

Submit 1 Copy To Appropriate District
Office
District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Ave., Artesia, NM 88201
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
October 13, 2009

RECEIVED
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
FEB 1 / 2010
HOBBSD

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. 30-025-30686
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease (FEDERAL) <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Enstor Grama Ridge Storage and Transportation, LLC		6. State Oil & Gas Lease No. NMNM 82799
3. Address of Operator 20329 State Highway 249, Suite 400, Houston, TX 77070		7. Lease Name or Unit Agreement Name 14-08-0001-14277 (NMNM 70953X) <i>Grama Ridge Fed 8817 JVP</i>
4. Well Location Unit Letter <u>UL-B</u> : <u>660</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>9</u> Township <u>22S</u> Range <u>34E</u> NMPM Lea County		8. Well Number #1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GL: 3580' RKB: 26'		9. OGRID Number 234255
		10. Pool name or Wildcat Grama Ridge, Morrow (Gas)

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Convert To Inj. ☐

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Please see attached workover.

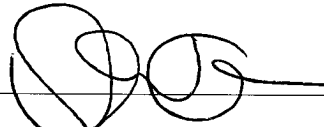
Starting Date March 1, 2010

R-13174

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  TITLE Director, Regulatory Affairs and Land Management DATE 02/16/2010

Type or print name Daryl W. Gee E-mail address: daryl.gee@enstorinc.com PHONE: 281-374-3062

For State Use Only

APPROVED BY:  TITLE OC FIELD REPRESENTATIVE / STAFF MANAGER DATE 2-18-10

Conditions of Approval (if any):

ENSTOR GRAMA RIDGE STORAGE & TRANSPORTATION LLC GRMU #7 (GRAMA RIDGE FEDERAL 8817 JV-P #1/BTA #1) METHANOL/ACETIC ACID STIMULATION	
TEST TUBING WITH N2, ESTABLISH PUMP-IN RATES AND PRESSURES WITH N2, SPOT METHANOL/ACID ACROSS PERFS AND PUMP INTO FORMATION, REPEAT, UNLOAD AND FLOW WELL	
LOCATION IS IN THE NE1/4 OF SEC 9, T22S R34E, LEA CTY., NM February 3, 2010	
Step No.	Activity (Depths ref. RKB)
1	Survey site, decide how to spot equipment
2	MIRU slick line unit PU wireline tools, install lubricator and wireline BOP on tree
3	MIRU N2 unit. Test N2 lines to 10,000 psi. Test slickline BOP to 1000 psi with N2.
4	RIH and set blanking plug in 2-7/8" BX nipple (2.313" ID) at 12,788' POOH. RD slickline unit.
5	MI and spot 300 bbl blow down tank with gas buster with containment. RU flow back piping and choke manifold and route to blow down tank
6	Install Tubing/Tree Saver on top of tree (Saver ID 2 416") and frac head to permit pumping N2 between coil tubing and Saver. Test flanged connections to 10,000 psi with N2.
7	MIRU kill truck with 6% KCl water
8	Install a gauge and 5000 psi relief valve on 4-1/2"x7" annulus outlet and pressure annulus to 2500 psi with KCl water and close in and monitor. Open relief valve on Saver for pressure relief on tree should Saver packoffs leak
9	Pressure tubing to 10,000 psi with N2 and monitor tubing and annulus pressures for 30 min. (Do not exceed 7500 psi differential pressure between tubing and annulus pressures). Bleed pressure off tubing then off annulus.
10	RU slick line unit. PU wireline tools, install lubricator and wireline BOP on tree and test to 1000 psi with N2 and RIH and pull blanking plug. RD slickline unit
11	MIRU Coiled tubing unit. Test lines and equipment to 10,000 psi with N2. MU flowback line from outlet on Coiled tubing BOPs to choke manifold.
12	RIH with coiled tubing without a back pressure valve to 13,099' PBTD and blow well dry with N2. Route returns through choke manifold and do not exceed 4000 psig back pressure on manifold. Pull coiled tubing up into 4-1/2" tubing.
13	Pressure tubing/casing annulus to 2500 psi with KCl water and close in and monitor. Establish N2 injection into the Morrow formations by injecting N2 down backside between CT and tree saver and record rates and pressures. Monitor SI pressure on CT to a maximum of 10,000 psig.
14	MIRU methanol/acid equipment.
15	RIH with coiled tubing to below perfs and spot 10 bbl of 50/50 Methanol/HCl Acid treatment across perfs. PU coiled tubing above acid.
16	With 2500 psi on tubing/casing annulus, displace acid into perforations pumping down coiled tubing backside with N2. Monitor pressure on CT and do not exceed a maximum pressure of 10,000 psig. Record N2 rates and all pressures.
17	Stop N2 injection and allow CT/Saver pressure to fall to <3000 psi. Resume N2 injection noting rates and pressures with particular attention to rates at and below the maximum intended natural gas injection pressure of 3,850 psig as monitored on CT.
18	Lower CT to below perfs and spot another 10 bbl of 50/50 Methanol/Acid in well. PU coiled tubing above acid.
19	Maintain 2,500 psi annulus pressure and displace acid into perforations with N2 down CT backside to a maximum CT surface pressure of 10,000 psig recording rates and pressures.
20	Repeat Step 16
21	Repeat Steps 17-19 if the additional treatment improved injection performance.
22	Repeat Step 16.
23	Repeat Steps 17-19 if the additional treatment improved injection performance.
24	Lower coiled tubing to PBTD and blow well dry and POOH.
25	Bleed off annulus pressure and RD N2 and coiled tubing and remove Tubing/Tree saver with tubing pressure on well.
26	RU electric wireline unit and run temperature log to PBTD. POOH.
27	MIRU separator/flare test unit.
28	Open well and flow well through choke/separator/flare test unit recording rates, volumes and pressures.
29	RDMO