District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-104
Revised October 18, 1994
Instructions on bac
Submit to Appropriate District Offic
5 Copie

☐ AMENDED REPOR

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

[1] Operator name and Address	[2] OGRID Number
J. CLEO THOMPSON 325 N. ST. PAUL, SUITE 4500 DALLAS, TX 75201	11181
	[5] Reason for Filing Code CH 05/01/2000

[4] API Number	[5] Pool Name	[6] Pool Code
30 - 041-10059	Milnesand - San Andres	46930
[7] Property Code ~~16071~~ 26365	[8] Property Name Milnesand Unit	[9] Well Number 310

II. [10] Surface Location

Ul or lot no.	Section	Township	Range	Lot.Idn	Feet from the	North/South Line	Feet from the	East/West line	County
F	~~21 SW~~ 19	8S	35E		1980	North	1909	West	Roosevelt

[11] Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

[12] Lse Code	[13] Producing Method Code	[14] Gas Connection Date	[15] C-129 Permit Number	[16] C-129 Effective Date	[17] C-129 Expiration Date
F	Injection Well				

III. Oil and Gas Transporters

[18] Transporter OGRID	[19] Transporter Name and Address	[20] POD	[21] O/G	[22] POD ULSTR Location and Description

IV. Produced Water

[23] POD	[24] POD ULSTR Location and Description

V. Well Completion Data

[25] Spud Date	[26] Ready Date	[27] TD	[28] PBTD	[29] Perforations	[30] DHC, DC,MC

[31] Hole Size	[32] Casing & Tubing Size	[33] Depth Set	[34] Sacks Cement

VI. Well Test Data

[35] Date New Oil	[36] Gas Delivery Date	[37] Test Date	[38] Test Length	[39] Tbg. Pressure	[40] Csg. Pressure
[41] Choke Size	[42] Oil	[43] Water	[44] Gas	[45] AOF	[46] Test Method

[47] I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: Jeff Birkelbach

Printed name: JEFF BIRKELBACH

Title: PRODUCTION SUPERINTENDENT

Date: 6/15/00

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

[48] If this is a change of operator fill in the OGRID number and name of the previous operator
#138426 A.C.T. OPERATING COMPANY

Printed Name	Title	Date
CAROLYN PRICE	PRODUCTION CLERK	05/01/2000

Carolyn Price

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

WELL API NO.
30-041-10059

5. Indicate Type of Lease Fed
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

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 Injection Well

7. Lease Name or Unit Agreement Name:
Milnesand Unit

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

8. Well No.
310

3. Address of Operator
201 W. Wall, Ste #806, Midland, Texas 79701

9. Pool name or Wildcat
Milnesand (San Andres)

4. Well Location

Unit Letter F : 1980 feet from the North line and 1909 feet from the West line

Section 19 Township 8S Range 35E NMPM County Roosevelt

10. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
4236.6 GL

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPLETION	☐	CASING TEST AND CEMENT JOB	☐		
OTHER: Reply to Oil Conservation Division			☒	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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Since oil prices have returned to reasonable economic levels, A.C.T. Operating has been investing a substantial amount of money to get the Milnesand field production back up since October, 1999. We have reactivated wells that were down due to mechanical failure, shut in or temporarily abandoned, such as wells No. 55 and 523. In addition flowlines have been added to reduce well back pressure. The injector MSAU#310 is critical to the future plans of the Milnesand Unit. It is our intent to try a new type fracture treatment on a few producers using modern technology. The new technology involves sand consolidation to prevent flowback, force closure technique to ensure near wellbore conductivity and larger volume and sand concentration in a new type gel to achieve longer effective fractures. The fracture treatments are planned for June - July 2000. We request any work on the injectors be postponed until September 2000. This will enable us to evaluate the effectiveness of the fracture treatments. We would either plug and abandon or perform the necessary repair to bring the well back into compliance and place them into active service. Given the expected success of the fracture treatments, it will be paramount to have injection support to make the production hold up after the fracture treatment. However, if the fracture treatments fail, our decision would possibly be to plug and abandon MSAU#310. In the case of MSAU#310, we would repair the possible casing leak using a standard cement squeeze or a polyethylene liner designed by Polybore Services, Inc. We are still in the investigation phase of the polybore liners and patches. It is A.C.T.'s opinion that the liners would provide a much more lasting and positive fix of the possible casing leak.

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

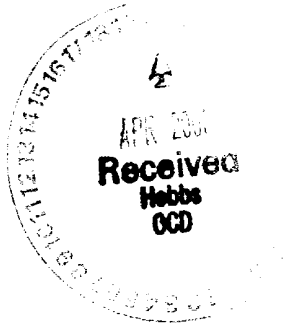
SIGNATURE Marshall Watson TITLE Vice President DATE 04/18/00

Type or print name Marshall Watson Telephone No. (915) 683-4640

(This space for State use)

APPPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any: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