

12/15/05 DATE IN	12/15/05 SUSPENSE	DRC ENGINEER	12/16/05 LOGGED IN	IPI TYPE	DDRC0535030972 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS
 WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD
- Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
 [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

_____ Print or Type Name	_____ Signature	_____ Title	_____ Date
_____ e-mail Address			



STEP RATE TEST

DATE: 11/23/2005
COMPANY: GANDY
FIELD: N. HOBBS
WELL #: GANDY ST. T11 NO.2

GWIRELINE@AOL.COM

TRUCK #: 32
TOOL #: 71176
OPERATOR: WARDEN

WELL INFORMATION

STATUS: **Injecting**
Flowing
Shut-in



Rate B/D: 3 BPM
Rate B/D:
Shut-in Time:

Surface Psi: 700

Depth Driller:
Plug Back: 6750'
Perfs: 4720'-6250'

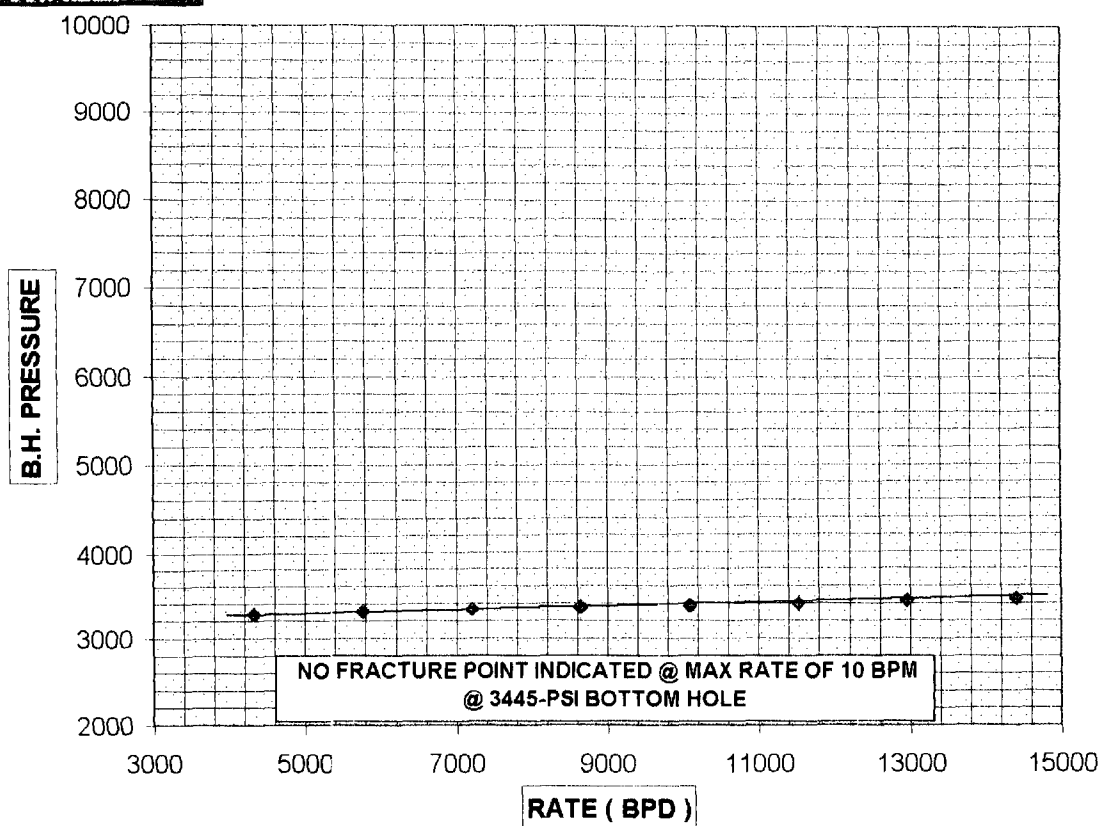
Casing Size: 5.5"
Tubing Size: 3.5"
Packer Depth: 4720'
Tool Depth: 5485'
Step Length: 15 MIN.

PLUG IN BATTERY @: 6:52 AM

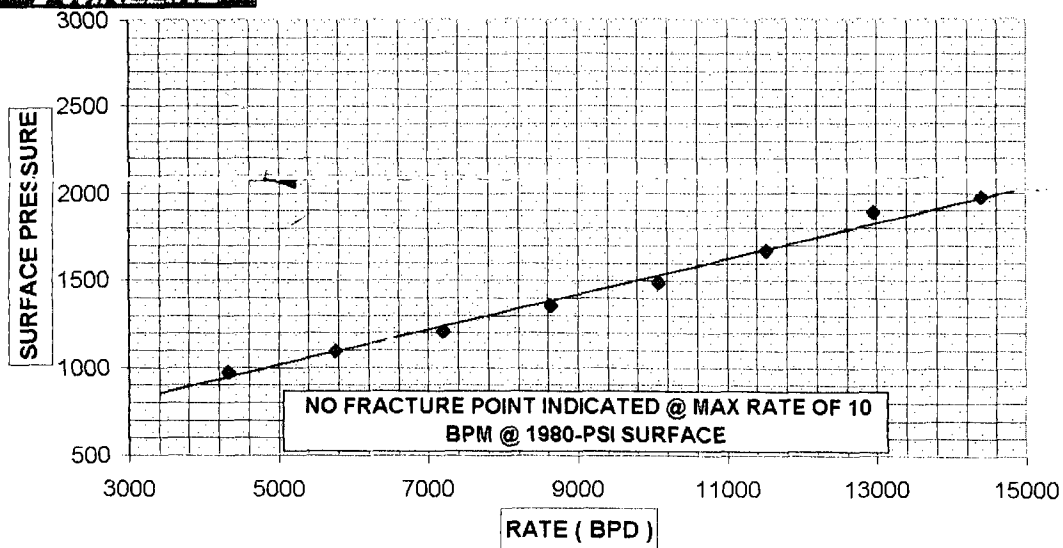
[illegible]

