

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

EMNRD-OCD ARTESIA
REC'D: 6/19/2020 Form C-103
Revised July 18, 2013

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.)		WELL APINO. 30-015-26168
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Vernon E. Faulconer, Inc.		6. State Oil & Gas Lease No. 300626
3. Address of Operator P.O. Box 7995 Tyler, TX 75711-7995		7. Lease Name or Unit Agreement Name Mosley Canyon "5" State Com
4. Well Location Unit Letter N : 660 feet from the South line and 1980 feet from the West line Section 5 Township 24S Range 25E NMPM County Eddy		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3846.4' GL		9. OGRID Number 148394
		10. Pool name or Wildcat Mosley Canyon; Strawn (Gas)

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
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.

See attached P&A Procedure, proposed P&A wellbore diagram and Current wellbore diagram.

Notify OCD 24 hrs. prior to any work done

SEE CHANGES TO PROCEDURE

Spud Date:

Rig Release Date:

****SEE ATTACHED COA's****

MUST BE PLUGGED BY 6/23/2021

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

SIGNATURE



TITLE Senior Operations Engineer

DATE 18 JUN 2020

Type or print name Neal Mares

E-mail address: nmares@vefinc.com

PHONE: 903-581-4382

For State Use Only

APPROVED BY:



TITLE

Staff Manager

DATE 6/23/2020

Conditions of Approval (if any):

P&A Procedure for the Mosley Canyon State Com 5 #1

1. Kill well with 9.0ppg mud
2. MIRU rig. ND prod tree & NU BOP's. 3B. Spot 25 sx cmt on CIBP @ 9680' - WOC & Tag
3. Release Baker model R packer & POOH w/ tbg & packer BHA
4. RU e-line & RIH w/ CIBP & set CIBP @ 9430'. 9460'
5. RIH w/ tbg to 9430' and circ wellbore w/ 9.0ppg mud.
6. Spot 25sxs 190' of Class H cmt on top of CIBP w/ TOC @ 9340' WOC & Tag
7. PU tbg to 8714' and spot balanced 25sxs 190' Class H cement plug at 8714'-8524' 8400' - 8210'
8. PU tbg to 5250' and Ru e-line. RIH w/ perf gun & perf csg @ 5350'. POOH w/ e-line & spent perf gun RD e-line.
9. RIH w/ tbg to 5350'. Cmt sqz/spot balanced 48sxs 150' Class H cement plug at 5350'-5200'. POOH w/ tbg. WOC & Tag
10. RU e-line & RIH w/ jet cutter & cut 5-1/2" casing at 2655'. POOH w/ e-line & spent jet cutter. RD e-line.
11. POOH w/ cut 5-1/2" casing.
12. RIH w/ tbg to 2655' and spot balanced 130' 45sxs class H cement plug at 2655'-2525'. 2705'-2575'
PU tbg to 2000'. WOC.
13. RIH w/ tbg to 2525' & tag cement. PU tbg to 1988'
14. Spot balanced 120' 42sxs class H cement plug at 1988'-1868'. PU tbg to 1600'. WOC.
15. RIH w/ tbg to 1868' & tag cement. PU tbg to 1620'
16. Spot balanced 120' 42sxs class H cement plug at 1620'-1500'. PU tbg to 1300'. WOC.
17. RIH w/ tbg to 1500' & tag cement. PU tbg to 1000'
18. Spot balanced 110' 38sxs class H cement plug at 1000'-890'. PU tbg to 700'. WOC.
19. RIH w/ tbg to 890' & tag cement. PU tbg to 450' Perf @ 450' & Attempt to circ cmt to surface
20. ~~Spot balanced 100'~~ 35sxs class H cement plug at 450'-350'. PU tbg to 200'. WOC.
21. RIH w/ tbg to 350' & tag cement. Perf at 100' & circ cmt to surf
22. PU tbg to 63' and spot balanced 60' 21sxs Class H balanced cement plug at 63'-3'.
23. Cut off wellhead/all casings 3' below ground level and weld a steel plate over all casings and erect a marker monument. Clear off and restore well location per New Mexico guidelines.

Class H cmt required Below 7500' - Class C cmt above 7500'

NOTE: All Class H cement will be 16.4ppg & all mud will be 9.0ppg mud



VERNON E. FAULCONER, INC. Downhole Schematic



WELL NAME: Mosley Canyon State Com 5 #1	FIELD: Mosley Canyon	API: 30-015-26168
LOCATION: 660' FSL & 1980' FWL of Sec. 5 T24S, R25E Eddy County, NM		
UNIT#: 8993	O&G Lease #: 300626	DATE: 18 JUN 20
SPUD: 13 DEC 89		
Prepared by: G. Kern		Revised by: N. P. Mares

GL Elev: 3846.4'
KB Elev: 3860.4'
DF Elev: 3859.4'
RKB: 14.0'

CURRENT WELLBORE

NOTE: All depths are RKB otherwise noted

Tubing Details: KB add-in: 14.0', 2-3/8" 4.7#, N-80 8rd EUE tbg*, SN @ 9445' (ID=1-25/32"); Baker Model R @ 9446"; EOT @ 9452"

* -No well setting reports were found in my review, This info is from State compltn rpts, and a prev wbd (GRK 1/25/17).

