

Additional data for EC transaction #57127 that would not fit on the form

32. Additional remarks, continued

3569-3659'

CIBP@ 3105'

Note: Tandem pkrs @2243 & 3186'. Tbg will torque but not turn.

Plugging Procedure:

Cut tbg. above top pkr.

RIH w/overshot & jars.

Cut tbg below top pkr, jar loose.

Attempt to remove btm. pkr. (Proceed if successful, call BLM if not)

Set pkr @ 3150' & squeeze 75 sx cmt into perms.

WOC 4 hrs & tag

Circulate hole with mud laden fluid.

Spot 40 sx plug from 2300-2450'

WOC 4 hrs & tag

Spot 40 sx plug from 1530-1640'

WOC 4 hrs & tag

Spot 65 sx plug from 550-800'

WOC 4 hrs & tag. Top has to be at 576' or above

Perf Csg. @60'

Circulate 35 sx to surface.

Cut off wellhead & set Dry Hole Marker.

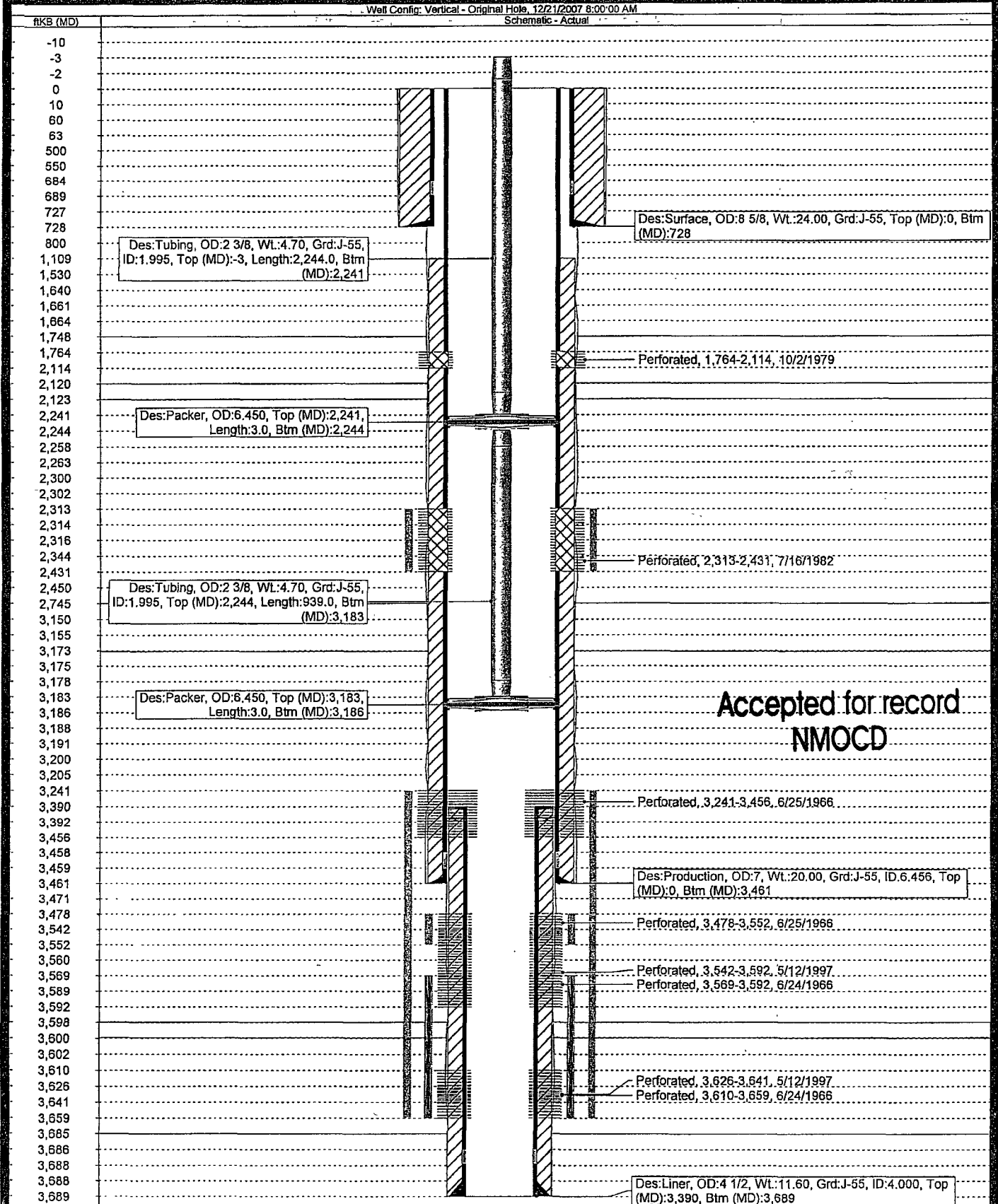
**Accepted for record
NMOCD**

Current Wellbore Schematic

Field: Grayburg Jackson Well Name: SKELLY UNIT #37

State: New Mexico County: Eddy Location: Unit D, Sec. 27, T17S, R31E API#: 3001505420

