

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OOD-ARTESIA

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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 reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Nearburg Producing Company

3a. Address

3300 N A St., Bldg 2, Ste 120, Midland, TX 79705

3b. Phone No. (include area code)

432/686-8235 x 203

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

1980 FSL and 710 FWL, Sec 31-19S-25E

5. Lease Serial No.

NMNM25488

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No

Foster 31 Fed

#2

9. API Well No.

30-015-26440

10. Field and Pool, or Exploratory Area

Dagger Draw; Upper Penn,
North

11. County or Parish, State

Eddy

NM

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

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☒ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 recompleate 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 recompleation 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 final site is ready for final inspection.)

NPC requests to TA the subject well per the attached procedure.

Current and post wellbore diagrams are attached.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVED

OCT 27 2009

/s/ JD Whitlock Jr

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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

Name (Printed/Typed)

Sarah Jordan

Title

Regulatory Analyst

Date

10.6.09

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, makes 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.

CURRENT EQUIPMENT DESCRIPTION:

RECOMMENDED PROCEDURE:

The Cisco/Canyon is a BAD GAS zone (H2S at hazardous levels)

1. MIRU Well service unit.
2. POH with rods and pump, lay down rods and send to yard.
3. ND wellhead, NU BOP
4. POH with tubing, lay down tubing and send to yard.
5. RU Wireline, RIH with gauge ring to 7680'. **All wireline work to be done under a 5000# lubricator.**
6. RIH with CIBP and set CIBP @ 7650
7. Dump bail 35' cmt on top of CIBP.
8. Load casing with 2% KCl water and run integrity test.

CURRENT WELLBORE DIAGRAM

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LEASE: Foster 31 Federal	WELL: 2	FIELD: Dagger Draw North	API: 30-015-26440
LOC: 1,980' FSL and 710' FWL	SEC: 31	BLK:	Reservoir: Cixco/Canyon
SVY: T19S, R25E	GL: 3,572'	CTY/ST: Eddy County, NM	SPUD: 8/28/1990
CURRENT STATUS: Shut-in	KB: 3,588'	DF:	TD DATE: 9/19/1990
			COMP. DATE: 10/20/1990

FRESH WATER
DEPTH:

HOLE SIZE: 14 3/4"
 SURF CSG & SIZE: 9 5/8" 36# K55
 SET @: 1,345'
 SXS CMT: 1,400 sx
 CIRC:
 TOC AT: Surf
 TOC BY:

COMMENTS:

*****GEOLOGY*****
 TOPS OF ALL ZONES
 PRODUCTIVE OF HYDRO-
 CARBONS:

TBG: 2 7/8"
 JTS: 249
 SN: 7,826'
 TAC: Y
 ROD SIZE 1 87

PKR: N
 TYPE:

HOLE SIZE:
 INT. CSG & SIZE:
 SET @:
 SXS CMT:
 CIRC:
 TOC AT:
 TOC BY:

CURRENT PERFS:

SQUEEZE JOBS:

