

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

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

WELL API NO. <b>30-025-25146</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. <b>S B-936</b>
7. Lease Name or Unit Agreement Name <b>NORTH VACUUM ABO</b> <b>NORTH UNIT '12A'</b>
8. Well Number <b>1</b>
9. OGRID Number <b>20054</b>
10. Pool name or Wildcat <b>NORTH VACUUM ABO</b>

**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 ☐ Gas Well ☒ Other **WATER INJECTION**

2. Name of Operator  
**SAGE ENERGY COMPANY**

3. Address of Operator  
**P.O. Box 3068, Midland, TX, 79702**

4. Well Location  
Unit Letter **P** **460** feet from the **SOUTH** line and **660** feet from the **EAST** line  
Section **36** Township **16-S** Range **34-E** NMPM County **LEA**

11. Elevation (Show whether DR, RKB, RT, GR etc.)  
**4,037'**

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

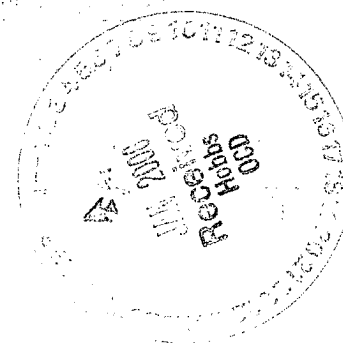
Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

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

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input 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"/> OTHER: <b>SLIM HOLE COMPLETION</b> <input type="checkbox"/>		<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

**PLEASE SEE ATTACHMENT.**



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 NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE **George M. Harris Jr.** TITLE **DIST. ENG.** DATE **1/26/04**

Type or print name **GEORGE M. HARRIS JR** E-mail address: **gharris@sagemid.com** telephone No. **432 683-5271**  
For State Use Only **OC FIELD REPRESENTATIVE II/STAFF MANAGER**

APPROVED BY: **Gary W. Wink** TITLE \_\_\_\_\_ DATE **FEB 01 2006**

**Sage Energy Company  
Attachment To C-103  
NVANU 12A#1**

**Item #13:**

This well was drilled and completed with 4-1/2" casing in 1975. In 2000 a casing leak was located between 4920'-53' and successfully squeezed with 150 sacks of cement. In January, 2005 a leak was suspected between 5522'-57' however we were unable to pump into it. We came back to this well in September and shot squeeze holes at 5570' and were able to circulate through the squeeze holes and around to the casing tubing annulus. Further packer testing revealed bad pipe up the hole to about 5250'. We rigged back up on this well and squeezed it in December from 5200' down to 5584' with 150 sacks and obtained a good squeeze. Upon drilling the squeeze out, the well continued to leak off between 5422' to 5570'. Based on our past experience in this field we do not believe we can successfully squeeze this wellbore.

At this point, Sage would like to cement 2-7/8" tubing in the hole in order to convert this well to water injection service (previously approved under Administrative Order WFX-810, January 20, 2005). The injection interval is 8847' to 8898'. We would like to set a packer at 8775' on 2-7/8" tubing. The mandrel on this packer would be filled with cement so that once set, circulation would be established above the packer to the tubing/casing annulus. We would then pump approximately 125 sacks of 'Lite' cement followed by 150 sacks of Class 'C' cement. These volumes would place the Class 'C' cement top at about 4400' with the 'Lite' cement all the way to surface. The cement filled mandrel would then be drilled out and the well put into water injection service.

*Jan 26, 2006  
George M. Harris Jr.  
SAGE ENERGY Co.*