

Submit 1 Copy To Appropriate District
Office
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
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
October 13, 2009

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.)		WELL API NO. 30-015-29043 ✓
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Stephens & Johnson Operating Co ✓		6. State Oil & Gas Lease No. E-1051
3. Address of Operator P O Box 2249, Wichita Falls, TX 76307		7. Lease Name or Unit Agreement Name: Millman "11" State ✓
4. Well Location Unit Letter <u>J</u> : <u>1980</u> feet from the <u>South</u> line and <u>1830</u> feet from the <u>East</u> line Section <u>11</u> Township <u>19S</u> Range <u>28E</u> NMPM County <u>Eddy</u> ✓		8. Well Number 3 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3442' KB; 3437' GR		9. OGRID Number 019958 ✓
		10. Pool name or Wildcat Millman-Yates-SR-QN-GB-SA East

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 ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

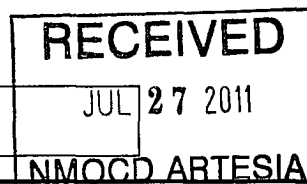
**Notify OCD 24 hrs. prior
to any work done.**

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.

See attached proposed plug and abandonment procedure and wellbore diagram.

**SEE ATTACHED
CONDITIONS OF
APPROVAL**

Rig Release Date:



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

SIGNATURE William M. Kincaid TITLE Petroleum Engineer DATE 7/14/2011

mkincaid@sjoc.net

Type or print name William M. Kincaid E-mail address: PHONE 940-723-2166

For State Use Only

APPROVED BY [Signature] TITLE Approval Granted providing work DATE 8/1/2011

Conditions of Approval (if any): *

is complete by 11/1/2011

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Stephens & Johnson Operating Co.

Millman "11" State No. 3

API No. 30-015-29043

Eddy County, New Mexico

Well Data:

Total Depth: 2746'
PBTD: 2700'
Surface Casing: 8 5/8" 24# set @ 423', cement w/350 sx,
cement circulated to surface
Production Casing: 5 1/2" 15.50# set @ 2746', cement w/640 sx,
cement circulated to surface
CIBP set @ 1400'
CIBP set @ 2330' w/3 sx cement on top
Perfs: 2402'-2471'
CIBP set @ 2505'
Perfs: 2513'-2545'

Proposed Plug and Abandonment Procedure

1. TIH w/tbg to CIBP @ 1400'.
2. Break circulation w/~~produced~~ ^{No Produced Water} lease water and pump 150 sx of cement circulating hole full of cement back to surface.
3. TOH w/tbg keeping hole full of cement.
4. Cut off wellhead and install P&A marker.

Millman '11' State No. 3

Millman Yates-SR-QN-GB-SA

July, 2011

WELL

FIELD

East

DATE

Proposed Plug + Abandonment

KB ELEVATION 3442'

DF ELEVATION _____

GL ELEVATION 3437'

PERMANENT WELL BORE DATA

DATA ON THIS COMPLETION

8 5/8" 24# surface Csg
set @ 403' w/ 350 sx
cmt. Circ to surface
Hole size = 12 1/4"

150 SX Cement
Plug 0'-1400'

CIBP @ 1400'

CIBP @ 2330' w/ 35' cmt
on top (2-12-2002)

CIBP @ 2505'
(9-6-96)

Grayburg & San Andres Perfs:
2402 - 2471'

San Andres Perfs:
2513 - 2545

5 1/2" 15.5# casing set
at 2746' w/ 640 SX.
Pumped 75 SX down 5 1/2"-
8 5/8" annulus to bring
cmt to surface
Hole size = 7 7/8"

PBTD - 2700

TD - 2746

NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
1301 W. GRAND AVENUE
ARTESIA, NM 88210
(575)748-1283

* CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: Stephens + Johnson Operating Co.

Well Name & Number: Millman 11" 5/16" #3

API #: 30-015-29043

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
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 produce a copy upon request of NMOCD Field Inspectors.
4. A subsequent C-103 will serve as notification that the well bore has been plugged ONLY. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
5. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
6. Every attempt must be made to clean the well bore out to below the perfs, before any plugs can be set, by whatever means possible.

DG

Date: 8/1/2011