U.S. Department of the Interior **BUREAU OF LAND MANAGEMENT** Sundry Print Report

Well Name: NORTH LEA FED

Well Location: T20S / R34E / SEC 10 /

SENE /

County or Parish/State: LEA /

NM

Well Number: 09

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM56264

Unit or CA Name:

Unit or CA Number:

US Well Number: 300253181900S1

Well Status: Producing Oil Well

Operator: READ & STEVENS

INCORPORATED

Digitally signed by LONG LONG VO Date: 2022.04.03

Notice of Intent

Sundry ID: 2663076

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 03/21/2022

Time Sundry Submitted: 11:21

Date proposed operation will begin: 04/11/2022

Procedure Description: Spot 25 sxs Class C cmt at 5,015'-4,915'. WOC & tag. 5 1/2" csg leak found between 3852'-3883' on 2/10/22. Squeeze csg leak w/minimum 25 sxs Class C. WOC and pressure test csg to 500 psi for 30 minutes and tag. Spot 25 sxs Class C at 1,617'-1,517'. WOC and tag. Spot 25 sxs Class C from 100' to surface.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

North_Lea_Fed_9_Schematic_Proposed_Plugging_Schematic_20220321112001.pdf

North_Lea_Fed_9_Current_Schematic_20220321111949.pdf

ed for Record Only

SUBJECT TO LIKE APPROVAL BY BLM

NMOCD 6/24/22

Received by OCD: 4/26/2022 3:43:16 PM

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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 11:20 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: 400 N PENNSYLVANIA SUITE 1000

City: ROSWELL

State: NM

Zip: 88201

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 09

US Well Number: | 3002531819

LOCATION: Section 10, T.20 S., R.34 E., NMPM

COUNTY: Lea County, New Mexico

Sundry ID: | 2663076

Karst: | ⊠Low □ Medium □ High □ Critical

Potash: | ⊠Secretary □R111P

Special Area: | ⊠Prairie Chicken ⊠Capitan Reef

Tag TOC at 5412', spot from 5412' to 5345', 25 sx Class C. WOC an Tag.

Spot 25 sxs Class C cmt at 5,015'-4865'4,915'. WOC & tag.

5 1/2" csg leak found between 3852'-3883' on 2/10/22.

Squeeze csg leak w/minimum $\underline{5025}$ sxs Class C. WOC and pressure test csg to 500 psi for 30 minutes and tag. $\underline{(4188' \text{ to } 3763')}$

Spot 3025 sxs Class C at 1,617'-1,517'3445' to 3175'. WOC and tag.

Spot 9025 sxs Class C from 100' 1938' to 1053' to surface.. WOC and Tag.

Perf and Squeeze from 1053' to surface, 250 sx class C. (In/Out) Verify at Surface.

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

2663076

Sundry ID	2003070					
Plug Type	Тор	Bottom	Length	Tag	Sacks	Notes
					Jacks	Notes
Surface Plug	0.00			Tag/Verify		
Shoe Plug	1501.33	1617.00	115.67	Tag/Verify		
						Spot from 1938' to
						1053'. Perf and
						Squeeze from 1053'
						to surface. Verify at
Top of Salt @ 1888	1819.12	1938.00	118.88	Tag/Verify	340.00	Surface (In/Out)
Base of Salt @ 3258	3175.42	3308.00	132 58	Tag/Verify	0.0.00	Carrier Circuit Circuit
Date of Gail & G200	0110.42	0000.00	102.00	rag/verily		
				If solid		
				base no		
				need to		100
				Tag		
				(CIBP		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
				present		
				and/or		
				Mechanic		
				al Integrity		
				Test), If		1
				Perf &		
				Sqz then		
				Tag, Leak		
				Test all		
				CIBP if no		
				Open		Spot from 3445' to
				Perforatio		3175'. WOC and
Yates @ 3395	3311.05	3445.00	133.95	ns	30.00	Tag.
Casing Leak @ 3852	3763.48	3902.00	138.52			1.49.
3			100.02			
				16 11-1		
				If solid		
				base no		
				need to		
				Tag		
				(CIBP		
1.0				present		
				and/or		
				Mechanic		THE RESERVE
				al Integrity		
				Test), If		
				Perf &	Kara da	Direct Control of the Control
				Sqz then		
				Tag, Leak		The state of the state of
				Test all		
				CIBP if no		
				Open		Spot and Squeeze
				Perforatio		from 4188' to 3763'.
Capitan Reef @ 4138	1046 60	1100.00			E0.00	
Capitali Neel (# 4130	4046.62	4188.00	141.38	ns	50.00	WOC and Tag.

