

OC-D-ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

RECEIVED

DEC 22 2009

NMOC-D-ARTESIA

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2 Name of Operator **Momentum Operating Co., Inc.**

3a Address
P.O. Box 2439 Albany, Texas 76430

3b Phone No. (include area code)
325-762-3331

4. Location of Well (Footage, Sec., T, R, M., or Survey Description)
990' FNL and 330' FEL; Sec. 28, T 18S, R 31E; Eddy County, New Mexico

5. Lease Serial No.
NM 12212

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Gulf #1

9. API Well No.
30-015-20172

10 Field and Pool, or Exploratory Area
Shugart (Y-SR-Q-GB)

11 County or Parish, State
Eddy County, New Mexico

12. CHECK 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"/> Fracture Treat	<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 checked="" type="checkbox"/> Plug and Abandon	<input 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 recomple 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 recomple 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. RIH w/ packer and tubing, set at 3175', establish pump rate in Penrose (3524'-3558'). POOH and set retainer at 3200' of if allowed set CIBP at 3200' w/ 35' Class C cement. The rational being since wells in Shugart, Yates, 7 rivers, Queen, Penrose, and Grayburg field have been allowed to produce commingling these zones historically. Attached is an area well that has recently been plugged that is similar.

2. Perforate and attempt to squeeze a 80 sack cement plug @ 1995'. WOC and tag.

3. Perforate and attempt to squeeze to surface 870'-0 casing shoe and surface plug w/ 100 sacks.

4. Dig out and cut off well head 3' B.G.L.; weld on steel plate and fry hole marker.

**RECLAMATION PROCEDURE
ATTACHED**

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

Ted Tidwell

Title Agent

Signature

Date

12/03/2009

Approved

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

DEC 3 2009

/s/ Dustin Winkler

Title 18 USC Section 1001 and Title 43 USC Section 1212, make it a crime for any person knowingly and willfully making any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**

(Instructions on page 2)

50/82/71

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAY - 5 2009

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SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

CIMAREX ENERGY CO. OF COLORADO

ATTN: ZENO FARRIS

3a. Address

5215 N. O'CONNOR BLVD., STE. 1500, IRVING, TX 75039

3b. Phone No. (include area code)

(469) 443-6489

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

UNIT LETTER H

1,980' FNL & 760' FEL

SECTION 29, T-18S, R-31E

5. Lease Serial No.

IC 029387 C

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

SHUGART (APCO) "A" #003

9. API Well No.

30-015-056300

10. Field and Pool, or Exploratory Area

SHUGART YATES, 7-RIVERS, ON

11. County or Parish, State

EDDY COUNTY NM

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

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter casing

☐ Cement Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☒ Plug and Abandon

☐ Plug Back

☐ Production Start/Resume

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 final site is ready for final inspection.)

COMPLY WITH ALL COMPANY & GOVERNMENT ENVIRONMENT & SAFETY REGULATIONS. ANYONE ON THE JOB LOCATION HAS THE AUTHORITY TO SHUT DOWN UNSAFE OPERATIONS.

- 1) SET A 5-1/2" CIBP @ 2,550'; MIX & PUMP A 25 SX. CMT. PLUG ON TOP OF CIBP; CIRC. WELL W/ PXA MUD.
- 2) PERF. & ATTEMPT TO SOZ. A 40 SX. CMT. PLUG @ 1,940'-1,840' (B/SALT); WOC & TAG TOP OF CMT. PLUG.
- 3) PERF. & ATTEMPT TO SOZ. A 40 SX. CMT. PLUG @ 740'-640' (T/SALT); WOC & TAG TOP OF CMT. PLUG.
- 4) PERF. & ATTEMPT TO SOZ. TO SURFACE A 90 SX. CMT. PLUG @ 270'-3' (8-5/8" CSG. SHOE & SURF. PLUG).
- 5) DIG OUT & CUT OFF WELLHEAD 3' B.G.L.; WELD ON STEEL PLATE & DRY HOLE MARKER.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

DAVID A. EYLER

Title

AGENT

Date 04/20/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

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

APPROVED

MAY 2 2009

JAMES A. AMOS
SUPERVISOR-EPS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG 25 2009

FORM APPROVED
OMB NO 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No IC 029387 C
2. Name of Operator CIMAREX ENERGY CO. OF COLORADO		6. If Indian, Allottee or Tribe Name
3a. Address 5215 N. O'CONNOR BLVD., STE. 1500, IRVING, TX 75039		7. If Unit or CA/Agreement, Name and/or No
3b. Phone No. (include area code) (469) 443-6489		8. Well Name and No SHUGART (APOO) "A" #003
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UNIT LETTER H 1,980' ENL & 760' FEL SECTION 29, T-18S, R-31E		9. API Well No 30-015-056308
		10. Field and Pool, or Exploratory Area SHUGART YATES, 7-RIVERS, ON
		11. County or Parish, State EDDY COUNTY NM

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

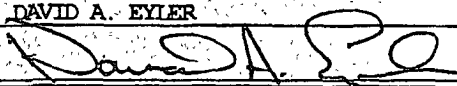
TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input checked="" type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Change Status
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Other

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 recompletes 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 final site is ready for final inspection.)

