

Submit 1 Copy To Appropriate District
Office
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

State of New Mexico
Energy, Minerals and Natural Resources
HOBBS OCD
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
October 13, 2009

RECEIVED 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.)		WELL API NO. 30-025-23992
1. Type of Well: <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other Inj-		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Southwest Royalties Inc.		6. State Oil & Gas Lease No. 15659
3. Address of Operator 6 Desta Drive Suite 2100 Midland Tx, 797705		7. Lease Name or Unit Agreement Name Ammons-Madera
4. Well Location Unit Letter L : 1980 feet from the FSL line and 990feet from the FWL line Section 15 Township 26S Range 33-E NMPM County LEA		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 21355
		10. Pool name or Wildcat Salado Draw (Delaware)

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> OTHER: <input checked="" type="checkbox"/> Fixed a Casing Leak and performed a Mechanical integrity test.	SUBSEQUENT REPORT OF: REMEDIAL WORK <input checked="" type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Please Refer to all attached well Repair operation reports. An MIT was performed on 6-20-11 and successful test obtained. Attached is the original test Chart.

Spud Date:

Rig Release Date:

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

SIGNATURE:

Luis A Gonzalez

TITLE: Environmental Regulatory Adm.

DATE: July 1, 2011

Type or print name

Luis A Gonzalez

E-mail address:

lgonzalez@claytonwilliams.com

PHONE: 432-6614-4708

For State Use Only

APPROVED BY:

[Signature]

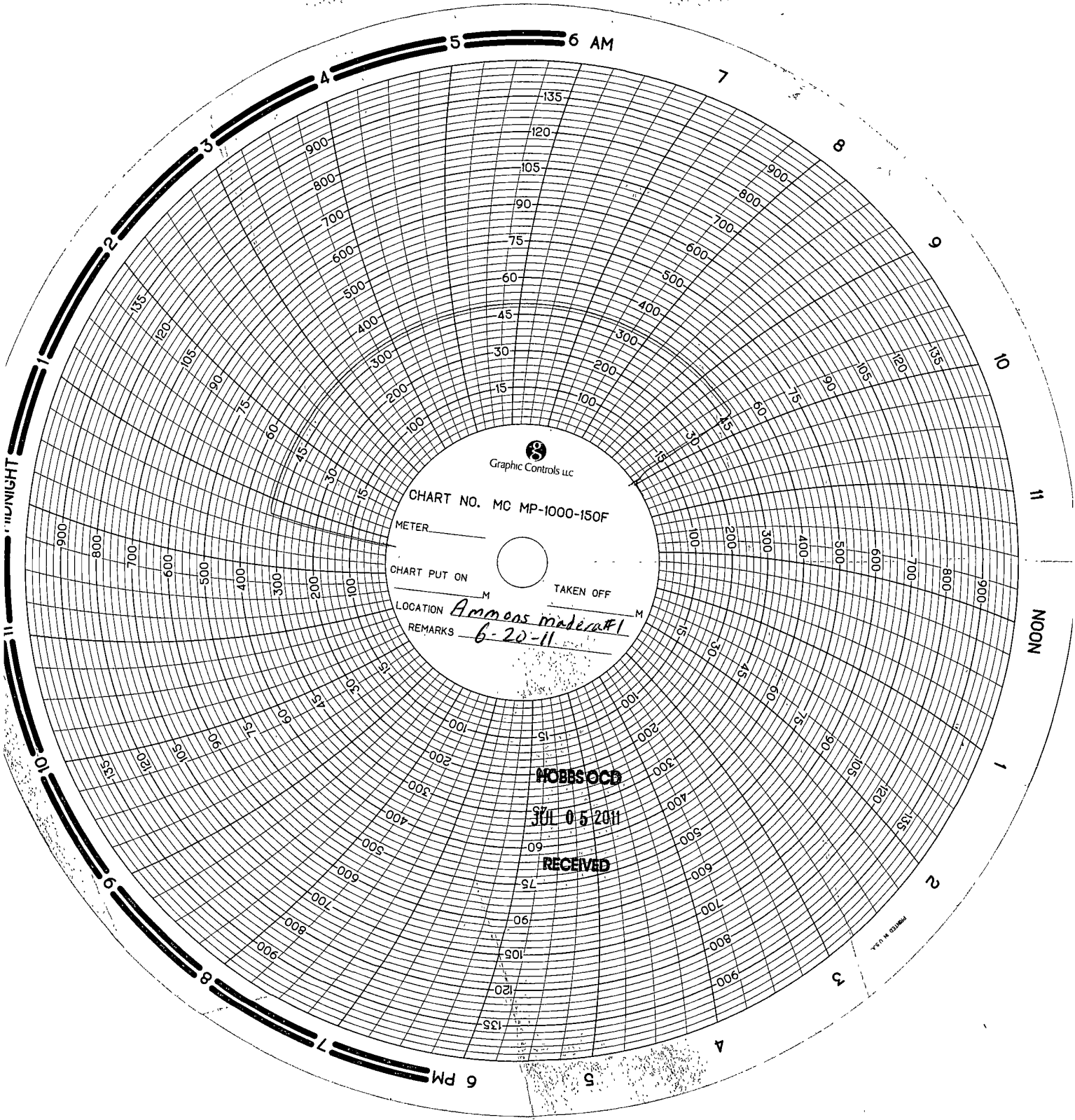
TITLE:

STAT MGR

DATE:

7-6-2011

Conditions of Approval (if any):



Graphic Controls LLC

CHART NO. MC MP-1000-150F

METER

CHART PUT ON

TAKEN OFF

LOCATION

Ammens mader #1

REMARKS

6-20-11

HOBSOCD

JUL 05 2011

RECEIVED

MADE IN U.S.A.

Tall City Well Service Co LP
Calibrated 06/06/11
Usbecka Barza
Trk # 201

6-20-11
Southwest Royalties Inc
Ammons Mader #1 SWD
Tb9 100#
STCS90
CS9 330#
PKR @ 4916'
API # 30-025-23992


Failure Review		Failed Item: Csg	Coating:
Type Fail: Hole		Failed Part:	Area Failed:
Fail Cause 1: Corrosion		Size / Grade:	Failure Depth(ft):
Fail Cause 2:		Brand:	Description:

Overview

Posted: 06/30/2011 3:44 pm

REPAIR CASING LEAK


Cost:		\$146,021	Previous Cost:				Previous # Days:			
Exp. Item	Cost Ttl	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Day 8	Day 9
cement sq	\$15,966						\$9,375			\$6,591
p. truck	\$12,095				\$1,020	\$1,275	\$680	\$680	\$1,530	
packer man	\$9,140			\$1,100	\$1,100	\$3,400				
power swivel	\$12,359		\$3,484	\$2,350				\$1,775	\$1,775	
Rig	\$53,290	\$1,620	\$4,050	\$4,310	\$3,510	\$4,590	\$2,700	\$2,700	\$5,400	\$2,500
Supervisor	\$3,250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	
Surface Equip	\$3,250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	
tbg	\$35,471									
transporation	\$1,200									

05/27/2011  Friday

Daily Operations

MI RIG RUPU AND SD.

*Total Cost
\$ 146.021*

06/17/2011  **Friday**

Daily Operations

MI O. W. U. PICKUP LOCK, SET, PACKER WITH ONOFF TOOL AND TALLY 157 JTS IN HOLE. PULL OFF BOP SET
PACKER GOT OFF PACKER CIR P. FLUID LATCH BACK ON PACKER, SET PACKER AT 4916'. PRESSURE UP ON
BACK SIDE LOOK GOOD CWI SD.

06/20/2011  **Monday**

Daily Operations

MI O.W.U. AND RAN SCHEDULED MECHANICAL INTEGRITY TEST ON WELL, TEST LOOK GOOD WELL HELD
PRESSURE GOOD AT 330-PSI. CLEAN AROUND WELL HEAD RDMO.

