Office 1 <u>District 1</u> – (575) 393-6161 Energy,	State of New Mexico Minerals and Natural Resources	Form C-103 Revised August 1, 2011				
1625 N. French Dr., Hobbs, NM 88240 District II – (575) 748-1283		WELL API NO. 30-005-62695				
811 S. First St., Artesia, NM 88210 OIL CO	ONSERVATION DIVISION	5. Indicate Type of Lease				
District III – (505) 334-6178 2 1000 Rio Brazos Rd., Aztec, NM 87410	20 South St. Francis Dr.	STATE X FEE				
<u>District IV</u> – (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM	Santa Fe, NM 87505	6. State Oil & Gas Lease No.				
87505						
SUNDRY NOTICES AND REI (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL O		7. Lease Name or Unit Agreement Name				
DIFFERENT RESERVOIR. USE "APPLICATION FOR PER	MIDDLE CREEK AOI STATE					
PROPOSALS.) 1. Type of Well: Oil Well X Gas Well	8. Well Number 1					
2. Name of Operator	9. OGRID Number					
Vanguard Operating LLC						
3. Address of Operator		10. Pool name or Wildcat				
5847 San Felipe St., Suite 3000, Houston, TX	//05/	Pecos Slope; ABO, West				
4. Well Location	t from the North line and	660 feet from the West line				
	wnship 08S Range 23E a (Show whether DR, RKB, RT, GR, e.	INIVITIVI County				
	3912 GR					
12. Check Appropriate I	Box to Indicate Nature of Notic	e, Report or Other Data				
NOTICE OF INTENTION		BSEQUENT REPORT OF:				
		· · · · ·				
TEMPORARILY ABANDON		RILLING OPNS. PANDA				
PULL OR ALTER CASING DULTIPLE C	— 1					
DOWNHOLE COMMINGLE						
OTHER: 13 Describe proposed or completed operation	Clearly state all pertinent details	and give pertinent dates, including estimated date				
of starting any proposed work). SEE RUL						
proposed completion or recompletion.	· · · · ·					
		24 hrs. price to				
1. Notify OCD 24 hrs prior to MIRU P&A equip.	OCE	work done				
 Set CIBP @ 2819' tag CIBP w/tbg circ hole w/MLF t Spot 25 sx's cmt F/2819'-2719 WOC & TAG ifrequencies 		41 ÷				
4. Spot 50 sx's cmt F/885'-550' WOC & TAG (8 5/8" S	HOE) Perf @ 885 4	Attempt &. Circ RECEIVED				
5. Spot 15 sx's cmt @ 30'-surf. – $Pert @ /c$	D + Attempt to Circ.					
6. RD cutoff wellhead and anchors, install dry hole ma	arker & move off.	MAR 1 2 2019				
<i>,</i>						
		DISTRICT II-ARTESIA O.C.D.				
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Part 10,000 - 2000 - 2000 - 2000 - 2000 - 2000 - 2000 - 2000 - 2000 - 2000 - 2000 - 2000 - 2000 - 2000 - 2000 -						
Spud Date:	Rig Release Date:					
		J				
K See Attached CoAi	Must be A	Jurced by 3/13/20				
η hereby certify that the information above is true as	nd complete to the best of my knowle	dge and belief.				
Λ						
SIGNATURE	TITLE Agent	DATE 03/07/19				
Type or print name Jimmy Bagley	E-mail address: sunsetwellservice	e@yahoo.com PHONE:				
For State Use Only						
APPROVED BY: AT COME TITLE STATE ME DATE 3/13/19						
Conditions of Approval (if any):						
	Ĺ	-1212-12-131-				

LEASE/WELL:	MIDDLE CREEK AOI STATE #1		GR	3912	
LOCATION	990' FNL & 660' FWL D-SEC 33- T08S-R23E		SPUDDED	5/30/1989	
CO/ST:	CHAVES COUNTY, NEW MEXICO		COMPLETED	7/1/1989	
FIELD:	PECOS SLOPE; ABO, WEST		LAT LONG	33.5813751 -104.627304	
API NO.	30-005-62695	BEFORE P\$A	FORMATION TO GLORIETA YESO ABO	% PER C-105 610 745 2815	
	12-1/4" HOLE 8-5/8" 24# J-55 ST&C CMT W/ 750 SX	Balance and a second seco	8-5/8" TOC @ 600' BY T	S. SPOT 5 PLUGS (300 SX TOT	'AL) TO CIRC

7-7/8" HOLE

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ABO PERFS: 2,869-3,318' (22 HOLES) -ACIDIZE W/ 2,000 GALS 7.5% HCL -FRAC W/ 50,000 GALS KCL & 85,000# 20/40 SAND

4-1/2" 9.5/10.5# J-55 ST&C CMT W/ 500 SX.

PBTD: 3,432' TD: 3,500'

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3,498

KDZ 03-04-2019

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CO/ST:	CHAVES COUNTY, NEW MEXICO		COMPLETED	7/1/1989
FIELD:	PECOS SLOPE; ABO, WEST		LAT LONG	33.5813751 -104.627304
API NO.	30-005-62695		FORMATION TOPS	
		Acres Oto	GLORIETA YESO	610 745
		AFTER PAA	ABO	2815
	12-1/4" HOLE	ORIGINAL	3-5/8" TOC @ 600' BY TS.	F 130-5VRF SPOT 5 PLUGS (300 SX TOTAL) TO CIRC
	8-5/8" 24# J-55 ST&C CMT W/ 750 SX	2 3 ^{834'} SPa	π 503×3 F	1885-550 WOC4TAG
				,
	7-7/8" HOLE	MLF		
		SPOT Z CIBPE	5 5x`s cmT 2819'	on TOP 2819-2719'

ABO PERFS: 2,869-3,318' (22 HOLES) -ACIDIZE W/ 2,000 GALS 7.5% HCL -FRAC W/ 50,000 GALS KCL & 85,000# 20/40 SAND

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PBTD: 3,432' TD: 3,500'

CONDITIONS FOR PLUGGING AND ABANDONMENT

District II / Artesia N.M.

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, Notify NMOCD District Office II at (575)-748-1283 at least 24 hours before beginning work.

- 1. A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs.
- 2. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.
- 3. Trucking companies being used to haul oilfield waste fluids to a disposal commercial or private shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall be able to produce a copy upon request of an NMOCD Field inspector.
- 4. Filing a subsequent C-103 will serve as notification that the well has been plugged.
- 5. A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can be released.
- 6. If the well is not plugged within 1
- 7. If work has not begun within 1 Year of the approval of this procedure, an extension request must be file stating the reason the well has not been plugged.
- 8. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.
- 9. Produced water will not be used during any part of the plugging operation.
- 10. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
- 11. All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
- 12. Class 'C' cement will be used above 7500 feet.
- 13. Class 'H' cement will be used below 7500 feet.
- 14. A cement plug is required to be set 50' above and 50' below, casing stubs, DV tools, attempted casing cut offs, cement tops outside casing, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged
- 15. All Casing Shoes Will Be Perforated 50' below shoe depth and Attempted to be Squeezed, cement needs to be 50' above and 50' Below Casing Shoe inside the Production Casing

- 16. When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set
- 17. A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.
- 18. A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, (WOC 4 hrs and tag).
- 19. No more than **3000' is allowed between cement plugs in cased hole and 2000' in open** hole.
- 20. Some of the Formations to be isolated with cement plugs are: These plugs to be set to isolate formation tops
 - A) Fusselman
 - B) Devonian
 - C) Morrow

. . .

- D) Wolfcamp
- E) Bone Springs
- F) Delaware
- G) Any salt sections
- H) Abo
- I) Glorieta
- J) Yates.
- K) Potash--- (In the R-111-P Area (Potash Mine Area), a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, WOC 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.
- 21. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, WOC and tagged. These plugs will be set 50' below formation bottom to 50' above formation top inside the casing

DRY HOLE MARKER REQUIRMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least ¼" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

1. Operator name2. Lease and Well Number3.API Number4. Unit Letter5. QuarterSection (feet from the North, South, East or West)6. Section, Township and Range7. Plugging Date8. County(SPECIAL CASES)------AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS

In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)