

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

**NM OIL CONSERVATION**

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

WELL API NO.	30-015-40496
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Pearl
8. Well Number	1
9. OGRID Number	255281
10. Pool name or Wildcat	Delaware SWD (96802)

**SUNDRY RECEIVED**

(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 SWD (Order SWD-1339)

2. Name of Operator  
Trek Operating, LLC

3. Address of Operator  
10159 E. 11<sup>th</sup> St., Ste. 401 Tulsa, OK 74128-3028

4. Well Location O 800 South 2,475 East  
Unit Letter feet from the line and feet from the line  
Section 34 Township 23-S Range 28-E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3,031' GR

12. 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 ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐  
OTHER: ☐

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK ☒ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐  
OTHER: ☐

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

Pursuant to the C-103, Notice of Intent, dated 7-23-2015, the following steps were taken to identify and remedy pressure communication between the tubing and tubing-casing annulus in the subject well:

7-27-2015 SITP 0 psig, SICP 600 psig. Rigged up service unit. Removed wellhead tree, installed BOP. Added tubing sub and valve on top of tubing hanger. Closed BOP pipe rams, applied both tension and compression to Arrowset 10K packer set at 3,306-3,317', but no change in pressure on wellhead casing valve.

7-28-2015 SITP 0 psig, SICP 600 psig. Set rental tank and installed flowline to wellhead. Delivered 14.5 ppg kill mud (CaCO<sub>3</sub> + polymer). Down tubing, pump truck pumped kill mud. Slickline truck lowered retrieving tool down 3-1/2" tubing, pulled plug out of packer's profile nipple, pulled plug out of well. Released tubing from packer, closed BOP. Raised tubing to remove tubing hanger. Down tubing-casing annulus, pumped mud to kill annulus pressure. Latched tubing back onto packer. Unset packer and pulled out of well. Sent packer to shop to identify failure, and to rebuild. Failure was corrosion in nickel plating of mandrel.

7-31-2015 SICP 0 psig. Rebuilt packer with both nickel and plastic coated components.

8-1-2015 SICP 0 psig. Installed pump-out plug on bottom of packer. Lowered rebuilt packer down 8-5/8" casing, on 3-1/2" tubing. Set packer as before at 3,306-3,317', in 12,000# compression. Closed BOP. With pump truck, reverse circulated kill mud out of casing with fresh water, blended with Baker's corrosion inhibitor. Flowed kill mud to rental tank. Latched tubing back onto packer. Removed BOP and installed tubing hanger and wellhead tree. Pressure tested tubing-casing annulus to 680 psig, held. Pressure tested tubing to 850 psig, held. Pressured tubing to 1,700 psig to burst plug on bottom of packer. Rigged down service unit. Returned kill mud to mud supplier.

8-3-2015 SITP 600 psig, SICP 0 psig. Connected pump truck, with chart recorder, to casing valve on wellhead. Pressured tubing-casing annulus to 480 psig, held for 30 minutes as witnessed by Richard Inge, NMOCD, Artesia. Provided chart for NMOCD files. Received written approval, on NMOCD letterhead, to resume injection operations. Powered injection pump, commenced injection at rate of 3,200 BWP/D at FTP 650 psig, SICP 0 psig. Updated well diagram, dated 8-1-2015, attached.

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

SIGNATURE Brad D. Burks TITLE General Manager DATE 8-11-2015

Type or print name Brad D. Burks E-mail address: office@bkxcorp.com PHONE: 918-582-3855 (x 101)  
For State Use Only

APPROVED BY: Richard Inge TITLE COMPLIANCE OFFICER DATE 8/20/15  
Conditions of Approval (if any):

