Form 3160.5 UNITEDS STATES  DEPARTMENT OF THE INTERIOR	FORM APPROVED
	OMB No 1004-0137
AUG 28 2009 BUREAU OF LAND MANAGEMENT OCD Hobbs	Expires: March 31, 2007
AUG E	5. Lease Serial No.
HOBBSENSRY NOTICES AND REPORTS ON WELLS	NM 96858
Do not use this form for proposals to drin or to re-enter an	6. If Indian, Allotte or Tribe Name
abandoned well. Use Form 3160 - 3 (APD) for such proposals.	
SUBMIT IN TRIPLICATE - Other instructions on reverse side.	7. If unit or CA/Agreement, Name and/or No.
1 Type of Well	8. Well Name and No.
Oil Well Gas Well Other	OPAL "28" FEDERAL WELL NO. 1
2 Name of Operator	9. API Well No.
SUNDOWN ENERGY LP	30-025-34004
3a Address 3b Phone No (include area code)	10. Field and Pool, or Exploratory Area
13455 NOEL RD, STE. 2000, DALLAS, TX 75240 / 214-368-6100	Hat Mesa, Delaware
4 Location of Well (Foolage, Sec., T., R, M, or Survey Description)	11. County or Parish, State
UNIT I, SEC. 28 T-20S, R-33E	LEA CO., NM
1650' FSL & 660' FEL	
12 CHECK ADDDODDIATE DOV/ES) TO DIDICATE MATTIDE OF NOTICE DEPORT	
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR TYPE OF SUBMISSION TYPE OF ACTION	
Acidize Deepen Production (Start/Resum	Water Shut-Off
Notice of Intent  Alter Casing  Fracture Treat  Reclamation	
Subsequent Report Casing Repair New Construction Recomplete	Other
Final Abandonment Notice Change Plans Village Plug and Abandon Temporarily Abandon	
Convert to Injection Plug Back Water Disposal	
13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any pro	oposed work and approximate duration therof
If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true ve Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required subsequent	rtical depths of all pertinent markers and zones.
following completion of the involved operations of the operation results in a multiple completion or recompletion in a new in	ent reports shall be filed within 30 days
following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation,	have been completed, and the operator has FUR
determined that the site is ready for final inspection)  1) Drill out CIRP at 11 430' 2) I and hole w/ 0.5 ppg mind lodge fluid 2) G. C.	CONDITIONS OF APPROVAL
1) Drill out CIBP at 11,430'. 2) Load hole w/ 9.5 ppg mud laden fluid.3) Set Cl cmt on top. 4) Set CIBP @ 11,430' w/ 35' same cmt. 5) Run CBL to find TOC	IBP @ 13,35 / and dump bail 35' of Class H
f/ 9090-8900'. 7) Spot 180' plug Class H cmt f/ 8550-8370'. 8) Set CIBP @ 682	10' and dump 35' coment on ten
If TOC above 5132', spot balanced plug f/ 5332-5132'. WOCand tag using Cla	uss C.cmt. 9) Cut and pull caring f/ free point
will set stub plug 50' inside and out of stub using Class C.	DEAL ALLATION DOGGEDLING
Set plug f/ 3235-1300' using Class C. 10) Spot surface plug 60' to surface. 11) In	RECLAMATION PROCEDURE  Install dry hole marker, ATTACHEN
All surface equipment will be removed. Location will be ripped and re-seeded	to original state. Access road can't
be removed because it also services other companies. Plugging will commence	within 90 days of approval.
14 I hereby certify that the foregoing is true and correct	
Name (Printed/Typed)	
Belinda Bradley Title Admin.	Asst.
	9
THIS SPACE FOR FEDERAL OR STATE OFFICE US	•
27/0/5/BICLIST	JPERVISORI <u>SEP 0 1 20</u> 09
Approved by Title	ADDDAVED
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 right in the suject lease	AFFRUVLU
which would entitle the applicant to conduct operations thereon	
USC	
Section	ANC 9 5 2020
	AUG 25 2009
(Instructions on page 2)	/s/ Dustin Winkler

# WELL DATA SHEET

LEASE: Opal "28" Federal Com	WELL: #1	FIELD:	Hat Mesa
LOC: 1650' FSL & 660' FEL	SEC: 28 TOWN: 20S R: 33E	SURVEY:	
STATUS: 14387'	CO: Lea ST: NM	API NO:	30-025-34004
PBTD: 11430'	OT. NAW	LEASE #	
Spud Date: 6-19-1997	Csn Datail:		
Comp.Date: 8-12-1997  GL: 3623' DF: KB:	Csg Detail: Hole Size: 17-1/2"  13-3/8" OD, 54  csg set @ 1350' Circ? Yes TOC @  Hole Size: 12-1/2"  9-5/8" OD, 44  csg set @ 5232' Circ? TOC @  Hole Size: 8-3/4"  5-1/2" OD, 20  csg set @ 14387' in stages v  Stage 1 circ? Stage 2 circ?  C \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	W/ 1500   Surf	SX.  By Circ  SX.  By Circ
	7529-33' 7684-86'		
Prince of the Control	8410-48'		
	CIBP @ 11430' w/ 35' cmt top		
	CIBP @ 13865' w/ 35' cmt top		
TD = 14387'	14118-26		

