Submit 1 Copy To Appropriate District Office
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

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised July 18, 2013

WELL API NO. 33-025-33238

5. Indicate Type of Lease STATE ☒ FEE ☐

6. State Oil & Gas Lease No. LG 6337

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.)

7. Lease Name or Unit Agreement Name: JACKSON UNIT

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

8. Well Number 003

2. Name of Operator: TAP ROCK OPERATING, LLC

9. OGRID Number 372043

3. Address of Operator: 523 PARK POINT DR, SUITE 200, GOLDEN, CO 80401

10. Pool name or Wildcat: [79335] JOHNSON RANCH; WOLFCAMP (GAS)

4. Well Location
Unit Letter N : 660' feet from the SOUTH line and 1980' feet from the WEST line
Section 15 Township 24S Range 33E NMPM County LEA

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3614'

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☒	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
CLOSED-LOOP SYSTEM ☐			
OTHER: ☐		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 of proposed completion or recompletion.

Tap Rock requests to plug and abandon the wolfcamp formation: [79335] JOHNSON RANCH; WOLFCAMP (GAS) for Johnson Unit 003. Tap Rock will also file a recomplete APD to produce from [96674] TRIPLE X; BONESPRING, WEST. See attached plugging procedure, well bore schematic, and recomplete procedure.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE _____ TITLE Regulatory Analyst DATE 12/29/2021

Type or print name Jeff Trlica E-mail address: jtrlica@taprock.com PHONE: 720-772-5910

For State Use Only

APPROVED BY: Kerry Fortner TITLE Compliance Officer A DATE 1/11/22

Conditions of Approval (if any)

575-263-6633

Jackson Unit #3

Lea County, NM

Plug and Abandonment Wolfcamp Perfs
Jan 1, 2022

Basic Wellbore Construction Data:

Casing Data			
Size O.D.	**Weight**	**Depth**	**TOC**
13-3/8''	48 ppf	748'	Surface
9-5/8"	40 ppf	5,200'	Surface
7''	29 ppf	12,618'	3,500'
Tubing Data			
2-7/8"	6.5 ppf	13,430'	
Open Perforations			
13,309'-13373'	13,466' - 13,758'		

Objective: Plug and abandonment Wolfcamp Perfs.

Safety:

Comply with all NMOCD, BLM, and Operator safety regulations.
All Personnel MUST wear hard hats, steel toed boots, and safety glasses.
No smoking inside rig anchors.
Hold a job safety meeting each morning, and as needed before specific job tasks.

General Considerations and Requirements:

