

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

C15F
BP

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.
30-015-32286

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
Fee

7. Lease Name or Unit Agreement Name
Echols Com

8. Well No.
2

9. Pool name or Wildcat
White City; Penn (Gas)

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 M : 1110' Feet From The South Line and 990' Feet From The East Line

Section 12 Township 23S Range 26E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3258' GR

11. 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 ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

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.

Request approval for setting 3200' of 9 5/8" 40# intermediate casing per attached drilling procedure.

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

SIGNATURE Zeno Farris TITLE Manager Operations Admin DATE 11-4-02

TYPE OR PRINT NAME Zeno Farris TELEPHONE NO. 972-401-3111

(This space for State Use)

ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR

NOV 13 2002

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

See STIPS BA

Gruy Petroleum Management Co
Echols Com 2
Eddy County
12D-T23S-R26E
Drilling Procedure

1. MIRU Patterson-UTI Rig 80. Over preset 20" conductor pipe.
2. Drill 17 1/2" hole to 475'. Place stabilizers as needed. Take surveys every 500' maximum. Run 13 3/8", 48 ppf, H-40 casing with PDC drillable float equipment and cement to surface drift 13 3/8" on location. Centralizers to be run on shoe joint and every fourth joint per NM specifications. WOC 3 hours. Note: **Drift all drill pipe to full ID when picking it up.**
3. Install 13 3/8"- 3M SOW casing head. Test same to 500 psi. N/U 13 5/8" 3M BOP's and function test. Run accumulator test. Pick up 12 1/4" bit, and required BHA and TIH above float collar and drill ahead. Maximum distance between surveys will be 500 feet, unless hole conditions dictate shorter intervals. ALWAYS BREAK CIRCULATION IN STAGES WHILE TRIPPING.
4. Drill to +/- 3200'. Short trip as required. **BE SURE TO WATCH ECD AND KEEP HOLE CLEAN. () Use motor as directed.**
5. Circulate and condition hole to run pipe. Run fluid caliper for cement volume. POOH.
6. Clean and drift 9 5/8", 40 ppf, J-55, casing on location. Run and cement 9 5/8" casing with 1 shoe joint and PDC drillable float equipment. Install centralizers on shoe joint, then every fourth casing collar to surface. NU 11" 5M x 13 3/8" 3M casing head. Test to 1000 psi. NU 11" 5M BOP's and test to 5,000 psi. Install rotating head and function test same.
7. Install wear bushing. Pick up 8 3/4" bit and required BHA and GIH to FE. Test casing to 2200 psi for 30 mins on chart. Drill out and C&CM. Test formation to 10.5 ppg EMW (if leak off occurs record same and call Tom Strother for instructions). Use motor as directed. Drill ahead taking surveys as required and short trips as hole dictates. Follow mud program as required. Follow any requirements of Regulatory Agencies. Drill to TD of 12000' or sufficient depth below the Morrow to allow for logging and setting pipe.

Note: Watch all Mud properties closely and maintain pH at or near 10.5 at all times. Mud logger on at 6000'. (check w/ HC Lee)

8. Circulation bottoms up at TD and make a wiper trip into casing. POOH for logs.
9. If required a condition trip will be needed for MRIL run. Check with Irving , Texas office.
10. If productive run and cement 5 ½" , 17 ppf, HCN-80, LTC casing as per Irving office. Install temp wellhead and De Mob rig to next location. Use marker joints.
11. If non-productive P&A as approved by the State of New Mexico.