Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED OMB NO 1004-0135

	OMD N	O II	JU4-	v
	Expires.	July	31,	2
ease Seri	al No			

SUNDRY NOTICES AND REPORTS ON WELLS

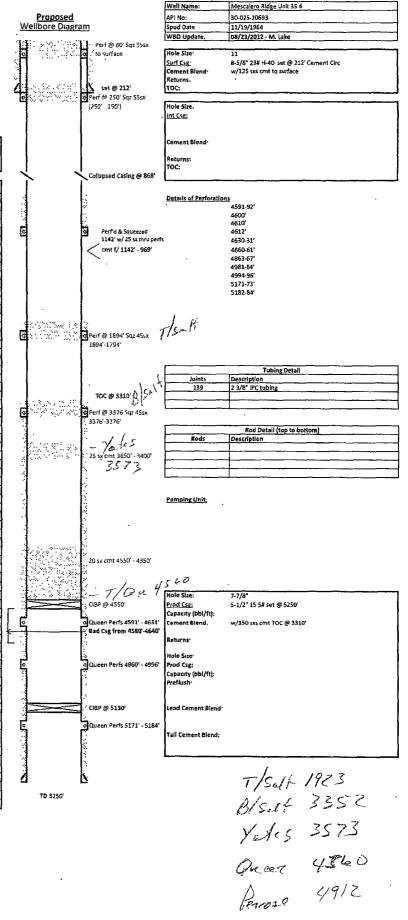
NMNM052

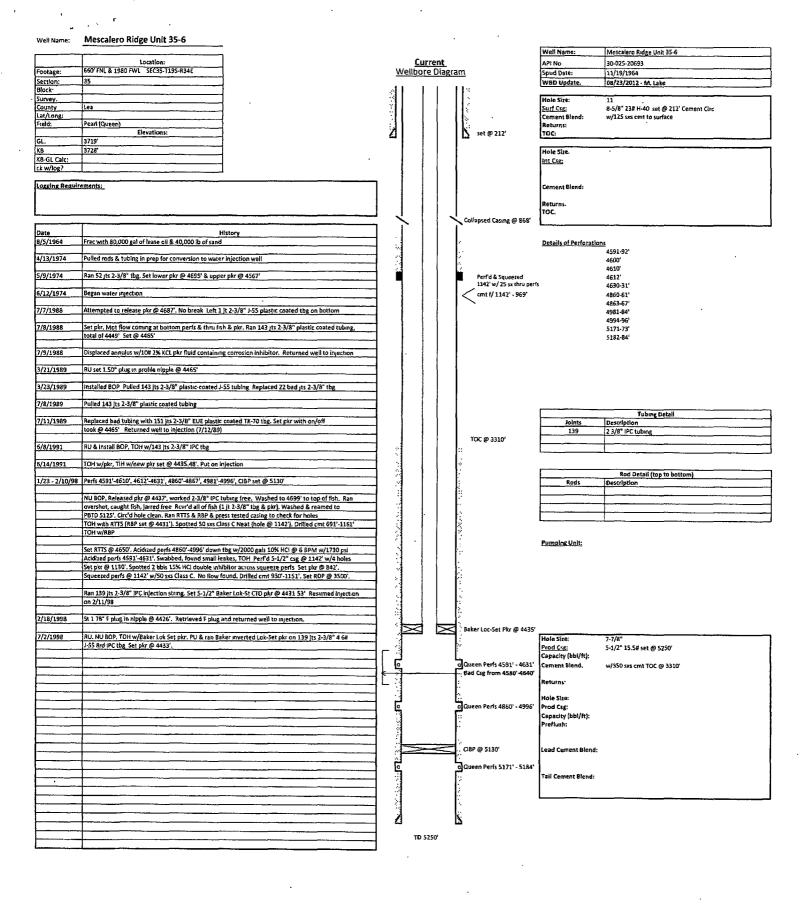
Do not use the abandoned we	is form for proposals to d II. Use form 3160-3 (APD	drill or to re-enter a) for such proposi	IN HOBBS COS	6. If Indian, Allottee	or Tribe Name
SUBMIT IN TRI	PLICATE - Other instruct	ions on reverse si	de.OCT 02 2012	7 If Unit or CA/Agre	ement, Name and/or No.
1 Type of Well ☐ Gas Well ☒ Ott	per INJECTION		RECEIVED	8 Well Name and No MESCALERO RI	
2 Name of Operator LINN OPERATING, INC.	Contact E-Mail: tcallahan@l	ERRY B CALLAHA Innenergy.com	N	9. API Well No. 30-025-20693	
3a. Address 600 TRAVIS STREET SUITE HOUSTON, TX 77002		3b. Phone No (include Ph: 281-840-4272		10. Field and Pool, or GRAYBURG JA	Exploratory ACKSON; SP-Q-G-S-
4 Location of Well (Footage, Sec., 7	, R, M, or Survey Description)			11. County or Parish,	and State
Sec 35 T19S R34E Mer NMP 32.622280 N Lat, 103.533132		. √		LEA COUNTY,	NM/
12. CHECK APPI	ROPRIATE BOX(ES) TO	INDICATE NATU	RE OF NOTICE, R	REPORT, OR OTHE	R·DATA
TYPE OF SUBMISSION			TYPE OF ACTION		
- Notice of Intent	☐ Acidize	□ Deepen	□ Produc	ction (Start/Resume)	□ Water Shut-Off
Notice of Intent	Alter Casing	Fracture Tre	at Reclan	nation	☐ Well Integrity
☐ Subsequent Report	Casing Repair	□ New Constr	iction Recom	plete	Other
Final Abandonment Notice	Change Plans	Plug and Ab	andon 🗖 Tempo	rarıly Abandon	_
_	Convert to Injection	Plug Back	□ Water	Disposal	
PROPOSED PLUGGING PROPOSED PLUGGING EQUIP. 1. MIRU PLUGGING EQUIP. 2. POH W/PKR & TBG. RIH CEMENT ON TOP OF PLUG. 3. SPOT 25 SXS CMT @ 365 4. PERF @ 3376' AND SQZ 4 5. PERF @ 1894' AND SQZ 4 6. PERF @ 250'-& SQZ 55 SX 7. PERF @ 60' & SQZ 55 SX 8. CUT OFF WELLHEAD AN	NU BOP. W/CIBP & SET AT 4550'. 4550-4350'. 50-3400 (YATES). 45 SXS (3376-3276) WOC 45 SXS (1894-1794) WOC XS (250-150) WOC & TAG S TO SURFACE.	& TAG. (BTM OF & TAG. (TOP OF i. (SHOE)	SALT) SALT) (@ Z&Z -	172 woc	Tay
		1		E ATTACHED F	- · ·
Ground level Dry 1		equired.	C01	<u>VDITIONS OF</u>	<u>APPROVAL</u>
14 I hereby certify that the foregoing is	Electronic Submission #14 For LINN O	PERATING, NC., se	nt to the Hobbs	* RECLAM	ATION PROCEDURE
Name(Printed/Typed) TERRY B	Committed to AFMSS for CALLAHAN	Title	REGULATORY SP	7/2012 ()	ATTACHED
Signature (Electronic S	Submission)	Date	08/24/2012		
	THIS SPACE FOI	R FEDERAL OR	STATE OFFICE U	SE	
Approved By James Co	2. Omos	Title	SEPS		Date 9.28-12
Conditions of approval, if any, are attache certify that the applicant holds legal erectivities the applicant to condition the condition of th	nitable title to those rights in the screen	Office			
Fitle 18 U.S C Section 1001 and Title 43 States any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a c statements or representations as t	rime for any person kno o any matter within its j	wingly and willfully to n irisdiction.	nake to any department or	agency of the United

	Location:	
Footage:	660' FNL & 1980 FWL SEC35-T195-R34E	
Section:	35	
Block.		
Survey:		
County.	Lea	_
Lat/Long:		
Field	Pearl (Queen)	
	Elevations:	
GL:	3719'	
KB.	3728'	
KB-GL Calc:		
ek w/log2		_

Logging Requirements:

]			
Date	History			
8/5/1964	Frac with 80,000 gal of lease oil & 40,000 lb of sand			
4/13/1974	Pulled rods & tubing in prep for conversion to water injection well			
Ciclipa	Ran 52 jts 2-3/8" tbg Set lower pkr @ 4695' & upper pkr @ 4557'			
5/9/1974	LYBIL 25 Jrg 5-2/9, CDB, 26c jowes, byt, fin 4032, 9c obbes, byt, fin 4393.			
- (- n (1 a n (
6/12/1974	Began water injection			
7/7/2020	100 CONT No. 1 CONT NO			
7/7/1988	Attempted to release pkr @ 4687'. No break. Left 1 jt 2-3/8" J-55 plastic coated the on bottom			
7/0/1000	Est mire Adul Saura anno at hassay and S they Sah & who Can 142 to 2 3/9" physic contact when			
7/8/1988	Set pkr Mot flow coming at bottom perfs & thru fish & pkr. Ran 143 jts 2-3/8" plastic coated tubing, total of 4449'. Set @ 4455'.			
	TO(3) Of 4449 , Set @ 4465 .			
7/9/1988	Displaced annulus w/10# 2% KCL pkr fluid containing corrosion inhibitor. Returned well to injection			
7/3/1388	Displaced amounts w/ 10# 2% KCE ptr ribid containing corresion instantor. Returned went of injection			
3/21/1989	RU set 1.50" plug in profile nipple @ 4465"			
3/21/1903	NO set 120 bink to brown white Grant			
2/22/1000	Installed BOP. Pulled 143 jts 2-3/8" plastic-coated J-55 tubing. Replaced 22 bad jts 2-3/8" tbg.			
3/23/1989	Installed BOP. Pulled 143 jts 2-3/8" plastic-coated 1-35 tuding, Replaced 22 dad jts 2-3/8" tog,			
7/11/12000	Dulled 142 to 2 2/02 wheath control to have			
7/8/1989	Pulled 143 its 2-3/8" plastic coated tubing			
7/11/1000	Replaced bad tubing with 151 jts 2-3/8" EUE plastic coated TK-70 tbg. Set pkr with on/off			
7/11/1989	took @ 4465'. Returned well to Injection (7/12/89)			
	TOOK & 4403 . RETURNED WELLSO INJECTION (1/12/03)			
5/8/1991	RU & install 80P, TOH w/143 jts 2-3/8" IPC tbg			
010/1331	TRO WINSON DOT, TOT W/145 JO 2-5/8 TPC IDS			
5/14/1991	TOH w/pkr, TiH w/new pkr set @ 4435.48' Put on injection			
0/14/1331	TOTA W/PRI, III W/IIEW PRI SET @ 4455.712 FULCIT INJECTION			
1/23 - 2/10/98	Perts 4591'-4610', 4612'-4631', 4860'-4867', 4981'-4996', CIBP set @ 5130'			
1/23-2/10/96	FEIS 4551 4010, 4012 4052, 4000 4007, 4501 4550, CDF 361 @ 5650			
	NU BOP. Released pkr @ 4437', worked 2-3/8" IPC tubing free Washed to 4699' to top of fish. Ran			
····	overshot, caught fish, Jarred free Royr'd all of fish (1 jt 2-3/8" tbg & pkr). Washed & reamed to			
	PBTD 5125' Circ'd hole clean, Ran RTTS & RBP & press tested casing to check for holes.			
	TOH with RTTS (RBP set @ 4431'). Spotted 50 sxs Class C Neat (hole @ 1142'), Orilled cmt 591'-1161'			
	TOH W/RBP			
	On Winst			
	Set RTTS @ 4650' Acidized perfs 4860'-4996' down the w/2000 gals 10% HCI @ 6 8PM w/1730 psi			
 	Acidized perts 4591'-4631' Swabbed, found small leakes, TOH Pert'd 5-1/2" csg @ 1142' w/4 holes			
	Set pkr @ 1130', Spotted 2 bbls 15% HCl double inhibitor across squeeze perfs. Set pkr @ 842'			
<u> </u>	Squeezed perfs @ 1142' w/50 sxs Class C No flow found. Drilled cmt 930'-1151', Set RDP @ 3500'			
	Squeezed pens @ 1142 W/30 3xs class C No now routo, ornigo taik 530 -7151 , Set KDF @ 3500			
	Ran 139 jts 2-3/8" IPC injection string, Set 5-1/2" Baker Lok-St CTD pkr @ 4431.53" Resumed injection			
	on 2/11/98.			
	[UII 2/21/30.			
2/10/1000	Co 2 70" Cultura mineta (0 4425). Both and Cultura and return edited be belowfor			
2/18/1998	St 1.78" F plug in nipple @ 4426'. Retrieved F plug and returned well to injection.			
7/2/1998	RU, NU BOP, TOH w/Baker Lok Set pkr PU & ran Baker inverted Lok-Set pkr on 139 jts 2-3/8" 4 6#			
1/2/1998				
 	J-55 8rd IPC tbg Set pkr @ 4433'.			
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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 **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 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. <u>Dry Hole Marker</u>: 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. <u>Subsequent Plugging Reporting</u>: 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 procedure.

