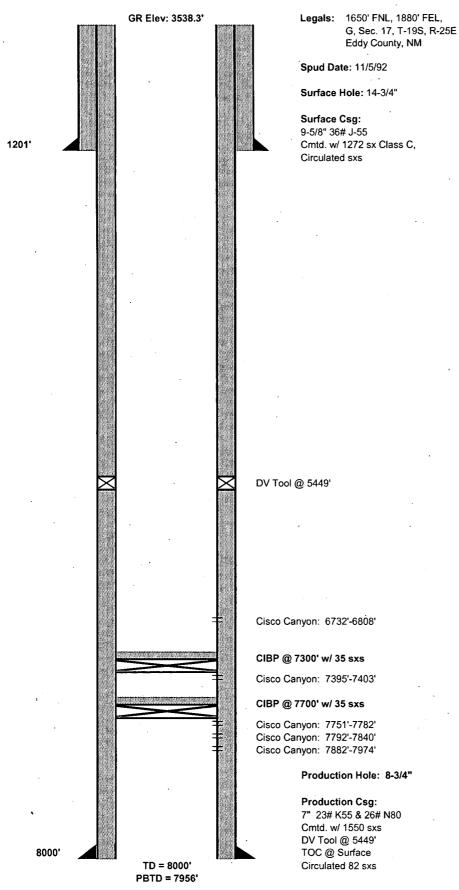
Submit & Copy To Appropriate District Office	ffice		Form C-103 Revised July 18, 2013	
<u>District I</u> – (575) 393-6161 1625 N. French Dr., Hobbs, NM 88240			WELL API NO.	
District II - (575) 748-1283			30-015-27159	
			5. Indicate Type of I	
1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> – (505) 476-3460	Santa Fension C.D.		STATE 6. State Oil & Gas L	FEE 🛛
1220 S. St. Francis Dr., Santa Fe, NM 87505			o. State On & Gas L	case ivo.
SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Na				
(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			DAGGER DRAW A	
PROPOSALS.) 1. Type of Well: Oil Well Gas Well Other		8. Well Number		
			#1	
2. Name of Operator SOUTHWEST ROYALTIES, INC.			9. OGRID Number	
			21355	
3. Address of Operator P.O. BOX 53570; MIDLAND, TEXAS 79710-3570			10. Pool name or Wildcat DAGGER DRAW; UPPER PENN, NORTH	
4. Well Location				
Unit Letter_G::	.650feet from theNORTH	line and 188 6	0 feet from the \mathbf{E}	AST_line
Section 17	Township 19S Range	25E	NMPM EDDY	County
* > * * * * * * * * * * * * * * * * * *	a 11. Die vacion (Show whether 1511,	,		
3538.3' GR				
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data				
NOTICE OF INTENTION TO: SUBS			SEQUENT REPO	OR LOF: .TERING CASING □
TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRIL				AND A
PULL OR ALTER CASING	<u> </u>	CASING/CEMENT		
DOWNHOLE COMMINGLE				_
CLOSED-LOOP SYSTEM		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.				
NOTICE OF INTENT TO PLUG AND ABANDON – NOTIFY NMOCD ARTESIA 24 HRS AHEAD				
7" CSG TOC @ 0', CIRC 82 SXS 6650 255x WOC + TAG				
665 0 255以				
W/ 25 SX CLASS C CMT, PLUG #2 1000'-1500' W/ 25 SX CLASS C CMT, PLUG #3 0'=400' W/ 25 SX				
CLASS C CMT, REMOVE WELL HEAD, INSTALL BELOW GROUND DRY HOLE MARKER				
Perf@ 1250'& Attempt to Circ Cnt. Perf@ 200' & Attempt CLEAN LOCATION, REMOVE TRANSFORMER BANK, ETC. You Cot to Surface				
To Circ (-) to Surface				
<u>[</u>				1
Spud Date: NOVEMBE	R 5, 1992 Rig Release Date	te: NOVEM	IBER 21, 1992	,
Lee Attached COA's Must be Played by 7/24/20				
I hereby certify that the information above is true and complete to the best of my knowledge and belief.				
$\psi \gamma$.				
SIGNATURE TITLE REGULATORY ANALYST DATE 06/27/2019				
Type or print name LINDSAY LIVESAY E-mail address: <u>llivesay@swrpermian.com</u> PHONE: (432) 207-3054				
For State Use Only				
APPROVED BY: DATE 7/24/19				
Conditions of Approval (if any):		,		/ //

SOUTHWEST ROYALTIES, INC.

DAGGER DRAW A #1 30-015-27159

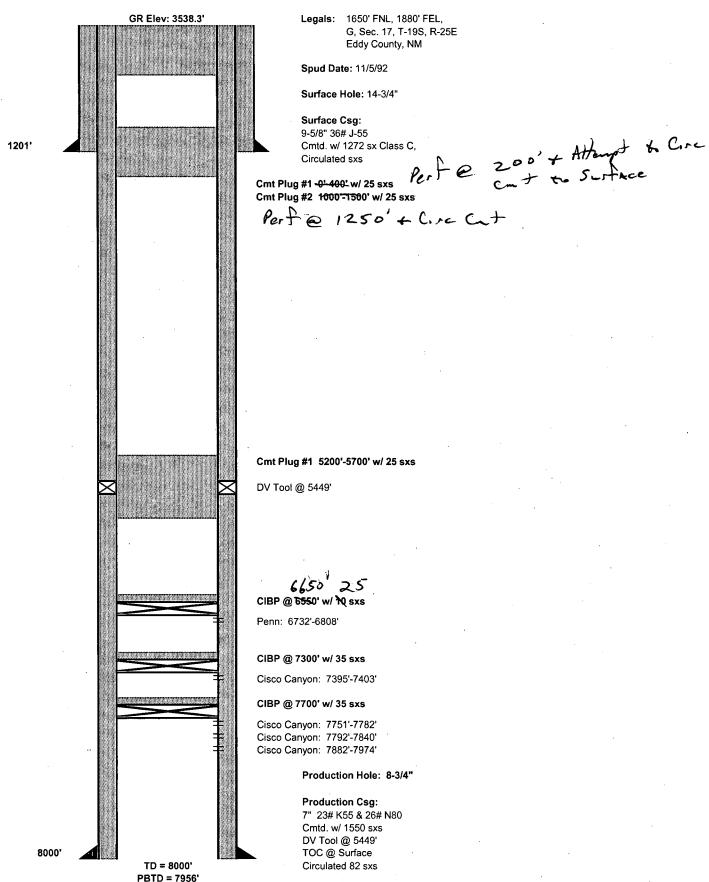
CURRENT DAGGER DRAW; UPPER PENN, NORTH WELL



SOUTHWEST ROYALTIES, INC.

DAGGER DRAW A #1 30-015-27159

PLUGGED DAGGER DRAW; UPPER PENN, NORTH WELL



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. 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)