

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 S. 1st Street, Artesia, NM 88210-2834
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-101
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator name and Address MOBIL PRODUCING TX & NM INC.* *MOBIL EXPLORATION & PRODUCING US INC. AS AGENT FOR MPTM P.O. Box 633, Midland TX 79702		² OGRID Number 15144
³ API Number 30-025-34563		⁶ Well No. 1
⁴ Property Code 24118	⁵ Property Name STATE V "A" COM	

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
N	23	17 S	34 E		1290	SOUTH	2170	WEST	LEA

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County

⁹ Proposed Pool 1

¹⁰ Proposed Pool 2

NORTH VACUUM ATOKA MORROW GAS

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary ROTARY	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4028'
¹⁶ Multiple NO	¹⁷ Proposed Depth 13000'	¹⁸ Formation MORROW	¹⁹ Contractor HALLIBURTON	²⁰ Spud Date 1-15-1999

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	450'	450 SX PREMIUM+	SURFACE
12 1/4"	8 5/8"	32#	5000'	**#22	SURFACE
7 7/8"	5 1/2"	17#	12500'	**#22	TO BE DETERMINED

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary

SEE ATTACHED DRILLING PLAN & BOP STACK (PRODUCTION & INTERMEDIATE)

* 1420 SACKS LEAD INTEFILL + 200 SACKS PREMIUM PLUS.
 ** 250 SACKS INTERFILL H + 320 SACKS SUPER H.

Permit Expires 1 Year From Approval
 Date Unless Drilling Underway

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Shirley Houchins*
 Printed name: SHIRLEY HOUCHINS

Title: ENV & REG TECHNICIAN

OIL CONSERVATION DIVISION

Approved by: *Shirley Houchins* WILLIAMS

Title:

Approval Date: JAN 15 1999

Expiration Date:

Shirley Houchins

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT IV
P.O. Box 2088, SANTA FE, N.M. 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34563	Pool Code 86800	Pool Name NORTH VACUUM ATOKA MORROW GAS
Property Code 24118	Property Name STATE V "A" COM	Well Number 1
OGRID No. 15144	Operator Name MOBIL EXPLORATION & PRODUCING U.S. INC.	Elevation 4028

Surface Location

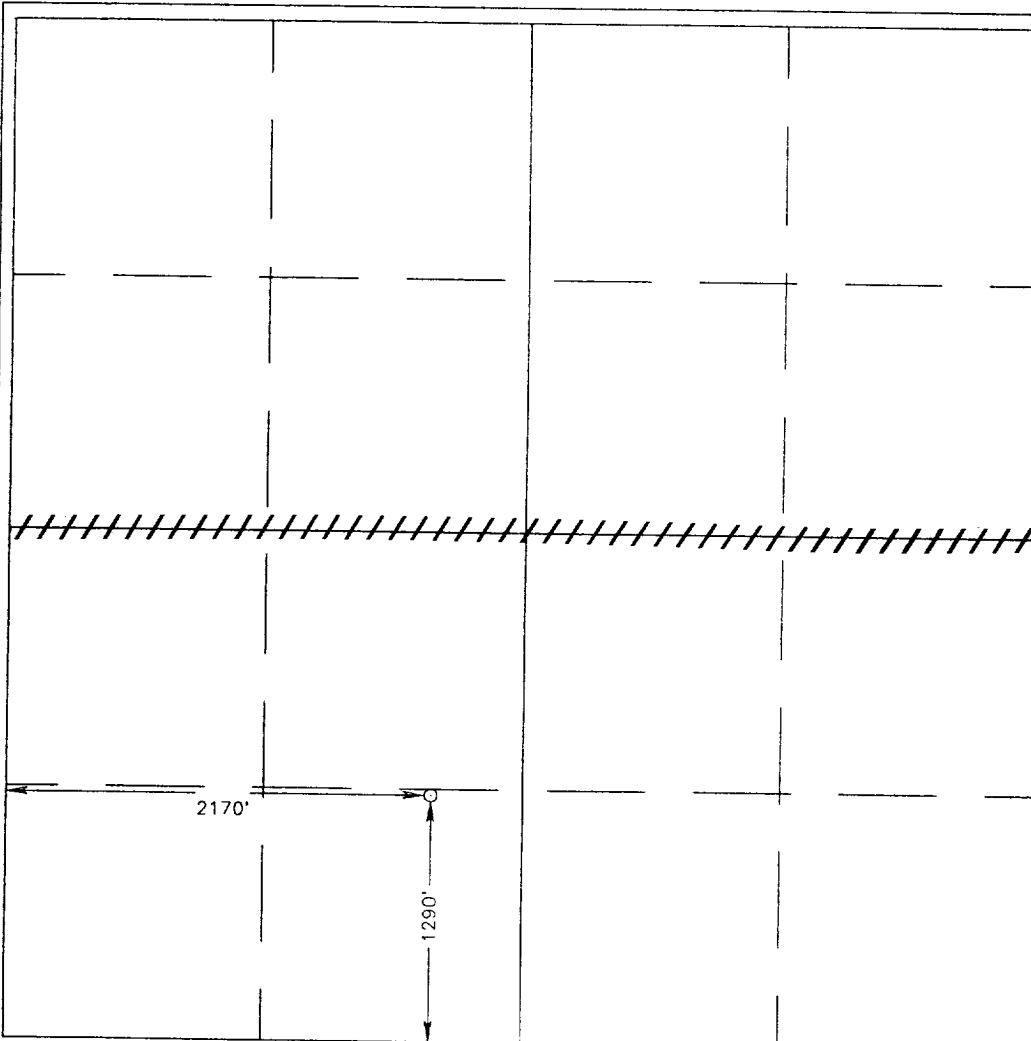
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	23	17 S	34 E		1290	SOUTH	2170	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Shirley Houchins
Signature

