| 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> – (575) 748-1283 811 S. First St., Artesia, NM 88210 <u>District III</u> – (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> – (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM 87505 | State of New Mexico lergy, Minerals and Natural Reso IL CONSERVATION DIVIS 1220 South St. Francis Dr. Santa Fe, NM 87505 | WELL API NO. 30-005-27984 5. Indicate Type of Lease STATE FEE 6. State Oil & Gas Lease No. |
|---|--|---|
| 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.) | | Cuto Sun Amares |
| 1. Type of Well: Oil Well Gas We | ll Other | 8. Well Number 545 |
| 2. Name of Operator Cano Petro on NM. INC | | 9. OGRID Number 248802 |
| 3. Address of Operator | | |
| 801 Cherry Street Unit 25 Suite 3200 For | t Worth, Texas 76102 | Cato; San Andres |
| 4. Well Location | | |
| Unit Letter M 1205 | | d _1312_feet from theW line |
| Section 11 | | ge 30E NMPM County Chaves |
| 11. El | evation (Show whether DR, RKB, R | I, GR, etc.) |
| TEMPORARILY ABANDON CHAN PULL OR ALTER CASING MULT DOWNHOLE COMMINGLE CLOSED-LOOP SYSTEM OTHER: 13. Describe proposed or completed ope of starting any proposed work). SE proposed completion or recompletic | GE PLANS COMM IPLE COMPL CASIN OTHER erations. (Clearly state all pertinent E RULE 19.15.7.14 NMAC. For Mon. | DIAL WORK ALTERING CASING ENCE DRILLING OPNS. P AND A G/CEMENT JOB CR: details, and give pertinent dates, including estimated date fultiple Completions: Attach wellbore diagram of the and any agreed modifications there to. |
| | | APPROVED |
| Spud Date: | Rig Kelease Date: | otify OCD 24 hrs. prior to any work |
| I hereby certify that the information above is | true and complete to the best of my | knowledge and belief. |
| SIGNATURE ETT WANT | TITLE Authorized Repre | esentative DATE 3/14/23 |
| Type or print name Ethan Wakefield For State Use Only | E-mail address: e.wakef | eld@dwsrigs.com PHONE: 405 343 7736 |
| APPROVED BY: Conditions of Approval (if any): | TITLE Petroleur | m Specialist DATE 4/21/23 |

Cano Petro

Plug And Abandonment Procedure Cato San Andres #545

1205' FSL & 1312' FWL, Section 11, 8S, 30E Chaves County, NM / API 30-005-27984

- 1. Hold pre-job safety meeting. Comply with all NMOCD, BLM safety and environmental regulations. Test rig anchors prior to moving in rig if not rigged to base beam.
- 2. Check casing, tubing, and Bradenhead pressures.
- 3. Remove existing piping on casing valve. RU blow lines from casing valves and begin blowing down casing pressure. Kill well as necessary. Ensure well is dead or on a vacuum.
- 4. ND wellhead and NU BOP. Function test BOP.
- 5. P/U 5-1/2" bit or casing scraper on 2-3/8" work string and round trip as deep as possible above top perforation at 3,440'.
- 6. P/U 5-1/2" CR, TIH and set CR at +/- 3,390'. Pressure test tubing to 1000 psi. Sting out of CR. Load hole, and pressure test casing to 800 psi. If casing does not test, then spot or tag subsequent plugs as appropriate. POOH w/ tubing.
- 7. RU wireline and run CBL with 500 psi on casing from CR at 3,390' to surface to identify TOC. Adjust plugs as necessary for new TOC. Email log copy to

Brandon Powell at <u>Brandon.powell@state.nm.us</u> upon completions of logging operations.

- 8. Rig up to pump cement down tubing. Pump water to establish rate down tubing.
- 9. Circulate wellbore with 9.5 ppg salt gel.

NOTE: All Plugs Include 100% excess outside casing and 50% Excess inside casing

10. Plug 1 (San Andres Perforations and formation top 3,390'-2,650', 73 Sacks Type I/II Cement)

Mix 73 sx Type I/II cement and spot a balanced plug inside casing to cover the San Andres perforations and formation top.

11. Plug 2 (Grayburg Formation Top 2,390'-2,170', 25 Sacks Type I/II Cement)

Mix 25 sx Type I/II cement and spot a balanced plug inside casing to cover the Grayburg formation top.

