

Sherry Roberts

From: AFMSS <blm-afmss-notifications@blm.gov>
Sent: Friday, April 30, 2021 1:57 PM
To: sroberts@mar-win.com
Cc: j1sanchez@blm.gov; KBUSSELL@BLM.GOV; NDOMINGUEZ@BLM.GOV; OTORRES@BLM.GOV
Subject: Well Name: GREASEWOOD FEDERAL, Well Number: 3H, Notification of Sundry Approval

The Bureau of Land Management

Notice of Notice Of Intent Approval

- Operator Name: MARSHALL & WINSTON INCORPORATED
- Well Name: GREASEWOOD FEDERAL
- Well Number: 3H
- US Well Number:
- Sundry ID: 2159345

Auton Prod. CSSI & Pivot Hole

The BLM received your Notice Of Intent, Other on 04/30/2021. This is to notify you that we are Approving your Notice Of Intent Other. Please login to your account in AFMSS II to see the final documents.

If this Notice Of Intent prompted the BLM to create another work task, it will generate in your worklist.

You may contact the field office if you have any questions.

This notification is automatically generated. Please do not reply to this message as this account is not monitored.

Well Name: GREASEWOOD FEDERAL	Well Location: T15S / R28E / SEC 12 / SESE / 33.024941 / -104.078066	County or Parish/State: CHAVES / NM
Well Number: 3H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM121940	Unit or CA Name:	Unit or CA Number:
US Well Number:	Well Status: Approved Application for Permit to Drill	Operator: MARSHALL & WINSTON INCORPORATED

Notice of Intent

Type of Submission: Notice of Intent

Type of Action: Other

Date Sundry Submitted: 04/30/2021

Time Sundry Submitted: 11:12

Date proposed operation will begin: 04/29/2021

Procedure Description: Marshall & Winston, Inc. respectfully requests to alter permitted production casing to a 7" x 5.5" tapered production string design. The 7" 26# P110 casing will be ran from 55° to surface and the permitted 5.5" 20# P110 casing will be ran from X-O to TD. (2,500' - 7" 26# HCP-110 LTC R-3 ERW, 700' - 7" 26# HCP-110 BK-HT, 5600' +/- 5.5" 17# HCP-110 BTC R-3 ERW). Cement will be circulated to surface. Marshall & Winston, Inc. also requests to adjust the 7" 26# P110 casing depth to an estimated 3200' and/or 55° for production purposes. Attached is the Wellbore Diagram & the Cement Program. Marshall & Winston, Inc. respectfully requests as an option to drill a pilot hole: Pilot Hole Depth 3500' (Base of San Andres) Cement 350 sx Class H, 17.5 ppg, 0.94 Yield & 3.365 H2O (600') Top of Plug 2473' Bottom of Plug 3073'

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

- Greasewood_Fed_3H_5.5_HCP_110_BTC_Spec_Sheet_20210430110320.pdf
- Greasewood_Fed_3H_BK_HT_7000_26ppf_P110_7875_Data_Sheet_R1_20210430103217.pdf
- Greasewood_Fed_3H_5.5_HCP_110_17lb_ft_Spec_Sheet_20210430103217.pdf
- Greasewood_Fed_3H_Wellbore_20210430075913.pdf
- Greasewood_Fed_3H_Primary_Cementing_Proposal_20210430065906.pdf

Well Name: GREASEWOOD FEDERAL	Well Location: T15S / R28E / SEC 12 / S 33.024941 / -104.078066	County or Parish/State: CHAVES M
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Lease Number: NMNM121940	Unit or CA Name:	Unit or CA Number:
US Well Number:	Well Status: Approved Application for Permit to Drill	Operator: MARSHALL & WINSTON INCORPORATED

