

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.**Carlsbad Field Office**
PCD ArtesiaBIA No.
NMNM113944

If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

COTTONWOOD 29 32 FED COM WCB 4H

2. Name of Operator

NEARBURG PRODUCING COMPANY

Contact: JENNIFER ELROD

Mail: jelrod@chisholmenergy.com

9. API Well No.

30-015-43705-00-X1

3a. Address

3300 NORTH A STREET BLDG 2 STE 120
MIDLAND, TX 79705

3b. Phone No. (include area code)

Ph: 817-953-3728

10. Field and Pool or Exploratory Area

PURPLE SAGE-WOLFCAMP (GAS)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 29 T26S R26E NENE 150FNL 1270FWL

11. County or Parish, State

EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Hydraulic Fracturing☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other
Drilling Operations

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 recompleat 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 recompleat 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.

ADD DV TOOL & UPDATE INTERMEDIATE CEMENT DESIGN

SC 12-13-17
Accepted for record - NMOCD

1)DV TOOL WILL BE ADDED TO THE INTERMEDIAT STRING @ APPROXIMATELY 1800'MD/TVD. THIS DEPTH MAY VARY BASED ON HOLE CONDITIOSN AND CEMENT VOLUMES WILL BE ADJUSTED. DV TOOL WILL E SET AT A MINIMUM OF 50 FEET BELOW THE PREVIOUS CASING AND MINIMUM OF 200 FEET ABOVE THE INTERMEDIATE SHOE.

2) UPDATE INTERMEDIATE CEMENT DESIGN

1ST STAGE: LEAD: 1895 SXS; TAIL: 215 SXS

DV TOOL @1800'

2ND STAGE: LEAD: 420 SXS; TAIL: 200 SXS

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #395778 verified by the BLM Well Information System

For NEARBURG PRODUCING COMPANY, sent to the Carlsbad

Committed to AFMSS for processing by PRISCILLA PEREZ on 11/26/2017 (18PP0323SE)

Name (Printed/Typed) JENNIFER ELROD

Title SENIOR REGULATORY TECH

Signature (Electronic Submission)

Date 11/21/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By MUSTAFA HAQUE

Title PETROLEUM ENGINEER

Date 12/07/2017

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.

Office Carlsbad

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)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional data for EC transaction #395778 that would not fit on the form

32. Additional remarks, continued

***PLEASE SEE ATTACHED INFORMATION SHEET

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Chisolm Energy Operating, LLC
LEASE NO.:	NMNM113944
WELL NAME & NO.:	Cottonwood 29-32 Fed Com WCB 4H
SURFACE HOLE FOOTAGE:	100 'N & 1240'/E
BOTTOM HOLE FOOTAGE	330'/S & 440'/E
LOCATION:	Section 29, T.26 S., R.26 E., NMPM
COUNTY:	Eddy County, New Mexico

All previous COAs still apply except the following:

A. CASING

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

Operator has proposed DV tool at depth of 1800', but will adjust cement proportionately if moved. DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range. If an ECP is used, it is to be set a minimum of 50' below the shoe to provide cement across the shoe. If it cannot be set below the shoe, a CBL shall be run to verify cement coverage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement to surface. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to high cave karst.** If cement does not circulate:
 - 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.
 - 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.

- If cement falls back, remedial cementing will be done prior to drilling out that string.

MHH 12072017