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

RECEIVED
DEC 18 2019
DISTRICT II-ARTESIA O.C.D.

Form C-103
Revised July 18, 2013

WELL API NO. 30-015-33095	
5. Indicate Type of Lease STATE x FEE ☐	
6. State Oil & Gas Lease No.	
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.)	7. Lease Name or Unit Agreement Name Stiletto 21 federal
✓ 1. Type of Well: Oil Well XX☐ Gas Well ☐ Other	8. Well Number 21-1
2. Name of Operator Americo energy resources, LLc	9. OGRID Number
3. Address of Operator 7575 San Felipe, Suite 200. Houston, TX 77063	10. Pool name or Wildcat CEMETARY-MORROW
4. Well Location Unit Letter H : 1980 feet from the North line and 760' feet from the East line	
Section 21 Township 20S Range 25E NMPM County Eddy	
11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3461'	

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	X☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
CLOSED-LOOP SYSTEM	☐						
OTHER:	☐			OTHER: Clean up bore hole and set cement plugs	☐		

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.

Notify OCD 24 hrs prior to any work done.

1- Inform Oil Conservation Division before moving a rig to the well location
2- Move in and rig up workover rig to the well. Spot reverse unit and fill up the pit with FSW
3- Open well, read and record pressures
4- Flow and bleed off well pressure and fluid into the rig tank slowly
5- Nipple down wellhead and install 3K Blow out preventer. Test BOP stack 200 psi and 1000 psi
6- Trip in hole with shear pin shoe on 1" CS-hydill tubing and 2-3/8" L80 tubing string
7- Trip in hole and slowly tag 4-1/2" parted casing stem at 2673'
8- Rig up reverse unit
9- Shear off and slack down with 1" CS-hydrill pipe and attempt to make hole while circulating.
10- Wash down as deep as possible and circulate well clean.
11- Inform OCD of progress and get plug and abandonment direction
12- prepare to plug and abandonments as directed by Oil Conservation Division of NM
13- Finish setting cement plug as directed
14- Rig down service rig, and move off the location
15-Clean up location as required by Conservation Division
16- Prepare and send final Sundry or P/A report to Oil Conservation Division

*** SEE ATTACHED COA'S - Revised

MUST BE PLUGGED BY
12/23/19

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 A. Taj TITLE President DATE 12-17-2019

Type or print name Eddie TAJ E-mail address: eddie.taj@AmericaEnergy.com PHONE: 713-984-9700

For State Use Only

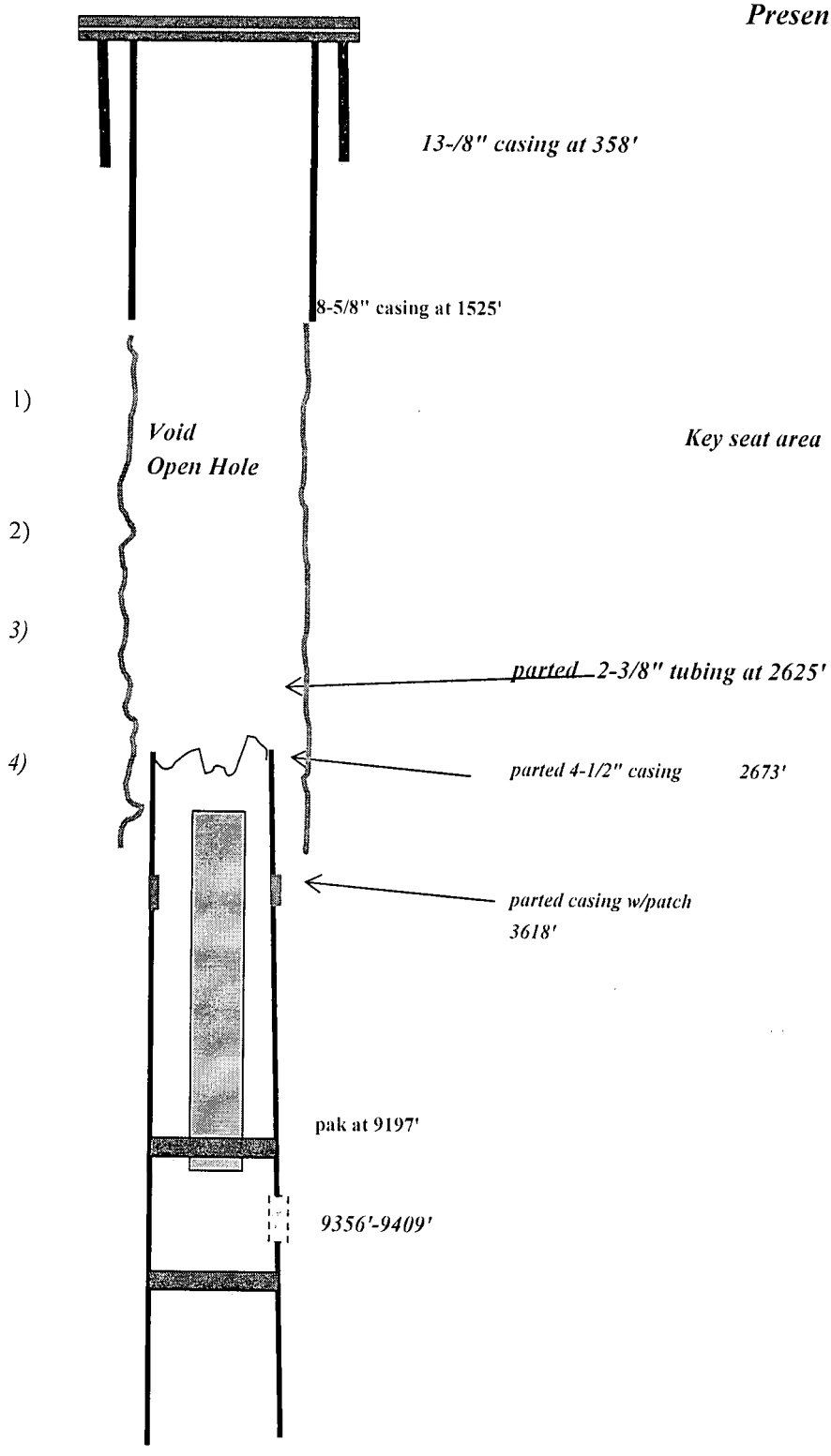
APPROVED BY: [signature] TITLE Staff Mgr. DATE 12/23/19

Conditions of Approval (if any):

Americo Energy

Stiletto 21-1

Present well diag.



KM. Hadipour

AMERICO ENERGY RESOURCES, LLC
STILETTO 21, FEDERAL COM # 001
API NO. 30-015-33096

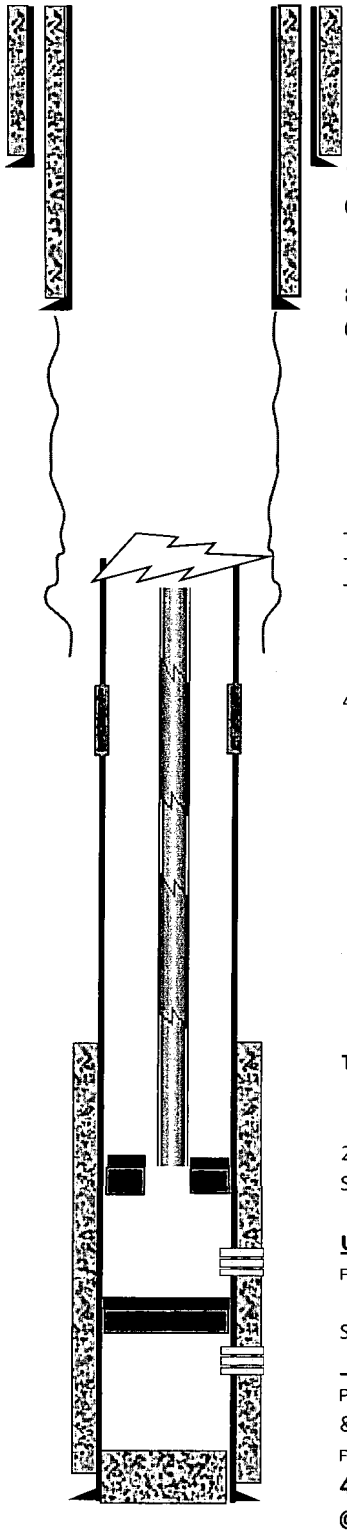
WORKOVER RECAP

TRIP NO.	DESCRIPTION
1	3 3/4" OVERSHOT. TAG PARTED CASING AT 1654' WORK THRU. TAG AT 2298. COULD NOT WORK THRU. POOH. OVERSHOT HAD SHARP CUTS WITH BENT LIPGUIDE.
2	TIH OPEN ENDED TO AND CIRC WELL
3	SPEAR INTO 4 1/2" CASING. PULL 37 JTS. TOP OF FISH NOW AT 1620'
4	TIH W/ 6 1/8" OVERSHOT. LATCH ONTO FISH AT 1622'. RECOVERED 15 JTS (601') TOP OF FISH AT 2221'
5	TIH W/ 6 1/8" OVERSHOT. LATCH ONTO FISH AT 2263'. (DEEPER) RECOVERED 1 JT (32') TOP OF FISH AT 2295"
6	TIH W/ 6 1/8" OVERSHOT. TAG TOF @ 2300'. COULD NOT LATCH ONTO FISH
7	TIH W/ 6 1/8" OVERSHOT W/ DIFFEREENT GRAPPLE. TAG TOF @ 2300'. COULD NOT LATCH ONTO FISH
8	TIH W/ 4 1/2" SPEAR. Tag TOF @ 2300'. COULD NOT GET INSIDE FISH
9	TIH W/ 2' SPEAR ASSEMBLY. COULD NOT GET INSIDE FISH - APPEARS COLLAPSED AND CLOSED
10	TIH W/ 7 3/8" X 7" WASH SHOE. Tag TOF @ 2300', ROTATED 2 HOURS, COULD NOT MAKE ANY HOLE
11	TIH W/ 7 3/8' X 7 1/2" WASH SHOE. WASHED OVER FISH FROM 2300 - 2310'
12	TIH W/ 6 1/8" OVERSHOT. TAG TOF @ 2305' COULD NOT ENGAGE FISH
13	TIH W/ 6 1/8" OVERSHOT WITH DIFFERENT GRAPPLE. LATCH ONTO FISH. RECOVERED 1 JT 4 1/2" CASING. HAD 34 CORROSION HOLES. TOF # 2338'
14	TIH W/ 6 1/8" OVERSHOT. TAG TOF @ 2305' COULD NOT ENGAGE FISH
15	TIH W/ 6 1/8" OVERSHOT. TAG TOF @ 2305' COULD NOT ENGAGE FISH
16	TIH W/ 4 1/2" SPEAR. Tag TOF @ 2338'. COULD NOT GET INSIDE FISH
17	TIH W/ 7 1/2" BURNING SHOE. TAG TOF @ 2338'. WASH OVER FISH - FELL 12". DRESSED OFF 1 1/2 FOOT
18	TIH W/ 6 1/8" OS W/ 4 1/2" GRAPPLE. TAGGED TOF @ 2340'. COULD NOT LATCH ONTO FISH
19	TIH W/ 6 1/8" OS W/ 5 1/2" GRAPPLE. TAGGED TOF @ 2340'. COULD NOT LATCH ONTO COLLAR
20	TIH W/ SPEAR ASSEMBLY W/ OS. TAGGED FISH AT 2336'. ROTATE OVER. LATCHED ONTO FISH. RECOVERED 8 JTS OF 4 1/2" CASING LAST 2 JTS FULL OF HLES W/ SPLIT COLLAR. TOP OF 4 1/2" CASING AT 2657'. TOP OF 2 3/8" TUBING FISH AT 2602'
