

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, 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: 5/20/2019

Well information:

ENDURING RESOURCES, LLC
30-039-06802 RINCON UNIT #026

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.
- Extend Plug #3 from 1140'-893' to cover the Nacimiento top, OCD Nacimiento pick @ 1090'



NMOCD Approved by Signature

6/6/19
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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		5. Lease Serial No. NMSF080213
<input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator ENDURING RESOURCES IV LLC		7. If Unit of CA/Agreement, Name and/or No. 892000916C
3a. Address 200 ENERGY COURT FARMINGTON, NM 87401	3b. Phone No. (include area code) 505-636-9743	8. Well Name and No. RINCON UNIT #026
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1470' FSL 1090' FWL SEC 33, T27N, R7W NWSW		9. API Well No. 30-039-06802
		10. Field and Pool or Exploratory Area SOUTH BLANCO PICTURED CLIFFS
		11. Country or Parish, State RIO ARRIBA, 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"/> 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 P&A
	<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 has reached the end of the economic life.

Attached: Plug and abandon procedure, wellbore diagram and reclamation plan.

SEE ATTACHED
FOR CONDITIONS
OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Lacey Granillo		Title Permitting Specialist
Signature		Date 5/6/19

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title Petr. Eng	Date 5/20/19
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 BLM-AFO	

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.

NMOCD
MAY 27 2019
DISTRICT III

NMOCD
MAY 27 2019
DISTRICT III

NMOCD

**Enduring Resources
Plug & Abandon Procedure**

Well:	Rincon #026	API:	30-039-06802
Location:	1470' FSL & 1090' FWL	Field:	Rincon Unit
Sec,T, R:	Sec. 33, T27N, R7W	Elevation:	GL: 6755'
County/State:	Rio Arriba, New Mexico	By:	Aztec Well Servicing
Lat/Long:	36.5261841,-107.5861816		

Objective:

Permanently plug & abandon the well from 3045' to surface containing 4 cement plugs.

Prior to Rig:

1. Notify BLM & NMOCD
2. Note: verify all cement volumes based on actual slurry to be pumped.
3. See attached COA's from BLM & NMOCD.

Procedure:

1. MIRU well servicing rig and cement equipment.
2. ND WH, NU BOPE, RU rig floor and 1.315" handling tools.
3. LD production string.
4. Tally, PU & RIH with 5-1/2" scraper and 2-3/8" workstring to 2960'.
5. TOOH w/scraper and TIH with 5-1/2" CICR and set @ 2946'.
6. Pressure test tubing to 1000psi then release and sting out CR, sting in check for rate to determine to pump below CR if unable to establish rate, spot balance plug above CR.
7. Roll well and test casing to 800psi. (WOC to be determined if test holds).
8. TOOH and LD setting tool.
9. RU WL and run CBL to determine top of cement. RD WL. (plugs may vary after CBL results).
10. TIH open ended to 2946'
11. **Plug #1, 3045' - 2946' (Open Hole, Pictured Cliffs and Fruitland Top 2742')** Mix & pump 86 sxs of Class G cement pumping 50 sxs below if rate is good, sting out and spot 36 sxs on top of CR. Pull up and reverse circulate clean.
12. LD tubing to 2420'.
13. **Plug #2, 2420' - 2145' (Kirtland Top: 2370' & Ojo Alamo Top, 2195)** Spot balanced plug using 38 sxs Class G cement to cover Kirtland and Ojo Alamo top. PU and reverse circulate tubing clean.

**Enduring Resources
Plug & Abandon Procedure**

Well:	Rincon #026	API:	30-039-06802
Location:	1470' FSL & 1090' FWL	Field:	Rincon Unit
Sec,T, R:	Sec. 33, T27N, R7W	Elevation:	GL: 6755'
County/State:	Rio Arriba, New Mexico	By:	Aztec Well Servicing
Lat/Long:	36.5261841,-107.5861816		

14. LD joints to 943' then TOOH w/ tubing.
15. RU WL, RIH and perf 3 holes @ 993'. Establish rate. RD WL.
16. RIH w CR and set at 943'.
17. **Plug #3, 993' – 893' (Nacimiento Top: 943')** Mix and pump 49 sxs of Class G cement to cover Nacimiento top. Pumping 37 sxs below. Stinging out spotting 12 sxs above CR. PU and reverse circulate tubing clean. TOOH w/ remaining tubing and LD setting tool.
18. RU WL, RIH perf 3 holes @183'. Establish circulation out BH. RD WL.
19. **Plug #4, 183' – 0' (Surface shoe & surface)** Mix & pump 85 sxs of Class G cement till good cement returns out BH.
20. ND BOP and cut off wellhead below surface casing flange per regulation. Top off w/cement if needed. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

