

RECEIVED

Form 3160-3
(June 2015)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOCD Artesia
NOV 18 2019FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS DISTRICT OF ARIZONA O.C.D.**
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. LC-029415-B

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 HUDSON OIL COMPANY OF TEXAS

3a. Address 616 TEXAS STREET
FORT WORTH, TX 761023b. Phone No. (include area code)
(817) 336-7109

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

8. Well Name and No. PUCKETT B 001

9. API Well No. 38-015-05373

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

S24; T17S; R31E 660 FT. FROM THE SOUTH AND 660 FT. FROM THE WEST

10. Field and Pool or Exploratory Area
MALJAMAR11. Country or Parish, State
EDDY, NEW MEXICO

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 checked="" type="checkbox"/> Plug and Abandon | <input 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 recompletable 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 recompletable 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.)

- MIRU well service rig and plugging equipment. Unload work string. RIH with 7" Swage to possible collapsed casing @ 329'. Swage out casing.
- Set CIBP @ 3,250'. RIH with tubing and tag CIBP. Test casing to 500 psi. Displace well with 9.5 ppg mud. Spot 65 sx cement on top of CIBP. POOH with tubing and WOC. RIH with tbg and tag cement @ 3,000'. If necessary, pump additional cement to bring top to 3,000'.
- POOH with tbg. Shoot squeeze holes @ 2,040'. Squeeze cement plug from 2,040' - 1,650'. WOC. RIH and tag cement. POOH.
- RIH and perforate 7" casing @ 840'. Squeeze cement across 10-3/4" shoe from 840' - 595'. WOC. RIH and tag cement. POOH with tubing.
- RIH and perforate 7" and 8-1/4" casing @ 60'. Squeeze 50 sx cement to surface.
- Cut off well head and verify cement to surface around both casing strings. Install below ground dry hole marker.
- Cut off anchors, Rip and remove caliche, contour to surrounding topography. and reseed location.

RECLAMATION: "Rip and remove caliche, contour to surrounding topography, reseed."

SEE ATTACHED FOR
CONDITIONS OF APPROVALENTERED
IN AFMSS14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
KAREN ZORNESREGULATORY CONSULTANT
Title

Signature

Date

10/15/2019

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

SAET

Date

11-3-19

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

CFO

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)

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Hudson Oil of Texas – P&A Procedure – 10/14/2019

Puckett “B” #1

API #: 35-015-05373

AFE#:

Field: Maljamar

Surf Location: Sec 24, T17S – R31E
660' FSL & 660' FWL

Latitude: 00.0000° N / Longitude: -00.0000° W

Eddy County, NM

Spud Date: 1-21-41

Directions to Location

From Maljamar: West on Hwy 82 for 4 miles. Turn south into location.

| Description | Size | Wght | Grade | ID | Drift | Burst | Collapse | Btm MD | TOC |
|-------------|---------|------|-------|--------|--------|-------|----------|--------|------------|
| Surface | 10-3/4" | 40 | | 10.05" | 9.89" | | | 695' | |
| Production | 7" | 20 | | 4.95" | 4.825" | | | 3,302' | 2,845' Est |
| Tubing | | | | | | | | | |

KB: 3,874'

GL: 3,872'

PBTD: 3,942'

TD: 3,951'

Current Perfs: 3,302' – 3,942' Open Hole

Objective: P&A Well Bore in compliance with the rules and regulations for the state of New Mexico.

Proposed Perfs: None

Procedure

1. MIRU well service rig and plugging equipment. Unload work string. RIH with 7" Swage to possible collapsed casing @ 329'. Swage out casing.
2. Set CIBP @ 3,250'. RIH with tubing and tag CIBP. Test casing to 500 psi. Displace well with 9.5 ppg mud. Spot 65 sx cement on top of CIBP. POOH with tubing and WOC. RIH with tbg and tag cement @ 3,000'. If necessary, pump additional cement to bring top to 3,000'.
3. POOH with tbg. Shoot squeeze holes @ 2,040'. Squeeze cement plug from 2,040' – 1,650'. WOC. RIH and tag cement. POOH.

