

|                                   |   |  |
|-----------------------------------|---|--|
| <b>Well Name:</b> NE SQ LAKE PREM | <b>Well Location:</b> T16S / R31E / SEC 10 / SENE / 32.9380259 / -103.8521573 | <b>County or Parish/State:</b> EDDY / NM |
| <b>Well Number:</b> 22            | <b>Type of Well:</b> OIL WELL   | <b>Allottee or Tribe Name:</b>           |
| <b>Lease Number:</b> NMNM04421    | <b>Unit or CA Name:</b>   | <b>Unit or CA Number:</b>                |
| <b>US Well Number:</b> 3001504844 | <b>Operator:</b> TRIGG OIL AND GAS  |  |

**Notice of Intent**

**Sundry ID:** 2836266

**Type of Submission:** Notice of Intent

**Type of Action:** Plug and Abandonment

**Date Sundry Submitted:** 02/11/2025

**Time Sundry Submitted:** 07:26

**Date proposed operation will begin:** 12/31/2026

**Procedure Description:** See attached NOI Sundry Notice approved by BLM (11/16/2019 by James Amos with BLM) and NMOCD. Requesting previous NOI Sundry Notice be re-activated as previously submitted/approved. Crisha Morgan with BLM – Carlsbad Field Office, will extend beyond 90 days per plugging program agreement. Extension Granted to: December 31, 2026 This Well is also subject to Lawsuit against Exxon Mobil Corporation. Awaiting in court proceeding for final date extension.

**Surface Disturbance**

**Is any additional surface disturbance proposed?:** No

**Oral Submission**

**Oral Notification Date:** Jan 14, 2025

**Oral Notification Time:** 12:00 AM

**Contacted By:** MARC LILLEY

**Contact's Email:** marc@energexllc.com

**Comments:** See attached paper copy of sundry submitted by Marc Lilley for Trigg Oil & Gas

**NOI Attachments**

**Procedure Description**

Sundry\_Notice\_\_NE\_Square\_Lake\_\_022\_\_BLM\_and\_State\_Approved\_\_previously\_\_20250211072202.pdf

Well Name: NE SQ LAKE PREM

Well Location: T16S / R31E / SEC 10 / SENE / 32.9380259 / -103.8521573

County or Parish/State: EDDY / NM

Well Number: 22

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM04421

Unit or CA Name:

Unit or CA Number:

US Well Number: 3001504844

Operator: TRIGG OIL AND GAS

Comments

Sundry\_Notice\_\_NE\_Square\_Lake\_\_022\_M.\_Lilley\_Submitted\_Copy\_20250211072305.pdf

**BLM Point of Contact**

BLM POC Name: DINAH C NEGRETE

BLM POC Title: Sr. Production Accountability Technician

BLM POC Phone: 5752345952

BLM POC Email Address: dnegrete@blm.gov

Disposition: Accepted

Disposition Date: 02/24/2025

Signature: DINAH NEGRETE

CONFIDENTIAL

Form 3160-5  
(June 2015)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: January 31, 2018

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

|                                      |
|--------------------------------------|
| 5. Lease Serial No.                  |
| 6. If Indian, Allottee or Tribe Name |

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

|   |   |
|---|---|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | 7. If Unit of CA/Agreement, Name and/or No. |
| 2. Name of Operator   | 8. Well Name and No.                        |
| 3a. Address   | 9. API Well No.                             |
| 3b. Phone No. (include area code)   | 10. Field and Pool or Exploratory Area      |
| 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)  | 11. Country or Parish, State                |

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION                                | TYPE OF ACTION                                |   |  |   |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent         | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen               | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report        | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction     | <input type="checkbox"/> Recomplete                | <input type="checkbox"/> Other          |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon     | <input type="checkbox"/> Temporarily Abandon       |   |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back            | <input type="checkbox"/> Water Disposal            |   |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

|   |       |
|---|-------|
| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)             | Title |
| Signature  | Date  |

**THE SPACE FOR FEDERAL OR STATE OFFICE USE**

|   |        |      |
|---|--------|------|
| Approved by   | Title  | Date |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | Office |      |

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

## GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

## SPECIFIC INSTRUCTIONS

*Item 4* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

*Item 13*: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

## NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Form 3160-5<sup>2</sup>  
(June 2019)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2021

