

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
June 19, 2008

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

| | | |
|--|--|---|
| 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) | | WELL API NO. 30-025-22797 |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other SWD | | 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 2. Name of Operator Rice Operating, Co. | | 6. State Oil & Gas Lease No. |
| 3. Address of Operator 122 W. Taylor, Hobbs NM 88240 | | 7. Lease Name or Unit Agreement Name BLINEBAY/OA INILARD |
| 4. Well Location Unit Letter H : 1872 feet from the N line and 233 feet from the E line Section 35 Township 22S Range 37E NMPM LEA County | | 8. Well Number H-35 |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3293 G.L. | | 9. OGRID Number 19174 |
| | | 10. Pool name or Wildcat SWD SAN ANDRES |

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 ☐

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.

See Attached Sheet.

RECEIVED

JUL 09 2008

HOBBS OCD

Spud Date:

Rig Release Date:

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

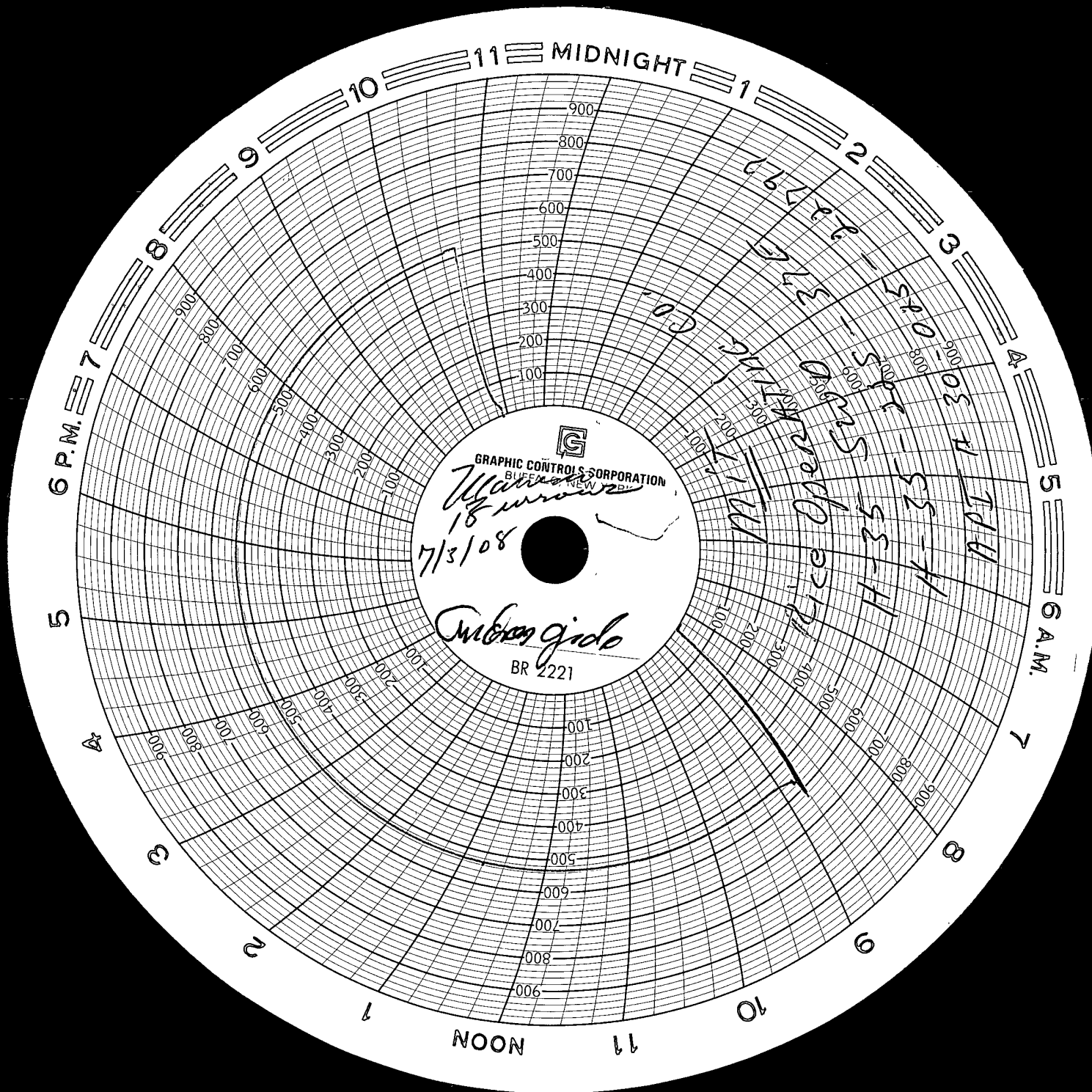
SIGNATURE Marvin Burnows TITLE Eng. MGR. DATE 7/2/08

Type or print name MARVIN BURNOWS E-mail address: MBURNOWS@riceSWD.com PHONE: 505-393-9174

For State Use Only

APPROVED BY: Chris Williams TITLE OCD DISTRICT SUPERVISOR/GENERAL MANAGER DATE JUL 15 2008

Conditions of Approval (if any):



Rice Operating Company

H-35 Salt Water Disposal Well

June 30, 2008 – July 3, 2008

It was discovered that casing / tubing annulus had put several gallons of water to the surge tank, indicating a leak. Pressure testing was performed by applying pressure to tubing while monitoring casing/tubing annulus pressure, then by applying pressure to casing while monitoring tubing pressure. It was determined that there was communication. Rigged up workover rig. RU wireline, ran blanking plug to profile nipple on packer, and set. Installed BOP. Released on/off tool from packer, pulled out with tubing and on/off tool. Found 4 pitted joints of tubing, and also found seals washed out inside on/off tool. Picked up work string and fresh packer. Ran in hole with packer and set above injection packer still set in hole. Loaded tubing and pressured to 550 PSIG. Got 100% test w/ no leak off. Loaded tubing/casing annulus and pressured to 550 PSIG w/ no leak off. POH laying down work string and test packer. Ran in hole with repaired injection string, and fresh on/off tool. Latched onto packer with on/off tool. Took off BOP, flanged up well head. Loaded tubing to 550 PSIG w/ no leak off. Fished blanking plug. Performed MIT per OCD rules (w/ pressure chart). Good test. Put well back in service.


Marvin Burrows

Engr. Mgr.

Rice Operating Company

Hobbs, NM