



Well Name: GL ERWIN B NCT2	Well Location: T24S / R37E / SEC 35 / SESE /	County or Parish/State: LEA / NM
Well Number: 01	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMLC057509	Unit or CA Name:	Unit or CA Number:
US Well Number: 300251136200S3	Operator: CHEVRON USA INCORPORATED	

Notice of Intent

Sundry ID: 2733311

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 05/30/2023

Time Sundry Submitted: 10:07

Date proposed operation will begin: 05/30/2023

Procedure Description: Chevron USA Inc requests to plug and abandon the above well. This has been discussed with and approved with Long T. Vo. Attached are the WBD's and verbal approval from Long.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Erwin_B_NCT_2__1___Plugged_WBD__1__20230530100606.pdf

Erwin_B_NCT_2__1___Current_WBD_20230530100551.pdf

Email_approval_from_BLM_20230530100537.pdf

Well Name: GL ERWIN B NCT2	Well Location: T24S / R37E / SEC 35 / SESE /	County or Parish/State: LEA / NM
Well Number: 01	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMLC057509	Unit or CA Name:	Unit or CA Number:
US Well Number: 300251136200S3	Operator: CHEVRON USA INCORPORATED	

Conditions of Approval

Specialist Review

Combined_COA_Plugging_Abandonment_and_Reclamation_20230806063229.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: CINDY HERRERA-MURILLO **Signed on:** MAY 30, 2023 10:07 AM

Name: CHEVRON USA INCORPORATED

Title: Permitting Specialist

Street Address: 1616 W BENDER BLVD

City: HOBBS **State:** NM

Phone: (575) 263-0431

Email address: EEOF@CHEVRON.COM

Field

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: 5759885402 **BLM POC Email Address:** LVO@BLM.GOV

Disposition: Accepted **Disposition Date:** 08/06/2023

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. **NMLC057509**

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 Other

8. Well Name and No.
GL ERWIN B NCT201

2. Name of Operator **CHEVRON USA INCORPORATED**

9. API Well No. **3002511362**

3a. Address **PO BOX 1392, BAKERSFIELD, CA 93302** 3b. Phone No. (include area code)
(661) 633-4000

10. Field and Pool or Exploratory Area
JUSTIS/JUSTIS

4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)
SEC 35/T24S/R37E/NMP

11. Country or Parish, State
LEANM

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 detennined that the site is ready for final inspection.)

Chevron USA Inc requests to plug and abandon the above well. This has been discussed with and approved with Long T. Vo. Attached are the WBD's and verbal approval from Long.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
CINDY HERRERA-MURILLO / Ph: (575) 263-0431

Title **Permitting Specialist**

Signature (Electronic Submission)

Date **05/30/2023**

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by
LONG VO / Ph: (575) 988-5402 / Accepted

Title **Petroleum Engineer**

Date **08/06/2023**

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 **CARLSBAD**

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: SESE / 660 FSL / 660 FEL / TWSP: 24S / RANGE: 37E / SECTION: 35 / LAT: 0.0 / LONG: 0.0 (TVD: 0 feet, MD: 0 feet)

BHL: SESE / 660 FSL / 660 FEL / TWSP: 24S / SECTION: / LAT: 0.0 / LONG: 0.0 (TVD: 0 feet, MD: 0 feet)

5/25/23, 10:10 AM Re: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request - Dorian Fuentes - ...

Re: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Vo, Long T <lvo@blm.gov>

Thu 5/25/2023 7:27 AM

To: Trey Morgan <Trey.Morgan@Scoutep.com>

Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>; Staton, Jon L <jstaton@blm.gov>; Dorian Fuentes <dfuentes@scoutep.com>

Mr. Morgan,

Please proceed as previously planned.

Regards,

Long Vo, EIT, M.Sc.

Petroleum Engineer SME/FFT2
Carlsbad Field Office
Land and Minerals
Bureau of Land Management
Department of Interior
575-988-5402 Cell



From: Trey Morgan <Trey.Morgan@Scoutep.com>

Sent: Wednesday, May 24, 2023 6:02 PM

To: Vo, Long T <lvo@blm.gov>

Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>; Staton, Jon L <jstaton@blm.gov>; Dorian Fuentes <dfuentes@scoutep.com>

Subject: RE: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Long,

As per our last phone conversation we cut the 9-5/8" pipe at 916' but were unable to pull out of the hole due to channeled cement being behind the pipe. Since the failed casing pull we went in and spotted cement from 2204' (Top of cement on previous plug) up to 916' (where we cut casing). We then circulated cement down 9-5/8" casing up the surface casing to surface. This cement job failed to shut off water flow up the surface casing but did plug up the hole in the surface casing that was allowing water to escape to surface up the mouse hole. Today 05/24/2023 we pumped another cement job. Pumping down 9-5/8" casing out the casing cut at 916' and up the surface casing we circulated cement to surface, shut the bradenhead valve and continued pumping cement into the water flow formation. During displacement of the squeeze job our pressure started to increase indicating we were squeezing the formation successfully. Pressure locked up indicating a successful squeeze! Also, during the entire job there was never any fluid coming from the mouse hole. Cement was displaced down to 200' in the 9-5/8" before locking up. The wellbores surface water zone, surface casing – 9-5/8" annulus and 9-5/8" casing are completely dead and full of cement.

May we have approval to move forward with filling the remainder of the 9-5/8" casing up with cement from 200' to surface and finalize our plugging?

5/25/23, 10:10 AM

Re: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request - Dorian Fuentes - ...

Thanks,

Trey Morgan

Senior Operations Engineer



972-533-8829

trey.morgan@scoutep.com

From: Vo, Long T <lvo@blm.gov>

Sent: Monday, May 15, 2023 12:05 PM

To: Trey Morgan <Trey.Morgan@Scoutep.com>

Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>; Staton, Jon L <jstaton@blm.gov>; Dorian Fuentes <dfuentes@scoutep.com>

Subject: Re: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Mr. Morgan,

You have per our phone conversation verbal approval to proceed as planned.

Regards,

Long Vo

Petroleum Engineer

Carlsbad Field Office

Land and Minerals

Bureau of Land Management

Department of Interior

575-988-5402 Cell

From: Trey Morgan <Trey.Morgan@Scoutep.com>

Sent: Monday, May 15, 2023 11:54 AM

To: Vo, Long T <lvo@blm.gov>

Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>; Staton, Jon L <jstaton@blm.gov>; Dorian Fuentes <dfuentes@scoutep.com>

Subject: RE: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Amended Plug and Abandon Procedure:

1. Run CBL from 3000' to surface to verify TOC in 9-5/8" Casing
2. Set CIBP @ 3072', pressure test CIBP to ensure proper seal and spot 35' of cement on top of CIBP. (7 Rivers, Queen, Grayburg).
3. Displace hole with 9.5# Brine w/ 25# gel P/BBL
4. Set CIBP @ 2411', pressure test CIBP to ensure proper seal, spot cement on top of CIBP from 2411' to 2211' to cover Yates and Base of Salt. WOC and tag top of plug.
5. Spear 9-5/8" and perform pipe stretch calculation to ensure pipe is free. RIH and cut 9-5/8" casing 1 jt above TOC determination. (After CBL run it is determined that we will cut @ 900'.
6. POOH and lay down 9-5/8" casing.
7. RIH with 13-3/8" cement retainer on tubing and set as close to surface casing shoe as possible (~900') in attempt to shut off water flow coming from approximately 1200' to 1300'. Check for flow, if flow continues

5/25/23, 10:10 AM Re: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request - Dorian Fuentes - ...

- shut down until further conversation is had with BLM. If no flow, move to next step.
8. Squeeze 365 sxs (98 bbls) of cement below cement retainer into water flow zone. Squeeze water flow zone off.
 9. Spot cmt from 900' to surface using 580 sxs (156 bbls). WOC, confirm TOC at surface.
 10. Install dry hole marker
 11. RDMO

Thanks,

Trey Morgan

Senior Operations Engineer



972-533-8829

trey.morgan@scoutep.com

From: Trey Morgan

Sent: Thursday, May 11, 2023 1:34 PM

To: Vo, Long T <lvo@blm.gov>

Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>; Staton, Jon L <jstaton@blm.gov>; Dorian Fuentes <dFuentes@scoutep.com>

Subject: RE: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Good morning Long,

As discussed yesterday afternoon the perf and circulate from 1300' to surface did not hold and the well is still flowing water to surface. Below is our proposed procedure to completely plug and abandon the well. If you have any questions or concerns please feel free to reach me on my cell.