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No. NMNM04421

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

Oil Well     Gas Well     Other

2. Name of Operator Trigg Oil and Gas

3a. Address PO BOX 520 Roswell NM 88202

3b. Phone No. (include area code)  
(505) 983-3272

7. If Unit of CA/Agreement, Name and/or No.  
NE Square Lake Unit

8. Well Name and No. NE SQ LAKE Prem 22

9. API Well No. 30-015-04844

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1980' FNL 990' FEL Section 10 T16S-R31E

10. Field and Pool or Exploratory Area  
NE Square Lake

11. Country or Parish, State  
Eddy, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |  |  |   |
|--|---|--|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen                      | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Hydraulic Fracturing        | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction            | <input type="checkbox"/> Recomplete                | <input type="checkbox"/> Other          |
|  | <input type="checkbox"/> Change Plans         | <input checked="" type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |   |
|  | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back                   | <input type="checkbox"/> Water Disposal            |   |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Trigg Oil & Gas proposed to plug and abandon this well as follows:

Current Perforations: 3778'-3835' PBTD-3845'  
Remove tubing from hole  
Set CIBP @ 3763'  
Circulate P&A mud from 3763' to surface  
25 sx cement plug 3663'-3763' (TAG)  
Perforate @ 2056', 25sx cement plug 1950'-2050" (TAG)  
Perforate @ 1400', 35sx cement plug 775'-1400' (TAG)  
Perforate @ 100', 25sx cement plug 100'-SURFACE  
Install Dry Hole Marker

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

*140' min.*  
*3103, 502 cm to 1983.*  
*1150, 502 cm to 755'*  
*Deep shots both 4 1/2" & 8 5/8"*

RECEIVED

*Gc 12/5/19*  
*Accepted for record - NMOCD*

DEC 03 2019

DISTRICT/ARTESIA/O.C.D.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

JJ McGlasson

Agent  
Title

Signature

Date

10/22/2019

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

*Jama R. ...*

Title

*SAET*

Date

*11-16-19*

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

*LHO*

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

*[Handwritten mark]*

North East Square Lake  
 Premier Unit 22  
 Field: North East Square Lake  
 Lease: NMNM04421  
 API #30-015-04844  
 10-16S-31E, Eddy County, NM  
 1980' FNL & 990' FEL  
 Tripp Oil & Gas

Wellbore Status as of : 10/21/19

Spud: 10/11/1961  
 TD: 10/19/1961 3871'  
 PBTD: 3/4/1962 3845'

# AFTER

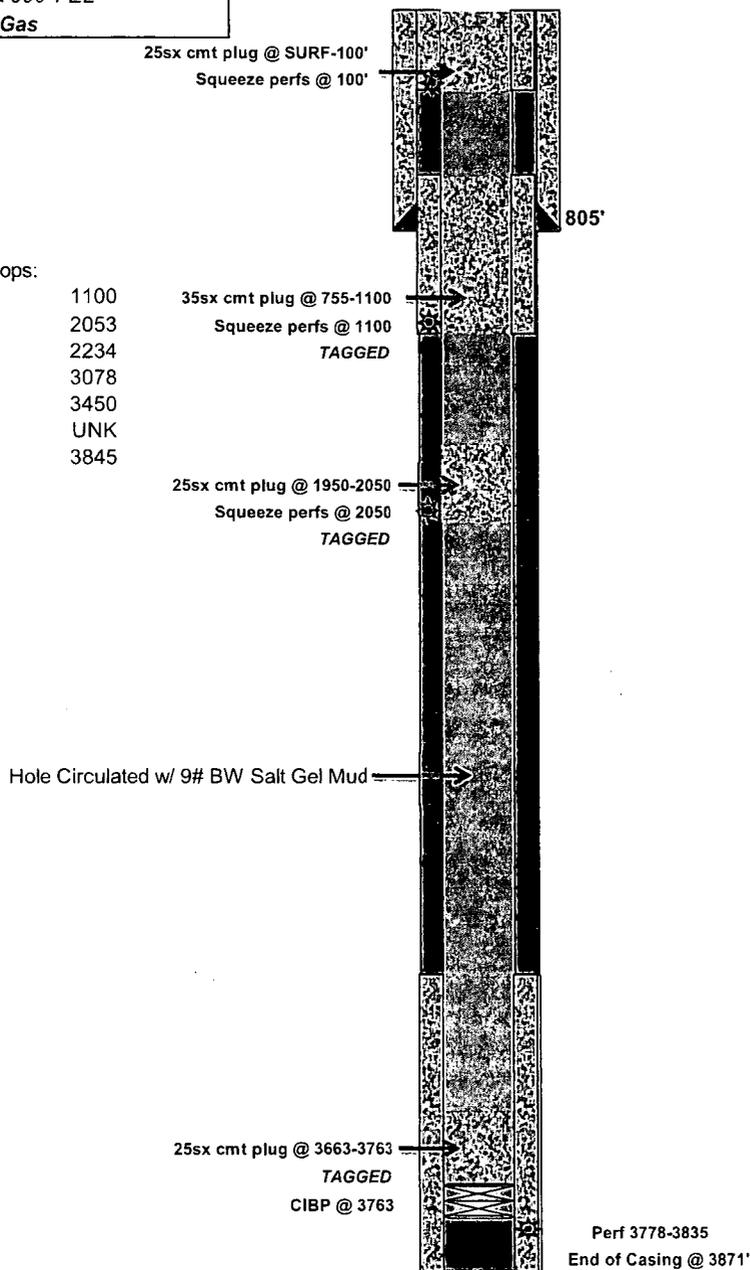
DRAWING NOT TO SCALE.

|                           |
|---------------------------|
| <b>Surface Casing:</b>    |
| 805'                      |
| 8-5/8 24# J-55            |
| Cmtd w/ 100 sx            |
| TOC-Unknown               |
| <b>Production Casing:</b> |
| 3871'                     |
| 4-1/2", 11.6#, J-55       |
| Cmtd w/ 200 sx            |
| TOC-Unknown               |

Prepared by J McGlasson 10/21/19

Formation Tops:

|            |      |
|------------|------|
| Top Salt   | 1100 |
| Base Salt  | 2053 |
| Yates      | 2234 |
| Queen      | 3078 |
| Grayburg   | 3450 |
| Premier    | UNK  |
| San Andres | 3845 |



BUREAU OF LAND MANAGEMENT  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972

Permanent Abandonment of Federal Wells  
Conditions of Approval (LPC Habitat)

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

2. Notification: Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. Blowout Preventers: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. Mud Requirement: Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.

5. Cement Requirement: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. Below Ground Level Cap (Lesser Prairie-Chicken Habitat): All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10<sup>th</sup> day, the BLM is to be contacted with justification to receive an extension for completing the cut off. Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be covered with a metal plate at least ¼ inch thick and welded in place. A weep hole shall be left in the plate and/or casing.

NMOCD also requires the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a below ground cap was installed as required in the COA's from the BLM.

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.

8. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.

Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:

From March 1<sup>st</sup> through June 15<sup>th</sup> annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted

**State of New Mexico**  
**Energy, Minerals and Natural Resources Department**  
**Oil Conservation Division**  
**Standard Plugging Conditions**



This document provides OCD's general plugging conditions of approval. It should be noted that the list below may not cover special plugging programs in unique and unusual cases, and OCD expressly reserves the right to impose additional requirements to the extent dictated by project conditions. The OCD also reserves the right to approve deviations from the below conditions if field conditions warrant a change. A C-103F NOI to P&A must be approved prior to plugging operations. Failure to comply with the conditions attached to a plugging approval may result in a violation of 19.15.5.11 NMAC, which may result in enforcement actions, including but not limited to penalties and a requirement that the well be re-plugged as necessary.

1. Notify OCD office at least 24 hours before beginning work and seek prior approval to implementing any changes to the C-103 NOI to PA.
  - North Contact, Monica Kuehling, 505-320-0243, [monica.kuehling@emnrd.nm.gov](mailto:monica.kuehling@emnrd.nm.gov)
  - South Contact, Gilbert Cordero, 575-626-0830, [gilbert.cordero@emnrd.nm.gov](mailto:gilbert.cordero@emnrd.nm.gov)
2. A Cement Bond Log is required to ensure strata isolation of producing formations, protection of water and correlative rights. A CBL must be run or be on file that can be used to properly evaluate the cement behind the casing.

Note: Logs must be submitted to OCD via OCD permitting. A copy of the log may be emailed to OCD inspector for faster review times, but emailing does not relieve the operators obligation to submit through OCD permitting.

3. Once Plugging operations have commenced, the rig must not rig down until the well is fully plugged without OCD approval. If gap in plugging operations exceeds 30 days, the Operator must file a subsequent sundry of work performed and revised NOI for approval on work remaining. At no time shall the rig be removed from location if it will result in waste or contamination of fresh water.
4. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.
5. Fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
  - North, water or mud laden fluids
  - South, mud laden fluids
6. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to an OCD permitted disposal facility.

