Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

OCD-	ARTESIA

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

5.	Lease Serial No.	
	NMNM32636	_

SUNDRY NOTICES AND REPORTS ON WELLS	l Ni
Do not use this form for proposals to drill or to re-enter an	(16)
abandoned well. Use form 3160-3 (APD) for such proposals.	6. If

If Indian, Allottee or Tribe Name

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SUBMIT IN TRIPLICATE - Other	7. If Unit or CA/Agreement, Name and/or No.	
1. Type of Well ☑ Oil Well ☐ Gas Well ☐ Other		8. Well Name and No. TELEDYNE 12 FEDERAL 3
Name of Operator Contact: JEFF O'BRYANT ROCKCLIFF OPERATING NM LLC E-Mail: obryant@rockcliffenergy.com		9. API Well No. 30-015-33927-00-S1
3a. Address 1301 MCKINNEY STREET SUITE 1300 HOUSTON, TX 77010	3b. Phone No. (include area code) Ph: 713-351-0569	10. Field and Pool or Exploratory Area HERRADURA BEND
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		11. County or Parish, State
Sec 12 T23S R28E SWNW 2160FNL 990FWL		EDDY COUNTY, NM
10 OVECU THE ADD ODD LATE DOW	(PC) TO DIDICATE MATURE OF NOT	TIGE DEPONE ON OTHER DATA

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice	☐ Acidize ☐ Alter Casing ☐ Casing Repair ☐ Change Plans ☐ Convert to Injection	☐ Deepen ☐ Hydraulic Fracturing ☐ New Construction ☐ Plug and Abandon ☐ Plug Back	☐ Production (Start/Resume) ☐ Reclamation ☐ Recomplete ☑ Temporarily Abandon ☐ Water Disposal	☐ Water Shut-Off ☐ Well Integrity ☐ Other

Well is on OCD in active well list. Will set CIBP within 100' of uppermost perforation (currently 5840'), fill with inert fluid, and pressure test to 500 psi with a pressure drop of not more than 10% over a 30 minute period.

NM OIL CONSERVATION

ARTESIA DISTRICT

AUG 0 1 2017

Accepted for record SEE ATTACHED FOR

CONDITIONS OF APPROVAL

RECEIVED

14. I hereby certify that th	te foregoing is true and correct. Electronic Submission #369543 verifie For ROCKCLIFF OPERATING Committed to AFMSS for processing by PRI	NM LLC	. sent to the Carl	Isbad	
Name (Printed/Typed)	· · · · · · · · · · · · · · · · · · ·	Title	CONSULTANT		L
Signature	(Electronic Submission)	Date	03/13/2017	APPRUVED	
	THIS SPACE FOR FEDERA	L OR	STATE OFFIC	E USE	_
Approved By		Title	TPET	PR wash Date 07/14/1	二 子
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		BUREAU OF LAND MANAGEMENT Carlsbad Field Office	
	1 and Title 43 U.S.C. Section 1212, make it a crime for any peor fraudulent statements or representations as to any matter w			y to make to any department or agency of the United	

^{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 handonment 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.

Conditions of Approval Rockcliff Operating NM LLC TELEDYNE 12 FEDERAL-3, API 3001533927 T23S-R28E, Sec 12. 2160FNL & 990FWL July 14, 2017

Well has been idle with no record of beneficial use since month of 08/2014.

Operator is to have the BLM approved NOI procedure (ES #369543) with applicable conditions of approval on location for this workover operation.

A temporarily abandoned well defined as a completion not capable of production in paying quantities but which may have value as a service well.

Temporary Abandonment (TA) BLM Status Approval Requires:

- 1. A subsequent sundry report that describes compliance:
 - a. All downhole production artificial lift equipment (tubing, rods, etc.) removed from the casing.
 - b. A minimum 25sx balanced class "C" cmt plug set across the Bone Spring formation top from 6350 or below. WOC 4 hrs min and tag the plug with tubing at 6150 or above.
 - c. Set as per operator's NOI procedure the CIBP above the top perforations and cap with a minimum 25sx cmt plug, placed with tubing. If the perforations are to be reopened 35 feet of cement may be bailed on the CIBP.
 - d. Provide BLM with an electronic copy (Adobe Acrobat Document) cement bond log record from 5740 or below to top of cement taken with 0psig casing pressure. Attach the CBL to a pswartz@blm.gov email.
 - e. The wellbore filled with corrosion inhibited fluid.
 - f. At least 24 hours prior to conducting the Mechanical Integrity Test, contact the appropriate BLM office. Eddy County call Carlsbad 575-361-2822. Lea County call Hobbs 575-393-3612.
 - g. Documentation of a 500psig minimum BLM witnessed Mechanical Integrity Test on a one hour full rotation calibrated (within 6 months) recorder chart registering within 35 to 75 per cent of its full range. Greater than 10% pressure leakoff viewed as a failed MIT. Verify all annular casing vents plumbed to surface and those valves open to the surface during this pressure test. Pressure leakoff will be evaluated site specifically and affect approvals.
- 2. Submit a Subsequent Sundry Notice (Form 3160-5) requesting TA approval with a description of the preparation for temporary abandonment approval, a clear copy or the original Mechanical Integrity Test chart, a current wellbore diagram, and justification for not plugging. Justification is listing the proposed beneficial use and reasonable expected dated events to initiate a conversion to beneficial use. Often overlooked is a backlog of wells that have no potential beneficial use (should have been plugged and abandoned) that create a status surplus.

- 3. This BLM TA NOI Approval is for **WELLBORE PREPARATION ONLY. BLM IS NOT APPROVING TA Status FOR THIS WELL.** If warranted, TA approval status for a specified time limit noted with BLM acceptance of the subsequent report of preparations and justification.
- 4. Should Mechanical Integrity Test not prove wellbore integrity or not be conducted submit a procedure to repair or plug and abandon the well for BLM approval within 30 days of the MIT.

