

Well Name: SHARBRO FEDERAL	Well Location: T23S / R32E / SEC 7 / NWSW / 32.3171409 / -103.7207986	County or Parish/State: LEA / NM
Well Number: 07	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM62223	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002535144	Operator: FOUNDATION ENERGY MANAGEMENT LLC	

Notice of Intent

Sundry ID: 2784222

Type of Submission: Notice of Intent	Type of Action: Plug and Abandonment
Date Sundry Submitted: 04/10/2024	Time Sundry Submitted: 06:46
Date proposed operation will begin: 07/01/2024	

Procedure Description: Please see the attached.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Sharbro_Federal_7_NM_Form_C_103_submit_20240410064350.pdf

Well Name: SHARBRO FEDERAL

Well Location: T23S / R32E / SEC 7 /
NWSW / 32.3171409 / -103.7207986

County or Parish/State: LEA /
NM

Well Number: 07

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM62223

Unit or CA Name:

Unit or CA Number:

US Well Number: 3002535144

Operator: FOUNDATION ENERGY
MANAGEMENT LLC

Conditions of Approval

Specialist Review

Sharbro_Federal_7_Sundry_ID_2784222_P_A_20240516142806.pdf

Operator

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

Operator Electronic Signature: JAMES SMITH

Signed on: APR 10, 2024 06:43 AM

Name: FOUNDATION ENERGY MANAGEMENT LLC

Title: HSE Regulatory Supervisor

Street Address: 15E. 5TH STREET, SUITE 1200

City: TULSA

State: OK

Phone: (918) 526-5592

Email address: JSMITH@FOUNDATIONENERGY.COM

Field

Representative Name: Laurie Rock

Street Address: 5057 Keller Springs Rd., Ste 650

City: ADDISON

State: TX

Zip: 75001

Phone: (972)707-2530

Email address: lrock@foundationenergy.com

BLM Point of Contact

BLM POC Name: LONG VO

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5759885402

BLM POC Email Address: LVO@BLM.GOV

Disposition: Approved

Disposition Date: 05/16/2024

Signature: Long Vo

Form 3160-5
(June 2019)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021

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.	
6. If Indian, Allottee or Tribe Name	
7. If Unit of CA/Agreement, Name and/or No.	
8. Well Name and No.	
9. API Well No.	
10. Field and Pool or Exploratory Area	11. Country or Parish, State

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

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleate 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 perfonned 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 detennined that the site is ready for final inspection.)

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

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	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	

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)

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. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

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

Additional Information

Location of Well

0. SHL: NWSW / 1980 FSL / 660 FWL / TWSP: 23S / RANGE: 32E / SECTION: 7 / LAT: 32.3171409 / LONG: -103.7207986 (TVD: 0 feet, MD: 0 feet)

BHL: NWSW / 1980 FSL / 660 FWL / TWSP: 23S / SECTION: / LAT: 0.0 / LONG: 0.0 (TVD: 0 feet, MD: 0 feet)

Submit 1 Copy To Appropriate District Office
 District I – (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II – (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III – (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV – (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-35144
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. NMNM62223
7. Lease Name or Unit Agreement Name SHARBRO FEDERAL
8. Well Number 7
9. OGRID Number 143199
10. Pool name or Wildcat DELAWARE

