

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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 reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC029389A
2. Name of Operator CHEVRON USA INC		6. If Indian, Allottee or Tribe Name
Contact: CINDY H MURILLO E-Mail: CHERRERAMURILLO@CHEVRON.COM		7. If Unit or CA/Agreement, Name and/or No. NMMN106828
3a. Address 1616 W. BENDER BLVD HOBBS, NM 88240	3b. Phone No. (include area code) Ph: 575-263-0431 Fx: 575-263-0445	8. Well Name and No. BAISH FEDERAL 12
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 9 T18S R31E Mer NMP NENW 990FNL 1650FWL		9. API Well No. 30-015-31376
		10. Field and Pool, or Exploratory N SHUGART
		11. County or Parish, and State EDDY COUNTY, NM

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

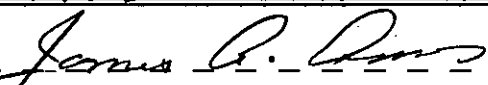
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

CHEVRON USA INC HAS PLUGGED THE ABOVE SUBJECT WELL WITH THE ATTACHED PROCEDURE.
CAMERON KHALILI (PRODUCTION ENGINEER) HAS BEEN IN CONTACT WITH CHRIS WALLS AT BLM REGARDING THE PLUGGING OF THIS WELL.

RECLAMATION
DUE 2-2-17**RECLAMATION PROCEDURE**
ATTACHEDAccepted as to plugging of the well bore.
Liability under bond is retained until
Surface restoration is completed.**NM OIL CONSERVATION**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #348582 verified by the BLM Well Information System For CHEVRON USA INC, sent to the Carlsbad		ARTESIA DISTRICT AUG 29 2016
Name (Printed/Typed) CINDY H MURILLO	Title PERMITTING SPECIALIST	RECEIVED
Signature (Electronic Submission)	Date 08/22/2016	

Accepted for Record THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved By 	Title SPET	Date 8-23-16
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office CFO	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****



Summary Report

Major Rig Work Over (MRWO)
Completion - Reconfigure
Job Start Date: 6/13/2016
Job End Date: 8/2/2016

Well Name: BAISHI/FEDERAL 012	Lease: BAISHI/FEDERAL	Field Name: SHUGART NORTH	Business Unit: Mid-Continent
Ground Elevation (m): 1,129.89	Original RKB (m): 1,137.51	Current RKB Elevation: 1,137.51, 11/20/2000	Mud Line Elevation (m): Water Depth (m):

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PERFORM ACCUMULATOR DRAW DOWN TEST AS FOLLOWED:

STARTING PRESSURES WERE: ACCUMULATOR= 2,960 PSI
MANIFOLD= 1,520 PSI

- 1) CLOSE RAMS= ~2.5 SEC, ACC PSI= 2,660
- 2) OPEN RAMS= ~2.5 SEC, ACC PSI= 2,510
- 3) CLOSE ANNULAR= ~7 SEC, ACC PSI= 1,800
- 4) OPEN ANNULAR= ~7 SEC, ACC PSI= 1,710

REMOVE 2 WAY CHECK AND 2 3/8" L-80 TEST SUB.

- 5) CLOSED BLINDS= ~2 SEC, ACC PSI= 1,720
- 6) OPEN BLINDS= ~2 SEC, ACC PSI= 1,610

STARTED BOTH PUMPS AND ACCUMULATOR PRESSURED UP TO 2,940 PSI IN 1 MINUTES 25 SEC.

REMOVE 2 3/8" 2-WAY CHECK FROM HANGER.

****NOTE**** 4 - 11 GAL BOTTLES, PRE-CHARGED TO 1,000 PSI,

ATTEMPTED TO RELEASE 5 1/2" AS1X PACKER WITH WRENCHES AND TONGS WITH NO SUCCESS / WE HAD TO RU THE POWER SWIVEL IN ORDER TO PROVIDE TORQUE AND WORK THE TBG UNTIL THE PACKER RELEASE.

RELEASE 5 1/2" PACKER AND CIRCULATE WELL WITH 220 BBL'S OF 10# BRINE THROUGHOUT WELL DISPLACING OUT PACKER FLUID / WELL REMAINED STATIC.

PU TOOLS AND EQUIPMENT, ISOLATE, SECURE AND SHUT IN WELL FOR THE NIGHT.

DEBRIEF WITH CREW MEMBERS ON A JOB WELL DONE, GREAT JOB TODAY WORKING IFO AND STAYING HYDRATED, COMMUNICATED TOMORROWS PROJECTED OPERATIONS AND PROCEDURES.

CREW TRAVEL TO HOME.

NO OPERATIONS TAKING PLACE AT THIS TIME.

Report Start Date: 7/26/2016

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NO OPERATIONS TAKING PLACE ON WELL SITE.

CREW TRAVEL TO LOCATION.

TGSM AND JSA REVIEW W/ RIG CREW AND ALL BP, DISCUSSED TODAY'S PROJECTED OPERATIONS / COMMUNICATED E-COLORS, SWA, SWP, TENET OF THE DAY AND HAZARD WHEEL / HAZARDS WERE IDENTIFIED AND RECOMMENDED SAFE PROCEDURES WERE GIVEN.

SET CO-FO / CALIPER 2 3/8" TBG ELEVATORS / PERFORMED RIG WALK AROUND AND INSPECT TOOLS AND EQUIPMENT / COMPLETE PRE-TOWER INSPECTION FORM.

CHECK PRESSURE ON WELL "ZERO" / RD POWER SWIVEL AND REMOVE FROM LOCATION.

START POOH WITH 278- 2 3/8" L-80 4.7# 8RD EUE PROD TBG WHILE STANDING BACK ON DERRICK.

****NOTE**** WE LD THE 2- 2 3/8" ENDURALLOY JTS AND THEY BOTH WERE SLIGHTLY BENT.

LD 5 1/2" PACKER WITH 2 3/8" SS / LD ALL GUN ASSEMBLY AND CONFIRMED EVERY SHOT WAS DETONATED.

CREW LUNCH

WAITING FOR CHEVRON TECHNICAL TEAM TO DECIDE THE FUTURE OF THIS WELL / DECISION WAS MADE TO PLUG THE WELL.

PU TOOLS AND EQUIPMENT, ISOLATE, SECURE AND SHUT IN WELL FOR THE NIGHT.

DEBRIEF WITH CREW MEMBERS ON A JOB WELL DONE AND FOR ACCOMPLISHING ANOTHER IFO DAY / COMMUNICATED TOMORROWS PROJECTED OPERATIONS AND PLANS GOING FORWARD FOR THIS WELL.

CREW TRAVEL HOME.

NO OPERATIONS TAKING PLACE ON LOCATION.

Report Start Date: 7/27/2016

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NO OPERATIONS TAKING PLACE ON WELL SITE.

CREW TRAVEL TO LOCATION.

TGSM AND JSA REVIEW W/ RIG CREW AND ALL BP, DISCUSSED TODAY'S PROJECTED OPERATIONS / COMMUNICATED E-COLORS, SWA, SWP, TENET OF THE DAY AND HAZARD WHEEL / HAZARDS WERE IDENTIFIED AND RECOMMENDED SAFE PROCEDURES WERE GIVEN.

SET CO-FO / CALIPER 2 3/8" TBG ELEVATORS / PERFORMED RIG WALK AROUND AND INSPECT TOOLS AND EQUIPMENT / COMPLETE PRE-TOWER INSPECTION FORM.

SPOTTED IN 2 SETS OF PIPE RACKS / REMOVED TBG AROUND LOCATION TO SWAP OUT FRAC TANKS AND CLEARED LOCATION OF EQUIPMENT NO LONGER I USE.

DISCUSSED, COMPLETED AND REVIEWED OUR WEEKLY WELL SAFE DRILL (HOLE MONITORING - SHUT IN) / CREW, REV UNIT, AND PACKER HAND PARTICIPATED AND GAVE FEEDBACK DURING DEBRIEF.

RU APOLLO WIRE LINE ON LOCATION, REVIEWED SETTING DEPTHS AND PROJECTED OPERATIONS.

TEST LUBRICATOR TO 250L AND 1,000H "HELD" / OPEN WELL WITH ZERO PSI.



Summary Report

Major Rig Work Over (MRWO)

Completion - Reconfigure

Job Start Date: 6/13/2016

Job End Date: 8/2/2016

Well Name: BAISH FEDERAL 012	Lease: BAISH FEDERAL	Field Name: SHUGART NORTH	Business Unit: Mid-Continent
Ground Elevation (m): 1,129.89	Original RKB (m): 1,137.51	Current RKB Elevation: 1,137.51, 11/20/2000	Mud Line Elevation (m): Water Depth (m):

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RIH WITH FOLLOWING BHA::

ROPE SOCKET= 1 7/16"

COLLAR LOCATOR= 3 1/8"

#20 FIRING HEAD

BAKER #20 SETTING TOOL

4.24" CIBP

SPACED OUT, CORRELATED TO EXISTING 2001 LOG / SET CIBP @ 9,157' / PULLED UP AND SAT BACK DOWN ON CIBP TO VERIFY ITS LOCATION "GOOD"

POOH FROM 9,157' TO SURFACE WITH WL AND WL BHA.

POOH AND LD APOLLO WIRE LINE FROM LOCATION.

RIH WITH 283- 2 3/8" L-80 PROD TBG AND TAGGED 5 1/2" CIBP @ 9,159' / PULL TBG UP TO 9,152' AND SHUT IN WELL.

RU BASIC CEMENTING OVER WELL / INSPECT LINES AND DOCUMENTS PRIOR TO STATING WORK

PRESSURE TEST BASIC CEMENTING LINES TO 2,000 PSI FOR 5 MINUTES "HELD"

ESTABLISH CIRCULATION WITH 4.5 BBL'S OF FRESH WATER > PUMP 7 BBL'S (33 SXS) OF CLASS H CEMENT > PUMP 1 BBL FRESH WATER AND DISPLACE WITH 33 BBL'S BRINE.

CEMENT PLUG FROM 9,157' TO 8,857'

REMOVE BASIC CEMENTING LINES AND POOH WITH 13- 2 3/8" JTS FROM 9,152' TO 8,503'

RU LINES AND CIRCULATE REVERSE 50 BBL'S OF BRINE TO REMOVE ANY CEMENT FROM WELL / AVERAGE PRESSURE WAS 650 PSI @ 2.25 BPM / CIRCULATED WELL UNTIL RETURNS WERE CLEAN FLUID.

PU TOOLS AND EQUIPMENT, ISOLATE, SECURE AND SHUT IN WELL FOR THE NIGHT.

DEBRIEF WITH CREW MEMBERS ON A JOB WELL DONE AND FOR WORKING SAFE / DISCUSSED AND COMMUNICATED TOMORROWS PROJECTED PLANS AND PROCEDURES.

CREW TRAVEL HOME.

NO ACTIVITY TAKING PLACE AT THE WELL SITE AT THIS TIME.

Report Start Date: 7/28/2016

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NO OPERATIONS TAKING PLACE ON WELL SITE.

CREW TRAVEL TO LOCATION.

TGSM AND JSA REVIEW W/ RIG CREW AND ALL BP, DISCUSSED TODAY'S PROJECTED OPERATIONS / COMMUNICATED E-COLORS, SWA, SWP, TENET OF THE DAY AND HAZARD WHEEL / HAZARDS WERE IDENTIFIED AND RECOMMENDED SAFE PROCEDURES WERE GIVEN.

SET CO-FO / CALIPER 2 3/8" TBG ELEVATORS / PERFORMED RIG WALK AROUND AND INSPECT TOOLS AND EQUIPMENT / COMPLETE PRE-TOWER INSPECTION FORM.

CHECK PRESSURES "ZERO PSI" / RIH WITH 2 3/8" L-80 TBG AND TAGGED TOC @ 9,038' / PULLED TBG TO 9,021' AND PREP TO SPOT ADDITIONAL CEMENT.

