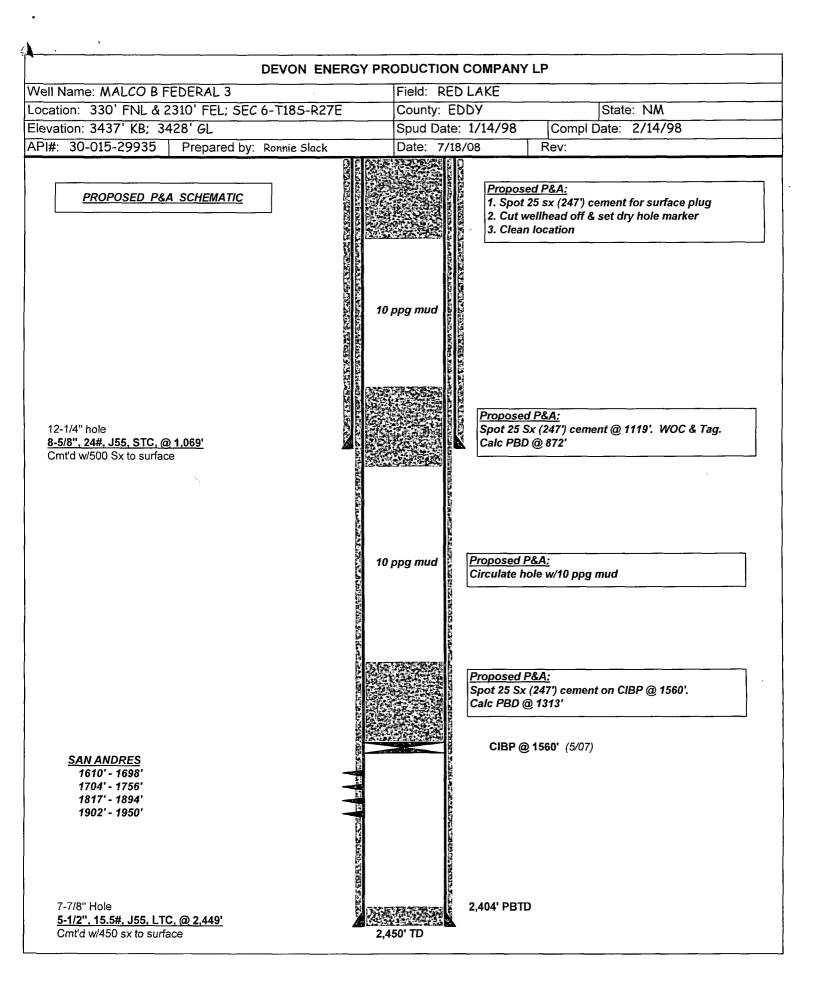
Form 3160-5 'August 1999'

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS	S	FORM APROVED OMB NO. 1004-0135 OCD-ARTES EXPIRES: NOVEMBER 30, 2000 [5. Lease Serial No.]
not use this form for proposals to drill or to re-enter an		NM-LC 026874-B
doned well Use Form 3160-3 (APD) for such proposals		6. If Indian, Allottee or Tribe Name

Do not use this form for proposals to drill or to re-enter an					NM-LC 026874-B	
abandoned well Use Form 3160-3 (APD) for such proposals SUBMIT IN TRIPLICATE					o. Il mulan, Allottee of Tribe Name	
·				7. Unit or CA Agreement Name and No		
1a. Type of Well Oil Well Gas Well Other				8 Well Name and No.		
2. Name of Operator OCD-ARTESIA				Malco B Federal #3		
3. Address and Telephone No	COMPANY, LP			9 API Well No	30-015-29935	
20 North Broadway, Ste 1500, Oklahoma City, OK 73102 405-552-4615					ol, or Exploratory	
4. Location of Well (Report location clearly and in accordance with Federal requirements)*					Queen Grayburg San Andres	
330 FNL 2310 FEL Unit B Sec 6 T18S R27E				12 County or Pa	insh .13. State	
CHECK APPR	OPRIATE BOX(s) TO IND	ICATE NATURE OF NOTI	CE, REPORT			
TYPE OS SUBMISSION			OF ACTION			
☑ Notice of Intent	Acidize Alter Casing	Deepen Fracture Treat	Productio Reclamat	n (Start/Resume) ion	☐ Water Shut-Off ☐ Well Integrity	
Subsequent Report	Casing Repair	New Construction	Recomple	te	Other	
Final Abandonment Notice	Change Plans Convert to Injection	✓ Plug and Abandon ☐ Plug Back	Water Dis	rily Abandon sposal		
13 Describe Proposed or Completed Operations (Clearly st deepen directionally or recomplete horizontally, give subsurfact the Bond No on file with BLM/BIA Required subsequent repointerval, a Form 3160-4 shall be filed once testing has been condetermined that the site is ready for final inspection)	e location and measured and true rts shall be filed within 30 days folk	vertical depths of all pertinent mark owing completion of the involved op	ers and zones A erations If the op	ttach the Bond under w peration results in a mul	hich the work will be performed or provide tiple completion or recompletion in a new	
P&A. Plug & Abandonment Procedure: 1. MIRU. TIH to CIBP @ 1560'. Cir. 2. Spot 25 sx cement in 5-1/2" casin 3. Spot 25 sx cement @ 1119'. WO 4. Spot 25 sx cement surface plug @ 5. Cut wellhead off, set dry hole mar	g on top of CIBP @ 1 C & Tag. Calc. PBD ᢧ247'	560'. Calc. PBD @ 10 @ 872'. (8-5/8" casi) 1069').		
SEE ATTACHED FO	,			JUL	PROVED 2 7 2008 DES A. AMOS ERVISOR-EPS	
14. I hereby certify that the foregoing is true ar	d correct					
Signed Ronnie Slack	Name Title	Ronnie Slaci Engineering Techi		Date	7/18/2008	
(This space for Federal or State Office use)						
Approved by Conditions of approval, if any:	Title			Date	<u> </u>	
Title 10 0 5 C Seculor 1001, makes it a crime for any personnits junsdiction	arowingiy and willidiy to make any	пераплентог аденсу от те Оппес	ı States arıy raise	nomous or maudolem	statements on representations to any matter which	



DEVON ENERGY	PRODUCTION COMPANY LP
Well Name: MALCO B FEDERAL 3	Field: RED LAKE
Location: 330' FNL & 2310' FEL; SEC 6-T185-R27E	County: EDDY State: NM
Elevation: 3437' KB; 3428' GL	Spud Date: 1/14/98 Compl Date: 2/14/98
API#: 30-015-29935 Prepared by: Ronnie Slack	Date: 7/18/08 Rev:
### 12-1/4" hole ### 155, STC, @ 1,069' Cmt'd w/500 Sx to surface	TO THE PROPERTY OF THE PROPERT
SAN ANDRES 1610' - 1698' 1704' - 1756' 1817' - 1894' 1902' - 1950'	CIBP @ 1560' (5/07)
7-7/8" Hole 5-1/2", 15.5#, J55, LTC, @ 2,449' Cmt'd w/450 sx to surface	2,404' PBTD 2,450' TD

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.

- 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 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 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. In lieu of a cement plug in a cased hole, 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.

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 well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. 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 five 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 conditions of approval will be developed and furnished to you.