

Submit 3 Copies 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

AUG 12 2009

Form C-103  
December 16, 2008

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

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| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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 ) |  | WELL API NO.<br>30-005-60907                                       |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Lease Saltwater Disposal Well   |  | 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE XX |
| 2. Name of Operator Walter Exploration Inc.  |  | 6. State Oil & Gas Lease No.<br>011602                             |
| 3. Address of Operator<br>6116 N Central Exp #313 Dallas TX 75206  |  | 7. Lease Name or Unit Agreement Name<br>J. G. O'Brien              |
| 4. Well Location<br>Unit Letter <u>F</u> : 1980 feet from the <u>N</u> line and 1830 feet from the <u>W</u> line<br>Section 31 Township 7S Range 29E NMPM Chaves County                                      |  | 8. Well Number<br>#3   |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>4009.4 GR  |  | 9. OGRID Number  |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>   |  |  |
| Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____   |  |  |
| Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____  |  |  |

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

|   |   |
|---|---|
| <b>NOTICE OF INTENTION TO:</b><br>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON xx <input type="checkbox"/><br>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/><br>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/><br>OTHER: <input type="checkbox"/> | <b>SUBSEQUENT REPORT OF:</b><br>REMEDIAL WORK xx ALTERING CASING <input type="checkbox"/><br>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/><br>CASING/CEMENT JOB <input type="checkbox"/><br>OTHER: <input type="checkbox"/> |
|---|---|

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

**SEE Attached Exhibits**

**Filed to update/detail OCD well Records.**

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE J. Brian Walter TITLE Engineer DATE 8-10-09

Type or print name J. Brian Walter E-mail address: brian@walterx.com Telephone No. 214 369 4564  
**For State Use Only**

APPROVED BY: LR Dade TITLE List 2 Supervisor DATE 8/18/09  
Conditions of Approval (if any):

## **Start Application process to Plug Back and Inject into Shallower San Andres Zone**

- 7-17-08 Sent C-101 Application for permit to plug back to Artesia OCD. Artesia could not approve recommended to send to Santa Fe.
- 7-29-08 Sent C-108 Application to inject.
- 8-11-09 Sent C-101 to Santa Fe Will Jones for approval.

## **Recompletion SWD Permit Granted**

- 10-18-08 Received Approval from OCD Administrative Order SWD-317-A for permission to inject into San Andres 2260'-2700'

## **Attempt to Plug Back for Injection into Shallow zone**

- 12-1-08 MIRU Vida Unit 21 DD. ND tree. RU BOP. POOH w tbg and packoff and overshot and 4 extra jnts. Ld 4 jnts. SDFD. DC 6200
- 12-2-08 Dig out cellar expose 9 5/8 x 5 1/2 annulus valve and 2 3/8'' x 5 1/2 annulus. RU Basic cementers Midland on loc 10am. TIH w cast iron retainer and 105 jnts tbg (3558') close BOP. Wrong rams. Wait on replacement rams. Start tbg displacement 1:45pm. Pump 15 bbls down tbg OK. Set retainer ok 3358'. Load 2 3/8'' x 5 1/2'' annulus w 15 bbls pressure to 500# ok. Mix and pump 280sx at 14.8ppg yield 1.32cf/sx pump 260 sx below retainer and 300' cmt above. Pull 7 stands reverse out to pit w 80 bbls. POOH tbg and stinger. SION. DC 20,940.
- 12-3-08 called Artesia district office NM oil conservation division got operator got transferred left voice mail requesting ok to set CIBP plus 25' cmt instead of cmt plug over 5 1/2'' csg 4:30pm Unbolt "B" section of wellhead expose 5 1/2'' slips. Pull "B" section. RU Spear for 5 1/2'' pickup on 5 1/2'' pull slips. RU Rotary Wireline & PU for freepoint on 5 1/2''  
2437' 0% Free  
2495' 50% Free  
2500' 20% Free  
2550' 100% Stuck  
Shoot 5 1/2'' at 2434' and pull 5 1/2'' into derrick. SDFN. DC \$13,100

- 12-4-08 left two messages with NMOCD Artesia Richard Inns and general mail box at 9:00am requesting CIBP instead of cmt plug. RU Bull Rodgers csg crew. POOH w 5 ½" LD 62 jnts 15.5# STC csg including landing and cutoff. RD bull Rodger RU Rotary Wireline. TIH w CIBP. Wrong size. POH and call for correct size CIBP. TIH w 9 5/8" CIBP to 2230' Sat down. Worked a while. Could not get past 2230' POOH with CIBP and hung up at 2160'. Could go down not up. SDFN. DC 7000
- 12-5-08 SET CIBP at 2190' RD Rotary Wireline. RIH with tbg and LD \_\_\_\_jnts. NU well head. Load casing and tbg and send to Abilene. RDMO.

### **Start P&A Work**

- 3-26-09 Filed C-103 "Notice of intent to Plug and Abandon"
- 3-30-09 C-103 "Notice of intent to Plug and Abandon" Approved expiring approval 6-30-09.

### **P&A Visit to set up vendors and visit with OCD**

- 4-29-09 Drove To Artesia NM
- 4-30-09 talked with Keys & Basic about Plugging out O'Brien could not meet with Phil Hawkins just talk with him over the phone tried to find lease bad Directions drove back to Roswell NM spent the night
- 5-01-09 Drove to Lease & looked over Equipment meet with Bill Hanson of WRH Drove in

### **Start Plugging Operations**

- 5-19-09 Drove to Roswell N M
- 5-21-09 Rig crew started Braking out ploy core flow line & Ran 27 jts of ploy core to #1 well to 6680ft total jts in hole 211
- 5-26-09 MIRU Pro Petro DD. Unflange bolts and began coming out laying down tbg. Had 67 2 3/8" jnts. SDFN. Stearns moved 35 jts from #1 to #3 to finish out working string.
- 5-27-09 W R H reverse unit on loc 7 am spotted unit [Wrong stabilizer] Picked 6 3 ½" drill collars 4 ¾ Varel bit TIH to 2164'. Tagged 9 5/8" CIBP and

started drilling @11am. Drilled 3 ft picked up one jt. Pull out of hole with tbg collars and bit. Laid down collars. TIH with 4 ¾" bit & scraper to 2411'. Tagged top of fish (top of 5 ½" stub) Worked 2 hrs did not get inside of 5 ½" stub to fish SDFN @ 7 pm.

5-28-09 On location at 6:30am. Started Drilling @ 2411' @ 7am drilled till 11am made 1 ft. Pull out of hole with tbg and bit. Made second attempt to get inside of stub. Ran in hole with notch collar and tried getting in top of 5 ½" stub. Unable to get in fish. Talked with Phil Hawkins with OCD. POOH laying down rigged down released WRH unit Stearns Loaded all 2 3 /8 tbg Sevens & Roach working on clean up

### **Suspend P&A operations pending approval from OCD on plugging Variance**

6-3-09 Sent letter to Sherry Bonham requesting Variance on plugging procedure included exhibits

6-12-09 Received letter from Sherry Bonham asking for alternate plugging procedure file as C-103

6-17-09 Filed C-103 with alternate plugging procedure "Notice of intention to Change Plans". OCD action pending as of 8-10-09.

8-10-09 Filed C-103 "Subsequent Report of Remedial work" to update NMCOD records and provide current wellbore diagram.

J. G. O'Brien #3  
 1980' FNL 1830' FWL Unit F Sec 31 T 7-S R 29-E  
 Proposed Wellbore Diagram for plug-back of well by cementing fish in place  
 Not to Scale

