Tormerly 9-331) Constructions of the intervention of the intervent					5. LEASE DESIGNATIO	Expires August 31, 1985 5. LEASE DESIGNATION AND SERIAL BO.	
	NOTIC	OF LAND MANA	ORTS ON	ia, NM 88210	LC-028784-0	THE OR TRIBE NAME	
(Do not use this)	form for proposali Use "APPLICATI	to drill or to deeper ON FOR PERMIT-"	for such prope	to a different reservoir.		C/SF	
OIL X CAS	07552			1 San Art	7. UNIT AGEBEMENT	NAMB	
2. NAME OF OPERATOR			1	S HUNNO	Keely C Federal		
Phillips Pet 3. ADDRESS OF OPERATOR	roleum Lomp	dfly_v		AUG 2 9 1986	TO WELL NO.		
4001 Penbroo	k St., Odes		9762	to sequirence etermine and the	TO. FIELD AND POOL	, OR WILDCAT	
 LOCATION OF WELL (Report location clearly and in accordance with any See also space 17 below.) At surface Unit M, 660' FSL & 660' FWL 				RECUSINED BY M	¥	/ GD-J-SR-Q-GD-SA 11. SPC. T. R. M. OR BLE. AND SURVET OR ABBA	
				SEP 5 1986	SURVET OR A		
		15. BLEVATIONS (Show	-hether DI I		25, 17-5, 2		
14. PERMIT NO. API No. 30-0	15-03098	3579' (ARTESIA, OFFICE	Eddy	NM	
16.	Check App	ropriate Box To Ir	ndicate Nat	ure of Notice, Report, or	Other Data		
1	OTICS OF INTENTS	: 07 NG		1940 8			
TEST WATER BHUT-O		LL OB ALTER CASING		WATER SHUT-OFF FRACTURE TREATMENT		G CABING	
PRACTURE TREAT Shoot or acidize	[]	LTIPLE COMPLETE		BEOOTING OR ACIDISING	ABANDON		
REPAIR WELL	السيسا	ANGE PLANS	_	(Other)	its of multiple completi apletion Report and Log	on on Well	
(Other) CONVER			all pertinent d	Completion or Recoin letails, and give pertinent dat is and measured and true ver	an including artimated	date of starting any	
6-1/4"	ith rods ar bit and ca	sing scraper	on 2-3/8	COOH with tubing " work string. Dr ginal TD of 3227'.	ill out cement	;	
3. COOH w	ith tubing,	scraper and	bit.				
Pressu If cas annulu	re annulus ing does no	to 500 psi fo t hold press	or 15 mir ure, rese	work string. Set nutes to verify cas et packer up hole a pressure, casing ir	sing integrity. Ind retest	185'.	
		GIH and set p					
See	attached pa	iges for addi	tional pr	rocedure			
18. I herefy cartify the	the foregoing is	true and correct J. Mueller T	ITLE En	gr. Supv., Resv.	DATB A	ıgust 27, 1986	
(This space for Fed	ered or State offic	(980)				9-4-86	
APPROVED BY	PPBOVÁL, IF AL				DATE		
Subject to Like Approv	al	*See		on Reverse Side			
Title IN U.S.C. Section	on 1001, makes se, fictitious or	it a crime for any fraudulent statem	person know ents or repre	ingly and willfully to make sentations as to any matte	e to any department of er within its jurisdict	or agency of the ion.	

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CONVERSION PROCEDURE Keely "C" Federal No. 23 June 30, 1986 Page 2

- 6. MI treating company. Phillips supervisor will hold safety meeting with treating company personnel. RU to acidize the San Andres open hole interval with 2,500 gallons of 15% NEFE HCl containing clay stabilizer. Load annulus with produced water and monitor level in annulus during treatment. Pressure test all lines to 5,000 psi before starting treatment. Keep treating pressure as low as possible, maximum treating pressure 5,000 psi. Treat at 4-5 BPM as follows:
 - a. Open circulating valve and displace tubing with 450 gallons of acid. Close circulating valve.
 - b. Pump 1,050 gallons acid.
 - Pump 250 gallons 10 ppg brine containing
 1.5 lb/gal graded rock salt.
 - d. Pump 1,000 gallons acid.
 - e. Flush with 25 bbls of 2% KCl water.
- 7. Flow and swab back acid and load water (total volume is 90 bbls).
- 8. COOH with tubing and packer.
- 9. GIH with packer-type RBP and RTTS-type packer on tubing. Set RBP at +2,995'. Set packer at +3,005' and test RBP to 1,000 psi. Release packer.
- 10. Spot 20 bbls of 10% acetic acid from 3,000' to 2,500'. COOH with tubing and packer.
- 11. MI _______ wireline company. Phillips supervisor will hold safety meeting with wireline company personnel. Run Gamma Ray/Collar Locator log from TD 3,227' to 2,250'. RU to perforate 7" casing using 4" OD casing gun loaded with deep penetrating DML charges, 2 shots/ft, spiral shot phasing. Perforate as follows top to bottom:

2,513' - 2,515'	2 f	eet	4	shots
2,575' - 2,577'	2 f	eet	4	shots
2,704' - 2,706'	2 f	eet	4	shots
2,736' - 2,738'	2 f	eet	4	shots
2,798' - 2,802'	4 f	eet	8	shots
2,830' - 2,832'	2 f	eet	4	shots
2,848' - 2,850'	2 f	eet	4	shots
2,932' - 2,934'	2 f	eet	4	shots
2,944' - 2,946'	2 f	eet	4	shots
2,956' - 2,958'	2 f	eet	4	shots
2,979' - 2,981'	2 f	eet	4	shots
TOTAL	24 f	eet	$\overline{48}$	shots
Note: Casing collars	are lo	cated	at 2	2,500', 2,529',
2,562', 2,591', 2,621'	, 2,64	9', 2	,682	, 2,715', 2,747',
2,779', 2,810', 2,841'	, 2,87	71', 2	,902	, 2,932', and
2,824' from Dresser At				

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- 12. GIH with 7" RTTS-type packer on 2-3/8" work string. Set packer at +2,485'. RU and swab well to clean up perforations.
- 13. RU treating company to acidize Grayburg perforations with 4,600 gallons of 7-1/2% NEFE HCl. Load annulus with produced water and hold 500 psi on annulus while treating. Pressure test all lines to 5,000 psi before starting treatment. Keep treating pressure as low as possible, maximum treating pressure 5,000 psi. Treat at 4-5 BPM as follows:
 - a. Open circulating valve and displace tubing with 400 gallons of acid. Close circulating valve.
 - b. Pump 4,200 gallons of acid containing one (1)
 l.1 s.g. ball sealer in each 50 gallons acid (84 balls total).
 - c. Flush with 30 bbls of 2% KCl water.
 - Note: 7-1/2% acid must contain clay stabilizer and fines suspension agent.
- 14. Flow and swab back acid and load water (total load volume 140 bbls).
- 15. Unseat packer, GIH and release RBP. COOH with tubing, packer, and bridge plug.
- 16. Notify N.M.O.C.D. (Mike Williams, (505) 748-1283, Artesia, New Mexico) 24 hours prior to performing this step. GIH with 7" Baker Model AD-1 (or equivalent) plastic coated injection packer on plastic coated 2-3/8", 4.7#/ft, J-55 8rd EUE tubing. Displace tubing-casing annulus with 2% KCl water containing 1% by volume of Techni-hib 370 (packer fluid). Set packer at +2,485' in 10,000 lbs tension. Pressure test casing to 500 psi for 15 minutes; use two-pen chart recorder to record tubing and casing pressure during test.

Note: Packer should have shear ring installed to allow the packer to be released by shearing with $\pm 25,000$ lbs tension.

17. Remove BOP, install wellhead injection assembly, and place well on injection. Do not exceed 500 psi surface injection pressure.