

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons.  
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

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: P 660' F SOUTH L and 660' F EAST L (Surface) Sec. 14-8S-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 #43

9. API Well No.

30-041-10089

10. Field and Pool, or Exploratory Area

MILNESAND (SAN ANDRES)

11. County or Parish, Stat  
ROOSEVELT, NM

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

TYPE OF SUBMISSION

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

TYPE OF ACTION

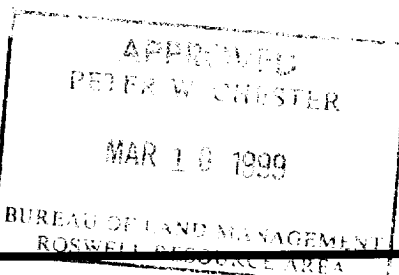
- ☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☒ Other Reply to BLM on TA/SI  
☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

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.)

The last active date of MSU #43 was 7/13/88. Injection and offset rates were uneconomical at that time. A fracture treatment and additional perforating was planned this year subsequent to treating offset producers, however the drastic drop in oil prices have precluded any work. A Mechanical Integrity test was performed in 12/92 and submitted to the BLM. A CIBP was set at 4500' in 6/91 and would require major operations to get back on production. 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 losses of reserves and revenue to all concerned.

APPROVED  
ENDING  
MONTH PERIOD  
MAR 10 2000



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

Signed [Signature] Title VP

Date 11-20-99

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_

Date \_\_\_\_\_

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

[Signature]