

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.*5. Lease Serial No.
NMLC064391B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
891008501A8. Well Name and No.
INDIAN HILLS UNIT 309. API Well No.
30-015-31655-00-S110. Field and Pool or Exploratory Area
INDIAN BASIN-MORROW
INDIAN BASIN-STRAWN11. County or Parish, State
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
OXY USA WTP LIMITED PTNRSHIP

Contact: DAVID STEWART

E-Mail: david_stewart@oxy.com

3a. Address

HOUSTON, TX 77210

3b. Phone No. (include area code)

Ph: 432-685-5717

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 20 T21S R24E NWSW Lot L 1494FSL 688FWL

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

TYPE OF SUBMISSION

- ☒
- Notice of Intent
-
- ☐
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input checked="" 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 recompleate 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 recompleation 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.

OXY USA WTP LP respectfully requests to recompleate this well in the Barnett shale. This will be done by cement squeezing the existing Morrow perforations, perforating the Barnett shale, stimulate by pumping 40/70 Carbolite prop using 3% KCl + slickwater system. Clean-out well using 1.25? CTU. Flow well up tubing after drill out. Monitor flowback and make sure to include sand separator in case proppant slugs during flowback. Hand over well to production.

See attached for detailed recompleation procedure, WBD and C-102 plat.

97537 Indian Basin

M-3451P-10m

NM OIL CONSERVATION
ARTESIA DISTRICT

APR 27 2017

RECEIVED

ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #368391 verified by the BLM Well Information System
For OXY USA WTP LIMITED PTNRSHIP, sent to the Carlsbad
Committed to AFMS for processing by PRISCILLA PEREZ on 03/03/2017 (17PP0286SE)

Name (Printed/Typed) DAVID STEWART

Title SR. REGULATORY ADVISOR

Signature (Electronic Submission)

Date 02/28/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Eng

Date

4/9/17

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

CFD

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)

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

Ref 7-11-17

NM OIL CONSERVATION
ARTESIA DISTRICT

APR 27 2017

Form C-102

Revised August 1, 2011

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED Submit one copy to appropriate District Office

☒ AMENDED REPORT

District I
1625 N French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone (575) 748-1281 Fax (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT *Indian Basin*

¹ API Number 30-05-31655	² Pool Code 97537	³ Pool Name <i>Mississippian Wildcat Bennett Shale (Gas)</i>
⁴ Property Code	⁵ Property Name Indian Hills Unit	⁶ Well Number 30
⁷ OGRID No. 192463	⁸ Operator Name OK USA WTP LP	⁹ Elevation 3783'

" Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	20	21S	24E		1494	South	688	West	Eddy

" Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	20	21S	24E		1389	North	1413'	West	Eddy

¹⁰ Dedicated Acres 320	¹¹ Joint or Infill N	¹² Consolidation Code	¹³ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	<p align="center">" OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</i></p> <p align="right"> Signature Date 2/28/17 </p> <p align="right"> David Stewart Printed Name SP. RES. ADV. Title </p> <p align="right"> david_stewart@ok.com E-mail Address </p>	
	<p align="center">" SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p align="right"> Date of Survey Signature and Seal of Professional Surveyor </p>	
	<p align="right">Certificate Number</p>	

OXY USA WTP LP - Proposed
Indian Hills Unit #30
API No. 30-015-31655

17-1/2" hole @ 1200'
13-3/8" 54.5# csg @ 1200'
w/ 1250sx-TOC-Surf-Circ

12-1/4" hole @ 8191'
9-5/8" 40-53# csg @ 8191'
w/ 2610sx-TOC-Surf-Circ
DVT @ 6680'

8-1/2" Hole @ 10748'
7" 26# csg @ 8026-10748'
w/ 350sx-TOC-8026'-Circ

Perfs @ 9728-9748' sqz w/ 50sx cmt
Perfs @ 9866-9982' sqz w/ 60sx cmt
Perfs @ 10128-10138'

Perfs @ 10406-10540'

6-1/8" OH @ 10748-11443'

CIBP @ 10300' w/ 50' cmt, PB-10250'
CIBP @ 10556'
Perm Pkr @ 10631', sqz w/ 285sx cmt, PB-10601'

TD-11443'

PREP- PULL EQUIPMENT

1. Record SITP. Ensure well is dead.
2. If pressure exist on well , record SITP. Calculate Kill weight Fluid – confirm calculations with CE. Ensure well is dead.
 - a. Be prepared to pump 10 #brine (confirm with shut in tubing pressure)
 - b. $MA SP (psi) = Estimated BHP (0.48 psi/ft) - (0.11 psi) \times 11,250ft$
 - i. Used 0.48psi/ft pp and tvd 11,250 ft
 - c. $MA SP = \sim 4,142 psi$
3. MIRU Pulling Unit.
4. Bleed off tubing and casing pressures.
5. Ensure the well is dead. Kill the well if necessary with fresh water (Have 10ppg on location).
6. MIRU 5k lubricator
7. Test lubricator to 4,500psi
8. RIH with TWC
9. Bleed down lubricator
10. ND X/Mas tree.
11. Function test and Pressure test BOP as below;
 - Note: Need to function test BOP before ND anything to ensure BOP is working correctly
 - NU 5k BOP (pipe rams followed by flex rams and then annular rams on top) with 2 1/16" 5k valve with 2" 1502 WACO flange attached to valve. Perform Low test to 250 psi charted for 15 min, increase pressure to 4,500 psi and chart for 15 min on all rams. When ordering BOP s from vendors you must request that the 2 1/16" 5k valve with 1502 connection wico flange be installed prior to delivery.
 - Make sure while testing BOP's, buffer zone (20') is enforced
12. Retrieve TWC with dry rod and Pull out tubing hanger
13. RDMO lubricator
14. POOH with 2-3/8" tbg and BHA in stands. Ensure to scan tubing while TOO. Replace all joints that do not scan yellow. Send scan report to engineering. Tubing will be stacked on side of location after job for reuse

PREP- CLEAN OUT RUN/SET CBP & RUN USIT LOG

1. Run in hole with 6" watermelon mill for 7" 26# L-80 casing (6.151" drift) at the end of tubing to 10,200 ft. Work perforation up and down as necessary.
2. Ensure hole is clean
3. POOH with watermelon mill and tubing and record approximate amount of scale/paraffin seen
4. MIRU Wireline and 5K PCE.
5. Pressure test Lubricator to 4,500psi.
6. RIH with SLB USIT log to ~10,200' TVD (~50' from PBTD (10,250'))
7. Make 1st pass at Opsi at ~500', repeat log with Opsi on casing and log to surface. (perfs exist from 9728' to 9748')
8. POOH and LD logging tools and RD loggers. Ensure data is very readable before rigging down equipment.

ISOLATE BARNETT FORMATION AND CEMENT SQUEEZE MORROW FORMATION

1. RIH with WLU + 7" peak CBP and set at 9,780' (32' below bottom perf)
2. Ensure plug is properly set, POOH with WL
3. RIH w/ 2-7/8" open ended WS to 9,778" (2' from CBP and 30' from bottom perf)
4. Establish Circulation & note if there is circulation – projected to have no circulation.
5. If returns circulate, circulate well clean
6. Do not exceed 2200psi squeeze pressure unless specified otherwise.
7. Call out SLB cement crew (6 hr notice for crew- It is recommended to give a minimum of 24 hr notice to preload and test cement to prevent delays):
 - a. Each job requires 50 sk of cement including dead volumes. Call out for 2 jobs worth of material (100 sacks).
8. Verify all loaded volumes, thickening times, required equipment and KSQR compliance prior to starting job
9. Conduct on location JSA with SLB, client and rig personnel. - VERIFY Maximum Surface Pressure (6,900 psi)
10. MIRU SLB Equipment including HP squeeze manifold.

