

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505	Form C-103 August 1, 2011 Permit 318689 WELL API NUMBER 30-025-49505 5. Indicate Type of Lease S 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name LOCO DINERO 36 STATE COM																																																																
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: O		8. Well Number 006H																																																																
2. Name of Operator MARSHALL & WINSTON INC		9. OGRID Number 14187																																																																
3. Address of Operator P.O. Box 50880, Midland, TX 79710		10. Pool name or Wildcat																																																																
4. Well Location Unit Letter <u>C</u> : <u>160</u> feet from the <u>N</u> line and feet <u>1960</u> from the <u>W</u> line Section <u>36</u> Township <u>21S</u> Range <u>33E</u> NMPM _____ County <u>Lea</u>																																																																		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3657 GR																																																																		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____																																																																		
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table style="width:100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/></td> </tr> </table>			NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:		PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTER CASING <input type="checkbox"/>	TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE OF PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>		Other: _____		Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/>																																													
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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. See Attached 4/17/2022 Spudded well.																																																																		
Casing and Cement Program <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>04/19/22</td> <td>Surf</td> <td>FreshWater</td> <td>17.5</td> <td>13.375</td> <td>54.5</td> <td>J55</td> <td>0</td> <td>1802</td> <td>1075</td> <td>1.99</td> <td>C</td> <td></td> <td>1000</td> <td>0</td> <td>N</td> </tr> <tr> <td>05/19/22</td> <td>Prod</td> <td>OilBasedMud</td> <td>8.75</td> <td>5.5</td> <td>20</td> <td>P110</td> <td>0</td> <td>16148</td> <td>2490</td> <td>1.34</td> <td>H</td> <td></td> <td>4500</td> <td>0</td> <td>N</td> </tr> <tr> <td>05/02/22</td> <td>Int1</td> <td>Brine</td> <td>12.25</td> <td>9.625</td> <td>40</td> <td>Hcl80</td> <td>0</td> <td>5275</td> <td>1400</td> <td>1.32</td> <td>C</td> <td></td> <td>1000</td> <td>0</td> <td>N</td> </tr> </tbody> </table>			Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole	04/19/22	Surf	FreshWater	17.5	13.375	54.5	J55	0	1802	1075	1.99	C		1000	0	N	05/19/22	Prod	OilBasedMud	8.75	5.5	20	P110	0	16148	2490	1.34	H		4500	0	N	05/02/22	Int1	Brine	12.25	9.625	40	Hcl80	0	5275	1400	1.32	C		1000	0	N
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I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .																																																																		
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SUNDRY – Spud, Drill, Casing & Rig Release**Loco Dinero 36 St Com 6H – API #30-025-49505**

04/17/22-04/20/22

Spud well @ 12 pm, 04/17/22. Drill to 1802' (17 ½" hole). RU csg crew. Ran 45 jts **13 3/8"** 54.5# J-55 STC csg. Set csg @ 1802'. RD csg crew. RU cmtrs. Pmpd csg w/ 20 bbl spacer + **lead** 875 sx Cl C + 4% PF020 Gel + .2% PF001 CaCl + 3% PF042 Kolseal + .4% PF045 Defoamer + .125% PF029 CF. Cmtd csg tail w/ 200 sx Cl C + 2% PF001 CaCl. Drop plug, displ 271 bbl active mud & landed plug w/ 1000# @ 2:30 pm, 04/19/22. Circ 112 sx cmt to surf. RD cmtrs. WOC 250 hrs. Test csg to 1000#/30 min – good test. Install multi-bowl & test to 1000# - good test. Install night cap. **Walk rig over to Loco Dinero 36 St Com 9H.** Will drill out of the 6H intermediate 04/29/22.

04/29/22-05/21/22

Walk rig over from the Loco Dinero 36 St Com 9H. ND night cap & NU BOP's. Test csg to 1500# - good test. Drill float & shoe. Drill to 5280' (12 ¼" hole). RU csg crew. Ran 81 jts **9 5/8"** 40# I80 LTC csg + 41 jts **9 5/8"** 40# HCl80 BTC csg. Set csg @ 5275'. RD csg crew. RU cmtrs. Pmpd **1st stage** w/ 30 bbl spacer + **lead** 200 sx Cl C + 3% BWOW PF44 Salt + 2% PF70 Strength Enhancer + 3 ppg PF42 Kolseal + .4 PPS PF45 Defoamer + .125 PPS PF29 CF. **1st stage tail** 200 sx Cl C + 2% PF001 CaCl. Displace w/ 393 bbl. PD/bump plug w/ full displ, pump over 3 bbl, D/N bump plug. Pmpd **2nd stage** w/ 20 bbl spacer + **lead** 800 sx Cl C + .03 BWOW PF44 Salt + .2% PF79 Strength Enhancer + 3 PPS PF42 Kolseal + .4 PPS PF45 Defoamer + .125 PPS PF29 CF. **2nd stage tail** 200 sx Cl C + 2% PF001 CaCl. Displ 272 bbl. No spacer or cmt, tag plug w/ 575#, incr press to 1964# & close DVT. RD cmtrs. TOC @ 400'. WOC 73 hrs. **NOTE: Notified Paul Kautz via phone 05/03/22 @ 9:47 am regarding cmt not circ on stage above. Notified Paul Kautz via email 05/22/22 @ 3:02 pm MST about CBL results.**

Drill to TD 16157' @ 10:45 am MST, 05/18/22. RU csg crew. Ran 398 jts **5 ½"** 20# P110 BTC csg. Set csg @ 16148'. RD csg crew. RU cmtrs. Pmpd csg w/ 50 bbl spacer + **lead** 1230 sx 50/50 Poz H/PLite + 12% PF20 + 5% BWOW PF44 Salt + 5% PF60 Microcrystal + 1% PF13 Retarder + 0.8% PF79 Strength Enhancer + 0.7% PF606 Fluid Loss + 0.4% PF153 Anti-settling + 3 PPS PF42 Kolseal + 0.4 PPS PF45 Defoamer + 0.125 PPS PF29 CF. Cmt csg **tail** w/ 1260 sx 50/50 Poz H + 2% PF20 Bentonite + 5% BWOW PF44 Salt + 5% PF60 Microcrystal + 1% PF13 Retarder + 0.8% PF79 Strength Enhancer + .7 PF606 Fluid Loss + .4% PF153 Anti-settling + 3 PPS PF42 Kolseal + .4 PPS PF45 Defoamer + 0.125 PPS PF29 CF. Displ 375 BFW w/ Clayplex. Circ 106 sx cmt to surf. Bumped plug to 2410-3480#. WOC 8.5 hrs. Test csg to 4500#/30 min – good test. RD cmtrs. ND BOP, set slips & cut off csg. Install spool & cap. Walk rig over to another well. **Rel rig @ 6 am, 05/21/22. Prep to frac.**