

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.) | | WELL API NO. 30-005-20579 |
| 1. Type of Well: Oil Well <input checked="" 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 Cano Petro on NM. INC | | 6. State Oil & Gas Lease No. |
| 3. Address of Operator 801 Cherry Street Unit 25 Suite 3200 Fort Worth, Texas 76102 | | 7. Lease Name or Unit Agreement Name Graves |
| 4. Well Location Unit Letter <u> N </u> <u> 660 </u> feet from the <u> S </u> line and <u> 1980 </u> feet from the <u> W </u> line Section <u> 6 </u> Township <u> 08S </u> Range <u> 31E </u> NMPM County Chaves | | 8. Well Number <u> 005 </u> |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) | | 9. OGRID Number 248802 |
| | | 10. Pool name or Wildcat Cato; San Andres |

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@dwsrigns.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 #005

660' FSL & 1980' FWL, Section 6, 8S, 31E

Chaves County, NM / API 30-005-20579

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 3,625'.
6. P/U 4-1/2" CR, TIH and set CR at +/- 3,578'. 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 3,578' 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 and formation top 3,578'-3,784', 62 Sacks Type I/II Cement**)

Mix 62 sx Type I/II cement and spot a balanced plug inside casing to cover the San Andres perforations and formation top.

11. Plug 2 (**Queen, 7 Rivers, and Yates Formation Tops 2,461'-1,704', 73 Sacks Type I/II Cement**)

Mix 73 sx Type I/II cement and spot a balanced plug inside casing to cover the Queen, 7 Rivers, and Yates formation tops.

12. Plug 3 (**Rustler Formation Top and casing shoe 1,413'-1,263', 47 Sacks Type I/II Cement**)

Mix 47 sx Type I/II cement and spot a balanced plug inside casing to cover the Yates formation top and 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 #005

API: 30-005-20579

Chaves County, New Mexico

Surface Casing

8.625" 20# @ 1363 ft

OH: 11"

Formation

Rustler - 1352'

Yates - 1804'

7 Rivers - 1947'

Queen - 2411'

San Andres - 2884'

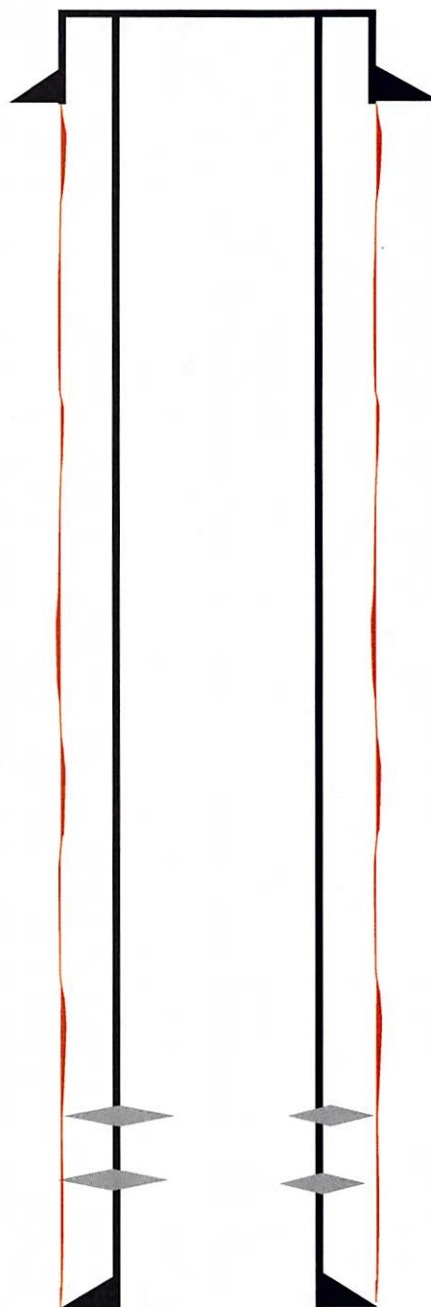
Perforations

3628 feet - 3790 feet

Production Casing

4.5" 9.5# @ 3860 feet

OH: 7.875"



Proposed Wellbore Diagram

Cano Petro Of New Mexico
Graves #005
API: 30-005-20579
Chaves County, New Mexico

Surface Casing

8.625" 20# @ 1363 ft
OH: 11"

Plug 4

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

Plug 3

1413 feet - 1263 feet
150 foot plug
47 Sacks of Type I/II Cement

Plug 2

2461 feet - 1704 feet
937 foot plug
73 Sacks of Type I/II Cement

Plug 1

3578 feet - 2784 feet
794 foot plug
62 sacks of Type I/II Cement

Perforations

3628 feet - 3790 feet

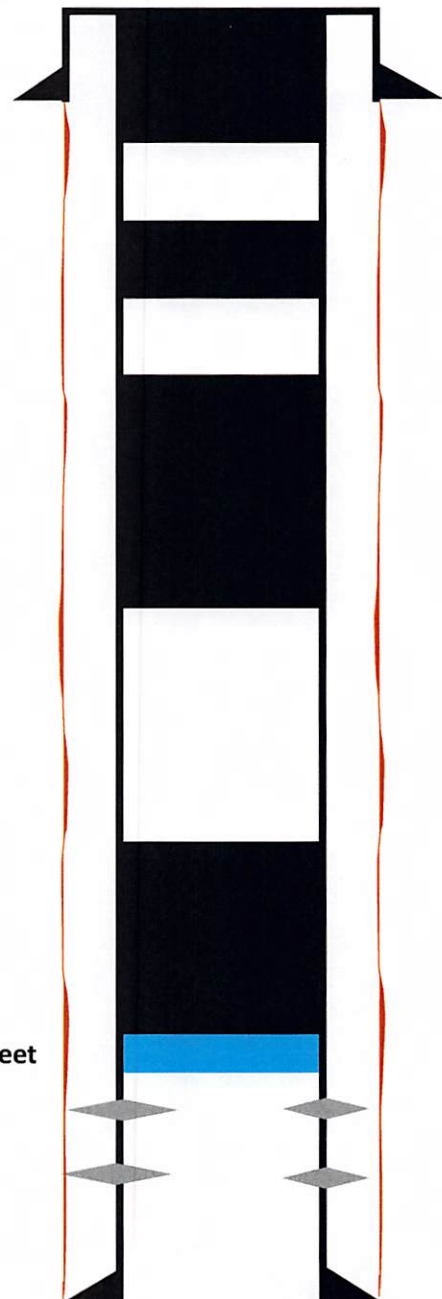
Formation

Rustler - 1352'
Yates - 1804'
7 Rivers - 1947'
Queen - 2411'
San Andres - 2884'

Retainer @ 3578 feet

Production Casing

4.5" 9.5# @ 3860 feet
OH: 7.875"



Cano Petro Inc.

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Cano Petro Of New Mexico

Graves #005

API: 30-005-20579

Chaves County, New Mexico

Surface Casing

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OH: 11"

Formation

Rustler - 1352'

Yates - 1804'

7 Rivers - 1947'

Queen - 2411'

San Andres - 2884'

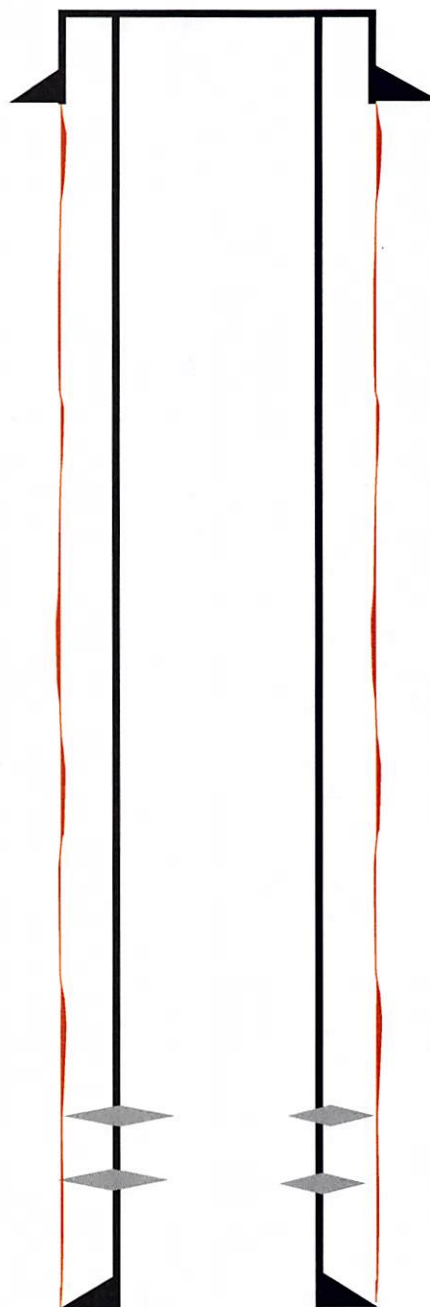
Perforations

3628 feet - 3790 feet

Production Casing

4.5" 9.5# @ 3860 feet

OH: 7.875"



Proposed Wellbore Diagram

Cano Petro Of New Mexico

Graves #005

API: 30-005-20579

Chaves County, New Mexico

Surface Casing

8.625" 20# @ 1363 ft

OH: 11"

Plug 4

600 feet - Surface

600 foot plug

187 Sacks of Type I/II Cement

Plug 3

1413 feet - 1263 feet

150 foot plug

47 Sacks of Type I/II Cement

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Retainer @ 3578 feet

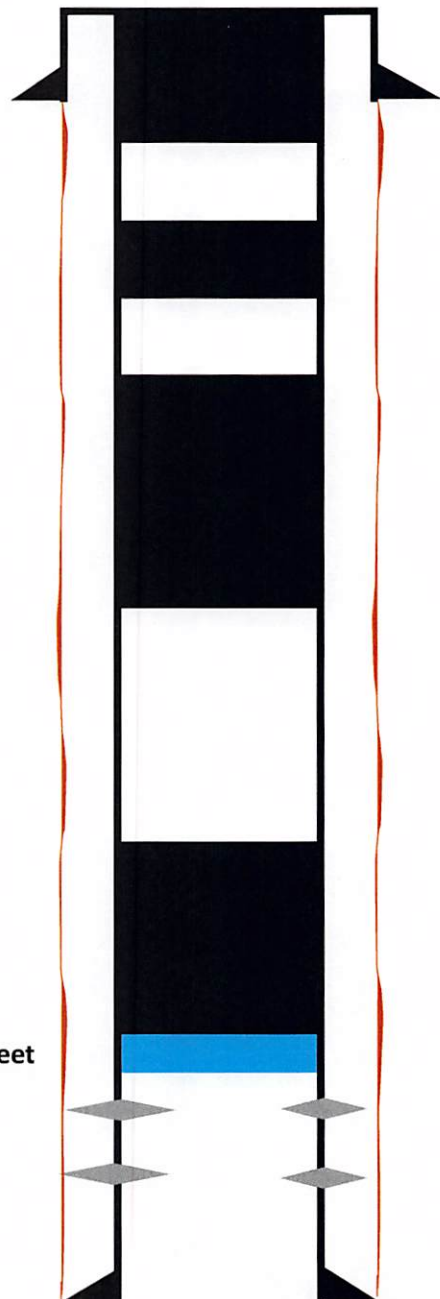
Perforations

3628 feet - 3790 feet

Production Casing

4.5" 9.5# @ 3860 feet

OH: 7.875"



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District IV
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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 203607

CONDITIONS

| | |
|--|---|
| Operator: J.A. Drake Well Service Inc. 607 W Pinon Farmington, NM 87401 | OGRID: 330485 |
| | Action Number: 203607 |
| | Action Type: [C-103] NOI Plug & Abandon (C-103F) |

CONDITIONS

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