

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, 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
Revised March 25, 1999

WELL API NO.
30-045-25766

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.
NM 26357

7. Lease Name or Unit Agreement Name:

Morton

8. Well No.
#2

9. Pool name or Wildcat

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

Calpine Natural Gas Company, L.P.

3. Address of Operator

1200 17th Street, STE 770, Denver, CO 80202

4. Well Location

Unit Letter I: 1850 feet from the South line and 1100 feet from the East line

Section 23

Township 30N

Range 14W

NMPM

County San Juan

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

11. 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 COMPLETION ☐

OTHER: Recomplete and downhole commingle ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. 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.

DNC 1003A2
Calpine is proposing to abandon the Dakota formation and recomplete into the Harper Hills and Basin Fruitland Coal Gas formation. The formations will be commingled down hole.

Division Order : 11363

Names of Commingled Pools : Basin Fruitland Coal Gas and Harper Hills F8/AC (78160)

Perforated Intervals: Harper Hills 1405-1415 (proposed) Basin Fruitland Coal 1380-1390 (proposed)

Allocation Method : We will submit historical averages of of production from Pictured Cliffs wells from surrounding sections and compare that with the historical average production of commingled Pictured Cliffs and Fruitland Coal production and propose an allocation formula based on the average differences.

Commingling of the two formations will not reduce the total value of the total remaining production.

Calpine has sent a sundry notice to the BLM of the proposed action.

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

SIGNATURE Hugo Cartaya TITLE Production Manager DATE 12/3/02

Type or print name Hugo Cartaya Telephone No. (720) 946-1302

(This space for State use) Original signed by STEVEN N. HAYDEN

DEPUTY OIL & GAS INSPECTOR, DIST. 3

APPROVED BY _____ TITLE _____ DATE DEC - 5 2002

Conditions of approval, if any:

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Form C-102

Revised August 15, 2000

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-25766		² Pool Code 86620		³ Pool Name TWIN MOUNDS PICTURED CLIFFS	
⁴ Property Code 030454		⁵ Property Name MORTON			⁶ Well Number #2
⁷ OGRID No. 214274		⁸ Operator Name CALPINE NATURAL GAS COMPANY, L.P.			⁹ Elevation 5716'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	23	30N	14W		1850'	FSL	1100'	FEL	San Juan

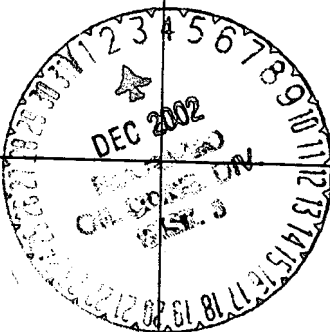
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16



¹⁷ OPERATOR CERTIFICATION

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

Hugo Carriaza
Signature
Hugo Carriaza
Printed Name

Production Manager

Title

11/1/02

Date

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-25766		² Pool Code 71629		³ Pool Name BASIN FRUITLAND COAL	
⁴ Property Code 030454		⁵ Property Name MORTON			⁶ Well Number #2
⁷ OGRID No. 214274		⁸ Operator Name CALPINE NATURAL GAS COMPANY, L.P.			⁹ Elevation 5716'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	23	30N	14W		1850'	FSL	1100'	FEL	San Juan

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div data-bbox="66 953 1045 1940" data-label="Form"> <table border="1"> <tr><td>16</td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> </table> </div>	16																<div data-bbox="1045 974 1516 1940" data-label="Form"> <p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Hugo Cartaya</i> Signature Hugo Cartaya Printed Name Production Manager Title 11/1/02 Date</p> <p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey Signature and Seal of Professional Surveyor: Certificate Number</p> </div>		
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**Recompletion Procedure for
Calpine Natural Gas Company
Morton #2**

Location: SE/4 Sec 23 T30N R14W
San Juan County, NM

Date: October 25, 2002

Field: Basin Dakota

Recomplete in Twin Mounds PC and Basin Fruitland Coal

Surface: BLM

Minerals: BLM NM-26357

Elev: GL 5703'

KB 5716'

4-1/2" @ 6241'

DV Tool @ 4278'

DK Perfs 5984' - 6125'

Plug Dakota Procedure:

1. Dig workover pit. Set and fill 2 frac tanks with city water and heat to 80 degrees. Check for anchors. Set pump jack. MOL and RU completion rig. Hold safety meeting.
2. NU 2-3/8" relief line. Blow well down and kill with water if necessary.
3. ND tubing head and pull tubing slips. NU BOP. Pick up additional joints (198' - 6 jts) of 1-1/2" EUE tubing and TIH to approximately 6148' KB. The 1-1/2" tubing is currently landed at 5950' KB.
4. **Pump Plug #1 - Dakota.** Spot 50 sx (59 cu.ft.) of Cl "B" neat cement from 6148' to approximately 5826'. Cement is designed to cover from the base of the Dakota perfs to 100' above the top Dakota perf with 100% excess.
5. TOH (standing back) 1-1/2" EUE tubing to approximately 5300' KB and WOC 4 hrs. TIH and verify cement top.
6. Load hole with water. TOH (laying down) to approximately 5220' KB.
7. **Pump Plug #2 - Gallup** Spot 15 sx (18 cu.ft.) of Cl "B" neat cement from approximately 5221' KB to approximately 5071'. Cement is designed to cover 100' above and below the Gallup top.
8. TOH (laying down) to approximately 3892' KB.
9. **Pump Plug #3 - Mesa Verde.** Spot 100 sx (118 cu.ft.) of Cl "B" neat cement from approximately 3892' KB to approximately 2525'. Cement is designed to cover 100' below the Point Lookout top and 100' above the Cliff House top.
10. TOH (laying down) the 1-1/2" tubing to approximately 2000'. Load hole with fresh water and pressure test the casing to 1500 psi. Finish TOH. Should have a total of 190 jts of 1-1/2".

Complete Pictured Cliffs

11. Rig up Wireline truck and run GR/CCL from 1700' to 1000'. Perforate 4 spf (0.38" holes) from 1405' to 1415'. Total of 40 holes. Depths refer to the open-hole logs.
12. Rig up frac equipment and pressure test surface lines.

13. Fracture with 50,000# of 20/40 Brady sand in a 25#/1000 gal cross-linked gel fluid. Pump rate at 50 BPM and expected treating pressure is 2000 psig. Max treating pressure is 3500 psig. Treat with the following schedule if pressure permits: (would prefer to ramp sand)

Stage	Gel Vol. (Gals.)	Sand Vol. (lbs.)
Pad	7,000	0
1.0 ppg 20/40	3,000	3,000
2.0 ppg 20/40	5,000	5,000
3.0 ppg 20/40	5,000	10,000
4.0 ppg 20/40	5,000	20,000
4.0 ppg 20/40 Resin	3,000	12,000
Flush	997	0
Total	28,997	60,000

14. Close BOPs. RD frac company and install flow line with 1/4" ceramic choke. Flow well back to pit overnight.
15. When well dies, TIH with sand bailer on 2-3/8" EUE tubing and clean out to PBTD or 300' below the lowest perf. TOH and lay down bailer.

Complete Fruitland Coal

16. Rig up Wireline truck and run drillable bridge plug. Set at 1402'. Perforate 4 spf (0.38" holes) from 1380'-1390' and 1393'-1398'. Total of 60 holes. Depths refer to the open-hole logs.
17. Rig up frac equipment and pressure test surface lines.
18. Fracture with 50,000# of 20/40 Brady sand in a 25#/1000 gal cross-linked gel fluid. Pump rate at 50 BPM and expected treating pressure is 2000 psig. Max treating pressure is 3500 psig. Treat with the following schedule if pressure permits: (would prefer to ramp sand)

Stage	Gel Vol. (Gals.)	Sand Vol. (lbs.)
Pad	7,000	0
1.0 ppg 20/40	3,000	3,000
2.0 ppg 20/40	5,000	5,000
3.0 ppg 20/40	5,000	10,000
4.0 ppg 20/40	5,000	20,000
4.0 ppg 20/40 Resin	3,000	12,000
Flush	997	0
Total	28,997	60,000

19. Close BOPs. RD frac company and install flow line with 1/4" ceramic choke. Flow well back to pit overnight.
20. When well dies, TIH with sand bailer on 2-3/8" EUE tubing and clean out to RBP. TOH and lay down bailer.
21. TIH and drill out bridge plug.

22. TIH with tail joint, 4' perforated sub, and seating nipple, on 2-3/8", 4.7#, J-55, EUE 8rd tubing and set the seating nipple below the deepest perforation. ND BOP and NU tubing head.
23. Run a 2" X 1-1/2" X 12' RWAC pump on 3/4" rods. Space out the pump and hang off the rods. Start the pump jack and check for pump action.
24. Rig down and release rig. First deliver well.