Form 3160-5 (August 2007)

## UNITED STATES OCD-HOBBS DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

5. Lease Serial No. NM-9016

6. If Indian, Allottee or Tribe Name

#### 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 1885 OCD 7. If Unit of CA/Agreement, Name and/or No. 1. Type of Well 8. Well Name and No. INCA FEDERAL #12 FEB 1 3 2012 Oil Well Gas Well Other 9. API Well No. 30-025-31756 2. Name of Operator LEGACY RESERVES OPERATING LP 3b. Phone No. (include and the let) 3a. Address 10. Field and Pool or Exploratory Area P.O. BOX 10848 YOUNG: BONE SPRING, NORTH 432-689-5200 MIDLAND, TX 79702 4. Location of Well (Footage, Sec., T.R., M., or Survey Description) 11. Country or Parish, State LEA COUNTY, NM 2310' FNL & 330' FWL, UNIT LETTER E, SEC 17, T18S, R32E 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off ✓ Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair New Construction Recomplete Other Subsequent Report Temporarily Abandon Plug and Abandon \_\_ Change Plans ✓ Plug Back Final Abandonment Notice Convert to Injection 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 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 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.) Estimated Start Date: 2/15/12 Per phone conversation w/ Edward Fernandez on 1/20/12. 1. Set CIBP @ 9,825' w/ 35' of cmt 50' above top Wolfcamp perf @ 9,875' & 6' above TOF @ 9,831'. 2. Tag CIBP @ 9,825'. 3. Re-complete in Bone Spring. SEE ATTACHED FOR CONDITIONS OF APPROVAL 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Craig Sparkman Title Petroleum Engineer Date 01/23/2012 THIS SPACE FOR FEDERAL OR STATE OFFICE USE 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. 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,



#### **INCA FEDERAL #12**

LOCATION: 2310' FNL & 330' FWL, Sec 17, T18S, R32E

Current Wellbore

FIELD: Young (Bone Spring) North

GL: 3750'

LATEST UPDATE: 01/17/2012

COUNTY: Lea

KB: 3764'

BY: CSPARKMAN

STATE: New Mexico

SPUD DATE: 10/32/1992

API No: 30-025-31756

HOBBS OCD

FEB 1 3 2012

RECEIVED

17 1/2" Hole

13 3/8", 68# csg set @ 357'. Cmt'd w/375 sx. Circ'd.

12 1/4" Hole

8-5/8", 24 & 32# J-55 csg set @ 2507'. Cmt'd w/900sx 50/50 Poz. Circ'd

7 7/8" Hole

TOF @ 9831' (1/12)

Wolfcamp Perfs: 9875'-9890' w/2 JSPF (11/92).

CICR set @ 9894'-9900' (4/98)

Wolfcamp Perfs: 9897'-9897' w/2 JSPF (11/92).

Wolfcamp Perfs: 9902'-9929' w/2 JSPF (11/92).

OPBTD: 9982'

TD: 10,030'

5-1/2", 17# N-80 csg set @ 10,030'. Cmt'd w/1460sx, DV tool @ 7013'.

TOC 2,480'.



### **INCA FEDERAL #12**

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Proposed Wellbore

FIELD: Young (Bone Spring) North

GL: 3750'

LATEST UPDATE: 01/17/2012

COUNTY: Lea

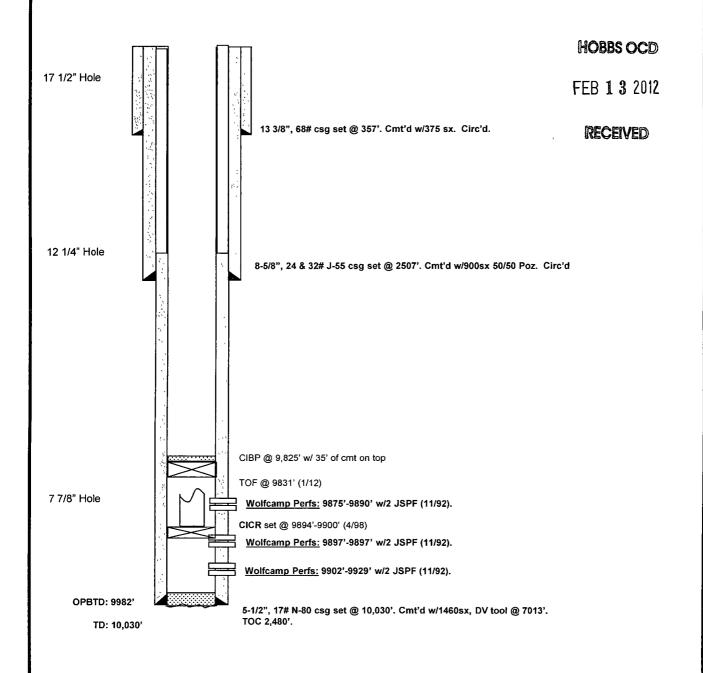
KB: 3764'

BY: CSPARKMAN

STATE: New Mexico

SPUD DATE: 10/32/1992

API No: 30-025-31756



### Fernandez, Edward

From:

Craig Sparkman <csparkman@legacylp.com>

Sent:

Tuesday, February 07, 2012 7:58 AM

Treatment will be = Acidizal

To:

Fernandez, Edward

Subject:

Inca Federal #12 PB Interval

Hi Ed,

The interval we are looking at re-completing in is from 8400'-8570'.

Thanks,

**Craig Sparkman**Petroleum Engineer

Legacy Reserves LP

303 West Wall, Suite 1400 Tel (432) 221-6334 Fax (432) 686-8318 Cell (432) 413-7811

# **Legacy Reserves Operating Conditions of Approval**

NM-9016: Inca Federal #12 API: 30-025-31756 Lea County, New Mexico

<u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging back operations. Lea County, call 575-393-3612.

- 1. Surface disturbance beyond the existing pad must have prior approval.
- 2. Closed loop system required.

**3000 (3M)** BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (3M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.

- 3. Plug 1 OK WOC and tag no shallower than 9785'
- 4. Continue with procedure to perfs and recomplete into Bone Spring
- 5. Subsequent sundry with well test, completion report and wellbore schematic required.
- 6. Operator to begin plugging back and recompletion procedures within 90 days of receiving this approval.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

<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.

EGF 020712