

Submit a 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

Form C-103
Revised July 18, 2013

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

WELL API NO. 30-045-28601
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Gallegos Canyon Unit
8. Well Number 13 SWD #1
9. OGRID Number
10. Pool name or Wildcat Mesa Verde

<p>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.)</p>	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator SIMCOE LLC	
3. Address of Operator 1199 Main Ave, Suite 101, Durango, CO 81301	
4. Well Location Unit Letter <u>J</u> : <u>1,467</u> feet from the <u>South</u> line and <u>2,350</u> feet from the <u>East</u> line Section <u>13</u> Township <u>29N</u> Range <u>13W</u> NMPM San Juan County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5,416', GR	

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

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>DOWNHOLE COMMINGLE <input type="checkbox"/></p> <p>CLOSED-LOOP SYSTEM <input type="checkbox"/></p> <p>OTHER: Mechanical Integrity Test <input checked="" type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>
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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.

The estimated start date of the proposed MIT is 7/17/2024.

Procedure:

1. Notify the EPA at least two weeks in advance to arrange a date for an MIT test to be performed and witnessed by one of their representatives.
2. 12 hours prior to the test, shut in the injection pumps to the well.
3. After 12 hours, record tubing and casing pressures.
4. Connect a pump to the tubing casing annulus.
5. Bleed and remove any gas from the casing tubing annulus. Load the casing tubing annulus with ambitol.
6. Connect a chart recorder to the casing tubing annulus and the tubing.
7. Using the pump, pressure up the casing tubing annulus to 1000 psi. Verify that this pressure is at least 300 psi above or below the current tubing pressure. If not then raise or lower the test pressure in order to meet the requirement. Verify that no gas remains in the system, bleed and re-pressure if necessary.
8. Close the casing tubing annulus and monitor the pressure for 30 minutes.
9. Fill in the required data fields on a blank EPA MIT Form or COGCC Form 21.

Spud Date:

Rig Release Date:

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

SIGNATURE Christy Kost TITLE Regulatory Analyst DATE 07/15/2024

Type or print name Christy Kost E-mail address: christy.kost@ikavenergy.com PHONE: 970-822-8931

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

GCU 13 SWD 001

Well Name	GCU 13 SWD 001	Area	Area 4
API Number	300451307600	Location	J SEC. 13 29N 13W
CC / AFE	1000056192-001	WI	0.00%
Charge Account #	5500-0011-000	Airport	No
Engineer	Joey Schnitzler 281-743-7504	HASP	711 psig
TL	Dwayne Miller 505-215-2415	H2S?	no
Optimizer	Louis Verbeck 505-330-3768	Tubing Size	0
HCO	No	Nipple Depths	'
Job Type	MIT	Uplift	0 MCFD

Well Specific Procedure

Permitted Injection pressure 711 psi. Fill annulus with packer fluid. Pressure up to 500 psi (may vary depending on tubing pressure) and hold for 15 minutes. Bleed down and recover packer fluid. Complete kill test on pump with NMOCD witness.

Test casing integrity, typically performed on disposal and temporarily abandoned producing wells.

General Procedure

1. Notify the EPA at least two weeks in advance to arrange a date for an MIT test to be performed and witnessed by one of their representatives.
2. 12 hours prior to the test, shut in the injection pumps to the well.
3. After 12 hours, record tubing and casing pressures.
4. Connect a pump to the tubing casing annulus.
5. Bleed and remove any gas from the casing tubing annulus. Load the casing tubing annulus with ambient air.
6. Connect a chart recorder to the casing tubing annulus and the tubing.
7. Using the pump, pressure up the casing tubing annulus to 1000 psi. Verify that this pressure is at least 300 psi above or below the current tubing pressure. If not then raise or lower the test pressure in order to meet the requirement. Verify that no gas remains in the system, bleed and re-pressure if necessary.
8. Close the casing tubing annulus and monitor the pressure for 30 minutes.
9. Fill in the required data fields on a blank EPA MIT Form or COGCC Form 21.

