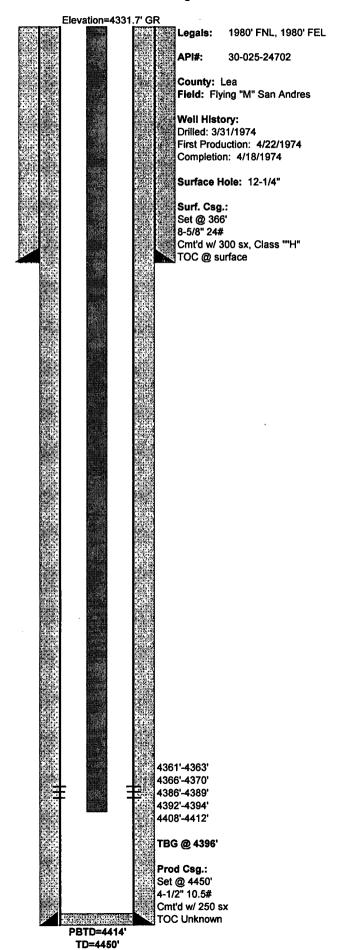
| Submit 1 Copy To Appropriate District  | State of New Mexico                                   | Form C-103  |  |
|--|---|---|--|
| District I - (575) 393-6161  | Energy, Minerals and Natural Resources                | Revised July 18, 2013   |  |
| 1625 N. French Dr., Hobbs, NM 88240<br><u>District II</u> – (575) 748-1283   | a   | WELL API NO.<br>30-025-24702  |  |
| 811 S. First St., Artesia, NM 88210  | OIL CONSERVATION DIVISION                             | 5. Indicate Type of Lease   |  |
| <u>District III</u> - (505) 334-6178<br>1000 Rio Brazos Rd., Aztec, NM 87410   | 1220 South St. Francis Dr.                            | STATE FEE   |  |
| District IV – (505) 476-3460   | Santa Fe, NMc8750 S                                   | 6. State Oil & Gas Lease No.  |  |
| 1220 S. St. Francis Dr., Santa Fe, NM<br>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 REPLIE BACKETO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-701) FOR SUCH |   | FLYING M SA UNIT  |  |
| PROPOSALS.)  |   | 8. Well Number #16  |  |
| 1. Type of Well: Oil Well  | 1. Type of wen. On wen 🖂 Gas wen 🗀 Ouler              |   |  |
| 2. Name of Operator SOUTHWEST ROYALTIES, INC.  |   | 9. OGRID Number   |  |
|  |   | 21355   |  |
| 3. Address of Operator   |   | 10. Pool name or Wildcat  |  |
| P.O. BOX 53570; MIDLAND, TEXAS 79710-3570  |   | FLYING M SAN ANDRES   |  |
| 4. Well Location   |   |   |  |
|  | 980feet from theNORTH line and198                     | 30 feet from the EAST line  |  |
| Section 29 Township 9S Range 33E NMPM LEA County   |   |   |  |
|  | 11. Elevation (Show whether DR, RKB, RT, GR, etc.     |   |  |
| 4331.7 GR  |   |   |  |
|  |   |   |  |
| 12. Check Appropriate Box t  | o Indicate Nature of Notice, Report or Other D        | )ata  |  |
|  |   |   |  |
|  | NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:         |   |  |
| PERFORM REMEDIAL WORK  |   | <del>-</del>  |  |
| TEMPORARILY ABANDON ☐ CHANGE PLANS ☐ COMMENCE DRILLING OPNS.☐ P AND A ☐ PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐ CASING/CEMENT JOB ☐                |   |   |  |
| PULL OR ALTER CASING   |   |   |  |
| CLOSED-LOOP SYSTEM   |   |   |  |
| 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.   |   |   |  |
| 1. MIRU P&A EQUIPEMNT  |   |   |  |
| 2. SET CIBP @ 4350' W/ 25 SX ON TOP OF CIBP (CIRC MUD LADEN FLUIDS & PRESSURE TEST CSG)  |   |   |  |
| 3. PUMP 25 SX @ 2500'  |   |   |  |
| 4. PERF AND SQZ 60 SX  |   |   |  |
| 5. PERF @ 380', SQZ 90 SX TO SURF. VERIFY CMT. CUT OFF W.H. INSTALL DRY HOLE MARKER 3'   |   |   |  |
| BELOW GROUND LEVEL SEND pics of cut of P esg (cement) and marker before  Back fill hole  |   |   |  |
|  | •   | Back Fill hote  |  |
| CLOSED LOOP SYSTEM   | I # 10# ML. F. WILL BE USED.                          |   |  |
|  |   |   |  |
| Snud Date: MARCH 3   | 1 1074 APR  | PH 11 1974 (A   |  |
| Spud Date: MARCH 3   | Rig Release Date: APR                                 | 0/2 0/2   |  |
|  |   | Titio An  |  |
| I haraby cartify that the information  | above is true and complete to the best of my knowledg | RIL 11, 1974 Condition Alexandre and belief.  DATE 01/22/2019 Condition Alexandre and belief. |  |
|  | above is true and complete to the best of my knowledg | or and benefit.   |  |
| $\mathcal{P}\mathcal{P}$ .   |   | App.  |  |
| SIGNATURE TITLE REGULATORY ANALYST DATE 01/22/2019   |   |   |  |
| - TANDS IN LANGUAR TO 11 11 III O DIVOND (120) 207 207   |   |   |  |
| Type or print nameLINDSAY LIVESAY E-mail address: _llivesay@swrpermian.com PHONE: _(432) 207-3054 For State Use Only                               |   |   |  |
| FOI State Use Unity  | 1 +-  |   |  |
| APPROVED BY: Kerry Forther TITLE Compliance Office A DATE 2-6-19   |   |   |  |
| Conditions of Approval (if any)  |   |   |  |

# Southwest Royalties, Inc. Flying M SA Unit #16

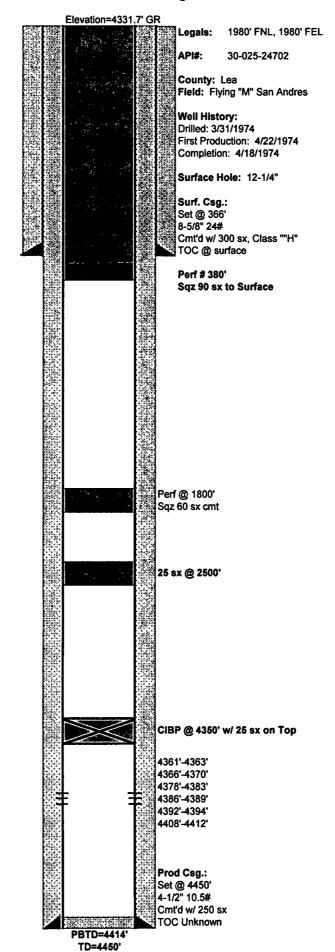
#### **Before Wellbore Diagram**



## Southwest Royalties, Inc. Flying M SA Unit #16

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#### After Wellbore Diagram



### **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.