Submit 3 Copies to Appropriate District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-041-20530

5. Indicate Type of Lease Federal/SWD STATE ☐ FEE ☐

6. State Oil & Gas Lease No. NM12852

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.)

7. Lease Name or Unit Agreement Name: Holly "27" Federal

1. Type of Well: OIL WELL ☐ GAS WELL ☐ OTHER SWD

2. Name of Operator: H. L. Brown, Jr.

8. Well No. 1

3. Address of Operator: P. O. Box 2237, Midlnad, Texas 79702

9. Pool name or Wildcat: San Andres

4. Well Location
Unit Letter J : 1980 Feet From The South Line and 1980 Feet From The East Line

Section 27 Township 7S Range 37E NMPM Roosevelt County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4047 GR

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	X	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐			CASING TEST AND CEMENT JOB	☐		
OTHER:	☐			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.

Objective: Open additional San Andres interval to injection.

Procedure:
Drillout 4 1/2" casing float and shoe down to 4626'. Drillout cement plug in 7 7/8" open hole from 4632-4700'. Set and tag a 50 sack cement plug across the bottom of the San Andres/ top of Glorietta at 4994', plug interval of 4930-5070'. Rerun injection packer and set at 4300', pressure test backside to 500 psi for 30 minutes. Return to produced water disposal duty.

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

SIGNATURE Matt Doffer TITLE Production Engineer DATE 7/2/92

TYPE OR PRINT NAME Matt Doffer TELEPHONE NO. (915) 683-5216

(This space for State Use) ORIGINAL SIGNED BY JERRY SEXTON DISTRICT I SUPERVISOR JUL 06 '92

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Holly Federal #27-1 SWD
Deepen & Acidize

Well Data: See attached "Injection Well Data Sheet"

Perfs: Original San Andres Production 4348'-4500' 21 holes (9/80). Injection Perfs added at 4362-71', 4385-4400', 4476-80', 4487-4500' & 4519-32' 2 JSPF, 113 holes total (8/91).

Procedure:

1. RU bleed down lines from tubing and annulus to water tank. Flow water from well to tank for one to two days to kill well or reduce flow back. If tubing flow will not die, it may be necessary to set tubing plug.

2. MI WSU. ND wellhead and NU BOP. Unset Baker AD-1 packer set at 4315' with 12 pts. tension. POOH with tubing and packer.

3. RU reverse unit complete with 2-3/8" N80 workstring, drill collars and 3-7/8" rock bit. TIH to drill out to 5,000' via cleanout frac sand and ballsealers 4540-4561', drill out cement, float valve and guide shoe 4561-4626', drill out cement plug set in 7-7/8" OH from 4632-4700', ream thru 4632-4700' cement sheath to check stability, then clean out and reverse circulate clean to 5100'. POOH with bit.

4. TIH open-ended to spot cement plug. Spot 50 sx of Class "H", 1.32ft^3/sack, cement from 5070' up to 4930'. Pull up to 4300' and reverse circulate tubing clear. WOC. TIH to tag top of cement plug.

5. Spot 800 gal. 15% NEFE HCL from 4860' up to 4600'. POOH.

6. RU perforators and perforate top to bottom with 3-1/8" casing gun 1 JSPF - 4574-82', 4588-93', 4604-36', 4652-62', 4666-80', 4762-70', 4796-4806' and 4836-44' (103 holes total).

7. TIH with injection string, with packer at 4315'± circulate packer fluid down annulus. ND BOP and set packer, NU wellhead. Pressure test annulus to 500#.

8. RU to acidize. Acidize as follows with a total of 6,000 gals. 15% NEFE HCL, 180 1.3 SG ball sealers and 1,000# of rocksalt in 750 gals. of 10# brine at 4-5 BPM.
   a) 2,000 gals. of acid with 180 ballsealers.
   b) 2,000 gals. of acid.

c) 750 gals. of brine with 1000# rocksalt.
d) 2000 gals. of acid.
e) Flush with 1,000 gals. of produced water.
f) After ISIP surge balls off and obtain 5 and 10-minute SI pressures.
g) Overflush with 100 barrels of produced water at 4 BPM rate.

9. Run 30-minute casing annulus mechanical integrity test. A minimum of 200 psi differential between tubing and casing pressures is required, maximum change in casing annulus pressure during 30 minutes is 10% of original pressure.

10. Put on normal injection duty.

11. After 2 weeks injection, shut well in for 24 hrs. followed by step rate test utilizing surface rate indicator and surface pressure recorder. Hold each rate stable for 30 minutes at rates of 120, 240, 480, 720, 960 and 1200 BWPD. Plot BWPD rate versus end of 30-minute step pressure to check for change of slope indicating formation parting. If no change of slope is evident, it will be necessary to continue with two more step rates at 1400 and 1600 BWPD.

H. L. BROWN, JR.
POST OFFICE BOX 2237
MIDLAND, TEXAS 79702-2237

June 24, 1992

State of New Mexico
Energy & Minerals Dept.
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. David Katnach

Re: Request Amended Injection Interval
Holly Federal "27" Well No. 1 located
in Unit J of Section 27, T-7-S, R-37-E
Roosevelt County, New Mexico

Gentlemen:

We herein request that Administrative Order No. SWD-438 approved on the 16th day of August, 1991 be amended to permit the injection of salt water for disposal purposes into the San Andres formation at approximately 4348' to approximately 4930'. The subject order had stated an interval of 4348' to 4500', which is the current injection interval.

As I mentioned during our phone conversation on June 16, 1992 we wish to drill out open hole to include all of the San Andres interval. Attached for your information is an "Injection Well Data Sheet" which includes a schematic of the current completion. We would intend to drill out the plug below the casing from 4632-4700' and set and tag a 50 sack plug across the bottom of the San Andres/top of Glorietta at 4994', plug interval of 4930-5070'.

A response to this request at your earliest convenience would be greatly appreciated. If any additional information or correspondence is required, please contact me at 915/683-5216.

Sincerely,

Matt Doffer

Matthew A. Doffer
Production Engineer

MAD:ed

TELEPHONE (915) 683-5216 300 WEST LOUISIANA TELECOPIER (915) 683-9814