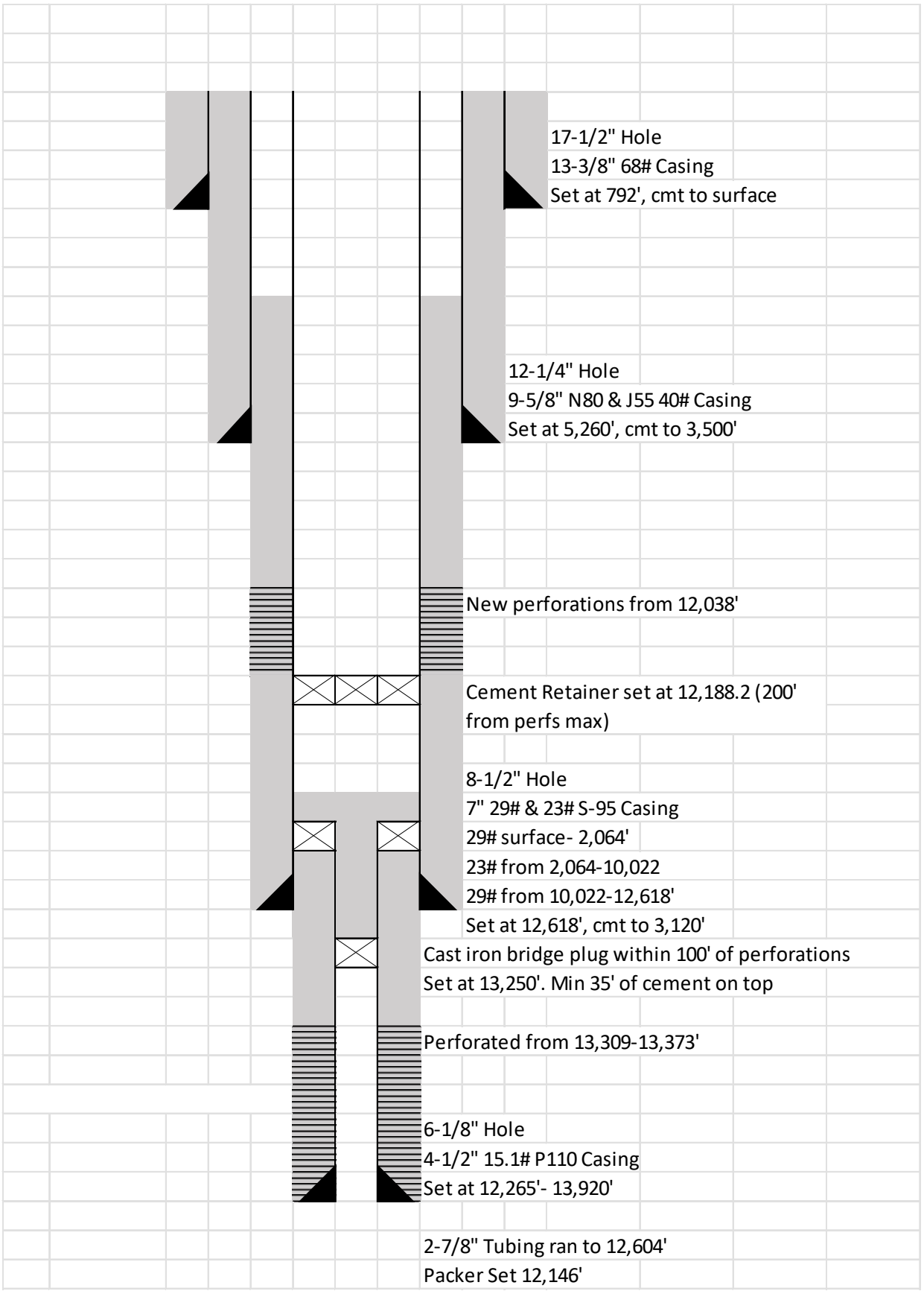
- The procedure will be revised based on approved NMOCD, BLM, and Operator safety regulations.
- All cement volumes use 100% excess outside pipe and 50' excess inside.
- The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures.
- All cement will be class G, mixed at 15.8 ppg with a 1.15 ft^3/sacks yield.

Downhole Work Procedure:

1. This project will use a steel tank to handle waste fluids circulated from the well and cement wash up.
2. Test anchors. If test fails, discuss with company man and plan for rig base beam before proceeding.
3. MIRU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing, and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
4. Verify packer at 13,430' is released. If not, proceed as follow;
   - Release packer at 13,430,'. If packer will not release, shoot off tubing above packer. TOOH and LD cut tubing. If packer still in hole, TIH and wash over packer. Retrieve packer and LDT.
   - Once all tubing and packer retrieved from hole, move to next step
5. Proceed with plugging operations.
6. MIRU cement service company.
7. TIH w/pkr and set at 13,300' and squeeze existing perforations at **13,309' – 13,758'.** Document number of cement sacks used in this process.

   Plug #1. RIH w/CIBP setting at ~13,228'. Mix and pump 60 sacks of Class G cement on top spotting a balanced plug inside casing to isolate the interval. PUH. WOC. Tag and record final top depth of cement.

