

Submit 1 Copy 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

Form C-103
October 13, 2009

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-21497
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Eunice Gas Plant SWD
8. Well Number #1
9. OGRID Number 24650
10. Pool name or Wildcat SWD: San Andres

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)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Acid Gas Injection <input checked="" type="checkbox"/>	
2. Name of Operator Targa Midstream Services, LP	
3. Address of Operator 1000 Louisiana, Suite 4300, Houston, TX 77002-5036	
4. Well Location Unit Letter <u>L</u> : <u>2580</u> feet from the <u>South</u> line and <u>1200</u> feet from the <u>West</u> line Section <u>27</u> Township <u>22S</u> Range <u>37E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc)	

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 ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

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

OTHER ☒ Conduct MIT tests

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Based on analysis of operational data, a significant observed pressure drop when a small amount of packer fluid was bled from the annular space on 7/9/12 and the pressure drop observed when water is combined with acid gas, it appears that the erratic annular space pressures observed are due to temperature effects of combined injection fluid instead of any leak or communication between the injection tubing and the annular space. However, Targa and OCD-Hobbs have determined that a MIT should be conducted to confirm that no communication exists between the well tubing and the annular space in the well (the annular space being inside the 5 5/8" casing). The MIT will be conducted in two parts to control for the temperature effects on the annular space pressure due to variation in water and acid gas injection rates. The first part of the MIT will be conducted around 1pm on Monday July 30, 2012 after steady injection of acid gas and water (25-30gpm) which represents normal operating condition. Part two of the test will be conducted while injecting acid gas only for a period of at least 12 hours prior to the test which will be conducted Tuesday July 31, 2012. Test Procedure will be as follows for both tests.

Part One-(Start at 1pm 7/30/2012 after steady acid gas and water injection since at least 1am on 7/30/12)

1. Record starting annular space pressure in 5 1/2" casing and tubing injection pressure
2. Bleed off annular fluid as needed to reduce observed annular space pressure to 0 psig.
3. Slowly raise annular pressure by introducing inhibited packer fluid to annulus to 500 psig.
4. Place chart on annular space and record annular space pressure for one half hour.
5. Record average tubing injection pressure during charting.
6. Bleed off annular fluid as needed to reduce observed pressure to 0 psig.

Part Two (Start at 8am 7/31/2012 after steady injection of acid gas only from at least 8pm on 7/30/12)

1. Record starting annular space pressure in 5 1/2" casing and tubing injection pressure
2. Bleed off annular fluid as needed to reduce observed annular space pressure to 0 psig.
3. Slowly raise annular pressure by introducing inhibited packer fluid to annulus to 500 psig
4. Place chart on annular space and record annular space pressure for one half hour.
5. Record average tubing injection pressure during charting.
6. Bleed off annular fluid as needed to reduce observed pressure to 0 psig.

Geolex, Inc. and Pate Trucking/Hobbs will be conducting the test. We will meet at the Targa gas processing plant in Eunice at 12:30 pm Monday 7/30/2012 and will hold a tailgate safety meeting upon arrival at the well location. A wellbore diagram is attached. Please advise concurrence with procedure.

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

SIGNATURE

TITLE: Consultant to Targa Midstream Services

DATE: 07/25/2012

Type or print name

Alberto A. Gutierrez

E-mail address: aag@geolex.com

PHONE: 505-842-8000

For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

JUL 26 2012

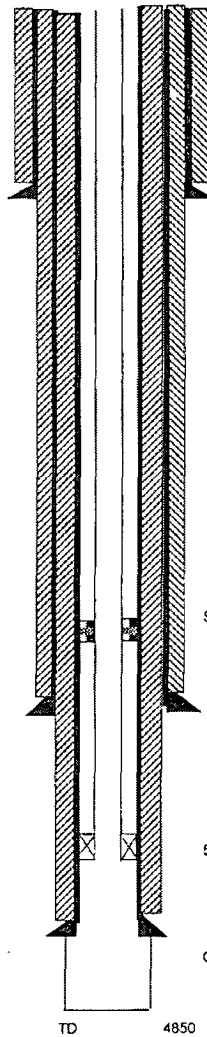
	Location:
Footage:	2500 FSL & 1200 FWL
Section	27
Survey	T22S R37E
County	Lea
Elevations:	
GR	3345
TD:	4550
PBTD	

[illegible]

Tubing Detail (top to bottom)	
Joints	Description
1	X-over
1	2 7/8" 6 5# J-55 EUE Duoline sub
8	11s 2 7/8" 6 5# J-55 EUE Duoline
1	X-over
1	Halliburton SSSV @ 277"
1	X-over
124	11s 2 7/8" 6.5# J-55 EUE Duoline
	Halliburton seal assembly stung in Halliburton pkc @ 4190'
1	2 7/8" 6 5# J-55 EUE Duoline sub
1	X nipple (1.875 ID)
1	2 7/8" 6 5# J-55 EUE Duoline sub, EOT @ 4219'

Hole Size:	15
Surf csg	10 3/4
Set @	300
Cement w/	300 sxs
Circ:	Surface

Hole Size:	8 3/4
Inter. csg	7" 20#
Set @	4010
Cement w/	1750 sxs
Circ:	Surface



Hole Size:	6 1/4
Prod. Csg	5 1/2" 17# J-55
Set @	4258
Cement w/	310
Circ:	1059" by CBL
Stage tool @	3902'

OH from 4258-4850