

District Office

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

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

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

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504-2088

WELL API NO. 30-031-20830	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lessee Name or Unit Agreement Name HOSPAN Sand Unit	
8. Well No. 104	
9. Pool name or Wildcat HOSPAN UPPER Sand	

SUNDY 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 <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> WFW	
2. Name of Operator BC&D OPERATING, INC.	
3. Address of Operator P.O. Box 1680, Hobbs, NM 88241	
4. Well Location Unit Letter B : 2040 Feet From The East Line and 1280 Feet From The NORTH Line Section 1 Township 17N Range 9W NMPM McKinley County	
10. Elevation (Show whether DP, RCB, RT, GR, etc.) 6924 GL	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER: <input type="checkbox"/>

SUBSEQUENT REPORT OF:	
REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
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.

PLEASE SEE Attachment.



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

SIGNATURE *Donnie Hill* TITLE *President* DATE *6/12/2003*
TYPE OR PRINT NAME *Donnie Hill* TELEPHONE NO. *505-397-3972*

(This space for State Use)

APPROVED BY *[Signature]* TITLE *SUPERVISOR DISTRICT #3* DATE *JUN 12 2003*

CONDITIONS OF APPROVAL, IF ANY:

HOSPAH SAND UNIT # 104

30-031-20830

SEC. 01, T17N, R9W

MCKINLEY, NM

12 1/4" HOLE @ 42'

8 5/8" 20# SURFACE CASING @ 39' CMT. CIRCULATED

7 7/8" HOLE @ 39' - 1588'

5 1/2" 14# CASING @ 1587' CMTD W/ 100 SXS

PBTD @ 1574'

PERFS @ 1522' - 1548'

TOPS:	MENEFEE	@	SURFACE
	POINT LOOKOUT	@	290'
	GALLUP	@	1520'

HOSPAH SAND UNIT # 104

30-031-20830

SEC. 07, T17N, R9W

MCKINLEY, NM

PROPOSED P & A PROCEDURE

- ** PREPARE LOCATION
- ** MIRU PLUGGING EQUIPMENT, RLS PKR AND POOH W\TBG, PU AND TIH WITH 2 7/8" TBG. TO 1548', LOAD CASING WATER AND CIRCULATE HOLE CLEAN, MIX AND PUMP 30 SXS. CLASS "B" CMT. AND SPOT BALANCED PLUG AT 1320'-1548', POH WITH TBG., SECURE WELL, WOC OVERNIGHT
- ** CREW TO LOCATION, CONDUCT SAFETY MEETING, TIH WITH TBG. TAG TOC AT 1320' (1420' MIN), IF TOC MEETS NMOCD REQUIREMENTS PROCEED TO PROCEDURE "A" IF THE TOC DOES NOT MEET NMOCD REQUIREMENTS PROCEED TO PROCEDURE "B"

PROCEDURE "A"

- ** PRESSURE TEST CASING TO 500 PSIG TO ASCERTAIN MECHANICAL INTEGRITY, IF CASING DOES NOT PRESSURE TEST, PU AND TIH W/ PKR AND TBG TO LOCATE CASING LEAKS, TAKE NECESSARY ACTION TO MEET THE REQUIRED PLUGGING PROCEDURE, MIRU WIRELINE TRUCK PERF CASING AT 340', RIG DOWN WIRELINE TRUCK
- ** ESTABLISH RATE INTO PERFS AT 340' AND CIRCULATE OUT BRADEN HEAD UNTIL WATER CLEANS UP, MIX AND PUMP SUFFICIENT CEMENT VOLUME TO FILL 5 1/2" CASING AND ANNULUS BETWEEN 5 1/2" X 7 7/8" HOLE FROM 340' TO 39' AND 5 1/2" X 8 5/8" ANNULUS FROM 39' TO SURFACE, (APP. 134 SXS)

** RIG DOWN PLUGGING EQUIPMENT, ASCERTAIN HOLE TO BE STABLE, TOP OFF CASING IF NECESSARY, INSTALL P&A MARKER, RIG DOWN AND MOVE ALL EQUIPMENT

** RESTORE LOCATION

PROCEDURE "B"

** MIX AND PUMP SUFFICIENT CEMENT TO ESTABLISH A SATISFACTORY TOC, CEMENT WILL BE PUMPED THROUGH TBG AND A BALANCED PLUG WILL BE ACHIEVED, POH WITH TBG WOC

** TIE WITH TBG, TAG TOC AND THEN PROCEED TO PROCEDURE "A"
