

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. 30-025-10596
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name SKELLY PENROSE A UNIT
8. Well Number 38
9. OGRID Number 240974
10. Pool name or Wildcat Langlie Mattix; 7Rvrs-Queen-Grayburg

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 LEGACY RESERVES OPERATING LP	
3. Address of Operator PO BOX 10848, MIDLAND, TX 79702	
4. Well Location Unit Letter <u>N</u> : <u>740</u> feet from the <u>SOUTH</u> line and <u>2000</u> feet from the <u>WEST</u> line Section <u>3</u> Township <u>23S</u> Range <u>37E</u> NMPM County <u>LEA</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3297' DF	

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"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input checked="" 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

INSTALLED CLOSED-LOOP SYSTEM WITH STEEL TANKS. HAULED CONTENTS FROM CLOSED-LOOP SYSTEM TO APPROVED NMOC DISPOSAL LOCATION ACCORDING TO RULE 19.15.17.

----SEE ATTACHED PROCEDURE----

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 Kent Williams TITLE SENIOR ENGINEER DATE 10/08/2013

Type or print name KENT WILLIAMS E-mail address: kwilliams@legacylp.com PHONE: 432-689-5200

For State Use Only

APPROVED BY: [Signature] TITLE DIST MGR DATE 10-17-2013

Conditions of Approval (if any):

OIL CONSERVATION DIVISION - Hobbs office **Must Be Notified**
24 hours prior to the beginning of Plugging Operations.

OCT 17 2013

PLUG AND ABANDONMENT PROCEDURE-PROPOSED

Skelly Penrose A Unit #38

Field/Pool: Langlie Mattix (7Rivers/Queen/Grayburg)
Lea Co., NM

Date: 10/3/2013

Engineer: Kent Williams

Company: Legacy Reserves Operating, LP

Purpose Of Procedure: Plug and abandon. Will perform turn-key PXA with approved vendor.

Pre-Job:

- Check location for required dirtwork and clearing of mesquite to accommodate equipment
- Test pulling unit anchors if necessary

Procedure:

1. MIRU plugging company. NU 2000# minimum rated BOP.
2. RIH w/ open-end tbg. Tag top of cement plug. Plug #1 is already set. *150 SK @ 2260'*
(Plug #1-Cmt Retainer set at 3260'. Sqz perms below retainer w/ 50 sxs cmt. Spot ~~25~~ sxs on top of plug)
3. Circulate the casing w/ 9.5 PPG mud laden fluid. Csg Volume = 126 bbls at 3115'.
4. *2260 150 SK*
Plug #2 (Base of Salt Plug) RIH tbg to ~~2525'~~ *2260'* Spot ~~55~~ sxs Class C cmt from *2260' to 1260'*
~~2525-2225' (300')~~ WOC. No tag required.
5. *1260'*
Plug #3 (Casing Shoe Plug) Perf casing at ~~1227'~~ *1260'* RIH w/ pkr and tbg to ~~900'~~ *1260'* Squeeze ~~15~~ sxs Class C
cmt and displace cement to ~~1000'~~ leaving cement plug from ~~1000'-1237' (237')~~ WOC. Tag plug. *→ ciec cmt to surface*
6. ~~Plug #4 (Surface Plug) RIH w/ tbg to 60'. Circulate 10 sxs Class C cmt to surface from 60' 0' (60').~~
~~Top off cmt at surface to fillup csg if necessary.~~ *★ Note*
8. Cut off well head. Weld on dry hole marker. Backfill cellar as necessary. Clean location. RDMO.

