

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

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 90' F NORTH L and 90' F EAST L (Surface) Sec. 13-8S-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 #523

9. API Well No.

30-041-20648

10. Field and Pool, or Exploratory Area

MILNESAND (SAN ANDRES)

11. County or Parish, State
ROOSEVELT, NM

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 #523 was shut in when A.C.T. Operating took over in November, 1994. We had planned a fracture treatment this year, unfortunately oil prices have precluded this treatment. The well produces 1 BO and 30 BW which is uneconomical. We request postponement of any operations until we get some type of economical relief. 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
PETER W. CHESTER

MAR 10 1999

APPROVED FOR MONTH PERIOD
ENDING MAR 10 2000

BUREAU OF LAND MANAGEMENT
ROSWELL RESOURCE AREA

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

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.

SWW

RECEIVED
NOV 25 98
BLM
ROSBELL, NM