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

RECEIVED
MAR 02 2009
HOBBSOCD

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
June 19, 2008

WELL API NO. 30-025-03673

5. Indicate Type of Lease STATE ☐ FEE X☐

6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name: Mayme Graham

1. Type of Well: Oil Well ☐ Gas Well ☐ Other SWD

8. Well Number #1

2. Name of Operator: H&M Disposal.

9. OGRID Number: 009569

3. Address of Operator: P.O. Box 1544, Lovington, New Mexico 88260

10. Pool name or Wildcat: SWD Devonion

4. Well Location
Unit Letter N : 660 feet from the South line an 1980 feet from the West line
Section 9 Township 15S Range 36 E NMPM County Lea

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3909 DF

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK	PLUG AND ABANDON ☐	REMEDIAL WORK X	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER: ☐		OTHER: Witnessed Mechanical Integrity Test ☒	

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.

H&M disposal attempted to load the casing on the Mayme Graham Well #1 in advance of a MIT scheduled for January 7, 2009. At 70 psi, the casing ceased to load. The scheduled MIT was canceled and remedial work began on 9 January 2009 as set out on the accompanying sheets. On 10 February, an OCD observed MIT test was successfully completed (the chart is attached). The well currently has two 2 7/8" subs, 293 joints of lined J-5 2 7/8" tubing and 136 joints of 2 3/8" lined J-5 tubing installed over a packer set in compression at 13, 568.25'. The casing annulus is loaded with 10 pound brine and corrosion inhibitor. The well was put back on disposal on 11 February 2009.

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 D M Harrod TITLE Manager DATE February 26, 2009

Type or print name D. M. Harrod E-mail address: D Harrod@msn.com PHONE: 575-396-6862

For State Use Only

APPROVED BY: Gary W. Hill TITLE DISTRICT 1 SUPERVISOR DATE MAR 03 2009

Conditions of Approval (if any):

H & M DISPOSAL

January 23, 2009

On 3 January, H&M Disposal pressured up on the casing of the Mayme Graham #1 SWD in advance of a scheduled MIT. At around 100 psi the casing ceased to load and the MIT was canceled pending remedial work which has progressed as follows:

9 Jan, Set two new anchors, MIRU well service unit. Packer would not release.

10 Jan. Ran free point survey to make sure there were no problems other than stuck slips. Packer released and disposal tubing started out of hole.

12. Jan. 121 jt. 2 3/8" tubing and 20 jts 2 7/8" pipe laid down and replaced with 4500' new 2 7/8" J-5 lined pipe. Casing flushed with 200 bbls brines and started in hole with disposal tubing and compression set packer.

13. Jan. RIH with tool and disposal tubing

14. Jan. Packer fluid was flushed past the tool and the tool set at 13566.05'. The casing was loaded to the surface but would not pressure test. Tried to test for a casing leak on the way out of the well but tool was setting intermittently and brought to surface.

Jan. 15. RIH with RBP and all of the tubing from the old disposal string. RBP set at 10957' to test across old Wolfcamp perfs. Casing tested from 10900 to surface @500 psi without lose, did not test below the packer. Attempted to move RBP down hole but would not release. Started out of hole laying down disposal string.

Jan 16. Laid down disposal string and started back into well with 2 7/8" N-80 work string and treating packer and on-off tool to retrieve RBP.

Jan. 17. RBP did not release. POH and move reverse unit on location.

Jan. 18-19. No operations conducted

Jan. 20. Removed treating packer and ran in hole with on-off tool. Washed on top of RBP to clear pipe scale from bypass and flush brine from casing , released RBP and started back out of well.

Jan, 21 RIH with work string to make a bit and scraper run to 13,570' and back out.

Jan. 22. Ran in casing with wireline gauge ring and then set wireline CIBP at 13,570'. Loaded the casing to surface and pressurized to 500 psi with no visible loss of pressure on a gauge after 30 minutes. Chart was run under the BOP at 366 psi for 30 minutes with no loss of pressure. Started in hole with bit and collars to drill out CIBP.

Jan 23. Running in hole with bit and 4 drill collars. Shut down due to high winds.

Jan 24. Tagged CIBP at 13,547.65', 22' higher than wireline setting depth. Drilled out plug and chased remains out of bottom of casing.

Jan 25. Coming out of hole laying down work string.

Jan 26. RIH with Disposal string and packer .

Jan27. 300 bbls packer fluid loaded in casing and tool set at 13,568.22. Casing would not load. Attempts to establish an injection rate or pressure resulted in casing going on a vacuum and no pressure could be gained even at the maximum pump rate.

Jan 28. Pulled tubing from well to examine tool. Tool to surface with good rubbers showing no evidence of having been packed off. Tool run back in hole to 2500' and set to test tool and old casing splice at 780' to 700 psi for 30 minutes with no loss of pressure.

29 Jan. Come out of hole and redress packer. RIH with new tool and set at 13,567' to make certain enough weight is being transferred to tool to pack off rubbers. Casing would not load.

30 Jan. Testing out of hole. Pulled 5 stands, casing loaded but would not hold pressure. Tool set at 11,700 casing loaded and held 100 psi. Packer set at 9700' on way out of hole and casing pressurized to 500 psi but bled down. Tool set at 4,000', casing pressurized and held. Tool to surface and shut down.

Feb 2. Miscalculated CIBP set left 22 ft of casing untested at 13567-47. To eliminate all possibilities of casing leaks or tool problems, work string picked back up and run in hole with production packer. Packer set at 10,735' on the way down and tested good. Tool set at 13,568' and casing annulus tested to 500 psi without loss. Casing bled down to 350 psi and left overnight.

Feb 3. Well held test pressure overnight without loss. Coming out of hole laying down work string.

