Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 200

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No. NM 703356. If Indian, Allottee or Tribe Name

h proposals.
reverse side. 7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. LIVINGSTON RIDGE FEDERAL #2
9. API Well No. 30-015-26436
3 10. Field and Pool, or Exploratory Area CABIN LAKE DELAWARE
11. County or Parish, State EDDY COUNTY, NM
ATURE OF NOTICE, REPORT, OR OTHER DATA
TYPE OF ACTION
Production (Start/Resume) Water Shut-Off Reclamation Well Integrity Other Temporarily Abandon Water Disposal
t c

- 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any 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.)
 - 1. MIRU. ND BOP, NU WH. Tag TOC @ 6,355'. Circ hole w/ MLF,
 - 2. PUH Spot 20sx cmt @ 6,064'-5964' WOC-Tag
 - 3. RIH WL Set CIBP @ 5,740'. Cap w/ 20sx cmt @ 5,740'-5,640'.
 - 4. PUH Spot 20sx cmt @ 4,590'-4,490'.
 - 5. PUH Spot 35sx cmt @ 3,854'-3,655' WOC-Tag.
 - 6. PUH Spot 20sx cmt @ 1,800'-1,700' WOC-Tag.
 - 7. PUH Spot 20sx cmt @ 1,100'-1,000' WOC-Tag.
 - 8. Circ 80sx cmt @ 670' to surface.
 - 9. Top off well. RDMO. Cut off wellhead & anchors, clean location.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

RECLAMATION PROCEDURE ATTACHED

DEC 0 9 2010

	DEC 0 9 2010
14. Thereby certify that the foregoing is true and correct Name (Printed/Typed)	NIMOCD ARTES
GREG BRYANT	Title P&A TECH
Signature	Date 11/03/2010
THIS SPACE FOR PEDERAL	OR STATE OFFICE PROVED
Approved by	Title Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant certify that the applicant holds logal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office /s/ Dustin Winkler
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any prostates any false, fictitious or fraudulent statements or representations as to any matter v	person knowingly and StireAup Of the AND MERIAGEMEN eency of the United within its jurisdiction. CARLSBAD FIELD OFFICE

(Instructions on page 2)

A 12/10/2010

WELLBORE SKETCH ConocoPhillips Company -- Lower 48 - Mid-Continent BU / Permian Operations

Date: Oct. 11, 2010 RKB @ 3319' DF @ 3318 GL @ 3308' Subarea: Hobbs Lease & Well No. : Livingston Ridge Federal No. 2 Legal Description : 2240' FSL & 1200' FWL, Sec. 1, T22S, R30E, UL "L" 17-1/2" Hole County: Fddv New Mexico State: Field Cabin Lake (Delaware) Date Spudded: 12/11/90 Rel. Rig: 1/12/91 13-3/8" 61# K-55 @ 479' API Number : 30-015-26436 Cmt'd w/ 800 sx, circ 250 sx NM 70335 Status: Lease Serial No TOC @ Surface Stimulation History: Lbs. Avg Interval **Date** Gals ISIP Rate Down Type Sand Press 2/7/91 Perforate w/ 2 JSPF @7448-7464 & 7494-7580, total 206 shots 7448-7580 2/11/91 7-1/2% NEFE HCI 2.000 200 BS 2100 135000# 20/40 Mesh Sd 7448-7580 2/13/91 CO2 60 Tons Polyemulsion 44,000 56000# 16/30 Resin Coated 2600 24.5 7448-7580 3/18/91 7-1/2% NEFE HCI 10,000 1200# RS 3550 740 6.6 Perforate w/ 2 JSPF @ 7352-7374 (45 shots) 5/22/91 7352-7374 5/23/91 7-1/2% NEFE HCI 550 +BS Polyemulsion 7352-7374 5/28/91 17,000 60,000 20/40 Mesh Ottowa Sd 2390 1560 15.0 5/31/91 Perforate w/ 2 JSPF @ 7196-7202, total 13 shots 7196-7202 6/3/91 7-1/2% NEFE HCI 550 1900 1000 3.2 7196-7202 9,000 6/4/91 Polyemulsion 20,000 20/40 Mesh Sd 2000 1320 10.0 6/7/91 Perforate w/ 2 JSPF @ 6610-6630, total 41 shots 6610-6630 6/10/91 7-1/2% NEFE HCI 500 BS 2600 2.7 4/7/93 Perforate w/ 1 JSPF @ 5840-5886 5840-5886 7-1/2% NEFE HCI 4/8/93 2 300 40 bs 2100 450 5.2 5840-5886 35# Linear X-Link Gel 49,200 4/13/93 35,125# 16/30 Mesh 5350 574 12-1/4" Hole 1/21/08 Set CIBP @ 6640'; DUMP 10' CMT ON TOP 8-5/8" 24# J-55 @ 3705' 1/23/08 Set retainer @ 5750 and squeeze w/ 25 bbls cmt 5840-5886 Cmt'd w/ 1600 sx, circ 215 sx 1/29/08 Re-Saz 5840-5886 w/ 13 bbls cmt 2/6/08 TOC @ Surface Perforate w/ 2 SPF @ 6440-6480 6440-6480 2/8/08 15% HCI Silverstem LC 69,000 60,000# 16/30 1/18/10 Set 5-1/2" CIBP @ 6390'; cap with 35' of cement; TOC @ 6355' Set 5-1/2" CIBP @ 5790'; cap with 35' of cement; TOC @ 5755' 1/19/10 9/9/10 Drill out cement & CIBP @ 5790'; cleanout to 6330' Set CICR @ 5763'; Sqz perfs 5840-5886 w/ 100 sx 9/15/10 Drill up CICR; drill cmt from 5765; fell out @ 5888' 5840 5842 5844 5846 5848 5850 5852 5854 5856 5858 5860 5862 5864 5866 5868 5870 5872 5874 5876 5878 5880 5882 5884 5886 DV Tool @ 6014' 5-1/2" CIBP @ 6390'; w/ 25' cmt; TOC @ 6355' 6440-6480 6610-6630 CIBP @ 6640' w/ 10' cmt; TOC @ 6630' 7196-7202 [3] 7352-7374 7448-7464 == == **Formation Tops:** 7494-7580 Rustler 279' Salado 620' 7-7/8" Hole Bell Canyon 3854 5-1/2" 15.5# J-55 @ 7755' Cherry Canyon 4590 PBTD: 7690 Cmt'd w/ 1800 sx, circ 215 sx cmt Brush Canyon 5994 TD: 7755 TOC @ Surface Bone Springs 7722'

WELLBORE SKETCH ConocoPhillips Company -- Lower 48 - Mid-Continent BU / Permian Operations

Date

Oct. 11, 2010

RKB @ 3319' DF @ 3318 Subarea: GL @ 3308 Hobbs Lease & Well No. Livingston Ridge Federal No. 2 2240' FSL & 1200' FWL, Sec. 1, T22S, R30E, UL "L" Legal Description : 17-1/2" Hole County: State : New Mexico Field: Cabin Lake (Delaware) Circ 80sx cmt @ 670'-Surface Date Spudded: Rel. Rig: 1/12/91 12/11/90 13-3/8" 61# K-55 @ 479' API Number : 30-015-26436 Cmt'd w/ 800 sx, circ 250 sx Lease Serial No. NM 70335 Status: TOC @ Surface Stimulation History: Lbs. Max Ava Interval <u>Date</u> **Type** Gals Sand Press ISIP Rate Down Spot 20sx cmt @ 1100'-1000' - TAG 2/7/91 Perforate w/ 2 JSPF @7448-7464 & 7494-7580, total 206 shots 7448-7580 2/11/91 7-1/2% NEFE HCI 2,000 200 BS 7448-7580 2/13/91 CO2 60 Tons 135000# 20/40 Mesh Sd Polvemulsion 56000# 16/30 Resin Coated 44 000 2600 24 5 2740 7448-7580 3/18/91 7-1/2% NEFE HCI 10,000 1200# RS 3550 740 6.6 2000 Spot 20sx cmt @ 1800'-1700' - TAG 5/22/91 Perforate w/ 2 JSPF @ 7352-7374 (45 shots) 7352-7374 5/23/91 7-1/2% NEFE HCI 550 +BS 7352-7374 5/28/91 Polyemulsion 17 000 60,000 20/40 Mesh Ottowa Sd 2390 1560 15.0 5/31/91 Perforate w/ 2 JSPF @ 7196-7202, total 13 shots 7196-7202 6/3/91 7-1/2% NEFE HCI 1900 1000 3.2 550 6/4/91 7196-7202 Polyemulsion 9.000 20,000 20/40 Mesh Sd 2000 1320 10.0 6/7/91 Perforate w/ 2 JSPF @ 6610-6630, total 41 shots 6610-6630 6/10/91 7-1/2% NEFE HCI 2.7 500 BS 2600 4/7/93 Perforate w/ 1 JSPF @ 5840-5886 5840-5886 4/8/93 7-1/2% NEFE HCI 2,300 40 bs 2100 450 5.2 5840-5886 4/13/93 35# Linear X-Link Gel 49,200 35,125# 16/30 Mesh 5350 574 Set CIBP @ 6640'; DUMP 10' CMT ON TOP 12-1/4" Hole 1/21/08 8-5/8" 24# J-55 @ 3705' 1/23/08 Set retainer @ 5750 and squeeze w/ 25 bbls cmt 5840-5886 Cmt'd w/ 1600 sx, circ 215 sx 1/29/08 Re-Sqz 5840-5886 w/ 13 bbls cmt Perforate w/ 2 SPF @ 6440-6480 TOC @ Surface 2/6/08 Spot 35sx cmt @ 3854'-3655' - TAG 6440-6480 2/8/08 15% HCI Silverstem LC 60,000# 16/30 69,000 1/18/10 Set 5-1/2" CIBP @ 6390'; cap with 35' of cement; TOC @ 6355' Spot 20sx cmt @ 4590'-4490' 1/19/10 Set 5-1/2" CIBP @ 5790'; cap with 35' of cement; TOC @ 5755' 9/9/10 Drill out cement & CIBP @ 5790'; cleanout to 6330' 9/15/10 Set CICR @ 5763'; Sqz perfs 5840-5886 w/ 100 sx Drill up CICR; drill cmt from 5765; fell out @ 5888' Cap BP w/ 20sx cmt - 5740'-5640' -CIBP @ 5740' 5840 5842 5844 5846 5848 <u>__</u> 5850 5852 5854 5856 5858 5860 5862 5864 5866 5868 16 5870 5872 5874 5876 5878 5880 5882 5884 5886 DV Tool @ 6014' Spot 20sx cmt @ 6064'-5964' - TAG 5-1/2" CIBP @ 6390'; w/ 25' cmt; TOC @ 6355' 6440-6480 6610-6630 CIBP @ 6640' w/ 10' cmt; TOC @ 6630' 7196-7202 1. 7352-7374 7448-7464 == Formation Tops: 7494-7580 Rustler 279 Salado 620' 7-7/8" Hole Bell Canyon 3854 5-1/2" 15.5# J-55 @ 7755' Cherry Canyon 4590' PBTD: 7690 Cmt'd w/ 1800 sx, circ 215 sx cmt Brush Canyon 5994

Bone Springs

7722

TD:

7755

TOC @ Surface

ConocoPhillips Company NM-70335: Livingston Ridge Federal #2 API: 30-015-26436 Eddy County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

- 1. OK
- 2. Minimum of 25sx. Tag at 5904' or shallower Otherwise OK (DV Tool)
- 3. Minimum 25sx Otherwise OK (Perfs)
- 4. Minimum 25sx and 150' in length Otherwise OK (Spacer)
- 5. CHANGE: Due to the well being with R-111-P Potash, a solid plug must be placed across the salt section. Spot a plug from 3900'-430' (approx 355sx). Setting the plug in stages is approved. WOC and tag at 430' or shallower. (Delaware Casing shoes BOS TOS)
- 6. Removed: Covered in step 5
- 7. Removed: Covered in step 5
- 8. Spot cement from 60' or deeper to surface Otherwise OK (Surface)
- 9. Verify that all annuluses have cement to surface and fill in as required Otherwise OK
- 10. Submit a subsequent report to the BLM.

See attached standard COAs.

DHW 120310

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. Cement Requirement: 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

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.

- 3. 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