

NM OIL CONSERVATION

ARTESIA DISTRICT

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

OCT 23 2017

Form C-103 Revised July 18, 2013

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

WELL API NO. 30-015-36217
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. 303271
7. Lease Name or Unit Agreement Name PINNACLE STATE
8. Well Number 023
9. OGRID Number 246289
10. Pool name or Wildcat CULEBRA BLUFF; BONE SPRING, SOUTH
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,110' GR

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 [X] Gas Well [] Other []
2. Name of Operator RKI EXPLORATION & PRODUCTION, LLC
3. Address of Operator 3500 ONE WILLIAMS CENTER MD 35 TULSA, OK 74172
4. Well Location Unit Letter O : 965 feet from the SOUTH line and 1865 feet from the EAST line
Section 36 Township 22S Range 28E NMPM EDDY County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,110' 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 []
CLOSED-LOOP SYSTEM []
OTHER: []
SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A []
CASING/CEMENT JOB []
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.

RKI EXPLORATION & PRODUCTION RESPECTFULLY REQUESTS TO P&A THE ABOVE MENTIONED WELL.

Notify NMOCD 24 hrs Before MIRA

THE WBD AND PROCESS ARE ATTACHED.

Well Must Be Plugged By 10-23-18

* See Attached COA's

Spud Date: 05/15/2008

Rig Release Date: 06/25/2008

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

SIGNATURE Caitlin O'Hair TITLE Permit Technician II DATE 10/20/2017

Type or print name Caitlin O'Hair E-mail address: caitlin.o'hair@wpenergy.com PHONE: 539-573-3527

For State Use Only

APPROVED BY: [Signature] TITLE STAFF Mgr DATE 10-23-17
Conditions of Approval (if any):

Current Completion

**Pinnacle State #23
Current WBD**

Les Peeler 10-19-17

30-015-36217

KB : 3118'

GL : 3110'

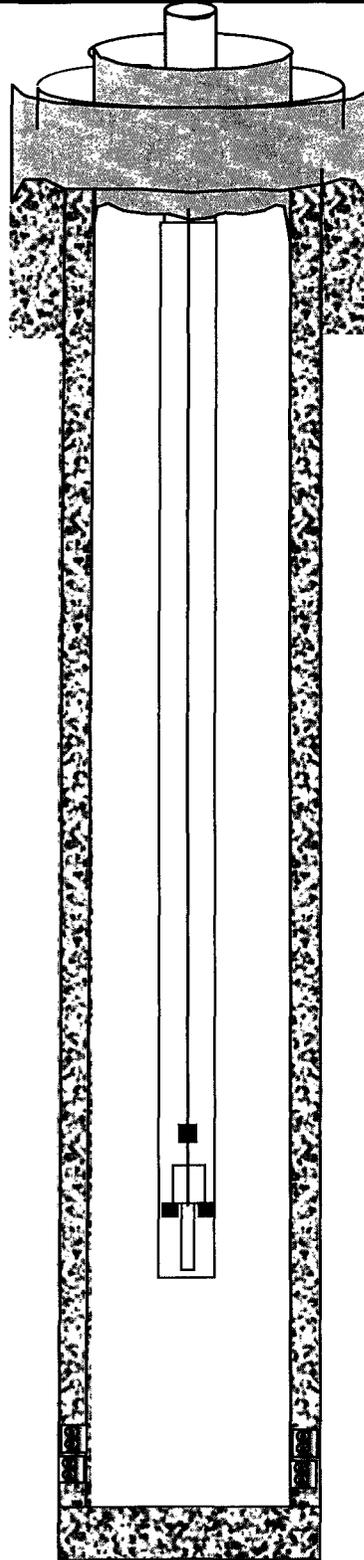
Spud: 05/15/08

Completed: 07/20/08

Sct 36, 22S -28E

Eddy Co., New Mexico
Herradura Bend; Delaware Field
Grid # 246289

GPS: 32.344406 -104.037621



9 5/8" (12 1/4" Hole) 36# Csg. to 458'
Cmt'd w-340 sxs to surface

2 7/8" to 6,583' - Pumping

Salt @ 2540'

Delaware Sand: 2,816'

DV Tool @ 3,713'

5 1/2" (7 7/8" hole) 15.5# csg. to 7,007'
Cmt'd w-2017 sxs. TOC @ surface

Bone Springs: 6,360'

Bone Spring: 6,486' - 6,513'

PBTD: 6964'

TD @ 7,007'

les@peeleroilfield.com

Proposed Plugged WBD

KB : 3118'
GL : 3110'

Spud: 05/15/08
Completed: 07/20/08

Perf @ 150' & sqz. 70 sxs. to surface

Perf @ 508' & Sqz. 70 sxs. & Tag @ 350'
9 5/8" (12 1/4" Hole) 36# Csg. to 458'
Cmt'd w-340 sxs to surface

Spot 30 sxs. @ 2590' & Tag @ 2440'

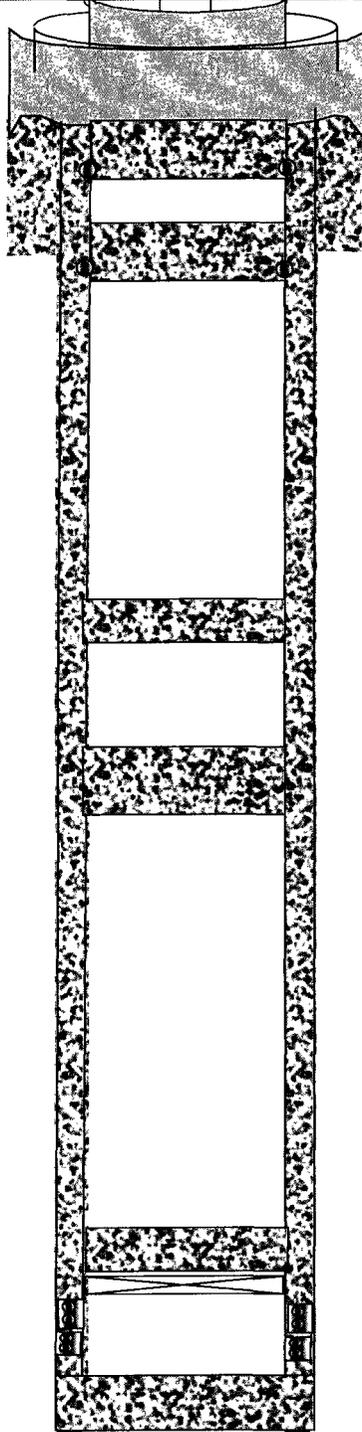
Spot 30 sxs. @ 3645'
DV Tool @ 3,713'

5 1/2" (7 7/8" hole) 15.5# csg. to 7,007'
Cmt'd w-2017 sxs. TOC @ surface

Set CIBP @ 6,386' & spot 30 sxs. on top

PBTD: 6964'

**Pinnacle State #23
Proposed WBD**



TD @ 7,007'

Les Peeler 10-19-17
30-015-36217

Sct 36, 22S -28E
Eddy Co., New Mexico
Herradura Bend; Delaware Field
Grid # 246289
GPS: 32.344406 -104.037621

Salt @ 2540'

Delaware Sand: 2,816'

Bone Springs: 6,360'

Bone Spring: 6,486' - 6,513'

les@peeleroilfield.com



NM OIL CONSERVATION
ARTESIA DISTRICT
OCT 23 2017

RECEIVED

Pinnacle State #23
Plug and Abandon Procedure
Herradura Bend, Delaware Field

Section 36 T-22S, R-28E
Eddy Co., New Mexico

API # 30-015-36217
Grid # 246289

Spud Date: 05/15/08
TD Date: 07/20/08

Producing Formations:
Bone Spring: 6,486' – 6,513'

KB Elev: 3137'
GL Elev: 3125'
TD: 7007'
PBTD: 6964'
Marker Joint: N/A

CASING SUMMARY:

Safety Factor = 80% of new applied to burst, collapse and tension parameters in table.

Size	Depth (ft)	Weight (#/ft)	Grade	Connecti on Type	Capacity (bbls/ft)	ID (in)	Drift (in)	Burst (psi)	Collapse (psi)	Tension (lbs)
9 5/8"	458'	36 #			.0773	8.921	n/a	n/a	n/a	n/a
5 1/2"	7007'	15.5 #			.0232	4.892"	n/a	n/a	n/a	n/a

Production: 9 5/8" 0'- 458' – TOC @ surface w- 330 sxs.
Production 5 1/2" : 0'- 7,007' - TOC @ surface w-2017 sxs.

COMPLETION HISTORY TO DATE:

OBJECTIVE: Plug and abandon.

WPX REQUIRES THAT HARD HATS, STEEL TOE BOOTS, FIRE RETARDANT CLOTHING, AND SAFETY GLASSES BE WORN ON LOCATION.

HOLD SAFETY MEETING PRIOR TO COMMENCING PERFORATING, WIRE LINE AND PUMPING OPERATIONS

NO IGNITION SOURCES WITHIN 100 FT OF THE WELLHEAD, FLOWBACK TANKS OR MANIFOLD.

PROCEDURE:

- 1) Test safety anchors and replace as necessary. Set 1 clean frac tank and fill with 480 BFW.
- 2) MIRU Service Unit. Deliver, unload and tally 6,400' - 2-3/8" 4.7# J-55 EUE work string.
- 3) ND WH, NU 3K# BOP.
- 4) POOH rods & tbg. & Lay Dn.
- 5) MI RU wireline unit. Run 5 1/2" GR/JB to 6,386'.
- 6) RIH w- 5 1/2" tbg. conveyed CIBP & set @ 6,386' – PU 1 jt. Pump 150 bbls. heavy mud. Spot 30 sx Class C Cement (14.8 ppg, 6.3 gps, 1.32 cfs yield) 6,386 – 6,200' flush with heavy mud. TOOH w- tbg.
- 7) PU & LD tbg. to 3,645' – Spot 30 sxs from 3,645' – 3,395'.
- 8) PU & LD tbg. to 2590' of tbg.
- 9) Spot 30 sxs. cmt. from 2,590' – 2,440'
- 10) **WOC & Tag @ 2,440'.**
- 11) RU WL – Perf @ 508' – Attempt to establish pump rate. Squeeze 70 sxs. cmt. to 350'. If unable to circulate, RU WL & perf @ 150' & Circulate Cement to Surface.
- 12) **WOC & Tag @ 350'**
- 13) RU WL – Perf @ 150' – Attempt to establish pump rate. Squeeze 70 sxs. cmt. from 150' to surface – if unable to circulate – Spot cmt. from 200' to surface.
- 14) RDMO Service Unit. RDMO Cementers.
- 15) MIRU Welder. Cut-off casing head. WO cap with well name and number, operator name, and date.
- 16) Pull safety anchors, dress, and reclaim surface location if necessary.

WPX Contact List:

WPX	Title	Ofc.	Cell
Justin Warren	Production Superintendent	575-885-7525	701-421-7324
Danny Emerson	Production Superintendent	575-885-1313	505-614-4867
Scott Armstrong	Permian Production Engineer	539-573-0162	918-557-9944
Brad Ballinger	Permian Production Engineer	539-573-0135	303-928-0799
Heather Stephens	Permian Production Engineer	539-573-8961	303-898-3918
David Hernandez	Permian Production Engineer	539-573-0205	918-282-8382
Josh Walker	Regulatory Specialist	539-573-0108	580-716-0330
Les Peeler	Plugging Consultant	405-659-5185	405-318-4726

Emergency Contacts – New Mexico:

Hospital: Carlsbad Medical Center (575) 887-4100
2430 W. Pierce St., Carlsbad, NM 88220

Sheriff's Office: Lea County Sheriff Dept (575) 396-3611
Eddy County Sheriff Dept (575) 887-7551

Emergency Contacts – Texas:

Hospital: Reeves County Hospital (432) 447-3551
2323 Texas St, Pecos TX 79772

Sheriff's Office: Reeves County Sheriff Dept (432) 445-4901
Loving County Sheriff Dept (432) 377-2411

Les Peeler: Peeler Oilfield Services Inc.

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)