

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

Form C-103
Revised July 18, 2013

WELL API NO. 30-035-39340
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 18243
7. Lease Name or Unit Agreement Name Quail "16" State
8. Well Number 2
9. OGRID Number 151416
10. Pool name or Wildcat Quail Ridge, Delaware

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 SWD ☐

2. Name of Operator
Fasken Oil and Ranch, Ltd.

3. Address of Operator
6101 Holiday Hill Road, Midland, TX 79707

4. Well Location
Unit Letter N : 1230 feet from the South line and 1980 feet from the West line
Section 16 Township 20S Range 34E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3636' GR

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ 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.

Fasken Oil and Ranch, Ltd. Plans to plug and abandon the above well. Attached is our plugging procedure.

Lesser Prairie Chicken Area
cut off Wellhead 3' Below surface
verify CEMENT TO SURF ALL STRINGS
weld on steel plate ATTACH well info
send pics Before BACK FILLING hole

See Attached
Conditions of Approval

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 Addison Guelker TITLE Regulatory Analyst DATE 10/23/19

Type or print name Addison Guelker E-mail address: addisong@forl.com PHONE: 432-687-1777
For State Use Only

APPROVED BY: Kerry Jucker TITLE C.O. A DATE 10-31-19
Conditions of Approval (if any): 575-399-3221

**Completion Procedure
Quail 16 State SWD No. 2
1230' FSL & 1980' FWL
Section 16, T20S, R34E
Lea County, New Mexico
AFE No. 3947**

OBJECTIVE:

Plug and Abandon

WELL DATA:

13-3/8" 48# H-40, 54.5# K-55 casing:	Set at 1611', cmt with 900 sx "C" (13.5 ppg) + 350 sx "C" (14.8 ppg), circ 445 sx to surface.
9-5/8" 36# K-55, 40# HCK-55 casing:	Set at 5247', DV tool at 4009.5', cmt 1 st stg with 350 sx HLC (12.6 ppg) + 200 sx "C" (14.8 ppg), circ 50 sx cmt to surface. Cmt 2 nd stg with 1500 sx HLC (12.6 ppg) + 200 sx "C" (14.8 ppg), circ 337 to surface.
5-1/2" 17# HCP-110 casing:	Set at 13,575', DV tool at 8493', cmt 1 st stg with 1200 sx Super "H" Modified (13.2 ppg), circ 138 sx to surface. Cmt 2 nd stg with 700 sx Light "H" (12.4 ppg) + 200 sx "H" neat (15.6 ppg). TOC 3706' FS per temp survey.
TD:	13,600'
PBSD:	8291' - current (Bone Spring cement plug)
Perforations:	Morrow- 13,520'-33' (14h), 13,296'-13,321' (26h), 12,994'-13,000' (12h), 12,988'-91' (6h), 12,853'-71' (18h), 12,830'-32' (12h) Delaware- 8080'-8105' (25h), 7900'-8030' (130h), 7530'-7670' (220h), 7460'-7510' (100h), 7350'-7454' (208h), 7328'-36' (16h), 7308'-21' (26h), 7155'-7245' (180h), 7033'-7139' (212h), 6961'-99' (38h), 6923'-33' (10h), 6922'-7029' (214h), 6901'-10' (18h), 6748'-6812' (64h), 6641'-68' (27h), 6585'-90' (5h), 6489'-6566' (77h), 6420'-35' (15h), 6380'-6405' (25h), 6327'-42' (15h), 6236'-60' (24h), 5630'-64' (34h), 5603'-25' (22h), 5444'-70' (26h), 5332'-64' (32h) <u>Current Delaware Disposal Interval (Below Liner)- 6901'-8105'</u>

1. Be sure mast anchors have been tested and tagged in past 2 years.
2. Check with Addison Guelker and/or Jimmy Carlile to be sure that all necessary permits have been obtained.
3. Notify NMOCD of intent to begin P&A operations. Record operator name and time of call.
4. Receive 2 sets pipe racks, catwalk, and half frac tank. Plumb casing to tank.
5. RUPU. If tubing has any pressure, bleed down to vacuum truck.
6. NDWH and NU 3k manual BOP. Release 2-3/8" x 4-1/2" AS-1X injection packer.
7. POW laying down 3-1/2" and 2-7/8" split string IPC injection tubing on racks. Install clean thread protectors and backhaul tubing for inspection.
8. Receive and unload 8400' 2-3/8" yellow band work string. Clean threads and tally tubing. RIW with 3-7/8" bit, bit sub, SN, and 2-3/8" tubing. Tag current PBSD @ 8291'.
9. Pick up 5' and establish conventional circulation. Mix and spot 60 bbls 9.5 ppg mud-laden brine water from 8290' to 5130' (top of 4-1/2" FJ liner). *SPOT 25 Sx Class H cmt 8290*

Set CIP 5300 SPOT 25 SX CLASS C

10. POW laying down tubing to set EOT @ 5300'. Mix and spot 25 sx Class "C" cement (1.32 ft³/sk) and displace with 9.5 ppg mud-laden brine water to 5000'. POW standing back 1000' tubing and WOC 4 hours.
11. RIW and tag TOC. Report TOC to NMOCD representative and Fasken office.
12. Pick up 5' and spot +/- 33 bbls 9.5 ppg mud laden brine water up to 3600'.
13. POW laying down all but 3700' tubing. Stand back remaining 3700' in derrick.
14. ND BOP. ND 7-1/16" 5k tubinghead and prepare to pick up on 5-1/2" casing.
15. Install 3k manual BOP with 5-1/2" pipe rams on top of intermediate spool.
16. RIW and spear 5-1/2" casing, pick up casing off slips, and free point casing based on casing stretch.
17. RUWL and packoff. RIW with chemical cutter and cut off 5-1/2" casing 100' above casing free point while holding tension on casing.
18. RU lay down machine and casing crew. POW with 5-1/2" casing, installing clean thread protectors and laying down on pipe racks. Backhaul casing for inspection.
19. Change pipe rams in BOP to 2-3/8".
20. RIW with 4' perforated sub, 2-3/8" SN, and tubing to 3660'. Close rams on BOP and establish circulation via tubing out 9-5/8" casing valve with fresh water. Displace well with 9.5 ppg mud-laden brine water (9-5/8" 36# casing capacity = 0.0773 bbls/ft, roughly 280 bbls).
21. Mix and spot 40 sx Class "C" cement (1.32 ft³/sk) and displace to 3520' with 9.5 ppg mud-laden brine water.
22. POW laying down tubing to 1670'.
23. Close pipe rams on BOP and establish conventional circulation via tubing. Mix and spot 40 sx "C" (1.32 ft³/sk) and displace to 1550' with 9.5 ppg mud-laden brine water.
24. POW laying down tubing to 250'.
25. Displace well with Class "C" cement (1.32 ft³/sk) until cement circulated to surface (9-5/8" capacity at 250' = 19 bbls).
26. POW and LD remainder of tubing. ND BOP and NU capping flange.
27. RDPU and release all rental equipment.
28. Check with SLO/NMOCD concerning casing cut off restrictions to be sure cut off is acceptable. Install 1/4" plate with 1" valve and dry hole marker with legal description as follows:

Quail 16 State No. 2 SWD
API No. 30-025-39340
Section 16, T20S, R34E
1320' FSL & 1980' FWL, Unit N
Lea County, New Mexico

29. Remove mast anchors and clean location.

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.