

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

Form C-103
 Revised July 18, 2013

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

WELL API NO. 30-015-35029
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Renata 16 State Com
8. Well Number 001
9. OGRID Number 17217
10. Pool name or Wildcat WC;Renata Canyon
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4065 GL

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
Penroc Oil Corporation

3. Address of Operator
Po Box 2769 Hobbs, NM 88241

4. Well Location
 Unit Letter **A** : **660** feet from the **N** line and **910** feet from the **E** line
 Section **16** Township **23S** Range **24E** NMPM **Eddy** County

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

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

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.

**Penron proposes to plug and abandon the Renata 16 State Com # 1 per enclosed procedure
 No earthen pits will be constructed, all well fluids will circulated to steel pits**

Approved for plugging of well bore only.
 Liability under bond is retained pending receipt of C-103 (Subsequen: Report of Well Plugging) which may be found at OCD Web Page under Forms, www.enrnr.state.nm.us/oed.

NM OIL CONSERVATION
 ARTESIA DISTRICT

OCT 26 2015

Enclosures; Well Data, PA Procedure, before and after WBD

RECEIVED

Spud Date: Rig Release Date:

Well Bore Must Be Plugged By 10/27/2016

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

SIGNATURE *Billy E. Prichard* TITLE Agent for Penroc Oil Corp. DATE 10/23/15

Type or print name **Billy E. Prichard** E-mail address: **billy@pwllc.net** PHONE: **4329347680**
 For State Use Onl

APPROVED BY: *SPDacle* TITLE *Dist Supervisor* DATE 10/27/2015

Conditions of Approval (if any): ** See Attached COA's*

**Penroc Oil Corporation
Renata 16 State Com # 1
API 30-015-35029**

Well Data

13 3/8" CSA 697' in 17 1/2" hole, cement with 780 sks Class "C". Cement circulated to surface.

9 5/8" CSA 2540' in 12 1/4" hole, cement with 950 sks Class "C". Cement circulated to surface.

**7" CSA 8815' in 8 3/4" hole, cement with 1100 sks Class "H" in 2 stages
DV tool and ECP at 8453'**

Stage 1 - 100 sks Poz Premium, Circulated 56 sks to pit

Stage 2 - 1000 sks Class "H" ..NO CBL available. Calculate TOC at surface using 70% fill.

4 1/2" LSA 10874' TOL at 8607' cement with 370 sks Class "H" Top of liner tested to 5000psi per NMOCD well file

San Andres 3299

Bone Spring 7405

Wolfcamp 7780

Cisco 8150

Canyon 8434

Strawn 9436

Atoka 9722

Morrow 10188

Perforations

10713-10748

CIBP 10680' Capped with 35' cement

Perforations

10442-10556

RBP SA 8711' no record of pulling RBP

8506 - 8550

Unable to determine presence of salt or top or bottom on salt in the area

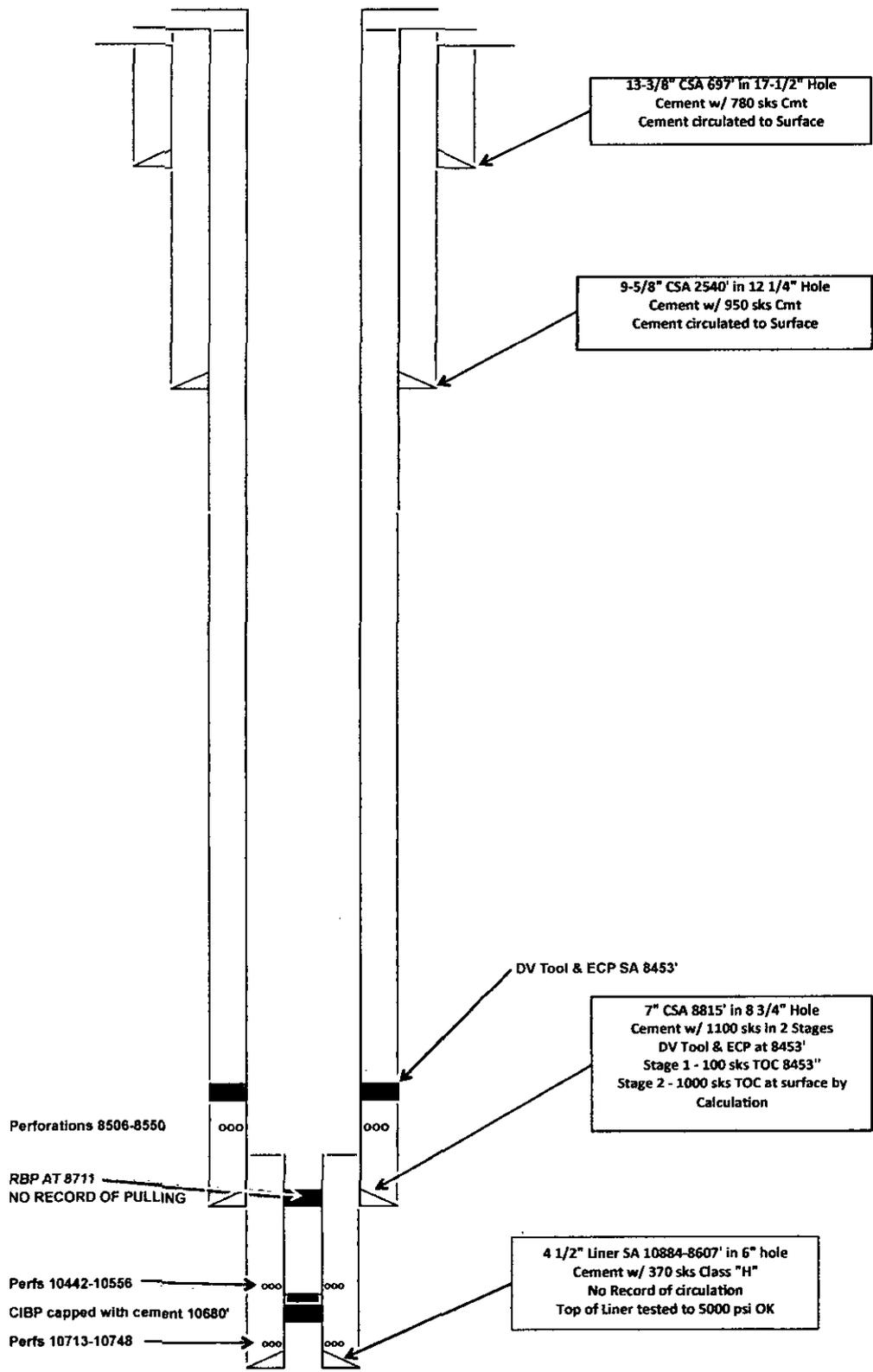
**Penroc Oil Corporation
Renata 16 State Com # 1
API 30-015-35029**

Plugging Procedure

**Set CIBP at 8475' capped with 35 sks cement
Tag cement plug and displace well with gelled brine
Spot 35 sks cement plug at 7830'
Spot 35 sks cement plug at 7455'
Spot 35 sks cement plug at 4970'
Spot 35 sks cement plug at 2590'
WOC x tag plug at 2490' or above
Circulate cement to the surface from 750'
Leave well full of cement
Cut of wellhead and install PA marker
Cut of service unit anchors and clean location for release**

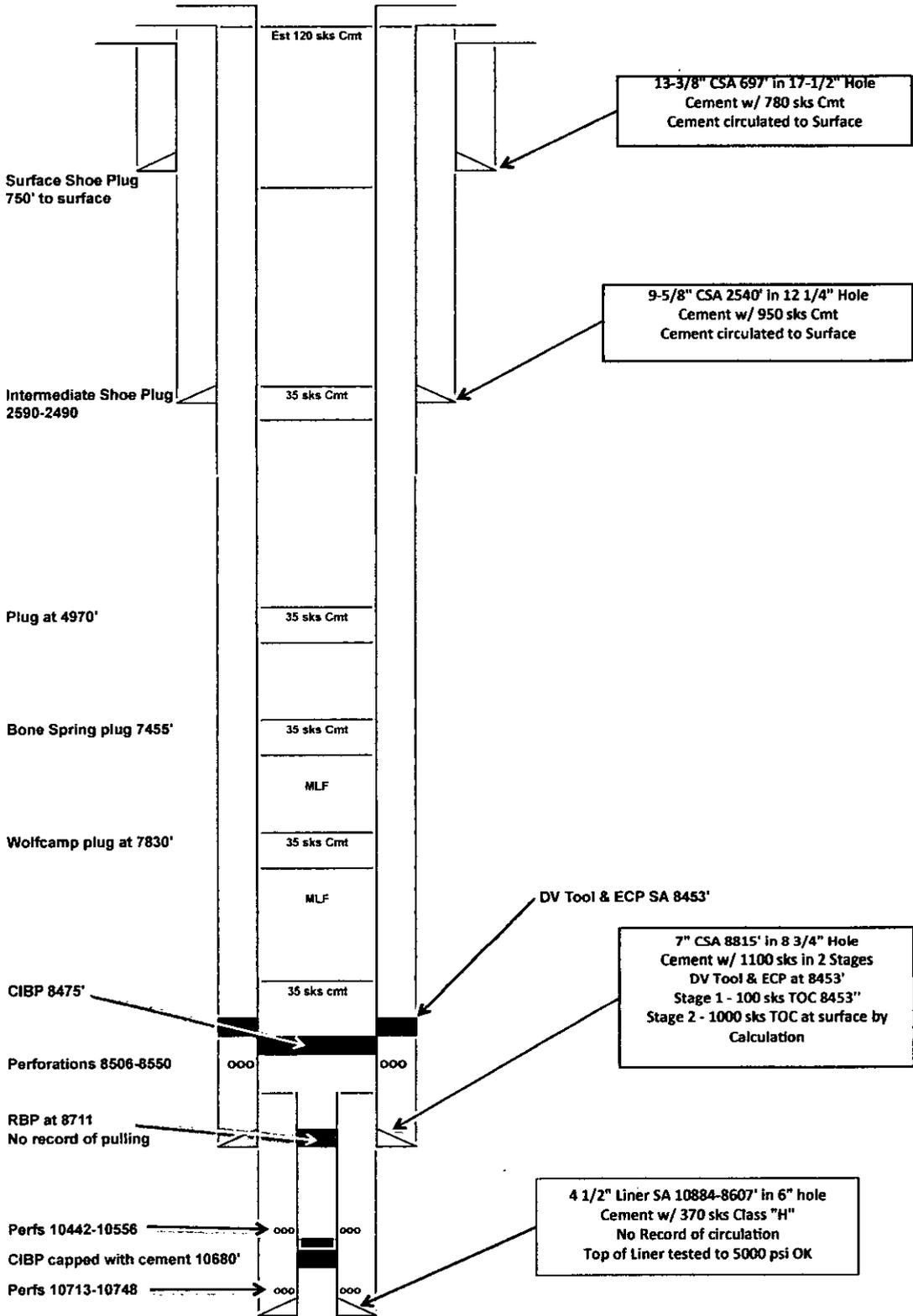
CURRENT WELLBORE DIAGRAM

Penroc Oil Corporation
Renata 16 State Corn # 1
API # 30-15-35029
660 FNL x 910' FEL, UL 'A' Sec 16, T23S, R24E, Eddy County, NM
Gas Producer



AFTER PA WELLBORE DIAGRAM

Penroc Oil Corporation
 Renata 16 State Com # 1
 API # 30-15-35029
 660 FNL x 910' FEL, UL 'A' Sec 16, T23S, R24E, Eddy County, NM
 Gas Producer



NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 S. FIRST STREET
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: Denroc Oil
Well Name & Number: Remta 16 State COM 1
API #: 30-015-35029

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. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. 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 place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. 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.
6. 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.
7. Every attempt must be made to clean the well bore out to below the perms, before any plugs can be set, by whatever means possible.
8. Cement Retainers may not be used.
9. Squeeze pressures are not to exceed 500 PSI, unless approval is given by NMOCD.
10. Plugs may be combined after consulting with and getting approval from NMOCD.
11. Minimum WOC time for tag plugs will be 4 Hrs.



10/27/2015

GUIDELINES FOR PLUGGING AND ABANDONMENT

DISTRICT II / ARTESIA

- All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater.
- Mud laden fluids must be placed between all cement plugs.
- Mud laden fluids must be mixed at 25 sacks of gel per 100 bbls of water.
- A cement plug is required to be set 50' below and 50' above all casing shoes and casing stub plugs. These plugs must be tagged.
- A CIBP with 35' of cement on top may be set in lieu of 100' cement plug.
- A plug as indicated above must be placed within 100' of top perforation. This plug must be tagged.
- Plugs set below and above salt zones must be tagged.
- No more than 2000' is to be allowed between cement plugs in open hole and no more than 3000' in cased hole.
- DV tools are required to have a 100' cement plug set 50' above and below the tool and must be tagged.

- Formations to be isolated with plugs placed at the top of each formation are:
 - Fusselman
 - Devonian
 - Morrow
 - Wolfcamp
 - Bone Spring
 - Delaware
 - Any Salt Section (Plug at top and bottom)
 - Abo
 - Glorieta
 - Yates (this plug is usually at base of salt section)

- If cement does not exist behind casing strings at recommended formation depths, the casing must be cut and pulled with plugs set at these depths or casing must be perforated and cement squeezed behind casing at the formation depths.
- 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 common to the section penetrated and in suitable proportions, but not more than a 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible (50' below and 50' above).