

Submit a 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. 30-005-20017
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Cato San Andres Unit
8. Well Number 73
9. OGRID Number 330485
10. Pool name or Wildcat Cato; San Andres
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4072

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 [X] Gas Well [] Other []
2. Name of Operator Cano Petro of New Mexico, Inc.
3. Address of Operator 801 Cherry Street Suite 3200 Unit 25 Fort Worth, TX 76102
4. Well Location Unit Letter A 660 feet from the N line and 660 feet from the E line
Section 16 Township 08S Range 30E NMPM County Chaves
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4072

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

NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK [] PLUG AND ABANDON [X]
TEMPORARILY ABANDON [] CHANGE PLANS []
PULL OR ALTER CASING [] MULTIPLE COMPL []
DOWNHOLE COMMINGLE []
CLOSED-LOOP SYSTEM []
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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

NMOCD plans to plug this well in accordance with the attached procedure and any agreed modifications thereto.

ESTIMATED START DATE 3/15/21

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 _____ TITLE Authorized Representative _____ DATE 3/5/21

Type or print name Drake McCulloch _____ E-mail address: drake@dwsrigns.com _____ PHONE: 505 320 1180
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

Cano Petro/NMOCD OWP

Plug And Abandonment Procedure

Cato San Andres Unit #73

660' FNL & 660' FEL, Section 16, T8S, R30E

Chaves County, NM / API 30-005-20017

1. Hold pre-job safety meeting. Comply with all NMOCD, BLM safety and environmental regulations. Test rig anchors prior to moving in rig if not rigged to base beam.
2. Check casing, tubing, and Bradenhead pressures.
3. Remove existing piping on casing valve. RU blow lines from casing valves and begin blowing down casing pressure. Kill well as necessary. Ensure well is dead or on a vacuum.
4. ND wellhead and NU BOP. Function test BOP.
5. Un-set packer at 3237'. TOO H with 2-3/8" tubing.
6. P/U 4-1/2" bit or casing scraper on 2-3/8" work string and round trip as deep as possible above top perforation at 3276'.
7. P/U 4-1/2" CR, RIH and set CR at +/- 3226'. Pressure test tubing to 1000 psi. Sting out of CR. Load hole, and pressure test casing to 800 psi. If casing does not test, then spot or tag subsequent plugs as appropriate. POOH w/ tubing.

8. RU wireline and run CBL with 500 psi on casing from CR at 3226' to surface to identify TOC. Adjust plugs as necessary for new TOC. Email log copy to Brandon Powell at Brandon.powell@state.nm.us upon completions of logging operations.
9. Rig up to pump cement down tubing. Pump water to establish rate down tubing.
10. Circulate wellbore with 9.5 ppg salt gel.

NOTE: All Plugs Include 100% excess outside casing and 50% Excess inside casing

11. Plug 1 (**San Andres Perforations and Formation Top 3226'-2926', 25 Sacks Class C Cement**)

Mix 25 sx Class C cement and spot a balanced plug inside casing to cover the San Andres perforations and formation top.

12. Plug 2 (**Yates and Rustler Formation Tops 1595'-972', 150 Sacks(Squeeze 100 sacks) Class C Cement**)

RIH and perforate squeeze holes at 1595'. Establish injection rate into perforations at 1595'. Mix 150 sx Class C cement. Squeeze 100 sx outside casing leaving 50 sx inside casing to cover the Yates and Rustler formation tops.

13. Plug 3 (**Surface Casing Shoe 500'-Surface, 150 Sacks Class C Cement**)

Attempt to pressure test the bradenhead annulus to 300 psi; note the volume to load. If BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 150 sx cement and spot a balanced plug from 500' to surface, circulate good cement out of casing valve. TOH and LD tubing. Shut well in and WOC. If BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing from 500' and the annulus from the squeeze holes to surface. Shut in well and WOC.

14. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and restore location per BLM stipulations.

Wellbore Diagram

Cato San Andres Unit #073

API #: 30-005-20017

Chaves County, New Mexico

Plug 3

500 feet - Surface
500 feet plug
150 sacks of Class C Cement

Plug 2

1595 feet - 972 feet
623 feet plug
150 sacks of Class C Cement
100 sacks squeezed

Plug 1

3226 feet - 2926 feet
300 feet plug
25 sacks of Class C Cement

Surface Casing

8.625" 20# @ 450 ft

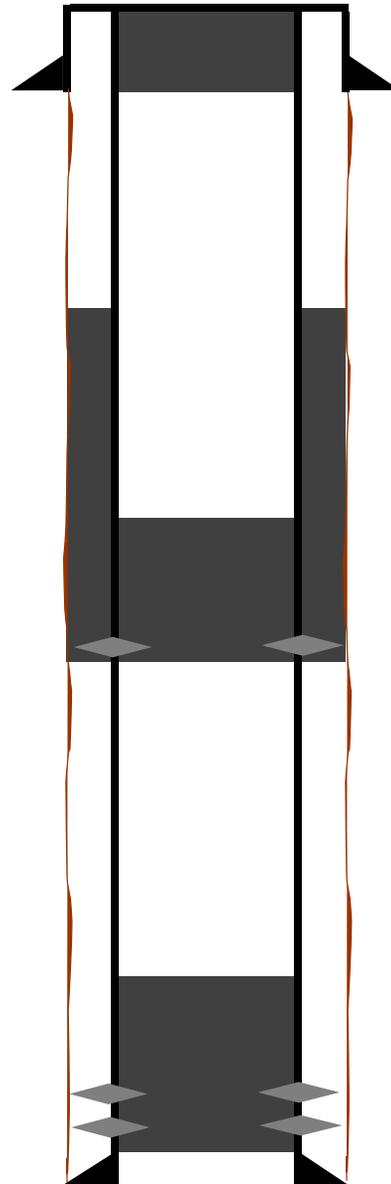
Formation

Rustler - 1072 ft

Yates - 1545 ft

Production Casing

4.5" 9.5# @ 3450 ft



District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 19921

CONDITIONS OF APPROVAL

Operator:	J.A. DRAKE WELL SERVICE INC.	607 W Pinon	Farmington, NM87401	OGRID:	330485	Action Number:	19921	Action Type:	C-103F
-----------	------------------------------	-------------	---------------------	--------	--------	----------------	-------	--------------	--------

OCD Reviewer	Condition
kfortner	See attached conditions of approval