12. Plug 3 (Seven Rivers, Yates, and Tansill formation Tops 1,761'-1,373', 44 Sacks Type I/II Cement)

Mix 44 sx Type I/II cement and spot a balanced plug inside casing to cover the Seven Rivers, Yates, and Tansill formation tops.

13. Plug 4 (Rustler formation Top 1,177'-957', 25 Sacks Type I/II Cement)

Mix 25 sx Type I/II cement and spot a balanced plug inside casing to cover the Rustler formation top.

14. Plug 5 (Surface Casing Shoe, 556'-Surface, 169 Sacks Type I/II Cement)

Attempt to pressure test the bradenhead annulus to 300 psi; note the volume to load. If BH annulus holds pressure, then establish circulation out casing

valve with water. Mix approximately 169 sx cement and spot a balanced plug from 556' to surface, circulate good cement out of casing valve. TOH and LD tubing. Shut well in and WOC. If BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing from 556' and the annulus from the squeeze holes to surface. Shut in well and WOC.

15. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and restore location per BLM stipulations.

Existing Wellbore Diagram

Cano Petro Of New Mexico Cato San Andres #545 API: 30-005-27984 Chaves County, New Mexico

Surface Casing

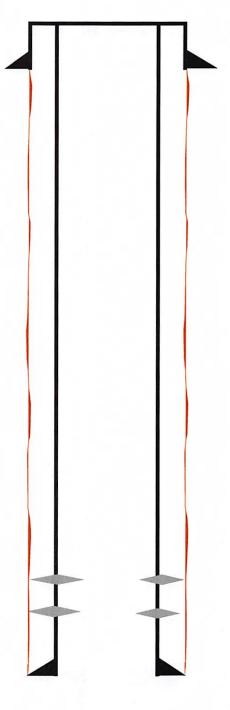
8.625" 24# @ 506 ft OH: 12.25"

Formation

Rustler - 1127'
Transill - 1473'
Yates - 1615'
Seven Rivers - 1711'
Grayburg - 2340'
San Andres - 2750'

Perforations
3440 feet - 3628 feet

Production Casing 5.5" 15.5# @ 3989 feet OH: 7.875"



Proposed Wellbore Diagram

Cano Petro Of New Mexico Cato San Andres #545 API: 30-005-27984 Chaves County, New Mexico

Plug 5

556 feet - surface 556 foot plug 169 Sacks of Type I/II Cement

Plug 4

1177 feet - 957 feet 220 foot plug 25 Sacks of Type I/II Cement

Plug 3

1761 feet - 1373 feet 388 foot plug 44 Sacks of Type I/II Cement

Plug 2

2390 feet - 2170 feet 220 foot plug 25 Sacks of Type I/II Cement

Plug 1

3390 feet - 2650 feet 640 foot plug 73 sacks of Type I/II Cement

<u>Perforations</u>

3440 feet - 3628 feet

Surface Casing

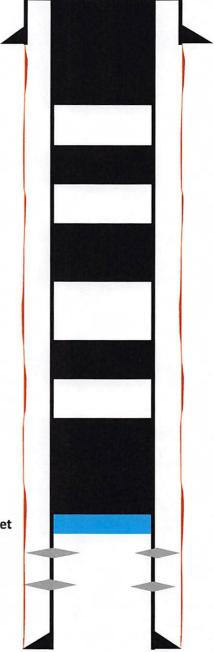
8.625" 24# @ 506 ft OH: 12.25"

Formation

Rustler - 1127'
Tansill - 1473'
Yates - 1615'
Seven Rivers - 1711'
Grayburg - 2340'
San Andres - 2750'

Retainer @ 3390 feet

Production Casing 5.5" 15.5# @ 3989 feet OH: 7.875"



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

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 203635

CONDITIONS

| Operator: | OGRID: |
|------------------------------|-------------------------------------|
| J.A. Drake Well Service Inc. | 330485 |
| 607 W Pinon | Action Number: |
| Farmington, NM 87401 | 203635 |
| | Action Type: |
| | [C-103] NOI Plug & Abandon (C-103F) |

CONDITIONS

| Created By | | Condition Date |
|---------------|------|-------------------|
| john.harrison | None | 4/21/2023 |