

Submit 1 Copy To Appropriate District
Office
District I - (575) 393-6161
1625 N French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

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

WELL API NO. 30-015-27297
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 648
7. Lease Name or Unit Agreement Name: East Millman Unit
8. Well Number 191
9. OGRID Number 019958
10. Pool name or Wildcat Millman-Yates-SR-QN-GB-SA East
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3431' KB; 3425' GR

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	7. Lease Name or Unit Agreement Name: East Millman Unit
2. Name of Operator Stephens & Johnson Operating Co	8. Well Number 191
3. Address of Operator P O Box 2249, Wichita Falls, TX 76307	9. OGRID Number 019958
4. Well Location Unit Letter <u>A</u> : <u>10</u> feet from the <u>North</u> line and <u>10</u> feet from the <u>East</u> line Section <u>22</u> Township <u>19S</u> Range <u>28E</u> NMPM County <u>Eddy</u>	10. Pool name or Wildcat Millman-Yates-SR-QN-GB-SA East
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3431' KB; 3425' GR	

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: ☐

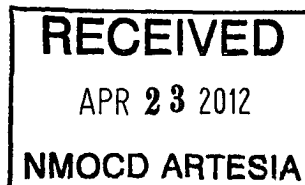
SUBSEQUENT REPORT OF:

REMEDIAL 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 19.15.7.14 NMAC.. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See Attached



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 William M. Kincaid TITLE Petroleum Engineer DATE 4-18-2012

mkinaid@sjoc.net

Type or print name William M. Kincaid E-mail address: mkinaid@sjoc.net PHONE 940-723-2166

For State Use Only

APPROVED BY T. C. Shogard TITLE Geologist DATE 4/24/2012

Conditions of Approval (if any):

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Stephens & Johnson Operating Co.
East Millman Unit No. 191
API No. 30-015-27297
Eddy County, New Mexico

Well Data:

Total Depth: 2625' KB

PBTD: 2360' KB

Surface Csg: 8 5/8" 24# set @ 359' KB, cement w/275 sx, TOC @ surface.

Prod. Csg: 5 1/2" 14.0# set @ 2624' KB, cement w/685 sx, TOC @ surface.

Queen Perfs: 1684'-1886' KB

Grayburg Perfs: 1996'-2352' KB
CIBP @ 2378' w/cmt on top; PBTD @ 2360' KB

NOTE: East Millman Unit well No. 191 has a csg leak between 746'-822'. This well will be converted to a water injection well in the near future as soon as approval is obtained. Plan to repair csg leak as outlined below.

Proposed Workover Procedure

1. Set CIBP @ 1650' KB.
2. TIH w/4", 9.5 lb/ft non-upset liner (coupling OD = 4.5"; drift ID = 3.423") w/float shoe on bottom, a 15' shoe joint with a float collar and set liner @ 1649' KB.
3. Cement 4" liner in place w/175 sx of cement. Once cement has circulated back to surface, close annulus between 4" liner and 5 1/2" csg and squeeze cement out of csg leak.
4. TIH w/bit and 2 3/8" tbg workstring and drill out float collar, shoe joint, float shoe and CIBP. Clean out to PBTD of 2630' KB. TOOH w/tbg and bit.
5. TIH w/pkr and 2 3/8" composite lined tbg. Set pkr @ 1600' KB. Perform MIT on annulus between 2 3/8" tbg and 4" liner.
6. Wait for water injection permit prior to beginning water injection.