

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

Geology, Minerals and Natural Resources

June 19, 2008

RM

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

Well API NO.

30-015-02648

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

OG - 1644

7. Lease Name or Unit Agreement Name

West Artesia Grayburg Unit

8. Well Number

4

9. OGRID Number

261198

10. Pool name or Wildcat

Artesia-Qn-GB-SA

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 ☐ Gas Well ☒ Other ☒ Water Injection

2. Name of Operator

Doral Energy Corp.

3. Address of Operator

415 W. Wall Street, Suite 500 Midland, TX 79701

4. Well Location

Unit Letter E : 2310 feet from the North line and 990 feet from the West line

Section 8 Township 18S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3630' KB

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

Pulled injection tubing and packer. Cleaned out fill from 2,202'-2,279'. Added Grayburg perforations from 1,992'-1,998', 2,004'-2,009', 2,021'-2,036', 2,040'-2,051', 2,064'-2,080', 2,090'-2,096', 2,128'-2,160', 2,174'-2,187', and 2,244'-2,270' (2 jsp). Acidized new and existing Grayburg perforations from 1,966'-2,270' with 2,000 gallons 20% HCl acid with 2,000 lbs rock salt. Re-ran 2-3/8" plastic coated tubing and repaired AD-1 packer. Set packer at 1,902'. Loaded casing/tubing annulus with treated 2% KCl water. Tested annulus to 300 psig (chart attached). Held okay. Resumed injection.

10/27/09 SD well pending witnessed MIT test. 10/27/09  
Notified NMOC D for witnessed test.

10/30/09. Tested csg/tyg annulus to 360 psig. Held ok for 30".

Test witnessed by Randy Dade w/ NMOC D. Well ready to resume injection.

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

*Marty Bloodworth*

TITLE Vice President of Operations

DATE 10/30/09

Type or print name C.M. Bloodworth, P.E.

E-mail address: martyb@doralenergy.com

PHONE: 432/789-1180

For State Use Only

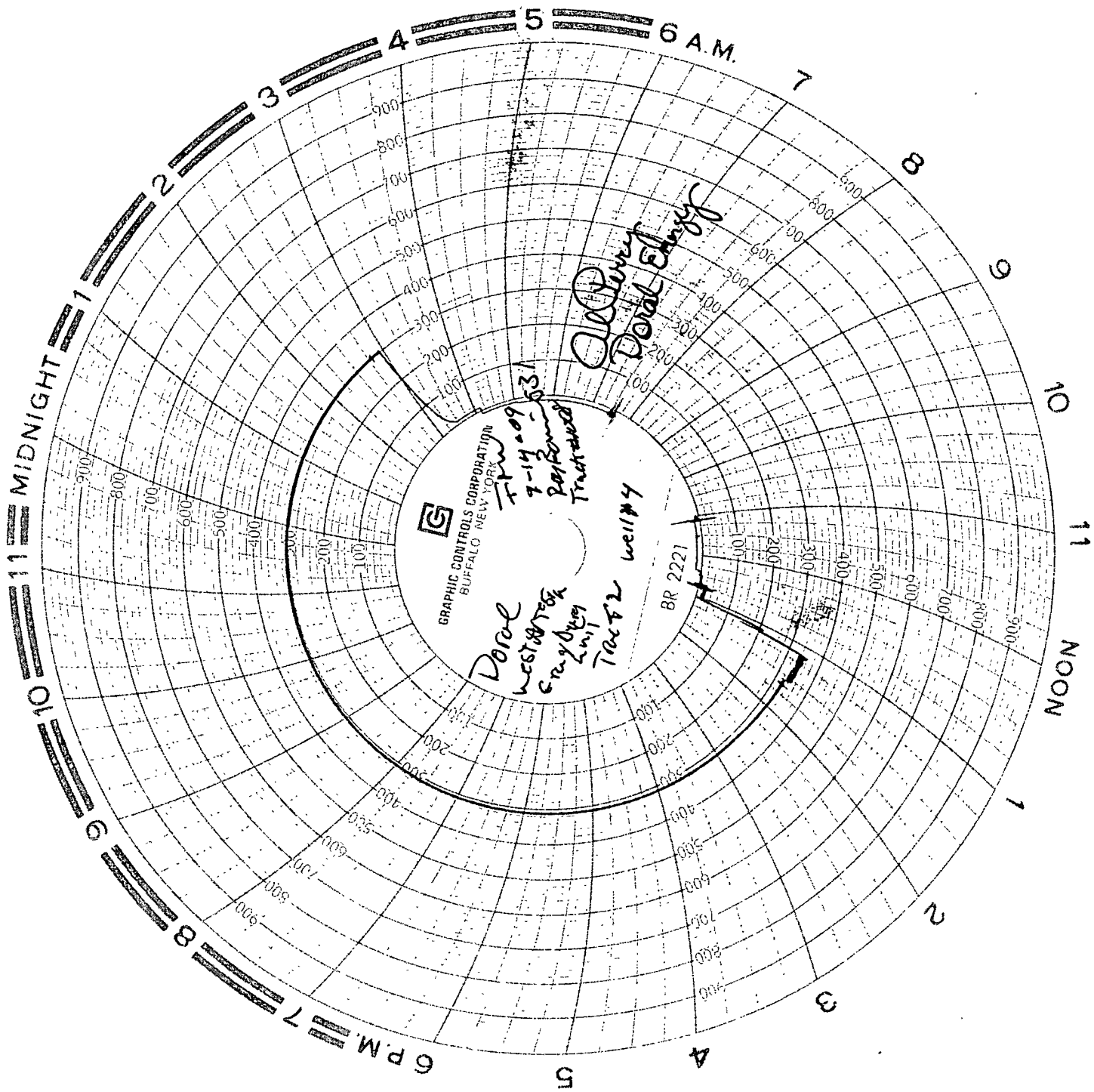
APPROVED BY

*Randy Dade*

TITLE Dist II Supervisor

DATE 11/15/2009

Conditions of Approval (if any):





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

Date Oct 30 - 2009

API # 30-015 - 02648

Dear Operator:

I have this date performed a Mechanical Integrity Test on the WEST ARTESIA Garryburg Unit #4

☒ If this test was successful the original chart has been retained by the NMOCD and will be scanned into the well's file in 7 to 10 days, pending receipt of the Form C-103 indicating the reason for this test. The well files are located at [www.emnrd.state.nm.us/ocd/OCDOOnline.htm](http://www.emnrd.state.nm.us/ocd/OCDOOnline.htm)

☐ If this test was unsuccessful the original chart has been returned to the operator pending repair and retest of the well, which must be accomplished within 90 days. If this is a test of a repaired well, previously in non-compliance, all dates and requirements of the original non-compliance are still in effect. No expectation of extension should be construed as a result of this test.

☐ If this test was for Temporary Abandonment include in your detailed description, on Form C-103, the location of the CIBP and any other tubular goods in the well, as well as your request for TA status.

☐ If this is a successful test of a repaired well you must submit a form C-103 to NMOCD within 30 days. This C-103 must include a **detailed** description of the repair to the well. Only after receipt of the C-103 will the non-compliance be closed.

☐ If this is a successful Initial Test of an injection well you must submit a form C-103 to NMOCD within 30 days. This C-103 must include a **detailed** description of the work done on this well including the position of the packer, tubing information and the date you began injection into the well.

If I can be of additional service contact me at (505) 748-1283 ext 107.

Thank You,

Richard Inge  
Field Inspector  
District II - Artesia



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Richard Inge  
Field Inspector  
District II - Artesia



NEW MEXICO ENERGY, MINERALS and  
NATURAL RESOURCES DEPARTMENT

RELEASED

OCT 28 2009

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

**\*Response Required – Deadline Enclosed\***

*Field Inspection Program*

*"Preserving the Integrity of Our Environment"*

23-Oct-09

**LOV NO. 02-09-095**

**DORAL ENERGY CORP.**

415 W. WALL ST, SUITE 500

MIDLAND TX 79701

**LETTER OF VIOLATION - Inspection**

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

**INSPECTION DETAIL SECTION**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/23/2009	Routine/Periodic	Richard Inge	Yes	No	11/6/2009	iREI0929648728

**Comments on Inspection:** Form C103 received on subsequent workover of this well. Violation of OCD rule 19.15.7.14 - Failure to submit form C103 Notice of Intention to perform remedial work on this well. Tubing and packer were reported pulled, perforations added, acidizing done, etc.

Violation of OCD rule 19.15.26.11 - After pulling tubing and re-seating packer, an MIT test must be performed and notification given to the OCD to witness this test. This testing must be performed prior to begin injection into the well. No notification was given to the OCD regarding the testing of this well.

This subsequent report and MIT pressure test chart has been rejected due to the above OCD rule violations. The Operator must immediately shut-in and cease injection into this well. The Operator must submit a form C103 Notice of intent stating the work they planned on performing for this well. The operator must contact the OCD District II office to set up a date and time of the MIT test so it can be witnessed. After a successful, witnessed MIT test, then the operator must submit a subsequent C103 stating what work was performed on this well and when.

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Inae". The signature is written in a cursive, slightly slanted style.

Artesia OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

\*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.