

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

Form C-103
 Revised July 18, 2013

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

WELL API NO. 30-025-26370
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name State '4'
8. Well Number 1
9. OGRID Number 370661
10. Pool name or Wildcat BSW; Salado
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3997' GL

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 - PxA Well

2. Name of Operator
Llano Disposal, LLC

3. Address of Operator
P.O. Box 190, Lovington, NM 88260

4. Well Location
 Unit Letter E : 1980 feet from the North line and 660 feet from the West line
 Section 4 Township 13S Range 36E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3997' GL

HOBBS OCD
JAN 19 2018
RECEIVED

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input 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: Run CBL, CNL and caliper log <input checked="" 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.

In accordance with discussions with OCD Environmental Bureau, Llano Disposal LLC proposes to re-entry this P&A well to inspect casing for possible conversion to brine supply well service pending WQCC Discharge Permit approval:

- 1) Back drag/level location, set anchors, dig out around existing PxA marker, MI welder, cut off PxA marker, reveal good 13-3/8" and 8-5/8" casing, install new casing (if necessary) and well head at ground level.
- 2) MIRU pulling unit, NU BOP, unload and tally 2-7/8" workstring, set 2 frac tanks and fill one with FW. MIRU reverse unit, swivel and stripping head, RIH with 7-7/8" skirted MT bit, bit sub, four 4-3/4" DCs and 2-7/8" workstring, drill cement plug #8 (surface to 30') and plug # 7 (1700' - 1900') utilizing closed loop system.
- 3) Tag plug #6 at 4550', circulate hole clean, close BOP, test casing to 300#, POOH & LD 2-7/8" workstring, DCs, bit sub and bit.
- 4) MIRU WL, run CBL, CNL and casing caliper log from PBD at 4550' to surface, RDMO WL.
- 5) ND BOP, install B-1 adaptor, secure and close in well, RDMO pulling unit, reverse unit and tanks.
- 6) Submit CBL, CNL and caliper log to OCD Environmental Bureau (SF) and OCD District 1 (Hobbs) to make a better determination on proposed window depth and tubing depth. Suspend further well work until additional permitting is approved.

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 DJ Holcomb TITLE Agent for Llano Disposal, LLC DATE 1/5/2018

Type or print name Danny J. Holcomb E-mail address: danny@pwl.com PHONE: 806-471-5628
For State Use Only

Petroleum Engineer

APPROVED BY: [Signature] TITLE _____ DATE 01/19/18
 Conditions of Approval (if any): _____