

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

Energy, Minerals and Natural Resources

ARTESIA DISTRICT

OIL CONSERVATION DIVISION

MAY 19 2017

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

WELL API NO.

30-015-26824

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Thomas AJJ Deep Com

8. Well Number

3

9. OGRID Number

025575

10. Pool name or Wildcat

Boyd; Morrow

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

2. Name of Operator

EOG Y Resources, Inc.

3. Address of Operator

104 South Fourth Street, Artesia, NM 88210

4. Well Location

Unit Letter J : 1980 feet from the South line and 1980 feet from the East lineSection 8 Township 19S Range 25E NMPM Eddy County

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

3546'GR

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.

EOG Y Resources, Inc. plans to plug and abandon this well as follows:

1. MIRU all safety equipment as needed. NU BOP. Make a GR/JB run to 8950'.

2. RIH with wireline to get a Gyro survey.

3. Set a 4-1/2" CIBP at 8924' and cap it with 25 sx Class "H" cement. This will place a plug over open Morrow perforations. WOC and tag, reset if necessary. **PERF @ 8230' - (CSG SHOE) + SQUEEZE - WOC & TAG**

4. Load hole with plugging mud. Spot an 80 sx Class "H" cement plug from 7347'-8280'. This will place a plug across casing shoe, liner top and Canyon top. WOC and tag, reset if necessary.

5. Load hole with plugging mud. Spot a 35 sx Class "C" cement plug from 5466'-5666'. This will place a plug across stage tool. WOC and tag, reset if necessary.

6. Load hole with plugging mud. Spot a 35 sx Class "C" cement plug from 4030'-4230'. This will place a plug across Abo top.

7. Load hole with plugging mud. Spot a 35 sx Class "C" cement plug from 1822'-2022'. This will place a plug across Glorieta top.

8. Load hole with plugging mud. Spot a 35 sx Class "C" cement plug from 926'-1126'. This will place a plug across casing shoe. WOC and tag, reset if necessary. **PERF & SQUEEZE**

9. Perforate at 200' and pressure up to 500 psi. Attempt to establish circulation. If circulation is established, spot a plug inside and outside casing from surface to 200'. If it pressures up, spot a 35 sx Class "C" cement plug from 200' up to surface.

10. Cut off wellhead and install dry hole marker. Clean location.

Wellbore schematics attached

Spud Date:

Rig Release Date:

WELL MUST BE PLUGGED BY 5/18/2018

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

SIGNATURE Tina Huerta TITLE Regulatory Specialist DATE May 16, 2017Type or print name Tina Huerta E-mail address: tina_huerta@eogresources.com PHONE: 575-748-4168

For State Use Only

APPROVED BY: Rabit 2 Bul TITLE COMPLIANCE OFFICER DATE 5/18/2017Conditions of Approval (if any): SEE ATTACHED CMA-SApproved for plugging of well bore only.
Liability under bond is retained pending receipt
of C-103 (Subsequent Report of Well Plugging)
which may be found at OCD Web Page under
Forms, www.oemr.state.nm.us/oed.

WELL NAME: Thomas AJJ Deep Com #3 **FIELD:** North Dagger Draw
LOCATION: 1980' FSL & 1980' FEL Sec 8-19S-25E Eddy County
GL: 3546' **ZERO:** **KB:** 3565'
SPUD DATE: 02-13-92 **COMPLETION DATE:** 03-03-92
COMMENTS: API No. 30-015-26824

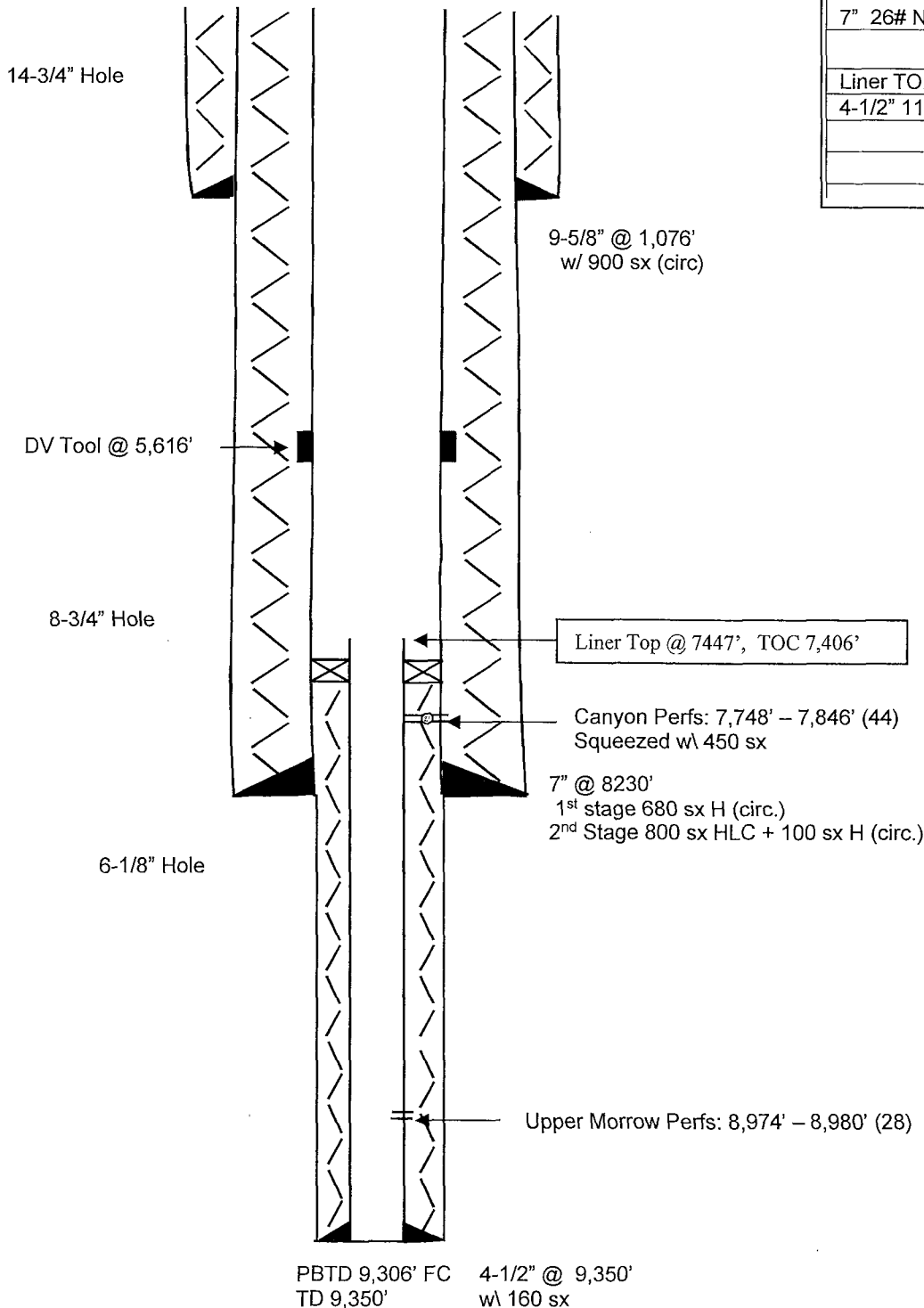
CASING PROGRAM

9-5/8" 36# J55		1,076'
7" 26# J55 LT&C	1277.76'	
7" 23# J55 LT&C	3675.13'	
7" 26# J55 LT&C	2676.93'	
7" 26# N80 LT&C	607.84'	8,230'
Liner TOP @ 7446.54'		
4-1/2" 11.6# P110	1,903.46'	9,350'

Before

TOPS

San Andres	548'
Glorieta	1,972'
Abo	4,180'
Wolfcamp	5,468'
Canyon	7,746'
Strawn	8,368'
Atoka	8,484'
Morrow	8,943'
Chester	9,196'

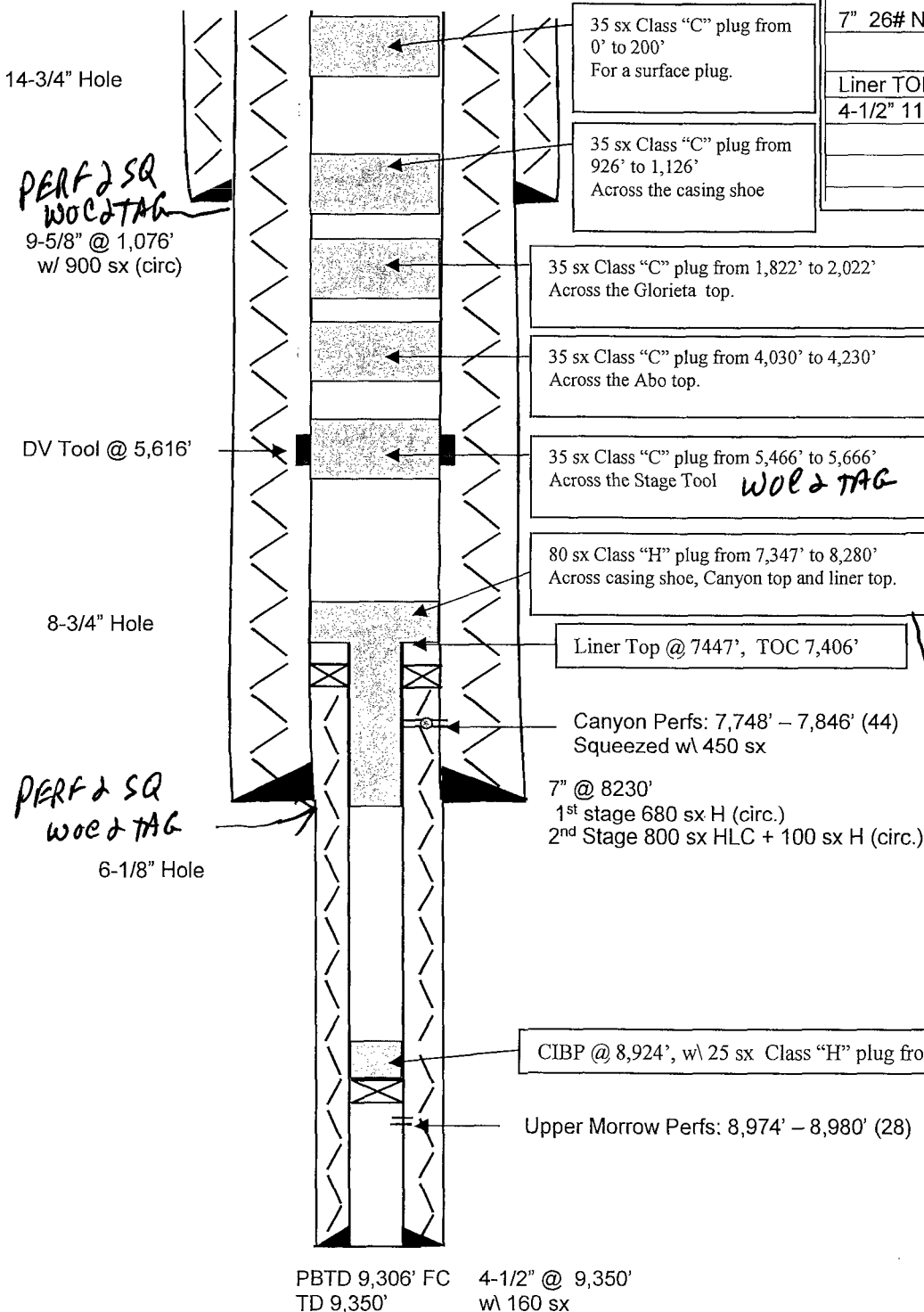


Not to Scale
 5-8-17
 JDE

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WOC & TAG

COVER ATOKA & STRAWN

8300' - 8924'

- WOC & TAG

Not to Scale
 5-8-17
 JDE

CONDITIONS FOR PLUGGING AND ABANDONMENT

District II / Artesia N.M.

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.**

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.
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. **Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.**
7. Produced water **will not** be used during any part of the plugging operation.
8. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
9. 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.
10. **Class 'C' cement will be used above 7500 feet.**
11. **Class 'H' cement will be used below 7500 feet.**
12. **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**
13. **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**
14. 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
15. **A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.**

16. 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)**.
17. No more than **3000'** is allowed between cement plugs in cased hole and **2000'** in open hole.
18. 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.**
19. 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)