07/31/09: SET A 5-1/2" CIBP @ 2,410' (OK'D BY T. WILSON W/ BLM); CIRC. WELL W/ P/A MUD; MIX & PUMP A 25 SX. CMT. PLUG ON TOP OF CIBP @ 2,410'; WOC & PRES. UP ON 5-1/2" CSG. TO 500# - HELD OK.
08/03/09: PERF. SQZ. HOLES @ 1,940'; EST. INJ. RATE @ 1/2 BPM @ 800#; MIX & PUMP A 25 SX. CMT. PLUG @ 1,990' (PER T. WILSON W/ BLM); WOC & TAG TOP OF CMT. PLUG @ 1,792'.
08/04/09: PERF. & SQZ. A 40 SX. CMT. PLUG @ 740'; WOC - DID NOT TAG CMT. PLUG.
08/05/09: MIX & SQZ. A 2ND 40 CMT. PLUG @ 740'; WOC - DID NOT TAG CMT. PLUG; MIX & SQZ. A 3RD 40 SX. CMT. PLUG @ 740'; WOC - DID NOT TAG CMT. PLUG; MIX & SQZ. A 4TH 40 SX. CMT. PLUG @ 740'; WOC.
08/06/09: TAG CMT. PLUG @ 710'; MIX & PUMP A 25 SX. CMT. PLUG @ 710' (PER T. WILSON W/ BLM); PERF. & CIRC. TO SURFACE A 100 SX. CMT. PLUG @ 270'-3'; DIG OUT & CUT OFF WELLHEAD 3' B.G.L.; WELD ON STEEL PLATE & DRY HOLE MARKER.

Accepted as to plugging of the well bore.
Liability under bond is retained until
Surface restoration is completed.

WELL PLUGGED AND ABANDONED 08/06/09.

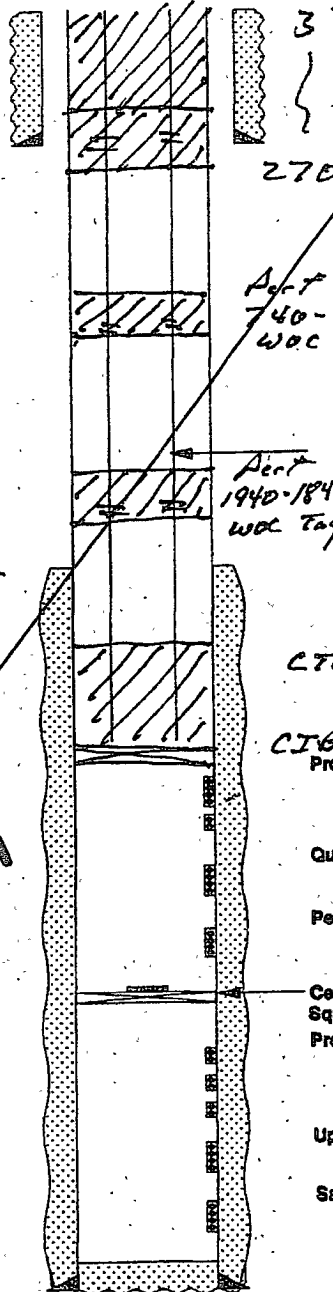
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) DAVID A. EYLER	Title AGENT	ACCEPTED FOR RECORD
	Date 08/17/09	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		AUG 21 2009
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not 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, makes 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		BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE

CIMAREX ENERGY CO. OF COLORADO

FIELD: SHUGART (YTS, 7RV, ON, GBG, SA) DATE SPUD: 03/31/58 COMP: 05/07/58
 LEASE: SHUGART APCO "A" WELL NO. 3 ELEVATION: 3,615' G.L. / 3,621' K.B.
 LOCATION: 1,980' FNL & 760' FEL; SEC. 29, T18S, R31E; Eddy County, New Mexico

API. # 30-015-056300

Top of Salt @ ±690'
 Base of Salt @ ±1,890' 1920



8 5/8", 24.5' @ 218'
 J-55, STC?
 CEMENT W/ 125 ex
 TOC Surface (Circ)

