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

HOBBS OCD
FEB 27 2019
RECEIVED

Form C-103
Revised July 18, 2013

WELL API NO. 30-025-29564

5. Indicate Type of Lease STATE ☒ FEE ☐

6. State Oil & Gas Lease No. LG-3818

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.)

7. Lease Name or Unit Agreement Name: Pyro ABK State

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

8. Well Number #2

2. Name of Operator: Foundation Energy Management, LLC

9. OGRID Number: 143199

3. Address of Operator: 5057 Keller Springs Rd Suite 650, Addison, TX 75001

10. Pool name or Wildcat: South Baum-Wildcat (4967); Upper Penn-Lazy J (37430)

4. Well Location
Unit Letter C 660' feet from the FNL line and 2310' feet from the FWL line
Section 33 Township 13S Range 33E NMPM County Lea

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* KB

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

| NOTICE OF INTENTION TO: | | | | SUBSEQUENT REPORT OF: | | | |
|---|---|---|---|---|---|---|---|
| PERFORM REMEDIAL WORK | ☐ | PLUG AND ABANDON | ☒ | REMEDIAL WORK | ☐ | ALTERING CASING | ☐ |
| TEMPORARILY ABANDON | ☐ | CHANGE PLANS | ☐ | COMMENCE DRILLING OPNS. | ☐ | P AND A | ☐ |
| PULL OR ALTER CASING | ☐ | MULTIPLE COMPL | ☐ | CASING/CEMENT JOB | ☐ | | |
| DOWNHOLE COMMINGLE | ☐ | | | | | | |
| CLOSED-LOOP SYSTEM | ☐ | | | | | | |
| OTHER: | ☐ | | | 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.

Set CIBP @ 9829' Bail Dump 4 SX on top and WOC. Pressure Test tubing to 500#. TOH with tubing. Load casing with 257 bbl of 9.5 lb mud. Pump 100' (30 SX) plug inside casing from 50' below intermediate casing shoe (4235'-4135'). Perf and sqz 30 sx plug at base of salt section (~2841'). Perf and sqz 30 sx plug at top of salt section (-1833'). Pump top plug inside/out (100') to surface. Dig out wellhead, cut off wellhead, verify cement to surface on all strings, Add above ground marker with proper ID information. Note: All Balanced or Sqz plugs will wait on cement and tag NMOCD will be notified 24 hours prior to beginning plugging operations.

See Attached Conditions of Approval

P & S @ 100' circ to surf

4" dia 4' Tall above ground marker

Spud Date: 3/26/2019 Rig Release Date: 4/1/2019

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

SIGNATURE _____ TITLE PEA Engineer DATE 2-26-2019

Type or print name Bill Johnson E-mail address: bjohnson@foundationenergy.com PHONE: 918-526-5549

**For State Use Only**

APPROVED BY: Kerry Fortner TITLE Compliance Officer A DATE 3-1-19

Conditions of Approval (if any):

# Foundation Energy Management, LLC
## WELLBORE DIAGRAM

| Well / Battery | Prospect Name | | Total Depth | Current Status |
|---|---|---|---|---|
| Pyro #2 | Lazy "J" | | 10100 | SI |
| **Location** | **Sec-Twn-Rng** | | **Producing Horizon** | **County & State** |
| Permian | 33-13-33 | | Bone Spring | Lea, NM |

## CURRENT WELLBORE DIAGRAM

**Prepared Date:** 2/8/2019
**Prepared By:** Tyler Stalcup

**General Info**

API #: 30-025-29564

KB Elevation: 4262.5'
GL Elevation: 4247.5'

Spud Date: 1/1/1986
Completion Date: 2/18/1986

TVD: 10100
MD:
Last PBTD: 10042

Shoe 4205'

TOC @ 7150'

**Surface Casing**

| | |
|---|---|
| 8-5/8 | inch (OD) |
| 32 | # (weight) |
| J-55 | grade |
| 4205 | Ft Measured Depth from KB |
| SURF | Ft cement top Visual Returns |
| 1800 | sacks of cement |
| 11 | inch (OD) HOLE SIZE |

**Production Casing**

| | |
|---|---|
| 5-1/2 | inch (OD) |
| 17 | # (weight) |
| J-55/N-80 | grade |
| 10100 | Ft Measured Depth from KB |
| 7150 | Ft cement top CBL |
| 1170 | sacks of cement |
| 7-7/8 | inch (OD) HOLE SIZE |

**Tubing Detail**

| | |
|---|---|
| 2-7/8 | inch(OD) |
| | # (weight) |
| | grade |

| Tubing Tally | Length | Depth |
|---|---|---|
| 273 | | 9717 Ft KB MD |
| | | Ft KB MD |

| Rod Design | length | Tally |
|---|---|---|
| 7/8" | 25' | 120 |
| 1" | 25' | 88 |
| 1" SUB | 6' | 1 |
| 1-1/2" Liner | 18' | 1 |
| 1-1/4 Polished | 30' | 1 |

Well Notes:
Tubing Anchor 8911
SN @ 9686
EOT 9717'

**Open Perforations**

9843-9848; 9718-9720; 9792-9796 Ft Measured Depth
9818-9822; 9878-9884; 9940-9950
10013-10019; 10022-10030

TD= 10100

# Foundation Energy Management, LLC
## WELLBORE DIAGRAM

| Well / Battery | Prospect Name | | Total Depth | Current Status |
|---|---|---|---|---|
| Pyro #2 | Lazy "J" | | 10100 | SI |
| Location | Sec-Twn-Rng | | Producing Horizon | County & State |
| Permian | 33-13-33 | | Bone Spring | Lea, NM |

**PROPOSED WELLBORE DIAGRAM**

**Prepared Date:** 2/8/2019
**Prepared By:** Tyler Stalcup

**General Info**

API #: 30-025-29564

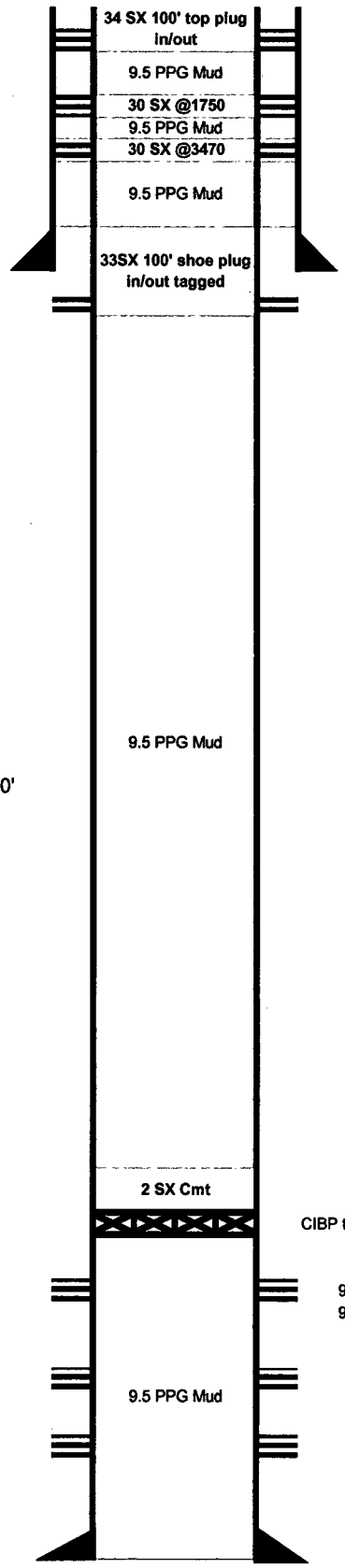
KB Elevation: 4262.5'
GL Elevation: 4247.5'

Spud Date: 1/1/1986
Completion Date: 2/18/1986

TVD: 10100
MD:
Last PBTD: 10042

Perf & Circ 30 SX
Top of Salt 702'
Perf & Circ 30 SX
Bottom of Salt 2940'

Perforate @ 4255'




TOC @ 7150'

CIBP to be set @ 9790'

**Surface Casing**

| | |
|---|---|
| 8-5/8 | inch (OD) |
| 32 | # (weight) |
| J-55 | grade |
| 4205 | Ft Measured Depth from KB |
| SURF | Ft cement top Visual Returns |
| 1800 | sacks of cement |
| 11 | inch (OD) HOLE SIZE |

**Production Casing**

| | |
|---|---|
| 5-1/2 | inch (OD) |
| 17 | # (weight) |
| J-55/N-80 | grade |
| 10100 | Ft Measured Depth from KB |
| 7150 | Ft cement top CBL |
| 1170 | $9 |
| 7-7/8 | inch (OD) HOLE SIZE |

**Plugged Perforations**

9843-9848; 9718-9720; 9792-9796 Ft Measured Depth
9818-9822; 9878-9884; 9940-9950
10013-10019; 10022-10030

Well Notes:

TD=10100

GENERAL CONDITIONS OF APPROVAL:

1) Insure all bradenheads have been exposed, identified, and valves are operational prior to rigging up on well.

2) Contact the appropriate NMOCD District Office no later than 24 hours prior to moving in and rigging up.

3) A copy of the approved C103 intent to P&A should be distributed to the onsite company and plugging representatives. Approved procedures are good for a period of **one year** from approved date, unless otherwise specified on the C103 intent. Approvals past this date will require the submission and approval of a new C103 intent.

4) A company representative is required to be present to witness all operations including setting CIBP's, circulation of mud laden fluids, perforating, squeezing or spotting cement plugs, tags, or any other operations approved on the C103 intent to P&A. Company representative should contact the NMOCD and report all operations.

5) Any changes that may be required during plugging operations should be approved by the NMOCD before proceeding.

6) A closed loop system is to be used for all plugging operations. Contents of the steel pits to be hauled to a NMOCD permitted disposal facility.

7) Mud laden fluids must be placed between all cement plugs mixed at 25 sacks of salt gel per 100 barrels of brine.

8) All cement plugs will be 100' or 25 sacks cement, whichever is greater. Class 'C' cement will be used above 7500' and Class 'H' below 7500'. Plugs should be no more than 3000' apart

9) Site remediation due within one year of well plugging completion.