1 ÆR 3 OCD Aztec 1 HLB 1 File = 6STATE OF NEW MEXICO ENERGY AND MILIERALS DEPARTMENT OIL CONSERVATION DU GION E P. O. BOX 208 Fora C-103 DISTRIBUTION Revised 10-1-78 SANTA FE, NEW MEXICAUS 1987 SANTA FE FILE Sa. Indicate Type of Lease U.S.G.S. OIL CON. DIV. State X Fee LAND OFFICE \$. State Oil & Gas Lease No. OPERATOR DIST. 3 V-2258 SUNDRY NOTICES AND REPORTS ON WELLS Unit Agreement Name WELL X WELL OTHER-8. Farm or Lease I-ame 2. Name of Operator State J BCO, INC. 9. Well No. 3. Address of Operator 135 Grant, Santa Fe, N.M. Undesignated Graneros Lybrook Gallup 4. Location of Well 540 North 820 UNIT LETTER . 7W 16 23N East 15. Elevation (Show whether DF, RT, GR, etc.) 12. County 7210 GR Rio Arriba Check Appropriate Box To Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: CASING TEST AND CEMENT JOB OR ALTER CASING 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. Drilled 7-7/8" hole to 6620'. Bits were run as follows: August 4-11, 1987 Rotation Feet Avg per Drilled Date Out Hours Hour Deviation Bit # Footage Out 1° 1 HTC 8/3 231' 3 231' 77 3/4° 2 X3A 8/4 1756' 9-3/4 1525 t 156 3037' 49 3/4 ° 3 8/7 4793**'** 62 - 1/2FP52A 1° 1827**'** FP52J 8/11 66201 82 Conditioned hole until able to get logs to bottom. August 11, 1987 August 12, 1987 Ran Dual Induction Log and Spectral Density DSN II logs. Welex will mail a copy of each log to the OCD. Ran 6609' of $11.6 \text{ N}80 \text{ 4}\frac{1}{2}$ " casing. stage cement job was run. (Continued) 18. I hereby certify that the information above is true and complete to the best of my knowledge and belief. Vice President August 19, 1987 AUG 21 1987 SUPERVISOR DISTRICT # 3 Original Signed by FRANK T. CHAVEZ

CONDITIONS OF APPROVAL, IF ANY:

August 13, 1987

Stage One: T.D. to 4800'. Ran 10 bbls mud flush. Mixed 402 sacks Class H cement with 2% CaCl, 8 lbs salt per sack, ½ lb flocele per sack, 6½ lbs gilsonite per sack (about 98 bbls slurry). Mixed at 15.1 lbs per gallon with a yield of 1.37 cubic feet per sack or 550 cubic feet. Cement was not designed to circulate above DV tool. It did not circulate above DV tool. Top of cement will be reported on a subsequent notice when we log cement. The plug was pumped at 6:15 a.m. It did not bump. Pumped and flowed back twice. Total displacement was 104 bbls (estimated 103). Opened stage tool at 7:30 a.m.

Stage Two: 4800' to surface. Waited four hours for Stage One to set.

Pumped 10 bbls of water, 20 bbls of FloCheck, 5 bbls of water. Mixed

1275 sacks of 65/35 poz Class H cement mixed with 3% gel, 12½ lbs

gilsonite per sack, 5.6# salt per sack, 8.2# Calseal per sack. Mixed

at 13 lbs per gallon with a yield of 1.78 cubic feet per sack or

2270 cubic feet (about 404 bbls slurry). Cement was designed to

circulate. Circulated 116 bbls of cement. Plug was pumped at 12:20 p.m.

Plug bumped.

August 13, 1987 Drilling rig rigged down. Intend to complete well in September.