06/14/2011  **Tuesday**

Daily Operations

MI PRESSURE UP ON CSG TO 500 PD FOR 30 MIN LOOK GOOD .OPEN WELL UP POH WITH TBGS AND LAY DOWN D.COLLARS .RIH WITH R.HEAD AND WASH SAND OFF R.B.PLUG .COULD NOT LATCH ON PLUG BECAUSE PLASTIC COMING OF TBGS. POH WITH TBGS AND R.HEAD .RIH WITH SHORT CATCH LEFT 2 JTS OUT CWI SD .

06/15/2011  **Wednesday**

Daily Operations

MI O.W.U. RAN 2 MORE JTS IN HOLE .TRY TO GET ON R.B.P. COULD NOT LATCH ON POH WITH TBGS AND R.HEAD .RBIH WITH SHOE AND WASH OVER FISHING NECK .COULD NOT CIR VERY GOOD BECAUSE PASTIC COMING OFF TBGS. POH WITH TBGS AND SHOE RBIH WITH R.HEAD DID NOT TAG R.B.P. RAN 2 MORE JTS IN HOLE DID NOT TAG CWI SD .

06/16/2011  **Thursday**

Daily Operations

MI O.W.U. PICKUP 4 MORE JTS AND LATCH ON TO R.B.P. POH WITH TBGS AND R.B. P. UNSREW R.B .P. AND RBIH WITH TBGS CAME OUT LAYING DOWN ALL TBGS .CWI SD .

06/09/2011 📅 **Thursday**

Daily Operations

MI O.W.U. RU GRACO R.UNIT AND DRILL OUT CEMENT CIR WELL CLEAN .AND PRESSURE UP ON CSG TO 500 PD DID NOT HOLD PRESSURE .LEAK BACK TO 260 PD IN 5 MIN POH AND LAY DOWN D.C. WENT BACK IN HOLE WITH 866 FT OF TBGS OPEN ENDING .STANDBY FOR RISING STAR TO GET TO LOCATION .RISING STAR BROKER DOWN DID NOT GET TO LOCATION TO NEXT DAY .

06/10/2011 📅 **Friday**


Daily Operations

RU RISING STAR AND SPOT 8 BBLS DOWN TBGS AND CLASS .C. CEMENT PULL TBGS OUT OFF HOLE .HOOK UP RISING STAR ON CSG AND START PRESSURE AT 500 PD AND SQUEEZE 5 BBLS IN HOLE PLAY WITH PRESSURE UP AND DOWN ALL THE WAY TO 1000 PD CWI AND LEFT 1000 PD ON WELL AND SD .

06/13/2011 📅 **Monday**

Daily Operations

MI CHECK PRESSURE ON WELL 240 PD OPEN WELL UP RAN 10 JTS IN HOLE AND LAY JTS DOWN .PICKUP D.COLLARS AND RIH AND TAG CEMENT AT 374.30 DRILL OUT CEMENT AND DROP OUT OFF CEMENT AT 908 CIR WELL CLEAN CWI SD .

06/03/2011  **Friday**

Daily Operations

MI O. W.U. PRESURE UP ON B.S. DID NOT HOLD PRESURE PULL 14 POINT ON PACKER AND TRY AGAIN .DID NOT WORK GOT PACKER LOOSE NDBOP POH WITH WITH TBGS AND PACKER .PICKER UP R.B P AND PACKER AND RIH SET R.B.P. GOT OFF RBP PULL 1 JT AND SET PACKER .PRESURE UP ON PACKER AND RBP WAS OK UNSET PACKER PULL UP TO 1000 FT FROM SF. SET PACKER TEST DOWN TBGS TO 600 PD WAS GOOD .FOUND LEAK 817 AND 848 .UNSET PACKER POH REST OF TBGS AND PACKER CWI SD .

06/06/2011  **Monday**

Daily Operations

MI O.W.U. PULL OFF BOP AND WELL HEAD .RIG UP CHIEF AND PUMP ACI TO OPEN UP HOLE .PUMP 2 BBLS A MIN AT 600 PD .PUMP 100 SACK OFF CEMENT AND DISPLACE 11.5 BBLS .LEFT 500 PD ON WELL CWI SD .