# WELL DIAGRAM

TREK OPERATING, LLC

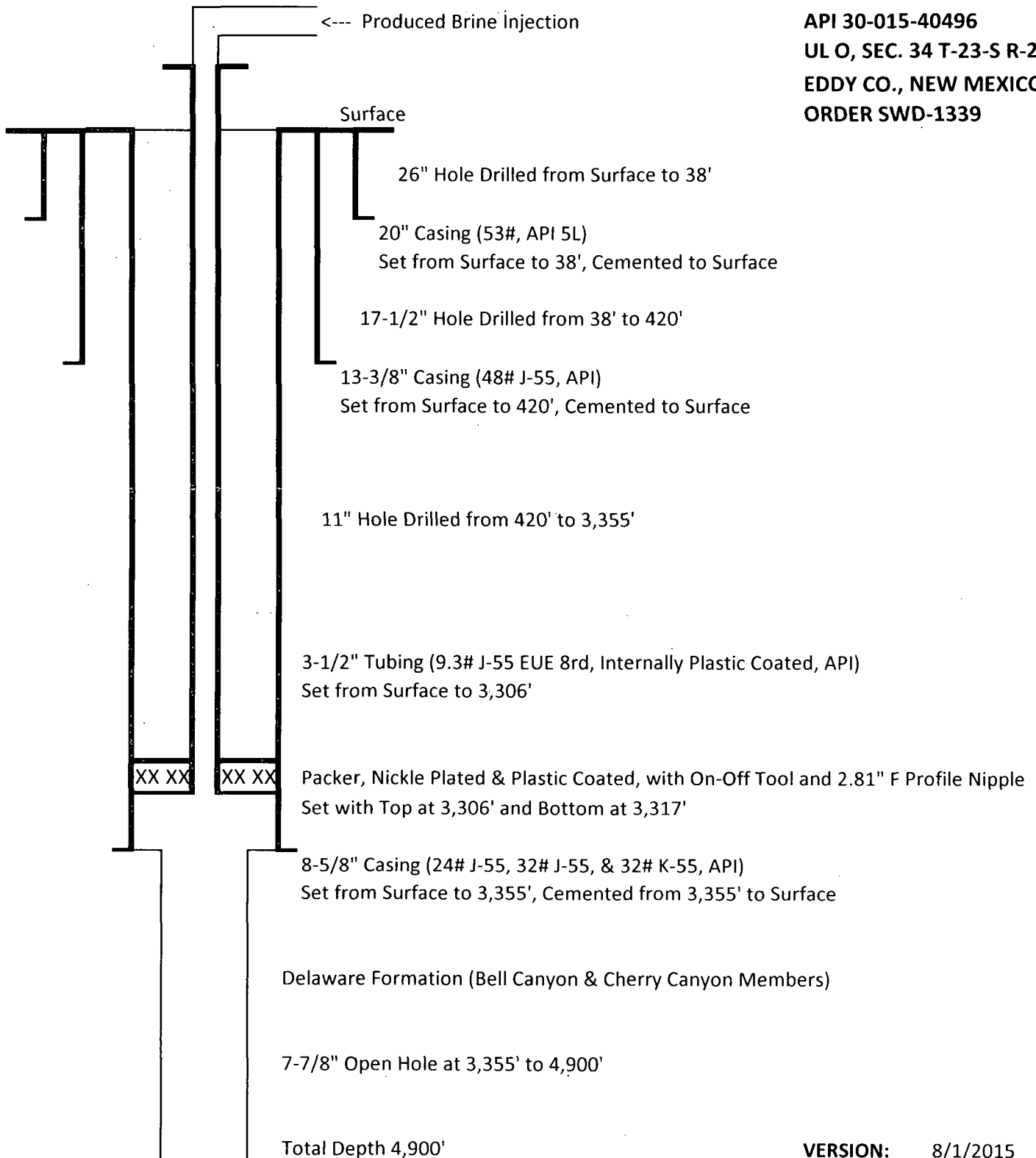
PEARL WELL NO. 1

API 30-015-40496

UL O, SEC. 34 T-23-S R-28-E

EDDY CO., NEW MEXICO

ORDER SWD-1339



VERSION: 8/1/2015