

RECEIVED

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010Farmington Field
Bureau of Land Management**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.5. Lease Serial No.
NM 010063

6. Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
Roddy Production Co.3a. Address
PO Box 2221 Farmington NM 874993b. Phone No. (include area code)
432 557 6778

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

8. Well Name and No.
Lucerne Federal #5R9. API Well No.
30-045-2944910. Field and Pool or Exploratory Area
West Kutz Pictured Cliffs

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

790' FSL x 1850' FEL, S-17, T28N, R11W

11. Country or Parish, State
San Juan County New Mexico

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

TYPE OF SUBMISSION

TYPE OF ACTION

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

Roddy Production plans to plug and abandon the Lucerne Federal #5R per the attached procedure.

A closed loop system will be used for waste fluid handling.

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

OIL CONS. DIV DIST. 3

AUG 29 2010

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Jeremy Divine

Title Foreman

Signature

Date 08/17/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title PE

Date 8/24/16

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 FFO

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)

NMOCDTV

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment.

NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

PLUG AND ABANDONMENT PROCEDURE

August 16, 2016

Lucerne Federal 5R

West Kutz Canyon

790' FSL, 1850' FEL, Section 17, T28N, R11W, San Juan County, New Mexico

API 30-045-29449 / Long _____ / _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. This project will use an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes _____, No X, Unknown _____.
Tubing: Yes X, No _____, Unknown _____, Size 2-3/8", Length 1754'.
Packer: Yes _____, No X, Unknown _____, Type _____.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.
4. **Plug #1 (Pictured Cliffs interval and Fruitland top, 1681' – 1455')**: RIH and set 4.5" cement retainer at 1681'. Pressure test tubing to 1000 PSI. Load casing with water and circulate well clean. Pressure test casing to 800#. **If the casings do not test, then spot or tag subsequent plugs as appropriate.** Circulate well clean. Mix 21 sxs Class B cement inside casing above CR to isolate the PC interval and cover through the Fruitland top. PUH.
5. **Plug #2 (Kirtland and Ojo Alamo tops, 670' – 463')**: Mix and pump 20 sxs Class B cement and spot a balanced plug inside casing to cover through the Ojo Alamo top. TOH.
6. **Plug #3 (7" surface casing shoe, 276' - Surface)**: Perforate 4 squeeze holes at 200'. Establish circulation out bradenhead with water and circulate the BH annulus clean. TIH with tubing to 276'. Mix approximately 41 sxs Class B cement from 276' to surface; squeeze 20 sxs outside annulus from 200' to surface and leave 21 sxs inside casing to surface. Shut in well and WOC.
7. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and cut off anchors. Restore location per BLM stipulations

Lucerne Federal #5R Current

West Kutz Pictured Cliffs

790' FSL & 1850' FEL, Section 17, T-28-N, R-11-W, San Juan County, NM

Lat: _____ / Long: _____ / API 30-045-29449

Today's Date: 8/16/16
Spud: 12/29/97
Comp: 1/24/98
Elevation: 5770' GL

8.75" hole

Ojo Alamo @ 513'

Kirtland @ 620'

Fruitland @ 1505'

Pictured Cliffs @ 1728'

6.25" hole

TOC @ 204' (1998 CBL)

7", 20# Casing set @ 226'
Cement with 109.25 cf, circulated to surface

2-3/8" tubing at 1754' KB
(55 jts, NC and SN)

Pictured Cliffs Perforations:
1731' - 1765'

4.5", 10.5# casing set at 1895'
Cement with 335.6 cf

1896' TD
1846' PBD

Lucerne Federal #5R Proposed P&A

West Kutz Pictured Cliffs

790' FSL & 1850' FEL, Section 17, T-28-N, R-11-W, San Juan County, NM

Lat: _____ / Long: _____ / API 30-045-29449

Today's Date: 8/16/16
Spud: 12/29/97
Comp: 1/24/98
Elevation: 5770' GL

8.75" hole

Ojo Alamo @ 513'

Kirtland @ 620'

Fruitland @ 1505'

Pictured Cliffs @ 1728'

6.25" hole

Plug #3: 276' - 0'
Class B cement, 41 sxs

Perforate @ 200'

TOC @ 204' (1998 CBL)

7", 20# Casing set @ 226'
Cement with 109.25 cf, circulated to surface

Plug #2: 670' - 463'
Class B cement, 20 sxs

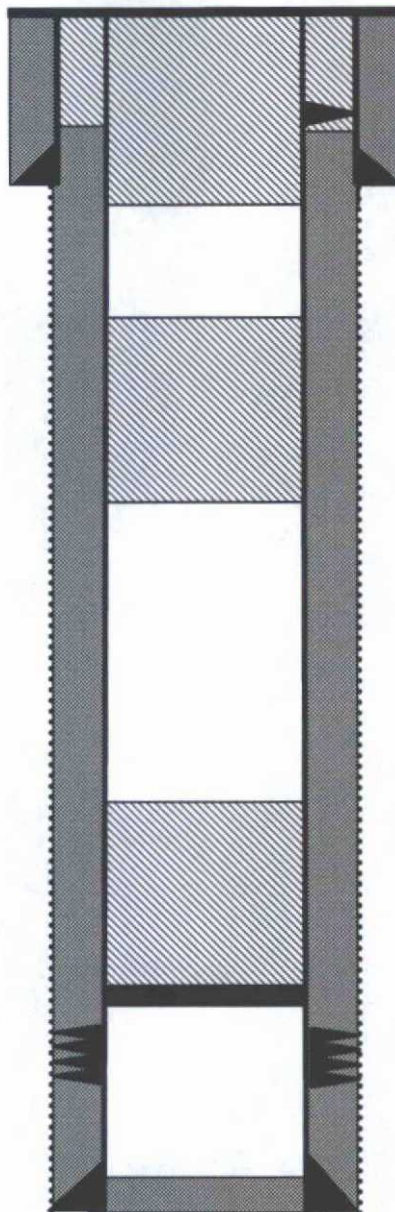
Plug #1: 1681' - 1455'
Class B cement, 21 sxs

Set CR @ 1681'

Pictured Cliffs Perforations:
1731' - 1765'

4.5", 10.5# casing set at 1895'
Cement with 335.6 cf

1896' TD
1846' PBTB



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Lucerne Federal #5R

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.
3. The following modifications to your plugging program are to be made:
 - a) Bring the top of plug #1 to **1368 ft.** to cover the Fruitland top. **BLM picks top of Fruitland at 1418 ft.** Adjust cement volume accordingly.
 - b) Set plug #2 (**720-462**) **ft.** to cover the Kirtland and Ojo Alamo tops. **BLM picks top of Kirtland at 670 ft. BLM picks top of Ojo Alamo at 512 ft.**

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.