Feb 4. Tubing testers rigged up on location to test production string back in hole. Mis-sized cups would not pack off in lined pipe. Operations shut down to build tools.

Feb 6. While testing in the hole above the slips, a significant number of pipe joints were found to have damaged liner inserts in the pin end from extensive handling. Began laying down all old lined pipe.

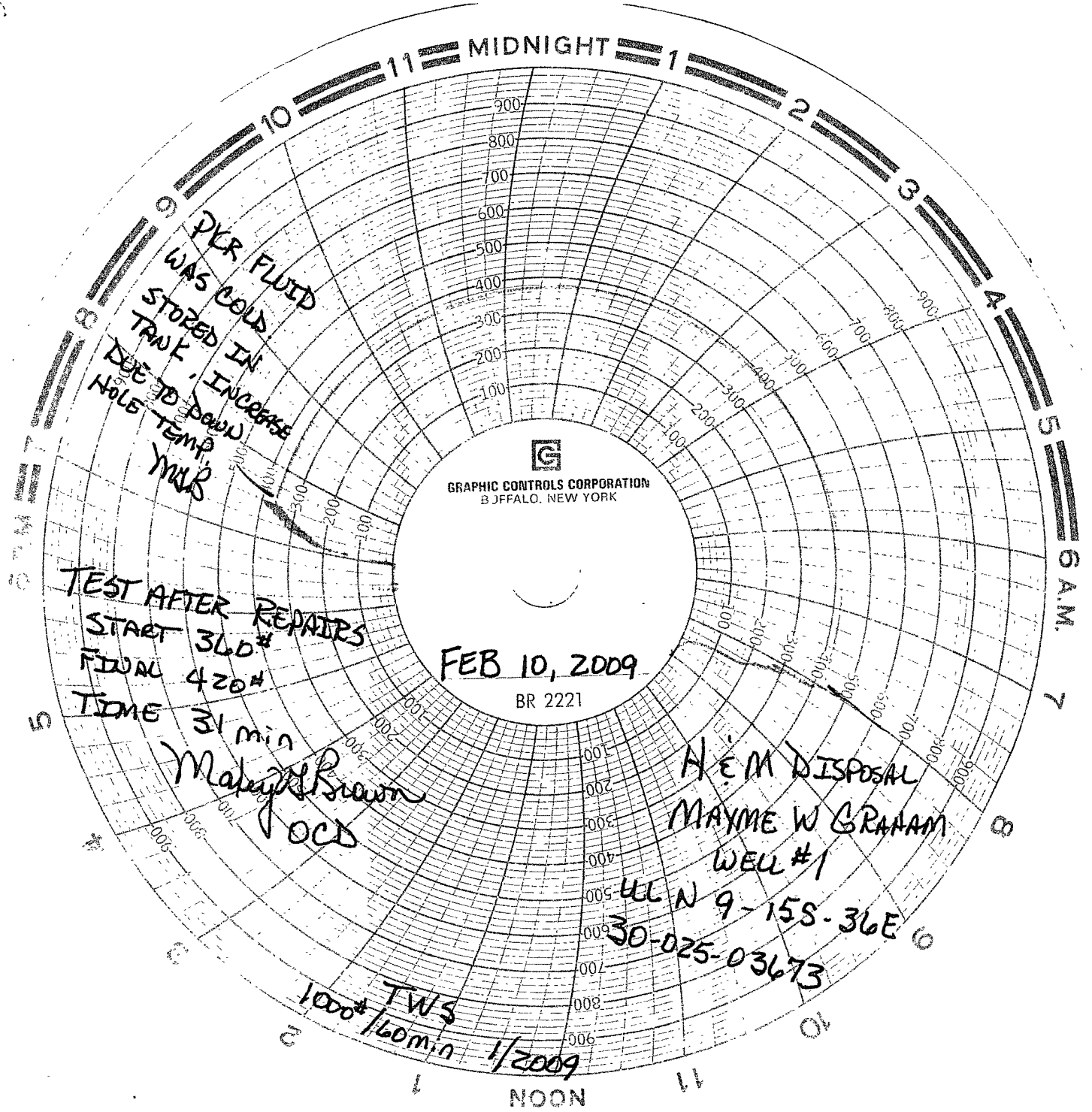
Feb 7. In the interest of expense and expediency 136 joints of newly lined 2 3/8" tubing on hand run in hole over Baker compression set packer with 29' fiberglass tail pipe followed by 140 joints new 2 7/8" fiberglass lined pipe.

Feb 9. Tallied new pipe on racks, ran 57 jts. and shut down by high winds. 200 barrels fresh water pumped to flush casing.

Feb 10. RIH with remaining pipe. 50 bbls raw 10lb. brine loaded in casing followed by 250 bbls packer fluid. Packer set at 13,568.25'. Casing was loaded to surface and tested at 500 psi under the BOP without pressure loss. OCD notified that the well was ready for a post repairs MIT test. Nippled down BOP and flanged up well. An OCD observed MIT was run (chart attached) and the rig released.

Feb 11. All equipment released and moved off location and well put back on disposal.

H&M Disposal currently has installed: 136 Joints of fiberglass lined 2 2/8" J-5 tubing, 293 joints of fiberglass lined 2 7/8" J-5 tubing , two subs , a Baker compression set packer and a 29' fiberglass tail pipe.


MIDNIGHT
NOON
6 A.M.
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
BR 2221
FEB 10, 2009
PWR FLUID WAS COLD. STORED IN TRUK. INCREASE DUE TO DOWN HOLE TEMP MKB
TEST AFTER REPAIRS
START 360#
FINAL 420#
TIME 31 min
Mary Brown
OCD
H & M DISPOSAL
MAYME W GRAHAM
WELL #1
4LL N 9-15S-36E
30-025-03673
TWS
1000#/60min 1/2009