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Form 3160-5 . (August 2007) DE Bl	UNITED STATES PARTMENT OF THE INTE URFALLOF LAND MANAGEM	RIOR IENT	sia C	FORM APPROVED DMB NO. 1004-0135 Expires: July 31, 2010
SUNDRY NOTICES AND REPORTS ON WELL			5. Lease Serial NMLC029	No. 3389A
Do not use this form for proposals to drill or to re-ente abandoned well. Use form 3160-3 (APD) for such propo			6. If Indian, Al	llottee or Tribe Name
SUBMIT IN TRI	PLICATE - Other instruction	s on reverse side.	7. If Unit or C. NMNM10	A/Agreement, Name and/or No. 6828
 Type of Well Oil Well S Gas Well Other 	ıer		8. Well Name BAISH FEI	and No. DERAL 12
2. Name of Operator CHEVRON USA INCORPOR	Contact: CIN ATED E-Mail: CHERRERAMU	DY H MURILLO JRILLO@CHEVRON.COM	9. API Well N 30-015-3	o. 1376-00-S1
3a. Address 15 SMITH ROAD MIDLAND, TX 79705	3b. Ph Fx	Phone No. (include area code) 575-263-0431 575-263-0445	10. Field and I N SHUG	Pool, or Exploratory ART
4. Location of Well (Footage, Sec., 7	L, R., M., or Survey Description)		11. County or	Parish, and State
Sec 9 T18S R31E NENW 990	FNL 1650FWL		EDDY CO	OUNTY, NM
12. CHECK APPI	ROPRIATE BOX(ES) TO IN	DICATE NATURE OF N	OTICE, REPORT, OR	OTHER DATA
TYPE OF SUBMISSION		TYPE OF	ACTION	
Notice of Intent	☐ Acidize ☐ Alter Casing	 Deepen Fracture Treat 	 Production (Start/Rest Reclamation 	une) 🔲 Water Shut-Off
U Subsequent Report	Casing Repair	New Construction	Recomplete	D Other
Final Abandonment Notice	 Change Plans Convert to Injection 	Plug and Abandon Plug Back	 Temporarily Abandon Water Disposal 	
If the proposal is to deepen direction Attach the Bond under which the wo following completion of the involved testing has been completed. Final Al determined that the site is ready for f CHEVRON USA INC IS REQ RECENTLY PLUGGED BACH DEEMED NON-ECONOMICA FOR CHEVRON) HAS SPOK CAMERON KHALILI A CALL	ally or recomplete horizontally, give rk will be performed or provide the E operations. If the operation results bandonment Notices shall be filed on inal inspection.) UESTING TO PLUG AND AB AND RE-PERFORATED IN L AND WE ARE REQUESTIN E TO CHRIS WALLS REGAR AT 432-488-8615.	AND INCLUME Commence of the subsurface locations and measu Bond No. on file with BLM/BIA in a multiple completion or reco ly after all requirements, includ ANDON THE ABOVE SU TO THE WOLFCAMP FO NG TO PLUG THIS WELL CDING THIS MATTER. IF	ered and true vertical depths of . Required subsequent reports mpletion in a new interval, a F ing reclamation, have been con BJECT WELL. THE BAIS RMATION WITH TCP GU . CAMERON KHALILI (P YOU HAVE ANY QUEST	all pertinent markers and zones. shall be filed within 30 days onn 3160-4 shall be filed once apleted, and the operator has SH FEDERAL #12 WAS JNS. THE WELL WAS 'RODUCTION ENGINEER FIONS, PLEASE GIVE
	SEE ATTACHED CONDITIONS OF	APPROVAL	RECLAMATION PR Attachei	OCEDURE D
Below Ground Leve	1 abandon ment ma	ker required	NM (DIL CONSERVATION ARTESIA DISTRICT
14. I hereby certify that the foregoing is	Electronic Submission #3459	88 verified by the BLM Wel	Information System	JUL 2 9 2016
Commi	tted to AFMSS for processing b	oy CHRISTOPHER WALLS	ne Carisbad on 07/27/2016 (16CRW0079	SE) DECENJERIO
Name (Printed/Typed) CINDY H	MURILLO	Title PERMI	TING SPECIALIST	RECEPTED
Signature (Electronic S	Submission)	Date 07/27/20	Accept	NIMOCD
Λ	THIS SPACE FOR F	EDERAL OR STATE	DFFICE USE	
Approved By	<u>ь</u>	En)	Date 7/26/16
Conditions of approval, if any, are attache certify that the applicant holds legal or equ which would entitle the applicant to condu	d. Approval of this notice does not v atable title to those rights in the subjuct operations thereon.	varrant or ect lease Office .	U	
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.				

