

**Laguna Deep Federal Unit 4
30-025-30695
Cimarex Energy of Colorado
March 8, 2010
Conditions of Approval**

- 1. Notify BLM at 575-393-3612 a minimum of 24 hrs prior to setting CIBP and conducting MIT.**
- 2. CIBP is to be set at 13,090' within 50' to 100' above top perforation and bail 35' of cement on top.**
- 3. A 230' class H cement plug must be set across the top of the Morrow from 12,922'-12,692'**
- 4. Surface disturbance beyond the existing pad must have prior approval.**
- 5. Closed loop system required.**
- 6. A minimum of a 3M BOP is required and must be tested prior to performing operations. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.**
- 7. Operator to have H2S monitoring equipment on location as H2S has been reported from wells in the area.**
- 8. Subsequent sundry with well test and wellbore schematic required.**

CRW 030810

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. The bridge plug is to be capped with 35 feet of cement (if bailed) or 25 sacks (if placed with tubing). 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:

1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval with well bore diagram.
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:

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

Well Name: Laguna Deep Federal Unit 4. Submit Subsequent Report and well bore diagram with all Perforations and CIBP with tops of cement. Well may be approved to be TA for a period of 6 months after successful MIT and subsequent report is submitted.