

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

HOBBS OGD

AUG 04 2016

RECEIVED

OIL CONSERVATION DIVISION

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

WELL API NO. 30-045-40002
5. Indicate Type of Lease STATE [] FEE [X]
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name
8. Well Number 1
9. OGRID Number 24650
10. Pool name or Wildcat AGI in Devonian/Fusselman
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3571' 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 [] Gas Well [X] Other AGI Well
2. Name of Operator Targa Midstream Services, LP
3. Address of Operator 1000 Louisiana, Ste 4300, Houston, TX 77002
4. Well Location Unit Letter O : 662 feet from the South line and 2513 feet from the East line
Section 36 Township 19S Range 36E NMPM Lea County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3571' GR

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK [X] PLUG AND ABANDON []
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.

Replace tbg and repair possible csg leak - see attached for detail. No Pits. Plan to begin work 08/08/2016.
Shut off acid gas to well
Remove lines from around wellhead
Locate potential hole in casing
Run a casing inspection log from pkr @ 8299' to surface
Perform csg leak squeeze
Perform pressure test
Pull & LD disposal tbg
Run back in with new tbg
Run MIT

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 Denise Jones TITLE Regulatory Analyst DATE 08/03/2016

Type or print name Denise Jones E-mail address: djones@cambrianmgmt.com PHONE: 432-620-9181

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 08/03/16

Conditions of Approval (if any):

Monument AGI Well No. 1
Replace tubing and repair casing leak
August 2, 2016

1. File C-103 with OCD, No pits.
2. Shut off acid gas to well.
3. Blind acid gas and water lines at plant.
4. Remove lines from around wellhead to allow the rig and equipment to move on to the well.
5. **Notify OCD of intent to work on the well.**
6. Install H2S monitors and safety equipment.
7. Set frac tank and fill with clean brine to be used as needed.
8. Move in rig pump truck, rig up slick line truck.
9. Pump a tubing capacity + 10bbbls of water down tubing.
10. Hold SSSV in open position.
11. Run in hole with _____" profile plug and set plug in packer, test plug to 2500psi.
12. Release sick line truck and rig up wireline truck.
13. Run a base temperature log, rig up pump truck on backside and pump water at 1BPM down backside while running temperature log, locate potential hole in casing.
14. Rig down wireline truck.
15. Contact Halliburton and T3 to assist in removing wellhead and releasing on/off tool from packer
16. Move-in pulling unit.
17. Remove wellhead and install BOP's.
 - Use caution and handle tubing hanger carefully so as not to damage.
 - T3 to replace seals on hanger.
 - Halliburton will redress the on/off tool and SSSV.
18. Pick up on tbg and J off of on/off tool, pull out of hole laying down tbg and control line to SSSV.
 - Closely monitor well for flow.
 - Be alert for possible pressure under SSSV.
19. Closely monitor the well for any flow.
20. Move in wireline and run a casing inspection log from packer at 8299' to surface.
21. Send log to Midland office for analysis.
22. Move in 2 7/8" work string.
23. Run in hole with 7" RBP and pkr on 2 7/8" work string.
24. Set RBP at 8150' dump a sack of sand on RBP.
25. Pull up hole above casing leak and establish pump in rate.
26. Contact Midland office with data to determine the volume of cement to be utilized for the squeeze.
27. Move in rig up Halliburton and perform the casing leak squeeze.
28. Pull out of hole with the pkr and lay down.
29. Pick-up ___ bit and 10-3 1/2" DC's, tag top of cement and drill out.

30. When bit falls through cement circulate the hole clean and perform a pressure test to 1000 psi.
31. If it holds for 30 minutes release pressure and pull out of hole, lay down drill assembly.
32. Pick-up retrieving tool and run in hole circulate sand off of RBP (make sure it is very clean), latch on RBP and release.
33. Pull out of the hole monitoring flow back and lay down work string.
34. Rig down all reverse equipment, work string and collars and move out.
35. Off load new string of 3 ½", 9.3# J-55 EUE 8RD Duoline 20 fiberglass lined tubing plus a full set of pup joints.
36. Pick-up on/off tool on 3 ½" 9.3# fiberglass lined tubing.
 - Have a Duo-line service hand on location to assist with running of tubing string
 - Hydro-test tubing in hole with 5000psi
 - Halliburton SSSV to be set at +/-250' with control line to surface.
37. Space out and J onto on/off tool.
38. Release on on/off tool and circulate fresh water treated with corrosion inhibitor as packer fluid.
39. J back on to on/off tool.
40. Test backside to 750psi.
41. Hang tubing in wellhead.
42. Remove BOP's and install tree, allow air to work out of casing.
43. Rig up slick line unit and pull blanking plug from "X" nipple.
44. **Notify OCD of upcoming MIT test.**
45. Hold SSSV in open position, load tubing with water.
46. Run MIT test to 500psi with chart, Hold SSSV in open position and leave tubing open to surface during test.
47. Rig down move out pulling unit.
48. Install acid gas line.
49. Hook up and set SSSV.
50. Return well to disposal service.