

State of New Mexico
Energy, Minerals and Natural ResourcesForm Page 3 of 10
Revised July 18, 2013

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

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.) 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <u>SWD</u>		WELL API NO. <u>30-025-34100</u>
2. Name of Operator <u>Steward Energy II, LLC</u>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
3. Address of Operator <u>2600 Dallas Pkwy, Ste 400, Frisco, TX, 75034</u>		6. State Oil & Gas Lease No.
4. Well Location Unit Letter <u>M</u> : <u>495</u> feet from the <u>South</u> line and <u>495</u> feet from the <u>West</u> line Section <u>27</u> Township <u>12S</u> Range <u>38E</u> NMPM <u>Lea</u> County		7. Lease Name or Unit Agreement Name <u>Hodge</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>GR 3807'</u>		8. Well Number <u>1</u>
		9. OGRID Number <u>371682</u>
		10. Pool name or Wildcat <u>96101 SWD; Devonian</u>

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ **PLUG AND ABANDON** ☒
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 DOWNHOLE COMMINGLE ☐
 CLOSED-LOOP SYSTEM ☐
 OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☒
 CASING/CEMENT JOB ☐
 OTHER: ☐

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.

1. Set CIBP @ 12,033'. Pressure Test Casing
2. Spot 25 sacks cement - Class H. WOC & tag
3. POOH to 9412', circulating 9.5# brine
4. Spot 25 sacks cement - Class H. WOC & tag
5. POOH to 6412' circulating 9.5# brine
6. Spot 25 sks. of cement - Class C. WOC & tag
7. POOH to 4559', circulating 9.5# brine
8. Spot 25 sks of cement - Class C. WOC & tag
9. Fill from 500' to surface with 65 sacks of crnt.

10. Cut off WH & mark location

4" diameter 4' tall Above Ground Marker

SEE ATTACHED CONDITIONS OF APPROVAL

Note changes to procedure

(8B) PUH Spot 25 sx Class C 2300 Top of salt WOC & tag

Spud Date:

6/1/22

Rig Release Date:

6/7/22

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

SIGNATURE

Vanessa Lopez

TITLE

SR. Regulatory & Environmental Analyst

DATE

4/5/22

Type or print name

Vanessa Lopez

E-mail address:

Vanessa.lopez@stewardenergy.net

PHONE:

214.297.0533

For State Use Only

APPROVED BY:

Kerry Fortner

TITLE

Compliance Officer A

DATE 4/19/22

Conditions of Approval (if any):

575-263-6633

Released to Imaging: 4/22/2022 7:22:28 AM

Released to Imaging: 4/22/2022 7:22:28 AM

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

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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 checked="" 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"/>	

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SIGNATURE

Vanessa Lopez

TITLE

SR. Regulatory & Environmental Analyst

DATE

4/5/22

Type or print name

Vanessa Lopez

E-mail address:

Vanessa.lopez@stewardenergy.net

PHONE:

214.297.0533

For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

**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, 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:

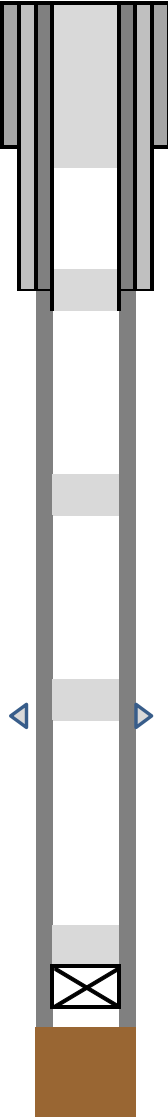






1. Operator name
2. Lease and Well Number
3. API Number
4. Unit letter
5. Quarter Section (feet from the North, South, East or West)
6. Section, Township and Range
7. Plugging Date
8. County

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

[illegible]

General	Company:	Steward Energy II			Prospect:	TRINITY			
	Well Name:	Hodge 1			TD (MD/TVD):				
	County:	Lea			Elevation:	GR - 3807', KB - 3823'			
	State:	New Mexico			Latitude & longitude (SL):				
	API Number:	30-025-34100			Section-Township-Range (SL):	27-12S-38E			
	Spud Date:	9/18/1997			Surface Location:	495' FSL & 495' FWL			
	As Of Date:	Working 1-28-22			Bottom Hole Location:	625' FSL & 517' FWL			
Formation	Depth		Casing Profile	Hole Size	Casing Specificaitons	Cement Specifications			
	MD	TVD							
				17 1/2"	13 3/8", 48# H-40. Set at 395'	Cemented w/450 sacks with 2% CaCl. Circulated back 57 sacks.			
13 3/8" Casing @ 395'									
				12 1/4" - 11"	8 5/8", 32# J-55 & S-80. Set at 4509'	Drilled 12 1/4" hole to 2694'. Drilled 11" hole to 4510'. Cemented w/1200 sacks 50/50 Pox A with 5# salt/sack, 1/ Flocele/sack, followed by 200 sacks class "C" w/2% CaCl. Circulate 150 sacks cement.			
8 5/8" Casing @ 4509'									
				7 7/8"	5 1/2", 17# N80 & MAV 95. Set at 12,133'	Cemented 1st stage w/100 sacks Class "H" cement. Opened DV tool at 11,498' and cemented 2nd stage w/700 sacks Lite cement followed by 150 sacks Class "H" Cement. Does not mention circulation or tagging TOC			
						Wolfcamp perfed from 9512' - 9642'. Last produced 4/1/2008. Plugged July 2008.			
					Tubing	Tubing Details			
					2 7/8" at 12,025'				
					Open Hole 12,133' - 12,168'				
Comments	Completed on 12-15-97 w/ 1750 gals acid.								
	Original TD at 12,138'								

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COMMENTS

Action 95965

COMMENTS

Operator: STEWARD ENERGY II, LLC 2600 Dallas Parkway Frisco, TX 75034	OGRID: 371682
	Action Number: 95965
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

COMMENTS

Created By	Comment	Comment Date
plmartinez	DATA ENTRY PM	4/22/2022

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CONDITIONS

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Operator: STEWARD ENERGY II, LLC 2600 Dallas Parkway Frisco, TX 75034	OGRID: 371682
	Action Number: 95965
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kfortner	See attached conditions of approval Note changes to procedure	4/21/2022