1. Run CBL from 3000' to surface to verify TOC in 9-5/8" Casing
2. Set CIBP @ 3100' and spot 35' of cement on top of CIBP. (7 Rivers, Queen, Grayburg).
3. Displace hole with 9.5# Brine w/ 25# gel P/BBL
4. Set CIBP @ 2350' Spot 10 sx plug from 2350' – 2250' (B-Salt). WOC and tag top of plug.
5. RIH and cut 9-5/8" casing 1 jt above TOC determination (TOC Currently estimated to be at 1400' by temp survey)
6. POOH and lay down 9-5/8" casing.
7. RIH with 13-3/8" cement retainer on tubing and set as close to surface casing shoe as possible (~990') in attempt to shut off water flow coming from approximately 1200' to 1300'. Check for flow, if flow continues shut down until further conversation is had with BLM. If no flow move to next step.
8. Squeeze 365 sxs (98 bbls) of cement below cement retainer into water flow zone. Squeeze water flow zone off.
9. Spot cmt from 990' to surface using 580 sxs (156 bbls). WOC, confirm TOC at surface.
10. Install dry hole marker
11. RDMO

Thanks,

Trey Morgan

Senior Operations Engineer



5/25/23, 10:10 AM Re: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request - Dorian Fuentes - ...

972-533-8829

trey.morgan@scoutep.com

From: Vo, Long T <lvo@blm.gov>

Sent: Wednesday, May 10, 2023 2:40 PM

To: Trey Morgan <Trey.Morgan@Scoutep.com>

Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>; Staton, Jon L <jstaton@blm.gov>

Subject: Re: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Mr. Morgan,

Please see attached, if you have any questions, please feel free to contact.

Regards,

Long Vo

Petroleum Engineer
Carlsbad Field Office
Land and Minerals
Bureau of Land Management
Department of Interior
575-988-5402 Cell

From: Vo, Long T <lvo@blm.gov>

Sent: Tuesday, May 9, 2023 12:42 PM

To: Trey Morgan <Trey.Morgan@Scoutep.com>

Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>; Staton, Jon L <jstaton@blm.gov>

Subject: Re: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Mr. Morgan,

You have verbal approval to proceed with the proposed plan. Please follow up with a subsequent report within 5 business days of this verbal approval. Please include this email and attachments within the sundry.

Regards,

Long Vo

Petroleum Engineer
Carlsbad Field Office
Land and Minerals
Bureau of Land Management
Department of Interior
575-988-5402 Cell

5/25/23, 10:10 AM Re: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request - Dorian Fuentes - ...

From: Trey Morgan <Trey.Morgan@Scoutep.com>
Sent: Tuesday, May 9, 2023 11:57 AM
To: Vo, Long T <lvo@blm.gov>
Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>
Subject: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

This email has been received from outside of DOI - Use caution before clicking on links, opening attachments, or responding.

Procedure for Perf and Circulate Surface Plug:

1. RIH and Perf @ 1300’.
2. Confirm that valve coming from 13-3/8 and 9-5/8 Annulus is in the CLOSED position.
3. Pump 625 sacks (170 bbls) (This volume is calculated backside volume with 100% Excess) of 14.2 ppg cement. Cement will be pumped down 9-5/8” casing, out of the perf hole at 1300’ and up the annulus.
4. Displace cement with FW down to 1000’.
5. Shut well in and let cement set up

Please let me know if you have any questions or concerns over this procedure. We have cementers set up for first thing tomorrow morning.

