

Submit 3 Copies 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
May 27, 2004

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 - 039 - 82326
1. Type of Well: Oil Well <input 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 RESOURCE DEVELOPMENT TECHNOLOGY, LLC		6. State Oil & Gas Lease No. E - 1207 - 1
3. Address of Operator PO BOX 1020, MORRISON, CO 80465		7. Lease Name or Unit Agreement Name NCRA State
4. Well Location Unit Letter: 'J': <u>1685'</u> feet from the <u>South</u> line and <u>1710'</u> feet from the <u>East</u> line Section: <u>16</u> Township <u>24 North</u> Range <u>6 West</u> NMPM <u>Rio Arriba</u> County		8. Well Number <u>#4</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>6784'</u> <u>RKB</u> <u>10'</u> <u>RKB</u>		9. OGRID Number <u>225774</u>
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

CBL/VDL-GR/CCL & MTT/GR-CAL logs were run on 1/20/2006.

Cement Coverage was Identified: 1st Stage: 5210' - 5851' & Block Squeeze: 3533' - 4916' & 2nd Stage: 2280' - 2480'.

Casing Corrosion Holes were Identified in Cement Voids: Chacra Zone: 3280' - 3281'.

Casing Corrosion Holes were Identified in Cement Voids: Fruitland Zone: 2205'-2206' & 2240'-2241' & 2247'-2248'.

Well was cleaned-out to 5720'.

RU A-Plus WLS: Set Composite Plug @ 5580' & Dump Bail 6 sx. Cement to 5503' w/ TO Gallup Fm. @ 5564'.

Set CIBP @ 3827' @ Dump Bail 5 sx. Cement to 3763' w/ TO Mesaverde Fm. @ 3827'.

Set CIBP @ 2288' to Isolate Pictured Cliffs @ 2288' - 2380' & Chacra @ 3118'. Shoot 3 Squeeze Holes @ 2258'. RD WL.

RIH to 720' w/ Packer & Casing/Tubing Annulus Leaked @ 1/4 BPM w/ 300 PSIG. Casing above PC has too many defects to be viable after cemented due to anticipated Marye Sand BHP. POOH & LD Packer.

Proposed Casing Repair & Return to Service:

- RU WLS & Free-Point & Chemically Cut Casing as deep as possible (Expect @ LEAST 2160'). RD WLS.
- C/O Pipe Rams to Casing Rams. POOH & LD 4-1/2" Casing.
- C/O Casing Rams to Pipe or Tubing Rams. Fish & Mill-Over & Hone 4-1/2" Casing to get to 4-1/2" Casing in good enough condition to conclude successful Tie-Back Operation.
- C/O Pipe or Tubing Rams to Casing Rams. Run new Tie-Back String of 4-1/2" J-55 8rd. ST&C Casing to Polished Stub Looking Up. Cement 4-1/2" Casing thru slip joint to surface w/ est. 525 to 750 sx. Class 'C' Cement. Land Casing.
- C/O Casing Rams to Tubing Rams & RIH & Polish-Out Tie Back. & Clean-Out Casing to CIBP @ 2288'. Test Casing to 1500 PSIG. Drill-Out CIBP @ 2288'.
- Swab-Test Chacra Fm. thru corrosion hole @ 3280'-3281' to evaluate productive potential.
- Perf. Squeeze Holes @ 2510'.
- Circ. cement from Corrosion Hole @ 3280'-3281' to Squeeze Holes @ 2510'. Drill-Out & Re-Squeeze as necessary to obtain casing integrity f/ Surface to CIBP @ 3827'.
- Drill-Out CIBP's @ 3827', 5580' & 5720' sequentially. Re-Stimulate & obtain BHP as necessary.
- Run Production Assembly. Re-Install Production Facilities. Install new gas sales line on-lease. Resume Production.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Robert A. Schwering TITLE Operations Manager DATE 3/20/2006

Type or print name: Robert A. Schwering, PE E-mail address: Telephone No. Field: (505) 947-3072

For State Use Only

APPROVED BY: Henry Villanueva TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 4 DATE MAR 20 2006

Conditions of Approval (if any):

