Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135

Expires: July 31, 2010

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.

Lease Serial No NMNM16835 6 If Indian, Allottee or Tribe Name

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SUBMIT IN TRIPLICATE - Other instructions on reverse side.					7 If Unit or CA/Agree	ement, Name and/or No	
Type of Well ☐ Gas Well ☐ Oth			8 Well Name and No MultipleSee Atta	ched			
2 Name of Operator CONCHO RESOURCES INCO	DD		API Well No MultipleSee At	tached			
3a Address 3b Phone No 550 WEST TEXAS AVE. ,SUITE 1300 Ph: 405.76 MIDLAND, TX 79705 Ph: 405.76			o. (include area code 37.4275)	10 Field and Pool, or Exploratory LEA		
4 Location of Well (Footage, Sec., T, R, M, or Survey Description)					11. County or Parish,	and State	
MultipleSee Attached					LEA COUNTY, NM 🗸		
12. CHECK APPI	ROPRIATE BOX(ES) TO	O INDICATE	NATURE OF	NOTICE, R	L EPORT, OR OTHER	R DATA	
TYPE OF SUBMISSION	·						
Notice of Intent	☐ Acidize	□ Dee		Produc	ction (Start/Resume)	□ Water Shut-Off	
☐ Subsequent Report	☐ Alter Casing	_	cture Treat	□ Reclan		■ Well Integrity	
	☐ Casing Repair	_	V Construction	□ Recom	plete	□ Other	
☐ Final Abandonment Notice	☐ Change Plans ☐ Plu		g and Abandon	Temporarily Abandon			
	☐ Convert to Injection ☐ Plu		g Back	■ Water Disposal			
Attach the Bond under which the worfollowing completion of the involved testing has been completed. Final At determined that the site is ready for final CHESAPEAKE, RESPECTFU WATERFLOOD EVALUATION. 1. NOTIFY THE BLM 24 HOU. 2. HOLD TAILGATE SAFETY OPERATIONS. 3. NDWH. NU BOP.	operations. If the operation repandonment Notices shall be filinal inspection.) LLY, REQUESTS PERM PER THE FOLLOWING RS IN ADVANCE PRIOR MEETING PRIOR TO BE	sults in a multip led only after all SPROCEDUI TO PERFOR	le completion or rec requirements, inclu- EMPORARY AE RE. RMING MIT. ORK EACH MO	ompletion in a ding reclamati BANDON TH	new interval, a Form 316 on, have been completed, HIS WELL FOR POS	0-4 shall be filed once and the operator has SIBLE R SPECIFIC	
4. RIH W/CIBP AND SET @ 10,050' AND SPOT 35' CEMENT ON TOP. SEE ATTACHED FOR							
2009 LAST Prod.			C	ONDIT	IONS OF APP	ROVAL	
14 Thereby certify that the foregoing is Com Name (Printed/Typed) HENRY He	# Electronic Submission For CONCHO RESO mitted to AFMSS for proc	DURCES INCO	RPORATED, sei	nt to the Hol 09/04/2009 ((nhs		
Signature (Electronic S	uhmission)		Date 00/03/3	000			
S.g.mare (Electronic s)	THIS SPACE FO	D EEDEDA	Date 09/03/2		OF		
	THIS SPACE PC	N FEDERA	LORSIAIE	OFFICE U	3E		
Approved By DUNCAN WHITLOCK SEP 2 2 2009			TitleLEAD PET Date 09/17/20			Date 09/17/2009	
Conditions of approval, if any, are attached. Approval of this notice does not warrant or ertify 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 Hobbs			_	
itle 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent's	USC Section 1212, make it a	crime for any pe	erson knowingly and	l willfully to n	nake to any department or	agency of the United	

Additional data for EC transaction #73965 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM16835	NMNM16835	NEUHAUS 14 FED 02	30-025-31970-00-S1	Sec 14 T20S R35E NWNE 660FNL 1650FEL
NMNM16835	NMNM16835	NEUHAUS 14 FED 02	30-025-31970-00-S2	Sec 14 T20S R35E NWNE 660FNL 1650FEL

32. Additional remarks, continued

- 5. LOAD WELL WITH PACKER FLUID.
- $6.\ PRESSURE\ UP\ WELL\ TO\ 500\ PSI.\ RECORD\ MIT\ FOR\ 30\ MINUTES.\ IF\ LESS\ THAN\ 10\%\ PRESSURE\ CHANGE\ IS\ 30\ MINUTES\ MIT\ IS\ ACCEPTABLE.$
- 7. BLEED PRESSURE OFF WELL. ND BOP. NU WH.
- 8. RDMO. CLEAN LOCATION.

(CHK PN 890777)

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Temporary Abandonment of Wells on Federal Lands Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

- 1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
- 2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
- 3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.

Wells that successfully pass the casing integrity test may be approved for Temporary Abandonment (TA) status provided that the operator:

- Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval with well bore diagram with all perforations and CIBP's and tops of cement on CIBP's.
- 2. Describes the temporary abandonment procedure.
- 3. Attaches a clear copy or the original of the pressure test chart.
- 4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

- A procedure to repair the casing so that a TA approval can be granted.
- A procedure to plug and abandon the well.

Neuhaus 14 Federal #2. Well may be approved to be TA/SI for a period of 1 Year after successful MIT and subsequent report is submitted. This will be the last and only TA/SI approval. Well must be P&A or plans to convert to WIW submitted by September 1, 2010. IF well is going to be used as a WIW cement behind Production string needs to be circulated to surface or tied back into Inter. Casing string 200 feet. No bleed off is allowed on WIW MIT

Proposal - Workover



NEUHAUS 14 FED 2

Field: Featherstone

County: LEA State:

NEW MEXICO

SEC 14, 20S-35E, 660 FNL & 1650 FEL GL 3,662.00 KB 3,678.00 Location:

Elevation:

KB Height: 16.00

Spud Date: 6/3/1993 Initial Compl. Date: API #: 3002531970 CHK Propterty #: 890777

1st Prod Date: 7/1/1993 PBTD: Original Hole - 11300.0 TD: 11,596.0

