

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons.  
P.O. Ex 1980  
Hobbs, NM 88241

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to different reservoir.  
Use "APPLICATION FOR PERMIT --" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator  
A.C.T. Operating Company

3. Address and Telephone No.  
301 N. Colorado, Ste 323 Midland, TX 79701 915-683-4640

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Unit Letter: J 1980' F SOUTH L and 1980' F EAST L (Surface) Sec. 24-8S-34E

5. Lease Designation and Serial No.

LC-062178

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

MILNESAND UNIT

8. Well Name and No.

Milnesand (San Andres) Unit #514

9. API Well No.

30-041-00261

10. Field and Pool, or Exploratory Area

MILNESAND (SAN ANDRES)

11. County or Parish, Stat  
ROOSEVELT, NM

12 CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☒ Other Reply to BLM on TA/SI  
☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If Well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

MSU #514 was TA'd in June 1991 by setting a CIBP at 4600'. This well exists in an area with no injection support. We would propose to convert this well to an injector once oil prices come back to a normal level. A pressure build up conducted in 1978 indicated high reservoir pressure, probably from the P1, as logs suggest. This is an area of dominance by the P1 and substantial reserves remain in the unswept P2 and P3 zones. We suggest this well be left TA'd. A 33 page engineering assessment by M. C. Watson, P.E. (NM Lic. #11031) was presented to the Roswell BLM office on October 22, 1997. The report details the potential of the Milnesand Unit. The field has tremendous potential of recovering more than the 7,000,000 BO recovered to date of the estimated 75,000,000 BO originally in place. It will not be economical to abandon and re-enter or re-drill wells in the unit, therefore abandonment would mean permanent loss of reserves and revenue to all concerned.

APPROVED FOR REVIEW PERIOD  
ENDING MAR 10, 2000

APPROVED  
PETER W. CHESTER  
MAR 10 1999  
BUREAU OF LAND MANAGEMENT  
ROSWELL RESOURCE AREA

14. I hereby certify that the foregoing is true and correct

Signed

Title

VP

Date

11-20-98

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any

LWW