

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

Form C-103
May 27, 2004

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

RECEIVED

| | | |
|--|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) | | WELL API NO. 30-025-38822 ✓ |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other (CLASS II INJECTION) | | 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> PRIV |
| 2. Name of Operator SOUTHERN UNION GAS SERVICES, LTD ✓ | | 6. State Oil & Gas Lease No. |
| 3. Address of Operator 301 COMMERCE SUITE 700, FT WORTH, TX 76102 | | 7. Lease Name or Unit Agreement Name JAL 3 AGI ✓ |
| 4. Well Location Unit Letter <u>E</u> : <u>1550</u> feet from the <u>N</u> line and <u>1000</u> feet from the <u>W</u> line Section <u>33</u> Township <u>24S</u> Range <u>37E</u> NMPM LEA County | | 8. Well Number 001 ✓ |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3268 GR | | 9. OGRID Number 241472 ✓ |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> | | |
| Pit type <u>CLOSED LOOP</u> Depth to Groundwater <u>90 FT</u> 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.

On 6/27/08 the 9 5/8" 40 ppf J55, STC was cemented in place at 1247 ft RKB by Halliburton Services. (See attached Cement Job Report) 350 sx (118 bbls) Lead HLC w/ 3% salt, 2#/sk Phenoseal, at 12.8 ppg w/ yld of 1.9, and 200 sx (48 bbls) Tail Halcem w/ 2% CaCL2 at 14.8 ppg w/ yld of 1.35. Displaced w/ 91 bbls fresh water and bumped plug with 400 psi. Pressure to 800 psi. Plug held ok. Full returns throughout. Circulated 75 sx to bin.

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JUL 1 1 5000
HOBBBS OCD

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

Russell E. Bentley

TITLE

Petroleum Engineer
Cons. for Southern Union Gas

DATE

7/7/08

Type or print name

E-mail address:

Telephone No.

For State Use Only

OC DISTRICT SUPERVISOR/GENERAL MANAGER

APPROVED BY:

Chris Williams

TITLE

DATE

JUL 15 2008

Conditions of Approval (if any):

RECEIVED

HALLIBURTON

11 1 2008
HOBBS OCD

Cementing Job Log

The Road to Excellence Starts with Safety

| | | | | | | | |
|--|--|--------------------|----------------------------------|---|------------|------------------------|--|
| Sold To #: 300496 | | Ship To #: 2656198 | | Quote #: | | Sales Order #: 5929783 | |
| Customer: APACHE CORP | | | | Customer Rep: Johnson, Wayne | | | |
| Well Name: SUG AGIW | | | Well #: 1 | | API/UWI #: | | |
| Field: | | City (SAP): EUNICE | | County/Parish: Lea | | State: New Mexico | |
| Legal Description: Section 33 Township 21S Range 37E | | | | | | | |
| Lat: N 0 deg. OR N 0 deg. 0 min. 0 secs. | | | | Long: E 0 deg. OR E 0 deg. 0 min. 0 secs. | | | |
| Contractor: CAPSTAR | | | Rig/Platform Name/Num: Capstar | | | | |
| Job Purpose: Cement Surface Casing | | | | | | Ticket Amount: | |
| Well Type: Development Well | | | Job Type: Cement Surface Casing | | | | |
| Sales Person: MOCKSFIELD, RICHARD | | | Srvc Supervisor: ROBLES, ANTONIO | | | MBU ID Emp #: 104101 | |

| Activity Description | Date/Time | Cht # | Rate bbl/min | Volume bbl | | Pressure psig | | Comments |
|--|------------------|-------|--------------|------------|-------|---------------|--------|---|
| | | | | Stage | Total | Tubing | Casing | |
| Call Out | 06/26/2008 19:30 | | | | | | | |
| Crew Leave Yard | 06/26/2008 21:00 | | | | | | | |
| Arrive at Location from Service Center | 06/26/2008 22:00 | | | | | | | |
| Assessment Of Location Safety Meeting | 06/26/2008 22:10 | | | | | | | |
| Pre-Rig Up Safety Meeting | 06/26/2008 22:20 | | | | | | | |
| Rig-Up Equipment | 06/26/2008 22:30 | | | | | | | |
| Rig-Up Completed | 06/26/2008 23:30 | | | | | | | RIG HAVING PROBLEMS |
| Pre-Job Safety Meeting | 06/27/2008 18:30 | | | | | | | |
| Start Job | 06/27/2008 18:43 | | | | | | | |
| Test Lines | 06/27/2008 18:44 | | 3 | | 3 | | 2500.0 | tested lines to 2500psi |
| Pump Spacer 1 | 06/27/2008 18:46 | | 4 | | 20 | | 40.0 | pumped 20 bbls water |
| Pump Lead Cement | 06/27/2008 18:53 | | 8 | | 118 | | 215.0 | 350SKS ECONOCHEM @ 12.8 PPG YIELD 1.9 FT3/SKS 10.19 G/SKS |
| Pump Tail Cement | 06/27/2008 19:08 | | 8 | | 48 | | 220.0 | 200sks halcem @14.8 ppg yield 1.35 ft3/sk 6.39 g/sk |
| Drop Top Plug | 06/27/2008 19:16 | | | | | | | |
| Pump Displacement | 06/27/2008 19:18 | | 6 | | 91.5 | | 402.0 | pumped 91.5 bbls water |
| Bump Plug | 06/27/2008 19:33 | | 3 | | 0 | | 800.0 | H2O |

Sold To #: 300496

Ship To #: 2656198

Quote #:

Sales Order #:

5929783

SUMMIT Version: 7.20.130

Friday, June 27, 2008 08:57:00