Lease: Opal "28" Federal Com		WELL DATA SHEET		
STATUS:  TD:	LEASE: Opal "28" Federal Com	WELL: #1	FIELD: Hat Mesa	
Comp Date: 5-12-1997  GL: 3623  DF: 15-2097  KB: 15-2097  KB: 15-2097  Comp Date: 5-12-1997  Comp Date: 5-12-1997  Comp Date: 5-12-1997  Comp Date: 15-12-1997  Comp Date: 15-12-1997	STATUS: TD: 14387' PBTD: 11430'	co: Lea	API NO: 30-025-34004	
	Comp.Date: 8-12-1997  GL: 3623' DF: KB: The second of the	Cag Detail: Hole Size: 17-1/2 13-3/8" OD, Csg set @ 1350' Circ? Yes TOC  Ant plug 9-5/8" OD, Csg set @ 5232' Circ? TOC  Hole Size: 8-3/4" 5-1/2" OD, Csg set @ 14387 in stage Plug 50' Stage 1 circ? Plug 50' Stage 2 circ?  Cort plug 5332-5/32' Class  Cort plug 5332-5/32' Class  Cort plug 5332-5/32' Class  Cort plug 6840' w/ 35' cmt top  CIBP @ 11430' w/ 35' cmt top  CIBP @ 13865' w/ 35' cmt top	### 1500 sx. Circ    W	

Sundown Energy LP

NM-96858: Opal "28" Federal Well No. 1

API: 30-025-34004 Lea County, New Mexico

RE: Plugging and Abandonment Procedure, Conditions of Approval-

- 1. OK
- 2. OK
- 3. OK (Morrow)
- 4. OK (Wolfcamp)
- 5. OK Submit copy of CBL to the BLM and get verbal approval before step 8.5 (plug at 5132') and/or step 9 (stub plug).
- 6. OK WOC and tag (DV Tool)
- 7. OK WOC and tag (Top of Bone Springs)
- 8. CHANGE: Set CIBP at **6808'**, bail 35' of cement on top (Top of perfs 50-100' above perfs) If TOC above 5132': Plug must be a minimum 150' with at least 50' above and 50' below csg shoe. WOC and tag. Plug must be in place for csg shoe regardless of where TOC is located.
- 9. Plug must be 100' with an additional 10' per 1000' depth, or 25sx minimum. WOC and tag. Otherwise, OK. (Csg stub plug)
  CHANGE: Salt plug must extend down to 3440' to cover the top of the Yates. Must tag no shallower than 1300'. (Top of Yates, salt) Plug must be in place as one solid plug regardless of where TOC is located.
- 10. OK (Surface)
- 11. OK
- 12. Submit subsequent report, with details.

See attached standard COA.

DHW 082509

## 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

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 60<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.

- 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. In lieu of a cement plug in a cased hole, 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.

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>Dry Hole Marker</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 well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).
- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and five 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 procedure.

JDW 072709



# United States Department of the Interior

#### BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E Greene St Carlsbad, New Mexico 88220-6292 www.blm.gov/nm



In Reply Refer To: 1310

#### Interim Reclamation Procedures

**Reclamation Objective:** Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses.

Interim reclamation consists of minimizing the footprint of disturbance by reclaiming all portions of the well site not needed for production operations. The portions of the cleared well site not needed for operational and safety purposes are recontoured to a final or intermediate contour that blends with the surrounding topography as much as possible. Sufficient level area remains for setup of a workover rig and to park equipment. Topsoil is respread over areas not needed for all-weather operations. Production facilities should be clustered to maximize the opportunity for interim reclamation. In order to inspect and operate the well or complete workover operations, it may be necessary to drive, park, and operate on restored, interim vegetation within the previously disturbed area. This is generally acceptable provided damage is repaired and reclaimed following use.

To reduce final reclamation costs; maintain healthy, biologically active topsoil; and to minimize habitat, visual, and forage loss during the life of the well, all salvaged topsoil should be spread over the area of interim reclamation, rather than stockpiled.

- The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of
  Operations must include 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 wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). Interim reclamation is to be completed within 6 months of well completion.
- 3. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with interim reclamation as per approved APD or Sundry Notice. If you have issues or concerns, contact a BLM specialist to assist you. It would 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. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.
- 4. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
- 5. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met.

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)

Terry Gregston Environmental Protection Specialist 575-234-5958

Bobby Ballard Environmental Protection Specialist 575-234-2230

Randy Rust Environmental Protection Specialist 575-234-5943

Linda Denniston Environmental Protection Specialist 575-234-5974

Jennifer Van Curen Environmental Protection Specialist 575-234-5905

Justin Frye Environmental Protection Specialist 575-234-5922 Cody Layton Natural Resource Specialist 575-234-5959

Trishia Bad Bear Natural Resource Specialist 575-393-3612

Todd Suter Surface Protection Specialist 575-234-5987

Doug Hoag Civil Engineering Technician 575-234-5979