		BUREAU ST	N.M. OIL CONS. COMMISSION						
		all and a second	M. OIL CONS. COM						
		1 March	POBOX 1980 POBOX 1980 HORBS NEW MEXICO 88240 FORM APPROVED Budget Burgen No. 1004-0135						
Form 3160-5	LINI	TED STATES	HORBE NEW FORM APPROVED						
(June 1990)		MAN .	Budget Bureau No. 1004-0135						
(*******)		IT OF THE INTERIOR	1935 Expires: March 31, 1993 Lease Designation and Serial No.						
	BUREAU OF	Lease Designation and Serial No.							
	MM17814								
Do not use	this form for proposals to dr Use "APPLICATION FO	ill or to deepen or reentry to a different R PERMIT—" for such proposals they	reservoir						
<u></u>	SUBMIT	7. If Unit or CA, Agreement Designation							
I. Type of Well									
2. Name of Operat	Well Other		8. Well Name and No.						
•	al Energy, Inc.	Hodges Federal #1 9. API Well No.							
3 Address and Te		30-025-27800							
10701 N	. Broadway Extension,	Oklahoma City, OK 73114 (405)	749-9992 10. Field and Pool, or Exploratory Area						
4 Location of Wei	II (Footage, Sec., T., R., M., or Survey D	escription)	Sandhills Gravburg/San Andre						
			11. Coust or Parish, State						
330° FSI	L & 330 ' FEL of SE/4 S	ec. 31-20S-39E							
			Lea County, New México						
12 CH		s) TO INDICATE NATURE OF NOTIC							
TYI		ТҮРЕ							
Notice of Intent			Change of Plans						
		Recompletion							
Subsequent Report		Plugging Back	Non-Routine Fracturing						
	Final Abandonment Notice	Casing Repair	Water Shut-Off						
_		Other							
			(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)						
13 Describe Propos	sed or Completed Operations (Clearly state a	I pertinent details, and give pertinent dates, including estimat al depths for all markers and zones pertinent to this work.	ed date of starting any proposed work. If well is directionally drilled,						
-		• •							
1. Estima	ated starting date 3/2	20/95. MIRU w/o rig. TOH & I	D rods and pump. ND pumping						
flange. NU BOP's. TOH w/2 3/8" tbg. TIH w/CIBP on 2 3/8" tbg. and set at 4250'. Pump and spot a 50' cmt. plug on top of CIBP. Load hole w/plug mud. TOH w/tbg.									
ND BOP's.									
		csg. Run stretch calculation	s. Shoot csg. off at free point.						
	nd LD 5 $1/2$ " csg.	/ / / / /							
3. TIH W	3. TTH w/2 3/8" tbg. to a point 75' inside of 5 $1/2$ " csg. stub. Mix and spot a 30 sx.								
	cmt. plug (75' inside 5 1/2" csg., 75' above:5:1/2" csg. stub). TOH w/tbg. to 1700'. Mix and spot a 50 sx. cement plug from 1700' - 1600' (50' below surface csg. and 50'								
inside	e surface csg.). TOH	w/tbg. to 40'. Mix and spot	a 15 sx. cmt. plug from						
40' ta	40' to 3'. RD w/o rig. Cut off surface csg. 3' below ground level. Weld on ID plate.								
4. Restore location.									
Note: See attached wellbore sketch for well details.									
14. I hereby ceruly that the foregoing is true and correct Signed Deniel Just Just									
(This space for TORIGE SCO.T') OF G. LARA									
Conditions of a	ipproval, if any: Sec ottor	hed Also the has a	chillion stub of CST and the						
Approved by Title Date									

		17-51 (L			
Title 18 U.S.C. Section 1001, makes it a crime	e for any person know	vingly and willfully to main	ke to any department or agency of	the United States any false, fictitious	or fraudulent statements
or representations as to any matter within its ju	urisdiction.			•	



BUREAU OF LAND MANAGEMENT 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. <u>Blowout Preventers</u>: 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. <u>Dry Hole Marker:</u> 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.