11. Test lines to 3000 psi.
12. SLB to verify if there is circulation and record before cement treatment.
13. Balanced Plug 1 for Squeeze (9,728'-9,748')- (MASP during plug placement = 2,500psi):
 - a. Pump 10 bbls Gel water @ 3 bpm (Mandatory to prevent PressureNET from contacting Newtonian fluid)
 - b. Pump ~12.7 bbls (50sks) 14.8 ppg PressureNET squeeze slurry @3 bpm. Density is critical parameter batch cement on pump prior to going down hole.
 - c. Displace with 4 bbls Gel water @ 3 bpm (Mandatory to prevent PressureNET from contacting Newtonian fluid)
 - d. Displace with rig water to balance plug accordingly. Monitor and record rate pressure and returns.
14. Pull to 200' over TOC (9,528') and reverse circulate tubing clean (2 tubing volumes).
15. If hole staying full: Close annular down squeeze immediately @ 0.5-1 bpm for a maximum of ~9 bbl.
 - i. 1st attempt: If maximum pressure of 2,500 psi is not achieved after 6.5bbls has been squeezed away, begin 10 minute hesitations and displace +/-1 bbl between hesitations. If cement is over displaced into formation with no luck on hesitations wait 4-8 hr (minimum time for cement to 50 psi + 2 hr based on UCA). Execute squeeze treatment again
 - b. 2nd attempt: If maximum pressure is not achieved after 6.5bbls of total volume has been squeezed away, begin 10 minute hesitations and displace +/-1 bbl between hesitations. If maximum pressure is not achieved before 10bbls is displaced shut down and WOC.
 - c. If maximum pressure of 2,500 psi is achieved during these 10 bbl, continue to increase pressure until 10 bbls are pumped or maximum pressure is maintained.

If hesitation is successful leave pressure & WOC overnight (at least 12 hr).

 - When RIH to drill out cement ensure to maintain circulation the entire time to prevent sticking.
 - Follow recommended pumping rates and 0.2 ppg slurry density tolerance.
 - Maximum shut down time is 15 minutes (during placement) unless otherwise stated.
 - Calculate maximum shut down time by *** (Thickening time) - (Pump time before failure) - (Time to circulate out cement from the well) (approximately 1 Hour) ***
16. Pressure test casing to 500psi and ensure it sustains pressure before commencing.
17. RIH with 2-7/8 WS, 6" JZ bit & (spiral drill collars if needed) and tag TOC at ~ 9,528'
18. Drill through cement at ~9528' and CBP at 9,778'
19. Tag PBTD at ~ 10,250' and circulate hole clean
20. POOH with 2-7/8 WS and BHA
21. Pressure test casing to 500psi for 5mins (report findings to CE)
22. RDMO SLB Cement

SET PERMANENT PACKER AND 4-1/2" FRAC STRING

1. RIH w/ 2-7/8" tbg and 7" x 4-1/2" globe permanent packer
2. Set permanent packer at 10,030' (~100' from zone of interest) with 15# of compression.
3. Ensure permanent packer is properly set and unlatch On/Off overshoot and circulate full wellbore volume of kill fluid
4. POOH w/ 2-7/8" tubing and LD on/off overshoot
5. RIH with 4-1/2" 13.5# P-110 DQX frac string and latch onto on/off on packer (ensure to circulate packer fluid before latching).
6. Pressure test casing to 1,000psi for 15mins and ensure packer holds
7. Pressure test tubing to 9,500psi (80% of burst) for 15mins and chart test.

PREP- PERFORATING BARNETT FORMATION

1. MIRU WL and 5K PCE
2. RIH with WL and 3-1/8" gun , 21.5g charge, 60 degree phasing and 4spf (40 holes)
3. Perforate holes from 10,128' – 10,138'.
4. POOH with WL and gun carrier
5. ND BOP
6. RDMO Pulling Unit
- 7.

FRAC STACK PRESSURE TEST PROCEDURE

1. NU 7-1/16" 10K Hand Wheel Operated master frac valve
2. Ensure LMV is closed
3. Ensure Frac tree assembly is properly assembled and ready to be installed
 - a. 7-1/16" 10k x 4 1/16" 10k flow cross assembly
 - b. 7- 1/16" 10k goat head assembly and 7-1/16" 10k crown valve with H.P. wireline cap
4. Clean ring groove and install ring gasket
5. Lower frac tree assembly to a LMV, be sure the valve is properly aligned
6. Prior to removing the sling off the frac tree, install the nuts onto the pad studs to secure the assembly
7. Tighten all connections and ensure the ring gasket is evenly compressed
8. Close upper HV prior to moving the lifting device
9. Mark all valves with proper number of turns
10. Monitor HV both open and closed for any hydraulic leaks
11. Check all body greasing fittings
12. Make sure all valves are open with exception of the LMV
13. Ensure LMV is closed
14. Close outside wing valve at the flowcross
15. Nipple up MIT unit to the wing valve
16. When all air has been bled from the frac tree, close the needle valve on top of the flow cross
17. Perform low 250 psi test for 15 minutes
18. After successful test, bleed off everything to zero
19. Perform high 9500 psi test for 15 minutes
20. After successful test, bleed off everything to zero
21. Be sure to open all valves to ensure all pressure is bled off
22. ND MIT unit
23. Retrieve 2-way check and close all valves

DFIT

The purpose of the DFIT is to estimate breakdown pressure, closure pressure, pore pressure, and formation permeability.

1. Check location for any hazards.
2. MIRU pumping equipment and data acquisition instrumentation. Verify all requirements have been completed to open the toe-initiation sleeve and perform injection into the well.
 - Secure high pressure lines and restrict the area to essential personnel only.
 - Test the pop-off valve on the pump to prevent over-pressuring the production casing.
 - Have clean, inhibited fresh water available to complete the casing test and injection test.
 - Install redundant casing valves to allow the pump-in line to be disconnected and removed at the end of the injection test.
 - Install the memory surface gauge. *Please read notes and recommendations from RDS (Reservoir Data Systems) in the appendix below. Verify the gauge is programmed to record the casing test, opening the toe-initiation sleeve, injection test and the minimum 15-day duration of the DFIT.
 - Car Seal Open the valve(s) between the memory surface gauge and the wellbore to prevent it from being inadvertently closed.
 - Install a digital flow meter to record all volumes and rates.
 - Verify the memory surface gauge and flowmeter are recording accurate data.
3. If separate pumps are used to test the casing and perform the DFIT injection test, ensure the pump-in lines are connected to a manifold to enable the injection test to be performed immediately after the toe-initiation sleeve is opened.
4. Completely load the pump-in lines and the well with fluid. Verify there are no air pockets in the system.
5. Test the pump-in line to the casing-test-pressure against the closed inside casing valve on the production casing.
6. Actuate the toe-initiation sleeve and test the production casing as per the completion program.
 - a. Open the casing valve for the intermediate casing and monitor for leaks during all pumping operations. After completing the DFIT injection, close the casing valve and install a pressure gauge.

7. Immediately after the sleeve has opened, perform the DFIT injection:
 - a. Break down the formation and establish injection at 3 to 5 bpm.
 - b. Maintain a stable injection rate for a total of 10-15 bbls.
 - c. After pumping 10-15 bbls, shut down the pump.
 - d. Do not pump more than 15 bbls of fluid.
 - e. Do not step down injection rates.
 - f. At the end of injection, do not flowback, bleed off pressure or inject into the well. This will corrupt the data.
8. If pumping stops for any reason (operation, leaks, etc.) use the following as a guideline:
 - a. If pumping stops for less than 30 seconds AND less than 5 bbls have been pumped, restart injection and finish pumping the planned fluid volume.
 - b. If pumping stops for less than 30 seconds AND more than 5 bbls have been pumped, do not re-start injection.
 - c. If pumping stops for more than 30 seconds AND less than 5 bbls have been pumped, wait at least 2 hours and re-start (repeat) the DFIT injection test using the original planned volumes.
 - d. If pumping stops for more than 30 seconds AND more than 5 bbls have been pumped, do not restart injection.
9. If there is any doubt regarding a re-start of injection, do not restart, but wait 2 hours and repeat the test from the beginning.
10. Close the inside and outside casing valves to isolate the pump-in line. Bleed pressure from the line, and disconnect the pump-in lines. RD and MOL pumping equipment.
11. Record SIWHP for a minimum of 14 days.
12. Report the following:
 - a. Type and density of fluid resident in the production casing at the beginning of the test.
 - b. Type and density of fluid injected to test the casing and perform the injection test.
 - c. Causes or observations regarding pressure spikes or leaks during the test.
 - d. Recorded pressure and rates in ASCII or CVS file.
 - e. Report all rates, pressures, and well open/close times to the completion engineer to allow correlating gauge and flow meter data.
 - f. Notify the completion engineer once the injection is completed and the well is shut in.

