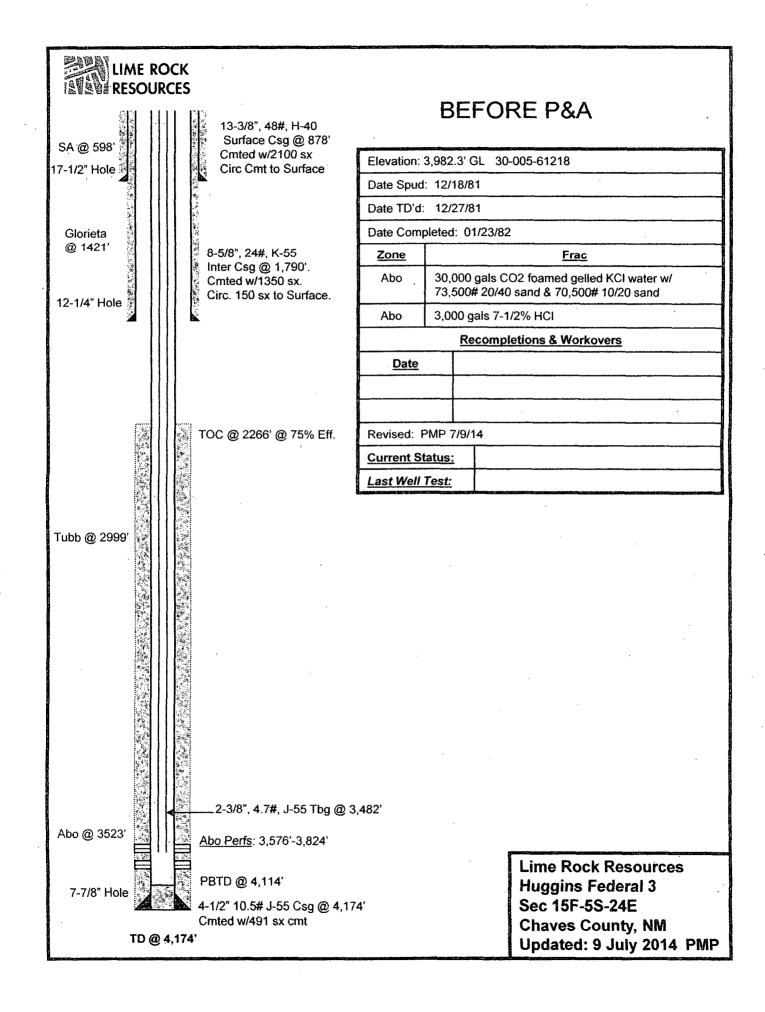
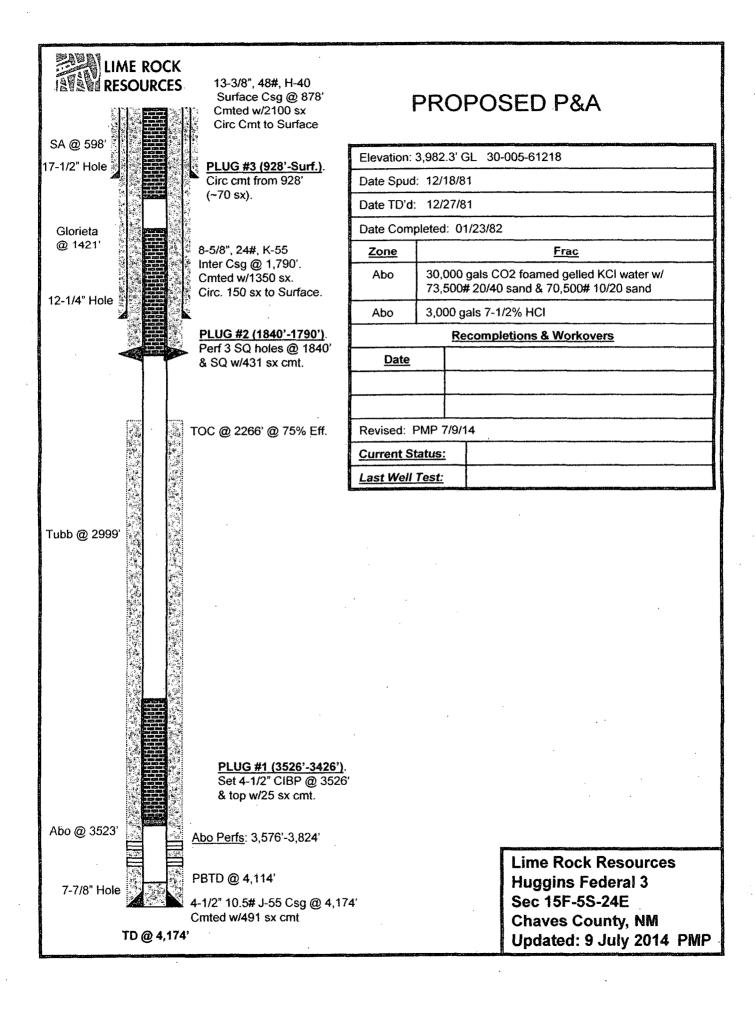
Do not	UNITED STATE DEPARTMENT OF THE BUREAU OF LAND MAN SUNDRY NOTICES AND REPO use this form for proposals ned well. Use Form 3160-3 (A	INTERIOR N.M. AGEMENT ORTS ON WELLS AKA to drill or reenter an	N.M. C. ARTESIAL ease Serial No. 1 LUIA, IMI 8210 NMI-33266 6. If Indian, Allottee or Tribe Name
	IN TRIPLICATE – Other ins	<u></u>	7. If Unit or CA/Agreement, Name and/or No.
Type of Well			
Oil Well X Gas Well Other			8. Well Name and No.
2. Name of Operator			HUGGINS FEDERAL #3
RE OPERATING	, LLC.		3
a. Address C/O Mik	فتستجر بالالاستين ويعتب الشناع والمتعالية فتستعلني والمتعالي والمتعارف وأراد	3b. Phone No. (include are	rea code) 30-005-61218
3104 N. Sullivan,	Farmington, NM 87401	505-327-4573	10. Field and Pool, or Exploratory Area
			Pecos Slope Abo (82730)
Location of Well (Fo	ootage, Sec.;*T., R.; M., or Survey Descr	ription)	
1650' FNL & 1980' FWL Unit F			AND T
Sec. 15, T5S, R24E			Chaves County, New Mexico
2. CHECK APPROP	RIATE BOX(ES) TO INDICATE N	NATURE OF NOTICE, REPOI	DRT, OR OTHER DATA
TYPE OF SUBMIS	SION TYPE OF ACTIO)N	, , , , , , , , , , , , , , , , , , ,
If the proposal is to dee Atach the Bond under w Following completion of the Testing has been complet determined that the site is real LRE would like	npleted Operations (clearly state all perinent been directionally or recomplete horizontally, g hich the work will be performed or provide he involved operations. If the operation resu ed. Final Abandonment Notices shall be find dy for final inspection.) to P&A this Abo well as follow	details, including estimated starting data give subsurface loations and measure the Bond No. for file with BLM/IN liks in a multiple completion or recomme aled only after all requirements hours ws: MIRUSU: TOFF-or/en-	DITIONS OF APPROVAL
Circ hole w/P& <u>1421'</u> . Perf 3 S sx cmt outside @ 100% exces <u>598'</u> . W/tbg @ off csg below s location, cut off	A mud (25 sx gel/100 bbls wa SQ holes @ 1840'. Set 4-1/2' 4-1/2" csg (circ to surface) & s). Reverse out. WOC, Tag 928' circ cmt to Surface (~70 urface csg flange. Install P& anchors & restore location.	ater). Plug #2 (1840'-137 " pkr @ ~1100'. Establish 36 sx cmt inside csg (flus cmt. Plug #3 (928'-Surfa 0 sx). TOH. Top off csgs A morker with cont to com	6' & top w/25 sx cmt (~323'). WOC. Tag cmt. 71'), 8-5/8" shoe @ 1790' & top of Giorieta @ h rate out intermediate valve & SQ perfs w/395 ish to 1371'). (Volume between csg & hole calc ace), 13-3/8" csg shoe @ 878' & top of SA @ s w/cmt. See attached wellbore diagrams. Cut apply with government specs. RD move off NM OIL CONSERVA ARTESIA DISTRICT
4. I hereby curring that Name (Printed/Type	the foregoing is true ENDING	Title Delle 4	2014 AUG 25 2014
Signature	Mike Pippin	Date	Petroleum Engineer (Agent) July 9, 2014
	THIS S	PACE FOR FEDERAL OR STA	
	ISI Angel Mayes		
	ds legal or equitable title to those rights in the icant to conduct operations thereon.	ie subject lease	





