

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

03/28/2022

Well Name: NORTH LEA FED	Well Location: T20S / R34E / SEC 10 / NENW /	County or Parish/State: LEA / NM
Well Number: 05	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM56264	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002531413	Well Status: Producing Oil Well	Operator: READ & STEVENS INCORPORATED

Notice of Intent

LONG VO

Digitally signed by LONG
VO
Date: 2022.04.03
08:22:16 -05'00'

Sundry ID: 2663072

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 03/21/2022

Time Sundry Submitted: 11:10

Date proposed operation will begin: 04/04/2022

Procedure Description: 5 1/2" csg leak found between 3,814' - 4,313' on 3/11/22. Squeeze csg leak under packer. Minimum 50 sxs Class C. WOC & tag. Spot 25 sxs Class C plug from 3,190' - 3,800'. WOC & tag. Shoot squeeze holes at 1,631'. Open backside and see if well circulates. Circ cmt up backside. Leave TOC at 1,531'. WOC & tag. Spot 25 sxs Class C from 100' to surface. WOC. Well is plugged and abandon.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

NLF_5_Schematic_Proposed_20220321111006.pdf

NLF_5_Schematic_Current_20220321110946.pdf

Accepted for Record Only

SUBJECT TO LIKE
APPROVAL BY BLM

NMOCD 6/24/22

Well Name: NORTH LEA FED	Well Location: T20S / R34E / SEC 10 / NENW /	County or Parish/State: LEA / NM
Well Number: 05	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM56264	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002531413	Well Status: Producing Oil Well	Operator: READ & STEVENS INCORPORATED

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: KELLY BARAJAS**Signed on:** MAR 21, 2022 11:10 AM**Name:** READ & STEVENS INCORPORATED**Title:** Production & Regulatory Analyst**Street Address:** 400 N. Pennsylvania, Suite 1000**City:** Roswell**State:** NM**Phone:** (575) 624-3760**Email address:** kbarajas@read-stevens.com**Field Representative****Representative Name:** Joe Tovar**Street Address:** PO Box 1719**City:** Lovington**State:** NM**Zip:** 88260**Phone:** (575)390-2425**Email address:** jtovar@read-stevens.com

PLUG AND ABANDONMENT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Read and Stevens Incorporated
LEASE NO.:	NMNM56264
WELL NAME & NO.:	North Lea Fed 05
US Well Number:	3002531413
LOCATION:	Section 10, T.20 S., R.34 E., NMPM
COUNTY:	Lea County, New Mexico
Sundry ID:	2663072
Karst:	<input checked="" type="checkbox"/> Low <input type="checkbox"/> Medium <input type="checkbox"/> High <input type="checkbox"/> Critical
Potash:	<input checked="" type="checkbox"/> Secretary <input type="checkbox"/> R111P
Special Area:	<input checked="" type="checkbox"/> Prairie Chicken <input checked="" type="checkbox"/> Capitan Reef

5 1/2" csg leak found between 3,814' - 4,313' on 3/11/22. Tag TOC @5473' and spot from 5473' to 5389'. WOC and Tag.

Squeeze csg leak under packer. Minimum 50 sxs Class C. WOC & tag. (Spot from 4188' to 3725')

Spot 25 sxs Class C plug from 3,190' - 3,800' - 3308' to 3108'. WOC & tag.

~~Shoot squeeze holes at 1,631'. Open backside and see if well circulates. Circ cmt up backside. Leave TOC at 1,531'. WOC & tag. Spot from 1938' to surface. Verify at Surface. 200 sx Class C.~~

~~Spot 25 sxs Class C from 100' to surface. WOC. Well is plugged and abandon.~~

Approval Subject to General Requirements and Special Stipulations Attached

- No more than 3000 feet between cement plugs in cased hole.
- Wait on Cement and Tag Top of Cement Requirement:
 1. Shoe, Top of Salt, Base of Salt, DV tool, Perforate and Squeeze, Open Perforation.
 2. Formation plug is optional if a solid base is established and confirmed.

