Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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FORM APPROVED OMB NO. 1004-0137

5. Lease Serial No. NMNM115403

SUNDRY NOTICES AND REPORTS ON WELLS 19 2019 Do not use this form for proposals to drill or to re-entended 19 2019 abandoned well. Use form 3160-3 (APD) for such proposals.

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions of 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. DARK CANYON 19 FEDERAL 1	
Name of Operator Contact: ADRIAN COVARRUBIAS MARATHON OIL PERMIAN LLC E-Mail: ADRIAN.COVARRUBIAS@ARCADIS.COM					9. API Well No. 30-015-35921-00-S1	
3a. Address 5555 SAN FELIPE ST HOUSTON, TX 77056	3b. Phone No. (i Ph: 8067526	nclude area code) 153		10. Field and Pool or Exploratory Area BANDANA POINT		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					11. County or Parish, State	
Sec 24 T23S R24E NENE 370FNL 100FEL					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 ■ Notice of Intent Notice of Inten	☐ Acidize ☐ Deepen ☐ Produc			☐ Production	on (Start/Resume)	☐ Water Shut-Off
_	☐ Alter Casing	☐ Hydra	Hydraulic Fracturing 🔲 F		tion	■ Well Integrity
☐ Subsequent Report	☐ Casing Repair ☐ New		Construction	☐ Recompl	lete	☐ Other
☐ Final Abandonment Notice	☐ Change Plans		🔀 Plug and Abandon		☐ Temporarily Abandon	
	☐ Convert to Injection ☐ P		g Back		isposal	
If the proposal is to deepen directionally or recomplete 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 recompletion 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. 1. UNSET PACKER AND POOH ORIGINAL PRODUCTION TBG 2. RIH W/ 4.5" CIBP AND SET @ 10,100 AND TAG CIBP 3. SPOT 30 SXS OF CLASS H CMT ON TOP OF CIBP 4. P.S. 70 SXS OF CLASS H CMT ON TOP OF CIBP 4. P.S. 70 SXS OF CLASS H CMT F/9,290' - T/9,100'; WOC AND TAG SAME SPOT 25 SMILL CO43 - 6. P.S. 45 SXS OF CLASS C CMT F/4,8095' - T/7,914'; WOC AND TAG SAME SPOT 25 SMILL CO43 - 7. P.S. 45 SXS OF CLASS C CMT F/4,8005' - T/4,662'; WOC AND TAG SAME SPOT 25 SMILL CO43 - 8. P.S. 70 SXS OF CLASS C CMT F/4,087' - T/9,76'; WOC AND TAG SAME SPOT 25 SMILL CO43 - 7. P.S. 45 SXS OF CLASS C CMT F/4,087' - T/9,76'; WOC AND TAG SAME SPOT 25 SMILL CO43 - 7. P.S. 500 SXS OF CLASS C CMT F/4,087' - T/9,76'; WOC AND TAG SAME SPOT 25 SMILL COMPANY OF TAKE SMILL						
14. I hereby certify that the foregoing is true and correct. Electronic Submission #490555 verified by the BLM Well Information System For MARATHON OIL PERMIAN LLC, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 10/31/2019 (20DLM0104SE) Name (Printed/Typed) ADRIAN COVARRUBIAS Title ENVIRONMENTAL ENGINEER						
Numeri Fineur Typeur ADICIAIN C	OVAINIODIAG		THE ENVINC	ZINIVIEN I AL I	ENGINEER	
Signature (Electronic Submission) Date 10/31/2019						
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved By James	a.Comos		Title 5	PAET		11-2-19 Date
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						
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Ne 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.

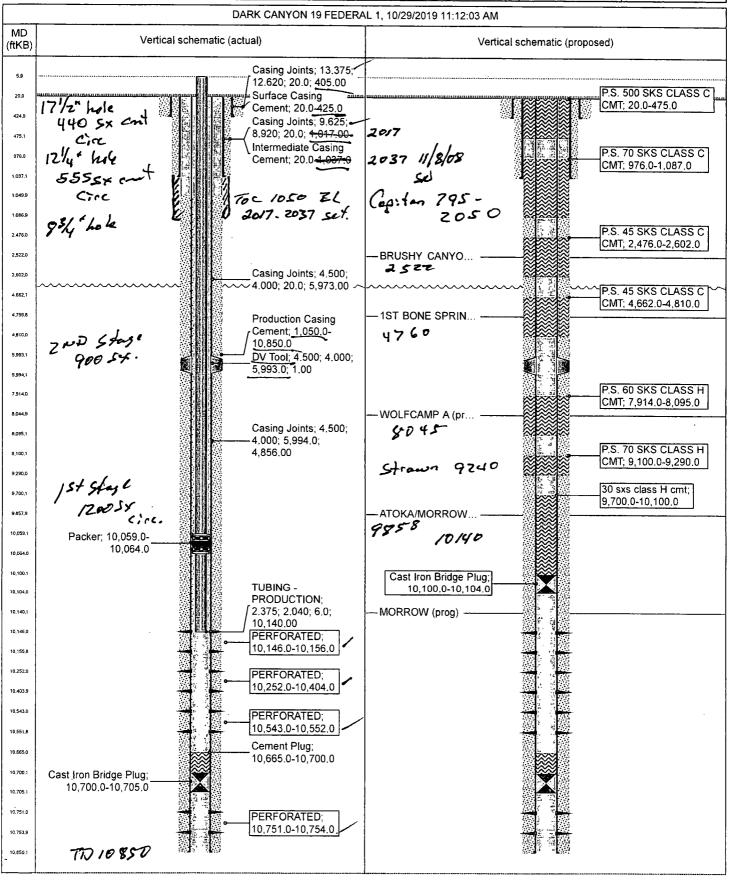


Marathon Oil

www.marathonoil.com

Wellbore Schematic Well Name: DARK CANYON 19 FEDERAL 1

Latitude (° Longitude (°) North/South Distance (ft) North/South Reference NEW MEXICO UNITED STATES **ROCK TANK** 32.29573500 -104.44354000 370.0 FNL API/ IPO UWI KB-Ground Distance (ft) KB-Mud Line Distance (ft) Ground Elevation (ft) Drilling Rig Spud Date Well Original Completion Dat Well First Production Date 3001535921 20.00 3.781.00 9/30/2014



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Report Printed: 10/29/2019

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.
- 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. <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 heu 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 and the contacted in cement, unless otherwise and the contacted 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.