SHIRLEY HOUCHINS
Printed Name

ENV & REG TECHNICIAN
Title

1-4-1999
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOVEMBER 19, 1998
Date Surveyed

DMCC

Signature & Seal of Professional Surveyor
Ronald J. Edson 11-20-98

98-11-1459

Certificate No. RONALD J. EDSON 3239
GARY EDSON 12641
MAGN McDONALD 12185

DRILLING PLAN
HALLIBURTON ENERGY SERVICES

MOBIL EXPLORATION AND PRODUCING U.S., INC.
STATE V "A" COM #1 (RED PROSPECT)
LEA COUNTY, NEW MEXICO

NOTES

- 1) Notify the New Mexico Oil Conservation Division in Hobbs, NM. @ 505-393-6161 at least 24 hours prior to spud. As well as 12 hours prior to running surface casing. Notification must be documented on the IADC report and on Halliburton's daily drilling report. If cement fails to circulate on the surface casing string, notify the agency and obtain permission to remediate. Spills and well control problems are to be reported to the proper agencies immediately as well.
- 2) Pressure test BOPs after each nipple up. Function test daily.

DRILLING SURFACE HOLE:

- 1) Prepare the location and cellar for work with Nabors Rig #311. Dig pits for circulating the reserve with fresh water in the outside reserve and salt water in the inside reserve. Line both pits.
 - 2) Install a 20" conductor to 40'.
 - 3) Move in and rig up Nabors rig #311. Nipple up a rotating head to divert flow away from the drilling rig.
 - 4) Mix a minimum of spud mud according to the attached recommendation from Halliburton/Baroid.
 - 5) Pick up a 17 1/2" re-tip mill tooth bit with an 10" shock sub and 6 -8" drill collars and 12-15 6 1/2" drill collars with and spud in. Run a 3 point reamer at 60'. Drill to 450'. Circulate bottoms up. (The New Mexico Engineer requires that all fresh water be cased off. The procedure is to drill not more than 50' of Red Bed. The 450' setting depth selected should meet this criteria).
 - 6) Make a wiper trip to surface (SLM out of the hole). Check depths, GIH and circulate bottoms up. POOH to run casing.
 - 7) Pick up and run 13 3/8" casing as follows:

1	13 3/8" Float Shoe
1	Jt. 13 3/8" H-40, 48 #/Ft., ST & C , Casing
1	13 3/8" Float Collar
20	Jts. 13 3/8" H-40, 48 #/Ft., ST & C , Casing
- Arrange to match TD with the amount of casing to be run. The preceding should approximate the 450' target depth. Run 1 centralizer 20' up on the shoe joint and every 4th joint to surface. Thread lock the shoe and float collar.
- 8) Cement with the amount and type recommended in the attached procedure.
 - 9) WOC 12 hours or as indicated by cement samples.

DRILLING INTERMEDIATE HOLE

- 1) Cut off surface casing and weld on a 13 3/8" 3000# Surface Head with two 2" 3000# valves. As shown in the attached wellhead diagram. Nipple up a 13 3/8" 5000# BOP stack with drill pipe rams, blind rams, an annular BOP, and a rotating head. Hook up a 5000# choke manifold with a gas buster. Test to 5000#.
- 2) Prepare to drill with 10# brine circulating through the inner reserve pit.
- 3) Pick up a 12 1/4" mill tooth bit and drill out the float collar. Test casing to 500#. Drill out the float shoe and 150' of new hole. POOH and pick up the 12 1/4" bit with a 10" shock sub, 2- 8" drill collars, a 3 point reamer, 1-8" drill collar, 3-8" drill collars, and 12-6 1/2" drill collars. GIH and drill to approximately 3300' or as indicated by drilling performance. POOH.
- 4) Pick up and run an 11" insert bit with a similar bottom hole assembly as above. Drill to 5000' or the base of the San Andress. Pump sweeps to clean the hole. Short trip to the end of the 12 1/4" bit run and pump sweeps to clean the hole. POOH to run 8 5/8" casing.
- 5) Run 8 5/8" casing as follows:
 - 1 8 5/8" Float shoe
 - 1 Jt. 8 5/8" S-95, 32 #/Ft., LT & C Casing
 - 1 8 5/8" Float collar
 - 40 Jts. 8 5/8" S-95, 32 #/Ft., LT & C Casing
 - 80 Jts. 8 5/8" J-55, 32 #/Ft., LT & C CasingArrange for TD to match the casing on location for a floor cementing connection if possible. Thread lock the float shoe and collar. Run one centralizer 20 feet up on the shoe joint and on 160 foot centers to surface.
- 6) Cement with the amount and type recommended in the attached procedure.
- 7) Pick up the BOP stack and install the 8 5/8" casing slips. Install a 13 3/8" 3000# by 11" 5000# casing spool with two 5000# valves. Nipple the stack back up and re-test to 5000#.

DRILLING PRODUCTION HOLE

- 1) Prepare to drill with fresh water through the outside reserve pit.
- 2) Mudlogging unit to be rigged up and running just after drilling out.
- 3) Pick up a 7 7/8" mill tooth bit and 20-6 1/2" drill collars. Drill out the float collar. Test the casing to 1000# (EMW of 12 #/Gal.). Drill out the float shoe and 150' of new hole. POOH to pick up the new BHA.
- 4) Pick up an insert bit, 6 point reamer, short drill collar, I.B. stabilizer, 1-6 1/2" drill collar, I.B. stabilizer, and 19-6 1/2" drill collars. GIH and drill to 8200' circulating the reserve with fresh water.
- 5) The top of the Abo is at 8440'. The well should be monitored to check for flow from the active waterflood in the area. If a flow is encountered, begin circulating with brine out of the inner reserve.

COMPLETION PROCEDURE

- 1) Clean off the location for a well service rig. Move in a well service rig capable of handling 2 7/8" tubing at 12,500'.
- 2) Pick up a 4 3/4" mill cutter bit on the 2 7/8" 6.5 #/Ft., L-80 tubing. GIH to TD. Pickle the tubing and casing as recommended in the attached procedure. POOH.
- 3) Make up the Power Perforating assembly as recommended with a retrievable packer . GIH, set the packer, and perforate the appropriate interval. Test this interval and evaluate. If the zone needs a fracture stimulation, this will be performed as recommended after evaluation. The casing string is designed to accommodate a frac job down the casing string.
- 4) After treatment down the casing, rig up a wireline unit and lubricate the packer into place. Rig down the wireline unit and run the 2 7/8" tubing with a off/on tool and tie into the packer. Install the 5,000# tree.
- 5) Rig the well up to a testing unit and flow the well back. After an appropriate testing period, build the production facilities and put the well to sales.

Job Recommendation

Cement 450 feet of 13 3/8 inch casing in a 17 1/2 hole with 495 sacks of Premium Plus Cement. Cement volume based on 100% excess. Cement is to be circulated to the surface.

FLUID 1: CEMENT

Premium Plus

2.0% Calcium Chloride (Accelerator)

Mixed With Fresh Water

Fluid Weight:	14.80 lb/gal
Fluid Yield:	1.34 ft ³ /sk
Fluid Water Ratio:	6.31 gal/sk
Total Mixing Fluid:	74.4 bbls
Top of Fluid:	0 ft
Calculated Fill:	450 ft
Fluid Volume:	117.61 bbls
Calculated Volume:	466.7 sks
Shoe Joint Volume:	26.26 sks
Total Volume:	493.00 sks
Proposed Volume:	495 sks

FLUID 2: DISPLACEMENT

Total Displacement Volume:	70.50 bbls
Spacer On Top Of Plug: 0 bbls	
Displacement to Shoe Joint:	64.24 bbls

Job Recommendation

Cement 5000 ft of 8 5/8 inch casing in 12 1/2 inch hole. Cement volumes are based off 75% excess in the open hole. Cement is to be circulated to surface. Centralizers are to be placed on every 3rd joint to help insure good cement bonding.

FLUID 1: LEAD
Intefill C

Mixed With Fresh Water

Fluid Weight:	11.70 lb/gal
Fluid Yield:	2.61 ft ³ /sk
Fluid Water Ratio:	15.21 gal/sk
Total Mixing Fluid:	514.2 bbls
Top of Fluid:	0 ft
Calculated Fill:	4692 ft
Fluid Volume:	658.48 bbls
Calculated Volume:	1417.00 sks
Proposed Volume:	<u>1420 sks</u>

FLUID 2: TAIL
Premium Plus

2.0% Calcium Chloride

Mixed With Fresh Water

Fluid Weight:	14.80 lb/gal
Fluid Yield:	1.34 ft ³ /sk
Fluid Water Ratio:	6.31 gal/sk
Total Mixing Fluid:	30.0 bbls
Top of Fluid:	4692 ft
Calculated Fill:	308 ft
Fluid Volume:	47.73 bbls
Calculated Volume:	189.8 sks
Shoe Joint Volume:	10.22 sks
Total Volume:	200.00 sks
Proposed Volume:	<u>200 sks</u>

FLUID 3: DISPLACEMENT

Total Displacement Volume:	304.73 bbls
Spacer On Top Of Plug: 0 bbls	
Displacement to Shoe Joint:	302.30 bbls

Job Recommendation

Cement 5 1/2 inch casing from 12,500ft to 8,000ft in 7 7/8 inch hole. Pump 2000 gallons of Mudflush followed by 1000 gallons of Super Flush 101. A 20 bbl water spacer should be placed between the Mud Flush and Super Flush, and a 40bbl spacer between the Super Flush and the Cement. Mud Flush and Super Flush are pumped to help clean-up the wellbore and insure bonding properties with the cement. The drilling mud viscosity is to be lowered while circulating on bottom to also help the cement bond. Zonal Isolation Tech Van to be on location to monitor and record data.

FLUID 1: MUD FLUSH

Mud Flush

Top of Fluid:	6471 ft
Calculated Fill:	1015 ft
Fluid Volume:	46.98 bbls

FLUID 2: SUPER FLUSH

Super Flush 101

Top of Fluid:	7486 ft
Calculated Fill:	514 ft
Fluid Volume:	23.79 bbls

FLUID 3: INTERFILL H

Interfill H

 .4% HALAD®-322 (Fluid Loss)
 Mixed With Fresh Water

Fluid Weight:	11.70 lb/gal
Fluid Yield:	2.62 ft³/sk
Fluid Water Ratio:	15.21 gal/sk
Total Mixing Fluid:	90.5 bbls
Top of Fluid:	8000 ft
Calculated Fill:	2500 ft
Fluid Volume:	115.71 bbls
Calculated Volume:	248.00 sks
Proposed Volume:	<u>250 sks</u>

FLUID 4: SUPER H

Premium Cement

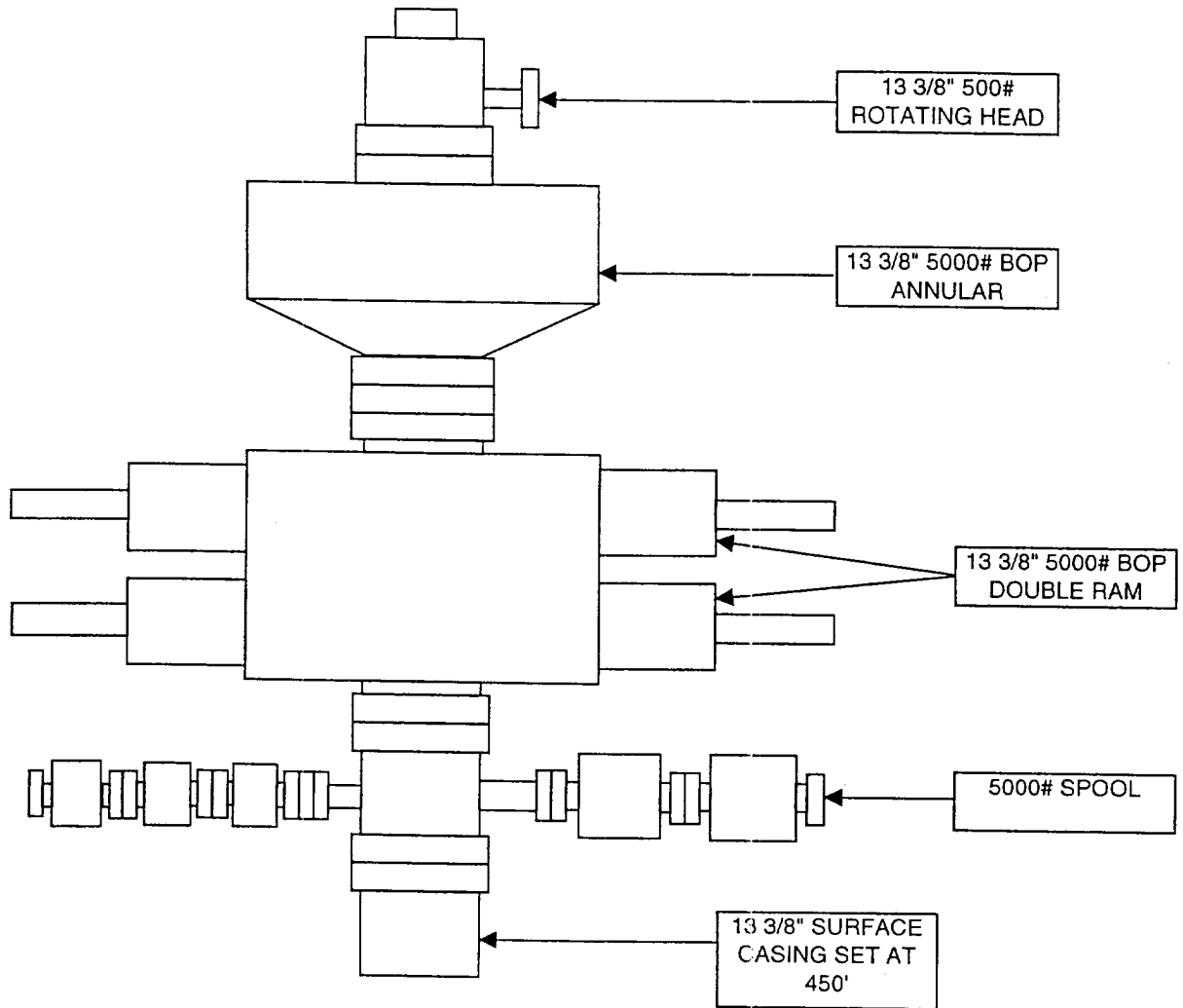
 .4% CFR-3 (Dispersant)
 5 lb/sk Gilsonite (bulk) (Lost Circulation)
 .5% HALAD®-344 (Fluid Loss)
 1 lb/sk Salt (6 %) (Accelerator)
 Mixed With Fresh Water

Fluid Weight:	13.00 lb/gal
Fluid Yield:	1.66 ft³/sk
Fluid Water Ratio:	8.18 gal/sk
Total Mixing Fluid:	62.3 bbls
Top of Fluid:	10500 ft
Calculated Fill:	2000 ft
Fluid Volume:	94.51 bbls
Calculated Volume:	313.4 sks
Shoe Joint Volume:	6.56 sks
Total Volume:	320.00 sks
Proposed Volume:	<u>320 sks</u>

FLUID 5: DISPLACEMENT

Total Displacement Volume:	302.95 bbls
Spacer On Top Of Plug:	0 bbls
Displacement to Shoe Joint:	301.01 bbls

MOBIL EXPLORATION & PRODUCTION
STATE V "A" COM
INTERMEDIATE CASING BOP STACK
12 1/4" HOLE FROM 450' TO 5000'
SET 8 5/8" CASING TO 5000'



MOBIL EXPLORATION & PRODUCTION
STATE V "A" COM
PRODUCTION CASING BOP STACK
7 7/8" HOLE FROM 5000' TO 12,500'
SET 5 1/2" CASING TO 12,500'