Thanks,

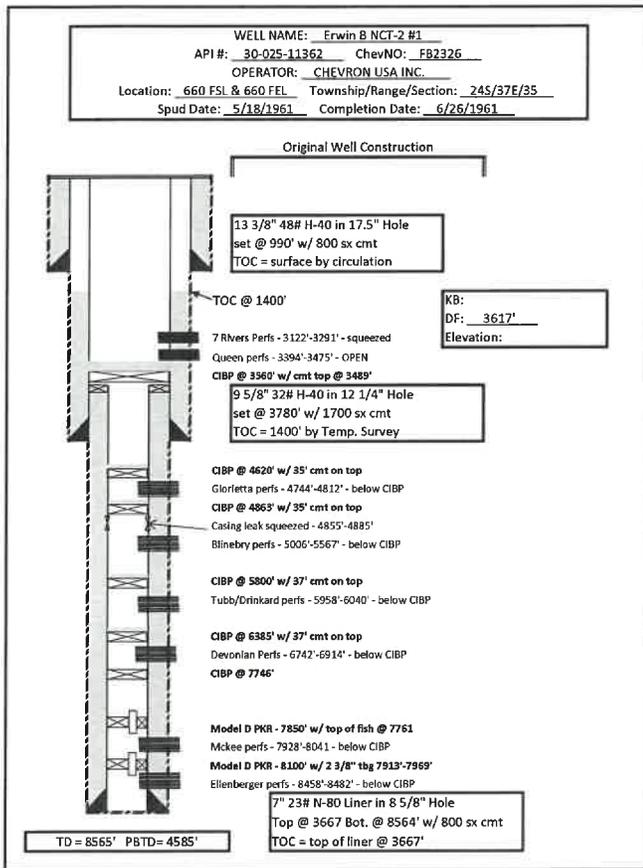
Trey Morgan
Senior Operations Engineer

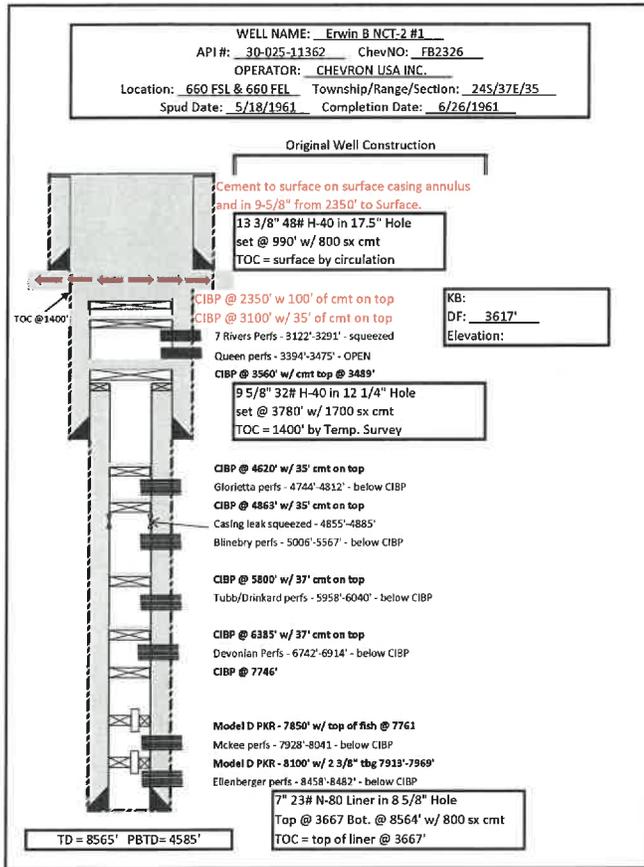
972-533-8829
trey.morgan@scoutep.com

From: Trey Morgan
Sent: Tuesday, May 9, 2023 11:06 AM
To: LVO@BLM.GOV
Subject: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Trey Morgan
Senior Operations Engineer

972-533-8829
trey.morgan@scoutep.com





**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 **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 **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. Dry Hole Marker: 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). A weep hole shall be left if a metal plate is welded in place.

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.



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

Well Name: GL ERWIN B NCT2	Well Location: T24S / R37E / SEC 35 / SESE /	County or Parish/State: LEA / NM
Well Number: 01	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMLC057509	Unit or CA Name:	Unit or CA Number:
US Well Number: 300251136200S3	Operator: CHEVRON USA INCORPORATED	

Notice of Intent

Sundry ID: 2733311

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 05/30/2023

Time Sundry Submitted: 10:07

Date proposed operation will begin: 05/30/2023

Procedure Description: Chevron USA Inc requests to plug and abandon the above well. This has been discussed with and approved with Long T. Vo. Attached are the WBD's and verbal approval from Long.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Erwin_B_NCT_2_1___Plugged_WBD__1__20230530100606.pdf

Erwin_B_NCT_2_1___Current_WBD_20230530100551.pdf

Email_approval_from_BLM_20230530100537.pdf

Well Name: GL ERWIN B NCT2

Well Location: T24S / R37E / SEC 35 / SESE /

County or Parish/State: LEA / NM

Well Number: 01

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMLC057509

Unit or CA Name:

Unit or CA Number:

US Well Number: 300251136200S3

Operator: CHEVRON USA INCORPORATED

Conditions of Approval

Specialist Review

Combined_COA_Plugging_Abandonment_and_Reclamation_20230806063229.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: CINDY HERRERA-MURILLO

Signed on: MAY 30, 2023 10:07 AM

Name: CHEVRON USA INCORPORATED

Title: Permitting Specialist

Street Address: 1616 W BENDER BLVD

City: HOBBS

State: NM

Phone: (575) 263-0431

Email address: EEOF@CHEVRON.COM

Field

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: 5759885402

BLM POC Email Address: LVO@BLM.GOV

Disposition: Accepted

Disposition Date: 08/06/2023

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2		5. Lease Serial No.
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator		7. If Unit of CA/Agreement, Name and/or No.
3a. Address	3b. Phone No. (include area code)	8. Well Name and No.
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)		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 recomplete 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 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 determined 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

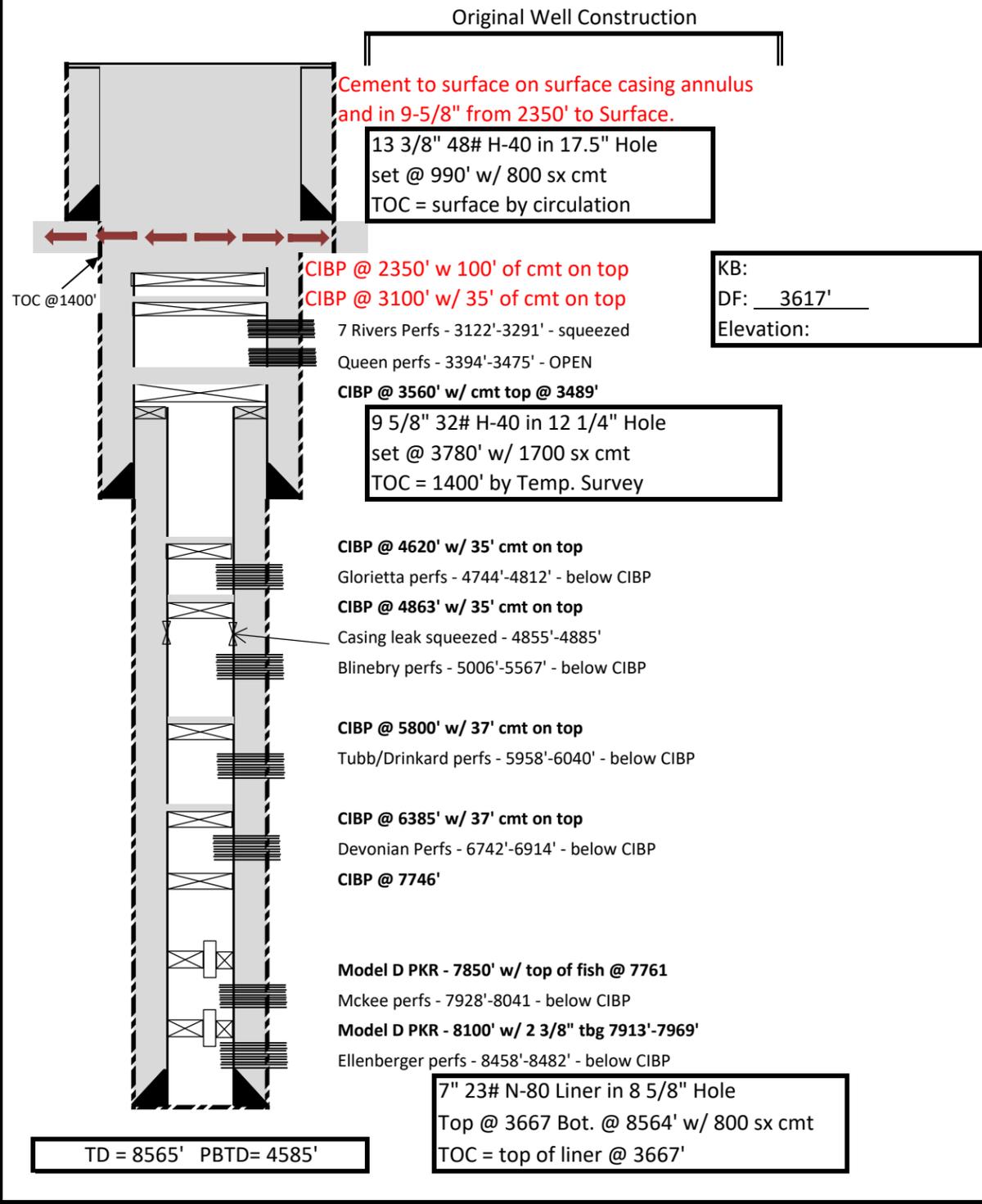
Additional Information

Location of Well

0. SHL: SESE / 660 FSL / 660 FEL / TWSP: 24S / RANGE: 37E / SECTION: 35 / LAT: 0.0 / LONG: 0.0 (TVD: 0 feet, MD: 0 feet)

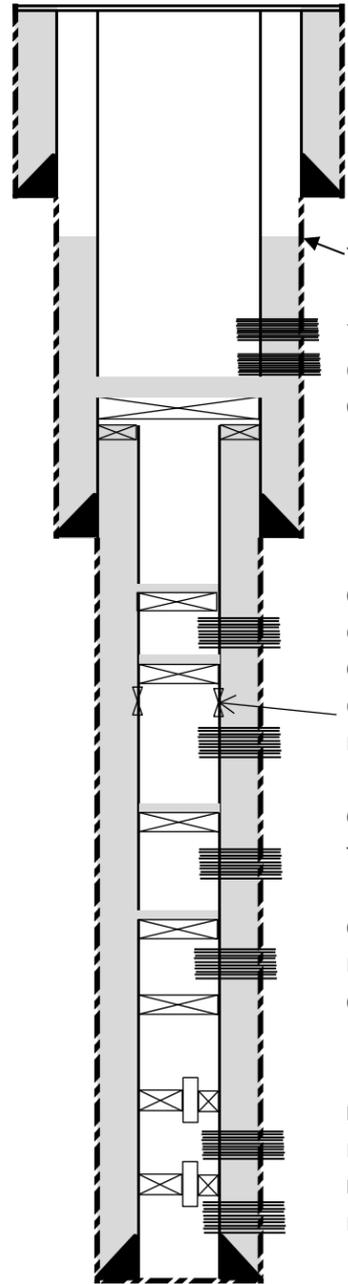
BHL: SESE / 660 FSL / 660 FEL / TWSP: 24S / SECTION: / LAT: 0.0 / LONG: 0.0 (TVD: 0 feet, MD: 0 feet)

WELL NAME: Erwin B NCT-2 #1
 API #: 30-025-11362 ChevNO: FB2326
 OPERATOR: CHEVRON USA INC.
 Location: 660 FSL & 660 FEL Township/Range/Section: 24S/37E/35
 Spud Date: 5/18/1961 Completion Date: 6/26/1961



WELL NAME: Erwin B NCT-2 #1
 API #: 30-025-11362 ChevNO: FB2326
 OPERATOR: CHEVRON USA INC.
 Location: 660 FSL & 660 FEL Township/Range/Section: 24S/37E/35
 Spud Date: 5/18/1961 Completion Date: 6/26/1961

Original Well Construction



13 3/8" 48# H-40 in 17.5" Hole
 set @ 990' w/ 800 sx cmt
 TOC = surface by circulation

TOC @ 1400'

KB:
 DF: 3617'
 Elevation:

7 Rivers Perfs - 3122'-3291' - squeezed
 Queen perfs - 3394'-3475' - OPEN
CIBP @ 3560' w/ cmt top @ 3489'

9 5/8" 32# H-40 in 12 1/4" Hole
 set @ 3780' w/ 1700 sx cmt
 TOC = 1400' by Temp. Survey

CIBP @ 4620' w/ 35' cmt on top
 Glorietta perfs - 4744'-4812' - below CIBP
CIBP @ 4863' w/ 35' cmt on top
 Casing leak squeezed - 4855'-4885'
 Blinebry perfs - 5006'-5567' - below CIBP

CIBP @ 5800' w/ 37' cmt on top
 Tubb/Drinkard perfs - 5958'-6040' - below CIBP

CIBP @ 6385' w/ 37' cmt on top
 Devonian Perfs - 6742'-6914' - below CIBP
CIBP @ 7746'

Model D PKR - 7850' w/ top of fish @ 7761
 McKee perfs - 7928'-8041' - below CIBP
Model D PKR - 8100' w/ 2 3/8" tbg 7913'-7969'
 Ellenberger perfs - 8458'-8482' - below CIBP

7" 23# N-80 Liner in 8 5/8" Hole
 Top @ 3667 Bot. @ 8564' w/ 800 sx cmt
 TOC = top of liner @ 3667'

TD = 8565' PBD= 4585'

Re: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Vo, Long T <lvo@blm.gov>

Thu 5/25/2023 7:27 AM

To: Trey Morgan <Trey.Morgan@Scoutep.com>

Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>; Staton, Jon L <jstaton@blm.gov>; Dorian Fuentes <dfuentes@scoutep.com>

Mr. Morgan,

Please proceed as previously planned.

Regards,

Long Vo, EIT, M.Sc.

