

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 June 19, 2008

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. 30-045-08132
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator PNL Operating, LLC		6. State Oil & Gas Lease No.
3. Address of Operator 104 S. Wolcott Street, #863, Casper, Wyoming 82601		7. Lease Name or Unit Agreement Name Tyksen
4. Well Location Unit Letter <u>A</u> : <u>990</u> feet from the <u>N</u> line and <u>990</u> feet from the <u>E</u> line Section <u>23</u> Township <u>29N</u> Range <u>13W</u> NMPM San Juan County		8. Well Number: No. 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number
10. Pool name or Wildcat West Kutz Fruitland Field		

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

PNL Operating, LLC proposes to plug and abandon this well per the attached plugging procedure.

A steel pit will be used to contain fluid circulated from the well and then hauled to an approved disposal facility.

Note: This operation will be performed in lieu of remedial activity as required in case RBDMS MPK1533837779. As per discussion with Brandon Powell on 12/14/15, this work will commence by May 1, 2016.

Notify NMOCD 24 hrs
 prior to beginning
 operations

OIL CONS. DIV DIST. 3

FEB 04 2016

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 Paul C. Bertoglio TITLE Managing Member DATE January 28, 2016

Type or print name Paul C. Bertoglio E-mail address: paulb@tribcsp.com PHONE: 307-262-2395

For State Use Only

APPROVED BY: Brad Powell TITLE DEPUTY OIL & GAS INSPECTOR DISTRICT # 3 DATE 2/22/16
 Conditions of Approval (if any):

PLUG AND ABANDONMENT PROCEDURE

January 27, 2016

Tyksen No. 1

West Kutz Fruitland Field
990' FNL and 990' FEL, Section 23, T29N, R13W
San Juan County, New Mexico / API 30-045-08132
Lat: N _____ / Lat: W _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield. This well work will use of a steel waste pit to handle waste fluids circulated from the well and cement wash up.

1. Set rig base beam. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
2. Pull and LD the 1" tubing (987'). Pick up a 6.35" bit, 7" string mill and a 2.375" work string. TIH and tag the reported PBDT at 1025' (top of 5.5" casing stub) or as deep as possible. Pump 50 bbl. of water to attempt to establish circulation to surface. If circulation is established, then circulate the well clean. TOH and LD mill.
3. **Plug #1 (5.5" casing stub, 1070' to 900')**: TIH with open ended and attempt to tag the PBDT inside the 5.5" casing at 1070'. If unable to get this deep then set this plug as deep as possible. Mix 50 sxs Class B cement and set a balanced plug in the well bore to isolate 5.5" casing stub and the Fruitland sand interval. PUH and WOC. TIH and tag cement. Circulate well clean.
4. **Plug #2 (7" Casing annulus and Fruitland top, plug #1 TOC to 810')**: Perforate the 7" casing 5' above plug #1 TOC. RIH and set a 7" wireline CR at 30' above the squeeze holes. TIH with tubing and pressure test the casing above the CR to 500 PSI. Note any flow out the casing or bradenhead valve (BH may not be present). Sting into CR and establish rate and note any circulations. Mix ___ sxs Class B cement and squeeze under the CR if surface circulation established. If no surface circulation, then squeeze 50 sxs under CR from 900' to 500'; keep casing valve closed; then fill 7" casing with 80 sxs. TOH and WOC. TIH and tag cement.
5. **Plug #3 (Surface, 500' to 0')**: May be necessary to modify this plug due to wellbore condition. Perforate 3 squeeze holes at 400' and attempt to establish circulation to surface. If surface circulation present and the 7" casing pressure tests, then pump cement. If the casing did not test or no surface circulation, then set a wireline 7" CR at 350'. Establish rate under CR and circulation to surface. Mix and pump approximately 120 sxs Class B cement; squeeze 50 sxs outside and leave 70 sxs inside casing. TOH and LD tubing.
6. 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 cut off anchors. Restore location per stipulations.

PNL OPERATING , LLC
TYKSEN NO.1
WEST KUTZ FRUITLAND FIELD
 990 FNL & 990 FEL UNIT A SECTION 23 T29N13W
 API NO. 30-045-08132 / COMPLETION 10/13/52
Current Wellbore Diagram

