The following document refers to the General Guidelines for Temporary Abandonment (TA) of Wells approved on Jan. 1, 2012 and reaffirmed by the North Dakota Industrial Commission on Oct. 22, 2015. Please note that in accordance to the guidelines, the approval of TA status requires a full file review and consideration of any documented mineral or landowner concerns.

To determine if a well may be nearing TA status- please use the <u>well search</u> function on our website. Search for your well(s) by operator, legal location and/or field.

Locate wells on Not Complete (NC) status.

Check status date. NC status is only allowed for one year.

If you wish to document an objection to TA approval:

Submit a letter, either specific to each well or a general letter identifying each well, being sure to include:

- 1. The well name and file number.
- 2. Identify yourself and your interest in the well, i.e. surface owner, mineral owner, working interest owner.
- 3. Any concerns and objections.

A copy of the letter will be placed into the well file for each well identified. The well file will be reviewed while processing a Sundry Notice – Form 4 application with proposed procedures to temporarily abandoned (TA) the subject well.

As with each TA status request, we take into consideration all documented complaints and concerns or objections that we are aware of prior to processing the TA status request. Each well will be handled individually and the outcome may vary from well to well.

General Guidelines for Temporary Abandonment of Wells

1. Proposed TA Approval Procedure

Prior to approving either written or verbal procedures, be sure that plug back of deeper zones is appropriately and adequately addressed.

- 1. The operator files proposed TA procedures or obtains verbal approval of TA procedures. If a verbal is given, the verbal form must be filled out for the well file
- 2. The operator is required to provide the future intended use for the well. TA status may only be given to wells that are to be used for purposes related to the production of oil and gas.
- 3. To provide consistency with the current UIC policy, if SWD is identified as the intended future use for the well, surface casing must have been set at least 50 feet into the Pierre Shale. If surface casing is not adequate, the proposed TA procedures cannot be approved for SWD.
- 4. Placing isolation plugs inside casing above the known cement top behind casing should be avoided.
- 5. The perforations may be isolated with a CIBP, a CICR or some other mechanical tool. Isolation of the perforations with a balanced cement plug could be considered if a CIBP, CICR or some other mechanical tool are not considered viable options. If the isolation method is a CICR, cement may not be required at

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- time of TA. Whenever practical, isolation of perforated or open hole zones should meet permanent abandonment standards.
- 6. The preferred location of a mechanical plug is 50' to 100' above the top of the perforations. If a balanced cement plug is used to isolate perforations, it should extend at least 100' above the top of the perforations and must be tagged. Silica flour recommendations should be followed per NDIC General Guidelines for Plugging.
- 7. Wells must be inspected by the operator at least once per year for pressure. Note the operator must report the pressure and the respective inspection date from the most recent inspection on any request to extend the TA status.
- 8. The Field Inspector must witness and document the MIT on the Well Integrity Report. The Inspector should attempt to report all tools set in well, perforations squeezed, cement volumes and other pertinent data. The operator is required to file a sundry notice reporting the work done.

2. Subsequent Report of TA Procedures

- 1. The operator is required to submit for approval a subsequent report of the TA procedures.
- 2. Ensure MIT was approved or conditionally approved.
- 3. The operator is required to provide the future intended use for the well. TA status may only be given to wells that are to be used for purposes related to the production of oil and gas.
- 4. To provide consistency with the current UIC policy, if SWD is identified as the intended future use for the well, surface casing must have been set at least 50 feet into the Pierre Shale. If surface casing is not adequate, the TA status cannot be approved for SWD.
- 5. Wells must be inspected by the operator at least once per year for pressure. Note the operator must report the pressure and the respective inspection date from the most recent inspection on any request to extend the TA status.

3. TA Extension Requirements

- 1. The director may extend a well's TA status beyond one year. The operator must submit for approval a request to extend the TA status. A fee of one hundred dollars shall be submitted for each application to extend the TA status of any well.
- 2. The operator is required to provide the future intended use for the well. TA status may only be given to wells that are to be used for purposes related to the production of oil and gas.
- 3. To provide consistency with the current UIC policy, if SWD is identified as the intended future use for the well, surface casing must have been set at least 50 feet into the Pierre Shale. If surface casing is not adequate, the TA status cannot be extended for SWD.
- 4. Wells must be inspected by the operator at least once per year for pressure. The operator must report the pressure and the respective inspection date from the most recent inspection on any request to extend the TA status.

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4. Mechanical Integrity Test (MIT) Requirements

- 1. Standard pressure requirement is 1000 psi with a maximum pressure drop of 10% in 15 minutes. If the well does not pass the standard test, it must be repaired or plugged.
- 2. Wells must be tested at least once every five years. Wells that have lost a significant amount of fluid since the previous MIT should be considered for more frequent testing.
- 3. Test procedures follow field guidelines and safety precautions when performing MIT.

5. Inspections & Monitoring Requirements

Wells will be inspected by the operator at least once per year. Any pressure or leakage discovered by the operator must be reported to the NDIC immediately.

6. Revocation of TA Status

1. Failure of MIT:

Unable to reach test pressure or,

Pressure drop more than 10% or,

Excess fluid required to reach test pressure.

- 2. Fails monitoring requirement in part 5 above.
- 3. Reason for TA no longer valid.
- 4. Consideration of mineral/landowner/field inspector concerns that are in the well file and field inspector notes in RBDMS.

7. Access to Well Sites

Reasonable access to TA well sites must be maintained.

8. TA Observation Wells

- 1. Operator files proposed TAO procedures for approval. Isolation of open zone shall be by tubing and a packer or some other acceptable method. Packer must be set below TOC. A plan for monitoring the reservoir must be provided and the reservoir monitoring results must be reported at least annually.
- 2. Inspection and all other requirements, where applicable, will be the same as for TA wells.

Note: The foregoing are guidelines only and may be altered for good cause to meet specific conditions.

Reference

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Requirements of NDAC 43-02-03-55

The director may waive for one year the requirement to plug and reclaim an abandoned well by giving the well temporarily abandoned status. This status may only be given to wells that are to be used for purposes related to the production of oil and gas. If a well is given temporarily abandoned status, the well's perforations must be isolated, the integrity of its casing must be proven, and its casing must be sealed at the surface, all in a manner approved by the director. The director may extend a well's temporarily abandoned status beyond one year. A fee of one hundred dollars shall be submitted for each application to extend the temporary abandonment status of any well.

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