

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 87240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
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 May 08, 2003

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. <b>30-025-08847</b>
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator <b>MISSION RESOURCES CORPORATION</b>		6. State Oil & Gas Lease No.
3. Address of Operator <b>1331 LAMAR, SUITE 1455 HOUSTON, TEXAS 77010-3039</b>		7. Lease Name or Unit Agreement Name: <b>STATE A A/C 2</b>
4. Well Location Unit Letter <b>K</b> : <b>1980</b> feet from the <b>SOUTH</b> line and <b>1980</b> feet from the <b>WEST</b> line Section <b>9</b> Township <b>22S</b> Range <b>36E</b> NMPM County <b>LEA</b>		8. Well Number <b>038</b>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number <b>148381</b>
		10. Pool name or Wildcat <b>JALMAT:TAN.YATES.7-RVRS(GAS) 79240</b>

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

NOTICE OF INTENTION TO:

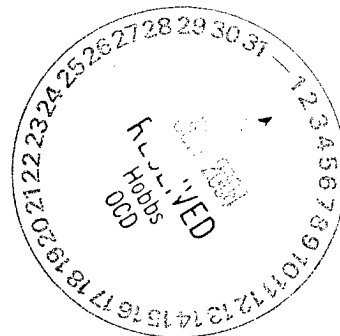
PERFORM REMEDIAL WORK ☒ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SET CIBP TO ISOLATE QUEEN FORM. ADD PERFS IN 7RIVERS AND PERF. TANSIL. ACIDIZE & FRAC WELL.  
PLEASE SEE ATTACHED PROCEDURE & WELLBORE SCHEMATIC



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

SIGNATURE Nancy K. Gatti TITLE Regulatory Coordinator DATE 05/25/04

Type or print name Nancy K. Gatti

Telephone No. 713-495-3128

(This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE JUN 07 2004  
Conditions of approval, if any:

