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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 July 18, 2013

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: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		WELL API NO. 30-045-25580 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> 6. State Oil & Gas Lease No. LG 1288 7. Lease Name or Unit Agreement Name Jalapeno 8. Well Number #1
2. Name of Operator Epic Energy LLC 3. Address of Operator 332 Road 3100, Aztec, NM 87410		9. OGRID Number 372834 10. Pool name or Wildcat Dufers Point-Gallup Dakota
4. Well Location Unit Letter <u>C</u> <u>790'</u> : feet from the <u>North</u> line and <u>1650'</u> feet from the <u>West</u> line Section <u>16</u> Township <u>25N</u> Range <u>08W</u> NMPM <u>San Juan</u> County		
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6589'		

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.

Please find attached the P&A Plugging Report and Post P&A Wellbore Diagram for the Jalapeno #1.

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 Shawna Martinez TITLE Regulatory Specialist DATE 11/7/2022

Type or print name Shawna Martinez E-mail address: shawna@walsheng.net PHONE: 505-327-4892

For State Use Only

Released by: Mexica Kuehling TITLE Deputy Oil and Gas Inspector DATE 11/8/22

Epic Energy, LLC

Jalapeno #1 Plugging Summary

Date Completed 11/4/2022

Plug #	Formation	NMOCD Pick Formation Top	Perfs	CICR Depth	Cement Detail	Cement Plug Depths	Plug Position
1	DK/Gallup	6475/5624'	5630'-6518'	5577'	12sx Class "G" Neat cement (13.8cuft, 2.46bbl, 1.15yld, 15.8ppg, 4.97gps)	5417'-5577'	Inside
2/3	Mancos/Climhouse	4716/3740'	N/A	N/A	90sx Class "G" w/ 1% CaCl2 cement (103.5cuft, 18.48bbl, 1.15yld, 15.8ppg, 4.97gps)	3652' - 4764'	Inside
4	Chacra	2970'	N/A	N/A	12sx Class "G" Neat cement (13.8cuft, 2.46bbl, 1.15yld, 15.8ppg, 4.97gps)	2832'-3020'	Inside
5	Pictured Cliffs	2124'	N/A	N/A	12sx Class "G" Neat cement (13.8cuft, 2.46bbl, 1.15yld, 15.8ppg, 4.97gps)	2031'-2190'	Inside
6	Fruitland/Ojo Alamo	1475/1310'	N/A	N/A	25sx Class "G" Neat cement (27.6cuft, 2.46bbl, 1.15yld, 15.8ppg, 4.97gps)	1200'-1532'	Inside
7	Surface	Surf	N/A	N/A	39sx Class "G" Neat cement (44.85cuft, 8.0bbl, 1.15yld, 15.8ppg, 4.97gps)	276'-Surf	Inside

SICP/SITP=8ps upon arrival. BDW. TOH with 127jts of 2-3/8" tbg & a 26' cut-off, tally shows top of fish at 4037'KB. Picked up a 3-3/4" overshot w/ 2-3/8" grapple, jars, 6ea 3-1/8" DC's, intensifier and RIH on 2-3/8" tbg. Tagged 4' high, picked up, spud down and fell over fish, pulled up and spud down hard a few times to ensure we are on fish. Pulled up, fish engaged. Jarred from 30K up to 45K and pulled to 60K after each jar, fish released after 45 minutes of jarring. Pulled up hole ~30' and hung up, set jars off again to release. Pulled tbg string from well (dragging every ~30' for approx 1200'), full recovery(206jts of 2-3/8" tbg, SN, 4' perf sub and a 31' MA orange peeled). LD 3jts in stuck area (~4100') for heavy scale, found scale again at approx. 5000' and hole in jt #165(LD 4jts). Picked up a 3-7/8" cone bit, 4-1/2" csg scraper, 9jts of 2-3/8" YB tbg, RIH on 2-3/8" tubing and tagged at 4034'KB, rotated with tbg tongs with lightest touch possible, getting torque, spudding a few times, can not get through. TOH w/ scraper & bit, found some scale on scraper, bit looks ok. Discussed options w/ EIC and notified NMOCD, waiting on OCD to give approval for setting CICR at this depth. Shut in well and SDON.

SICP=12ps upon arrival. BDW. Monica Kuehling(NMOCD) called with a recommendation of "running a csg video" to see what we have. Picked up a 3-7/8" tapered mill and RIH on 128jts of 2-3/8" tubing, tagged at 4048'KB(Same tag as previous day, tbg tally miscalculated). RU Envision Products and pumped 100gal of 15% HCl, flushed w. 10gal of water. Worked tight spot with tbg tongs, no luck. Pumped another 100gal of 15% HCl while crew rigged up power swivel. Worked tight spot with power swivel for approx 1hr while slow pumping water down backside, made approx 6". Pulled up 15' and pumped 300gal of 15% HCl, flushed with 25gal of water to clear Kelly hose. Worked tight spot with power swivel, milled through approx 2' of bad casing and fell through, 3hrs of total milling time. Worked past area several times until it was all clear. Continued TIH with mill to 6465'KB with no further issues. TOH w/ 15stds. Shut in well. Transferred damaged tubing to Double S trailer. Shut in well and SDON. Plan to scan tubing out of hole in the morning and run cement retainer.

SICP/SITP=12psi upon arrival. BDW. RIH w/ 15stds from derrick. RU Tuboscope scan truck, adjusted red kick out from 50% up to 41%. TOH with 2-3/8" tbg, found 39jts yellowband, 75jts Blue band, 37jts of Green band and 52jts of Red band. Kept yellow, blue and green for P&A procedure. RD Tuboscope. Picked up a 4-1/2" cement retainer and RIH on 2-3/8" tubing, no issues getting to depth. Set CICR at 5577'KB on 177jts of 2-3/8" tbg. Slinger assembly pulled free from retainer on first motion, retainer is in place, decided to forego tbg pressure test. Pulled up 5' and loaded csg. Circulated to surface with 46bbls, cleaned wellbore with 80bbls of fresh water. Closed csg valve and attempted P/T to 500psi, fell at 75psi.min, no test. M&P 12sx of Class "G" neat cement (13.8cuft, 2.5bbl, 1.15yld, 15.8ppg), balanced with 20.5bbl of water. LD 6jts of 2-3/8" tbg, TOH with slinger assembly. Picked up tag sub and RIH with 155jts of 2-3/8" tbg, EOT at 4890', calculated TOC at 5415'. Shut in well and SDON. Rig crew off location at 1730hrs.

SICP/SITP=0psi upon arrival. RIH w/10stds from derrick and 1 single, tagged top of cement for DK/Glp plug at 5417'KB, good. LD 26jts of tbg. EOT at 4764'KB. RU Drake at est circ w/ 7bbls of water. Attempted csg test to 525psi, lost 75psi in 1 minute, no test. Combined plug #2 & #3. M&P 90sx of Class "G" neat cement(103.5cuft, 18.48bbls, 1.15yld, 15.8ppg)(mixed CaCl2 in last 10sx) and balanced with 13bbls of water(0830hrs). LD 38jts of 2-3/8" tbg and TOH w/ 10stds. WOC 4hrs, sample soft, add 1hr. RIH and tag TOC at 3852'KB(Climhouse top at 3740', tag is good). LD 18jts & picked up 6' tbg sub. EOT at 3020'KB (Chacra formation top at 2970'), loaded csg. Attempt P/T on csg to 540psi, lost 53psi in 1 min, no test. M&P 12sx of Class "G" Neat Cement(13.8cuft, 2.46, 1.15yld, 15.8ppg), balanced with 10.5bbls of water. LD 6jts and TOH with 15stds. Shut in well and SDON. Rig crew off location at 1630hrs.

SICP/SITP=0psi upon arrival. RIH w/15stds from derrick and 1 single, tagged top of cement for Chacra plug at 2832'KB, good. LD 21jts of tbg. EOT at 2190'KB. RU Drake at est circ w/ 2bbls of water. Attempted csg test to 550psi, lost 43psi in 30 minute, last 5min of test lost 3psi, OCD wouldn't pass. Changed out inside csg valve, circulated csg with 30bbls of fresh water. Checked all connections. Pressure test csg to 660psi, broke off all hoses to monitor valves. Pressure held at 660psi, good test, OCD passed test. M&P Pictured Cliffs(2124') plug w/ 12sx of Class "G" cement(13.8cuft, 2.46bbls, 1.15yld, 15.8ppg) and balanced with 7.5bbls of water(1030hrs). LD 21jts of 2-3/8" tbg. EOT at 1532'KB (FC/Ojo Alamo plug, formation top at 1310'). M&P FC/Ojo plug with 25sx of Class "G" cement(28.75cuft, 5.13bbls, 1.15yld, 15.8ppg) and balanced with 4.25bbls of water. LD 40jts of 2-3/8" tbg. EOT at 276'KB. M&P Surface plug w/ 29sx of Class "G" cement and circulate to surface. LD 8jts of 2-3/8" tbg and tag sub. ND BOP. Dig out around wellhead. Cut-off wellhead. Released rig crew at 1500hrs. Found top of cement at 7' in annulus. Weld on P&A marker. Topped off well with 10sx of cement (Total surf plug=39sx of Class "G" cement-44.85cuft, 8bbl, 1.15yld, 15.8ppg). P&A Completed. Plan to pick up tools, rig down and move to the Fed C#3 on Monday for repair. 148ea 3/4" plain rods, 41ea 3/4" guided rods on Dash Hotshot trailer for possible transfer to Fed L#1, other plans being made to use 7/8" rods w/ snowball guides in the field. 151jts of Blue/Green tbg will be sent to Tuboscope for inventory, 52jts of red band will be sent to Cave for credit)

Jalapeno #1**POST P&A**

Dufers Point Gallup Dakota

790' FNL & 1650' FWL, Section 16, T25N, R8W, San Juan, NM

API: 30-045-25580

Today's Date: 06/09/2022

Spud: 4/18/1983

Completed: 6/19/1983

PLUGGED: 11/4/2022

Elevation: 6960' GL

Ojo Alamo @ 1310'

Kirtland/Fruitland @ 1475'

Pictured Cliffs @ 2124'

Cliff House @ 3740'

Mancos @ 4716'

Gallup @ 5624'

Base Greenhorn @ 6460'

Dakota @ 6475'

Morrison @ 6760'

Hole Size
7.875

PBSD: 6724'

TD: 6769'

Hole Size: 12-1/4"

8-5/8", 23#, Casing set @ 213'

Cement with 170 sx, Circ 2 bbls to surface

Plug #7: Sudrface - 276'-surface'

Class G neat, 20 sx (23.0 ft³)

Plug #6: Fruitland/Ojo Alamo - 1200'-1532'

Class G neat, 20 sx (23.0 ft³)

Plug #5: PC - 2031'-2190'

Class G neat, 12 sx (13.8 ft³)

Plug #4: Chacra - 2832'-3020'

Class G neat, 12 sx (13.8 ft³)

Plug #2/3: Cliff House - 3652'-4764'

Class G w/ 1%CC, 90 sx (103.5 ft³)

SET CIRC @ 5577'

Plug #1: Gallup - 5417'-5577'

Class G neat, 12 sx (13.8 ft³)DK/Gallup Perforations
5630'-6493'

4-1/2", 11.6#, casing set @ 6769'

Production CMT:

600 sx Class H, 940 sx Class B, 50 sx Class H

Circ 0.25 bbls to surface

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District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
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Phone:(505) 476-3470 Fax:(505) 476-3462

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Santa Fe, NM 87505

CONDITIONS

Action 156772

CONDITIONS

Operator: EPIC ENERGY, L.L.C. 332 Road 3100 Aztec, NM 87410	OGRID: 372834
	Action Number: 156772
	Action Type: [C-103] Sub. Plugging (C-103P)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	Did not record casing string pressures including bradenhead for each day on location - Lenny Moore and Thomas Vermersch on location during plugging	11/8/2022
mkuehling	please include dates on plugging reports	11/8/2022