

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

WELL API NO. 30-015-25054
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 COYOTE STATE
8. Well Number 11
9. OGRID Number 240974
10. 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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator LEGACY RESERVES OPERATING LP	
3. Address of Operator PO BOX 10848, MIDLAND, TX 79702	
4. Well Location Unit Letter <u>D</u> : <u>330</u> feet from the <u>NORTH</u> line and <u>990</u> feet from the <u>WEST</u> line Section <u>36</u> Township <u>17S</u> Range <u>31E</u> NMPM County <u>EDDY</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3827' GR	

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.

There has been a change of plans for the subject well. Legacy Reserves Operating LP will no longer be temporarily abandoning the well. Plans are to P&A the well.

See attached P&A procedure along with current and proposed wellbore diagrams.

Approved for plugging of well bore only.
Liability under bond is retained pending receipt
of C-103 (Subsequent Report of Well Plugging)
which may be found at OCD Web Page under
Forms. www.emnrd.state.nm.us/oed.

NM OIL CONSERVATION
ARTESIA DISTRICT

AUG 31 2016

RECEIVED

Spud Date:

Rig Release Date:

WELL MUST BE PLUGGED BY 8/31/2017

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

SIGNATURE [Signature] TITLE OPERATIONS ENGINEER DATE 08/29/2016

Type or print name JOHN SAENZ E-mail address: jsaenz@legacylp.com PHONE: 432-689-5200

For State Use Only

APPROVED BY: [Signature] TITLE COMPLIANCE OFFICER DATE 8/31/2016

Conditions of Approval (if any):

SEE ATTACHED COA-S

Coyote State #11
API: 30-015-25054
Eddy County, New Mexico
8/26/2016

Note: All plugs to be minimum 25 sacks of cement.
Production Casing has a hole at 2' from surface

Proposed P&A Procedure

1. MIRU. Lay production equipment. Pick up work string. Pick up packer and set at 50'.
Pressure test casing below packer.
2. RIH open ended and tag TOC at 3765'. Circulate minimum 9.5 ppg P&A mud to surface.
3. Spot 25 sx of cement on top of cement @ 3765'.
4. TOOH to 3230'. Spot 100' balanced cement plug w/ 25 sx cement. - NO TAB
5. TOOH to 2050'. Spot 100' balanced cement plug w/ 25 sx cement - WOE & TAB (3 SALT)
6. TOOH to 800'. Spot 100' balanced cement plug w/ 25 sx cement - PERF & SQUEEZE
7. TOOH to 100'. Circulate cement to surface. TOOH. - WOE 4 HOS & TAB
8. Top off casing, remove WH, set P&A marker, clean and reclaim location. 1050 - 950 - WOE & TAB (T SALT)

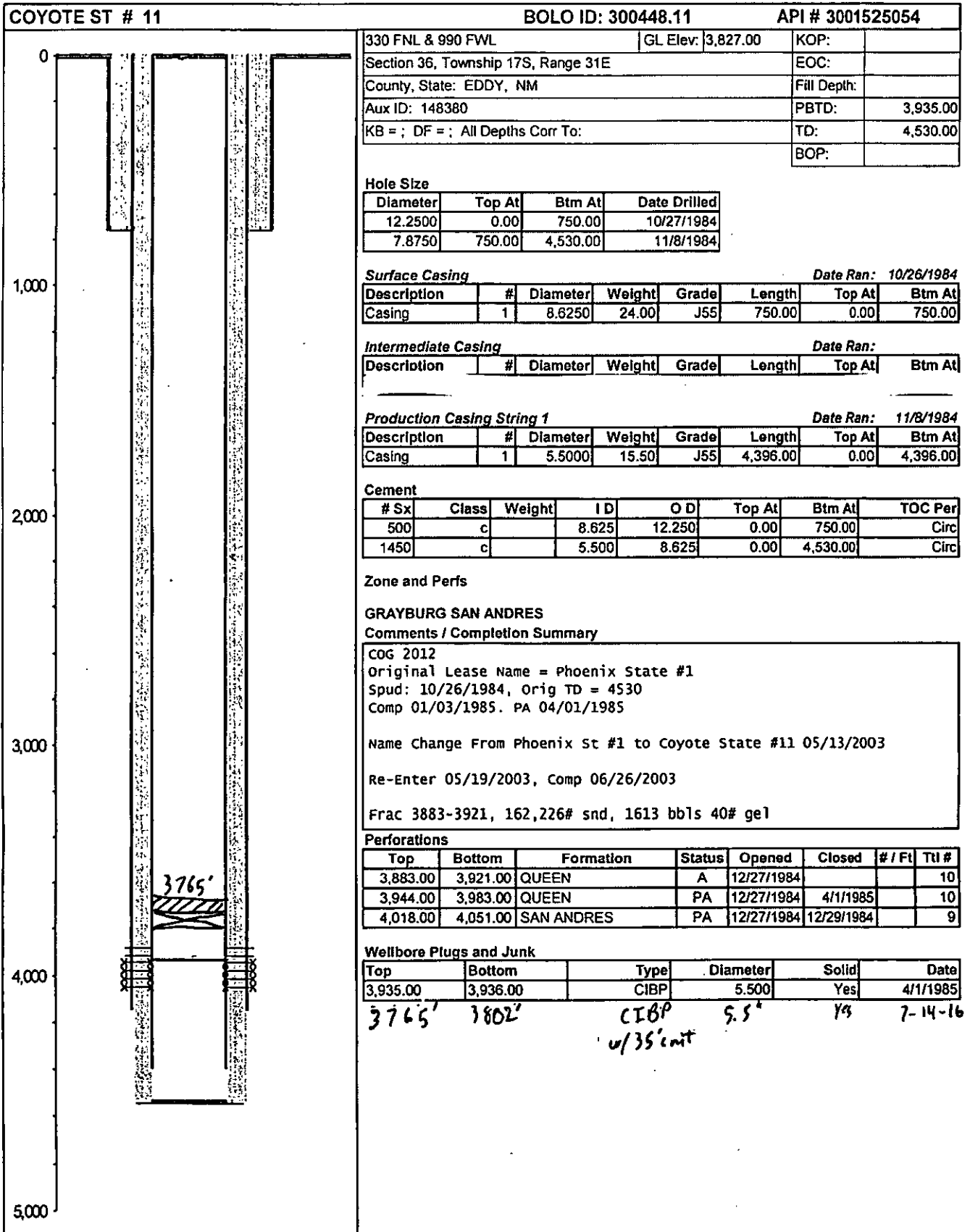
READ -
12 OF THE ROA-S

John Saenz

Wellbore Schematic (From Surface to TD)

Printed: 7/14/2016

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Wellbore Schematic (From Surface to TD)

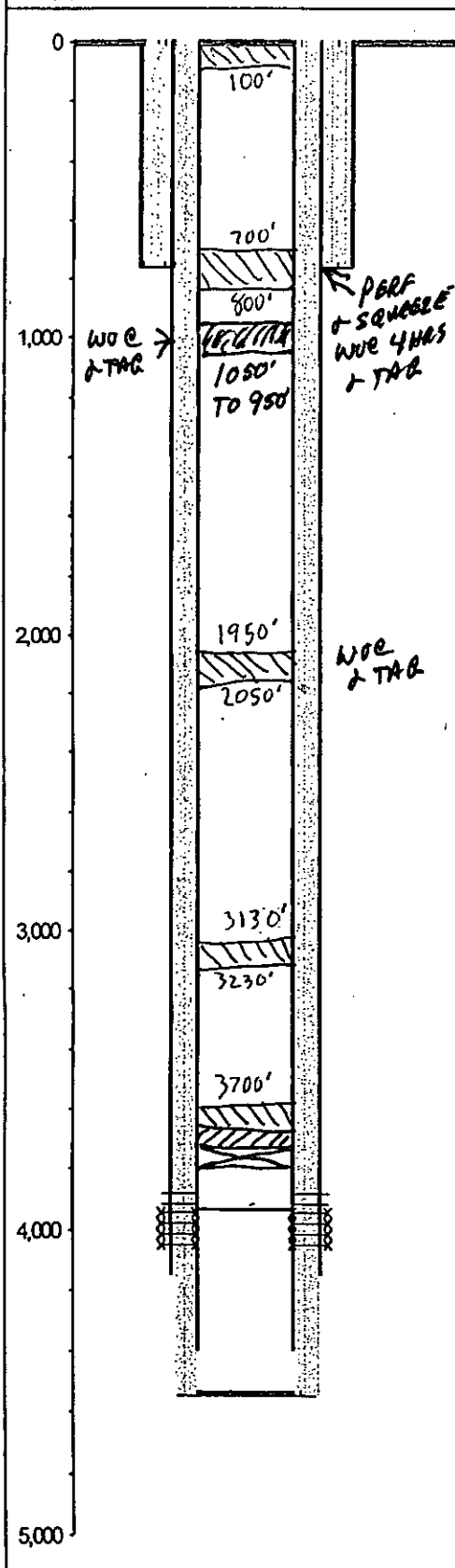
Printed: 7/14/2016

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COYOTE ST # 11

BOLO ID: 300448.11

API # 3001525054



330 FNL & 990 FWL	GL Elev: 3,827.00	KOP:	
Section 36, Township 17S, Range 31E		EOC:	
County, State: EDDY, NM		Fill Depth:	
Aux ID: 148380		PBTD:	3,935.00
KB = ; DF = ; All Depths Corr To:		TD:	4,530.00
		BOP:	

Hole Size

Diameter	Top At	Btm At	Date Drilled
12.2500	0.00	750.00	10/27/1984
7.8750	750.00	4,530.00	11/8/1984

Surface Casing

Date Ran: 10/26/1984

Description	#	Diameter	Weight	Grade	Length	Top At	Btm At
Casing	1	8.6250	24.00	J55	750.00	0.00	750.00

Intermediate Casing

Date Ran:

Description	#	Diameter	Weight	Grade	Length	Top At	Btm At
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Production Casing String 1

Date Ran: 11/8/1984

Description	#	Diameter	Weight	Grade	Length	Top At	Btm At
Casing	1	5.5000	15.50	J55	4,396.00	0.00	4,396.00

Cement

# Sx	Class	Weight	ID	OD	Top At	Btm At	TOC Per
500	c		8.625	12.250	0.00	750.00	Circ
1450	c		5.500	8.625	0.00	4,530.00	Circ

Zone and Perfs

GRAYBURG SAN ANDRES

Comments / Completion Summary

COG 2012
Original Lease Name = Phoenix State #1
Spud: 10/26/1984, Orig TD = 4530
Comp 01/03/1985. PA 04/01/1985

Name Change From Phoenix St #1 to Coyote State #11 05/13/2003

Re-Enter 05/19/2003, Comp 06/26/2003

Frac 3883-3921, 162,226# snd, 1613 bbls 40# gel

Perforations

Top	Bottom	Formation	Status	Opened	Closed	# / Ft	Ttl #
3,883.00	3,921.00	QUEEN	A	12/27/1984			10
3,944.00	3,983.00	QUEEN	PA	12/27/1984	4/1/1985		10
4,018.00	4,051.00	SAN ANDRES	PA	12/27/1984	12/29/1984		9

Wellbore Plugs and Junk

Top	Bottom	Type	Diameter	Solid	Date
3,935.00	3,936.00	CIBP	5.500	Yes	4/1/1985

3765' 3802' CIBP 5.5" Y4 7-14-16
w/35' cement

Formation tops
Salt 1000'
B Salt 1990'

Yates
7R

2156'
2566'

Queen 3180'
Grayburg 3548'

CONDITIONS FOR PLUGGING AND ABANDONMENT

District II / Artesia N.M.

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, **Notify NMOCD District Office II at (575)-748-1283 at least 24 hours before beginning work.**

1. A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs.
2. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.
3. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall be able to produce a copy upon request of an NMOCD Field inspector.
4. Filing a subsequent C-103 will serve as notification that the well has been plugged.
5. A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can be released.
6. **Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.**
7. Produced water **will not** be used during any part of the plugging operation.
8. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
9. All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
10. **Class 'C' cement will be used above 7500 feet.**
11. **Class 'H' cement will be used below 7500 feet.**
12. **A cement plug is required to be set 50' above and 50' below, all casing shoes, casing stubs, DV tools, attempted casing cut offs, cement tops outside casing, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged – CASING SHOES WILL BE PERFORATED & SQUEEZED WOC 4 HRS & TAG** (TOP & BOTTOM)
13. When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set
14. **A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.**
15. A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, (WOC 4 hrs and tag).
16. No more than 3000' is allowed between cement plugs in cased hole and 2000' in open hole.

17. Formations to be isolated with cement plugs are:

- A) Fusselman
- B) Devonian
- C) Morrow
- D) Wolfcamp
- E) Bone Springs
- F) Delaware
- G) Any salt sections
- H) Abo
- I) Glorieta
- J) Yates.

K) **Potash**--- (In the R-111-P Area (Potash Mine Area), a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, **WOC 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.**

18. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, WOC and tagged. These plugs will be set 50' below formation bottom to 50' above formation top inside the casing

DRY HOLE MARKER REQUIREMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least ¼" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

1. Operator name
2. Lease and well number
3. API number
4. Unit letter
5. Quarter section (feet from North, South, East or West)
6. Section, Township and Range
7. Plugging date
8. County

(SPECIAL CASES)

AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS

In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)