

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCB Hobbs  
OCB ~~3160-5~~

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

**HOBBS OCB**  
**RECEIVED**

5. Lease Serial No. CO-55546 NM LC-055546  
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 2**

|   |   |  |
|---|---|--|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other                            |   | 7. If Unit of CA/Agreement, Name and/or No.                    |
| 2. Name of Operator<br>Herman L. Loeb LLC   |   | 8. Well Name and No.<br>Wells Federal #4                       |
| 3a. Address<br>PO Box 838<br>Lawrenceville, Ill. 62439  | 3b. Phone No. (include area code)<br>(618) 943-2227 | 9. API Well No.<br>30-025-11465                                |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Unit letter E, 1,980' FNL, 660' FWL, Sec 4, 25S, 37E<br><i>1980 660 4 25S 37E</i> |   | 10. Field and Pool or Exploratory Area<br>Jalmat, Yates, 7R, Q |
|   |   | 11. Country or Parish, State<br>Lea Co. 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 checked="" type="checkbox"/> Plug and Abandon | <input 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 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/BLA. 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.)

Note: All work will be performed with a closed loop system. All materials will be disposed of at a licensed disposal site.

- 1: Set CIBP at <sup>2965</sup>3,010'. Spot 50 sx cmt plug on top of CIBP. (Estimate top of plug @ 2,510'). Spot 40 bbls 9.5 ppg Salt Gel Spacer @ 2,510'. <sup>1300</sup>
- 2: Tag plug and confirm depth. Perforate <sup>800-801'</sup> 800'-801'. Attempt to establish an injection rate. If rate is established pump 30 sx cmt and displace to <sup>650'</sup> 650'. If no injection rate is established TIH and spot 30 sx cmt plug from <sup>1350</sup> 950'. (Estimate top of plug @ 650'). Spot 7 bbls of 9.5 ppg Salt Gel spacer @ 650'. <sup>1150</sup>
- 3: Tag plug and confirm depth. Perforate 395'-396'. Attempt to establish an injection rate. If rate possible w/circ up csg annulus mix & pmp cmt until good cmt to surface, leaving inside full. If injection rate w/no circ pmp 30 sx cmt & displace to 250'. If no injection rate established spot 25 sx cmt @ 495'.
- 4: Tag plug and confirm depth. Spot 9.5 ppg Salt Gel Spacer fr/top of plug to surface. Perforate 60'-61'. Attempt to establish an injection rate or circulate to surface. If circulation is established pump cmt until good cmt to surface and leave inside of 5 1/2" casing full. If no circ but have injection rate pump 30 sx cmt and leave inside of csg full. If no injection rate TIH to 100' and spot cmt plug from 100' to surface. TOH and top off casing.
- 5: Cut off all casing strings, check cmt depths, cap all casing and install dry hole marker. Restore location.

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

|  |                                       |
|--|---------------------------------------|
| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)<br>Michael Polley 719-342-5600 | Agent for Hermal L. Loeb LLC<br>Title |
| Signature <i>Michael Polley</i>  | Date 06/02/2017                       |

**THE SPACE FOR FEDERAL OR STATE OFFICE USE**

|   |                   |                     |
|---|-------------------|---------------------|
| Approved by <i>OCB Hobbs</i>  | Title <i>Eng</i>  | Date <i>6/21/17</i> |
| 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 <i>CFO</i> |                     |

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)

**E-PERMITTING**  
CONVERSATION \_\_\_\_\_ RBDMS \_\_\_\_\_  
RETURN TO \_\_\_\_\_ TA \_\_\_\_\_  
CSCG \_\_\_\_\_ ENVIRO \_\_\_\_\_ CHG LOC \_\_\_\_\_  
INT TO PA CF P&A NR \_\_\_\_\_ P&A R \_\_\_\_\_

*MHB/OCB 6/26/2017*

COMPANY: Herman L. Loeb LLC

WELL NAME: Wells Fed. #4

LEGALS: F-5-255-37E

API 30-025-11465

COMPLETION, WORKOVER  
AND  
DRILLING SUPERVISION

PHONE: 719-846-3434  
MOBILE: 719-342-5600  
polleym@gmail.com

VOL. BETWEEN PIPE & HOLE CAP.

|                 | BBL/FT | FT/BBL | CF/LF |
|-----------------|--------|--------|-------|
| 4 1/2 - 7 7/8   | 0406   | 24 65  | 2278  |
| 5 1/2 - 7 7/8   | 0309   | 32 41  | 1733  |
| 8 5/8 - 12 1/4  | 0735   | 13 61  | 4127  |
| 9 5/8 - 12 1/4  | 0558   | 17 93  | 3132  |
| 13 3/8 - 17 1/2 | 1924   | 8 08   | 6946  |

TUBING & CASING SIZE & CAP

|       | WT   | BBL/FT | FT/BBL |
|-------|------|--------|--------|
| 2 3/8 | 4.6  | 0039   | 258 65 |
| 2 7/8 | 6.5  | 0058   | 172 76 |
| 3 1/2 | 9.3  | 0087   | 114 99 |
| 4 1/2 | 10.5 | 0159   | 62 70  |
| 4 1/2 | 11.6 | 0155   | 64 34  |
| 5 1/2 | 15.5 | 0238   | 42 01  |
| 5 1/2 | 17.0 | 0232   | 43 02  |
| 5 1/2 | 20.0 | 0222   | 45 09  |
| 5 1/2 | 23.0 | 0212   | 47 20  |
| 8 5/8 | 32.0 | 0609   | 16 41  |
| 9 5/8 | 36.0 | 0773   | 12 94  |

