Office <u>District 1</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Ave., Artesia, NM 88210 <u>District III</u> 1000 Pio Proves Pd. Artes, NM 87410	O DEEPEN OR PLUG BACK TO A	7. Lease Name Name:	Gas Lease No. or Unit Agreement	
1. Type of Well: Oil Well ☑ Gas Well ☑ Other ▮	North Caprock C	North Caprock Queen Unit		
2. Name of Operator	8. Well No. 🚣	.,,		
State of New Mexico Oil Conservation Division	18	18-4		
3. Address of Operator 1625 French Dr., Hobbs, NM 88240		1	8. Pool name or Wildcat Caprock Queen North	
4. Well Location		Caprock Queen	YOTUI	
Unit Letter : 660 feet from the North line and 660 feet from the West line				
Section 8 Towns	hip 13S Range 33	ZE NMPM	County Lea	
10. Elevation (S	Show whether DR, RKB, RT, GR,	etc.)		
11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data				
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:				
PERFORM REMEDIAL WORK PLUG AND ABA	the state of the s		ALTERING CASING	
TEMPORARILY ABANDON		DRILLING OPNS.	PLUG AND ABANDONMENT	
PULL OR ALTER CASING MULTIPLE COMPLETION	CASING TEST CEMENT JOB			
OTHER:	☐ OTHER:			
12. 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 recompilation. OCD proposes to P&A per the attached procedure. THE COMMISSION MUST BE NOTIFIED 24 HOURS PRIOR TO THE BEGINNING OF PLUGGING OPERATIONS FOR THE C-103 TO BE APPROVED.				
I hereby certify that the information above is true and complete to the best of my knowledge and belief.				
SIGNATURETITLE_	Deputy Oil & Gas Inspector	DATE		
Type or print name Gary Wink Telephone No. (505) 393-6161				
(This space for State use)	- LUI CONTO PV			
APPPROVED BYConditions of approval, if any:	ORIGINAL SIGNED BY GA TITLE , WHIX DO HELD REFERENCE	Harry March Commen	DATUL 2 9 2002	

Typical Well Plugging Procedure Sierra Blanca Orphan Wells

Basis of Plugging Design:

Review of the well files resulted in the following information about the condition of the wells and what is needed to properly plug them:

Surface casing: 7" – 10 3/4" set at approximately 300' and cemented with 150 sacks. Benterra has assumed that these casing strings were cemented all the way to surface. Not all of the well files contained this information, but many did confirm that cement was circulated.

<u>Base of Fresh Water:</u> Paul Kautz advised that the base of fresh water was at approximately 300' in this area. <u>Benterra has assumed that the base of fresh water is at the surface casing setting depth or at a minimum of 250'.</u>

Production Casing: 4 ½" to 7" set at approximately 3000' and cemented with 600 sacks. The top of cement was recorded on only a very few wells; however, many permits contained the requirement that the casing strings be cemented through the top of the salt section, which occurs at approximately 1500' in this area. Several temperature surveys were run and confirmed this. Benterra has assumed that all of the production casing strings are adequately cemented at least through the salt section as the OCD required at the time they were drilled.

Typical Plugging Procedure

Make sinker bar run to check for obstructions and TD

Displace or circulate wellbore with fresh water

Surface pour a bentonite plug from TD to at least 100' above the production casing shoe or top perforation

RIH with a wiper plug and set 50' below top of salt

Surface pour a bentonite plug from 50' below to at least 50' above the top of salt RIH with wireline and perforate 50' below the surface casing shoe (minimum perf depth is 300')

RU cementer and squeeze/circulate cement from surface down production casing to provide for a 100' min plug behind the production casing

Leave production casing full of cement to surface and shut in

Dig out and cut off wellhead and install dry hole marker

Pack annulus with bentonite

Attempt to locate and cut off deadmen

Clean up location including any above-ground cement foundations

SIERA Corporation Mid-Continent Region

WELL PLANNING SHEET PROPOSED P&A

Well Name: API Number: Coordinates: S - T - R County / State: Drilled: North Caprock Queen Unit # 8 30-025- 00264 660' FNL + 660' F(S 8 - T13S - R32E Lea, New Mexico 5/48	•	Operator OCD Field: Date: 7/19 02 By: CRS Elevation: 4383' DF
RKB =		Surface Plug @ _3'- 243' Pump sx cmt
Sait 1500		Shoe Plug @ <u>243' - 343 [*]</u> Perf & Sqz @ <u>343'</u> w/ <u>32</u> sx cmt
ZONITE/CEMENT PLUGS Surface 3'- 243' (cement)		Casing Size 8 5/8 • Wt. <u>24</u> # Set @ <u>293 · \u00f1</u> / <u>150</u> sx cm † Cemented to <u>Sur f (vis)</u>
Shoe (cement) Salt 1450'-1550' (Zonite)		Salt Plug (Zonite) @ <u>1450 - 1550 '</u> cu ft Zonite
Bottom/Perf 2 <u>778'- 3<i>0</i>63'</u> (Zonite)		Wiper Plug @ 1550'
Legend Cement Zonite		Liner Size 4/2" Wt. Set @ 2910' - 3038' (127') w/ 100 sx cm+
Gravel (2004)		Liner Size 3 12 Wt. Set @ 2878! - 3063' (185')
Bottom Plug (Zonite) @ 2778 - 3063 		Casing Size 5/2" Wt. 14# Set @ 3031' \(\omega\) 600 Sx cmt Cemented to ?

TD 3063'