HOBBS OCD

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RECEIVED

Form 3160-5
(June 2019)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0137
Expires: October 31, 2021

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*

5. Lease Serial No. ~~NM-0108997(A)~~ NMNM 83197

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No. Farrell Federal #3

2. Name of Operator Ridgeway Arizona Oil Company

9. API Well No 30-041-10252

3a. Address 575 N. Dairy Ashford, Energy Center II, Ste 210 Houston, TX 77079

3b. Phone No. *(include area code)* (713) 221-1768

10. Field and Pool or Exploratory Area Chaveroo San Andreas

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)* 660' FSL, 1980' FWL of sec 28, T7S, R33E, Unit N

11. Country or Parish, State Roosevelt, 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/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☑ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ 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 perfonned 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 detennined that the site is ready for final inspection.)

Ridgeway Arizona Oil Corp. Proposes to P&A the subject well per the attached procedure and wellbore diagrams.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

plugs changed!! See COAs

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)* William Boyd

Title Land & Regulatory Manager

Signature William Boyd

Date 10/30/2019

THE SPACE FOR FEDERAL OR STATE OFICE USE APPROVED

Approved by

Title

Date NOV 0 5 2019

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 BUREAU OF LAND MANAGEMENT ROSWELL FIELD 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)

KZ NMOCD 11/5/19

FOR RECORD ONLY

SWABCO
WELL SERVICING & COMPLETION

Recommended Procedure — *Plug and Abandonment*

Operator:	PEDEVCO Corp.		
Well name:	Farrell Federal #03		
Legal:	N, Section 28, Township 7 South, Range 33 East		
Location:	Roosevelt County, New Mexico		
API:	30-041-10252		
Surface:	8-5/8" 24# at 405'	**Hole size:** 12-1/4"	**TOC:** Surface
Production:	4-1/2" 9.5# at 4,474'	**Hole size:** 7-7/8"	**TOC:** Unknown
Perforations:	4,243' – 4,403'		
TD:	4,474'		
PBTD:	4,430'		

*** Procedure based off of operator provided wellbore diagram and well file, NOT an approved procedure ***

1. Ensure that BLM/NM OCD has been notified 48 hours prior to rig up
2. Conduct pre-job safety meeting and complete daily JSA
3. Prior to MIRU, record initial shut-in pressures on tubing, production casing, and surface casing
4. Dig out around wellhead and check surface casing for pressure and record
    a. If pressure is present call Oscar Torres #575-208-8701 and Charles Hinojosa #512-771-1523 for orders
5. Blow down well/kill if necessary
6. MIRU P&A equipment, TOH and LD rods, NDWH, NUBOP
7. TOH and tally any existing tubing to derrick, LD BHA
    a. Inspect tubing for holes/damaged threads/collars, LD any bad tubing
8. PU 4-1/2" 9.5# bit and scraper, PU any additional tubing if necessary, TIH to 4,243' (top of perfs)
9. TOH, LD BHA
10. RU wireline, PU 4-1/2" 9.5#, CIBP, TIH and set at 4,193', TOH, RD wireline
11. TIH tubing to 4,193', pump 25 sxs of 14.8# class C 1.32 cu.ft./sack yield cement on top of CIBP
    a. 25 sxs is 361' in 4-1/2" 9.5# casing, TOC: 3,832'
12. Load wellbore with 9# mud, pressure test casing/CIBP to 500 psi
    a. If test fails call Oscar Torres and Charles Hinojosa for orders
    b. **Note:** If casing/CIBP/CICR pressure tests fail or unable to establish injection/circulation additional steps/services required by the BLM/NM OCD are not included in this bid and will be billed per our 2019 Time and Material Price Schedule.
13. TOH, RU wireline
14. TIH and perforate casing at 3,000', TOH, establish injection rate into perfs/circulation via surface casing
    a. If unable to establish injection rate into perforations or circulation to surface via perforations call Oscar Torres and Charles Hinojosa for orders
15. RD wireline if injection rate is acceptable for cement
16. TIH tubing to 3,000', shut pipe rams on BOP, shut surface casing valve, open production casing
17. RU cementer, mix and pump 45 sxs of 14.8# class C 1.32 cu.ft./sack yield cement
    a. Displace 13 sxs into 4-1/2" 9.5# casing, from 3,000' to 2,812', shut production casing valve and open surface casing valve
    b. Displace remaining 32 sxs into 4-1/2" x 7-7/8" open hole from 3,000' to 2,814'
    c. Open production casing and surface casing valves to allow plug to balance
    d. Open pipe rams, RD cementer
18. TOH, wait on cement
19. TIH and tag TOC at 2,870' or higher (100' + 30% per BLM regulations)
20. TOH

SWABCO WELL SERVICING COMPLETION

see COAs plugs changed.

21. RU wireline, TIH and perforate casing at 1,500', TOH, establish injection rate into perfs/circulation to surface via perforations
    a. If unable to establish injection rate into perforations or circulation to surface via perforations call Oscar Torres and Charles Hinojosa for orders
22. RD wireline if injection rate is acceptable for cement
23. TIH tubing to 1,500', shut pipe rams on BOP, shut surface casing valve, open production casing
24. RU cementer, mix and pump 45 sxs of 15.8# class G neat 1.15 cu.f.t/sack yield cement
    a. Displace 13 sxs into 4-1/2" 9.5# casing, from 1,500' to 1,332', shut production casing valve and open surface casing valve
    b. Displace remaining 32 sxs into 4-1/2" x 7-7/8" open hole from 1,500' to 1,314'
    c. Open production casing and surface casing valves to allow plug to balance
    d. Open pipe rams, RD cementer
25. TOH, wait on cement
26. TIH and tag TOC at 1,380' or higher (100' + 20% per BLM regulations)
27. TOH
28. RU wireline TIH and perforate casing at 455' (50' below surface casing shoe), TOH, establish injection rate into perf/circulation to surface via perforations
    a. If unable to establish injection rate into perforations or circulation to surface via perforations call Oscar Torres and Charles Hinojosa for orders
29. RD wireline if injection rate is acceptable for cement
30. RU cementer, mix and pump 45 sxs of 14.8# class C 1.32 cu.ft./sack yield cement
    a. Displace 12 sxs into 4-1/2" 9.5# casing from 455' to 281', shut production casing valve and open surface casing valve
    b. Displace remaining 33 sxs into 4-1/2" x 7-7/8" and 4-1/2" x 8-5/8" 24# annulus from 455' to 276'
    c. Open production casing and surface casing valves to allow plug to balance
    d. Open pipe rams, RD cementer
31. TOH, wait on cement
32. TIH and tag TOC at 353' or higher (50' above surface casing shoe)
33. RU wireline, TIH and perforate casing at 60', TOH, establish circulation to surface via perforations
    a. If unable to establish circulation to surface via perforations call Oscar Torres and Charles Hinojosa for orders
34. RU cementer, mix and circulate 25 sxs of 14.8# class C 1.32 cu.ft./sack yield cement to surface
    a. Verify that returns at surface are proper weight cement and not contaminated
35. RDMO, dig out and cut off wellhead 3' – 6' below ground level, verify cement at surface, top off if necessary
36. Weld info plate onto casing
37. Backfill pit, clean location, P&A complete

WELLBORE DIAGRAM: After P&A Operations

Operator:	Ridgeway Arizona Oil Company			**API:**	30-041-10252
Lease:	Farrell Federal	**Legals:**	N, S28, T7S, R33E	**Field:**	Chavaroo San Andreas
Well Number:	3	**County:**	Roosevelt	**State:**	New Mexico

WELLHEAD:

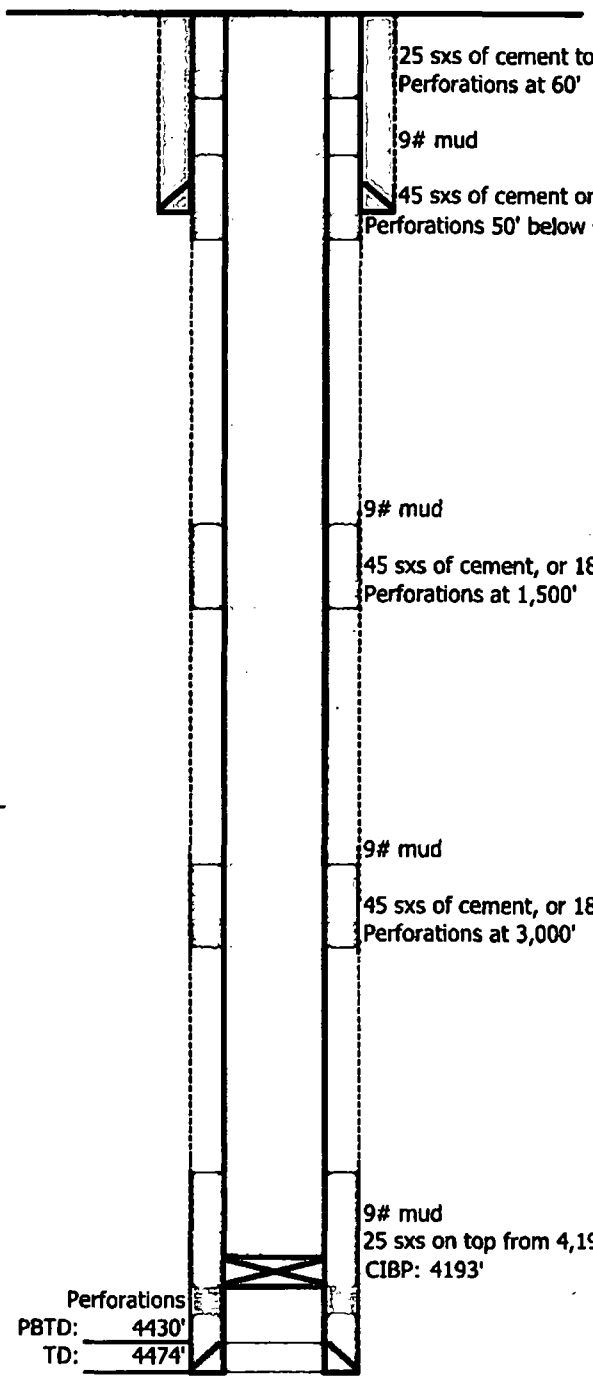
Surface Casing

Size:	8-5/8"
Wght:	24#
Depth:	405'
TOC:	SURFACE
Hole Size:	12-1/4"

Production Casing

Size:	4-1/2"
Wght:	9.5#
Depth:	4,474'
DV Tool:	NONE
TOC:	UNKOWN
Hole Size:	7-7/8"

PERFORATIONS:
CHAVAROO SAN ANDREAS 4,243' - 4,403'



Updated: **9/18/2019**
By:

PBTD: 4430'
TD: 4474'

WELLBORE DIAGRAM: Before P&A Operations

Operator:	Ridgeway Arizona Oil Company			**API:**	30-041-10252
Lease:	Farrell Federal	**Legals:**	N, S28, T7S, R33E	**Field:**	Chavaroo San Andreas
Well Number:	3	**County:**	Roosevelt	**State:**	New Mexico

WELLHEAD:

Surface Casing

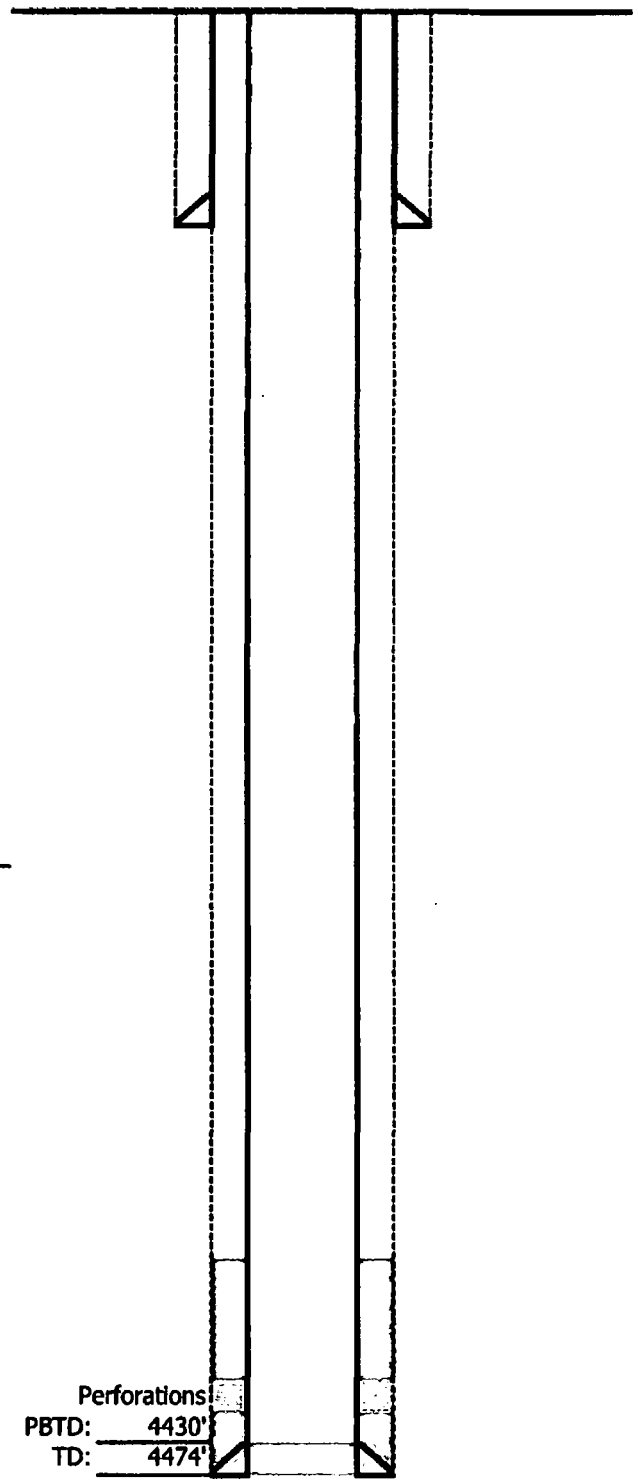
Size:	8-5/8"
Wght:	24#
Depth:	405'
TOC:	SURFACE
Hole Size:	12-1/4"

Production Casing

Size:	4-1/2"
Wght:	9.5#
Depth:	4,474'
DV Tool:	NONE
TOC:	UNKNOWN
Hole Size:	7-7/8"

PERFORATIONS:

CHAVAROO SAN ANDREAS 4,243' - 4,403'



Updated: **9/18/2019**

By:

Farrell Federal 3
30-041-10252
Ridgeway Arizona Oil Corp
November 5, 2019
Conditions of Approval

1. **Operator shall place CIBP at 4,193' (50'-100' above top most perf) and place 25 sx of Class C cement on top as proposed. WOC and TAG.**

2. **Operator shall perf and squeeze at 3,000' as proposed. Operator shall place a balanced Class C cement plug from 3,000'-2,812' as proposed. WOC and TAG.**

3. **Operator shall perf and squeeze at 2,333'. Operator shall place a balanced Class C cement plug from 2,333'-2,203' to seal the Yates Formation and the bottom of the Salt. WOC and TAG.**

4. **Operator shall perf and squeeze at 2,060'. Operator shall place a balanced Class C cement plug from 2,060'-1,930' to seal the top of the Salt. WOC and TAG as proposed.**

5. **Operator shall perf and squeeze at 455'as proposed. Operator shall place a balanced Class C cement plug from 455' to surface to seal the 8-5/8'' casing shoe.**

6. **See Attached for general plugging stipulations.**

JAM 110519

BUREAU OF LAND MANAGEMENT
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201
(575) 627-0272

Permanent Abandonment of Production Zone 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 this approval.

If you are unable to plug back 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 back. Failure to do so will result in enforcement action.

2. **Notification: Contact the BLM Roswell Field Office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, during office hours or after office hours call (575) 627-0205. Engineer on call during office hours phone (575) 627-0237 or phone (after hours) call (575) 626-5871.**

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.**

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. Subsequent Plug back Reporting: Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back 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 work was completed.**

7. 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.