8. RD aux. equipment, clean loc.

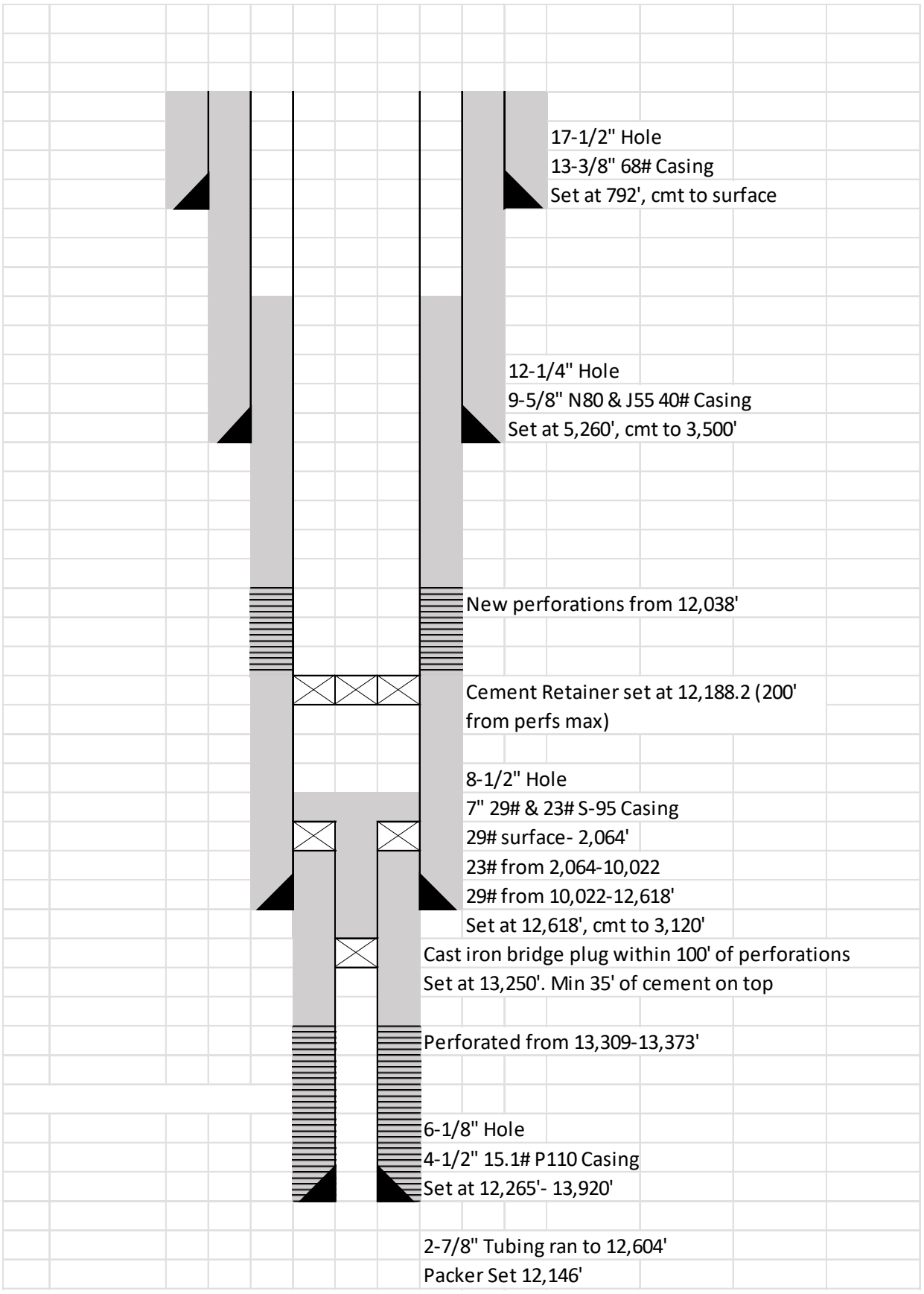

17-1/2" Hole
13-3/8" 68# Casing
Set at 792', cmt to surface
12-1/4" Hole
9-5/8" N80 & J55 40# Casing
Set at 5,260', cmt to 3,500'
New perforations from 12,038'
Cement Retainer set at 12,188.2 (200' from perfs max)
8-1/2" Hole
7" 29# & 23# S-95 Casing
29# surface- 2,064'
23# from 2,064-10,022
29# from 10,022-12,618'
Set at 12,618', cmt to 3,120'
Cast iron bridge plug within 100' of perforations
Set at 13,250'. Min 35' of cement on top
Perforated from 13,309-13,373'
6-1/8" Hole
4-1/2" 15.1# P110 Casing
Set at 12,265'- 13,920'
2-7/8" Tubing ran to 12,604'
Packer Set 12,146'

Job:	Recomplete 3B Interval	
Well:	Jackson Unit 3	
Est. Start Date:	January 1, 2022	
Formation:	3rd BS	
Engineer:	Logan Smith	303-548-8347
2nd Call:		
Consultant:		
Supervisor:		

OBJECTIVE:

Tap Rock Operating would like to add the Third Bone Spring pool to the Jackson Unit 3 perform a DFIT at a depth of approximately 12,000 ft MD.