						_
						Spot from 5015' to
						4865'. WOC and
Shoe Plug	4865.35	5015.00		Tag/Verify	25.00	Tag.
Delaware @ 5450	5345.50	5500.00	154.50	If solid		
				If solid		
				base no		
				need to		
				Tag		
				(CIBP		
				present		
				and/or		
				Mechanic		
				al Integrity		
				Test), If Perf &		
				Sqz then		
				Tag, Leak		
				Test all		
				CIBP if no	-4-	T TOO 10 1
				Open		Tag TOC and Spot
CIPP Plus	5077.00	E440.00		Perforatio		from 5412' to 5345'.
CIBP Plug	5377.00	5412.00	35.00	ns	25.00	WOC and Tag.
Donforcetions Diver (ISNI - CIDE)	5500.50	5700.55				
Perforations Plug (If No CIBP)	5560.00	5726.00	166.00	Tag/Verify		Not Necessary
Porferations Plans (If No CIPP)	5704.00	5054.60	450.51	- 0/ /-		
Perforations Plug (If No CIBP)	5794.96	5954.00	159.04	Tag/Verify		Not Necessary
Shoe Dive	0407.00	0050.00	400			
Shoe Plug	6187.00	6350.00	163.00	Tag/Verify		Not Necessary

No more than 2000' is to be allowed between plugs in open hole, and no more than 3000' between plugs in cased hole.

Class H >7500'

Class C<7500'

Fluid used to mix the cement in R111P shall be saturated with the salts common to the section penetrated, and in suitable proportions, but not more than 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible.

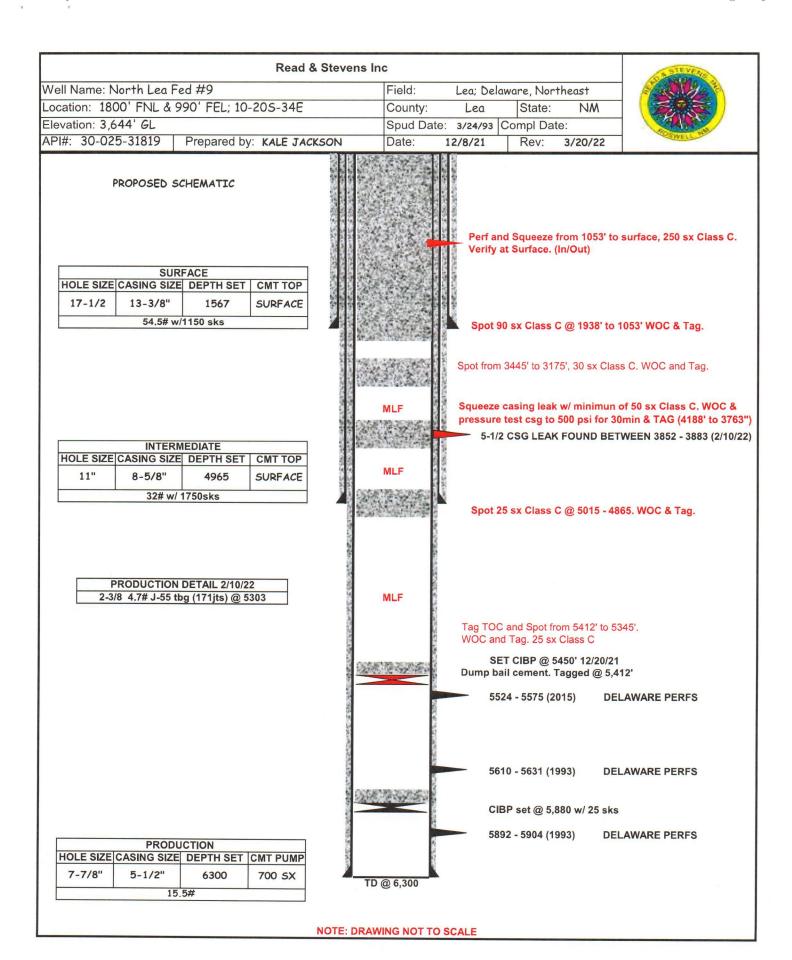
Critical, High, Medium, Secretary: Top of salt to surface If no salt take the deepest fresh water.

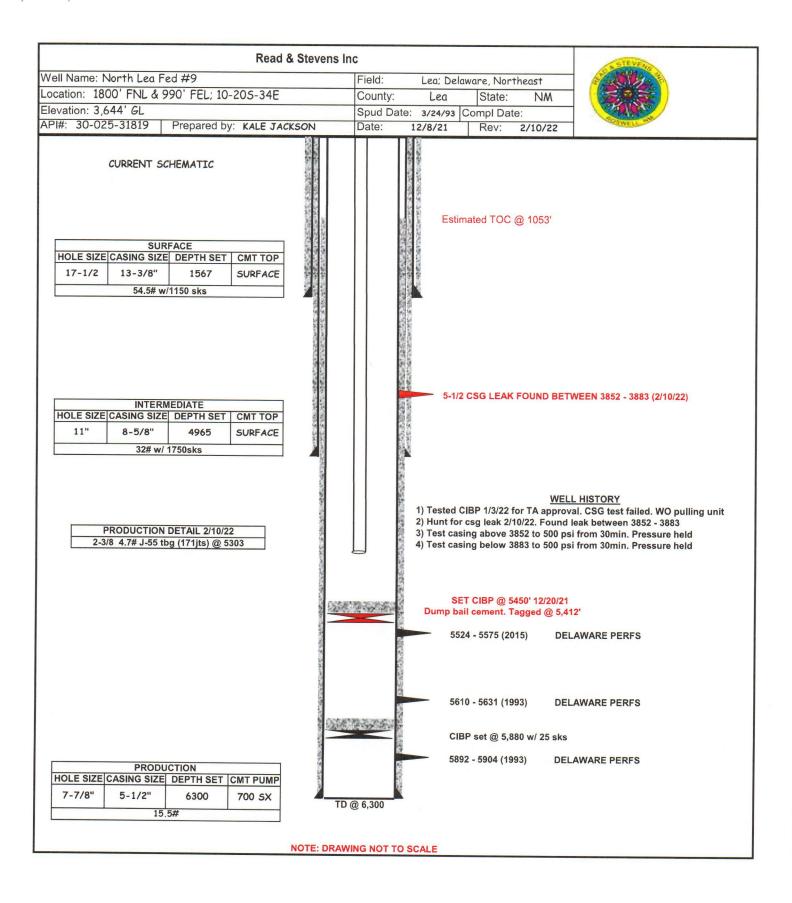
R111P: 50' from bottom of salt to surface

Class C: 1.32 ft^3/sx Class H: 1.06 ft^3/sx

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.

Cave Karst/Potash Cement	Secretary Top of	ry Top of Salt to surface				
Shoe @ Shoe @	1567.00 4965.00					
Shoe @	6300.00	тос @	1053.00			
Perforatons Top @ Perforatons Top @	5892.00 5610.00	Perforations Perforations	5904.00 5676.00			
		CIBP @	5412.00			





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 <u>ninety (90)</u> 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. <u>Notification:</u> 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. <u>Blowout Preventers</u>: 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. <u>Mud Requirement:</u> 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. <u>Cement Requirement</u>: 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 ½ 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. <u>Subsequent Plugging Reporting:</u> 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. <u>Trash:</u> 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.

<u>Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:</u>
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 predisturbance 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, redistribute 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

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 101722

COMMENTS

Operator:	OGRID:
READ & STEVENS INC	18917
P.O. Box 1518	Action Number:
Roswell, NM 88202	101722
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

COMMENTS

Created By		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

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 101722

CONDITIONS

Operator:	OGRID:
READ & STEVENS INC	18917
P.O. Box 1518	Action Number:
Roswell, NM 88202	101722
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

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