

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. 30-025-25071 |
| 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name Arco Lanehart |
| 8. Well Number 1 |
| 9. OGRID Number 264953 |
| 10. Pool name or Wildcat Langlie-Matti, 7 Rivers-Q-Grayborg |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,080' 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 Other

2. Name of Operator
Herman L. Loeb LLC

3. Address of Operator
PO Box 838, Lawrenceville, Ill. 62439

4. Well Location
 Unit Letter A : 990' feet from the North and 330' feet from the East line
 Section 21 Township 25S Range 37E NMPM County Lea

HOBBS OCD
JUN 28 2019
RECEIVED

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

NOTICE OF INTENTION TO: **p.m.**

| | | | |
|--|--|--|--|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input checked="" 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 type="checkbox"/> | | | |
| OTHER: <input 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.

1: PT casing & CIBP @ 3,300' to 500 psi. If tests OK spot 30 sx cmt on top of CIBP. TOH to est. top of plug @ 2,960'. Spot 30 bbls 9.5 ppg Salt gel. Top of gel @ 1,100'. Perf 1,100'-1,101'. Attempt to establish an injection rate. If rate is established pmp 30 sx cmt & displace to 1,000'. If rate is established w/circulation up 4 1/2" csg annulus pmp cmt until good cmt to surface If no rate is established spot 30 sx cmt @ 1,200'. SDFN.

2: If no circulation was established tag plug to confirm depth. Spot 9.5 ppg salt gel spacer fr/top of plug to 60'. Perforate 60'-61'. Pmp cmt until good cmt to surface. Top off as necessary. Cut off all csg strings. Cap csg and install dry hole marker. Restore location.

Spud Date:

Rig Release Date:

**See Attached
 Conditions of Approval**

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

SIGNATURE Michael Polley TITLE Agent for Herman L. Loeb DATE 6/25/2019

Type or print name Michael Polley E-mail address: polleyms@gmail.com PHONE: 719-342-5600

For State Use Only
 APPROVED BY: Kerry Forster TITLE Compliance Officer DATE 6-28-19
 Conditions of Approval (if any)

COMPANY: Herman L. Leeb

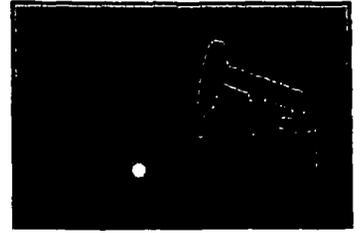
WELL NAME: Arco #1

LEGAL: 21-255-37 E

API 30-025-25071

COMPLETION, WORKOVER
 AND
 DRILLING SUPERVISION

PHONE: 719-846-3434
 MOBILE: 719-342-5600
 polleyms@gmail.com



VOL. BETWEEN PIPE & HOLE CAP.

| | BBU/FT | FT/BBL | CF/LF |
|-----------------|--------|--------|-------|
| 4 1/2 - 7 7/8 | .0408 | 24.85 | .2278 |
| 5 1/2 - 7 7/8 | .0309 | 32.41 | .1733 |
| 8 5/8 - 12 1/4 | .0735 | 13.61 | .4127 |
| 9 5/8 - 12 1/4 | .0558 | 17.93 | .3132 |
| 13 5/8 - 17 1/2 | .1924 | 8.08 | .6948 |

TUBING & CASING SIZE & CAP.

| | WT. | BBU/FT | FT/BBL |
|-------|------|--------|--------|
| 2 3/8 | 4.6 | .0039 | 256.65 |
| 2 7/8 | 6.5 | .0036 | 172.76 |
| 3 1/2 | 9.3 | .0087 | 114.99 |
| 4 1/2 | 10.5 | .0159 | 62.70 |
| 4 1/2 | 11.6 | .0155 | 64.34 |
| 5 1/2 | 15.5 | .0238 | 42.01 |
| 5 1/2 | 17.0 | .0232 | 43.02 |
| 5 1/2 | 20.0 | .0222 | 45.09 |
| 5 1/2 | 23.0 | .0212 | 47.20 |
| 8 5/8 | 32.0 | .0609 | 16.41 |
| 9 5/8 | 38.0 | .0773 | 12.94 |

D.P. SIZE _____ TUBING SIZE: _____ CASING SIZE: _____

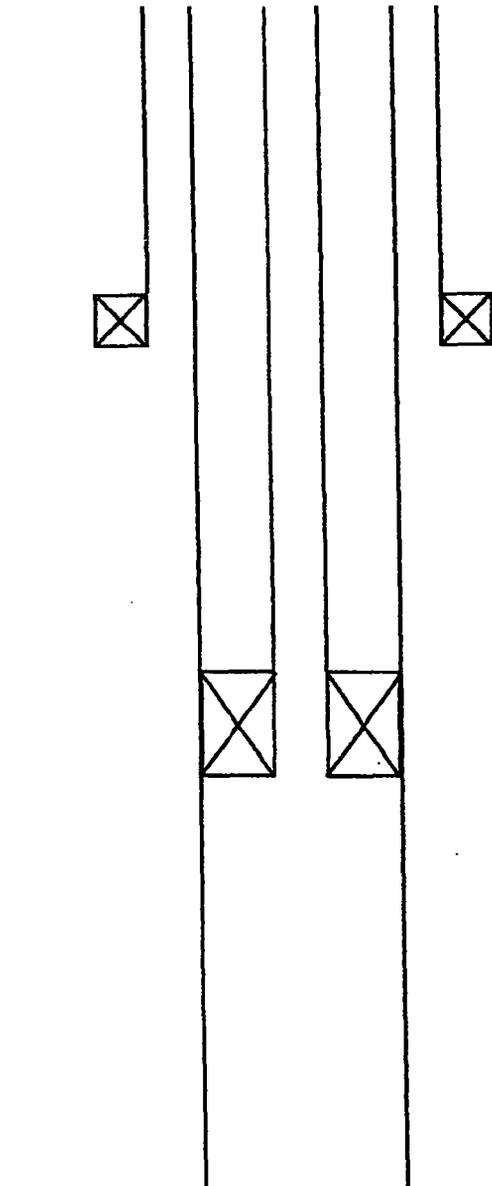
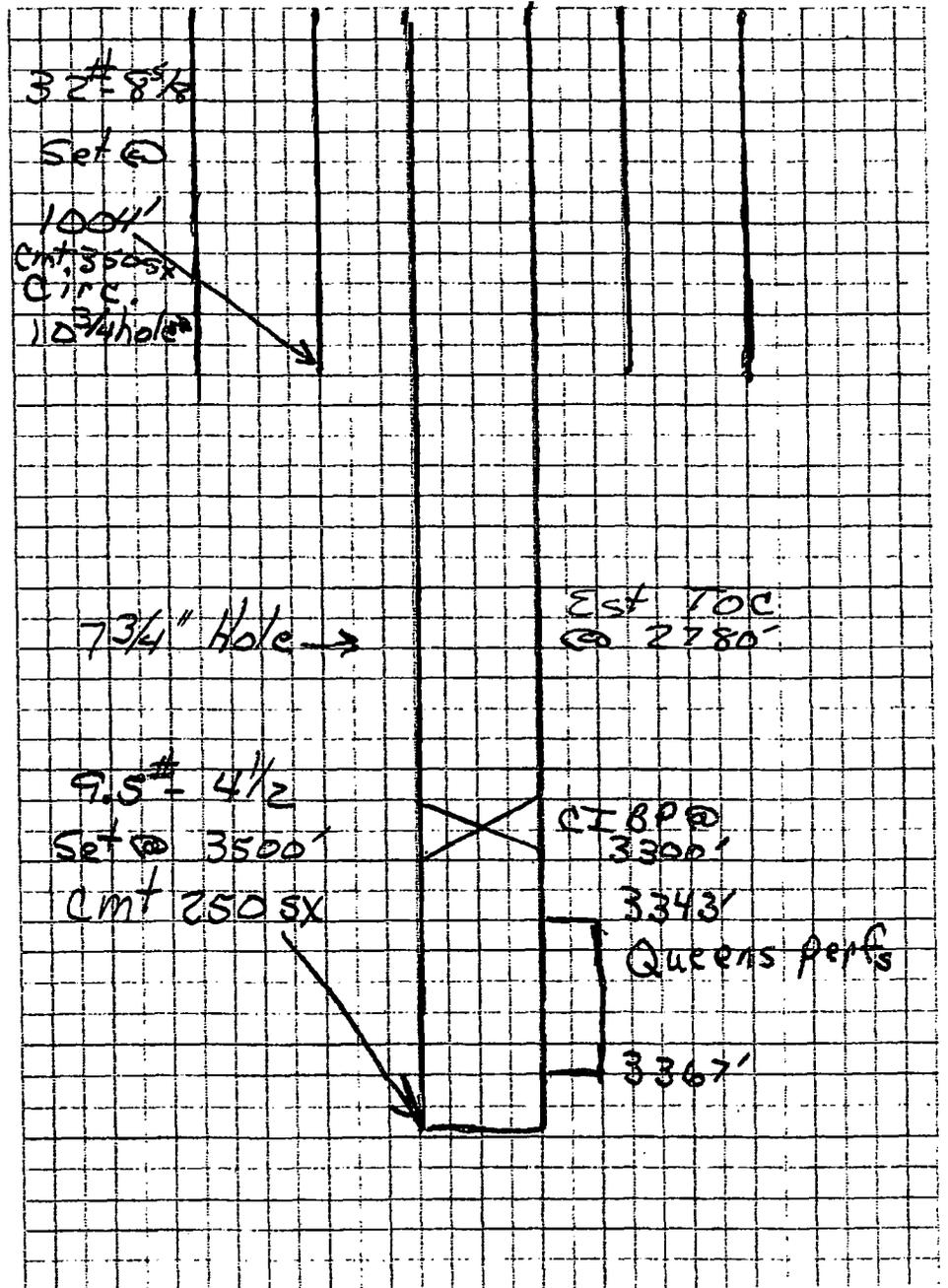
HOLE SIZE: _____ PERFS: _____

PACKER SETTING: _____ BP SETTING: _____ MAX RATE: _____

MAX PSI: _____ BHST: _____ FORM: _____ TAIL PIPE: _____

VOL. BETWEEN PIPE & PIPE CAP.

| | WT. | BBU/FT | FT/BBL | CF/LF |
|---------------|------|--------|--------|-------|
| 2 3/8 - 4 1/2 | 11.6 | .0101 | 99.37 | .0566 |
| 2 3/8 - 5 1/2 | 17.0 | .0178 | 56.28 | .0998 |
| 2 7/8 - 5 1/2 | 17.0 | .0132 | 65.71 | .0854 |
| 2 7/8 - 7 | 23.0 | .0313 | 31.91 | .1760 |



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.