Form 3160-5 (April 2004)

UNITED STA DEPARTMENT OF THE INTERIOR

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FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007

5.	Lease	Serial	No.

Month . APR - 2 OCD - ARTES

\	BUKEAU OF LAND MA			5. Lease Serial No.
Do not use th	NOTICES AND Rinis form for proposals tell. Use Form 3160 - 3	to drill or to re-	Tara Tara	6. If Indian, Allottee or Tribe Name
	IPLICATE- Other ins	structions on reve	rse side.	7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well Oil Well	Gas Well Other			8. Well Name and No. 11
2. Name of Operator HODDE	er Thornson	/		9. API Well No.
3a Address 953 M			e area code)	30 - 015 - 00395 Dav 10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec.,			1-0101	Black River Delawary
NEX NEX				Eddy Co. NM
12. CHECK A	PPROPRIATE BOX(ES) T		PE OF ACTION	EPORT, OR OTHER DATA
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Production (St Reclamation Recomplete Temporarily Al Water Disposal	Well Integrity Other
If the proposal is to deepen dire Attach the Bond under which the following completion of the in- testing has been completed. Fit determined that the site is ready	ectionally or recomplete horizoni he work will be performed or provolved operations. If the operational Abandonment Notices shall by for final inspection.)	tally, give subsurface locatio ovide the Bond No. on file v on results in a multiple comp be filed only after all require	ns and measured and tr with BLM/BIA. Requir eletion or recompletion ments, including reclan	my proposed work and approximate duration thereof, no vertical depths of all pertinent markers and zones, ed subsequent reports shall be filed within 30 days in a new interval, a Form 3160-4 shall be filed once nation, have been completed, and the operator has
Plug and aba	indon well	according	to Thate	Requirements
Starting with will fill the				
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	COND	ITIONS OF	APPROVA	AL .
			. = .	

14. Ihereby certify that the foregoing is true and correct Name (Printed/Typed) Car Car Hopper Title	y ruray,	764			
Signature Januar Jumper Dat	· Z -2 5 -07	APPROVED			
THIS SPACE FOR FEDERAL OR STATE OFFICE USE					
Approved by	Title	Deat MAR 2 9 2007			
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	MI SUSSEM WESLEY N. INGRAM			
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 of section 1212, make it a crime for any person knowingly and willfully to make to any department of section 1212, make it a crime for any person knowingly and willfully to make to					

(Instructions on page 2)

Bradley #3
Hopper Thornton
March 29, 2007
Plug and Abandonment
Conditions of Approval

Following are the conditions which must be met for using ready-mix to plug the hole.

- 1. See attached conditions for plugging that allow the company 90 days to plug the well.
- 2. The hole is to be swabbed to determine if there is a standing fluid column.
 - a. If there is, the well can be swabbed and if no fluid is swabbed after a thirty minute wait, ready-mix can be used.
 - b. Another option with a standing fluid column is to set a CIBP above the liquid level within 50 feet of the casing shoe, swab dry and readymix from that depth.
- 3. If the hole is dry, ready-mix can be used to surface.

Engineer on-call phone: 505-706-2779

WWI 032907

Accepted for record NMOCD

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 505-234-5972

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.

- 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 505-627-0272; Eddy County, call 505-234-5972; Lea County, call 505-393-3612.
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. 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 water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: 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 50 feet of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either class "C", for up to 7,500 feet of depth, mixed at 14.8 lbs/gal with 6.3 gallons of fresh water per sack or class "H", for deeper than 7,500 feet plugs, mixed at 16.4 lbs/gal with 4.3 gallons of fresh water per sack.

- 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 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. <u>Show date well was plugged.</u>
- 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 conditions of approval will be developed and furnished to you.

Accepted for record NMOCD

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E. Greene St. Carlsbad, NM 88220

Interim Reclamation Procedures for Permanently Abandoned Federal Wells

- 1. After Subsequent Report of Abandonment, Form 3160-5, is filed and approved by the BLM the surface protection specialist (SPS) will conduct a surface inspection of the abandonment. The SPS will establish the reclamation requirements the operator will need to complete. DO NOT START RECLAMATION UNTIL THE SPS HAS INSPECTED THE LOCATION.
- 2. The reclamation requirements will be given to an environmental protection specialist (EPS). The EPS will issue the operator a Notice of Written Order outlining the reclamation requirements. **DO NOT START**RECLAMATION UNTIL A NOTICE OF WRITTEN ORDER FOR RECLAMATION HAS BEEN RECEIVED. The EPS will be responsible for all further abandonment work and inspections.
- 3. Notification: CONTACT THE EPS 3 DAYS PRIOR TO RECLAMATION WORK. This notification gives the EPS an opportunity to discuss by phone or on location the reclamation requirements, any special concerns and the timeframes. It also allows the EPS an opportunity to witness various aspects of the reclamation work to determine if an adequate seedbed has been prepared and all reclamation requirements have been completed. CONTACT THE EPS AT LEAST 3 DAYS PRIOR TO SEEDING. This allows the EPS to witness the seeding operation to make sure the location is seeded properly and with the appropriate seed mixture. DO NOT START RECLAMATION UNTIL THE EPS HAS BEEN NOTIFIED.
- 4. After reclamation work has been completed, submit the I & E copy of the Notice of Written Order to the BLM. It will need to be signed by a company representative and dated. Also submit one original and five copies of the Final Abandonment Notice, Form 3160-5. The report should state that all reclamation work has been completed, and the location is ready for a final abandonment inspection.
- 5. The BLM will continue to monitor the location to ensure the location vegetates successfully, and salts from the reserve pit do not leach to the surface. The location will be monitored until such time as vegetation (20%) is established evenly across the location (including the reserve pit and access road). Once EPS determines that vegetation (20%) is evenly spread across the location, final abandonment will be authorized.

If there are any questions please feel free to contact any of the following:

Jim Amos Supervisory Environmental Protection Specialist (505) 234-5909

Barry Hunt Surface Protection Specialist (505) 234-5965

Todd Suter Surface Protection Specialist (505) 234-5987

Trishia Bad Bear Natural Resource Specialist – Lea County (505) 393-3612



Cody Layton Natural Resource Specialist (505) 234-5959

Paul Evans Environmental Protection Specialist (505) 234-5977

Terry Gregston Environmental Protection Specialist (505) 234-5958

10/18/2006