

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

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

WELL API NO. 30-015-34860
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. State 648
7. Lease Name or Unit Agreement Name East Millman Unit
8. Well Number 232
9. OGRID Number 019958
10. Pool name or Wildcat Millman-Yates-SR-QN-GB-SA East

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.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
Stephens & Johnson Operating Co.

3. Address of Operator
P O Box 2249, Wichita Falls, TX 76307

4. Well Location
Unit Letter H : 2610 feet from the North line and 1090 feet from the East line
Section 15 Township 19S Range 28E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3400' GR

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 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"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

Notify OCD 24 hrs. prior to any work done

See Attached P&A procedure

Spud Date:

Rig Release Date:

****SEE ATTACHED COA's****

Must be plugged by 6/29/2022

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

SIGNATURE William M. Kincaid TITLE Petroleum Engineer DATE 4/8/2021
 Type or print name William M. Kincaid E-mail address: mkincaid@sjoc.net PHONE: 940-723-2166

For State Use Only

APPROVED BY: [Signature] TITLE Staff Manager DATE 6/29/2021
 Conditions of Approval (if any):

Page 2 (C-103)
Stephens & Johnson Operating Co.
East Millman Unit No. 232
API No. 30-015-34860
Eddy County, New Mexico

Well Data:

Total Depth: 3000'
Original PBTD: 2963'
Current PBTD: 1324' cement Retainer
Surface Csg: 8 5/8" J-55, 24#, set @ 395', cement w/300 sx,
circulated to surface
Prod. Csg: 4 1/2" J-55, 11.6# set @ 3000', cement w/400 sx,
50/50 Poz lead cement and 450 sx Class "C" tail
cement, circulated to surface.

Perfs & CIBP's: CIBP set @ 2430'
Perfs @ 2444-2454'
CIBP set @ 2550'
Perfs @ 2568-2570', 2584-2595'
CIBP set @ 2635' w/35' cmt on top
Perfs @ 2633-2638', 2646-2656'
CIBP set @ 2785' w/20' cmt on top
Perfs @ 2797-2804', 2910-2930'

Casing Leak: 5/20/2009 - found csg leak between 1658-1692'
3/10/2010 - set cement retainer @ 1324',
squeeze 150 sx cmt below cmt retainer, got 100
sx out csg leak before reaching squeeze pres-
sure of 4,000 psig.

Proposed Plug and Abandonment Procedure

1. TIH w/tbg and tag cmt retainer at 1324'. Circulate hole
w/9.5 16/gal mud.
2. TOOH w/tbg until end of tbg is at 450'. Circulate 450 sx cmt
back to surface. TOH w/tbg.
3. Cut off wellhead and install P&A marker.

CONDITIONS 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 II at (575)-748-1283 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, 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 REQUIREMENTS

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 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

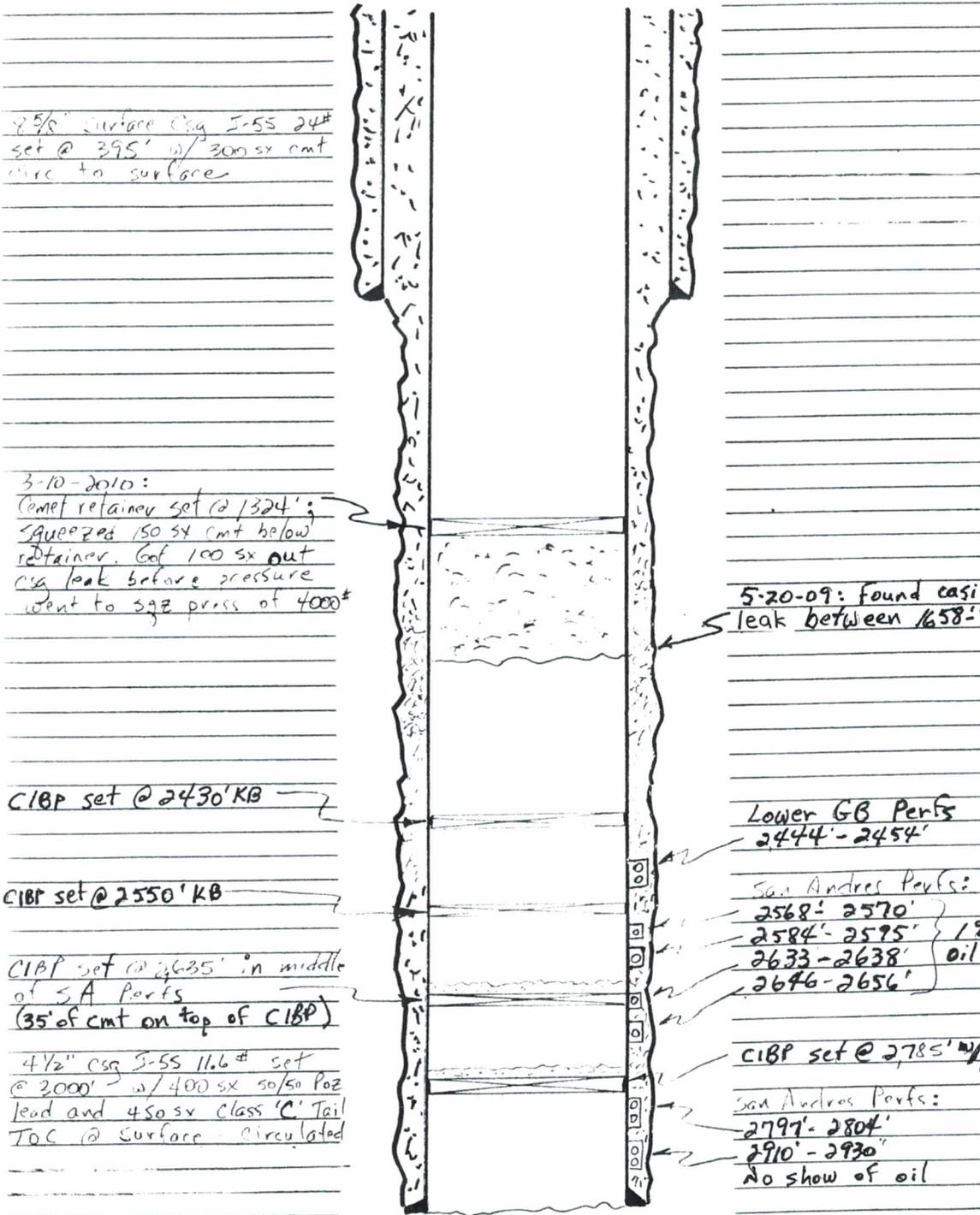
WELL COMPLETION SKETCHES
East Millman Unit No. 232 Millman Yates - SR-QN-GB-SA East October 22, 2020

WELL FIELD DATE

Current Wellbore Status

PRESENT COMPLETION SUGGESTED COMPLETION _____ WELL CLASS _____
KB ELEVATION _____ DF ELEVATION _____ GL ELEVATION 3400'

PERMANENT WELL BORE DATA DATA ON THIS COMPLETION



PBTD - 2963'
TD - 3000'

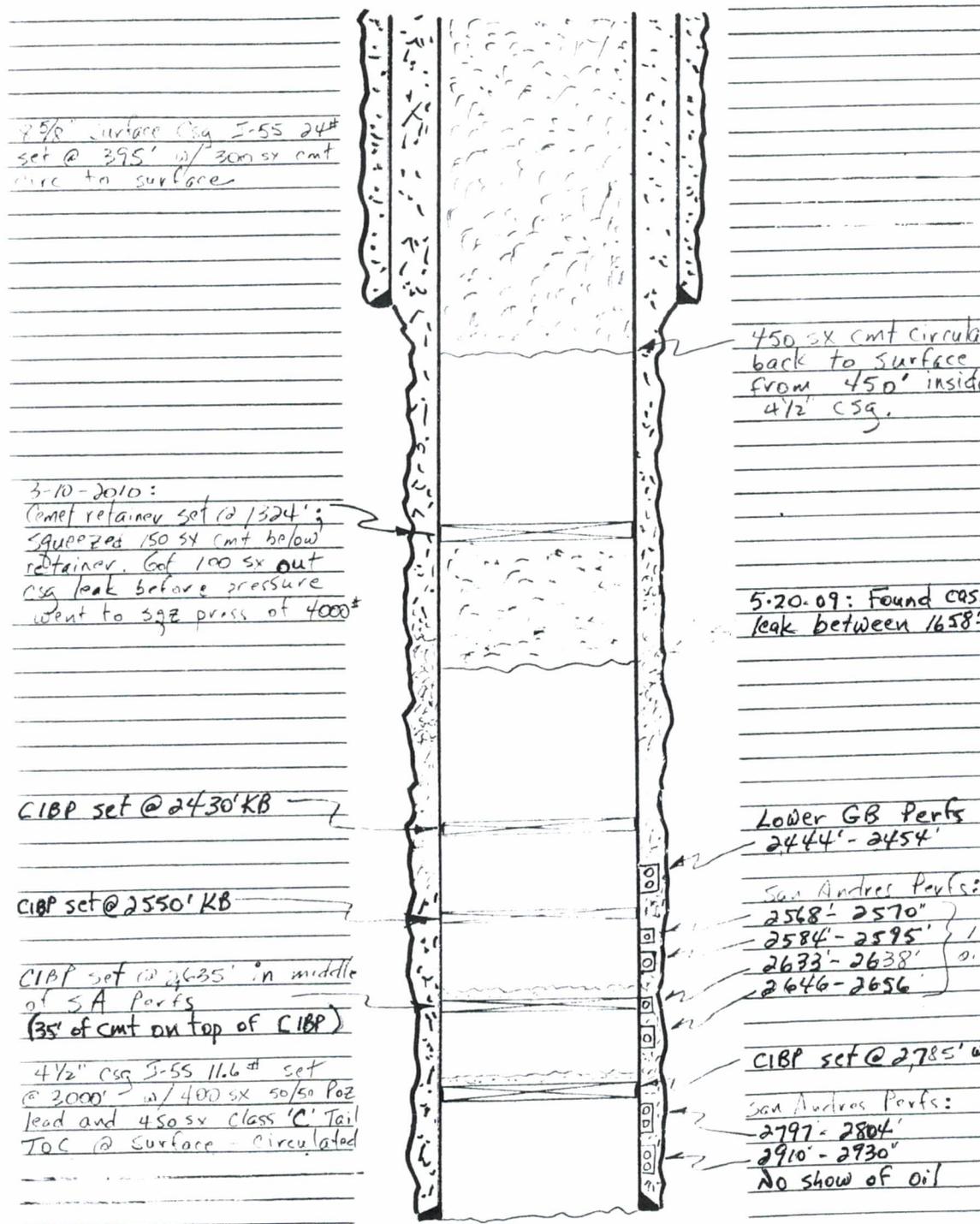
East Millmen Unit No. 232 Millmen Yates-SR-QN-GB-SA East October 22, 2020

WELL FIELD DATE
Proposed Plug + Abandonment

KB ELEVATION _____ DF ELEVATION _____ GL ELEVATION 3400'

PERMANENT WELL BORE DATA

DATA ON THIS COMPLETION



2 5/8" surface csg I-55 24# set @ 395' w/ 30m sx cmt circ to surface

3-10-2010: Cement retainer set @ 1324'; squeezed 150 sx cmt below retainer. Got 100 sx out csg leak before pressure went to 392 press of 4000#

CIBP set @ 2430' KB

CIBP set @ 2550' KB

CIBP set @ 2635' in middle of SA Perfs (35' of cmt on top of CIBP)

4 1/2" CSG I-55 11.6# set @ 2000' w/ 400 sx 50/50 Poz lead and 450 sx class 'C' Tail To C @ surface - circulated

450 sx cmt circulated back to surface from 450' inside 4 1/2" CSG.

5-20-09: Found casing leak between 1658'

Lower GB Perfs 2444' - 2454'

San Andres Perfs: 2568' - 2570', 2584' - 2595', 2633' - 2638', 2646' - 2656'

CIBP set @ 2785' w/ San Andres Perfs: 2797' - 2804', 2910' - 2930' No show of oil

PBTD - 2963'
TD - 3000'

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 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 23481

CONDITIONS

Operator: STEPHENS & JOHNSON OP CO P.O. Box 2249 Wichita Falls, TX 76307	OGRID: 19958
	Action Number: 23481
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
gcordero	None	6/29/2021