MINIMUM REQUIREMENTS FOR CASING INTEGRITY TESTING OF WELLS ON FEDERAL LEASES IN THE CARLSBAD RESOURCE AREA

1. Contact the appropriate BLM office at least 24 hours prior to the scheduled test. (For Eddy County call (505) 887-6544; for Lea County call (505) 393-3612)

NOTE: A RLM technician must be present to witness all casing integrity tests.

2. A retrievable bridge plug or packer shall be set a maximum of 50 feet above any open perforations.

3. All downhole production equipment (tubing, rods, etc.) must be removed from the casing if they are not isolated by a packer.

4. The casing must be filled with fluid and pressure tested to 500 pai. Furthermore, the casing must be capable of holding this pressure for at least 15 minutes with a 10% allowable leak-off (i.e., 450 psi).

5. Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment status provided that the operator submits a subsequent Sundry Notice requesting TA approval, and attaches a copy of the pressure test chart.

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