

State of New Mexico
Energy, Minerals and Natural ResourcesForm C-105
May 27, 2004Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-02387
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-7824
7. Lease Name or Unit Agreement Name Lea Ed St. NCT-A
8. Well Number 1
9. OGRID Number 173413
10. Pool name or Wildcat Quail Ridge B.S.

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.)

1. Type of Well: Oil Well ☐ Gas Well ☐ Other ☐

2. Name of Operator

E.G.L. Resources, Inc.

3. Address of Operator

P.O. Box 10885 Midland, TX 79702

4. Well Location

Unit Letter M : 760 feet from the S line and 660 feet from the W line

Section 16 Township 19S Range 34E NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 ☐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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Estimate date to begin: December 8, 2021

Notify New Mexico Regulatory 575-393-6161.

Prep loc.

1. MIRU, ND WH, NUBOP. POOH w/prod equip. TIH w/tbg to 10,198', spot 150sx. WOC & tag cmt @ 9400'. Circ w/P&A mud.9.5#
2. PUH to 8075' spot 40sx POOH perf @ 5580', sqz 50sx WOC & tag. P&S 50 sx Class C 3370 (T. Yates B. Salt) WOC & Tag
3. PUH perf @ 485', sqz 200sx cmt to surf. Verify in & out. P&S 50 sx Class C 1700 (Top of salt) WOC & Tag
4. ND BOP. CO WH 3' below GL. Install DHM. RR. RD MO.

Closed loop system, all fluids to licensed facility, P&A mud between all plugs.

Note changes to procedure

4" diameter 4' tall Above Ground Marker

SEE ATTACHED CONDITIONS
OF APPROVALI hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.SIGNATURE Linda Johnston TITLE Agent DATE 11/29/2021

Type or print name Linda Johnston

E-mail address: stateoilreports@satx.rr.com Telephone No. 830-964-5963

For State Use Only

APPROVED BY: Kerry Fortner TITLE Compliance Officer A DATE 12/3/21

Conditions of Approval (if any)

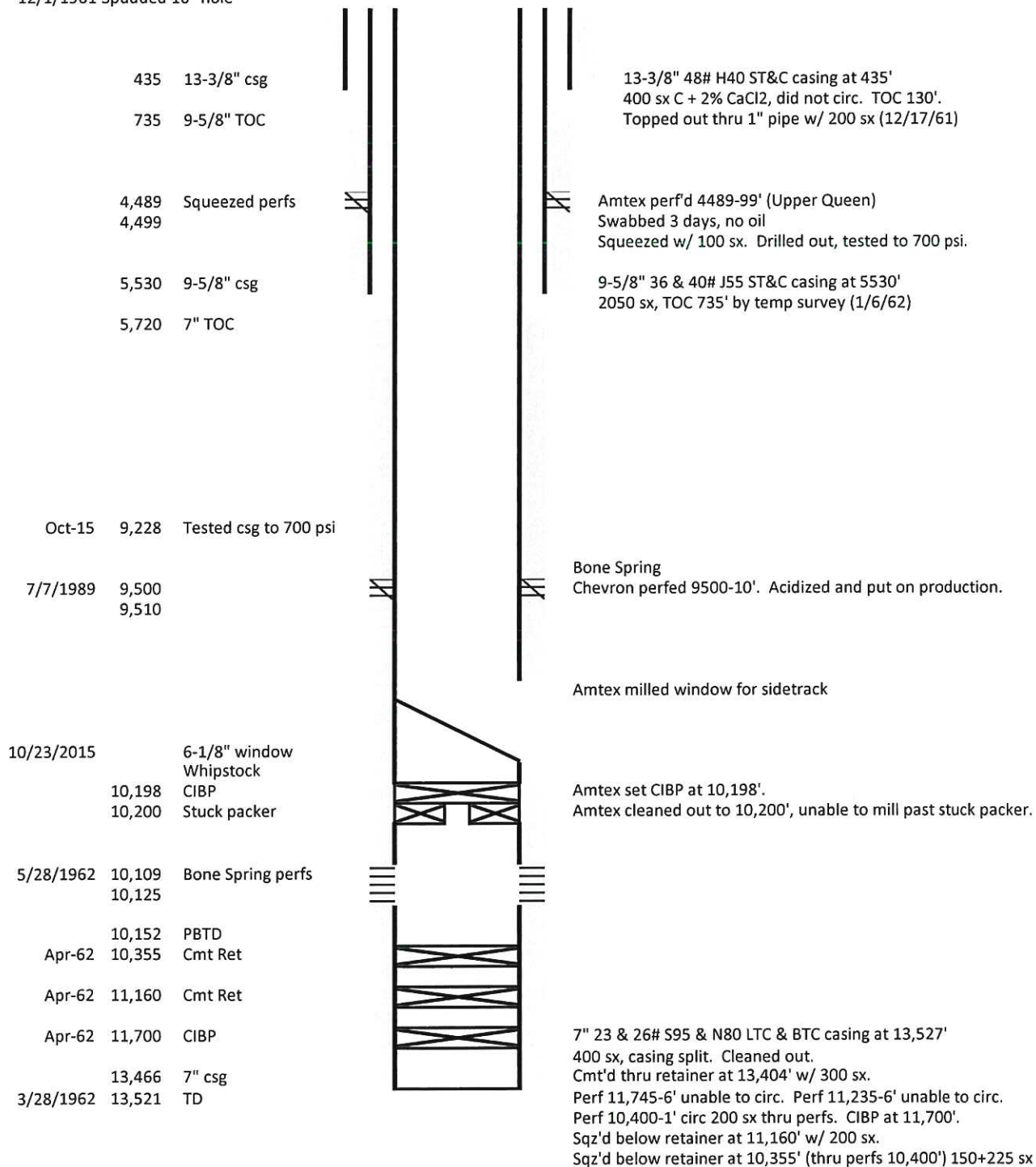
Operator: [173413] E G L RESOURCES INC
 Well: LEA ED STATE NCT-A #001
 API: 30-025-02387
 Location: 760 FSL & 660 FWL (M) of Section 16-19S-34E
 Lea Co., NM
 Lat/Long: 32.6550751,-103.5718079 NAD83
 Elevation: 3758' GL

