UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

OCD Hobbs

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

5. Lease Serial No. NMNM110836

SUNDRY N	OTICES AND	REPORTS (ON WELLS
Do not use this	form for prope	osals to drill o	r to re-enter an
bandoned well.	Use form 316	i0-3 (APD) for :	such proposals.

Do not use this form for proposals to drill or to re-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 3 1. Type of Well Gas Well Cother: INJECTION					7. If Unit or CA/Agreement, Name and/or No.				
2. Name of Operator Contact: GREG BRYANT					8. Well Name and No. PADUCA FEDERAL SWD 3Y 9. API Well No.				
MESQUITE SWD INCORPOR	basicenergyservice			30-025-42258-00-X1					
3a. Address CARLSBAD, NM 88221		3b. Phone No. (*1) de area code) Ph: 432-563-3355		10	10. Field and Pool or Exploratory Area SWD UNKNOWN				
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					1. County or Parish, S	State			
Sec 23 T25S R32E NENW 31 32.122300 N Lat, 103.648176		LEA COUNTY, NM			NM				
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA									
TYPE OF SUBMISSION 39. TYPE OF ACTION									
■ Notice of Intent	☐ Acidize	□ Deepen		☐ Production	(Start/Resume)	■ Water Shut-Off			
_	☐ Alter Casing		draulic Fracturing		on	☐ Well Integrity			
U Subsequent Report	Subsequent Report Casing Repair		ruction	☐ Recomplete		Other			
☐ Final Abandonment Notice	☐ Change Plans	Plug and A	- -		ly Abandon				
	Convert to Injection	☐ Plug Back		☐ Water Disp	oosal				
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. 1) MIRU. NU WH, ND BOP, POOH w/ Prod Equip 2) Set 7" CIBP @ 5176'. Circ hole w/ MLF. Pressure test casing 3) Spot 25sx cmt @ 5176' - 5076'. WOC-Tag 4) Spot 110sx cmt @ 4894' - 4308'. WOC-Tag 5) Spot 25sx cmt @ 2157' - 2057'. WOC-Tag 6) Spot 75sx cmt @ 1036' - 600'. WOC-Tag 7) Spot 15sx cmt @ 60' - 3'. Verify 8) RDMO. Cut off WH & anchors, install DH marker. Br. Jaw Ground Level Cry hole marker requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.									
14. I hereby certify that the foregoing is true and correct.									
Electronic Submission #476795 verified by the BLM Well Information System For MESQUITE SWD INCORFORATED, sent to the Hobbs Committed to AFMSS for processing by DEBORAH MCKINNEY on 08/07/2019 (19DLM0393SE)									
Name (Printed/Typed) GREG BRYANT			Title AGENT						
Signature (Electronic Submission)		Date	Date 08/06/2019						
THIS SPACE FOR FEDERAL OR STATE OFFICE USE									
Approved By 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 enable the applicant to conduct operations thereon.				T		8-11-19 Date			
Title 18 U.S.Q. 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, frontious 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 ONLY
FOR RECORD ONLY

X7 NMOCD 9-9-19

Lease Name: Paduca Fed SWD #34 30-025-42258 171/2" hove (Est) Rustler 759 T/salt 1134 4754 4820 Bell 121/4" hole TOC CIC Bell Cherry TOC Circ TD: 7300'

Operator Name: Mesquite 5wd

Operator Name: Mesquite 5WD Lease Name: Paduca Fed SWD #34 API#: 30-025-42258 Spot 155x @ 60'-3' Spot 755x @ 10301-600'-7ay TOC Live Spot 255x@ 2157- 2057- Tay 95/8 @ 4712' TOC LICE DV7001 4844 Spot 1105x @ 4894'- 4308'-74} CIBPE 5176 w/ 255+cmf - Tag Perf 5,226'-7130' TOC_CICC

TD: 7300'

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 90th day provide this office, prior to the 90th 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. Below Ground Level Cap (Lesser Prairie-Chicken Habitat): 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 10th day, the 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 ¼ 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. 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. <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 1st through June 15th 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