

Submit 1 Copy To Appropriate District 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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

WELL API NO. 30-041-20627
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Cady
8. Well Number 1
9. OGRID Number 1092
10. Pool name or Wildcat Milnesand Penn, West

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
Armstrong Energy Corporation

3. Address of Operator
PO Box 1973, Roswell, NM 88202

4. Well Location

Unit Letter F : 1980 feet from the North line and 660 feet from the West line
Section 19 Township 8S Range 34E NMPM Roosevelt County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4319' GR

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

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

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.

- Set CIBP @ 9142' and cap with 25 SX cement, WOC & Tag
- Set 25 SX plug through perforations @ 3953' across 8 5/8" casing shoe P&S 40 SX 6600 WOC & Tag
- 40 Set 25 SX plug @ 1838', 50' above top of salt P&S 40 SX 2500 WOC & Tag
- Set 100 plug through perforations @ 422' across 13 3/8" casing shoe Circ to surf
- Set surface plug
- Install dry hole marker

4" dia 4' Tall above ground

See Attached
Conditions of Approval

Spud Date:

Rig Release Date:

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

SIGNATURE [Signature] TITLE V.P. Engineering DATE 3/11/19

Type or print name Kyle Alpers E-mail address: kalpers@aecn.com PHONE: 575-625-2222

For State Use Only

APPROVED BY: Kerry Fortner TITLE Compliance Officer A DATE 3-15-19
Conditions of Approval (if any):

Cady #1

9192'-9194' (Bough "B"): 2/2/1982 2jspf (6 holes)
9200'-9208' (Bough "B"): 2/11/1982 2jspf (17 holes)

GENERAL CONDITIONS OF APPROVAL:

- 1) Insure all bradenheads have been exposed, identified, and valves are operational prior to rigging up on well.
- 2) Contact the appropriate NMOCD District Office no later than 24 hours prior to moving in and rigging up.
- 3) A copy of the approved C103 intent to P&A should be distributed to the onsite company and plugging representatives. Approved procedures are good for a period of one year from approved date, unless otherwise specified on the C103 intent. Approvals past this date will require the submission and approval of a new C103 intent.
- 4) A company representative is required to be present to witness all operations including setting CIBP's, circulation of mud laden fluids, perforating, squeezing or spotting cement plugs, tags, or any other operations approved on the C103 intent to P&A. Company representative should contact the NMOCD and report all operations.
- 5) Any changes that may be required during plugging operations should be approved by the NMOCD before proceeding.
- 6) A closed loop system is to be used for all plugging operations. Contents of the steel pits to be hauled to a NMOCD permitted disposal facility.
- 7) Mud laden fluids must be placed between all cement plugs mixed at 25 sacks of salt gel per 100 barrels of brine.
- 8) All cement plugs will be 100' or 25 sacks cement, whichever is greater. Class 'C' cement will be used above 7500' and Class 'H' below 7500'. Plugs should be no more than 3000' apart
- 9) Site remediation due within one year of well plugging completion.