

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

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

Form C-103
Revised July 18, 2013

| | |
|---|-----|
| WELL API NO. 30-025-03497 | |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> | |
| 6. State Oil & Gas Lease No. | |
| 7. Lease Name or Unit Agreement Name State C COM | |
| 8. Well Number | 002 |
| 9. OGRID Number 373817 | |
| 10. Pool name or Wildcat EUMONT; YATES-7 RVRS-QUEEN | |

| | |
|--|--|
| <p>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.)</p> | |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other | |
| 2. Name of Operator Energy Acumen LLC. | |
| 3. Address of Operator 10103 Gutierrez Rd NE, Albuquerque, NM 87111 | |
| 4. Well Location Unit Letter <u>H</u> : <u>1650</u> feet from the <u>North</u> line and <u>330</u> feet from the <u>East</u> line Section <u>24</u> Township <u>21S</u> Range <u>35E</u> NMPM County: <u>Lea</u> | |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3628' DF | |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
|--|--|--|--|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input checked="" type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| DOWNHOLE COMMINGLE <input type="checkbox"/> | | | |
| CLOSED-LOOP SYSTEM <input type="checkbox"/> | | | |
| OTHER: <input type="checkbox"/> | | OTHER: <input type="checkbox"/> | |

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.

Citation Oil & Gas Corp. as the lease holder of the State C COM 002 well, submits the intent to plug and abandon as requested by the New Mexico State Land Office. On September 5, 2023, the NMOCD issued an authorization letter to Citation, pursuant to its authority under the Agreed Compliance Order with Energy Acumen. Please see the attached authorization letter for details.

Citation plans to plug this well in accordance with the attached procedure.

Estimated Start Date: 09/01/2024

Spud Date: 05/31/1938 Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Steffy Goncalves TITLE Permitting Manager DATE 06/24/2024

Type or print name Steffy Goncalves E-mail address: sgoncalves@cogc.com PHONE: 281-891-1213

For State Use Only

APPROVED BY: TITLE DATE

Conditions of Approval (if any):

State C COM 002
API# 30-025-03497
Proposed P&A Procedure

1. Pull production equipment.
2. Install CICR 50' above top perf @ 3256'. Perfs (3306' – 3610').
3. RU WL and run CBL f/(CICR – Surf) to identify TOC. Adjust plugs as necessary for new TOC. Email a copy to Brandon Powell at brandon.powell@state.nm.us upon completions of logging.
4. Dump bail 30 sx class "C" neat cmt on top of CIBP. Calculated TOC @ ~3236.
5. Load hole w/ 9.5# MLF from (3236' – 1610').
6. Spot 30 sx class "C" neat cmt from (1610' – 1510'). NOTE: PLUGS INCLUDE 100% XS OUTSIDE CSG & 50% XS INSIDE CSG.
7. Load hole w/ 9.5# MLF from (1510' – 400').
8. Perf @ 400'. EIR into perfs @ 400'.
9. If injection rate is established then, Sqz 105 sx class "C" neat cmt from (400' – Surf).
10. If injection rate CANNOT be established then, Spot 80 sx class "C" neat cmt from (400' – Surf).
11. Follow the State of New Mexico guidelines for surface remediation/reclamation.

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Dylan M. Fuge, Division Director
Oil Conservation Division



BY CERTIFIED AND ELECTRONIC MAIL

September 5, 2023

Sharon Ward
Permitting Manager
Citation Oil & Gas Corp.
P.O. Box 690688
Houston, TX 77069-2212

Re: Citation Oil and Gas Corp.'s Request to Plug and Abandon Wells

Dear Ms. Ward:

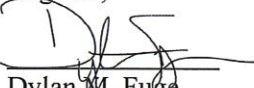
The Oil Conservation Division ("OCD") received your emails of July 26 – August 8, 2023, requesting permission for Citation Oil & Gas Corp. ("Citation") to plug and abandon the following wells: State C #00Y (30-025-03500); State C #003 (30-025-03498); State C #004 (30-025-03499); State C #002Y (30-025-03507); State C Com #002 (30-025-03497); and State A-36 #002 (30-025-21872). Energy Acumen, LLC is the registered operator of these wells and Citation is the leaseholder where the wells are located. As the leaseholder, Citation may be deemed a responsible operator for purposes of plugging and remediation activities or for indemnification of costs incurred by OCD for such activities.

On March 10, 2022, Energy Acumen and OCD entered into an Agreed Compliance Order (ACOI) for Inactive Wells, setting forth certain compliance deadlines to be met by Operator ("ACOI-20194"). That ACOI is incorporated herein as though set forth in full. On March 28, 2023, OCD notified Energy Acumen that it is out of compliance with that ACOI and that pursuant to paragraph 21 of ACOI-20194, OCD is authorized to plug and abandon certain wells, including those listed above.

OCD hereby authorizes Citation to plug and abandon the above-identified wells on OCD's behalf pursuant to its authority under ACOI-20194.

Please contact Jesse Tremaine, Assistant General Counsel at (505) 231-9312 or JesseK.Tremaine@emnrd.nm.gov with questions, including the submission of plugging sundries as OCD will not be transferring operatorship to you and will need to insert the plugging sundries into the wellfiles.

Regards,


Dylan M. Fuge
Director

Date 9/5/2023

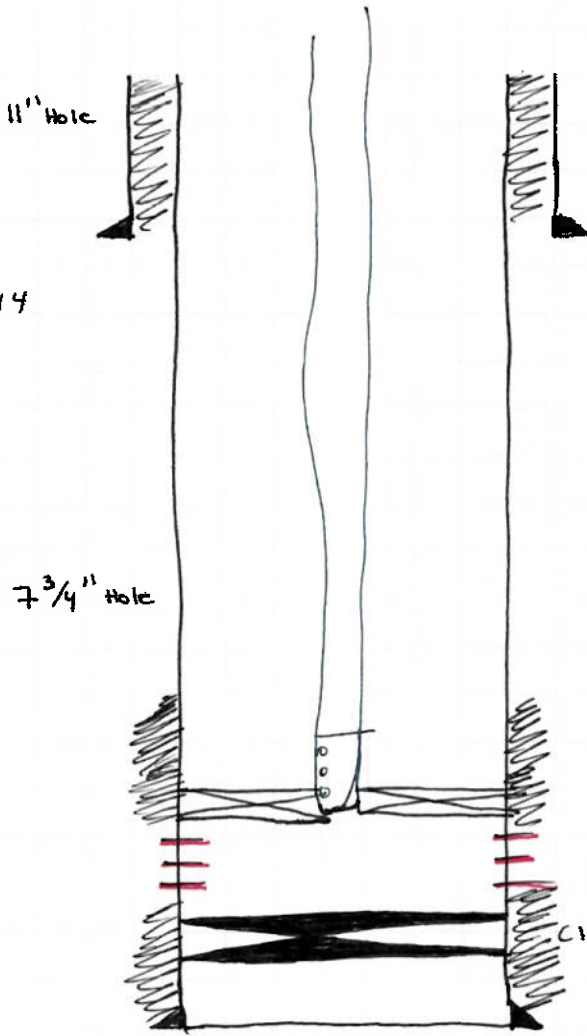
cc: EMNRD-OGC

General Purpose Worksheet

| | | | |
|----------|------------------|-----------------|----------------|
| SUBJECT: | State "C" Com #2 | PAGE NO.: | OF: |
| FILE: | WBD | BY: J. Bautista | DATE: 08/01/23 |

Eumont
Lea County, NM
Unit #
Sec 24
Survey T-215
Apt # 30-025-03477
Oil Lease: B0-1400-0014
1650' FNL + 330' FEL

Current
State "C" Com #2 WBD



8 5/8" 28# set @ 1594'
w/ 600 sx cmt. TOC = Surface.

Tubing Assembly
2 3/8" 4.7# tbg @ 3251'
PKR @ 3256'

Yates
Perfs (3306' - 3610')
CIBP @ 3650 w/ 1 sx cmt on top.

5 1/2" 14# set @ 3786'
w/ 200 sx cmt. TOC = ?

TD = 3926'

General Purpose Worksheet

| | | | |
|----------|------------------|----------|-------------|
| SUBJECT: | State "C" Com #2 | PAGE NO: | OF |
| FILE: | WBD | BY: | J. Bautista |
| | | DATE: | 08/01/23 |