NOTE I CALLED GABRIEL WITH BLM AND HE COMMUNICATED TO ME THAT WE NEEDED TOC TO BE AT OR AROUND ~8,857'

ALSO IF WE WERE GOING TO BE USING ONLY CLASS H CEMENT THAT EVERY PLUG AND SPOT NEEDED TO BE TAGGED AFTER 6 HRS WAITING TIME - WE SWITCHED TO CLASS C TO ELIMINATE ALL THE WAITING TIME.

ESTABLISH CIRCULATION WITH 3 BBL'S OF FRESH WATER > PUMP 7 BBL'S (33 SXS) OF CLASS H CEMENT > PUMP 1 BBL FRESH WATER AND DISPLACE WITH 33 BBL'S BRINE.

CEMENT PLUG FROM 9,038' TO ~8,738'

PULLED TBG TO 8,503' AND CIRCULATED 200 BBL'S OF 9.6 PPG ABANDONMENT MUD @ 2.25 BPM THROUGHOUT THE WELL.

WAITED ON CEMENT TO SETTLE BEFORE PERFORMING A HARD TAG.

RIH WITH 2 3/8" L-80 TBG AND TAGGED TOC @ 8,750' ✓

POOH WITH 2 3/8" L-80 TBG FROM 8,750' TO 5,720' WHILE LD ON RACKS.

PU TOOLS AND EQUIPMENT, ISOLATE, SECURE AND SHUT IN WELL FOR THE NIGHT.

DEBRIEF WITH CREW MEMBERS ON A JOB WELL DONE AND FOR WORKING SAFE / DISCUSSED AND COMMUNICATED TOMORROWS PROJECTED PLANS AND PROCEDURES.

CREW TRAVEL HOME.

NO ACTIVITY TAKING PLACE AT THE WELL SITE AT THIS TIME.

Report Start Date: 7/29/2016

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NO ACTIVITY AT WELLSITE

CREW TRAVEL TO LOCATION

TGSM AND JSA REVIEW W/ RIG CREW AND ALL BP, DISCUSSED TODAY'S PROJECTED OPERATIONS / COMMUNICATED E-COLORS, SWA, SWP, TENET OF THE DAY AND HAZARD WHEEL / HAZARDS WERE IDENTIFIED AND RECOMMENDED SAFE PROCEDURES WERE GIVEN.

SET CO-FO / CALIPER 2 3/8" TBG ELEVATORS / PERFORMED RIG WALK AROUND AND INSPECT TOOLS AND EQUIPMENT / COMPLETE PRE-TOWER INSPECTION FORM.



Summary Report

Major Rig Work Over (MRWO)

Completion - Reconfigure

Job Start Date: 6/13/2016

Job End Date: 8/2/2016

Well Name BAISH FEDERAL 012	Lease BAISH FEDERAL	Field Name SHUGART NORTH	Business Unit Mid-Continent
Ground Elevation (m) 1,129.89	Original RKB (m) 1,137.51	Current RKB Elevation 1,137.51, 11/20/2000	Mud Line Elevation (m) Water Depth (m)

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SITP: 0
SICP: 0
MAKE UP LINES TO CEMENT TRUCK CIRC 35 BBLs MUD TO TOP OFF WELL, SWITCH TO CEMENT PUMP 30' SXS (300') CLASS "C" CEMENT AT 5,750' - 5,450'.
DISPLACE W/ 21 BBLs WATER TO SPOT CEMENT.
LAY DOWN 16 JTS OF TBG.
REVERSE CIRC 30 BBLs TO FLUSH OUT TBG.
LAY DOWN 26 JTS OF TBG.
FINISH POOH W/ TBG
RIH W/ 10 JTS TAIL PIPE AND 2 3/8" X 5 1/2" 32A PKR. AND 120 JTS OF TBG.
EOT: 3,972'
PKR: 3,646
MIRU APOLLO. PERF W/6 SHOTS W/ 1 9/16" DEEP PENETRATORS @ 4,925'.
POOH, RD WL.

DISPLACE WELL W/ 5 BBLs MUD, PRESSURE UP TO 1,000#.
FORMATION NOT BREAKING DOWN, CALLED GABRIEL BENEWAY W/ BLM.
HE INSTRUCTED US TO SPOT A BALANCED PLUG FROM 4,980 TO 4,387'.
WE RIH W/ TOTAL OF 154 JTS TO 5010'.
PUMP 30 SX 15.6 PPG CEMENT PLUG (300').
DISPLACED W/ 18 BBLs
EST TOC 4,690'.
LAY DOWN 10 JTS.
REVERSE CIRC TBG CLEAN W/ 19 BBLs MUD.
PUMP 30 SX 15.6 PPG CEMENT PLUG. EST.TOC @ 4,390'.

LAY DOWN 16 JTS EOT @ 4,168'.
REVERSE CIRC TBG CLEAN W/ 58 BBLs WATER.
POOH W/10 STANDS.
PU TOOLS AND EQUIPMENT, ISOLATE, SECURE AND SHUT IN WELL FOR THE NIGHT.
DEBRIEF WITH CREW MEMBERS ON A JOB WELL DONE AND FOR WORKING SAFE / DISCUSSED AND COMMUNICATED TOMORROWS PROJECTED PLANS AND PROCEDURES.
CREW TRAVEL TO YARD
NO ACTIVITY AT WELLSITE

Report Start Date: 8/1/2016

Com

NO OPERATIONS TAKING PLACE ON WELL SITE.
CREW TRAVEL TO LOCATION FROM HOBBS RIG YARD.
TGSM AND JSA REVIEW W/ RIG CREW AND ALL BP, DISCUSSED TODAY'S PROJECTED OPERATIONS / COMMUNICATED E-COLORS, SWA, SWP, TENET OF THE DAY AND HAZARD WHEEL / HAZARDS WERE IDENTIFIED AND RECOMMENDED SAFE PROCEDURES WERE GIVEN.
SET CO-FO / CALIPER 2 3/8" TBG ELEVATORS / PERFORMED RIG WALK AROUND AND INSPECT TOOLS AND EQUIPMENT / COMPLETE PRE-TOWER INSPECTION FORM.
ZERO PSI / RELEASE 5 1/2" PACKER AND RIH WITH 2 3/8" L-80 TBG TO TOC @ 4,270' / CALLED GABRIEL WITH BLM AND HE LET US PROCEED WITH NEXT STEP.
LD 2 3/8" L-80 TBG FROM 4,270' TO 1,398' LEAVING PACKER @ 1,093' / SET PACKER AND TEST TO 600 PSI "HELD"
RU APOLLO PERFORATORS AND RIH TO PERFORATE @ 2,000' WITH DEEP PENETRATING CHARGES / SHOT 4 HOLES @ 2,000' WHICH WAS LOCATED BETWEEN A CSG JT / POOH WITH PERFORATING BHA FROM 2,000' TO SURFACE.
RD APOLLO AND RELEASE FROM LOCATION.
CIRCULATE DOWN TBG @ 2.75 BPM @ 390 PSI AND UP INTERMEDIATE CSG / FINDINGS WERE COMMUNICATED TO THE BLM AND DECISION WAS MADE TO BRING CEMENT FROM 2,000' PERF HOLES UP TO SURFACE UP INTERMEDIATE.
CALLED IN FOR MORE CEMENT AND HAD TO WAIT FOR MATERIALS TO SHOW UP FROM MIDLAND TEXAS.
SPOT IN EQUIPMENT / PUMP 2 BBL'S SPACER, 111 BBL'S (475 SXS) CLASS C CEMENT, 2 BBL'S SPACER AND DISPLACED WITH 10 BBL'S ABANDONMENT MUD LEAVING CEMENT FROM 1,700' TO 2,000' INSIDE 5 1/2" CSG AND DISPLACING OUT 9 BBL'S OF CEMENT @ SURFACE.
SHUT IN TBG AND INTERMEDIATE VALVES / WASH UP AT SURFACE TO CLEAR ANY LINES FROM CEMENT RESIDUE.
PU TOOLS AND EQUIPMENT, ISOLATE, SECURE AND SHUT IN WELL FOR THE NIGHT.
DEBRIEF WITH CREW MEMBERS ON A JOB WELL DONE AND FOR WORKING SAFE / DISCUSSED AND COMMUNICATED TOMORROWS PROJECTED PLANS AND PROCEDURES.
CREW TRAVEL HOME.
NO ACTIVITY TAKING PLACE AT THE WELL SITE AT THIS TIME.