21	TIH W/ OVERSHOT WITH SPECIAL GUIDE FOR TUBING. TAGGED AT 2463'. COULD NOT LATCH ONTO TUBING. APPEARED TO BE ON FORMATION
22	TIH W/ 6 1/8" BIT. TAG SOLIDS IN OPENHOLE AT 2463' WASHED FROM 2463 TO 2625'. TAGGED TOP OF TUBING?
23	TIH W/ 5 3/4" os. TAGGED AT 2625'. ATTEMPT TO ROTATE OVER TO CATCH FISH. UNSUCCESSFUL. TOP OF 4 1/2" FISH - 2657'. TOP OF TUBING FISH AT 2625'
24	TIH W/ 7 1/2 X 7" SHOE, 6 1/8" MILL. TAG AT 2625'. MILL FOR 2.5 HRS, MAKING 4'. POOH. MILL LOOKED FRESH
25	TIH W/ W/ OS AND GRAPPLE DRESSED FOR 2 3/8" TUBING. TAG AT 2625'. UNABLE TO GET OVER FISH.
26	TIH W/ 7 1/2 X 7" SHOE, 6 1/8" MILL. TAG AT 2667'. WASH OVER TO 2674. TOP OF 4 1/2" CASING FISH AT 2673'. TOP OF 2 3/8" TUBING FISH UNKNOW (CORRODED AWAY.

Stiletto '21' Federal Com #1
API # 30-015-33096

Current Wellbore

Spud 1/17/2004
Elev. KB '
DF
GL



13-3/8", 48#, H-40, ST&C
@ 358' w/ 425 sx Poz Class "C" to Surf

8-5/8", 24#, J-55, LT&C
@ 1525' w/ 875 sx Poz Class "C" to Surf

Top of 4-1/2" casing fish at 2673',
Top of 2-3/8" un-known (corroded away)
Tagged 2673' on 11/18/18. Couldn't go through.

4-1/2" CSG Patch @ 3618'

TDC @ 6700'

2-3/8" TBG Plugged w/ Iron Sulfide & Fill @ 9145' on 8/26/2014
Set AS1X 10K Packer w/ On/Off Tool @ 9197' w/ 1.87" PN on 3/24/2005

Upper Marrow- 9356'-62', 9366'-74', 9382'-84', 9409'-15' w/ 1 JSPF (26 Holes)
Perf'd 9356'-9415'(12/7/2004), Acidized w/ 2000 gals & Flush w/ 7% KCl

Set AS1X 10K Paker w/ Blanking Plug & Sand @ 9430' (12/6/2004)
Marrow- 9461'-63', 9471'-74', 9522'-25', 9533'-36', 9559'-62', & 9622'-30'
Perf'd 9461'-9630' (3/9/2004), Acidized Perfs 9622'-30' w/ 600 gals on 3/10/2004 &
& Perfs 9461'-9562' w/ 2000 gals 7.5 % HCl on 3/11/2004
Frac'd w/ 55,600 gals 52% CO2 & 62,500# of 20/40 Interprop Sand on 3/13/2004

4-1/2", 11.6#, N-80, LT&C
@ 9800' w/ 850 sx Poz Class "H" to 6700'

AMJ - 12/12/2016

PBTD: 9756' MD'
TD: 9800' MD'

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 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)

SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION