

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.
30-045-24680

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
NMLG 1034-2

7. Lease Name or Unit Agreement Name
South Blanco State 36

8. Well No.
#3

9. Pool name or Wildcat
Lybrook Gallup

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

2. Name of Operator
Elm Ridge Resources, Inc

3. Address of Operator
PO Box 156 Bloomfield, NM 87413

4. Well Location
Unit Letter G : 1670 Feet From The NORTH Line and 1670 Feet From The EAST Line
Section 36 Township 24N Range 8W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
6901 GR

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

11. NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
PLUG AND ABANDON <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: Plug Gallup interval and test for uphole potent <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work) SEE RULE 1103.

Elm Ridge Resources, Inc, requests approval to plug the Gallup interval and test for uphole potential, according to the attached procedure.

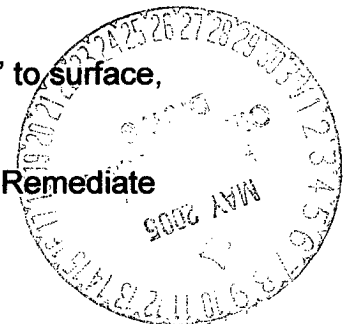


SIGNATURE Amy Mackey TITLE Production Assistant DATE 05/06/05
TYPE OR PRINT NAME Amy Mackey TELEPHONE NO. 505-632-3476

(This space for State Use)
APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. IV DATE MAY - 9 2005
CONDITIONS OF APPROVAL, IF ANY

GP plug, casing repair, and uphole tests for South Blanco State 36 #3:

- 1: Set 4-1/2" retainer at 5300'. Pump below retainer with 7 sacks to cover perfs. Spot 42 sacks on top of retainer, to bring top of cement to 4808', to cover top of Gallup.
- 2: Rig up Basin Perforating. Run cased hole dual-spaced neutron log from 3400' to 1400'. Evaluate wellbore for uphole potential. If uphole potential exists, run CBL from 4400' 1800'. Evaluate cement bond. If cement bond is adequate, isolate casing failure with packer and bridge plug. Squeeze cement failed zone. Drill out and pressure test casing. Repeat squeeze if necessary.
- 3: Perforate and test Mesaverde, Chacra, Pictured Cliffs, and Fruitland coal, if warranted by log results.
- 4: If no Mesaverde potential is found, spot 12 sack balanced plug from 50' below to 50' above top perforations (if any), and from 3468'-3368' to cover top of Cliff House formation. If applicable, spotted plugs may be combined, if they overlap and correct volume of cement will be pumped to comply with NMOCD requirements, to insure proper perforation and formation top isolation.
- 5: If no Chacra potential is found, spot 12 sack balanced plug from 50' below to 50' above top perforations (if any), and from 2384'-2284' to cover top of Chacra formation. Spotted plugs may be combined, if they overlap and correct volume of cement will be pumped to comply with NMOCD requirements, to insure proper perforation and formation top isolation.
- 6: If no Pictured Cliffs or Fruitland Coal potential is found, spot 12 sack balanced plug from 50' below to 50' above top perforations (if any), and spot 23 sack balanced plug from 1967' to 1713' to cover Pictured Cliffs and Fruitland Coal tops. Spotted plugs may be combined, if they overlap and correct volume of cement will be pumped to comply with NMOCD requirements, to insure proper perforation and formation top isolation.
- 7: Spot 17 sack balanced plug from 1419'-¹²¹⁰~~1249~~' to cover Kirtland-Fruitland top and Ojo Alamo top.
- 8: Spot 22 sack (or sufficient volume) balanced plug from 280' to surface, inside 4-1/2" casing.
- 9: Cut off wellhead 3' below surface. Install dry hole marker. Remediate location.



Elm Ridge Resources

Pertinent Data Sheet

Well Name: South Blanco State 36 #3
Footage: 1670' FNL and 1670' FEL
Location: Section 36, T24N, R8W
County: San Juan County, NM
API#: 30-045-24680

Field: Lybrook Gallup

Elevation: 6901' GR

TD: 5650' KB

PBTD: 5606' KB

Completed: 2/9/81

Casing Record:

Hole Size	Casing Size	Wt.	Grade	Depth Set	Cement
12-1/4"	8-5/8"	24#	K-55	230'	230 sx (Circ. To Surface)
7-7/8"	4-1/2"	10.5#	K-55	5650'	Stg 1: 670 sx Stg 2: 413 sx (DV@3070') ⁽¹⁾

⁽¹⁾ 1st Stage: TOC: Circulated cement above DV tool. 2nd Stage: Circulated cement to surface.

Tubing Record: 172 jts. 2-3/8" tubing

Rod Record: 2"x1-1/4"x4'x11' pump, 121x3/4" plain rods, 99x3/4" guided rods, 3x3/4" rod subs (4', 4', 6')

Formation Tops:

Nacimiento	Surface
Ojo Alamo	1299'
Kirtland-Fruitland	1369'
Fruitland Coal	1763'
Pictured Cliffs	1917'
Chacra (NMOCD)	2334'
Cliff House	3418'
Point Lookout	4235'
Gallup	4858'

Perforations: Gallup: 5330-5561'



Wellbore Diagram
South Blanco State 36 #3
NE/4 Sec. 36, T24N, R8W
San Juan County Co., NM
API #30-045-24680

Surface: Nacimiento

12-1/4" OH
8-5/8" 24# K-55 set @ 230'.
Circulated cmt to surface

Ojo Alamo 1299'

Kirtland-Fruitland 1369'

Fruitland Coal 1763'

Pictured Cliffs 1917'

Chacra 2334'

4-1/2" DV tool @ '3070
(circulated cement)

Cliff House 3418'

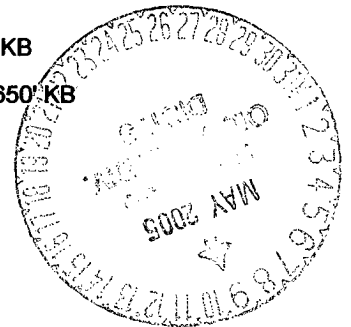
Menefee 3496'

Point Lookout 4235'

Gallup 4858'

Gallup perms: 5330-5561'

7-7/8" open hole TD 5650' KB
PBD: 5606' KB
4-1/2" 10.5# K-55 set @ 5650' KB



S. Blanco State 36 #3
5/5/2005