

<b>Well Name:</b> CANDADO	<b>Well Location:</b> T26N / R7W / SEC 4 / NENE / 36.518646 / -107.574631	<b>County or Parish/State:</b> RIO ARRIBA / NM
<b>Well Number:</b> 8	<b>Type of Well:</b> CONVENTIONAL GAS WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMSF079161	<b>Unit or CA Name:</b>	<b>Unit or CA Number:</b>
<b>US Well Number:</b> 300390673100S1	<b>Well Status:</b> Gas Well Shut In	<b>Operator:</b> EPIC ENERGY LLC

**Notice of Intent**

<b>Type of Submission:</b> Notice of Intent	<b>Type of Action</b> Plug and Abandonment
<b>Date Sundry Submitted:</b> 05/04/2021	<b>Time Sundry Submitted:</b> 10:50
<b>Date proposed operation will begin:</b> 05/14/2021	
<b>Procedure Description:</b> resubmittal of due to WIS to AFMISS	

**Surface Disturbance**

**Is any additional surface disturbance proposed?:** No

**NOI Attachments**

**Procedure Description**

Candado\_008\_P\_A\_Sundry\_plan\_20210504104917.pdf

**Conditions of Approval**

**Specialist Review**

General\_Requirement\_PxA\_20210805084056.pdf  
2159986\_NOIA\_CANDADO\_8\_3003906731\_KR\_08042021\_20210805084048.pdf

**Additional Reviews**

26N07W04BKpc\_Candado\_8\_20210810091356.pdf

<b>Well Name:</b> CANDADO	<b>Well Location:</b> T26N / R7W / SEC 4 / NENE / 36.518646 / -107.574631	<b>County or Parish/State:</b> RIO ARRIBA / NM
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<b>US Well Number:</b> 300390673100S1	<b>Well Status:</b> Gas Well Shut In	<b>Operator:</b> EPIC ENERGY LLC

**Operator Certification**

*I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.*

**Operator Electronic Signature:** VANESSA FIELDS **Signed on:** MAY 04, 2021 10:43 AM

**Name:** EPIC ENERGY LLC

**Title:** Regulatory Manager

**Street Address:** 7415 EAST MAIN STREET

**City:** FARMINGTON **State:** NM

**Phone:** (505) 327-4892

**Email address:** VANESSA@WALSHENG.NET

**Field Representative**

**Representative Name:** VANESSA FIELDS

**Street Address:** 7415 EAST MAIN STREET

**City:** FARMINGTON **State:** NM **Zip:** 87402

**Phone:** (150)578-7910

**Email address:** vanessa@walsheng.net

Form 3160-5  
(June 2015)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM 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.*5. Lease Serial No.  
NMSF079161

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
CANDADO 0089. API Well No.  
30-039-0674410. Field and Pool or Exploratory Area  
BLANCO PC SOUTH

11. County or Parish, State

SANDOVAL COUNTY, NM

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator  
EPIC ENERGY LLCContact: VANESSA K FIELDS  
E-Mail: vanessa@walsheng.net3a. Address  
7415 EAST MAIN STREET  
FARMINGTON, NM 874023b. Phone No. (include area code)  
Ph: 505-327-4892  
Fx: 505-327-9834

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

Sec 4 T26N R07W 990FNL 990FWL  
36.519432 N Lat, 107.586463 W Lon**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 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 must 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 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.

Please find attached plans to Plug and Abaddon the Candado #008. P&A procedure and reclamation plan attached.

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

Electronic Submission #530908 verified by the BLM Well Information System  
For EPIC ENERGY LLC, sent to the Farmington

Name (Printed/Typed) VANESSA K FIELDS

Title REGULATORY MANAGER

Signature (Electronic Submission)

Date 09/21/2020

**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 \_\_\_\_\_

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)

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***



**P&A Procedure**  
**EPIC Energy – Candado #8**

**API: 30-039-06731**

South Blanco Pictured Cliffs  
1190' FNL & 990' FEL, Section 4, T26N, R7W  
Rio Arriba County, New Mexico

**Plug & Abandonment Procedure:**

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Note: All cement volumes use 100% excess outside casing and 50' excess inside pipe. Stabilizing wellbore fluid will be 8.33 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Class B neat 1.18 ft<sup>3</sup>/sk or equivalent. Cement calculation based on 5-1/2" 14# casing. If casing pressure tests tagging plugs will not be required. Procedure designed from calculated TOC behind 5-1/2" at 1798'

1. **Plug #1, 2730' - 2912' (Pictured Cliffs Top: 2830', OH Producing Interval: 2837' – 2912'),** RIH & set CIRC at 2780' (note 5-1/2" casing shoe at 2837'). Pressure test tubing prior to pumping cement to 1000 psi. Mix and pump 35 sx (41.3 cf) of Class B (or similar) cement below retainer to fill up open hole section. Sting out of retainer, leaving 50' of cement on top of retainer. Pull up and circulate hole clean w/ fresh water. Pressure test casing to 500 psi. Run CBL f' 2730' to surface. Note: calculated TOH at 1798'. Confirm CBL results with BLM.
2. **Plug #2, 2440' – 2590' (Fruitland Top: 2540'):** Mix and spot 11 sxs (13 cf) Class B cement in a balanced plug inside casing to cover Fruitland top. If pressure test failed, PUH & WOC, then TIH to confirm top and re-spot if necessary. Otherwise, proceed to plug #3.
3. **Plug #3, 1998' – 2250' (Kirtland Top: 2200', Ojo Alamo Top: 2098'):** Mix and spot 20 sxs (23.6 cf) Class B cement in a balanced plug inside casing to cover Kirtland and Ojo Alamo tops. Note: review CBL with BLM to see if outside plug is needed and/or if pressure test failed, PUH & WOC, then TIH to confirm top and re-spot if necessary. Otherwise, proceed to surface plug #4.
4. **(9-5/8" Surface casing shoe, 125' to Surface):** Note – circulated cement on primary cement job. Based on CBL determine if holes need to be shot in 5-1/2" casing then attempt to circulate out BH. Mix and pump ~ 50 sx (47.6 cf) of cement for surface plug, top off as necessary.
5. ND BOP and cut off wellhead below surface casing flange, top off casing and annulus as necessary. Install P&A marker and cut off and/or remove anchors. RD, MOL - Restore location per the BLM approved reclamation plan.

# EPIC Energy, LLC

## Candado #8

### South Blanco Pictured Cliffs

1190' FNL & 990' FEL, Section 4, T26N, R7W, Rio Arriba County, NM

API #30-039-06731

Date: 6/22/2020

Surface - Nacimiento

Elevation: 6639' GL

Hole Size: 12-1/4"

KB: 10'

9-5/8", 32#, Casing set @ 98' KB

Cement w/ 80 sxs, circulated 5 bbls cmt to surf

TOC Calc: 1798'

Ojo Alamo @ 2098'

Kirtland @ 2200'

Fruitland @ 2540'

Hole Size  
7-7/8"

Pictured Cliffs @ 2830'

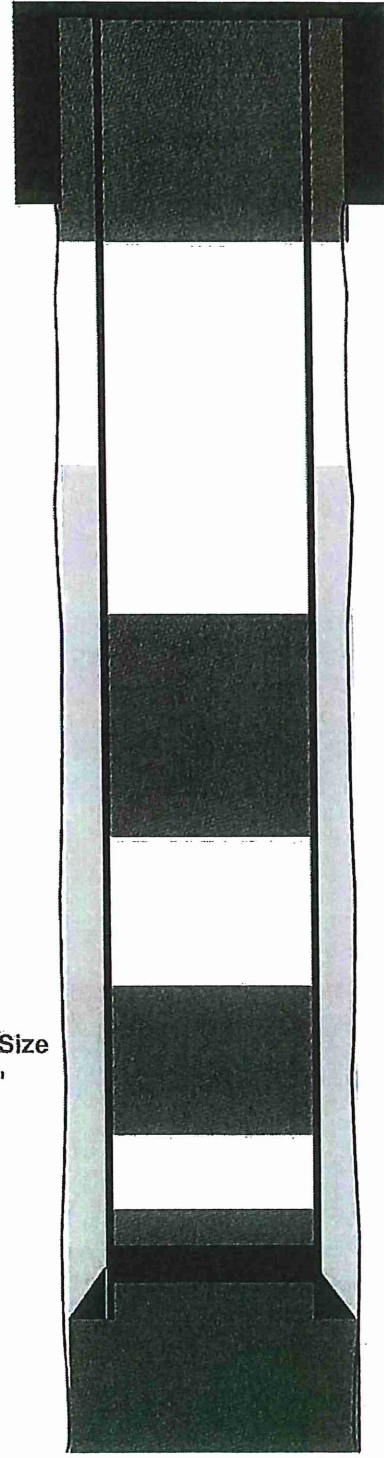
Pictured Cliffs Producing interval: 2912' - 2837'

5-1/2", 14#, casing set @ 2837'

Cement w/ 100 sx

Good circulation throughout cement job

TD: 2912'



EPIC Energy, LLC

Candado #8

Proposed P&A

South Blanco Pictured Cliffs

1190' FNL & 990' FEL, Section 4, T26N, R7W, Rio Arriba County, NM

API #30-039-06731

Date: 6/22/2020

Surface - Nacimiento

Elevation: 6639' GL

Hole Size: 12-1/4"

KB: 10'

9-5/8", 32#, Casing set @ 98' KB

Cement w/ 80 sxs, circulated 5 bbls cmt to surf

Plug #4: 125' - Surface

Class B cement, 50 sxs (47.6 cf)

TOC Calc: 1798'

Ojo Alamo @ 2098'

Plug #3: 1998' - 2250'

Class B cement, 20 sxs (23.6 cf)

Kirtland @ 2200'

Plug #3 1998' - 2250'

Fruitland @ 2540'

Hole Size  
7-7/8"

Plug #2: 2440' - 2590'

Class B cement, 11 sxs (13 cf)

Pictured Cliffs @ 2830'

Plug #1: 2730' - 2912'

Class B cement, 35 sxs (41.3 cf)

Set CICR at 2780'

Pictured Cliffs Producing interval: 2912' - 2837'

5-1/2", 14#, casing set @ 2837'

Cement w/ 100 sx

Good circulation throughout cement job

TD: 2912'



**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 H<sub>2</sub>S.

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.



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: Candado 8

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) Additional cement may be required for Plug 2 and Plug 3. Before starting work, confirm cement volumes with the BLM inspector to ensure cement is adequate.
- b) Adjust Plug #3 to cover the interval from 1896 ft. to 2269 ft., the formations tops of Ojo Alamo and Kirtland.
- c) Add an additional plug to cover a minimum of 50 ft. below and above the top of the Nacimiento formation at 701 ft. This may be an inside/ outside plug or balance plug depending on the CBL results.
- d) Bring the bottom of the Surface Plug down to 50 ft. below surface casing shoe. (approximately 140'). Perforate also at this depth to circulate cement to surface.

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.

K. Rennick 8/4/2021

# BLM FLUID MINERALS Geologic Report

Date Completed: 12/30/2020

Well No. Candado #8 (API# 30-039-06731)			Location	1190	FNL	&	990	FEL
Lease No. NMSF-079161			Sec. 04	T26N			R07W	
Operator Epic Energy, LLC			County	Rio Arriba		State	New Mexico	
Total Depth 2912'		PBTD	Formation Pictured Cliffs					
Elevation (GL) 6639'			Elevation (KB)					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm			Surface	701	Surface/Fresh water sands
Nacimiento Fm			701	1996	Fresh water sands
Ojo Alamo Ss			1996	2219	Aquifer (fresh water)
Kirtland Shale			2219	2536	
Fruitland Fm			2536	2830	Coal/Gas/Possible water
Pictured Cliffs Ss			2830	TD	Gas
Lewis Shale					
Chacra					
Cliff House Ss					Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos Shale					
Gallup					O&G/Water
Greenhorn					
Graneros Shale					
Dakota Ss					O&G/Water
Morrison					

## Remarks:

P & A

- BLM formation top picks for the Nacimiento, Ojo Alamo, and Kirtland formations vary from operator picks.
- Adjust Plug #3 (Ojo Alamo and Kirtland) to cover the interval from 1896'-2269' to cover BLM formation top picks.
- Add a plug to cover the Nacimiento formation top @ 701'.
- Log analysis of reference well #2 indicates the Nacimiento and Ojo Alamo sands investigated likely contain fresh water ( $\leq 5,000$  ppm TDS). By adjusting the plugs as described above, fresh water sands in this well bore will be protected.
- Pictured Cliffs perforations @ 2837'-2912'.

## Reference Well:

1) Epic Energy, LLC Fm. Tops  
Candado #21  
1030' FNL, 1470' FEL  
Sec. 4, T26N, R07W  
GL 6643'

2) Cross Timbers Energy Water  
Federal 8 #22 Analysis  
1650' FNL, 1650' FWL  
Sec. 8, T26N, R07W  
GL 6073', KB 6085'

Prepared by: Chris Wenman

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS  
  
Action 43470

CONDITIONS

Operator: EPIC ENERGY, L.L.C. 332 Road 3100 Aztec, NM 87410	OGRID: 372834
	Action Number: 43470
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	8/20/2021
kpickford	CBL required	8/20/2021
kpickford	Adhere to BLM approved plugs, noted on GEO report.	8/20/2021