Proposed

State "C" Com #2 WBD

* Eumont

* Lea County, NM

Unit #

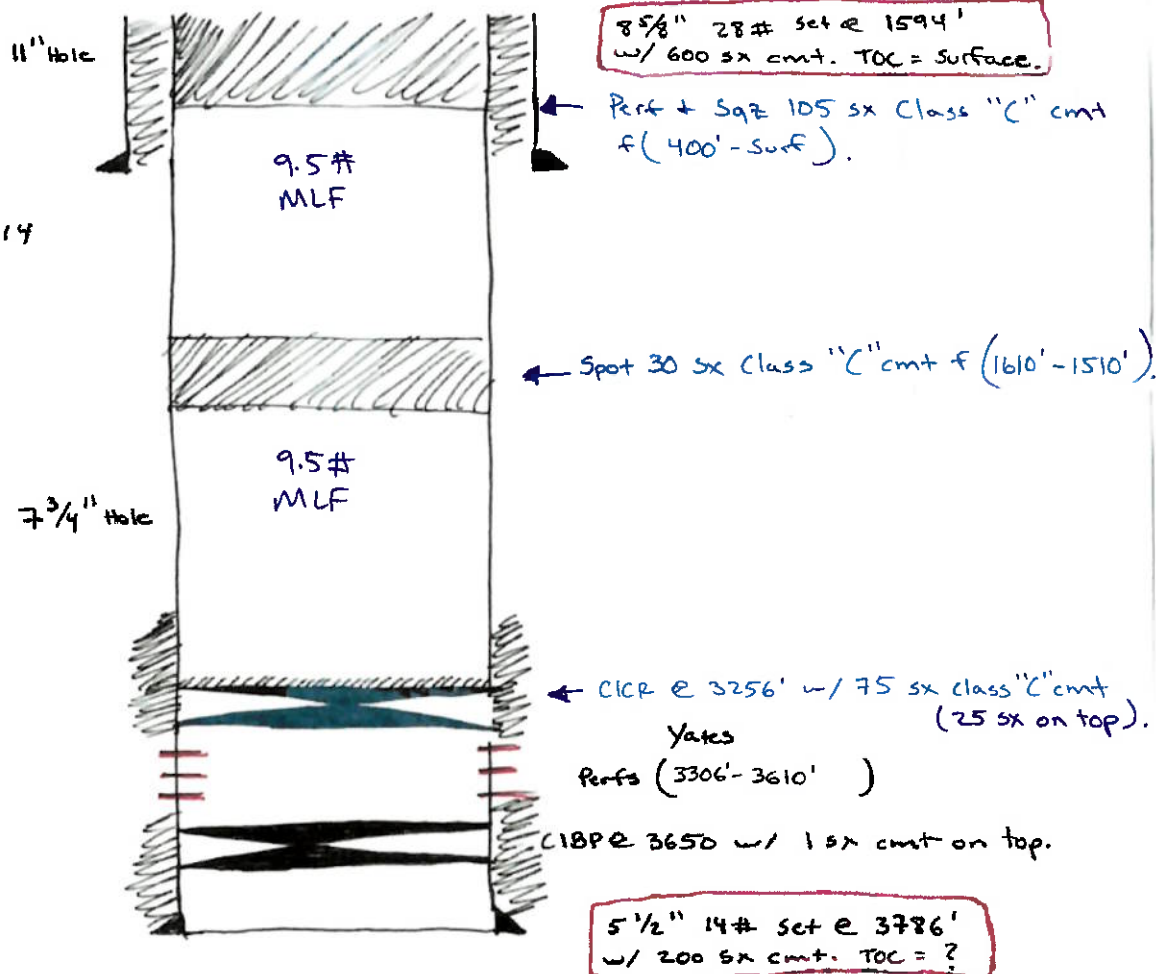
Sec 24

Survey T-21.5

Ap# 30-025-03497

Dil Lease: 80-1400-0014

1650' FNL & 330' FEL



TD = 3926'

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Phone:(505) 476-3470 Fax:(505) 476-3462

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Energy, Minerals and Natural Resources
Oil Conservation Division
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Santa Fe, NM 87505

CONDITIONS

Action 357117

CONDITIONS

| | |
|--|---|
| Operator: Energy Acumen LLC 10103 Gutierrez Rd NE Albuquerque, NM 87111 | OGRID: 373817 |
| | Action Number: 357117 |
| | Action Type: [C-103] NOI Plug & Abandon (C-103F) |

CONDITIONS

| Created By | Condition | Condition Date |
|-------------|--|----------------|
| loren.diede | Notify NMOCD 24 hours prior to beginning P&A operations. | 6/27/2024 |
| loren.diede | Run CBL after setting CR at 3256'. Email CBL to: Gilbert Cordero, gilbert.cordero@emnrd.nm.gov and Loren Diede, loren.diede@emnrd.nm.gov No longer need to email CBL to Brandon Powell. CBL (tif file) to be submitted into NMOCD via Electronic Permitting. | 6/27/2024 |
| loren.diede | Pump cement Plug # 1 through and above CR as stated in the "Proposed WBD". | 6/27/2024 |
| loren.diede | Lesser Prairie Chicken Habitat: T21S, R35E is NOT in the LPCH restricted area, the P&A marker is to be an above-ground marker. | 6/27/2024 |