

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

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

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 ☐		WELL API NO. 30-005-20541
2. Name of Operator Cano Petro on NM. INC		5. Indicate Type of Lease STATE ☒ FEE ☐
3. Address of Operator 801 Cherry Street Unit 25 Suite 3200 Fort Worth, Texas 76102		6. State Oil & Gas Lease No.
4. Well Location Unit Letter <u>J</u> 1980 feet from the <u>S</u> line and 1980 feet from the <u>E</u> line Section <u>6</u> Township <u>08S</u> Range <u>31E</u> NMPM County <u>Chaves</u>		7. Lease Name or Unit Agreement Name Graves
		8. Well Number 001
		9. OGRID Number 248802
		10. Pool name or Wildcat Cato; San Andres
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		

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 ☐
 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 there to.

APPROVED

Spud Date:

Rig Release Date:

Notify OCD 24 hrs. prior to any work done

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

SIGNATURE Ethan Wakefield TITLE Authorized Representative DATE 3/28/23

Type or print name Ethan Wakefield E-mail address: e.wakefield@dwsrign.com PHONE: 405 343 7736

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Specialist DATE 4/21/23

Conditions of Approval (if any):

Cano Petro Inc.

Plug And Abandonment Procedure

Graves #001

1980' FSL & 1980' FEL, Section 6, 8S, 31E

Chaves County, NM / API 30-005-20541

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. 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 3,640'.
6. P/U 4-1/2" CR, TIH and set CR at +/- 3,590'. 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.
7. RU wireline and run CBL with 500 psi on casing from CR at 3,590' 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.

8. Rig up to pump cement down tubing. Pump water to establish rate down tubing.
9. Circulate wellbore with 9.5 ppg salt gel.

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

10. Plug 1 (**San Andres Perforations 3,590'-3,261', 25 Sacks Type I/II Cement**)

Mix 25 sx Type I/II cement and spot a balanced plug inside casing to cover the San Andres perforations.

11. Plug 2 (**San Andres and Queen Formation Tops 2,750'-2,100', 50 Sacks Type I/II Cement**)

Mix 50 sx Type I/II cement and spot a balanced plug inside casing to cover the San Andres and Queen formation tops.

12. Plug 3 (**Yates Formation Top and casing shoe 1,550'-1,079', 36 Sacks Type I/II Cement**)

Mix 36 sx Type I/II cement and spot a balanced plug inside casing to cover the Yates formation top and the surface casing shoe.

13. Plug 4 (**Surface 600'-Surface, 187 Sacks Type I/II 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 187 sx cement and spot a balanced plug from 600' 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 600' 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.

Existing Wellbore Diagram

Cano Petro Of New Mexico
Graves #001
API: 30-005-20541
Chaves County, New Mexico

Surface Casing

8.625" 20# @ 1179 ft
OH: 12.25"

Formation

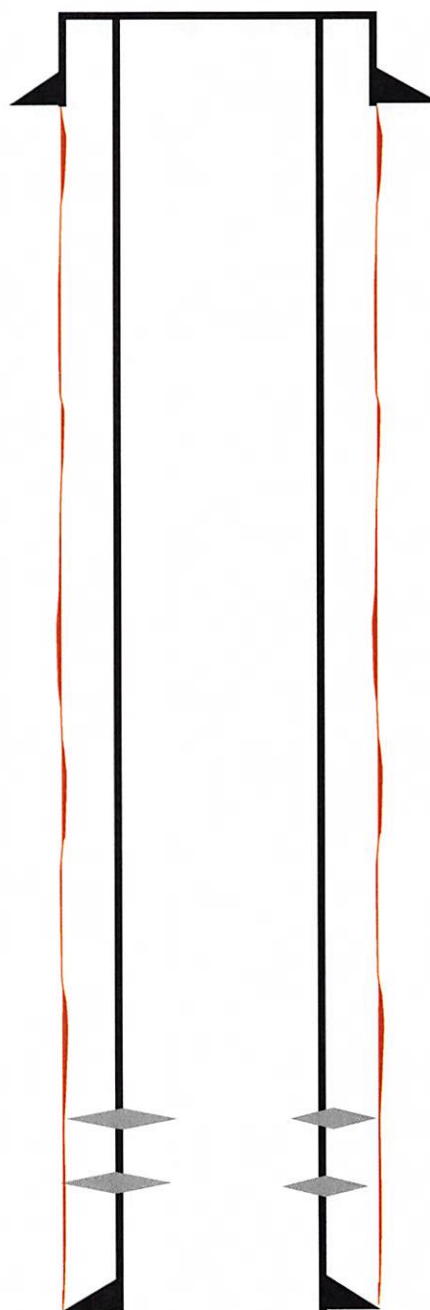
Yates - 1500'
Queen - 2200'
San Andres - 2700'

