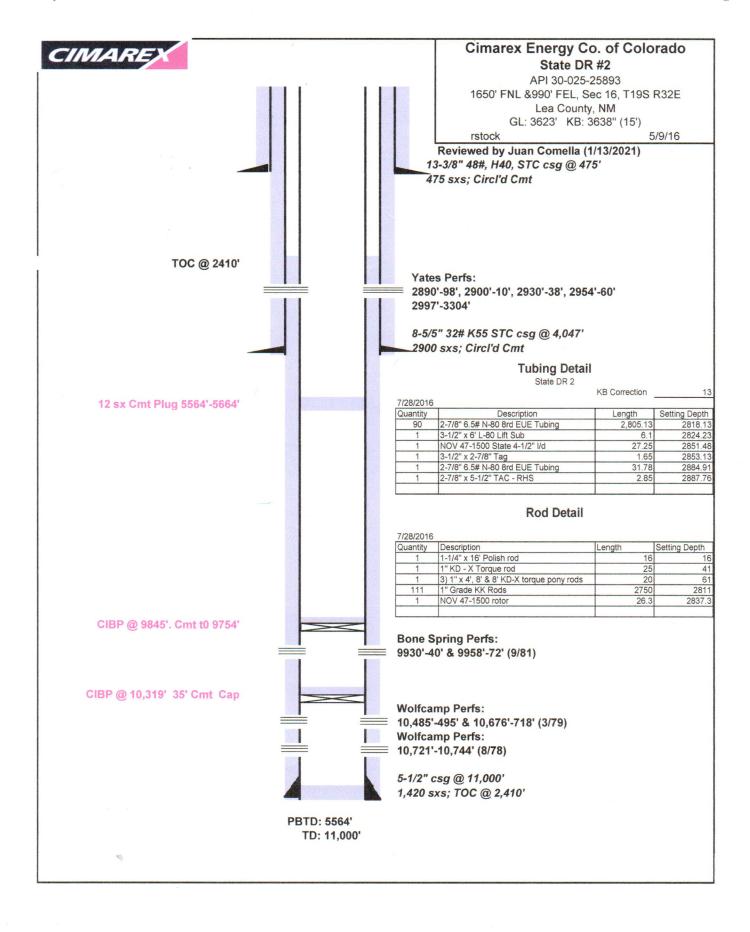
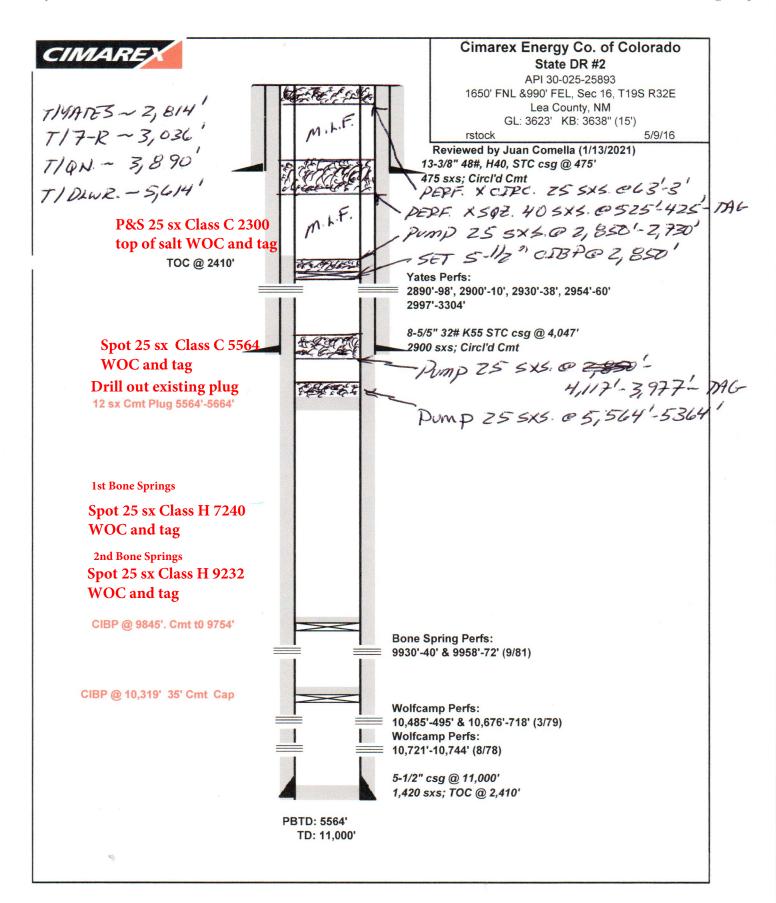
eceined by Och; 3/10/2021 9:41:28 AM Office	State of New Me			Form C-103
1625 N. French Dr., Hobbs, NM 88240	Energy, Minerals and Natural Resources OIL CONSERVATION DIVISION 1220 South St. Francis Dr.		WELL API NO.	ised August 1, 2011
<u>District II</u> – (575) 748-1283 811 S. First St., Artesia, NM 88210			30-025-25893	1
<u>District III</u> – (505) 334-6178			5. Indicate Type of Lease STATE X FEE	
1000 Rio Brazos Rd., Aztec, NM 87410 District IV – (505) 476-3460	Santa Fe, NM 87	505	6. State Oil & Gas Lease No.	
1220 S. St. Francis Dr., Santa Fe, NM 87505			538055	
SUNDRY NOTICES A (DO NOT USE THIS FORM FOR PROPOSALS TO DIFFERENT RESERVOIR. USE "APPLICATION			7. Lease Name or Unit A STATE "DR"	greement Name
PROPOSALS.) 1. Type of Well: Oil Well X Gas	Well Other		8. Well Number 002	
2. Name of Operator CIMAREX ENERGY CO. OF COLORA	ADO		9. OGRID Number 162683	
3. Address of Operator			10. Pool name or Wildcat	t
600 N. MARIENFELD, SUITE 600, MI	DLAND, TEXAS 79701		E. LUSK	
4. Well Location Unit Letter H: 1650	feet from the NORTH li	ne and 990	feet from the EAST lin	ne
Section 16		Range 32E		County LEA
11.	Elevation (Show whether DR, 3,639' - RKB	RKB, RT, GR, etc.,		
	SEE RULE 19.15.7.14 NMAC etion.	. For Multiple Con	T JOB	ding estimated date
2) PUMP 25 SXS. CMT. @ 4,117'-3,977' 3) SET 5-1/2" CIBP @ 2,850'; PUMP 25 4) PERF. X ATTEMPT TO SQZ. 40 SXS 5) PERF. X CIRC. TO SURF., FILLING 6) DIG OUT X CUT OFF WELLHEAD 3	SXS. CMT. @ 2,850 ² -2,730 ³ () . CMT. @ 525 ² -425 ³ (13-3/8 ³) ALL ANNULI, 25 SXS. CMT B ³ B.G.L.; VERITY CMT. TO	(T/YATES); CIRC CSG.SHOE); WO (. @ 63'-3'. SURF. ON ALL A	C X TAG TOC. NNULI; WELD ON STEE	L PLATE TO
CSGS. X INSTALL DRY HOLE MAN				
TO THE REQUIRED DISPOSAL, PER C		OF STSTEM W/ F	A STEEL TANK AND HAC	DL CONTENTS
Note changes to j	procedure	See atta	ched Conditions of Ap	proval
Spud Date:	Rig Release Da	te:		
I hereby certify that the information above	e is true and complete to the be	est of my knowledg	e and belief.	
SIGNATURE O	TITLE: AGEN	NT	DATE: 01	/16/21
Type or print name: DAVID A. EYLER For State Use Only	E-mail address	: deyler@milagro-	res.com PHONE: 4	32.687.3033
APPROVED BY: X 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	TITLE COM	pliance Officer A	DATE 4/	15/21





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 least¼" 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

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

COMMENTS

Action 20385

COMMENTS

Operator:			OGRID:	Action Number:	Action Type:
CIMARE	X ENERGY CO. OF COLORADO	600 N. Marienfeld Street	162683	20385	C-103F
Suite 600	Midland, TX79701				

Created By	Comment	Comment Date
plmartinez	DATA ENTRY PM	04/28/2021

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III
1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 20385

CONDITIONS OF APPROVAL

Operator:			OGRID:	Action Number:	Action Type:
CIMARE	X ENERGY CO. OF COLORADO	600 N. Marienfeld Street	1626	83 20385	C-103F
Suite 600	Midland, TX79701				

OCD Reviewer	Condition
kfortner	see attached conditions of approval Note changes to plugging procedure