DEC 15 1993

N.M-OIL CONS. COMMISSION P.C JOX 1980 HOBBS, NEW MEXICOM \$4240

Form 3160-5

Approved by __{ORIG_ Conditions of approval, if any

UNITED STATES DEPARTMENT OF THE INTERIOR

Budget Bureau No. 1004-0135 Expires: March 31, 1993 (June 1990) 5. Lease Designation and Serial No. BUREAU OF LAND MANAGEMENT LC-062391 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT - " for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well x Oil Well 8. Well Name and No. Circo Federal 2. Name of Operator **American Exploration Company** 9. API Well No. 3. Address and Telephone No. (713) 756-6399 1331 Lamar, #900, Houston, TX 77010-3088 Corbin Queen 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State Sec. 5, T-18S, R-33E Unit C Lea County NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION X Change of Plans Notice of Intent Abandonment Recompletion New Construction Subsequent Report Non-Routine Fracturing Plugging Back Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Dispose Water Other (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) 1. Dump bail 35' of cement on existing CIBP at 4,065' with wireline bailer. 2. Perforate 4 1/2" csg at 893'. 3. Set retainer at 843'. 4. Circulate cement to surface; leave 35' of cement on top of the retainer. 5. Place 10 sx of cement at the surface. 6.Cut off all casing 3 ft below ground level. 7. Install dead man. All fluid left in the well will be 10 ppg brine with 25 H/bbl gel 14. I hereby eertify that the foregoing is true an 12-14-93 **Regulatory Coordinator** (This space for Federal or State office use)

Title 18 U.S.C. Section 1001, makes 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.

PETROLEUM ENGINEER

DEC 28 1993

Title

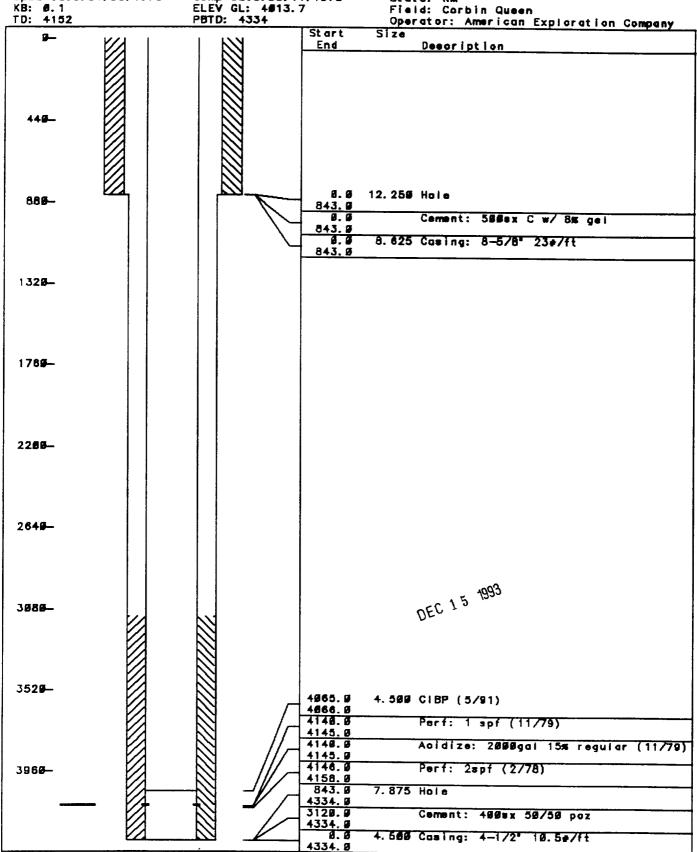
Lease:Citco Federal Well #:1

Location: 995 FNL 1985 FWL Location: Sec 5: T-18N: R-33E:

County: Lea State: NM

Spud Date: 61/69/1978

Comp Date: 63/14/1978 ELEV GL: 4813.7 PBTD: 4334



CARLSBAD RESOURCE AREA

Permanent Abandonment of Wells on Federal Lands

Conditions of Approval

- 1. <u>Approval:</u> Plugging operations shall commence within 90 days from the approval date of plugging procedure.
- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Eddy County call (505)887-6544; for wells in Lea County call (505) 393-3612.
- 3. Blowout Preventers: A blowout preventer (BOP), as appropriate, shall be installed before 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. <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 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 otherwise specified in the approved procedure, the cement plug shall consist of either class "C", for up to 7,500 feet of depth, mixed at 14.8 lbs./gal. with 6.3 gallons of fresh water per sack or class "H", for deeper than 7,500 feet plugs, mixed at 16.4 lbs./gal. with 4.3 gallons of fresh water per sack.

- 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, the name of the operator, the lease serial number, the surveyed location (the 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 <u>date</u> well was plugged.

Following the submittal and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.