

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

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

WELL API NO. 30-025-28165-03271
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-5886
7. Lease Name or Unit Agreement Name West Pearl Queen Unit
8. Well No. 139
9. Pool name or Wildcat Pearl Queen
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3736 GL

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 GAS WELL OTHER Injection

2. Name of Operator
Pyramid Energy, Inc.

3. Address of Operator
10101 Reunion Place, Ste. 210 San Antonio, TX 78216

4. Well Location
Unit Letter A : 660 Feet From The North Line and 660 Feet From The East Line
Section 32 Township 19S Range 35E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3736 GL

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: Locate casing leak and either TA <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
or P&A wellbore	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <input type="checkbox"/>

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.

This well failed a Mechanical Integrity Test. To bring the well into compliance, the following procedure will be performed:

- 1) Tag cement retainer at 4685' and circulate hole with mud laden fluid. Spot 25 sack cement plug on top of retainer.
- 2) Locate casing leak with packer and tubing.
- 3) Contact NMOCD District Office and obtain instructions to TA well. If conditions exist that will not allow well to be TA then it shall be plugged and abandoned in accordance to NMOCD rules and regulations.

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

SIGNATURE Scott Graef TITLE Operations Manager DATE 05/31/94

TYPE OR PRINT NAME Scott Graef TELEPHONE NO. (210) 308-8000

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE **JUN 06 1994**

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED

JUN 03 1994

UCD HUBS
OFFICE