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 August 1, 2011

WELL API NO. **30-039-24645**

5. Indicate Type of Lease STATE ☐ FEE ☑

6. State Oil & Gas Lease No.

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: **Simms Com**

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

8. Well Number: **#7**

2. Name of Operator: **Black Hills Gas Resources Inc.**

9. OGRID Number: **013925**

3. Address of Operator: **3200 N 1st Street / P.O. 249 Bloomfield, NM 87413**

10. Pool name or Wildcat: **East Blanco Pictured Cliffs**

4. Well Location
Unit Letter **P** : **790** feet from the **South** line and **790** feet from the **East** line
Section **12** Township **30N** Range **4W** NMPM **Rio Arriba** County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* **6970'GL**

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	☐						
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.

Black Hills Gas Resources intends to plug and abandon Simms Com #7 per attached procedure

Notify NMOCD 24 hrs prior to beginning operations

RCVD APR 16 '13
OIL CONS. DIV.
DIST. 3

extend OJO plug up to 2980'
Extend Fruitland plug down to 3488'

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 Daniel Manus TITLE **Regulatory Technician** DATE 4-15-13

Type or print name **Daniel Manus** E-mail address: **daniel.manus@blackhillscorp.com** PHONE: **505-634-5104**

For State Use Only

APPROVED BY: Bob Pell TITLE Deputy Oil & Gas Inspector, District #3 DATE 4/26/13

Conditions of Approval (if any): A

PLUG AND ABANDONMENT PROCEDURE

April 4, 2013

Simms Com #7
East Blanco Pictured Cliffs
790' FSL, 790' FEL, Section 12, T30N, R4W, Rio Arriba County, NM
API 30-039-24645 / Long: _____ / Lat: _____

Note: 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 B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.

2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU 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.

3. Rods: Yes_____, No__X__, Unknown_____.
   Tubing: Yes ____, No __X__, Unknown_____, Size _____, Length _____.
   Packer: Yes_____, No X___, Unknown_____, Type _____.
   If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

   Note: Will need to pick up 3540' +/- tubing workstring.

4. **Plug #1 (Fruitland, Kirtland and Ojo Alamo tops, 3462' – 3004'):** . RIH with open ended tubing and tag existing plug at 3540' or higher. Circulate well clean. Pressure test casing to 800#. If casing does not test then spot or tag subsequent plugs as appropriate. Mix 39 sxs Class B cement and spot a balanced plug inside the casing to isolate through the Ojo Alamo top. PUH.

5. **Plug #2 (Nacimiento top, 1917' – 1817'):** Mix 12 sxs Class B cement and spot a balanced plug inside the casing to isolate through the Ojo Alamo top. PUH.

6. **Plug #3 (8-5/8" Surface casing shoe, 201' - Surface)**: Attempt to pressure test the bradenhead annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 20 sxs cement and spot a balanced plug from 201' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing from 201' and the annulus from the squeeze holes to surface. Shut in well and WOC.

7. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Simms Com #7

Current

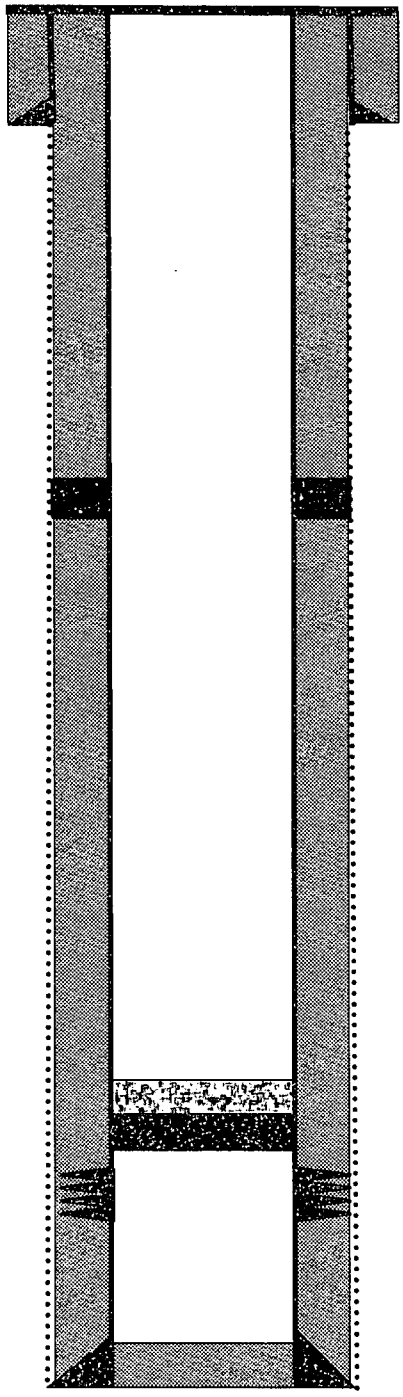
East Blanco Pictured Cliffs

790' FSL & 790' FEL, Section 12, T-30-N, R-4-W , Rio Arriba County, NM

Long: _____/ Lat: _____/ API 30-039-24645

Today's Date: 4/4/13
Spud: 7/1/90
Comp: 7/28/90
Elevation: 6970' Gl
6982' KB

12-1/4" Hole



TOC @ Surface per Sundry

8-5/8", 24#, Casing set @ 151'
Cement with 75 sxs, cement did not circulate; top off with 15 sxs to surface

Nacimiento @ 1867'

DV Tool @ 2015'
Stage 2: Cement with 475 sxs (935 cf) circulate cement to surface.

TOC from Stage 1 @ DV Tool (CBL 1990)

Ojo Alamo @ 3054'

Kirtland @ 3290'

Fruitland @ 3412'

Set CIBP @ 3590' and dump bail 50' cement (2006)

Pictured Cliffs @ 3634'

Pictured Cliffs Perforations:
3635' – 3726'

7-7/8" Hole

4.5" 10.5#, J-55 Casing @ 3988'
Stage 1: Cement with 475 sxs (699 cf)

4025' TD
3540' PBTD

Simms Com #7

Proposed

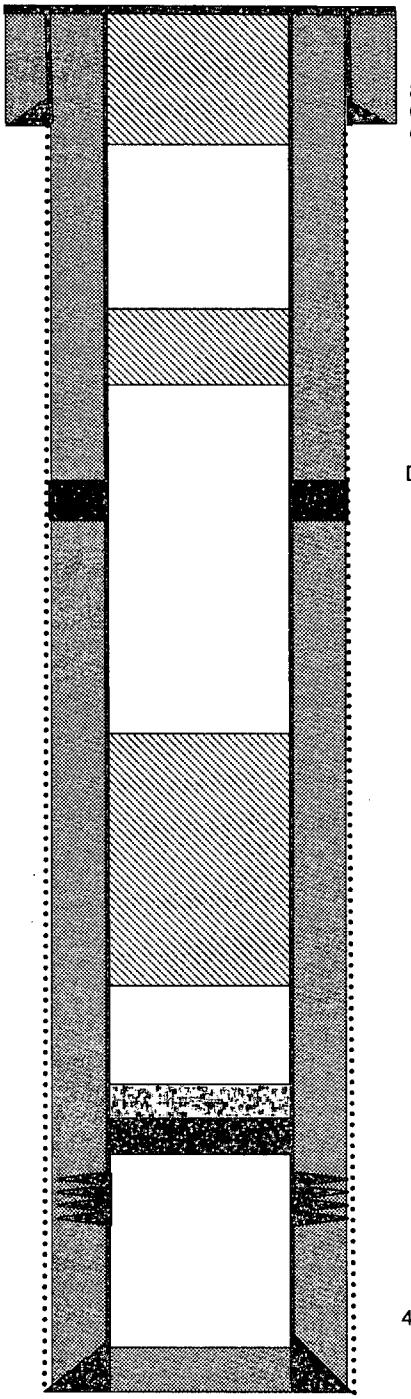
East Blanco Pictured Cliffs

790' FSL & 790' FEL, Section 12, T-30-N, R-4-W , Rio Arriba County, NM

Long: _____/ Lat: _____/ API 30-039-24645

Today's Date: 4/4/13
Spud: 7/1/90
Comp: 7/28/90
Elevation: 6970' GI
6982' KB

12-1/4" Hole



TOC @ Surface per Sundry

8-5/8", 24#, Casing set @ 151'
Cement with 75 sxs, cement did not circulate; top off with 15 sxs to surface

Plug #3: 201' – 0'
Class B cement, 20 sxs

Nacimiento @ 1867'

Plug #2: 1917' – 1817'
Class B cement, 12 sxs

DV Tool @ 2015'
Stage 2: Cement with 475 sxs (935 cf) circulate cement to surface.

TOC from Stage 1 @ DV Tool (CBL 1990)

Ojo Alamo @ 3054'

Plug #1: 3462' – 3004'
Class B cement, 39 sxs

Kirtland @ 3290'

Fruitland @ 3412'

Set CIBP @ 3590' and dump bail 50' cement (2006)

Pictured Cliffs @ 3634'

Pictured Cliffs Perforations:
3635' – 3726'

7-7/8" Hole

4.5" 10.5#, J-55 Casing @ 3988'
Stage 1: Cement with 475 sxs (699 cf)

4025' TD
3540' PBTD