Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
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

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
May 27, 2004

WELL API NO. 30-015-02226

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No. OG-784

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. Lease Name or Unit Agreement Name: East Millman Pool Unit Tract 4 8910169240

1. Type of Well: Oil Well [X] Gas Well [ ] Other

8. Well Number 5

Month - Year FEB 12 2007 OCD - ARTESIA, NM

2. Name of Operator Stephens & Johnson Operating Co.

9. OGRID Number 019958

3. Address of Operator P.O. Box 2249, Wichita Falls, TX 76307-2249

10. Pool name or Wildcat Millman Yates-SR-QN-GB-SA, East

4. Well Location

Unit Letter P : 330 feet from the South line and 660 feet from the East line

Section 12 Township 19S Range 28E NMPM County Eddy

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3366' Gr

Pit or Below-grade Tank Application [ ] or Closure [ ]

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:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[X]	PLUG AND ABANDON	[ ]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[ ]
PULL OR ALTER CASING	[X]	MULTIPLE COMPLETION	[ ]	CASING TEST AND CEMENT JOB	[ ]		
OTHER:	[ ]			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.

See procedure changes.

See Attachment

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 William M. Kincaid TITLE Petroleum Engineer DATE 2-6-07

E-mail address: mkincaid@sjoc.net

Type or print name William M. Kincaid Telephone No. (940) 723-2166

For State Use Only

APPROVED BY Gerry Guye TITLE Deputy Field Inspector District II - Artesia DATE FEB 13 2007

Conditions of Approval, if any:

STEPHENS & JOHNSON OPERATING CO.
EAST MILLMAN UNIT NO. 4-5
EDDY COUNTY, NEW MEXICO

Well Data:
Elevation: 3371' DF; 3367' GL
TD: 2230'
PBTD: 2198'
Surf Csg: 8 5/8", J-55, 24#, set @ 404' w/200 sx cmt, TOC @ 25' from surface
Prod Csg: 4 1/2", J-55, 11.6#, set @ 2230' w/250 sx cmt, TOC @ 870' by Temp. Survey
Perfs: Qn 1759-1774'; Upper GB 2058-2156'
Wellhead only - no surface equipment

Note: Well TA'd 9-8-1983, CIBP set @ 1623', casing filled w/ corrosion inhibited fluid. On 12-7-2006 4 1/2" csg was pressured to 530 psig. Pressure leaked off to 410 psig in 13 min. Repressured 4 1/2" csg to 570 psig. Pressure leaked off to 410 psig in 20 min. Failed MIT.

Recommended Workover Procedure

1. MIRU well servicing unit. TIH w/pkr and 2 3/8" tbg work string and locate csg leak. TOH w/tbg and pkr.

2. Back off 4 1/2" csg below csg leak and TOH w/4 1/2" csg.

3. TIH w/replacement 4 1/2" csg and screw back into csg.

4. Fill 4 1/2" csg w/corrosion inhibited fluid and pressure csg to 350 psig for 30 minutes for MIT.
500# Minimum