**Mission Resources Corp.**

**AAC-2 #38**

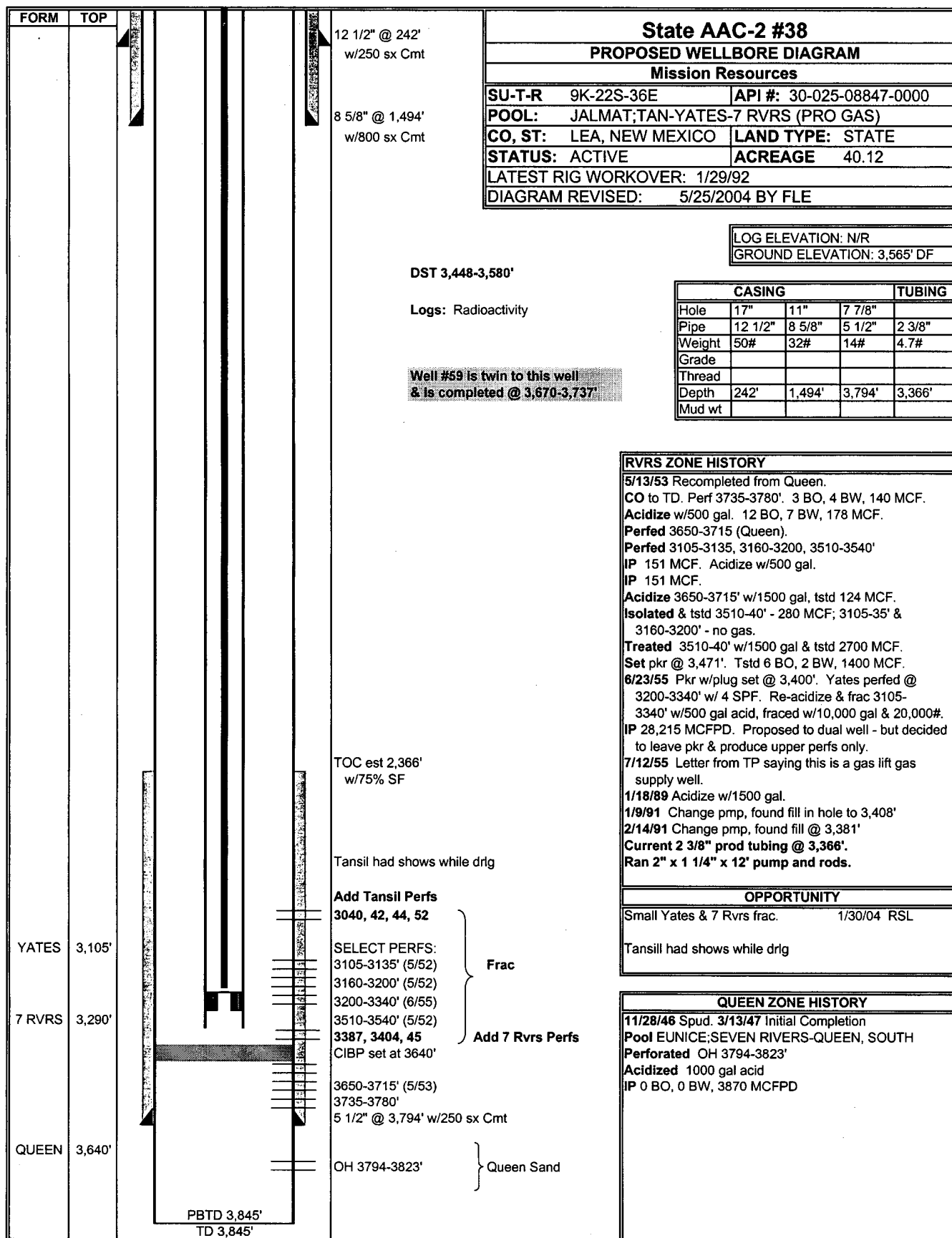
**Jalmat Field**

**Lea County, NM**

**May 2004**

**Work Over Procedure**

1. Pull rods & tubing.
2. Pull packer set at 3440'.
3. RIH and set CIBP at 3640'.
4. Perforate Tansil at 3040, 42, 44, 52 & add perfs in Seven Rivers at 3387, 3404, & 3445 .
5. Acidize new perfs with PPI tool.
6. RIH and set packer on 3-1/2" tubing.
7. Frac Tansil, Yates and Seven Rivers together.
8. Put back to sales.



FORM	TOP																																			
		<p>12 1/2" @ 242' w/250 sx Cmt</p> <p>8 5/8" @ 1,494' w/800 sx Cmt</p>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p align="center"><b>State AAC-2 #38</b></p> <p align="center"><b>CURRENT WELLBORE DIAGRAM</b></p> <p align="center"><b>Mission Resources</b></p> <p>SU-T-R 9K-22S-36E      API #: 30-025-08847-0000</p> <p>POOL: JALMAT; TAN-YATES-7 RVRS (PRO GAS)</p> <p>CO, ST: LEA, NEW MEXICO      LAND TYPE: STATE</p> <p>STATUS: ACTIVE      ACREAGE 40.12</p> <p>LATEST RIG WORKOVER: 1/29/92</p> <p>DIAGRAM REVISED: 1/30/2004 BY RSL</p> </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>LOG ELEVATION: N/R</p> <p>GROUND ELEVATION: 3,565' DF</p> </div> <table border="1" style="width: 100%; border-collapse: collapse; margin-bottom: 10px;"> <thead> <tr> <th colspan="3">CASING</th> <th>TUBING</th> </tr> </thead> <tbody> <tr> <td>Hole</td> <td>17"</td> <td>11"</td> <td>7 7/8"</td> </tr> <tr> <td>Pipe</td> <td>12 1/2"</td> <td>8 5/8"</td> <td>5 1/2"</td> </tr> <tr> <td>Weight</td> <td>50#</td> <td>32#</td> <td>14#</td> </tr> <tr> <td>Grade</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Thread</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Depth</td> <td>242'</td> <td>1,494'</td> <td>3,794'</td> </tr> <tr> <td>Mud wt</td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <div style="margin-bottom: 10px;"> <p>DST 3,448-3,580'</p> <p>Logs: Radioactivity</p> </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>Well #59 is twin to this well &amp; is completed @ 3,670-3,737'</p> </div> <div style="margin-bottom: 10px;"> <p>TOC est 2,366' w/75% SF</p> </div> <div style="margin-bottom: 10px;"> <p>Tansill had shows while drig</p> </div> <div style="margin-bottom: 10px;"> <p><b>SELECT PERFS:</b>  3105-3135' (5/52)  3160-3200' (5/52)  3200-3340' (6/55)</p> </div> <div style="margin-bottom: 10px;"> <p>Pkr w/blanking plug @ 3,440' on 6/55  3510-3540' (5/52)  3650-3715' (5/53)  3735-3780'  5 1/2" @ 3,794' w/250 sx Cmt</p> </div> <div style="margin-bottom: 10px;"> <p>OH 3794-3823'      } Queen Sand</p> </div> <div style="margin-bottom: 10px;"> <p>PBTD 3,845' TD 3,845'</p> </div>	CASING			TUBING	Hole	17"	11"	7 7/8"	Pipe	12 1/2"	8 5/8"	5 1/2"	Weight	50#	32#	14#	Grade				Thread				Depth	242'	1,494'	3,794'	Mud wt				<p>YATES 3,105'</p> <p>7 RVRS 3,290'</p> <p>QUEEN 3,640'</p>
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			<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p align="center"><b>RVRS ZONE HISTORY</b></p> <p>5/13/53 Recompleted from Queen.  CO to TD. Perf 3735-3780'. 3 BO, 4 BW, 140 MCF.  Acidize w/500 gal. 12 BO, 7 BW, 178 MCF.  Perfed 3650-3715 (Queen).  Perfed 3105-3135, 3160-3200, 3510-3540'  IP 151 MCF. Acidize w/500 gal.  IP 151 MCF.  Acidize 3650-3715' w/1500 gal, tstd 124 MCF.  Isolated &amp; tstd 3510-40' - 280 MCF; 3105-35' &amp;  3160-3200' - no gas.  Treated 3510-40' w/1500 gal &amp; tstd 2700 MCF.  Set pkr @ 3,471'. Tstd 6 BO, 2 BW, 1400 MCF.  6/23/55 Pkr w/plug set @ 3,400'. Yates perfed @  3200-3340' w/ 4 SPF. Re-acidize &amp; frac 3105-  3340' w/500 gal acid, fraced w/10,000 gal &amp; 20,000#.  IP 28,215 MCFPD. Proposed to dual well - but decided  to leave pkr &amp; produce upper perms only.  7/12/55 Letter from TP saying this is a gas lift gas  supply well.  1/18/89 Acidize w/1500 gal.  1/9/91 Change pmp, found fill in hole to 3,408'  2/14/91 Change pmp, found fill @ 3,381'  Current 2 3/8" prod tubing @ 3,366'.  Ran 2" x 1 1/4" x 12' pump and rods.</p> </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p align="center"><b>OPPORTUNITY</b></p> <p>Small Yates &amp; 7 Rvrs frac. 1/30/04 RSL</p> <p>Tansill had shows while drig</p> </div> <div style="border: 1px solid black; padding: 5px;"> <p align="center"><b>QUEEN ZONE HISTORY</b></p> <p>11/28/46 Spud. 3/13/47 Initial Completion  Pool EUNICE; SEVEN RIVERS-QUEEN, SOUTH  Perforated OH 3794-3823'  Acidized 1000 gal acid  IP 0 BO, 0 BW, 3870 MCFPD</p> </div>																																	