Submit 3 Copies To Appropriate District Office		ew Mexico d Natural Resources	Form C-103 May 27, 2004
<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 District II			WELL API NO. 30-025-25525
1301 W. Grand Ave., Artesia, NM 88210 District III	1220 South S	TION DIVISION D	5. Indicate Type of Lease
1000 Rio Brazos Rd., Aztec, NM 87410 District IV	Santa Fe	NA 187585 PM 3 38	6. State Oil & Gas Lease No.
1220 S. St. Francis Dr., Santa Fe, NM 87505			
SUNDRY NOT (DO NOT USE THIS FORM FOR PROPC DIFFERENT RESERVOIR. USE "APPLI		N OR PLUG BACK TO A	7. Lease Name or Unit Agreement Name G.P. Sims
PROPOSALS.) 1. Type of Well: Oil Well	Gas Well 🛛 Other		8. Well Number 2
2. Name of Operator			9. OGRID Number
Key Energy Services         3. Address of Operator         6 Desta Drive Suite 4400 Midland, Texas 79705			10. Pool name or Wildcat
4. Well Location			
	_feet from the <u>North</u>		
Section 32	Township <u>21-S</u> 11. Elevation <i>(Show when</i>	Range <u>37-E</u> ther DR, RKB, RT, GR, etc.,	NMPM_LeaCounty
Pit or Below-grade Tank Application 🗌 🤇			
Pit type <u>Steel</u> Depth to Groundwate		resh water well Distanc	e from nearest surface water
		nebbls; Co	
12. Check	Appropriate Box to Indi	cate Nature of Notice,	Report or Other Data
NOTICE OF IN PERFORM REMEDIAL WORK TEMPORARILY ABANDON PULL OR ALTER CASING	CHANGE PLANS	SUB REMEDIAL WOR COMMENCE DRI CASING/CEMEN	LLING OPNS. 🗍 🖻 AND A 🔂 🗍
OTHER:			
			d give pertinent dates, including estimated date tach wellbore diagram of proposed completion
<ol> <li>Set 7" CIBP @ 1,154</li> <li>Circulate well with plu</li> <li>Spot 20 sks of c cemer</li> <li>Spot 95 sks of c cemer</li> <li>Cut off wellhead and anchor</li> </ol>	ngging mud. It on top of BP.	l dry hole marker.	
I hereby certify that the information grade tank has been/will be constructed or	above is true and complete closed according to NMOCD gu	to the best of my knowledg idelines 🗌, a general permit 🗌	e and belief. I further certify that any pit or below- or an (attached) alternative OCD-approved plan .
SIGNATURE	TI	TLEAgent	DATE9-30-2008
Type or print name Jack Shelton For State Use Only	E-mail address: jshelto	n@keyenergy.com	Felephone No. 432-523-5155
APPROVED BY:		TLE EBC	DATE 10/07/05
SEE AE4	letten!		
	-f		

## C-103 G.P. Sims No. 2 (BW-9) API# 30-025-25525 Conditions of Approval

1) A sonar test of the salt cavern is required in advance of plugging and abandoning the brine well. If a Sonar test cannot be run, the OCD requires a closure plan for the facility including ground water (if applicable), seismic and subsidence monitoring for 30 years; time-frame for equipment decommissioning/site restoration; and financial assurance to ensure that the above is completed.

2) The cavern shall be filled with brine water (not fresh water) in advance of plugging operations.

3) Cement must be pressure grouted from above CIBP to surface.

4) At least 290 sks of Class "C" Cement from CIBP Setting Depth of 1154' to surface is required.

5) Install a plug and abandonment marker.

6) Final C-103 Form shall be submitted within 30 days of plug and abandonment with final construction details.

# Key Energy Services September 29, 2008 Current Wellbore

	RKB DF	Lease & Well No.:	G.P. Sims # 2
	GL	Well Category:	Status :
	8 3/4" hole.	Area: Subarea: API Number: Legal Description: Spudded: Completed:	New Mexico Eunice Field : G.P. Sims 30-025-25525 "A" 420' FNL & 210' FEL Sec.32, T 21S, R 37E Lea County, New Mexico 05/02/1977 05/05/1977
	7", 23#, J-55 Casing. Set @ 1,204', 300 sx cmt. Circ. TOC at surface.	<ul> <li>Well History:</li> <li>5/77 Spud well on 5-2-77. TD 8 3/4" hole @ 1.204'. Ran 7" 23# K-55 casing to 1,204'. Cmt'd w/ 300 sks Circulated 15 sks to pit. Drill 7 7/8" hole to TD 2,434'.</li> <li>12/81 Pulled tubing out of well. Found tbg parted @ 1,243'. Ran bit and tubing to 1,441', though salt section.</li> <li>3/07 Pulled 1,229' of tubing from well. Ran 341' tubing in well.</li> </ul>	
	7 7/8" open hole 1,204'-2,434'.		

PBTD: TD: 2,434'

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#### Key Energy Services September 29, 2008 Proposed Wellbore

	RKB DF	Lease & Well No.:	G.P. Sims # 2
	GL 95 sks 500'-surface	Well Category: Area:	Status : New Mexico
	33 SKS 500 -Sunace	Subarea:	Eunice Field : G.P. Sims
	8 3/4" hole.	API Number: Legal Description:	30-025-25525 "A" 420' FNL & 210' FEL Sec.32, T 21S, R 37E
		Spudded: Completed:	Lea County, New Mexico 05/02/1977 05/05/1977
	7", 23#, J-55 Casing. Set @ 1,204', 300 sx cmt. Circ. TOC at surface. CIBP @ 1,154' Cap w/ 25 sks cmt	Ran 7" 23# I Circulated 1 Drill 7 7/8" h 12/81 Pulled tubing	ole to TD 2,434'. g out of well. Found tbg parted @ 1,243'.
			tubing to 1,441', though salt section. I' of tubing from well. Ran 341' tubing in well.
		P	Proposed plugging procedure
	7 7/8" open hole 1,204'-2,434'.	p	BP @ 1,154'. Circulate well w/ lugging mud
			sks on top of BP. sks 500'-surface.
: :			head & anchors 3' BGL Iole marker.
TD: 0.404		install dry h	

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TD: 2,434'

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## Chavez, Carl J, EMNRD

From:	Chavez, Carl J, EMNRD	
Sent:	Tuesday, October 07, 2008 3:57 PM	
То:	'Philliber, Mark'; Price, Wayne, EMNRD	
Cc:	Shelton, Jack; Hill, Larry, EMNRD	
Subject:	RE: Key Energy Brine well PA G.P. Sims No. 2 Brine Well (BW-9)	
Attachments: C-103 PA Final 10-7-2008.tif		

Mark, Jack, et. al:

Please find attached the OCD's signed C-103 with conditions.

Please contact me if you have questions. Thank you.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3492 E-mail: <u>Carl J.Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u>index.htm (Pollution Prevention Guidance is under "Publications")

From: Philliber, Mark [mailto:mphilliber@keyenergy.com]
Sent: Monday, October 06, 2008 8:59 AM
To: Chavez, Carl J, EMNRD; Price, Wayne, EMNRD
Cc: Shelton, Jack
Subject: FW: Key Energy Brine well PA

Carl,

In June, we had Sonarwire out here to run a sonar survey on the Sims well but encountered a tight spot in the casing at 1100'. We worked on the well for about a week and milled on the tight spot for several days but were unable to get past this point into the cavern so we were not able to run the survey.

Thank you,

Mark Philliber| Key Energy Services | SWD Compliance Coordinator | Corporate Environmental

6 Desta Drive, Suite 4400, Midland, TX 79705 | o: 432.571.7203 | c: 432.770.5064 | e:mphilliber@keyenergy.com

-----Original Message----- **From:** Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us] **Sent:** Monday, October 06, 2008 9:05 AM **To:** Shelton, Jack; Price, Wayne, EMNRD **Cc:** Philliber, Mark; Hill, Larry, EMNRD

10/7/2008

### Subject: RE: Key Energy Brine well PA

Jack:

Once the OCD- Environmental Bureau (EB) receives the signed C-103, Wayne Price will sign it and approve it with conditions (see below). I will scan the signed C-103 and send it back to you upon receipt.

### C-103 G.P. Sims No. 2 (BW-9) API# 30-025-25525 Conditions of Approval

1) A sonar test of the salt cavern is required in advance of plugging and abandoning the well.

2) Cement must be circulated back to surface under adequate pressure.

3) At least 290 sks of Class "C" Cement from CIBP Setting Depth of 1154' to surface is required.

4) Install a plug and abandonment marker.

5) Final C-103 Form shall be submitted within 30 days of plug and abandonment with final construction details.

Please contact me if you have questions. Thank you.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: <u>Carl J.Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u>index.htm (Pollution Prevention Guidance is under "Publications")

From: Shelton, Jack [mailto:jshelton@keyenergy.com] Sent: Monday, October 06, 2008 7:56 AM To: Chavez, Carl J, EMNRD; Price, Wayne, EMNRD Cc: Philliber, Mark; Hill, Larry, EMNRD Subject: RE: Key Energy Brine well PA

Mr. Chavez, I sent the signed copies Fed Ex on Friday to you, should be delivered today.

If I need to send to OCD in Hobbs I will but I talked to Buddy Hill with OCD and he told me to send them to you.

Thanks Jack

Jack Shelton | Key Energy Services | PA Manager | Po Box 1068 Andrews, Tx 79714 | O: 432.523.5155 | F: 432.523.6230 | C: 432.638.3756

-----Original Message-----

From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]
Sent: Friday, October 03, 2008 5:13 PM
To: Price, Wayne, EMNRD
Cc: Shelton, Jack; Philliber, Mark; Hill, Larry, EMNRD
Subject: RE: Key Energy Brine well PA

Wayne:

The C-103 was not signed the Key Agent. The OCD needs a signed C-103. Thanks.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: <u>CarlJ.Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u>index.htm (Pollution Prevention Guidance is under "Publications")

From: Price, Wayne, EMNRD Sent: Thursday, October 02, 2008 9:51 AM To: Chavez, Carl J, EMNRD Subject: FW: Key Energy Brine well PA

From: Shelton, Jack [mailto:jshelton@keyenergy.com]
Sent: Tuesday, September 30, 2008 1:01 PM
To: Price, Wayne, EMNRD
Cc: Philliber, Mark
Subject: Key Energy Brine well PA

Hello Mr. Price, I have completed the C-103 and will mail hard copies to you for approval.

G.P. Sims Well # 2 Brine well 30-025-25525

Please confirm that I've sent this to the right office.

Thank you,

Jack Shelton | Key Energy Services | PA Manager | Po Box 1068 Andrews, Tx 79714 | O: 432.523.5155 | F: 432.523.6230 | C: 432.638.3756

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