

CONDITIONS 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 II at (575)-748-1283 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, WOC 4 hours and tag, this plug will be 50' 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, WOC and tagged. These plugs will be set 50' below formation bottom to 50' above formation top inside the casing

DRY HOLE MARKER REQUIREMENTS

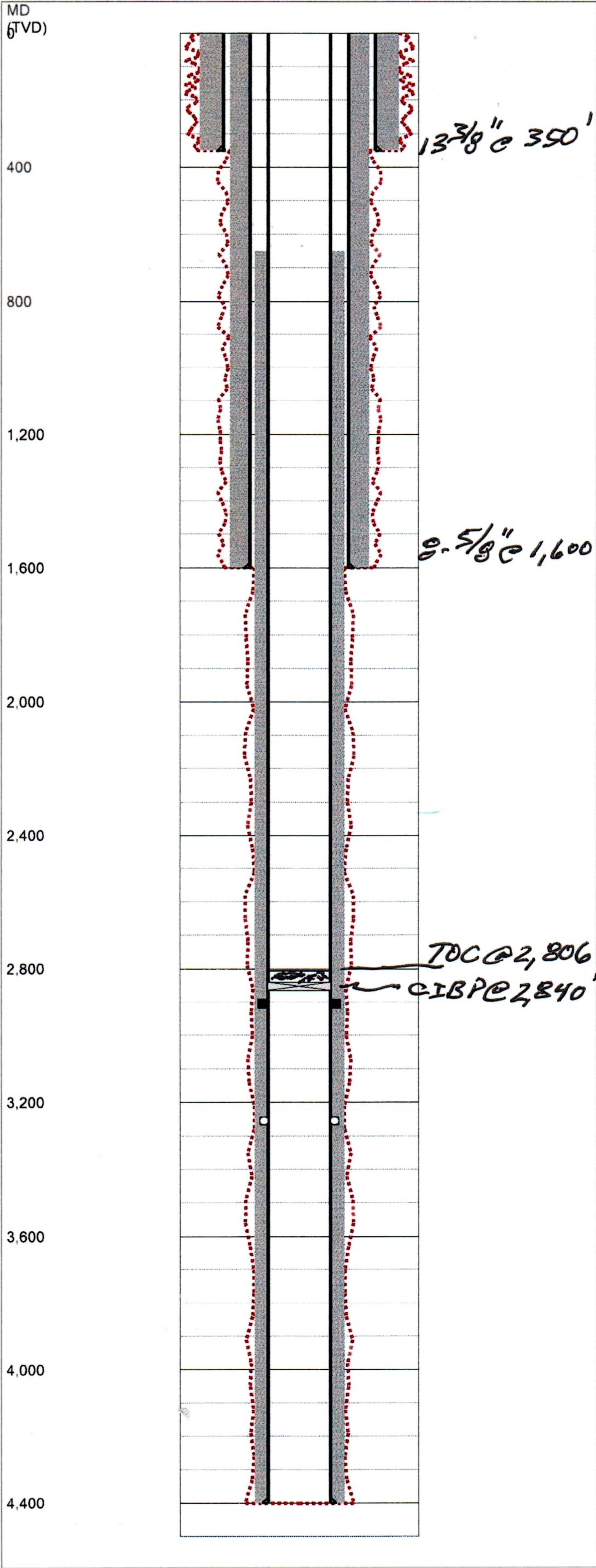
The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least ¼" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on 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

CURRENT WBD



Last Updated: 5/4/2021 04:39 PM

Field Name		Lease Name		Well No.	
EV State 4		EV State		4	
County		State		API No.	
				30015288490000	
Version		Version Tag			
0		Current WBD			
GL (ft)	KB (ft)	Section	Township/Block	Range/Survey	
3,317.0		32	22S	26E	
Operator		Well Status		Latitude	Longitude
Dist. N/S (ft)	Dir. N/S	Dist. E/W (ft)	Dir. E/W	Footage From	
Prop Num			Spud Date		Comp. Date
			3/31/1996		4/26/1996
Additional Information					
Other 1		Other 2		Other 3	Other 4
Prepared By		Updated By		Last Updated	
sbrodbeck		sbrodbeck		5/4/2021 4:39 PM	
Hole Summary					
Date	Diam. (in)	Top (MD ft)	Bottom (MD ft)	Memo	
	17.500	0	350		
	12.250	350	1,600		
	7.875	1,600	4,400		
Tubular Summary					
Date	Description	O.D. (in)	Wt (lb/ft)	Grade	Top (MD ft) Bottom (MD ft)
	Surface Casing	13.375	54.50	J55	0 350
	Intermediate Casing	8.625	24.00	J55	0 1,600
	Production Casing	5.500	15.50	J55	0 4,400
Casing Cement Summary					
C	Date	No. Sx	Csg. O.D. (in)	Top (MD ft)	Bottom (MD ft) Memo
		350	13.375	0	350
		400	8.625	0	1,600
		200	5.500	650	1,502
		180	5.500	1,502	3,320
		200	5.500	3,320	4,400
Tools/Problems Summary					
Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)
9/25/2018	Cmt Tag	5.500	0.000	2,806	0
9/25/2018	CIBP	5.500	0.000	2,840	0
	DVT, D/O	5.500	0.000	3,242	0
Perforation Summary					
C	Date	Perf. Status	Formation	OA Top (MD ft)	OA Bottom (MD ft)
	4/26/1996	Isolated	Delaware	2,892	2,902

