

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720

District II
1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Permit 42523

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NUMBER 30-045-33464
		5. Indicate Type of Lease P
1. Type of Well:S		6. State Oil & Gas Lease No.
2. Name of Operator MARALEX DISPOSAL, LLC		7. Lease Name or Unit Agreement Name CENTERPOINT SWD
3. Address of Operator PO BOX 338 , IGNACIO , CO 81137		8. Well Number 001
4. Well Location Unit Letter <u>P</u> : <u>856</u> feet from the <u>S</u> line and <u>738</u> feet from the <u>E</u> line Section <u>24</u> Township <u>31N</u> Range <u>11W</u> NMPM <u>San Juan</u> County		9. OGRID Number 193838
11. Elevation (Show whether DR, KB, BT, GR, etc.) 5780 GR		10. Poolname or Wildcat
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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 <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE OF PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> Other:	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTER CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> Other: Drilling/Cement <input checked="" type="checkbox"/>

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.

See Attached

Casing and Cement Program

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
06/15/06	Prod	FreshWater	9.875	7	32	P-110	4187	8472	1300		Pozmix		1200		Y

I 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 NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed _____ TITLE _____ DATE 11/29/2006
Type or print name Carla Shaw E-mail address carlasue4@lycos.com Telephone No. 970-563-4000

For State Use Only:

APPROVED BY: Charlie Perrin TITLE District Supervisor DATE 1/16/2007 11:44:24 AM

REPORT DATE: 6/15/06

Finish laying down drill pipe and drill collars. Service rig. Change pipe rams. Rig up casing crew. Start running casing. Had problems with power tongs. Call for new tongs. Change out power tongs. Run 93 joints, 7", 32#, P-110 LT&C casing followed by 108 joints of 7", 32#, L-80, LT&C casing. Total of 8475'. Land casing at 8472'. Rig down casing crew. Circulate and condition mud while rigging up cementers. Ran 7" stage collar at 4640'. Also ran centralizers in middle of joint # 1, top of joints 2, 4, 6, 8, 10, 12, 14 and on either side of stage tool. Ran both a float shoe and float collar. Pumped 20 BBls fresh water ahead of 750 sacks of 65/35 pozmix with 5% gel, 0.2% D46, 0.3% D29, 0.275% D167, 0.2% D65 and 0.2% D198, followed by 550 sacks of 50/50 pozmix with 5.2% gel, 0.325% D29, 0.275% D167, 0.1% D46, 0.25% D65, 0.155% D198. Drop top plug and displace with 140 BW and 167 BM. Drop bomb and wait 20 minutes for bomb to fall. Open stage collar. Circulate through stage collar with pump truck. Shut down and switch to rig pumps. Circulate with rig pumps for 20 minutes and lost circulation. Slow rate and pump ¼ volume of rig pit. Did not regain circulation. Shut down and release cement crew.

REPORT DATE: 07/06/06

Set and fill 400 BBl frac tank with fresh water. Move in, rig up cement company. Install adapter flange on wellhead. Load cement head and install. Have safety meeting. Pressure test surface lines to 4200 psi. Pump 40 BBl pill with polymer and setsim LCM. Pump 150 BBls of water. Catch pressure with approximately 45 away. Broke back to 500 psi. Slowly increased to 650 psi. Never got returns. Shut down and get ISIP 530 psi. Bled off to 490 psi in 35 minutes. Fill backside with 17 barrels water. Pressure up to 200 psi and shut down. Did not bleed off in 15 minutes. Flow back casing and annulus. Annulus bled to 0 in about 1 minute. Casing still flowing with no pressure. Rig down and release cement crew. Did not pump cement.