

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
Revised July 18, 2013

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| 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. 30-015-23350 |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other Convert to SWD | | 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator Ray Westall Operating, Inc. | | 6. State Oil & Gas Lease No. B11594-6 |
| 3. Address of Operator P.O. Box 4 - Loco Hills, NM 88255 | | 7. Lease Name or Unit Agreement Name State B 14 Com |
| 4. Well Location Unit Letter: P : 660 feet from the South line and 990 feet from the East line Section 14 Township 18S Range 28E NMPM County Eddy | | 8. Well Number 001 |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3539' GR | | 9. OGRID Number 119305 |
| | | 10. Pool name or Wildcat |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

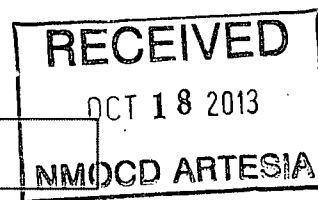
| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
|---|---|--|--|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE 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 type="checkbox"/> | |
| DOWNHOLE COMMINGLE <input type="checkbox"/> | | | |
| CLOSED-LOOP SYSTEM <input type="checkbox"/> | | | |
| OTHER: Re-Enter well, convert to SWD <input checked="" 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Propose to Re-Enter above well and convert to Salt Water Disposal.
in accordance with OGD's administrative order SWD-1445
(Procedure attached.)

Spud Date:

Rig Release Date:



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

SIGNATURE

Rene Hope

TITLE

Bookkeeper

DATE

10/16/13

Type or print name

Rene Hope

E-mail address:

hope_rene@pghoo.com

PHONE:

575-677-2370

For State Use Only

APPROVED BY:

[Signature]

TITLE

Dist. Supervisor

DATE

10/22/00

Conditions of Approval (if any):

STATE B 14 COM # 1 SWD
SECTION 14, TOWNSHIP 18S, RANGE 28E
EDDY COUNTY, NM

Re-Entry, SWD Conversion
Wolfcamp, Cisco, Strawn

Note:

See attached SWD order 1445. Notify OCD 24 hours in advance of performing M.I.T. so it can be witnessed.

Procedure:

- 1) MIRU WSU, reverse unit and associated equipment. Install B.O.P. RIH with bit and collars to drill out plugs.
- 2) As the 5 1/2" casing was cut and pulled during plugging, Ray Westall Operating, Inc. will run new 5 1/2" casing and attach to the stub @ 3122" with and overshot seal and casing patch.
- 3) This new casing will be cement circulated to surface. 560 sxs plus excess to circulate.
- 4) Ray Westall Operating, Inc. will perforate 8 5/8" casing in Seven Rivers zone and test for injectivity prior to running 5 1/2" casing. Upon completion of test any perforations will be cement squeezed and drill out operations will resume subsequent to WOC.
- 5) Continue to drill cement plugs and C.I.B.P currently set at 9000'. Circulate hole clean. Set C.I.B.P at 9850' and cap with 35' cement.
- 6) The existing TOC on the 5 1/2" is at 6610' by temp survey. The free pipe interval will be shot and squeezed to effectively tie a continuous cement sheath from that depth to the newly cemented 5 1/2" at 3122'.
- 7) Perforate the Wolfcamp, Cisco and Strawn formations with 4 SPF at 90 degree phasing at the depths shown below using a 3 3/8" or 4" casing gun. 8290'-8340', 9084'-9120', 9242'-9250', 9308'-9354', 9654'-9662' (approximately 360 perfs). **Note:** Existing perfs at 9553'-9566', 9721'-9746', 9761'-9764', and 9798'-9804' will be utilized.

- 8) Treat perforations with 20% HCLC no additives other than corrosion inhibitor, flush with fresh water or produced water. Lay down work string.
- 9) RIH with nickel plated 5 ½" retrievable packer on 2 7/8" salt lined tubing to 8190', pump clean fresh water containing corrosion inhibitor, biocide and oxygen scavenger down annulus, set packer. Prepare to run M.I.T test and notify OCD to witness 24 hours in advance. Build injection facility and start water disposal. Limit injection pressure to no more than 1658 PSI.