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NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease: State [✓] Fee [ ]

5. State Oil & Gas Lease No. B-1534

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.)

7. Unit Agreement Name

1. OIL WELL [✓] GAS WELL [ ] OTHER-

8. Farm or Lease Name: State J-2

2. Name of Operator: CONOCO INC.

9. Well No. 3

3. Address of Operator: P. O. Box 460, Hobbs, N.M. 88240

10. Field and Pool, or Wildcat: Arrowhead-Grayburg

4. Location of Well: UNIT LETTER H, 1980 FEET FROM THE North LINE AND 660 FEET FROM THE East LINE, SECTION 2 TOWNSHIP 22S RANGE 36E NMPM.

15. Elevation (Show whether DF, RT, GR, etc.)

12. County: Lea

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK [ ]	PLUG AND ABANDON [ ]	REMEDIAL WORK [ ]	ALTERING CASING [ ]
TEMPORARILY ABANDON [ ]	CHANGE PLANS [ ]	COMMENCE DRILLING OPNS. [ ]	PLUG AND ABANDONMENT [ ]
PULL OR ALTER CASING [ ]		CASING TEST AND CEMENT JOB [ ]	
OTHER [ ]		OTHER CO & acidize	[✓]

17. 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.

(1) MIRU on 3-19-86, Top of fill @ 3806'. Cleaned out w/ bit & scraper,
(2) Set RBP @ 1800'. Loaded csg w/ 9 ppg brine. Dug out cellar & installed new wellhead.
(3) Retrieve Bridge Plug. Tag fill @ 3774 and clean out to 3810'.
(4) WIH w/ bulldog bailer, Tag @ 3810' and clean out to 3815'. String shot from 3735' to 3815' w/ 750 grain/ft. Tag @ 3790 and clean out to 3817'.
(5) Set plcr @ 3700'. Pumped 90 bbls 15% HCL, Flushed w/ 50 bbls TFW, Sw
(6) Release plcr and WIH w/ prod. equip. Rigged down on 3-27-86.
(7) Test pump 71 BO, 110 BW, 8 MCF on 4-15-86.

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

SIGNED [signature] TITLE Administrative Supervisor DATE 4-22-86

APPROVED BY ORIGINAL SIGNED BY JERRY SEXTON DISTRICT I SUPERVISOR TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NMOCD-Hobbs