WellView

ERC - Current WBD

Well Name: rinceon unit 26

APN: 30-033-06802	Service legal location: Blanco South	License #	Well Configuration Type
APN: 30-033-06802	City/County: West Duval County	Reg license class	Well Depth (ft) (ft)
5,755.00	6871854-0000		

Original No. 6/9/2019 6:52:21 AM
Vertical schematic (generic)

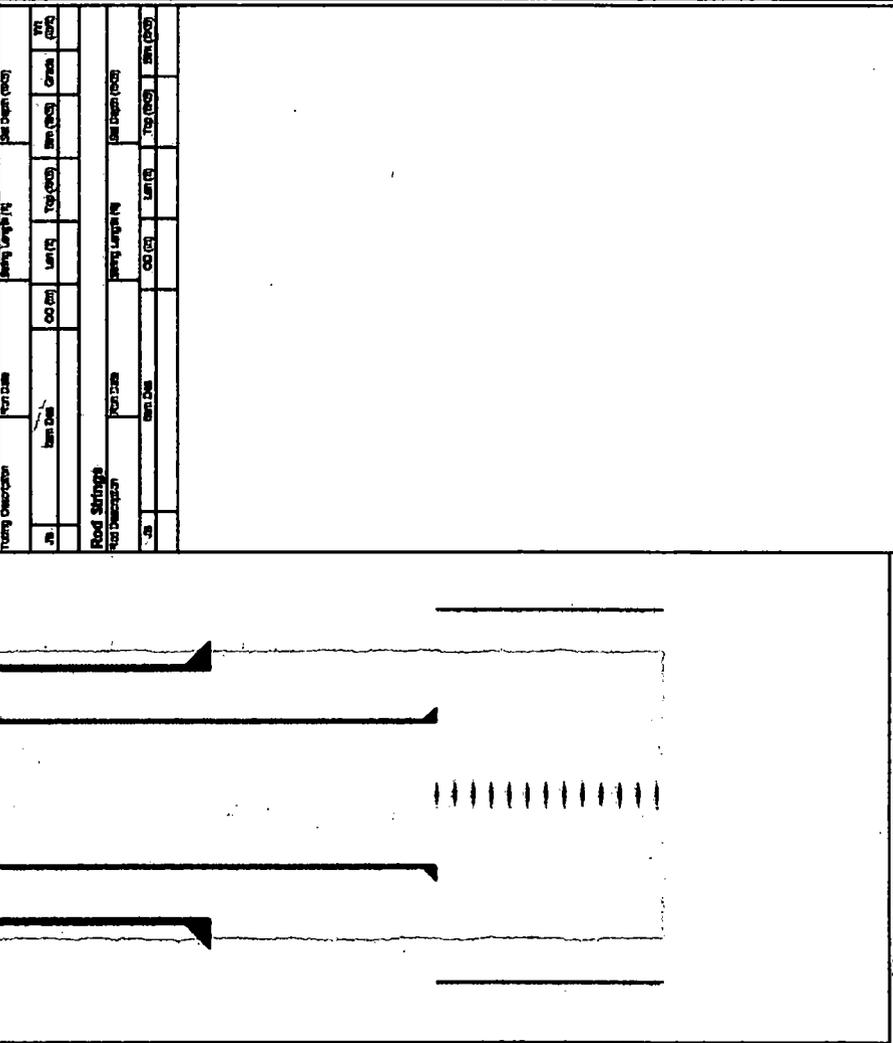
Casing Strings			
Csg Dis	CD (ft)	Inten (ft)	Grass
9 5/8 in casing	9 5/8		
8 1/2 in casing	5 1/2		

Cement			
Placement	Comment	Top (ft)	Bot (ft)
Primary			
Primary			

Perforations			
Case	Top (ft)	Bot (ft)	Length (ft)
1	2,978.0		3,048.0

Tubing Strings			
String Description	Top (ft)	Bot (ft)	Length (ft)
1		0.0	

Road Strings			
String Description	Top (ft)	Bot (ft)	Length (ft)
1		0.0	



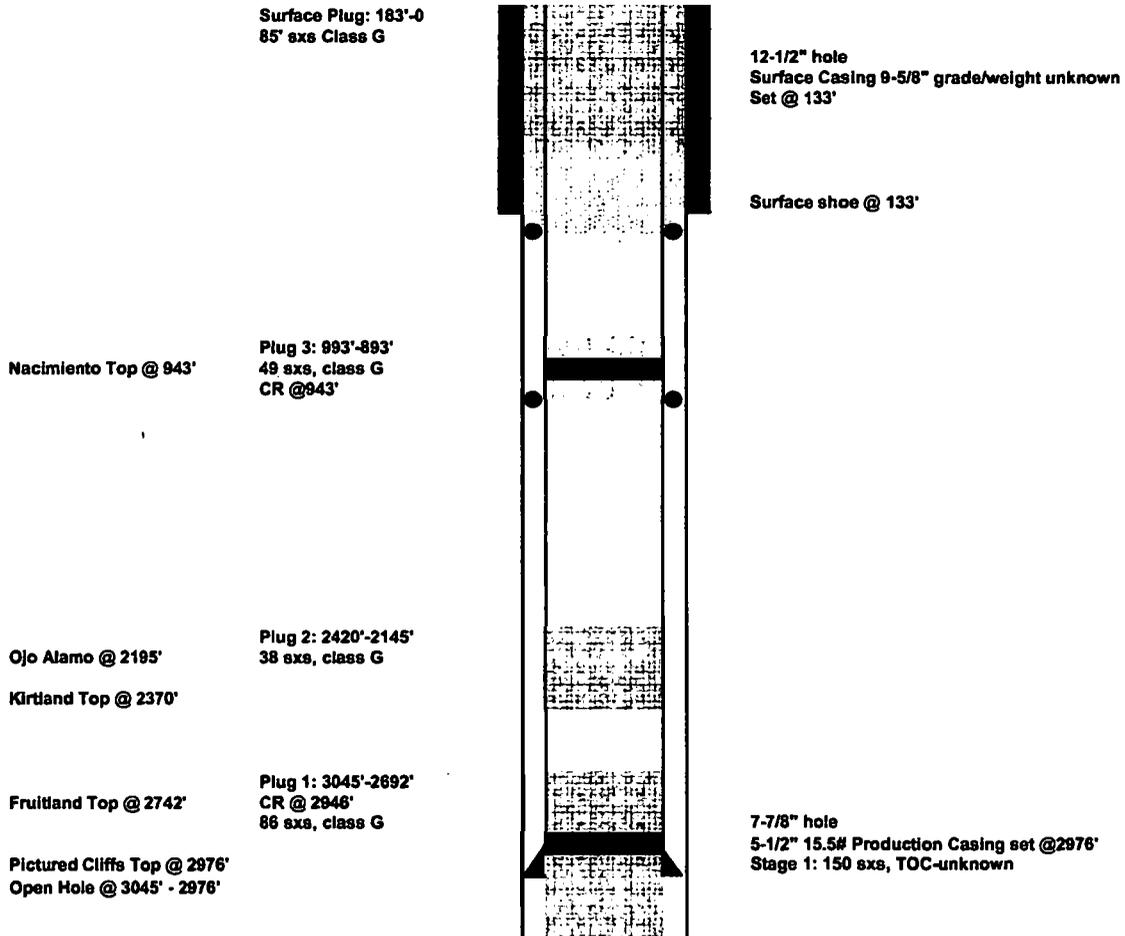
**Enduring Resources
Plug & Abandon Procedure**

Well: Rincon #026
Location: 1470' FSL & 1090' FWL
Sec,T, R: Sec. 33, T27N, R7W
County/State: Rio Arriba, New Mexico
Lat/Long: 36.5261841,-107.5861816

API: 30-039-06802
Field: Rincon
Elevation: GL: 6755'
By: Aztec Well Servicing

Rincon Unit #026
 Proposed P&A
 Pictured Cliffs
 SEC 33, T27N, R7W
 API 30-039-06802
 Spud: 08/08/1954
 Procedure Date: 12/5/2018

Proposed P&A



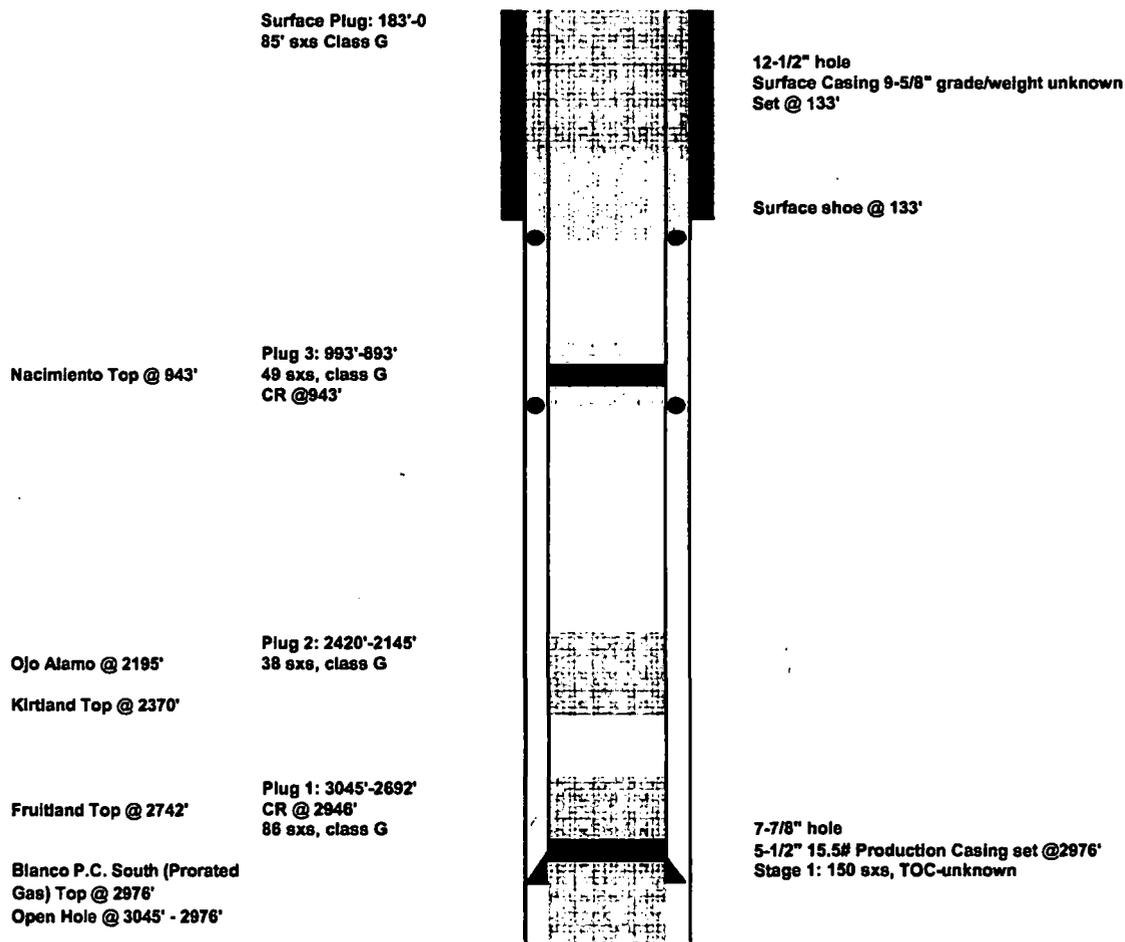
**Enduring Resources
Plug & Abandon Procedure**

Well: Rincon #026
Location: 1470' FSL & 1090' FWL
Sec,T, R: Sec. 33, T27N, R7W
County/State: Rio Arriba, New Mexico
Lat/Long: 36.526184,-107.586181

API: 30-039-06802
Field: Rincon Unit
Elevation: GL: 6755'
By: Aztec Well Servicing

Rincon Unit #026
 Proposed P&A
 Blanco P.C. South
 (Prorated Gas)
 SEC 33, T27N, R7W
 API 30-039-06802
 Spud: 08/06/1954

Proposed P&A



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: Rincon Unit #026

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. Provide CBL results within 24 hours of CBL run.

**GENERAL REQUIREMENTS FOR
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES
FARMINGTON FIELD OFFICE**

1.0 The approved plugging plans may contain variances from the following minimum general requirements.

1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.

1.2 Requirements may be added to address specific well conditions.

2.0 Materials used must be accurately measured. (densometer/scales)

3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.

3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.

4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.

4.1 The cement shall be as specified in the approved plugging plan.

4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.3 Surface plugs may be no less than 50' in length.

4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.

4.6 A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.

5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

- 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.
- 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.
- 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.
- 5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. **If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.**

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

- 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
- 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H₂S.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.

9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.