State of New Mexico

to Appropriate District Office	Energy, Minerals and Natural R	esources Department	Revised 1-1-89
DISTRICT I P.O. Box 1980, Hobbs, NM 88240	OIL CONSERVATION P.O. Box 200		WELL API NO.
DISTRICT II P.O. Drawer DD, Artesia, NM 88210	Santa Fe, New Mexico		5. Indicate Type of Lease STATE FEE
DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410			STATE FEE 6. State Oil & Gas Lease No.
(DO NOT USE THIS FORM FOR PRO DIFFERENT RESER	CES AND REPORTS ON WEIDPOSALS TO DRILL OR TO DEEPEN IVOIR. USE "APPLICATION FOR PE-101) FOR SUCH PROPOSALS.)	OR PLUG BACK TO A	7. Lease Name or Unit Agreement Name Moore Federal
1. Type of Well: On. WELL WELL X	OTHER NO	1 73	7.50.6
2. Name of Operator Murchis	an Oil + Bas 1	OLS ECEIVED 2003	8. Well No.
3. Address of Operator 1100 Mi	ra Visia Bivanio	ARTECL &	9. Pool name or Wildcat White City Penn
4. Well Location	_0	EZ Line and 50 4/e	
Section 35	Township 245 Rs	inge 24 E 1	NMPM Edd County
	10. Elevation (Show whether	DF, RKB, RT, GR, etc.)	
11. Check A NOTICE OF INT	Appropriate Box to Indicate I ENTION TO:		eport, or Other Data SEQUENT REPORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WORK	ALTERING CASING
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILLING	OPNS. PLUG AND ABANDONMENT
PULL OR ALTER CASING		CASING TEST AND CEI	MENT JOB
OTHER:		OTHER:	
12. Describe Proposed or Completed Operati work) SEE RULE 1103.	ions (Clearly state all pertinent details, an	d give pertinent dates, includ	ing estimated date of starting any proposed
See attack	hed Proposed f	Procedure	
			·

I hereby certify that the information above is true and complete to the best of my knowledge and belief.	· ·
SIGNATURE THE Production	Manager DATE 06/16/03
	(505) Telephone no. (628-393
TYPE OR PRINT NAME TOPHIN V W. TOLSTONE GUM	TELEPHONE NO. 628-313
(This space for State Case) ORIGHNAL SIGNED OR DISTRICT II SUPERVISOR	nun 2 6 2003
	9811 - 3
APPROVED BY	DATE
THE PROPERTY OF A LIVE	

MURCHISON OIL AND GAS, INC. MOORE FEDERAL COM. #1E Section 35, T-24S, R-26E 1650' FNL and 460' FWL Eddy County, New Mexico

WORKOVER PROCEDURE

MAY 29, 2003

CASING:

Surface	16"	- 65# H-40 ST&C	@	244'	Cmt Cir.
Intermediate	10 3/4"	- 40.5# K-55	<u>@</u>	1,910'	Cmt Cir.
Deep Intermediate	7 5/8	- 26.4# - S95,N-80,L			
		& 29.7# N-80	@	8,602'	Cmt in 2 stages
					DV tool @ 5,792'
Liner	4 1/2"	- 13.5# N-80 LT &C	(8.224' to	11.518')	Cmt.Cir

TUBING DETAIL:

Arrow Set packer is set at 10,123' w/ 1.87F nipple and 315 jts 2 3/8" N-80 tbg.

REFERENCE LOGS:

Schlumberger - CNL - FD dated 1-7-83 DLL dated 1-6-83

PLUGGED AND ABANDONED PERFORATIONS:

Morrow - 11,323' to 11,349', 10,961' to 11,243' Atoka - 10,766' to 10,778'

EXISTING PERFORATIONS:

10,716' to 728', 10,700 to 702', 10,628' to 642', 10,602 to 604', 10,506' to 512', 10,326' to 330', 10,268' to 272'

PROPOSED CISCO PERFORATIONS:

9,962' to 66', 9,930' to 34', 9,912' to 16', 9,890' to 96', 9,880' to 82', 9,858' to 62', 9,842' to 48'

ELEVATION:

K. B. 3267' G.L. 3,252' KB Correction - 15'

EQUIPMENT:

500 PSI two phase separator, 2 - 300 Bbl oil tanks (1 oil tank has holes) 1 250Bbl FG OT water tank.

MOGI MOORE 1e Workover Procedure Page 2 of 3

DISCUSSION:

The well is loaded with water and is producing at 5 to 8 MCFD. The well has produced high water volumes for the life of the well, and in all potential pay zones. The liner could have a channel to a water producing zone. It is felt that a test should be conducted to eliminate the question of a channel and repaired if one is indicated.

PROCEDURE:

- 1. RU slick line GIH pull plunger and bumper spring an collar stop.
- 2. RU Cardinal Survey and pump truck w/ 130 Bbls 3% KCL water. Pump down tbg and conduct a pump in tracer survey to evaluate for channel

NOTE:

If channel is indicated up hole from current perforations, a squeeze will be pumped to shut off any potential communication to Cisco perforations.

- 3. Set matting boards and RUPU, ND tree and NU BOP.
- 4. Release packer and POOH w/ tbg and packer.

Channel Indicated:

- A. RU wireline company and run junk basket and gauge ring, and CBL from 10,200' and up across potential Cisco pay.
- B. GIH w/ EZSV and set at 10,200', TIH w/ stinger and tbg squeeze w/ 150 sxs cmt as required, leaving 30' cmt on top of retainer.
- C. RU wireline and run CBL across potential channel to check squeeze, continue workover w/ step 5

No Channel indicated

- A. RU wireline company and set CIBP at 10,200' and cap w/ 30' cmt via dump bailor.
- B. Run CBL across potential pay to obtain good collar log and also evaluate cmt across potential Cisco pay.
- C. Continue w/ step 5

MOGI MOORE 1e Workover Procedure Page 3 of 3

5. Perforate Cisco w/ 3 1/8" csg guns at 2 JSPF 120 degree phasing, as follows.

```
9,962' to 66' - 4' - 9 holes

9,912' to 16' - 4' - 9 holes

9,880' to 82' - 2' - 5 holes

9,842' to 48' - 6' - 13 holes

9,842' to 48' - 6' - 13 holes

9,842' to 48' - 6' - 13 holes
```

6. TIH w/ AS1 packer w/ 1.81 F nipple, and tbg set packer at 9,742' ±, NDBOP and NU tree.

NOTE: (Test tbg in hole to 7K above slips.)

- 7. Swab test zone for clean up and production potential.
- 8. If acid treatment is required, treat w/ 3000 gals 15% HCL NEFE and 70 1.3 RCN ball sealers.

NOTE: (Tree saver will be required)

- 9. Flow and swab test as needed for production test.
- 10. Make battery adjustments as required and place well on production.

ESTIMATED COST

Pulling Unit 7 days	s at 1800/ day	\$ 12,600.00
Rental equipment	\$ 8,500.00	
Pump trucks and wat	\$ 3,500.00	
Slick line		\$ 1,000.00
Electric line Services	\$ 14,500.00	
Company Supervision	\$ 7,500.00	
Tbg Testing		\$ 2,500.00
Cmt Squeeze		\$ 9,500.00
Roustabouts		\$ 7,000.00
Misc.		\$ 2,500.00
	Sub Total	\$ 69,100.00
	+ 10% Cont.	\$ 6,910.00
	Total	\$ 76,010.00

MURCHISON OIL AND GAS, INC. MOORE FEDERAL COM #1E SEC.35, T-24S, R-26E 1650' FNL AND 460' FWL EDDY COUNTY, NEW MEXICO API# 30 - 015 - 24316

GL - 3252' KB - 3,267'

