Form 3.2-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED

	OMB No. 1004-0137 Expires: January 31, 201
5. Lease Seri	al No. LC-070286

SUNDRY NOTICES AND REPORTS ON WELLS

SUNDRY NOTICES AND REPORTS Do not use this form for proposals to dril		6. If Indian, Allottee or Tribe Name
abandoned well. Use Form 3160-3 (APD) fo		
SUBMIT IN TRIPLICATE - Other instructions on page 2		7. If Unit of CA/Agreement, Name and/or No.
1. Type of Well		O Well Name and Na
✓ Oil Well Gas Well Other		8. Well Name and No. HUDSON FEDERAL 1-C
2. Name of Operator MEADCO PROPERTIES, LTD.	9. API Well No. 30-01510835	
3a. Address P O BOX 2236 3b. Pho MIDLAND TX 79702-2236 432-68	10. Field and Pool or Exploratory Area GOLDEN LANE (DELAWARE)	
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) 838.4' FNL & 1650' FWL, SEC 4, T-21-S, R-29-E	11. Country or Parish, State EDDY	
12. CHECK THE APPROPRIATE BOX(ES)	TO INDICATE NATURE OF NO	OTICE, REPORT OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF A	ACTION
✓ Notice of Intent ☐ Acidize ☐ Alter Casing ☐	Hydraulic Fracturing R	Production (Start/Resume) Water Shut-Off Reclamation Well Integrity
Subsequent Report Casing Repair Change Plans		Recomplete Other
Final Abandonment Notice Convert to Injection		emporarily Abandon Vater Disposal
1. PUMP 25 SX GLASS G CEMENT PLUG (2000:-1850') 5. PERF @ 1600' SQUEEZE W/25 SX (1600'-1450') 6. PERF @ 700' SQUEEZE W/25 SX (700'-550') 7. WAIT 4 HRS. TAG PLUG 8. 5 SX PLUG @ SURFACE Parf @ 60' SG 9. WELD ON CAP W/ WELL I.D. AND LOCATION LÉAVING DRILLING MUD LADEN FLUIDS MIXED @ 25 SX GEL/	Perfæd032, S Reef, Skoe, E Dzernt to Suc GWEEPHOLE	CONDITIONS OF APPROVAL
4. I hereby certify that the foregoing is true and correct. Name (Printed/Typ		DISTRICTILARTESIAO.C.I
MARILYN RUSSELL	AGENT Title	DISIMONATA
Signature Marilyn Russell	Date	4/16/2019
${\cal O}$ THE SPACE FOR	FEDERAL OR STATE O	OFICE USE
Approved by Conditions of approval, if any, are attached. Approval of this notice does not servify that the applicant holds legal or equitable title to those rights in the surplicant would entitle the applicant to conduct operations thereon.	warrant or ubject lease Office	7 Date 5-5-19

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)

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 <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 brime 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. 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 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.

 The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). 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 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.