

Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

Handwritten initials: JST DP

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504-2088

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-015-25979

5. Indicate Type of Lease STATE [X] FEE []

6. State Oil & Gas Lease No.

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 PERMITS RECEIVED (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name State EB

1. Type of Well: OIL WELL [] GAS WELL [X] OTHER []

8. Well No. 1

2. Name of Operator OXY USA INC. ✓

3. Address of Operator P.O. Box 50250 Midland, Tx. 79710

9. Pool name or Wildcat Undes. E. Hess (Morrow)

4. Well Location Unit Letter B : 840 Feet From The North Line and 1400 Feet From The East Line Section 2 Township 24S Range 23E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4366.7 GR

11. 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 [] OTHER: [] SUBSEQUENT REPORT OF: REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT [] CASING TEST AND CEMENT JOB [] OTHER: Well completion Data [X]

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. TD 10757', Shale, PBD 10500'. Well complete & Shut-In waiting for pipeline connection. MIRUCU, Perf. Morrow A Zone w/ 2Jspf @ 10668'.669',670',671',10672', total 10 holes(0.48" diam.+ 18.18" Pene in Berea). Rih w/ Baker DB Pkr & 1.81 Mod F Prof Nip, set pkr @ 10550'. RIH w/ 2-7/8" Tbg & stung into pkr. Dropped bar & broke disc, no gas to surf after 1 hr., RU swab & no fluid in hole. 110SITP 250#. Bled Pres in 5 min, no fluid rec. Acidized Morrow Perfs (10668'-10672') w/ 3000 gal 7-1/2 NeFe HCl w/ 1000 SCF N2/bbl. Max pres 7000#,min pres 4440#,avg pres 4800#, ISIP 6080#,5minSIP 5960#, 10minSIP 5900# 15minSIP 5820#. Flwd 35 BLW in 1 hr & died thru 16/64 to open choke. Swbd 0 BO 5BLW in 3 hrs. 14 hr SITP 1000# bled pres in 5 min, no fluid in hole. Set blkg plug inMod F Prof Nip @ 10565' tested 1500# OK. RIH w/ Dump Bailer, dumped 5 sx (50') cmt on top of DB pkr @ 10550'. Perf Morrow B Zone w/ 2 SPF @ 10316'.17',18',20',21',23',24',25',26', 27',29',30',31',34',35',36',37',38',39',42',43',44',45',46',47',48',51',53',54',57',58', 10359' Tot of 68 holes(0.54"diam. + 19" Pene in concr.). "See Reverse Side"

I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE [Signature] TITLE Dist Oper Mgr - Prod DATE 1-20-89 TYPE OR PRINT NAME F.A. Vitrano (Prepared by David Stewart) 915 TELEPHONE NO. 685-5717

(This space for State Use) Original Signed By Mike Williams DATE JAN 27 1989 APPROVED BY [] TITLE [] DATE [] CONDITIONS OF APPROVAL, IF ANY:

RIH w/ 2-7/8 Tbg ,Prof Nip & Pkr, set @ 10188'. Drop bar & broke disc, weak blow of gas, no fluid entry. Acicize Morrow Perfs (10316'-10359') w/ 6000 gal 7-1/2% NeFe HCl w/ fric red & clay stab w/ 1000 SCF N2 /bbl. Max pres 7400# min pres 6600# avg pres 7000# ISIP 4200# 5minSIP 4000# 10minSIP 3920# 15minSIP 3800#. Flwd 0 BO & 60 BLW thru choke 16-30/64 FTP 3800# to 50# good show of gas. RU Stackpak & flowed rates as follows:

<u>TIME</u>	<u>SITP</u>	<u>CHOKE</u>	<u>ORIFICE</u>	<u>GAS RATE MCFD</u>	<u>FLUID</u>
0	3000#				
1	2350#	12/64	2.5	1132	0
2	1150#	21/64	2.5	850	Started making fld
3	440#	25/64	1.375	1450	1.5
4	375#	25/64	1.375	1271	2.0
5	360#	25/64	1.375	1185	2.0
6	355#	25/64	1.375	1153	2.0
7	350#	25/64	1.375	1121	2.0
8	355#	25/64	1.375	1137	2.0
9	350#	25/64	1.375	1137	2.0

All LW rec + 13 BNW. RIH w/ Tandem BHP Bombs w/ 7day clocks, set in prof nip @ 10186'. SI for buildup. 170hr SITP 3032# Flwd on 4 pt tests as follows:

<u>TIME</u>	<u>CHOKE</u>	<u>FTP</u>	<u>BP</u>	<u>GAS RATE</u>
1 hr	5/64	2870#	235	437
1 hr	10/64	2765#	245	546
1 hr	18/64	2510#	245	759
1 hr	21/64	2104#	245	1119

Prod no fluid during test. CAOF from Morrow B Perfs (10316'-10359') = 2012MCFD. POOH w/ 2-7/8 workstring tbg & RIH w/ 2-3/8 Tbg. Wait on pipeline.