

Submit One Copy To Appropriate District Office  
District I  
 1625 N. French Dr., Hobbs, NM 88240  
District II  
 811 S. First St., Artesia, NM 88210  
District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

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 November 3, 2011

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| WELL API NO.<br>30-005-60995                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                        |
| 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>Twin Lakes San Andres Unit                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                        |
| 8. Well Number 078                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                        |
| 9. OGRID Number<br>300825                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                        |
| 10. Pool name or Wildcat<br>Cato; San Andres                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                        |
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(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.)<br>1. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other                                                                                                                             |                                                                                                                                                                                                                                                        |
| 2. Name of Operator<br>Blue Sky NM Inc.                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                        |
| 3. Address of Operator<br>7941 Katy Freeway Suite 522 Houston, TX 77024                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                        |
| 4. Well Location<br>Unit Letter <u>K</u> : <u>2310</u> feet from the <u>S</u> line and <u>1650</u> feet from the <u>W</u> line<br>Section <u>6</u> Township <u>09S</u> Range <u>29E</u> NMPM <u>      </u> County <u>Chaves</u>                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                        |
| 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:<br>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/><br>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/><br>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>                                                                                                                                                                   | SUBSEQUENT REPORT OF:<br>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/><br>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input checked="" type="checkbox"/><br>CASING/CEMENT JOB <input type="checkbox"/> |
| OTHER: <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                      | <input checked="" type="checkbox"/> Location is ready for OCD inspection after P&A                                                                                                                                                                     |
| <input checked="" type="checkbox"/> All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.<br><input checked="" type="checkbox"/> Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.<br><input checked="" type="checkbox"/> A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the |                                                                                                                                                                                                                                                        |

**OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. ALL INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.**

- ☐ The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
- ☐ Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
- ☐ If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
- ☐ All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
- ☐ All other environmental concerns have been addressed as per OCD rules.
- ☐ Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.
- ☐ If this is a one-well lease or last remaining well on lease: all electrical service poles and lines have been removed from lease and well location, except for utility's distribution infrastructure.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE \_\_\_\_\_ TITLE Authorized Representative DATE 1/23/22

TYPE OR PRINT NAME Drake McCulloch E-MAIL: drake@dwsrigs.com PHONE (505) 320-1180  
 For State Use Only

APPROVED BY:  TITLE Petroleum Specialist DATE 04/17/23

## **Blue Sky NM, INC.**

### **Plug And Abandonment End Of Well Report**

#### **Twin Lakes San Andres Unit #078**

2310' FSL & 1650' FWL, Section 6, 09S, 29E

Chaves County, NM / API 30-005-60995

#### **Work Summary:**

- 1/5/23** Made BLM and NMOCD P&A operations notifications at 9:00 AM MST.
- 1/6/23** Arrived on location and held safety meeting. Fixed road onto location. R/U P&A rig. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. N/D wellhead. N/U BOP and function tested. Began pulling Tubing. Secured and shut in well for the day.
- 1/7/23** Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. TOOH with tubing and tubing anchor. P/U 4.5" casing scraper. Round trip to 2669'. L/D scraper. P/U 4.5" CR. TIH to 2619' and set CR. Attempted to pressure test casing but was unsuccessful. R/U cementing services. Pumped plug #1 from 2619' to 1943' with 58 sx. TOOH. WOC overnight. Secured and shut in well for the day.
- 1/8/23** Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. R/U wireline services. RIH and tagged at 1943'. Ran CBL. R/D wireline services. Attempted to pressure test but was unsuccessful. TIH with tubing. Pumped salt gel from 1943' to 1540'. TOOH. R/U wireline services. RIH and perforated at 1165'. POOH. P/U 4.5" packer. TIH and set at 1058'. R/U cementing services. Pumped plug #2 from 1540' to 1165' to cover the Queen formation top. Plug #2 consisted of 108 sx, 29 sx in 4.5" casing and 79 sx in annulus. TOOH. WOC overnight. Secured and shut in well for the day.

- 1/9/23** Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. TIH and tagged top of plug #2 at 900'. R/U wireline services. Attempted to RIH but could not get to bottom. POOH. P/U 4.5" casing scraper. Round tripped with scraper to 800'. R/U wireline services. RIH and perforated at 822'. POOH. TIH with tubing and pumped salt gel spacer. TOOH. P/U 4.5" packer. TIH and set packer at 358'. Successfully established an injection rate. TOOH and L/D packer. TIH. R/U cementing services. Pumped plug #3 from 869' to 447' to cover the Yates formation top. Plug #3 consisted of 33 sx. TOOH. WOC 4 hours. TIH and tagged top of plug #3 at 580'. Attempted to pressure test but was unsuccessful. R/U cementing services. Continued pumping plug #3 from 580' to 400' with 14 sx. TOOH. R/U wireline services. RIH and perforated at 172'. POOH. Secured and shut in well for the day.
- 1/10/23** Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. TIH and tagged the top of plug #3 at 326'. TOOH. P/U 4.5" packer. TIH and set packer at 161'. Attempted to pressure tested above packer but test failed. TOOH. P/U 4.5" retainer. TIH and set at 161'. Established circulation through BH valve. R/U cementing services. Began pumping into retainer and cement locked up. Pump pressured up to 5,000 PSI. Stung out of retainer. Reverse circulated hole clean. Wait on wireline unit. Secured and shut in well for the day.
- 1/11/23** Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. Attempted to pressure test casing but was unsuccessful. R/U wireline services. RIH and perforated at 150'. POOH. P/U 4.5" packer. TIH and set packer at 128'. Successfully established injection rate through packer, into perforations and out BH valve. Attempted to pressure test casing above packer but was unsuccessful. Unset packer and TOOH. P/U 4.5" CR. TIH with 4.5" CR and set at 134'. R/U cementing services. Pumped plug #4 through CR, into perforations and out BH valve at surface, stung out of CR and pumped cement to surface in 4.5" casing. L/D tubing, R/D floor, N/D BOP, N/U wellhead. R/D unit and all equipment. MOL.
- 1/19/23** Arrived on location and held safety meeting. Used backhoe to safely expose wellhead. R/U water jet wellhead cutter. Preformed water jet cutoff. Removed old wellhead. Tagged cement at 51' in 4.5" casing, and 32' in 8.6" Casing. R/U cementing services and filled both casing strings to surface with 10 sx (6 sx in 8.6", 4 sx in 4.5"). Welder attached marker per NMOCD regulations.

**Plug Summary:****Plug #1: (San Andres Perforations and Formation Top, 2,619'-1,943', 58 Sacks Type I/II Cement)**

P/U 4.5" casing scraper. Round trip to 2669'. L/D scraper. P/U 4.5" CR. TIH to 2619' and set CR. Attempted to pressure test casing but was unsuccessful. R/U cementing services. Pumped plug #1 from 2619' to 1943' with 58 sx. TOOH. WOC overnight. R/U wireline services. RIH and tagged at 1943'.

**Plug #2: (Queen Formation Top 1,540-900', 108 Sacks Type I/II Cement)**

R/U wireline services. RIH and perforated at 1165'. POOH. P/U 4.5" packer. TIH and set at 1058'. R/U cementing services. Pumped plug #2 from 1540' to 1165' to cover the Queen formation top. Plug #2 consisted of 108 sx, 29 sx in 4.5" casing and 79 sx in annulus. TOOH. WOC. TIH and tagged top of plug #2 at 900'.

**Plug #3: (Yates Formation Top, 869' to 326', 47 Sacks Type I/II Cement)**

R/U wireline services. Attempted to RIH but could not get to bottom. POOH. P/U 4.5" casing scraper. Round tripped with scraper to 800'. R/U wireline services. RIH and perforated at 822'. POOH. TIH with tubing and pumped salt gel spacer. TOOH. P/U 4.5" packer. TIH and set packer at 358'. Successfully established an injection rate. TOOH and L/D packer. TIH. R/U cementing services. Pumped plug #3 from 869' to 447' to cover the Yates formation top. Plug #3 consisted of 33 sx. TOOH. WOC 4 hours. TIH and tagged top of plug #3 at 580'. Attempted to pressure test but was unsuccessful. R/U cementing services. Continued pumping plug #3 from 580' to 400' with 14 sx. TIH and tagged the top of plug #3 at 326'.

**Plug #4: (Surface Casing Shoe, 150' to Surface', 90 Sacks Type III Cement (10 sx in 4.5", 70 in 8.6") (10 sx for top off))**

R/U wireline services. RIH and perforated at 172'. P/U 4.5" packer. TIH and set packer at 161'. Attempted to pressure test above packer but test failed. TOOH. P/U 4.5" retainer. TIH and set at 161'. Established circulation through BH valve. R/U cementing services. Began pumping into retainer and cement locked up. Pump pressured up to 5,000 PSI. Stung out of retainer. Reverse circulated hole clean. Attempted to pressure test casing but was unsuccessful. R/U wireline services. RIH and perforated at 150'. POOH. P/U 4.5" packer. TIH and set packer at 128'. Successfully established injection rate through packer, into perforations and out BH valve. Attempted

to pressure test casing above packer but was unsuccessful. Unset packer and TOOH. P/U 4.5" CR. TIH with 4.5" CR and set at 134'. R/U cementing services. Pumped plug #4 through CR, into perforations and out BH valve at surface, stung out of CR and pumped cement to surface in 4.5" casing. R/U water jet wellhead cutter. Preformed water jet cutoff. Removed old wellhead. Tagged cement at 51' in 4.5" casing, and 32' in 8.6" Casing. R/U cementing services and filled both casing strings to surface with 10 sx (6 sx in 8.6", 4 sx in 4.5"). Welder attached marker per NMOCD regulations.

## Completed Wellbore Diagram

Blue Sky NM Inc.  
Twin Lakes San Andres Unit #078  
API: 30-005-60995  
Chaves County, New Mexico

### Surface Casing

8.625" 20# @ 128 ft  
OH: 12.25'

Retainers at 161' and 134'

### Plug 4

150 feet - surface  
150 foot plug  
90 Sacks of Type I/II Cement

### Plug 3

869 feet - 326 feet  
543 foot plug  
47 Sacks of Type I/II Cement

### Plug 2

1540 feet - 900 feet  
640 foot plug  
108 Sacks of Type I/II Cement

### Plug 1

2619 feet - 1943 feet  
676 foot plug  
58 sacks of Type I/II Cement

### Formation

Yates - 772 feet  
Queen - 1490 feet  
San Andres - 2050 feet

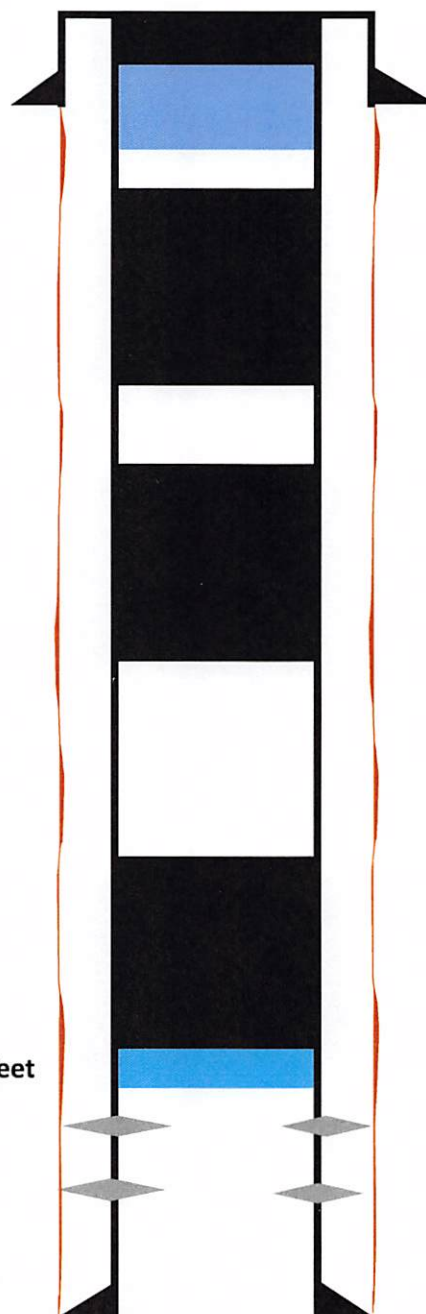
Retainer @ 2669 feet

### Perforations

2744 feet - 2759 feet

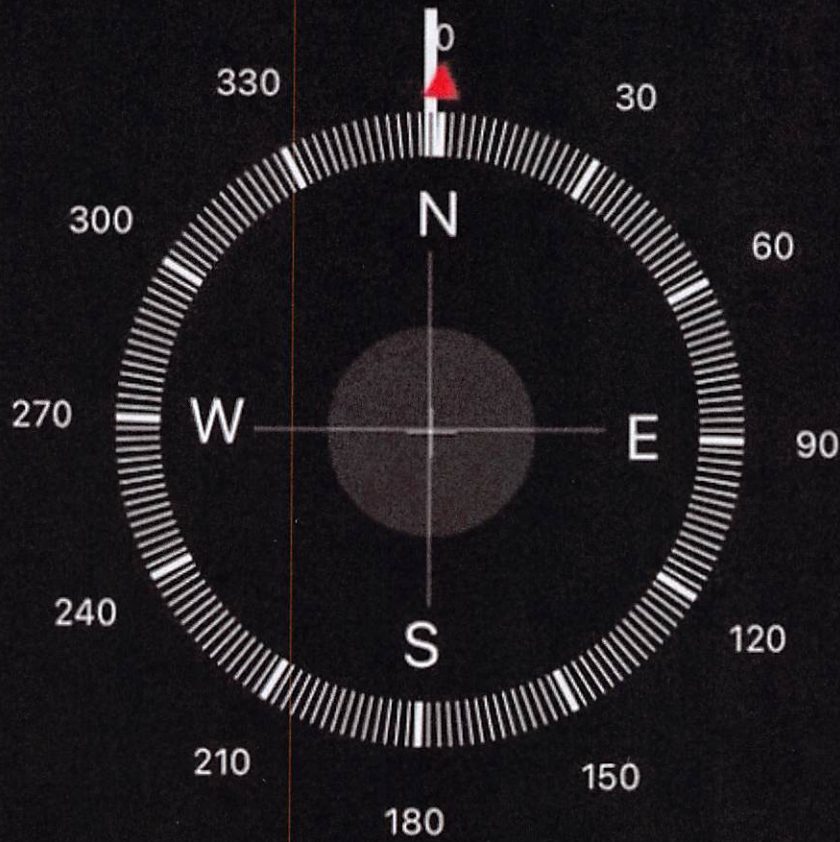
### Production Casing

4.5" 9.5# @ 2825 feet  
OH: 7.875"



5:55

LTE



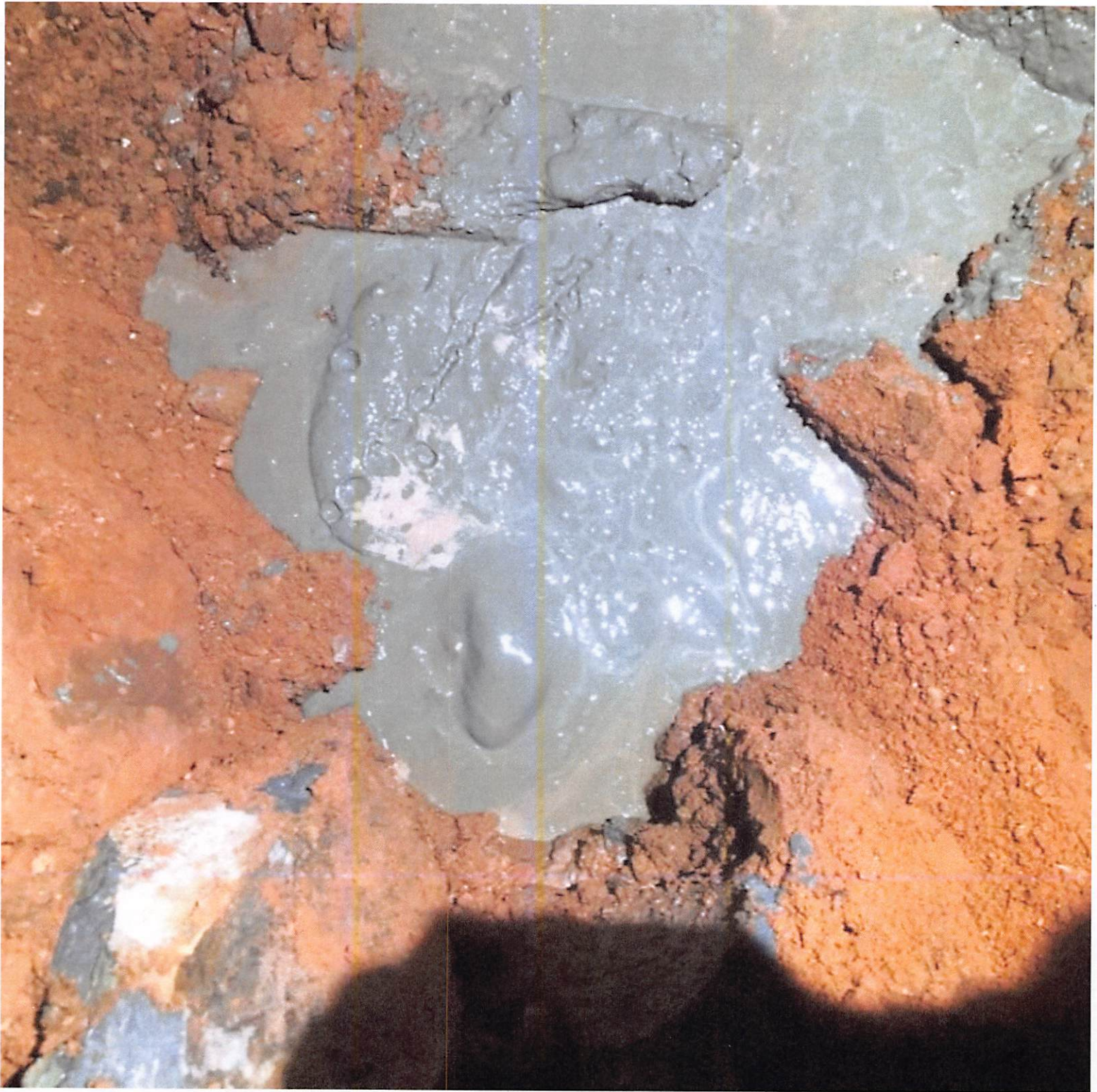
358° N

33°33'40" N 104°1'39" W

NM

3750 ft Elevation







**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

COMMENTS

Action 181431

COMMENTS

|                                                                                  |                                                |
|----------------------------------------------------------------------------------|------------------------------------------------|
| Operator:<br>J.A. Drake Well Service Inc.<br>607 W Pinon<br>Farmington, NM 87401 | OGRID:<br>330485                               |
|                                                                                  | Action Number:<br>181431                       |
|                                                                                  | Action Type:<br>[C-103] Sub. Plugging (C-103P) |

COMMENTS

| Created By    | Comment                              | Comment Date |
|---------------|--------------------------------------|--------------|
| john.harrison | Need final photos and clean location | 4/17/2023    |

**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

CONDITIONS  
  
Action 181431

CONDITIONS

|                                                                                  |                                                |
|----------------------------------------------------------------------------------|------------------------------------------------|
| Operator:<br>J.A. Drake Well Service Inc.<br>607 W Pinon<br>Farmington, NM 87401 | OGRID:<br>330485                               |
|                                                                                  | Action Number:<br>181431                       |
|                                                                                  | Action Type:<br>[C-103] Sub. Plugging (C-103P) |

CONDITIONS

|               |           |                |
|---------------|-----------|----------------|
| Created By    | Condition | Condition Date |
| john.harrison | None      | 4/17/2023      |