Form 3160-5 (September 2001)

BUREAU OF LAND MANAGEMENT

KEUEIVEU

NOV 1 9 2009

NMOCD ARTESIA

			_	-	
•	OCD	A	rte	sia	

Do not use this form for proposals to drill or to re-enter an	6. If Indian, Allottee or Tribe Name	
abandoned well. Use Form 3160 - 3 (APD) for such proposals.		
SUBMIT IN TRIPLICATE- Other instructions on reverse side.	7 If Unit or CA/Agreement, Name and/or No 8 Well Name and No.	
1 Type of Well Gas Well Other		
2. Name of Operator Snow Oil & Gas, Inc	W.C. Federal #1Set a 10 sax plu at 3269	
3a Address 3b Phone No (mclude area code)	9. API Well No. 30-015-21023	
P. O. Box 1277 Andrews, TX 79714 432-524-2371	. 10. Field and Pool, or Exploratory Area	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)	Wildcat (Delaware) 11. County or Parish, State Eddy County, New Mexico	
660' FSL & 1980' FEL Sec 1, T25S, R25E		
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, RE	EPORT, OR OTHER DATA	
TYPE OF SUBMISSION TYPE OF ACTION		
Acidize	Well Integrity Other	
. 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of an	y proposed work and approximate duration thereof	

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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection)

Set a 10 sack plug at 3269' to 3209' - 60 ', set 10 sack plug @ 1650'- 1590' - 60', set 10 plug @ 320' to 260' 60', set 10'plug to surface.

RECLAMATION PROCEDURE ATTACHED

SEE ATTACHED FOR CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) James C Wright Title	
Signature Date H. Date H. H.	11/17/2009
THIS SPACE FOR FEDERAL OR STATE OF	FICEUSEPKOVED
Approved by A Title	Date 3
Conditions of approval of 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.	/s/ Dustin Winkler
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	villfu bureau of Landimanagement the United Carlsbad Field office

(Instructions on page 2)

W C FEDERAL #1 ELEV: 3463 GL Froft plug sunface FIELD DELWARE COUNTY. EDDY ST NM LOCATION Sec.1, T25S, R25E, 660' FSL & 1980' FEL DATE 4/26/2006 . BY njt '20" @ 30' CASING RECORD CMT CIRC SURFACE CASING OD WT/FT GRADE Hole size 17 1/2" 30' 14 5/8" @ 320' Circ 13 5/8" 320' 10 sax plug -60' 320 76 26E INTERMEDIATE CASING 1650 8600' pulled 5020' PRODUCTION CASING 5 1/2" 4927 TUBING TW .. GDE SET AT Hole size 12 1/4' NO JTS Ω D . 9 5/8"@ 1650 CMT 750 SX **WELL HISTORY** E-10 SAXplug-60'-1650'-1590 5/5/1994 Well first production 1/12/2001 Set CIBP @3269' test, RIH w/SN & 103 jts 2 7/8" tbg Hole size. 9 1/2" 7 5/8"@ 8600' Pulled 5020' Approx 3580' left in hole CMT 300 SX 3269 to 3209 1054× plug - 60 HHHH. Perfs @ 3319-3320, 3324-3325, 3328-3330' 3409-3411, 3665-3668' 14 holes Perfs @ 3544-3554' 1 SPF per 18" 7 holes Perfs 3352-3554' acid w/ NEFE Hole size: 8 3/8 TOC - --Circ PBTE 4308 5 1/2"@ 4927" CMT 950 SX w/50 50 Posath TD: 4927 PBD.4808 できらう20 (432)631-7701 James Wright

Snow Oil and Gas, Inc. NM-71560: W.C. Federal #1 API: 30-015-21023 Eddy County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

The following plugging procedure is to be followed instead of the submitted procedure:

- 1. Drill out plugs past the plug set at 5650'. Tag previously set plug at 8550' or shallower.
- 2. Set a 190' plug (25 sx minimum) at 8323'-8133'. WOC and tag at 8133' or shallower. (Wolfcamp)
- 3. Set a 160' plug (25 sx minimum) at 5450'-5290'. WOC and tag at 5290' or shallower. (Bone Springs)
- 4. Set a 213' plug (25 sx minimum) at 5090'-4877'. WOC and tag at 4877' or shallower. (Stub Casing Shoe)
- 5. A plug must be set to protect/cover the perfs. Use one of the following options:
 - a. Pump a plug from 3718'-3269'. WOC and tag at 3269' or shallower.
 - b. Set a CIBP fat 3269' with 35' of cement if dump bailed or 25sx if pumped.
- Establish a free point in the 5-1/2" casing. If it is at or below 1650', cut and pull casing then set a
 plug from 1700'(or 50' below cut, whichever is deeper) to 1500' (25 sx minimum). WOC and tag
 at 1500' or shallower.
 - If free point is above 1650', set plug from 1700'-1500' (25 sx minimum). WOC and tag at 1500' or shallower. Cut and pull casing on top of plug (approx 1500') and spot 25 sx on top of that. (Shoe Delaware Stub- Base of salt)
- 7. Spot plug from 390'-200' (25 sx minimum). WOC and tag at 200' or shallower. (Shoe TOS)
- 8. Spot plug from 60' to surface. Cut wellhead and verify that cement is to surface in all annuluses.
- 9. Submit a subsequent report to the BLM.

See attached standard COAs.

DHW 111709

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. 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. Any plug that requires a tag will have a minimum WOC time of 4 hours.

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. Subsequent Plugging Reporting: 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 will be required. See attached reclamation procedure

DHW 111109



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E Greene St Carlsbad, New Mexico 88220-6292 www.blin.gov/nm



In Reply Refer To 1310.

Interim Reclamation 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.

Interim reclamation consists of minimizing the footprint of disturbance by reclaiming all portions of the well site not needed for production operations. The portions of the cleared well site not needed for operational and safety purposes are recontoured to a final or intermediate contour that blends with the surrounding topography as much as possible. Sufficient level area remains for setup of a workover rig and to park equipment. Topsoil is respread over areas not needed for all-weather operations. Production facilities should be clustered to maximize the opportunity for interim reclamation. In order to inspect and operate the well or complete workover operations, it may be necessary to drive, park, and operate on restored, interim vegetation within the previously disturbed area. This is generally acceptable provided damage is repaired and reclaimed following use.

To reduce final reclamation costs; maintain healthy, biologically active topsoil; and to minimize habitat, visual, and forage loss during the life of the well, all salvaged topsoil should be spread over the area of interim reclamation, rather than stockpiled.

- 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). Interim reclamation is to be completed within 6 months of well completion.
- If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with interim reclamation as per approved APD or Sundry Notice. 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.
- 4. 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.
- 5. 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 there are any questions, please feel free to contact any of the following specialists:

Jim Amos
-Supervisory Environmental Protection Specialist
-575-234-5909, 575-361-2648 (Cell)

Terry Gregston Environmental Protection Specialist 575-234-5958

Bobby Ballard Environmental Protection Specialist 575-234-2230

Randy Rust Environmental Protection Specialist 575-234-5943

Linda Denniston Environmental Protection Specialist 575-234-5974

Jennifer Van Curen Environmental Protection Specialist 575-234-5905

Justin Frye Environmental Protection Specialist 575-234-5922 Cody Layton Natural Resource Specialist 575-234-5959

Trishia Bad Bear Natural Resource Specialist 575-393-3612

Todd Suter Surface Protection Specialist 575-234-5987

Doug Hoag Civil Engineering Technician 575-234-5979