J. Amos 3/6/11

Requirements for ground level dry hole markers <u>Well Identification Markers</u> Conditions of Approval (COA)

The BLM Carlsbad Field Office (CFO) Conditions of Approval (COA) Requires that ground level dry hole markers be placed on well within the Lesser Prairie Chicken habitat area. The dry hole markers will be to the following specifications. The operator will construct the markers as follows:

- 1. An 8 inch X 8 inch steel plate 1/8 to 3/16 of an inch thick is to be placed on the old dry hole marker stand pipe 2 inches from ground level, in the Lesser Prairie Chicken habitat area.
- 2. Steel plate may be welded or bolted approximately 2 inches from ground level on the stand pipes. If plates are bolted to the stand pipe, the person installing the plate will be required to weld a pipe collar on the plate and place a minimum of two set screws/bolt on each collar. Aluminum data plates may be bolted with minimum ¼ inch bolt and locking nuts or self tapping fine threaded screws. A minimum of one in each corner is to be installed on each plate.
- 3. An 8 inch x 8 inch aluminum plate, which is 12 gauge or .080 sign material (1/8 inch aluminum plate may be used in place of the .080 plate) with the required information for that well stamped or engraved in a minimum 3/8 inch tall letter or number.
- 4. The following information will be stamped or engraved on the 8 inch X 8 inch aluminum plate in the following order.
 - a. First row: Operators name
 - b. Second row: Well name and number
 - c. Third row: Legal location to include ¼ ¼, Section, Township, and range. If the legal location cannot be placed on one row it can be split into two rows with the ¼ ¼ (example: 1980 FNL 1980 FWL) being on the top row.
 - d. Fourth row: Lease Number and API number.
 - i. Example marker plate: (attached)

NMOCD Order No. R-12965 also required 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 ground level dry hole marker was installed as required in the COA's from the BLM.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E. Greene St Carlsbad, New Mexico 88220-6292 www.blm.gov/nm



In Reply Refer To. 1310

Reclamation Objectives and Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses. At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its predisturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, redistribute the native soils, provide erosion control as needed, rip and seed as specified in the original APD COA. This will apply to well pads, facilities, and access roads Barricade access road at the starting point If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

- The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of
 Operations must include adequate measures for stabilization and reclamation of disturbed lands.
 Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD
 process as per Onshore Oil and Gas Order No. 1.
- 2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
- 3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
- 4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation

equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

- 5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
- 6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
- 7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos Supervisory Environmental Protection Specialist 575-234-5909, 575-361-2648 (Cell)

Terry Gregston Environmental Protection Specialist 575-234-5958

Bobby Ballard Environmental Protection Specialist 575-234-2230

Randy Rust Natural Resource Specialist 575-234-5943

Linda Denniston Environmental Protection Specialist 575-234-5974

Jennifer Van Curen Environmental Protection Specialist 575-234-5905

Justin Frye Environmental Protection Specialist 575-234-5922 Cody Layton Natural Resource Specialist 575-234-5959

Trishia Bad Bear Natural Resource Specialist 575-393-3612

Todd Suter Surface Protection Specialist 575-234-5987

Doug Hoag Civil Engineering Technician 575-234-5979

Tanner Nygren Natural Resource Specialist 575-234-5975

John Fast Natural Resource Specialist 575-2345996