Form 3160-5 (August 2007)

UNITED STATES

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

5. Lease Serial No.

| Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals. | | | | INIVINIVIZ/46 | |
|---|---|---|------------------------------------|--|-------------------------|
| | | | | 6. If Indian, Allottee or Tribe Name | |
| SUBMIT IN TRIPLICATE - Other instructions on reverse side. | | | | 7. If Unit or CA/Agree | ement, Name and/or No. |
| 1. Type of Well ☐ Gas Well ☐ Other | | | | 8. Well Name and No. GISSLER B 11 | |
| 2. Name of Operator Contact: LESLIE GARVIS BURNETT OIL CO. INC. E-Mail: lgarvis@burnettoil.com | | | | 9. API Well No. 30-015-04301 | |
| 3a. Address BURNETT PLAZA - SUITE 15 FORT WORTH, TX 76102 | | Phone No. (include area JN8TF-G82Z-5W03RH3H | | 10. Field and Pool, or Exploratory GRAYBURG JACKSON - SA | |
| 4. Location of Well (Footage, Sec., T | | | 11. County or Parish, and State | | |
| Sec 23 T17S R30E Mer NMP | | | EDDY COUNTY, NM | | |
| 12. CHECK APPI | ROPRIATE BOX(ES) TO IN | DICATE NATURE | OF NOTICE, R | EPORT, OR OTHE | R DATA |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | |
| Notice of Intent | ☐ Acidize | □ Deepen | ☐ Produc | tion (Start/Resume) | ■ Water Shut-Off |
| | ☐ Alter Casing | ☐ Fracture Treat | ☐ Reclam | ation | ☐ Well Integrity |
| ☐ Subsequent Report | ☐ Casing Repair | ☐ New Construction | n 🔲 Recom | plete | ☐ Other |
| ☐ Final Abandonment Notice | ☐ Change Plans | ☑ Plug and Abando | on 🗖 Tempo: | rarily Abandon | |
| | ☐ Convert to Injection | Plug Back | □ Water I | Disposal | |
| testing has been completed. Final At determined that the site is ready for final Burnett is requesting to P & A | inal inspection.) | · · | _ | • | IM OIL CONSERVA |
| MIRU WOR, NU BOP. TIH with tbg, pkr, set pkr above fish, est inj rate. Continger attempt cmt sqz of perfs w/ 150 sx, leaving TOC at 3000?. Perf 4 ?? at 2433?, pur and tag. Perf 4 ?? at 1470? and sqz w/ 100 sx to cover bottom of salt and bottom WOC and tag. Perf 4 ?? at 536? and sqz with 35 sx. WOC and tag. Perf 4 ?? at 6 surface with 25 sx. RDMO WOR. Install P/A marker. Verify TOC to surface on all stages. | | | | to | NOV 0 7 2014 |
| cutoff. See attached Well Bore Diagram. RECLAMATION PROCEDURE SEE | | | | TTACHED FO | RECEIVED R |
| Ç | TACHED | | IDITIONS OF APPROVAL | | |
| Below ground dry | hole marker | required | | | |
| 14. I hereby €ertify that the foregoing is | Electronic Submission #2697 | 24 verified by the BLI IIL CO. INC., sent to | M Well Information the Carlsbad | | Hed for Record NMDCB |
| Name(Printed/Typed) LESLIE GARVIS | | | GULATORY CO | ORDIANTOR U | RD 11/10/14 |
| Signature (Electronic S | Submission) | Date 10 | /09/201 ⁴ | | |
| | THIS SPACE FOR F | EDERAL OR STA | ATE OFFICE U | SE | |
| Approved By James O. Ones | | | PET | | 10-31-14 Date |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or ertify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | | | afo | , | |
| Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent | U.S.C. Section 1212, make it a crime statements or representations as to an | for any person knowing y matter within its jurisd | ly and willfully to m iction. | ake to any department or | agency of the United |

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Alugging to start within 90 days

Date: 9/29/2014 7RVS-QN-GB-SA Gissler B 11 Eddy Co, NM ✓ PRESENT COMPLETION RECOMMENDED COMPLETION API# 30-015-04301 DATA ON THIS COMPLETION PERMANENT WELL BORE DATA 3/6/1962 Spud: ΚB Elevation: 3,661' GL 8-5/8" 24# J-55 @ 1,420' Cmnt w/ 800 sx Depth 7-7/8" hole MD TVD Dev. 2-3/8" Cut off @ 3,060', 4/4/12 Grayburg Jackson SN perf 3051-55, 68-76, 93-99 & 3116-31' 3' PN 7/73 perf 3095-97 & 3076' 1 jt MA 1/70 perf 3068-76,93-99 & 3116-31' EOTP @ 3,125' 1/70 CIBP @ 3,200' w/ cmnt on top 12/69 Calc TOC @ 3,566' Jackson Abo 100' cmnt plug 6,920-6,820', 12/69 perf 6848-51,65-68,70-78 & 84-87' 3/67 perf 6848-51,65-68,73-76 & 84-86' 12/64 perf 6,890-6,918' 3/23/62 perf 6892-95,97-6900,06-10,11-13,15-18 & 25-30' 1/65 4-1/2" 11.6# J-55 & N-80 @ 6,988' Cmnt w/ 465 sx TD 6,988'

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 575-393-3612.
- 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 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. <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

Interim Reclamation 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.

Interim reclamation consists of minimizing the footprint of disturbance by reclaiming all portions of the well site not needed for production operations. The portions of the cleared well site not needed for operational and safety purposes are recontoured to a final or intermediate contour that blends with the surrounding topography as much as possible. Sufficient level area remains for setup of a workover rig and to park equipment. Topsoil is respread over areas not needed for all-weather operations. Production facilities should be clustered to maximize the opportunity for interim reclamation. In order to inspect and operate the well or complete workover operations, it may be necessary to drive, park, and operate on restored, interim vegetation within the previously disturbed area. This is generally acceptable provided damage is repaired and reclaimed following use

To reduce final reclamation costs; maintain healthy, biologically active topsoil; and to minimize habitat, visual, and forage loss during the life of the well, all salvaged topsoil should be spread over the area of interim reclamation, rather than stockpiled.

- 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). Interim reclamation is to be completed within 6 months of well completion.
- 3. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with interim reclamation as per approved APD or Sundry Notice. 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.
- 4. 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.
- 5. 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 there are any questions, please feel free to contact any of the following specialists:

Jim Amos Supervisory Environmental Protection Specialist 575-234-5909 (Office), 575-361-2648 (Cell)

Linda Denniston Environmental Protection Specialist 575-234-5974

Jennifer Van Curen Environmental Protection Specialist 575-234-5905

Mike Burton Environmental Protection Specialist 575-234-2226

Jeffery Robertson Natural Resource Specialist

Solomon Hughes Natural Resource Specialist 575-234-5951

Douglas Hoag Civil Engineering Technician 575-234-5979