Form 3160-5 (June 2015)

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NMOCD Artesia

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 201

5. Lease Serial No.

UNITED STATES

DEPARTMENT OF THE INTERIOR

20 20 10 PARTMENT OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to resenter

NMNM105887								
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DISTRICT PARTIES INC.		6. If Indian, Allottee o	r Tribe Name								
SUBMIT IN 1	7. If Unit or CA/Agree	ment, Name and/or No.									
I. Type of Well ☑ Oil Well ☐ Gas Well ☐ Oth		8. Well Name and No. WRINKLE 13 FEDERAL COM#1H									
Name of Operator PENROC OIL CORPORATION	Contact:	AGGIE ALEXI	EV		9. API Well No. 30-005-27994						
3a. Address PO BOX 2769 HOBBS, NM 88241		3b. Phone No. Ph: 575-492	(include area code) 2-1236	· · · · · · · · · · · · · · · · · · ·	10. Field and Pool or Exploratory Area WILDCAT; ABO-WOLFCAMP						
4. Location of Well (Footage, Sec., T.	, R., M., or Survey Description	1)			11. County or Parish, State						
Sec 13 T15S R31E 1980FSL 3		CHAVES COUNTY, NM									
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA											
TYPE OF SUBMISSION	TYPE OF SUBMISSION TYPE OF ACTION										
Notice of Intent	☐ Acidize☐ Alter Casing	☐ Deep	en aulic Fracturing	☐ Production (Start/Resume) ☐ Reclamation		☐ Water Shut-Off ☐ Well Integrity					
☐ Subsequent Report	□ Casing Repair	□ New	Construction	□ Recomp	lete	Other					
☐ Final Abandonment Notice	□ Change Plans	🛛 Plug	and Abandon	☐ Tempora	arily Abandon						
	☐ Convert to Injection	Plug	lug Back		Pisposal						
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 must 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 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. RU Well Service Unit. Lay down rods and pump (may have to hot water tubing before pulling) NU BOP. Unseat anchors. TOH w/ 2-7/8" tubing. RU Wireline. Set CIBP @ 8400'. TIH w/ open ended 2-7/8" tubing. TAG CIBP. Circulate hole w/ 10# gelled brine. Spot 35 sxs of Class "H" cement. WOC for 4 hrs. TAG top of cement. Pull up and spot 25 sxs Class "H" cement plug @ 6000'. TAG same after WOC. Perforate @ 400'. Circulate Class "C" cement to surface. ND BOP. Cut wellhead. Install dry hole marker. Move out all surface equipment including electric poles, etc. Prepare location for regrowth per BLM requirements. SEE ATTACHED FOR											
14. I hereby certify that the foregoing is	true and correct.										
14. Thereby certify that the foregoing is true and correct. Electronic Submission #427585 verified by the BLM Well information System APPROVAL For PENROC OIL CORPORATION, sent to the Roswell Committed to AFMSS for processing by JENNIFER SANCHEZ on 07/17/2018 ()											
Name (Printed/Typed) AGGIE AL	EXIEV		Title CONTR	OLIZER		-/-//					
Signature (Electronic S	ubmission)		Date 07/17/2	018 /		/ 					
THIS SPACE FOR FEDERAL OR STATE OFFICE USE TO THE											
Approved By			Title		UL § / 2018	Pate					
Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to condu	itable title to those rights in the ct operations thereon.	e subject lease	Office	ALKO NIL	A MANAGAM						
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a tatements or representations as	crime for any per to any matter wit	son knowingly am hin its jurisdiction	WILL WILL STREET	BSIA BITM BETTER TOTAL	agendy of the United					
(Instructions on page 2)	OR-SUBMITTED ** O	DEDATOR.	UBMITTED *	* OPERAT	OPSUBMITTED						

Wrinkle 13 Federal Com 1H 30-005-27994 Penroc Oil Corporation July 17, 2018 Conditions of Approval

- 1. Operator shall place CIBP at 8,400' and place 35 sx of Class H cement on top as proposed. WOC and TAG.
- 2. Operator shall place a balanced Class H cement plug from 7,750-7,550' to seal the top of the Abo formation. WOC and TAG.

Operator may combine steps 1 and 2 into one plug.

- 3. Operator shall pump 25sx plug at 6,000' as proposed.
- 4. Operator shall place a balanced Class H cement plug from 4,055'-3,905' to seal the shoe of the 9-5/8' casing. WOC and TAG.
- 5. Operator shall perf and squeeze at 2,300 and pump 50sx as proposed. WOC and TAG.
- 6. Operator shall perf and squeeze at 1,450. WOC and TAG. Tag must be a minimum of 1,200'.
- 7. Operator shall perf and squeeze at 450' (50' below surface shoe) and circulate cement to surface.
- 8. See Attached for general plugging stipulations.

JAM 071718

BUREAU OF LAND MANAGEMENT Roswell Field Office 2909 W. Second Street Roswell, New Mexico 88201 575-627-0272

General Requirements for Plug Backs

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 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. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. Call 575-627-0205.
- 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. 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. <u>Subsequent Plug back Reporting:</u> 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. <u>Show date work was completed.</u>
- 7. <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.