

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 88240

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

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

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

WELL API NO.
30-015-22343

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
K-4795

7. Lease Name or Unit Agreement Name
Palmillo State

8. Well No.
2

9. Pool name or Wildcat
Palmillo Bone Spring, East

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3421' 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 ☒ GAS WELL ☐ OTHER

2. Name of Operator
Gruy Petroleum Management Co. ✓

3. Address of Operator
P. O. Box 140907, Irving TX 75014-0907

4. Well Location
Unit Letter J : 1796' Feet From The South Line and 1980' Feet From The East Line
Section 32 Township 18S Range 29E NMPM Eddy County

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Squeeze Job & CIBP set <input checked="" type="checkbox"/>	

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.

See Attached



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

SIGNATURE Susan Austin-Morse TITLE Sr. Production Analyst DATE 5-29-01
TYPE OR PRINT NAME Susan Austin-Morse TELEPHONE NO. 972-401-3111

(This space for State Use)

APPROVED BY SUPERVISOR, DISTRICT II TITLE DATE 5-25-01
CONDITIONS OF APPROVAL, IF ANY:

Gruy Petroleum Management Co.

Palmillo State Com #2

1796' FSL & 1980' FEL

Sec. 32 18S 29E, Eddy County, New Mexico

API No. 30-015-22343

2/28/01	MIRU WOU. Release packer. POOH w/ 2 3/8" N-80 tbg laying down. Tbg pitted. 344 jts, SN, and 4 1/2" Arrow set packer. SDON.
3/1/01	RU WL & run junk basket & gauge ring to 10,650'. POOH. RIH w/ 4 1/2" CIBP & set @ 10,587'. Dump 2 sx cmt. RIH & perf 4 squeeze holes @ 7500'. RD wireline. PU packer, SN, & 2 3/8" J-55 tbg. Set packer @ 7414'. SDON.
3/2/01	RIH w/ CST packer & set @ 7537'. Test CIBP to 500#. Release packer & pull to 7413'. Pump 20 bbls wtr 2 1/2 BPM @ 900# - 1.5 - 2 BPM returns. Release packer & pull to 5987'. Test annulus to 500# - OK.
3/3/01	Continue to test for casing leak to 3200'. Casing OK. RIH. Test casing to 5076'. Casing leak @ 5076'. POOH w/ packer. RIH w/ retainer & set @ 7415'. Establish rate of 3 BPM @ 1300#. Mix 475 sx cmt w/ an average rate of 3 BPM @ 1050#. Displaced 28.2 bbls @ 3 BPM 1350#. SD. Pull 82 jts to 4761' & reverse out. Tubing clean. Did not reverse cmt out. POOH w/tubing. SDON.
3/5/01	RIH w/ 6 - 3 1/2" drill collars, 3 7/8" bit, & tbg. Tag @ 7410'. Pull up to 4960'. Establish circ between 4 1/2" casing & 8 5/8" intermediate casing, 4-5 BPM @ 500#. POOH w/ tbg & collars. SDON.
3/6/01	RIH w/ 4 1/2" cement retainer & set @ 5012'. Establish circ w/ 15 bbls water. Mix 475 sx Prem Plus 3% Halad-322 cement w/ full returns. Close intermediate valve & sqz 75 sx. Pressure to 1300# @ .5 BPM. Sqz to 650#, sting out of retainer, reverse 1 bbl cmt. POOH w/ tbg. SDON.
3/7/01	RIH with collars, bit and tubing. Tag retainer, pull 2 stands. NU stripper head. Get ready to drill out. SDON.
3/8/01	Drill cement retainer. Cement did not set up. Circ well clean. SDON.
3/9/01	Drill 20 ft to hard cement, drill up cement and test squeeze to 500 psi, held okay. RIH to PBTD circulate 2% KCL H2O, SWIFN.