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

RECEIVED
JAN 27 2020
EMNRD-OCD ARTESIA

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
Revised August 1, 2011

WELL API NO. 30-015-33939	
5. Indicate Type of Lease STATE X FEE	
6. State Oil & Gas Lease No.	
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 X Other	7. Lease Name or Unit Agreement Name SALT DRAW 10 STATE
	8. Well Number 001
2. Name of Operator CHISHOLM ENERGY OPERATING, LLC	9. OGRID Number 372137
3. Address of Operator 801 CHERRY ST., SUITE 1200, UNIT 20, FORT WORTH, TEXAS 76102	10. Pool name or Wildcat UNDESIGNATED; MORROW
4. Well Location Unit Letter A : 840 feet from the NORTH line and 660 feet from the EAST line Section 10 Township 25S Range 28E NMPM EDDY County	
	11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 2,962' – GR

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON X	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐		Notify OCD 24 hrs. prior to any work done.	
OTHER: ☐		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.

1) Clean Out Well to Perfs & Set CIBP @ 12600' w/25 sx Cmt - WOC & Tag
1) ~~TAG EXISTING 4-1/2" CIBP + CMT. @ +/- 12,495';~~ CIRC. WELL W/ M.L.F. - No Paperwork on File
2) PUMP 100 SXS. CMT. @ 11,890'-11,282' (T/ATOKA, 4-1/2" LNR.TOP, T/PENN.).
3) PUMP 50 SXS. CMT. @9,595'-9,310' (T/WLCP.).
4) PUMP 45 SXS. CMT. @ 6,510'-6,350' (T/BNSG.).
5) PUMP 45 SXS. CMT. @ 5,210'-5,060' (9-5/8" CSG. SHOE); WOC X TAG CMT. PLUG. - Perf @ 5185'
6) CUT X PULL 7" CSG. @ +/-3,500'.
7) PUMP 50 SXS. CMT. @ 3,560'-3,430' (7" CSG.STUB); WOC X TAG CMT. PLUG.
8) PUMP 110 SXS. CMT. @ 2,624'-2,330' (T/DLWR., B/SALT); WOC X TAG CMT. PLUG.
9) PUMP 45 SXS. CMT. @ 960'-860' (T/SALT); WOC X TAG CMT. PLUG.
10) PUMP 45 SXS. CMT. @ 625'-525' (13-3/8" CSG.SHOE); WOC X TAG CMT. PLUG. - Perf @ 625' + Attempt to Circ Cmt
11) CIRC. TO SURF. 25 SXS. CMT. @ ~~63'-3~~'. Perf @ 150' + Attempt to Circ Cmt.
12) DIG OUT/CUT OFF WELLHEAD 3' B.G.L.;WELD ON STEEL PLATE TO CSGS. X INSTALL DRY HOLE MARKER. DURING THIS PROCEDURE WE PLAN TO USE THE CLOSED-LOOP SYSTEM W/ A STEEL TANK AND HAUL CONTENTS TO THE REQUIRED DISPOSAL, PER OCD RULE 19.15.17.

*** SEE ATTACHED COA'S - Revised

MUST BE PLUGGED BY
1/28/21

I hereby certify that the information above is true and complete to the best of my know

SIGNATURE [signature] TITLE: AGENT DATE: 01/24/20

Type or print name: DAVID A. EYLER E-mail address: DEYLER@MILAGRO-RES.COM PHONE: 432.687.3033

For State Use Only

APPROVED BY: [signature] TITLE Staff Mgr DATE 1/28/20

Conditions of Approval (if any):

