Submit 1 Copy To Appropriate District State of New Mexico Form C-103 Energy, Minerals and Natural Resources Revised August 1, 2011 District I - (575) 393-6161 WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II - (575) 748-1283 30-015-05597 OIL CONSERVATION DIVISION 811 S. First St., Artesia, NM 88210 District III - (505) 334-6178 1220 South St. Francis Dr. 5. Indicate Type of Lease FEDERAL 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 District IV - (505) 476-3460 STATE FEE 1220 S. St. Francis Dr., Santa Fe, NM 6. State Oil & Gas Lease No. 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (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 North Shugart Queen Unit PROPOSALS.) 8. Well Number 001 1. Type of Well: Oil Well X Gas Well Other 2. Name of Operator 9. OGRID Number State of New Mexico formerly Tom R. Cone 188152 3. Address of Operator 10. Pool name or Wildcat 1625 N. French Drive Hobbs, NM 88240 Shugart; Yates-7RVS-QU-GB 4. Well Location Unit Letter__C__:_990____feet from the ___North___ line and ___1650___feet from the __West___line Section 21 Township 18S Range 31E **NMPM** Eddy County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF NOTICE OF INTENTION TO: PLUG AND ABANDON □ REMEDIAL WORK PERFORM REMEDIAL WORK □ ALTERING CASING □ **TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS.□ P AND A **MULTIPLE COMPL PULL OR ALTER CASING** П CASING/CEMENT JOB DOWNHOLE COMMINGLE \Box 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. HOBES OCD JAN 02 2019 SEE ATTACHED RECEIVED I hereby certify that the information above is true and complete to the best of my knowledge and belief. TITLE SIGNATURE___ DATE Type or print name _ ___ E-mail address: _____ PHONE: _

DATE DI /02/2019

For State Use Only

APPROVED BY: \

Conditions of Approval (if any):

Plugging Report NSQU #1 API 30-015-05597

12/3/2018 Watered road to location with 130 bbls fresh water. Cleared location and rigged up. Laid down polish rod. 5/8" rods parted just below the pumping T when trying to get the rods loose. Rigged up on tubing and the tubing parted 4' below the surface. Called OCD. Rigged down and SION.

12/4/2018 Dug out cellar and remove old wellhead. 4 ½" casing was parted 2' from surface. 8 5/8" casing had a large hole at the same place the 4 ½" casing was parted. Cut 8 5/8" casing off 6' below the ground and cut the 4 ½" casing off 5' below the ground. This exposed the parted rods and tubing. Dressed the tubing to make it easier to fish and was able to remove the parted 5/8" rod sub just above the parted tubing. Installed a 5/8" X 7/8" crossover coupler and 6' of 7/8" pony rods to leave the rods exposed at surface when the wellhead is repaired. Welded on a 6' piece of 4 ½" casing and a 5' piece of 8 5/8" casing. Installed a 2" collar in the 8 5/8" casing. Welded a plate in between the 4 ½" and 8 5/8" casing for control of the well. Installed wellhead. Set large matting board and rigged up. Could not get pump unseated. Backed rods off and laid down 39 5/8" rods, 2 6' subs and a 2' sub (989'). Installed BOP and SION.

12/5/2018 RIH with overshot and caught tubing. Attempt to work free. Ran stretch test that showed tubing stuck at 650'. Continued to try to work tubing loose. Tubing not moving. Called OCD. Attempt to back off tubing with string shot at 825' and 605'. Both unsuccessful. Perforated through tubing and into 4 ¼" casing at 813'. Ran jet shot and shot off tubing at 500'. Laid down overshot and tubing from the well. Picked up 3 7/8" bit and rotated down from 8' to 25' and from 332' to 238'. Tagged tubing at 500'. POOH and pick up 4 ½" AD-1 packer. Set packer at 480'. Pumped down tubing and got good circulation up the surface annulus. No communication with the 4 ½" casing. Left packer set and SION.

12/6/2018 Packer still set at 480' from day before. Loaded backside and tested. Small leak. POOH and set packer at 60'. Pump down tubing to reestablish circulation. Pumped 25 bbls with no circulation up the surface annulus. 750# to pump down the tubing and fluid started running over the BOP with the last 5 bbls. Called OCD. Reset the packer at 293' and squeezed below the packer with 100sx cement and displaced to 416'. Small return up the surface annulus while squeezing. WOC 5 hrs. Tubing was dead and there was a small water flow up the surface annulus. Called OCD. Released packer and tagged at 402'. Perforated at 392' and set packer at 95'. Established rate. Could pump down tubing at 3 bbl/min at 700# with very little increase in the flow from the surface annulus. Squeezed the perfs with 100sx. The flow from the surface annulus slowed while squeezing the perfs. Displace to 250'. Shut in and shut down until Monday.

12/10/2018 Opened up tubing and surface head. Both were dead. Unseated packer and POOH. RIH with tubing and circulated cement to surface inside the 4 ½" casing with 20 sx cement. Rig down and cut off wellhead. 1" 4 ½" X 8 5/8" annulus to surface from 100' with 25 sx cement. Installed marker, cut off anchors and cleaned the pit.