PERFORATE AND FRAC

- Pressure and Rates

CATEGORY	PRESSURES (PSI)
Max Allowable Pressure	9,500
Max Pressure	8,900
Global Kick Outs	9,000
Pop Offs	9,200
Test lines	9,500
Expected Treated Pressure	8,500

*depending on casing grade and limitation

- Prejob QA/QC

- Sand sieve analysis on location
- Water analysis, gel compatability and viscosity verification
 - Combo Dichlor/DDAC biocide treatment for water. No more than 1 ppm residual at frac tanks.
- Ensure crosslink achieved in required duration
- Rheology gel analysis (break test) in lab
- Review Drilling Handover for hardline depths and RSI depths

- Before starting any stage

- Verify sand type, volume and SGU prior to every stage
- Verify number of required pumps in line and 2 backup pumps on location

- Must have 1 blender rig up or on location
- Working satellite connection with remote monitoring operational
- Send email updates before and after each stage
- Confirm with manifold personnel, valves are in the correct open/closed position for the pertinent stage
- Verify functionality of the PRV and test documentation
- Communicate with wireline on status of perforation operations
- During each stage
 - Attempt to achieve as high of a rate as possible (design calls for 80 bpm) .
 - Calibrate densitometer during pad
 - Flush to top perf, plus 20 bbls. Call flush at 0.2ppg on the in-line densitometer
 - Monitor production and intermediate annuli pressure.
- After each stage
 - Have Frac engineer send csv file, post stage reports, WTSML and EOWR to completions engineers

STIMULATION PROCEDURE:

1. MIRU stimulation equipment. Ensure high pressure lines are properly secured and that the area is restricted to essential personnel only.
2. Pressure test lines, hydraulic pop-off valve(s), global pump kick-outs to pressures in the aforementioned table.
3. Stagger electronic kick-outs at 50 – 100 psi increments below the global kick-out. Verify the lowest kick-out is greater than the estimated treating pressure.
4. Do not exceed Max Pressure during active pumping.
5. Prior to frac, ensure that Computer van is monitoring all rates and pressures accurately
6. Review the frac treatment schedules. Execute the appropriate Frac schedule for the current stage:
7. Be prepared to modify pump schedule as needed
8. After dropping ball on surface (to seat on already set plug), immediately pump acid to ensure that the bottom perforations are adequately broken down.
9. Break down the perforations.
10. Use rate diversion for acid stages, increasing rate in ~5 bpm increments as pressure break-back dictates until the design treatment rate is achieved.
11. Monitor pressures to avoid high-rate screen out events.
12. Flush Procedure – When the in-line densitometer proppant concentration falls to 0.2 ppg, pump a 20 bbl Slickwater spacer then mark flush. Flush with slick water to the top perforation depth. This should over-flush the 20 bbls spacer into the perforations. Shut down and record ISIP and F.G. Shut in the well and prepare for pump down perforating. Report the following pressures for each stage: Break down pressure, ISIP, and estimated F.G.
13. Shut in pressure and shut-in time when the well is opened for the pump down perforating run.
14. Screen-out Guideline: If screen out leaves excessive proppant in the wellbore, flowback the well. Do not exceed 4,320 bpd (~5-8 bpm). Once proppant has been unloaded, flowback one additional casing volume to verify the casing is clean. Establish injection rate and displace 100 vis sweep to the perforations to clean the wellbore for the following stage.

STIMULATION TREATMENT PUMP SCHEDULES

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

Permanent Abandonment of Production Zone 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. Plug back operations shall commence within ninety (90) days from this approval. **If you are unable to plug back 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 back. Failure to do so will result in enforcement action.**

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822. For wells in Lea County, call 575-393-3612

3. **Blowout Preventers:** 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. **Mud Requirement:** 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. **Cement Requirement:** 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.

Before pumping 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. **Subsequent Plug back Reporting:** Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back 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. **Show date work was completed.** If plugging back to a new zone submit a Completion Report, form 3160-4 with the Subsequent Report.

7. **Trash:** 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.