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Foundation Energy Management, LLC	
3. Address of Operator 5057 Keller Springs Road, Suite 650, Addison, TX 75001	
4. Well Location Unit Letter <u>L</u> : 1980 <u> </u> feet from the <u> </u> South <u> </u> line and <u>660</u> feet from the <u> </u> West <u> </u> line Section <u>7</u> Township <u>23S</u> Range <u>32E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3515' GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Bleed off any pressure from tbg & csg, kill well if necessary, NDWH, NUBOP, POOH w/RS and pump (unk rod count and pump info), POOH with 2 7/8 L-80 tbg. (Unknown jt count), scanning tbg OOH, MIRU wireline. Make gauge ring run. RIH with CIBP, and set at/ near 6420', w/in 100' of perfs. Dump bail 45sx, 245', of Class C cement on top of CIBP. POOH & rig down WL, RIH with open end tbg, while testing to 6000 psi. Circulate hole full of mud, displacing any fluid in hole. Tag TOC above CIBP, pressure test casing to 500 psi, hold 30 min, Monitor for any loss of pressure. POOH laying down tbg to 5502', 50' w/in formation top, perf and squeeze 50sx cmt, (Class C), bal plug. 5502'-5402', WOC 4hrs, tag. POOH to 4552', stand back remainder, MIRU WL. RIH, perf and squeeze 50sx cmt, bal plug, 4552'-4452'. POOH RDMO WL, WOC 4hrs, tag. POOH to 2950', mix and pump 25sx cmt balance plug, 2950'-2850'. POOH, laying down tbg to 916'. MIRU WL. RIH, perf and squeeze 75sx cmt, 916' to surface. POOH RDMO WL. Verify cement surface plug hardened, RDMO rig. Cut off csg 3' below GL (verify all csg strings have cement to surface, top off if needed. Mark csg location with steel surface marker not less than 4", four inches, in diameter Marker must be 3', three feet, above GL, w/a plate at least 1/4" welded to top of casing. Weld in marker's metal: Operator Name, Lease name, Well number, API number, Unit Letter, Quarter Section, feet from North, South, East or West, Section, Township and Range, Plugging date, County, Take pictures and submit paperwork for NMOCD. Backfill and level cellar.

Spud Date: 8/29/2000

Rig Release Date: 12/28/2000

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

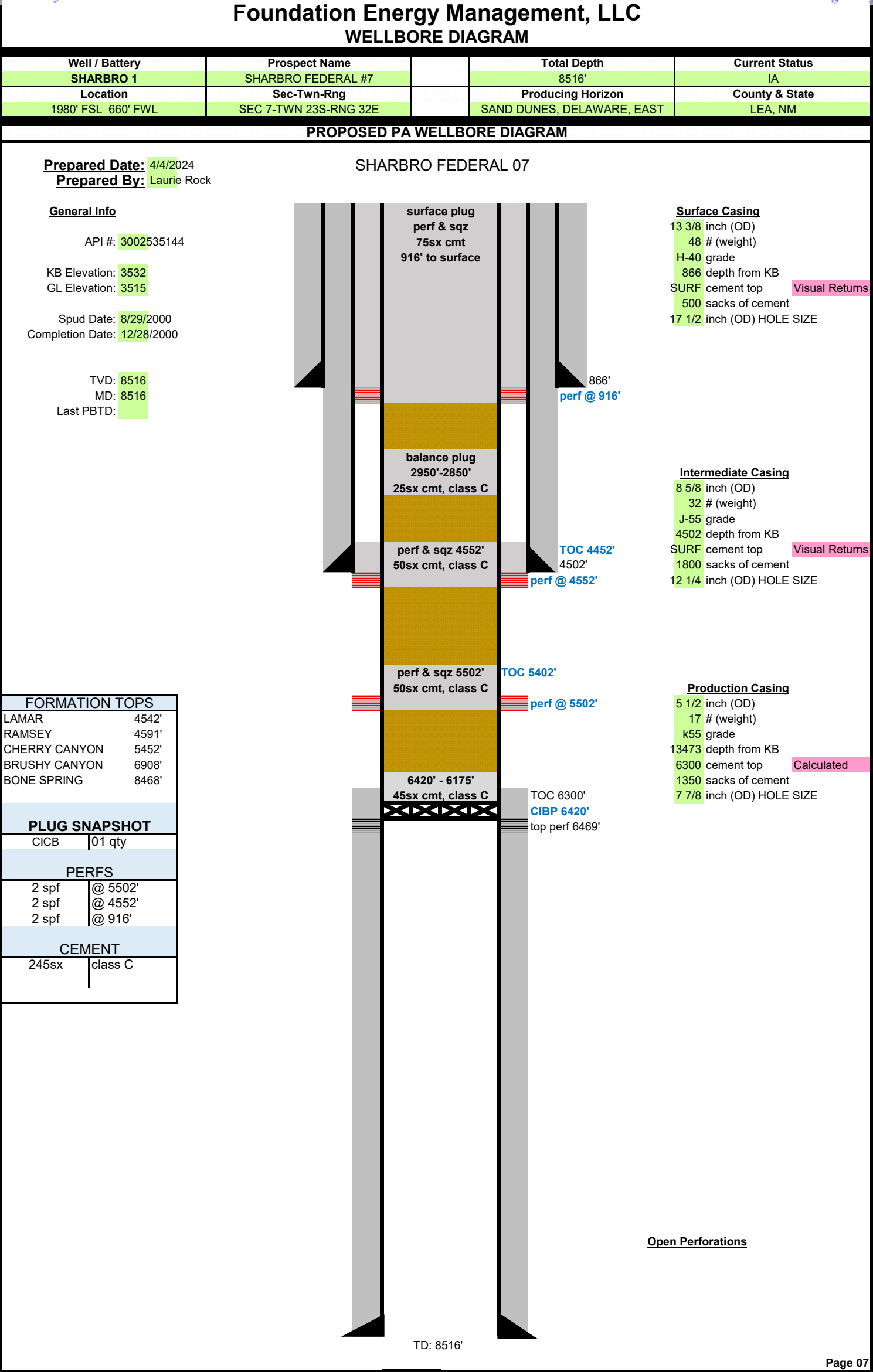
SIGNATURE Laurie Rock TITLE PA Lead DATE 4/9/2024

