

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

Form C-103  
Revised July 18, 2013

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

|   |
|---|
| WELL API NO.<br>30-031-05218  |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |
| 7. Lease Name or Unit Agreement Name<br>Hospah Sand Unit  |
| 8. Well Number<br>#18   |
| 9. OGRID Number   |
| 10. Pool name or Wildcat  |

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 ☒ Gas Well ☐ Other

2. Name of Operator  
BC&D Operating

3. Address of Operator

4. Well Location

Unit Letter feet from the North line and feet from the East line

Section 36 Township 18N Range 09W NMPM McKinley 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:

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.

Attached is the P&A Procedure for the Hospah Sand Unit #18.

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 10/18/2022

Type or print name Shawna Martinez E-mail address: shawna@walsheng.net PHONE: 505-327-9834

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Specialist DATE 10/21/2022

Conditions of Approval (if any):

**P&A Procedure****Hospah Sand Unit 18**

Hospah Sand Unit

Section 36, T18N, R9W, 1850' FSL &amp; 2310' FWL

McKinley County, NM, API #30-031-05218

**Plug & Abandonment Procedure:**

Note: All cement volumes use 100% excess outside casing and 50' excess inside pipe. Stabilizing wellbore fluid will be 8.33 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Class G neat 1.15 ft<sup>3</sup>/sk or equivalent. Procedure based on OCD records showing well bore temporarily abandoned with cement from 1697'-1413'. Cement volumes calculated on 7.0"23# production casing. When applicable cement will be accelerated with 2% CC BWOC.

**Prior to Mobilization**

1. Notify NMOCD 24 hrs prior to work commencement.
2. Verify all cement volumes based on actual slurry to be pumped. Calculations based on 1.15 ft<sup>3</sup>/sk.
3. Comply with all COA's from NMOCD

**P&A Procedure**

1. No pertinent well records available.
2. Well head does not exist, only casing stub sticking up from ground level.
3. MIRU well head company to make up bell nipple with flange on cut casing stub at surface. (7.0")
4. MIRU Service Unit and required cement equipment.
5. ND WH, NU BOP, RU rig floor and 2-3/8" handling tools.
6. No record of tubing in well.
7. TIH with 7.0" scrapper to 1413' to check previously reported cement plug.
8. Roll hole with fresh water.
9. MIRU WL unit for CBL. CBL to determine plug placement.
10. Gallup previously plugged from 1697' (TD) – 1413' (30 sacks class C)
11. **Plug #1, 534'-634' (Mancos Top @ 584')** Mix and pump 29 sks of Class G Neat (33.35 cf) in balanced plug. PU 200' above TOC reverse circulate to clean tubing. PT casing to 500 psi if previous didn't pass. If required, WOC and tag and re-spot if necessary.
12. **Plug #2, 0' – 384' (Menefee Top @ 334' and Surface Plug).** Mix and pump 75 sks (86.25 ft<sup>3</sup>) to fill inside of casing. Top off as necessary.
13. ND BOP and cut off wellhead below surface casing flange, top off casing and annulus as necessary. Install P&A marker and cut off and/or remove anchors. RD, MOL. Take pictures from all cardinal directions. Ensure to notify project management of all remaining equipment on location once plugging is complete.

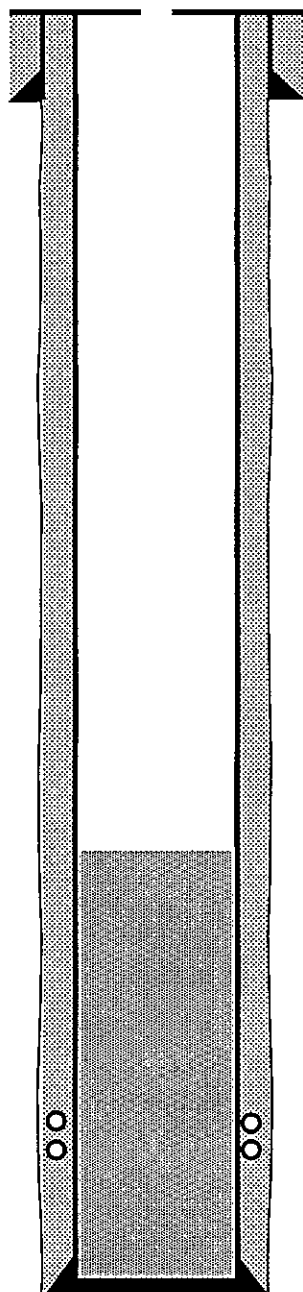
## Reclamation

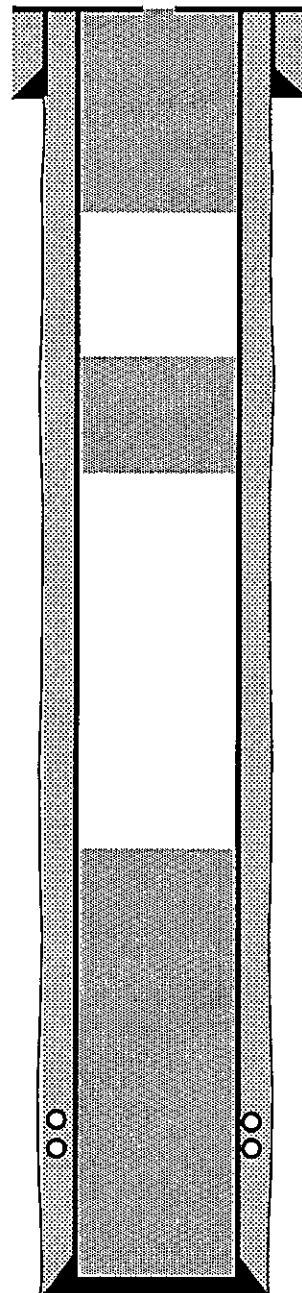
14. BC&D Operating is proposing to plug and abandon the HSU #18 wellbore and reclaim the well pad. This location is located on lands owned and managed by the State Land Office, The HSU #18 is located in the Hospah Oil Field ~41 miles NE from Grants, NM. The access road to the HSU #18 will be closed if no other operations require ingress/egress. All equipment including rig anchors and piping will be removed from location. Banks of the access road will be blended to match the road. The area will be ripped and seeded. The vegetation community which best represents the proposed project area is Mesa or Pinion –Juniper Community. The Mesa or Pinion–Juniper Community is comprised primarily of pinion and juniper trees with lesser amounts of basin big sage and minor areas of black sage with various grasses. It is found on all aspects from about 4,800 to 8,800 with pinyon trees dominating at higher elevations and juniper trees at lower elevations. The Mesa or Pinion –Juniper Community are typically found in shallow rock soils. The seed mix will be used with an emphasis placed on protecting reclaimed well pad from exotic plant invasion. Water management or erosion control features will be completed where necessary.

Kyle Mason

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Operations Engineer

**Hospah Sand Unit #18****Current WBD****Hospah Sand Unit****1850' FSL & 2310' FWL, Section 36, T18N, R9W, McKinley, NM****API: 30-031-05218****Today's Date: 06/06/2022****Spud: UNK****Completed: UNK****Elevation: 7063' GL****Memefee @ 334'****Mancos @ 584'****Gallup @ 1537'****Hole Size: UNK****Surface casing: UNK****Surface cement: UNK****Well TA'd Nov 1965****30 sks Class C 1697'-1413'****Perforations  
Unknown****Production casing: UNK  
Production cement: UNK****TD: 1697'**

**Hospah Sand Unit #18****Proposed P&A****Hospah Sand Unit****1850' FSL & 2310' FWL, Section 36, T18N, R9W, McKinley, NM****API: 30-031-05218****Today's Date: 06/06/2022****Spud: UNK****Completed: UNK****Elevation: 7063' GL****Menefee @ 334'****Mancos @ 584'****Gallup @ 1537'****Hole Size: UNK****Surface casing: UNK****Surface cement: UNK****Plug #2: Menefee to Surface 0'-384'**  
**Class G neat, 75 sx (86.25 ft³)****Plug #1: Mancos - 534'-634'**  
**Class G neat, 29 sx (33.35 ft³)****Well TA'd Nov 1965**  
**30 sks Class C 1697'-1413'****Perforations**  
**Unknown****Production casing: UNK**  
**Production cement: UNK****TD: 1697'**

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 194929

CONDITIONS

|  |   |
|--|---|
| Operator:<br>BC & D OPERATING INC.<br>2702 N. Grimes ST B<br>Hobbs, NM 88240 | OGRID:<br>25670                                     |
|  | Action Number:<br>194929                            |
|  | Action Type:<br>[C-103] NOI Plug & Abandon (C-103F) |

CONDITIONS

| Created By | Condition   | Condition Date |
|------------|---|----------------|
| kpickford  | Notify NMOCD 24 Hours Prior to beginning operations | 3/9/2023       |