

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL CONSERVATION
ARTESIA DISTRICT
Artesia
SEP 13 2017

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

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM89055
2. Name of Operator LEGACY RESERVES OPERATING LP Contact: JOHN SAENZ E-Mail: jsaenz@legacyp.com		6. If Indian, Allottee or Tribe Name
3a. Address 303 W WALL ST STE 1800 MIDLAND, TX 79701	3b. Phone No. (include area code) Ph: 432-689-5200	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T24S R31E 2300FNL 330FEL		8. Well Name and No. BTBN 25 FEDERAL 2
		9. API Well No. 30-015-29551
		10. Field and Pool or Exploratory Area COTTON DRAW
		11. County or Parish, State EDDY CO COUNTY, 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"/> Hydraulic Fracturing	<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 checked="" 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 recompleat 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 recompleat 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.

PROCEDURE:

Cap CIBP with 35' cement. Contact BLM. Perform MIT test.

REASON:

We are requesting the well be placed in TA status for 1 year. At this time the cost of water disposal has made this well uneconomic to produce in this area. Hopefully the time in TA status will allow the activity in the vicinity of this well to slow down and allow for other options for water disposal to become available.

Current and proposed wellbore diagrams attached.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Accepted for record

NMOCD RE
9/14/17

This well has not produced since 03/2016, plug or produce by 08/24/2018.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #372807 verified by the BLM Well Information System For LEGACY RESERVES OPERATING LP, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 04/20/2017 ()	
Name (Printed/Typed) JOHN SAENZ	Title OPERATIONS ENGINEER
Signature (Electronic Submission)	Date 04/12/2017
THIS SPACE FOR FEDERAL OR STATE OFFICE USE AUG 24 2017	
Approved By _____	Title _____
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)

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

LEGACY RESERVES LP

FIELD: Cotton Draw
LEASE/UNIT: BTBN "25" Federal
COUNTY: Eddy

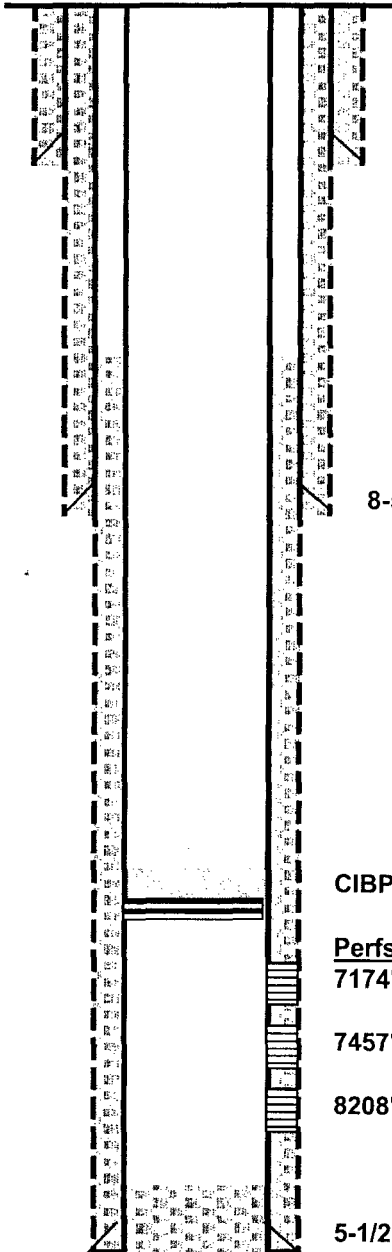
Current

WELL: 2
STATE: New Mexico

Location: 2300' FNL & 330' FEL, Sec 25, T24S, R31E
SPUD: 6/97 COMP: 7/97
CURRENT STATUS: SI

GL = 3524'

API = 30-015-29551



11-3/4" 42# @ 965' w/600 sx TOC @ surface by circ

8-5/8" 32# J55 @ 4,500' w/1050 sx TOC @ surface by circ

CIBP @ 7124' w/ 10' cmt

Perfs:

7174' - 7200'

7457' - 7856'

8208' - 8328'

5-1/2" 17# L80 @ 10,000' w/2050 sx DV tool @ 5298' w/TOC @ 3388' by TS

TD - 10,000'

LEGACY RESERVES LP

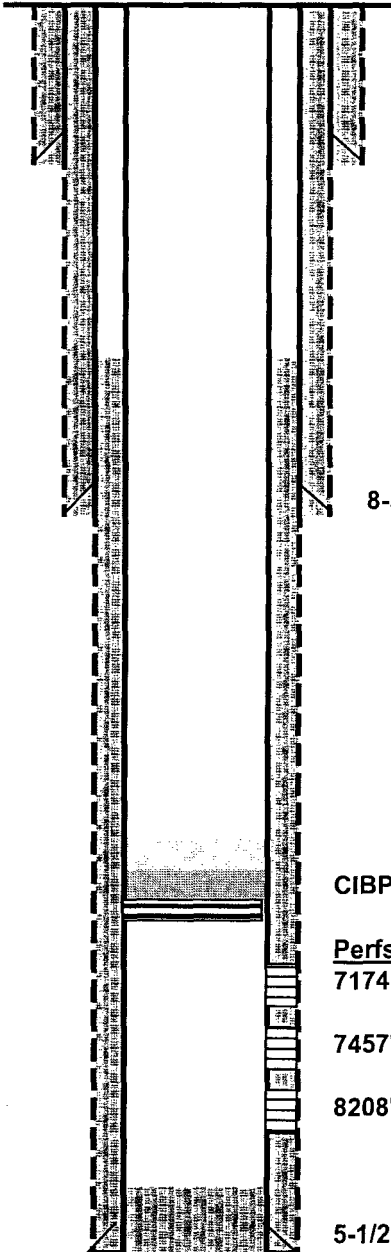
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BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Approved for a period of 12 months ending 08/24/2018 subject to conditions of approval.

Temporary Abandonment of Wells on Federal Lands
Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging. CIBP must be capped with minimum 25 sacks cement, placed with tubing, or 35 feet of cement if placed with bailer.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. Any leak-off will be evaluated.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
3. **Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned. 43 CFR 3162.3-4 (a) The operator shall promptly plug and abandon...wells in which oil or gas is not encountered in paying quantities...**

Wells that successfully pass the casing integrity test **may** be approved for Temporary Abandonment (TA) status provided that the operator:

1. **Submits a subsequent Sundry Notice** (Form 3160-5) requesting TA approval **with well bore diagram** with all perforations and CIBP's and tops of cement on CIBP's.
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.
4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.

BTBN 25 Federal 2

1. Well is approved to be TA/SI for a period of 12 months or until 08/24/2018
2. This will be the last TA approval for this well.
3. Must submit NOI to recomplete or NOI to P&A. Must be submitted by 08/24/2018
4. COA's met at this time.