

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

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

Form C-103  
Revised July 18, 2013

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-025-23391
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other SWD		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator DKD LLC		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 682 Tatum, NM 88267		7. Lease Name or Unit Agreement Name Shell State SWD
4. Well Location Unit Letter <u>K</u> : <u>1980</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>32</u> Township <u>14</u> Range <u>34</u> NMPM Lea County		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number <u>210091</u>
		10. Pool name or Wildcat <u>SA-SWD</u>

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.

Notify OCD prior to moving rig in. (See schematic and attached procedure.)

HOBBS OCD

JAN 22 2014

RECEIVED

NOTE C.O.A.  
Page 2

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 Eddie W. Seay TITLE Agent DATE 1/17/2014

Type or print name Eddie W. Seay E-mail address: seay04@leaco.net PHONE: 575-392-2236

For State Use Only

APPROVED BY: Mary Brown TITLE Compliance Officer DATE 1/23/2014

Conditions of Approval (if any):

OIL CONSERVATION DIVISION - Hobbs office Must Be Notified  
24 hours prior to the beginning of Plugging Operations.

JAN 23 2014

SHELL STATE SWD  
P & A PROCEDURE

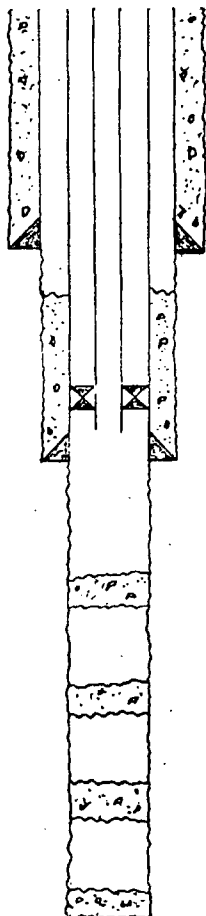
- 1) Move in abandonment rig. (Will use steel pits)
- 2) Pull and lay down injection equipment.
- 3) Go in hole with tubing, spot 100 ft. plug 50/50 at 8 5/8" shoe from 4450' - 4550'.
- 4) WOC - Tag.
- 5) Load hole with salt gel.
- 6) Spot <sup>30</sup> 25 sx plug at top of salt at 1800'.
- 7) Perforate 8 5/8" casing at 450 ft. sq. with 50 sx cement. WOC & TAG
- 8) ~~Spot 10 sx~~ surface plug and marker. PERF @ 100' CIRC CMT INSIDE & OUT TO SURFACE.
- 9) File final report, clean location.

SPOT 30 SXS CMT @ 2900'.

## INJECTION WELL DATA SHEET

Sage Oil Company		Shell State Lease	
OPERATOR	LEASE		
1-SWD	1980' FSL & 1980' FWL	32	T-14-S R-34-E
WELL NO.	PORTAGE LOCATION	SECTION	TOWNSHIP RANGE

Schematic



Tubular Data

## Surface Casing

Size 11 3/4 " Cemented with 400 sx.  
 TOC Surface feet determined by Circulated  
 Hole size 15"

## Intermediate Casing

Size 8 5/8 " Cemented with 300 sx.  
 TOC ± 1200' feet determined by Calculated  
 Hole size 11"

## Long string

Size -- " Cemented with -- sx.  
 TOC -- feet determined by --  
 Hole size --  
 Total depth --

## Injection interval

4475 feet to 5895 feet  
 (material) ~~xxxxxxx~~ open-hole, indicate which)

Tubing size 2 7/8" lined with Tuboscope TK-75 (or equivalent) set in a  
 (material)

Baker AD-1 Tension Packer (or equivalent) packer at ± 4400' feet  
 (brand and model)

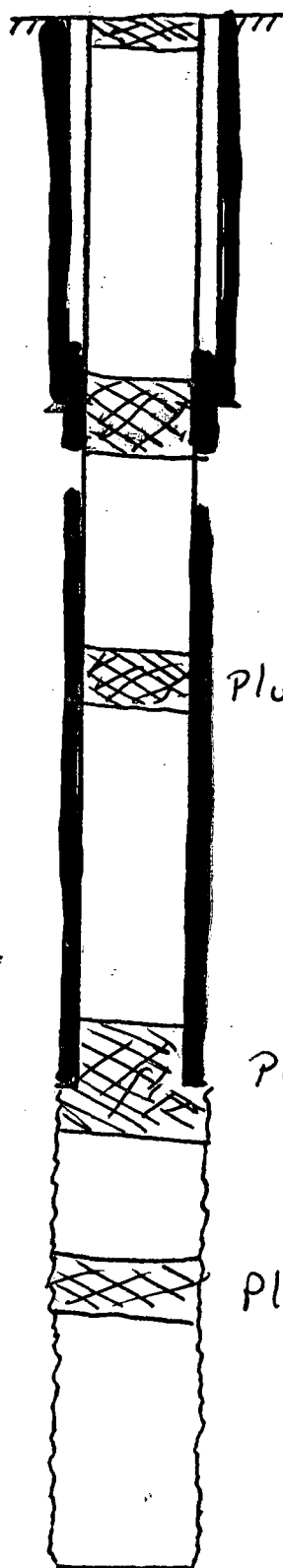
(or describe any other casing-tubing seal).

## Other Data

- Name of the injection formation San Andres
- Name of Field or Pool (if applicable) None
- Is this a new well drilled for injection? ☐ Yes ☒ No  
 If no, for what purpose was the well originally drilled? Drilled as a producer of oil and abandoned.
- Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) No perforations  
10 sx @ surface; 25 sx 4425-4500'; 25 sx 5895-5970'; 25 sx 8050-8125'; 25 sx 9805-9880';  
35 sx 10,300-10,400'.
- Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. Proposed injection zone overlies the Tres Papalotes Penn. West Field  
There is no overlying producing interval.

OPERATOR DKD LLC		DATE 11/17/2014	
LEASE Shell State (API 30-025-23391)	WELL No 1	LOCATION Unit K Spt 32 T. 14 R. 34	

Proposed  
P&A



surface plug & Marker

Perf + Sg 8  $\frac{5}{8}$  w/ 50 sx cement 450 - 350

Plug Top - salt 1800

load hole w/ salt gel

Plug 4450 - 4550

Plug 5895 - 5970