7. Class of cement shall be used in accordance with the below table for depth allowed.

| Class          | TVD Lower Limit (feet) |
|----------------|------------------------|
| Class A/B      | 6,000                  |
| Class I/II     | 6,000                  |
| Class C or III | 6,000                  |
| Class G and H  | 8,000                  |
| Class D        | 10,000                 |
| Class E        | 14,000                 |
| Class F        | 16,000                 |

8. After cutting the well head any “top off cement jobs” must remain static for 30 minutes. Any gas bubbles or flow during this 30 minutes shall be reported to the OCD for approval of next steps.
9. Trucking companies being used to haul oilfield waste fluids (Commercial or Private) to a disposal facility shall have an approved OCD C-133 permit.
- A copy of this permit shall be available in each truck used to haul waste products.
  - It is the responsibility of the Operator and Contractor to verify that this permit is in place prior to performing work.
  - Drivers shall be able to produce a copy upon request of an OCD Compliance Officer.
10. Filing a [C-103] Sub. Plugging (C-103P) will serve as notification that the well has been plugged.
11. A [C-103] Sub. Release After P&A (C-103Q) shall be filed no later than a year after plugging and a site inspection by OCD Compliance officer to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to meet OCD standards before bonding can be released.
12. Produced water or brine-based fluids **may not** be used during any part of plugging operations without **prior OCD approval**.
13. Cementing;
- All cement plugs will be neat cement and a minimum of 100’ in length. 50’ of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
  - If cement does not exist between or behind the casing strings at recommended formation depths, the casing perforations will be shot at 50’ below the formation top and the cement retainer shall be set no more than 50’ from the perforations.
  - WOC (Wait on Cement) time will be:
    - 4 hours for accelerated (calcium chloride) cement.
    - 6 hours on regular cement.
  - Operator must tag all cement plugs unless it meets the below condition.
    - The operator has a passing pressure test for the casing annulus and the plug is only an inside plug.
  - If perforations are made operator must tag all plugs using the work string to tag unless given approval to tag with wireline by the correct contact from COA #1 of this document.
    - This includes plugs pumped underneath a cement retainer to ensure retainer seats properly after cement is pumped.
  - Cement can only be bull-headed with specific prior approval.
  - Squeeze pressures are not to exceed the exposed formations frac gradient or the burst pressure of the casing.

14. A cement plug is required to be set from 50' below to 50' above (straddling) formation tops, casing shoes, casing stubs, any attempted casing cut offs, anywhere the casing is perforated, DV tools.
- Perforation/Formation top plug. (When there is less than 100ft between the top perforation to the formation top.) These plugs are required to be started no greater than 50ft from the top perforation. However, the plug should be set below the formation top or as close to the formation top as possible for the maximum isolation between the formations. The plug is required to be a 100ft cement plug plus excess.
  - Perforation Plug when a formation top is not included. These plugs are required to be started within 50ft of the top perforation. The plug is required to be a 100ft cement plug plus excess.
  - Cement caps on top of bridge plugs or cement retainers for perforation plugs, that are not straddling a formation top, may be set using a bailer with a minimum of 35' of cement in lieu of the 100' plug. The bridge plug or retainer must be set within 50ft of the perforations.
  - Perforations are required below the surface casing shoe if cement does not exist behind the casing, a 30-minute minimum wait time will be required immediately after perforating to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. If gas is detected contact the OCD office for directions.
15. No more than 3000 feet is allowed between cement plugs in cased hole and no more than 2000 feet is allowed in open hole.
16. Formation Tops to be isolated with cement plugs, but not limited to are:
- Northwest See Figure A
  - South (Artesia) See Figure B
  - Potash See Figure C
    - In the R-111-P (Or as subsequently revised) Area a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, woe 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.
  - South (Hobbs) See Figure D1 and D2
  - Areas not provided above will need to be reviewed with the OCD on a case by case basis.
17. Markers
- Dry hole marker requirements 19.15.25.10.  
The operator shall mark the exact location of plugged and abandoned wells with a steel marker not less than four inches in diameter set in cement and extending at least four feet above mean ground level. The marker must include the below information:
    1. Operator name
    2. Lease name and well number
    3. API number
    4. Unit letter
    5. Section, Township and Range

- AGRICULTURE (Below grade markers)  
In Agricultural areas a request can be made for a below ground marker. For a below ground marker the operator must file their request on a C-103 notice of intent, and it must include the following;
  - A) Aerial photo showing the agricultural area
  - B) Request from the landowner for the below ground marker.
  - C) Subsequent plugging report for a well using a below ground marker must have an updated C-102 signed by a certified surveyor for SHL.

Note: A below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to OCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to OCD. OCD requires a current survey to verify the location of the below ground marker, however OCD will accept a GPS coordinate that were taken with a GPS that has an accuracy of within 15 feet.

18. If work has not commenced within 1 year of the approval of this procedure, the approval is automatically expired. After 1 year a new [C-103] NOI Plugging (C-103F) must be submitted and approved prior to work.

Figure A

North Formations to be isolated with cement plugs are:

- San Jose
- Nacimiento
- Ojo Alamo
- Kirtland
- Fruitland
- Picture Cliffs
- Chacra (if below the Chacra Line)
- Mesa Verde Group
- Mancos
- Gallup
- Basin Dakota (plugged at the top of the Graneros)
- Deeper formations will be reviewed on a case-by-case basis

Figure B

South (Artesia) Formations to be isolated with cement plugs are:

- Fusselman
- Montoya
- Devonian
- Morrow
- Strawn
- Atoka
- Permo-Penn
- Wolfcamp
- Bone Springs
- Delaware , in certain areas where the Delaware is subdivided into;
  - 1. Bell Canyon
  - 2. Cherry Canyon
  - 3. Brushy Canyon
- Any salt sections
- Abo
- Yeso
- Glorieta
- San Andres
- Greyburg
- Queen
- Yates

Figure C

Potash Area R-111-P

T 18S – R 30E

Sec 10 Unit P. Sec 11 Unit M,N. Sec 13 Unit L,M,N. Sec 14 Unit C -P. Sec 15 Unit A G,H,I,J,K,N,O,P. Sec 22 Unit All except for M. Sec 23, Sec 24 Unit C,D,E,L, Sec 26 Unit A-G, Sec 27 Unit A,B,C

T 19S – R 29E

Sec 11 Unit P. Sec 12 Unit H-P. Sec 13. Sec 14 Unit A,B,F-P. Sec 15 Unit P. Sec 22 Unit A,B,C,F,G,H,I,J K,N,O,P. Sec 23. Sec 24. Sec 25 Unit D. Sec 26 Unit A- F. Sec 27 Unit A,B,C,F,G,H.

T 19S – R 30E

Sec 2 Unit K,L,M,N. Sec 3 Unit I,L,M,N,O,P. Sec 4 Unit C,D,E,F,G,I-P. Sec 5 Unit A,B,C,E-P. Sec 6 Unit I,O,P. Sec 7 – Sec 10. Sec 11 Unit D, G—P. Sec 12 Unit A,B,E-P. Sec 13 Unit A-O. Sec 14-Sec 18. Sec 19 Unit A-L, P. Sec 20 – Sec 23. Sec 24 Unit C,D,E,F,L,M,N. Sec 25 Unit D. Sec 26 Unit A-G, I-P. Sec 27, Sec 28, Sec 29 Unit A,B,C,D,F,G,H,I,J,O,P. Sec 32 Unit A,B,G,H,I,J,N,O,P. Sec 33. Sec 34. Sec 35. Sec 36 Unit D,E,F,I-P.

T 19S – R 31E

Sec 7 Unit C,D,E,F,L. Sec 18 Unit C,D,E,F,G,K,L. Sec 31 Unit M. Sec 34 Unit P. Sec 35 Unit M,N,O. Sec 36 Unit O,P.

T 20S – R 29E

Sec 1 Unit H,I,P. Sec 13 Unit E,L,M,N. Sec 14 Unit B-P. Sec 15 Unit A,H,I,J,N,O,P. Sec 22 Unit A,B,C,F,G,H,I,J,O,P. Sec 23. Sec 24 Unit C,D,E,F,G,J-P. Sec 25 Unit A-O. Sec 26. Sec 27 Unit A,B,G,H,I,J,O,P. Sec 34 Unit A,B,G,H. Sec 35 Unit A-H. Sec 36 Unit B-G.

T 20S – R 30E

Sec 1 – Sec 4. Sec 5 Unit A,B,C,E-P. Sec 6 Unit E,G-P. Sec 7 Unit A-H,I,J,O,P. Sec 8 – 17. Sec 18 Unit A,B,G,H,I,J,O,P. Sec 19 Unit A,B,G,H,I,J,O,P. Sec 20 – 29. Sec 30 Unit A-L,N,O,P. Sec 31 Unit A,B,G,H,I,P. Sec 32 – Sec 36.

T 20S – R 31E

Sec 1 Unit A,B,C,E-P. Sec 2. Sec 3 Unit A,B,G,H,I,J,O,P. Sec 6 Unit D,E,F,J-P. Sec 7. Sec 8 Unit E-P. Sec 9 Unit E,F,J-P. Sec 10 Unit A,B,G-P. Sec 11 – Sec 36.

T 21S – R 29E

Sec 1 – Sec 3. Sec 4 Unit L1 – L16,I,J,K,O,P. Sec 5 Unit L1. Sec 10 Unit A,B,H,P. Sec 11 – Sec 14. Sec 15 Unit A,H,I. Sec 23 Unit A,B. Sec 24 Unit A,B,C,D,F,G,H,I,J,O,P. Sec 25 Unit A,O,P. Sec 35 Unit G,H,I,J,K,N,O,P. Sec 36 A,B,C,F – P.

T 21S – R 30E

Sec 1 – Sec 36

T 21S – R 31E

Sec 1 – Sec 36

T 22S – R 28E

Sec 36 Unit A,H,I,P.

T 22S – R 29E

Sec 1. Sec2. Sec 3 Unit I,J,N,O,P. Sec 9 Unit G – P. Sec 10 – Sec 16. Sec 19 Unit H,I,J. Sec 20 – Sec 28. Sec 29 Unit

A,B,C,D,G,H,I,J,O,P. Sec 30 Unit A. Section 31 Unit C – P. Sec 32 – Sec 36

T 22S – R 30E

Sec 1 – Sec 36

T 22S – R 31E

Sec 1 – Sec 11. Sec 12 Unit B,C,D,E,F,L. Sec 13 Unit E,F,K,L,M,N. Sec 14 – Sec 23. Sec 24 Unit C,D,E,F,K,L,M,N. Sec 25

Unit A,B,C,D. Sec 26 Unit A,BC,D,G,H. Sec 27 – Sec 34.

T 23S – R 28E

Sec 1 Unit A

T 23S – R 29E

Sec 1 – Sec 5. Sec 6 Unit A – I, N,O,P. Sec 7 Unit A,B,C,G,H,I,P. Sec 8 Unit A – L, N,O,P. Sec 9 – Sec 16. Sec 17 Unit

A,B,G,H,I,P. Sec 21 – Sec 23. Sec 24 Unit A – N. Sec 25 Unit D,E,L. Sec 26. Sec 27. Sec 28 Unit A – J, N,O,P. Sec 33

Unit A,B,C. Sec 34 Unit A,B,C,D,F,G,H. Sec 35. Sec 36 Unit B,C,D,E,F,G,K,L.

T 23S – R 30E

Sec 1 – Sec 18. Sec 19 Unit A – I,N,O,P. Sec 20, Sec 21. Sec 22 Unit A – N, P. Sec 23, Sec 24, Sec 25. Sec 26 Unit

A,B,F-P. Sec 27 Unit C,D,E,I,N,O,P. Sec 28 Unit A – H, K,L,M,N. Sec 29 Unit A – J, O,P. Sec 30 Unit A,B. Sec 32 A,B. Sec

33 Unit C,D,H,I,O,P. Sec 34, Sec 35, Sec 36.

T 23S – R 31E

Sec 2 Unit D,E,J,O. Sec 3 – Sec 7. Sec 8 Unit A – G, K – N. Sec 9 Unit A,B,C,D. Sec 10 Unit D,P. Sec 11 Unit G,H,I,J,M,N,O,P. Sec 12 Unit E,L,K,M,N. Sec 13 Unit C,D,E,F,G,J,K,L,M,N,O. Sec 14. Sec 15 Unit A,B,E – P. Sec 16 Unit

I, K – P. Sec 17 Unit B,C,D,E, I – P. Sec 18 – Sec 23. Sec 24 Unit B – G, K,L,M,N. Sec 25 Unit B – G, J,K,L. Sec 26 – Sec

34. Sec 35 Unit C,D,E.

T 24S – R 29E

Sec 2 Unit A, B, C, D. Sec 3 Unit A

T 24S – R 30E

Sec 1 Unit A – H, J – N. Sec 2, Sec 3. Sec 4 Unit A,B,F – K, M,N,O,P. Sec 9 Unit A – L. Sec 10 Unit A – L, O,P. Sec 11.

Sec 12 Unit D,E,L. Sec 14 Unit B – G. Sec 15 Unit A,B,G,H.

T 24S – R 31E

Sec 3 Unit B – G, J – O. Sec 4. Sec 5 Unit A – L, P. Sec 6 Unit A – L. Sec 9 Unit A – J, O, P. Sec 10 Unit B – G, K – N. Sec

35 Unit E – P. Sec 36 Unit E, K, L, M, N.

T 25S – R 31E

Sec 1 Unit C, D, E, F. Sec 2 Unit A – H.

