

Well Name: FEDERAL L	Well Location: T20S / R34E / SEC 25 / SENW /	County or Parish/State: LEA / NM
Well Number: 01	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM56265	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002520811	Well Status: Water Disposal Well	Operator: CHISHOLM ENERGY OPERATING LLC

Notice of Intent

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 05/10/2021

Time Sundry Submitted: 02:09

Date proposed operation will begin: 06/30/2021

Procedure Description: 1) SET 7" CIBP @ 3,630'; CIRC. WELL W/ M.L.F.; PUMP 25 SXS. CMT. @ 3,630'-3,530' (T/YATES); WOC X TAG TOC. 2) PERF. X ATTEMPT TO SQZ. 50 SXS. CMT. @ 903'-803' (13-3/8" CSG.SHOE); WOC X TAG TOC. 3) PERF. X CIRC. TO SURF., FILLING ALL ANNULI, 40 SXS. CMT. @ 100'-3'. 4) DIG OUT X CUT OFF WELLHEAD 3' B.G.L.; VERIFY CMT. TO SURF. ON ALL ANNULI; WELD ON STEEL PLATE TO CSGS. X INSTALL BELOW GROUND DRY HOLE MARKER. DURING THIS PROCEDURE WE PLAN TO USE THE CLOSED-LOOP SYSTEM W/ A STEEL TANK AND HAUL CONTENTS TO THE REQUIRED DISPOSAL, PER OCD RULE 19.15.17.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

ChisholmEnergyFederalL001WBD_20210510140931.pdf

Accepted for Record Only

K7

SUBJECT TO LIKE APPROVAL BY BLM

NMOCD 6/14/21

Well Name: FEDERAL L

Well Location: T20S / R34E / SEC 25 /
SENW /

County or Parish/State: LEA /
NM

Well Number: 01

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM56265

Unit or CA Name:

Unit or CA Number:

US Well Number: 3002520811

Well Status: Water Disposal Well

Operator: CHISHOLM ENERGY
OPERATING LLC

Conditions of Approval

Specialist Review

Federal_L_01_Sundry_ID_2386575_P_A_20210516110850.pdf

Operator Certification

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: DAVID EYLER

Signed on: MAY 10, 2021 02:09 PM

Name: CHISHOLM ENERGY OPERATING LLC

Title: Agent

Street Address: 415 W. WALL AVE.,SUITE 1118

City: MIDLAND

State: TX

Phone: (432) 687-3033

Email address: DEYLER@MILAGRO-RES.COM

Field Representative

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: LONG VO

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5752345972

BLM POC Email Address: lvo@blm.gov

Disposition: Approved

Disposition Date: 05/16/2021

Signature: Long Vo

FEDERAL L SWD #1_PA WORK PLAN

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CURRENT WELLBORE DIAGRAM

LEASE: <u>Federal L</u>	WELL: <u>1</u>	FIELD: <u>0</u>	API: <u>30-025-20811</u>
LOC: <u>1650 FN & 1980 FW</u>	SEC: <u>25</u>	BLK: <u>T20S R34E</u>	Reservoir
SVY: <u>0</u>	GL: <u>3702</u>	CTY/ST: <u>Lea Co., NM</u>	SPUD: <u>1/14/1964</u>
CURRENT STATUS: <u>Active</u>	KB: <u>0</u>	DF: <u>3724</u>	TD DATE: <u>5/18/1964</u>
			COMP. DATE: <u>1/0/1900</u>

FRESH WATER
DEPTH:

HOLE SIZE: 17.5"
 SURF CSG & SIZE: 13-3/8" 48# H-40
 SET @: 853'
 SXS CMT: 800
 CIRC: yes: 60 sx
 TOC AT: Surf
 TOC BY: Circ

COMMENTS:

*******GEOLOGY*******

**TOPS OF ALL ZONES
PRODUCTIVE OF HYDRO-
CARBONS:**

TBG: 0
JTS: 0
SN: 0
TAC: 0
ROD SIZE:

PKR:
TYPE:

OH ID:
COTD:
PBSD: 5386'
TD: 14700'

HOLE SIZE: 12.25"
 INT. CSG & SIZE: 9-5/8" 40# N-80 & J-55
 SET @: 5490'
 SXS CMT: 1st stage 312 sx C + 200 sx C circ 75 sx
 CIRC: 2nd stage 675 sx C + 200 sx C circ 25 sx
 TOC AT: Surface
 TOC BY: Circ

CURRENT PERFS:

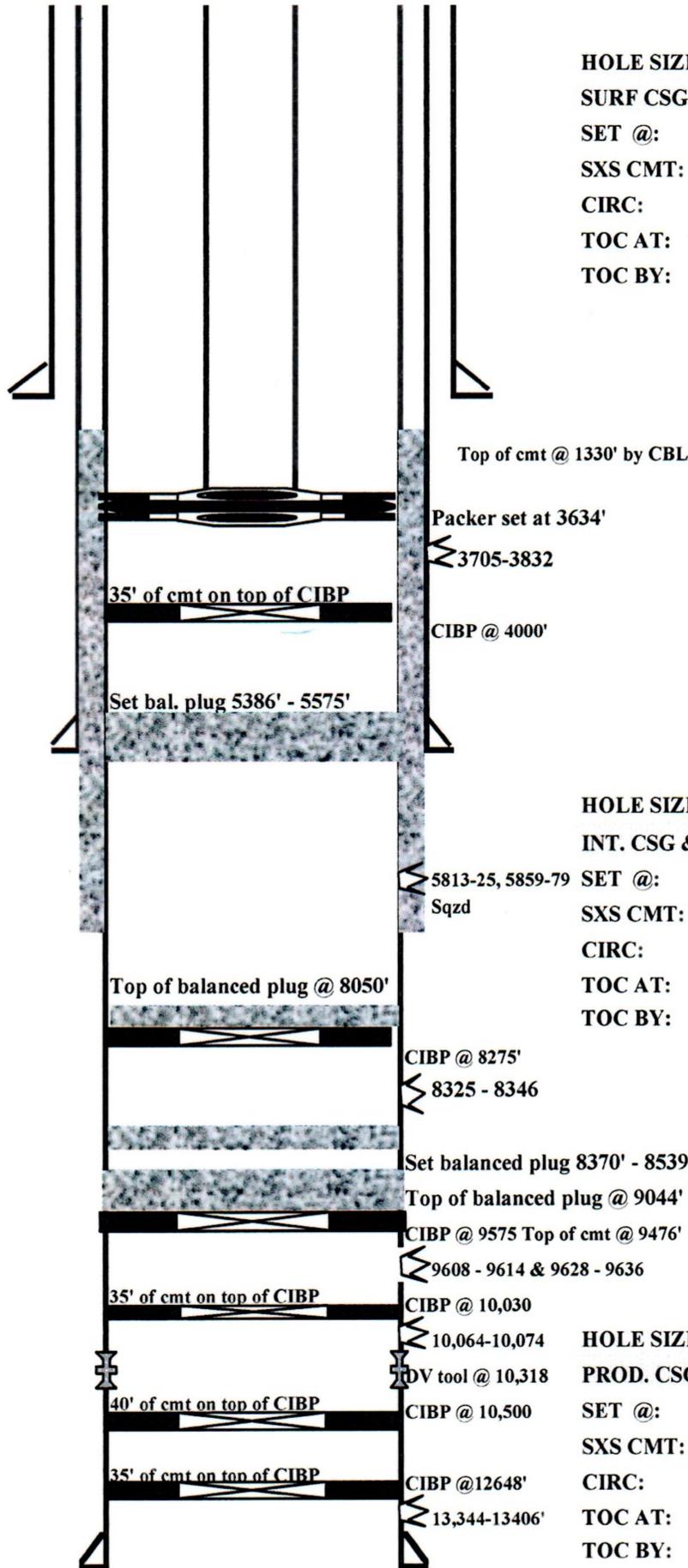
SQUEEZE JOBS:

6745 - 49' & 6751' - 55'
sqz holes with 1190 sks
class c neat.

OPEN HOLE:

LINER:

