

District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
311 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

<p>WELL API NO. <b>30-015-24742</b></p>	
<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>	
<p>6. State Oil &amp; Gas Lease No.</p>	
<p>7. Lease Name or Unit Agreement Name <b>CAVE STATE</b></p>	
<p>8. Well Number <b>#4</b></p>	
<p>9. OGRID Number <b>14070</b></p>	
<p>10. Pool name or Wildcat <b>CAVE GB/SA</b></p>	
<p>SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p>	
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>	
<p>2. Name of Operator <b>STATE OF NEW MEXICO formerly MARKS &amp; GARNER</b></p>	
<p>3. Address of Operator <b>811 S. FIRST ST. ARTESIA, NM 88210</b></p>	
<p>4. Well Location Unit Letter <b>F</b> : <b>1650</b> feet from the <b>NORTH</b> line and <b>1650</b> feet from the <b>WEST</b> line Section <b>4</b> Township <b>17S</b> Range <b>29E</b> NMPM County <b>EDDY</b></p>	
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.)</p>	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p>		<p>SUBSEQUENT REPORT OF:</p>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
<p>OTHER: <input type="checkbox"/></p>		<p>OTHER: <input type="checkbox"/></p>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

**SEE ATTACHED PLUGGING PROCEDURE**

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mary Brown TITLE Compliance Officer DATE 1/28/2013

Type or print name \_\_\_\_\_ E-mail address: \_\_\_\_\_ PHONE: \_\_\_\_\_

APPROVED BY: E. Gonzalez TITLE DIST. MGR DATE 1-28-2013  
Conditions of Approval (if any): \_\_\_\_\_

State of New Mexico formerly MARKS & GARNER PRODUCTION LTD CO \_\_\_\_\_

LEASE NAME CAVE STATE #4 API 30-0 15 - 24742

Section 4 -T 17 S-R 29 E FROM 1650 N / 5 L, 1650 5 / W L.

**SPECIAL NOTE**—Mud Laden Fluid will consist of 9.5# brine with 12.5# Salt Gel per BBL (25 sacks of gel/ per 100 BBLS Brine). All cement plugs will be 25 sacks of cement or 100', whichever is greater. **Unless otherwise specified in the approved procedure**, cement plugs shall consist of class "C" for depths to 7500'. Class "H" will be used for plugs deeper than 7500'.

1. MIRU plugging unit. Lay down production equipment.
2. Set CIBP @ 2375 '. Circulate MLF. Spot 25 sxs cmt on CIBP.
3. ~~Perf~~/ Spot 25 sxs cmt @ 1800 '. If perf. WOC and TAG.
4. ~~Perf~~/Spot @ 405 '. ~~Spot~~ w/ sufficient volume to circ cmt to surface inside/~~outside~~ of csg strings.
5. Cutoff wellhead and anchors, install marker.

-----SPECIAL NOTES-----

INMMENT WORKSHEET  
OPERATOR STATE OF NM formerly MARKS: GARNER  
LEASENAME CAVE STATE

OPERATOR STATE OF N  
EASENAME CAVE STATE

SECT  
FROM  
TD:  
PBTD:

$$\begin{array}{r} 4 \\ \hline 1650 \end{array}$$

TWN  
N/S L

WELL # 4

175

**RNG**

29E

FORMATION @ TD

FORMATION @ PBTD

12'14"  
HOLE

405' TO  
SURFACE

85/8  
@ 355  
TOC SURF

7 7/8

✓ 255x3 cmt  
@ 1800

255x5  
CMT →

QIBP@2375  
2421'-2500'

5 1/2" 15.5"  
@ 255L  
TOC SURE

TD 2556

	SIZE	SET @	TOC	TOC DETERMINED BY	
SURFACE					
INTMED 1					
INTMED 2					
PROD					
	SIZE	TOP	BOT	TOC	DETERMINED BY
LINER 1					
LINER 2					
	CUT & PULL @			TOP - BOTTOM	
INTMED 1			PERFS	-	
INTMED 2			OPENHOLE	-	
PROD					

**\* REQUIRED PLUGS DISTRICT I**

RUSTLER (ANGYD)	
YATES	
QUEEN	
GRAYBURG	
SAN ANDRES	
CAPTAIN REEF	
DELAWARE	
BELL CANYON	
CHERRY CANYON	
BRUSHY CANYON	
BONE SPRING	
OKOKIETA	
BUNEBRY	
TUBS	
DRINKARD	
ABO	
WC	
PERN	
STRAWN	
ATOKA	
WOSKOW	
MISS	
DEVORHAN	

[illegible]

\* WTR FLOW @ 1785' UP TO 10 BBL/HR.

## Considerations for Plugging Quote Bid

1. Inspections of roads and locations that may require repair to get equipment to/from job site.
2. Inspections, testing or installation of anchors.
3. Rental equipment that may be required for job.
4. Fresh and brine water requirements for plugging.
5. Removal of liquids and solids to approved disposal site.
6. Other expenses that may be required to complete job.
7. Provide daily estimate cost to District office.
8. Upon completion of plugging file C-103 subsequent report with OCD. This is to include cement volumes, cement tags and date well was plugged.
9. Provide District office final invoice for approval.

This is not a complete list but a guideline to help in the bid process.