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.
30-025-40448

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.
NMLC063798

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.)

7. Lease Name or Unit Agreement Name
RED HILLS AGI

1. Type of Well: Oil Well ☐ Gas Well ☒ Other Acid Gas Injection

8. Well Number 1

2. Name of Operator
Targa Northern Delaware, LLC

9. OGRID Number
331548

3. Address of Operator
3100 McKinnon Street, Suite 800, Dallas, TX 75201

10. Pool name or Wildcat
Exploratory Cherry Canyon

4. Well Location
Unit Letter_I_____:_1600_____feet from the __South_____ line and _150_____feet from the East_____line
Section 13 Township 24S Range 33E NMPM County LEA

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3580 GL

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☒	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
CLOSED-LOOP SYSTEM	☐						
OTHER:	☐			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.

The Objective is to perform an acid Stimulation and Clean up job on the existing perforations, (6230-6583) using the proposed procedure:
4/20/24 Divert the acid gas injection from the #001 well into the #003 well.
4/24/24 Run a MIT on the #001 annulus using diesel. Inspect the wellhead, grease the valves and inspect bolts and nuts for torque.
4/25/24 Rig up Stimulation equipment and pump down the tubing with multiple cycles of fresh water and self-diverting 15% HCL acid containing standard corrosion inhibitors and iron control agents along with a microemulsion surfactant. Total treatment volume is approximately 33,000 gallons consisting of 25,000 gallons of 15% HCL acid and additives and 7,500 gallons of fresh water.
Monitor fall off for 30 minutes after pumping. Shut the well in for 4 hours and then return the well to Acid Gas Injection.

Spud Date: 10/23/2013 Rig Release Date: 11/20/2013

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

SIGNATURE__*Kim Hamlet*_____ TITLE_ES&H Coordinator___DATE_4/19/2024_____

Type or print name __KIM HAMLET_____ E-mail address: khamlet@targaresources.com_ PHONE: 5756-810-6055_____

For State Use Only

APPROVED BY:_____TITLE_____DATE_____
Conditions of Approval (if any):

Work Plan

ACID JOB DIVERSION PROGRAM

Targa Red Hills AGI #1

Cherry Canyon
Lea County, NM
4/18/2024

1.0 – General Information:

Directions: West of Jal, NM. From the intersection of Hwy 128 and CR21 (Delaware Basin Road), go north on CR21 0.5 mile to Targa Red Hills construction entrance on left. Turn left, go 0.5 mile to AGI #2 entrance on left. Proceed around east side of AGI #2 complex and then south to AGI #1 well.

COMPANY	NAME	PHONE
POP	Gary Fisher	(720) 315-8035
POP	Brian Baker	(432) 269-8633
Safety	Aaron Moreno	(956) 735-8531
Safety	Victor Steir	(307) 679-6121
Targa	Joe Hays	(713)906-6659
Targa	Paul Ragsdale	(575)626-7903

2.0 – Safety and Concerns

Permian Oilfield Partners, LLC will protect the health and safety of its employees, contractors, and public communities, while protecting the environment in which the Company conducts its business.

Permian Oilfield Partners, LLC is the Prime Contractor for all completion activities. As Prime Contractor we are accountable for ensuring that the activities of all other contractor employers (and their workers) on the work site are coordinated to deliver safe work. Permian Oilfield Partners, LLC's completions foreman is the overall site leader responsible for safety at the work site as the prime contractor representative.

Permian Oilfield Partners, LLC engages contractors to conduct the work outlined in this well completion program. The supervisors of contractor employers will plan and conduct their work in a manner which minimizes risk to the contractors' personnel and maximizes safe work performance.

Site leaders and workers will ensure that:

1. Personnel are physically and mentally fit, capable of performing their duties efficiently and safely,
2. The right equipment is used for the job at hand and that tools and equipment are maintained in safe operating condition,
3. Individual workers are trained and competent at performing the task in a safe manner. If a worker is not fully competent to perform a task, then a competent worker will provide direct supervision,
4. Pre-task hazard assessments are conducted and the methods used to control or eliminate the hazards identified,
5. The appropriate PPE is worn for the task,
6. Time is allowed to exercise contractors' safety initiatives, including hazard mitigation, job observation programs, site inspections, safety reviews and on-the-job training,
7. Work that poses imminent danger to workers is stopped. Resume the work when the factor(s) causing the imminent danger are alleviated,
8. Operations are in compliance with regulations. Regulations are minimum standards and basic legal requirements.
9. All personnel have the right to exercise stop work authority if the job is deemed unsafe.
10. Obey posted speed limit

3.0 – Objectives

Targa Midstream intends to perform an acid stimulation through the existing Cherry Canyon perforations (6230'-6583'). The recommended acid treatment procedure will consist of multiple cycles of both fresh water and self diverting 15% HCl acid. Total fluid volume requirement may vary so additional excess is requested to be available. The acid blend will include standard corrosion inhibitors and iron control agent along with a microemulsion surfactant at a recommended loading of 2.0 gpt. Recommend spacer fluid during acid job be treated with 1.0 gpt surfactant. Confirm HHP service company ability to pump additives on the fly.

4.0 – Wellbore Data

Targa Red Hills AGI #1

API:	30-025-40448	
AFE #:		
Elevations:		
Location:	Sec 13 T24S R33E	
Depths:	TD – **6,650'**	PBTD – **6,650'**
	DV Tool – **5539'**	Packer –**6170' (TBD)**
Marker joints:		
Top Flange:		

Casing specifications

String	Size	Weight	Grade	Depth	Connections	Calc TOC
Surface	13-3/8"	48	H-40	1,355	STC	Surface
Intermediate	9-5/8"	40	J-55	5,346	STC	Surface
Production	7"	26	L-80	6,650	LTC	Surface
Tubing	3-1/2"	9.3	L-80	6,170	VAMTOP	N/A

5.0 – Cherry Canyon Acid Job Procedure

1. Prior to commencing operation perform pre-job safety meeting. Review job requirements, objectives, personnel assignments, and perform JSA. Ensure proper PPE (steel toes, safety glasses, FR clothing, hard hats, and chemical suits (where necessary)) is used for the duration of the job. Ensure every individual understands they have "Stop Work" Authority should they see any unsafe operations.

2. MIRU pressure pumping company.

3. Pressure test lines to ~4,500 psi. Maximum allowable pressure during injection to be 4,000 psi.

4. Equalize pressure to ~500 psi above expected opening well pressure.

5. Open well and begin injection per planned acid treatment schedule shown in **Table 1**.

Table 1: Recommended SDA treatment schedule.

Pump Schedule (15% SDA w/ Preflush)														
Stage #	Stage Type	Fluid	Clean Gal		Clean Bbls		StimX-1		Acid Package and SDA		KCl Sub		Rate, bpm	Cum time, min
			Stage	Cum	Stage	Cum	GPT	Gal	GPT	Gal	GPT	Gal		
1	Preflush	Treated FW	5,000	5,000	119	119	25	125	-	-	-	-	20	5.95
2	Acid	15% HCl Diverting Blend	25,000	30,000	595	714	-	-	30	750	-	-	20	35.71
3	Flush	Freshwater	2,352	32,352	56	770	-	-	-	-	2	5	20	38.51

Job Volumes:

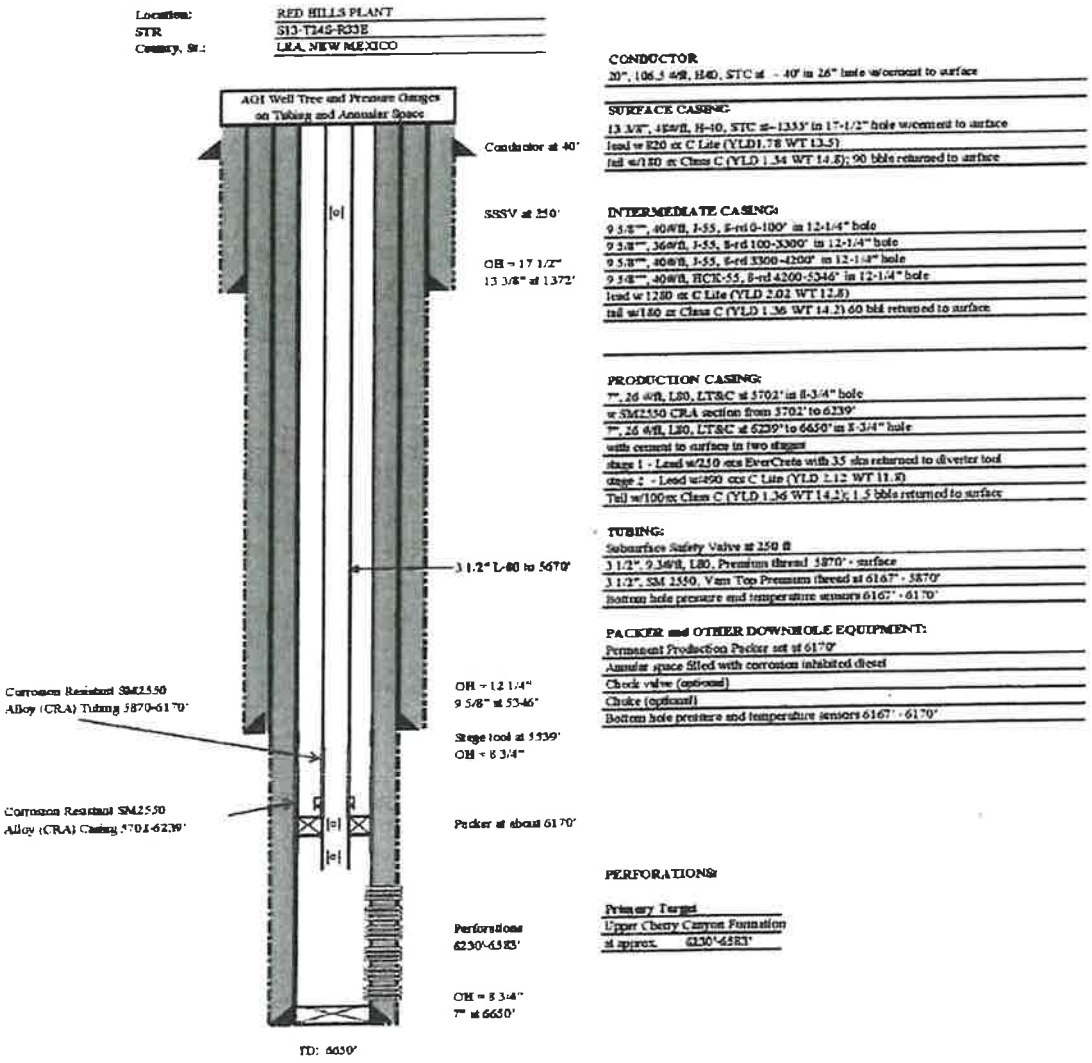
Total treatment fluid volume:	32,352 gallons / 770 bbls (assumes wellbore is loaded)
Fresh Water volume:	7,352 gallons / 175 bbls (fill 1 x 500 bbl FW tank w/ 250 bbls)
15% HCl Acid	25,000 gallons / 595 bbls (fill 2 x 500 bbl acid tanks w/150 bbls ea)

6. Monitor pressure fall-off for 30 minutes prior to shutting in well. RD pressure pumping company.

Current Wellbore Schematic

Mechanical properties and Capacities

Size	Weight & Grade	Collapse (psi)	Burst (psi)	Burst (80%) (psi)	bbls/ft	Drift	ID
7"	26						
3-1/2"	9.3						

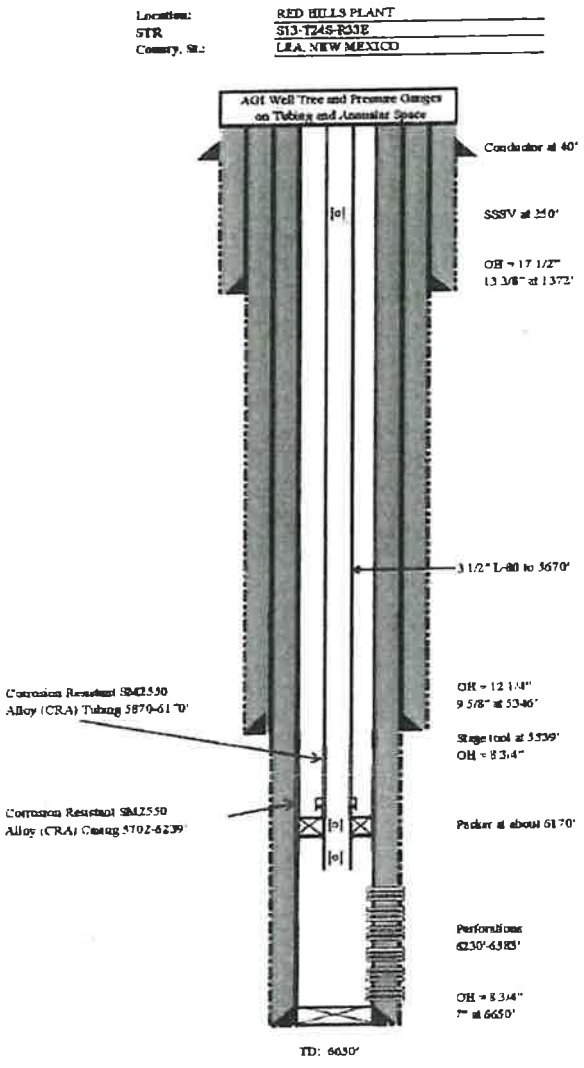


Proposed Well Bore Schematic

No Change

Mechanical properties and Capacities

Size	Weight & Grade	Collapse (psi)	Burst (psi)	Burst (80%) (psi)	bbls/ft	Drift	ID
7"	26						
3-1/2"	9.3						



CONDUCTOR
20", 106.5 #/ft, H40, STC at ~ 40' in 26" hole w/cement to surface

SURFACE CASING
13 3/8", 48#/ft, H-40, STC at~1355' in 17-1/2" hole w/cement to surface
lead w 820 sx C Lite (YLD1.78 WT 13.5)
tail w/120 sx Class C (YLD 1.34 WT 14.8); 90 bbls returned to surface

INTERMEDIATE CASING:
9 5/8"", 40#/ft, J-55, S-rd 0-100' in 12-1/4" hole
9 5/8"", 36#/ft, J-55, S-rd 100-3300' in 12-1/4" hole
9 5/8"", 40#/ft, J-55, S-rd 3300-4200' in 12-1/4" hole
9 5/8"", 40#/ft, HCE-55, S-rd 4200-5346' in 12-1/4" hole
lead w 1280 sx C Lite (YLD 2.02 WT 12.8)
tail w/150 sx Class C (YLD 1.36 WT 14.8) 60 bbl returned to surface

PRODUCTION CASING:
7", 26 #/ft, L80, LTBC at 5702' in 8-3/4" hole
w SM2550 CRA section from 5702' to 6239'
7", 26 #/ft, L80, LTBC at 6239' to 6650' in 8-3/4" hole
with cement to surface in two stages
stage 1 - Lead w/250 sxs EvoCrete with 35 sks returned to diverter bowl
stage 2 - Lead w/490 sxs C Lite (YLD 2.12 WT 11.8)
Tail w/100sx Class C (YLD 1.36 WT 14.2); 1.5 bbls returned to surface

TUBING:
Subsurface Safety Valve at 250 ft
3 1/2", 9.3#/ft, L80, Premium thread 5870' - surface
3 1/2", SM 2550, Vam Top Premium thread at 6167' - 5870'
Bottom hole pressure and temperature sensors 6167' - 6170'

PACKER and OTHER DOWNHOLE EQUIPMENT:
Permanent Production Packer set at 6170'
Annular space filled with corrosion inhibited diesel
Check valve (optional)
Choke (optional)
Bottom hole pressure and temperature sensors 6167' - 6170'

PERFORATIONS:
Primary Target
Upper Cherry Canyon Formation
at approx. 6230'-6585'

District I
1625 N. French Dr., Hobbs, NM 88240
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811 S. First St., Artesia, NM 88210
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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 335869

CONDITIONS

Operator: Targa Northern Delaware, LLC. 110 W. 7th Street, Suite 2300 Tulsa, OK 74119	OGRID: 331548
	Action Number: 335869
	Action Type: [C-103] NOI Workover (C-103G)

CONDITIONS

Created By	Condition	Condition Date
mgebremichael	The stimulation shall be limited to spot acidization.	9/19/2024