Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

POODANSERVATIO	•
e 51.0	

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

5.	Lease Serial No.
	NMNM02860

SUNDRY	5. Lease Serial No. NMNM02860						
Do not use thi abandoned wei	6. If Indian, Allottee or Tribe Name						
SUBMIT IN T	7. If Unit or CA/Agreement, Name and/or No.						
1. Type of Well	8. Well Name and No. POKER LAKE 49						
☑ Oil Well ☐ Gas Well ☐ Oth							
2. Name of Operator Contact: TRACIE J CHE BASS ENTERPRISES PRODUCTION © Pail: tracie_cherry@xtoenergy.co					9. API Well No. 30-015-23430-00-S1		
3a. Address 201 MAIN STREET SUITE 27 FORT WORTH, TX 76102-31	3b. Phone No Ph: 432.68	33.2277 DOG TO			Exploratory Area RAW-MORROW DELAWARE		
4. Location of Well (Footage, Sec., T	11. County or Parish, State						
Sec 17 T24S R30E SWNW 19	980FNL 990FWL		EDDY COUNTY, NM				
12. CHECK THE AF	PPROPRIATE BOX(ES)	TO INDICA	TE NATURE	OF NOTICE	E, REPORT, OR OT	HER DATA	
TYPE OF SUBMISSION							
Notice of Intent	☐ Acidize	☐ Dee	pen	☐ Produ	ction (Start/Resume)	☐ Water Shut-Off	
_	☐ Alter Casing	☐ Hyd	raulic Fracturin	ng 🗖 Reclai	mation	■ Well Integrity	
☐ Subsequent Report	□ Casing Repair	■ New	Construction Recomplete		Other		
☐ Final Abandonment Notice	nal Abandonment Notice ☐ Change Plans ☑ Plug and Abandon ☐				nporarily Abandon		
	☐ Convert to Injection	☐ Convert to Injection ☐ Plug		■ Water	Disposal		
13. Describe Proposed or Completed Op If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Ab determined that the site is ready for fi	ally or recomplete horizontally, rk will be performed or provide operations. If the operation re- pandonment Notices must be file	give subsurface the Bond No. or sults in a multipl	locations and me in file with BLM/I e completion or r	asured and true SIA. Required s recompletion in	vertical depths of all perti subsequent reports must be a new interval, a Form 31	nent markers and zones. e filed within 30 days 60-4 must be filed once	
BOPCO, LP respectfully subm well. Plugging procedure is as		ntent to plug a	and abandon t	he reference			
1. MIRU. POOH with pump ar	P. Function test. SEE ATTACHED FOR						
2. Tag PBTD @ 7490 to verify	depth. Circulate 9.5# sal	t gel mud.			CONDITIONS	OF APPROVAL	
3. RIH w/5-1/2" CIBP to 7,250 psi. Spot 30 sxs Class C on to	set. Tag to verify, circula	ate 9.5# salt o	gel mud. Test	csg to 500			
4. Perf 7" csg at 5,500'. Sqz 8	l outside csa.	WOC & tag		ON PROCEDURE			
			3-5 led for record		All	ACHED	
		Accept	led for record	i - NMOCD) 		
14. I hereby certify that the foregoing is	true and correct. Electronic Submission # For BASS ENTERP nmitted to AFMSS for proce	RISES PRODU	ICTION CO, se	ent to the Carl	sbad		
Name (Printed/Typed) TRACIE J	Title REG	ULATORY A	NALYST				
Signature (Electronic S	Submission)		Date 02/08	3/2018			
	THIS SPACE FO	R FEDERA	L OR STAT	E OFFICE	USE		
						12 200 150	

Approved By 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.

Title

Date

The 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.

Office

Additional data for EC transaction #403857 that would not fit on the form

32. Additional remarks, continued

8. Cut off wellhead 5" below surface. Install dry hole marker.

5. Perf 7" csg at 3,800'. Sqz 170 sxs Class C to 3,250' inside and outside csg. WOC & tag

The Start

6. Perf 7" csg at 2,000'. Sqz 85 sxs Class C cmt to 170'. WOC & tag

7. Perf 7" csg at 60'. Sqz 25 sxs Class C. Verify cmt to surface.

800. Woc Tag

Pariorated 60 0 - 30,008 (25 srs C ort, Surface Aug Verity to surface, Surface, 30 0, 27, 2018 Tgo of Sat. 1800 0, 21/0218 85 ses C C crt, (TSat) WOC & Teg. / 700 , 2,000 0, 21/0218 Parorated, 5,500 E., (20,0218) 83 scs C. Cert, (Spacer), Wolf & Tag, 5,337, 5,500 0, 24/2C18 9rce, WO: 3 ag = 250 , 3,800.0, 211.2018 Pariotated; 3 £00 £. , 50,2518 33 sxs C Cert cap on CEP, 7 050°, 7,250.0, 2r ,2018 170 sks (J.Cont. (Delayrare E/Sett. 8-E/3" Tap of Delawars (350.) 2/10013 Dese of Sat 3,353.0 24,2018 SFUD DATE: 12/17/1960; 3 C Tap of Mid Vorray/ 14,225.3 COMPL. DATE: 5/5/1987, 4.0 Tap of Bone Sprincs, 7,378 C 14470' 5' LITER 14,47C.J Tap of Wichsame; 10 668 L Tap of Monow, 13 500 0 Tap of Atoks, 2,850.0 EL: 324€, 20 Vertical schematic (proposed) Cerrent Pug - P.8 A, 700 C Cerrent Ptg - P 8 4; 3 250 C Cerrent Pug - P.8.4; 5300 C Cement Pluc - F 3 9, 22 C Bridgs Pt.g - Pernahert 7,253.0.7 252 C -2 Rod 3.5.7 099 5 -3 Tubing - Production 278; 22.0-7,135.5 17.12. 3.1425; 22.1.8E7.0 -Performed; 7,290.0-7,300.0, 9/3E/2003 🕶 7 r., 23 C0 lb.f., S-95, N-E0, 11 522 0 flKB 18,324* Fictal ape (1.875° Oris X, 1.875 Classiv who got 13,524.0 Perf 14307 - 345, (11 Folss it , 4,307.0) Perforaced, 14,307.0-4 349 0, 4,21.1158* -614; Produzticn; ** 522 0-14 (470.) 🖊 FB_D-14435_74 435C ET: 18 COMC; N-80 14,462_3 ft/CB -TD - Orginal Hzle; 14,473.0 -8 3/4, Termediare, 3,671.0-17, £22.0. -1214; rtarrediate; 357.3-3671.0 TOC @, 6,650.0, 925,2003 HB-D-743C: 7,490.0 28111 701 100 8500 Cenerled CIEF, 1* 145 £-11,181.3 1, 94.9 M M 2 of mar nediste Casing Cen ent, E,362.) Cenemied CIEF; 13 765 £-42,30£.3--C.205,21-13 E00 C-13,302.)-Surface Casing Cement 22.3 Harrediale Casing Cement 20.0 Ceme tred CBP; 7 490 0-7,528.3. Liner Cement 11,195.3 Cemented CIE; 12 E20.C-12;3C.3. ENES 6 1068 05821 2778 00581 ED Black 3400 1, 45.0 13 (287) 1,28(.) 7.482.4 F CHECK DEL $\overline{\Sigma}$. E.367,5 6.24C,5 7,29€.3 524.3 0.899,0 1, 80.1 2,819.9 2,850.1 3,500.0 0,00 387.3 3,37C.3 6,200,0 7,250.3 7,378.0 3,765.1 3,799.9 4,024.9 4,307.1 MD (f.K3) 0.386,5 3,801.8 3,824.1 4,349.1 4,435.0 4,470.1 1,785.3 (380) C.30E,3 1,400.9

Poker Lake Unit #49 Current and Proposed WBD's

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

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>Dry Hole Marker</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.

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

- 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. **Show date well was plugged.**
- 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.



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 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 (Contact service companies, allowing plenty of time to have the risers and power lines and poles removed prior to reclamation, don't wait till the last day and try to get them to remove infrastructure). Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute 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

Trishia Bad Bear, Hobbs Field Station Natural Resource Specialist 575-393-3612