

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

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

Table with 2 columns: Field Name, Value. Includes WELL API NO. (30-025-10784), 5. Indicate Type of Lease (STATE, FEE, XX), 6. State Oil & Gas Lease No., 7. Lease Name or Unit Agreement Name (E.L. Steeler), 8. Well Number (002), 9. OGRID Number (025504), 10. Pool name or Wildcat (Langlie Mattix SR-QU-GB).

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 X Gas Well Other
2. Name of Operator: Yarbrough Oil LP
3. Address of Operator: P.O. Box 1769, Eunice, NM 88231
4. Well Location: Unit Letter A, 660 feet from the North line and 660 feet from the East line. Section 17, Township 23S, 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
PERFORM REMEDIAL WORK []
TEMPORARILY ABANDON []
PULL OR ALTER CASING []
DOWNHOLE COMMINGLE []
OTHER: []
INT TO PA
P&A NR Am
P&A R

SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A XX
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.

SEE ATTACHED

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

SIGNATURE [Signature] TITLE Agent DATE 9/10/18

Type or print name John R. Stearns, Jr. E-mail address: bobbystearns1@yahoo.com PHONE: 575-760-2482

For State Use Only

APPROVED BY: [Signature] TITLE P.E.S. DATE 09/10/2018

Conditions of Approval (if any):

Approved for Plugging of wellbore only. Liability under bond is retained pending restoration and completion of the C-103, Specific for Subsequent Report of Well Plugging, which may be found on the OCD web page under forms. Restoration Due By 02-28-2019

Plugging Report
E.L. Steeler #2
30-025-10784

2/19/2018 Move in rig up and install BOP. RIH with gauge ring and tag tubing in the hole at 198'. Picked up 5 3/4" overshot with a grapple to catch a 2 3/8" body break. Could not get grapple to grab tubing. POOH with overshot and SION.

2/20/2018 RIH with 5 3/4" overshot with a 32' wash pipe extension dressed to catch the collar below the top of the fish. Caught collar and worked tubing free. POOH with overshot and laid down. Fish was a 2 3/8" tubing pin. Laid down 124 joints 3 3/8" tubing, a seating nipple, and a 4' perforated sub with no collar on the bottom. Picked up 6 1/4" drill bit, 6 collars, and started in the hole with the work string. RIH with 71 joints and SION.

2/21/2018 Finished picking up work string and tagged up at 3613'. Picked up swivel and caught circulation with 80 bbls. Drilled soft fill from 3613' to 3713'. Made another 3' of hard drilling. Getting back large pieces of metal. SION at a depth of 3716'.

2/22/2018 Continued drilling out. Made 1 foot in 6 hrs. Getting small metal shavings in the returns. POOH with tubing and stood back collars. Bit was worn out. Called OCD to report conditions.

2/23/2018 RIH with new bit and continued to drill out junk in the hole. Made another 8" in 4 hrs. Called OCD. Got permission to plug from current depth of 3718'. POOH with bit and collars. Rigged down reverse unit and SION.

2/26/2018 RIH with tubing and circulated MLF. Spotted 25 sx cement at 3718'. POOH to 2889' and spotted 50 sx cement with CaCl to cover the existing perforations. WOC and did not tag cement. Spotted another 25 sx cement at 1889' with CaCl and SION.

2/27/2018 Tagged cement at 2861'. POOH to 2445'. Established circulation and pressured up on the wellbore to 450# and held. Bad casing from 2300' to 2391 will not take fluid. Spotted 45 sx with CaCl across bad casing from 2445'. WOC and tagged cement at 2238'. POOH to 1682' and spotted 25 sx of cement. ETOC at 1493'. POOH with tubing and perforated 7" casing at 1168'. Set packer at 889' and pressured up on perfs to 500#. Held pressure with no drop. POOH with packer and RIH with tubing to 1238' and spotted 30 sx cement. POOH and SION.

~~2/28/2018~~ Tagged cement at 1079'. Perforated 7" casing at 305'. Closed BOP and pressured up on wellbore to 500#. Perforations will not take fluid. RIH with tubing to 355' and filled up 7" casing with 60 sx cement. Rigged down and cut off wellhead. Cement was to surface inside 7" casing. Filled up 7" x 13 3/8" annulus to surface with 75 sx. Installed marker and cut off anchors. Moved equipment off location.

All fluids circulated to at steel pit.