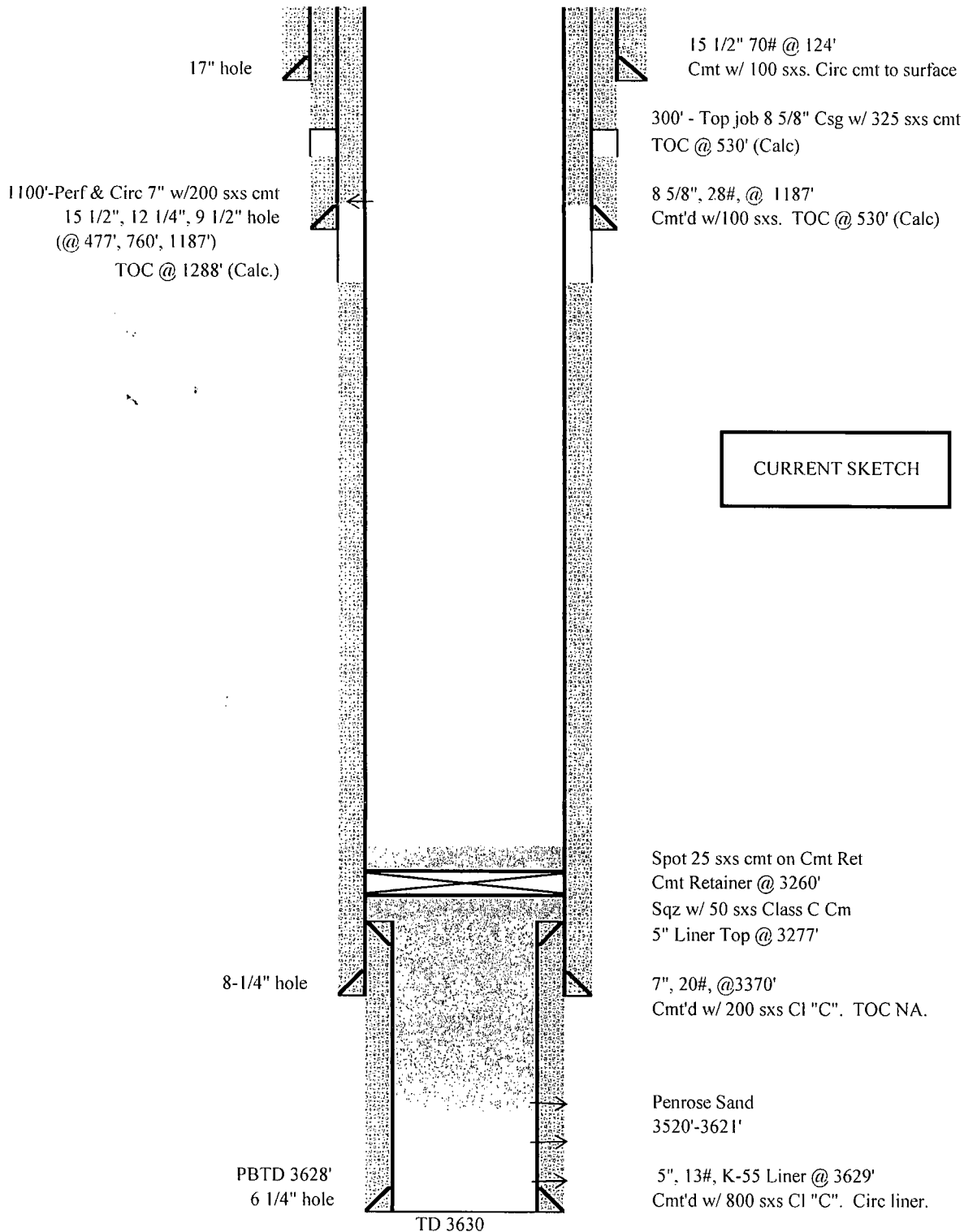
Note:

- Use Class "C" Neat Cement, 1.32 ft³/sxs cmt yield
- Use 9.0 PPG mud laden fluid (25 sxs @ 50 # gel/sx in 100 bbls brine).
- Notify NMOCD office in Hobbs, NM (575)393-6161 24 hrs prior to initiating plugging.

*★ Note - THIS WELL is in the
(R-5003 AREA)*

WELLBORE SCHEMATIC

Well Name & No.:	Skelly Penrose A Unit # 38			
Field:	Langlie Mattix (7Rivers/Queen/Grayburg)			
Location:	740' FSL x 2000' FWL, Sec. 3 , Unit Letter N, T-22-S, R-37-E			
County:	Lea	State:	NM	API #: 30-025-10596
GR Elev:	3297.0	Spud Date:	05/20/37	
KB :	6.0	Original Operator:	Skelly Oil Co.	
KB Elev:	3303.0	Original Lease Name:	Sims "C" #1-A	



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