Petroleum Engineer SME/FFT2
Carlsbad Field Office
Land and Minerals
Bureau of Land Management
Department of Interior
575-988-5402 Cell



From: Trey Morgan <Trey.Morgan@Scoutep.com>

Sent: Wednesday, May 24, 2023 6:02 PM

To: Vo, Long T <lvo@blm.gov>

Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>; Staton, Jon L <jstaton@blm.gov>; Dorian Fuentes <dfuentes@scoutep.com>

Subject: RE: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Long,

As per our last phone conversation we cut the 9-5/8" pipe at 916' but were unable to pull out of the hole due to channeled cement being behind the pipe. Since the failed casing pull we went in and spotted cement from 2204' (Top of cement on previous plug) up to 916' (where we cut casing). We then circulated cement down 9-5/8" casing up the surface casing to surface. This cement job failed to shut off water flow up the surface casing but did plug up the hole in the surface casing that was allowing water to escape to surface up the mouse hole. Today 05/24/2023 we pumped another cement job. Pumping down 9-5/8" casing out the casing cut at 916' and up the surface casing we circulated cement to surface, shut the bradenhead valve and continued pumping cement into the water flow formation. During displacement of the squeeze job our pressure started to increase indicating we were squeezing the formation successfully. Pressure locked up indicating a successful squeeze! Also, during the entire job there was never any fluid coming from the mouse hole. Cement was displaced down to 200' in the 9-5/8" before locking up. The wellbores surface water zone, surface casing – 9-5/8" annulus and 9-5/8" casing are completely dead and full of cement.

May we have approval to move forward with filling the remainder of the 9-5/8" casing up with cement from 200' to surface and finalize our plugging?

Thanks,

Trey Morgan

Senior Operations Engineer



972-533-8829

trey.morgan@scoutep.com

From: Vo, Long T <lvo@blm.gov>

Sent: Monday, May 15, 2023 12:05 PM

To: Trey Morgan <Trey.Morgan@Scoutep.com>

Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>; Staton, Jon L <jstaton@blm.gov>; Dorian Fuentes <dfuentes@scoutep.com>

Subject: Re: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Mr. Morgan,

You have per our phone conversation verbal approval to proceed as planned.

Regards,

Long Vo

Petroleum Engineer

Carlsbad Field Office

Land and Minerals

Bureau of Land Management

Department of Interior

575-988-5402 Cell

From: Trey Morgan <Trey.Morgan@Scoutep.com>

Sent: Monday, May 15, 2023 11:54 AM

To: Vo, Long T <lvo@blm.gov>

Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>; Staton, Jon L <jstaton@blm.gov>; Dorian Fuentes <dfuentes@scoutep.com>

Subject: RE: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Amended Plug and Abandon Procedure:

1. Run CBL from 3000' to surface to verify TOC in 9-5/8" Casing
2. Set CIBP @ 3072', pressure test CIBP to ensure proper seal and spot 35' of cement on top of CIBP. (7 Rivers, Queen, Grayburg).
3. Displace hole with 9.5# Brine w/ 25# gel P/BBL
4. Set CIBP @ 2411', pressure test CIBP to ensure proper seal, spot cement on top of CIBP from 2411' to 2211' to cover Yates and Base of Salt. WOC and tag top of plug.
5. Spear 9-5/8" and perform pipe stretch calculation to ensure pipe is free. RIH and cut 9-5/8" casing 1 jt above TOC determination. (After CBL run it is determined that we will cut @ 900'.
6. POOH and lay down 9-5/8" casing.
7. RIH with 13-3/8" cement retainer on tubing and set as close to surface casing shoe as possible (~900') in attempt to shut off water flow coming from approximately 1200' to 1300'. Check for flow, if flow continues

- shut down until further conversation is had with BLM. If no flow, move to next step.
- 8. Squeeze 365 sxs (98 bbls) of cement below cement retainer into water flow zone. Squeeze water flow zone off.
- 9. Spot cmt from 900' to surface using 580 sxs (156 bbls). WOC, confirm TOC at surface.
- 10. Install dry hole marker
- 11. RDMO

Thanks,

Trey Morgan

Senior Operations Engineer



972-533-8829

trey.morgan@scoutep.com

From: Trey Morgan
Sent: Thursday, May 11, 2023 1:34 PM
To: Vo, Long T <lvo@blm.gov>
Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>; Staton, Jon L <jstaton@blm.gov>; Dorian Fuentes <dFuentes@scoutep.com>
Subject: RE: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Good morning Long,

As discussed yesterday afternoon the perf and circulate from 1300' to surface did not hold and the well is still flowing water to surface. Below is our proposed procedure to completely plug and abandon the well. If you have any questions or concerns please feel free to reach me on my cell.