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** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

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Lease: OHO HOBBS EMT	Well No.: BAISH	FEDERAL 12 12	Field: SHUGART N	
Location: 990FNL1650FWL	Sec.: N/A		Bik:	Survey: N/A
County: Eddy St.: New Mexico Refno: HA901			API: 3001531376	Cost Center: UCT442600
Section: E031	Township: 9 S	<u></u>		Range: S018 E
Current Status: ACTIVE			Dead Man Ancho	rs Test Date: NONE
Directions:			·	
0 662 6629 9962 916 910 9801 2001 2001 2001 2001 2001 2001 2001 2	Tubing Str 1 @(18-91) Surface Ca @(18-730) @(18-732) Intermedia @(18-732) Intermedia @(18-732) Intermedia @(18-732) @(18-732) @(18-9015 @(18-9015 @(18-9015 @(18-9015 @(19212-92) @(9269-93) @(11640-' @(11706-' @(111706-' @(118-730) @(18-730) @(730-48) @(4874-12)	ing Quantity (Top-B 98) 13CR 2.875 OE asing (Top-Bottom E 1 H-40 13.375 OD/ 4 1) Casing Shoe (13.3 0 Cement (behind Ca 3) N-80 9.625 OD/ 4 53 N-80 9.625 OD/ 4 53 N-80 9.625 OD/ 4 53 N-80 9.625 OD/ 4 50 Cement (behind Ca 1 Casing (Top-Botton 5) P-110 5.500 OD/ 045) Unknown 5.50 256) Perforations - F 329) Perforations - F 329) Perforations - F 11589) Packer (All e 11670) Plug - Ceme 11674) Bridge Plug 11746) Perforations 1999) P-110 5.500 G 2005) Cement (behin (Top-Bottom Depth)) 0 Wellbore Hole OD 74) Wellbore Hole OD 74) Wellbore Hole C 2005) Wellbore Hole 2005) Wellbore Hole	ottom Depth) Desc Unknown Weight/ Depth) Desc 3.00# Unknown Three 3.75 OD Casing)- asing)- om Depth) Desc 0.00# Unknown Three 9.625 OD Casing)- Casing)- m Depth) Desc 17.00# Unknown Three 9.625 OD Casing)- Casing)- m Depth) Desc 17.00# Unknown Three 0.0D/ 9.00# Buttress Proposed Wolfcamp - Ise unkown) - 4.500- nt- Cast Iron 5.500- Store (Fraced)-Op DD/ 9.00# Round St (5.500 OD Casing)- Desc 17.5000- 17.5000- 17.5000- 0.0D- 7.8750- 0.0D-	Thread- ad 12.715 ID 12.559 Drift- ad 8.835 ID 8.679 Drift- read 4.892 ID 4.767 Drift- 5.192 ID 5.067 Drift- Frac- Frac- pen lort 5.192 ID 5.067 Drift-
Well Depth Datum: N/A		levation (MSL): 0	.00 Corre	ction Factor: 0.00
Last Updated by: nqbc	D	ate: 09/17/2014		
			,	

