

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.
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-7194
7. Lease Name or Unit Agreement Name Ralph Lowe State
8. Well No. 1
9. Pool name or Wildcat Hobbs San Andres, East

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"/>	
2. Name of Operator Hillin-Simon Oil Company	
3. Address of Operator P.O. Box 1552 Midland, Texas 79702	
4. Well Location Unit Letter C : 330 Feet From The North Line and 1650' Feet From The West Line Section 32 Township 18S Range 39E NMPM Lea County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3595' GR	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <input type="checkbox"/>

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.

Plug back and recomplete.

1. Set 5½" CIBP & 35' cement @ approx. 4350'. (Well is completed open hole from 4423' to 4470' with 5½" csg set @ 4423').
2. Run Gamma Ray/Neutron/Casing Collar Locator/Cement Bond logs from PBTD to approx 2500'.
3. Perforate 5½" casing in the approx. interval 3910' - 3920'.
4. Acidize well with 500 gals, then fracture treat with 10,000 gals gelled water and sand.
5. Swab and flow well to test.

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

SIGNATURE Stan Venable TITLE Staff Operation Eng. DATE 3-26-90

TYPE OR PRINT NAME Stan Venable

TELEPHONE NO. (915) 682-22

(This space for State Use)

Orig. Signed by
Paul Kautz
Geologist

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

See stipulations in attached letter

MAR 29 1990



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

March 29, 1990

POST OFFICE BOX 1980
HOBBS NEW MEXICO 88241-1980
(505) 393-6161

Hillin-Simon Oil Company
P.O. Box 1552
Midland, TX 79702

Attn: Stan Venable

Re: Recompletion
Ralph Lowe State #1-C
Section 32, T18S, R39E

Gentlemen:

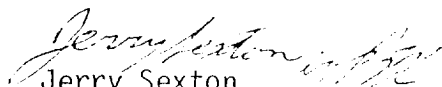
Your proposal to plug back from the San Andres and recomplete the above-referenced well in an interval 3910-3920' has been approved. However, this is to advise that a gas well completion in this interval will come under the Texline Penrose Gas Pool since the acreage lies within the pool boundary. Our Geologist indicates the top of the Grayburg in this area is \pm 4125' so your completion will be in the Queen.

The Texline Penrose Gas Pool requires 160 acres be dedicated and the well location appears to be unorthodox for this pool and will require approval from our Santa Fe office.

No production can be authorized from a gas well completion until these requirements have been met. If you have questions concerning this matter, please contact Evelyn Downs at (505) 393-6161.

Very truly yours,

OIL CONSERVATION DIVISION


Jerry Sexton
Supervisor, District I

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