

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

HOBBS OCD
MAR 18 2020

RECEIVED

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

| |
|---|
| WELL API NO. 30-025-06739 |
| 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 Argo "A" |
| 8. Well Number 7 |
| 9. OGRID Numer 873 |
| 10. Pool Name or Wildcat Penrose Skelly; Grayburg & Paddock |

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

| | |
|--|---|
| 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | 7. Lease Name or Unit Agreement Name Argo "A" |
| 2. Name of Operator Apache Corporation | 8. Well Number 7 |
| 3. Address of Operator 303 Veterans Airpark Lane, Ste. 3000, Midland, TX 79705 | 9. OGRID Numer 873 |
| 4. Well Location Unit Letter E : 1880 feet from the N line and 760 feet from the W line Section 22 Township 21S Range 37E NMPM County LEA | 10. Pool Name or Wildcat Penrose Skelly; Grayburg & Paddock |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3421' GR | |

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

NOTICE OF INTENTION TO:

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

SUBSEQUENT REPORT OF:

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 or proposed completion or recompletion.

Apache Corporation proposes to P&A the above mentioned well by the attached procedure. A closed loop system will be used for all fluids from this wellbore and disposed of required by OCD Rule 19.15.17.14 NMAC.

**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 Guinn Burks TITLE Sr. Reclamation Foreman DATE 3/12/20Type or print name Guinn Burks E-mail add. guinn.burks@apachecorp.com PHONE: 432-556-9143

For State Use Only

APPROVED BY: Kenny Jant TITLE CO A DATE 3-25-20

Conditions of Approval (if any):



WELL BORE INFO.

LEASE NAME

Argo "A"

WELL #

7

API #

30-025-06739

COUNTY

LEA

0

17 1/2" Hole
13 3/8" 48# @ 226'
w/300 sx CIRC

818

1636

2454

11" Hole
8 5/8" 32# @ 2913'
W/1700 sx CIRC

3272

TOC @ 3630'

4090

Grayburg perms @ 312'-3960'

4808

Paddock perms @ 5300'-5310'
CIBP @ 5464' w/35' cmt
Blinbry perms @ 5514'-5782' sqzd w/200 sx cmt

5728

Blinbry perms @ 5836'-5951'

6544

Drinkard perms @ 6413'-6659' sqzd w/400 sx cmt
CIBP @ 6698' w/ 35' cmt

7362

Abo perms @ 6748'-7223'

CIBP @ 7600' w/1 sx cmt

7 7/8" Hole
5 1/2" 15.5 & 17# @ 8080'
w/750 sx, TOC @ 3630'
OH @ 8030'-8130'

8180

McKee & Connell perms @ 7662'-7994'
CIBP @ 8030' w/ 8 sx cmt

PBYD @ 5429'
TD @ 8180'



WELL BORE INFO.

LEASE NAME

Argo "A"

WELL #

7

API #

30-025-06739

COUNTY

LEA

PROPOSED PROCEDURE

0
17 1/2" Hole
13 3/8" 48# @ 228'
w/300 sx CIRC

618

1638

2454

11" Hole
8 5/8" 32# @ 2913'
W/1700 sx CIRC

3272

TOC @ 3630'

4090

4908

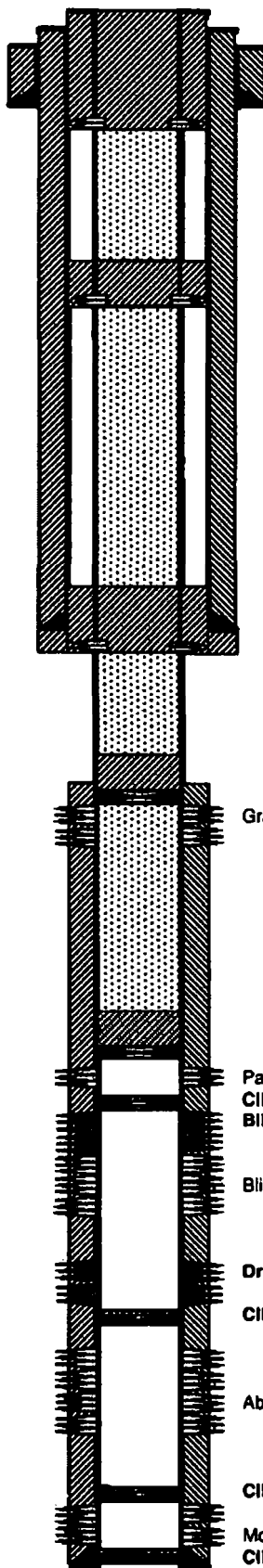
5726

6544

7362

8180

7 7/8" Hole
5 1/2" 15.5 & 17# @ 8080'
w/750 sx, TOC @ 3630'
OH @ 8030'-8130'



5. PUH & perf @ 276' & sqz/CIRC 75 sx Class "C" cmt from 276' to surf. Attempt to CIRC 5 1/2" to surf. (Surface Shoe & Water Board)

4. PUH & perf @ 1150' & sqz 55 sx Class "C" cmt from 1150'-900', WOC/TAG (Top of Salt)

3. PUH & perf @ 2963' & sqz 55 sx Class "C" cmt from 2963'-2760', WOC/TAG (Base of Salt & Intermediate Shoe)

2. PUH & set a CIBP @ 3775' & spot 25 sx Class "C" cmt on CIBP, (Grayburg Perfs)

Grayburg perfs @ 3812'-3960'

1. MIRU P&A rig. RIH w/ WL & set a CIBP @ 5250'. RIH w/ tbg & CIRC w/ MLF & spot 25 sx Class "C" cmt from 5250'-5000'. (paddock perfs)

Paddock perfs @ 5300'-5310'

CIBP @ 5464' w/35' cmt

Blinbry perfs @ 5514'-5782' sqzd w/200 sx cmt

Blinbry perfs @ 5836'-5951'

Drinkard perfs @ 6413'-6659' sqzd w/400 sx cmt

CIBP @ 6698' w/ 35' cmt

Abo perfs @ 6748'-7223'

CIBP @ 7600' w/1 sx cmt

McKee & Connell perfs @ 7662'-7994'

CIBP @ 8030' w/ 8 sx cmt

PSTD @ 8129'
TD @ 8180'

**CONDITIONS OF APPROVAL
FOR PLUGGING AND ABANDONMENT
OCD - Southern District**

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, Notify **NMOCD District Office I (Hobbs)** at **(575)-263-6633** at least 24 hours before beginning work. After MIRU rig will remain on well until it is plugged to surface. OCD is to be notified before rig down.

Company representative will be on location during plugging procedures.

1. A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.
2. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.
3. Trucking companies being used to haul oilfield waste fluids to a disposal - commercial or private- shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall be able to produce a copy upon request of an NMOCD Field inspector.
4. Filing a subsequent C-103 will serve as notification that the well has been plugged.
5. A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can be released.
6. If work has not begun within 1 Year of the approval of this procedure, an extension request must be file stating the reason the well has not been plugged.
7. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.
8. Produced water will not be used during any part of the plugging operation.
9. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
10. All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
11. Class 'C' cement will be used above 7500 feet.
12. Class 'H' cement will be used below 7500 feet.
13. A cement plug is required to be set 50' above and 50' below, casing stubs, DV tools, attempted casing cut offs, cement tops outside casing, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged
14. All Casing Shoes Will Be Perforated 50' below shoe depth and Attempted to be Squeezed, cement needs to be 50' above and 50' Below Casing Shoe inside the Production Casing.
16. When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set
17. A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.
18. A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, (WOC 4 hrs and tag).

19. No more than 3000' is allowed between cement plugs in cased hole and 2000' in open hole.

20. Some of the Formations to be isolated with cement plugs are: These plugs to be set to isolate formation tops

- A) Fusselman
- B) Devonian
- C) Morrow
- D) Wolfcamp
- E) Bone Springs
- F) Delaware
- G) Any salt sections
- H) Abo
- I) Glorieta
- J) Yates.
- K) Potash---(In the R-111-P Area (Potash Mine Area),

A solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, woe 4 hours and tag, this plug will be SO' below the bottom and 50' above the top of the Formation.

21. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, woe and tagged. These plugs will be set SO' below formation bottom to 50' above formation top inside the casing

DRY HOLE MARKER REQ.UIRMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least 1/4" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

1. Operator name
2. Lease and Well Number
3. API Number
4. Unit letter
5. Quarter Section (feet from the North, South, East or West)
6. Section, Township and Range
7. Plugging Date
8. County

SPECIAL CASES -----AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS

In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)

SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION