

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

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

Form C-103
Revised July 18, 2013

<p>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.)</p>		<p>WELL API NO. 30-025-20948</p>
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator Diamond S Energy Co.</p>		<p>6. State Oil & Gas Lease No. B-1056-1</p>
<p>3. Address of Operator 6608 Bryant Irvin Road, Fort Worth, Tx 76132</p>		<p>7. Lease Name or Unit Agreement Name Texaco Shell State Com</p>
<p>4. Well Location Unit Letter J : 1833 feet from the S line and 1845 feet from the E line Section 25 Township 17S Range 34E NMPM Lea County</p>		<p>8. Well Number 1</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4009 DF</p>		<p>9. OGRID Number 291444</p>
<p>10. Pool name or Wildcat Vaccuum Wolfcamp/Upper Penn</p>		

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL. <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

Plugging operations on this well were conducted from Feb 18 to Feb 27, 2019. There are 3 wellbores consisting of 2 7/8" tubing cemented from TD to surface. These wellbores have been plugged as follows:

Wellbore X: Class C cmt 0-404', CIBP+35' cmt @ 1650, CIBP +35' cmt @ 4790' CIBP+ 35' cmt @ 5935', Old CIBP+ cmt tagged @ 8398'

Wellbore Y: Class C cmt surface to 404', CIBP+35' cmt @ 1665 and cement plug from 4428' (tagged) to 10,030'.

Wellbore Z: Class C cmt 0-404', CIBP+35' cmt @ 1650, CIBP +35' cmt @ 4800' CIBP+ 35' cmt @ 5935' and cement plug from 6584' (tagged) to 10,030'.

A detailed report of operations and Well Bore Diagram are attached to this form. The dry hole marker has been installed and the location will be cleaned and leveled per NMOCD regulations and the final C-103 will be filed as soon as possible.

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

TITLE Consultant

DATE 2/28/19

Type or print name

Phelps White

E-mail address:

pwiv@zianet.com

PHONE:

575 626 7660

For State Use Only

APPROVED BY:

Kerry Foster

TITLE

Compliance Officer

DATE

3-7-19

Conditions of Approval (if any):

**Diamond S Energy Co.
6608 Bryant Irvin Road
Fort Worth, TX 76132**

**Texaco Shell State Com #1
Report of P&A Operations**

NMOCD Notified 8:30 Feb 18, 2019 of commencement of plugging operations. In a meeting with Kerry Fortner permission was granted to use CIBPs and dump cement in lieu of 1" in critical spots not covered by the primary class H plug pumped.

Feb 18, 2019: MIRU Pulling Unit. Blow pressure down from tubing strings and casing. LD rods and pump. The NMOCD was notified at 8:30 Feb 18, 2019 of commencement of plugging operations. In a meeting with Kerry Fortner permission was granted to use CIBPs and dump cement in critical spots if not covered by the primary class H plug pumped down wellbores X and out wellbore Y. Depths of necessary plugs are: 5935' (Glorietta), 4800' (9 5/8" shoe), 1665', (top of salt), 390' (13 3/8" shoe and 30' surface plug.

Feb 19, 2019: MIRU Cementers. Pump water down wellbore Y and up wellbore Z with circulation. Pump 560 sx class H down wellbore Y and up wellbore Z and WOC overnight. Run in wellbore X and tag CIBP @ 8398'.

Feb 20, 2019: RI wellbore Y w/ rods and tag cement @ 4428'. RI wellbore Z w/ rods and tag cement @ 6584'. Lay down rods.

**Feb 21, 2019: MI wireline truck and set CIBPs and dump 35' cement on top in the following wellbores at the following depths:
Wellbore X 5935', 4790' and 1650'
Wellbore Y; 1665'
Wellbore Z; 5935', 4800' and 1650'**

Feb 22, 2019: Run in all 3 tubing strings with 1" tubing to 404'. Pump approximately 10sx class C cement to load tubing from surface to 400'. After pulling out of tubing strings, all 3 were topped off with class C cement.

Feb 25, 2019: RDMO pulling unit. Dug out around well approximately 6' deep. Attempt to cut 13 3/8" casing but after cutting several windows the casing collapsed. Cement

was tagged in the 13 3/8" X 9 5/8" annulus at 75' from surface. The situation posed danger to the welder. Met with NMOCD (Kerry Fortner) and obtained permission to ready mix the 13 3/8X9 5/8" annulus in order to be able to cut off the wellhead.

Feb 26, 2019: Dump approximately 2 yards ready mix (3/8" 3000 psi) cement into annulus to fill it to surface and shut down to WOC.

Feb 27, 2019: Cut off 13 3/8" casing, 9 5/8" casing and the three 2 7/8" tubing strings at ~~surface~~ surface. All voids are full of cement. Weld on plate and dry hole marker. Fill in the hole around the dry hole marker and cut off anchors.

Final Plug Configuration of each wellbore (Wellbore Diagram Attached):



Wellbore X: Class C cmt 0-404', CIBP+35' cmt @ 1650, CIBP +35' cmt @ 4790' CIBP+ 35' cmt @ 5935', Old CIBP+ cmt tagged @ 8398'

Wellbore Y: Class C cmt surface to 404', CIBP+35' cmt @ 1665 and cement plug from 4428' (tagged) to 10,030'.

Wellbore Z: Class C cmt 0-404', CIBP+35' cmt @ 1650, CIBP +35' cmt @ 4800' CIBP+ 35' cmt @ 5935' and cement plug from 6584' (tagged) to 10,030'.

Diamond S Energy Company

WELL BORE DIAGRAM

X

Y

Z

Shell State Com #1

NOTE: Annulus between the 9 5/8" casing and the three tubing strings is filled with cement.