TEMORARILY ABANDONED
WELLBORE DIAGRAM

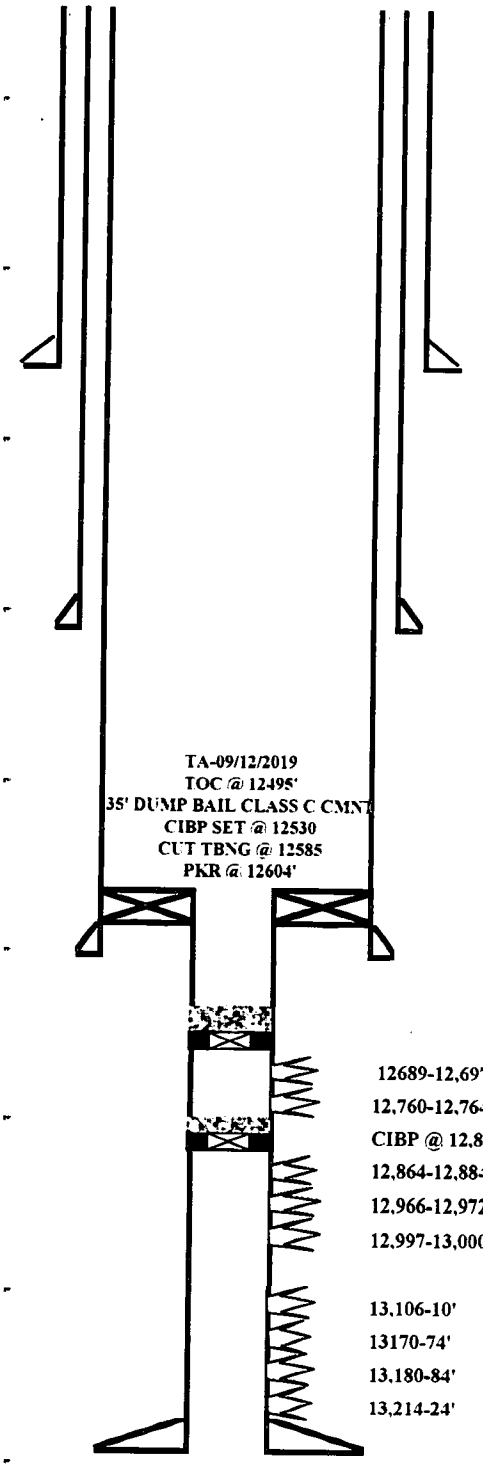
LEASE:	Salt Draw 10 State	WELL:	1	FIELD:	Salt Draw	API:	30-015-33939
LOC:	840 FN & 660 FE	SEC:	10	BLK:	T25S R28E	Reservoir	Morrow
SVY:	0	GL:	2961	CTY/ST	Eddy Co., NM	SPUD:	2/27/2005
CURRENT STATUS:	Producing	KB:	2980	DF:	2979	TD DATE:	4/27/2005
						COMP. DATE:	1/10/2006

FRESH WATER DEPTH:

HOLE SIZE: 0
SURF CSG & SIZE: 13-3/8" 54.5# K-55
SET @: 555'
SXS CMT: 220 sx 35/65 Poz tail w/200 sx C
CIRC: yes
TOC AT: surface
TOC BY: Circ.

COMMENTS:

*******GEOLOGY*******
TOPS OF ALL ZONES PRODUCTIVE OF HYDRO-CARBONS:



TBG:
JTS:
SN:
TAC:
ROD SIZE:

PKR:
TYPE:

OH ID:
COTD:
PBTD: 12815
TD: 13400

OPEN HOLE:

HOLE SIZE:
INT. CSG & SIZE: 9-5/8" 40# S&P &J-55
SET @: 5015'
SXS CMT: Lead=350 sx 35/65 Poz tail=200 sx C
SXS CMT: Lead=1050 sx 35/65 Poz tail=100 sx C
CIRC: Circ off DV tool 2nd to surface
TOC AT: Surface
TOC BY: circ.

SQUEEZE JOBS:

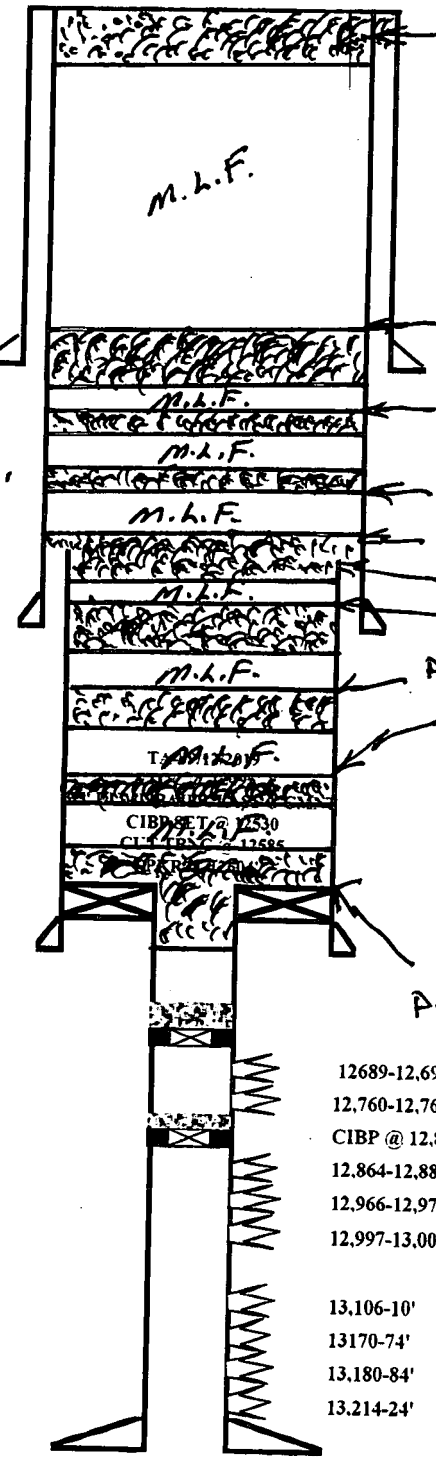
HOLE SIZE: 0
PROD. CSG & SIZE: 7" 26&29# P-110 & N-80
SET @: 11,700'
SXS CMT: lead=735 sx 35/65 Poz tail=400 sx
CIRC: no
TOC AT: 4100'
TOC BY: TS

LINER:

HOLE SIZE:
PROD. CSG & SIZE: 4-1/2" 15.1# P-110
Top @: 11,409'
Btm @: 13398'
SXS CMT: 300 sx H
CIRC: Tested liner top to 1000#

TEMORARILY ABANDONED
WELLBORE DIAGRAM

LEASE:	Salt Draw 10 State	WELL:	1	FIELD:	Salt Draw	API:	30-015-33939
LOC:	840 FN & 660 FE	SEC:	10	BLK:	T25S R28E	Reservoir	Morrow
SVY:	0	GL:	2961	CTY/ST	Eddy Co., NM	SPUD:	2/27/2005
CURRENT STATUS:	Producing	KB:	2980	DF:	2979	TD DATE:	4/27/2005
						COMP. DATE:	1/10/2006



CIRC. 25 SXS. @ 65'-3'

HOLE SIZE: 0 17-1/2 COMMENTS:
SURF CSG & SIZE: 13-3/8" 54.5# K-55
SET @: ~~568~~ 575'
SXS CMT: 220 sx 35/65 Poz tail w/200 sx C
CIRC: yes
TOC AT: surface
TOC BY: Circ.

FRESH WATER DEPTH:
T/SALT ~ 910'
B/SALT ~ 2,380'
T/DLWR. ~ 2,574'
T/BNSG. ~ 6,430'
T/WLCP. ~ 9,500'
T/PENN. ~ 11,332'
T/ATOKA. ~ 11,840'
T/MRRW ~ 12,530'

Pump 45 SXS. @ 625'-525' TAG
Pump 45 SXS. @ 960'-860' TAG
Pump 110 SXS. @ 2,624'-2,330' TAG
Pump 50 SXS. @ 3,560'-3,430' TAG
CUT X PULL 7" CSG. @ +/- 3,500'
Pump 45 SXS. @ 5,210'-5,060' TAG
Pump 45 SXS. @ 6,510'-6,350'
Pump 50 SXS. @ 9,595'-9,310'

*******GEOLOGY*******
TOPS OF ALL ZONES PRODUCTIVE OF HYDRO-CARBONS:

HOLE SIZE: 12-1/4"
INT. CSG & SIZE: 9-5/8" 40# S&P &J-55
SET @: ~~5016~~ 5,135'
SXS CMT: Lead=350 sx 35/65 Poz tail=200 sx C
SXS CMT: Lead=1050 sx 35/65 Poz tail=100 sx C
CIRC: Circ off DV tool 2nd to surface
TOC AT: Surface
TOC BY: circ.

SQUEEZE JOBS:
Pump 100 SXS. @ 11,890'-11,282'

TBG:
JTS:
SN:
TAC:
ROD SIZE:

PKR:
TYPE:

12689-12,697
12,760-12,764
CIBP @ 12,850 w/35' cmt on top
12,864-12,884
12,966-12,972
12,997-13,000

13,106-10'
13170-74'
13,180-84'
13,214-24'

LINER:

OH ID:
COTD:
PBTD: 12815
TD: 13400

HOLE SIZE: 0 8-3/4"
PROD. CSG & SIZE: 7" 26&29# P-110 & N-80
SET @: 11,700'
SXS CMT: lead=735 sx 35/65 Poz tail=400 sx
CIRC: no
TOC AT: 4100' ✓
TOC BY: TS

HOLE SIZE: 6-1/4"
PROD. CSG & SIZE: 4-1/2" 15.1# P-110
Top @: 11,409'
Btm @: 13398'
SXS CMT: 300 sx H
CIRC: Tested liner top to 1000#

OPEN HOLE:

DHE 12/04/19

CONDITIONS FOR PLUGGING AND ABANDONMENT

OCD - Southern District

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.** After MIRU rig will remain on well until it is plugged to surface. OCD is to be notified before rig down. Company representative will be on location during plugging procedures.

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. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.
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. If work has not begun within 1 Year of the approval of this procedure, an extension request must be file stating the reason the well has not been plugged.
7. **Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.**
8. Produced water **will not** be used during any part of the plugging operation.
9. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
10. 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.
11. **Class 'C' cement will be used above 7500 feet.**
12. **Class 'H' cement will be used below 7500 feet.**
13. **A cement plug is required to be set 50' above and 50' below, 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**
14. **All Casing Shoes Will Be Perforated 50' below shoe depth and Attempted to be Squeezed, cement needs to be 50' above and 50' Below Casing Shoe inside the Production Casing.**

16. When setting the top out cement plug in production, intermediate and surface casing, welibores should remain full at least 30 minutes after plugs are set
17. **A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.**
18. 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).**
19. No more than **3000' is allowed between cement plugs in cased hole and 2000' in open hole.**
20. Some of the Formations to be isolated with cement plugs are: These plugs to be set to isolate formation tops
    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.**
21. **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 REQUIRMENTS

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 the 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)

SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION