

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
811 S. 1st St. #210
Artesia, NM 87003

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 a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No. **WILL 693 LTD #3**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No. **WILL 693 LTD #3**

9. API Well No. **30-041-20257**

10. Field and Pool, or Exploratory Area **VADA PENN/MILNESAND ABO**

11. County or Parish, State **ROOSEVELT COUNTY, NEW MEXICO**

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Novy Oil & Gas, Inc.

3. Address and Telephone No.
125 N. MARKET ST., SUITE 1230, WICHITA, KS 67202 (316) 265-4651

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
510' FSL & 1980' FWL SEC. 34-T8S-R35E / N

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input checked="" type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> 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)*

SEE ATTACHED REPORT

FOR RECORD
(ORIG. SGD.) DAVID R. GLASS
JUN 07 1999

RECEIVED
OCD - ARTESIA
JUN 19 1999

Elop Recd 5/20/99 PIF

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

Signed *Frank E. Davy* Title PRESIDENT Date 5/17/99

(This space for Federal or State office use)

Approved by *Chris Williams* Title DISTRICT SUPERVISOR Date JUL 19 1999

Conditions of approval, if any:

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

NOVY OIL & GAS, INC.

WELL REPORT

Completion

X Workover

POOL Milnesand Abo - Vada Penn

LEASE # NMNM-4039B

WC _____

AFE # _____

LEASE Will 693 LTD #3 Sec. 34 Twp. 8S Rge. 35E Spot Approx. SE SE

ZERO POINT 12' AGL ELEV. 4194' KB CO. Lea STATE New Mexico

OPERATOR Novy Oil & Gas, Inc. RTD 9825' PBDT 9792'

CONTRACTOR Key Well Service CSG. SIZE & DEPTH SET 5 1/2" @ 9823' WT. 23#, 20# 17#

NEW OIL WELL _____ Perfs. _____ Zone _____

NEW GAS WELL _____ Perfs. _____ Zone _____

B.P. _____

OLD OIL WELL X Perfs. 8924-34' & 8938-48' Zone Abo

OLD GAS WELL _____ Perfs. 9760-9774' Zone Bough "C" (Penn)

B.P. _____

REMARKS: Casing repair.

REPORT

04/12/99 MIRU Key WS. PU 1" rods & screw into rod box. PU & work rod string to 20,000# pull. Jarred on pump for 1 hr. w/no success. Attempt to release right hand thread back off tool on top of pump. Made 3 attempts w/60, 80 & 120 rounds torque w/no success. 11:30 a.m. - Decide to strip out well. Made rod back off & POOH w/107 rods (57 - 1" & 50 - 7/8"). NU on tbg. & prepare to strip out. Release J latch on tbg. anchor & start POOH. Rods, fluid & tbg. weigh approx. 80,000#. Cup pkr. over leak @ 4200' dragged for 2 stands & freed up. Pull all 2 7/8" tbg. & 2 3/8" tbg. to rods. Latched onto rods - they were unscrewed. POOH w/96 - 7/8" rods. Swab 2 3/8" tbg. fluid to annulus & continue POOH w/tbg. to csg. patch. Lay csg. patch dn. on ground & SDFN. Cost - 1,700 rig, 350 supervision.
Daily cost - \$2,050 Cum. cost - \$2,050

04/13/99 Continue stripping out of hole. 12:00 p.m. - all equipment on bank. Pump has approximately 10' of iron sulfide on top. Pump will need to be cut from tbg. SDFN. Cost - 1,000 rig, 350 supervision.
Daily cost - \$1,350 Cum. cost - \$3,400

04/14/99 RU Baker Oil Tool. PU RBP. TIH on 2 3/8" tbg. Sat dn. @ 4,200'. Worked & drove plug 20' but could not get any deeper. Will need to run tapered mill & dress csg. burr off @ 4,200'. POOH w/tbg. & RBP. Had 4 drag springs lost off plug down hole - on top of tension anchor. Star Tool brought out mills, power swivel, mud tanks, drill collars & related drill out eqpmt. 12 p.m. - PU full gauge tapered mill. Could not work mill thru top 2 jts. of 23# csg. PU smaller mill & start TIH. SD @ 2 p.m. due to high winds. Tbg. blew over in derrick. Cost - 1,000 rig, 550 supervision, 2,000 Star Tool.
Daily cost - \$3,550 Cum. cost - \$6,950

