

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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. **LC-062029**
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other **Injection**

2. Name of Operator
Tandem Energy Corporation

3a. Address
2700 Post Oak Blvd., Ste. 1000, Houston, TX 77056

3b. Phone No. (include area code)
713-987-7326

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
BRAINARD #007

9. API Well No.
30-015-10472

10. Field and Pool or Exploratory Area

Turkey Track

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

5ESL 1325FWL 34 - 18S 29E

11. County or Parish, State

Eddy NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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. MURU

2. release pkr + POOH w/ tbg.

3. while pkr is being re-dressed. GIH to ensure no fill. Clean out to PBT.D.

4. GIH w/ pkr + psi test the tbg.

5. Set pkr + psi test backside to ensure no csg leak.

6. RDMO pulling unit.

7. schedule witnessed psi test.

8. Rtn well to injection.

2/11/15
APPROVED

NM OIL CONSERVATION
ARTESIA DISTRICT

FEB 2 2015

RECEIVED

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

L. Kiki Lockett

Title Regulatory Specialist

Signature

L. Lockett

Date 01/20/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if 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.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Conditions of Approval

**Tamdem Energy Corp
Brainard #7, API 3001510472
T18S-R29E, Sec 34
January 28, 2015**

Well with a Packer – Operations

- 1) Enclose a site security diagram for the water disposal facility upstream of this well. Document the lease name and the lease number of the source(s) of production water disposed to that facility with the diagram.
- 2) Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established.
- 3) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with a minimum 200 psig differential between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). Verify all annular casing vents are plumbed to surface and those valves open to the surface during this pressure test. An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
- 4) Document the pressure test on a one hour full rotation calibrated (within 6 months) recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
- 5) Notify BLM 575-200-7902 , if there is no response, 575-361-2822 Eddy Co. or 575-393-3612 Lea Co as work begins. Some procedures are to be witnessed. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
- 6) Submit a subsequent Sundry Form 3160-5 relating the dated daily wellbore and MIT activities. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
- 7) Use of tubing internal protection, tubing on/off equipment just above the packer, a profile nipple, and an in line tubing check valve below the packer or between the on/off tool and packer is a "Best Management Practice". The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.

- 8) **Submit the original subsequent sundry with three copies to BLM Carlsbad.**
- 9) Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization.
- 10) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
- 11) Unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- 12) A "Best Management Practice" is to maintain the annulus full of packer fluid at atmospheric pressure. Equipment that will display continuous open to the air fluid level is necessary to achieve this goal.
- 13) **Notify the BLM's authorized officer ("Paul R. Swartz" <pswartz@blm.gov>, cell phone 575-200-7902) before injection begins to arrange for approval of the annular monitoring system.**
- 14) Loss of packer fluid above five barrels per month indicates a developing problem. Notify BLM Carlsbad Field Office, Petroleum Engineering within 5 days.
- 15) A suggested format for monthly records documenting that the casing annulus is fluid filled is available from the BLM Carlsbad Field Office.
- 16) Gain of annular fluid pressure requires BLM notification within 24 hours. Cease injection and maintain a production casing pressure of 0psia.
- 17) Submit a (Sundry Form 3160-5) subsequent report (daily reports) describing all wellbore activity and Mechanical Integrity Test as per item 1) above. Include the date(s) of the well work, and the setting depths of installed equipment: internally corrosive protected tubing, tubing on/off equipment just above the packer, and an in line tubing check valve below the packer or between the on/off tool and packer. The setting depths and descriptions of each are to be included in the subsequent sundry.
- 18) A request for increased wellhead pressures is to be accompanied by a step rate test. **PRIOR to a Step Rate Test** BLM – CFO is requiring a Notice of Intent.
- 19) CFR 146.13(a)(1) & CFR 146.23(a)(1) - Class I wells are permitted stimulation injection pressure to exceed frac pressure while Class II (production water disposal) wells do not have that provision.

EGF 012815

Access information for **use of Form 3160-5 "Sundry Notices and Reports on Wells"**
NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html
§ 43 CFR 3162.3-2 Subsequent Well Operations.
§ 43 CFR 3160.0-9 (c)(1) Information collection.
§ 3162.4-1 (c) Well records and reports.