| Submit 1 Copy To Appropriate District Office | State of New Mexico | Form C-103 |
|--|--|--|
| District 1 - (575) 393-6161 | Energy, Minerals and Natural Resources | Revised July 18, 2013 WELL API NO. |
| 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> – (575) 748-1283 | OIL CONCEDUATION DIVISION | 30-015-22002 |
| 811 S. First St., Artesia, NM 88210 <u>District III</u> - (505) 334-6178 | OIL CONSERVATION DIVISION 1220 South St. Francis Dr. | 5. Indicate Type of Lease |
| 1000 Rio Brazos Rd., Aztec, NM 87410 | Santa Fe, NM 87505 | STATE FEE |
| <u>District IV</u> – (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM | Santa PC, NIVI 67303 | 6. State Oil & Gas Lease No. |
| 87505 | THORS AND DEPONTS ON WELL S | |
| | TICES AND REPORTS ON WELLS OSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A | 7. Lease Name or Unit Agreement Name |
| DIFFERENT RESERVOIR. USE "APPI | LICATION FOR PERMIT" (FORM C-101) FOR SUCH | STONEWALL EP STATE |
| PROPOSALS.) 1. Type of Well: Oil Well | Gas Well Other | 8. Well Number 2 |
| 2 Name of Operator | RESOURCES INC | 9. OGRID Number 7377 |
| 3. Address of Operator | · · · · | 10. Pool name or Wildcat |
| PO BO | OX 2267 MIDLAND, TX 79702 | PENLON; BONE SPRING, EAST |
| 4. Well Location | CCO COLTU | NATOT |
| Unit Letter N | : 660' feet from the SOUTH line and 19 | |
| Section 19 | Township 20S Range 28E 11. Elevation (Show whether DR, RKB, RT, GR, etc.) | NMPM County EDDY |
| 18 May 17 May 18 Ma | 3300' GR | 7 |
| | | |
| 12. Check | Appropriate Box to Indicate Nature of Notice, | Report or Other Data |
| NOTICE OF I | NTENTION TO: SUB | SEQUENT REPORT OF: |
| PERFORM REMEDIAL WORK | | |
| TEMPORARILY ABANDON | CHANGE PLANS COMMENCE DR | |
| PULL OR ALTER CASING | - | T JOB 🔲 |
| DOWNHOLE COMMINGLE CLOSED-LOOP SYSTEM | | |
| OTHER: | <u> </u> | npletion 🗹 |
| | apleted operations. (Clearly state all pertinent details, an | d give pertinent dates, including estimated date |
| of starting any proposed very proposed completion or re | work). SEE RULE 19.15.7.14 NMAC. For Multiple Co | mpletions: Attach wellbore diagram of |
| proposed completion of h | ecompletion. | |
| | and abandon this wellbore using the attached pro | cedure. The proposed and |
| current wellbore schema | atics are also attached. | |
| | | NM OIL CONSERVATION ARTESIA DISTRICT |
| | and to | |
| | Notify OCD 24 hrs . prior to | MAR 3 9 2019 |
| | Nothly OCD 24 done. | |
| | - , | RECEIVED |
| | | |
| | | |
| Spud Date: 12/29/1976 | Bio Release Person | |
| Spud Date: 12/29/1976 | Rig Release Date: | |
| X See AHAcked | I COAi Mutter | Placed by 4/2/20 |
| I hereby certify that the information | 3 COMS Print be | |
| | on above is true and complete to the best of my knowledge | ge and belief. |
| 1/. | on above is true and complete to the best of my knowledge | ge and belief. |
| SIGNATURE TO | | pe and belief. DATE 03/26/2019 |
| 101 | m above is true and complete to the best of my knowledge Maduater TITLE Regulatory Analyst | DATE 03/26/2019 |
| Type or print name Kay Madd | m above is true and complete to the best of my knowledge Maduater TITLE Regulatory Analyst | |
| 101 | m above is true and complete to the best of my knowledge Maduater TITLE Regulatory Analyst | DATE 03/26/2019 ogresources.com PHONE: 432-686-3658 |
| Type or print name Kay Madd | m above is true and complete to the best of my knowledge Maduater TITLE Regulatory Analyst | DATE 03/26/2019 |



Stonewall EP State #2 660' FSL & 1980' FWL Sec. 19-20S-28E **Eddy County, New Mexico** API # 30-015-22002

P&A Procedure AFE # 109213

| Executive Su | mmary: |
|--------------|--------|
|--------------|--------|

| Pull production equipment, P&A well, cut off wellhead, install dry hole marker and clean loca |
|---|
|---|

TD: 11.500° **PBTD:** 8,535'

3.300' GL:

3.315'

Surface Casing:

13 %" 48# at 588'. Cemented with 500 sx. Cement circulated.

Intermediate Casing: 8 %" 24# at 2,750'. Cemented with 1920 sx. Cement circulated.

Production Casing:

5 1/2" 17# at 11,458'. Cemented with 1015 sx. TOC at 240' per CBL.

P&A Procedure:

- 1. Notify Regulatory Agency 24 hours prior to commencing work. MIRU well service unit and all necessary safety equipment.
- 2. ND WH, NU BOP, POOH w/ production equipment.
- 3. WL set 5.5" CIBP at 6,225'. POOH w/ WL.
- 4. TIH, tag CIBP, circulate plugging mud & spot 25 sx class C cement on top of CIBP. -ω∘ + 7ας
- 5. Pick up, spot a 25 sx class C cement plug from 4,830' 4,580'.
- 6. Pick up, spot a 35 sx class C cement plug from 2,800' 2,470'; WOC & tag. Perf 2890'
- 7. Pick up, spot a 25 sx class C cement plug from 640' 390'; WOC & tag. Par A a 440
- 8. RIH w/ WL & perf @ 230'. POOH w/ WL.
- 9. Spot ₱€sx class C cement to surface. − ₱ + 5 € 100
- 10. Cut off WH 3' below surface; Verify cement to surface.
- Weld on P&A marker. Cut off anchors 3' below surface and clean location.

| Production Engineer: | | 0 |)ate: |
|----------------------|------------------------|---|-------|
| | Brice A. Letcher, P.E. | | |

Well Name:

Stonewall EP State #2

Location: County: Lat/Long: 660' FSL & 1980' FWL Sec. 19-20S-28E

Eddy, NM

32.5535011,-104.2197495 NAD83

API#: 30-015-22002 Spud Date:

12/29/76

Compl. Date: 7/7/13

Current Wellbore Diagram:

KB: 3,315' GL: 3,300'

17-1/2* Hole

13-3/8" 48# H-40 @ 588' Cmt w/ 500 sx (circ)

12-1/4" Hole

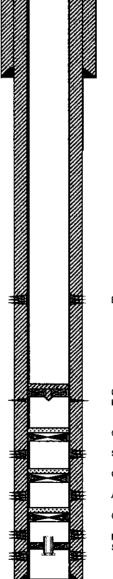
8-5/8* 24# J-55 @ 2,750 Cmt w/ 1,920 sx (circ)

7-7/8" Hole



| <u>Formation</u> | Tops |
|------------------|------|
| | |

| Delaware | 2,520 |
|-------------|--------|
| Bone Spring | 4,780 |
| Wolfcamp | 8,718 |
| Strawn | 10,097 |
| Atoka | 10,334 |
| Morrow | 10,912 |
| | |
| | |



PBTD @ 8,535' TD @ 11,500'

Bone Spring perfs: 6,274' - 6,360'

CR @ 8,718' Perf 6 SQZ holes @ 8,768'

CIBP w/ 35' cmt @ 10,176'

Strawn perfs: 10,226' - 10,236'

CIBP w/ 35' cmt @ 10,390'

Atoka perfs: 10,440' - 10,730'

CIBP w/ 35' cmt @ 10,900'

Morrow perfs: 10,952' - 11,286'

Stuck PKR @ 11,036'

5-1/2" 17# J-55 @ 11,458' Cmt 1st stage w/ 265 sx; TOC @ 9,800' SQZ 750 sx; TOC @ 240' (CBL)

Not to Scale By: HJG 3/21/19

Well Name:

Stonewall EP State #2

Location: County:

Eddy, NM

Lat/Long:

32.5535011,-104.2197495 NAD83

API#:

30-015-22002

Spud Date: Compl. Date: 7/7/13

12/29/76



660' FSL & 1980' FWL Sec. 19-20S-28E

KB: 3,315' GL: 3,300'

17-1/2" Hole

13-3/8" 48# H-40 @ 588' Cmt w/ 500 sx (circ)

12-1/4" Hole

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7-7/8" Hole

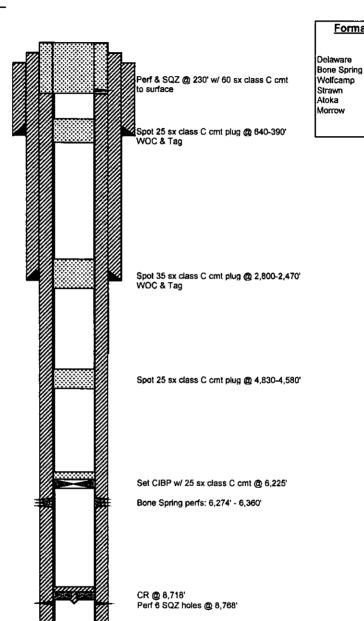


Formation Tops

2,520 4,780

8,718 10,097 10,334

10,912



CIBP w/ 35' cmt @ 10,176' Strawn perfs: 10,226' - 10,236' CIBP w/ 35' cmt @ 10,390' Atoka perfs: 10,440' - 10,730' CIBP w/ 35' cmt @ 10,900' Morrow perfs: 10,952' - 11,286' Stuck PKR @ 11,036'

PBTD @ 8,535

TD @ 11,500'

5-1/2" 17# J-55 @ 11,458' Cmt 1st stage w/ 265 sx; TOC @ 9,800' SQZ 750 sx; TOC @ 240' (CBL)

Not to Scale By: HJG 3/21/19

| ; | mores they configet | raffestera maina | EN . |
|--|---------------------------------------|------------------|--------------|
| | ccident/safety incident involving EO | _ | |
| contact: | | | |
| Name | Title | Cell | Office |
| Brian Chandler | Safety Manager | 817-239-0251 | 817-806-0486 |
| Ashley Mayfield | Sr. Safety Rep | 432-258-7998 | 432-686-3662 |
| In the event of a sp | ill or environmental release contact: | | |
| Name | Title | Cell | Office |
| Zane Kurtz | Sr. Environmental Rep | 432-425-2023 | 432-686-3667 |
| Jamon Hohensee | Environmental Rep | 432-556-8074 | |
| Doug Lowrie | Environmental Manager | 432-425-6923 | 432-686-3755 |
| Production Depart | ment Contacts: | | |
| Name | Title | Cell | Office |
| Mario Arevalo | NM Prod. Superintendent | 940-231-8118 | 575-738-0397 |
| Aaron Bishop | Production Foreman | 575-703-6527 | |
| Junior Orquiz | Sr. Production Foreman | 575-703-5071 | |
| Joe Palma | Production Foreman | 575-365-5562 | |
| Brice Letcher | Sr. Production Engineer | 575-748-5021 | 432-686-6965 |
| Eric Burkholder | Lead Production Engineer | 817-374-3321 | 432-686-3682 |
| James Keeton | Production Engineer II | 940-391-6856 | 432-686-3635 |
| Joey Damiano | Sr. Production Engineer | 817-739-8042 | 432-686-3675 |
| Ron Willett | Production Advisor | 432-230-2135 | 432-686-3775 |
| Randy Lewellen | Production Superintendent | 682-478-8879 | 432-686-3710 |
| Completions Depa | tment Contacts: | | |
| Name | Title | Cell | Office |
| Alex Richter | Completions Engineer Advisor | 432-634-9148 | 432-686-3638 |
| Tom Redd | Completions Engineer Advisor | 303-854-8605 | 432-686-3674 |
| Police/Fire/Hospit | al Contacts | | |
| Fire | | | 911 |
| Sheriff (Eddy County) | | | 575-887-7551 |
| Sheriff (Lea County) | | | 575-396-3611 |
| Hospital – Carlsbad Medical Center (Carlsbad, NM) | | | 575-887-4100 |
| Hospital – Lea Regional Medical Center (Hobbs, NM) | | | 575-492-5000 |
| Hospital Nor-Lea General Hospital (Lovington, NM) | | | 575-396-6611 |
| Hospital – Winkler County Memorial Hospital (Kermit, TX) | | | 432-586-5864 |

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.

- 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. If the well is not plugged within 1
- 7. 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.
- 8. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.
- 9. Produced water will not be used during any part of the plugging operation.
- 10. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
- 11. 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.
- 12. Class 'C' cement will be used above 7500 feet.
- 13. Class 'H' cement will be used below 7500 feet.
- 14. 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
- 15. 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 REQUIRMENTS

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)