

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM 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 <input type="checkbox"/> Oil Well <input type="checkbox"/> <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM 82799
2. Name of Operator BTA Oil Producers LLC		6. If Indian, Allottee or Tribe Name ---
3a. Address 104 S. Pecos, Midland, TX 79701	3b. Phone No. (include area code) 432-682-3753	7. If Unit or CA/Agreement, Name and/or No. ---
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UL -D-, Sec. 9, T22S-R34E 1046' FNL & 1273' FWL		8. Well Name and No. Grama Ridge Fed #2
		9. API Well No. 30-025-30884
		10. Field and Pool, or Exploratory Area Grama Ridge Morrow
		11. County or Parish, State Lea Co., NM

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 recompleat 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 recompleat 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.)

BTA Respectfully proposes to P&A this well as follows:

1) MI & RI completion unit. ND WH. NU BOP. 2) RU wireline truck. RIH w/4-1/2" 13.5# csg ga ring to pkr @ 12624'. POH. RIH w/7" 26# ga ring to liner top @ 11542'. POH. 3) RIH w/CIBP for 7" 26# csg on wireline. Set CIBP at +/- 11525'. Cap w/40 feet cmt. 4) RIH w/ 4-1/2" perf gun w/4 JSPF. Perf +/- 5050' w/4 holes. 5) Pick up and RIH w/ 2-7/8" 6.5# EUE Work String to 5500'. 6) Close BOP. Open valve on WH for outside 7" csg. 7) Press up on tbg and determine if there is circ on outside of 7" csg. 8) Circ csg w/9.3# salt gel mud. 9) POH w/tbg. 10) PU cmt ret for 7" 26# csg. RIH to +/- 4950'. Set retainer. 11) RU cmt truck. Pump 60 sx Class H cmt. Displ to the ret w/9.3# salt gel mud and pull out of ret. 12) Circ hole w/9.3# salt gel mud. POH. 13) RIH w/4-1/2" perf gun w/4 JSPF. Perf +/- 1800' w/4 holes. 14) PU pkr for 7" 26# csg. RIH to +/- 1650'. Set pkr. 15) RU cmt truck. Pump 60 sx Class H cmt. Displ to the pkr w/9.3# salt gel mud. 16) Spot P&A plug as follows: 22 sx @ surface. 17) Cut off WH and install dry hole marker. 18) Clean location of all equipment and trash. Rehab per State and BLM requirements.

Wellbore diagrams attached (current and proposed).

Like request submitted to the NMOCD (copy attached).

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

RECLAMATION PROCEDURE
ATTACHED

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Pam Inskeep		Title Regulatory Administrator
Signature <i>Pam Inskeep</i>		Date 02/01/2011
THIS SPACE FOR FEDERAL OR STATE OFFICIAL USE		
Approved by <i>[Signature]</i>	Title Office	<div style="border: 2px solid black; padding: 5px; text-align: center;"> <p>APPROVED</p> <p>FEB 9 2011</p> <p>/s/ Dustin Winkler</p> <p>BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE</p> </div>

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 any statement 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)

COH

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or

present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

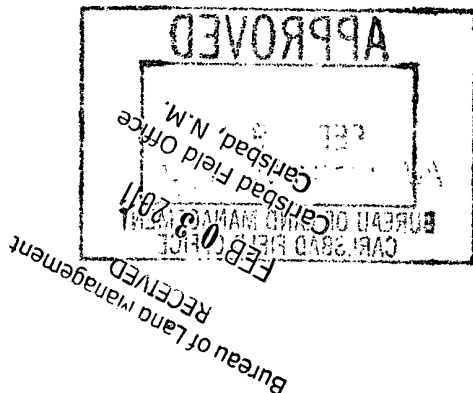
Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency sponsored information collection unless it displays a currently valid OMB control number.

SEE ATTACHED FOR
COMMENTS ON BURDEN ESTIMATE

BURDEN ESTIMATE: Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington D.C. 20240

(Form 3160-5, page 2)



Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

WELL API NO.
30-025-30884
5. Indicate Type of Lease
STATE ☐ FEDERAL ☒ NMNM 82799

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Grama Ridge Fed, 8817 JV-P

8. Well Number 2

9. OGRID Number 260297

10. Pool name or Wildcat
Grama Ridge, Morrow (Gas)

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
BTA Oil Producers LLC

3. Address of Operator
104 S. Pecos, Midland, TX 79701

4. Well Location

Unit Letter D : 1046 feet from the north line and 1273 feet from the west line

Section 9 Township 22S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

BTA Respectfully proposes to P&A this well as follows:

1) MI & RI completion unit. ND WH. NU BOP. 2) RU wireline truck. RIH w/4-1/2" 13.5# csg ga ring to pkr @ 12624'. POH. RIH w/7" 26# ga ring to liner top @ 11542'. POH. 3) RIH w/CIBP for 7" 26# csg on wireline. Set CIBP at +/- 11525'. Cap w/40 feet cmt. 4) RIH w/ 4-1/2" perf gun w/4 JSPF. Perf +/- 5050' w/4 holes. 5) Pick up and RIH w/ 2-7/8" 6.5# EUE Work String to 5500'. 6) Close BOP. Open valve on WH for outside 7" csg. 7) Press up on tbg and determine if there is circ on outside of 7" csg. 8) Circ csg w/9.3# salt gel mud. 9) POH w/tbg. 10) PU cmt ret for 7" 26# csg. RIH to +/- 4950'. Set retainer. 11) RU cmt truck. Pump 60 sx Class H cmt. Displ to the ret w/9.3# salt gel mud and pull out of ret. 12) Circ hole w/9.3# salt gel mud. POH. 13) RIH w/4-1/2" perf gun w/4 JSPF. Perf +/- 1800' w/4 holes. 14) PU pkr for 7" 26# csg. RIH to +/- 1650'. Set pkr. 15) RU cmt truck. Pump 60 sx Class H cmt. Displ to the pkr w/9.3# salt gel mud. 16) Spot P&A plug as follows: 22 sx @ surface. 17) Cut off WH and install dry hole marker. 18) Clean location of all equipment and trash. Rehab per State and BLM requirements.

Wellbore diagrams attached (current and proposed).

Like request submitted to the BLM (copy attached).

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Pam Inskeep TITLE Regulatory Administrator DATE 02/01/2011

Type or print name Pam Inskeep

E-mail address: pinskeep@btaoil.com

Telephone No. 432-682-3753

For State Use Only

APPROVED BY: [Signature] TITLE STAFF MGR DATE 2-23-2011

Conditions of Approval (if any):

Tubing Detail

KB = 26' X-Mas Tree Top Conn.
2 7/8" 10K

@ 1740' - 13-3/8" 54.5# K-55 Surf. Csg. Cmt'd w/ 1650 Sx

@ 5000' - 9-5/8" 36# K-55 Interm Csg. Cmt'd w/ 1850 Sx
TOC @ 6000' by Temp Survey


@ 11772' - 7" 26# S-95 Prod. Csg. Cmt'd w/ 975 sx

@ 12,624' - Baker DB Packer
Fish 2' setting tool, 12' sinker bar, 1' rope socket
CIBP for 2-3/8" tbg set @ 12650'
Morrow Zone Perfs 12,724 - 12,734'; 12,740 - 12,744';
12,762 - 12,766';

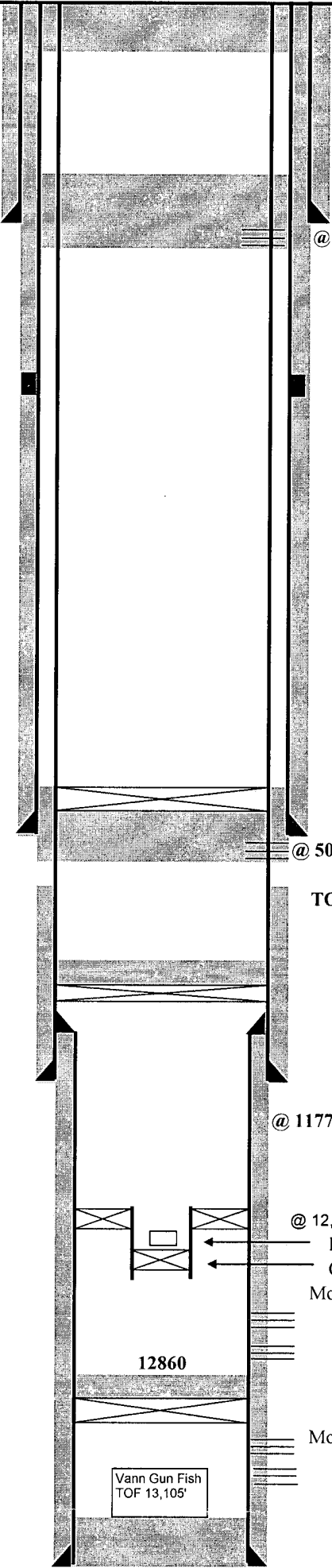
Morrow Zone Perfs 12,905 - 12,913'; 12,917 - 922';
12,995 - 12,999'; 13,051 - 13,056'

Vann Gun Fish
TOF 13,105'

13362 @ 11542 - 13320' -- 4-1/2" 13.5# S-95 Liner Cmt'd w/ 240 Sx

Revised		Current Wellbore		Drawn	TJW
		LEASE: 8817 Grama Ridge Fed.	#2	7/23/2009	
		FIELD: Grama Ridge Morrow			
		LOCATION: 1046 FNL 1273 FEL Sec. 9 T22S R34E		Approved	
		COUNTY: Lea	STATE: New Mexico		
		PRODUCING FORMATION: Morrow		Date	
		 BTA Oil Producers			

Tubing Detail



KB = 26'

X-Mas Tree Top Conn.
2 7/8" 10K

@ 1740' - 13-3/8" 54.5# K-55 Surf. Csg. Cmtd w/ 1650 Sx

Cement Plug from 4950 to 5100'

@ 5000' - 9-5/8" 36# K-55 Interm Csg. Cmtd w/ 1850 Sx

TOC @ 6000' by Temp Survey

CIBP @ 11525' w/ 40' cmt

@ 11772' - 7" 26# S-95 Prod. Csg. Cmtd w/ 975 sx


@ 12,624' - Baker DB Packer
Fish 2' setting tool, 12' sinker bar, 1' rope socket
CIBP for 2-3/8" tbg set @ 12650'
Morrow Zone Perfs 12,724 - 12,734'; 12,740 - 12,744';
12,762 -12,766';

12860

Morrow Zone Perfs 12,905 - 12,913'; 12,917 - 922';
12,995 - 12,999'; 13,051 - 13,056'

Vann Gun Fish
TOF 13,105'

13362 @ 11542 -13320' -- 4-1/2"13.5#S-95Liner Cmtd w/ 240 Sx

Revised		Proposed Plugged Wellbore		Drawn	TJW
		LEASE: 8817 Grama Ridge Fed.	#2		7/23/2009
		FIELD: Grama Ridge Morrow		Approved	
		LOCATION: 1046 FNL 1273 FEL Sec. 9 T22S R34E			
		COUNTY: Lea	STATE: New Mexico	Date	
		PRODUCING FORMATION: Morrow			
		 BTA Oil Producers			

BTA Oil Producers LLC
NM-82799: Grama Ridge Fed #2
API: 30-025-30884
Lea County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

1. OK
2. OK
- 2a. CIBP/packer requires cement on top. Spot 25sx on top. (Perfs – Morrow)
3. Change: Spot cement from 11825'-11490' (approx 35sx). WOC and tag at 11490' or shallower (Casing shoe – Liner top)
- 3a. Spot a cement plug (approx 45sx) from 11240'-11030'. (Wolfcamp)
- 3b. Spot a cement plug (approx 40sx) from 8545'-8355'. (Bone Spring)
- 3c. Perf and squeeze a plug (approx 65sx) from 5850'-5690'. WOC and tag at 5690' or shallower (Delaware)
4. OK
5. OK
6. OK
7. OK
8. OK
9. OK
10. Change: Use a packer and displace down to allow for tagging and verifying of cement – Otherwise OK
11. WOC and tag at 4900' or shallower – Otherwise OK (Casing shoe)
12. OK
- 12a. Perf and squeeze a plug (approx 60sx) from 4290'-4150'. WOC and tag at 4150' or shallower (Capitan Reef)
- 12b. Perf and Squeeze a plug (approx 60sx) from 3935'-3795'. WOC and tag at 3795' or shallower (Yates – BOS)
13. OK
14. OK
15. WOC and tag at 1680' or shallower – Otherwise OK (TOS – Casing shoe)
16. Perforations required at 60' or deeper to verify that cement is to surface in and out of the 7" casing – Otherwise OK (Surface)
17. Verify that all annuluses have cement to surface and fill in as required. Ground Level Dry Hole Marker shall be used in this area; **Requirements attached** – Otherwise OK
18. OK
19. Submit a subsequent report to the BLM.

H₂S monitoring equipment to be on location.

See attached standard COAs.

DHW 020911

Requirements for ground level dry hole markers

Well Identification Markers

Conditions of Approval (COA)

The BLM Carlsbad Field Office (CFO) Conditions of Approval (COA) Requires that ground level dry hole markers be placed on well within the Lesser Prairie Chicken habitat area. The dry hole markers will be to the following specifications. The operator will construct the markers as follows:

1. An 8 inch X 8 inch steel plate 1/8 to 3/16 of an inch thick is to be placed on the old dry hole marker stand pipe 2 inches from ground level, in the Lesser Prairie Chicken habitat area.
2. Steel plate may be welded or bolted approximately 2 inches from ground level on the stand pipes. If plates are bolted to the stand pipe, the person installing the plate will be required to weld a pipe collar on the plate and place a minimum of two set screws/bolt on each collar. Aluminum data plates may be bolted with minimum 1/4 inch bolt and locking nuts or self tapping fine threaded screws. A minimum of one in each corner is to be installed on each plate.
3. An 8 inch x 8 inch aluminum plate, which is 12 gauge or .080 sign material (1/8 inch aluminum plate may be used in place of the .080 plate) with the required information for that well stamped or engraved in a minimum 3/8 inch tall letter or number.
4. The following information will be stamped or engraved on the 8 inch X 8 inch aluminum plate in the following order.
 - a. First row: Operators name
 - b. Second row: Well name and number
 - c. Third row: Legal location to include 1/4 1/4, Section, Township, and range. If the legal location cannot be placed on one row it can be split into two rows with the 1/4 1/4 (example: 1980 FNL 1980 FWL) being on the top row.
 - d. Fourth row: Lease Number and API number.
 - i. Example marker plate: (attached)

NMOCD Order No. R-12965 also required 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 ground level dry hole marker was installed as required in the COA's from the BLM.

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 90th day provide this office, prior to the 90th 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. 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 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 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.**

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). 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 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 procedure.

DHW 122010



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

Reclamation Objectives and 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. At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its pre-disturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip and seed as specified in the original APD COA. This will apply to well pads, facilities, and access roads. Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

1. 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). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. 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.
5. 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.
6. 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 after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

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575-234-5909, 575-361-2648 (Cell)

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