1. Run CBL from 3000' to surface to verify TOC in 9-5/8" Casing
2. Set CIBP @ 3100' and spot 35' of cement on top of CIBP. (7 Rivers, Queen, Grayburg).
3. Displace hole with 9.5# Brine w/ 25# gel P/BBL
4. Set CIBP @ 2350' Spot 10 sx plug from 2350' – 2250' (B-Salt). WOC and tag top of plug.
5. RIH and cut 9-5/8" casing 1 jt above TOC determination (TOC Currently estimated to be at 1400' by temp survey)
6. POOH and lay down 9-5/8" casing.
7. RIH with 13-3/8" cement retainer on tubing and set as close to surface casing shoe as possible (~990') in attempt to shut off water flow coming from approximately 1200' to 1300'. Check for flow, if flow continues shut down until further conversation is had with BLM. If no flow move to next step.
8. Squeeze 365 sxs (98 bbls) of cement below cement retainer into water flow zone. Squeeze water flow zone off.
9. Spot cmt from 990' to surface using 580 sxs (156 bbls). WOC, confirm TOC at surface.
10. Install dry hole marker
11. RDMO

Thanks,

Trey Morgan

Senior Operations Engineer



972-533-8829

trey.morgan@scoutep.com

From: Vo, Long T <lvo@blm.gov>
Sent: Wednesday, May 10, 2023 2:40 PM
To: Trey Morgan <Trey.Morgan@Scoutep.com>
Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>; Staton, Jon L <jstaton@blm.gov>
Subject: Re: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Mr. Morgan,

Please see attached, if you have any questions, please feel free to contact.

Regards,

Long Vo

Petroleum Engineer
Carlsbad Field Office
Land and Minerals
Bureau of Land Management
Department of Interior
575-988-5402 Cell

From: Vo, Long T <lvo@blm.gov>
Sent: Tuesday, May 9, 2023 12:42 PM
To: Trey Morgan <Trey.Morgan@Scoutep.com>
Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>; Staton, Jon L <jstaton@blm.gov>
Subject: Re: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Mr. Morgan,

You have verbal approval to proceed with the proposed plan. Please follow up with a subsequent report within 5 business days of this verbal approval. Please include this email and attachments within the sundry.

Regards,

Long Vo

Petroleum Engineer
Carlsbad Field Office
Land and Minerals
Bureau of Land Management
Department of Interior
575-988-5402 Cell

From: Trey Morgan <Trey.Morgan@Scoutep.com>
Sent: Tuesday, May 9, 2023 11:57 AM
To: Vo, Long T <lvo@blm.gov>
Cc: Brandon Hertel <bhertel@scoutep.com>; Lee Ellison <lellison@scoutep.com>; Nick Tunnell <ntunnell@scoutep.com>
Subject: [EXTERNAL] RE: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

This email has been received from outside of DOI - Use caution before clicking on links, opening attachments, or responding.

Procedure for Perf and Circulate Surface Plug:

1. RIH and Perf @ 1300’.
2. Confirm that valve coming from 13-3/8 and 9-5/8 Annulus is in the CLOSED position.
3. Pump 625 sacks (170 bbls) (This volume is calculated backside volume with 100% Excess) of 14.2 ppg cement. Cement will be pumped down 9-5/8” casing, out of the perf hole at 1300’ and up the annulus.
4. Displace cement with FW down to 1000’.
5. Shut well in and let cement set up

Please let me know if you have any questions or concerns over this procedure. We have cementers set up for first thing tomorrow morning.

Thanks,

Trey Morgan
 Senior Operations Engineer

 972-533-8829
trey.morgan@scoutep.com

From: Trey Morgan
Sent: Tuesday, May 9, 2023 11:06 AM
To: LVO@BLM.GOV
Subject: Erwin B Fed NCT-2 #1 (30-025-11362) Surface Leak - Bradenhead Squeeze Request

Trey Morgan
 Senior Operations Engineer

 972-533-8829
trey.morgan@scoutep.com

**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 **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 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. Dry Hole Marker: 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). A weep hole shall be left if a metal plate is welded in place.

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.



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

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

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

CONDITIONS

Action 423632

CONDITIONS

Operator: SCOUT ENERGY MANAGEMENT LLC 13800 Montfort Road Dallas, TX 75240	OGRID: 330949
	Action Number: 423632
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
jagarcia	None	2/4/2025