Submit 3 Copies to Appropriate District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.	30-025-09476
5 Indicate Type of Lease	STATE [X] FEE [ ]
6 State Oil & Gas Lease No.	B-1431

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 [X] OTHER	7 Lease Name or Unit Agreement Name: State "LMT"
2 Name of Operator: Doyle Hartman	8 Well No.: 5
3 Address of Operator: 500 N. Main St., Midland, TX 79701	9 Pool name or Wildcat: Jalmat (T-Y-7R) Gas

4 Well Location

Unit Letter A : 660' Feet From The North Line and 660' Feet From The East Line

Section 36 Township 23S Range 36E NMPM Lea County

10 Elevation (*Show whether DF, RKB, RT, GR, etc.*) 3317' GR

11 **Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data**

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[X]	PLUG AND ABANDON	[ ]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ANBANDONMENT	[ ]
PULL OR ALTER CASING	[ ]			CASING TEST AND CEMENT JOB	[ ]		
OTHER: Return Jalmat to Production	[X]			OTHER:			[ ]

12 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.

As to the 11-year-inactive dually-completed State "LMT" No. 5/MLMU No. 63 wellbore, it is proposed to return the Jalmat interval to active producing status, in accordance with the following rework procedure attached hereto, and made a part hereof.

RECEIVED
JAN 2004
Hobbs OCD

CONDITIONS OF APPROVAL:
Per R-8170-P not more then 1 well producing per 160 acres. May NOT PRODUCE additional wells with without obtaining exception to R-8170-P from Santa Fe OCD.

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

SIGNATURE [signature] TITLE Engineer DATE 01/05/2004

TYPE OR PRINT NAME Steve Hartman TELEPHONE NO. (915) 684-4011

(This space for State Use)

APPROVED BY [signature] TITLE PETROLEUM ENGINEER DATE JAN 13 2004

CONDITIONS OF APPROVAL, IF ANY:

Proposed Rework Procedure

1. Rig up kill truck. Pressure test 5 1/2" O.D. casing to 500 psi.

2. Move in backhoe and dig out around wellhead.

3. Inspect and repair exposed 8 5/8" O.D. and 5 1/2" O.D. casing. Wrap exposed casing with corrosion-resistant tape.

4. Install 52" O.D. corrugated steel cellar can around exposed casing. Backfill around cellar can.

5. Move in and rig up well service unit.

6. Perform injectivity test down 8 5/8" x 5 1/2" casing annulus. Cement down 8 5/8" x 5 1/2" casing annulus with 1200 sx of API Class "C" cement containing 3% $CaCl_2$, 5 lb/sx Gilsonite, 0.50 lb/sx Flocele. Fill cellar can with cement.

7. Rig up high-volume air-foam cleanout unit.

8. Clean out 5 1/2" O.D. casing.

9. Cover original Jalmat perfs, from 2835' to 3420', with 4 1/2" O.D., 11.6 lb/ft, J-55 flush-joint liner. Land top of 4 1/2" O.D. FJL at 2780'.

10. Squeeze cement liner into place, at a rate of 14 BPM, utilizing 400 sx of API Class "C" cement containing 1 1/2% $CaCl_2$, 3 lb/sx Gilsonite, 0.25 lb/sx Flocele, followed by 1300 sx of API Class "C" cement containing 2 1/2% $CaCl_2$, 3 lb/sx Gilsonite, 0.25 lb/sx Flocele, followed by 100 sx of API Class"C" cement containing 1% $CaCl_2$, 3 lb/sx Gilsonite, 0.25 lb/sx Flocele.

11. Drill and scrape cement to bottom of 4 1/2" O.D. FJL. Pressure test liner.

12. Rig up Schlumberger. Log well with DS-CNL-GR-CCL log and VDCBL-GR-CCL log.

13. Limited-entry perforate Jalmat interval, from 2955' to 3260'.

14. Acidize and frac new Jalmat perfs.

15. Install rod-pump equipment.

16. Return Jalmat interval to active producing status.