UNITED STATES DEPARTMENT OF THE INTERIOR

NM OIL CONSERVATION OCL

ARTESIA DISTRICT

□ Recomplete

■ Water Disposal

▼ Temporarily Abandon

		Expires.
5.	Lease Sei	ial No.
	NIMI CO	635166

		E	xpireš:	July	31,	2
i.	Lease	Serial	No.			_

, BUREAU OF	LAND	MANAGE	MENT
SUNDRY NOTICES	AND	DEDODT	C 01114/
- SUNDKY NUTICES	ANU	REPURI	5 UN VVE

ELLS OCT 3 1 2016

abandoned we	iveD 6. If Indian, Allott	ec or Tribe Name		
SUBMIT IN TR		7. If Unit or CA/Agreement, Name and/or No.		
L. Type of Well ☑ Oil Well ☐ Gas Well ☐ O	ther		8. Well Name and BIG EDDY FE	
2. Name of Operator DAKOTA RESOURCES INC	9. API Well No. 30-015-2486	9. API Well No. 30-015-24869-00-S1		
3a. Address 4914 NORTH MIDKIFF ROA MIDLAND, TX 79705	D	3b. Phone No. (include area code Ph: 432-697-3420	e) 10. Field and Pool WILDCAT	, or Exploratory
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Descripti	on), .	11. County or Pari	sh, and State
Sec 10 T21S R28E SESW 6	60FSL 1980FWL	•	EDDY COUN	NTY, NM
12. CHECK APP	PROPRIATE BOX(ES)	TO INDICATE NATURE OF	NOTICE, REPORT, OR OTI	HER DATA
TYPE OF SUBMISSION	TYPE OF ACTION			
Notice of Intent □ Subsequent Report	☐ Acidize ☐ Alter Casing ☐ Casing Repair	Deepen Fracture Treat	☐ Production (Start/Resume) ☐ Reclamation ☐ Recomplete	Water Shut-Off Well Integrity

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 shall 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 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.)

Plug Back

■ New Construction

□ Plug and Abandon

Refer to attached, reason for TA, Procedure and WBD for details of TA operation.

Casing Repair

□ Change Plans

☐ Convert to Injection

Accepted for record NMOCD PT

■.Other

SUBJECT TO LIKE APPROVAL BY STATE

☐ Final Abandonment Notice

SEE ATTACHED FOR CONDITIONS OF APPROVAL

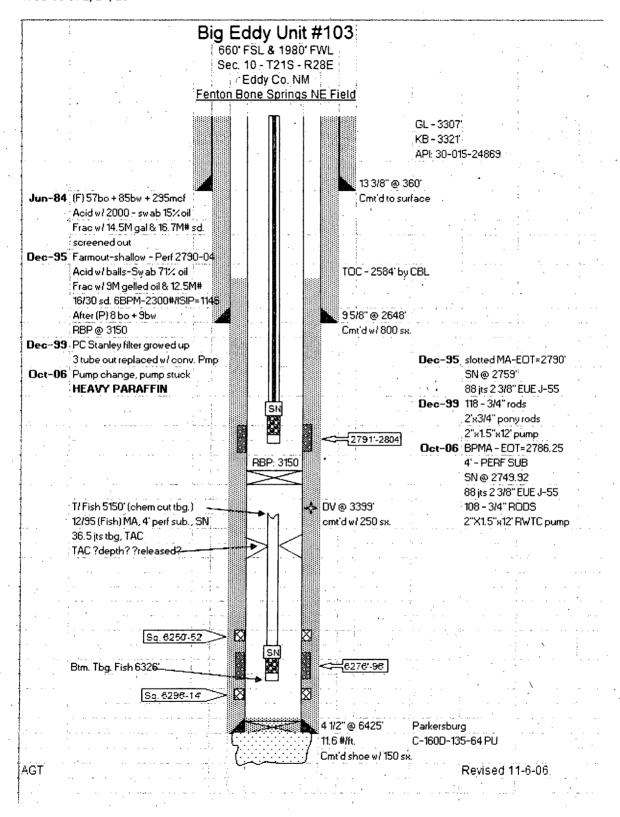
		-			
14. I hereby certify that	it the foregoing is true and correct. Electronic Submission #341204 verifie For DAKOTA RESOURCES INCO Committed to AFMSS for processing by PRI	RPÓRA	TED, sent to the	Carlsbad	
Name (Printed/Type	d) JOE BOB JONES	Title	OPERATIONS	MANAGER	
Signature	(Electronic Submission)	Date	06/06/2016	~ :	
	THIS SPACE FOR FEDERA	AL OR	STATE OFFIC	EUSE	
Approved By		Title		APPRUVEU	
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		SFP 2 8 2016	
Title 18 U.S.C. Section 19 States any false, fictition	001 and Title 43 U.S.C. Section 1212, make it a crime for any peus or fraudulent statements or representations as to any matter w	erson kno ithin its	wingly and willfull urisdiction.	y to make to shape partment or agency of the United	
*	* BLM REVISED ** BLM REVISED ** BLM RE	EVISE	D ** BLM REV	BUREAU OF LAND MANAGEMENT	

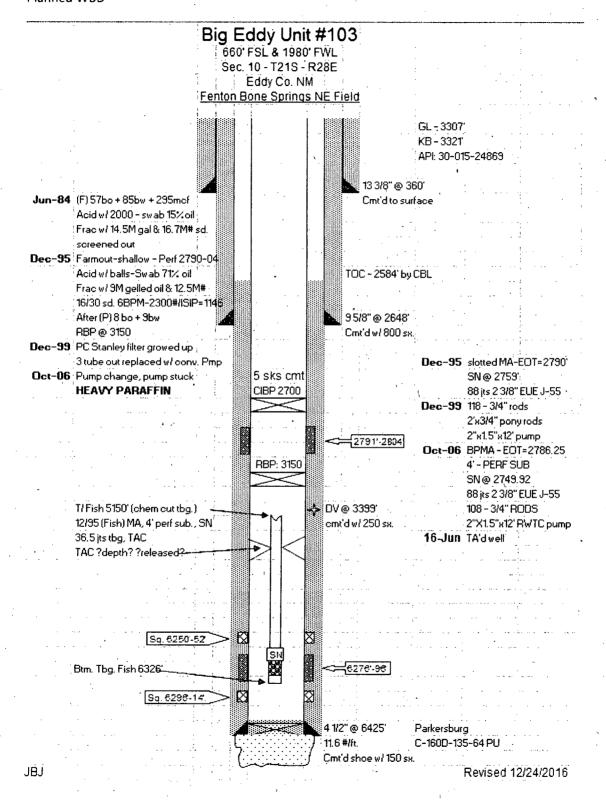
Reason for TA Sundry Notice:

The Big Eddy 103 can be recompleted in either the current producing zone or below the RBP set at 3150' after the fish is removed from the wellbore. At current commodity prices it is not economically feasible to perform either operation but it will be at a future date when the price of oil recovers. The TA procedure is listed below.

Procedure:

- 1. Test anchors before MIRU
- 2. Confirm well is on vacuum
- 3. MIRU pulling unit
- 4. POOH with $108 \frac{3}{4}$ " rods and 2"x1.5"x12' RWTC pump
- 5. POOH with 88 jnts 2-3/8" EUE J-55 tbg
- 6. PU 4-1/2" CIBP
- 7. RIH with WL and set 4-1/2" CIBP at 2650'.
- 8. POOH
- 9. RIH with WL and dump bail 5 sks cmt
- 10. POOH
- 11. RU pump truck with chart recorded, test casing to 500 psi for 30min. Record pressure every 10min to report any bleed off.
- 12. If good test RDMO





Conditions of Approval

Dakota Resources Incorporated Big Eddy - 103, API 3001524869 T21S-R28E, Sec 10, 660FSL & 1980FWL September 28, 2016

Operator is to have the BLM approved NOI procedure with applicable conditions of approval on location for this workover operation.

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well.

Temporary Abandonment (TA) BLM Status Approval Requires:

- 1. A Notice of Intent (NOI) Sundry (Form 3160-5) requesting approval to prepare the wellbore for a mechanical integrity test (MIT) or casing integrity test (CIT).
- 2. A subsequent sundry report that describes compliance with:
 - a. All downhole production artificial lift equipment (tubing, rods, etc.) removed from the casing. A wellbore with a packer set just above producing or injection perforations with annulus integrity above the packer, and loaded with corrosion inhibiting fluid may be considered for TA status by passing a Mechanical Integrity Test.
 - b. The wellbore below all potential production is to be plugged back per permanent plugging procedures. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging. A CIBP set above the top perforations to be permanently abandoned is to be capped with a minimum of 25 sacks cement and placed with tubing, or if the perforations are to be reopened 35 feet of cement may be bailed on the CIBP.
 - c. The wellbore filled with corrosion inhibited fluid.
 - d. At least 24 hours prior to conducting the Mechanical Integrity Test, contact the appropriate BLM office. Eddy County call Carlsbad 575-361-2822.
 - e. Documentation of a 500psig minimum BLM witnessed Mechanical Integrity Test on a one hour full rotation calibrated (within 6 months) recorder chart registering within 35 to 75 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Verify all annular casing vents are plumbed to surface and those valves open to the surface during this pressure test. Pressure leakoff will be evaluated site specifically and affect approvals.
- 3. Submit a Subsequent Sundry Notice (Form 3160-5) requesting TA approval with a description of the preparation for temporary abandonment approval, a clear copy or the original Mechanical Integrity Test chart, a current wellbore diagram, and justification describing a substantial reason for the request, the expected wellbore use, and the estimated date the well will be returned to beneficial use.
- 4. This BLM TA NOI Approval is for WELLBORE PREPARATION ONLY. BLM IS NOT APPROVING TA Status FOR THIS WELL. If warranted, TA approval status for a

- specified time limit will be noted with BLM acceptance of the subsequent report of preparations.
- 5. Workover approval is good for 90 days (completion to be within 90 days of approval).
- 6. Should Mechanical Integrity Test not prove wellbore integrity or not be conducted submit a procedure to repair or plug and abandon the well for BLM approval within 30 days of the MIT.