in the second						
		UNITED STATES PARTMENT OF THE INT	ERIOR	OCD Hobbs	E	FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010
		EAU OF LAND MANAG		S OCU	5. Lease Serial No.	IMLC-029519
	SUNDRY NOTICES AND REPORTS ON WELLS       6. If Indian, Allottee or Tribe Name         Do not use this form for proposals to drill or tore-enter an abandoned well. Use Form 3160-3 (APD) for such proposals       6. If Indian, Allottee or Tribe Name         SUBMIT IN TRIPLICATE – Other instructions on page 2.       9. If Indian, Allottee or Tribe Name         I. Type of Well       9. Other         B. Well Name and No.       9. If Indian, Allottee or Tribe Name					
	SUBMI	T IN TRIPLICATE – Other inst	ructions on page 2.	- NE	Unit of CA/Agre	eement, Name and/or No.
	1. Type of Well Gas W	/ell Other	1	RECEI	8. Well Name and No	P NAREL HI
	2. Name of Operator	Produce C	000		9. API Well No. 2	)-025-1955.0
	3a. Address	aperating and 3b.	Phone No. (include a		10. Field and Pool or	Exploratory Area
	4. Location of Well (Footage, Sec., T.,	R., M., or Survey Description)	52-618-0	5678	11. Country or Parish	tes - Seven Rigers
	Sec. 34, T-20-5, R 34- E/2310' FSL +2310' FEL / Lea, NM					
	12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA					
	TYPE OF SUBMISSION			TYPE OF ACT	ION	
	Notice of Intent	Acidize	Deepen Fracture Treat	Recla	uction (Start/Resume) amation	Water Shut-Off Well Integrity
	Subsequent Report	Casing Repair	New Construction	_	omplete porarily Abandon	Other
	Final Abandonment Notice	Convert to Injection	Plug Back	Wate	er Disposal	
ParF	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 realamation, have been completed and the operator has determined that the site is ready for final inspection) 5535' (Top Part of 3635) Set CIFBP(0) 3450' W1 055' SK CMA on top PICESS test Csg to 560 pSi SPOT-1565'sK Cmt from 3188'-1705' WOC, trag Add Plug Perft Sqz Plug From 1050 - 940' Woc trag Crow to Surf					
Perf	Spot 25 sx from	400-300 WO	C, tag	7	f Piug f	Perft Sqz Alug rom 1050 - 940'
RDMO, Remove wellhad 3' below surf. Install PtA marker						woc + tag
	Remove Anchors SEE ATTACHED FOR					
		1	C	ONDITION	IS OF APPR	ROVAL -
	Below ground Ab	mon mat Mark	er Requis	ed (LP	c)	
	Jessee Sull	iyan	Title P	luga ng	Ass.	
	Signature Jenee Al	ullin	Date (0	-16-17		
	THIS SPACE FOR FEDERAL OR STATE OFFICE USE					
	Approved by	lb	Titl	Eng		Date 6/29/17
	Conditions of approval, if any, are attached that the applicant holds legal or equitable tentitle the applicant to conduct operations	itle to those rights in the subject lea	warrant or certify	5		
	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 State fictitious or fraudulent statements or representations as to any matter within its jurisdiction.					
	(Instructions on page 2)					KR

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## 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 (LPC Habitat)

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 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. <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 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. <u>Blowout Preventers</u>: 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. <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 **brine** 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. 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. <u>Below Ground Level Cap (Lesser Prairie-Chicken Habitat)</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 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 <b>BLM is to be contacted with justification to receive an extension for completing the cut off.** Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings 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 covered with a metal plate at least <sup>1</sup>/<sub>4</sub> inch thick and welded in place. A weep hole shall be left in the plate and/or casing.

NMOCD also requires the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a below ground cap was installed as required in the COA's from the BLM.

7. <u>Subsequent Plugging Reporting</u>: 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. <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 will be required. See attached reclamation objectives.

**<u>Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:</u>** From March 1<sup>st</sup> through June 15<sup>th</sup> annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted