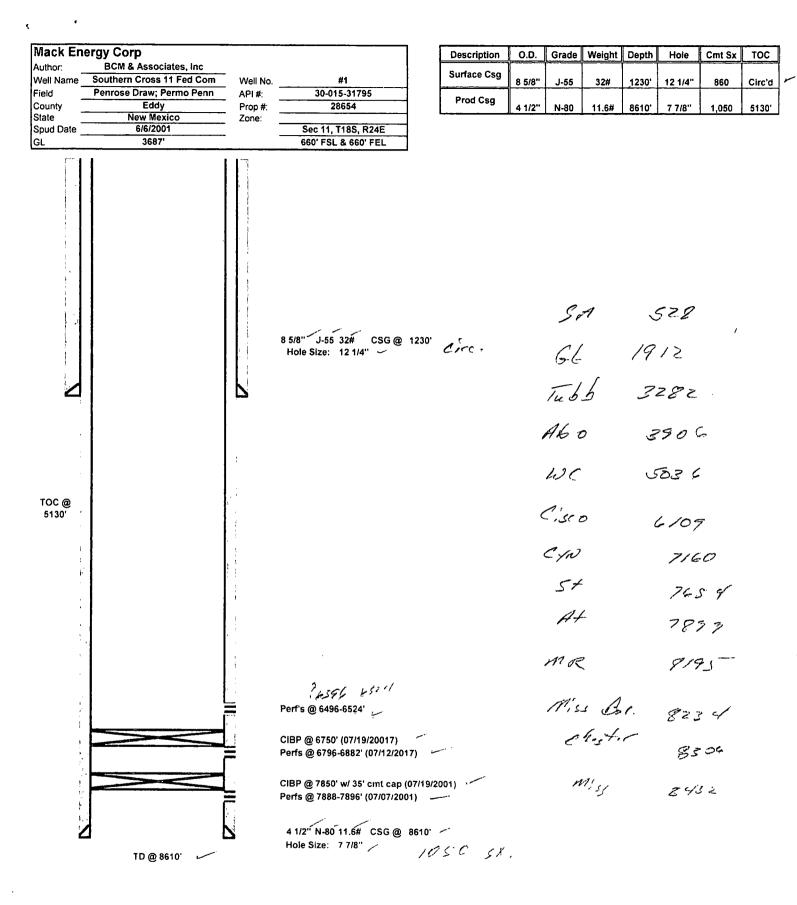
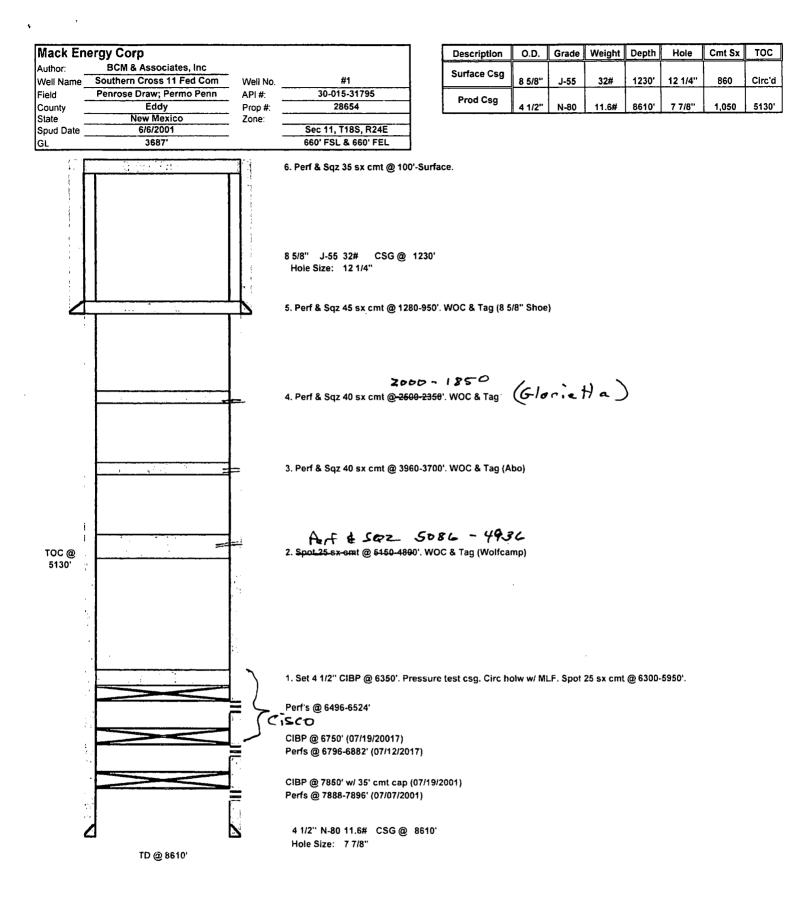
<b>,</b>		OCL	O Artesia			
Form 3160-5 (June 2015)	UNITED STATE DEPARTMENT OF THE BUREAU OF LAND MAN	ES INTERIOR	RECEIVED	OMB NO Expires: Ja	APPROVED 0. 1004-0137 nuary 31, 2018	
SUN	IDRY NOTICES AND REPO		JAN <b>1 0</b> 20	5. Lease Serial No. 9 NMNM9538		
Do not	use this form for proposals to ed well. Use form 3160-3 (Al	o drill or to re-enter an		6. If Indian, Allottee or	Tribe Name	
	- <u></u>	DIST	RICT IL-ARTESIA		ment, Name and/or No.	
	IT IN TRIPLICATE - Other in:	structions on page 2				
1. Type of Well Oil Well 🛛 Gas Well	Other			8. Well Name and No. SOUTHERN CROSS 11 FEDERAL COM 1		
2. Name of Operator Contact: ABIGAIL MONTGOMERY MACK ENERGY CORPORATION E-Mail: abbym@bcmandassociates.com				9. API Well No. 30-015-31795		
3a. Address P.O. BOX 960 ARTESIA, NM 88210		3b. Phone No. (include area Ph: 4326837443	3b. Phone No. (include area code) Ph: 4326837443		10. Field and Pool or Exploratory Area PENASCO DRAW;PERMO PENN	
	e, Sec., T., R., M., or Survey Description	on)	······		11. County or Parish, State	
Sec 11 T18S R24E 660 32.757606 N Lat, 104.5					EDDY COUNTY, NM	
12. CHECK 1	HE APPROPRIATE BOX(ES	) TO INDICATE NATU	RE OF NOTICE	, REPORT, OR OTH	ER DATA	
TYPE OF SUBMISSIO	N	TYPE OF ACTION				
Notice of Intent	C Acidize	Deepen	Produc	tion (Start/Resume)	UWater Shut-Off	
_	□ Alter Casing	🗖 Hydraulic Fractu	aring 🔲 Reclam	nation	Well Integrity	
Subsequent Report	Casing Repair	New Construction	—	•	Other	
Final Abandonment No.	otice Change Plans	Plug and Abandana Plug Back	on 🗖 Tempo	rarily Abandon		
2. Spot 25-sx cmt @ 5- 3. Perf & Sqz 40 sx cm 4. Perf & Sqz 40 sx cm 5. Perf & Sqz 45 sx cm 6. Perf & Sqz 35 sx cm	350". Pressure test csg. Circul 159-4890'. WOC & Tag. (Wolfc t @ 3960-3700'. WOC & Tag. ( t @ 2 <del>500-2350</del> '. WOC & Tag t @ 1280-950'. WOC & Tag (8 t @ 100' to Surface. ify cmt to surface, weld on Dry	amp) A <b>erf @ 50</b> (Abo) 2000 - 1 <b>850 (</b> G 5/8" Shoe)	86, SQZ	5950'. . cnt 40 4 '	936	
				SEE ATTACHED FOR		
Accepted for		Septed for record NM	OCD	CONDITIONS OF APPROVAL		
14. 1 hereby certify that the for	Electronic Submission For MACK EN Committed to AFMSS fo	#447291 verified by the BL ERGY CORPORATION, se r processing by DEBORAH	nt to the Carlsbad MCKINNEY on 12			
Name (Printed/Typed) ABIGAIL MONTGOMERY		Title AC	Title AGENT			
Signature (Ele	ectronic Submission)	Date 12	Date 12/11/2018			
	THIS SPACE F	OR FEDERAL OR ST	ATE OFFICE U	ISE		
Approved By	nal, anno	Title	SPET		12-12-18 Date	
	e attached. Approval of this notice do gal or equitable title to those rights in t to conduct operations thereon.		lio			
	Title 43 U.S.C. Section 1212, make it udulent statements or representations			ake to any department or	agency of the United	
(Instructions on page 2) ** OF	PERATOR-SUBMITTED ** (			TOR-SUBMITTED	**	





## 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 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> 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 10<sup>th</sup> 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. <u>Show date well was plugged.</u>

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.