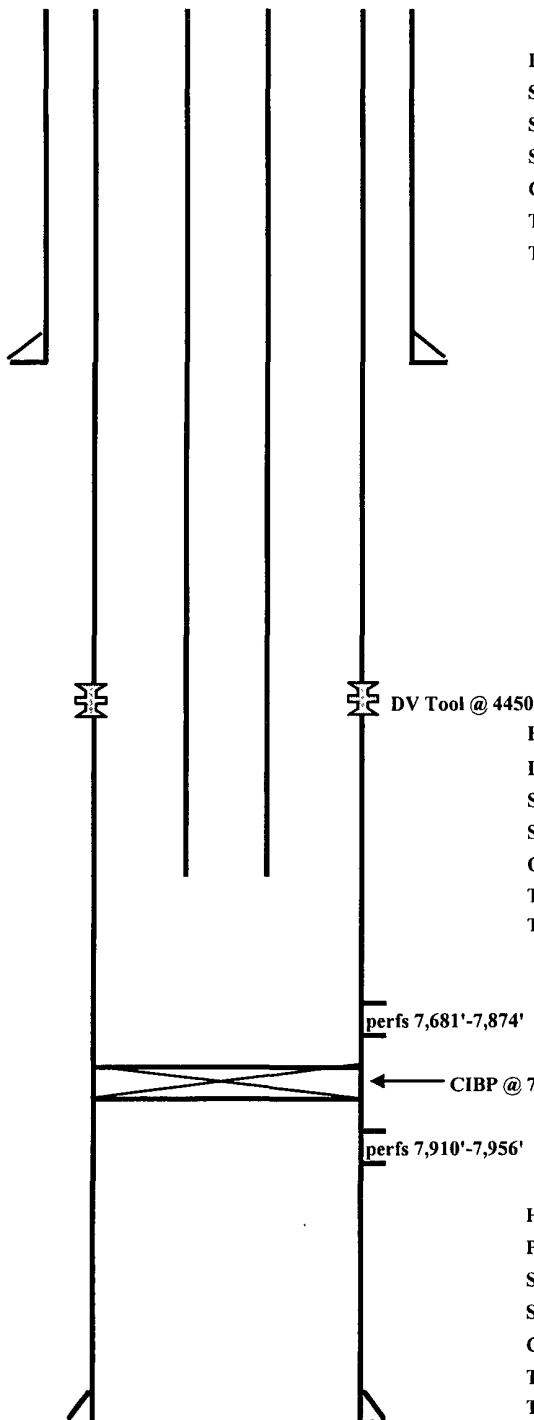
OH ID:
 COTD:
 PBTD: 7,900'
 TD: 8,110'

HOLE SIZE: 8 3/4"
 PROD. CSG & SIZE: 7" 23# & 26# K55 & N80
 SET @: 8,110'
 SXS CMT: 1st Stg: 825 sx, 2nd Stg: 1025 sx
 CIRC: Yes, both stages.
 TOC AT: surface
 TOC BY: circ.

BY: TS
 10/13/2009

OPEN HOLE:

LINER:



PROPOSED WELLBORE DIAGRAM

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LEASE:	Foster 31 Federal	WELL:	2	FIELD:	Dagger Draw North	API:	30-015-26440
LOC:	1,980' FSL and 710' FWL	SEC:	31	BLK:	0	Reservoir	
SVY:	T19S, R25E	GL:	3,572'	CTY/ST	Eddy County, NM	SPUD:	8/28/1990
CURRENT STATUS:	Shut-in	KB:	3,588'	DF:	0	TD DATE:	9/19/1990
						COMP. DATE:	10/20/1990

FRESH WATER
DEPTH:

HOLE SIZE: 14 3/4"
SURF CSG & SIZE: 9 5/8" 36# K55
SET @: 1,345'
SXS CMT: 1,400 sx
CIRC: 0
TOC AT: Surf
TOC BY:

COMMENTS:

*****GEOLOGY*****

TOPS OF ALL ZONES
PRODUCTIVE OF HYDRO-
CARBONS:

TBG: 2 7/8"
JTS: 249
SN: 7,826'
TAC: Y
ROD SIZE 1 3/8"

PKR: N
TYPE:

OH ID:
COTD:
PBTD: 7,900'
TD: 8,110'

DV Tool @ 4450

HOLE SIZE:
INT. CSG & SIZE:
SET @:
SXS CMT:
CIRC:
TOC AT:
TOC BY:

CURRENT PERFS:

CIBP @ 7650 w/35' cmt on top
perfs 7,681'-7,874'

perfs 7,910'-7,956'

SQUEEZE JOBS:

HOLE SIZE: 8 3/4"
PROD. CSG & SIZE: 7" 23# & 26# K55 & N80
SET @: 8,110'
SXS CMT: 1st Stg: 825 sx, 2nd Stg: 1025 sx
CIRC: Yes, both stages.
TOC AT: surface
TOC BY: circ.

BY: TS
10/13/2009

OPEN HOLE:

LINER:

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

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. The bridge plug is to be capped with 35 feet of cement (if bailed) or 25 sacks (if placed with tubing). If a cement plug is used, the top of the cement must be verified by tagging.
 - 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 with a 10% allowable leakoff.
 - 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.**

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.
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.

Foster 31 Federal #2 Submit Subsequent Report and well bore diagram with all Perforations and CIBP with tops of cement. Well may be approved to be TA for a period of 1 year after successful MIT and subsequent report is submitted. This will be the last TA for this well.