

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-31849
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-5865
7. Lease Name or Unit Agreement Name Sterling State
8. Well Number 1
9. OGRID Number 372098
10. Pool name or Wildcat Carlsbad, South

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>
2. Name of Operator Marathon Oil Permian, LLC
3. Address of Operator 5555 San Felipe Houston, TX 77056
4. Well Location Unit Letter <u>I</u> : <u>1830</u> feet from the <u>S</u> line and <u>660</u> feet from the <u>E</u> line Section <u>20</u> Township <u>23S</u> Range <u>27E</u> NMPM County <u>Eddy</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3162' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____	Depth to Groundwater _____	Distance from nearest fresh water well _____	Distance from nearest surface water _____
Pit Liner Thickness: _____ mil	Below-Grade Tank: Volume _____ bbls	Construction Material _____	

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- Class H cnt*
C28P @ 11750' w/605X cnt - T of Morrow 11170 WOC + Tag
1. CIBP @ 10,400' w/35' - WOC + Tag, Class H cnt
2. 30sx 9916' - 9816' - H cnt
3. 40sx 8949' - 8849' P.S. Tag. Spot 60sx cnt @ 8950' - T of WC H cnt
4. 50sx 5572' - 5400' P.S. Tag. - WOC + Tag, Class C cnt
5. 130sx 458' - Surf P.S. Verify. Install DHM.

Notify OCD 24 hrs. prior
any work done.

P&A mud between all plugs. Closed loop all fluids to licensed facility.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE [Signature] TITLE Agent DATE 1/2/2020

Type or print name: Brody Pinkerton E-mail address: Brody@maverickwellpluggers.com Telephone No.: 432-458-3780

For State Use Only

APPROVED BY: [Signature] TITLE Staff mg DATE 2/17/20
Conditions of Approval (if any):

RECEIVED

FEB 14 2020

EMNRD-OCD ARTESIA

*** SEE ATTACHED COA'S - Revised

MUST BE PLUGGED BY

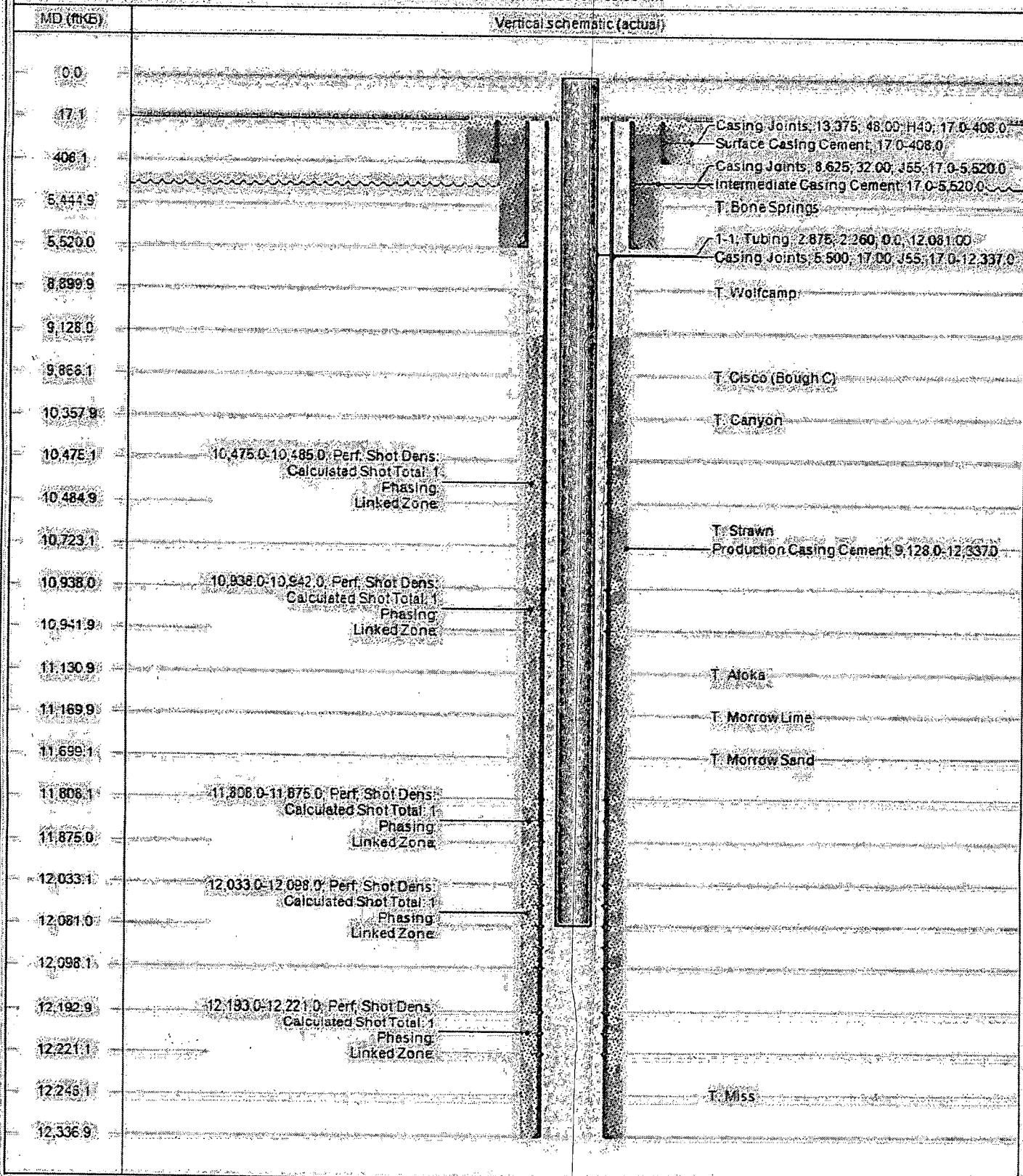
2/17/21



Wellbore Schematic
Well Name: STERLING STATE 1

State/Province NEW MEXICO	Country UNITED STATES	Field Name CARLSBAD SOUTH	Latitude (°) 32.28791210	Longitude (°) -104.20538200	North-South Distance (ft) 1,830.0	North-South Reference FSL
API No. LWD 3001531849	Ground Elevation (ft) 17.00	Ground Elevation (ft) 3,162.00	Drilling Rig, Sord Date	Well Original Completion Date 4/8/2002	Well First Production Date 9/10/2014	

STERLING STATE 1: 12/10/2019 4:59:09 PM

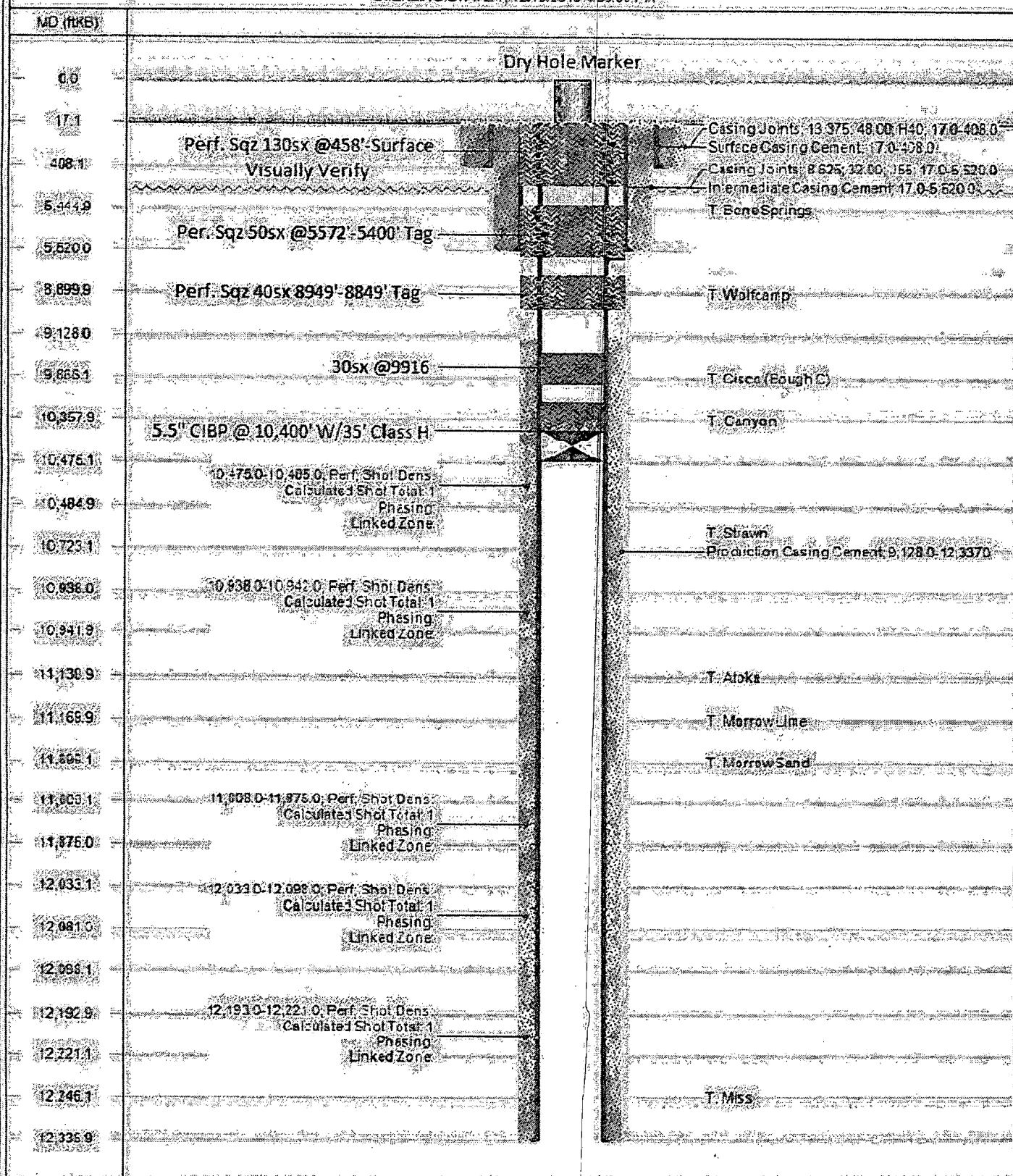




Post Plugging Wellbore Schematic Well Name: STERLING STATE 1

State/Province NEW MEXICO	Country UNITED STATES	Field Name CARLSBAD SOUTH	Lat. (N)	Long. (W)	North/South Distance (ft)	North/South Reference
API No. UNV 3001531849	US Geol. Survey ID 17.09	US Geol. Survey ID 30-162-00	32.26781210	104.23539200	1,833.0	FSL
			3,162.00	Drilling Rig, Spud Date	Well Original Completion Date	Well First Production Date
					4/8/2002	9/10/2014

STERLING STATE 1, 12/10/2019 4:59:00 PM



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

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

JAN 27 2020

EMNRD-OCD ARTESIA

WELL API NO.
30-015-34963

5. Indicate Type of Lease
STATE FEE X

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

MONTURA FED COM

8. Well Number
002

9. OGRID Number
372137

10. Pool name or Wildcat
HAPPY VALLEY, MORROW 78060

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 X Other

2. Name of Operator
CHISHOLM ENERGY OPERATING, LLC

3. Address of Operator
801 CHERRY ST., SUITE 1200, UNIT 20, FORT WORTH, TEXAS 76102

4. Well Location:

Unit Letter P : 1092 feet from the SOUTH line and 994 feet from the EAST line
Section 15 Township 22S Range 26E NMPM EDDY County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,314' - GR

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON X
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: ☐

Notified OCD 24 hrs. prior to work done.

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.

1) clean out well to parts + set CIBP @ 11550' w/ 25 SXS cut woc + Tag

- 1) TAG EXISTING 5-1/2" CIBP + CMT @ +/-11,455'; CIRC WELL W/ M.L.F. - No Paperwork on File
- 2) PUMP 25 SXS. CMT. @ 11,113'-10,813' (T/MRRW.).
- 3) PUMP 50 SXS. CMT. @ 10,537'-10,140' (T/ATOKA, T/STWN.).
- 4) PUMP 25 SXS. CMT. @ 8,782'-8,602' (T/WCMP.).
- 5) PUMP 25 SXS. CMT. @ 5,145'-4,995' (T/BNSG.). - 5650' - 4995' - 65 SXS Cut
- 6) PUMP 65 SXS. CMT. @ 2,574'-2,098' (8-5/8" CSG.SHOE, T/DLWR.); WOC X TAG CMT. PLUG. - Part @ 2574
- 7) PERF. X ATTEMPT TO SQZ. 40 SXS. CMT. @ 551'-451' (13-3/8" CSG.SHOE); WOC X TAG CMT. PLUG.
- 8) PERF. X CIRC. TO SURF., FILLING ALL ANNULI, 20 SXS. CMT. @ 551'. Part @ 150' + Attempt to Circ Cut
- 9) DIG OUT X CUT OFF WELLHEAD 3' B.G.L.; VERIFY CMT. TO SURF. ON ALL ANNULI; WELD ON STEEL PLATE TO CSGS. X INSTALL DRY HOLE MARKER.

DURING THIS PROCEDURE WE PLAN TO USE THE CLOSED-LOOP SYSTEM W/ A STEEL TANK AND HAUL CONTENTS TO THE REQUIRED DISPOSAL, PER OCD RULE 19.15.17.

*** SEE ATTACHED COA'S - Revised

MUST BE PLUGGED BY

1/28/21

I hereby certify that the information above is true and complete to the best of

SIGNATURE *David A. Eyler* TITLE: AGENT

DATE: 01/24/20

Type or print name: DAVID A. EYLER

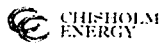
E-mail address: DEYLER@MILAGRO-RES.COM PHONE: 432.687.3033

For State Use Only

APPROVED BY: *Staff* TITLE: Staff

DATE: 1/28/20

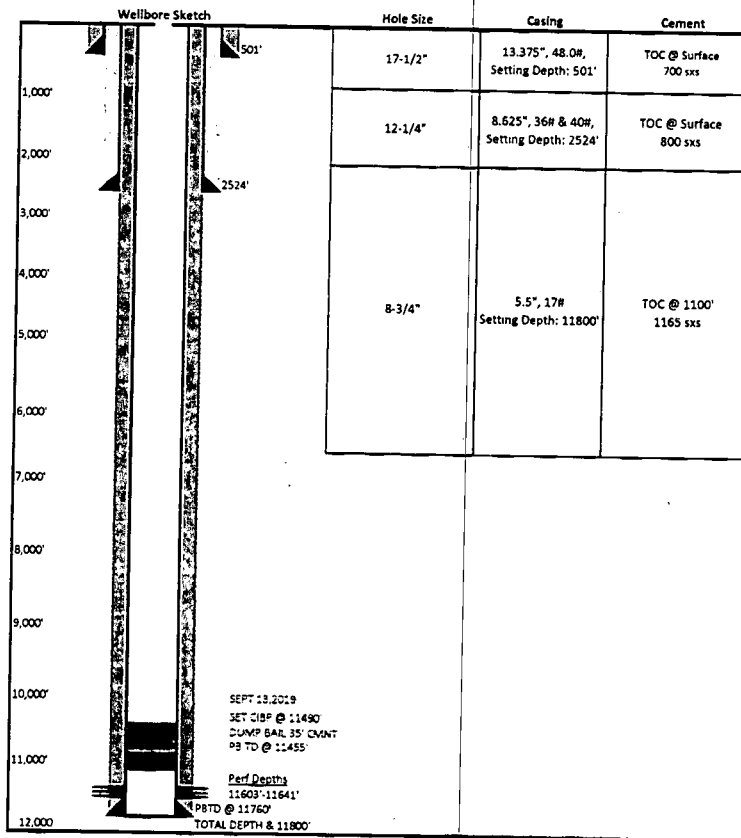
Conditions of Approval (if any):

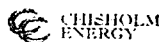


MONTURA FED COM 2

API # 30-015-34963

TEMPORARILY ABANDONED WBD



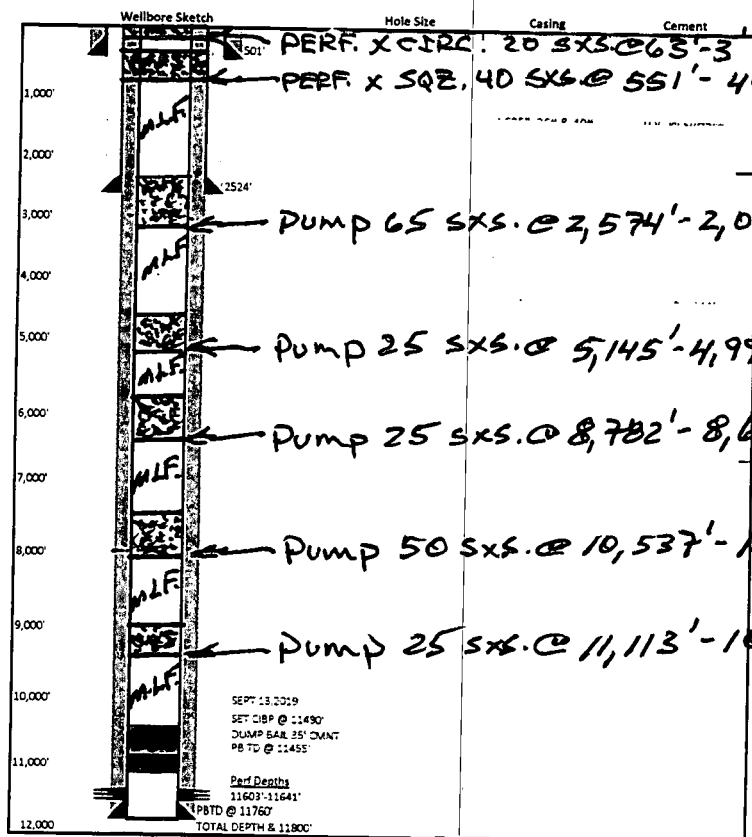


MONTURA FED COM 2

API # 30-015-34963

TEMPORARILY ABANDONED WBD

T/DLWR ~ 2,148'
T/BNSG. ~ 5,070'
T/WCMP. ~ 8,692'
T/STWN. ~ 10,190'
T/ATOKA. ~ 10,487'
T/MRPW. ~ 10,913'



DAE 12/05/19

CONDITIONS FOR PLUGGING AND ABANDONMENT

OCD - Southern District

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SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION