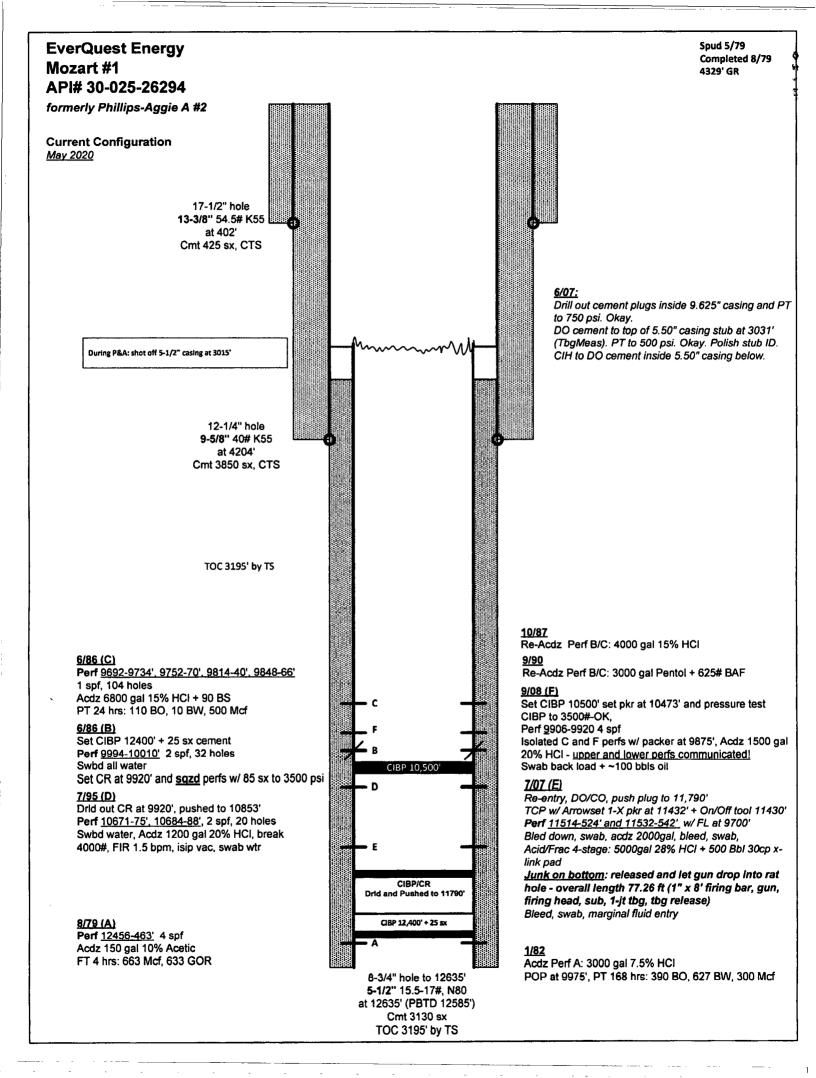
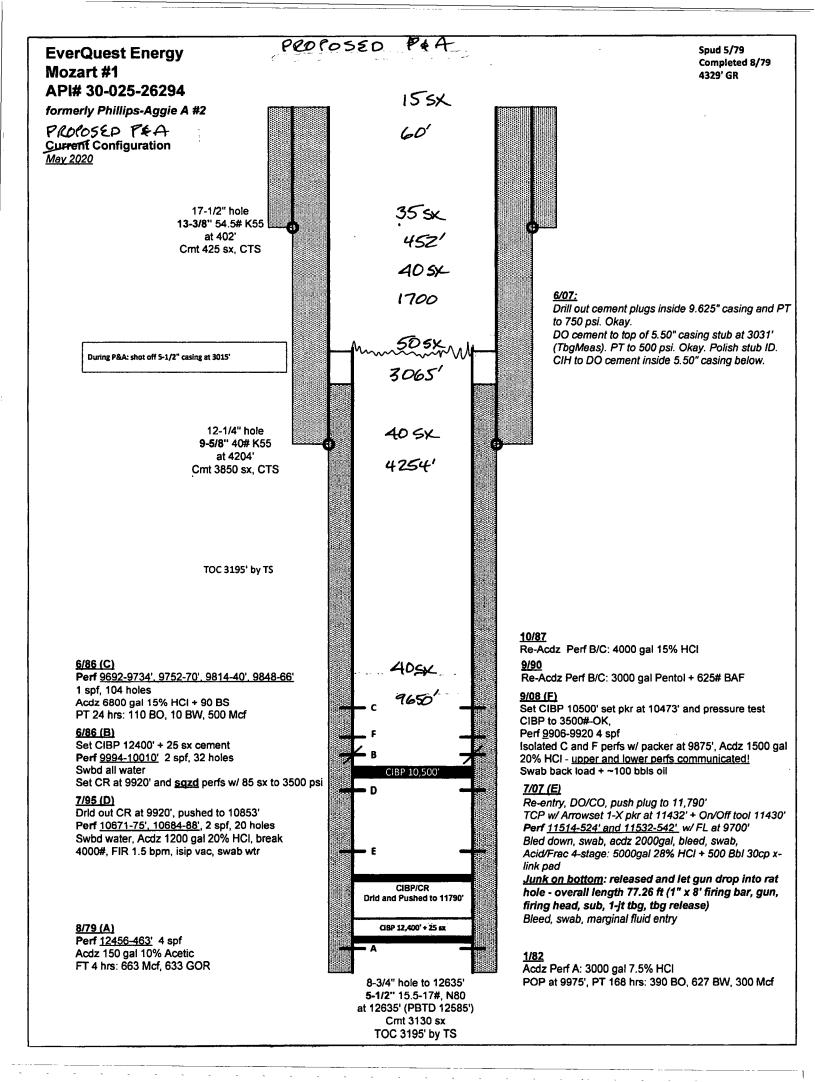
Submit 1 Copy To Appropriate District Office	State of New M	0/2020 - NM	Form C-10	-	
<u>District I</u> (575) 393-6161 1625 N. French Dr., Hobbs, NM 88240	Energy, Minerals and Natural Resources		WELL API N	Revised July 18, 201	13
<u>District II</u> - (575) 748-1283	OIL CONSERVATION DIVISION		30-025-2	6294	
811 S. First St., Artesia, NM 88210 District III – (505) 334-6178	1220 South St. Francis Dr.		5. Indicate Type of Lease		
1000 Rio Brazos Rd., Aztec, NM 87410 District IV - (505) 476-3460	Santa Fe, NM 87505		6. State Oil & Gas Lease No.		
1220 S. St. Francis Dr., Santa Fe, NM 87505	· · · · · ·		0. State Off &	Cas Lease No.	
SUNDRY NOTICES AND REPORTS ON WELLS			7. Lease Nam	e 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			Mozart		
PROPOSALS.) 1. Type of Well: Oil Well 🖾 Gas Well 🗌 Other			8. Well Number 1		
2. Name of Operator EverQuest Energy Corporation			9. OGRID Number 212929		
3. Address of Operator			10. Pool name or Wildcat		
532 Cool Water Ranch Rd. Fredericksburg, TX 78624			Anderson Ranch, Wolfcamp		
4. Well Location Unit Letter J 1830 f	eet from the South line and 1980 f	eet from the Fact line			
Section 3	Township 16S	Range 32 E	NMPM	County Lea	
	11. Elevation (Show whether D				*****
l	4329		/	••••••••••••••••••••••••••••••••••••••	
12 Check	Annonzioto Dov to Indianto '	Notine of Notice	Demant on Oth	nar Data	
	Appropriate Box to Indicate	nature of notice,	Report or Ou	ier Data	
NOTICE OF IN			· · ·	REPORT OF:	_
PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORI				ALTERING CASING	ן ר
		CASING/CEMEN			1
				•	
	-			-	7
OTHER: 13. Describe proposed or comp	leted operations. (Clearly state al	OTHER:	d give pertinent	dates, including estimated d	<u>j</u> ate
of starting any proposed we	ork). SEE RULE 19.15.7.14 NMA				
proposed completion or rec	ompletion.				
Proposed procedure:					
A CURRENT wellbore diagram and PROPOSED P&A wellbore diagram post-abandonment is attached to this form.					
Notify OCD 24-hrs prior to beginning plugging operations.					
ND WH, NU BOP. Run mule shoe to 10,000'. Circ w/ P&A 10 ppg mud. Spot 30 sx at 9650' to isolate existing perfs. WOC. Tag TOC.					
Spot 40 sx at 4254' across from intermediate casing shoe. WOC. Tag TOC SPOT 2 5 Sx 999000					
Spot 50 sx at 3065' across from 5-1/2" casing stub. WOC. Tag TOC Spot 40 sx at 1700' (top of Salt section). WOC. Tag TOC.					
Spot 35 sx 452' across from surface casing shoe. WOC. Tag TOC					
pot 15 sx at 60 surface plug and al Cut-off casing strings 5' below grou		vel	Con	Sea	
Install P&A Marker with location in		its	"dit	Atta	
Clean location of all debris and trash	• •		•	ons aches	
OSX 150-SUIF	<u></u>			A	
Spud Date:	Rig Release I	Date:		"Pprov	
	ů				
				<u> </u>	
I hereby certify that the information	above is true and complete to the	best of my knowledg	e and belief.		
				DATE 6 20 20	
SIGNATURE March	MuyTITLE Pro	esident		DATE 5-30-20	
Type or print name Terry M. Dut	fey E-mail address	: tduffey@everqueste	energy.com PHO	ONE: 432-978-1126	
For State Use Only	11 1			e de a	
APPROVED BY:	Jut TITLE C	0 A		DATE 6-18-26	
Conditions of Approval (if any)					

| 5





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 least¹/₄" 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