

Phone: (505) 476-3441
General Information
Phone: (505) 629-6116

State of New Mexico
Energy, Minerals and Natural Resources

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

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

WELL API NO. 30-015-44600
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> X
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Cottonwood Fee SWD
8. Well Number 001
9. OGRID Number 330291
10. Pool name or Wildcat SWD; Devonian-Silurian 97869
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,483' GR

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.)

1. Type of Well: Oil Well Gas Well Other: SWD

2. Name of Operator
DKL Energy – Cottonwood, LLC

3. Address of Operator
5850 Granite Parkway, Suite 450 Plano, Texas 75024

4. Well Location
Unit Letter O : 330' feet from the South line and 1662' feet from the East line
Section 19 Township 26 South Range 26 East NMPM Eddy County

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input 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.

The Cottonwood Fee SWD No. 1 failed an MIT test on 8/20/2024. Corrective action was required by 11/18/2024. This deadline was subsequently extended by OCD until 5/1/2025.

DKL respectfully requests authorization to conduct remedial operations on the subject produced water disposal well as follows: MIRU and determine if mechanical integrity issue is tubing/packer or casing leak. If tubing/packer issue, replace tubing or packer as necessary. Conduct MIT to confirm mechanical integrity. If casing leak is determined, determine location of casing leak and perform remedial squeeze cement operations (A more detailed procedure will be provided to the Division prior to conducting remedial cement operations).

Due to supply chain issues, a specific date for commencement of work has not been determined, however work on the well will commence prior to the 5/1/2025 deadline. OCD will be notified 24 hours in advance of well work operations, and any subsequent mechanical integrity testing.

Spud Date:

Rig Release Date:

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

SIGNATURE David Catanach TITLE Agent for DKL Energy – Cottonwood LLC DATE: 3/10/25

Type or print name David Catanach E-mail address: catanach_david@comcast.net PHONE: (505) 690-9453

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

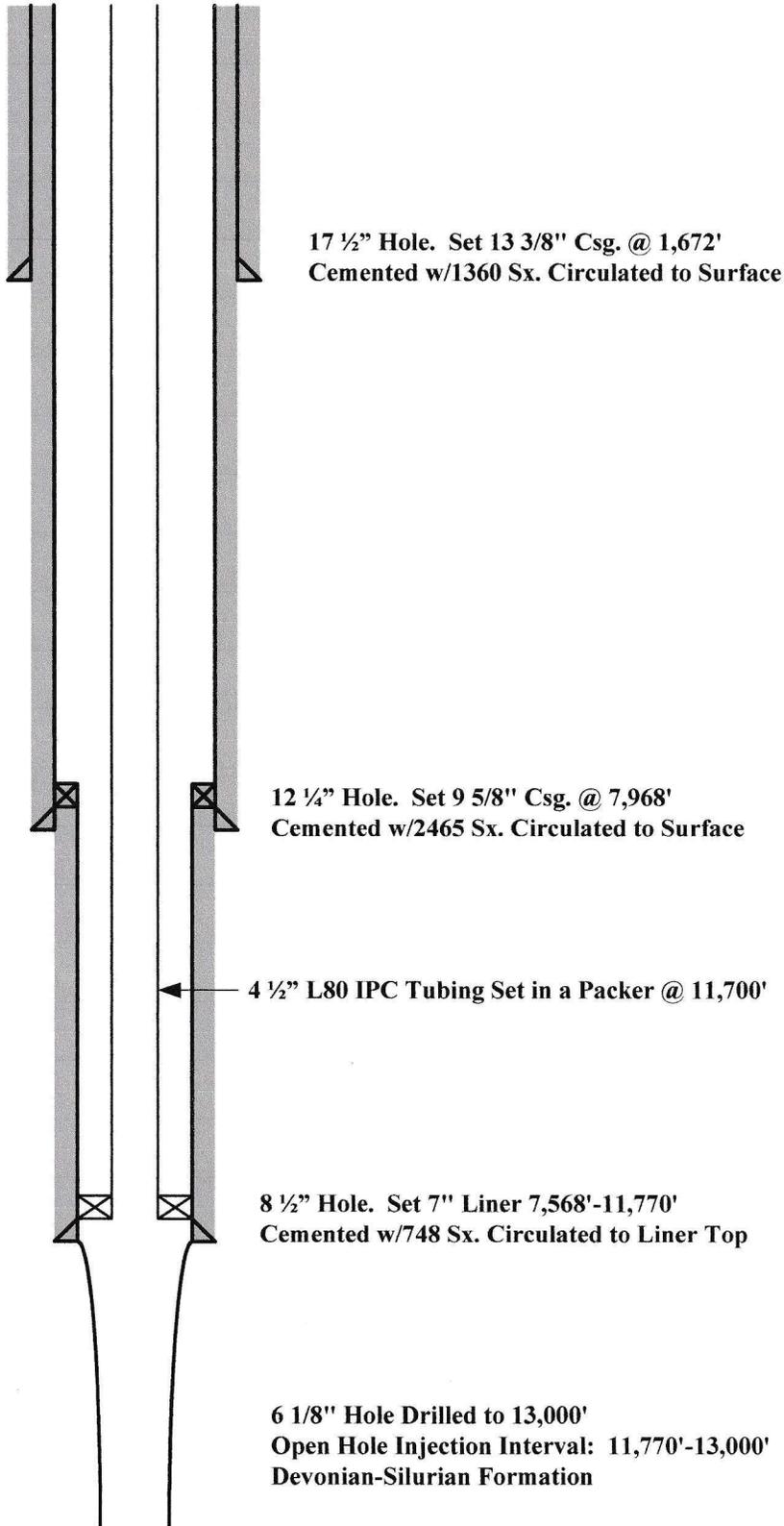
Workover Procedure:

Cottonwood Fee SWD No. 1
API No. 30-015-44600
330' FSL & 1662' FEL (Unit O) Section 19-26S-26E
Eddy County, New Mexico

It is anticipated that the MIT failure of the subject Cottonwood Fee SWD No. 1 is a result of tubing failure caused by corrosion.

Notify OCD 24 hours in advance of moving on well. MIRU and test well to determine if MIT failure is a result of a tubing/packer leak or casing leak. Pull and inspect tubing and packer. Replace bad tubing joints, or if necessary, replace entire string of 4 ½" L-80 IPC tubing (11,700'). If casing leak is found, perform remedial cement squeeze operations (Amended procedure will be provided to OCD)
Set tubing in a packer @11,700'. Notify OCD 24 hours in advance of conducting MIT.

Current Wellbore Schematic
Cottonwood Fee SWD No. 1
API No. 30-015-44600
330' FSL & 1662' FEL (O) Section 19-26S-26E
Attachment to C-103G



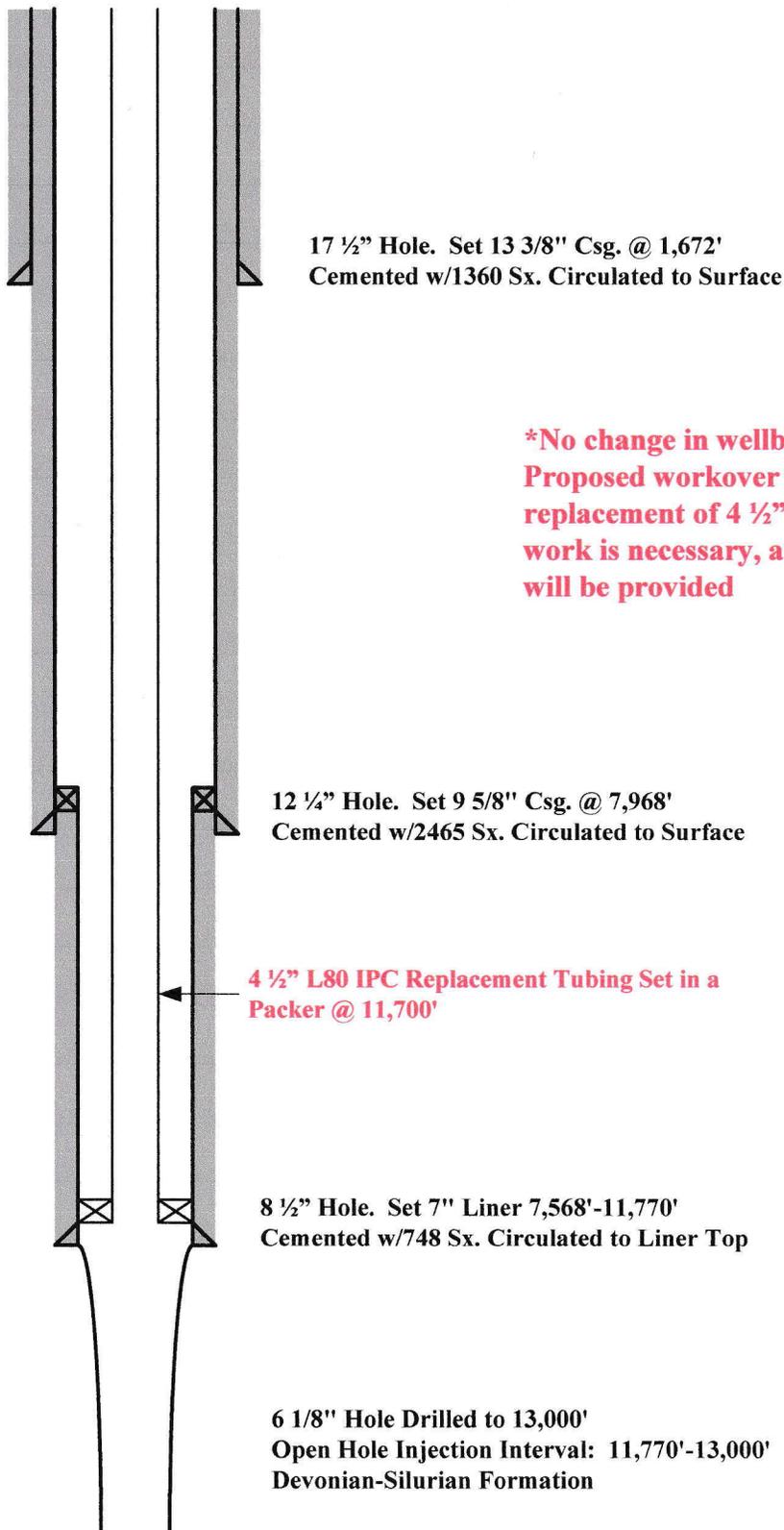
Proposed Wellbore Schematic*

Cottonwood Fee SWD No. 1

API No. 30-015-44600

330' FSL & 1662' FEL (O) Section 19-26S-26E

Attachment to C-103G



***No change in wellbore schematic is anticipated. Proposed workover will likely be limited to replacement of 4 1/2" tubing. If additional well work is necessary, amended wellbore schematics will be provided**

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CONDITIONS

Action 440976

CONDITIONS

Operator: DKL Energy - Cottonwood, LLC 5850 Granite Parkway #450 Plano, TX 75024	OGRID: 330291
	Action Number: 440976
	Action Type: [C-103] NOI Workover (C-103G)

CONDITIONS

Created By	Condition	Condition Date
anthony.harris	1. Submit subsequent report to document results of post workover MIT and include pressure test chart. 2. Submit subsequent report with updated wellbore diagram at completion of workover operations	3/27/2025