Type or print name Laurie Rock E-mail address: lrock@foundationenergy.com PHONE: (832) 312-5674

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any): _____





U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Sundry Print Report

05/16/2024

Well Name: SHARBRO FEDERAL	Well Location: T23S / R32E / SEC 7 / NWSW / 32.3171409 / -103.7207986	County or Parish/State: LEA / NM
Well Number: 07	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM62223	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002535144	Operator: FOUNDATION ENERGY MANAGEMENT LLC	

Notice of Intent

Sundry ID: 2784222

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 04/10/2024

Time Sundry Submitted: 06:46

Date proposed operation will begin: 07/01/2024

Procedure Description: Please see the attached.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Sharbro_Federal_7_NM_Form_C_103_submit_20240410064350.pdf

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

Well Name: SHARBRO FEDERAL	Well Location: T23S / R32E / SEC 7 / NWSW / 32.3171409 / -103.7207986	County or Parish/State: LEA / NM
Well Number: 07	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM62223	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002535144	Operator: FOUNDATION ENERGY MANAGEMENT LLC	

Operator

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

Operator Electronic Signature: JAMES SMITH**Signed on:** APR 10, 2024 06:43 AM**Name:** FOUNDATION ENERGY MANAGEMENT LLC**Title:** HSE Regulatory Supervisor**Street Address:** 15E. 5TH STREET, SUITE 1200**City:** TULSA**State:** OK**Phone:** (918) 526-5592**Email address:** JSMITH@FOUNDATIONENERGY.COM**Field****Representative Name:** Laurie Rock**Street Address:** 5057 Keller Springs Rd., Ste 650**City:** ADDISON**State:** TX**Zip:** 75001**Phone:** (972)707-2530**Email address:** lrock@foundationenergy.com

Form 3160-5
(June 2019)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021**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. **NMNM62223**

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No. **SHARBRO FEDERAL/07**2. Name of Operator **FOUNDATION ENERGY MANAGEMENT LLC**9. API Well No. **3002535144**3a. Address **16000 DALLAS PARKWAY SUITE 875, DALLAS** 3b. Phone No. (include area code)
(918) 526-559510. Field and Pool or Exploratory Area
DIAMONDTAIL-DELAWARE/DIAMONDTAIL-DELAWARE4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SEC 7/T23S/R32E/NMP11. Country or Parish, State
LEA/NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleat 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 recompleat 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.)

Please see the attached.

14. I hereby certify that the foregoing is true and correct. Name (Printed Typed)
JAMES SMITH / Ph: (918) 526-5592Title **HSE Regulatory Supervisor**

Signature (Electronic Submission)

Date **04/10/2024****THE SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Long VoTitle **Petroleum Engineer**Date **5/16/2024**

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 **CFO**

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)

GENERAL INSTRUCTIONS

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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. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

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

Additional Information

Location of Well

0. SHL: NWSW / 1980 FSL / 660 FWL / TWSP: 23S / RANGE: 32E / SECTION: 7 / LAT: 32.3171409 / LONG: -103.7207986 (TVD: 0 feet, MD: 0 feet)

BHL: NWSW / 1980 FSL / 660 FWL / TWSP: 23S / SECTION: / LAT: 0.0 / LONG: 0.0 (TVD: 0 feet, MD: 0 feet)

Low Cave, Prairie Chicken

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised July 18, 2013

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-35144
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Foundation Energy Management, LLC		6. State Oil & Gas Lease No. NMNM62223
3. Address of Operator 5057 Keller Springs Road, Suite 650, Addison, TX 75001		7. Lease Name or Unit Agreement Name SHARBRO FEDERAL
4. Well Location Unit Letter <u>L</u> : 1980 feet from the <u>South</u> line and <u>660</u> feet from the <u>West</u> line Section <u>7</u> Township <u>23S</u> Range <u>32E</u> NMPM County <u>Lea</u>		8. Well Number <u>7</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3515' GR		9. OGRID Number 143199
		10. Pool name or Wildcat DELAWARE

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 DOWNHOLE COMMINGLE ☐
 CLOSED-LOOP SYSTEM ☐
 OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Bleed off any pressure from tbg & csg, kill well if necessary, NDWH, NUBOP, POOH w/RS and pump (unk rod count and pump info), POOH with 2 7/8 L-80 tbg. (Unknown jt count), scanning tbg OOH, MIRU wireline. Make gauge ring run. RIH with CIBP, and set at/ near 6420', w/in 100' of perfs. ~~Dump bail~~ 45sx, 245', of Class C cement on top of CIBP. POOH & rig down WL, RIH with open end tbg, while testing to 6000 psi. Circulate hole full of mud, displacing any fluid in hole. Tag TOC above CIBP, pressure test casing to 500 psi, hold 30 min, Monitor for any loss of pressure. POOH laying down tbg to 5502', 50' w/in formation top, perf and squeeze 50sx cmt, (Class C), bal plug. 5502'-5402', WOC 4hrs, tag. POOH to 4552', stand back remainder, MIRU WL. RIH, perf and squeeze 50sx cmt, bal plug, ~~4552'-4452'~~ POOH RDMO WL, WOC 4hrs, tag. POOH to 2950', mix and pump 25sx cmt balance plug, 2950'-2850'. POOH, laying down tbg to 916'. MIRU WL. RIH, perf and squeeze 75sx cmt, 916' to surface. POOH RDMO WL. Verify cement surface plug hardened, RDMO rig. Cut off csg 3' below GL (verify all csg strings have cement to surface, top off if needed. Mark csg location with steel surface marker not less than 4", four inches, in diameter Marker must be 3', three feet, above GL, w/a plate at least 1/4" welded to top of casing. Weld in marker's metal: Operator Name, Lease name, Well number, API number, Unit Letter, Quarter Section, feet from North, South, East or West, Section, Township and Range, Plugging date, County, Take pictures and submit paperwork for NMOC. ~~Backfill and level cellar~~

Spud Date: 8/29/2000

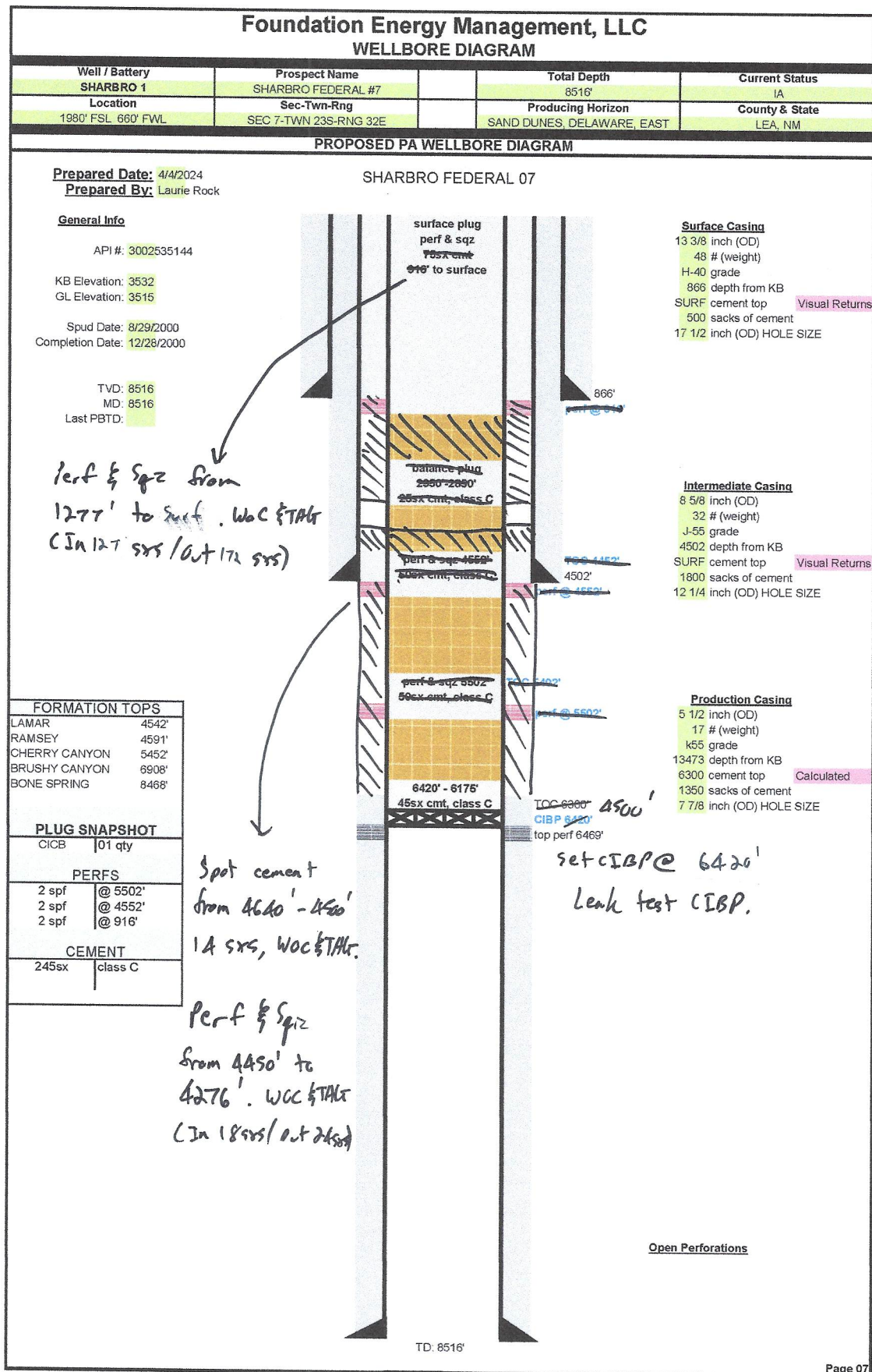
Rig Release Date: 12/28/2000

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Laurie Rock TITLE PA Lead DATE 4/9/2024

Type or print name Laurie Rock E-mail address: lrock@foundationenergy.com PHONE: (832) 312-5674
 For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
 Conditions of Approval (if any): _____



**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 575-689-5981.

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 **fresh** 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 for Class C or accelerated cement (calcium chloride) and 6 hours for Class H. Tagging the plug means running in the hole with a string of tubing or drill pipe and placing sufficient weight on the plug to ensure its integrity. Other methods of tagging the plug may be approved by the BLM authorized officer or BLM field representative.

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.

Fluid used to mix the cement in R111P shall be saturated with the salts common to the section penetrated, and in suitable proportions but not less than 1% and not more than 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible.

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 *BY PHONE* (numbers listed in 2. Notifications) 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. The following information shall be permanently inscribed on the plate: well name and number, name of 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).

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/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 (across the slope 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/Environmental Protection Specialist
575-234-5909 (Office), 575-361-2648 (Cell)

Arthur Arias
Environmental Protection Specialist
575-234-6230

Crisha Morgan
Environmental Protection Specialist
575-234-5987

Jose Martinez-Colon
Environmental Protection Specialist
575-234-5951

Mark Mattozzi
Environmental Protection Specialist
575-234-5713

Robert Duenas
Environmental Protection Specialist
575-234-2229

Doris Lauger Martinez
Environmental Protection Specialist
575-234-5926

Jaden Johnston
Environmental Protection Asst. (Intern)
575-234-6252

Sundry ID

2784222

Plug Type	Top	Bottom	Length	Tag	Sacks	Cement Class	Notes
Surface Plug	0.00	100.00	100.00	Tag/Verify			
13.375 inch- Shoe Plug	807.34	916.00	108.66	Tag/Verify			
Top of Salt @ 1205	1142.95	1277.00	134.05	Tag/Verify	299.00	C	Perforate and squeeze from 1277' to surface. WOC and Tag. (In 127 sxs/Out 172 sxs)
Base of Salt @ 4370	4276.30	4420.00	143.70	Tag/Verify			
8.625 inch- Shoe Plug	4406.98	4552.00	145.02	Tag/Verify	42.00	C	Perforate and squeeze from 4450' to 4276'. WOC and Tag. (In 18 sxs/Out 24 sxs)
Delaware @ 4590	4494.10	4640.00	145.90	If solid base no need to Tag (CIBP present and/or Mechanical Integrity Test), If Perf & Sqz then Tag, Leak Test all CIBP if no Open Perforations	14.00	C	Spot cement from 4640' to 4500'. WOC and Tag.
CIBP Plug	6384.00	6419.00	35.00	If solid base no need to Tag (CIBP present and/or Mechanical Integrity Test), If Perf & Sqz then Tag, Leak Test all CIBP if no Open Perforations	25.00	C	Set CIBP at 6420'. Leak test CIBP. Spot 25 sxs on top.
Perforations Plug (If No CIBP)	6419.00	8466.00	2047.00	Tag/Verify			
5.5 inch- Shoe Plug	8392.72	8578.00	185.28	Tag/Verify			

No more than 2000' is to be allowed between plugs in open hole, and no more than 3000' between plugs in cased hole.

Class H >7500'

Class C <7500'

Fluid used to mix the cement in R111P shall be saturated with the salts common to the section penetrated, and in suitable proportions, but not more than 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible.

Medium, Secretary: Top of salt to surface If no salt take the deepest fresh water or Karst Depth

High, Critical: Bottom of Karst to surface or Deepest fresh water, whichever is greater

R111P: 50 Feet from Base of Salt to surface.

Class C: 1.32 ft³/sx

Class H: 1.06 ft³/sx

Onshore Order 2.III.G Drilling Abandonment Requirements: "All formations bearing usable-quality water, oil, gas, or geothermal resources, and/or a prospectively valuable deposit of minerals shall be protected.

