

Well Name: MADERA 25 FEDERAL	Well Location: T26S / R34E / SEC 25 / NWNE /	County or Parish/State: LEA / NM
Well Number: 2H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM65441	Unit or CA Name: MADERA 25 FED COM 2H	Unit or CA Number: NMNM134664
US Well Number: 3002540633	Well Status: Producing Oil Well	Operator: MARATHON OIL PERMIAN LLC

Notice of Intent

Type of Submission: Notice of Intent	Type of Action Plug and Abandonment
Date Sundry Submitted: 01/28/2021	Time Sundry Submitted: 07:52
Date proposed operation will begin: 04/01/2021	

Procedure Description: 1. MIRU NDWH, NUBOP 2. POOH with production equipment 3. RU WL, RIH set CIBP @ 8816'. Tag BP circulate well with MLF. 4. Spot 25 sxs @8816'-8716'. 5. Spot 25 sxs @ 6500'-6400'. 6. Perf/Sqz 45 sxs @ 5423'-5323' Tag. 7. Perf/Sqz 45 sxs @ 1900'-1800' Tag. 8. Perf/Sqz 45 sxs @ 1184'-1084' Tag. 9. Perf/Sqz 45 sxs @ 400'-300' Tag 10. Perf/Sqz 25 sxs @ 60'-0'. 11. POOH, top well off, cut off WH & anchors. Install P&A marker

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Madera_25_Fed_2H_Before_After_20210128075114.pdf

Conditions of Approval

Specialist Review

Madera_25_Federal_2H_P_A_20210201092949.pdf

Accepted for Record Only

X 7

NMOCD 2/12/21

Received by OCD: 2/1/2021 10:46:08 AM

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Operator Certification

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: COVARRUBIAS	Signed on: JAN 28, 2021 07:45 AM
Name: MARATHON OIL PERMIAN LLC	
Title: regulatory Compliance Representative	
Street Address: 5555 SAN FELIPE STREET	
City: HOUSTON	State: TX
Phone: (713) 296-2423	
Email address: NOT ENTERED	

Field Representative

Representative Name:		
Street Address:		
City:	State:	Zip:
Phone:		
Email address:		

BLM Point of Contact

BLM POC Name: Long Vo	BLM POC Title: Petroleum Engineer
BLM POC Phone: 5752345972	BLM POC Email Address: lvo@blm.gov
Disposition: Approved	Disposition Date: 02/01/2021
Signature: Long Vo	

