

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	Form C-103 August 1, 2011 Permit 314282 WELL API NUMBER 30-025-49506 5. Indicate Type of Lease S 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name LOCO DINERO 36 STATE COM																																																																
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: O		8. Well Number 007H																																																																
2. Name of Operator MARSHALL & WINSTON INC		9. OGRID Number 14187																																																																
3. Address of Operator P.O. Box 50880, Midland, TX 79710		10. Pool name or Wildcat																																																																
4. Well Location Unit Letter <u>B</u> : <u>200</u> feet from the <u>N</u> line and feet <u>1560</u> from the <u>E</u> line Section <u>36</u> Township <u>21S</u> Range <u>33E</u> NMPM _____ County <u>Lea</u> _____																																																																		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3645 GR																																																																		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____																																																																		
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table style="width:100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/></td> </tr> </table>			NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:		PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTER CASING <input type="checkbox"/>	TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE OF PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>		Other: _____		Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/>																																													
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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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. See Attached <u>2/18/2022</u> Spudded well.																																																																		
Casing and Cement Program <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>02/20/22</td> <td>Surf</td> <td>FreshWater</td> <td>17.5</td> <td>13.375</td> <td>54.5</td> <td>J55</td> <td>0</td> <td>1795</td> <td>1580</td> <td>1.73</td> <td>C</td> <td></td> <td>1000</td> <td>0</td> <td>N</td> </tr> <tr> <td>02/24/22</td> <td>Int1</td> <td>Brine</td> <td>12.25</td> <td>9.625</td> <td>40</td> <td>NT80</td> <td>0</td> <td>5263</td> <td>1655</td> <td>1.94</td> <td>C</td> <td></td> <td>1500</td> <td>0</td> <td>N</td> </tr> <tr> <td>04/11/22</td> <td>Prod</td> <td>OilBasedMud</td> <td>8.75</td> <td>5.5</td> <td>20</td> <td>HCP110</td> <td>0</td> <td>15974</td> <td>2570</td> <td>1.22</td> <td>H</td> <td></td> <td>1500</td> <td>0</td> <td>N</td> </tr> </tbody> </table>			Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole	02/20/22	Surf	FreshWater	17.5	13.375	54.5	J55	0	1795	1580	1.73	C		1000	0	N	02/24/22	Int1	Brine	12.25	9.625	40	NT80	0	5263	1655	1.94	C		1500	0	N	04/11/22	Prod	OilBasedMud	8.75	5.5	20	HCP110	0	15974	2570	1.22	H		1500	0	N
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I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .																																																																		
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SUNDRY – Drilling, Surface & Intermediate Casing**Loco Dinero 36 St Com 7H – API #30-025-49506**

02/18/22-02/25/22

Spud well @ 7:20 am, 02/18/22. Drill to 1795'. RU csg crew. Ran 47 jts **13 3/8"** 54.5# J-55 BTC csg. Set csg @ 1795'. RD csg crew. RU cmtrs. Cmted csg w/ 30 bbl spacer + **lead** 1240 sx CI C (35/65 Poz C), 4318# NaCl, 6109# Bentonite Gel, 408# CPT-503P & 20 gal CPT-503L. Cmted csg w/ **tail** 340 sx CI C cmt. Drop plug, displ 273 BFW & landed plug @ 3:30 pm, 02/20/22. Circ 668 sx cmt to surf. RD cmtrs. WOC 38.5 hrs. Test csg to 1000#/30 min – good test. Drl to 5263'. RU csg crew. Ran 121 jts **9 5/8"** 40# NTL80HE LTC csg. Set csg @ 5263'. RD csg crew. RU cmtrs. Cmted csg **1st stage** w/ 30 bbl spacer + **lead** 395 sx 50/50 Poz C, 5 BWOW NaCl, 4% Bentonite, 1% CPT-19, 2% CPT-45, .4% CPT-503p, 5% Gypsum 4 & Citric Acid. Cmt **1st stage tail** w/ 115 sx CI C cmt. Cmted csg **2nd stage** w/ 30 bbl spacer + **lead** 965 sx 50/50 Poz C, 5 BWOW NaCl, 4% Bentonite, 1% CPT-19, 2% CPT-45, .4% CPT 503P, 5% Gypsum 15 & Citric Acid. Cmted csg w/ **2nd stage tail** 180 sx 47 PPS CaCl & 1% CPT-24. Displ 270 BFW. Circ 204 sx cmt to surf. RD cmtrs. WOC 72+ hrs. Test csg above & below DV tool 1500#/30 min – good test. NU BOP's & install cap. **Walk rig over to Loco Dinero 36 St Com 8H.** Will drill out of the 7H intermediate next week.

03/27/22

Depth 5263'. **Walked rig over & resume ops.** NU BOP, RD valve & RCD. RU RCD & Orbit valve, connect flowline. Test BOP 250# low/5000# high & annular 3500#.

03/28/22-04/10/22

Drill to TD 15975'. RU csg crew. Ran 401 jts **5 1/2"** 20# HCP110 BTC csg. Set csg @ 15974'. RD csg crew. RU cmtrs. Cmted csg w/ 50 bbl spacer + **lead** 1435 sx 50/50 Poz H + 5% Sodium + 7% Gel + .5% CPT-19 + .4% CPT-503P + .5% CPT-43P + .25 PPS CF + 3 sx Kolseal + .15% CPT-20A + .1% Citric Acid. Cmt csg w/ **tail** 1135 sx 35/65 Poz H, .15% CPT-17, .3% CPT-33, .2% CPT-23, .25% CPT-51A. Displ 354 bbl KCL. Bumped plug to 2700#. Circ 238 sx cmt to surf. WOC 8 hrs. Test csg to 1500#/30 min – good test. RD cmtrs. ND BOP & cut off csg. Install 10K prod hd & test to 4500# - good test. **Rel rig @ 8 am, 04/14/22. Prep to frac.**