P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 8821

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

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-20

WELL API NO. 30-005-63146

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 PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

OCT 1997
RECEIVED
OCD - ARTESIA

7. Lease Name or Unit Agreement Name: Hanlad B

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

2. Name of Operator: Hanson Operating Company

8. Well No. #7

3. Address of Operator: P.O. Box 1515, Roswell, NM 88202-1515

9. Pool name or Wildcat: Diablo San Andres

4. Well Location
Unit Letter L : 1650 Feet From The South Line and 330 Feet From The West Line

Section 22 Township 10S Range 27E NMPM Chaves County

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

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[ ]	REMEDIAL WORK	[X]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[ ]
PULL OR ALTER CASING	[ ]			CASING TEST AND CEMENT JOB	[ ]		
OTHER:	[ ]			OTHER:			[ ]

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.

10-10-97 Ran in hole with packer & tubing. Set packer at 1981' new perfs to treat,2111,12,13,14,2123,24,29,30,2137,38,39. Rigged up BJ & Airco CO2 loaded back side & pressured up to 500#. Pumped 56 bbls. of CO2 at 4 bbls. per min. Pumped 120 bbls of 20% acid along with 112 bbls. of CO2. Pumped acid at 4 bbls. per min & CO2 at 4 bbls. per min. Flushed with 5 bbls. of 2% KCL water. Treating pressure- Min. 3400#, max. 4600#, Avg. 3800#. Injection rate on testing fluid 8 bbls. per min, rate on flush 8 bbls. per min. ISIP 1600#, 5 min. 1575#, 10 min. 1500#, 15 min. 1450#. Rigged down BJ & Airco. Flowed well back to pit for 2 1/2 hrs. Shut well in.

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

SIGNATURE Betsy Speer TITLE Production Analyst DATE 10-17-97

TYPE OR PRINT NAME Betsy Speer TELEPHONE NO.

(This space for State Use)

SUPERVISOR, DISTRICT II

APPROVED BY ____ TITLE ____ DATE OCT 20 1997

CONDITIONS OF APPROVAL, IF ANY: