

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. 30-025-24692
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. NM 05812
7. Lease Name or Unit Agreement Name FLYING 'M' SAN ANDRES UNIT
8. Well Number 24 #1
9. OGRID Number 21355
10. Pool name or Wildcat FLYING 'M' 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 ☐ Gas Well ☒ Other *inj*

2. Name of Operator
SOUTHWEST ROYALTIES, INC.

3. Address of Operator
6 DESTA DRIVE, STE 2100, MIDLAND, TEXAS 79705

4. Well Location
Unit Letter _____ K : 1980 feet from the S line and 1980 feet from the W line
Section 29 Township 9S Range 33E NMPM LEA County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4342. GR

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

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: CONVERSION ☒

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.

SOUTHWEST ROYALTIES HAS CONVERTED THE FLYING M 24 #1 WELL TO AN INJECTION UNDER ADMINISTRATIVE ORDER #WFX-816 UNDER THE PROVISIONS OF DIVISION ORDER #R-6171 EXPANDING THE FLYING 'M' SAN ANDRES POOL WATERFLOOD IN LEA COUNTY, NM. PLEASE FIND A COMPLETE SUMMARY OF REPORTS ATTACHED AND A MECHANICAL INTEGRITY TEST CHART.
THE WELL IS CURRENTLY INJECTING.

12/15/06

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 *Dawn M. Howard* TITLE _____ OPERATIONS ASST. _____ DATE 12/28/06

Type or print name DAWN M. HOWARD E-mail address: DHOWARD@CLAYTONWILLIAMS.COM Telephone No. 432/688-3267

For State Use Only

APPROVED BY: *Greg W. Wink* TITLE _____ DATE _____

Conditions of Approval (if any):

OCD FIELD REPRESENTATIVE II/STAFF MANAGER

JAN 04 2007

Operator:	Southwest Royalties, Inc.	Phone: 432-686-9927 Fax 432-688-3250
Well:	Flying M SAU #24-1	AFE: 50875
Location:	Sec 29	Lse: 101865-024
	Lea County, NM	Field: Flying M
SWR WI	88.683883%	Site Supervision: Terry Mabrey

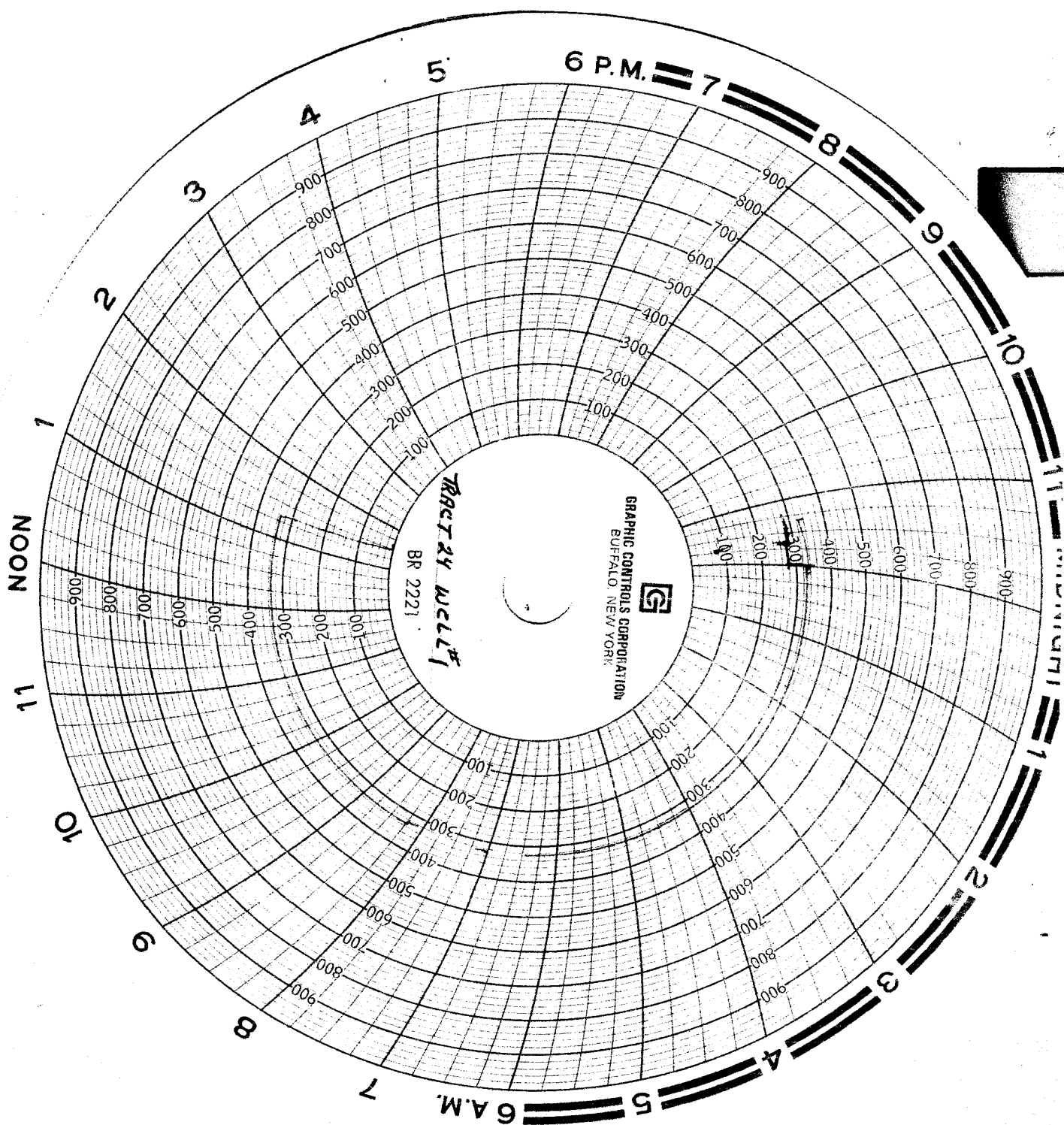
11-20-06	RU; LD pkr & head; TOH 3-3/4 subs @ 175-3/4 rods & pmp; LD; wrk on 7" cap on WH, got cap loose; SD; PU 7" flange for WH; EDWC \$5140; ETWC \$5140.
11-27-06	OW; NDWH; NU BOP, unset anchor; TOH @ 4' sub 137 jts J-55 2-3/8, 4' perf sub 10' MJ; LD; PU @ 3-7/8 bit, 4-1/2 scraper & 1' sub; TIH w/143 jts tbg, tg btm @ 4445.41', TOH 1 jt, LD, landed btm tbg @ 4422.61'; EDWC \$6170; ETWC \$11,310.
11-28-06	Current Activity: spot R-Solv; from 5:30 a.m. to 2:00 p.m.; 8-1/2 hrs; bled well; pmp 110 gal R-Sol chemical across perfs w/18 Bbls 2% KCL @ 4342' - 4412' to de-oil foam; EDWC \$4575; ETWC \$15,893.
11-29-05	Current Activity: spot csg; from 5:30 a.m. to 2:30 p.m.; 9 hrs; OWU; spot @ 110 calc carb scale cond across perfs w/18 Bbls flush 2% KCL @ 4342' - 4412'; EDWC \$4902; ETWC \$20,795.
11-30-05	SD, bad weather.
12-01-06	Current Activity: circ well; OW, NUWH to circ pmp, pmp 131 Bbls of 2% Kcl dwn tbg, circ well in vac trk, got 20 Bbls back, mostly gas; TOH @ 142 jts 2-3/8, stand back; LD bit & scraper; EDWC \$4867; ETWC \$25,663.
12-05-06	OW; RD floor on unit; ND BOP; breakout 4-1/2x7" Hinderlite WH, flange up @ 4-1/2x8-5/8 Larkin WH; NU BOP; RU floor; TIH pk SN 136 jts - J55 tbg; set pk @ 4236', 12 pts; EDWC \$6557; ETWC \$32,220.
12-06-06	OW; RU Cudd acid trk; load annulus, pmp 30 Bbls 2% Kcl, 3.2 BPM on vac, did not load - poss hole in csg; RU on tbg, strt out w/2% to get rate, 3.3 BPM, no press; strt acid 4 BPM no press; pmp 2000 gals 20% NEFE Hcl stgd w/rock salt; max press @ 2205#, avg @ 1375#, ttl pmp 336.9, ISIP 925#, 5 min 275#, 10 min vac; TOH w/tbg & pk; EDWC \$24,886; ETWC \$57,106.
12-07-06	OW; 0 press; RU 4-1/2 lockset plug w/model R pkr w/on&off tool; TIH w/plug & pk @ 136 jts 2-3/8 J-55 tbg, set plug @ 4237', tried to get off plug, pk did not rel; TOH w/tbg & mandol on model R pkr; PU 2.398 grapple & sub w/186 jts tbg; TIH lckd on pkr, pk relsd started OH, pk drngng; SD next AM; EDWC \$7170; ETWC \$64,276.
12-08-06	TOH w/tbg & body on pkr; PU spear grapple @ 1.992; TIH spear & tbg, set tbg wt on plug, tork spear, spear slips off; TOH w/tbg & spear; PU smaller not on spear; TIH tork up spear, spear slips off; fishing for 1.875 profile nipple, PN maybe 1.500, nut won't let spear grapple get deep enough; EDWC \$6630; ETWC \$70,906.

Operator:	Southwest Royalties, Inc.	Phone: 432-686-9927 Fax 432-688-3250
Well:	Flying M SAU #24-1	AFE: 50875
Location:	Sec 29	Lse: 101865-024
	Lea County, NM	Field: Flying M
SWR WI	88.683883%	Site Supervision: Terry Mabrey

12-11-06 OW, 50# press; PU spear w/nut 1.145 grapple 1.992; TIH w/spear & tbg, set dwn on plug tork spear; PU to net wt, spear slips off; TOH w/tbg & spear; PU taper spear; TIH w/spear & tbg; wedge spear in sub & profile nipple; PU tbg 8 over weight, turn plug to right, plug rel; TOH; SD; EDWC \$7130; ETWC \$78,036.

12-12-06 OW, PU 4-1/2 pkr & 4-1/2 plug 136 jts, set plug @ 4243.16; LD 1 jt, set pkr @ 4206.89; loaded tbg tst plug 400#; pull 72 jts, set pkr 2004', press 400#; lkd off, loaded backside, test 400#; TIH 16 jts, set pkr @ 2500', tst 400#; TOH 8 jts to 2250', tst 400#; pull 6 jts to 2066', tst 400#; pull 1 jt to 2035', tst 400#; pull 1 jt to 2004', tst 400#; loaded backside tst 400#; TIH tbg, ltch on plug; TOH LD tbg; LD tbg, LD 53 jts; SD next am; EDWC \$7485; ETWC \$85,521.

12-13-06 TOH w/tbg, plug & pkr; PU Aeroset pkr, 4-1/2x2-3/8, 8.10 w/1.87 pro file nipple @ 137 jts J-55 2-3/8 IPC @ 4246', landed @ 4254'; displace csg w/55 Bbls pkr fl, set pkr 12 pts; load csg w/pkr fluid; tst 400#; RD; EDWC \$8152; ETWC \$93,673.



FLYING m UNIT
TRACT 24 WELL #1
UNIT-K
1980' FSL 1980' FWL
Sec 29, T9S, R33E
Lea N.M.
12-15-06
LA Maloney