

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  
May 27, 2004

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

WELL API NO. 30-025-37560
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB756
7. Lease Name or Unit Agreement Name Osudo South 20 State Com
8. Well Number #1
9. OGRID Number 14744
10. Pool name or Wildcat Osudo Morrow 82120
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3649' GL
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
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 ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

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

05/04/06...MI & spud 17 1/2" hole. TD'd hole @ 945'. Ran 945' 13 3/8" 48# H40 ST&C csg. Cemented with 400 sks BJ Lite Class C (35:65:6) with additives. Mixed @ 12.5 #/g w/ 1.97 yd. Tail with 400 sks Class C with 2% CaCl2. Mixed @ 14.8 #/g w/ 1.34 yd. Circ 94 sks to pit. WOC 18 hrs. At 4:30 am on 05/06/06, tested 13 3/8" casing to 1250# for 30 minutes, held OK. Drilled out with 12 1/4" bit.

05/22/06...TD'ed 12 1/4" hole @ 5634'. Ran 5634' 9 5/8" 40# K55/N80 LT&C Csg. Cemented with 1<sup>st</sup> stage w/450 sks BJ Lite C with additives. Mixed @ 12.5 #/g w/ 1.96 yd. Tail with 400 sks Class C neat. Mixed @ 14.8 #/g w/ 1.33 yd. Drop bomb and open DV tool. Circ 126 sks to pit. Cmt 2<sup>nd</sup> stage w/1350 sks BJ Lite Class C (35:65:6) with additives. Mixed @ 12.5 #/g w/ 1.96 yd. Tail with 200 sks Class C with 2% CaCl2. Mixed @ 14.8 #/g w/ 1.34 yd. Circ 78 sks to pit. Closed DV tool w/3000#. WOC 18 hrs. Tested BOPE to 5000# and annular to 2500#. Tested csg shoe to 12.0# EMW. At 2:00 am 05/23/06, tested 9 5/8" csg to 1500# for 30 mins, held OK. Charts and schematic attached. Drilled out with 8 3/4" bit.

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 Kristi Green TITLE Hobbs Regulatory DATE 06/01/06

Type or print name Kristi Green

E-mail address:

Telephone No. 505-393-5905

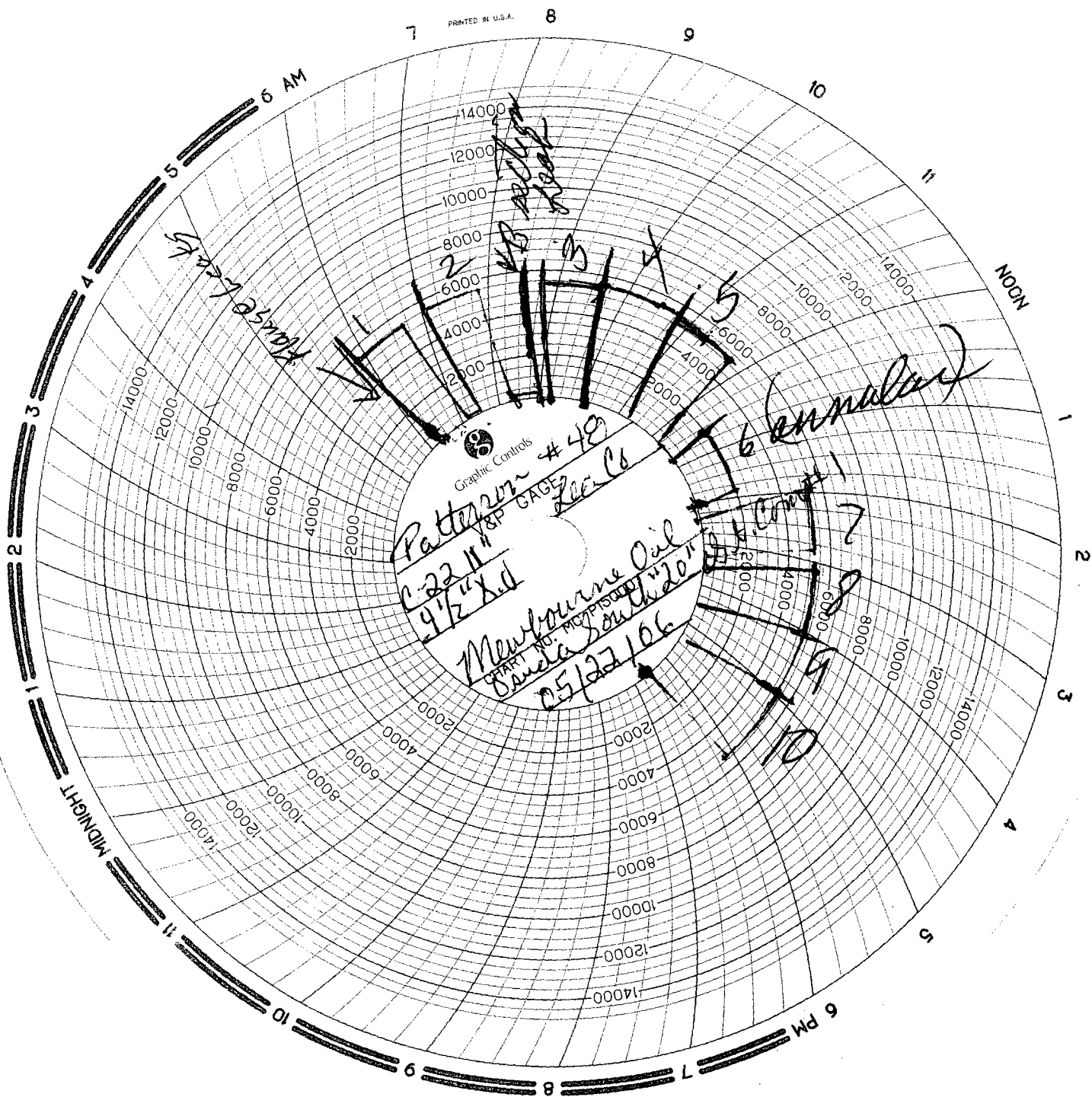
For State Use Only

APPROVED BY: [Signature] TITLE \_\_\_\_\_  
Conditions of Approval (if any):

PETROLEUM ENGINEER

JUN 1 2006  
JUN 1 2 2006

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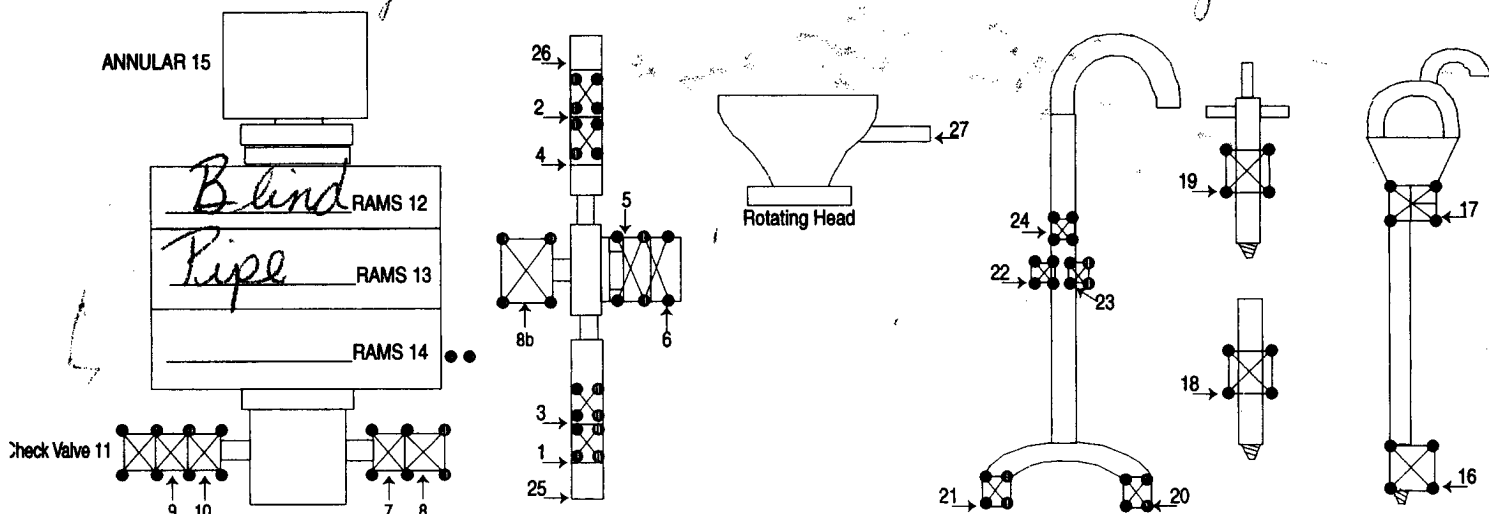
# MAN WELDING SERVICES, INC.

P.O. Box 1541 • Lovington, N.M. 88260  
BUS: 505 396-4540 • FAX: 505 396-0044



INVOICE  
# B 5044

Company Newbore Oil Co Date 05/22/06 Start Time 12:30 ☒ am ☐ pm  
Lease Osado South 20" State Corn #1 County Lea State N.M.  
Company Man Steve Cochran  
Wellhead Vender \_\_\_\_\_ Tester Robert W. Williams  
Drig. Contractor Patterson U.T.I. Rig # 48  
Tool Pusher George Berryman  
Plug Type 1-22 Plug Size 11" Drill Pipe Size 4 1/2" X.O.  
Casing Valve Opened yes Check Valve Open yes



TEST #	ITEMS TESTED	TEST LENGTH	LOW PSI	HIGH PSI	REMARKS
1.	12, 25, 26, 6, & 11	10 min	X	5000	As per Co. Man, Steve
2.	12, 1, 2, 5 & 9	"	X	5000	Cochran; Test B.O.P.
3.	12, 3, 4, 5, & 10	"	X	5000	Choke Manifold, Kelly
4.	13, 8 & 10	"	X	5000	Cocks, F.I.W. & Part
5.	13, 7, & 10	"	X	5000	Valves
6.	15, 7, & 10 (annular)	"	X	2000	
7.	18	"	X	5000	Make Inside Choke = held
8.	16	"	X	5000	side flanges tightened
9.	17	"	X	5000	= held to position
10.	19	"	X	5000	flange tightened & held
					Pipe Rams Cycled & held

*Harry Little*

8 HR @ \$1000.00  
8 HR @ \$100.00/hr = \$800.00  
Mileage 103 mi @ \$10.00/mi = \$1030.00

SUB TOTAL 1903.00  
TAX 102.29  
TOTAL 2005.29

# MAN WELDING SERVICES, INC

Company Newbourn Date 05/22/06  
Lease Ozudo South 20" Lt. Cor #1 County Lea  
Drilling Contractor Patterson 48 Plug & Drill Pipe Size 11" 4 1/2" X .0

## Accumulator Function Test - OO&GO#2

### To Check - USABLE FLUID IN THE NITROGEN BOTTLES (III.A.2.c.i. or ii or iii)

- Make sure all rams and annular are open and if applicable HCR is closed.
- Ensure accumulator is pumped up to working pressure! (Shut off all pumps)
- 1. Open HCR Valve. (If applicable)
- 2. Close annular.
- 3. Close all pipe rams.
- 4. Open one set of the pipe rams to simulate closing the blind ram.
- 5. For 3 ram stacks, open the annular to achieve the 50+ % safety factor. (5M and greater systems).
- 6. Record remaining pressure 1300 psi. Test Fails if pressure is lower than required.
- a. {950 psi for a 1500 psi system} b. {1200 psi for a 2000 & 3000 psi system }
- 7. If annular is closed, open it at this time and close HCR.

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### To Check - PRECHARGE ON BOTTLES OR SPHERICAL (III.A.2.d.)

- Start with manifold pressure at, or above, maximum acceptable pre-charge pressure:
  - a. {800 psi for a 1500 psi system} b. {1100 psi for 2000 and 3000 psi system}
- 1. Open bleed line to the tank, slowly. (gauge needle will drop at the lowest bottle pressure)
- 2. Close bleed line. Barely bump electric pump and see what pressure the needle jumps up to.
- 3. Record pressure drop 1100 psi. Test fails if pressure drops below minimum.
- Minimum: a. {700 psi for a 1500 psi system} b. {900 psi for a 2000 & 3000 psi system}

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### To Check - THE CAPACITY OF THE ACCUMULATOR PUMPS (III.A.2.f.)

- Isolate the accumulator bottles or spherical from the pumps & manifold.
- Open the bleed off valve to the tank, {manifold psi should go to 0 psi} close bleed valve.
- 1. Open the HCR valve, {if applicable}
- 2. Close annular
- 3. With pumps only, time how long it takes to regain the required manifold pressure.
- 4. Record elapsed time 1 min 45 sec. Test fails if it takes over 2 minutes.
- a. {950 psi for a 1500 psi system} b. {1200 psi for a 2000 & 3000 psi system}