Sundry ID

2663072

Plug Type	Top	Bottom	Length	Tag	Sacks	Notes
Surface Plug	0.00	1938.00	1938.00	Tag/Verify		
Shoe Plug	1515.19	1631.00	115.81	Tag/Verify		
Top of Salt @ 1888	1819.12	1938.00	118.88	Tag/Verify	200.00	Spot from 1938' to surface. Verify at Surface.
Yates @ 3190	3108.10	3240.00	131.90	If solid base no need to Tag (CIBP present and/or Mechanical Integrity Test), If Perf & Sqz then Tag, Leak Test all CIBP if no Open Perforations		
Base of Salt @ 3258	3175.42	3308.00	132.58	Tag/Verify	25.00	Spot form 3308' to 3108'. WOC and Tag.
Casing Leak @ 3814	3725.86	3864.00	138.14	If solid base no need to Tag (CIBP present and/or Mechanical Integrity Test), If Perf & Sqz then Tag, Leak Test all CIBP if no Open Perforations		

				If solid base no need to Tag (CIBP present and/or Mechanical Integrity Test), If Perf & Sqz then Tag, Leak Test all CIBP if no Open Perforations		
Capitan Reef @ 4138	4046.62	4188.00	141.38		50.00	Spot and Squeeze from 4188' to 3725'. WOC and Tag.
				If solid base no need to Tag (CIBP present and/or Mechanical Integrity Test), If Perf & Sqz then Tag, Leak Test all CIBP if no Open Perforations		
Delaware @ 5494	5389.06	5544.00	154.94		25.00	Tag TOC@ 5473' and spot from 5473' to 5389'. WOC and Tag.

				If solid base no need to Tag (CIBP present and/or Mechanical Integrity Test), If Perf & Sqz then Tag, Leak Test all CIBP if no Open Perforations		
CIBP Plug	5475.00	5510.00	35.00			Set in 2/11/22
Perforations Plug (If No CIBP)	5967.22	6128.00	160.78	Tag/Verify		Not Necessary
Shoe Plug	6319.66	6484.00	164.34	Tag/Verify		Not Necessary

Onshore Order 2.III.G Drilling Abandonment Requirements: "All formations bearing usable-quality water, oil, gas, or geothermal resources, and/or a prospectively valuable deposit of minerals shall be protected.

Shoe @	1581.00		
Shoe @	6434.00		
Perforatons Top @	6058.00	Perforations Bottom @	6078.00
		CIBP @	5510.00

Read & Stevens Inc



Well Name: North Lea Fed #5		Field: Quail Ridge	
Location: 660' FNL & 1980' FWL; 10-205-34E		County: Lea	State: NM
Elevation: 3,637' GL		Spud Date: 9/7/89	Compl Date:
API#: 30-025-31413	Prepared by: KALE JACKSON	Date: 12/8/21	Rev: 3/20/22

PROPOSED SCHEMATIC

SURFACE			
HOLE SIZE	CASING SIZE	DEPTH SET	CMT TOP
17-1/2	13-3/8"	1,581	SURFACE
47# J-55 cmt w/ 1110sks			

Spot from 1938' to surface. Verify at Surface. 200 sx Class C

Spot 25 sx Class C plug from 3308' to 3108'. WOC and Tag

5-1/2 CSG LEAK FOUND BETWEEN 3814 - 4313 (3/11/22)

Squeeze csg leak under packer. Minimum 50sx Class C. WOC & Tag (Spot and Squeeze from 4188' to 3725')

Tag TOC @ 5473' and spot from 5473' to 5389'. WOC and Tag.

**Pressure Test CSG to 500psi for TA 2/15/22.

CSG didn't test. WO PU

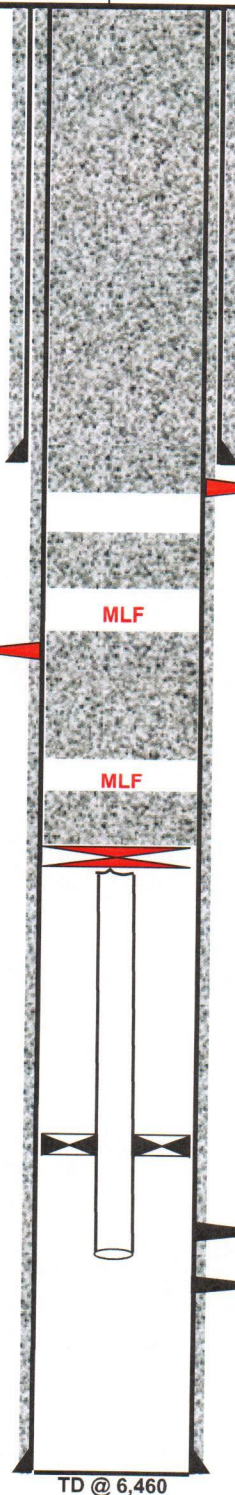
Set CIBP @ 5,510'. Dump bail 37ft of cement (TOC @ 5,473) 2/11/22

BRUSHY CANYON TOP @ 5,494

External tubing cut TOF @ 5,512' 1/11/22


FISH DETAIL 1/11/22
EXTERNAL TBG CUT TOP @ 5,512
TAC SET @ 5,875
4 JOINTS 2-3/8 TBG
SN
4' PERF SUB w/ BPMA. EOT @ 6,035
**Note: Recovered 1,159ft over 12 days

PRODUCTION			
HOLE SIZE	CASING SIZE	DEPTH SET	CMT PUMP
7-7/8"	5-1/2"	6,434	2200 SX
15.5# J-55 STC			



NOTE: DRAWING NOT TO SCALE

Read & Stevens Inc			
Well Name: North Lea Fed #5		Field: Quail Ridge	
Location: 660' FNL & 1980' FWL; 10-20S-34E		County: Lea	State: NM
Elevation: 3,637' GL		Spud Date: 9/7/89	Compl Date:
API#: 30-025-31413	Prepared by: KALE JACKSON	Date: 12/8/21	Rev: 3/11/22



CURRENT SCHEMATIC

SURFACE			
HOLE SIZE	CASING SIZE	DEPTH SET	CMT TOP
17-1/2	13-3/8"	1,581	SURFACE
47# J-55 cmt w/ 1110sks			

5-1/2 CSG LEAK FOUND BETWEEN 3814 - 4313 (3/11/22)

BRUSHY CANYON TOP @ 5,494

FISH DETAIL 1/11/22	
EXTERNAL TBG CUT TOP @ 5,512	
TAC SET @ 5,875	
4 JOINTS 2-3/8 TBG	
SN	
4' PERF SUB w/ BPMA. EOT @ 6,035	
**Note: Recovered 1,159ft over 12 days	

PRODUCTION			
HOLE SIZE	CASING SIZE	DEPTH SET	CMT PUMP
7-7/8"	5-1/2"	6,434	2200 SX
15.5# J-55 STC			

TD @ 6,460

5,910 - 5,925 DELAWARE PERFS 1992

6,058 - 6,078 DELAWARE PERFS 1991

WELL HISTORY

- 1) TBG parted when trying to unset tbg anchor. Fished to get below Brushy Canyon top for 12 days
- 2) Set CIBP for TA 2/15/22. Csg wouldn't test to 500 psi. WO PU
- 3) Hunt for csg leak. Found between 3814 - 4313 (3/11/22)
- 4) CSG tested to 500 psi below/above csg leak interval

****Pressure Test CSG to 500psi for TA 2/15/22.**
CSG didn't test. WO PU
Set CIBP @ 5,510'. Dump bail 37ft of cement
(TOC @ 5,473) 2/11/22

External tubing cut TOF @ 5,512' 1/11/22

NOTE: DRAWING NOT TO SCALE

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 (LPC Habitat)

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 ninety (90) 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. **Notification:** 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 575-689-5981.

3. **Blowout Preventers:** 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. **Mud Requirement:** 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. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), 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. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.**

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. Below Ground Level Cap (Lesser Prairie-Chicken Habitat): 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 a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.** Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be covered with a metal plate at least ¼ inch thick and welded in place. A weep hole shall be left in the plate and/or casing.

NMOCD also requires the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a below ground cap was installed as required in the COA's from the BLM.

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three 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. Trash: 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 objectives.

Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:

From March 1st through June 15th annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted



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 Petroleum Engineering Tech
575-234-5909 (Office), 575-361-2648 (Cell)

• Arthur Arias
Environmental Protection Specialist
575-234-6230

Crisha Morgan
Environmental Protection Specialist
575-234-5987

Kelsey Wade
Environmental Protection Specialist
575-234-2220

Trishia Bad Bear, Hobbs Field Station
Natural Resource Specialist
575-393-3612

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

COMMENTS

Action 101720

COMMENTS

Operator: READ & STEVENS INC P.O. Box 1518 Roswell, NM 88202	OGRID: 18917
	Action Number: 101720
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

COMMENTS

Created By	Comment	Comment Date
plmartinez	DATA ENTRY PM	6/24/2022

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 101720

CONDITIONS

Operator: READ & STEVENS INC P.O. Box 1518 Roswell, NM 88202	OGRID: 18917
	Action Number: 101720
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kfortner	Like approval from BLM	6/24/2022