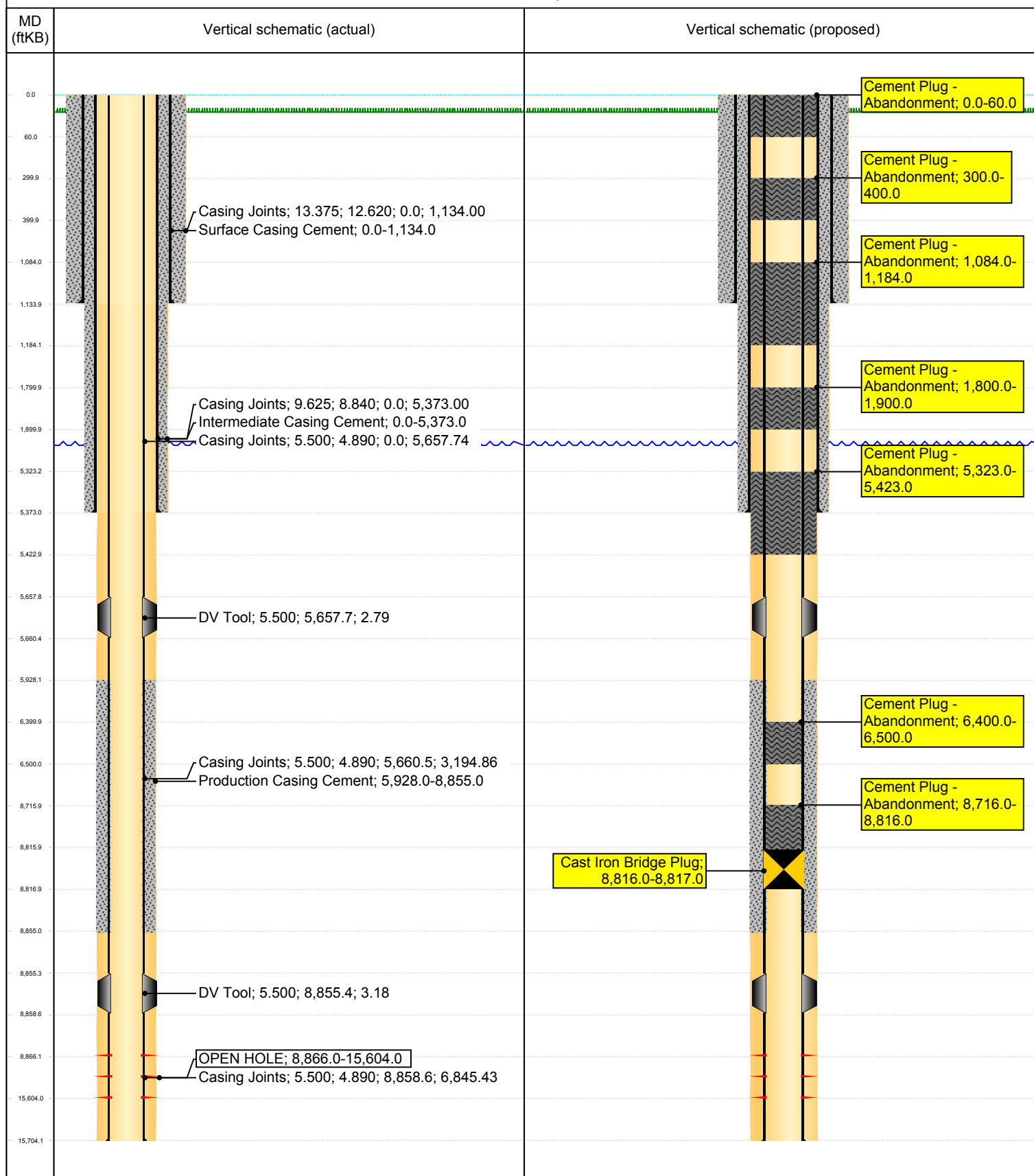


Wellbore Schematic

Well Name: **MADERA 25 FEDERAL COM 2H**

State/Province NEW MEXICO	Country UNITED STATES	Field Name JABALINA SOUTHWEST	Latitude (°) 32.02051780	Longitude (°) -103.42136940	North/South Distance (ft) 330.0	North/South Reference FNL
API/ IPO UWI	KB-Ground Distance (ft)	KB-Mud Line Distance (ft)	Ground Elevation (ft)	Drilling Rig Spud Date	Well Original Completion Date	Well First Production Date

MADERA 25 FEDERAL COM 2H, 1/22/2021 2:54:07 PM



PLUG AND ABANDONMENT CONDITIONS OF APPROVAL

P.C.

OPERATOR'S NAME:	Marathon Oil Permian LLC
LEASE NO.:	NMNM65441
WELL NAME & NO.:	Madera 25 Federal 2H
US Well Number:	3002540633
LOCATION:	Section 25, T.26 S., R.34 E., NMPM
COUNTY:	Lea County, New Mexico

1. MIRU NDWH, NUBOP
2. POOH with production equipment
3. RU WL, RIH set CIBP @ 8816'. Tag BP circulate well with MLF. *Leak test CIBP*
4. Spot 25 sxs @ 8816'-8716'. *8876' 8876' WOC & TAG (Seal off perts)*
5. Spot 25 sxs @ 6500'-6400'. *6335' WOC & TAG (spacer)*
6. Perf/Sqz 30 sxs @ 5423'-5323' Tag. *(5707 - 5607') class C (In/Out) (DV tool)*
7. Perf/Sqz 45 sxs @ 1900'-1800' Tag. *2510 sxs (1950' - 1321') class C (T. Salt) (In/Out) (Spacer)*
8. Perf/Sqz 45 sxs @ 1184'-1084' Tag. *(shoe) (In/Out)*
9. Perf/Sqz 45 sxs @ 400'-300' Tag *(In/Out)*
10. Perf/Sqz 25 sxs @ 60'-0'. *30 sxs 100' (In/Out) Verify @ surface.*
11. POOH, top well off, cut off WH & anchors. Install P&A marker

Wellbore schematics attached

Approval Subject to General Requirements and Special Stipulations Attached

→ Perf & Sqz @ (5438' - 5284') 50 sxs class C (In/Out) (Shoe / Delaware)
 Perf & Sqz @ (5101' - 4950') 50 sxs class C (In/Out) (B. Salt)