Cave Karst/Potash Cement Requirement:

Low

13.375 inch- Shoe Plug @	866.00		
8.625 inch- Shoe Plug @	4502.00		
5.5 inch- Shoe Plug @	8528.00	TOC @	4500.00
Perforatons Top @	6469.00	Perforations Bottom @	8416.00
		CIBP @	6419.00

Foundation Energy Management, LLC
WELLBORE DIAGRAM

Well / Battery	Prospect Name		Total Depth	Current Status
SHARBRO 1	SHARBRO FEDERAL #7		8516'	IA
Location	Sec-Twn-Rng		Producing Horizon	County & State
1980' FSL 660' FWL	SEC 7-TWN 23S-RNG 32E			LEA, NM

CURRENT WELLBORE DIAGRAM

Prepared Date:
Prepared By:

SHARBRO FEDERAL 07

General Info

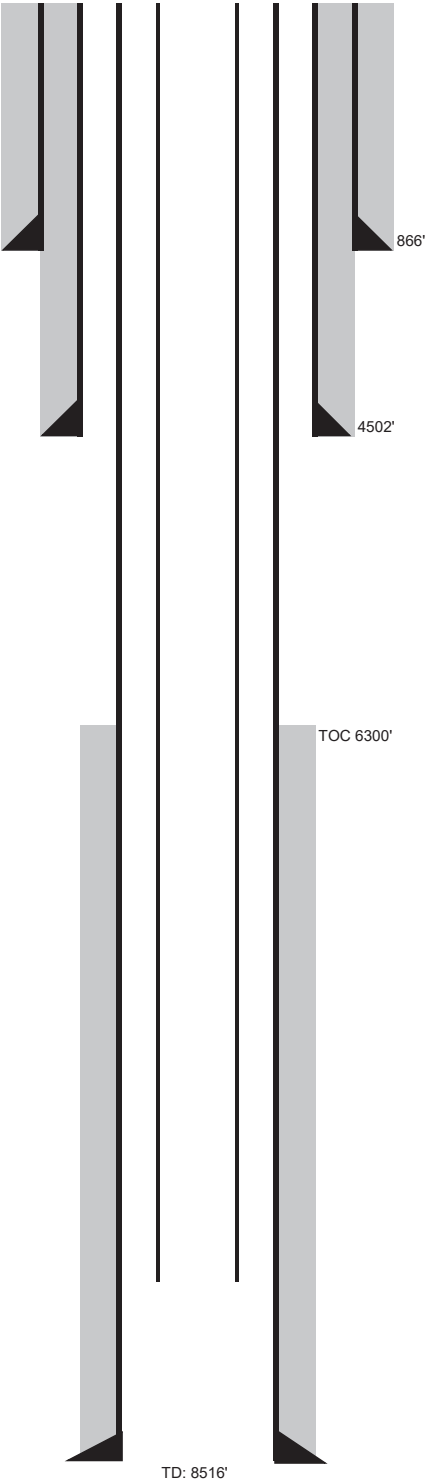
API #: 3002535144

KB Elevation: 3532
GL Elevation: 3515

Spud Date: 8/29/2000
Completion Date: 12/28/2000

TVD:
MD:
Last PBTD:

FORMATION TOPS	
LAMAR	4542'
RAMSEY	4591'
CHERRY CANYON	5452'
BRUSHY CANYON	6908'
BONE SPRING	8468'



Surface Casing
13 3/8 inch (OD)
48 # (weight)
H-40 grade
866 depth from KB
SURF cement top Visual Returns
500 sacks of cement
17 1/2 inch (OD) HOLE SIZE

Intermediate Casing
8 5/8 inch (OD)
32 # (weight)
J-55 grade
4502 depth from KB
SURF cement top Visual Returns
1800 sacks of cement
12 1/4 inch (OD) HOLE SIZE

Production Casing
5 1/2 inch (OD)
17 # (weight)
k55 grade
13473 depth from KB
6300 cement top Calculated
1350 sacks of cement
7 7/8 inch (OD) HOLE SIZE

Open Perforations

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 367264

CONDITIONS

Operator: FOUNDATION ENERGY MANAGEMENT, LLC 5057 KELLER SPRINGS RD ADDISON, TX 75001	OGRID: 370740
	Action Number: 367264
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
gcordero	approved to plug per BLM approved plugging plan	8/2/2024