4. RIH and perforate 7" casing @ ⁸⁴⁰800'. Squeeze cement across 10-3/4" shoe from ⁸⁴⁰⁻⁶⁴⁵800' - 595'. WOC. RIH and tag cement. POOH with tubing.
5. RIH and perforate 7" and 8-1/4" casing @ 60'. Squeeze 50 sx cement to surface.
6. Cut off well head and verify cement to surface around both casing strings. Install below ground dry hole marker.
7. Cut off anchors, Rip and remove caliche, contour to surrounding topography. and reseed location.

THIS PROCEDURE HAS BEEN PROPOSED IN CONSIDERATION OF AND WITH RESPECT GIVEN TO THE MANY VARIABLES AND POTENTIAL PROBLEMS THAT MAY BE ENCOUNTERED IN THIS WELL IN THIS GEOGRAPHICAL AREA. THEREFORE, THIS PROCEDURE IS TO SERVE AS A GENERAL GUIDELINE AND WILL BE REVIEWED AND MODIFIED WHEN REQUIRED AS DETERMINED BY ACTUAL WELLBORE CONDITIONS ENCOUNTERED IN THE OPERATIONS. SAFETY AND PRUDENT PRACTICES WILL TAKE PRIORITY AT ALL TIMES.

Notify BLM Prior to any Changes to Approval

Prior to rig up of any operations and prior to the actual operations, always hold safety meeting to discuss any potential hazards, accurately record names of all personnel on location, pick meeting place, discuss evacuation plans, designate hospital of choice and have coordinates and phone numbers for care flight operations if necessary. Completely discuss the operation and/or rig-up so that all personnel understand the plan, responsibilities and any potential changes that may take place during the rig up or operation

Prepared By: Greg Milner
Petroleum Engineer

Date: 10-14-19

Operator: Hudson Oil Company of Texas
Well Name: Puckett "B" #1
Field: Maljamar-GB-SA
County/State: Eddy County, New Mexico
API Number: 30-015-05373
Lease Number: LC-029415-B
Location: Sec 24 - T17S - R31E
 660' FSL & 660' FWL

| DRILLING DETAILS | | | |
|---------------------------|---------------|----------------|------------|
| Spud Date: | 1-21-41 | KB [ft]: | 3,874' |
| TD : | 3,951 | GL [ft]: | 3,872' |
| PBTD | 3,942 | KB-GL: | 2 |
| WELLHEAD AND TREE DETAILS | | | |
| | Size & Rating | | |
| A Section: | | | |
| B Section: | | | |
| Tree: | | | |
| HOLS | | CMTING DETAILS | |
| TOL | Depth | Vol | TOC [ft]. |
| | 695 | 75 sx | |
| | 3,302' | 150 sx | 2,845' Est |
| | | | |

9-16-91 - Hit possible collapsed casing @ 329'. No tubing in hole.

Anhy @ 660'

Top of Salt @ 860'

Base of Salt @ 1,762'

Yates @ 1,990'

Queen @ 2,850'

Grayburg @ 3,240'

San Andres @ 3,640'

10-3/4" @ 695'

| Downhole Item | 3/28/1979 | Length | Depth |
|-----------------|-----------|--------|-------|
| KB Correction | | 2.00 | 2.00 |
| Lay down tubing | | | 2.00 |
| | | | 2.00 |
| | | | 2.00 |
| | | | 2.00 |

| Downhole Item | 3/28/1979 | Length | Depth | Set |
|---------------|-----------|--------|-------|------|
| Lay down rods | | | | 0.00 |
| | | | | 0.00 |
| | | | | 0.00 |
| | | | | 0.00 |

TOC @ 2,845' Est

| PERFORATION DETAILS | | | | | |
|----------------------|-----------------|---------|-----------|---------|-------|
| Zone | Gross Interval | Net Pay | Shots | IP Date | P&A'd |
| Grayburg /San Andres | 3,302' - 3,942' | 640' | Open hole | | |

| TREATMENT DETAILS | | | | | | |
|-------------------|--------|------|----------|------|--------|--------|
| Interval | [bbls] | Type | Sd [lbs] | ISIP | ATR | ATP |
| 3,302' - 3,803' | 238 | Oil | 9,000 | | 16 Bpm | 3,400# |

7" @ 3,302'

PBTD @ 3,942'
 TD @ 3,951'

| | |
|-------|-------------|
| Date: | 5/21/2019 |
| By: | Greg Milner |

Operator: Hudson Oil Company of Texas
Well Name: Puckett "B" #1
Field: Maljamar-GB-SA
County/State: Eddy County, New Mexico
API Number: 30-015-05373
Lease Number: LC-029415-B
Location: Sec 24 - T17S - R31E
 660' FSL & 660' FWL

| DRILLING DETAILS | | | |
|---------------------------|---------|----------|--------|
| Spud Date: | 1-21-41 | KB [ft]: | 3,874' |
| TD : | 3,951 | GL [ft]: | 3,872' |
| PBTD | 3,942 | KB-GL: | 2 |
| WELLHEAD AND TREE DETAILS | | | |
| Size & Rating | | | |
| A Section: | | | |
| B Section: | | | |
| Tree: | | | |

| CASING DETAILS | | | | | | CMTING DETAILS | |
|----------------|---------|------|------|-----|--------|----------------|------------|
| Hole | Size | Wght | Grde | TOL | Depth | Vol | TOC [ft] |
| | 10-3/4" | 40 | | | 695 | 75 sx | |
| 10" | 7" | 20 | | | 3,302' | 150 sx | 2,845' Est |

9-16-91 - Hit possible collapsed casing @ 329'. No tubing in hole.

Anhy @ 660'

Cmt plug 595' - 800'

10-3/4" @ 695'

Top of Salt @ 860'

Squeeze hole @ 800'

Base of Salt @ 1,762"

Yates @ 1,990'

Cmt plug 1,650' - 2,040'

Squeeze holes @ 2040'

TOC @ 2,845' Est

Queen @ 2,850'

Grayburg @ 3,240'

Cmt plug 3,250' - 3,000'

CIBP @ 3,250'
7" @ 3,302'

San Andres @ 3,640'

PBTD @ 3,942'
TD @ 3,951'

| Downhole Item | 3/28/1979 | Length | Depth |
|-----------------|-----------|--------|-------|
| KB Correction | | 2.00 | 2.00 |
| Lay down tubing | | | 2.00 |
| | | | 2.00 |
| | | | 2.00 |
| | | | 2.00 |

| Downhole Item | 3/28/1979 | Length | Depth Set |
|---------------|-----------|--------|-----------|
| Lay down rods | | | 0.00 |
| | | | 0.00 |
| | | | 0.00 |
| | | | 0.00 |

| PERFORATION DETAILS | | | | | |
|-----------------------|-----------------|---------|-----------|---------|-------|
| Zone | Gross Interval | Net Pay | Shots | IP Date | P&A'd |
| Grayburg /San Andress | 3,302' - 3,942' | 640' | Open hole | | |

| TREATMENT DETAILS | | | | | | |
|-------------------|--------|------|----------|------|--------|--------|
| Interval | [bbls] | Type | Sd [lbs] | ISIP | ATR | ATP |
| 3,302' - 3,803' | 238 | Oil | 9,000 | | 16 Bpm | 3,400# |

| | |
|-------|-------------|
| Date: | 10/14/2019 |
| By: | Greg Milner |

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 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.

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. 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 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. 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 brine 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. 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. 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. 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 will be required. See attached reclamation objectives.

Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:

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