Report Start Date: 8/2/2016

Com

NO OPERATIONS TAKING PLACE ON WELL SITE.



Summary Report

Major Rig Work Over (MRWO)
Completion - Reconfigure
Job Start Date: 6/13/2016
Job End Date: 8/2/2016

Well Name BAISH FEDERAL 012		Lease BAISH FEDERAL	Field Name SHUGART NORTH	Business Unit Mid-Continent	
Ground Elevation (m) 1,129.89	Original RKB (m) 1,137.51	Current RKB Elevation 1,137.51, 11/20/2000		Mud Line Elevation (m)	Water Depth (m)

Com

CREW TRAVEL TO LOCATION FROM HOBBS RIG YARD.

TGSM AND JSA REVIEW W/ RIG CREW AND ALL BP. DISCUSSED TODAY'S PROJECTED OPERATIONS / COMMUNICATED E-COLORS, SWA, SWP, TENET OF THE DAY AND HAZARD WHEEL / HAZARDS WERE IDENTIFIED AND RECOMMENDED SAFE PROCEDURES WERE GIVEN.

SET CO-FO / CALIPER 2 3/8" TBG ELEVATORS / PERFORMED RIG WALK AROUND AND INSPECT TOOLS AND EQUIPMENT / COMPLETE PRE-TOWER INSPECTION FORM.

ZERO PSI ON TBG / RELEASE PACKER AND RIH TO TAG TOC @ 1,600' / POOH WITH 2 3/8" PROD TBG AND 5 1/2" PACKER FROM 1,600' TO SURFACE WHILE LD.

RIH WITH 26- 2 3/8" L-80 JTS FROM THE DERRICK LEAVING EOT @ 864'.

RU BASIC CEMENTERS PUMP LINE AND SECURE TO PROD TBG / PRESSURE TEST LINES TO 1,000 PSI "HELD".

SPOT 90 SXS OF CLASS C NEAT- 15.6 - 1.32 YLD CEMENT FROM 864' TO SURFACE.

****NOTE**** GABRIEL WITH BLM GAVE THE THUMBS UP ON SUCCESSFULLY PLUGGING THE WELL.

ND AND REMOVE 7 1/16" 5K DOUBLE BOP HYDRAULIC FROM WELL.

TOP OFF WELL WITH 1.5 BBL'S OF CEMENT / INSTALL 7 1/16" B1 FLANGE OVER WELL AND SECURE WITH BOLTS.

****NOTE**** CEMENT AT SURFACE.

REMOVE, 2 3/8" PROD TBG, PIT, RACKS, TANK AND EQUIPMENT FROM LOCATION.

RD KEY 358 FROM LOCATION AND PREP TO DRIVE TO THE YARD.

REMOVE THE LOCKS, DOCUMENTS AND BARRIERS / WROTE, SIGNED AND APPROVED ALL DOCUMENTS - PERFORMED RIG WALK AROUND PRIOR TO DRIVING RIG OFF LOCATION.

DROVE RIG FROM BAISH FEDERAL #12 TO HOBBS KEY RIG YARD.

****NOTE**** WELL COMPLETE, FINAL REPORT.



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 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.

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
575-234-5909, 575-361-2648 (Cell)

Arthur Arias
Environmental Protection Specialist
575-234-6230

Henryetta Price
Environmental Protection Specialist
575-234-5951

Shelly Tucker
Environmental Protection Specialist
575-234-5979