

Submit 1 Copy To Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources

Form C-103 Revised July 18, 2013

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 87010
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

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

APR 09 2020

HOBBS OOD

WELL API NO. 30-025-36942
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. 34383
7. Lease Name or Unit Agreement Name Duncan 32 State Com
8. Well Number 1
9. OGRID Number 256512
10. Pool name or Wildcat Wildcat G-04 S173434L; Drinkard
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4078' GL

SUNDRY REPORTS AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK 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 CML Exploration, LLC

3. Address of Operator P.O. Box 890, Snyder, Texas 79550

4. Well Location Unit Letter H : 2245 feet from the North line and 660 feet from the East line
Section 32 Township 17S Range 34E NMPM Lea County

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK [] PLUG AND ABANDON [X]
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.

Propose plug and abandon procedures as follows beginning June 2020:

- Circulate hole w/ 9.5 ppg mud laden fluid. Use all Class "C" cement as shown below
Plug # 1 - Set CIBP @ 7730' + 35' cement on top. 25 SX Class H CMT
Plug # 2 - Spot 45 sx cement 4852 - 4452' (9 5/8" casing shoe), WOC & Tag
Plug # 3 - Spot 30 sx cement 2650 - 2450' (base of salt)
Cut and pull ± 1700' of 5 1/2" casing
Plug # 4 - Spot 55 sx cement 1750 - 1550' casing stub/Rustler - WOC & Tag
Plug # 5 - Spot 35 sx cement 1200 - 1100'
Plug # 6 - Circ to surface 150 sx 450 - 3'
Cut off wellhead and weld on 4" dia X 4' tall above ground marker.
Remediate location as required.

See Attached Conditions of Approval

Spud Date: 02/01/2005

Rig Release Date: 04/02/2005

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

SIGNATURE [Signature] TITLE Engineer DATE 04/06/20

Type or print name Nolan Von Roeder E-mail address: vonroedern@cmlxp.com PHONE: 325-574-6295

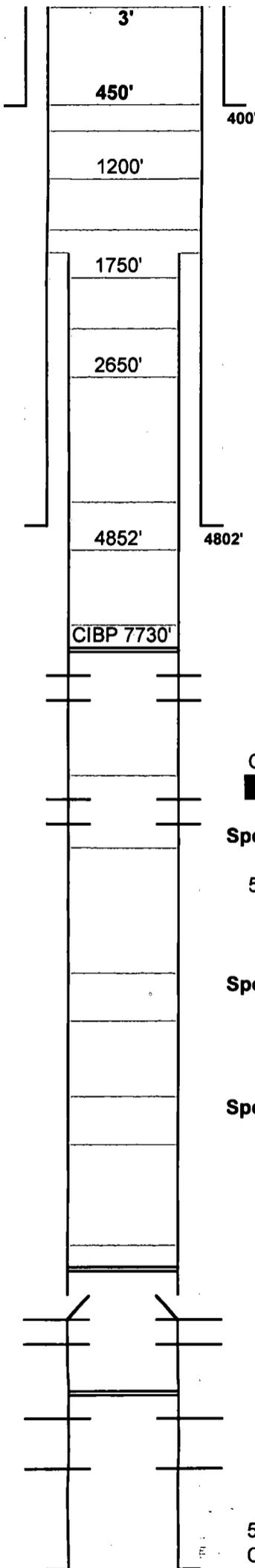
For State Use Only

APPROVED BY: [Signature] TITLE CO A DATE 4-14-20
Conditions of Approval (if any):

Proposed P+A

CML EXPLORATION, LLC

Updated: 04/06/20



RKB 4097'
GL 4078'

Lease & Well No.: **Duncan 32 State Com # 1**

Well Category:

Area: **New Mexico**

Subarea: **Buckeye**

Legal Description: **API #30-025-36942**

H, 2245' FNL, 660' FEL, Sec 32, T-17-S, R-34-E

Lea County, NM

Spudded: **2/01/2005**

TD: **03/29/2005**

Completed: **06/08/2005**

17 1/2" hole
13 3/8" 48# J55
set @ 400'
500 sx cement

Stimulation: 4/29/05 (13,376 - 90') 2000 gals 5% Clay
Safe acid. Flowed 1.7 MMCF/D + 10 Bbls
water/hr. Plugged back
5/26/05 (13,138 - 44') 1500 gals 7.5% acid +
methanol. Frac w/ 68,000 gals 65Q foam +
50,000 lbs 20/40 bauxite
6/30/05 Frac 68,000 gals + 50,000# 20/40
7/28/09 1000 gal NeFe HCL w/ clay safe
2/10/2020 - 6000 gals of 20% HCL + 80 BS

12 1/4" hole
9 5/8" 40# J-55 & N80
set @ 4802'
1800 sx cement. TOC = surface

Drinkard Perfs

(7772 - 76'), (7812 - 15'), (7825 - 35')
(7854 - 67') & (7900 - 03') 2 spf

Bottomhole pressure:

2/24/20 = 1380 psig

Cmt squeeze w/ 900 sx 1/22/2015

Spotted 35 sx (8,901'- 8,600')

5 1/2" TOC = 8,900' (CBL)

Spotted 35 sx (10,010'-9,700')

Spotted 35 sx (12,012'-11,700')

CIBP set @ 13,040' + 35' cmt

Collapsed casing from 13,129' - 13,132'

Morrow Perfs

13,138 - 44' 6 spf

Composite BP @ 13,300' + 20' Cement

13,376 - 90' 6 spf

5 1/2" 17# P110 @ 13,549'
Cmt'd 1st Stage w/ 1000 sks

PBTD: 13,280'
TD: 13,550'

**CONDITIONS OF APPROVAL
FOR PLUGGING AND ABANDONMENT
OCD - Southern District**

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, Notify **NMOCD District Office I (Hobbs) at (575)-263-6633** at least 24 hours before beginning work. After MIRU rig will remain on well until it is plugged to surface. OCD is to be notified before rig down.

Company representative will be on location during plugging procedures.

1. A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.
2. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.
3. Trucking companies being used to haul oilfield waste fluids to a disposal - commercial or private- shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall be able to produce a copy upon request of an NMOCD Field inspector.
4. Filing a subsequent C-103 will serve as notification that the well has been plugged.
5. A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can be released.
6. If work has not begun within 1 Year of the approval of this procedure, an extension request must be file stating the reason the well has not been plugged.
7. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.
8. Produced water will not be used during any part of the plugging operation.
9. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
10. All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
11. Class 'C' cement will be used above 7500 feet.
12. Class 'H' cement will be used below 7500 feet.
13. A cement plug is required to be set 50' above and 50' below, casing stubs, DV tools, attempted casing cut offs, cement tops outside casing, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged
14. All Casing Shoes Will Be Perforated 50' below shoe depth and Attempted to be Squeezed, cement needs to be 50' above and 50' Below Casing Shoe inside the Production Casing.
16. When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set
17. A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.
18. A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, (WOC 4 hrs and tag).

19. No more than 3000' is allowed between cement plugs in cased hole and 2000' in open hole.
20. Some of the Formations to be isolated with cement plugs are: These plugs to be set to isolate formation tops
- A) **Fusselman**
 - B) **Devonian**
 - C) **Morrow**
 - D) **Wolfcamp**
 - E) **Bone Springs**
 - F) **Delaware**
 - G) **Any salt sections**
 - H) **Abo**
 - I) **Glorieta**
 - J) **Yates.**
 - K) **Potash---(In the R-111-P Area (Potash Mine Area),**

A solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, woe 4 hours and tag, this plug will be SO' below the bottom and 50' above the top of the Formation.

21. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, woe and tagged. These plugs will be set SO' below formation bottom to 50' above formation top inside the casing

DRY HOLE MARKER REQ.UIRMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least 1/4" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

1. Operator name
2. Lease and Well Number
3. API Number
4. Unit letter
5. Quarter Section (feet from the North, South, East or West)
6. Section, Township and Range
7. Plugging Date
8. County

SPECIAL CASES -----AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS

In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)

SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION