

P.O. Box 10640 Bozeman, Montana 59719

(406) 460-0903

TO: Jim Griswold, NMOCD

FROM: Curtis Shuck, Chairman

DATE: July 24, 2023

RE: Cato San Andres (CSAU) #118 (30-005-20077) Orphan Well Post-Plugging Methane Monitoring

TECHNICAL MEMORANDUM

Well Done New Mexico LLC and the Well Done Foundation, Inc. (WDF) performing contract professional services methane monitoring for the State of New Mexico Energy, Minerals and Natural Resources Department – Oil Conservation Division (OCD) under Purchase Order #52100-0000073985 for Orphan Oil & Gas Wells in Chaves County, NM.

The site conditions found at the Cato San Andres Unit (CSAU) #118 by the WDF Measure 1 Field Team on June 29, 2023, revealed a cement filled casing, cut off 3' below the surface with a welded monument cap. The WDF Measure 1Team took site photographs, performed field gas measurements and collected a gas sample for immediate laboratory analysis.

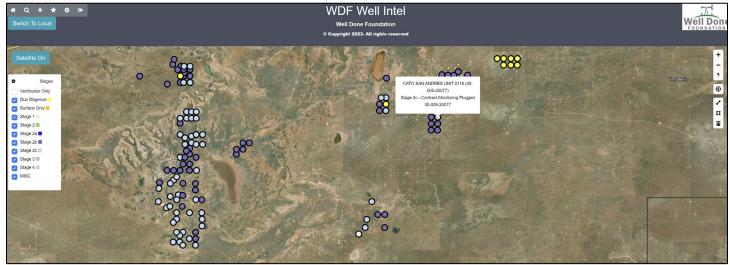


Image 1.1 - CSAU #118 (30-005-20077) Orphan Well in Chaves County, NM

The Pre-Plugging Methane Flow Calculations were conducted by the Well Done Foundation and Well Done New Mexico LLC and monitored using Ventbuster™ Instruments VB100-40 Series Ultra-Low Flow Meter with GPS on January 20, 2023. The Methane Concentration was measured at 3,350 ppm and Methane Flow was measured at 0.14 cfd. Therefore, the adjusted average methane gas emission measured at this wellhead is calculated at **0.00 grams per hour (g/hour)**.¹

The State of New Mexico used the methane flow data collected by WDF to prioritize the CSAU #118 orphan well plugging under the IIJA Program and began mobilizing a contractor to location. Drake Well Service, Inc. of Farmington, NM was awarded the plugging contract.

WDF arrived at the CSAU #118 location on June 29, 2023, to perform post-plugging orphan well methane testing and sampling on behalf of the State of New Mexico. WDF post plugging field gas tests revealed 0.00% of methane or H2s gasses. The post plugging collected gas samples, analyzed by Laboratory Services, Inc. confirmed 0.00 ppm or methane gas and 0.00 ppm of H2s gas. THEREFORE, the total Methane Gas Emissions Reduction is: 0.00 g/hour.

^{• 1} Methane Calculation: 717 grams CH4 per cubic meter (717 x 0.00 m3/day = 0.00 g/day total /24 = 0.00 g/hour x 0.00335 (methane concentration) = **0.00** g/hour CH4). Methane, gas weighs 0.000717 gram per cubic centimeter or 0.717 kilogram per cubic meter, i.e. density of methane, gas is equal to 0.717 kg/m³; at 0°C (32°F or 273.15K) at standard atmospheric pressure. In Imperial or US customary measurement system, the density is equal to 0.044 pound per cubic foot [lb/ft³].



Test Report

Start Date: Fri Jan 20 2023 20:23:02 GMT+0000 (Coordinated Universal Time) End Date: Sat Jan 21 2023 17:48:51 GMT+0000 (Coordinated Universal Time) Device: VB100-0040

Well Licensee: 30-005-20077 Well Name: Cato San Andres 118 UWI: 30-005-20077 Well License Number: 30-005-20077 Surface Location: State of NM Bottom Hole Location: Unknown Test Operator: Sean O. Jacobson Authorized By: State of NM Test Reason: IIJA Pre Plugging Scope Of Work: 12 Hour AFE Number: 52100-0000073108 GPS: 33.61436,-103.86118 Notes: GTG Prepared By: Curtis Shuck

Flow / Pressure Test

Flow Duration

21 hrs 24 minutes

Average Flowrate

0.1430 cfd

Average Pressure

0.3724 psig

2023-01-21T02:59:29.300Z

Average Flow Temperature

42.5103

0.00 g/hr

Average CH4 Mass

2023-01-21T12:54:1

Methane Calculation: 717 grams CH4 per cubic meter (717 g/m³ x 0.0040 m³/day = 2.87 g/day total /24 = 0.12 g/hour x 0.00335 (methane concentration) = **0.00** g/hour CH4). Methane, gas weighs 0.000717 gram per cubic centimeter or 0.717 kilgram per cubic meter, i.e. density of methane, gas is equal to 0.717 kg/m³; at 0°C (32°F or 273.15K) at standard atmospheric pressure. In imperial or US customary measurement system, the density is equal to 0.0448 pound per cubic foot [lb/ft³], or 0.0004144 ounce per cubic inch [oz/inch³].

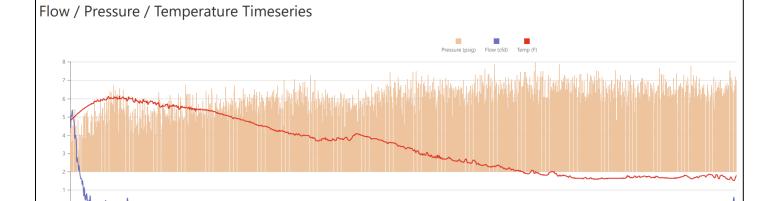


Image 2.1 - CSAU #118 Pre Plugging Test Report

This orphan well did not exceed the >1 g/hour federal program reporting requirements for methane emissions reductions as described in Section 40601 (Orphaned well site plugging, remediation, and restoration) of Title V (Methane Reduction Infrastructure) of the 2021 Bipartisan Infrastructure Law (BIL; Public Law 117-58)².

² These April 11, 2022 Guidelines were developed to meet the federal program reporting requirements for methane emissions reductions as described in Section 40601 (Orphaned well site plugging, remediation, and restoration) of Title V (Methane Reduction Infrastructure) of the 2021 Bipartisan Infrastructure Law (BIL; Public Law 117-58).

² | Page

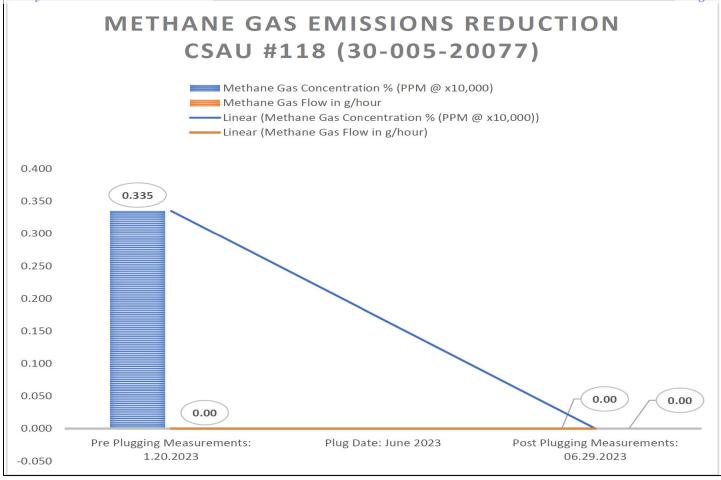


Image 3.1 - CSAU #118 (30-005-20077) Methane Gas Emissions Reduction Pre Plugging to Post Plugging

TECHNICAL FINDINGS

CSAU #118 (30-005-20077):

- Total C1 through C6 Gas Concentration: 15,862 ppm
- Total Measured Wellhead Gas Emissions: <0.00 m3/day
- Methane Gas Concentration: 3,350 ppm
- Calculated Average Wellhead Methane Gas Emissions: 0.00 g/hour
- Post Plugging Methane Gas Concentration: 0.00 ppm
- Post Plugging Methane Flow: 0.00 g/hour

CONCLUSIONS

- The CSAU #118 (30-005-20077) was emitting Methane gas pre-plugging at the average rate of 0.00 g/hour, which was below the Federal minimum threshold for reporting described in Section 40601 (Orphaned well site plugging, remediation, and restoration) of Title V (Methane Reduction Infrastructure) of the 2021 Bipartisan Infrastructure Law (BIL; Public Law 117-58) which is >1g/hour.
- Post Plugging, the CSAU #118 (30-005-20077) presented 0.00 ppm of Methane gas emissions from field gas tests and laboratory analysis of WDF collected gas samples.

#	Date	Note
1	2023-06-29	ces: On location with WDF Measure 1 to perform post plugging methane testing. We had a Thunderstorm that flooded the well location after the collection of the gas sample and before we could take photos. Non detect on any methane. Placed green ribbon at the wellsite. WILDCAT OUT!
2	2023-01-21	Arrived 10:52am January 21st, 2023. Rigged down ventbuster.
3	2023-01-20	Arrived January 20th, 2023. Conducted field gas analysis then collected gas sample. Decided to double rig. Rigged up ventbuster #40 (2") and ventbuster #24 (1") for flow testing.

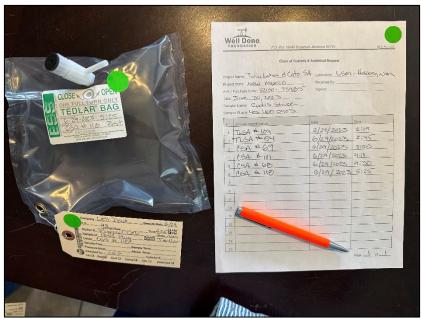
Image 4.1 – CSAU #118 (30-005-20077) Field Notes from WDF Well Intel™ Orphan Well Project Management IoT



1) CSAU #118 - Sample



2) CSAU #118 - Ribbon



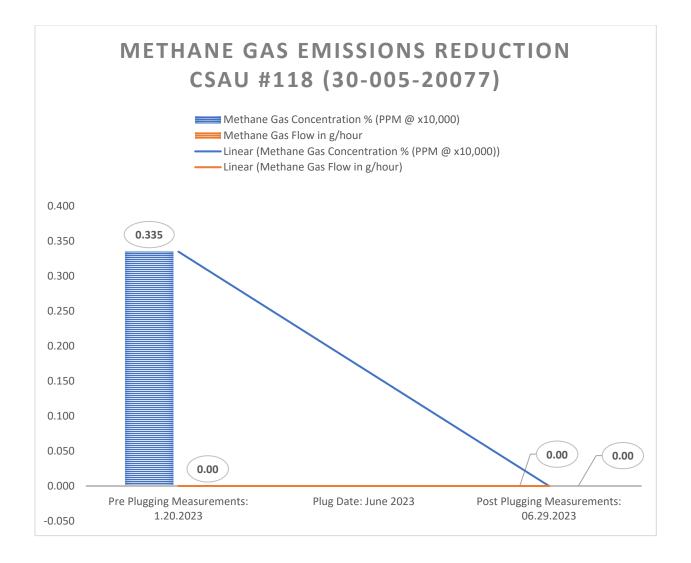
3) CSAU #118 - Sample Chain of Custody

www.permianls.com 575.397.3713 2609 W Marland Hobbs NM 88240



17471G		CSA #118 Post Plug				CSA #118 Post Plug		
Sample Point Code	Sample Point Name				Sam	ple Point Location		
Laboratory Se	ervices	2023071262		Tedlar Bag		CES -	CES - Spot	
Source Labora	atory	Lab File No		Container Identity		Sampler		
USA		USA Area Name		USA Field Name		New M	New Mexico Facility Name	
District						Facility		
Jun 29, 2023 1	7:25	Jun 29, 2023 17:25			Jul 6, 2023 12	:27	Jul 6, 2023	
Date Sampled		Date Effective			Date Received		Date Reported	
		System Admi	nistrator					
Ambient Temp (°F)	Flow Rate (Mcf)	Analysi	t		@ Temp °F Conditions			
Well Done Foun	dation					NG	3	
Operator						Lab Source [Description	
Component	Normalized Mol %	Un-Normalized Mol %	GPM		Gross Heatir	ng Values (Real,	BTU/ft³) .73 PSI @ 60.00 °F	
H2S (H2S)	0.0000	0		1 1	Dry Saturate	•	Saturated	
Nitrogen (N2)	99.4570	99.457			6.1 26.5			
CO2 (CO2)	0.0370	0.037		┪┃		Total Sample Pro	•	
Methane (C1)	0.0000	0		┥	Relative Density Real		elative Density Ideal	
Ethane (C2)	0.0000	0	0.0000	┥	0.9787 Molecular Weight		0.9788	
	<u> </u>			┥	28.3491			
Propane (C3)	0.0000	0	0.0000	\dashv	C6+	Group Properties	S	
I-Butane (IC4)	0.0000	0	0.0000	4		ssumed Composition		
N-Butane (NC4)	0.0000	0	0.0000	C6	- 60.000% C	7 - 30.000%	C8 - 10.000%	
I-Pentane (IC5)	0.0000	0	0.0000	↓		Field H2S 0 PPM		
N-Pentane (NC5)	0.0000	0	0.0000			01111		
Hexanes Plus (C6+)	0.5060	0.506	0.2200	PROTREN	ID STATUS:	DA	TA SOURCE:	
TOTAL	100.0000	100.0000	0.2200		By Validator on Jul 1	l1, 2023 Im	ported	
Method(s): Gas C6+ - GPA 2261, Extend					BY VALIDATOR REASON THIS posterior in the posterior in th		looks reasonable	
	Analyzer Informa			VALIDATO Rush	OR:		111	
Device Type: Device Model:	Device	Make: al Date:		Nusii		1 Jung	t r AS	
Device Model.	Last Ca	ai Date.		VALIDATO	OR COMMENTS:			

OK



<u>District I</u> 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

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**

DEFINITIONS

Action 243520

DEFINITIONS

Operator:	OGRID:			
CANO PETRO OF NEW MEXICO, INC.	248802			
801 Cherry Street	Action Number:			
Fort Worth, TX 76102	243520			
	Action Type:			
	[UF-OMA] Post-Plug Methane Monitoring (UF-OMA-MMB)			

DEFINITIONS

The Orphan Well Mitigation Activity (OMA) forms are a subset of the OCD's forms exclusively designed for activities related to State of New Mexico's contracted plugging and reclamation activities. Specifically, these forms are used for orphan wells or associated facilities which are in a "Reclamation Fund Approved" status. This status represents wells or facilities where the OCD has acquired a hearing order allowing the OCD to perform plugging or reclamation on wells and associated facilities that no longer have a viable operator to perform the necessary work. These forms are not to be utilized for any other purpose.

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QUESTIONS

Action 243520

QUESTIONS

Operator:	OGRID:		
CANO PETRO OF NEW MEXICO, INC.	248802		
801 Cherry Street	Action Number:		
Fort Worth, TX 76102	243520		
	Action Type:		
	[UF-OMA] Post-Plug Methane Monitoring (UF-OMA-MMB)		

QUESTIONS

Prerequisites		
[OGRID] Well Operator	[248802] CANO PETRO OF NEW MEXICO, INC.	
[API] Well Name and Number	[30-005-20077] CATO SAN ANDRES UNIT #118	
Well Status	Plugged (not released)	

Monitoring Event Information		
Please answer all the questions in this group.		
Reason For Filing	Post-Plug Methane Monitoring	
Date of monitoring	06/29/2023	
Latitude	33.6143723	
Longitude	-103.8612595	

Monitoring Event Details		
Please answer all the questions in this group.		
Flow rate in cubic meters per day (m³/day)	0.00	
Test duration in hours (hr)	1.0	
Average flow temperature in degrees Celsius (°C)	28.2	
Average gauge flow pressure in kilopascals (kPag)	0.0	
Methane concentration in part per million (ppm)	0	
Methane emission rate in grams per hour (g/hr)	0.00	
Testing Method	Other	

	Monitoring Contractor		
Please answer all the questions in this group.			
	Name of monitoring contractor	Well Done New Mexico LLC	