

P/A'd. OK TO RELEASE.

YMB. 10/28/2009

Submit One Copy To Appropriate District Office

District I  
1625 N. French Dr., Hobbs, NM 88240District II  
1301 W. Grand Ave., Artesia, NM 88210District III  
1000 Rio Brazos Rd., Aztec, NM 87410District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505State of New Mexico  
Energy, Minerals and Natural ResourcesOIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103

March 18, 2009

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.)		WELL API NO. 3000500674																				
1. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>																				
2. Name of Operator KEVIN O. BUTLER & ASSOCIATES		6. State Oil & Gas Lease No. E-8665																				
3. Address of Operator P.O. BOX 1171 MIDLAND TX 79701		7. Lease Name or Unit Agreement Name SOUTH CAPROCK QUEEN																				
4. Well Location Unit Letter <u>C</u> : <u>330</u> feet from the <u>NORTH</u> line and <u>1633</u> feet from the <u>EAST</u> line Section <u>31</u> Township <u>15S</u> Range <u>31E</u> NMPM CHAVEZ County		8. Well Number <u>003</u>																				
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 12627																				
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data																						
<table border="0"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTERING CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>P AND A <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">OTHER: <input type="checkbox"/></td> <td colspan="2"><input checked="" type="checkbox"/> Location is ready for OCD inspection after P&amp;A</td> </tr> </table>			NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:		PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input 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"/>		OTHER: <input type="checkbox"/>		<input checked="" type="checkbox"/> Location is ready for OCD inspection after P&A	
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<input checked="" type="checkbox"/> All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. <input checked="" type="checkbox"/> Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned. <input checked="" type="checkbox"/> A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the																						

**OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. ALL INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.**

- ☒ The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
- ☒ Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
- ☒ If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
- ☒ All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
- ☒ All other environmental concerns have been addressed as per OCD rules.
- ☒ Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE \_\_\_\_\_ TITLE \_\_\_\_\_ OWNER \_\_\_\_\_ DATE 10/12/2009

TYPE OR PRINT NAME KEVIN O. BUTLER E-MAIL: LISA@GEEDMIDLAND.COM PHONE: 432-682-1178

For State Use Only

APPROVED BY: Mary J. Brown TITLE Compliance Officer DATE 10/28/2009

Conditions of Approval (if any):

Submit 3 Copies To Appropriate District  
Office  
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1625 N. French Dr., Hobbs, NM 88240  
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1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
June 19, 2008

<b>RECEIVED</b> OCT 15 PM 1 10 OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505		WELL API NO. <input checked="" type="checkbox"/> 3000500674
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)		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		6. State Oil & Gas Lease No. E-8665
2. Name of Operator KEVIN O. BUTLER & ASSOCIATES INC. /		7. Lease Name or Unit Agreement Name SOUTH CAPROCK QUEEN /
3. Address of Operator P.O. BOX 1171 MIDLAND TX 79702		8. Well Number 003 /
4. Well Location Unit Letter C :330 feet from the NORTH line and 1633 feet from the EAST line Section 31 Township 15S Range 31E NMPM CHAVEZ County <input checked="" type="checkbox"/>		9. OGRID Number 12627 /
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		10. Pool name or Wildcat 8559 CAPROCK QUEEN /

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☒  
CASING/CEMENT JOB ☐

OTHER: LOCATION IS READY FOR  
INSPECTION AFTER P&A

☒ See Attached

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The surface on the South Caprock Queen Unit API 3000500674 is clean & ready to be released

**RECEIVED**

OCT 19 2009

HOBBSOCD

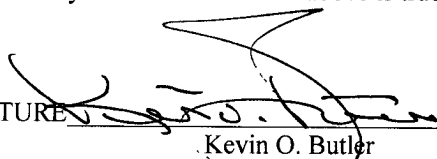
Approved for plugging or well bore only.  
Liability under bond is retained pending receipt  
of C-103 (Subsequent Report of Well Plugging)  
which may be found at OGD Web Page under  
Forms, [www.emnrd.state.nm.us/ced](http://www.emnrd.state.nm.us/ced).

Spud Date:

Rig Release Date:

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

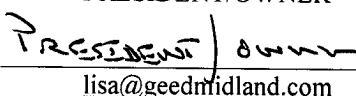
SIGNATURE

  
Kevin O. Butler

PRESIDENT/OWNER

10/12/2009

TITLE

  
lisa@geedmidland.com

DATE

432-682-1178

Type or print name

E-mail address:

PHONE:

**For State Use Only**

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

**SCRQ 3-31**  
**T/A or P&A**  
**July 2009**

**Background:** well down ingress & economics

**Objective:** POOH & test w/ PKR hold TA csg leak PA

**GPS:** Well is 65' North of the following GPS reading: N 32 58' 42" and W 103 51' 51"  
**Elevation 4183'**

Day 1 Monday 7/27/09	MIRU with tug from dozer. Open well up & LD head & PR. Unseat pump, no vacuum, POOH 6 5/8" rods w/ knives. Dragging 5pnts over till part. Body break showing heavy wear. RIH w/ little read but can't catch fish through paraphin. POOH & RU for tbg. Break out 8 5/8" hurculese B head. & NU larking spooler & BOP. NO TAC POOH standing back 6jnts to rods. RU for rods & POOH 111 5/8" rods & 2" RHTC. All rods heavy paraphin & knifed. SWIFN
Day 2 Tuesday 7/28/09	Open well up & RBIH 6jnts 2 3/8" J55 tbg. RU vac to catch displacement & hot oiler on 70bbl FW. Heat 210deg F & load backside 3bbl 3/4bpm 500# no pump action in tbg 20bbl. Pump conventional but tbg plugged. Blow down & repeat 1,500# max. Pump annulus 10bbl to pump action in tbg. Pump remaining 42bbl conventional. POOH 97jnts, SN 4' perf sub & 28' 2 3/8" MA. EOT was 2,943'. RU tbg tester 5,000# above. 5 1/2" ADI 40K shear & SN jnt OK. Tools no go due to paraphin & scale using undersized cups. LD tools & release tester. RIH jnts 58jnts to tag 1,853' dragging 3pnts OH. Drop standing valve & pump up to 1,500# hold for 10min. can not fish standing valve. POOH wet tbg & PKR swabbing well. Release hot oiler & wait to POOH all standing back. Recover 15bbl FSW truck on location SWIFN
Day 3 Wednesday 7/29/09	Rained out & road out. 3hr WSU.
Day 4 Thursday 7/30/09	No WSU crew. MIRU Mayo Mars backhoe & pump truck.
Day 5 Friday 7/31/09	4hr WSU crew. Backhoe open road 8hr. MIRU plugging equ. & release vac truck.
Day 6 Monday 8/3/09	Open well. WSU will not start. Rig running at 11 AM. PU 2" BP, 3' X 2 3/8" PS and RIH from derrick. Tag solid with 27 joints in the hole. POOH with tubing and LD PS. PU 6' piece of 2 3/8" tubing cut with a half mule shoe open ended. RIH with tubing and tag in the same place. Work for 15-20 minutes and cannot get through. Tubing will not turn with any weight on fish. POOH and order out additional fittings. RIH with 1" X 12" nipple, 1" X 2" swage, 2" X 2 3/8" X-over, 3' X 2 3/8" PS and tubing. Tag in the same place. Work for 20 minutes. Feels like the 1" nipple is starting in and binds up but will not go. POOH with tubing and fittings. Visible scrapes were on

	<p>the 1" nipple and the swage. Was not going past the 2" collar. Replaced the 2" collar with a standard rated thinner collar to reduce the OD. RIH again. Tag and begin to work up and down and rotate. Worked through the bad spot after about 30 minutes and continued RIH with tubing from the derrick. At about 1800' we felt the place where we had been with the packer. Felt soft like paraffin. Worked on down for 2 more joints. RU pump on tubing. Pressure to 1200# and then washed clean. Circulated 10 Bbls fresh water at 250#. Finish RIH to 3000'. RU cement truck and pump 10 Bbls fresh water pad. Pump 25 sacks Class C Neat cement taking full returns. RD cement truck. POOH very slow with the first 8 stands to allow cement to fall out of PS. POOH to 1500', secure well and SDFN.</p>
<p>Day 7 Tuesday 8/4/09</p>	<p>Open well. RIH with tubing and tag cement at 2760'. RU pump truck and pump 40 Bbls 10# brine with salt water clay added. POOH laying down tubing to 2100'. RU wire line truck with 69 joints in the hole. RIH with perforating gun inside of tubing to 180' and tags up. POOH and run in with 1.25" X 6' sinker bar on wire line. Tags up same place. POOH with 8 joints tubing. RU wire line and make it to 1845' which is the end of tubing after pulling 8 joints. Find joint with paraffin plug and replace. RIH with 8 good joints. RIH with perforating gun and slowly make it to 1520' and cannot get any deeper. POOH and RU 1.25" X 25' sinker bar on sand line and RIH. Stack out at 1500'-1600'. POOH and RU pump truck. Pump 10 Bbls salt water clay and brine at 2 BPM. RIH with sinker bar and sand line to 2100'. POOH with sand line. RIH with perforating gun and perforate 4 holes at 2086'. POOH with wire line. RU cement truck. Pump 25 sacks Class C Neat with 2% CaCl followed by 7 Bbls displacement. POOH with 28 joints of pipe. SD and WOC for 3 hours. RIH with tubing and tag cement at 1875'. POOH laying down tubing to 1159'. RIH with wire line and perforate at 1150'. Spot 40 sacks Class C Neat cement. OCD requirement for this plug is 25 sacks but after meeting with OCD representatives Robert Harris and Maxey Brown who were on location, we added 15 sacks to bring the TOC above the bad casing in case we could not get back through it to tag. POOH to 500' and squeeze 2 Bbls. Shut well in and SDFN.</p>
<p>Day 8 Wednesday <u>8/5/09</u></p>	<p>Open well. RIH with tubing. Feel bad spot at 823' but are able to get back through. Tag cement plug at 849'. Call OCD representative Robert Harris. Robert gave verbal permission to come up to the 295' shoe plug and continue the P &amp; A procedure. POOH laying down tubing. Leave 10 joints in derrick. RIH with wire line to 295' to shoot perforations. Gun will not fire. POOH and make repairs. RIH and shoot perforations. POOH with wire line. PU 5 1/2" AD-1 packer and one joint of tubing. Set packer. Dug out surface casing valve. Fittings were rotted off back to the well head. RU pump truck on tubing and begin pumping at 1.5 BPM and 50# pressure. Immediately have blow on surface casing. Pump 24 Bbls of water to gain full communication. SD pump truck. RIH with final 10 joints of pipe and POOH laying down. Nipple down BOP. Make up same packer on 2 3/8 X 8' sub and set packer in top of well. Pump 93 sacks of Class C Neat cement taking full returns from the surface casing. SD with cement circulated to surface. Unset packer and lay down. Top off 5 1/2 casing with cement. RD cement truck. RD WSU. Dig out</p>

	wellhead and cut off below the ground. Set P & A marker per OCD requirements. SDFN.
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