06/08/2011  **Wednesday**

Daily Operations

MI O.W.U. PULL OFF VALVE AND PUT WELL HEAD ON AND NDBOP .PICKUP D.C. AND RAN 15 JTS AND TAG CEMENT AT 652.20 CEMENT WAS GREEN COULD NOT DRILL OUT CWI SD .

05/31/2011 📅 **Tuesday**

Daily Operations

MI O.W.U. UNSCREW CEMENT HEAD AND SCREW ON W.H. ND BOP .PICKUP D.COLLARS AND SCREW ON BIT AND TAG AT 745.66 RU POWER SWIVEL AND DRILL OUT TO 806.78 CIR WELL CWI SD .

06/01/2011 📅 **Wednesday**

Daily Operations

MI O.W.U. AND START DRILLING OUT REST OF CEMENT .FALL OUT OF CEMENT AT 838.28. RAN 2 MORE JTS CIR WELL AND PRESURE UP TO 360 PD FOR 30 MIN LOOK GOOD O.W.U. PICKUP REST TBGS GOT TO TOP OF R.B. PLUG WASH SAND OF R.B.P. POH AND LAY D.C. RIH WITH 150 JTS AND R.HEAD CWI SD .

06/02/2011 📅 **Thursday**

Daily Operations

MI O.W.U. PICKUP 6 MORE JTS WASH SAND OFF R .B.PLUG LATCH ON TO PLUG .GOT R.B.P. LOOSE POH WITH TBGS AND R.B.P. PICKUP 4.5. LOCK SET PACKER WITH ONOFFTOOL RBIH SET PACKER .GOT OFF PACKER CIR PACKER FLUID LATCH BACK ON PACKER .PRESURE UP TO 380 PD ON B.S. LOOK GOOD BLEED DOWN B.S. CWI SD .

05/23/2011  **Monday**


Daily Operations

Waiting to squeeze casing.

05/24/2011  **Tuesday**

Daily Operations

Waiting to squeeze casing.

05/20/2011  **Friday**


Daily Operations

Waiting to squeeze casing.

05/21/2011  **Saturday**

Daily Operations

Waiting to squeeze casing.

05/22/2011  **Sunday**

Daily Operations

Waiting to squeeze casing.

05/17/2011  **Tuesday**

Daily Operations

MI RUPU O.W.U. UNBOLT WELL HEAD .NDBOP GOT PACKER LOOSE TALLY TBGS OFH .DID NOT HAVE PACKER GOT OUT OFF HOLE WITH R.HEAD RBIH AND LATCH ON TO PACKER AND POH WITH TBGS AND PACKER CWI SD .

05/18/2011  **Wednesday**

Daily Operations

MI O.W.U. RU RB TBG TER PICKUP B.PLUG AND PACKER AND TEST ALL TBGS IN HOLE .FOUND 2 HOLE IN TBGS FIRST HOLE WAS 124 JTS DOWN AND SECOND HOLE WAS 115 JTS DOWN .RD TER SET R.B.P. AND PRESURE ON R.B.P . CAME UP HOLE LOOKING FOR HOLE IN CSG .FOUND BOTTOM OF HOLE AT 848 AND TOP OF HOLE AT 817 .PUT SAND ON TOP OF R.B.PLUG POH WITH PACKER START B.H.I. OPEN ENDING CWI SD .r.b.plug set at 4,921 sand on top .

05/19/2011  **Thursday**

Daily Operations

MI O.W.U. RIH WITH REST OFF TBGS .CAME OUT OF HOLE LAYING DOWN ALL TBGS .PULL OFF BOP CWI WITH 1JT AND 2FT SUB RDMO.drove rig to elizabeth windham 8 and sd .

Southwest Royalties
DAILY OPERATIONS REPORT

Ammons Madera # 1

Printed Jun 30, 2011 Page 1 of 3

Ammons Madera # 1

Lea Co., NM

Well ID: 101513-001

Zone: 1 Field: Salado Draw

REPAIR CASING LEAK

May 27, 2011 Friday (Day 1)
MI RIG RUPU AND SD.

Daily Cost: \$2,120

Cum. Cost: \$2,120

May 31, 2011 Tuesday (Day 2)

MI O.W.U. UNSCREW CEMENT HEAD AND SCREW ON W.H. ND BOP .PICKUP D.COLLARS AND SCREW ON BIT AND TAG AT 745.66 RU POWER SWIVEL AND DRILL OUT TO 806.78 CIR WELL CWI SD .

Daily Cost: \$8,034

Cum. Cost: \$10,154

Jun 1, 2011 Wednesday (Day 3)

MI O.W.U. AND START DRILLING OUT REST OF CEMENT .FALL OUT OF CEMENT AT 838.28. RAN 2 MORE JTS CIR WELL AND PRESURE UP TO 360 PD FOR 30 MIN LOOK GOOD O.W.U. PICKUP REST TBGS GOT TO TOP OF R.B. PLUG WASH SAND OF R.B.P. POH AND LAY D.C. RIH WITH 150 JTS AND R.HEAD CWI SD .

Daily Cost: \$8,260

Cum. Cost: \$18,414

Jun 2, 2011 Thursday (Day 4)

MI O.W.U. PICKUP 6 MORE JTS WASH SAND OFF R. B.PLUG LATCH ON TO PLUG .GOT R.B.P. LOOSE POH WITH TBGS AND R.B.P. PICKUP 4.5. LOCK SET PACKER WITH ONOFFTOOL R.B.H SET PACKER .GOT OFF PACKER CIR PACKER FLUID LATCH BACK ON PACKER .PRESURE UP TO 380 PD ON B.S. LOOK GOOD BLEED DOWN B.S. CWI SD .

Daily Cost: \$6,130

Cum. Cost: \$24,544

Jun 3, 2011 Friday (Day 5)

MI O. W.U. PRESURE UP ON B.S. DID NOT HOLD PRESURE PULL 14 POINT ON PACKER AND TRY AGAIN .DID NOT WORK GOT PACKER LOOSE NDBOP POH WITH WITH TBGS AND PACKER .PICKER UP R.B P AND PACKER AND RIH SET R.B P. GOT OFF RBP PULL 1 JT AND SET PACKER .PRESURE UP ON PACKER AND RBP WAS OK UNSET PACKER PULL UP TO 1000 FT FROM SF. SET PACKER TEST DOWN TBGS TO 600 PD WAS GOOD .FOUND LEAK 817 AND 848 .UNSET PACKER POH REST OF TBGS AND PACKER CWI SD .

Daily Cost: \$9,765

Cum. Cost: \$34,309

Jun 6, 2011 Monday (Day 6)

MI O.W.U. PULL OFF BOP AND WELL HEAD .RIG UP CHIEF AND PUMP ACI TO OPEN UP HOLE .PUMP 2 BBLS A MIN AT 600 PD .PUMP 100 SACK OFF CEMENT AND DISPLACE 11.5 BBLS .LEFT 500 PD ON WELL CWI SD .

Daily Cost: \$13,255

Cum. Cost: \$47,564

Jun 8, 2011 Wednesday (Day 7)

MI O.W.U. PULL OFF VALVE AND PUT WELL HEAD ON AND NDBOP .PICKUP D.C. AND RAN 15 JTS AND TAG CEMENT AT 652.20 CEMENT WAS GREEN COULD NOT DRILL OUT CWI SD .

Daily Cost: \$5,655

Cum. Cost: \$53,219

Southwest Royalties
DAILY OPERATIONS REPORT

Ammons Madera # 1

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Ammons Madera # 1

Lea Co., NM

Well ID: 101513-001

Zone: 1 Field: Salado Draw

Jun 9, 2011 Thursday (Day 8)

MI O.W.U. RU GRACO R.UNIT AND DRILL OUT CEMENT CIR WELL CLEAN .AND PRESSURE UP ON CSG TO 500 PD DID NOT HOLD PRESSURE .LEAK BACK TO 260 PD IN 5 MIN POH AND LAY DOWN D.C. WENT BACK IN HOLE WITH 866 FT OF TBGS OPEN ENDING .STANDBY FOR RISING STAR TO GET TO LOCATION .RISING STAR BROKER DOWN DID NOT GET TO LOCATION TO NEXT DAY .

