RECVD 11/12/20

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

Form C-103
Revised July 18, 2013

WELL API NO.
30-025-34593

5. Indicate Type of Lease
STATE XX ☐ FEE ☐

6. State Oil & Gas Lease No.
AO-1118

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
GOODWIN STATE

1. Type of Well: Oil Well ☐ Gas Well ☐ Other xx SWD

8. Well Number 1

2. Name of Operator
CHEYENNE WATER DISPOSAL SYSTEMS, LLC

9. OGRID Number
269152

3. Address of Operator
P. O. BOX 132, HOBBS, NM 88241

10. Pool name or Wildcat
SWD;GB-SAN ANDRES DEL-BS

4. Well Location
Unit Letter **D** : **330** feet from the **NORTH** line and **330** feet from the **WEST** line
Section **6** Township **19S** Range **37E** NMPM **LEA** County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*

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	☒	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:	☐		

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

OCD Administrative Order SWD-827-B – INTENT TO P&A

See attached Plugging Procedure and Wellbore Schematics.

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 Bill Hicks TITLE President DATE 10-20-20

Type or print name Bill Hicks E-mail address: billhicks8510@hotmail.com PHONE: 575-397-3270

For State Use Only

APPROVED BY: Kerry Fortner TITLE Compliance Officer A DATE 11/18/20
Conditions of Approval (if any):

PROCEDURE
PLUG & ABANDON
GOODWIN STATE NO. 1

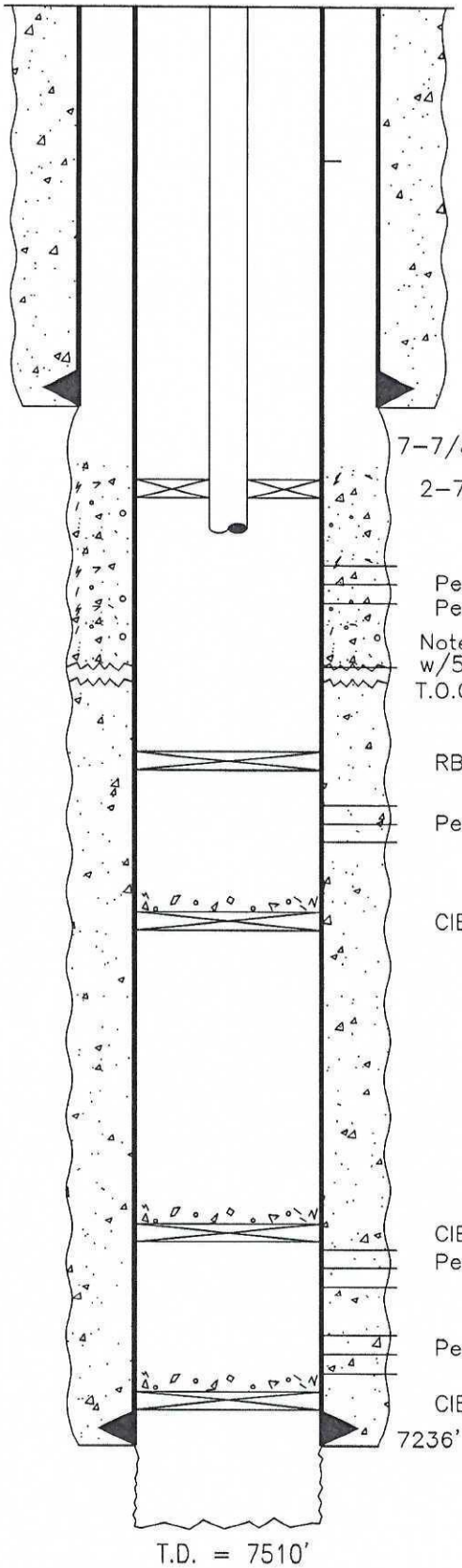
API No.: 30-025-34593
Location: 330' FNL & 330' FWL Section 6, T-19S, R-37E
Lea County, New Mexico
Elevation: 3735' GL **KB:** +15'
TD: 7510' **PBTD:** 6675'
Casing & Cement:
8-5/8", 24#/ft., K -55, ST&C @ 1618' cmt. w/790 sx. circulated
5-1/2", 17#/ft., N-80, LT&C @ 7236' cmt.w/400 sx. TOC @ 5350' by CBL
Squeeze Perforations @ 5100' w/500 sx.; TOC by CBL @ 2700'
Tubing:
2-7/8" 6.5#/ft., J-55, EUE, IPC
Perforations Open to Wellbore (See Attached Schematic):
4,370'-82', 4,392'-95', 4,506'-20', 4,544'-57', 4,572'-90'
4,630'-60', 4,854'-84', 4,972'-90', 5,145'-69', 5,206'-39', 5,238'-90'
Plugs:
CIBP @ 7,100'w/35' cmt.
CIBP @ 6,675'w/35' cmt.
CIBP @ 6,230'w/35' cmt.
RBP @ 5,600' w/sand & junk to 5595'
Proposed Cement Plugs:
200' from 5595'-5395'
200' from 4370'-4170'
200' from 2700'-2500' Across TOC in 5-1/2"x 8-5/8" annulus Perf and Squeeze 50 sx Class C 2650
500' from 1600'-1100' Across 8-5/8" csg. Shoe
100' from 100'-Surface Perf and Squeeze 150 Circ to surface
Procedure:
1. MIRU. Bleed pressure off of tubing and annulus. NU BOP.
2. Release Arrowset I packer at 4,336' and TOOH laying down IPC tubing
3. PU 4-3/4" bit, 3 3-1/8" DCs, 2-7/8" workstring and TIH to 5595' washing down if necessary. Circulate hole w/150 bbls. fresh water. Displace hole with 120 bbls. mud laden fluid. Use for spotting cement plugs on all subsequent operations.
4. TOOH w/tbg and lay down bit and DCs.
5. TIH w/tbg. OE. Spot 20 sx. cmt plug from 5595'-5395'.
6. Pull up and spot 20 sx. cmt. plug from 4370'-4170'.
7. Pull up and spot 20 sx. cmt. plug from 2700'-2500' Perf and Squeeze 50 sx Class C 2650
8. Pull up and spot 50 sx. cmt. plug from 1600'-1100'. WOC. Tag plug.
9. Pull up and spot 10 sx. cmt. plug at surface. Perf and Squeeze 150 Circ to surface
10. ND BOP. Cut off wellhead and erect dry hole marker.