Perforations

3640 feet - 3799 feet

Production Casing

4.5" 10.5# @ 3850 feet
OH: 7.875"



Proposed Wellbore Diagram

Cano Petro Of New Mexico
Graves #001
API: 30-005-20541
Chaves County, New Mexico

Surface Casing

8.625" 20# @ 1179 ft
OH: 12.25"

Plug 4

600 feet - Surface
600 foot plug
187 Sacks of Type I/II Cement

Plug 3

1550 feet - 1079 feet
471 foot plug
36 Sacks of Type I/II Cement

Plug 2

2750 feet - 2100 feet
650 foot plug
50 Sacks of Type I/II Cement

Plug 1

3590 feet - 3261 feet
329 foot plug
25 sacks of Type I/II Cement

Perforations

3640 feet - 3799 feet

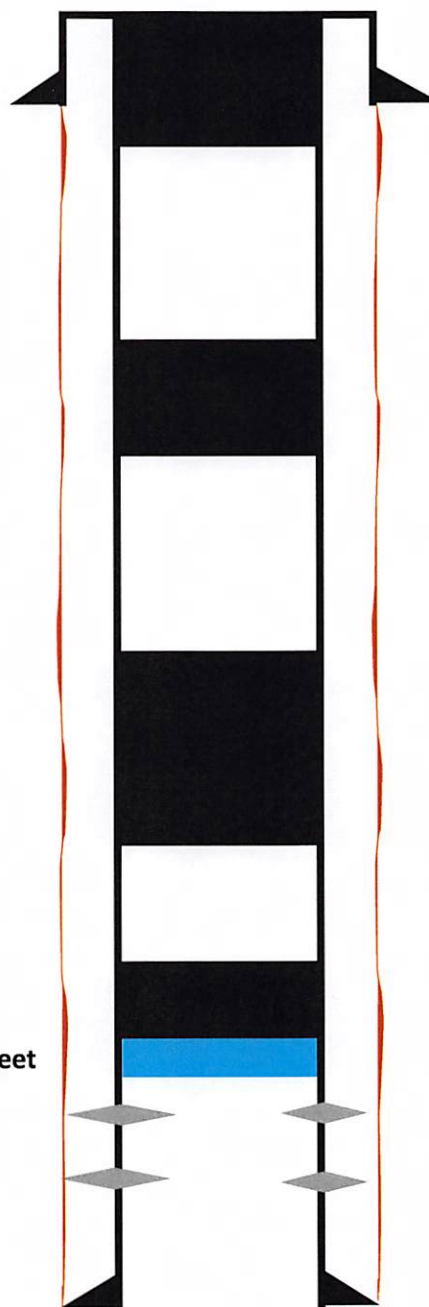
Formation

Yates - 1500'
Queen - 2200'
San Andres - 2700'

Retainer @ 3590 feet

Production Casing

4.5" 10.5# @ 3850 feet
OH: 7.875"



Cano Petro Inc.

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Graves #001
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Chaves County, New Mexico

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OH: 12.25"

