

Form 3160-5  
(June 2019)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2021

**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. **NMNM9545**

6. If Indian, Allottee or Tribe Name

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator **EARTHSTONE OPERATING LLC**

3a. Address **1400 WOODLOCH FOREST DRIVE SUITE 300,** 3b. Phone No. (include area code) **(281) 298-4240**

4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)  
**SEC 17/T22S/R26E/NMP**

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

8. Well Name and No. **FEDERAL AA/1**

9. API Well No. **3001522926**

10. Field and Pool or Exploratory Area  
**HAPPY VALLEY/HAPPY VALLEY**

11. Country or Parish, State  
**EDDY/NM**

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 type="checkbox"/> Plug and Abandon	<input checked="" 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 recomplete 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 recompletion 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.)

**NOTICE OF INTENT TO TEMPORARILY ABANDON WELL IN ORDER TO EVALUATE FUTURE UPHOLE POTENTIAL**

- RU; TIH; PULL AND LAY DOWN 2 7/8" TBNG
- SET CIBP@ 11040' MD
- DUMP BAIL 35' CMNT WEST TOC @ 11005' MD

-MIT WILL BE CONDUCTED UPON COMPLETION OF T/A; NOTIFICATION WILL BE GIVEN PRIOR TO MIT

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
**JENNIFER ELROD / Ph: (817) 953-3728**

Title **Senior Regulatory Technician**

Signature 

Date **03/08/2023**

**THE SPACE FOR FEDERAL OR STATE OFFICE USE**

Accepted for record – NMOCD gc3/16/2023

Approved by  
**KEITH P IMMATTY / Ph: (575) 988-4722 / Approved**

Title **ENGINEER** Date **03/15/2023**

Office **CARLSBAD**

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.

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)

## GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

## SPECIFIC INSTRUCTIONS

*Item 4* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

*Item 13*: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

## NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

## Additional Information

### Location of Well

0. SHL: SENW / 1980 FNL / 1980 FWL / TWSP: 22S / RANGE: 26E / SECTION: 17 / LAT: 0.0 / LONG: 0.0 ( TVD: 0 feet, MD: 0 feet )

BHL: SENW / 1980 FNL / 1980 FWL / TWSP: 22S / SECTION: / LAT: 0.0 / LONG: 0.0 ( TVD: 0 feet, MD: 0 feet )



FIELD NAME	Happy Valley Morrow	LEASE NAME	Federal AA	WELL NO.	#001	API NO.	30-015-22926
CURRENT STATUS	Inactive						
NOTES	PROPOSED TEMPORARILY ABANDON						

13.375\" 54.5#  
@ 396'

9.625\" 36#  
@ 2,648'

PBTD @ 11,005'  
CIBP @ 11,040'

11090' - 11094',  
11,119' - 11,122

11156' - 11168',  
11284' - 11290'

5-1/2\" 17#/20# Casing, cem. @ 12,050'  
TD @ 12,050'

CASING RECORD						LOGGING RECORD		
HOLE SIZE	SIZE/ GRADE	WT (#)	DEPTH	TOC	METHOD	TYPE	INTERVAL	NOTES
17.50"	13.375"	54.5#	396'	Surface	Calc/Visual			
12.25"	9.625"	36#	2,648'	Surface	Calc/Visual			
8.75"	5.5"	17#/20#	12,050'	1710'	Calc/Visual			

  

LOG TOPS			PERFORATIONS AND / OR OPENHOLE (Packers Plus Frac Port Sleeve)			
ZONE	TOP	SS	DATE	DEPTH	SPF	NOTES
			9/10/1979	11156' - 11168'	4	Isolated with CIBP @ 11,055'
			9/10/1979	11284' - 11290'	4	Isolated with CIBP @ 11,055'
			12/13/1982	11,119' - 11,122	4	Isolated with CIBP @ 11,055'
			12/13/1982	11090' - 11094'	4	Isolated with CIBP @ 11,055'

  

**NOTES:**

Proposed	CIBP @ 11,040', top of cement plug @ 11,005'

**BLM Note: CIBP depth OK. Please review below attached COA for more details**

**KEITH IMMATTY** Digitally signed by KEITH IMMATTY  
Date: 2023.03.15 14:31:26 -06'00'

REMARKS	CREATED BY
	jmn
	DATE
	1/3/2023

NOTICE OF INTENT TO TEMPORARILY ABANDON WELL IN ORDER TO EVALUATE FUTURE UPHOLE POTENTIAL

-RU; TIH; PULL AND LAY DOWN 2 7/8" TBNG  
 -SET CIBP@ 11040' MD  
 -DUMP BAIL 35' CMNT W/EST TOC @ 11005' MD

-MIT WILL BE CONDUCTED UPON COMPLETION OF T/A; NOTIFICATION WILL BE GIVEN PRIOR TO MIT

## BUREAU OF LAND MANAGEMENT

Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972

### Conditions of Approval for Temporary Abandonment of Wells

**Definition:** A temporarily abandoned well is a completion that is not capable of production in paying quantities, but which may have future value. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

1. TA status will be effective for a period of up to one year from the date of sundry approval and can be renewed annually thereafter per IM NM-2016-017.
2. A bridge plug (CIBP) must be installed 50 to 100 feet above any open perforations or open hole. The CIBP must be capped with either a minimum of 25 sacks of cement if placed with tubing or 35 feet of cement if placed with a bailer. The top of the cement must be verified by tagging.
3. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. If the well does not pass the casing integrity test, then the operator shall, within 30 days, submit a procedure to either repair the casing or to plug and abandon the well.
4. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
5. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if it is not isolated by a packer.
6. A bradenhead test must be conducted. If the test indicates a problem, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
7. Submit a subsequent Sundry Notice (Form 3160-5) with the following information:
  - a. A well bore diagram with all perforations, CIBP's, and tops of cement on CIBP's.
  - b. A description of the temporary abandonment procedure.
  - c. A clear copy or the original of the pressure test chart.

<b>Well Name:</b> FEDERAL AA	<b>Well Location:</b> T22S / R26E / SEC 17 / SENW /	<b>County or Parish/State:</b> EDDY / NM
<b>Well Number:</b> 1	<b>Type of Well:</b> CONVENTIONAL GAS WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMNM9545	<b>Unit or CA Name:</b>	<b>Unit or CA Number:</b>
<b>US Well Number:</b> 3001522926	<b>Well Status:</b> Producing Gas Well	<b>Operator:</b> EARTHSTONE OPERATING LLC

**Notice of Intent**

**Sundry ID:** 2719787

**Type of Submission:** Notice of Intent

**Type of Action:** Temporary Abandonment

**Date Sundry Submitted:** 03/08/2023

**Time Sundry Submitted:** 02:58

**Date proposed operation will begin:** 03/08/2023

**Procedure Description:** NOTICE OF INTENT TO TEMPORARILY ABANDON WELL IN ORDER TO EVALUATE FUTURE UPHOLE POTENTIAL -RU; TIH; PULL AND LAY DOWN 2 7/8" TBNG -SET CIBP@ 11040' MD -DUMP BAIL 35' CMNT W/EST TOC @ 11005' MD -MIT WILL BE CONDUCTED UPON COMPLETION OF T/A; NOTIFICATION WILL BE GIVEN PRIOR TO MIT

**Surface Disturbance**

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

**NOI Attachments**

**Procedure Description**

Federal\_AA\_\_001\_\_BLM\_ATTACHMENTS\_20230308145546.pdf

Well Name: FEDERAL AA

Well Location: T22S / R26E / SEC 17 / SENW /

County or Parish/State: EDDY / NM

Well Number: 1

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMNM9545

Unit or CA Name:

Unit or CA Number:

US Well Number: 3001522926

Well Status: Producing Gas Well

Operator: EARTHSTONE OPERATING LLC

Conditions of Approval

Specialist Review

Federal\_AA\_001\_BLM\_ATTACHMENTS\_20230308145546\_w\_COA\_a\_20230315143404.pdf

Operator

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

Operator Electronic Signature: JENNIFER ELROD

Signed on: MAR 08, 2023 02:59 PM

Name: EARTHSTONE OPERATING LLC

Title: Senior Regulatory Technician

Street Address: 1400 WOODLOCH FOREST DR STE 300

City: THE WOODLANDS State: TX

Phone: (817) 953-3728

Email address: JELROD@EARTHSTONEENERGY.COM

Field

Representative Name:

Street Address:

City: State: Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: KEITH P IMMATTY

BLM POC Title: ENGINEER

BLM POC Phone: 5759884722

BLM POC Email Address: KIMMATTY@BLM.GOV

Disposition: Approved

Disposition Date: 03/15/2023

Signature: Keith Immatty

**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 197648

**CONDITIONS**

Operator: Earthstone Operating, LLC 1400 Woodloch Forest; Ste 300 The Woodlands, TX 77380	OGRID: 331165
	Action Number: 197648
	Action Type: [C-103] NOI Temporary Abandonment (C-103I)

**CONDITIONS**

Created By	Condition	Condition Date
gcordero	None	3/16/2023