04/15/99 Continue TIH. Sat dn. solid @ 4,201'. Rotate mill w/tongs 1 round & mill dropped in csg. Continued in hole w/2 stands tbg. (120') w/no resistance. Pick mill up above 4,200' & drop dn. Will set dn. solid but rotating tbg. 1 round & mill falls free. Have no torque on mill while rotating at any spot. Fisherman believes csg. is parted. This sounds identical to problem 1 year ago. Worked mill up & dn. for 1 hr. & POOH. No scars on sides of mill w/just a couple of spots on btm. of mill. Decision made to run multifinger caliper log to determine whether csg. is parted or just halfway out of collar as it was 1 year ago. 2:00 p.m. - RU Baker Atlas Wireline truck. PU multifinger caliper w/magnetic tool & TIH. Logged from 4,500' up to 4,100'. Could not get caliper thru either portion of pipe without collapsing fingers. Magnetic tool shows definite 5' of separation in csg. w/pin looking up on btm. & collar on 5 1/2" csg. looking dn. RDMO Baker Atlas Wireline. Pumped 130 bbl. fresh wtr. dn. 5 1/2" - 8 5/8" annulus. Csg. loaded w/20 bbl. & went on vac. Took load of wtr. on vac. SDFN. Cost - 1,500 rig, 1,800 wireline, 1,500 Star Tool, 300 wtr, 550 supervision.
Daily cost - \$5,650 Cum. cost - \$12,600

04/16/99 PU csg. spear & latch onto 5 1/2" 23# top jt. of csg. Pull to 150,000#. Could not get csg. out of slips. Worked pipe 30 min. w/no success. Call rotary wireline for string shot. Will attempt to knock slips loose before installing csg. jacks. 11:00 a.m. - RU Rotary Wireline. Wrap csg. bowl w/13 wraps 100 grain primer cord. Rig pull 130,000# - fire shot - slips jumped loose. Pulled 20' of 5 1/2" @ 82,000#. Wait on csg. lay dn. crew. RDMO Rotary Wireline. 1:00 p.m. - Csg. crew on loc. Built cat walk & pipe racks & rigged up lay dn. eqpmt. 2:00 p.m. - started laying dn. 5 1/2" csg. 5:00 p.m. - layed dn. total of 104 jts. Recovered collar w/2' stub below collar. RD lay dn. eqpmt. & SDFN. Cost - 1,500 rig, 1,500 csg. crew, 300 Rotary WLS, 500 Star Tool, 550 supervision.
Daily cost - \$4,350 Cum. cost - \$16,950

04/17/99 PU flat btm. mill to dress off 5 1/2" csg., 6 drill collars, tbg. & TIH. Tagged up @ 4,201'. Milling on 5 1/2" csg. top. Milled off 4' & mill quit. POOH. Mill worn out. PU lead impression block & TIH on sand line. POOH. Recovered no good picture of csg. top that was identifiable. Believe to have csg. dressed off enough to latch pipe together. SDFN @ 4:00 p.m. Cost - 1,500 rig, 1,800 tools, 300 wtr., 550 supervision.
Daily cost - \$4,150 Cum. cost - \$21,100

04/18/99 SD for Sunday.

04/19/99 RU csg. crew. PU 5 1/2" csg. - lead patch bowl & TIH on 105 jts. 5 1/2" 17# N80 csg. Replace top jt. of 23# csg. w/17#. Worked csg. & rotate pipe & slip over btm. string. Pull up on csg. 18,000# over weight & set in slips in bradenhead. 11:30 a.m. - welder cut top jt. & set in bradenhead. RD csg. crew, pipe rack & cat walk. Baker Tool PU 5 1/2" RBP, lock set pkr. & start TIH tallying tbg. **NOTE: WITH LEAD PATCH SEAL, 3,000# IS MAXIMUM PRESSURE THAT CAN BE APPLIED BEFORE LEAD SEAL LEAKS. THIS EQUALS HOLE LOADED WITH WATER PLUS 1,000# AT SURFACE.** Set RBP @ 4,300'. Pull 4' & set lock set pkr. Load tbg. & test RBP to 250#. Had no bleed off. Raised pkr. 3 stands & set pkr. @ 4,119'. RU pump. Load tbg. Pressure to 150# - had no bleed off in 5 min. Csg. patch & large pit were tested - both ok. Release pkr. Lower to RBP & release RBP. Continue TIH. Tagged up @ 9,771' (middle of Bough "C" perfs) - approx. 60' of fill on btm. Will need to clean out. Pull RBP up hole & set @ 9,023'. Pull 1 jt. tbg. & set pkr. @ 8,992'. SDFN. Cost - 1,750 rig, 1,500 csg. crew, 1,500 tools, 500 wtr., 550 supervision.
Daily cost - \$5,800 Cum. cost - \$26,900

04/20/99 RU Halliburton. Load tbg. w/15 bbl. fluid. Press. RBP to 500# - held ok. Release pkr. & pull up hole & set pkr. @ 8,869' RU Halliburton & pump 2,500 gal. 15% NEFE acid. Tbg. loaded w/13.8 bbl. fluid & press. to 700#. Pumping steady @ .2 BPM. Pump at this rate & press. until 6 BA in Abo formation. Press. starting to decrease - increasing rate. Pumping 2 1/2 BPM @ 500# @ end of treatment. Overflush acid w/10 bbl. lease SW. ISIP vac. 10:15 a.m. - Job complete. RDMO Halliburton. 10:45 a.m. - Release pkr. Lower tbg. to RBP & latch on. Release RBP & POOH. Lay dn. RBP & pkr. PU bailer, btm. hole assembly, 7 jts. 2 3/8" tbg. for cavity, 1 port sub, 1 bulldog bailer & TIH to clean out 50' of fill. Tag up @ 9,771' by previous tbg. tally. Pump 3' to 9,774' & got stuck. Work tbg. for 1 hr. pulling 30,000# over wght. Could not work free. SDFN. Cost - 1,750 rig, 3,000 Halliburton, 1,500 tools, 300 wtr., 550 supervision.
Daily cost - \$7,100 Cum. cost - \$34,000

04/21/99 RU Rotary Wireline. PU tools for back off & TIH. Tag up within 2' of tbg. tally. Ran primer cord thru port sub & made back off 5 jts. below port sub. Tbg. free. RDMO Rotary Wireline. POOH w/tbg. Recover all tbg., bulldog bailer, port sub & 5 jts. below port sub. Left 2 jts. tbg. & btm. hole assembly in hole. 1:00 p.m. - PU overshot, hydraulic jars, bumper sub, 6 drill collars & TIH on tbg. 3:30 p.m. - Latch onto fish & start jarring. Jarred 45 min. & came loose. Pull up 1 stand. Tag back up @ same place. POOH. Recovered all eqpmt. run plus btm. 2 jts. tbg. & btm. hole assembly. Btm. 2 jts. full of iron sulfide. Lay dn. those 2 jts. on ground. SDFN. Cost - 1,750 rig, 2000 tools, 500 wireline, 550 supervision.
Daily cost - \$4,800 Cum. cost - \$38,800

* NOTE: Decision made to produce & test Abo perms separately, leaving Bough "C" perms & junk in hole to be washed over with wash pipe & mill at some future date.

04/22/99 PU 5 1/2" tbg. anchor (~~bull plugged on btm.~~), 4 1/2" J latch on-off tool, 6' tbg. sub, 3' perf'd sub, 1' SN, tbg, & TIH. Set anchor @ 9592' (168' above Bough "C" perms). Set anchor w/15,000# tension & land in slips. PU 2" x 1 1/2" x 24' BHP & TIH on rods. Set pump @ 2:30 p.m. Load tbg. w/wtr. & press. to 300#. Held ok. HOB. RDMO Key WS. Cost - 1,500 rig, 2,000 BHP, 750 anchor, 350 wtr., 550 supervision.
Daily cost - \$5,150 Cum. cost - \$43,950

Connected separator to wellhead & tied into lead line running to old tank battery to put fluid in our 500 bbl. wtr. tank purchased from GMX Resources, Inc. 4:30 p.m. - started well pumping fluid to separator. 6:00 p.m. - pumping full stream of fluid, water with slight show of gas. 10:00 p.m. - 10# gas pressure on separator. Pumping good fluid.

04/23/99 Pumped 80 BW overnight. Fluid white, foamy and gassy with no show oil. Venting good stream of gas. Versado connecting gas meter to gas line.

04/24/99 85 bbls. fluid - 15% oil cut. Venting good stream of gas.

04/25/99 6 BO, 47 BW. Well dn. - rain. Started.

04/26/99 36 BO, 56 BW. Gas stronger - steady.

04/27/99 19 BO, 17 BW. Well dn. - started ok. Built pad for stock tanks. Delivered HT to location & laid on ground. Set HT concrete block. Will move & set stock tanks tomorrow.

04/28/99 28 BO, 33 BW. Well dn. Changed plugs & magneto. Found governor rod stripped. Repaired & started well ok. Set HT on block & started connection work. One of the 500 bbl. stock tanks has 2 holes in btm. Will need to sand blast & coat btm. 18" of each tank.

04/29/99 44 BO, 33 BW. Gas venting steady. Moved two 500 bbl. stock tanks from State 17 and started tying in. Raining - could not sand blast tanks to repair until weather clears.

04/30/99 50 BO, 30 BW. Gas stronger. Raining - very hard at times.

05/01/99 22 BO, 11 BW. Well dn. - very heavy rains & flooding in area. Left dn.

05/02/99 0 BO, 0 BW. Rain subsiding. Started well ok.

05/03/99 8 BO, 8 BW. Well down. Found short in oil switch wire to mag. Repaired - start ok & run ok. Have 1 tank sand blasted & coated. Will use tomorrow.

05/04/99 61 BO, 25 BW. Going into stock tank w/oil in 1 tank. Water going to wtr. tank. HT gas line connected. Install 1" orifice plate - not enough gas passing to register on meter.

05/05/99 30 BO, 25 BW. Took estimated 25 BO to fill HT. Second stock tank sand blasted & coated - ready for use. Tank battery complete.

05/06/99 50 BO, 20 BW. 19# CP. No gas sales.

05/07/99 36 BO, 17 BW. 18# CP. No gas sales.

05/08/99 28 BO, 14 BW. No gas sales. Not venting any gas.

05/09/99 28 BO, 11 BW. No gas sales.

05/10/99 28 BO, 6 BW. 18# CP. No gas sales.

DROP FROM REPORT

NOVY Oil + Gas

Will 693 Ltd 3

Lease No. NM-4039-B

Loc: Sec 34, T-8-S, R-35-E Roosevelt Co. NM.

