

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
N.M. Oil Cons. 31
P.O. Box 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

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 #62

9. API Well No.

30-041-10034

10. Field and Pool, or Exploratory Area

MILNESAND (SAN ANDRES)

11. County or Parish, Stat

ROOSEVELT, NM

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: D 330' F NORTH L and 330' F WEST L (Surface) Sec. 8-8S-35E

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 #62 was shut in when A.C.T. Operating took over operations in November, 1994. The well had a good initial potential of 486 BOPD in 1964. It was completed initially at 4635 - 4687' (P2 and P3 zone) and fracture treated with 20,000 lbs of sand at 1ppg. The well was re-frac'd in 10/95 with 15,000 lbs 20/40 sand. Before test was 16 BO + 36 BW/24 hours, after was 4 BO + 25 BW. This well needs a proper refracture treatment and additional pay opened in the P1. Current abnormally low oil prices make all operations uneconomic, therefore we request that no action on this well be taken until oil prices recover to a normal level. 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 MONTH PERIOD

ENDING

1-1-2000

BUREAU OF LAND MANAGEMENT
ROOSEVELT, NM

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

Signed M.C. Watson Title VP

Date 11-20-98

(This space for Federal or State office use)

Approved by _____ Title _____

Date _____

Conditions of approval, if any

CCG
GWW