Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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

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.

HOBBS OCD
JUL 06 2017
RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on page 2

5. Lease Serial No.
NMNM02127B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
8910064550 NM70976B

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
LEA UNIT 02

2. Name of Operator
LEGACY RESERVES OPERATING LP
Contact: D. PATRICK DARDEN, PE
E-Mail: pdarden@legacylp.com

9. API Well No.
30-025-02428-00-S1

3a. Address
303 W WALL SUITE 1600
MIDLAND, TX 79702

3b. Phone No. (include area code)
Ph: 432-689-5200

10. Field and Pool or Exploratory Area
LEA

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 12 T20S R34E SENW 1980FNL 1980FWL

11. County or Parish, State
LEA COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/I
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete
	☐ Change Plans	☒ Plug and Abandon	☐ Temporarily Aban
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal

INT TO PA pmx
P&A NR _____
P&A R _____

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.

Legacy Reserves Operating, LP proposes to plug and abandon the Lea Unit #2 as follows:

Set CIBP @ ~13,850' w/35' cement on top of plug.
Set CIBP @ ~12,850' w/35' cement on top of plug.
Set CIBP @ ~9550' w/35' cement on top of plug.
Cut & pull 7" casing @ ~7950'. Set 100' in/out plug from 8000'-7900'.
Set 100' plug fr/5056'-4956'.
Set 100' plug fr/901'-801'.
Set 100' plug @ surface.
Restore location.

WITNESS

SEE ATTACHED FOR CONDITIONS OF APPROVAL

Current & proposed wellbore diagrams attached.

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

Electronic Submission #368357 verified by the BLM Well Information System
For LEGACY RESERVES OPERATING LP, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 03/06/2017 (17PP0282SE)

Name *(Printed/Typed)* D. PATRICK DARDEN, PE — Title SR. ENGINEERING ADVISOR

Signature (Electronic Submission) — Date 02/28/2017

APPROVED
MAY 31 2017
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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, 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.

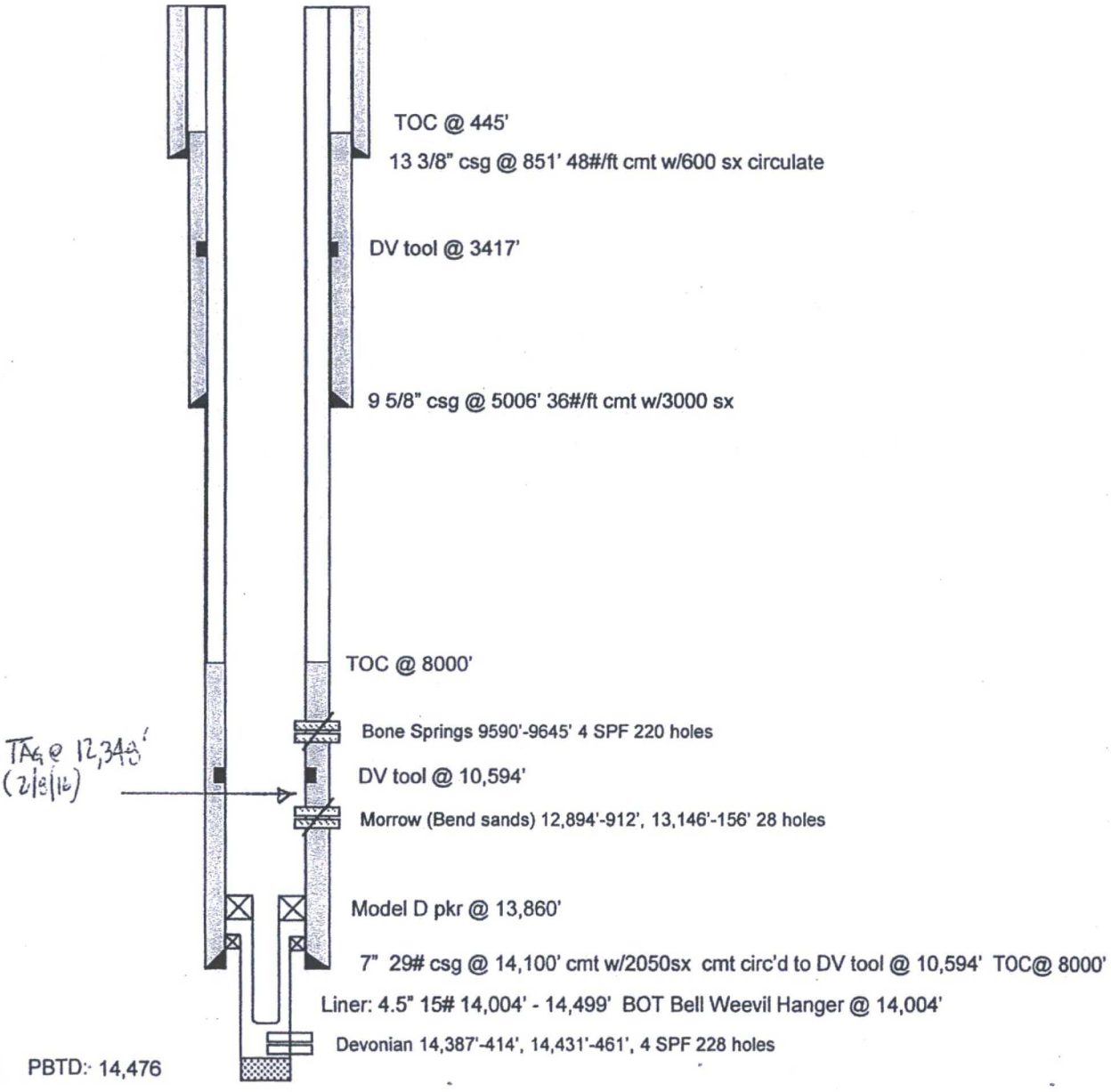
(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

