COMM SIDU-S (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED

ARLSBAD FIELD OFFICE

OMB	NO.	100	4-0	137
Expires:	Janu	агу	31,	20
ease Serial No.				

ומ	IDEALLOE LAND MANA	GEMENT OCD Artesia	Expires:	January 31, 2018		
BUREAU OF LAND MANAGEMENT OCD Artesia SUNDRY NOTICES AND REPORTS ON WELLS SEP 1 2 2018 Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals. DISTRICT II-ARTESIA O.C			NMLC028990A			
abandoned we	II. Use form 3160-3 (AP	D) for such proposals. DISTRICT II-AR	TESIA O.C.D. 1f Indian, Allottee	or Tribe Name		
	TRIPLICATE - Other ins			reement, Name and/or No.		
Type of Well Gas Well □ Other				8. Well Name and No. SHUGART WEST 24 FEDERAL G 2		
Name of Operator Contact: MELISSA SZUDERA MARATHON OIL PERMIAN LLC E-Mail: mszudera@marathonoil.om			9. API Well No. 30-015-31742	9. API Well No. 30-015-31742-00-S1		
3a. Address 5555 SAN FELIPE ST HOUSTON, TX 77056		3b. Phone No. (include area code) Ph: 713-296-3179	10. Field and Pool of SHUGART	10. Field and Pool or Exploratory Area SHUGART		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		11. County or Parisl	11. County or Parish, State			
Sec 24 T18S R30E NWSE 2440FSL 1550FEL			EDDY COUN	EDDY COUNTY, NM		
12. CHECK THE A	PROPRIATE BOX(ES)	TO INDICATE NATURE OF	F NOTICE, REPORT, OR O	THER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION				
☐ Notice of Intent	☐ Acidize	□ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off		
Alto	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	■ Well Integrity		
Subsequent Report	□ Casing Repair	■ New Construction	☐ Recomplete ☐ Other			
☐ Final Abandonment Notice	Change Plans	Plug and Abandon	☐ Temporarily Abandon			
	☐ Convert to Injection	□ Plug Back	☐ Water Disposal			
Attach the Bond under which the wor	ally or recomplete horizontally, rk will be performed or provide I operations. If the operation re bandonment Notices must be fi inal inspection.	ent details, including estimated starting, give subsurface locations and measure the Bond No. on file with BLM/BIA esults in a multiple completion or recouled only after all requirements, including the completion of the completi	red and true vertical depths of all per Required subsequent reports mu- mpletion in a new interval, a Form ing reclamation, have been complete	tinent markers and zones.		
8/3/2018 - 8/16/2018 Performat 8194'.	ed several attempts to se	et CIBP. Discovered set of perfe	s with top bein ACCEPTE	D FOR RECORD		
8/16 RIH and set CIBP at 814	4' POOH RDWL.					
15 minutes. Spot 25 sx of cem 40 sx of cement at 7000?	<u>nen</u> t, PUH to 6750?. <u>WO</u>	salt gel), pressure up on CIBF C. RI <u>H tag TOC at 7801?</u> , lay o	down to 70001. Spot	5 2018 LAND MANAGEMENT		
RIZER WITH TERMED NO 120 2	. / 1111117/ WELL TOM RED	A RIH to 7737 with 21 inints an	יי פייעייים ער כון החוחוו ה			

14. I hereby certify that the foregoing is true and correct. Electronic Submission #433327 verified by the BLM Well Information System RECLAMATION For MARATHON OIL PERMIAN LLC, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 08/30/2018 (18ZS0118\$) UE Z-Z7-17 Name (Printed/Typed) MELISSA SZUDERA Title REGULATORY COMPIANCE REP RECLAMATION PROCEDURE **ATTACHED** (Electronic Submission) Date 08/30/2018 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE

8/20 RIH with tubing, no tag at 7,000?. WOO from BLM RIH to ZZ37 with 21 joints and tubing LD 1

Date Approved By Title 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

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.

Additional data for EC transaction #433327 that would not fit on the form

32. Additional remarks, continued

joint. Circulate hole with 150 bbls pressure test to 500 PSI. Notify BLM - Spot 25 sx cement with 1 sx cal chlor, PUH with 20 stands, SWI.

