OCD-ARTESIA

Form 3160-5 (February 2005)

✓ Notice of Intent

UNITED STATES
DEPARTMENT OF THE INTERIOR
BURGELLOG LAND MANAGEMENT

FORM APROVED OMB NO. 1004-0137 EXPIRES: March 31, 200

Water Shut-Off

Well Integrity

BUREAU OF LAND MANAGEMENT	EXPIRES: March 31, 2007						
SUNDRY NOTICES AND REPORTS ON WE	5. Lease Serial No. 9984						
Do not use this form for proposals to drill or to re abandoned well. Use Form 3160-3 (APD) for such	NMNM-84633 6. If Indian, Allottee or Tribe Name						
SUBMIT IN TRIPLICATE - Other instructions on	RECEIVED	Unit or CA Agreement Name and No.					
1. Type of Well ☑ Gas Well ☐ Other	OCT 15 2010	8 Well Name and No.					
2. Name of Operator DEVON ENERGY PRODUCTION COMPANY, LP	NMOCD ARTESIA	Boyds Canyon 14 Fed Com #1 9. API Well No.					
Ba, Address	3b. Phone No. (include area code)	30-015-35290					
20 North Broadway, Ste 1500, Oklahoma City, OK 73102	405-552-4615	10. Field and Pool, or Exploratory Area					
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 220' FSL 760' FEL 14 T22S R25E	Happy Valley 11. County or Parish, State						
	•	Eddy NM					
12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA							
TYPE OS SUBMISSION TYPE OF ACTION							

Subsequent Report	Casing Repair	New Construction	Recomplete	☐ Other			
Final Abandonment Notice	Change Plans	Plug and Abandon	Temporarily Abandon	······································			
	Convert to Injection	☐ Plug Back	Water Disposal				
13 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work and approximate duration thereof. If the proposa							
deepen directionally or recomplete honzontally, give subsurface location 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							
nterval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirement, including reclamation, have been completed, and the operator has							
determined that the site is ready for final inspection)							

_ Deepen

Fracture Treat

PROPOSED PLUG & ABANDONMENT

- 1. MIRU. Release pkr @ 9301'. POOH w/ 2 7/8" tbg.
- 2. Set CIBP @ 9300'. Circulate hole w/ 9.5# mud. Cap CIBP w/ 35' cmt (~ 4 sx).

__ Acidize

Alter Casing

- 3. Spot 35 sx cmt from 7950-8300'. (Top of Wolfcamp @ 8243').
- 4. Spot 25 sx cmt from 5900-6150'.
- 5. Spot 25 sx cmt from 4500-4750'. (Top of Bone Spring @ 4558')
- 6. Spot 25 sx cmt from 1950-2200'. WOC. Tag. (Intermediate csg shoe @ 2024', Top of Delaware @ 2085')
- 7. Cut 5 1/2" csg @ 1175'. POOH w/ csg.
- 8. Spot 70 sx cmt from 1025-1375'. WOC. Tag. (Stub plug)
- 9. Spot 50 sx cmt from 375-525'. WOC. Tag. (Surface csg shoe @ 454')
- 10. Spot 25 sx cmt from 0-250'.
- 11. Cut csg strings off 3' BGL. Set dry hole marker. RDMO.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

Production (Start/Resume)

Reclamation

RECLAMATION PROCEDURE ATTACHED

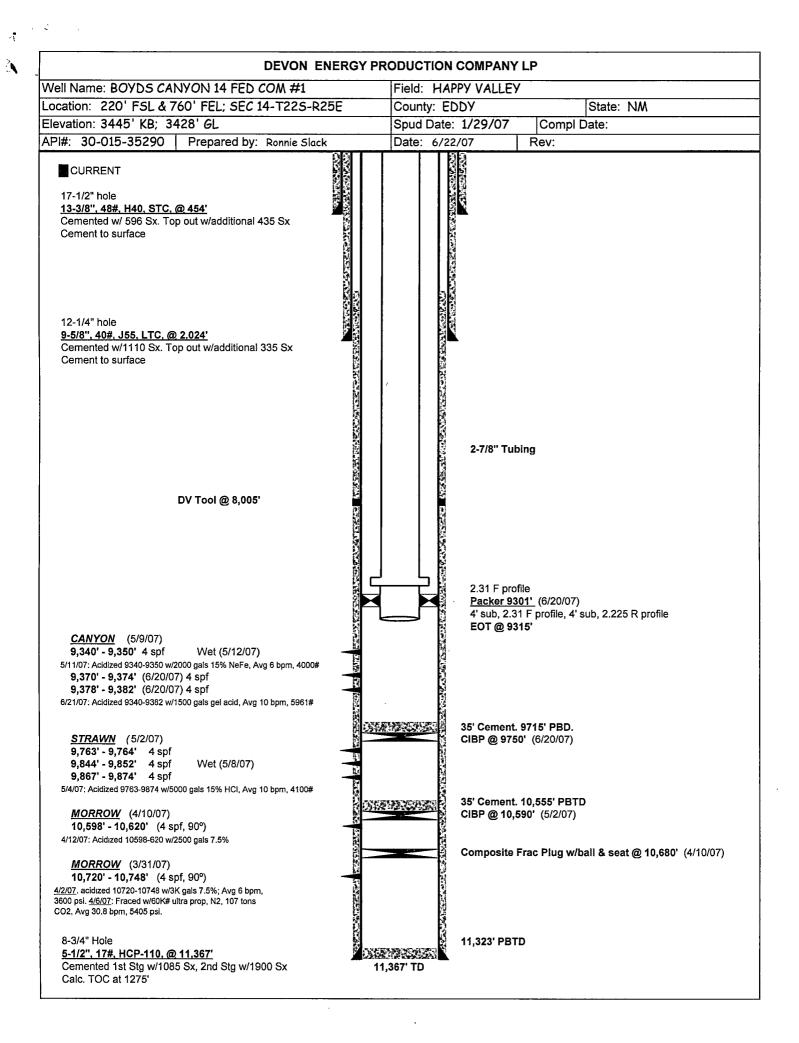
14. Thereby certify that the foregoing is true and correct							
Name: Brad Crowdis	itle O	perations Engineer					
Signature and land Da	ate 9/2	1/10					
THIS SPACE FOR FEDERAL OR STATE PARTIES USE							
Approved by		ATTROVED					
Titl	itle		Date				
7	,	OCT 1 3 2010	4				
Conditions of approval of this Approval of this	l le	Dustin Winkler					
notice does not warrant or certify that the applicant holds legal or	/3	A magain AAIIIVIGI I		•			

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 or operations thereon.

BUREAU OF LAND MANAGEMENT

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

Office



Devon Energy Production Company, LP NM-9984: Boyds Canyon 14 Fed Com #1 API: 30-015-35290 Eddy County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

- 1. OK
- 2. Prior to setting CIBP, tag existing CIBP at 9715'. 35' is to be dump bailed. If pumping cement, 25sx is required Otherwise OK (Perfs)
- 3. Additional cement will be required to get full length. WOC and tag at 7950' or shallower Otherwise OK (Wolfcamp DV Tool)
- 4. OK (Spacer)
- 5. OK (Bone Spring)
- 6. Tag at 1950' or shallower Otherwise OK (Casing shoe Delaware BOS)
- 7. OK
- 8. Change: Due to cave/karst, a solid plug must be set from 1550' to surface (approx 430sx)

 Otherwise OK (Cave/Karst Stub Casing shoe TOS Surface)
- 9. Removed: covered in step 8
- 10. Removed: covered in step 8
- 11. Verify that all annuluses have cement to surface and fill in as required Otherwise OK
- 12. Submit a subsequent report to the BLM.

See attached standard COAs.

DHW 101310

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 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. <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 575-393-3612.
- 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. 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. <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 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. <u>Subsequent Plugging Reporting:</u> 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. <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 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

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 pre-disturbance 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 and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip 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 Environmental Protection Specialist 575-234-5909, 575-361-2648 (Cell)

Terry Gregston

Environmental Protection Specialist 575-234-5958

Bobby Ballard

Environmental Protection Specialist

575-234-2230

Randy Rust

Natural Resource Specialist

575-234-5943

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

Cody Layton

Natural Resource Specialist

575-234-5959

Trishia Bad Bear

Natural Resource Specialist

575-393-3612

Todd Suter

Surface Protection Specialist

575-234-5987

Doug Hoag

Civil Engineering Technician

575-234-5979

Tanner Nygren

Natural Resource Specialist

575-234-5975

John Fast

Natural Resource Specialist

575-2345996