FOR RECORD ONLY
MW/OCD 07/10/2017

FIELD:	LEA	GL:	3667	DATE:	3/27/2000
LEASE:	LEA UNIT	KB:	3688	BY:	dp darden
COUNTY:	LEA	SPUD DATE:	3/1961	WELL:	2
STATE:	NEW MEXICO	API No:			

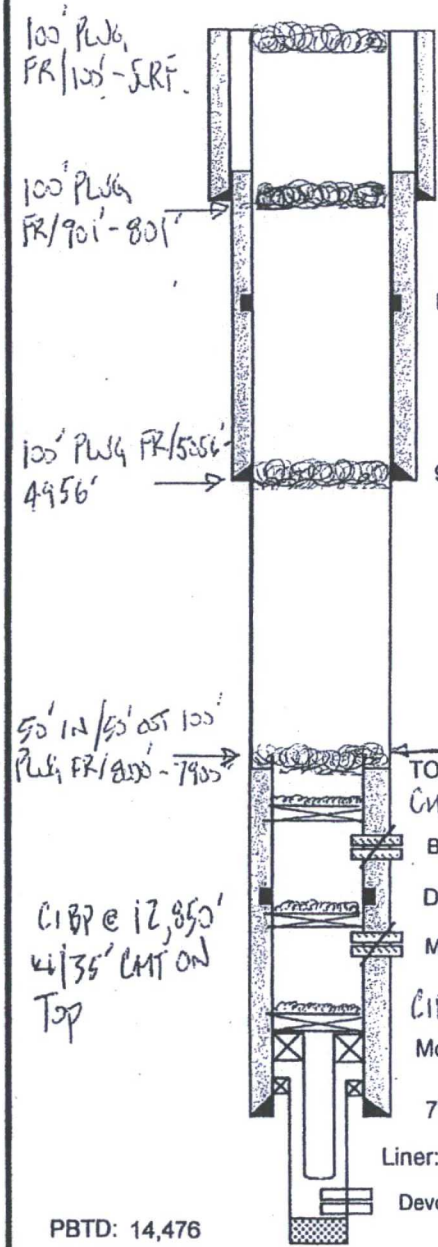
LOCATION: 1950' FNL & 1950' FWL SEC 12, T20S, R34E



CURRENT

FIELD:	LEA	GL:	3667	DATE:	3/27/2000
LEASE:	LEA UNIT	KB:	3688	BY:	dp darden
COUNTY:	LEA	SPUD DATE:	3/1961	WELL:	2
STATE:	NEW MEXICO	API No:			

LOCATION: 1950' FNL & 1950' FWL SEC 12, T20S, R34E



100' PLUG FR/105'-SURF.

100' PLUG FR/901'-801'

100' PLUG FR/5056'-4956'

50' IN/50' OUT 100' PLUG FR/8000'-7900'

CIBP @ 12,850' w/35' CMT ON TOP

TOC @ 445'

13 3/8" csg @ 851' 48#/ft cmt w/600 sx circulate

DV tool @ 3417'

9 5/8" csg @ 5006' 36#/ft cmt w/3000 sx

CUT & PULL 7" CSG @ ~7950'

TOC @ 8000'

CIBP @ 9550' w/35' CMT on Top.

Bone Springs 9590'-9645' 4 SPF 220 holes

DV tool @ 10,594'

Morrow (Bend sands) 12,894'-912', 13,146'-156' 28 holes

CIBP @ 13,855' w/35' CMT on Top.

Model D pkr @ 13,860'

7" 29# csg @ 14,100' cmt w/2050sx cmt circ'd to DV tool @ 10,594' TOC@ 8000'

Liner: 4.5" 15# 14,004' - 14,499' BOT Bell Weevil Hanger @ 14,004'

Devonian 14,387'-414', 14,431'-461', 4 SPF 228 holes

PBTD: 14,476

TD: 14,501

PROPOSED

Conditions of Approval

Legacy Reserves Operating LP
Lea Unit - 02, API 3002502428
T20S-R34E, Sec 12, 1980FNL & 1980FWL
May 31, 2017

1. **Operator is required to have the BLM approved NOI procedure with applicable conditions of approval on location during this workover operation.**
2. Due to being within the Lesser Prairie Chicken habitat, this workover activity will be restricted to the hours of 9:00am through 3:00am for the period of March 1 through June 15.
3. Subject to like approval by the New Mexico Oil Conservation Division.
4. Notify BLM 575-393-3612 Lea Co as work begins. Plugging procedures are to be witnessed. If there is no response leave a voice mail with the API#, workover purpose, and a call back phone number.
5. Surface disturbance beyond the existing pad must have prior approval.
6. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
7. Functional H_2S monitoring equipment shall be on location.
8. 5000 (5M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels) equipment shall be installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.
9. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during any other crew-intensive operations.
10. The BLM PET witness is to run tbg tally and agree to cement volumes and placement. Sample each plug for cement curing time and tag and/or pressure test as requested by BLM PET witness.
11. **Cementing procedure is subject to the next three numbered paragraphs.**
12. Mix cement plugs to cover a minimum of 100ft plus 10ft for every 1,000ft to the bottom of the plug, rounding the number of necessary sacks up to the nearest 5 sacks. Never use less than 25sx. Examples: A cement plug set at 8000 in 7" casing would require a min of 35sx. A 25sx plug in 5 ½" casing should cover 250ft, which may exceed 100ft plus 10ft per 1000ft.
13. Class H > 7500ft & C < 7500ft) cement plugs(s) will be necessary. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Formation isolation plugs of Class "C" to be mixed 14.8#/gal, 1.32 ft^3/sx, 6.3gal/sx water and "H" to be mixed 16.4#/gal, 1.06ft^3/sx, 4.3gal/sx water.

14. **Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.**
15. **Run a bit and scraper and tag the top 7" packer (13200 or 13895). POH LD B&S.**
16. **RIH with 7" Pkr & set at about 13175 or 13750 (below the 12894-13156 sqz'd perfs. Test the backside to 500psig. Reset the Pkr about 250ft above the top production packer. Establish a rate and pressure into the 14387-458 Devonion perforations.**
17. **Use about 200sx cmt plug to squeeze the Devonion perforations. Adjust the number of cmt sx according to the rate and pressure test. Displace the cmt plug to 150ft above the top production pkr. WOC and tag with tubing.**
18. **Set a cmt plug from 11060 to cover the Wolfcamp formation top of 11007. Tag the plug w/tbg at 10800.**
19. **Set a cmt plug from 10660 to cover the DV Tool at 10598. Tag the plug w/tbg at 10420.**
20. **Set a cmt plug from 8260 to cover the Bone Spring formation at 8195. Tag the plug w/tbg at 8060.**
21. **After csg is cut and pulled, set a 200ft cmt plug from 50ft inside the 7" csg stub. Tag the plug w/tbg.**
22. **Set a cmt plug from 5060 to cover the 9 5/8" shoe. Tag the plug with tbg at 4900.**
23. **Set a cmt plug from 3470 to cover the DV Tool at 3417 and base of the salt. Tag the plug with tbg at 3230.**
24. **Set a cmt plug from 1710 to cover the top of the salt. Tag the plug with tbg at 1580.**
25. **Set a cmt plug from 910 to cover the 13 3/8" shoe. Tag the plug with tbg at 775.**
26. Set the surface plug as stated and construct a ground level dry hole marker.
27. File **subsequent sundry** Form 3160-**5** within 30 days of workover procedures. Submit the (BLM Form 3160-**5** subsequent report (daily reports) via BLM's Well Information System; https://www.blm.gov/wispermits/wis/SP Include (dated daily) descriptions of the well work, ie. procedure descriptions and setting depths of each plug in the subsequent sundry.
28. Wellbore plugging accomplished within 90 days of approval.

Lesser Prairie Chicken Habitat Area Ground Level Dry Hole Marker

Stamp or engrave (3/8" letters) information for the plugged well on 8"x 8"aluminum plate of 1/8", 12 gauge, or .080 sign material similar to this example:

Ajax Operating Company
Tailspin – 22
1980FNL & 660FWL - Sec 16 - T22S-R31E
Lease LC029567 API 3001534567
Plugged July 17, 2017

1. Center a 3 to 4 foot pipe at a right angles on a 8"x8"x 1/8" or 3/16" steel plate and weld the pipe to the plate.
2. Cement the pipe vertically inside the abandoned surface casing. Leave the steel plate about 2" above and horizontal to ground level.
3. Fix the aluminum plate with the well information to the steel plate with ¼ inch bolts and locking nuts or self-tapping fine threaded screws (one in each corner).
4. On the BLM Form 3160-5 subsequent report of abandonment state that a ground level dry hole marker installed as required by BLM and NMOCD Order No. R-12965.

Reclamation Objectives and Procedures

In Reply Refer To: 1310

Reclamation Objective: At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its pre-disturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip and seed as needed. This will apply to well pads, facilities, and access roads. Barricade all access road(s) at the starting point. If reserve pits have not been adequately reclaimed due to salts or other contaminants, propose a plan for BLM approval to provide restoration of the pit area.

1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations should have included adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.

2. For locations and/or access roads not having an approved plan, or an inadequate plan for surface reclamation the operator must submit a proposal describing the procedures for reclamation. The appropriate time for submittal would be when filing the Notice of Intent, or with the Subsequent Sundry Report of Abandonment on Form 3160-5. The final reclamation goal is to be completed within 6 months of wellbore abandonment.

3. With an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you have issues or concerns, contact a BLM specialist to assist you. It may be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives.

4. Upon reclamation conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a BLM specialist to inspect the location to verify work was completed as per approved plans.

5. The BLM approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been tentatively reestablished. If the objectives have not been met BLM will be notify the operator of the required corrective actions.

6. It is the responsibility of the operator to monitor these locations and/or access roads until such time the full BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the full BLM objectives have been met, submit a Final Abandonment Notice (FAN) Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.

7. At this time a BLM specialist will again inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability for the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

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

Jim Amos
Supervisory Environmental Protection Specialist
575-234-5909, 575-361-2648 (Cell)

Trishia Bad Bear
Natural Resource Specialist
575-393-3612, 575-390-2258 (Cell)

Jesse Bassett
Natural Resource Specialist
575-234-5913, 575-499-5114 (Cell)

Paul Murphy
Natural Resource Specialist
757-234-5975, 575-885-9264 (Cell)

Henryetta Price
Environmental Protection Specialist
575-234-5951, 575-706-2780 (Cell)

Robertson, Jeffery
Natural Resource Specialist
575-234-2230, 575-706-1920 (Cell)

