

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTRECEIVED  
SEP 02 2009  
HOBBSOCDFORM APPROVED  
OMB No 1004-0137  
Expires: March 31, 2007

## 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 reverse side.

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator  
Element Petroleum Operating, Inc.3a. Address  
P. O. Box 50, Midland, TX 79702-00503b. Phone No. (include area code)  
918-621-6533

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

N Sec 20-T9S-R38E  
660 FSL & 1980 FWL5. Lease Serial No.  
NM027887

6. If Indian, Allottee or Tribe Name

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

NM71116

8. Well Name and No.  
Bell Federal Com #39. API Well No.  
30-025-0706710. Field and Pool, or Exploratory Area  
Sawyer; San Andres, Assoc

11. County or Parish, State

Lea

## 12. CHECK 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"/> Fracture Treat	<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 recomplate 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 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 interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

(Please see attached schematic well-bore diagram)

## PROPOSED P/A PROCEDURES:

Plug 1: RIH with CIBP on tubing, set at 4827' (90ft above top perforation); Set BP and tag with tubing to make sure plug is in place;

Spot 25sx of cement on top plug displace with 9.5ppg cut brine

Plug 2: Perforate 4spf @ 2260' (100ft above top of salt) Squeeze 12.5 sx of cement away while leaving 25sx of cement inside of pipe. Allow cement to harden and tag cement ensuring that the plug is set to a depth of at least 2135'. Displace with 9.5 ppg cut brine.

Plug 3: Perforate 4spf @ 500' Squeeze 12.5sx of cement away while leaving 25sx of cement inside of pipe. Allow cement to harden and tag cement ensuring that the plug is set to a depth of at least 400'. Displace with 9.5 ppg cut brine.

Plug 4: Perforate 4spf @ 100'; Squeeze cement circulate to surface inside the 5.5" and 5.5"-8.625" annulus.

Set Dry hole marker, cut off well anchors and clean location.

Please note current operator is Element Petroleum Operating, Inc., copy of 3160-5 change of operator is attached.

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

Connie Swan

Title Regulatory Administrator

Signature

CSwan

Date

08/14/2009

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

DISTRICT 1 SUPERVISOR

Title

Date

SEP 04 2009

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 USC Section 1001 and Title 43 USC 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)

# WELL - BORE DIAGRAM

## Proposed Plugging Procedures

### Bell Federal #3

← Install Dry Hole Marker, Clean location

Plug #4: Perforate 4spf @ 100' Circulate cement to surface, leave hole full of cement.

483' 8 5/8", 24#, J-55 set w/ 200 sx circ  
12 1/4" Hole

Plug #3: Perforate 4 psf 500' Squeeze away 12.5sx of cement leave 25sx in well bore.

Top of salt section @ 2360'

Plug #2: Perforate 4spf at 2260' Squeeze away 12.5sx of cement leave 25sx in well bore.

Est TOC 3800'

Plug #1: Tubing Set CIBP at 4827' Spot 25sx cement on top of plug displace with 9.5ppg cut brine

### San Andres Perfs

← Perf 4917' - 4928' 22 shots

← Perf 4950' - 4994' 88 shots

5019' TD

5 1/2", 14#, J-55

Set w/ 150 sx

7 7/8" Hole

Element Petroleum Operating  
NM-027887: Bell Federal Com #3  
API: 30-025-07067  
Lea County, New Mexico

RE: Plugging and Abandonment Procedure, Conditions of Approval

1. OK
- 1a. Perf at 4225 and squeeze 140' plug (minimum 25 sx). If injection cannot be established, spot plug 50' below the perfs. WOC and tag at 4085' or shallower. (BOS)
2. CHANGE: Perf at 3050' and squeeze a 130' plug (minimum 25 sx). If injection cannot be established, spot plug 50' below the perfs. WOC and tag at 2920' or shallower. (TOS)
3. CHANGE: Perf at 455' and squeeze a 100' plug (minimum 25 sx). If injection cannot be established, spot plug 50' below the perfs. WOC and tag at 355' or shallower. (Csg shoe)
4. OK
5. OK
6. Submit subsequent report, with details.

See attached standard COA.

DHW 082709

**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 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.**

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 prior to commencing any plugging operation. 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 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. 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. **Dry Hole Marker:** 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. **Subsequent Plugging Reporting:** 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. **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 conditions of approval will be developed and furnished to you.