N.M. OIL CONS. COMMISSION Form 3160-5 UNITED STATES FORM APPROVED (June 1990) DEPARTMENT OF THE INTERIOR BOX 1980 BUREAU OF LAND MANAGEMENTS, MEW MEXICO ESO SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different because it. Use "APPLICATION FOR PERMIT—" for such proposals HOBBS, NM 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE I. Type of Well N/A Oil Well 8. Well Name and No. 2. Name of Operator ARCH PETROLEUM, INC C.E. LaMunyon #48
9. API Well No. 3. Address and Telephone No. 30-025-26176 777 Taylor sT., Penthouse II-A, Ft. Worth, TX 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Teague Abo 760' FNL & 2310'FEL 11. County or Parish, State Sec. 27-T23S-R37E Lea, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion **New Construction** Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Temporary Abandon (Note: Report results of multiple completion on Well 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.)\* Completion or Recompletion Report and Log form.) This well is being evaluated for future recompletion to another zone. There are several zones that are currently being looked at as productive in economic quantities. This work will commence in 1995 as this is scheduled with other planned work in the area. 14. I hereby certify that the foregoing is true and correct Operations Manager 10/20/94

Approved by Conditions of approval, if any: See attached.

Title FETROLEUM ENGINEER

Date 11/16/94

## BUREAU OF LAND MANAGEMENT CARLSBAD RESOURCE AREA

## Temporary Abandonment of Wells on Federal Lands

## Conditions of Approval

According 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 casing integrity test as follows:

- 1. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County call (505) 887-6544; for wells in Lea County call (505) 393-3612.
- A bridge plug or packer shall be set at a maximum of 50 feet above any open perforations or open hole.
- 3. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
- 4. The production casing shall 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 leak-off.

Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment (TA) status for 12 months provided that the operator:

- 1. Submits a subsequent Sundry Notice requesting TA approval,
- Attaches a clear copy or the original of the pressure test chart,
- 3. And attaches a detailed justification why the well should not be plugged and abandoned.

The TA status could be extended without another casing integrity test provided there was no leak-off during the test.

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.