Date: 10/1/2021
 Prepared by: Kelvin Fisher
 Mineral Owner: State
 Surface Owner: State

Critical dates: 12/1/1961 Gulf Spudded. 3/28/1962 TD'd. 5/27/1962 Ready to Produce (Bone Spring 9500-9510'). Last produced 11/2005 (Quail Ridge; Bone Spring).

CURRENT WBD

12/1/1961 Spudded 16" hole



Operator: [173413] E G L RESOURCES INC

Well: LEA ED STATE NCT-A #001

API: 30-025-02387

Location: 760 FSL & 660 FWL (M) of Section 16-19S-34E
Lea Co., NM

Lat/Long: 32.6550751, -103.5718079 NAD83

Elevation: 3758' GL

AFTER
PLA

Date: 11/5/21

Prepared by: Kelvin Fisher

Mineral Owner: State

Surface Owner: State

Critical dates: 12/1/1961 Gulf Spudded. 3/28/1962 TD'd. 5/27/1962 Ready to Produce (Bone Spring 9500-9510'). Last produced 11/2005 (Quail Ridge; Bone Spring).

12/1/61 Spudded 16" hole

D.H.M.

435 13-3/8" csg

735 9-5/8" TOC

3,735 7" casing bowl

4,489 Upper Queen

4,499 Perfs

5,530 9-5/8" csg

5,720 7" TOC

40 SX
4549'
4479'
TAG

200 SX 485' SURF
P.S. Verify
13-3/8" 48# H40 ST&C casing at 435'
400 sx C + 2% CaCl2, did not circ. TOC 130'.
Topped out thru 1" pipe w/ 200 sx (12/17/61)

Amtex perf'd 4489-99' (Upper Queen)
Swabbed 3 days, no oil
Squeezed w/ 100 sx. Drilled out, tested to 700 psi.

9-5/8" 36 & 40# J55 ST&C casing at 5530'
2050 sx, TOC 735' by temp survey (1/6/62)

50 SX.
5580'-5480'
P.S. TAG

40 SX
8075'-7875'

7/7/89 9,500 Upper Bone Spring
9,510 Perfs

5/28/62 10,109 Lower Bone Spring
10,125 Perfs

150 SX.
10,198'-9450'
TAG

Bone Spring
Chevron perf'd 9500-10'. Acidized and put on production.
Last produced 11-2005

L. Bone Spring: 10,109 - 10,125' (16', 2 jsp, 32 holes)
Last produced 11-2005

Amtex milled 6-1/8" window for sidetrack (10/23/15)

10/23/15 6-1/8" window
Whipstock
10,198 CIBP
10,200 Stuck packer

Amtex set CIBP at 10,198'.
Amtex cleaned out to 10,200', unable to mill past stuck packer.

11,414 Packer

11,508 Wolfcamp Perfs

13,404 Cmt Ret

13,466 7" csg

2-3/8" tubing cut at 10,160'
Baker fullbore packer @11,414'
Plug in profile nipple at 11,434'

Wolfcamp Perfs 11,508-18'

7" 23 & 26# S95 & N80 LTC & BTC casing at 13,527'
400 sx, casing split. Cleaned out.
Cmt'd thru retainer at 13,404' w/ 300 sx.

**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, 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

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 64157

CONDITIONS

Operator: E G L RESOURCES INC P.O. Box 10886 Midland, TX 79702	OGRID: 173413
	Action Number: 64157
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kfortner	See attached conditions of approval Note changes to procedure	12/3/2021