

Submit 1 Copy To Appropriate District Office
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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

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

WELL API NO. 30-039-24375
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-2258
7. Lease Name or Unit Agreement Name State J
8. Well Number #3
9. OGRID Number 23846
10. Pool name or Wildcat Lybrook Gallup
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7243' 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 ☐

2. Name of Operator
QEP Energy Company

3. Address of Operator
1050 17th Street, Suite 500, Denver, CO 80265

4. Well Location
Unit Letter E : 1850 feet from the North line and 990 feet from the West line
Section 16 Township 23N Range 7W NMPM County Rio Arriba

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

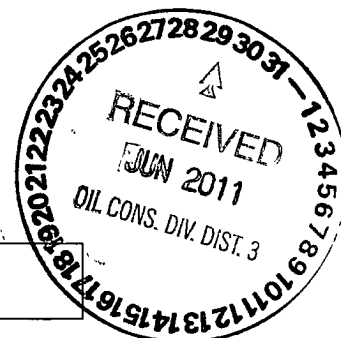
QEP Energy Company (QEP) attempted to repair a casing leak on the State J #3 well between 5/26/2011 and 5/31/2011, as seen in the attached Operations Summary Report and updated wellbore diagram.

Since the casing repair was unsuccessful, the well was then P&A'ed. A Subsequent Report Sundry reporting the P&A will be submitted under separate cover.

If you have any questions or concerns, please contact me at (303) 672-6916.

Spud Date: 5/9/1989

Rig Release Date: 5/31/2011



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

SIGNATURE Sarah Boxley TITLE Permit Agent, Regulatory Affairs DATE 6/27/2011
Type or print name Sarah Boxley E-mail address: Sarah.Boxley@qepres.com PHONE: (303) 672-6916
For State Use Only Deputy Oil & Gas Inspector,
District #3

APPROVED BY: Brandon Rull TITLE AV DATE 6/30/11
Conditions of Approval (if any):

Operations Summary Report

Well Name: STATE J #3
 Location: 16- 23-N 7-W 1
 Rig Name: A PLUS WELL SERVICE

Spud Date:
 Rig Release:
 Rig Number: 6

Date	From - To	Hours	Code	Sub Code	Description of Operations
5/26/2011	06:00 - 16:00	10.00	BOP	1	<p>Road rig, pump truck, swivel, pits, frac tanks and floats to location Spot in all equipment RUSU. Blow down well NDWH. NUBOP. Break for lunch. TOH with 18 stands inspecting tbq. Threads on pins and in collars in bad shape Will need work string to complete csg repair. Call Denver for decision. SWIFN</p> <p>Note: Cost includes mobilization/trucking of all equipment, tanks and water hauling (kcl)</p> <p>Tbg. Size. 2-3/8" Csg. Size. 4-1/2"</p> <p>SITP: 210, SICP 10</p>
5/27/2011	06:00 - 16:00	10.00	WCL	2	<p>Perfs: 5480' to 5683' Call A-Plus for work string. Blow down well. Move stands of tbq to one side of rig. A-Plus called and had to load work string on float at yard TOH and tally 2-3/8" tbq. Wait on work string. Tally pick up and TIH with bit scraper and 2-3/8" work string. Tag fill at 5656'. TOH with tbq, bit & scraper. SWIFWE.</p> <p>Note: Cost includes rental string and trucking</p> <p>Tbg Size: 2-3/8" Csg. Size: 4-1/2"</p> <p>SITP 85 , SICP: 10</p> <p>Perfs: 5480' to 5683'.</p>
5/31/2011	06:00 - 16:00	10.00	CIRC	1	<p>Safety meeting TIH with 4-1/2" RBP and set at 5290'. RU pump and circulate csg clean with 110 bbls for 2% kcl.</p> <p>Shut in csg to pressure test. Fill csg and pump in at 2 BPM, 400 psi. Open bradenhead valve and started circulating out bradenhead at 113 bbls, 2 BPM, 400 psi. TOH with tbq and lay down retrieving head. TIH with pkr and isolate leak in csg between 546' and 609'. Pressure test cg below 609' to 600 psi. Leaking off 15 psi in 5 minutes. Reset pkr twice. Still leaking off 15 psi in 5 minutes. Asked A-Plus if pump could be leaking off. insisted it was good Reset pkr again and still leaking off Pressure up and isolate pump from test Held 600 psi for 20 minutes. TOH and lay down pkr. Dump 10 gal of sand down csg. Wait 30 min Pump 20 bbls water ahead of cement Mix and pump 222 sxs of 15 6# 1.18 yield (261.96 cut ft) of class B cement down csg and out BH with good cement returns. SD and clean BOP. Squeeze 5 bbls / 750 psi, 1/2 bpm Hesitate squeeze 2 more bbls. Shut in with 750 on csg. Estimate cement top at 516'</p>

State J #3
 Sec. 16-T23N-R7W
 Rio Arriba, NM
 1850' FNL, 990' FWL
 d by BCO Inc.

GL = 7243
 KB = 7255
 TVD = 5800

Well date: 05/09/1989
 Schematic - not drawn to scale

SURFACE CASING:

Casing Size	Weight (lb/ft)	Depth Set (MD)	Cementing Record (sacks)
8 5/8"	23	215	155

Cement Job

8 5/8" cemented 215-surface
 Cemented with 1555 sacks Class B with 2% CaCl₂ and 1/4 pps floccle. Mixed at 15.6 ppg and a yield of 1.18 cfps.
 Circulated 5 bbls of cement at surface.

PRODUCTION CASING:

Casing Size	Weight (lb/ft)	Depth Set (MD)	Plug Back TD (MD)	Cementing Record (sacks)
4 1/2"	11.6	5797	5753	1295

Cement Job

4-1/2" casing string cement job run from TD to 860'.
 The lead cement was 1145 sacks of 50/50 class "G"/
 poz mix A with 4% gel, 10 pps gilsonite, 10% salt
 10% Cal seal mixed at 12.7 ppg with a yield of 1.8 cfps.
 Tail cement was 150 sacks of Class "G" cement with 2%
 CaCl₂, 6 1/4 pps gilsonite, 8 pps salt, 1/2 pps floccle
 This was mixed at 15.2 ppg with a yield 1.377 cfps.

TUBING:

Tubing Size	Weight (lb/ft)	Depth Set (MD)
2 3/8"	4.7	5670

PERFORATION RECORD

Depth (MD)	Size (inches)	Number (SPF)
5480	0.39	1
5483	0.39	1
5487	0.39	1
5592	0.39	1
5595	0.39	1
5598	0.39	1
5612	0.39	1
5683	0.39	1

ACID/FRACTURE JOB

5480-5683 1000 gal 15% HCl, 39000
 lbs 20/40 Brady sand in
 77,856 gal 70% quality N₂ foam.

COMMENTS

Frac job 6/20/89:
 221,700 lbs 20-40 sand
 131,145 gal foam - 70% N-2

Leak on braidenhead

8 5/8" @ 215

③ casing repair - cement squeeze
 546' to 609'
 TOC @ 860'

5536.26

5N @ 5535.76'

Tbg. @ 5670 5536.26'

Lybrook Gallup
 5480
 5483
 5487
 5592
 5595
 5598
 5612
 5683

4 1/2" @ 5797
 PBTD @ 5753

Workover

5-26-11 casing repair
 222 sks of 15.6# cement