Figure D1 and D2

South (Hobbs) Formations to be isolated with cement plugs are:

The plugging requirements in the Hobbs Area are based on the well location within specific areas of the Area (See Figure D1). The Formations in the Hobbs Area to be isolated with cement plugs are (see Figure D2)

Figure D1 Map

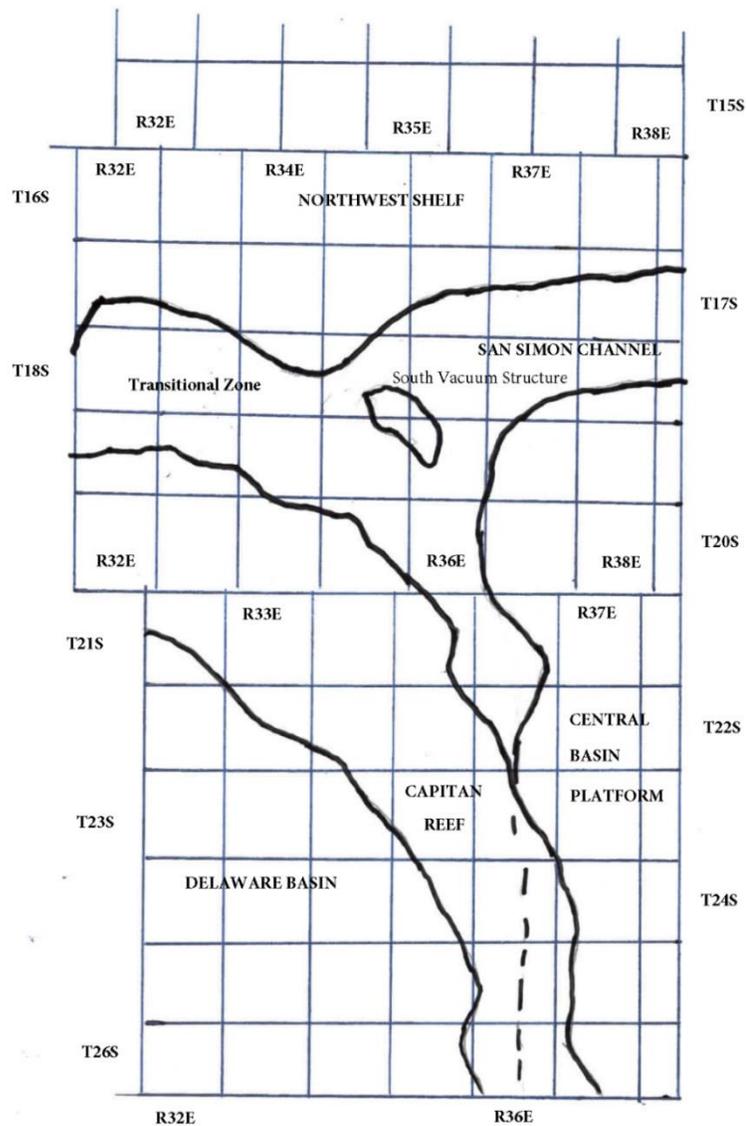


Figure D2 Formation Table

| 100' Plug to isolate upper and lower fresh water zones (typically 2.50' to 350') |                      |                     |                   |                        |   |   |
|--|----------------------|---------------------|-------------------|------------------------|---|---|
| Northwest Shelf  | Captan Reef Area     | Transition Zone     | San Simon Channel | South Upland Structure | Delaware Basin                                    | Central Basin Platform  |
| Granitic (Detrital basement material and fractured pre-Cambrian basement rock)   | Siluro-Devonian      | Morrow              | Siluro-Devonian   | Ellenburger            | Siluro-Devonian                                   | Granitic (Detrital basement material, fractured pre-Cambrian basement rock and fracture Mafic Volcanic intrusives). |
| Montoya  | Mississippian        | Atoka               | Morrow            | Mckee                  | Morrow  | Ellenburger   |
| Fusselman  | Morrow               | Strawn              | Wolfcamp          | Siluro-Devonian        | Atoka   | Connell   |
| Woodford   | Atoka                | Cisco               | Abo Reef          | Woodford               | Strawn  | Waddell   |
| Siluro-Devonian  | Strawn               | Pennsylvanian       | Bone Spring       | Mississippian          | Pennsylvanian                                     | Mckee   |
| Chester  | Pennsylvanian        | Wolfcamp            | Delaware          | Barnett Shale          | Lower Wolfcamp                                    | Simpson Group   |
| Austin   | Wolfcamp             | Bone Spring         | San Andres        | Morrow                 | Upper Wolfcamp                                    | Montoya   |
| Mississippian  | Abo Reef, if present | Delaware            | Queen             | Atoka                  | Wolfcamp  | Fusselman   |
| Morrow   | Abo, if present      | San Andres          | Yates             | Strawn                 | Third Bone Spring Sand (Top of Wolfbone)          | Silurian  |
| Atoka  | Queen, if present    | Grayburg-San Andres | Base of Salt      | Canyon                 | First Bone Spring Sand (Top of Lower Bone Spring) | Devonian  |
| Lower Pennsylvanian  | Bone Spring          | Queen               | Rustler           | Pennsylvanian          | Bone Spring                                       | Strawn  |
| Cisco-Canyon   | Delaware             | Seven Rivers        |                   | Blinbry                | Brushy Canyon                                     | Pennsylvanian   |
| Pennsylvanian  | Base Capitan Reef    | Yates               |                   | Bone Spring            | Delaware (Base of Salt)                           | Wolfcamp  |
| Bough  | Seven Rivers         | Base of Salt        |                   | San Andres             | Rustler   | Abo   |
| Wolfcamp   | Yates                | Rustler             |                   | Queen                  |   | Abo Reef  |
| Abo  | Top Capitan Reef     |                     |                   | Base of Salt           |   | Drinkard  |
| Abo Reef, if present   | Base of Salt         |                     |                   | Rustler                |   | Tubb  |
| Yeso (Township 15 South to Township 17 South)                                    | Rustler              |                     |                   |                        |   | Blinbry   |
| Drinkard or Lower Yeso (Township 15 South to Township 17 South)                  |                      |                     |                   |                        |   | Paddock   |
| Tubb (Township 15 South to Township 17 South)                                    |                      |                     |                   |                        |   | Glorieta  |
| Blinbry (Township 15 South to Township 17 South)                                 |                      |                     |                   |                        |   | San Andres  |
| Paddock (Township 15 South to Township 17 South)                                 |                      |                     |                   |                        |   | Grayburg  |
| Glorieta   |                      |                     |                   |                        |   | Grayburg-San Andres   |
| San Andres   |                      |                     |                   |                        |   | Queen   |
| Queen (Township 15 South to Township 17 South)                                   |                      |                     |                   |                        |   | Seven Rivers  |
| Seven Rivers (Township 15 South to Township 17 South)                            |                      |                     |                   |                        |   | Yates   |
| Yates (Township 15 South to Township 17 South)                                   |                      |                     |                   |                        |   | Base of Salt  |
| Base of Salt   |                      |                     |                   |                        |   | Rustler   |
| Rustler  |                      |                     |                   |                        |   |   |

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

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/oecd/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 442671

**CONDITIONS**

|   |   |
|---|---|
| Operator:<br>CANYON E & P COMPANY<br>251 O'Connor Ridge Blvd.<br>Irving, TX 75038 | OGRID:<br>269864                                    |
|   | Action Number:<br>442671                            |
|   | Action Type:<br>[C-103] NOI Plug & Abandon (C-103F) |

**CONDITIONS**

| Created By  | Condition  | Condition Date |
|-------------|--|----------------|
| loren.diede | Notify the OCD inspection supervisor via email 24 hours prior to beginning Plug & Abandon (P&A) operations.  | 3/20/2025      |
| loren.diede | A CBL is to be run after setting the CIBP @ 3763'. Submit CBL tif file to NMOCD for upload into the Well Log File.   | 3/20/2025      |
| loren.diede | Please note: Plug depth revisions as noted by NMOCD on conditional approval dated 12-5-2019.   | 3/20/2025      |
| loren.diede | In addition to the NMOCD revised plug depths dated 12-5-2019; Add cement plugs as follows: Greyberg formation top, perf at 3500', squeeze cement to 3400', Queen formation top, perf at 3128', squeeze cement to 3028', Yates formation top, perf at 2284', squeeze cement to 2184'. | 3/20/2025      |
| loren.diede | This well is within the LPCH restricted area and a below ground P&A marker will be required. Submit photo and GPS coordinates of the P&A marker with the P&A subsequent report.  | 3/20/2025      |
| loren.diede | Follow the BLM LPCH area restricted operating hours from March 1st to June 15th. On-site operations are not allowed from 03:00 to 09:00 daily.   | 3/20/2025      |