

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. 30-025-23461
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 STATE IM COM
8. Well Number 001
9. OGRID Number 331165
10. Pool name or Wildcat HAPPY VALLEY; ATOKA (GAS)

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator EARTHSTONE OPERATING, LLC	
3. Address of Operator 1400 WOODLOCH FOREST DR, SUITE 300, THE WOODLANDS, TX 77380	
4. Well Location Unit Letter <u>I</u> : <u>880</u> feet from the <u>SOUTH</u> line and <u>660</u> feet from the <u>EAST</u> line Section <u>16</u> Township <u>22S</u> Range <u>26E</u> NMPM LEA County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3580' GR	

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 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: TEMPORARILY ABANDON <input checked="" 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.

10/10/2022-RU TO TA; WORKED TO RELEASE PKR; COULD NOT FREE PKR
10/11/2022-PKR NOT FREE; CONTACTED NMOCD; ADVISED TO KEEP WORKING TO FREE PKR
10/12/2022-CONTINUED TO WORK PKR; PKR SEEMED TO WORK FREE; POOH AND LAID DOWN 175 JTS OF 2 3/8" TBNG
10/13/2022-CONTINUED TO LAY DOWN ADDITIONAL 2 3/8" TBNG; PREPPED TO PU WORK STING & JAR PKR
10/25/2022-TIH; PKR @ 10,739'; TOP OF FISH @ 9618' (1121' ABOVE PKR); POOH W/42 JTS & LEAVE KILL STRING IN HOLE @ 8301'
10/26/2022-RU; POOH W/ ON/OFF TOOL; 35.5 JTS 2 3/8" TBNG LEFT IN HOLE; TIH AND ATTEMPT TO LATCH PKR
10/27/2022-CONTINUED TO TRY AND RELEASE PKR; PKR WILL NOT FREE; NOTIFIED NMOCD; NMOCD APPROVED SETTING CIBP AND CONTINUE TA PROCESS
10/28/2022-SET CIBP @ 10,739' MD (TOP OF CIBP @ 10,738'); DUMP BAIL 35' CLASS C CEMENT W/EST TOC @ 10,703'MD; WELL TA'D
11/14/2022-MIT CONDUCTED W/ NMOCD PRESENT; START @ 580 PSI; END AT 565 PSI; MIT PASSED

Last Reported Production 12/1/2020

TA Status Approved until 12/01/2025

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 Jennifer Elrod TITLE SR. REGULATORY TECH DATE 11/15/2022

Type or print name JENNIFER ELROD E-mail address: JELROD@EARTHSTONENERGY.COM PHONE: 11/15/2022

For State Use Only

APPROVED BY: [Signature] TITLE Staff Manager DATE 12/21/22

Conditions of Approval (if any):

STATE IM COM 001
30-025-23461

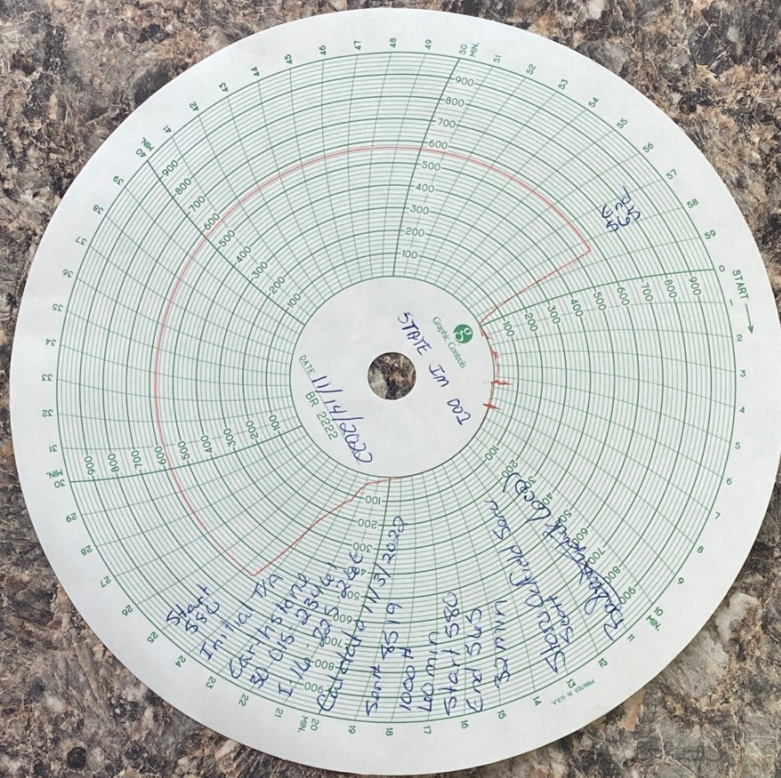
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PROCESS

10/28/2022-SET CIBP @ 10,739' MD (TOP OF CIBP @ 10,738'); DUMP BAIL 35'
CLASS C CEMENT W/EST TOC @ 10,703'MD; WELL TA'D 11/14/2022-MIT
CONDUCTED W/ NMOCD PRESENT; START @ 580 PSI; END AT 565 PSI; MIT
PASSED



State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Division Director
Oil Conservation Division



Date: 11/14/2022

API# 30-015-23461

A Mechanical Integrity Test (M.I.T.) was performed on, Well State 1m Com #1

 M.I.T. is **successful**, the original chart has been retained by the Operator on site. Send a **legible** scan of the chart with an attached **Original C-103 Form** indicating reason for the test, via post mail to District NMOCD field office. A scanned image will appear online via NMOCD website, 7 to 10 days after postdating.

 M.I.T. is **unsuccessful**, the original chart is returned to the Operator. Repairs will be made; Operator is to schedule for a re-test within a 90-day period. If this is a test of a repaired well currently in non-compliance, all dates and requirements of the original are still in effect.
No expectation of extension should be construed because of this test.

☒ M.I.T. for **Temporary Abandonment**, shall include a detailed description on **Form C-103**, including the location of the CIBP and any other tubular goods in the well including the Operator's request for TA status timeline.

 M.I.T. is **successful**, after the secondary request of a scheduled M.I.T. is performed. Therefore, Operator has within a 30-day period from the M.I.T. to submit a current C-103 along with a legible scan of the Chart, including a detailed description of the repair(s). **Only after receipt of the C-103 will the non-compliance be closed.**

 M.I.T. is **successful**, Initial of an injection well, you must submit a **form C-103** to NMOCD within 30 days. A **C-103 form** must include a detailed description of the work performed on this well including the position of the packer, tubing Information, the date of first Injection, the tubing pressure and Injection volume.

Please contact me for verification to ensure documentation requirements are in place prior to injection process.

If I can be of additional assistance, please feel free to contact me at (575) 626-0836

Thank You,

Barbara Lydick, Compliance Officer
EMNRD-O.C.D.
South District - Artesia, NM

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division Hobbs District Office

BRADENHEAD TEST REPORT

Operator Name <i>Earthstone Operating</i>	API Number <i>30 015-23461</i>
Property Name <i>State Im Com</i>	Well No. <i>#1</i>

2. Surface Location

UL - Lot <i>1</i>	Section <i>16</i>	Township <i>22S</i>	Range <i>26E</i>	Feet from <i>1880</i>	N/S Line <i>5</i>	Feet From <i>660</i>	E/W Line <i>E</i>	County <i>Edclly</i>
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Well Status

TA'D WELL <input checked="" type="radio"/> YES <input type="radio"/> NO	SHUT-IN <input checked="" type="radio"/> YES <input type="radio"/> NO	INJECTOR <input type="radio"/> INJ <input type="radio"/> SWD	PRODUCER <input checked="" type="radio"/> GAS <input type="radio"/> OIL	DATE <i>11/14/2022</i>
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OBSERVED DATA

	(A)Surface	(B)Interm(1)	(C)Interm(2)	(D)Prod Casing	(E)Tubing
Pressure	<i>0</i>			<i>0</i>	<i>0</i>
Flow Characteristics					<i>T/A</i>
Puff	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	CO2 <input type="checkbox"/>
Steady Flow	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	WTR <input type="checkbox"/>
Surges	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	GAS <input type="checkbox"/>
Down to nothing	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	Type of Fluid Injected for Waterflood if applies
Gas or Oil	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	
Water	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	

Remarks - Please state for each string (A,B,C,D,E) pertinent information regarding bleed down or continuous build up if applies.

Initial T/A BHT OK

Signature:	OIL CONSERVATION DIVISION
Printed name:	Entered into RBDMS
Title:	Re-test
E-mail Address:	
Date: <i>11/14/2022</i>	Phone:
Witness: <i>[Signature]</i>	

INSTRUCTIONS ON BACK OF THIS FORM

State IM COM 1

Location: Sec. 16, 22S-26E, 1880 FSL & 660 FEL

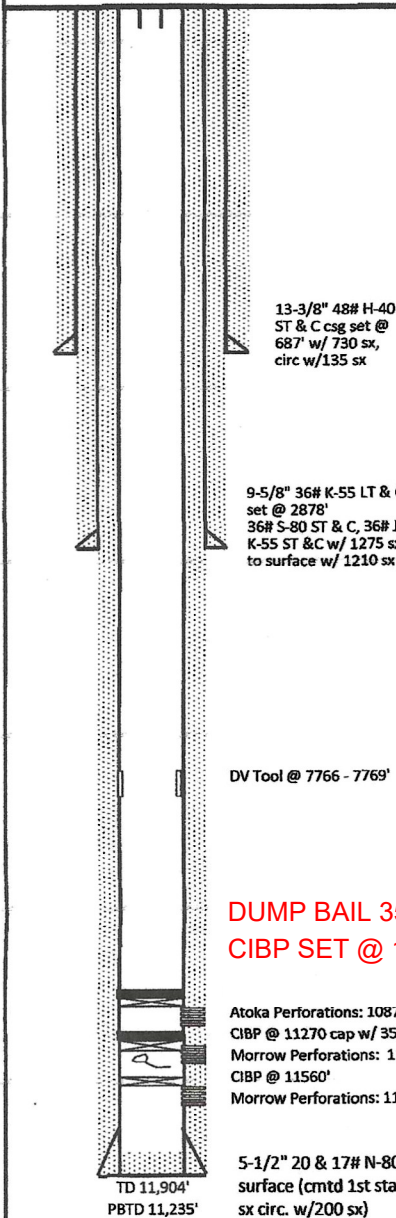
FIELD: Happy Valley
LEASE/UNIT: OCA Carlsbad FMT
COUNTY: Eddy

API: 30-015-23461
ChevNo: EQ6925

DATE CHKD: Jun. 12, 2017
BY: P.Samuels
WELL: State IM Com 1
STATE: New Mexico

SPUD DATE: 10/10/1980
COMP. DATE:
CURRENT STATUS: Flowing Well - Gas

KB = 3,600'
Elevation = 3,580'
TD = 11904
PBTD (Original Hole) = 11235



Job Details						
Job Category			Start Date		Pop/Ann End Date	
Casing Strings						
Csg Dia	CD (ft)	W/Len (ft)	Grade	Top Thread	Set Depth (MD) (ft)	
13-3/8"	48.0	14.0	40	14.0	11,235	
9-5/8"	36.0	12.0	40	12.0	11,235	
5-1/2"	20.0	17.0	40	17.0	11,235	
Perforations						
Date	Top (ft)	Bot (ft)	Shot Count (shots/ft)	Original Shot Total	Linked Zone	
10/10/80	10,703	10,738	4.0		10,703 - 10,738	
11/15/80	11,235	11,235	4.0		11,235 - 11,235	
11/15/80	11,235	11,235	4.0		11,235 - 11,235	
Other Strings						
Run Date	Pull Date	Set Depth (ft)	Com			
Other In Hole						
Date	Top (ft)	Bot (ft)	Run Date	Pull Date	Com	
				</		

DV Tool @ 7766 - 7769'

DUMP BAIL 35' CMNT W/EST TOC @ 10,703'
CIBP SET @ 10,738' MD

Atoka Perforations: 10872 - 10879', 10883 - 10894', 11038 - 11062', 11070 - 11078', 11092' - 11102' w/ 4 SPF
CIBP @ 11270 cap w/ 35' cmt, Junk @ 11540'
Morrow Perforations: 11346' - 11360', 11402 - 11418', 11472 - 11480', 11480 - 11500'; 11534 - 11542' w/ 4 SPF
CIBP @ 11560'
Morrow Perforations: 11578 - 11584', 11600 - 11698', 11716 - 11736', 11764 - 11782', 11806 - 11812' w/ 4 SPF

5-1/2" 20 & 17# N-80 LT&C csg, set @ 11904' w/ 3200 sx cmt, circ to surface (cmt'd 1st stage with 1500 sx Circ., cmt'd 2nd stage w/1700 sx circ. w/200 sx)

TD 11,904'
PBTD 11,235'

Jun. 12, 2017

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 159028

CONDITIONS

Operator: Earthstone Operating, LLC 1400 Woodloch Forest; Ste 300 The Woodlands, TX 77380	OGRID: 331165
	Action Number: 159028
	Action Type: [C-103] Sub. Temporary Abandonment (C-103U)

CONDITIONS

Created By	Condition	Condition Date
gcordero	None	12/21/2022