

Office
 District I – (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II – (575) 748-1283
 811 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

Form C-103
 Revised July 18, 2013

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

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.)		WELL API NO. 30-025-48081
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other: Acid Gas Injection Well <input checked="" type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Ameredev Operating, LLC		6. State Oil & Gas Lease No.
3. Address of Operator 2901 Via Fortuna, Ste 600, Austin, Tx. 78746		7. Lease Name or Unit Agreement Name Independence AGI
4. Well Location Unit Letter _C_: _829_ feet from the _NORTH_ line and _1,443_ feet from the _EAST_ line Section 20 Township 25S Range 36E NMPM County LEA		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,103 (GR)		9. OGRID Number 372224
10. Pool name or Wildcat AGI: Devonian / Fusselman		

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input checked="" 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 checked="" type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

While drilling the 8 ½" Production section of the Independence AGI #1 the wellbore became unstable and a clean out run was performed in order to improve both the wellbore conditions as well as the mud properties prior to continuation of this section. At approximately 14,300', while performing the clean out run, a trip for a new bit was recommended and subsequently performed. Once on surface it was noticed that the bit, bit box and two joints of 5" HWDP was left in the hole.

Attempted to fish the lost tools without success.

Ameredev requests permission to set a cement plug (cement specifications below) from the depth of 14,200' to 13,235' MD (70bbls with 10% excess to give a total volume of 77bbls).

Once this plug is set Ameredev will then polish the cement from TOC of 13,235' MD to an approximate depth of 13,355' MD and begin time drilling approach to the south and west in order to create maximum displacement from the original borehole.

Overview

Plug Nr	Density (ppg)	Yield (cf/Sx)	Water, gps	Depth From (ft)	Depth To (ft)	OH Exs	Csg Exs%	Temp (°F)	Vol (bbl)	Vol Sx		
Plug 1	17.50	0.95	3.5	13,200	14,200	10%		165	77.0	455.0		

Plug 1 Spacer

29 bbls Spacer: Fresh Water @ 8.34 ppg

Plug 1

Class H + 2% Salt BWOW + 0.2% CFL-1 + 0.8% CFR-1 + 0.2% CR-1 + 0.1% CR-2

Plug Depth	14,200 ft	Slurry Density	17.5 ppg	Temp (F)	165 °F
Plug length	1,000 ft	Yield	0.95 cf/Sx		
Volume	455 Sx	Water	3.46 gps		

Plug 1 Displacement

11 bbls Spacer: Fresh Water @ 8.34 ppg

TBD bbls Displacement: Native Hole Mud @ TBD ppg

Spud Date:

December 27, 2020

Rig Release Date:

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

SIGNATURE J.T. Wilkerson TITLE Drilling Manager DATE 03/22/21

Type or print name _____ E-mail address: _____ PHONE: _____

For State Use OnlyAPPROVED BY: Phillip R. Letze TITLE UIC Manager DATE 03/24/2021

Conditions of Approval (if any): _____

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CONDITIONS

Action 21629

CONDITIONS OF APPROVAL

Operator: AMEREDEV OPERATING, LLC Suite 600 Austin, TX78746		2901 Via Fortuna	OGRID: 372224	Action Number: 21629	Action Type: C-103A
OCD Reviewer pgoetze			Condition None		