

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

COPY

**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**  
Operator  
FEB 18 2020  
**RECEIVED**

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM84652
2. Name of Operator LEGACY RESERVES OPERATING LRE-Mail: jsaenz@legacylp.com Contact: JOHN SAENZ		6. If Indian, Allottee or Tribe Name
3a. Address 303 W WALL SUITE 1600 MIDLAND, TX 79702	3b. Phone No. (include area code) Ph: 432-689-5200	7. If Unit or CA/Agreement, Name and/or No. NM 82107
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 7 T20S R34E NWNE 660FNL 1980FEL		9. API Well No. 30-025-30848-00-S1
		10. Field and Pool or Exploratory Area QUAIL RIDGE
		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			
<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/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.

Current Well Conditions: The well currently has casing leaks, from 3925'-7181'. The existing perms are below debris at 8044', with a packer at 8070'.

We are requesting permission to plug the well where it is at currently with the following procedure. **SEE ATTACHED FOR CONDITIONS OF APPROVAL**

All plugs to be minimum 35 sacks of cement. Circulate minimum 9.5 ppg P&A mud between all plugs.

**Proposed P&A Procedure:**

- MIRU. Pick up work string. Clean out to 8,000'. DO NOT LEAVE BIT BELOW 3,900' OVERNIGHT.
- Spot 100' of cement on top of debris at 8,000'. WOC. Tag top of GMT at 7,900'. Perf @ 8000 SQZ cont to 7820 Tag
- RH with CICR set at 6,600'. Pump into csg leak w/minimum 100 sx cement. Cap CICR with 100' CMT. Perf @ 6600, SQZ cont to 6440. WOC Tag. Re-perf SQZ as used

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

Electronic Submission #500424 verified by the BLM Well Information System For LEGACY RESERVES OPERATING LP, sent to the Hobbs Committed to AFMSS for processing by DEBORAH MCKINNEY on 01/23/2020 (20DLM0221SE)

Name (Printed/Typed) JOHN SAENZ	Title OPERATIONS ENGINEER
Signature (Electronic Submission)	Date 01/23/2020

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

Approved By <u>/S/ James A. Amcs</u>	Title <u>SPET</u>	Date <u>2/2/20</u>
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 <u>CFO</u>

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**  
XZ NM OCD 2-20-20

Additional data for EC transaction #500424 that would not fit on the form

32. Additional remarks, continued

- 4. TOOH. Perforate at 5,600'. RIH with CIGR set at 5,590'. Pump into csg perf w/minimum 50 sx cement. Cap CIGR with 90' CMT. SQZ cnt to 5450 WOC Tag
- 5. TOOH. Perforate at 5,250'. RIH with CIGR set at 5,240'. Pump into csg perf w/minimum 50 sx cement. Cap CIGR with 90' CMT. Perf @ 5259 SQZ cnt to 5109 WOC Tag (Shoe
- 6. TOOH. RIH with CIGR set at 3,900'. Pump into csg leak w/minimum 100 sx cement. Cap CIGR with 100' CMT.
- 7. TOOH. Perforate at 3,500'. RIH with PKR and set at 3,350'. Pump into packer w/minimum 50 sx cement. TOOH and tag top of cement at 3,400'.
- 8. TOOH. Perforate at 1,900'. RIH with PKR and set at 1,750'. Pump into packer w/minimum 50 sx cement. TOOH and tag top of cement at 1,800'.
- 9. TOOH. Perforate at 450'. RIH with PKR and set at 300'. Pump into packer w/minimum 50 sx cement. TOOH and tag top of cement at 350'. 468 - 368
- 10. TOOH. Perforate at 100'. Circulate cement from 100' to surface.
- 11. POOH, top off casing, remove WH, set P&A marker, clean and reclaim location.

Perf @ SQZ cnt  
From 3210 - 1765.  
cnt in/out of  
5 1/2" (R-III-A  
Potash)

Current and proposed wellbore diagrams attached.

Any time Tag  
short. Perf @  
SQZ.