BUREAU OF LAND MANAGEMENT Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201 (505) 627-0272

Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within <u>ninety (90)</u> days from the approval date of this Notice of Intent to Abandon. If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action. Unless the well has been properly plugged, the rig shall not be removed from over the hole without prior approval.

2. <u>Notification:</u> Contact the BLM Roswell Field Office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, during office hours or after office hours call (505) 627-0205.

3. <u>Blowout Preventers:</u> A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9090 feet; a 3M system for a well not deeper than 13636 feet; and a 5M system for a well not deeper than 22727 feet.

4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at a rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. <u>Cement Requirement:</u> Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 50 feet of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either class "C" for up to 7500 feet of depth, mixed at 14.8 lbs./gal with 6.3 gallons of fresh water per sack or class "H" for deeper than 7500 feet plugs, mixed at 16.4 lbs./gal with 4.3 gallons of fresh water per sack.

6. <u>Dry Hole Marker</u>: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10 feet in length, 4 feet above the ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: Well name and number, the name of the operator, the lease serial number, the surveyed location (the quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer; such as metes and bounds).

7. <u>Subsequent Plugging Reporting</u>: Within 30 days after plugging work is completed, file one original and five 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. <u>Show date well was plugged</u>.

Following the submittal and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval shall be developed and furnished to you.