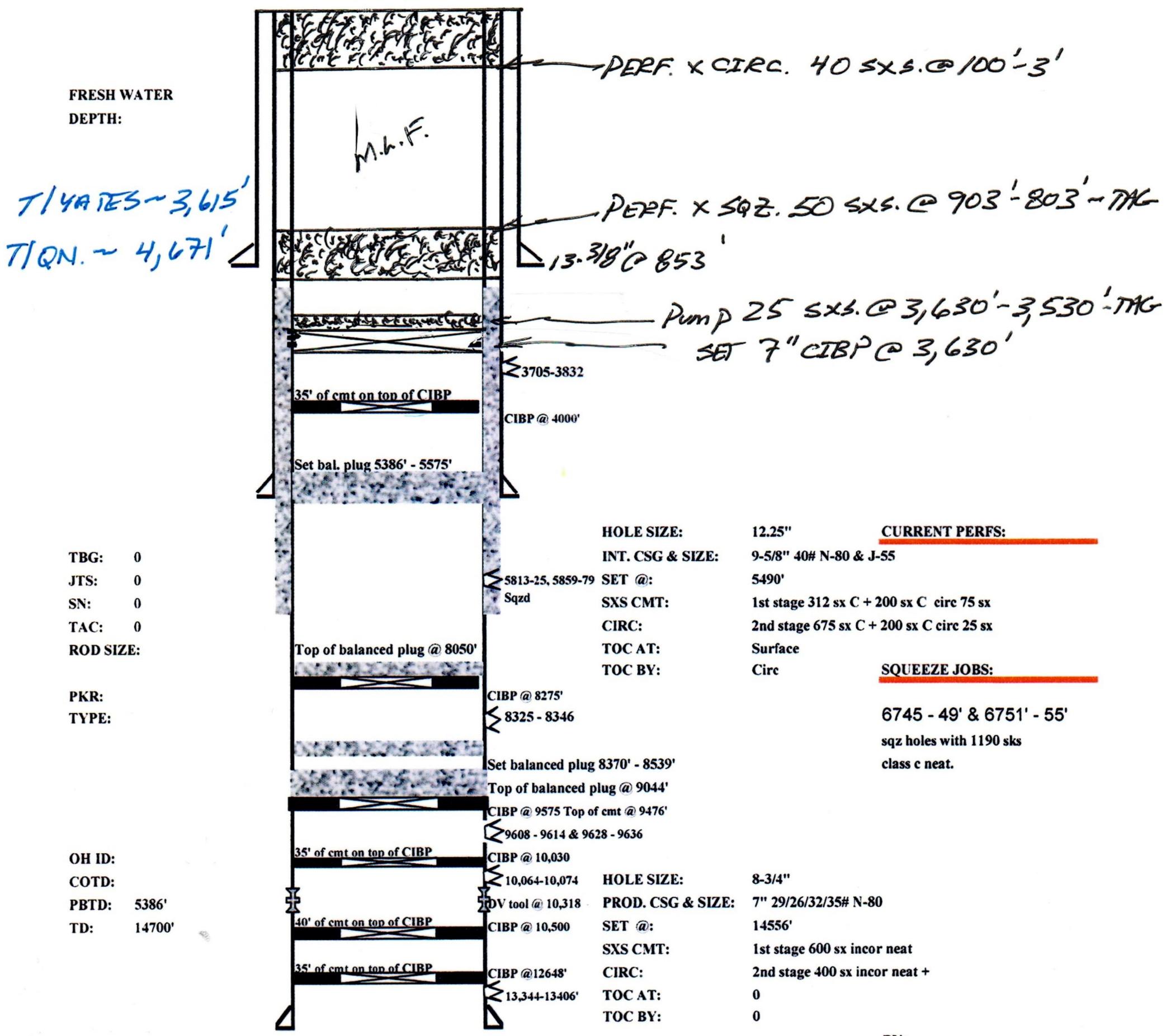
BY:
4/30/2018



HOLE SIZE: 8-3/4"
 PROD. CSG & SIZE: 7" 29/26/32/35# N-80
 SET @: 14556'
 SXS CMT: 1st stage 600 sx incor neat
 CIRC: 2nd stage 400 sx incor neat +
 TOC AT: 0
 TOC BY: 0

PROPOSED PA WELL BORE DIAGRAM FEDERAL L SWD #1

LEASE: Federal L	WELL: 1	FIELD: 0	API: 30-025-20811
LOC: 1650 FN & 1980 FW	SEC: 25	BLK: T20S R34E	Reservoir
SVY: 0	GL: 3702	CTY/ST: Lea Co., NM	SPUD: 1/14/1964
CURRENT STATUS: Active	KB: 0	DF: 3724	TD DATE: 5/18/1964



OPEN HOLE:

LINER:

DAE 05/10/21

**CONDITIONS OF APPROVAL
FOR PLUGGING AND ABANDONMENT
OCD - Southern District**

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 I (Hobbs) at **(575)-263-6633** at least 24 hours before beginning work. After MIRU rig will remain on well until it is plugged to surface. OCD is to be notified before rig down.

Company representative will be on location during plugging procedures.

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. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.
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 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.
7. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.
8. Produced water will not be used during any part of the plugging operation.
9. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
10. 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.
11. Class 'C' cement will be used above 7500 feet.
12. Class 'H' cement will be used below 7500 feet.
13. 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
14. 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, woe 4 hours and tag, this plug will be SO' 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, woe and tagged. These plugs will be set SO' below formation bottom to 50' above formation top inside the casing.

DRY HOLE MARKER REQ.UIRMENTS

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 1/4" 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 name
- 2. Lease and Well Number
- 3. API Number
- 4. Unit letter
- 5. Quarter Section (feet from the North, South, East or West)
- 6. Section, Township and Range
- 7. Plugging Date
- 8. 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)

SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION

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COMMENTS:

*******GEOLOGY*******

**TOPS OF ALL ZONES
PRODUCTIVE OF HYDRO-
CARBONS:**

TBG: 0
JTS: 0
SN: 0
TAC: 0
ROD SIZE:

PKR:
TYPE:

OH ID:
COTD:
PBD: 5386'
TD: 14700'

HOLE SIZE: 12.25"
 INT. CSG & SIZE: 9-5/8" 40# N-80 & J-55
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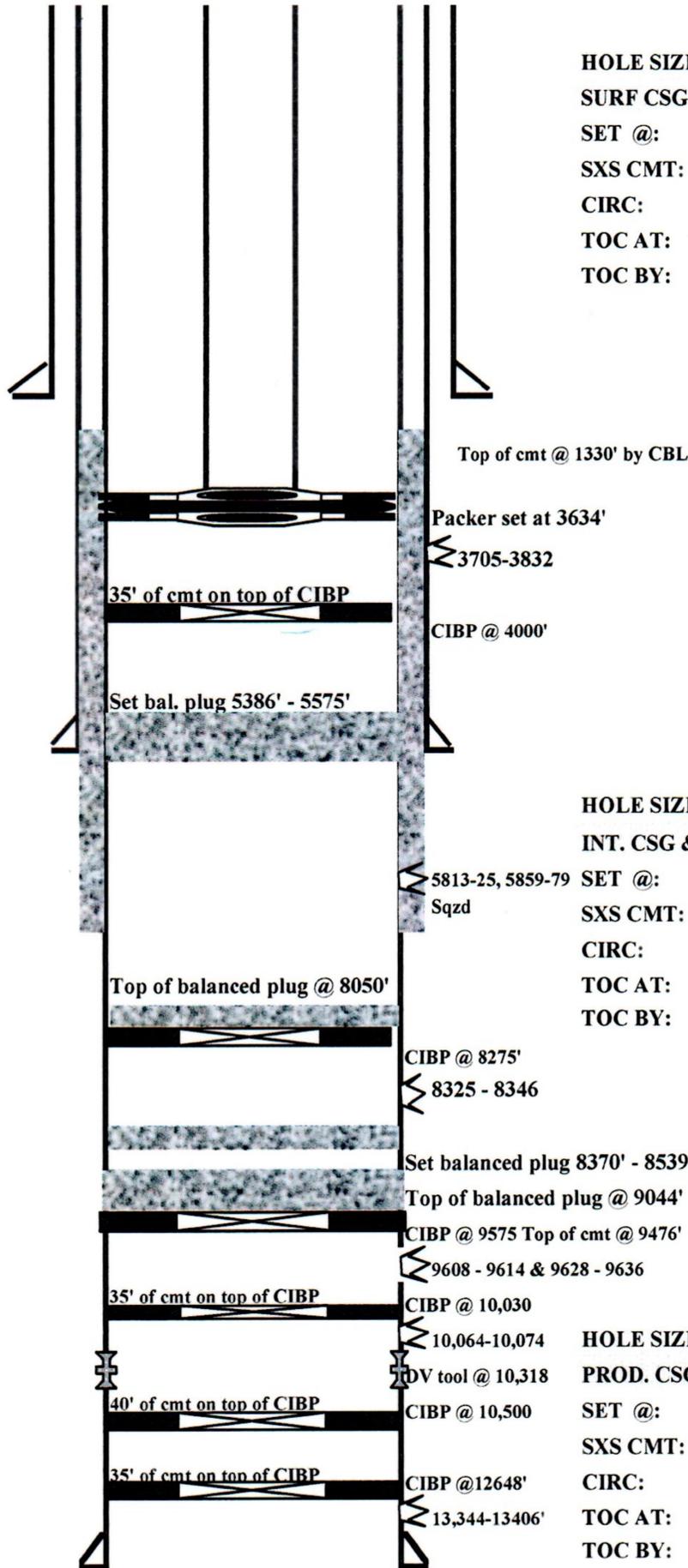
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OPEN HOLE:

LINER:

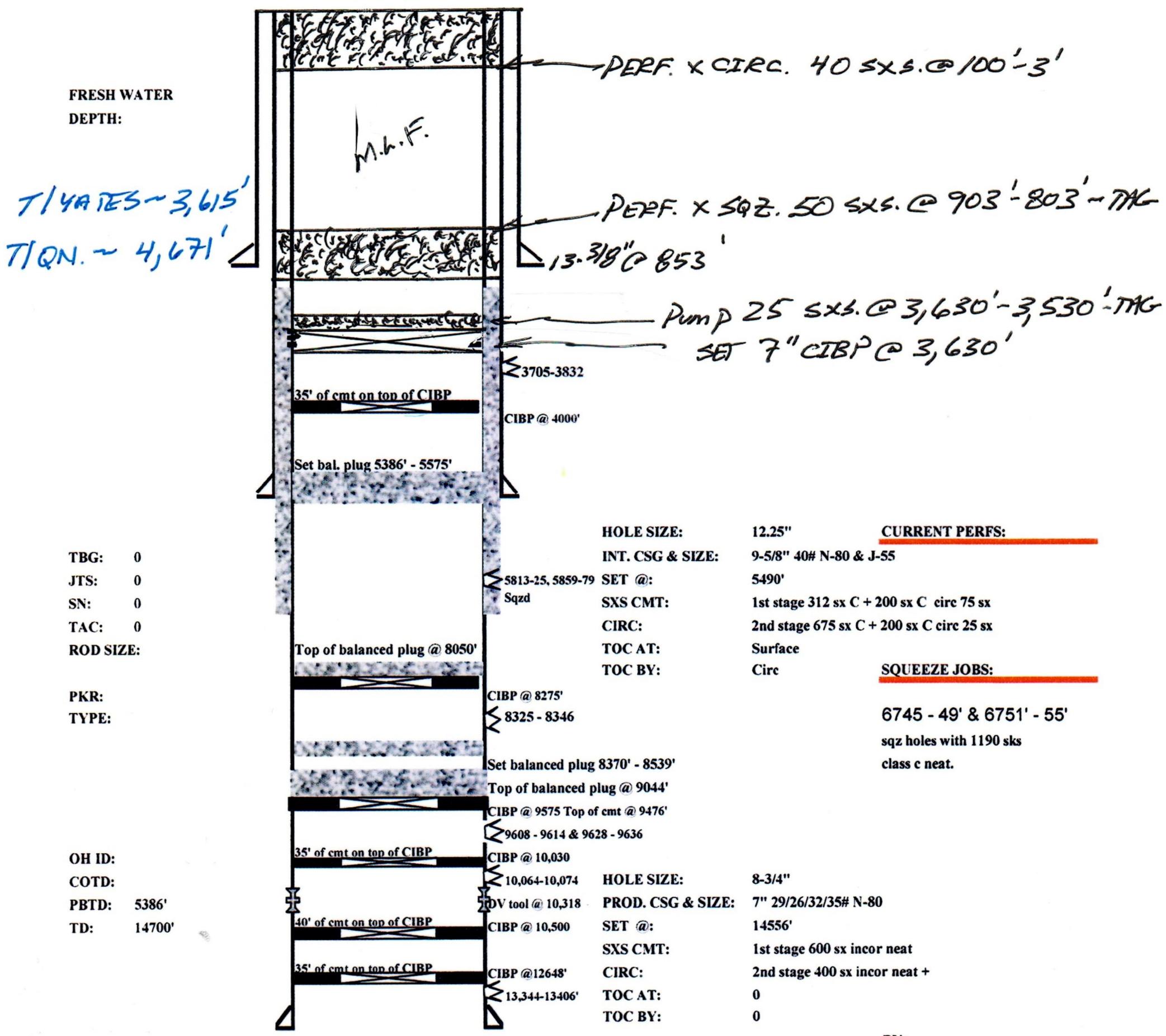
BY:
4/30/2018



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OPEN HOLE:

LINER:

BY:
4/30/2018

DAE 05/10/21

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS
 Action 28586

CONDITIONS

Operator: CHISHOLM ENERGY OPERATING, LLC 801 Cherry Street Fort Worth, TX 76102	OGRID: 372137
	Action Number: 28586
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kfortner	See attached conditions of approval	6/14/2021