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

HOBBS OCD
APR 15 2019
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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 August 1, 2011

WELL API NO. 30-025-28162	
5. Indicate Type of Lease STATE FEE	
6. State Oil & Gas Lease No.	
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.)	7. Lease Name or Unit Agreement Name: Quality Brine Watson
1. Type of Well: Oil Well Gas Well Other X Brine Well	8. Well Number 001
2. Name of Operator: Wasserhund, Inc.	9. OGRID Number: 130851
3. Address of Operator: P.O. Box 2140, Lovington, NM 88260	10. Pool name or Wildcat
4. Well Location: Unit Letter M : 593 feet from the South line and 639 feet from the West line; Section 20 Township 12S Range 36E NMPM Lea County	
	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:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	X	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
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.

1. Move in rig up and POOH with tubing.
2. Make gauge ring run and set 4 ½" CIBP at 2150'.
3. RIH with tubing and tag CIBP-record. Circulate hole and test casing 300 psig-30 min with calibrated chart recorder 1000 lb spring.
4. Spot 75 sx of neat Class "C" (14.8 Lbs/Gal 1.32 CuFt/Sk) cement on top of CIBP. WOC 4 hrs and tag.
5. Fill the rest of the wellbore to surface with Class "C" from the tag point.
6. Remove wellhead, insure cement is to surface in all strings of casing and install marker.

All Fluids Will Be Circulated to a Steel Pit

See Attached Conditions of Approval

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

SIGNATURE Larry Cady TITLE Partner DATE 4-11-19

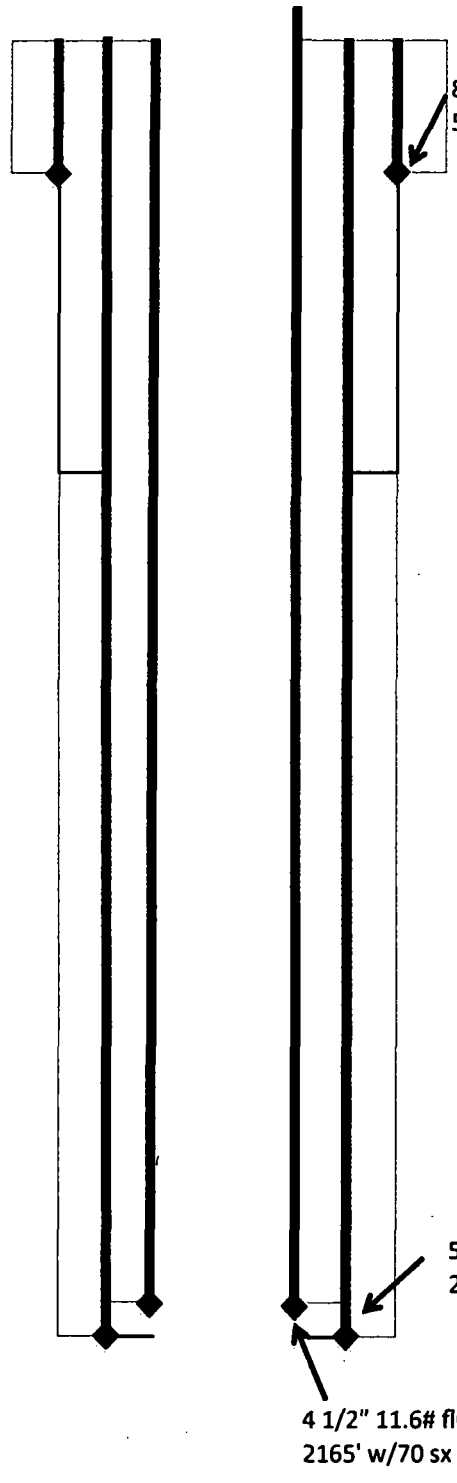
Type or print name Larry Cady E-mail address: Lgandegandcorporation.com PHONE: 575-396-0522.

For State Use Only

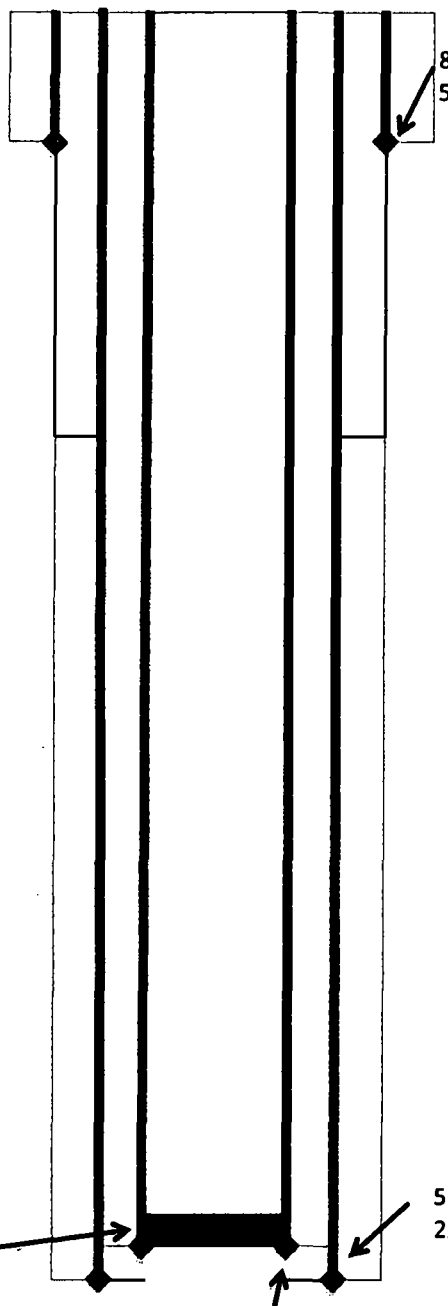
APPROVED BY: Kerry Fortner TITLE Compliance Officer A DATE 4-24-19

Conditions of Approval (if any):

Wasserhund, Inc.
Quality Brine Watson #1
API 30-025-28162
WBD Before P&A



Wasserhund, Inc.
Quality Brine Watson #1
API 30-025-28162
WBD After P&A



Cement will be Class "C" neat
with a slurry volume of 1.32 CuFt/Sk
14.8 Lbs/Gal

Set 4 1/2" CIBP @ 2150' and circulate
cement to surface in 2 stages.
1st stage will be 75 sx. WOC 4 hrs and
tag. Then fill to surface with second
stage.

WASSERHUND, INC.

BW-22

CLOSURE PLAN AND C-103

Larry Gandy

4-12-19.

Date

PRE-CLOSURE NOTIFICATION, P&A AND CLOSURE PLAN FOR:
WASSEHUND INC. OCD PERMIT BW-022
Quality Brine Watson Well No. 1" (API# 30-025-28162)

20.6.2.5005 PRE-CLOSURE NOTIFICATION AND CLOSURE REQUIREMENTS:
A. *Any person proposing to close a Class I, III, IV or V underground injection control well must submit pre-closure notification to the department at least 30 days prior to closure. Pre-closure notification must include the following information:*

(1) Name of facility.- **"Quality Brine Watson Well No. 1" (API# 30-025-28162)**
(2) Address of facility.- **UL: M Section 20 Township 12 South, Range 36 East, 593 FSL, 639 FWL, Lat. 33.25859°, Long. -103.33286° NAD83, NMPM, Lea County, New Mexico**
*(3) Name of Owner/Operator.-***Wasserhund Inc.**
(4) Address of Owner/Operator. ***P.O. Box 2140 Lovington, New Mexico 88260.***
*(5) Contact Person.-***Larry Gandy**
*(6) Phone Number.-***575-399-5721**
(7) Type of Well(s). **In-situ Brine Well**
(8) Number of Well(s). **One**
(9) Well Construction (e.g. drywell, improved sinkhole, septic tank, leachfield, cesspool, other...). **– 53 ' of 8-5/8"conducter pipe cemented to surface; 2250' of 5.5" casing cemented to surface; 2160' of 4.5" casing cemented to surface; 2850' of 2-3/8 tubing.-See attached Appendix I as built well bore diagram superimposed on well log.**
*(10) Type of Discharge.-***Contained Brine Water Production**
(11) Average Flow (gallons per day).- **200-300 barrels of brine water per month**
*(12) Year of Well Construction.-***July 1983**
(13) Proposed Well Closure Activities (e.g. sample fluids/sediment, appropriate disposal of remaining fluids/sediments, remove well and any contaminated soil, clean out well, install permanent plug, conversion to other type well, ground water and vadose zone investigation, other).- **See Closure Plan below.**
*(14) Proposed Date of Well Closure.-***Within 30 days of approval or rig availability.**
*(15) Name of Preparer.-***Wayne Price-Price LLC**
(16) Date.- **April 5, 2019**
(17) Well plugging plan as submitted to the Office of the State Engineer pursuant to 19.27.4 NMAC.- **Non-Applicable**
B. *Proposed well closure activities must be approved by the department prior to implementation.-***Noted**
[20.6.2.5005 NMAC - N, 12-1-01; A; 12-21-18]

20.6.2.5209 PLUGGING AND ABANDONMENT FOR CLASS I WELLS AND CLASS III WELLS:

A. *The discharger shall submit as part of the discharge permit application, a plan for plugging and abandonment of a Class I well or a Class III well that meets the requirements of Subsection D of 20.6.2.3109, Subsection C of 20.6.2.5101, and 20.6.2.5005 NMAC for protection of ground water. If requested, a revised or updated abandonment plan shall be submitted for approval prior to closure. The obligation to implement the plugging and abandonment plan as well as the requirements of the plan survives the termination or expiration of the permit.-* **NOTED-See Closure Plan below.**

B. *Prior to abandonment of a well used in a Class I well or Class III well operation, the well shall be plugged in a manner which will not allow the movement of fluids through the well bore out of the injection zone or between other zones of ground water. Cement plugs shall be used unless a comparable method has been approved by the secretary for the plugging of Class III wells at that site.-***Noted-See Closure Plan below.**

C. *Prior to placement of the plugs, the well to be abandoned shall be in a state of static equilibrium with the mud weight equalized top to bottom, either by circulating the mud in the well at least once or by a comparable method approved by the secretary.*

D. *Placement of the plugs shall be accomplished by one of the following:*

(1) the balance method; or

(2) the dump bailer method; or

(3) the two-plug method; or

(4) an equivalent method with the approval of the secretary.

E. *The following shall be considered by the secretary in determining the adequacy of a plugging and abandonment plan:*

(1) the type and number of plugs to be used;

(2) the placement of each plug, including the elevation of the top and bottom;

(3) the type, grade and quantity of cementing slurry to be used;

(4) the method of placement of the plugs;

(5) the procedure to be used to plug and abandon the well; and

(6) such other factors that may affect the adequacy of the plan.

F. *The discharger shall retain all records concerning the nature and composition of injected fluids until five years after completion of any plugging and abandonment procedures. Noted -See attached Closure Plan.*

[9-20-82, 12-1-95; 20.6.2.5209 NMAC - Rn, 20 NMAC 6.2.V.5209, 1-15-01; A, 12-1-01; A, 8-31-15; A, 12-21-18]

Noted See Closure Plan below.

CLOSURE PLAN:

P&A: **Please see attached Appendix II a C-103 with diagrams describing the P&A of this well.**

1. **Site Ownership and Control: The site is situated on private land owned by Gandy Corporation.**

2. **Future Plans: The facility will be converted to a Fresh Water Station.**

3. **Dismantle Activities:**

   A. **After the well has been properly plugged and abandoned per OCD approval, then all brine water will be, sold, recycled or disposed of in an approved manner.**

   B. **Ancillary brine water tanks, associated piping and valves, and secondary collection devices, will be removed from the site.**

   C. **The only underground brine water line from the wellhead area to the brine water tanks will be flushed out with fresh water and abandoned in place.**

   D. **The pump house and associated utilities, meters, etc. will remain for the fresh water station.**

4. **Site Assessment:**

   A. **OCD and Wasserhund Inc. records did not reveal any defined releases at this site.**

   B. **Wasserhund Inc. upon discovery of any significant visual contamination or wet salty soils, other than de minimus issues, will conduct a phase I site assessment pursuant to OCD rule 19.15.29 NMAC (Releases) and report to OCD.**

5. **Final Closure Report: Wasserhund Inc. will submit a final closure report describing all activities of the closure process and file all required subsequent reports.**

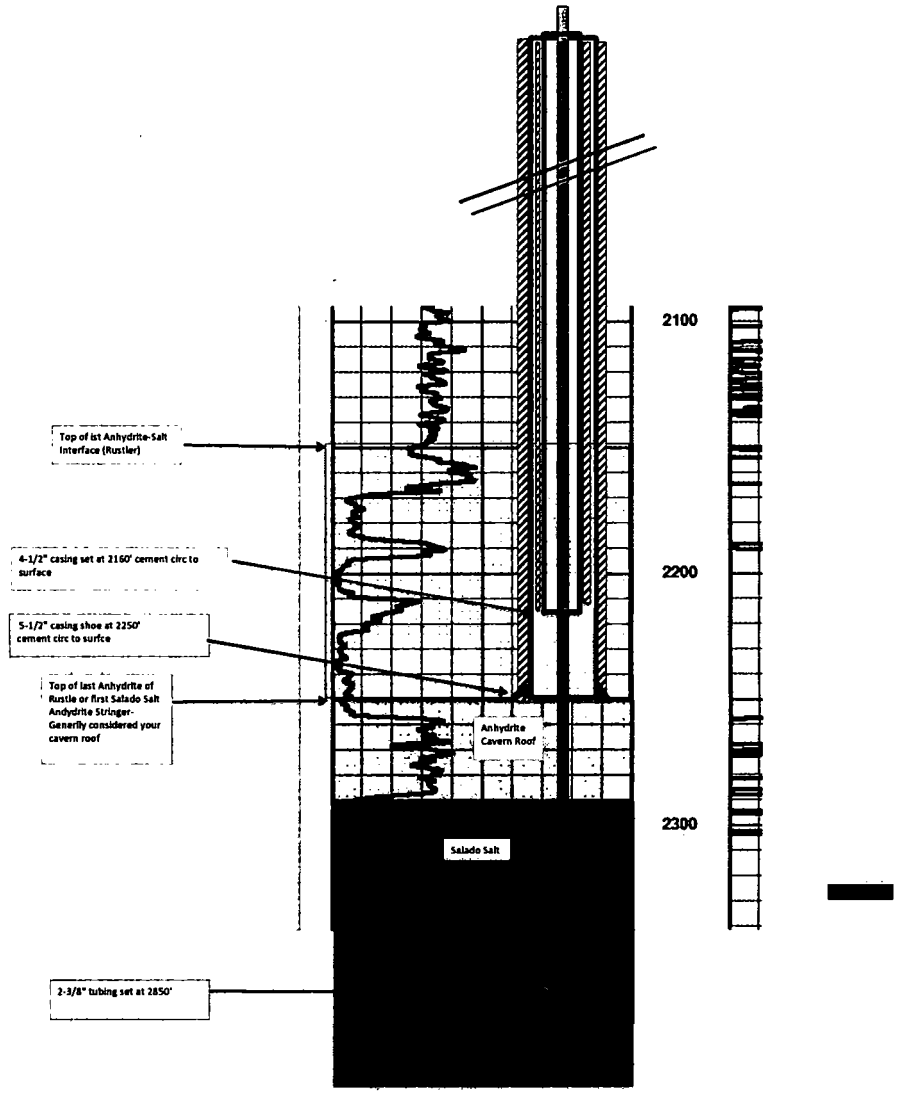
Appendix I- As-Built Well Diagram and Log

Wasserhund BW-22 Well Bore Skematic and Formation Tops

Superimposed on Llano Disposal, LLC st4 #1 API 30-025-26370 2 miles south sec 4-Ts13s-R363. CN-GR Log

Estimated Formation Tops

Surface	0
Triassic Red Bed	190'
Rustler	2150'
Salado Salt	2300'
Bottom of Salt	3070'
Top of Yates	3070'



Appendix II- C-103 P&A

GENERAL CONDITIONS OF APPROVAL:

1) Insure all bradenheads have been exposed, identified, and valves are operational prior to rigging up on well.

2) Contact the appropriate NMOCD District Office no later than 24 hours prior to moving in and rigging up.

3) A copy of the approved C103 intent to P&A should be distributed to the onsite company and plugging representatives. Approved procedures are good for a period of **one year** from approved date, unless otherwise specified on the C103 intent. Approvals past this date will require the submission and approval of a new C103 intent.

4) A company representative is required to be present to witness all operations including setting CIBP's, circulation of mud laden fluids, perforating, squeezing or spotting cement plugs, tags, or any other operations approved on the C103 intent to P&A. Company representative should contact the NMOCD and report all operations.

5) Any changes that may be required during plugging operations should be approved by the NMOCD before proceeding.

6) A closed loop system is to be used for all plugging operations. Contents of the steel pits to be hauled to a NMOCD permitted disposal facility.

7) Mud laden fluids must be placed between all cement plugs mixed at 25 sacks of salt gel per 100 barrels of brine.

8) All cement plugs will be 100' or 25 sacks cement, whichever is greater. Class 'C' cement will be used above 7500' and Class 'H' below 7500'. Plugs should be no more than 3000' apart

9) Site remediation due within one year of well plugging completion.