

Amoco Federal #1

BLM - SWD Sundry Notice

- 17) Purpose of project is to dispose of salt water produced as by-product of oil and gas production from the lease. The proposed disposal zone is the Getty Sand Member of the Brushy Canyon Formation. The zone has been previously perforated 5350-58' (KB) and fracture stimulated for testing the production potential of the sand.

Plans for conversion to saltwater disposal are as follows:

1. Drill out Cast Iron Bridge Plug @ 5300'.
2. Set packer between Williamson Sd. perforations (4936-5039') and Getty Sd. perforations (5350-58') and injection test Getty Sd. with a step rate injection test observing casing-tubing annulus for indication of behind pipe communication between perforations.
3. Squeeze cement Williamson perforations with approximately 200 sx cement. Drill out and pressure test squeeze.
4. Perform any additional stimulation needed on the Getty Sd.
5. Spot corrosion inhibited fluid in annulus, set internally coated model "R" double grip packer with plastic lined tubing at approximately 5250'. Conduct mechanical integrity test on annulus.
6. Construct disposal line to well, modify present saltwater handling facilities as necessary and commence disposal operation.