D.P. SIZE \_\_\_\_\_ TUBING SIZE: \_\_\_\_\_ CASING SIZE: \_\_\_\_\_

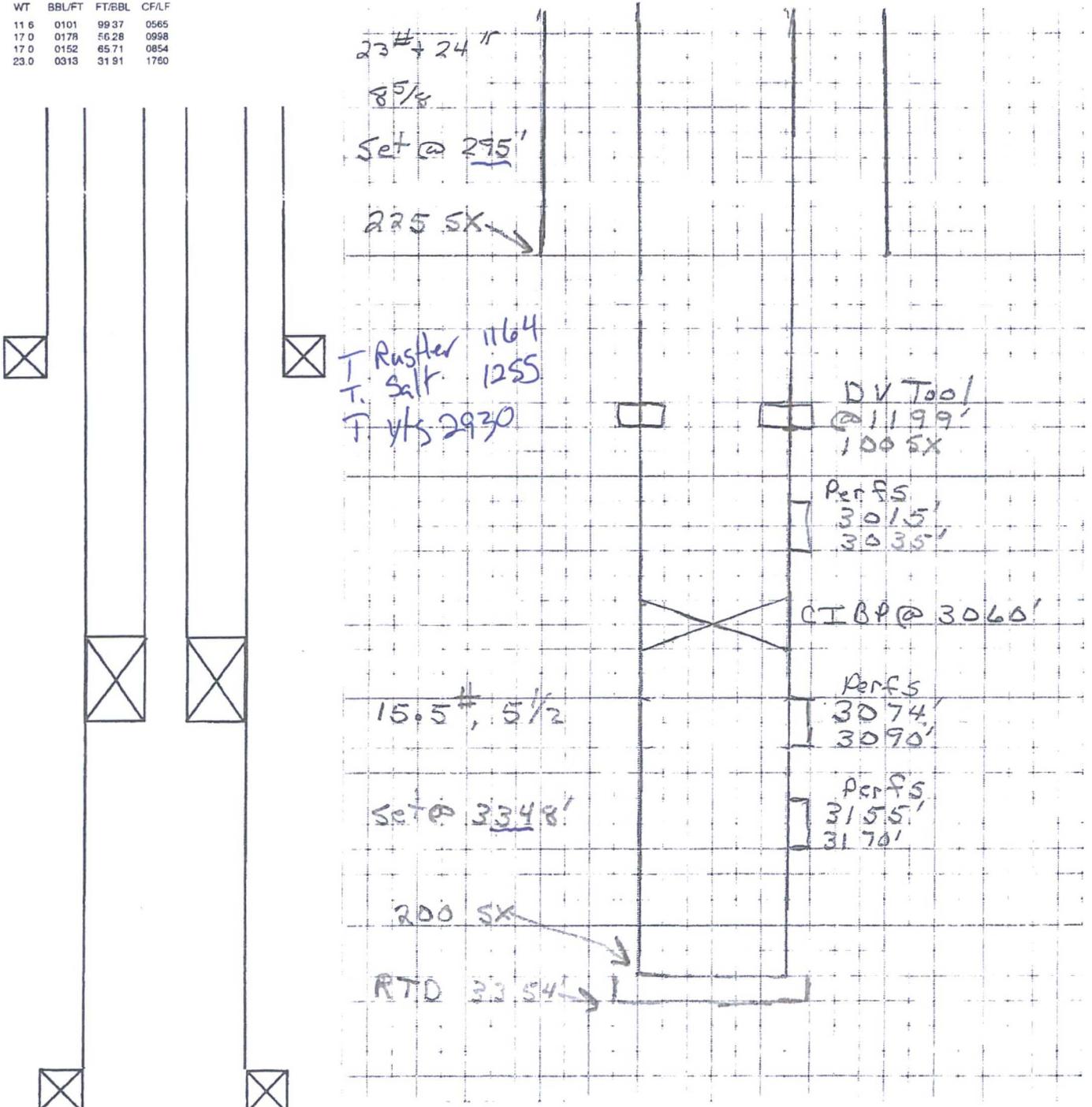
HOLE SIZE: \_\_\_\_\_ PERFS: \_\_\_\_\_

PACKER SETTING: \_\_\_\_\_ BP SETTING: \_\_\_\_\_ MAX RATE: \_\_\_\_\_

MAX PSI: \_\_\_\_\_ BHST: \_\_\_\_\_ FORM: \_\_\_\_\_ TAIL PIPE: \_\_\_\_\_

VOL. BETWEEN PIPE & PIPE CAP.

|               | WT   | BBL/FT | FT/BBL | CF/LF |
|---------------|------|--------|--------|-------|
| 2 3/8 - 4 1/2 | 11.6 | 0101   | 99 37  | 0565  |
| 2 3/8 - 5 1/2 | 17.0 | 0178   | 56 28  | 0998  |
| 2 7/8 - 5 1/2 | 17.0 | 0152   | 65 71  | 0854  |
| 2 7/8 - 7     | 23.0 | 0313   | 31 91  | 1760  |



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

**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 **ninety (90)** days from the approval date of this Notice of Intent to Abandon.

**If you are unable to plug the well by the 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> 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.**

**The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.**

2. **Notification:** 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 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. 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. **Mud Requirement:** 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 **brine** water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** 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. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.**

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.

6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10<sup>th</sup> day, the BLM is to be contacted with justification to receive an extension for completing the cut off.**

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). 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. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three 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. **Show date well was plugged.**

8. Trash: 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 will be required. See attached reclamation objectives.