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Orig. Signed by

State of New Mexico

Form C-103

Energy, Minerals and Natural Resources Department to Appropriate District Office Revised 1-1-89 DISTRICTI OIL CONSERVATION DIVISION WELL API NO. P.O. Box 1980, Hobbs, NM 88240 P.O. Box 2088 30-005-20004 DISTRICT II P.O. Drawer DD, Artesia, NM 88210 Santa Fe, New Mexico 87504-2088 5. Indicate Type of Lease FEE X STATE DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 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 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) CATO SAN ANDRES UNIT 1. Type of Well: GAS WELL WELL | XX OTHER WATER INJECTION WELL 2. Name of Operator 8. Well No. KELT OIL & GAS. INC. 44 3. Address of Operator 9. Pool name or Wildcat P. O. BOX 1493 ROSWELL, NM 88202 CATO-SAN ANDRES Well Location Unit Letter __ I : __ 1980 Feet From The ____ SOUTH 660 Line and EAST Feet From The Township ship 8 SOUTH Range 30 EAST 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 8 SOUTH Section CHAVES **NMPM** County 4068 FEET (RKB) 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 X **PULL OR ALTER CASING** CASING TEST AND CEMENT JOB REPAIR CSG FOR CONVERSION TO WTR TNJX OTHER:_ R - 9029 WELL 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. Propose the following procedure: Rig-up pulling unit 3/9/91. Wireline to run CCL and CBL logs then run free pt. on 4 1/2" csg. (TOC at 2300' determined from temp. survey.) RIHow/ internal mechanical cutter on 3/11/91. Cut 4 1/2" csg. at lowest pt. determined to be free. POOH w/ 4 1/2" csg. Lay down all bad jts. and replace. 3. RIH w/ lead csg. patch and tie string back together. Cut-off 4 1/2" at surface and flange up. Make a bit & scraper run to PBD to clean out 4 1/2". (CONT'D ON ATTACHED SHEET) I hereby certify that the information above is true and complete to the best of my knowledge and belief. PETROLEUM ENGINEER 3 - 5 - 91(505) TELEPHONE NO. 398-6166 MARK A. DEGENHART TYPE OR PRINT NAME

Paul Kautz **Geologist** APPROVED BY-CONDITIONS OF APPROVAL, IF ANY:

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FORM C-103 CONTINUATION PAGE

- 7. RIH w/ tension pkr. on 2 3/8" OD internal plastic-lined tbg. Set pkr. above top perf. at approx. 3190'.
- 8. Load tbg-csg annulus w/ inert fluid. Pressure test tbg-csg annulus to $300\,$ psi for $30\,$ minutes.
- 9. Put well on water injection in accordance with Division Order No. 9029 dated 10/30/89.

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