

550 North 31st Street, Suite 500
P.O. Box 7168
Billings, MT 59103-7168
(406) 245-6248
Fax (406) 245-9106

NANCE PETROLEUM

January 3, 2001

New Mexico Oil Conservation Division
811 South First Street
Artesia, NM 88210

Re: Form C-103
Subsequent Report – Remedial Action/MIT
PDU #205 & #509
Parkway Delaware Unit, Eddy Co., NM



Dear OCD:

We recently stimulated the above injectors by sand fracture treating the current perforated intervals. While performing MIT's to return them to injection, the OCD witness mentioned to our field rep that we needed to file the sundry notice paperwork with you. I had previously sent Sundry Notice of Intent forms (copies attached) to the BLM as the wells are on Federal tracts (the BLM should have also forwarded you copies of these Sundries). It is now my understanding that the OCD has primacy over all injection and I should be using OCD Form C-103 for injection sundry notices regardless of the type of lease.

Enclosed are the C-103 subsequent reports summarizing the remedial work and original MIT charts plus three copies of each for the above referenced wells. Please advise me if additional information is required.

Sincerely,

Herb Thackeray
Operations Engineer

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other Water Injector

2. Name of Operator

St. Mary Land & Exploration Co. c/o Nance Petroleum Corporation

3a. Address

P. O. Box 7168 - Billings, MT 59103

3b. Phone No. (include area code)

(406)245-6248

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1330' FNL & 180' FEL, Sec 35-T19S-R29E
Unit Letter: H

5. Lease Serial No.

NM-54865

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Parkway Delaware Unit

8. Well Name and No.

PDU #205

9. API Well No.

30-015-30026

10. Field and Pool, or Exploratory Area

Parkway Delaware

11. County or Parish, State

Eddy, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input checked="" type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

PDU #205 was completed as a water injection well in March 1998. It was not stimulated during the initial completion. Cumulative injection is 39 MBW and it will not currently take any water at the permitted injection pressure. Acidizing has resulted in very short lived injectivity increases. The Delaware sand is too tight to effectively flood without proppant.

We propose to frac the existing perforated interval (4254-4364') with approximately 25M gal. XL gel and 42M #'s 20/40 sand. This operation is necessary to waterflood the pattern. We plan to treat PDU #205 upon receiving regulatory and WFO approval.

SUBJECT TO
LIKE APPROVAL
BY STATEAPPROVED
PETER W. CHESTER
OCT 8 200014. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Herb Thackeray

Title Operations Engineer

Signature

Herb Thackeray

Date

10/5/00

BUREAU OF LAND MANAGEMENT
ROSWELL RESOURCE AREA

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office