Formation

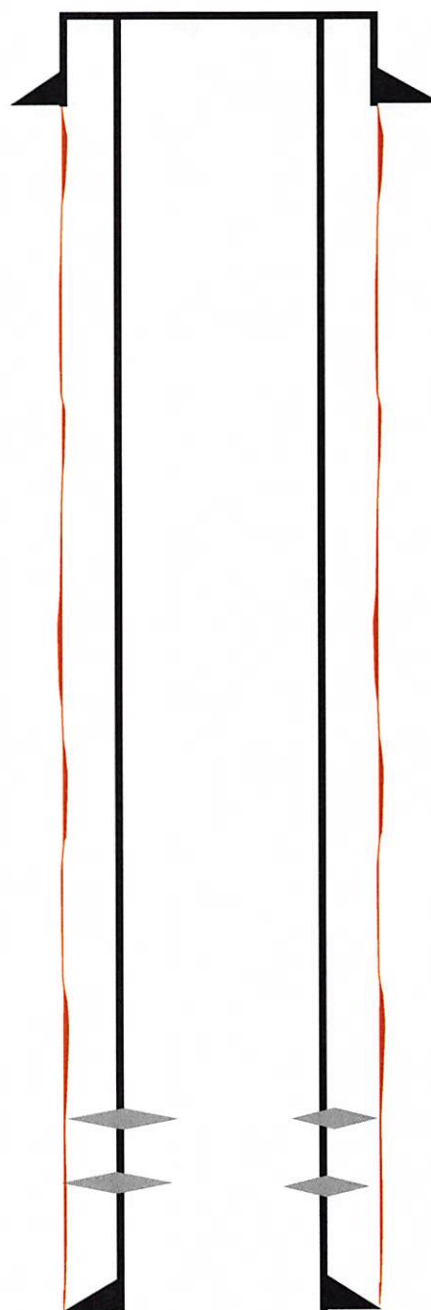
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Queen - 2200'
San Andres - 2700'

Perforations

3640 feet - 3799 feet

Production Casing

4.5" 10.5# @ 3850 feet
OH: 7.875"



Proposed Wellbore Diagram

Cano Petro Of New Mexico

Graves #001

API: 30-005-20541

Chaves County, New Mexico

Surface Casing

8.625" 20# @ 1179 ft

OH: 12.25"

Plug 4

600 feet - Surface

600 foot plug

187 Sacks of Type I/II Cement

Plug 3

1550 feet - 1079 feet

471 foot plug

36 Sacks of Type I/II Cement

Plug 2

2750 feet - 2100 feet

650 foot plug

50 Sacks of Type I/II Cement

Plug 1

3590 feet - 3261 feet

329 foot plug

25 sacks of Type I/II Cement

Formation

Yates - 1500'

Queen - 2200'

San Andres - 2700'

Retainer @ 3590 feet

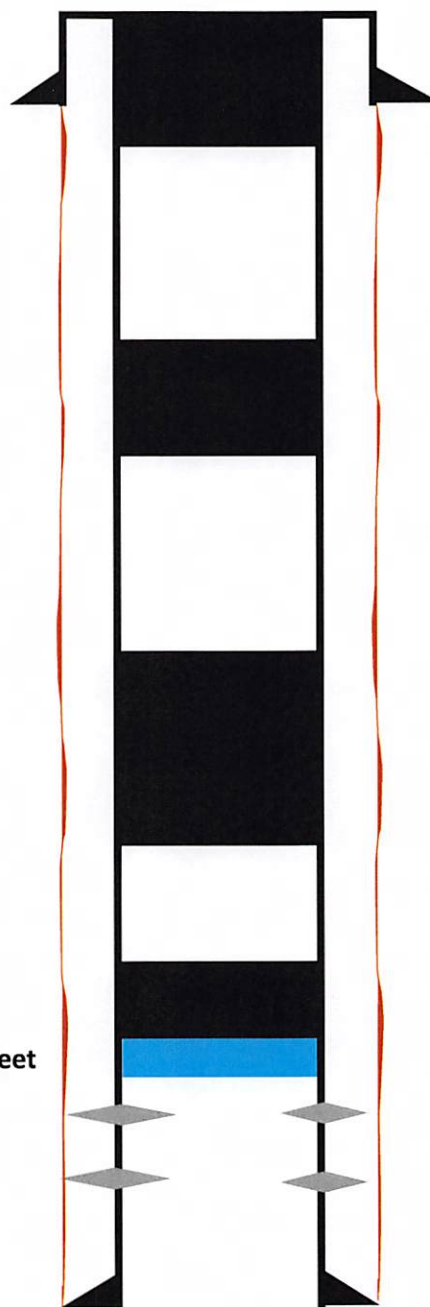
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3640 feet - 3799 feet

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4.5" 10.5# @ 3850 feet

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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 203617

CONDITIONS

Operator: J.A. Drake Well Service Inc. 607 W Pinon Farmington, NM 87401	OGRID: 330485
	Action Number: 203617
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
john.harrison	None	4/21/2023