 09 2017

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #381065 verified by the BLM Well Information System
For WADI PETROLEUM INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 07/16/2017 (17PP0669SE)

Name (Printed/Typed) EDUARDO A RIDDLE

Title AGENT

Signature (Electronic Submission)

Date 07/12/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

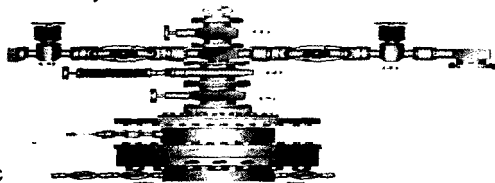
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **



CURRENT
7/12/2017

Well Bore Schematic

County: Eddy, NM
Formation: Morrow
R.K.B. 18.0'
Surface Csg: 350 sx
TOC @ surf
Intermediate Csg: 1200 sx
TOC @ surf
Production Csg: 1875 sx
2 stages
TOC @ 5700'

DV Tool @ 7017'

Tubing:

Packer:

Perforations:

PBTD: 11,606'

Total Depth: 12,000'

Prepared By:
E A Riddle

Description	ID	OD	Length	Depth
13-3/8", 54.5#, J55, STC		13.375"		397'
9-5/8", 40#, HCP110, LTC		9.625"		1912'
5-1/2" 17#, P110HC, LTC	4.778"	5.500"	1797.47'	1815.47'
5-1/2" 17#, N80, LTC	4.778"	5.500"	5201.50'	7016.97'
5-1/2" DV tool			2.13'	7019.10'
5-1/2" 17#, N80, LTC	4.778"	5.500"	3049.85'	10,068.95'
5-1/2" 17#, P110HC, LTC	4.778"	5.500"	938.18'	11,007.13'
5-1/2" 17#, P110, LTC	4.778"	5.500"	24.95'	11,032.08'
5-1/2" 17#, P110, LTC	4.778"	5.500"	984.47'	12,016.55'
5-1/2" Float Collar			1.27'	12,017.82'
5-1/2" 17#, P110, LTC	4.778"	5.500"	41.19'	12,059.01'
5-1/2" Float Shoe			0.95'	12,059.96'
357 jts, 2 3/8" 4.7#, L80, 8rd EUE		2.375"	11,288.29'	11,306.29'
Pup jt, 2 3/8" 4.7#, L80, 8rd EUE		2.375"	4.10'	11,310.39'
On/Off Tool Type T-2 w/1.81 F profile			1.71'	11,312.09'
Arrowset 1-XX packer			7.40'	11,319.49'
11,364 - 76', 6 spf				
11,404 - 08', 6 spf				
11,496 - 502', 6 spf				
11,588 - 92', 6 spf				
CIBP @ 11,625' EL w/2 sx cmt on top on top, PBTD 11,606' EL				
11,644 - 54', 6 spf				
11,675' w/ 2sx cmt on top				
11,684 - 88', 6 spf				
11,718 - 20'; 11,726 - 32', 6 spf				
Cmt ret @ 11,765', sqz w/ 53 sx				
11,790 - 11,794'				
Fish in hole - GR/JB				

PROPOSED

Well Bore Schematic

County: Eddy, NM

Formation: Morrow

R.K.B. 18.0'

Surface Csg: 350 sx
TOC @ surfIntermediate Csg: 1200 sx
TOC @ surf

Tubing:

Packer:

Production Csg: 1875 sx
2 stages
TOC @ 5700'
DV Tool @ 7017'

PBTD: 11,110'

Perforations:

Total Depth: 12,000'

Prepared By:
E A Riddle

Description	ID	OD	Length	Depth
13-3/8", 54.5#, J55, STC		13.375"		397'
9-5/8", 40#, HCP110, LTC		9.625"		1912'
347 jts, 2 3/8" 4.7#, L80, 8rd EUE		2.375"	10,972.14'	10,990.14'
Pup jt, 2 3/8" 4.7#, L80, 8rd EUE		2.375"	4.10'	10,994.24'
On/Off Tool Type T-2 w/1.81 F profile			1.71'	10,995.95'
Arrowset 1-XX packer			7.40'	11,003.35'
5-1/2" 17#, P110HC, LTC	4.778"	5.500"	1797.47'	1815.47'
5-1/2" 17#, N80, LTC	4.778"	5.500"	5201.50'	7016.97'
5-1/2" DV tool			2.13'	7019.10'
5-1/2" 17#, N80, LTC	4.778"	5.500"	3049.85'	10,068.95'
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5-1/2" 17#, P110, LTC	4.778"	5.500"	24.95'	11,032.08'
5-1/2" 17#, P110, LTC	4.778"	5.500"	984.47'	12,016.55'
5-1/2" Float Collar			1.27'	12,017.82'
5-1/2" 17#, P110, LTC	4.778"	5.500"	41.19'	12,059.01'
5-1/2" Float Shoe			0.95'	12,059.96'
CIBP @ 11,310' EL w/25 sx of Class H cmt on top, PBTD 11,110'				
11,364 - 76', 6 spf				
11,404 - 08', 6 spf	Fraced w/115,000 gals CO2 foam and			
11,496 - 502', 6 spf	71,000 lbs versaprop			
11,588 - 92', 6 spf	Fraced w/ 7,500 lbs versaprop			
CIBP @ 11,625' EL w/2 sx cmt on top on top, PBTD 11,606' EL				
11,644 - 54', 6 spf	Fraced interval 11,644 - 11,732' w/			
	135,000 gals CO2 foam and 81,500 lbs			
	versaprop			
CIBP @ 11,675' w/ 2sx cmt on top				
11,684 - 88', 6 spf				
11,718 - 20'; 11,726 - 32', 6 spf				
Cmt ret @ 11,765', sqz w/ 53 sx				
11,790 - 11,794'				
Fish in hole - GR/JB				

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Approved for a period of 6 months ending 02/02/2018 subject to conditions of approval.

**Temporary Abandonment of Wells on Federal Lands
Conditions of Approval**

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging. CIBP must be capped with minimum 25 sacks cement, placed with tubing, or 35 feet of cement if placed with bailer.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. Any leak-off will be evaluated.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
3. **Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned. 43 CFR 3162.3-4 (a) The operator shall promptly plug and abandon...wells in which oil or gas is not encountered in paying quantities...**

Wells that successfully pass the casing integrity test **may** be approved for Temporary Abandonment (TA) status provided that the operator:

1. **Submits a subsequent Sundry Notice** (Form 3160-5) requesting TA approval **with well bore diagram** with all perforations and CIBP's and tops of cement on CIBP's.
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.
4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.

CK Federal 2

1. Well is approved to be TA/SI for a period of 6 months or until 02/02/2018
2. This will be the last TA approval for this well.
3. Must submit NOI to recomplete or NOI to P&A. Must be submitted by 02/02/2018
4. COA's met at this time.