

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT..." for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil ☐ Gas ☐ Other

2. Name of Operator

Roddy Production Company, Inc.

3. Address and Telephone No.

P.O. Box 2221, Farmington NM 87499 (505) 325-5750

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

Surface location: 990' FSL x 1850' FEL, Section 36, T23N, R3W

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.
Contract 55-A

6. If Indian, Allottee or Tribe Name
Jicarilla Apache

7. If Unit or CA, Agreement Designation
Chacon Jicarilla Apache 'D'

8. Well Name and No.

Chacon Jicarilla Apache 'D' No. 111

9. API Well No.

30-043-20639

10. Field and Pool, or Exploratory Area
West Lindrith Gallup-Dakota

11. County or Parish, State
Sandoval County, New Mexico

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☒ Abandonment

☐ Recompletion

☐ Plugging Back

☒ Casing Repair

☐ Altering Casing

☐ Other

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

(Note Report results of multiple completion on Well Completion or Recompletion Report and Log form)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depth for all markers and zones pertinent to this work.)*

Roddy Production Company, Inc. proposes to repair or P&A the above described well as per the attached procedure. This work is scheduled to begin 7/12/07.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Signed

Robert R. Griffie

Title Operations Manager

RCVD JUL 10 '07
OIL CONS. DIV.

DIST. 3
Date: 7/03/07

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Petroleum Engineer

Date

7/19/2007

Title 18 U.S.C. Section 1001, 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.

*See Instruction on Reverse Side

Chacon Jicarilla Apache 'D' 111
Casing Repair and/or P&A Procedure

Prepared by: R. Griffiee
7/03/07

See attached well bore diagram

1. Check rig anchors, construct lined earthen pit as per NMOCD C103 dated 6/22/07 (copy attached).
2. MIRU pulling unit.
3. Pull rods and pump.
4. NU BOPE. Release tubing anchor, TOH. Visually inspect 2 3/8" tubing, replace as necessary.
5. PU casing scraper. TIH to PBTD. Circulate well bore clean with air/mist.
6. TOH.
7. Set composite bridge plug at 6900'. Pressure test casing to 250 psi.
8. Run CBL from 6900' to surface.

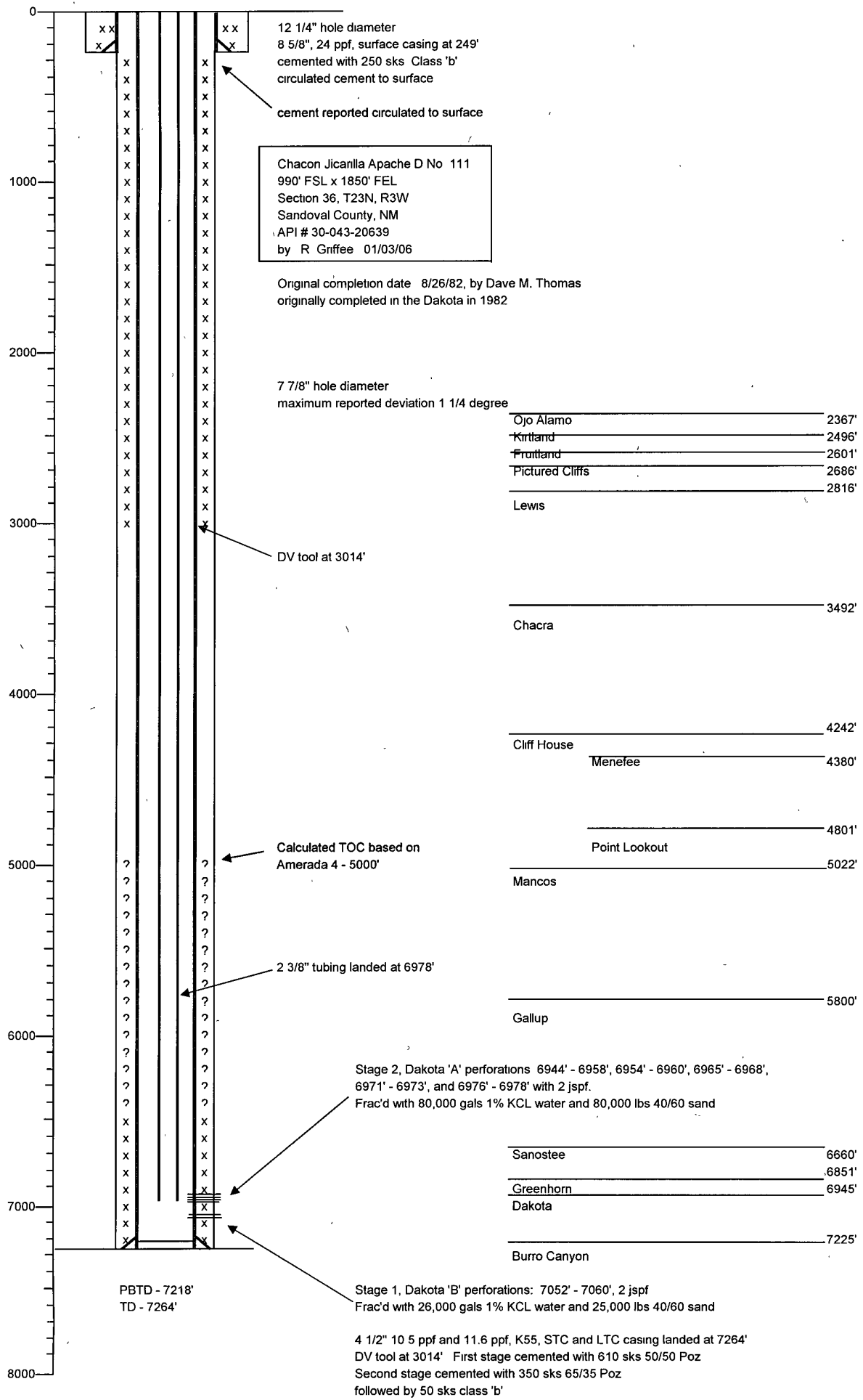
Based on the results from the above operations and the CBL, determine whether to repair casing or P&A. Repair procedure to follow based on decision. P&A procedure details below.

Potential P&A Procedure

1. Set Plug #1(Dakota), 100' cement plug, inside casing from 6995' – 6895'. ✓
Cement should be in place outside the casing. If so, the plug volume will be 20 sks class 'G' neat (1.16 cf/sk, 15.8 ppg).
2. Set Plug #2 (Gallup), 100' cement plug, inside casing from 5850' – 5750'.
Cement should be in place outside the casing. If so, the plug volume will be 20 sks class 'G' neat (1.16 cf/sk, 15.8 ppg).
3. Set Plug #3 (MesaVerde). Install cement plug inside and outside the casing from 4850' – 4192'. Will calculate plug volume after evaluating CBL described above.
4. Set Plug #4 (Chacra/Lewis). Install cement plug inside and outside the casing from 3542' – 3442'. Will calculate plug volume after evaluating CBL described above.
5. Set Plug #5 (Pictured Cliffs/Fruitland Coal), 185' cement plug, inside casing from 2736' – 2551'. Cement should be in place outside the casing. If so, the plug volume will be 30 sks class 'G' neat (1.16 cf/sk, 15.8 ppg).
6. Set Plug #6 (Ojo Alamo), 100' cement plug, inside casing from 2417' – 2317'.
Cement should be in place outside the casing. If so, the plug volume will be 20 sks class 'G' neat (1.16 cf/sk, 15.8 ppg).
7. Set Plug #7 (Nacimiento), 100' cement plug, inside casing from 900' – 800'.
Cement should be in place outside the casing. If so, the plug volume will be 20 sks class 'G' neat (1.16 cf/sk, 15.8 ppg).

8. Set Plug #8 (Surface casing shoe to surface), 300' cement plug, inside casing from 300' – 0'. Cement should be in place outside the casing. If so, the plug volume will be 50 sks class 'G' neat (1.16 cf/sk, 15.8 ppg).
9. Allow cement to cure.
10. Cut off well head and install dry-hole marker.
11. Close pit as per NMOCD requirements.
12. Reclaim location as per BLM specifications.

Elevations: 7192' GL, 7204' RKB





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

Attachment to Notice of Intent for Permanent Abandonment:

Well: Jicarilla Apache D #111

CONDITIONS OF APPROVAL:

- 1.) Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Leases."
- 2.) Farmington Field Office is to be notified at least 24 hours before the plugging operations commence. (505) 599-8907.
- 3.) The following modifications to your plugging program are to be made:
 - A.) Place the Pictured Cliffs/Fruitland/Ojo Alamo plug from 2736' to 2316' plus 50' excess. (Top of Ojo Alamo @ 2366') **Tag top of cement**
 - B.) Place the Nacimiento plug from 1170' to 1070' plus 50' excess. (Top of Nacimiento @ 1121')

BLM CONDITIONS OF APPROVAL

The following surface rehabilitation Conditions of Approval must be complied with as applicable, before this well can be approved for final abandonment (see 43 CFR 3162.3-4). **Surface rehabilitation work shall be completed within one year of the actual plugging date. Notification for completion of this work can be submitted with a Sundry Notice.**

1. All fences, production equipment, purchaser's equipment, concrete slabs, deadman (anchors), flowlines, risers, debris and trash must be removed from the location.
2. Production pits will be closed according to the Unlined Surface Impoundment Closure Guidelines, as approved in the Environmental Assessment of December 1993. Any oil stained soils may be remediated on-site according to these guidelines or disposed of in an approved disposal facility.
3. The well pad will be shaped to the natural terrain and left as rough as possible. All compacted areas and areas devoid of vegetation shall be ripped to a minimum of 12" before seeding.
4. Access roads will be shaped to conform to the natural terrain and left as rough as possible to detour vehicular travel. Access will be ripped to a minimum of 12" in depth and waterbarred prior to seeding. All erosion problems created by the development must be corrected prior to acceptance of release. Waterbars should be spaced as shown below:

% Slopes	Spacing Interval
Less than 20%	200'
2 to 5%	150'
6 to 9%	100'
10 to 15%	50'
Greater than 15%	30'

All water bars should divert to the downhill side of the road.

5. All disturbed areas will be seeded with the prescribed certified seed mix (reseeding may be required).
6. Notify Surfacing Managing Agency seven (7) days prior to seeding so that they may be present for that option.
7. The period of liability under the bond of record will not be terminated until the lease is inspected and the surface rehabilitation approved.

Other SMA's may vary slightly in their restoration requirements. It is your responsibility, as the operator, to obtain surface restoration requirements from other SMA's. We need to be provided with a copy of these requirements. Any problems concerning stipulations received from other SMA's should be brought to us.

On private land, we should be provided with a letter from the fee owner stating that the surface restoration is satisfactory.

**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. (densimeter/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.

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.
- 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, 1235 La Plata Highway, Suite A, Farmington, NM 87401. 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.