TUBING STRING:
 ±82 JTS, (±2,580') 2 3/8" J-55
 1 SN (1.78" ID?)
 OPEN ENDED MUD ANCHOR
 ROD STRING:
 ±102, 3/4" RODS
 PUMP

CTOC 2300 +/-

CIBP @ 2550. + 25.5 x crest
 Proposed Lower Yates Perfs: (11/83) Dye 12/93
 2,558'-2,577' (4 JSPF)
 2,590'-2,597' (4 JSPF)

Queen Perfs: (5/58)
 3,258-3,305'

Penrose Perfs: (5/58)
 3,523'-3,547'

Cement Retainer @ 3,823' (5/73)
 Squeeze w/ 75 ex
 Premier Perfs: (4/73)
 3,690'-3,694'
 3,704'-3,708'
 3,712'-3,718'

Upper Greyburg Perfs: (4/73)
 3,766'-3,764'

San Andres Perfs: (5/58)
 4,088'-4,110'

5 1/2", 14.0' @ 4,150'
 J-55, LTC?
 W/ 250 ex
 TOC @ ± 2,000 (Calc)

EXAMPLE ONLY

rs/SHGAP3P.DRW
 11/09/93

82 1/07 JP

Momentum Operating Co., Inc.
NM-12212: Gulf #1
API: 30-015-20172
Eddy County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

1. Permission to use cement retainer if injection rate can be established. Will have to bail 35' or spot 25 sx on top of retainer. (Perfs – Fish)
2. If injection rate cannot be established, spot plug 50' below perfs. Tag at 1875' or shallower – Otherwise OK (BOS)
3. Perf and squeeze plug at 880'. If injection rate cannot be established, spot plug 50' below perfs to 750', WOC and tag at 750' or shallower, and perf again 100' above tag – Otherwise OK (TOS – Casing shoe – Surface)
4. Verify that all annuluses have cement to surface and fill in as required – Otherwise OK.
5. Submit a subsequent report to the BLM.

See attached standard COAs.

DHW 120309

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 ninety (90) days from the approval date of this Notice of Intent to Abandon. **If you are unable to plug 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. 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. **Notification:** 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 575-393-3612.

3. **Blowout Preventers:** 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. **Mud Requirement:** 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. **Cement Requirement:** 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. In lieu of a cement plug in a cased hole, 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. Any plug that requires a tag will have a minimum WOC time of 4 hours.

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. **Dry Hole Marker:** 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 when the wellhead is cut off to verify that cement is to surface in the casing and all annuluses.** The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. 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).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five 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. **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. Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation procedure.

DHW 112309



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

Interim Reclamation 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.

Interim reclamation consists of minimizing the footprint of disturbance by reclaiming all portions of the well site not needed for production operations. The portions of the cleared well site not needed for operational and safety purposes are recontoured to a final or intermediate contour that blends with the surrounding topography as much as possible. Sufficient level area remains for setup of a workover rig and to park equipment. Topsoil is respread over areas not needed for all-weather operations. Production facilities should be clustered to maximize the opportunity for interim reclamation. In order to inspect and operate the well or complete workover operations, it may be necessary to drive, park, and operate on restored, interim vegetation within the previously disturbed area. This is generally acceptable provided damage is repaired and reclaimed following use.

To reduce final reclamation costs; maintain healthy, biologically active topsoil; and to minimize habitat, visual, and forage loss during the life of the well, all salvaged topsoil should be spread over the area of interim reclamation, rather than stockpiled.

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). Interim reclamation is to be completed within 6 months of well completion.
3. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with interim reclamation as per approved APD or Sundry Notice. 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.
4. 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.
5. 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 there are any questions, please feel free to contact any of the following specialists:

Jim Amos
Supervisory Environmental Protection Specialist
575-234-5909, 575-361-2648 (Cell)

Cody Layton
Natural Resource Specialist
575-234-5959

Terry Gregston
Environmental Protection Specialist
575-234-5958

Trishia Bad Bear
Natural Resource Specialist
575-393-3612

Bobby Ballard
Environmental Protection Specialist
575-234-2230

Todd Suter
Surface Protection Specialist
575-234-5987

Randy Rust
Environmental Protection Specialist
575-234-5943

Doug Hoag
Civil Engineering Technician
575-234-5979

Linda Denniston
Environmental Protection Specialist
575-234-5974

Jennifer Van Curen
Environmental Protection Specialist
575-234-5905

Justin Frye
Environmental Protection Specialist
575-234-5922