HSSE Requirements

- JSEAs must be executed prior to the start of any operations
- Conduct a walk-around to ensure the location is safe for personnel, equipment, and the planned operation
- All work shall comply with relevant IKAV policies along with local and federal regulations
- All temporary rental process equipment shall be maintained according to the supplier's maintenance schedules and shall have appropriate certification in accordance with supplier policies
- WSL or designated personnel shall abide by IKAV's lock-out / tag-out policy
- If H2S is expected, review the Wells H2S Contingency Plan and ensure proper H2S equipment is in place and drills are conducted prior to starting operations

Policy Requirements

- Ensure proper PPE is worn while on location at all times
- Conduct JSEA or risk assessment prior to each job and scope change and prior to allowing any new person to start a job
- Maintain Situational Awareness, Risk Assessment, Work Authorization, PPE, Driving Safety, Atmospheric Monitoring, Energy Isolation, Overriding Safety Systems, Ground Disturbance, Working at Heights and Confined Space
- Check and record well pressures (tubing, casing, and annulus, as available) each morning and prior to each time the well is opened for flow or shut-in
- Ensure that the well servicing equipment (Wireline and BOPE) is properly made up and tested before commencing operations
- One mechanical or fluid barrier must be used for rigging up or down any equipment to the wellhead
- All pressure tests should be documented and shall be approved by the WSL (approval means witnessing or appropriate review and acceptance of results for tests witnessed by delegates)
- Any contractor's personnel who may take control of well activities SHALL have a valid well control certificate

Equipment to be tested	Low Test Pressure/Duration	Low Test Acceptance	High Test Duration	High Test Acceptance
Wellhead or tree Circulating iron for rig or CT Pump iron for pumping operations not associated with hydraulic fracturing Wireline pressure control equipment including quick test sub Mechanical barriers used for breaking containment Etc...	Per contractor's standards - WSL to accept Where no contractor standards exist: 250 - 350 psig 5 minutes or time deemed sufficient by WSL N/A for wireline pressure control equipment when using well pressure	Per contractor's standards - WSL to accept Where no contractor standards exist: No visible leaks, and total pressure loss does not exceed $\pm 10\%$ unless otherwise specified in the WSP - WSL to accept	Per contractor's standards - WSL to accept Where no contractor standards exist: 5 minutes or time deemed sufficient by WSL	Per contractor's standards - WSL to accept Where no contractor standards exist: No visible leaks, and total pressure loss does not exceed $\pm 10\%$ unless otherwise specified in the WSP - WSL to accept
Rig BOP Well Testing and Flowback equipment associated with post-frac flowback to temporary process equipment	250 - 350 psig 5 minutes or time deemed sufficient by WSL	Per contractor's standards or as prescribed by applicable regulations - WSL to accept Where no contractor standards or regulations exist: No visible leaks, and total pressure loss does not exceed $\pm 10\%$ - WSL to accept	5 minutes or time deemed sufficient by WSL	Per contractor's standards or as prescribed by applicable regulations - WSL to accept Where no contractor standards or regulations exist: No visible leaks, and total pressure loss does not exceed $\pm 10\%$ - WSL to accept
Initial casing or tubular Mechanical Integrity Test (MIT)	N/A	N/A	30 minutes or as prescribed by applicable regulations	As prescribed by applicable regulations Where no regulations exist: No visible leaks, and total pressure loss does not exceed 10% - WSL to accept

Notes on Testing:

- Ensure a buffer zone as prescribed by the service company and accepted by the WSL is in place for pressure testing operations.
- All pressure tests shall be documented and approved by the WSL
 - Charts are required if the equipment is shop tested and the chart shall be provided by the service company
 - Charts are also required on the 21 day BOP test for WO Rig
- Water or a fluid mixture with a low freeze point shall be used for pressure testing unless otherwise stated in the WSP
- The possibility of a test pressure leaking past a pack-off or test plug and being applied to a weaker element (e.g. casing collapse, lower rated ring gasket etc) shall always be considered. Reasonable steps shall be taken to monitor for, and eliminate, such an event.

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Oil Conservation Division
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Santa Fe, NM 87505

CONDITIONS

Action 363887

CONDITIONS

Operator: SIMCOE LLC 1199 Main Ave., Suite 101 Durango, CO 81301	OGRID: 329736
	Action Number: 363887
	Action Type: [C-103] Sub. General Sundry (C-103Z)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	Notify NMOCD 24 hours prior to moving on - Bradenhead test required prior to MIT day of MIT - kill check required day of MIT - Tests required to be witnessed by NMOCD.	7/15/2024