

NM OIL CONSERVATION

ARTESIA DISTRICT

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG 31 2015
OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS RECEIVED

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.
NM- 59385

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.
H.B. 3 Federal #1

2. Name of Operator
Unit Petroleum

9. API Well No.
30-015-25766

3a. Address
PO Box 702500 Tulsa, Ok 74170-2500

3b. Phone No. (include area code)
918-493-7700

10. Field and Pool or Exploratory Area
Cedar Canyon

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980 FSL & 1980 FEL, Section 3, T24S- R29E

11. County or Parish, State
Eddy, N.M.

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 checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input checked="" 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 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.)

Anticipated Start Date 5/1/2015

1. Pull test anchors and MIRU well service unit.
2. Clean up around wellhead
3. NU BOP w/ 2 7/8" pipe rams and POOH w/tbg.
4. Possible bridge from csg leak.
5. TIH w/ 7" 10k RBP and spot sand & pkr.
6. SET RBP at 5,500' and test at 500 psi.
7. Move packer up the hole +/- 500 ft at a time and test casing. Last report stated csg leak at 3499-3463'. Isolate casing leak.
8. If leak is detected, set test pkr, need to get injection rate. Release test pkr. POOH.
9. TIH with cement retainer, load and test csg.
10. MIRU cement truck, pump sufficient amount to repair leak. WOC.
11. PU BHA, TIH tag cmt PU power swivel. Drill out squeeze.
12. LD BHA & PS. Release all rental equipment. Rod up and move pumping unit to location.
13. Clean location & return well to production.

RD 9/3/15
Accepted for record
NMOC

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

Abel Resender

Title Engineer

Signature

Abel Resender

Date

4/1/15

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Charles Nimmer

PETROLEUM ENGINEER

ACCEPTED FOR RECORD

AUG 27 2015

Date

**BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**

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)

**H.B. 3 Federal #1
30-015-25766
Unit Petroleum
August 26, 2015
Conditions of Approval**

Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.

Work to be completed by November 26, 2015.

- 1. The CIT is to be performed on the production casing according to Onshore Oil and Gas Order No. 2, III.B.1.h. Submit results to BLM. Notify BLM if test fails.**
- 2. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.**
- 3. Surface disturbance beyond the originally approved pad must have prior approval.**
- 4. Closed loop system required.**
- 5. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.**
- 6. Operator to have H2S monitoring equipment on location.**
- 7. A minimum of a 2000 (2M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.**
- 8. Subsequent sundry required detailing work done and completion report with the new formation. Operator to include well bore schematic of current well condition when work is complete.**
- 9. See attached for general requirements.**

CLN 082615