Jackson Unit 3			
AFE#			
API#		30-025-33238	
RKB		26.0	
4.5" 15.10# P-110 Casing			
ID (in)	3.826		
Drift (in)	3.701		
Bottom	13,920’	Top	12,265’
85% Burst (psi)	12,172		
85% Collapse (psi)	12,189		
Capacity (bbls/ft)	0.0142		
Volume to FC (bbls)			
7.0" 29# & 23# S-95 Casing			
ID (in) (smallest)	6.094	Depth	12,618’
Drift (in) (smallest)	6.095		
85% Burst (psi)	6,400		
85% Collapse (psi)	4,800		
Capacity (bbls/ft)	0.036		
9 5/8" 47# N-80 1st Intermediate Casing			
85% Burst (psi)	3,350		
85% Collapse (psi)	2,184		
Setting Depth (ft)	5,260’		
Perforating Guns			
Old top perf	13,309	New top perf	12,038
SPF		Charge Type	
Phasing		EHD / Penetration	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Packer Set 12,146'

Change Well Head

1. Upon AOL, check pressure on all wellhead valves
2. Record SICP
    - Well will be dead after P&A
        a)Will be full of 10 ppg brine
3. Confirm that well is dead for at least 30 minutes
4. Swap production tree with 7 1/16" frac valve for upcoming operations

Set Plug and Run Ultra Sonic Imager

5. Notify NMOCD Hobbs office 24 hours before running a full MIT test
    - Kerry Fortner (Compliance Officer)- 575-263-6633
    - Gary Robinson (Compliance Officer)- 575-263-4507
    - Eugene Bolton (Compliance Officer)- 575-840-5961
6. Run 6" GR/JB for the 7" casing to roughly 12,250'
    - Record depth of GR/JB run in Wellview
7. Make Note of Fluid Level
    - Record fluid level in Wellview

Set Plug and Cement Zone

8. Upon AOL, check pressure on all wellhead valves
9. Record SICP
10. Bleed of pressure to zero
11. RU Wireline

Perf Interval

12. MIRU wireline unit

13. Make up guns

    - Type- 3-1/8" ISGS, S3406D, RDX

    - Confirm the assembly includes gamma and CCL for correlation

    - Should be approximately 12' in size

14. Set 7" Bridge Plug top at **12,188'**

    - Record depth in Wellview

15. Run guns down to target interval of **12,000-12,038'** perf

    - Record perf depth in Wellview

16. Remove lubricator and secure well

DFIT

17. Fill hole to surface with fresh water
    - Record volume to load well to surface in Wellview
18. Install surface memory gauge and surface electronic gauge
    - Confirm that both gauges are recording correctly
    - Sage rider memory gauge should be set to 1 or 2 second intervals
    - Record pressure in Wellview
19. MIRU pump down truck
20. Pressure test all iron and WH equipment to pressures necessary for job. After pressure testing the iron, increase pressure to 1,500 psi and confirm the data trap is recording data appropriately
21. Set pop-off and horsepower trips to pressures necessary for job
22. Equalize pressure to 2,000 psi or known well pressure and open hydraulic valve
23. Begin injecting to perform DFIT
24. Start at 2 bpm for 2 minutes until stabilize, then step up to 4 bpm for 2 minutes until stabilize
25. Continue stepping up 2 bpm until reach formation break
    - Estimated rate of 6 bpm
26. Inject ~50 bbl after formation break at the constant target rate that was used to create formation break (between 5-10 bpm)
    - If a distinct formation break is not seen, but the well seems to be accepting fluid (pressure steadily declining at constant rate of injection) 50 bbl volume more than should suffice
    - Record volume and type of fluid pumped after formation break
27. Shut down immediately (do not perform a rate step down). Record pressure drop off in van for 15 minutes. Do not shut in ground valves in order to watch pressure
28. Close valves
29. RD equipment and horsepower units. Minimize hammering near pressure gauges

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 5O' 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 5O' 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 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

Jackson Unit #3

Lea County, NM

Plug and Abandonment Wolfcamp Perfs
Jan 1, 2022

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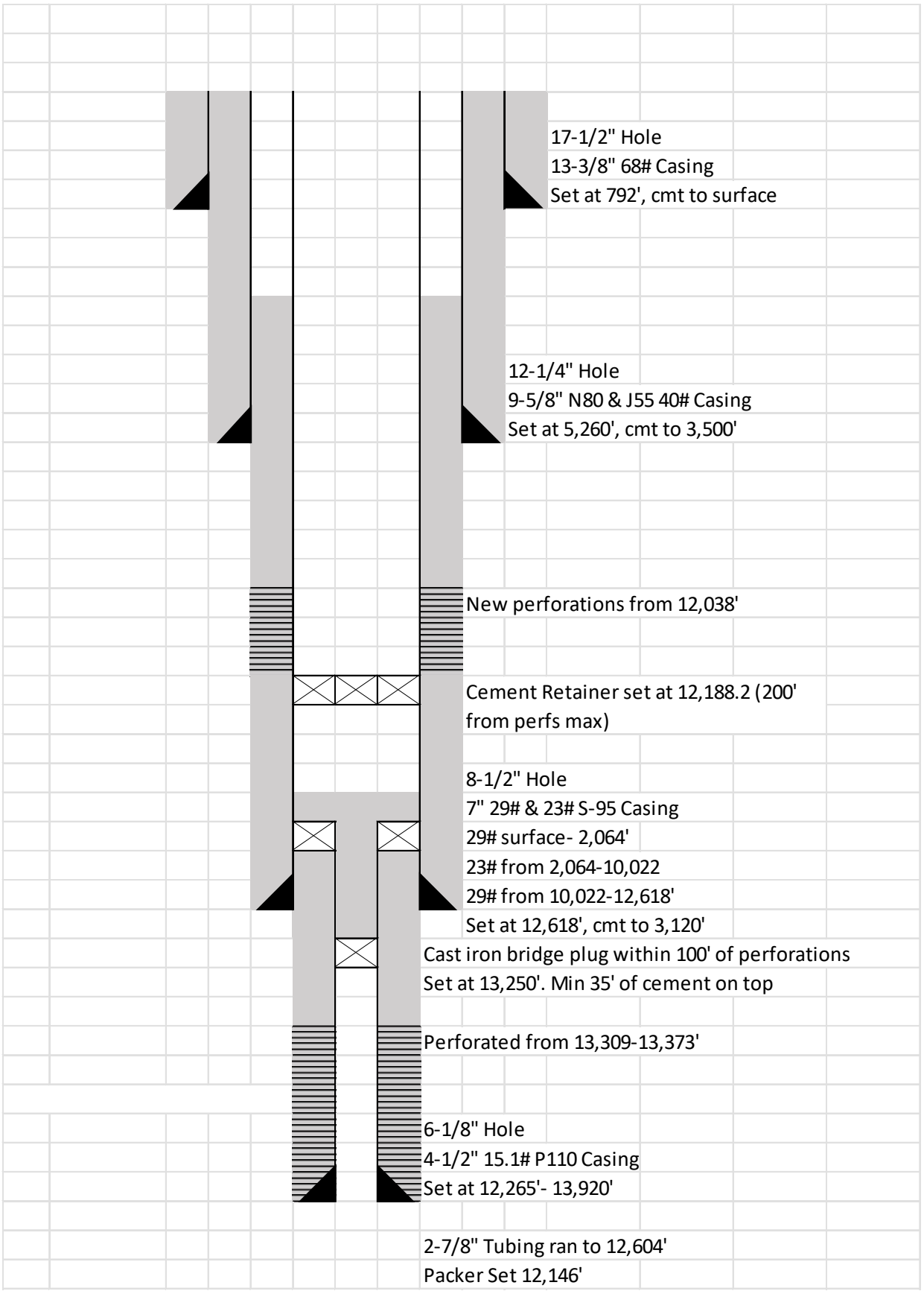
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Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 69312

CONDITIONS

Operator: TAP ROCK OPERATING, LLC 523 Park Point Drive Golden, CO 80401	OGRID: 372043
	Action Number: 69312
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kfortner	Run MIT/BHT test	1/11/2022