

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

SEP 4 2006
RECEIVED
OCD - ARTESIA
CONSERVATION DIVISION
South St. Francis Dr.
Santa Fe, NM 87505

Form C-103

May 27, 2004

WELL API NO.

30-015-02247

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
E Millman Unit

8. Well Number #145

9. OGRID Number
158898

10. Pool name or Wildcat
Artesia Queen G

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 INJECTION

2. Name of Operator

Ameristate Exploration, LLC

3. Address of Operator

401 Congress, Suite 2900 Austin, TX 78701

4. Well Location

Unit Letter C; 660 feet from the S line and 660 feet from the W line
Section 14 Township 19S Range 28E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3443 GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 ☐

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

Operation to bring E Millman Unit #145 into compliance. Work commenced 7/13/06 and was completed 8/28/06.

Pulled out of hole with packer and 2-3/8" tubing. Ran back in hole with retrievable bridge plug and packer. Tested casing from 1670 ft to surface. Isolated bad casing between 340 ft and surface. Rigged up wireline and ran collar log. Ran in hole with string shot and shot collar at 350 ft. Backed out 4 1/2", 11.6 ppf casing at 350 ft. POOH and laid down bad casing. Picked up new 4-1/2", 11.6 ppf casing. Ran in hole and screwed into collar at 350 ft. Torqued connections to 2500 psi. Installed new wellhead at surface. Picked up retrievable bridge plug. Ran in hole and set at 420 ft. Loaded hole. Would not pressure up. POOH to 348 ft and loaded hole. Slow leak between 350 and 390 ft (suspect casing damaged by back off). Picked up and installed 3" x 75' casing scab liner to isolate casing from 334 to 409'. Ran in hole with AD-1 packer on new 2-3/8" tubing and set packer at 1670'. ND BOP. NU wellhead. Loaded casing with 5 bbls and pressure tested to 500 psi.

Set up test with OCD for 9/1/06 at 1 PM. Test witnessed by Gerry Guye. Loaded casing with 1/3 bbl and pressured up to 325 psi for 35 min. Test good.

Test chart on file

hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Susan Perkins TITLE Regulatory Coordinator DATE 9-6-06

Type or print name
For State Use Only

E-mail address:

Telephone No.

APPROVED BY: Gerry Guye
Conditions of Approval (if any)

TITLE

Gerry Guye
Deputy Field Inspector
District II - Artesia

DATE

SEP 11 2006