Conditions of Approval

Specialist Review

Conditions_of_Approval_20210430125458.pdf

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: SHERRY ROBERTS

Signed on: APR 30, 2021 11:04 AM

Name: MARSHALL & WINSTON INCORPORATED

Title: Operations Secretary

Street Address: 6 Desta Drive, Suite 3100

City: Midland **State:** TX

Phone: (432) 684-6373

Email address: sroberts@mar-win.com

Field Representative

Representative Name: Todd Passmore

Street Address: 6 Desta Drive, Suite 3100

City: Midland **State:** TX **Zip:** 79705

Phone: (432)684-6373

Email address: tpassmore@mar-win.com

BLM Point of Contact

BLM POC Name: JENNIFER SANCHEZ

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5756270237

BLM POC Email Address: j1sanchez@blm.gov

Disposition: Approved

Disposition Date: 04/30/2021

Signature: Jennifer Sanchez

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Marshall & Winston Inc.
LEASE NO.:	NMNM-121940
WELL NAME & NO.:	Greasewood Federal 3H
SURFACE HOLE FOOTAGE:	0600' FSL & 0400' FEL
BOTTOM HOLE FOOTAGE:	0020' FSL & 0400' FEL Sec. 13, T. 15 S., R 28 E.
LOCATION:	Section 12, T. 15 S., R 28 E., NMPM
COUNTY:	Chaves County, New Mexico

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

☒ **Chaves and Roosevelt Counties**

Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201.
During office hours call (575) 627-0272.

1. **Hydrogen Sulfide (H₂S) monitors shall be installed prior to drilling out the surface shoe. If H₂S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.**
2. **Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a “Major” violation.**
3. **Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.**
4. **The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.**

A. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) for Water Basin:

After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least **8 hours**. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.

Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Possibility of lost circulation in the Queen and San Andres formations.

1. The 13-3/8 inch surface casing shall be set at approximately **225 feet** (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. If salt is encountered, set casing at least **25 feet** above the salt.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.

- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:

- ☒ Cement to surface. If cement does not circulate see B.1.a, c-d above.

The pilot hole plugging procedure is approved as written. Note whipstock depth on Subsequent Report sundry of drilling activities.

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

3. The minimum required fill of cement behind the 7 X 5-1/2 inch production casing is:

- ☒ Cement to surface. If cement does not circulate, contact the appropriate BLM office.

4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API 53.
2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.
 - a. **For surface casing only:** If the BOP/BOPE is to be tested against casing, the wait on cement (WOC) time for that casing is to be met (see WOC statement at start of casing section). Independent service company required.

NOTE: BOP SPECS SHEET SHALL BE ON LOCATION FOR PETROLEUM TECHNICANS

3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
- a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
 - c. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
 - d. The results of the test shall be reported to the appropriate BLM office.
 - e. All tests are required to be recorded on a calibrated test chart. **A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.**
 - f. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.

C. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

JAM 05172021

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NOI Attachments

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Well Number: 3H **Type of Well:** OIL WELL **Allottee or Tribe Name:**
Lease Number: NMNM121940 **Unit or CA Name:** **Unit or CA Number:**
US Well Number: **Well Status:** Approved Application for Permit to Drill **Operator:** MARSHALL & WINSTON INCORPORATED

Conditions of Approval

Specialist Review

Conditions_of_Approval_20210430125458.pdf

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Operator Electronic Signature: SHERRY ROBERTS

Signed on: APR 30, 2021 11:04 AM

Name: MARSHALL & WINSTON INCORPORATED

Title: Operations Secretary

Street Address: 6 Desta Drive, Suite 3100

City: Midland **State:** TX

Phone: (432) 684-6373

Email address: sroberts@mar-win.com

Field Representative

Representative Name: Todd Passmore

Street Address: 6 Desta Drive, Suite 3100

City: Midland **State:** TX **Zip:** 79705

Phone: (432)684-6373

Email address: tpassmore@mar-win.com

BLM Point of Contact

BLM POC Name: JENNIFER SANCHEZ

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5756270237

BLM POC Email Address: j1sanchez@blm.gov

Disposition: Approved

Disposition Date: 04/30/2021

Signature: Jennifer Sanchez

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 60422

COMMENTS

Operator: MARSHALL & WINSTON INC P.O. Box 50880 Midland, TX 79710	OGRID: 14187
	Action Number: 60422
	Action Type: [C-103] NOI General Sundry (C-103X)

COMMENTS

Created By	Comment	Comment Date
jagarcia	Accepted, John Garcia, Petroleum Engineer.	7/25/2022

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 60422

CONDITIONS

Operator: MARSHALL & WINSTON INC P.O. Box 50880 Midland, TX 79710	OGRID: 14187
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CONDITIONS

Created By	Condition	Condition Date
jagarcia	None	7/25/2022