

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 88240

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
May 27, 2004

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. <u>30-025-30046</u>
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator <u>C W Trainer</u>		6. State Oil & Gas Lease No. <u>V0 5784-</u>
3. Address of Operator <u>4001 Oil Reports & Gas Services, Inc.</u> <u>1008 W. Broadway, Hobbs, NM 88240</u>		7. Lease Name or Unit Agreement Name <u>Grama Ridge 8 State</u>
4. Well Location Unit Letter <u>H</u> : <u>1980</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>East</u> line Section <u>8</u> Township <u>22S</u> Range <u>34E</u> NMPM <u>Lea</u> County <u>NM</u>		8. Well Number <u>#</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>3595' KB</u> <u>-3567' GL</u>		9. OGRID Number <u>003474</u>
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat <u>Grama Ridge Morrow</u>
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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 COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☒
COMMENCE DRILLING OPNS. ☒ P AND A ☐
CASING/CEMENT JOB ☒

OTHER: Complete in Morrow ☒

OTHER: Drill plugs & Cleanout ☒

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.

Well drilled and plugged 1987 - 1988 by Enron Oil and Gas Company.

3/10/05 - C W Trainer rigged up Garner Well Service, removed dryhole marker and drilled to 5081' with 8 1/2" bit (7" stub). Drilled cement with 6 1/8" bit to 8540' - Set 7" 29# liner on 8' sleeve over stub and cemented liner. Top 7" liner at 4435'. Drilled plugs and retainer to top of 4 1/2" liner at 11,217'. High pressure kick - 1100 psi, SITP, 100 psi SICP. Blew down over nite. Loaded with 10# brine. Making trip to pick up 3 3/4" bit and hunt old TD at 13,570'±. Today's report enclosed shows intended procedure. Prior reports delivered to State Land Office 4/19/05 by Donnie Michael to get state lease reinstated.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE C W Trainer TITLE Owner DATE 4/22/05

Type or print name C W Trainer E-mail address: trainer@t3wireless.com Telephone No. 505/393-2727

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE APR 28 2005

Conditions of Approval (if any):

C W TRAINER

P. O. Box 754 - Midland, Texas 79702

Ph: 432\687-2505 - Fax: 432\687-2625

GRAMA RIDGE #1

N2 Sec 8 - T22S - R34E

Lea County, New Mexico

APRIL 2005

- 4/1/05 Evert Gutierrez at Location. Picked up 8 1/4" Mill 8' long and ran on bottom of 1776' 29# 7" casing as liner. Swedged back to 2 7/8" 8.6# tubing to mill for patch at 6211' KB. Hope to wash over stub, back off 7" liner at 4435' KB. Then fish 2 3/8" work string and pull 6 1/8" bit. Cement Job tentatively set for Saturday noon. Going smooth but slowly.
- 4/4/05 BJ cemented liner with no problems. Prep to drill out cement and pressure test patch tomorrow. Then drill remaining cement plugs and test Morrow. Job cost is only \$100,000 more than AFE to this point.
- 4/5/05 Ran 6 1/8" bit to 4600' and set down in 7" liner - 29# pipe may be too tight for 6 1/8" bit. Shut down for high winds. Prep to run temperature survey to check cement job and be sure liner is open. If temp bomb goes to about 6200', bottom of liner, plan to run smaller bit to drill cement when high wind lets up.
- 4/8/05 Ran 5 5/8" bit - Drilled on retainer bit wore out with 3" of retainer undrilled. Ran new bit. Drilling on bottom of retainer and looking to see how much cement is in 7" below retainer. Hoping we got tight place at 6350' cemented off too. May know soon.
- 4/12/05 6 1/8" Bit set down 150' in 7" liner - 29# Pipe is not big enough. Ran 5 3/4" bit into liner. Drilled on retainer for 2 days with rig break downs. Rig Operator took 2 day vacation Sunday and Monday. Back to work this Tuesday am. Finished drilling retainer and 60' cement down to 6211', top of old fish. Unable to get bit back in 7" stub. Prep to run flat bottom mill and dress up stub. -- Hope to better equipment tomorrow. We should not have serious trouble at this splice because we had the guide string in the 7" stub about 8570' to install the sleeve.
- 4/15/05 Rigged up Davis Tool with bigger power swivel - still short handed. Finally got small bit in 7" - drilled pilot hole - Reamed and drilled with 6 1/8" bit. Fell through and drilling at 8500' at 4:00 pm Friday. Splice looks OK. I am on my way to "Inn of Mountain Gods" for weekend.

Cont'd - Grama Ridge #1 Report - April 2005

4/21/05 Drilled, reamed and Pressure tested 9 5/8" & 7" casing to 8520' - 2200 psi. Drilled cement plug to 11,085' including retainer - Quite a bit of gas in our face below 10,800'. Several rig breakdowns. Lost hole to 10,600' - ran 5 5/8" bit. Found parts of retainer about 10,730'. Took kick Wednesday - SITP 1100 psi - SICP 100 psi. Bled off overnight about 240 barrels load water (Well capacity is 600 barrels). Pressure Thurs am - 100 psi SICP - 20 psi FTP. Prep to load hole with 10# brine and try to drill with 5 3/4" bit to top of 4 1/2" liner at 11,217' before running small bit to drill out liner. Gas may be coming from leaking liner hanger, 11,217', old perms 11,614' - 11,630' or 12,848' - 890' - or all 3. Tanks are set - should be hooked up today.

4/22/05 10# brine is holding gas kick. Drilled to top of liner at 11,217'±. Pulling 5 3/4" bit. Prep to lay down 2 7/8" work string and pick up 2 3/8" production tubing with 3 3/4" bit to clean out liner to 13,500'.

PROCEDURE:

Plan to back off bottom hole assembly and leave little bit and drill collar on bottom, then hang production tubing about 11,000' and move rig off. Plan to rig up air compressors when available and displace 600 barrels water with air. Move out compressors. Will perforate Morrow Sands, under balanced, through tubing, and hope we have enough gas to sell. Should be ready to frac without rig. Tank battery is almost completed.

NOTE #1 Reports will not be sent out for the week of April 25 thru 29. Secretary - Doris is gone on vacation.

NOTE #2 AFE and Cash call for \$500,000 is enclosed.