Prepared By: Larry R. Scott

Date: 10/12/2020

SWD INJECTOR

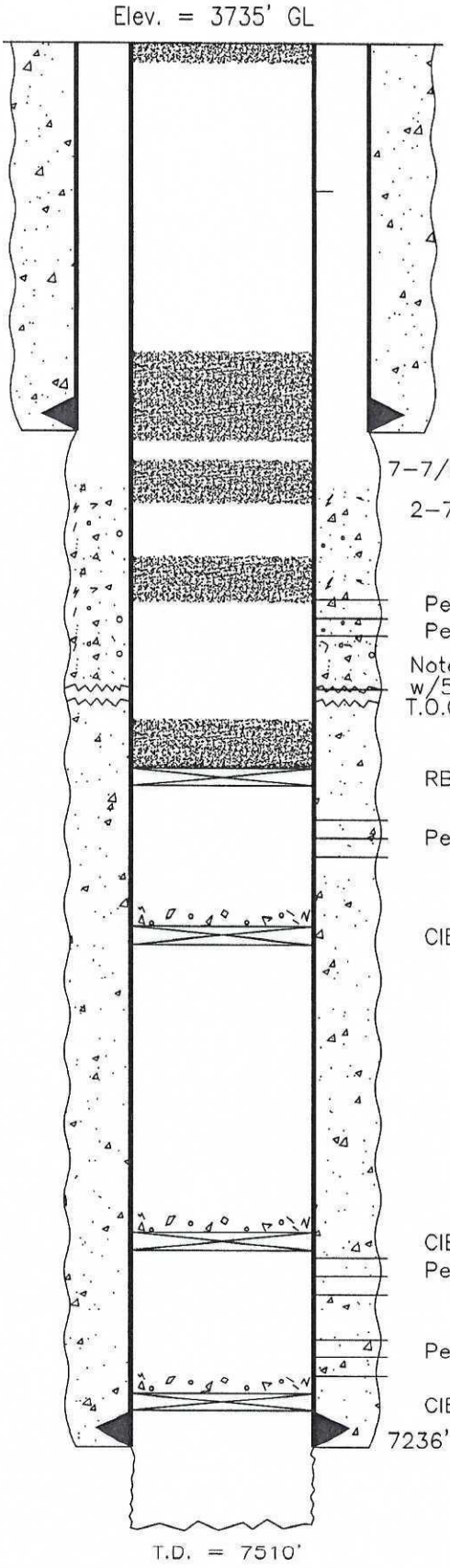
Existing Wellbore 10/14/2020



Cheyenne Water Disposal, LLC
Goodwin State No. 1
330' FNL & 330' FWL
Sec. 6, T–19S, R–37E
Lea County, New Mexico

Goodwin State No. 1

Proposed P&A



Perf and Squeeze 150 Circ to surface

12–1/4" Hole

4336' 2–7/8", 6.5#, J–55, IPC Tubing
w/Arrowset I packer

1618' – 8 5/8" Casing. Cemented w/790 sxs. Circulated to Surface.

7–7/8" Hole

Perf and Squeeze 50 sx Class C 2650

2–7/8" x 5–1/2" packer set @ 4336'

Perfs 4370'–4990' Overall
Perfs 5145'–5290' Overall

Note: Annulus circulated from perfs @ 5100'
w/500sx. TOC @ 2700' by CBL
T.O.C. @ 5350' by CBL

RBP @ 5600'

Perfs 5670'–94', 5755'–5810', & 6020'–6044'

CIBP @ 6230' capped w/35' cmt.

CIBP @ 6675' capped w/35' cmt.
Perfs 6676'–94'

Perfs 6850'–54', 6864'–78', 6880'–83', & 6888'–92'

CIBP @ 7100' capped w/35' cmt.

7236' – 5 1/2" , 17# CASING. CEMENTED W/400 SXS.

Cheyenne Water Disposal, LLC
Goodwin State No. 1
330' FNL & 330' FWL
Sec. 6, T–19S, R–37E
Lea County, New Mexico

CONDITIONS OF APPROVAL
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 I (Hobbs) at (575)-263-6633** 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, woe 4 hours and tag, this plug will be SO' 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, woe and tagged. These plugs will be set SO' below formation bottom to 50' above formation top inside the casing

DRY HOLE MARKER REQ.UIRMENTS

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 least¼" 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