

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**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.  
NMLC0289921

6. If Indian, Allottee or Tribe Name

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**8. Well Name and No.  
CEDAR LAKE ADI 0019. API Well No.  
30-015-25494

## 1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: UNKNOWN OTH2. Name of Operator  
RAY WESTALL OPERATING, INC

Contact: RENE HOPE

E-Mail: hope\_rene5@yahoo.com

3a. Address  
P.O. BOX 4  
LOCO HILLS, NM 882553b. Phone No. (include area code)  
Ph: 575-677-2370  
Fx: 575-677-237010. Field and Pool, or Exploratory  
SWD; CISCO-CANYON

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

Sec 26 T17S R30E 2140FNL 660FWL

## 11. County or Parish, and State

EDDY COUNTY, NM

## 12. CHECK 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 checked="" 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 recomple 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.)

SEE ATTACHED PROCEDURE

*See attached COA's & notes on procedure**Accepted for record  
NMOCD  
R.L.B.*NM OIL CONSERVATION  
ARTESIA DISTRICT  
APR 06 2016SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

RECEIVED

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #334904 verified by the BLM Well Information System  
For RAY WESTALL OPERATING, INC, sent to the Carlsbad  
Committed to AFMSS for processing by PRISCILLA PEREZ on 03/30/2016 ()

Name (Printed/Typed) RENE HOPE

Title BOOKKEEPER

Signature (Electronic Submission)

Date 03/29/2016

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

*PR Swarth*

Title

*TPET*

Date

*03/30/16*

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

*CFO*

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.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

CEDAR LAKE ADI #1

NOTICE OF INTENT TO P&A WELL.

- 7540 per 08/11/2015 report*
1. CEMENT RETAINER SET @ ~~7450~~. TBG CEMENTED IN TO 6328'. (ALREADY DONE).
  2. SPOT 40 SXS CEMENT PLUG @ 5880'. *WOC & tag @ 5600 or above*
  3. PERFORATE @ 4557' AND SQUEEZE CEMENT TO 4417' (CSG SHOE). WOC AND TAG.
  4. PERF @ <sup>3340</sup>~~3440~~' AND SQUEEZE CEMENT TO 3210' (COVERS TOP OF *San Andres* QUEEN). WOC AND TAG.
  5. PERF @ <sup>1465</sup>~~1365~~' AND SQUEEZE CEMENT TO 1265' (COVERS BASE OF SALT). WOC AND TAG.
  6. PERF @ 556' AND SQUEEZE CEMENT TO SURFACE (COVERS TOP OF SALT AND SURFACE SHOE).
  7. AT CUT-OFF VERIFY CEMENT TO SURFACE ALL ANNULUS. TOP OFF AS NEEDED.
  8. GROUND LEVEL DRY HOLE MARKER REQUIRED.

*03/30/2016*  
*PRJ*

## Conditions of Approval

**Ray Westall Operating, Inc**  
**Cedar Lake ADI - 01, API 3001525494**  
**T17S-R30E, Sec 26, 2140FNL & 660FWL**  
**March 30, 2016**

- 1. Operator is required to have the BLM approved NOI procedure with applicable conditions of approval on location during this workover operation.**
2. Subject to like approval by the New Mexico Oil Conservation Division.
3. Notify BLM 575-361-2822 Eddy Co as work begins. Plugging procedures are to be witnessed. If there is no response leave a voice mail with the API#, workover purpose, and a call back phone number.
4. Surface disturbance beyond the existing pad must have prior approval.
5. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
6. Functional H<sub>2</sub>S monitoring equipment shall be on location.
7. 2000 (2M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels) equipment shall be installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.
8. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during any other crew-intensive operations.
9. The BLM PET witness is to run tbg tally and agree to cement volumes and placement. Sample each plug for cement curing time and tag and/or pressure test as requested by BLM PET witness.
- 10. Cementing procedure is subject to the next three numbered paragraphs.**
11. Mix cement plugs to cover a minimum of 100ft plus 10ft for every 1,000ft to the bottom of the plug, rounding the number of necessary sacks up to the nearest 5 sacks. Never use less than 25sx. Examples: A cement plug set at 8000 in 7" casing would require a min of 35sx. A 25sx plug in 5 ½" casing should cover 250ft, which may exceed 100ft plus 10ft per 1000ft.
12. Class H > 7500ft & C < 7500ft) cement plugs(s) will be necessary. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Formation isolation plugs of Class "C" to be mixed 14.8#/gal, 1.32 ft<sup>3</sup>/sx, 6.3gal/sx water and "H" to be mixed 16.4#/gal, 1.06ft<sup>3</sup>/sx, 4.3gal/sx water.
13. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.

- 1) File **subsequent sundry** Form 3160-5 within 30 days of workover procedures. Submit the (BLM Form 3160-5 subsequent report (daily reports) via BLM's Well Information System; <https://www.blm.gov/wispermits/wis/SP> (email [pswartz@blm.gov](mailto:pswartz@blm.gov) for operator setup instructions). Include (dated daily) descriptions of the well work, ie. procedure descriptions and setting depths of each plug in the subsequent sundry.
- 2) Wellbore plugging is to be accomplished within 90 days of approval.

### **Reclamation Objectives and Procedures**

In Reply Refer To: 1310

**Reclamation Objective:** 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 pre-disturbance 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, re-distribute the native soils, provide erosion control as needed, rip and seed as needed. This will apply to well pads, facilities, and access roads. Barricade all access road(s) at the starting point. If reserve pits have not been adequately reclaimed due to salts or other contaminants, propose a plan for BLM approval to provide restoration of the pit area.

1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations should have included 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 locations and/or access roads not having an approved plan, or an inadequate plan for surface reclamation the operator must submit a proposal describing the procedures for reclamation. The appropriate time for submittal would be when filing the Notice of Intent, or with the Subsequent Sundry Report of Abandonment on Form 3160-5. The final reclamation goal is to be completed within 6 months of wellbore abandonment.
3. With 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 may 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.

4. Upon reclamation conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a BLM specialist to inspect the location to verify work was completed as per approved plans.
5. The BLM approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been tentatively reestablished. If the objectives have not been met BLM will be notify the operator of the required corrective actions.
6. It is the responsibility of the operator to monitor these locations and/or access roads until such time the full 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 full 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 a BLM specialist will again 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 for 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)

Robertson, Jeffery  
Natural Resource Specialist  
575-361-2632

Linda Denniston  
Environmental Protection Specialist  
575-234-5974

Trishia Bad Bear  
Natural Resource Specialist  
575-393-3612

Jesse Bassett  
Natural Resource Specialist  
575-234-6237

Brooke Wilson  
Natural Resource Specialist  
575-234-5913

Paul Murphy  
Natural Resource Specialist  
757-499-6869

Richard (Chad) Young  
Natural Resource Specialist  
575-361-3565