

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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.)		WELL API NO. 30-045-33464
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other SWD		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Maralex Disposal, LLC		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 338, Ignacio, CO 81137		7. Lease Name or Unit Agreement Name Centerpoint SWD
4. Well Location Unit Letter P : 856 feet from the S line and 738 feet from the E line Section 24 Township 31N Range 11W NMPM County San Juan		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5780 GR		9. OGRID Number 193838
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Wildcat <i>Entrada</i>
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. 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"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input checked="" type="checkbox"/>	Production Casing
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

TD 8475:
On 6/15/06, ran 93 joints of new 7" production casing (9-7/8" hole), 32#, Grade P-110 LT&C casing followed by 108 joints of 7", 32#, L-80, LT&C casing. Casing landed at 8472'. Pumped 20 BBls fresh water ahead of 750 sx of 65/35 Pozmix, followed by 550 sx of 50/50 Pozmix. Drop top plug and displace with 140 BBls water and 167 BBls minute. Drop bomb and wait 20 minutes for bomb to fall. Open stage collar (7" at 4640'). Circulate through stage collar with pump truck.

(1 TOC) 4690 per CBL.

RCVD NOV 22 '06
OIL CONS. DIV.

DIST. 3

- see attached -

SWD-1005

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE *Carla S. Shaw* TITLE Production Technician DATE 11/15/06

Type or print name Carla S. Shaw
For State Use Only

E-mail address: production@maralexresources.com Telephone No. 970/563-4000

APPROVED BY: *Chad* TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE NOV 22 2006

Conditions of Approval (if any):

2

REPORT DATE: 6/15/06

Finish laying down drill pipe and drill collars. Service rig. Change pipe rams. Rig up casing crew. Start running casing. Had problems with power tongs. Call for new tongs. Change out power tongs. Run 93 joints, 7", 32#, P-110 LT&C casing followed by 108 joints of 7", 32#, L-80, LT&C casing. Total of 8475'. Land casing at 8472'. Rig down casing crew. Circulate and condition mud while rigging up cementers. Ran 7" stage collar at 4640'. Also ran centralizers in middle of joint #1, top of joints 2, 4, 6, 8, 10, 12, 14 and on either side of stage tool. Ran both a float shoe and float collar. Pumped 20 BBIs fresh water ahead of 750 sacks of 65/35 pozmix with 5% gel, 0.2% D46, 0.3% D29, 0.275% D167, 0.2% D65 and 0.2% D198, followed by 550 sacks of 50/50 pozmix with 5.2% gel, 0.325% D29, 0.275% D167, 0.1% D46, 0.25% D65, 0.155% D198. Drop top plug and displace with 140 BW and 167 BM. Drop bomb and wait 20 minutes for bomb to fall. Open stage collar. Circulate through stage collar with pump truck. Shut down and switch to rig pumps. Circulate with rig pumps for 20 minutes and lost circulation. Slow rate and pump ¼ volume of rig pit. Did not regain circulation. Shut down and release cement crew.

REPORT DATE: 07/06/06

Set and fill 400 BBI frac tank with fresh water. Move in, rig up cement company. Install adapter flange on wellhead. Load cement head and install. Have safety meeting. Pressure test surface lines to 4200 psi. Pump 40 BBI pill with polymer and set sim LCM. Pump 150 BBIs of water. Catch pressure with approximately 45 away. Broke back to 500 psi. Slowly increased to 650 psi. Never got returns. Shut down and get ISIP 530 psi. Bled off to 490 psi in 35 minutes. Fill backside with 17 barrels water. Pressure up to 200 psi and shut down. Did not bleed off in 15 minutes. Flow back casing and annulus. Annulus bled to 0 in about 1 minute. Casing still flowing with no pressure. Rig down and release cement crew. Did not pump cement.

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