

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. 30-045-10686
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. 18830
7. Lease Name or Unit Agreement Name McCarty
8. Well Number #1
9. OGRID Number 282972
10. Pool name or Wildcat Basin Dakota

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 SJ Energy, LLC

3. Address of Operator 1050 17<sup>th</sup> Street, Denver, Colorado 80265-2080

4. Well Location

Unit Letter "N" : 790' feet from the North line and 1,600' feet from the West line  
Section 14 Township 31N Range 13W NMPM County San Juan

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.

SJ Energy, LLC proposes to locate and retrieve/fish a suspected packer from the wellbore, perform a bit/scrapper run to PBTD at 6,631', set a 5-1/2" CIBP at ~6,440' (~40' above top Dakota perf) and perform a 5-1/2" casing integrity evaluation with CBL from 6,440' to the surface casing shoe at 201' as per the attached procedure. A copy of the CIT/CBL log will be sent immediately to the Aztec OCD office. Upon evaluation of the CIT/CBL Logs, reserves, lease situation and alternative plans, SJ Energy, LLC will notify Aztec OCD of its subsequent plan to 1) put the well back into production, 2) perform remedial work and put the well back into production or 3) plug and abandon the existing wellbore.

Work will commence when Aztec OCD approval is given and with said approval notify the Aztec OCD 24 hours prior to commencing work.

Spud Date:

Rig Release Date:

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

SIGNATURE

*J. M. McKinney, Jr.*

TITLE

*Sr. Operations Engineer*

DATE

*5/13/2015*

Type or print name James Marshall McKinney, Jr. E-mail address: jim.mckinney@mcelvain.com PHONE: 3039626480

For State Use Only

APPROVED BY:

*Bob Bell*

TITLE

DEPUTY OIL & GAS INSPECTOR

DISTRICT #9

DATE

*6/2/15*

Conditions of Approval (if any):

*AV*

*57*

## MCCARTY #1.

Sec 14 N SESW 31N 13W  
320 dedicated acres  
790 FSL 1600 FWL  
36.8947993 -108.1762375  
GAS & Condensate

FEE Lse  
**API # 30-045-10686**  
State # 18830  
NAD 27

**Spud** 9/30/1960  
**TD** 6,662'  
**PB** 6,634'  
**COMP** 29/9/1960

### DAKOTA

**PERFS** 6480-6512  
6528-6532  
6548-6554  
6588-6594

Formations  
PC  
Lewis  
Mesaverde  
PL  
Gallup  
Greenhorn  
**Dakota**

**CSG** 11 1/4" @ 32'  
8 5/8" @ 201'  
5 1/2" @ 6,662'

DV Tool @ 4,483

**TBG** 2.38" @ 6,585

5656 KB	5761
Adobe SESW, 14-T31N-R13W McCarty #1	Consolidated SESWNE, 15-T31N-T13W McCarty 1-15
SS	SS
1958 3698	1608 4153
2130 3526	5761
3486 2170	5761
4270 1386	5761
4910 746	5761
6285 -629	5761
<b>6415 -759</b>	<b>5761</b>

### Treatment of Perfs

Washed ea set of perfs w/500 gal MCA. Frac w 32,000 gal wtr & 32,000# sd.  
Sanded out. Re perf 6528-32, 6548-54, & 6588-96.  
Frac w/ 52,500 gal wtr & 35,000 sd. Sanded out.

**Compliance** 3/1/1961 Letter to OCD  
Moved mud pit frm river location.

<b>Operators</b>	Adobe - drilled & comp	Interest	
	C M Paul	WI	NRI
	Fuller		
	McElvain		
		0.871875	0.6876563

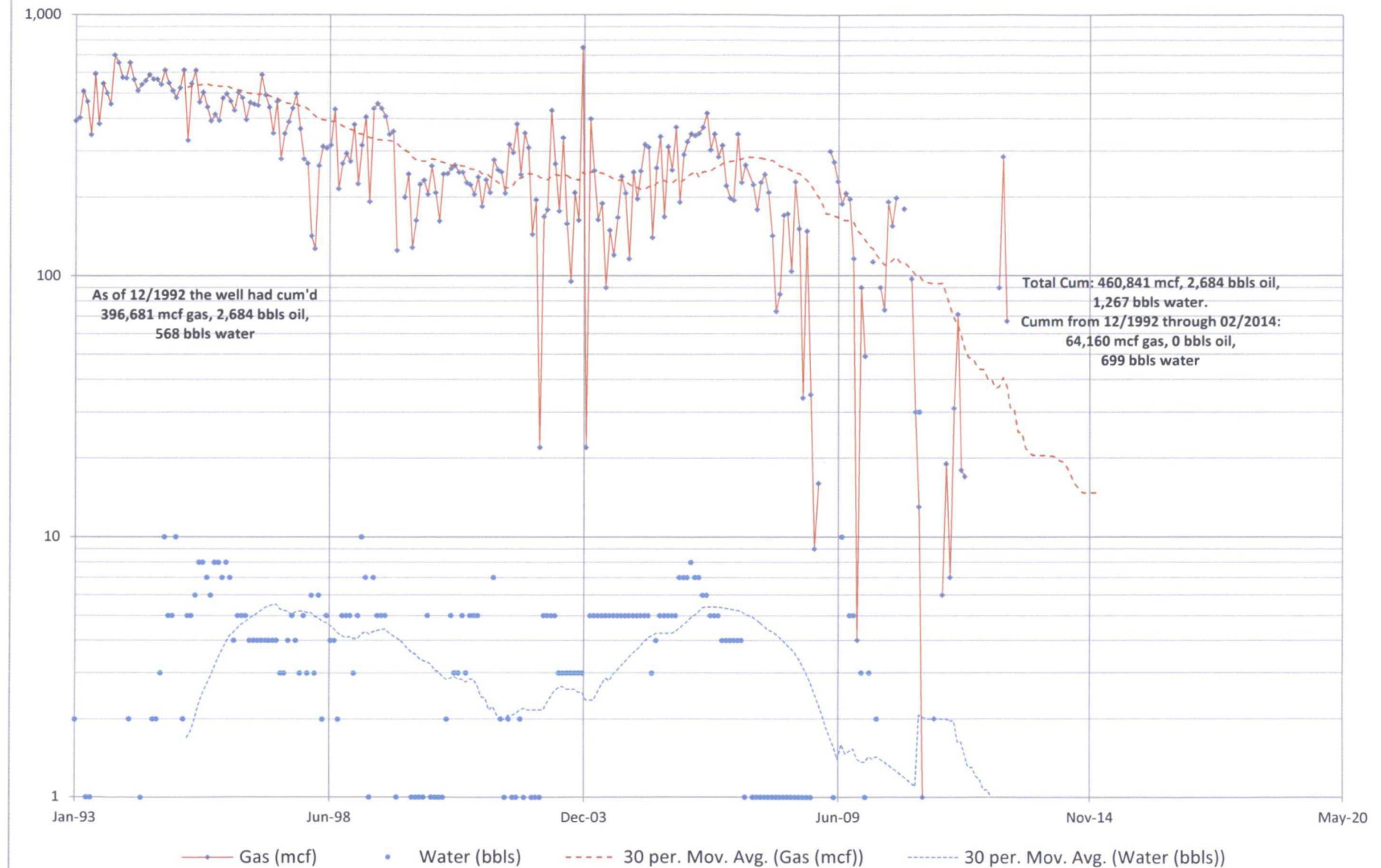
Bradenhead Rrpt 5/12/2009

Prod Totals	Oil	Gas	Wtr
	2,684	459,222	1,239

**2010-JULY** 0 517 8 Last yr prod ( included in 'Prod Totals')

Special Stips  
**Below base of FC only.**

SJ Energy, LLC McCarty #1  
 "N" Sec. 14, T31N-R13W  
 San Juan County, NM



**SJ Energy Inc.**  
**McCarty # 1**  
**Repair Casing Leak Procedure**  
**04/29/2015**

**LOCATION:**

"N" SESW 14, T31N, R13W    790' FSL; 1,600' FWL    (NAD 27): 36.894799<sup>0</sup>N; -108.1762375<sup>0</sup>W  
API: 30-045-10686    OGRID: 282972    County: San Juan, County

**GENERAL INFORMATION:**

Spud: 09/30/1960

TD: 10/30/1960

Completed: 09/29/1960

**Original Operator:** Adobe Oil Company;

**2<sup>nd</sup>:** CM Paul: 05/11/1963;

**3<sup>rd</sup>:** Fuller: 10/01/1991;

**4<sup>th</sup>:** SJ Energy (08/22/2011)

**WI:** 0.871875;

**NRI:** 0.6876563;

**NLI:** 0.7887097

**TD:** 6,662'    **PBTD:** 6,631' (11/20/1960)

**KB:** 5,656'    **GL:** 5,646'

**Pool:** Basin Dakota; Dedicated Acres: 320

**Cum Gas:** 460,841 mcf;    **Cum Oil:** 2,684 bbls;    **Cum Water:** 1,267 bbls

**Last Production:** 02/01/2013

**T&A:** 08/22/2011

**CASING:**

**Surface**

8 5/8", 24#, J-55 @ 201' in 11 1/4" hole

Cemented with 175 sxs.

**Production 1<sup>st</sup> stage**

5 1/2, 15.5 #, J-55 @ 6,662' in 7 7/8" hole; **DV Tool @ 4,683'**

Lead: 200 sxs 50/50 Poz, 2% Gel.

**Production 2<sup>nd</sup> stage**

Lead: 200 sxs 50/50 poz, 2% Gel.

**SCOPE of WORK:** Find and retrieve packer, Identify and repair casing leak. Return well to production and or plug and abandon and restore location

**FORMATION TOPS:**

Ojo Alamo	Surface	
Farmington	~1,128'	
Kirtland	~1,611'	
Fruitland Coal	~1,670'	
Pictured Cliffs	1,958'	
Lewis	2,130'	
Cliff House	3,492'	
Menefee	3,582'	Looks Wet
Point Lookout	4,275'	Had Show
Gallup	5,585'	
Greenhorn	6,285'	
Dakota	6,409'	



### COMPLETED INTERVAL:

1. Dakota : 11-01-1960  
6,480' to 6,512', 88 Holes  
6,528' to 6,532', 16 Holes  
6,548' to 6,554', 24 Holes  
6,588' to 6,594', 32 Holes  
Frac'd w/ 32,000 Gals. Water, 32,000 Lbs. sand, Screened out.  
Cleaned out sand.  
Swabed well in and tested.
2. Re- perforated Dakota: 11-19-1960  
6,528' to 6,532' , 16 Holes  
6,548' to 6,554' , 24 Holes  
6,588' to 6,596' . 88 Holes  
Re-Frac'd w/ 52,500 Gals. Of water and 32,000 # of sand, Screened out.  
leaned out sand to PBSD 6,631'.

### CURRENT PRODUCTION EQUIPMENT IN WELL:

TBG Detail:	Length	Depth set
2-3/8", 6.4@, J-55	10.00	~6,585'

*We believe a packer was set somewhere in the wellbore. However, no record of depth was reported. On 12/16/2011 the rig PU 35K over string weight with RH torque and packer would not release.*

### PACKER RETRIEVAL:

1. Notify Aztec OCD 24 hours prior to commencing work.
2. MIRU Wire-line and crane.
3. Run a tubing CCL/GR log from SN. To surface.  
**Note:**  
**Packer depth:**  
**Seating nipple depth:**
4. RD Wire-line and crane.
5. MI & RUSU. Pump and tank.
6. NU BOP's.
7. MIRU Wire line.
8. Free Point tubing as deep as possible.
9. TOH. RIH with tubing cutter and cut tubing no closer than 15' above packer.
10. Lay down bad pipe as needed.
11. MU and RIH with fishing tools (jars to be included in BHA)
12. Wash over tubing stub and jar packer loose.
13. TOH with tubing and BHA. LD packer and tubing stub. Release fishing tools.

### VERIFY CASING LEAK:

14. TIH with 3 7/8" bit, casing scraper and tubing to PBSD ( $\pm$  6,631' KB).
15. Circulate hole with clean fresh water. TOH with tubing and BHA.
16. RU wireline and RIH with CCL and CIBP#1 to ~6,440'. Set CIBP #1 (~40' above top

Dakota perf).

17. MURU WLU. RIH with Casing Inspection tool and Log from **CIBP#1** at 6,440' to surface.
18. Run CCL/CBL/GR from **CIBP #1** at 6,440' to top of cement. **Take a hard copy to NMOCD.**  
**Note: Use rig pump to keep the hole full while running WL tools.**
19. RD wireline.

**Depending upon results of Casing Inspection Log and CBL TOC Proceed accordingly:**

County: San Juan, County

**Pool: Basin Dakota; Dedicated Acres: 320**

790' FSL; 1,600' FWL

**OGRID: 282972**

(NAD 27): 36.894799<sup>0</sup>N; -108.1762375<sup>0</sup>W

8.625", 24#, J-55 Casing set @201' in 11-1/4" Hole

M&P 175 sx, Circulated to surface (10-30-1960)

**Current Status: T&A (08/22/2011)**

Last Production: 02/01/2013

Cum Gas: 460,841 mcf;

Cum Oil: 2,684 bbls;

Cum Water: 1,267 bbls

12/16/2011: SITP/SICP: 340/340 psi

Swabbed well. **Run #1** IFL: 4,100', pulled from 6,200'. Recovered 3.34 bbls.

Well blew light mist for 20 minutes. SICP: 100 psi.

**Run #2** IFL: 5,200', pulled from 6,200'. Recovered 1.67 bbls.

Made 4 more swab runs, IFL: 5,500', recovered <500' of fluid and SICP dropped to 0 psi with light blow on tubing. Attempted to pull tubing: Pulled 45K (35K over string weight) with RH torque in pipe. Unable to release. SI well.

*Note: After ND WH found no tubing hanger. 2-7/8" tubing was found screwed into bottom of B1 adopter flange.*

Farmington 1,128'

Kirtland 1,611'

Fruitland 1,670'

Picture Cliffs 1,958'

Lewis 2,130'

3,229' 2nd Stage Estimated TOC

Cliff House 3,492'

Menefee 3,582'

Pt Lookout 4,275'

DV Tool at 4,683'

5,208' 1st Stage Estimated TOC

Gallup 5,585'

Greenhorn 6,285'

Dakota 6,409'

PBTD 6,631'

TD 6.662'

### Original Dakota Completion

6,480'      6,528'      Frac #1: 32,000# san in 32,000 gal water. Screened out (11-03-1960)

6,532'      6,554'      Re-perf'd: Interval (11-19-1960)

6,588' 6,596' Frac #2: 35,000# san in 52,500 gal water. Screened out (11-20-1960)

Stage #1: 200sx (256 ft3) 1:1 poz, 2% gel, 12.5 pps gil,  $y = 1.26 \text{ ft}^3/\text{sk}$ , 14.15 ppg

New 5.5", 15.5#, J-55 Casing set @6,662' (10-30-1960)