

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

Form C-103
Revised July 18, 2013

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

WELL API NO.
30-015-27663

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
State

8. Well Number 002

9. OGRID Number
024188

10. Pool name or Wildcat
73570 Burton; Yates, South (gas)

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

Vision Energy, Inc.

3. Address of Operator

P.O. Box 2459, Carlsbad, New Mexico 88220

4. Well Location

Unit Letter O. 660 feet from the south line and 1650 feet from the west line

Section 21

Township 20S

Range 28E

NMPM

County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3223-ft GR

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

TEMPORARILY ABANDON ☐

PULL OR ALTER CASING ☐

DOWNHOLE COMMINGLE ☐

CLOSED-LOOP SYSTEM ☐

OTHER: ☐

PLUG AND ABANDON ☒

CHANGE PLANS ☐

MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

COMMENCE DRILLING OPNS. ☐

CASING/CEMENT JOB ☐

ALTERING CASING ☐

P AND A ☐

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.

Proposed Plugging and Abandonment Procedure:

(1) RUPU, load tubing with fresh water then ND wellhead.

(2) Release Packer (AD1) and pull out of hole.

(3) Trip in hole with open ended tubing to top of cement (estimated to be at 775-ft)

(4) Start pumping cement as tubing is pulled. The tubing will stay in the cement. Cement to surface

(5) Wait on Cement.

(6) Tag cement, pump cement to surface

(7) Cut off well head, weld on plate, and install P&A marker (with well information)

(8) Clean up and level location as required

ACCORDING TO NMOED RECORDS, CMT WAS NOT CIRCULATED ON LONG STRING.
PERF @ 450' CIRE CMT TO SURFACE

Spud Date:

Rig Release Date:

NM OIL CONSERVATION

ARTESIA DISTRICT

JUL 03 2017

RECEIVED

WELL MUST BE PLUGGED BY 7/3/2018

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

SIGNATURE

David Maley

TITLE President

DATE 6-29-17

Type or print name David Maley

E-mail address: Dmaley@visionresources.com

PHONE: 575-361-6601

For State Use Only

APPROVED BY:

Robert J. Buel

TITLE COMPLIANCE OFFICER

DATE 7/3/2017

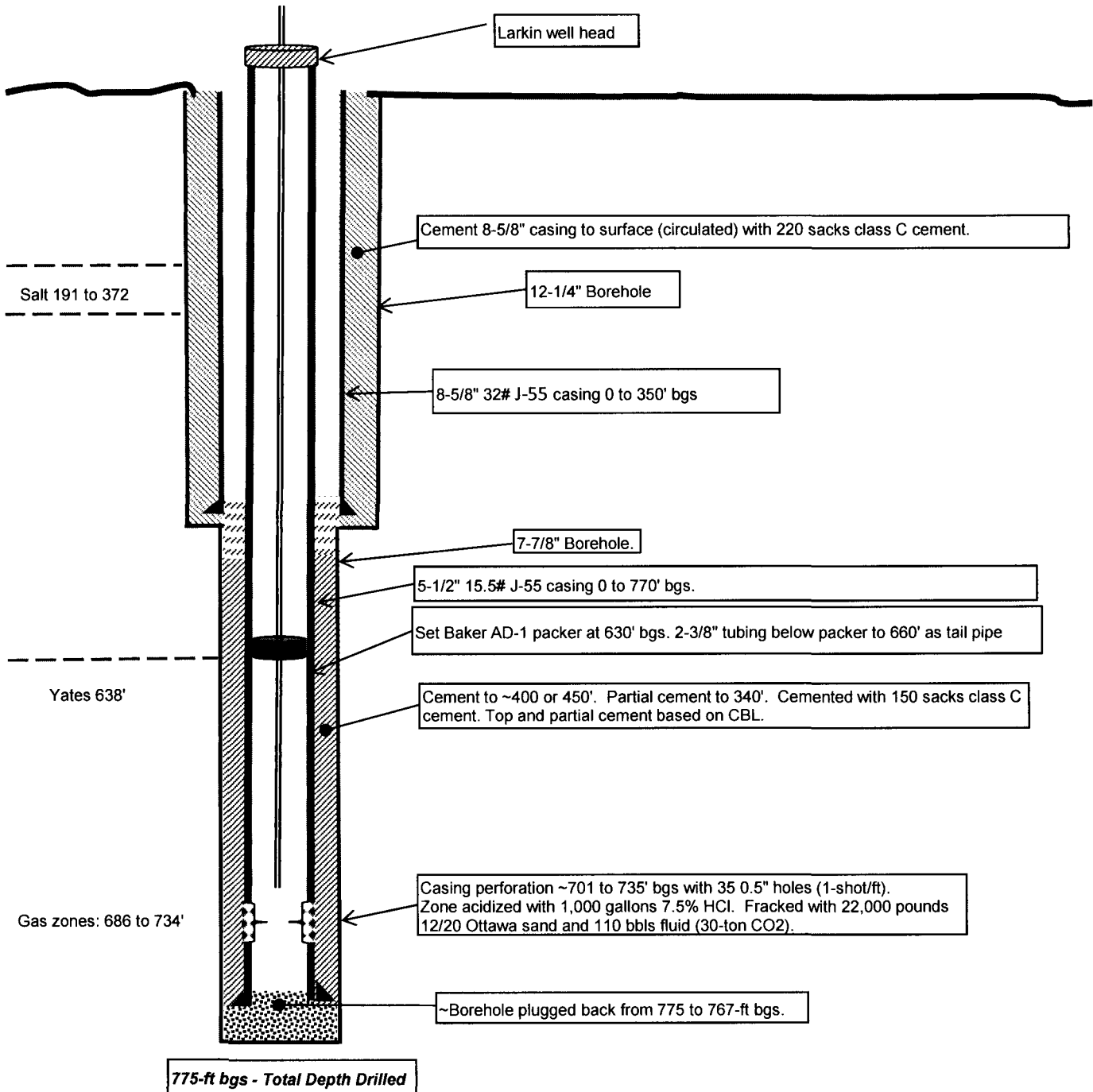
Conditions of Approval (if any):

* SEE ATTACHED COA-5

Approved for plugging of well bore only.
Liability under bond is retained pending receipt
of Certificate of Completion (Subsequent Report of Well Plugging)
which may be found at OCD Web Page under
Forms, www.cmrnd.state.nm.us/oecd.

As Built Schematic
State 2 API 30-015-27663
Vision Energy, Inc.

Ground Elevation: ~3,223.3-ft msl Well is in the South Burton-Yates Gas Pool
Coord. Latitude: 32.5535889° North, Longitude: -104.1795654 ° west (NAD 83).
Center of SW 1/4 of the SE 1/4 (Unit O), section 21, township 20 south, range 28 east, New Mexico principal meridian and baseline (PMBL)
Located ~660-ft from south line (FSL) and ~1,650-ft from east line (FEL)
Borehole drilling started February 7, 1994 and was completed March 20, 1994 using rotary drilling techniques.

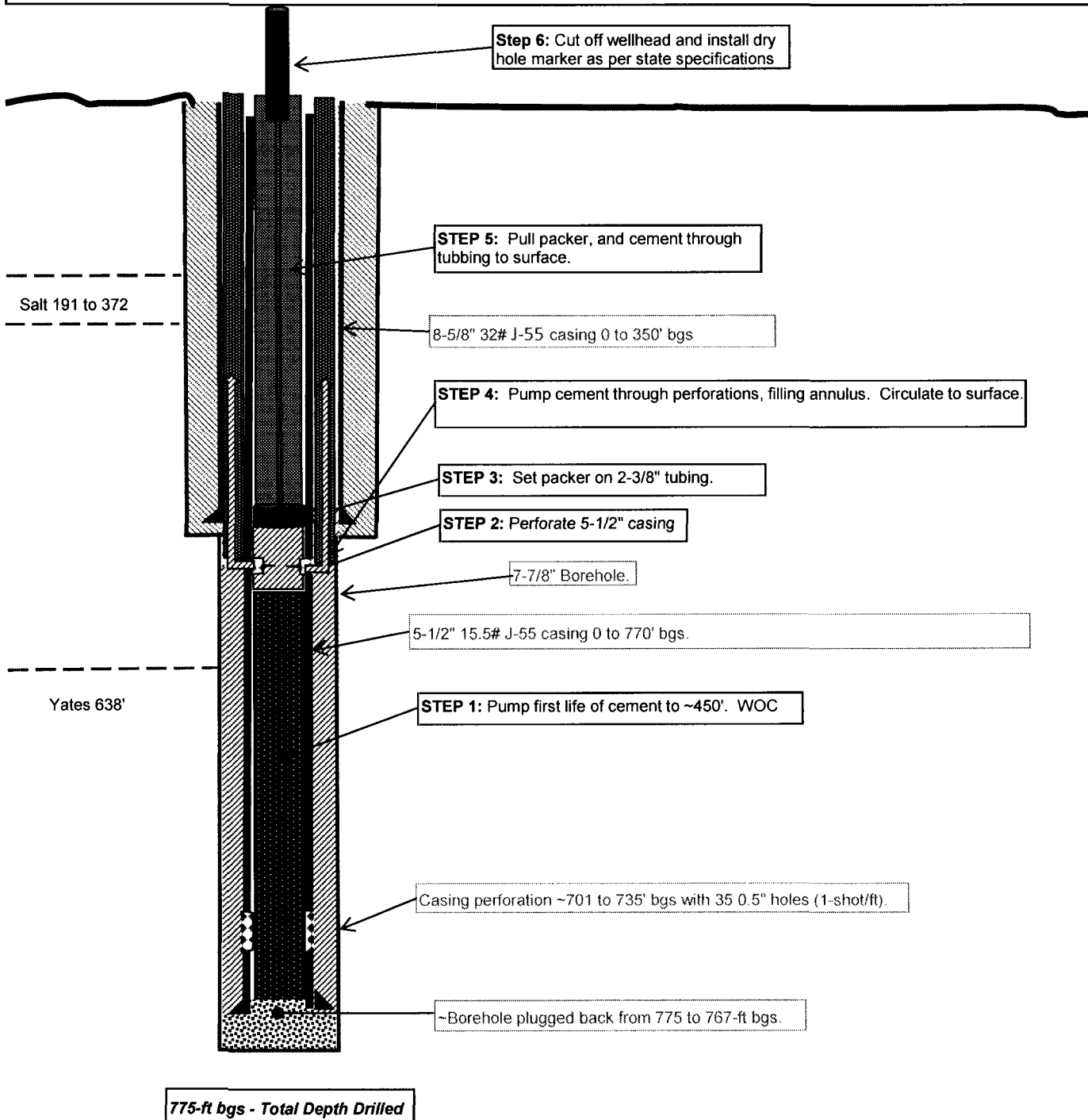


Borehole geophysically logged with neutron density and cement bond log

Well schematic is not to scale

Plugging and Abandonment Plan Schematic
State 2 API 30-015-27663
Vision Energy, Inc.

Ground Elevation: ~3,223.3-ft msl Well is in the South Burton-Yates Gas Pool
Coord. Latitude: 32.5535889° North, Longitude: -104.1795654 ° west (NAD 83).
Center of SW 1/4 of the SE 1/4 (Unit O), section 21, township 20 south, range 28 east, New Mexico principal meridian and baseline (PMBL)
Located ~660-ft from south line (FSL) and ~1,650-ft from east line (FEL)
Borehole drilling started February 7, 1994 and was completed March 20, 1994 using rotary drilling techniques.



Borehole geophysically logged with neutron density and cement bond log

Well schematic is not to scale

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)