

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN TRIPlicate
(Other Instructions
on the Side)

Budget Bureau No. 1004-0135
Expires August 31, 1985

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" for such proposals.)

RECEIVED

1. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER SWD		7. UNIT AGREEMENT NAME
2. NAME OF OPERATOR Hondo Oil & Gas Company		8. FARM OR LEASE NAME Ballard DE Federal SWD
3. ADDRESS OF OPERATOR P. O. Box 2208, Roswell, NM 88202		9. WELL NO. 3
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 990' FNL & 990' FWL		10. FIELD AND POOL, OR WILDCAT Lynch Yates 7 Rivers
14. PERMIT NO.	15. ELEVATIONS (Show whether DF, RT, CR, etc.) 3677' GR	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 27-T20S-R34E
		12. COUNTY OR PARISH Lea
		13. STATE NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Converted to SWD 4 change lease</u> <input checked="" type="checkbox"/>	
(Other) <input type="checkbox"/>		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) <i>name to include</i>	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

1/31/89 Drilled and cleaned well out to 3600' using a 4 7/8" bit. thru Squeezed perms. 3495-3589' with 200 sx. Class "C" + 50 sx.
2/23/89 Class "C" Neat. Drilled out cement retainer @ 3420' and CIBP @ 3600'. Continued to drill and clean out to new T.D. of 4026' with 4 7/8" bit. Tripped in hole with bridge plug and 14 jts. 2 7/8" fiberglass tubing with 1/2" hole/ft. Ran Baker lok-set packer and 113 jts. 2 7/8". Bottom of packer @ 3605'. Tested annulus to 500 psi for 30 min. - held okay. Acidized 3615-4026' with 6000 gal. 15% NEFE acid w/2000# rock salt in 3 stages. Set injection pump and tied into transite line. Repaired leak in tank and line and cleaned out line. Prep to start injection.

Please note name change from Ballard DE Federal #3 to Ballard DE Federal SWD #3.

18. I hereby certify that the foregoing is true and correct

SIGNED *E. J. Bellrose Jr.* TITLE Petroleum Engineer DATE 2/24/89

(This space for Federal or State office use)

APPROVED BY DAVID R. GLASS TITLE _____ DATE _____

CONDITIONS OF APPROVAL IF ANY _____

CARLSBAD, NEW MEXICO *See Instructions on Reverse Side

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.