

DISTRICT I
P.O. Box 1980, Hobbs, NM 38240

DISTRICT II
P.O. Drawer DD, Artesia, NM 38210

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. 30-025-34356
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
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
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>

7. Lease Name or Unit Agreement Name NORTH VACUUM ABO NORTH UNIT
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2. Name of Operator SAGE ENERGY COMPANY

8. Well No. 163

3. Address of Operator PO Box 3068 Midland Tx 79702

9. Pool name or Wildcat NORTH VACUUM (ABO)
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4. Well Location Unit Letter M : 660 Feet From The SOUTH Line and 660 Feet From The WEST Line

Section 36 Township T-16-S Range R-34-E NMPM LEA County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4062' KB 4044' GR
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11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
WELL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: <input type="checkbox"/>

2. 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.

SEE ATTACHED PAGES (2)

I hereby certify that the information above is true and complete to the best of my knowledge and belief.		
SIGNATURE George M. Harris Jr.	TITLE ENGINEER	DATE 11/15/99
TYPE OR PRINT NAME GEORGE M. HARRIS JR.	TELEPHONE NO. 915-683-5271	

APPROVED BY _____	TITLE _____	DATE _____
NOTATIONS OF APPROVAL IF ANY: JC		

SAGE ENERGY COMPANY
NVANU #163
API NO.: 30-025-34356
660' FSL, 660' FWL, SEC 36M, T-16-S, R-34-E

NVANU #163 - NORTON DRILLING RIG #8 - September 9, 1999

Days on well: 2, Depth this AM: 400', cut 51' in last 24 hours. Operations this AM: TTH, Survey: 400', 3/4°. Bit #2: 11" FDS in at 400'. Vis: 33, Mud Weight: 9.6
 1 hour drilling, 1/4 hours survey, 1/4 hr circ, 1-3/4 hrs trip, 1-3/4 hrs run csg, 1 hr cement, 4 hr WOC, 2 hrs cut csg, 11 hrs NU, 1 hr test BOP.

KB: 18' TD:400' KB

Drill to 400', pooh with drill string, RIH with 9 jts of 13-3/8", H-40, 48# casing as follows:

1- 13-3/8" Notched Collar	0.65'
1- Jt. 13-3/8", 48#, H-40, 8rd Casing	44.10'
1- Weatherford Insert Float Collar	0.00'
8- Jts. 13-3/8", 48#, H-40, 8rd Casing	361.90'
9 Jts. 13-3/8" Casing	406.65'
Pipe Above KB	6.65'
13-3/8" Casing Set At	400.00'

Rig up Dowell, cement casing (5 centralizers) with 400 sxs. Class 'C' with 2% CaCl and 1/4#/sx D-29 (Cello-flakes). Flush with 56.9 bbls fresh water, plug down at 11 am 9/8/99. Circulated 45 sxs. WOC 12 hrs, weld on 13-3/8" well head, NU and test BOP.

NVANU #163 - NORTON DRILLING RIG #8 - September 18, 1999

Days on well: 11, Depth this AM: 4610', cut 15' in last 24 hours. Operations this AM: Nipple up, Survey: 4610', 1/2°. Bit #3: 11" 53CF in at 3095', out at 4610', cut 1515' in 126 hrs. Pump Pressure: 1400, SPM: 104, RPM: 55, Bit Weight: 60, Vis: 33, Mud Weight: 10.8
 1-1/2 hrs drilling, 2-1/4 hrs circ., 3 hr trip & lay dn DC, 3 hrs tight hole, 4-1/2 hrs run csg, 2-1/2 hrs cmnt, 3/4 hrs RU & RD crews, 2 hrs set slips, 4-1/2 hrs NU & ND.

13-3/8" casing set at 400' KB, 17-1/2" hole, cement circulated.

Drill 11" hole to 4610' KB, circulated and POOH w/ drill string. Layed down 8" collars and RU to run 111 jts of 8-5/8" casing with 5 centralizers as follows:

1- 8-5/8" Weatherford Guide Shoe	0.8'
1 jt 8-5/8", J-55, 8rd, 32#, ST&C Shoe Jt	41.8'
1- Weatherford Float Collar	1.25'
55 jts 8-5/8", J-55, 8rd, 32#, ST&C Casing	2293.26'
38 jts 8-5/8", J-55, 8rd, 24#, ST&C Casing	1569.68'
17 jts 8-5/8", J-55, 8rd, 32#, ST&C Casing	713.65'
SUB TOTAL	4620.44'
8-5/8" CASING ABOVE KB	-13.44'
CASING SET AT	4,607'

SAGE ENERGY COMPANY
NVANU #163
API NO.: 30-025-34356
660' FSL, 660' FWL, SEC 36M, T-16-S, R-34-E

RU Dowell to cement with 1500 sxs 35/65 POZ Class C & 5% D44 (BWOW) & 6% D20 & .25 PPS D29. Tail in with 200 sxs Class C Neat. Flush with 284 bbls of fresh water. Plug down at 10:30 pm. Circulated 115 sxs of cement. ND to set slips, install B section of well head and NU. WOC 12 hrs and continue drilling.

NVANU #163 - NORTON DRILLING RIG #8 - September 28, 1999

Days on well: 21, Depth this AM: 8655', cut 0' in last 24 hours. Operations this AM: NU BOP TIH, LDDP, RU casing crew and run & cement casing, set slips and cut off casing. Vis: 29, Mud Weight: 8.5, pH: 10

2 hrs trip, 2-1/2 hrs circ, 5-3/4 hrs LDDP & DC, 7-1/4 hrs run casing, 1 hr RU Dowell, 1-1/2 hrs set slips & cut off, 4 hrs ND/NU.

13-3/8" casing set at 400' KB, 17-1/2" hole, cement circulated.

8-5/8" casing set at 4607' KB, 11" hole, cement circulated.

Drill 7-7/8" hole to 8655' KB, circulated 2 hrs. and POOH w/ drill string. Log well, RIH with drill string, circulate out 23' of fill for 2-1/2 hrs. and POOH LDDP & DC. RU to run 5-1/2" casing with 6 centralizers as follows:

1- 5-1/2" Weatherford Float Shoe	1.30'
1 jt 5-1/2", J-55, 8rd, 17#, LT&C Shoe Jt	43.50'
1- 5-1/2" Weatherford Float Collar	1.08'
19 jts 5-1/2", J-55, 8rd, 17#, IT&C Casing	810.49'
157 jts 5-1/2", J-55, 8rd, 15.5#, LT&C Casing	6743.29'
25 jts 5-1/2", J-55, 8rd, 17#, LT&C Casing	1069.03'
SUB TOTAL	8668.69'
8-5/8" CASING ABOVE KB	-11.69'
CASING SET AT	8,657'

RU Dowell to cement with 545 sxs 35/65 POZ Class C & 5% D44 (BWOW) & 6% D20 & .25 PPS D29. Tail in with 125 sxs Class C Neat. Flush with 204 bbls of fresh water. Plug down at 12:30 am. ND to set slips, NU to continue drilling operations.