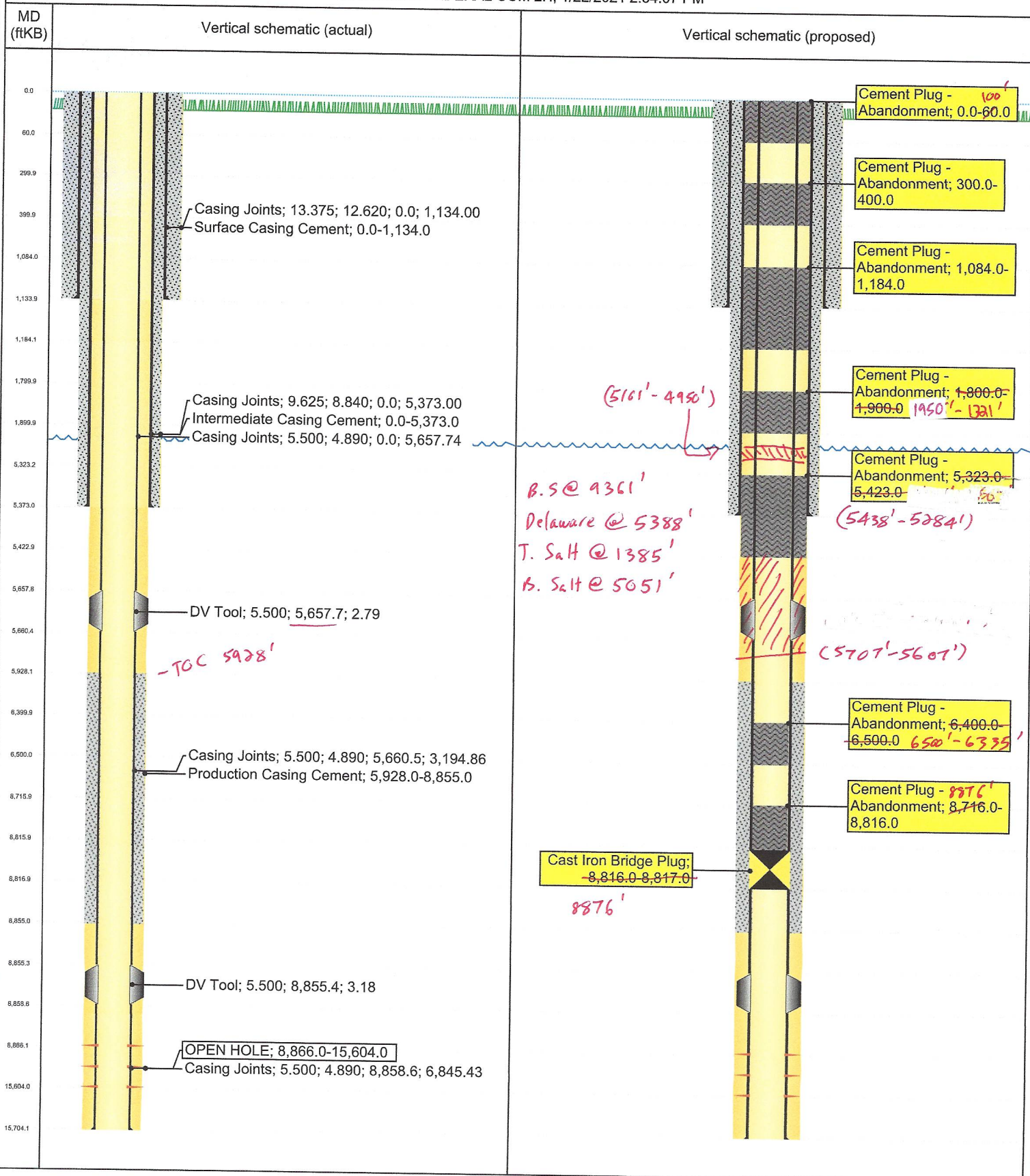


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**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Permanent Abandonment of Federal Wells
Conditions of Approval (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.

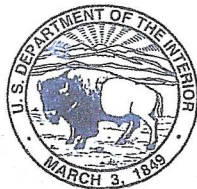
7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs 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



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 pre-disturbance 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 (Contact service companies, allowing plenty of time to have the risers and power lines and poles removed prior to reclamation, don't wait till the last day and try to get them to remove infrastructure). Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute 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.

1. 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 Petroleum Engineering Tech
575-234-5909 (Office), 575-361-2648 (Cell)

Arthur Arias
Environmental Protection Specialist
575-234-6230

Crisha Morgan
Environmental Protection Specialist
575-234-5987

Melissa Horn
Environmental Protection Specialist
575-234-5951

Kelsey Wade
Environmental Protection Specialist
575-234-2220

Trishia Bad Bear, Hobbs Field Station
Natural Resource Specialist
575-393-3612

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 16488

CONDITIONS OF APPROVAL

Operator: MARATHON OIL PERMIAN LLC Permian Regulatory Team	5555 San Felipe St. Houston, TX77056	OGRID: 372098	Action Number: 16488	Action Type: C-103F
OCD Reviewer kfortner	Condition None			