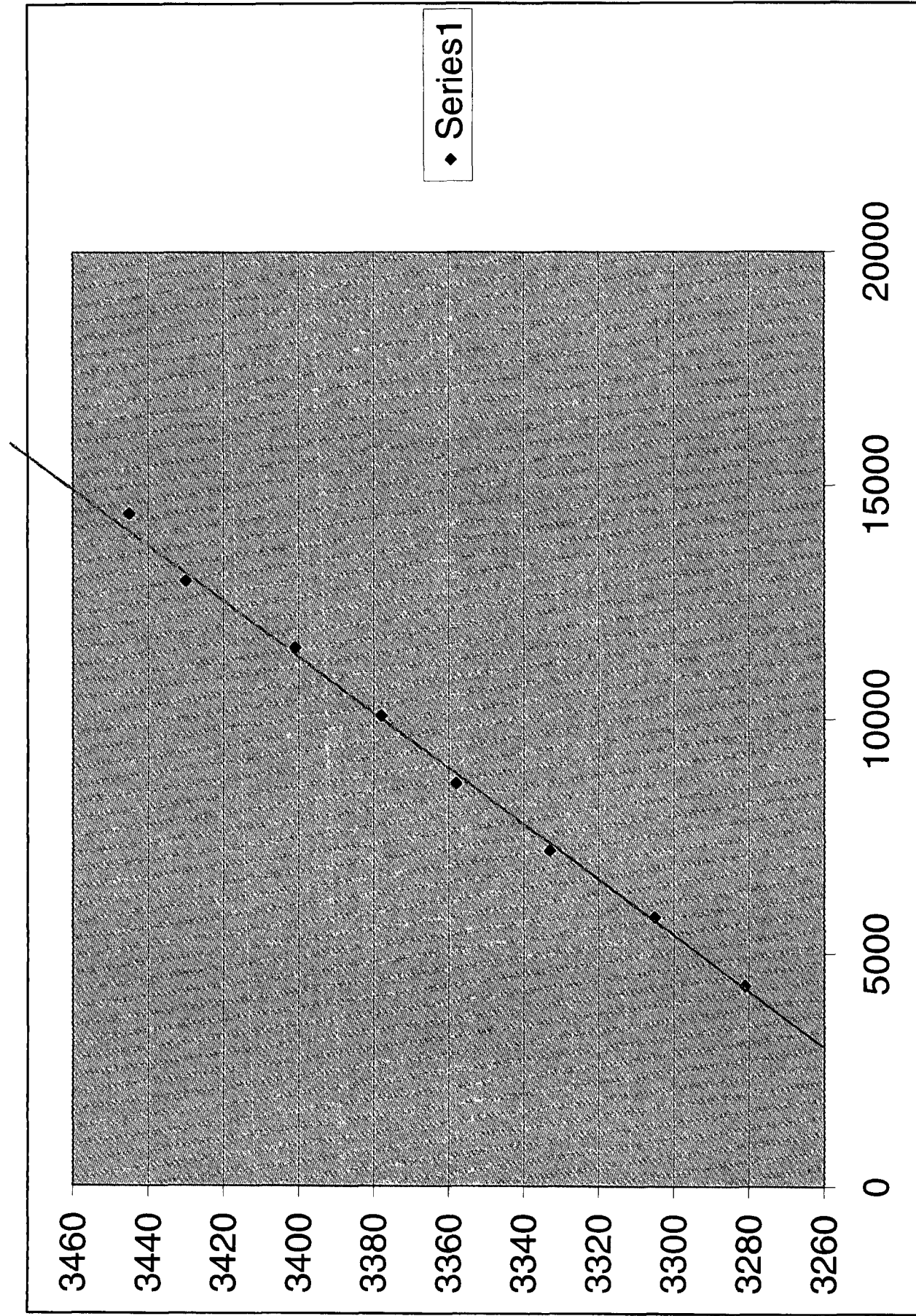


STEP RATE TEST NHU # 33-221



STEP RATE TEST





Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

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. 30-025-03735
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Salt Water Injection <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Gandy Corporation		6. State Oil & Gas Lease No. 33114
3. Address of Operator P. O. Box 827, Tatum, NM 88267		7. Lease Name or Unit Agreement Name: State T
4. Well Location Unit Letter <u>L</u> : <u>4290</u> feet from the <u>South</u> line and <u>500</u> feet from the <u>West</u> line Section <u>6</u> Township <u>16 S</u> Range <u>36-E</u> NMPM County <u>Lea</u>		8. Well No. 2
10. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. Pool name or Wildcat SWD: Glorieta

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Tubing Size, 3.5" liner Packer ID 2.5"
Perforate 2" RTG (Swell Size 2 1/8"), loaded 4spf, 120 deg phasing

Zone: 4810-50' (40' @4spf = 160 holes)
5290'-5300' (10' @ 4spf = 40 holes)
6210'-6260' (50' @ 4spf =200 holes)
6300' - 6360' (60' @ 4 spf = 240 holes)
6440' - 6455' (15' @ 4spf = 60 holes)
6610' - 6630' (20' @ 4spf = 80 holes)
6770' - 6880' (110' @ 4 spf = 440 holes)
Total Holes 1220

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

SIGNATURE Larry Gandy TITLE Secretary/Treasurer DATE 4-25-05

Type or print name Larry Gandy Telephone No. 505-398-4960
(This space for State use)

APPROVED BY Larry W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE APR 25 2005
Conditions of approval, if any: