Submit 1 Copy To Appropriate District State of New Mexico Form C-103 Energy, Minerals and Natural Resources Revised August 1, 2011 District I - (575) 393-6161 WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II - (575) 748-1283 **OIL CONSERVATION DIVISION** 811 S. First St., Artesia, NM 88210 30-015-00962 District III - (505) 334-6178 1220 South St. Francis Dr. 5. Indicate Type of Lease 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 STATE X FEE District IV - (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM 6. State Oil & Gas Lease No. 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (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. Time of Well, Oil Well, V. Cas Well, Other HOBBS OCD Artesia Metex Unit 8. Well Number 026 1. Type of Well: Oil Well X Gas Well Other 2. Name of Operator NOV 262018 9. OGRID Number State of New Mexico for Canyon E&P Company 269864 3. Address of Operator 10. Pool name or Wildcat RECEIVED 1625 N. French Drive Hobbs, NM 88249 Artesia QU-GB-SA 4. Well Location : 330 feet from the North line and 330 feet from the East line Unit Letter___ Township 18S 26 NMPM Section Range 27E Eddy County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PLUG AND ABANDON REMEDIAL WORK ALTERING CASING □ PERFORM REMEDIAL WORK **TEMPORARILY ABANDON** П CHANGE PLANS П COMMENCE DRILLING OPNS.□ P AND A MULTIPLE COMPL \Box PULL OR ALTER CASING CASING/CEMENT JOB DOWNHOLE COMMINGLE П OTHER: 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. **SEE ATTACHED** I hereby certify that the information above is true and complete to the best of my knowledge and belief. _TITLE_ SIGNATURE DATE

Type or print name _ For State Use Only

APPROVED BY: 1

Conditions of Approval (if any):

E-mail address: PHONE: _____

dn TITLE P.E.S. DATE 11/26/2018

Plugging Report Artesia Metex Unit #26 API 30-015-00962

11/13/2018 Clear location and fill in around the wellhead. Move in rig and rig up. Work on getting the wellhead cap off. Will have to cut off.

11/14/2018 Moved in remaining equipment. Heated up wellhead cap with rose bud. Cap would not move. Washed one side of the cap with a torch and removed. Picked up on the tubing to remove slips and bowl from the wellhead. Both strings of casing would move up the hole with the tubing. Shot the wellhead two times with primer cord. Slips and bowl still stuck. Split the wellhead with a torch and removed slips and bowl. Removed old wellhead and installed 4 ½" X 8 5/8" Larkin wellhead. Installed BOP. Worked packer free. Packer started swabbing out of the hole. Brought in vac truck to catch fluid. POOH with 54 joints IPC tubing. Laid down the packer and the well started to kick. Closed BOP and let well blow down to the steel pit. Kicked approx.. 15 bbls fluid. Closed in and SION

11/15/2018 Blew down well and killed with 10 bbls brine. Set CIBP at 1682' (the packer that was pulled was at 1682'). Circulated MLF. Started getting fluid around the wellhead in the cellar at the end of circulating mud. Spotted 35 sx cement on top of CIBP. POOH and picked up packer. Tested several places below the packer and stopped at 1089' due to cement below. Every test show fluid coming into the cellar. Hole in casing somewhere between 1089' and the CIBP at 1682'. Closed the blinds with the packer set at 1089' and tested the 4 ½" casing above the packer. Tested good to 400#. Called OCD. Pulled the packer and RIH to 1089'. Spotted 25 sx with CaCl. POOH and WOC 2.5 hrs. Loaded hole and tested plug. Built to 400# and the lost Pressure. Shut in and shut down to let cement set overnight.

11/16/2018 Pressure tested plug to 500#. Held good. Tagged cement at 758' and perforated 4 ½" casing at 540'. Established circulation and pumped cement down 4 ½" casing to perfs at 540' and up annulus to surface. Took 140 sx. Rig down and cut off. Cement had fallen from surface. WOC 4 hrs and fill up both strings with 35 sx cement. Install marker cut off anchors, clean pit and cleared location.