13-3/8", 61#, J-55 ST&C csg set @ 400', hole 17-1/2", cmt'd w/ 520sxs circ to surface

8-5/8", 28# J-55 ST&C csg set @ 2590', hole 12-1/4", cmt'd w/1290sxs cmt circ to surface

Annular Fluid: Originally 2% KCL based on previous WBD, but well is showing a casing leak

TOC (5-1/2" Csg): 8109' Calc

Baker Model R pkr set @ 9446', "Leaky" SV set @ 9445', BHS set @ 9443', plunger set @ 9441'; EOT @ 9452'

Strawn A Sand Perfs: (1/22/93) 9558'-72", 46" EHD, 10 holes, Acidized w/ 2000 gals 15% HCL, (1/28/90) Acid-Fracw/5000 gals gelled acid, 5000 gals gell FW

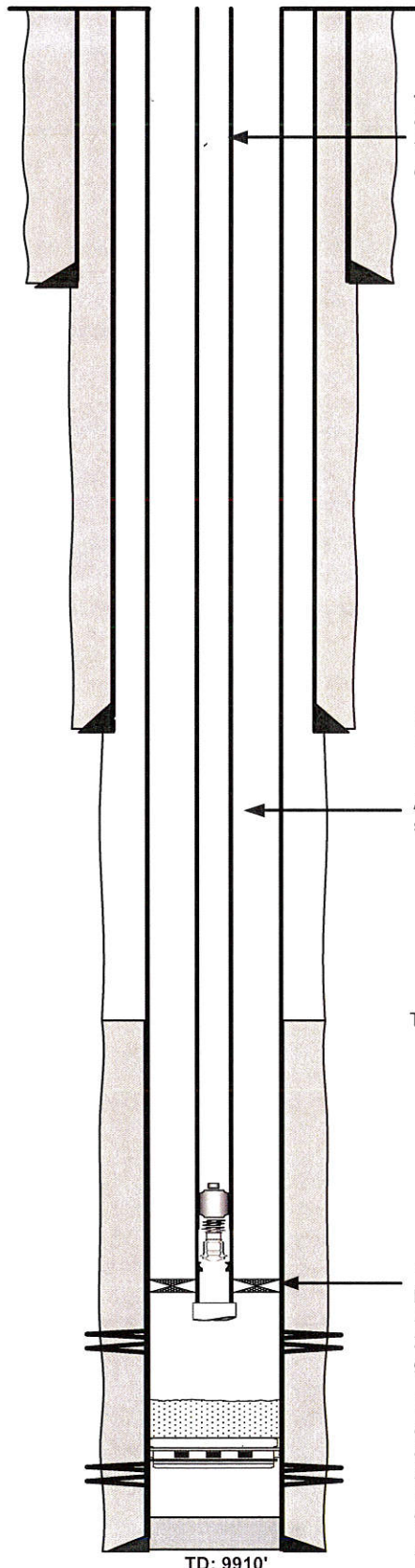
Last Tag (15 FEB 17)- SL bail to 9692', all perfs open. Rat hole of 120'

Current PBTD: 9680'(CIBP @ 9680') / No indication cement was set above CIBP

Strawn C perfs: (1/20/90) 9742'-47', 9795', 9797' (8 holes, .46") Acidize with 1500 gals HCL

Original PBTD: unknown

5-1/2", 17#, N-80, LTC @ 9910'; 7-7/8" hole, cmt'd w/ 300sxs



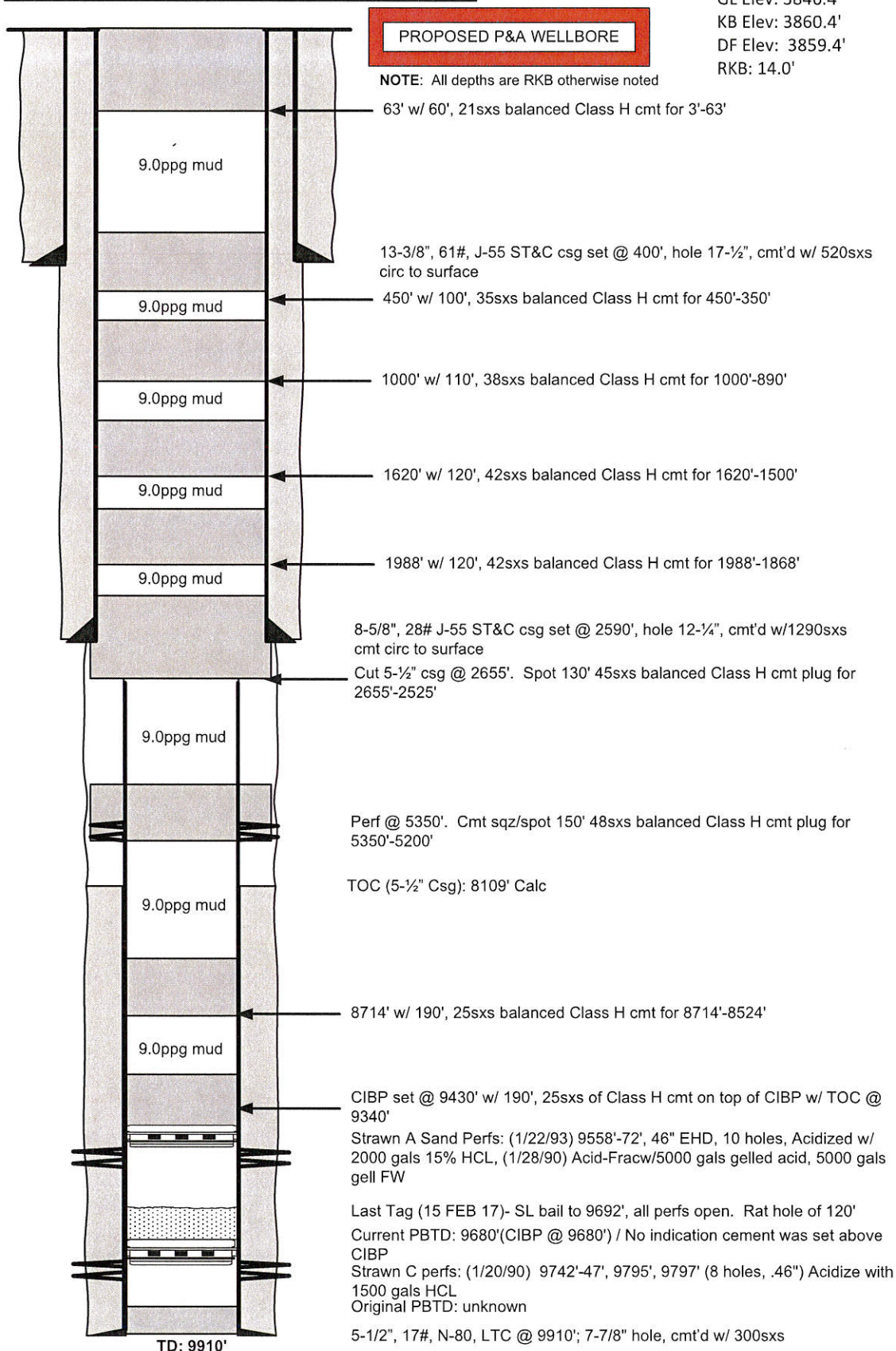


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CONDITIONS FOR PLUGGING AND ABANDONMENT

OCD - Southern District

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, **Notify NMOCD District Office II at (575)-748-1283 at least 24 hours before beginning work. After MIRU rig will remain on well until it is plugged to surface. OCD is to be notified before rig down. Company representative will be on location during plugging procedures.**

1. A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.
2. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.
3. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD 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 as well as the 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 NMOCD Field inspector.
4. Filing a subsequent C-103 will serve as notification that the well has been plugged.
5. A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can be released.
6. If work has not begun within 1 Year of the approval of this procedure, an extension request must be file stating the reason the well has not been plugged.
7. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.
8. Produced water **will not** be used during any part of the plugging operation.
9. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
10. All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
11. Class 'C' cement will be used above 7500 feet.
12. Class 'H' cement will be used below 7500 feet.
13. A cement plug is required to be set 50' above and 50' below, casing stubs, DV tools, attempted casing cut offs, cement tops outside casing, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged
14. All Casing Shoes Will Be Perforated 50' below shoe depth and Attempted to be Squeezed, cement needs to be 50' above and 50' Below Casing Shoe inside the Production Casing.

16. When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set
17. A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.
18. A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, (WOC 4 hrs and tag).
19. No more than 3000' is allowed between cement plugs in cased hole and 2000' in open hole.
20. Some of the Formations to be isolated with cement plugs are: These plugs to be set to isolate formation tops
 - A) Fusselman
 - B) Devonian
 - C) Morrow
 - D) Wolfcamp
 - E) Bone Springs
 - F) Delaware
 - G) Any salt sections
 - H) Abo
 - I) Glorieta
 - J) Yates.
 - K) **Potash---** (In the R-111-P Area (Potash Mine 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, WOC 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.
21. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, WOC and tagged. These plugs will be set 50' below formation bottom to 50' above formation top inside the casing

DRY HOLE MARKER REQUIREMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least ¼" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

1. Operator name 2. Lease and Well Number 3. API Number 4. Unit Letter 5. Quarter Section (feet from the North, South, East or West) 6. Section, Township and Range 7. Plugging Date 8. County (SPECIAL CASES)-----AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS

In these areas, 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 NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)

SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION