cceined by OCP: 1/13/2025 8:116:43 AM	State of New Mexico	Form C-103 of 12
Office <u>District I</u> – (575) 393-6161	Energy, Minerals and Natural Resources	Revised July 18, 2013
1625 N. French Dr., Hobbs, NM 88240 District II – (575) 748-1283		WELL API NO. 30-005-60578
811 S. First St., Artesia, NM 88210	OIL CONSERVATION DIVISION	5. Indicate Type of Lease
<u>District III</u> – (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410	1220 South St. Francis Dr.	STATE FEE
<u>District IV</u> – (505) 476-3460	Santa Fe, NM 87505	6. State Oil & Gas Lease No.
1220 S. St. Francis Dr., Santa Fe, NM 87505		
SUNDRY NOTICES AND REPORTS ON WELLS		7. Lease Name or Unit Agreement Name
(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.)		Twin Lakes San Andres Unit
PROPOSALS.) 1. Type of Well: Oil Well Gas Well Other		8. Well Number 012
2. Name of Operator		9. OGRID Number
Blue Sky NM Inc.		300825
3. Address of Operator 7941 Katy Freeway Suite 522 Houston,	TY 77024	10. Pool name or Wildcat Cato; San Andres
	17/1024	Cato, San Andres
4. Well Location Unit Letter P 330	feet from the S line and 330 fe	eet from theE line
Section 25	Township 08S Range 28E	NMPM County Chaves
	Elevation (Show whether DR, RKB, RT, GR, etc.	,
	Elevation (Show whether DR, RRB, RT, GR, ex	
TEMPORARILY ABANDON CHAPULL OR ALTER CASING MULDOWNHOLE COMMINGLE CLOSED-LOOP SYSTEM OTHER: 13. Describe proposed or completed of starting any proposed work). Sproposed completion or recompleted of the starting and proposed work.	REMEDIAL WO COMMENCE DE CASING/CEMENTE DE CASING	RILLING OPNS. P AND A NT JOB Ind give pertinent dates, including estimated date ompletions: Attach wellbore diagram of
Spud Date: I hereby certify that the information above	Rig Release Date:	ge and belief.
SIGNATURE: <u>Ethan Wakefield</u>	TITLE: <u>Authorized Representative</u>	DATE 10/31/22
Type or print name: Ethan Wakefield For State Use Only	d E-mail address: ewakefield@dwsrigs.c	PHONE: 405-343-7736
APPROVED BY:	TITLE	DATE
Conditions of Approval (if any):		

Blue Sky NM, INC.

Plug And Abandonment End Of Well Report

Twin Lakes San Andres Unit #012

330' FSL & 330' FEL, Section 25, 08S, 28E Chaves County, NM / API 30-005-60578

Work Summary:

10/24/22	Made BLM and NMOCD P&A operations notifications at 9:00 AM MST.	
10/25/22	Arrived on location and held safety meeting. 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. Rig up floor, tongs, rig. Picked up 5.5" casing scraper. Attempted to TIH but tagged at 15'. L/D scraper and attempted to TIH with a notched collar but tagged at 15' again. Rigged up swivel, pumped water while rotating. Was able to get to get about 37' into the hole. Laid down both joints and shut down for the night. Secured and shut in well.	
10/26/22	Arrived on location and held safety meeting. Waiting on drill collars and bit subs. Preformed rig maintenance, pump maintenance, and forklift maintenance while waiting.	
10/27/22	Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. R/U power swivel and pump. Started drilling at 45'. Drilled 15' in 3 hours. Made a connection and drilled 20' total. Laid down	

10/28/22 Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. Waited on orders to continue drilling or milling. Secured and shut in well.

collars and swivel. Shutdown and secured well for the day

10/29/22 Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down

well. Waited for mill to arrive. P/U mill and set up equipment to start drilling. Milled 2'. Shut in and secured well for the day.

- 10/30/22 Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. Milled well all day. Made 8' of progress to approximately 65'. Secured and shut in well for the day.
- Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. Began fishing operations. Attempted to fish with an overshot and grapple. Attempted with a 2-3/8" grapple, a 2-7/8" grapple, and a 3-1/4" grapple. All attempts were unsuccessful. Marked up outside of grapple with pipe dope to see where the grapple was contacting. Discussed fishing issues with Terry Fortner and David Alvarado. It is believed we there is no tubing in hole and that casing has collapsed. The decision has been made to attempt fishing with an impression block on 11/1/22. Secured and shut in well for the day.
- 11/1/22 Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. P/U impression block. Completed a round trip with impression block. Discussed impression block findings. Rigged up power swivel and TIH with a 5-blade junk mill. Milled to 80'. TOOH. Secured and shut in well for the day.
- 11/2/22 Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. P/U mill, drill collars, and power swivel. Started milling, made progress to 86'. Circulated and cleaned well with 10 bbls of fresh water. TOOH. R/U downhole cameras. Visuals were poor but we were able to see holes and scarring on the casing. POOH. R/U a 4" camera in hopes to improve picture quality. Was unable to TIH with the 4" camera, camera would hang up at 19'. POOH. R/U smaller cameras previously used. TIH and attempted to get better pictures. POOH. Secured and shut in well for the day.
- Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. TIH with a rock bit and drill collars. Began drilling. TOOH for bit inspection. Bit looked good. TIH and continued drilling. TOOH on recommendation from BLM advisor to switch from rock bit to a mill. TIH with mill. Began milling and lost circulation at 88' for about 3 minutes. When circulation returned, we began seeing more oil. TOOH with mill and collars and P/U impression block. TIH with impression bock. TOOH. Impression block had scars on the outside of block. Secured and shut in well for the day.

- 11/7/22 Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. Picked up skirted bit and drill collars. TIH. Milled to 106'. TOOH and L/D bit and collars. P/U impression block. TIH and tagged fish. Impression block had a good round Imprint. Received orders to fish with a 2-3/8" grapple. TIH and tagged fish. Weight indicator displayed 10,000 lbs. Successfully laid down 58.5 joints of tubing. Was not able to get all tubing out of hole, 690' was left in hole. TIH with tubing and tagged at 1873'. TOOH. Secured and shut in well for the day.
- Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. Picked up skirted bit and TIH. Milled for an hour. P/U a joint and made a connection. Milled for an additional hour. TOOH. P/U 2-3/8" grapple. Began to TIH. Grapple got hung up at 1518', manipulated grapple and was able to get it to pass. TIH to 1873. Attempted to fish but had no weight on indicator. TOOH and LD a 30' section of pipe. TIH again with a 2-3/8" grapple. Tagged fish at 1941'. Engaged grapple with tongs and TOOH. Pulled out at 4' section pf pipe. Secured and shut in well for the day.
- 11/9/22 Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. Changed out drill line on the rig. TIH with 2-3/8" grapple. Successfully pulled out 91' of tubing. TIH with skirted mill. Unable to get passed 1518'. TOOH. TIH with a 4-3/8" bit. Again, tagged at 1518' and could not pass. TOOH. TIH with a skirted mill. Successfully tripped to 1815'. N/U power swivel and began milling. Cleaned hole with fresh water. Tripped 20 joints. Secured and shut in well for the day.
- 11/10/22 Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. TIH with skirted mill. Milled about 8' to 1518'. TOOH and L/D mill. P/U 5-1/2" CR. TIH and set CR at 1468'. Wait on welder to fix leaking casing. TOOH. Allowed welder to finish welding. Secured and shut in well for the day.
- 11/11/2 Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. TIH with stinger to 1468'. Sting into CR and successfully established injection rate. R/U cementing services. Batch mix 15.6 lb cement. Pumped plug #1 from 2328' to 1468'. TOOH. Waited on wireline for the remainder of the day. Secured and shut in well.

- 11/12/22 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 with wireline and logged well. POOH. Set up wireline perforation equipment. RIH and perforated at 1468'. POOH. TIH with a packer and set at 1198'. Successfully established injection rate. R/U cementing services and continued pumping plug #1 from 1468' to approximately 1298'. WOC 4 hours. TIH and tagged at 1468'. Secured and shut in well.
- 11/13/22 Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. P/U packer. TIH with packer and set at 1198'. Successfully established injection rate. R/U cementing services and continued pumping plug #1 with 100 sx. TOOH with packer. WOC 4 hours. TIH and tagged at 1459'. R/U cementing services. Continued pumping plug #1 from 1459' to approximately 1100'. TOOH and WOC 4 hours. TIH and tagged at 1309'. R/U cementing services and continued pumping plug #1 from 1309' to 1100'. TOOH. Secured and shut in well.
- 11/14/22 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 #1 at 1258'. Filled hole with mud spacer from 1258' to 900'. TOOH. R/U wireline services. RIH and perforate at 900'. POOH. P/U packer. TIH and set packer at 549'. Successfully established an injection rate. R/U cementing services. Pumped plug #2 from 900' to approximately 650' with 70 sx of cement. TOOH. WOC 4 hours. TIH but did not tag cement. TOOH. P/U packer. TIH and set at 549'. R/U cementing services. Repumped plug #2 from 900' to approximately 650' with 70 sx of cement. TOOH. WOC overnight. Secured and shut in well for the night.
- 11/15/22 Arrived on location and held safety meeting. Checked well pressures: Tubing 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. TIH with tubing but did not tag cement. Moved end of tubing to 950'. R/U cementing services. Continued pumping plug #2 with 90 sx from 950' to 171'. TOOH. WOC 4 hours. TIH and Tagged top of Plug #2 at 838'. R/U cementing services and continued pumping plug #2 from 838' to 171'. TOOH. WOC overnight. Secured and shut in well for the night.
- 11/16/22 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 op of plug #2 at 476'. R/U cementing services. Continued pumping plug #2 from 467' to 171' with 34 sx. TOOH. R/U wireline services. RIH and perforated at 177'. POOH. TIH with tubing to 175'. R/U cementing services. Pumped plug #3 from 175'

to surface with 21 sx in 5.5" casing and 52 sx in annulus. TOOH. Rig down equipment and prepare to MOL.

11/18/22 Arrived on location and held safety meeting. Used backhoe to safely expose wellhead. R/U water jet wellhead cutter. Performed water jet cutoff. Removed old wellhead. Tagged cement at 6' in 5.5" casing, and 1' in the annulus. R/U cementing services and pumped 12 sx total to fill casing and annulus. Welder attached marker per NMOCD regulations.

Plug Summary:

Plug #1: San Andres Perforations, San Andres and Queen Formation Top, 2,328'-1,258', 315 Sacks Type III Cement

P/U 5-1/2" CR. TIH and set CR at 1468'. TIH with stinger to 1468'. Sting into CR and successfully established injection rate. R/U cementing services. Batch mix 15.6 lb cement. Pumped plug #1 from 2328' to 1468'. Set up wireline perforation equipment. RIH and perforated at 1468'. POOH. TIH with a packer and set at 1198'. Successfully established injection rate. R/U cementing services and continued pumping plug #1 from 1468' to approximately 1298'. WOC 4 hours. TIH and tagged at 1468'. P/U packer. TIH with packer and set at 1198'. Successfully established injection rate. R/U cementing services and continued pumping plug #1 with 100 sx. TOOH with packer. WOC 4 hours. TIH and tagged at 1459'. R/U cementing services. Continued pumping plug #1 from 1459' to approximately 1100'. TOOH and WOC 4 hours. TIH and tagged at 1309'. R/U cementing services and continued pumping plug #1 from 1309' to 1100'. TOOH. TIH and tagged top of Plug #1 at 1258'.

Plug #2: Yates Formation Top 950 - ≈177', 342 Sacks Type III Cement (Inside/Outside)

R/U wireline services. RIH and perforate at 900'. POOH. P/U packer. TIH and set packer at 549'. Successfully established an injection rate. R/U cementing services. Pumped plug #2 from 900' to approximately 650' with 70 sx of cement. TOOH. WOC 4 hours. TIH but did not tag cement. TOOH. P/U packer. TIH and set at 549'. R/U cementing services. Repumped plug #2 from 900' to approximately 650' with 70 sx of cement. TOOH. WOC overnight. TIH with tubing but did not tag cement. Moved end of tubing to 950'. R/U cementing services. Continued pumping plug #2 with 90 sx from 950' to 171'. TOOH. WOC 4 hours. TIH and Tagged top of Plug #2 at 838'. R/U cementing services and continued pumping plug #2 from 838' to 171'. TOOH. WOC overnight. TIH and tagged op of plug #2 at 476'.

R/U cementing services. Continued pumping plug #2 from 467' to 171' with 34 sx.

Plug #3: Surface Casing Shoe, 175' - Surface', 85 Sacks Type III Cement [12 sx for top off] (Inside/Outside)

R/U wireline services. RIH and perforated at 177'. POOH. TIH with tubing to 175'. R/U cementing services. Pumped plug #3 from 175' to surface with 21 sx in 5.5" casing and 52 sx in annulus. TOOH. Used backhoe to safely expose wellhead. R/U water jet wellhead cutter. Preformed water jet cutoff. Removed old wellhead. Tagged cement at 6' in 5.5" casing, and 1' in the annulus. R/U cementing services and pumped 12 sx total to fill casing and annulus. Welder attached marker per NMOCD regulations.

Completed Wellbore Diagram

Blue Sky NM Inc. Twin Lakes San Andres Unit #012 API: 30-005-60578 **Chaves County, New Mexico**

Surface Casing

8.625" 20#@ 122 ft OH: 11'

> **Formation** Yates - 850 feet

Queen - 1498 feet

5.5" 14# @ 2749 feet OH: 7.875"

Plug 3

177 feet - surface 177 foot plug 85 Sacks of Type III Cement

Plug 2

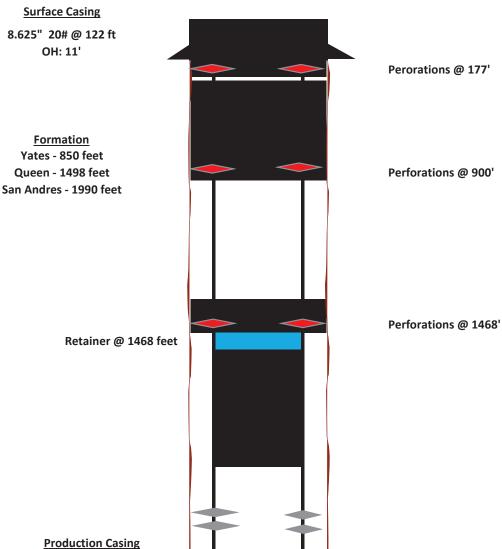
950 feet - ≈177 feet 773 foot plug 342 Sacks of Type III Cement

Plug 1

≈2,328 feet - 1,258 feet 1070 foot plug 315 Sacks of Type III Cement

Perforations

2613 feet - 2633'



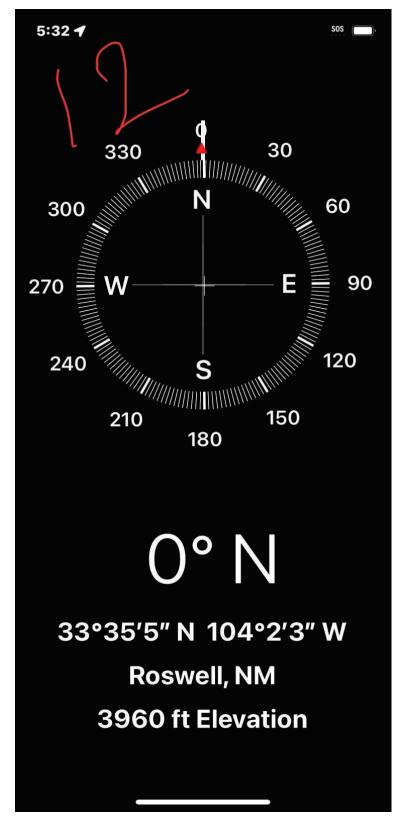


Figure 1: GPS

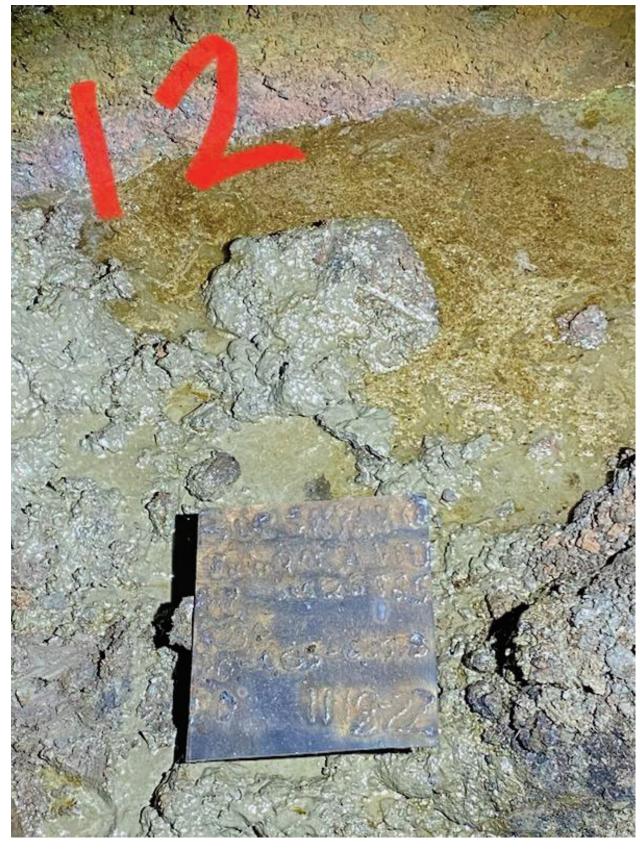


Figure 2: Marker



Figure 3: Cut Off

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Action 419788

CONDITIONS

Operator:	OGRID:
BLUE SKY NM, INC.	300825
7941 Katy Freeway	Action Number:
Houston, TX 77024	419788
	Action Type:
	[C-103] Sub. Plugging (C-103P)

CONDITIONS

Create	ed By		Condition Date
jaga	rcia	None	1/15/2025