* Fcym 3160-5 (Fabruary 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR OCD-ARTESIA

FORM APROVED OMB NO. 1004-0137

| | OF LAND MANAGEMENT | 2 | | | 5: March 31, 2007 | | |
|--|--|---|------------------------------------|---|---|--|--|
| | | | NM_0758 | | | | |
| | Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals | | | 6. If Indian, Allottee or Tribe Name | | | |
| | 1 | | | | | | |
| SUBMIT IN TRIPLICATE - Other instructions on | | RECEIVE | ED] | 7. Unit or CA Agreement Name and No. | | | |
| 1. Type of Well Gas Well Other | | MAR 2 4 2010 | | 8 Well Name and No. | | | |
| 2. Name of Operator | | | " | | vk 17C Fed #1 | | |
| DEVON ENERGY PRODUCTI | ON COMPANY, LP | NMOCD ARTI | SIA | 9. API Well No. | | | |
| 3a, Address 3 | | b. Phone No. (include area | code) | | 0-015-29514 | | |
| 20 North Broadway, Ste 1500, Oklahoma City, OK 73102 | | 05-552-4615 | | 10. Field and Pool, or Exploratory Area | | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 380 FNL 1450 FWL C 17 T18S R27E | | | | Red Lake (Q-0 | GB-SA) & Glor-Yeso, NE | | |
| 380 FNL 1450 FWL C 17 | | | 1 | | | | |
| | | | | EDDY | NM | | |
| | APPROPRIATE BOX(es) TO INI | | | | Α | | |
| TYPE OS SUBMISSION | | TYPE | OF ACTION | | | | |
| ✓ Notice of Intent | Acidize L | Deepen [| _ | on (Start/Resume) | Water Shut-Off | | |
| Subsequent Report | Alter Casing | Fracture Treat New Construction | Reclamat Recomple | | ☐ Well Integrity ☐ Other | | |
| · · · · · · · · · · · · · · · · · · · | ☐ Casing Repair ☐ Change Plans ☐ | ✓ Plug and Abandon | | ete | | | |
| Final Abandonment Notice | Convert to Injection | Plug Back | Water Di | • | | | |
| 13 Describe Proposed or Completed Operations (Cladeepen directionally or recomplete horizontally, give sut the Bond No on file with BLM/BIA Required subseque interval, a Form 3160-4 shall be filed once testing has be determined that the site is ready for final inspection) | osurface location and measured and true ve nt reports shall be filed within 30 days follow | rtical depths of all pertinent markering completion of the involved ope | rs and zones A rations If the o | Attach the Bond under which peration results in a multiple | the work will be performed or provide completion or recompletion in a new | | |
| 3. Set CIBP at 1300'. Spot 25 2100'. 8-5/8" shoe at 1160'). 4. Circulate 25 sx (247') cemel 5. Cut wellhead off 3' below g | nt for surface plug. | • | r SNAIIOW | er. (Open perfs | rrom 1335° to | | |
| RECLAMATION PROC ATTACHED | EEDURE | SEE ATTA CONDITIC | | FOR FAPPROV | AL | | |
| 14. I hereby earlify that the foregoing is to | io and correct | | | | | | |
| 14. I hereby certify that the foregoing is to Name: Ronnie Slack | Title | Operations Techni | cian | | | | |
| Signature Kommo Stack | Date | 3-9-10 | | | | | |
| | THIS SPACE FOR FE | DERAL OR STATE | OFFICE! | USE- | | | |
| Approved by: | Title | API | 'KUV | Date | | | |
| Conditions of approval, if any are attached notice does not warrant or certify that the equitable title to those rights in the subject entitle the applicant to conduct or operation | applicant holds legal or | /s/ Dus | 23 20 tin Wir | ikler | | | |
| Title 18 U S C. Section 1001 and Title 43 U S.C Section | ns thereon. Office | BUREAU OF I CARLSBA | | | w false fictitious or fraudulant statements | | |

DEVON ENERGY PRODUCTION COMPANY LP Well Name: HAWK 17C FEDERAL #1 Field: RED LAKE Location: 380' FNL & 1450' FWL; SEC 17-T18S-R27E County: EDDY State: NM Elevation: 3410' KB; 3401' GL Spud Date: 5/31/97 Compl Date: 6/29/97 API#: 30-015-29514 Prepared by: Ronnie Slack Date: 3/9/10 Rev: **PROPOSED PLUG & ABANDONMENT** 1. Circulate 25 sx (247') cmt for surface plug 2. Cut wellhead off & set dry hole marker 10# mud 12-1/4" Hole 8-5/8", 24#, J55, @ 1,160' Cmt'd w/550 Sx. TOC @ surface Proposed: 1. Set CIBP @ 1300'. Spot 25 sx cmt on top. 2. WOC & Tag @ 1110' or shallower. (Calc TOC @ 1053') SAN ANDRES PERFS 1,335' - 1,488' 1,667' - 1,697' 1,844' 1,924' - 1,983' 1,995' - 2,033' 2,072' - 2,100' 8/6/04: re-acidized w/2000 gals 8/5/04: acidized w/2000 gals 15% HCl. 6/18/97: acidized w/2500 gals. Fraced w/6k# 100 mesh, +86k# 20/40 2,403' PBTD 7-7/8" Hole 5-1/2", 15.5#, J55, LTC, @ 2,449' Cmt'd w/425 Sx. TOC @ surface. 2,450' TD

| DEVON ENI | ERGY PR | ODUCTION | COMPANY | LP | | | |
|--|---|--------------------|-------------|--------------|----------------|--|--|
| Well Name: HAWK 17C FEDERAL #1 | | Field: RED | LAKE | | | | |
| ocation: 380' FNL & 1450' FWL; SEC 17-T18S-R2 | | 27E County: EDDY | | | State: NM | | |
| Elevation: 3410' KB; 3401' <i>G</i> L | | Spud Date: 5/31/97 | | | Date: 6/29/97 | | |
| API#: 30-015-29514 Prepared by: Ronnie Slack | - 10 m | Date: 3/8/ | 10 | Rev: | | | |
| 12-1/4" Hole 8-5/8", 24#, J55, @ 1,160' Cmt'd w/550 Sx. TOC @ surface SAN ANDRES PERFS 1,335' - 1,488' 1,667' - 1,697' 1,844' 1,924' - 1,983' 1,995' - 2,033' | ONDER ERENTE EN | | 2-7/8", 6 | .5#, J55 pro | duction tubing | | |
| 2,072' - 2,100' 8/6/04: re-acidized w/2000 gals 8/5/04: acidized w/2000 gals 15% HCl. 6/18/97: acidized w/2500 gals. Fraced w/6k# 100 mesh, +86k# 20/40 + 157k# 16/30 | 300 (00 8 2 5 6 7 5 6 7 5 6 7 5 6 7 5 6 7 5 6 7 5 6 7 5 6 7 5 6 7 5 6 7 5 6 7 5 6 7 5 6 7 5 6 7 5 6 7 5 6 7 5 | WE TRANSPORT | SN @ 2′ | 133' (8/13/0 | 8) | | |
| 7-7/8" Hole <u>5-1/2", 15.5#, J55, LTC, @ 2,449'</u> Cmt'd w/425 Sx. TOC @ surface. | | .450' TD | 2,403' PBTC |) | | | |

Devon Energy Production Company, LP NM-0758: Hawk 17C Fed #1 API: 30-015-29514 Eddy County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

H2S monitoring equipment on location.

- 1. OK
- 2. OK
- 3. CIBP to be placed 50'-100' above the top perf Otherwise OK (Perfs)
- 4. Surface plug must run from 400' to surface due to Cave/Karst features. Additional cement will be necessary. (Cave/Karst Surface)
- 5. OK
- 6. Submit a subsequent report to the BLM.

See attached standard COAs.

DHW 032210

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 BLM is to be notified when the wellhead is cut off to verify that cement is to surface in the casing and all annuluses.** 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 will be required. See attached reclamation procedure.

DHW 112309



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.

- 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). 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 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