Vance Wolf
Natural Resource Specialist
575-234-5979

Brooke Wilson
Natural Resource Specialist
575-234-6237

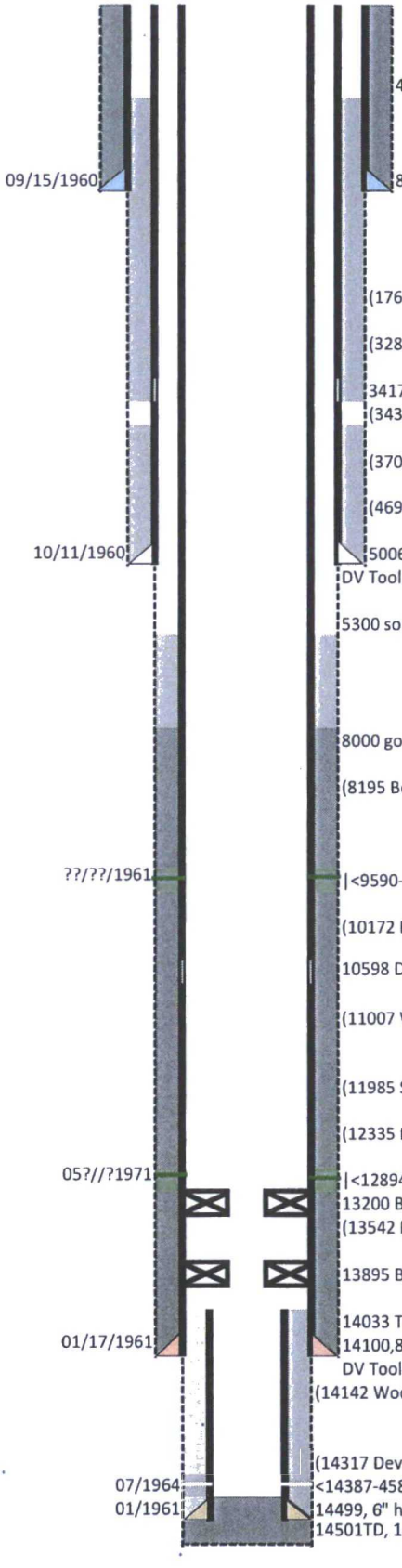
Arthur Arias
Environmental Protection Specialist
575-234-6230, 575-499-3378 (Cell)

Shelly Tucker
Environmental Protection Specialist
575-234-5905, 575-361-0084 (Cell)

Operator: Legacy Reserves Operating LP
Surface Lease: NM02127b **BHL:** NM02127b
Case No: NM70976a **Unit Agreement**
Subsurface Concerns for Casing Designs: Cap KFC
Well Status: OSI
Spud date: 9/15/1960
Plug'd Date:
Reentry Date:

Well: LEA UNIT-2
API: 3002502428
@ Srfce: T20S-R34E,12.1980n1980w
@ M TD: T20S-R34E,12.1980n1980w
Estate: F\F\F
CWDW, R of W: 0
OCD Admn Order, date:
Frmtn, Depths, psig:

KB: 3686
GL: 3667
Corr: 19



445 TOC temp

09/15/1960

851, 17.5"hole, 13.375"48# H40 csg, ST&C, Mix 600sx, circ sx

(1768 T Salt)

(3289 B Salt)

3417 DV Tool, 2nd stg 2300sx circ 0sx

(3435 Yates)

(3700-3800~ Capitain Reef)

(4690 Queen)

10/11/1960

5006,12.25"hole,9.625" 36# J55 csg LT&C
DV Tool@:3417, SxCirc: Stg 1/, Stg 2/

5300 some bond CBL 07/22/2013 TOC

8000 good bond CBL 07/22/2013 TOC

(8195 Bone Spring)

??/??/1961

|<9590-620>| Sqzd w/250sx "C" 08/??/1971

(10172 Basal Leonard)

10598 DV Tool, 2nd stg 900sx circ 0sx

(11007 Wolfcamp)

(11985 Strawn)

(12335 Penn / Bend)

05?//?1971

|<12894-13156>| sqzd 75sx "C" 02/13/1973
13200 Baker "D" Prod Pkr on Legacy diagram
(13542 Mississippian)

13895 Baker "D" Prod Pkr on Legacy diagram

14033 TOL (11 Jts)

01/17/1961

14100,8.75"hole, 7" 29# P110 LT&C csg sx 0sx
DV Tool@10593 SxCirc: Stg 1/sx, Stg 2/
(14142 Woodford)

(14317 Devonion)

07/1964
<14387-458>

01/1961

14499, 6" hole, 4.5" 15.1# P110 LT&C csg, Mix 65sx, circ sx
14501TD, 14476PBTD

Diagram last updated: 06/16/2015