Field: API No. : 30-015-31376 ease Name: Baish Federal Wolfcamp Well No. Reservoir: Wolfcamp Current/Proposed: Proposed 12 990' FNL & 1650' FWL GL: 3,707 11/20/2000 Location: Spud Date: 1/6/2001 9 KB: 3,725 Comp. Date: . Sec.: 3,724 DF: 18 S County: Eddy Twn New Mexico Status: State: Rnge 31 E Cost Center Hole Size: 17,5" 13-3/8", 48# H-40 Csg. Size: Set @: 731' Sks. Cmt.: TOC @: Surf Y Circ: Y/N: Æ B Perfat 816' + 392 Cm F to surf. Perfat 2000' + 592 cmt to 1700' 3, Perfat 4925' + 592 cmt to 4387 Hole Size: Calc. 12-1/4" TOC @ 4,500 Csg. Size: 9-5/8" 40#, N-80 Set @: 4,874 Sks. Cmt.: TOC @: Surface Circ: Y/N: Yes from 5750 - 5450' Ì 30 Sx Class C CQ 9211 Auno 40 Ston Lop From 9157-8857 DV Tool @ 9,015 9157 IBPQ Proposed Wolfcamp Perforations 9207-9211, 9224-9230, 9287-9297, 9300-9312, and 9317-9321 @ 4 spf, 90 deg phasing Marrow @ 11256 Porposed CIBP @ 9664' w 35' CMT on top Pump 30 5x cmt at H350-11140-~ 11500 - 9662 CIBP @ 11,617 w/ 35' cement to 11,582' 1/4" SS Capstring and check valve lost in hole - est 5'-10" Feb. 2001 Bottom Packer Detail 10K packer w/ mandrel looking up - 1.95" ID 10K packer @ 11,606' Morrow perfs 10' - 2 3/8'' tubing sub Mandrel looking 1.781" profile nipple up - Est. EOTP 11,706'-11,718' 10' - 2 3/8' tubing sub @ 11,631' Mechanical gun release upper half 11,736'-11,746' TCP guns -Hole Size: 7-7/8" 5-1/2" 17#, P-110, N-80, J-55 top @ 11,821' Csg. Size: 12,000' Set @: 1710 sx. Sks. Cmt. 4500' PBTD: 11,780' Sand fill TOC @: Y to DV, N to surface TD: 12,000 Circ: Y/N: •

Updated: 4/16/2015

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WELL NAME: <u>Baish Federal #12</u> API #:<u>30-015-31376</u> CHEVNO: <u>HA9016</u> OPERATOR: <u>Chevron USA INC.</u> SPUD DATE: <u>11/20/2000</u> PERMIT: <u>GAS</u>

Chevron USA Inc.

6029389

Mid-Continent Business Unit

WORKOVER PROCEDURE

Baish Federal #12 – Plug and Abandoment

CLASS 3 WELLWORK:

Title	Name	Signature
Lead WSM	Gabriel Garcia / Jose Cruz	
Workover Engineer	Reilly Spence	
Workover TTL	Kyle Olree	
Drilling Superintendent	David Bohon	
Production Engineers	Omar Visairo / Bob Bielenda	

Chevron

WELL NAME: <u>Baish Federal #12</u> API #:<u>30-015-31376</u> CHEVNO: <u>HA9016</u> OPERATOR: <u>Chevron USA INC.</u> SPUD DATE: 11/20/2000 PERMIT: GAS

Objective: P&A the well.

This procedure is meant to be a guide only. It is up to the WSM, Workover Engineer and Production Engineer to make the decisions necessary to do safely what is best for the well. PLEASE REFER TO THE H2S SHEET AND TAKE ALL NECESSARY PRECAUTIONS TO MITIGATE THAT AND ANY OTHER RISKS

Contacts:

Name	Title	Email	Office Number	Cell Phone
Reilly Spence	Workover Eng.	rwxr@chevron.com	970-257-6028	970-549-6417
Todd Cook	HES Specialist			
David Bohon	Superintendent	boho@chevron.com	432-687-7589	432-238-2322
Kyle Olree	TTL	kyol@chevron.com	432-687-7422	307-922-3098
Omar Visairo	Production Eng.	omnv@chevron.com	432-687-7768	432-254-2326
Bob Bielenda	Sr. Production Eng.	rbuz@chevron.com	432-687-7877	432-215-7839
	Ops Supervisor	· · ·		•
Kelly Chavez	ALCR		575-394-1247	432-312-7283
Denise Pinkerton	Regulatory Specialist	leakid@chevron.com	432-687-7375	

Well Status:

Shut-in

Recent History:

The Baish Fed 12 was recently plugged back and re-perforated into the Wolfcamp formation with TCP guns. The well was deemed non-economical and will be P&A'd.

Wellbore Information:

Surface Casing -- 13 3/8" 48# H-40 set @ 731' w/ cmt to surface Intermediate Casing -- 9 5/8" 40# N-80 set @ 4,874' w/ cmt to surface Production Casing -- 5-1/2" 17# P-110 set @ 12,000' w/ cmt to 4500' (calc; circulated CMT off of DV tool at 9015') PBTD@ 11,780'

CMT/RBP		11,582'
Isolated Morrow Perfs	•	11706' – 11746'

Wolfcamp Perfs 4 spf, 90 deg phasing @: 9207-9211, 9224-9230, 9258-9267, 9287-9297, 9300-9312, and 9317-9321' using propellant-enhanced tubing-conveyed perforating guns.

Logs:

Archer ran a CBL to 9830' on 7/16/2015. The well was TA'd before and after that, so no fill is expected. There are casing collars located at approximately 9666' and 9624'.

Current/proposed WBD:

PRE-WORK:



WELL NAME: Baish Federal #12 API #:30-015-31376 CHEVNO: HA9016 **OPERATOR:** Chevron USA INC. SPUD DATE: 11/20/2000 PERMIT: GAS

- 1. Ensure that proper regulatory agencies have been notified 24 hours prior to P&A operations.
- 2. Utilize the rig move check list.
- 3. Ensure that elevators and other lifting equipment are inspected. Caliper all lifting equipment at the beginning of each day or when sizes change.
- 4. For wells to be worked on or drilled in an H2S field/area, include the anticipated maximum amount of H2S that an individual could be exposed to along with the ROE calculations for 100' and 500'.

Procedure:

- 1. Rig is currently rigged up on the well with BOPE N/U and tested.
- P/U 5-1/2" CIBP and TIH with 2-3/8" workstring to 9,157' (50' above top perforation) and set. 2.
- 3. MIRU cement providers. Test lines to 1000 psi for ten minutes.
- Spot 300' of 15.6 ppg (5.2 gal/sk; 1.18 cuft/sk yield) Class "H" cement plug from the CIBP at 9,157' 4 - 8,857'. Check with cementing company on any necessary retarder concentration, if applicable.
 5. L/D workstring to 8,757' and reverse circulate clean 1-1/2 tubing volumes.
- 6. Pump 300' of 15.6 ppg (5.2 gal/sk; 1.18 cuft/sk yield) Class "M" cement for a balanced plug from $6,450^{\circ} - 6,150^{\circ}$. Check with cementing company on any necessary retarder concentration, if applicable. $5750^{\circ} - 5450^{\circ}$ (Bone Satisfies - 5693')
- 7. L/D workstring to 6,000' and reverse circulate clean 1-1/2 tubing volumes.
- 8. Pump 300' of 15.6 ppg (5.2 gal/sk; 1.18 cuft/sk yield) Class "H" cement for a balanced plug from Sazd Plug 4,750 - 4,450'. Check with cementing company on any necessary retarder concentration, if applicable. 4925 - 4387 (Deloware-4437, 659' Shoe-4673)
- 9. L/D workstring to 4,350' and reverse circulate clean 1-1/2 tubing volumes.
- 10. Pump 300' of 15.6 ppg (5.2 gal/sk; 1.18 cuft/sk yield) Class "H" cement for a balanced plug from 2,930 - 2,630'. Check with cementing company on any necessary retarder concentration, if applicable. 2000 - 1700 (Vates - 1947)
- 11. Pull up workstring to 2,530' and reverse circulate clean 1-1/2 tubing volumes.
 - WOC ~6 hours, then RIH and tag TOC and report accordingly. Document tag in WellView.
- 12. MIRU E-line and lubricator. P/U and RIH with perforating guns loaded 4 SPF 90 degree phasing. Perforate squeeze holes at 781° (50' below the 13-3/8" surface casing shoe).
- POOH ensure all shots fired. RDMO with E-line.
- (TOS@ 766'
- 14. MIRU cement equipment and test lines.
- 15. Establish circulation down the 5-1/2" production casing up the 5-1/2" x 9-5/8" annular space.
- 16. Circulate cement down the 5-1/2" production casing to surface up the 5-1/2" x 9-5/8" annular space. Once cement has been circulated to surface shut in the 5-1/2" x 9-5/8" casing valve leaving 500 psi squeeze pressure on the well.



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- 17. RDMO with cement equipment.
- 18. Cut and cap well per Conditions of Approval.
- 19. Notify ALCR and production personal in field office and contact pumper that well is ready for reclamation.
- 20. Complete Ownership Transfer Form from D&C to Operations. Send copy to workover engineer for filing.
- 21. RDMO workover rig and equipment. ENSURE LOCATION IS CLEAN.
- 22. Turn well over to production.

REFERENCES:

MCBU DC SOP A006 – Elevator Inspection and Change Out Log. MCBU DC SOP A008 – Well Control MCBU DC SOP C004 – Well Handover version 1.0 Approved MCBU DC SOP D001 – BOP Pressure Testing MCBU DC SOP W002 – Flow Back of Energized Fluids MCBU DC SOP W003 – Workover Barrier 1.0 Well Control Handbook – Version 1.3 Restraint of Temporary Pressurized Lines – February 2015

STANDARD GUIDELINES:

Maximum Anticipated H2S Exposures (RRC H9 / NM Rule 36)

All personnel on location must be made aware of each of the following values (values vary by field):

- Maximum anticipated amount of H2S that an individual could be exposed to is 0 ppm
- at the maximum anticipated escape volume (of wellbore gas) of N/A MCF/D
- 100 ppm Radius of Exposure is N/A feet.
- 500 ppm Radius of Exposure is N/A feet.

Elevators

At every tubing size change, the elevators must be calipered and all lifting equipment must be visually inspected for the correct sizing, and rechecked daily. The elevators must also be checked for proper sizing by placing a pony sub in the elevators. Prior to picking up power swivel, caliper and visually inspect elevators and bail on swivel. Checks are to be documented in the JSA and elevator log.

ND/NU

Prior to N/D, N/U operations, if only one mechanical barrier to flow will be in place, visual monitoring of well condition by the WSM is necessary for 30 minutes or more to ensure that the well is static <u>before</u> removing or replacing well control equipment. For all deviations to 2B policy, check that MOC for exemption from 2B policy is in place and applicable. During ND/NU operations with only one barrier to flow in-place, constant visual monitoring of well condition <u>during ND/NU</u> by the WSM is necessary.

Installed Equipment

Any and all equipment installed at the surface on the wellbore is to be visually inspected (internally) by the WSM prior to N/U to the wellhead by the service provider to ensure no debris or other potential restrictions are present. During any NU ops over an open wellhead (BOP, EPA, etc.), ensure the hole is covered to avoid dropping anything downhole.

Hazard ID

Identify hazards with the crew as they come up during the job. Stop and review and discuss JSAs.

Scale and Paraffin Samples ,

When removing rods and/or tubing from a well, collect samples of any paraffin and/or scale.

7/27/2016



WELL NAME: <u>Baish Federal #12</u> API #:<u>30-015-31376</u> CHEVNO: <u>HA9016</u> OPERATOR: <u>Chevron USA INC.</u> SPUD DATE: <u>11/20/2000</u> PERMIT: <u>GAS</u>

When drilling, note, report and sample significant returns of scale or paraffin, or anything other significant returns. Assume that samples that come from different areas/environments in the well are different and require a different sample; e.g. top/bottom of well, inside outside of tubing. Always collect enough sets of samples for both Production and D&C Chemical Reps. Send any samples to Chemical Reps., both for

- 1) Production (many times Baker), as well as for
- 2) D&C (many times PetroPlex).

Discuss D&C's Chemical Rep's recommendations with Engineering, or simply implement as practical.

Trapped Pressure

Recognize whether the possibility of trapped pressure exists, check for possible obstructions by:

- Pumping through the fish/tubular this is not guaranteed with an old fish as the possibility of a hole above the
 obstruction could yield inconclusive results
- Dummy run -- make a dummy run through the fish/tubular with sandline, slickline, e-line or rods to verify no
 obstruction. If unable to verify that there is no obstruction above the connection to be broken, or if there is an
 obstruction:
- Hot Tap at the connection to check for pressure and bleed off
- Observe and watch for signs / indicators of pressure as connection is being broken. Use mud bucket (with seals removed) and clear all non-essential personnel from the floor.

Wireline

For all wireline and slickline jobs (except in new, cemented, tested and unperforated casing) install wireline packoff and lubricator. Follow Standard Guideline for installing equipment over wellhead. Test to 250 on the low end, and test on the high end based on SITP or max. anticipated pressure. Establish exclusion zone around wellhead area. Observe and enforce radio silence as needed for explosives. All wireline tools are to be calipered and documented on a diagram prior to PU and RIH. This is critical information in the event of fishing operations.

STANDARD GUIDELINES

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Elevators

At every tubing size change, the elevators must be calipered and all lifting equipment must be visually inspected for the correct sizing, and rechecked daily. The elevators must also be checked for proper sizing by placing a pony sub in the elevators. Prior to picking up power swivel, caliper and visually inspect elevators and bail on swivel. Checks are to be documented in the JSA and elevator log.

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7/27/2016

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OPERATOR: Chevron USA INC.

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Frac Prep

During frac prep, check with Engineering about the proximity of any drilling rigs or other ops scheduled in the vicinity on or around our scheduled upcoming frac dates and the effect of frac pressures and depths on those operations, or vice versa. Prior to any frac ops, inspect and RU frac equipment and lines, per Installed Equipment guidelines.

Establish exclusion zone around wellhead area. Test lines according to 80% of casing burst limitations. Set pop-offs accordingly.

Pressure Pumping

During any pressure pumping operations on a casing string, install a low-range pressure gauge and monitor and note bradenhead flow or pressures.

Discontinue pumping operations at any indication of pressure communication to the surface. Confirm that pop-offs are installed on all pumping equipment. Confirm that they are set to appropriate working pressures for the given work.

Flowback Operations

Rig up 15K iron with hobbles or Kevlar strapping. Use only open-top flowback tanks with gas-busters installed, which can be gauged from the ground, i.e. sight glass or tank gauge.

Establish injection rates

For all casing leaks, establish a range of injection/circulation rates and pressures, step-wise. Monitor bleed-down rates for use in hesitation jobs. Note all pressures, pumped volumes and rates for each injection test step. Monitor and note bradenhead pressures and establish backside circulation rates where possible.



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

Permanent Abandonment of Federal Wells Conditions of Approval (LPC Habitat)

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

1. Plugging operations shall commence within <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.

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. <u>Notification</u>: Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. <u>Blowout Preventers</u>: 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. <u>Mud Requirement:</u> 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. <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 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. <u>Below Ground Level Cap (Lesser Prairie-Chicken Habitat)</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 BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.** Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be covered with a metal plate at least ¼ inch thick and welded in place. A weep hole shall be left in the plate and/or casing.

NMOCD also requires the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a below ground cap was installed as required in the COA's from the BLM.

7. <u>Subsequent Plugging Reporting</u>: 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. <u>Show date well was plugged.</u>

8. <u>Trash</u>: 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.

<u>Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:</u> 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

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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 predisturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, redistribute the native soils, provide erosion control as needed, rip and seed as specified in the original APD COA. This will apply to well pads, facilities, and access roads. Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

- 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 Appropriate time for submittal would be when filing 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.
- 3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.

- 4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.
- 5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
- 6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
- 7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos Supervisory Petroleum Engineering Tech 575-234-5909, 575-361-2648 (Cell)

Arthur Arias Environmental Protection Specialist 575-234-6230

Linda Denniston Environmental Protection Specialist 575-234-5974

Henryetta Price Environmental Protection Specialist 575-234-5951

Dara Glass Environmental Protection Specialist 575-234-5924

Shelly Tucker Environmental Protection Specialist 575-234-5979