

State of New Mexico
Energy, Minerals and Natural Resources

RECEIVED

FEB 01 2010

HOBBSD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-30686

5. Indicate Type of Lease (FEDERAL)

(NMNM 82799)

STATE ☐FEE ☐

6. State Oil & Gas Lease No.

NMNM 82799

7. Lease Name or Unit Agreement Name

14-08-0001-14277 (NMNM 70953X)

Grama Ridge Fed

8. Well Number #1

9. OGRID Number 234255

10. Pool name or Wildcat

Grama Ridge, Morrow (Gas)

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 ☒ Other

2. Name of Operator

Enstor Grama Ridge Storage and Transportation LLC

3. Address of Operator

20329 State Highway 249, Suite 400, Houston, TX 77070

4. Well Location

Unit Letter UL-B : 660 feet from the North line and 1980 feet from the East line

Section 9 Township 22S Range 34E NMPM Lea County

S 11. Elevation (Show whether DR, RKB, RT, GR, etc.)

GL: 3580' RKB: 26'

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: ☐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.

Completed Operations to Convert Well to Natural Gas Injection

November 2009-January 2010

1. MIRU slick line unit, set plug in tubing, perforate hole in tubing, swab well to recover packer fluid.
2. MIRU workover rig. ND tree, install BOP and test.
3. Release packer and pull tubing and packer. Replace tubinghead.
4. Mill over 4-1/2" packer in liner and push to 13,141'.
5. Run casing inspection logs in 4-1/2" liner and 7" casing. Set CIBP @13,119', dump 20' cement on plug to 13,099'.
6. Set EZ Drill BP @12,750' and dump 10' of cement on plug to 12,740'.
7. Squeeze cement perforations 12,677-99', drill out and test, not successful. Run GRN and CBL logs.
8. Resqueeze, drill out and test to 2000 psi surface pressure, OK.
9. Drill out EZ Drill BP and run and set packer @12,765' in 4-1/2" liner.
10. Run new 4-1/2" X2-7/8" tubing, sting into packer, test packer, land tubing. Remove BOPs, RDMO workover rig. Set tree.
11. MIRU coiled tubing and unload tubing and shear disc below packer.
12. MIRU electric line unit and perforate 12,828-62' and 13,015-57'. RDMO electric line unit.
13. Blow well dry with nitrogen with coiled tubing. Perform annulus test OK. Attempt to pump into well with nitrogen. RDMO coiled tubing.
14. RU and run pressure gauges in well and perform 15 day shut in pressure test. Retrieve gauges and SI well.
15. MIT Date 12/21/2009 (See Attached).

R-13174

Spud Date: MI Workover Rig 11/7/2009

Rig Release Date: RD and Release Workover Rig 12/3/2009

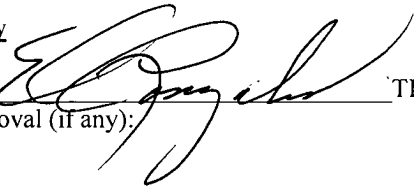
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE Director, Regulatory Affairs and Land Management

DATE 1/21/2010

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

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APPROVED BY:  TITLE STAFF MGR DATE 3-3-10

Conditions of Approval (if any):