Daily Cost: \$9,205

Cum. Cost: \$62,424

Jun 10, 2011 Friday (Day 9)

RU RISING STAR AND SPOT 8 BBLS DOWN TBGS AND CLASS .C. CEMENT PULL TBGS OUT OFF HOLE .HOOK UP RISING STAR ON CSG AND START PRESSURE AT 500 PD AND SQUEEZE 5 BBLS IN HOLE PLAY WITH PRESSURE UP AND DOWN ALL THE WAY TO 1000 PD CWI AND LEFT 1000 PD ON WELL AND SD .

Daily Cost: \$10,641

Cum. Cost: \$73,065

Jun 13, 2011 Monday (Day 10)

MI CHECK PRESSURE ON WELL 240 PD OPEN WELL UP .RAN 10 JTS IN HOLE AND LAY JTS DOWN .PICKUP D.COLLARS AND RIH AND TAG CEMENT AT 374.30 DRILL OUT CEMENT AND DROP OUT OFF CEMENT AT 908 CIR WELL CLEAN CWI SD .

Daily Cost: \$9,340

Cum. Cost: \$82,405

Jun 14, 2011 Tuesday (Day 11)

MI PRESSURE UP ON CSG TO 500 PD FOR 30 MIN LOOK GOOD .OPEN WELL UP POH WITH TBGS AND LAY DOWN D.COLLARS .RIH WITH R.HEAD AND WASH SAND OFF R.B.PLUG .COULD NOT LATCH ON PLUG BECAUSE PLASTIC COMING OF TBGS. POH WITH TBGS AND R.HEAD .RIH WITH SHORT CATCH LEFT 2 JTS OUT CWI SD .

Daily Cost: \$8,245

Cum. Cost: \$90,650

Jun 15, 2011 Wednesday (Day 12)

MI O.W.U. RAN 2 MORE JTS IN HOLE .TRY TO GET ON R.B.P. COULD NOT LATCH ON POH WITH TBGS AND R.HEAD .RBIH WITH SHOE AND WASH OVER FISHING NECK .COULD NOT CIR VERY GOOD BECAUSE PASTIC COMING OFF TBGS. POH WITH TBGS AND SHOE RBIH WITH R.HEAD DID NOT TAG R.B.P. RAN 2 MORE JTS IN HOLE DID NOT TAG CWI SD .

Daily Cost:

Cum. Cost: \$90,650

Jun 16, 2011 Thursday (Day 13)

MI O.W.U. PICKUP 4 MORE JTS AND LATCH ON TO R.B.P. POH WITH TBGS AND R.B. P. UNSREW R.B .P. AND RBIH WITH TBGS CAME OUT LAYING DOWN ALL TBGS .CWI SD .

Daily Cost: \$7,465

Cum. Cost: \$98,115

Jun 17, 2011 Friday (Day 14)

MI O. W. U. PICKUP LOCK,SET ,PACKER WITH ONOFFTOOL AND TALLY 157 JTS IN HOLE .PULL OFF BOP SET PACKER GOT OFF PACKER CIR P.FLUID LATCH BACK ON PACKER ,SET PACKER AT 4916'.PRESSURE UP ON BACK SIDE LOOK GOOD CWI SD .

Daily Cost: \$44,646

Cum. Cost: \$142,761

Southwest Royalties
DAILY OPERATIONS REPORT

Ammons Madera # 1

Printed Jun 30, 2011 Page 3 of 3

Ammons Madera # 1

Lea Co., NM

Well ID: 101513-001

Zone: 1 Field: Salado Draw

Jun 20, 2011 Monday (Day 15)

MI O.W.U. AND RAN SCHEDULED MECHANICAL INTEGRITY TEST ON WELL, TEST LOOK GOOD WELL HELD
PRESSURE GOOD AT 330-PSI .CLEAN AROUND WELL HEAD RDMO.

Daily Cost: \$3,260

Cum. Cost: \$146,021