

FEB 10 2009

Submit 3 Copies To Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources

Form C-103 June 19, 2008

District I 1625 N French Dr, Hobbs, NM 88240
District II 1301 W Grand Ave., Artesia, NM 88210
District III 1000 Rio Brazos Rd., Aztec, NM 87410
District IV 1220 S St Francis Dr., Santa Fe, NM 87505

RECEIVED

FEB 12 2009

HOBBSOCD

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505



WELL API NO. 30-005-20228
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. NM 0174830
7. Lease Name or Unit Agreement Name Davis Federal Lease
8. Well Number 1
9. OGRID Number 127951
10. Pool name or Wildcat San Andres Chaveroo (SA)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4447' DF

SUNDRY NOTICES AND REPORTS ON WELLS
1. Type of Well: Oil Well [] Gas Well [X] Other []
2. Name of Operator Cambrian Management, Ltd.
3. Address of Operator PO Box 272 Midland, TX 79702
4. Well Location Unit Letter F : 1980 feet from the North line and 1980 feet from the West line
Section 18 Township 8-S Range 33-E NMPM County Chaves

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

NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK [] PLUG AND ABANDON []
TEMPORARILY ABANDON [] CHANGE PLANS []
PULL OR ALTER CASING [] MULTIPLE COMPL []
DOWNHOLE COMMINGLE []
OTHER: Convert to injection well per case # 14065 order # R-12972 [X]
SUBSEQUENT REPORT OF:
REMEDIATION WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A []
CASING/CEMENT JOB []
OTHER []

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.

We propose to begin the attached procedure on February 10, 2009.

Spud Date: []

Rig Release Date: []

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

SIGNATURE Denise Jones TITLE Regulatory Analyst DATE 1-29-09

Type or print name Denise Jones E-mail address: djones@cambrianmgmt.com PHONE: 432-620-9181

APPROVED BY: [Signature] TITLE DISTRICT 1 SUPERVISOR DATE FEB 19 2009

Conditions of Approval (if any):



Cambrian

MANAGEMENT, LTD.

Procedure – Convert to Injection

Davis N #1

Chaves County, New Mexico

Well Data

AFE No.: 2009-01
Amount: \$88,500

NMOCD Status: SI

Casing: 13.3/8" 48#/54.50# csg @ 427', circ. 450 sks cement to surface
8 5/8" 24#/32# csg @ 4820', TOC 2100'
5.5" 17# J-55/N-80 lnr. from 4602' to 9144', TOC 2100', 1450 sks

TD: 9144'
PBTD: 4590'
CIBP Depth: 4590' to 4597'

Current Perforations:

4261' - 4288'
4327' - 4346'
4354' - 4357'
4367' - 4373'
4403' - 4413'
4439' - 4461'
4474' - 4477'

Proposed injection depth:

4200' – 4500'

Tubing Detail: 140 joints J55 2 3/8" tubing in hole,

Rod Detail: 36-7/8, 57- 3/4 & 89-5/8 rods w/ 1 1/2" x 16' pump

Procedure:

1. Notify OCD (BLM) of intent to start conversion
2. Inspect location and repair as required. Test anchors.
3. MIRU PU pull pump and LD all rods. Send to Permian Rod for inspection.
4. NU BOP. Tally out of hole w/ 2 3/8" tbg.
 - I. Visually examine first few stands
 - II. If tbg appears usable stand back, if tubing is junk LD.
 - III. Send tbg to Composite Lining System for inspection
 - IV. Tubing string is parted. Fishing may be required.
5. PU 7 7/8" bit & scraper on 2 3/8 tbg. and RIH. Tag TD (4590') and report to engineering. POOH w/ bit. LD tbg.
6. RIH 2 3/8" x 8 5/8" injection packer w/ 1.43 profile nipple and on-off tool on injection tbg to ± 4200'.
 - I. Plastic coated injection tubing is at DGM and Composite Lining Systems.
7. Set packer and test w/ 500#. Release on/off tool and circulate packer fluid.
8. Latch on/off tool and test 500#.
9. RD MO PU.
10. Conduct MIT for State of New Mexico. 72 Hr notice is required
11. Tie in to injection system. Initiate injection. Injection pressure is permitted to a maximum of 852#.
12. Evaluated for need of acid job.