Form 3160-5 (November 1994)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

FORM APPROVED OMB No. 1004-0135 Expires July 31, 1996

5. Lease Serial No.

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	s form for proposals to (Use Form 3160-3 (APD)				6. If Indian, Allo	ttee or Tribe Name		
	ICATE – Other instru	ctions	on reversi	e side	7. If Unit or CA/	Agreement, Name and/or No.		
1. Type of Well	☐ Other							
Oil Well Gas Well Name of Operator	8. Well Name and No. Central Bisti Unit 61							
Elm Ridge Resources, Inc.					9. API Well No.	Offic of		
3a. Address		3b. Pho	ne No. (include d	area code)	30-045-05495			
PO Box 189 Farmington, NM 8	37499	505-63				10. Field and Pool, or Exploratory Area		
4. Location of Well (Footage, Sec., T., R.						Bisti Lower Gallup		
1980' FNL & 1980' FEL					11. County or Parish, State			
Sec. 9-T25N-R12W					San Juan, New Mexico			
12. CHECK APPROPRIATE BOX(E	S) TO INDICATE NATURE (OF NOTI	CE, REPORT,	OR OTHER DA	ATA			
TYPE OF SUBMISSION	TYPE OF ACTION							
Notice of Intent	Acidize Alter Casing	=	ure Treat	Production Reclamation Recomplete		Water Shut-Off Well Integrity		
Subsequent Report	Casing Repair Change Plans	=	Construction and Abandon	Temporarily		Other		
Final Abandonment Notice	Convert to Injection	= *	Back	Water Disp				
Testing has been completed. Final Abordetermined that the site is ready for final inspect. Elm Ridge Resources, Inc. pla	rton.) ns to plug and abandon t	he Cent	ral Bisti Uni					
approved procedure already fil	ed and attached for your	review.				2001 MAY		
			ANSTERNA TO THE PROPERTY OF TH	MAY 2001		7		
			(<u>C</u>			<u> </u>		
			E.			?		
					· •	-		
14. I hereby certify that the foregoing is tr	ue and correct			Kori.				
Name (Printed/Typed) Trudy G	Title	Production Technician						
Signature N	Date		Ма	y 15, 2001				
<i>l</i>	THIS SPACE	for fet	ERAL OR STA	ITE USE				
Approved by			Title		Date			
Conditions of approval, if any, are attached certify that the applicant holds legal or equ which would entitle the applicant to conduc	itable title to those rights in the sub t operations thereon.	oject lease	Office CCEPTED FOR RECORL					
Title 18 U.S.C. Section 1001, makes it a crifraudulent statements or representations as t	me for any person knowingly and v o any matter within its jurisdiction.	willfully to	make to any depa	artment or agency of	of the United States as	ny false, fictitious or		

(Instructions on reverse)

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DEPARTMENT OF THE INTERIOR

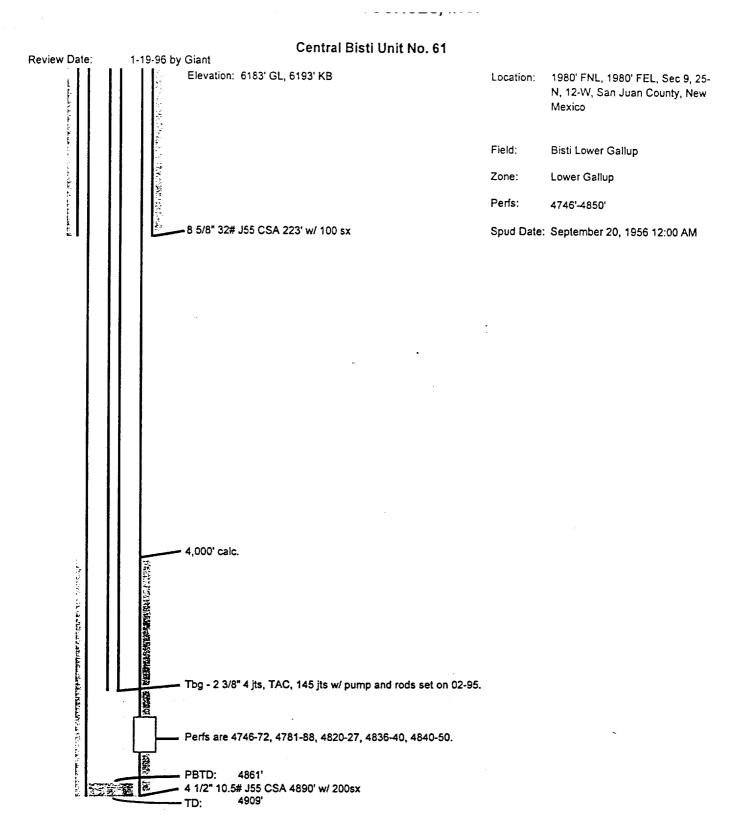
FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993 **UNITED STATES** 5. Lease Designation and Serial No.

DLI ARTIV	OF LAND MANAGEMENT	NM 036234A					
BUREAU C	6. If Indian, Allottee or Tribe Name						
SUNDRY NOTIC	1. 7.1						
Do not use this form for proposals	7. If Unit or CA. Agreement Designation						
	ON FOR PERMIT" for such proposals						
SUBMIT I	Central Bisti Unit						
1. Type of Well		8. Well Name and No.					
X Oil Well Ga	as Well Other	Central Bisti Unit No. 61					
2. Name of Operator		9. API Well No.					
Central Resources, Inc.		30-045-05495					
3. Address and Telephone No.		10. Field and Pool, or Exploratory Area					
P.O. Box 1247, Bloomfield, New	Mexico 87413 (505)-632-3476	Bisti Lower Gallup					
4. Location of Well (Footage, Sec., T., R., M	., or Survey Description)	11. County or Parish, State					
1980' FNL, 1980' FEL, Sec 9, T2	5N, R12W	San Juan, New Mexico					
12. CHECK APPROPRIATE BOX(s) TO	DINDICATE NATURE OF NOTICE, REPORT, OR O						
TYPE OF SUBMISSION	TYPE OF ACT	ION					
	X Abandonment	Change of Plans					
X Notice of Intent	Recompletion	New Construction					
	Plugging Back	Non-Routine Fracturing					
Subsequent Report	Casing Repair	Water Shut-Off					
·	Altering Casing	Conversion to Injection					
Final Abandonment Notice	Other	Dispose Water					
		(Note: Report results of multiple completion on Well					
		Completion or Recompletion Report and Log form.)					
	Clearly state all pertinent dates, including estimated date of starti						
directionally drilled, give subsurface locations	and measured and true vertical depths for all markers and zones	pertinent to this work.)					
	o plug the well in accordance with regulations. Pr	• •					
well will be plugged as specified	. Perforate and squeeze will be used unless casin						
Proposed procedure:	Conditions of April	ROVAL					
a. Notify the Farmington BLM office at 505-599-8907 24 hours prior to commencement of plugging operations.							
b. Spot a cement plug through tubing from 4500' - 4648' to cover Gallup top @ 4648'.							
c. Perforate and squeeze cement from 1850' - 1960' to cover the Mesaverde top @ 1960' inside and outside the casing.							
d. Perforate and squeeze cement from 950 - 1095 to cover the Pictured Cliffs top @ 1095 inside and outside the casing.							
e. Perforate and squeeze cement from $6\frac{20}{203} - \frac{763}{203}$ to cover the Frutiland top @ $\frac{263}{203}$ inside and outside the casing.							
f. Perforate and squeeze cement from 200'-275' to cover the surface casing shoe inside and outside the production casing.							
g. Perforate and squeeze cement from surface to 50' inside and outside the production casing.							
h. Cut wellhead and install dry hole marker. Clear and remediate location.							
14. I hereby ceptify that the foregoing is true	and correct						
Signed Horney 2 Son	Title District Manager	Date February 15, 2000					
Podrav I Stole							

(This space for Federal or State office use) ACTING Date Approved by Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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 manner within its jurisdiction.

*See Instruction on Reverse Side



BLM CONDITIONS OF APPROVAL

The following surface rehabilitation Conditions of Approval must be complied with as applicable, before this well can be approved for final abandonment (see 43 CFR 3162.3-4). Surface rehabilitation work shall be completed within one year of the actual plugging date. Notification for completion of this work can be submitted with a Sundry Notice.

- 1. All fences, production equipment, purchaser's equipment, concrete slabs, deadman (anchors), flowlines, risers, debris and trash must be removed from the location.
- 2. Production pits will be closed according to the Unlined Surface Impoundment Closure Guidelines, as approved in the Environmental Assessment of December 1993. Any oil stained soils may be remediated on-site according to these guidelines or disposed of in an approved disposal facility.
- 3. The well pad will be shaped to the natural terrain and left as rough as possible. All compacted areas and areas devoid of vegetation shall be ripped to a minimum of 12" before seeding.
- 4. Access roads will be shaped to conform to the natural terrain and left as rough as possible to detour vehicular travel. Access will be ripped to a minimum of 12" in depth and waterbarred prior to seeding. All erosion problems created by the development must be corrected prior to acceptance of release. Waterbars should be spaced as shown below:

% Slopes	Spacing Interval
Less than 20%	200'
2 to 5%	150'
6 to 9%	100'
10 to 15%	50'
Greater than 15%	30'

All water bars should divert to the downhill side of the road.

- 5. All disturbed areas will be seeded with the prescribed certified seed mix (reseeding may be required).
- 6. Notify Surfacing Managing Agency seven (7) days prior to seeding so that they may be present for that option.
- 7. The period of liability under the bond of record will not be terminated until the lease is inspected and the surface rehabilitation approved.

Other SMA's may vary slightly in their restoration requirements. It is your responsibility, as the operator, to obtain surface restoration requirements from other SMA's. We need to be provided with a copy of these requirements. Any problems concerning stipulations received from other SMA's should be brought to us.

On private land, we should be provided with a letter from the fee owner stating that the surface restoration is satisfactory.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FARMINGTON FIELD OFFICE

1235 LA PLATA HIGHWAY FARMINGTON, NEW MEXICO 87401

Attachment to notice of

Re: Permanent Abandonment

Intention to Abandon:

Well: 61 Central Bisti Unit

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. Mike Flanikan with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
- 3. The following modifications to your plugging program are to be made:
- a) Place the Mesaverde plug from 1907' 1807' inside and outside the 4 ½" casing.
- b) Place the Pictured Cliffs plug from 1170' 1070' inside and outside the 4 ½" casing.
- c) Place the Fruitland plug from 840' 740' inside and outside the 4 ½" casing.
- d) Combine the surface casing shoe plug and the surface plug from 273' to surface to cover the Ojo Alamo.

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

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

GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON DISTRICT OFFICE

- 1.0 The approved plugging plans may contain variances from the following minimum general requirements.
- 1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Farmington District office, Branch of Drilling & Production.
- 1.2 Requirements may be added to address specific well conditions.
- 2.0 Materials used must be accurately measured.
- 3.0 A tank or approved pit must be used for containment of any fluids from the wellbore during plugging operations and all unattended pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.
- 3.1 Pits are not to be used for disposal of any constituent(s) of concern.
- 4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
- 4.1 The cement shall be as specified in the approved plugging plan.
- 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
- 4.3 Surface plugs may be no less than 50' in length.
- 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
- 4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.
- 5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by: (1) tagging with the work string, or: (2) for cased holes only; pressuring to a minimum surface pressure of 500 PSI, with no more than a 10% drop during a 15-minute period.
- 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.

- 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer.
- 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.
- 6.0 All wells are to be controlled by means of a wellbore fluid that is to be of a weight and consistency necessary to stabilize the wellbore. Wellbore fluid shall be left in place as filler between all plugs.
- 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
- 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.
- 7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H_2S .
- 8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the District Manager, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.
- 9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.
- All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.