

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Sante Fe, New Mexico 87504-2088

WELL API NO. 30-045-30286
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. NM-014110
7. Lease Name or Unit Agreement Name Walker
8. Well No 2B
9. Pool Name or Wildcat Blanco Mesa Verde

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other
2. Name of Operator Koch Exploration Company
3. Address of Operator P.O. Box 489 Aztec, New Mexico 87410 (505) 334-9111
4. Well Location Unit Letter <u>O</u> : <u>660'</u> Feet From The <u>South</u> Line and <u>1712'</u> Feet From The <u>East</u> Line Section <u>10</u> Township <u>31N</u> Range <u>10W</u> NMPM County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6131 GR

11. 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 ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTER CASING ☐
COMMENCE DRILLING OPNS ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☒
OTHER: ☐

12. 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. 7", J-55, 10.5# Intermediate Casing @ 3328' KB. With 6 1/4" hole and 4 1/2", 10.5#, J-55 New Casing @ 5452'. CBL log ran 10/13/00 determined TOC @ 4990'. Perforated 2 holes @ 4871-72' and set packer with 2 3/8" tubing @ 4760', pumped 150 sacks of 35:65 Poz Type III lead cement (11.9#, Yield 2.21), and tailed with 50 sacks Type III Cement (14.5#, Yield 1.41). Cement set up on us before job was complete. Ran CBL Log on 11/10/00 and found TOC @ 3706'. Did not cover all of Lewis Shale or up into 7" casing, so we perforated 2 holes @ 3690'. Cemented w/packer & 2 3/8" tubing, pumped 175 sacks of Class H Cement (15.6 #, Yield 1.18). WOC 12 hours. Drilled out to PBTD of 5444'KB. Ran CBL Log and TOC @ 3572'. Pressure Tested Casing to 3850#. Held OK. Completed well 11/18 - 12/1 with 5 stage frac before squeezing cement up into 7" casing to prevent acid breakdown of cement squeeze holes. Perforated 2 holes @ 3560' on 12/13/00. Tried to circulate with water and could not so unloaded hole with air and cemented blind (pumped 80 bbl's trying to establish circulation. Cemented blind with 60 sacks 14.6#, Yield 1.37, Type III cement. Ran CBL on 12/15/00 with TOC @ 3154' (174 above bottom 7" and 540' above top production perforation). Drilled out cement and pressure tested casing on 12/18/00 to 1500#, casing would not hold. Ran Packer to 3085', backside would not hold, but bottom Held OK @ 1500#. Moved packer to 3042' and tested backside. Held OK. Hole is between 3042' & 3085'. Pumped 100 sacks 15.6#, Yield 1.18, Class B Cement w/ 2% CACL. Held 1100# until quit pumping then slowly went on vacuum. Waited 30 min and pumped 1/4 bbl, pressure went to 50#. Shut in left 2 bbl's in casing so as not to over displace past hole. 12/22 tagged cement @ 2986' drilled out cement and pressure tested to 1500# for 30 minutes. Held OK.

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

SIGNATURE [Signature] TITLE Operations Manager DATE 12/27/00

(This space for State Use)

ORIGINAL SIGNED BY CHARLIE T. PERKINS

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. I DATE DEC 27 2000

CONDITIONS OF APPROVAL, IF ANY: