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Submit 3 Copies to Appropriate District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs NM 88241-1980

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

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-015-22625

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

6. State Oil & Gas Lease No. L-6654

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: STATE 19 COM

1. Type of Well: OIL WELL [ ] GAS WELL [X] OTHER

2. Name of Operator: BURLINGTON RESOURCES OIL & GAS COMPANY

8. Well No. 2

3. Address of Operator: P.O. Box 51810 Midland, TX 79710-1810

9. Pool name or Wildcat: SOUTH MILLMAN MORROW

4. Well Location
Unit Letter N : 860 Feet From The SOUTH Line and 2057 Feet From The WEST Line

Section 19 Township 19S Range 28E NMPM EDDY County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3493' GR

11. **Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data**

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[ ]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[ ]
PULL OR ALTER CASING	[ ]			CASING TEST AND CEMENT JOB	[ ]		
OTHER:	[ ]			OTHER: Repair csg leak, drill CIBP, add/acdz perfs	[X]		

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.

Burlington Resources plans to repair a casing leak, drill out the CIBP at 10,700', add upper Morrow perfs, acidize, and return well to production as follows:

See attached procedure.

RECEIVED
JUN
OCD - ARTESIA

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

SIGNATURE Deborah Magness TITLE Regulatory Assistant DATE 5-22-98

TYPE OR PRINT NAME Deborah Magness TELEPHONE NO. 915/688-9012

(This space for State Use)

APPROVED BY Jim W. Gum (BCA) TITLE District Supervisor DATE 6-8-98

CONDITIONS OF APPROVAL, IF ANY:

Procedure

1. MIRU workover rig and work tank. RU safety equipment to monitor H2S (H2S found on well when casing inspection log was run on 4/14/98). Bled off any pressure. If necessary, kill well. Unload, rack, and tally ± 11,160' (360 jts) of 2-7/8" N-80 used inspected tubing.

2. ND wellhead. NU BOP.

3. Locate casing leak.

   A. PU and TIH with packer and 2-7/8" tubing to 3035'. Pressure test tubing and CIBP to 1000 psi. If CIBP does not hold, continue to TIH until CIBP will pressure test. (set @ 10,700)

   B. TOH and start to locate casing leak. From casing inspection log, holes are expected at 2874' and potentially at 2955'.

   C. TOH and LD packer.

4. RU Halliburton for cement squeeze.

   A. PU and TIH with 5-1/2" cement retainer, stinger, and 2-7/8" tubing. Set CICR 50' above casing leak. Sting out of retainer. Circulate hole with 2% KCl water. Sting into retainer. Pressure test backside to 500 psi to check if CICR is set.

   B. Mix and displace 200 sx Premium cement to leak at 2874' with 2% KCl water.

   C. Slow rate to 0.5 to 1.0 bpm to attempt a running squeeze. Squeeze to a maximum pressure of 2000 psi.

   D. If squeeze is not obtained within the first 45 bbls, perform a hesitation squeeze at 0.25 –0.5 bpm at 5 min intervals.

   E. If squeeze is not attained, over flush retainer with 2% KCl water. Sting out retainer and reverse circulate hole clean. Consult with Midland for additional squeeze procedure.

5. TOH and LD stinger. Wait on cement overnight.

6. PU and TIH with 4-1/2" bit, 5-1/2" scraper, and six 3-1/2" drill collars on 2-7/8" tubing. Drill out CICR and cement to 2960'. Pressure test squeeze to 1000 psi.

7. Drill out remainder of cement. TIH until bit is at 4200'. Pressure test casing to 1000 psi. If casing does not hold, consult with Midland for procedure to find leak.

8. RU Halliburton and pickle tubing with 500 gallons 15% HCL. Reverse circulate acid out of tubing with 2% KCL water containing surfactant (Lo-surf) and clay stabilizer (ClaSta XP) to prevent damage to Morrow Formation.

FROM THIS POINT ON, MAKE SURE ALL WORKOVER FLUID IS 2% KCL TREATED WITH SURFACTANT (LO-SURF) AND CLAY STABILIZER (CLASTA XP) TO PREVENT DAMAGE TO MORROW FORMATION.

9. Drill out CIBP at 10,700'. Push junk to PBTD at 11,110'. TOH.

10. PU and TIH with Wireline re-entry guide, 1 joint 2-7/8" N-80 tubing, 2.31" Baker F Nipple, 1 joint 2-7/8" N-80 tubing, Baker Model AL-2 Lok-set packer, Baker on/off tool with 2.31" profile, and 2-7/8" N-80 tubing. Hydrotest tubing to 7000 psi while TIH. Set packer at 10,420'. Fill backside with 9 ppg clean packer fluid, approximately 158 bbls.

11. ND BOP. NU Wellhead. Swab back tubing load and flow test lower Morrow perforations. Establish entry rates and pressures.

12. RU wireline unit and full lubricator. Perforate Upper Morrow A from 10586' to 10596' with tubing gun, 2 spf. Correlate to Dresser Atlas – Compensated Densilog Log dated 9/15/78.

13. Flow test well. Establish entry rates and pressures.

14. If necessary, RU Halliburton and tree saver. Pressure backside to 1000 psi and hold for treatment. Acidize down 2-7/8" with 3000 gallons 7.5% MOD 101 acid containing 50% CO_2 as follows:

    A. Pump 500 gallons acid (1000 gallons foam)

    B. Pump 2000 gallons acid (4000 gallons foam) dropping 150 1.1 sg balls spaced 3 balls/bbl acid.

    C. Pump 500 gallons acid (1000 gallons foam)

    D. Flush to top of perfs at 10,586' with treated 2% KCL water (approximately 63.5 bbl)

    Anticipated rate is 5 to 7 BPM. Maximum treating pressure is 7000 psi.

15. Flow test well. After well cleans up and stabilizes, conduct a 4 point test. Turn over to production.

Recommend: _____ 5/1/98
Paul Neumeister, Engineer II — Date

Approve: _____ 5/4/98
Hal A. Lee — Date