

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 87401
District IV -- (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OGD
State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

RECEIVED
JUL 13 2015

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

WELL API NO. 30-025-04861
5. Indicate Type of Lease STATE ☐ FEE ☒ Fee Surface; Federal Minerals
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name ATHA
8. Well Number 1
9. OGRID Number 19797
10. Pool name or Wildcat SWD; Seven Rivers-Queen (96132)

SEE ATTACHED
EMAIL.

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 SWD ☒
2. Name of Operator Key Energy Services, LLC
3. Address of Operator 6 Desta Drive, Suite 4300, Midland, Texas 79705

4. Well Location Unit Letter <u>M</u> <u>660'</u> feet from the <u>South</u> line and <u>660'</u> feet from the <u>West</u> line Section <u>31</u> Township <u>21 South</u> Range <u>36 East</u> NMPM Lea County
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11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,613' GR

12. Check Appropriate Box to Indicate Nature of

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☒
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐	
CLOSED-LOOP SYSTEM ☒	
OTHER: ☐	

REMEDIAL
COMPLETION
CASING

E-PERMITTING <SWD INJECTION> CONVERSION ☐ RBDMS ☐ RETURN TO ☐ TA ☐ CSNG ☐ CHG LOC ☐ INT TO P&A NR ☒ P&A R ☐
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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.

Key Energy Services, LLC proposes to plug and abandon the ATHA Well No. 1 in the following manner:

CIRC MLF.
Set CIBP @ 3,700' and cap with 35' of cement
Set 30 sx. cement plug 3,370'-3,470'
SPOT 45 SX 6 CMT 3700' - 3300' WOC & TAG. PRESSURE TEST CSG.
EST. RATE. IF UNABLE TO CIRC. GO TO OPTION #2
Option 1: Perforate 5 1/2" casing @ 1,775' & circulate cement to surface in the 5 1/2" x 7 5/8" annulus w/130 sx. cement. Leave plug in 5 1/2" casing 1,675'-1,775'. Set 30 sx. cement plug 460'-560'. Set 60" cement plug @ surface.
Option 2: Perforate 5 1/2" csg. @ 1,775' & squeeze 30 sx. cement plug 1,675'-1,775'. Perforate 5 1/2" casing @ 560' and circulate cement to surface in the 5 1/2" x 7 5/8" annulus w/70 sx. Leave cement plug in 5 1/2" casing 460'-560'. Set 60" cement plug @ surface.
INSIDE FOOT TO SURFACE. CUT OFF WELLHEAD. VERIFY CMT TO SURF. ALL CSG STRINGS.
Remove anchors & clean location.

Spud Date:

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Rig Release Date:

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The Oil Conservation Division
MUST BE NOTIFIED 24 Hours

Prior to the beginning of operations

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

SIGNATURE

Wayne Price

TITLE

KEY NM AGENT/CONSULTANT

DATE

07/09/2015

Type or print name

Wayne Price

E-mail address:

wayneprice77@earthlink.net

PHONE:

505-715-2809

For State Use Only

APPROVED BY:

Malay Brown

TITLE

Dist. Supervisor

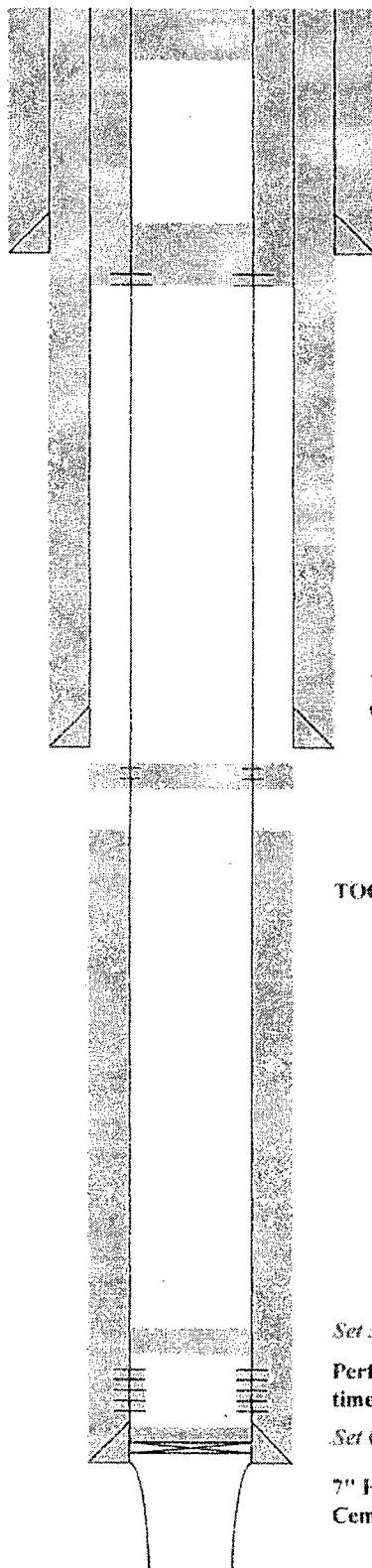
DATE

7/14/2015

JUL 14 2015

MB

**Proposed Plugging Procedure
(Option 2 Shown)**



Set 60' surface plug

13 1/4" Hole (Estimated);
Set 10 1/2" csg @ 510'
Cemented w/250 Sx.
TOC @ Surface by Calc.

Perforate 5 1/2" csg. @ 560' &
circulate cement to surface in the
7 5/8" x 5 1/2" annulus w/70 sx.
Leave plug in 5 1/2" csg. 460'-560'

10" Hole (Estimated) Set 7 5/8" csg @ 1,715'
Cemented w/500 sx. TOC @ Surface by Calc.

Perforate 5 1/2" csg. @ 1,775' & squeeze
30 sx. cement plug 1,675'-1,775'

(Note: Key Energy Services, LLC may elect to circulate cement to surface in the 5 1/2" x 7 5/8" annulus from this depth w/150 sx. cement). If this option is utilized, a 30 sx. cement plug will be set from 460'-560' without perforating at that depth).

TOC @ 1,945' by Calc.

Key Energy Services, LLC

ATHA No. 1

API No. 30-025-04861

660' FSL & 660' FWL (Unit M)

Section 31, T-21 South, R-36 East, NMPM

Date Drilled: 9/1937

Approved for SWD by Order No.

R-3694 dated March 4, 1969

Approved Injection Interval:

Seven Rivers & Queen Formations

Open-Hole: 3,752'-3,872'

Formation Tops:

Rustler: 1,750'

Base of Salt: 3,350'

Yates: 3,470'

Seven Rivers: 3,760'

Set 30 sx. cement plug 3,370'-3,470'

Perforations 3,511'-3,679' squeezed 3 separate
times w/200 sx., 30 sx., & 50 sx.

Set CIBP @ 3,700' w/35' cement on top

7" Hole (Estimated); Set 5 1/2" csg. @ 3,752'
Cemented w/200 Sx. TOC @ 1,945' by Calc.