PROPOSED PA WBD

CHISHOLM ENERGY
EV STATE #004
30-015-28849

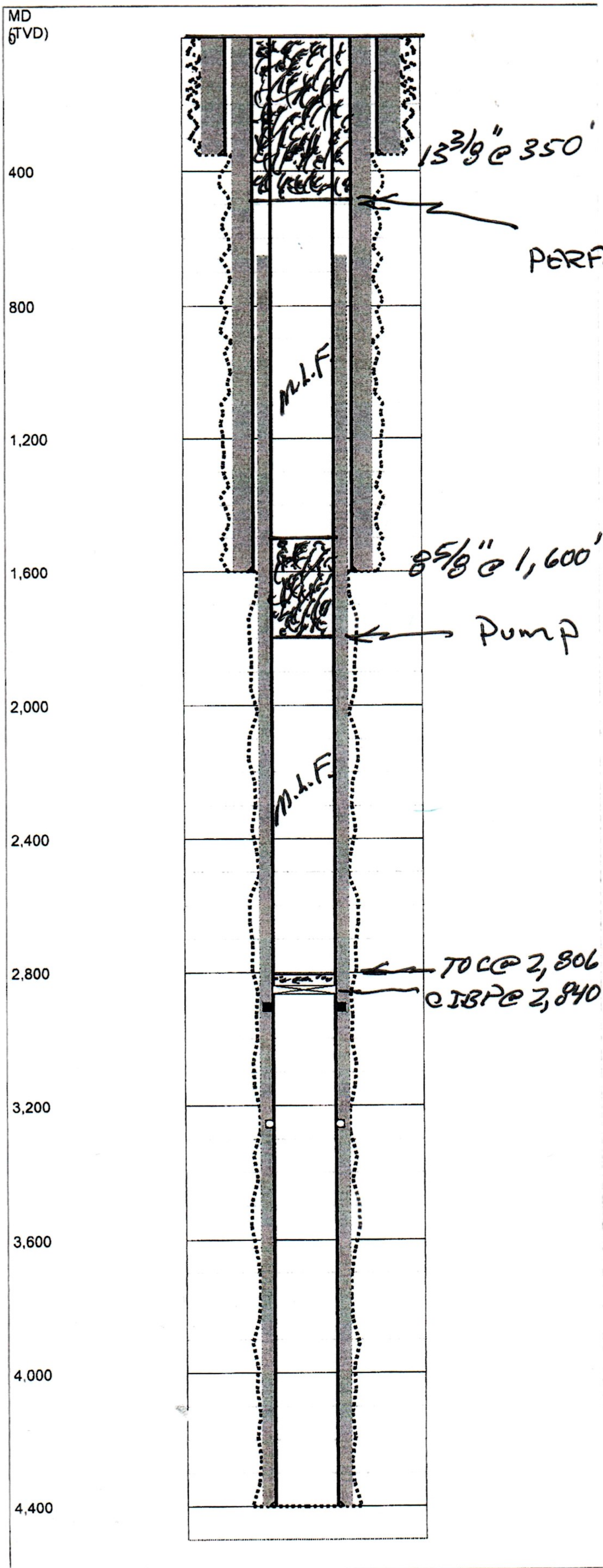
T/DLWP. ~1,610'

PERF. X CIRC. 125 SXS. @ 400'-3'

8 5/8" @ 1,600'

Pump 25 SXS. @ 1,660' - 1,550' - TAG

TOC @ 2,806'
CIBP @ 2,840'



District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
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
District IV
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 27793

CONDITIONS OF APPROVAL

Operator:	CHISHOLM ENERGY OPERATING, LLC	801 Cherry Street	Fort Worth, TX76102	OGRID:	372137	Action Number:	27793	Action Type:	C-103F
OCD Reviewer	Condition								
gcordero	None								