8/21 RIH with tubing tag TOC at 7015 with 219 joints lay down 1 joint. Spot 25 sx cement with cal chlor, POOH with 20 stands. WOC. RIH with tubing to TOC at 6870 with 214 joints. Good tag. POOH with 62 stands. Spot 25 sx cement with 1 cal chlor. POOH with 20 stands.

8/22 RIH w/tbg to tag TOC @ 6773 jts 212. POOH rocking back tbg 106 stands. RUWL. RIH & perf @ 6350 POOH & RDWL. RIH w/128 jnts tbg to 6050 set pkr. Attempt inj rate, held 1000psi, Perf 50? higher @ 6300. RUWL, RIH & perf @ 6300 POOH w/WL. LD 2 jnts set pkr @ 5938 w/185 jnts. Est inj rate @ 2bpm w/400psi. Sqz 45sx cmt & SWI.

8/23 RUWL, RIH and tag TOC at 5980?, POOH RD wireline. POOH with tubing the remove pkr. RIH with tubing, tag TOC at 5982?, POOH to retrieve pkr. RUWL, RIH and perf at 5896, POOH. RIH with 172 joints to 5521 and set pkr. Sqz 40 sx cement.

8/24 Tag with the tubing. RIH 8 joints and pkr tag at 5650?, 176 joints total. Lay down 53 joints set pkr at 3948 123 joints. RU with wireline, tag at 3848 POOH. POOH with tubing 123 joints, remove perforated sub pluggers. RU wireline perf at 4376, POOH with wireline. RIH with 123 joints to 3948?, set pkr. sqz 50 sx cement.

8/25 RIH with tubing, 4 joints tag at 4076?, 127 joints total, lay down 27 joints, spot 50 sx cement, tag at 3214?, to 2753?, WOC and tag. POOH 50 stands in derrick WOC. RIH with tubing tag at 2696, 84 joints, lay down set pkr at 1476?, 46 joints. RU with wireline, perf at 1476, POOH with wireline. Pressure up to 1000 PSI, held well for 15 minutes, drop down to 1908?, 59 joints, spot 25 sx cement.

8/26 RIH with tubing to tag TOC at 1728, 54 joints, POOH with tubing and 5 stands. Lay down 44 joints RU with wireline perf at 804?, POOH with wireline. RIH 5? pkr and 11 joints set pkr at 353?. perf at 680?. POOH with tubing to remove pkr. RIH with tubing open ending to 834?, 26 joints. Spot 30 sx cement, POOH with tubing and WOC. WOC RIH with tubing TOC at 588?, 19 joints, lay down 19 joints and re-test of the derrick 26 joints total. RU with wireline perf at 100, POOH with wireline, pick up pkr set pkr 32 ?and circulate out 8 5/8 casing.

8/27 - Set pkr, 1 joint attempt to injection rate 2 ? BPM 150 PSI sqz 60 sx coment to surface in and out 5 ? lay down pkr top off well with cement. RD unit and P&A equipment.

MAVERICK WELL PLUGGERS DAILY REPORT

JOB#

334-280

COMPANY:

Marathon Oil

WELL NAME

Shugart West 24G Fed #2

DATE:

August 27, 2018

0600 - 0700 Drove to location.

0700 – 0800 Tailgate safety meeting, review, JSA daily inspection.

0800 - 0930 Stand by for cement truck.

0930 - 1030 Open well 0 PSI set pkr, 1 joint attempt to injection rate 2 ½ BPM 150 PSI sqz 60 sx cement to surface in and out 5 ½ lay down pkr top off well with cement.

1030 – 1230 RD unit and P&A equipment, clean up location.

1230 – 1500 We were on standby to move the rig to new location. The location was small for all of the equipment will shut down until tomorrow due to these issues.

JOB COMPLETE

DATE:

August 26, 2018

0600 - 0700 Drove to location.

0700 – 0800 Safety meeting.

0800 - 1030 Open well 0 PSI, RIH with tubing to tag TOC at 1728, 54 joints, POOH with tubing and 5 stands. Lay down 44 joints RU with wireline perf at 804', POOH with wireline.

1030 – 1100 RIH 5 ½ pkr and 11 joints set pkr at 353'.

1100 – 1200 Attempt estimate injection rate 1 ½ BPM 800 PSI but would not circulate pump down 8 5/8 5 bbls and pressure up to 1000 PSI, RU with wireline, re-perf at 680'.

1200 – 1230 POOH with tubing to remove pkr.

1230 – 1300 RIH with tubing, open ending to 834', 26 joints.

1300 – 1330 Spot 30 sx cement, POOH with tubing and WOC.

1330 – 1730 WOC

1730 – 1800 RIH with tubing TOC at 588', 19 joints, lay down 19 joints and re-test of the derrick 26 joints total. RU with wireline perf at 100, POOH with wireline, pick up pkr set pkr 32 'and circulate out 8 5/8 casing close well and shut down for the day.

1800 - 1900 Drove to motel.

DATE: August 25, 2018

0600 - 0700 Drove to location.

0700 – 0800 Safety meeting.

0800 – 0900 Open well 0 PSU, RIH with tubing, 4 joints tag at 4076', 127 joints total, lay down 27 joints, spot 50 sx cement, tag at 3214', to 2753', WOC and tag.

0900 – 1300 POOH 50 stands in derrick WOC.

1300 – 1400 RIH with tubing tag at 2696, 84 joints, lay down set pkr at 1476', 46 joints.

1400 – 1500 RU with wireline, perf at 1476, POOH with wireline.

1500 – 1600 Attempt 10 estimate injection rate, pressure up to 1000 PSI, held well for 15 minutes, spoke with Gabriel BLM, okayed to drop down at 1908 and spot 25 sx cement and tag.

1600 – 1630 Drop down to 1908', 59 joints, spot 25 sx cement, POOH 29 stands in derrick and shut down well.

1630 – 1700 Clean location and tools.

1700 – 1800 Drove to motel.

DATE:

August 24, 2018

0500 - 0600 Drove to location.

0600 – 0700 Safety meeting.

0700 – 0830 Open well 0 PSI, POOH with tubing, 172 joints and 86 stands, remove pkr.

0830 – 1030 BLM decided to put 8 joints, order the pkr. Tag with the tubing.

RIH 8 joints and pkr tag at 5650', 176 joints total.

1030 – 1130 Lay down 53 joints set pkr at 3948 123 joints.

1130 – 1230 RU with wireline, tag at 3848 POOH wireline.

1230 – 1430 POOH with tubing 123 joints, remove perforated sub pluggers.

1430 – 1630 RU wireline perf at 4376, POOH with wireline.

1530 – 1730 RIH with 123 joints to 3948', set pkr.

1730 - 1800 Attempt to estimate injection rate - 2 BPM, 600 PSI sqz 50 sx cement, SIP

400 PSI clean up equipment, clean up equipment, clean location and tools and shut down.

1800 - 1900 Drove crew home.

DATE:

August 23, 2018

0500 - 0600 Drove to location.

0600 - 0700 Tailgate safety meeting, JSA inspection, check pressure 0 PSI,

0700 – 0800 Open well, RUWL, RIH and tag TOC at 5980', POOH RD wireline.

0800 - 0930 POOH with tubing the remove pkr.

0930 - 1100 RIH with tubing, tag TOC at 5982', POOH to retrieve pkr.

1100 – 1200 RUWL, RIH and perf at 5896, POOH with wireline.

1200 - 1400 RIH with 172 joints to 5521 and set pkr.

1400 – 1430 Load hole and was able to get injection rate at 1000 PSI with 2 BPM.

1430 – 1530 Sqz 40 sx cement at 1100 PSI, shut in pressure 600'.

1530 – 1700 Clean location and tools, rig maintenance as well as tongs.

1700 – 1800 Drove to motel.

DATE:

August 22, 2018

0500 - 0600 Drove to location.

0600 – 0700 TGSM, JSA, Inspections check PSI. Open well.

0700 - 0730 RIH w/tbg to tag TOC @ 6773 its 212

0730 - 0900 POOH rocking back tbg 106 stands.

0900 - 1000 RUWL. RIH & perf @ 6350 POOH & RDWL.

1000 - 1130 RIH w/128 jnts tbg to 6050 set pkr.

1130 – 1200 Load well, attempt inj rate, held 1000psi, BLM instructed to perf 50' higher @ 6300.

1200 - 1300 RUWL, RIH & perf @ 6300 POOH w/WL.

1300 – 1430 Standby as BLM discussed where to set pkr..

1430 – 1500 LD 2 jnts set pkr @ 5938 w/185 jnts.

1500 – 1530 Est inj rate @ 2bpm w/400psi.

1530 - 1600 Sqz 45sx cmt & SWI.

1600 - 1700 Drive to Motel

DATE:

August 21, 2018

0500 - 0600 Drove to location.

0600 – 0700 Tailgate safety meeting, review JSA, check pressure 0 PSI.

0700 – 0730 Wait on BLM to witness tag.

0730 – 0800 RIH with tubing tag TOC at 7015 with 219 joints lay down 1 joint.

0800 – 0830 Spot 25 sx cement with cal chlor, POOH with 20 stands.

0830 - 1230 WOC

1230 – 1300 RIH with tubing ta TOC at 6870 with 214 joints BLM said it was a good tag.

1330 – 1500 POOH with 62 stands and BLM instructed crew to RIH with tubing to do another spot of 25 sx RIH with 62 stands to 6860'.

1500 – 1530 Spot 25 sx cement with 1 cal chlor.

1530 – 1700 POOH with 20 stands and still had water in tubing, had crew reverse out dirty tubing, circulated 3 times capacity of tubing before well was clean of cement done by BLM.

1700 – 1800 SWI and drove crew to motel.

DATE:

August 20, 2018

0500 - 0600 Drove to location.

0600 – 0700 Tailgate safety meeting, JSA inspections.

0700 - 0900 Shut down due to storms.

0900 – 1100 RIH with tubing, no tag at 7,000'.

1100 – 1200 WOO from BLM RIH to 7737 with 21 joints and tubing LD 1 joint.

1200 – 1300 Circulate hole with 150 bbls pressure test to 500 PSI.

1300 – 1330 Spoke to BLM (ok to spot 25 sx cement to 7,000')

1330 – 1530 Stand by for water.

1530 – 1630 Spot 25 sx cement with 1 sx cal chlor, PUH with 20 stands, SWI.

1630 – 1730 Drove to motel.

DATE:

August 17, 2018

0500 - 0600 Drove crew to location.

0600 – 0700 Held a safety meeting, review JSA inspections.

0700 – 0730 Check pressure on well, open well 0 PSI.

0730 – 0930 Run in a hole with tubing to tag, cast iron bridge plug tag of CIBP at 8144, lay down 1 joint.

0930 - 1030 Circulate 200 bbls of mud (50sx salt gel), pressure up on CIBP and held for 15 minutes.

1030 – 1100 Spot 25 sx of cement, PUH to 6750'.

1100 - 1500 WOC

1500 – 1530 RIH tag TOC at 7801', lay down to 7000'.

1530 – 1600 Spot 40 sx of cement at 7000'.

1600 – 1630 Pull out of the hole with tubing racking back 20 stands and shut well in.

1630 – 2000 Drove crew home.

DATE:

August 16, 2018

0500 - 0615 Drove to location.

0615 – 0700 Tailgate safety meeting, JSA, inspections.

0700 - 0730 Open well, with 0 PSI.

0730 – 1030 Continue to tally tubing in hole, POOH with tubing standing back.

1030 – 1330 Stand by for CIBP, Marathon discovered we have set of perfs with top being at 8194', with 10 spots – WL images from day before only show 14' of clean and clear casing above perfs and this is where we will attempt to set a 5 ½ CIBP.

1330 – 1400 Safety meeting with wireline.

1400 – 1500 RUWL and make up CIBP.

1500 – 1630 RIH with CIBP and set at 8144 POOH RDWL.

1630 - 1730 RIH with 40 stands of tubing.

1730 – 1800 SWI and clean up location.

1800 – 1900 Drove back to motel.

DATE:

August 15, 2018

0500 - 0600 Drove to location.

0600 – 0700 Tailgate safety meeting, JSA inspection.

0700 – 0900 POOH with all the tubing racking back.

0900 – 0930 Safety meeting with Renegade Wireline.

0930 - 1000 RUWL and tools.

1000 – 1530 Run caliber tool and imagery tools to scan/log 5 ½ casing.

1530 – 1600 Rig down wireline.

1600 – 1730 RIH with tubing, tally in hole to verify depth.

1730 – 1800 Shut well in and clean location.

1800 – 1900 Drove back to motel.

DATE: August 14, 2018

0500 - 0600 Drove to location.

0600 – 0700 Tailgate safety meeting, JSA inspections.

0700 - 0730 Check pressure, open well, 0 PSI.

0730 - 0800 RIH with 30 joints tubing.

0800 – 0830 Pump 30 bbls mixed with 1 box of super sweep. POOH with 20 stands.

0830 - 1230 Wash out LCM to cure.

1230 - 1300 RIH with no tag.

1300 – 1330 SPOT 60 sx cement and POOH with 20 stands.

1330 - 1630 WOC

1630 – 1730 RIH with tubing tag at 8214', POOH with 20 stands shut well in.

1730 – 1830 Drove to motel.

DATE:

August 13, 2018

0500 - 0615 Drove to location.

0615 – 0700 Tailgate safety meeting, JSA daily inspection.

0700 - 1230 Stand by for orders.

1230 – 1300 Spot 60 sx cement, clean equipment.

1300 – 1330 POOH with 20 stands and shut well in.

1330 - 1730 WOC

1730 – 1800 RIH with tubing to tag TOC, no tag POOH with 15 stands and shut well in.

1800 - 1900 Drove to motel.

DATE:

August 12, 2018

0500 - 0600 Drive to location.

0600 - 0700 Tailgate safety meeting, JSA, inspections.

0700 – 0730 Check pressure, 0 PSI, open well.

0730 – 0830 RIH with 57 joints tubing and tag CIBP at 8213 lay down 1 joint.

0830 – 1030 Pump 170 bbls to attempt a pressure test on CIBP (no returns).

1030 - 1100 WOO

1100 – 1130 Pump 30 bbls more without any success.

1130 – 1200 Shut in secure well, clean location.

1200 – 1300 Drove to motel.

DATE:

August 11, 2018

0500 - 0600 Drove to location.

0600 - 0645 Tailgate safety meeting. JSA inspections.

0645 - 1300 Wait on wireline.

1300 - 1330 RU and fix wireline.

1330 – 1530 RIH with wireline and set CIBP at 8178 POOH with wireline.

1530 – 1730 Val Saenz instructed crew to RIH with tubing, open ended 200 joints and shut in well.

1730 – 1830 Drove to motel.

0500 - 0600 Drove to location.

0600 – 0700 Tailgate safety meeting, review JSA and daily inspections.

0700 – 0730 Check pressures, Open well 0 PSI.

0730 - 0900 RUWL RIH with CIBP stacked out at 7860 and could not get down POOH with wireline.

0900 - 1000 WOO.

1000 – 1530 Stand by for gauge ring.

1530 – 1630 RIH with 5 ½ ring broke through at 7860', and cleared to 8180', POOH with wireline.

1630 – 1800 RIH with CIBP to 8178', wireline would not fire. POOH with wireline. RDWL.

1800 – 1830 Shut in well – clean location and equipment.

1830 - 1930 Drove crew to motel.

DATE:

August 9, 2018

0500 - 0615 Drove to location.

0615 – 0700 Tailgate safety meeting, review JSA, daily inspections.

0700 – 0730 Check well pressure, 20 PSI, open and bleed off well.

0730 – 0800 RIH with 30 stands and tagged CIBP again plug was not there, lay down 2 joints and secure well.

0800-0930 Wait on orders – Val Saenz spoke with BLM and was instructed to once again re-spot and tag.

0900 – 1000 Mix and spot 75 sx cement with 1 sx cal chlor, clean pump and hoses.

1000 – 1030 POOH with 30 stands, SWI.

1030 - 1400 WOC.

1400 – 1430 RIH with 30 stands to tag – again cement was gone and tagged CIBP.

1430 – 1500 WOO – Val Saenz spoke with BLM – instructed to try and get a second

CIBP to set around 30' above the first CIBP. 1500 – 1700 POOH with 128 stands and SWI.

1700 - 1800 Drove crew back to motel.

DATE:

August 8, 2018

0500 - 0615 Drove to location.

0615 – 0700 Tailgate safety review JSA and daily inspection.

0700 - 0730 Check pressure 60 PSI on the casing and 20 PSI on tubing open and bled well to 0 PSI.

0730 – 0900 RU pump hose to the 5 ½ casing with returns set to come back on the tubing side pumped 258 bbls of 10 lbs brine in an attempt to clean the hole. Never did get any returns. Whole capacity is 190 bbls) at 200 bbls crew was told to continue pumping, ran out of water at 258 bbls pumped. Wait on water truck.

0900 – 0930 Crew sorted and separated all 2 7/8 tubing that we scanned according to color. Val Saenz with Marathon called the BLM to notify them of no returns and they gave orders to spot 30 sx on top of the CIBP once water arrived.

0930 – 1000 Spot 30 sx cement with 1 sx cal chlor on top of CIBP clean equipment.

1000 – 1030 PUH with 20 stands and shut well on.

DATE: August 7, 2018

0500 – 0600 Drove crew to location.

0615 - 0700 Tailgate safety meeting review JSA Daily inspections.

0700 – 0730 Check well pressure, 0 PSI, open well.

0730 - 0800 RUWL and made up CIBP, RU pump and return hoses.

0800 – 0915 RIH with CIBP and set at 8200', wireline operator brought to attention that he felt CIBP did not set. POOH with wireline.

0915 – 1030 Val Saenz requested to RIH with wireline sinker bar to tag and verify CIBP was set tagged CIBP 31' lower then was set at 8231, POOH with wireline RDWL.

1030 – 1100 Wait on orders from BLM and was instructed to RIH with tubing to top of CIBP circulate clean with 10 lbs the circulated salt gel around and test to see if the CIBP is holding.

1100 – 1630 RIH picking up 2 3/8 tubing to 8204 with 256 joints.

1630 – 1700 SWI and unload 50 sx salt gel off pickup.

1700 - 1800 Drove to motel.

DATE:

August 6, 2018

0430 - 0630 Drove to location.

0630 – 0715 Tailgate safety meeting, review JSA and daily inspections.

0715 – 0800 RD rods equipment, clean inspection, tools for return.

0800 – 0845 NU BOPS, RU floor, tubing tongs and elevators.

0845 - 1500 Release tubing anchors / equalize well, POOH LD 256 joints 2 7/8, seat nipple, x-over, tubing anchors, tail pipe.

1500 - 1800 RUWL RIH with 5 ½ gauge ring to 8200', POOH with gauge ring and SWI (while doing wireline operations, crew moved all 2 7/8 tubing off PR's and filled with 2 3/8 tubing.

1800 - 1900 Drove to motel.

DATE:

August 3, 2018

0500 - 0615 Drove to location.

0615 – 0700 Tailgate safety meeting, review JSA, daily inspections.

0700 – 0730 Check pressure, 0 PSI, open well, rig up rod tongs.

0730 – 0800 Pulled up on rods and found that there was a polish rod, then one steel rod with fiber glass rods below that. Rig is not set up for rods bigger than 1 inch).

0800 – 1100 Wait on rod equipment that Val Saenz set up with Integrity Well Serves.

1100 - 1630 Laydown 115 1 1/8-inch fiber glass rods, 81-inch rods, 66 7/8 rods and 8 weighted bars and fluid pump.

1630 – 1700 Clean tools and location and shut well in.

1700 – 2000 Crew drove home for the weekend.



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. 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.

- 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