Well Config: Vertical - Original Hole, 12/21/2007 8:00:00 AM
Schematic - Actual



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Proposed Wellbore Schematic

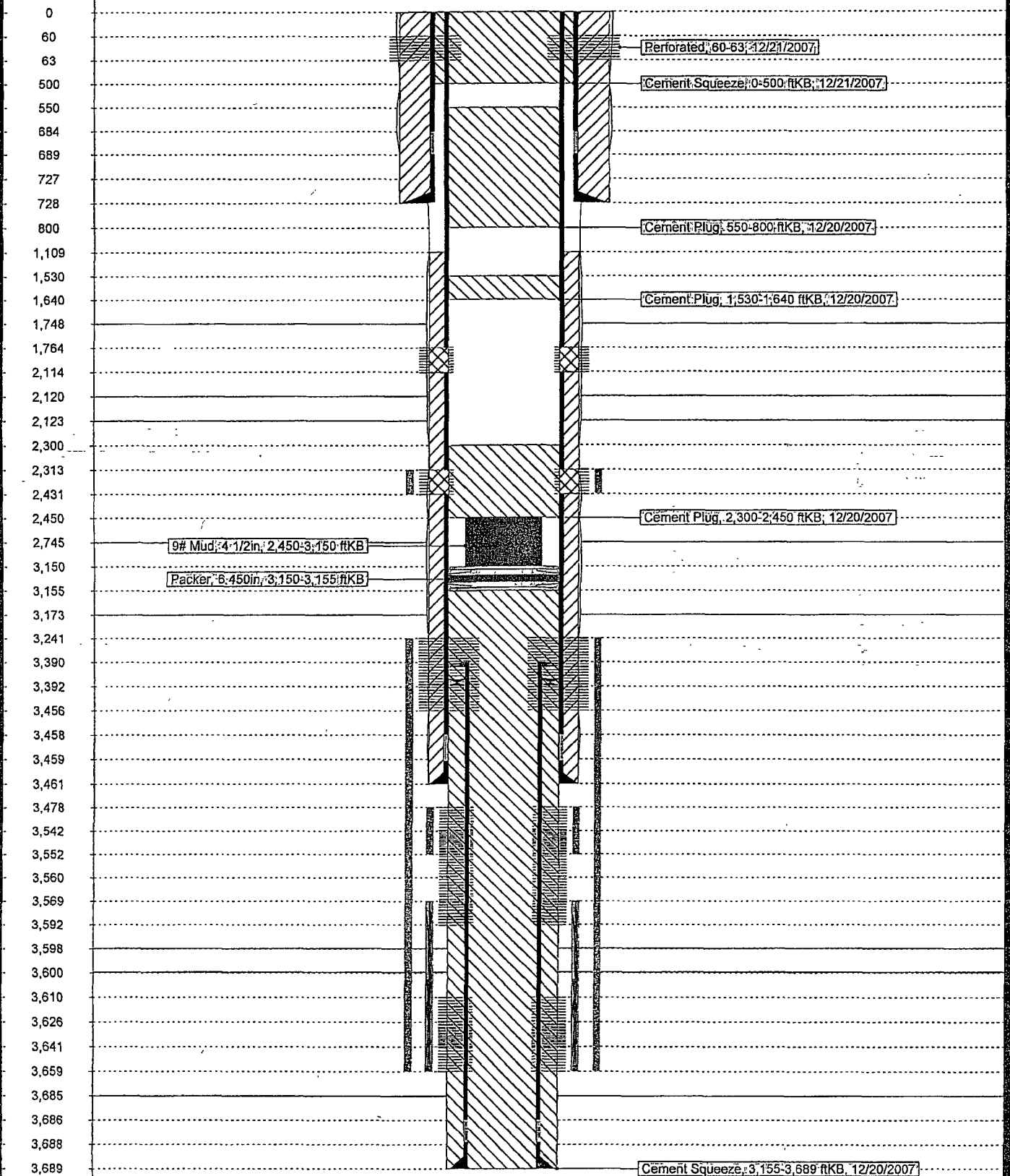
Field: Grayburg Jackson Well Name: SKELLY UNIT #87

State: New Mexico County: Eddy Location: Unit D, Sec. 27, T17S, R31E API#: 3001505420

Well Config: Vertical - Original Hole, 12/21/2007 8:00:00 AM

ftKB (MD)

Schematic - Proposed



**Skelly Unit 87
Forest Oil Corporation
December 5, 2007
Plug and Abandonment Procedure
Conditions of Approval**

- 1. Cut tubing above top packer.**
- 2. RIH with overshot and jars**
- 3. Cut tubing below top packer, jar loose**
- 4. Attempt to remove bottom packer – contact BLM if not successful**
- 5. Set packer at 3150' and squeeze 75 sacks into perforations. WOC 4 hours and tag. Plug to be tagged at 3190' or shallower.**
- 6. Circulate hole with mud laden fluid – minimum of 9 ppg.**
- 7. Spot 40 sack plug from 2480-2260'. WOC 4 hours and tag. Plug to be tagged at 2260' or shallower. Seven Rivers.**
- 8. Spot 40 sack plug from 1640-1530'. WOC 4 hours and tag. Plug to be tagged at 1530' or shallower. Yates/Base of Salt.**
- 9. Perforate at 800' and squeeze approximately 65 sacks from 800-550'. WOC 4 hours and tag at 576' or shallower.**
- 10. Perforate casing at 60' and circulate cement in the annulus and fill the casing to surface.**
- 11. Cut off wellhead and set dry hole marker.**

WWI 120507

**Accepted for record
NMOCD**

**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**

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.

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 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. 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 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. In lieu of a cement plug in a cased hole, 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.

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. **Dry Hole Marker:** All casing 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 capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five 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 conditions of approval will be developed and furnished to you.

**Accepted for record
NMOCD**



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene St.
Carlsbad, NM 88220

Interim Reclamation Procedures for Permanently Abandoned Federal Wells

1. After Subsequent Report of Abandonment, Form 3160-5, is filed and approved by the BLM the surface protection specialist (SPS) will conduct a surface inspection of the abandonment. The SPS will establish the reclamation requirements the operator will need to complete. **DO NOT START RECLAMATION UNTIL THE SPS HAS INSPECTED THE LOCATION.**

2. The reclamation requirements will be given to an environmental protection specialist (EPS). The EPS will issue the operator a Notice of Written Order outlining the reclamation requirements. **DO NOT START RECLAMATION UNTIL A NOTICE OF WRITTEN ORDER FOR RECLAMATION HAS BEEN RECEIVED.** The EPS will be responsible for all further abandonment work and inspections.

3. **Notification: CONTACT THE EPS 3 DAYS PRIOR TO RECLAMATION WORK.** This notification gives the EPS an opportunity to discuss by phone or on location the reclamation requirements, any special concerns and the timeframes. It also allows the EPS an opportunity to witness various aspects of the reclamation work to determine if an adequate seedbed has been prepared and all reclamation requirements have been completed. **CONTACT THE EPS AT LEAST 3 DAYS PRIOR TO SEEDING.** This allows the EPS to witness the seeding operation to make sure the location is seeded properly and with the appropriate seed mixture. **DO NOT START RECLAMATION UNTIL THE EPS HAS BEEN NOTIFIED.**

4. After reclamation work has been completed, submit the **I & E copy of the Notice of Written Order** to the BLM. It will need to be signed by a company representative and dated. Also submit one original and five copies of the **Final Abandonment Notice, Form 3160-5.** The report should state that all reclamation work has been completed, and the location is ready for a final abandonment inspection.

5. The BLM will continue to monitor the location to ensure the location vegetates successfully, and salts from the reserve pit do not leach to the surface. The location will be monitored until such time as vegetation (20%) is established evenly across the location (including the reserve pit and access road). Once EPS determines that vegetation (20%) is evenly spread across the location, final abandonment will be authorized.

If there are any questions please feel free to contact any of the following:

Jim Amos
Supervisory Environmental Protection Specialist
(575) 234-5909

Barry Hunt
Surface Protection Specialist
(575) 234-5965

Todd Suter
Surface Protection Specialist
(575) 234-5987

Trishia Bad Bear
Natural Resource Specialist – Lea County
(575) 393-3612

Cody Layton
Natural Resource Specialist
(575) 234-5959

Paul Evans
Environmental Protection Specialist
(575) 234-5977

Terry Gregston
Environmental Protection Specialist
(575) 234-5958

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10/18/2006