Form 3160-5 (June 1990)

Conditions of approval, if any:

UNITED STATES

FORM APPROVED
Budget Bureau No. 1004-0135
Evpires: March 31, 1993

DEPARTMENT OF T	TITE INTERDIOR	Expires: March 31, 1993
	JU UU_ 1	
BUREAU OF LAND N		5. Lease Designation and Serial No. NM 080273
SUNDRY NOTICES AND R		
Do not use this form for proposals to drill or to d Use "APPLICATION FOR PERM	eepen or reentry to a different reservo IIT" for such proposals	oir. N/A
		7. If Unit or CA, Agreement Designation
SUBMIT IN TRIPLICATE		
1. Type of Well		
x Oil Gas Other		8. Well Name and No.
2. Name of Operator		Hanson Federal 1
D.J. Simmons Co.		9. API Well No.
3. Address and Telephone No.		30-039-20048
3005 Northridge Dr. Suite L. Farmington NM 87401 (505) 326-3753		10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		Lybrook-Gallup
1650' FSL x 700' FWL, Section 3, T23N, R7W		11. County or Parish, State Rio Arriba County, New Mexico
12. CHECK APPROPRIATE BOX(s) TO	INDICATE NATURE OF NOTICE	. REPORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
	Abandonment	Change of Plans
X Notice of Intent	Recompletion	New Construction
	Plugging Back	☐ Non-Routine Fracturing
☐ Subsequent Report ☐ Final Abandonment Notice	X Casing Repair	☐ Water Shut-Off
	Altering Casing	
		☐ Conversion to Injection
a r mai ribandoimient rotice	Other	Dispose Water (Note: Report results of multiple completion on Well
13 Describe Proposed or Completed Operations (Clearly		Completion or Recompletion Report and Log form
 Describe Proposed or Completed Operations (Clearly proposed work. If well is directionally drilled, give su to this work.)* 	ibsurface locations and measured and true v	vertical depth for all markers and zones pertinent
D.J. Simmons Company intends to work	cover the above well as per the att	cached procedure.
	ال	GGIWGD
	11/1	JUL 1 7 1998 (P)
		1000
	ெ	IL CON. DIV.
DI DI		DIST. 3
Signed Robert R. Griffee	TitleConsulting Engieer	Date: 7/8/98
(This space for Federal or State office use)	5.	****
•	-	JUL 5 998
Approved by /S/ Duane W. Spence	Title	Date

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Hanson Federal No. 1

Workover Proposal

Workover Purpose:

To repair potential casing leaks and return well to production. Secondary purpose is to re-stimulate pay zone.

Procedure

- 1. Test existing anchors, or reinstall.
- 2. MIRU pulling unit with pump, pit, and swivel. NU BOPE. Well is already dead.
- 3. POOH with 2 3/8" tubing. Tubing may be stuck. Visually inspect tubing and SLM. Evaluate tubing condition and replace if necessary.
- 4. PU retrievable bridge plug. RIH and set bridge plug at 5300' +/-. Circulate hole clean and load with 2% KCL water, or produced water. Attempt to pressure test casing. POOH. If casing pressure tests, very unlikely, terminate procedure.
- 5. PU test packer. Isolate holes in casing.

Option 1

Current NMOCD and BLM regulations require that cement be placed in the 4 ½ x 7 7/8" annulus, from the top of the existing cement to surface, prior to plugging this well. However, it is not currently required that cement be in place through this entire interval to produce the well. D.J. Simmons can opt to squeeze repair only the intervals where the casing has holes. We do not recommend this, because new holes are likely to occur. This procedure and cost estimate has been prepared to squeeze cement from the existing TOC to surface.

- 6. RU Wireline and run CBL to determine existing TOC.
- 7. Squeeze as necessary to bring cement to surface. (Details can not be prepared with existing data)
- 8. Clean out cement and bridgeplugs to PBTD. Run casing scraper.
- 9. Re-perforate Gallup formation, precise depths to be determined.
- 10. RIH with packer and 2 3/8" tubing. Set packer at 5330'.
- 11. Acidize with 500 gals 15% HCL with clay stabilizers and additives as recommended.
- 12. POOH with packer and tubing.
- 13. Install SN. Run 2 3/8" tubing and land at 5600'
- 14. Swab well in.
- 15. Install Plunger Lift system. Return well to production.
- 16. ND BOPE, NU wellhead. Release rig.

On Site Technologies Ltd. Operations Summary

Last update: 10/24/96 by R. Griffee

Hanson Federal No. 1

Operations Summary Well Data

D.J. Simmons Co. acquired well and began operating in September 1996. Prior Operator of record, Byron Oil Industries. Byron contracted Dugan production for pumping services.

Location:

1650 FSL x 700 FWL, Section 3, T23N, R7W, Rio Arriba County, NM

Date Spudded:

7/18/67

Date Completed:

8/9/67

Elevations: 7020' GL, 7032' KB New Mexico Lease no. 080273

Lybrook-Gallup Field

Wellbore Geometry:

TD, 5735'. PBTD,5695'

10 $\frac{3}{4}$ " surface casing (12 $\frac{3}{4}$ " hole) set at 236'. Cemented with 45 sacks 4 $\frac{1}{2}$ " production casing (7 7/8" hole) set at 5735'. Cemented with 125 sacks data from USGS Well Completion Report filed 8/14/67

Note: 12 ¾" is not a common bit diameter. It was probably 12 ¼". Using a 12 ¼" diameter, calculations show cement was probably circulated to surface on surface casing. For production string, maximum top of cement is 5087'.

2 3/8" tubing initially set at 5663'

Disturad Cliffa

Formation Tops:

2000

2000	Pictured Cliffs	
2077'	Lewis Shale	
4508'	Point Lookout	
4499'	Mancos	
5356'	Skelly sand top	
5406'	base Skelly sand	
5492'	Marya sand top	
5503'	base Marya sand	
5522'	lower Marya zone	
	•	

Logs: Welex Induction dated 7/29/67, 5719 to 213'

Completion:

perforations: 5379' - 5614'. 20 holes. 0.57" hole diameter. Two holes each at 5379, 5390, 5401, 5466, 5500, 5502, 5513, 5540, 5567, and one hole each at 5530 and 5614'

frac'd with 80,000 lbs sand and 100,000 gals water.

Treatment detail: Break down pressure $\bar{2}100$ psi. 10,000 lbs 20/40 at 1/2 to 1.0 ppg, 60,000 lbs 10/20 at $\frac{1}{2}$ - 1.0 ppg, 10,000 lbs 8/12 sand at $\frac{1}{2}$ to 1 ppg. Max rate 46 bpm at 2600 psi. Average treating pressure 2765 psi at 43.5 bpm.

initial production rate: 168 bopd, 110 MCFD, 40 bwpd, FTP 250 psi, FCP 800 psi, 44 deg oil.

Workover

Performed by Walsh Engineering. Began on 10/12/81. Worked tubing free (initially stuck in sand). Found plunger stuck in seating nipple. Reran tubing. Placed well back on production with Plunger Lift.

Notes

no records of plunger lift installation or other workovers have been located.

Present Wellbore Condition

Well is currently logged off, probably due to casing leaks.