

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: 2/19/18 Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-06876-00-00	NEAH VICTORIA	002	ENDURING RESOURCES, LLC	G	A	San Juan	N	H	1	27	N	9	W

Application Type:

P&A Drilling/Casing Change Location Change

Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84; Submit Gas Capture Plan form prior to spudding or initiating recompletion operations)

Other:

Conditions of Approval:

- Notify NMOCD 24hrs prior to beginning operations.
- The perforation plug will need to be a 100' plug set from the CICR at 1978' to 1878' plus excess.

NMOCD Approved by Signature

5/10/18
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. I149IND8463
2. Name of Operator ENDURING RESOURCE LLC		6. If Indian, Allottee or Tribe Name EASTERN NAVAJO
3a. Address 511 16TH STREET SUITE 700 DENVER, CO 80202		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 505-636-9722		8. Well Name and No. NEAH VICTORIA 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T27N R9W SENE 1450FNL 0790FEL 36.607239 N Lat, 107.733017 W Lon		9. API Well No. 30-045-06876-00-S1
		10. Field and Pool or Exploratory Area
		11. County or Parish, State SAN JUAN 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 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 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 must 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 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.

THIS WELL IS AT THE END OF IT'S ECONOMIC LIFE. ENDURING RESOURCES RESPECTFULLY REQUESTS APPROVAL TO PLUG AND ABANDON THIS WELL USING THE FOLLOWING PROCEDURE:

- MIRU unit & P&A package. ND WH, NU BOP, rig up floor and equip. LD 1in prod string.
- Round trip 5.5in Csg scraper on 2.375in work string to plus/minus 2028ft.
- TIH and set 5.5in CICR at 1978ft.
- Pressure test tbg 800psi. Roll well, close pipe rams, pressure test csg 650psi. WOC TBD after csg test(possible WOC if no test = 4hrs each plug)
- TOOH w stinger. 8. RU WL, run CBL from CICR at 1978ft to surface. RD WL
- TIH w cementing sub to 1978ft
- Plug 1 (1978ft - 1900ft), PC top 2018ft. Fruitland Top 1953ft: Mix,pump 10 sxs (11.8 cf) Class B cement (or equivalent), leaving 50ft of cement on retainer to cover Fruitland top. PUH, circ tbg,hole clean.

NMOCB
MAY 02 2018
DISTRICT III

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

**Electronic Submission #404848 verified by the BLM Well Information System
For ENDURING RESOURCE LLC, sent to the Farmington
Committed to AFMSS for processing by JACK SAVAGE on 04/27/2018 (18JWS0083SE)**

Name (Printed/Typed) BRET LARSON	Title D AND C SPECIALIST
Signature (Electronic Submission)	Date 02/19/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JACK SAVAGE	Title PETROLEUM ENGINEER	Date 04/27/2018
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 Farmington

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 **

NMOCB FX

Additional data for EC transaction #404848 that would not fit on the form

32. Additional remarks, continued

8. LD tubing to 1227ft

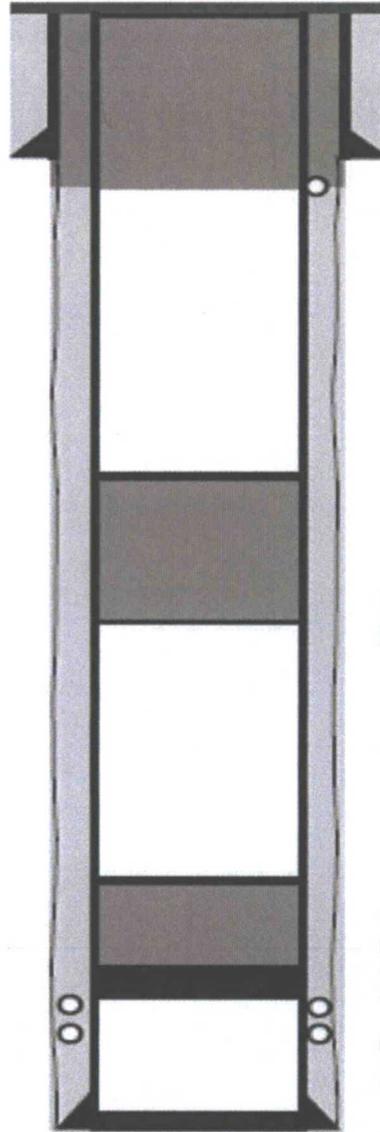
9. Plug 2, (1077ft - 1227ft), Kirtland top 1177ft: Spot 18 sxs (21.2 cf) Class B cement in a balanced plug inside csg to cover Kirtland top. PUH, circulate tubing, hole clean. 13. LD all tubing. RU WL, perf at 250ft.

10. Plug 3, (250ft to Surface): Note: Circulated cement to surface on surface csg when well originally drilled. Recent BH tests indicate possible leak. If required by BLM/NMOCD, perforate 2 holes at 250ft, attempt to est circ to surface out the BH casing valves. Mix, pump approx 70 sx (82.6 cf) cement and pump down the 5.5in csg to circ out the BH csg valve. If unable to circ, top off as necessary.

11. ND BOP, cut off WH below surface csg, flange per regulation. Tag cement intermediate, top off w poly pipe as needed. Install PA marker w cement to comply with regulations. RD, MOL, cut off anchors. Restore location per BLM stipulations.

Date: 7/28/2017
Elevation: 5862' GL

Ojo Alamo - Surface



8-5/8", 24#, J55 Casing set @ 194'
Cement w/ 150 sxs.

Plug #3: 250' - 0'.
Class B cement, 70 sxs (82.6 cf)

Kirtland @ 1177'

Plug #2: 1077' - 1227'
Class B cement, 18 sxs (21.2 cf)

Fruitland @ 1953

Set CICR @ 1978'
Plug #1: 1978' - 1900'
Class B cement, 10 sxs (11.8 cf)

Pictured Cliffs @ 2018'

Pictured Cliffs Perfs:
2028' - 2110' (4 spf)

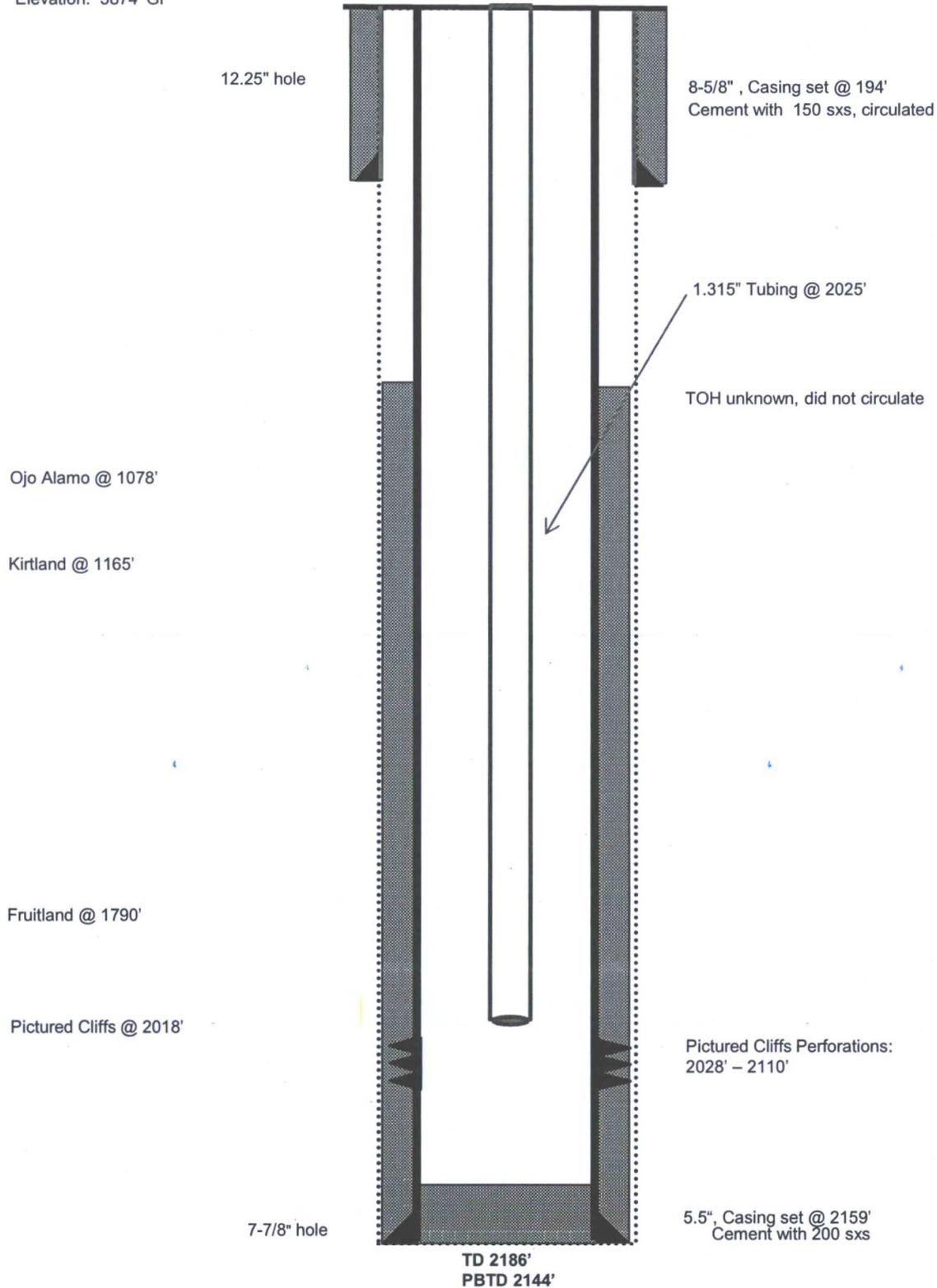
PBTD: 2144'
TD: 2166'

5.5", 14#, J-55 casing set @ 2171'
Cement w/ 200 sx total

Neah Victoria #2 Current

Today's Date: 2/6/18
Spud: 8/24/56
Completed: 9/5/56
Elevation: 5874' GI

Blanco Pictured Cliffs
1450' FNL, 790' FEL, Section 1, T-27-N, R-9-W
San Juan County, NM, API #30-045-06876



332 Road 3100
Aztec, New Mexico 87410
Tel: 505-636-9731
Cell: 505-444-3004
Email: jmcdaniel@enduringresources.com

Reclamation and Closure Plan

Enduring Resources, LLC

Lease # I-149-IND-8463

Neah Victoria #2

30-045-06876

Unit H, Section 1, Township 27N, Range 9W
San Juan County, New Mexico



Submitted to:

Farmington New Mexico Field Office Bureau of Land Management

February 16, 2018

Prepared by

Enduring Resources, LLC
James McDaniel, HSE Coordinator
332 Road 3100, Aztec, New Mexico 87410

ADMINISTRATIVE INFORMATION

Operator: Enduring Resources, LLC
332 Road 3100
Aztec, New Mexico 87410

Contact: James McDaniel
HSE Coordinator
Enduring Resources, LLC
332 Road 3100
Aztec, New Mexico 87410
Office: (505) 636-9731
Cell: (505) 444-3004

Land Owner: Bureau of Land Management
6251 College Blvd, Suite A, Farmington, New Mexico 87402
Contact: Randy McKee, Environmental Protection Specialist
Phone: (505) 564-7708

Well Information

Operator of Record: Enduring Resources, LLC
State Operator OGRID Number: 372286
Well Name: Neah Victoria #2
Federal Lease: I-149-IND-8463
API # 30-045-06876
Well Status: To be plugged and abandoned
Effective Date: By end of year 2018

Location Information

Location: Unit H, Section 1, Township 27N, Range 9W, San Juan County, New Mexico

Latitude/Longitude: 36.607343/-107.733430

PROPOSED RECLAMATION PLAN

NOTE: NO disturbance will occur outside the areas currently disturbed by the access road boundaries.

Enduring Resources, LLC will comply with the requirements in accordance with the approved Sundry Notice associated with this submittal. The proposed reclamation plan was developed during a site visit with Randy McKey, BLM, and Cassandra Gould, BIA, during an on-site at the Neah Victoria #2 wellsite on February 14, 2018.

- Contact BLM Surface Management Agency 48 hours prior to commencing dirt work
- Reclamation to be completed within 6 months of plugging date

- Remove all underground production piping, or flush and cap piping to be abandoned underground.
- Remove all rig anchors on the location
- Remove all operations equipment associated with this well location. This includes:
 - Wellhead
 - Separator
 - Meter Run
 - Fiberglass Pit Tank
 - Fencing
- Due to the topography of the location, re-contouring will not be required.
- Remove gravel from pad, and move to adjacent well pad for stabilization
- After undesired vegetation is removed, rip, disk and seed the location with a disk type seed drill.
- T-posts with wiring and signage will be installed to deter vehicles from driving on the re-seeded area.

Waste Material Handling and Disposal

All remaining surface equipment and trash, if any, will be removed from the location and disposed of appropriately. All miscellaneous trash and debris will be removed and disposed of at a local waste disposal facility. If contaminated soil is discovered during the reclamation of this well location, it will be reported to the BLM and the NMOCD and remediated pursuant to the NMOCD Guidelines for the Remediation of Leaks, Spills and Releases.

Surface Reconstruction and Stabilization

The long term objective of final reclamation is to set the course for eventual ecosystem restoration including the restoration of natural vegetation. Enduring Resources, LLC will avoid disturbance to the mature vegetation (i.e. sagebrush, rabbit brush) that has become well established on the pad perimeter to the extent practicable, and would focus reclamation efforts toward de-compaction, removing sharp, angular features to more closely approximate the natural contours, re-establishing natural drainage patterns, and re-vegetating the abandoned well pad and associated access roads.

Undesired vegetation will be removed from the pad.

Re-establishing Surface Hydrology

Due to the topography of this location, erosion control features will not be necessary during the reclamation of this well location.

Site Preparation, Soil Management and handling

Due to the topography of this location, surface re-contouring of this location will not be necessary during the reclamation of this well location.

Re-Vegetation

Following soil preparations, a disk seeder will be used to apply the approved seed mix over the disturbed areas. The seeder will be equipped with a depth regulator to ensure even planting depths appropriate to the plant species and soil types. Should broadcast seeding be deemed more appropriate in some areas, the seed application rates would be doubled and a rake or harrow would be used to incorporate the seed into the soil.

The seed mixture and application rates for the Sagebrush Vegetative Community, as approved by the BLM and BIA, will be as follows.

<u>Species</u>	<u>Pound/Acre (PLS)</u>
Sage Brush	0.5
Fourwing Saltbrush	2.0
Winterfat	2.0
Indian Ricegrass	4.0
Blue Grama	2.0
Sand Dropseed	0.5
Siberian Wheatgrass	3.0
Rocky Mtn. Bee Plant	0.25
Blue Flax	0.25

Seed mixtures would be certified weed-free and will be accomplished as soon as reasonably possible following completion of earthwork activities, generally within 7 days. The Authorized Officer would be notified forty-eight (48) hours prior to commencing with seed application.

Weed Management

Enduring Resources, LLC's objective is to implement an integrated weed management program to control weed populations and establish desirable vegetation utilizing the following strategies:

- Control the introduction and spread of weeds through early detection.
- Establish desirable native vegetation on disturbed areas through successful re-vegetation efforts.
- Treat and control known weed populations.

Among the measures that would be implemented to prevent the introduction or establishment of weeds in areas not already infested include:

- Identification and eradication of new infestations as quickly as practical.
- Implement successful re-vegetation efforts as quickly as practical in areas that have been disturbed.

Monitoring

After the earthwork and seeding is completed, Enduring Resources, LLC will submit a Sundry Notice informing the BLM that reclamation has been completed and which includes a request for an inspection of the earthwork and seeding.

After establishment of a self-sustaining native plant community on the site, with a density sufficient to control erosion and non-native plant invasion and to re-establish wildlife or forage production vegetation, Enduring Resources, LLC will submit a Sundry Notice (FAN) requesting approval of the remediated well location and access road. Photos of the location and access road will be submitted as supporting documentation for the FAN Sundry Notice.

Map of the Reclamation

A map of the reclamation area, as discussed during the on-site on February 14, 2018, is below.



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Neah Victoria #2

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.
3. The following modifications to your plugging program are to be made:
 - a) Set plug #1 (1738-1638) ft. inside/outside to cover the Fruitland top. BLM picks top of Fruitland at 1688 ft.
 - b) Set plug #2 (1226-1038) ft. to cover the Kirtland top and the entire Ojo Alamo interval. BLM picks top of Kirtland at 1176 ft. BLM picks top of Ojo Alamo at 1088 ft.

Low concentrations of H₂S (10 ppm GSV) have been reported in wells within a 1 mile radius of this well.

Operator will run a CBL to verify cement top. Submit the electronic copy of the log for verification to the following addresses: jwsavage@blm.gov Brandon.Powell@state.nm.us

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.