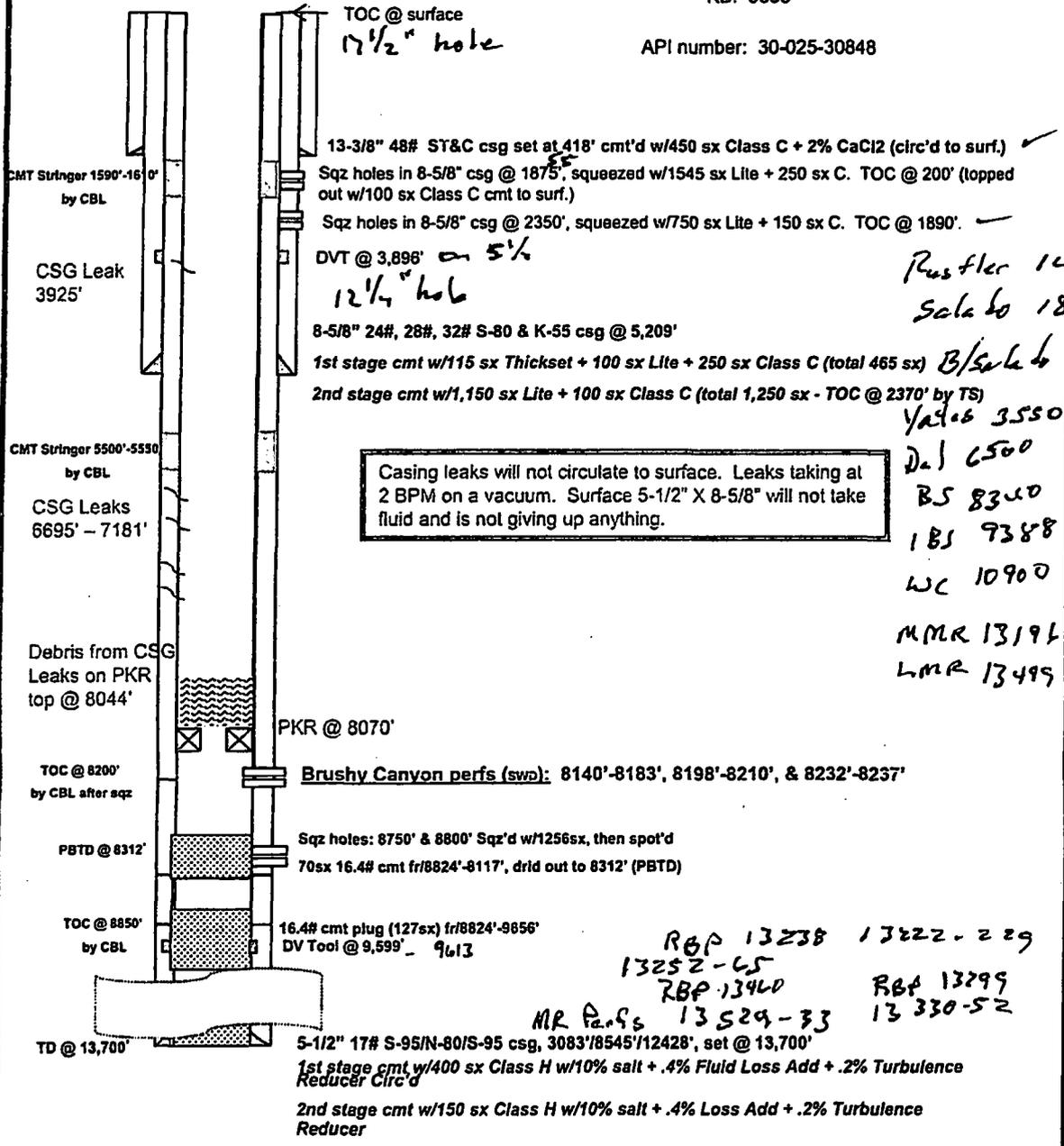


FIELD: SWD  
 LEASE: HAMON FEDERAL COM  
 COUNTY: LEA  
 STATE: NEW MEXICO  
 WELL: 1  
 LOCATION: 1980' FEL & 660' FNL,  
 Sec. 7, T20S, R34E

**Current Status**

GL: 3610'  
 KB: 3633'

API number: 30-025-30848



'EST'  
 Rustler 1473  
 Salado 1815  
 B/Salado 3160  
 Yates 3550  
 Dal 6500  
 BS 8300  
 BS 9388  
 WC 10900  
 MMR 13196  
 LMR 13499

RBP 13238 13222-229  
 13252-65  
 RBP 13460 RBP 13299  
 MR 2095 13529-33 13330-52

# LEGACY

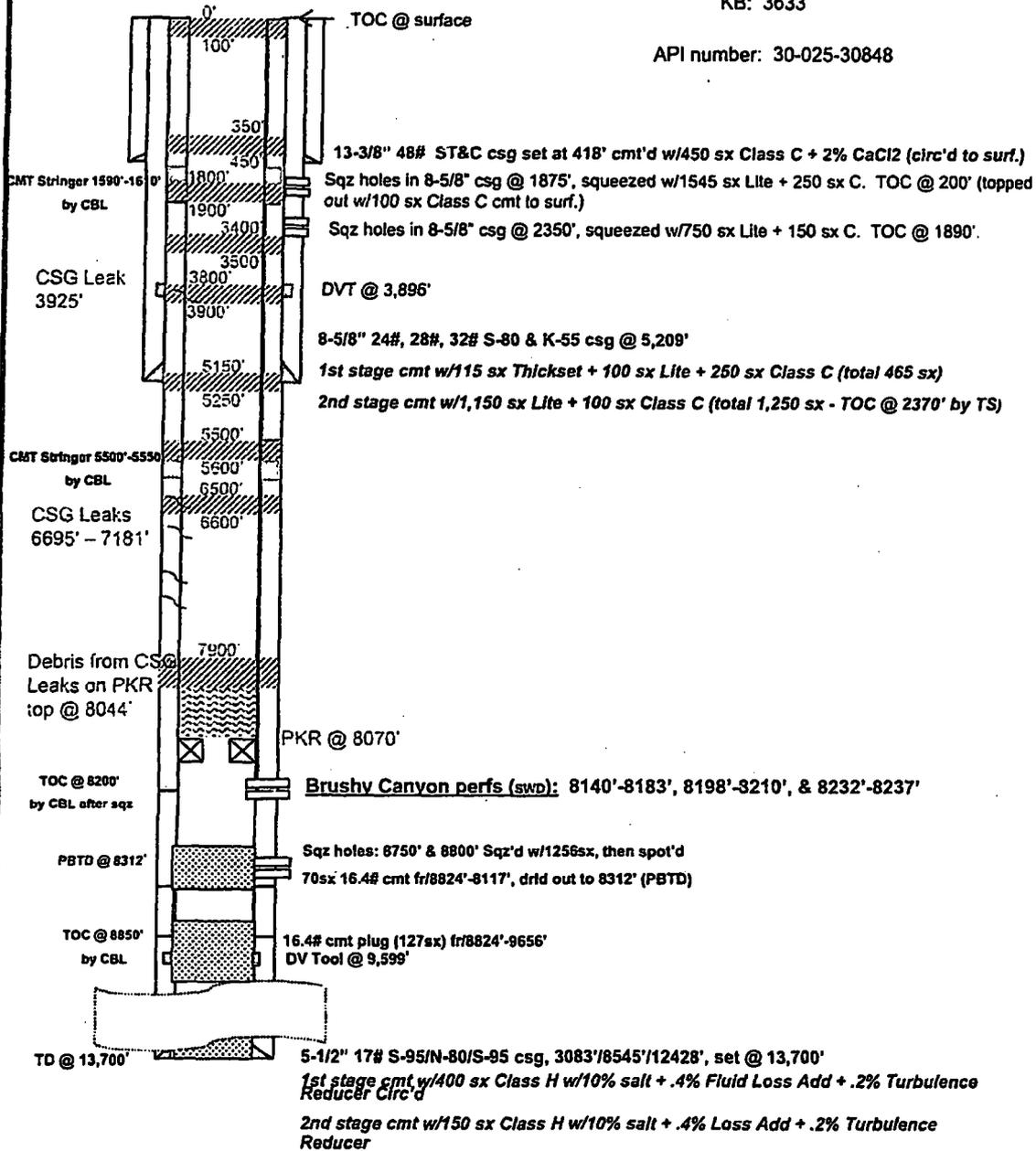
RESERVES

P&A

FIELD: SWD  
 LEASE: HAMON FEDERAL COM  
 COUNTY: LEA  
 STATE: NEW MEXICO  
 WELL: 1  
 LOCATION: 1980' FEL & 660' FNL,  
 Sec. 7, T20S, R34E

GL: 3610'  
 KB: 3633'

API number: 30-025-30848



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 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. 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 10<sup>th</sup> 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. 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.

Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:

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