

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. 30-025-28083
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. SWD 119
7. Lease Name or Unit Agreement Name STATE "AJ"
8. Well No. #1
9. Pool name or Wildcat Devonian
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3806 GR

**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: GAS <input type="checkbox"/> WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> SWD	2. Name of Operator ALLIANCE CORPORATION
3. Address of Operator P.O. Box 504, Lovington, New Mexico 88260-0504	4. Well Location Unit Letter G : 2310 Feet From The NORTH Line and 2310 Feet From The EAST Line Section 33 Township 18S Range 36E NMPM LEA County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
<b>NOTICE OF INTENTION TO:</b>	<b>SUBSEQUENT REPORT OF:</b>
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input checked="" 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.

The subject well was originally approved for open hole disposal from 5000' to 12164' by authority of Oil Conservation Division Order R-8166. In July of 1992, Alliance Corporation attempted to make a single zone disposal in the devonian formation by casing the well to a depth of 12100'. The formation has loaded up and the well no longer takes fluid in an economically viable volume at reasonable working pressures.

On 23 November we will rework the well in accordance with the original permit by removing the 5 1/2" casing, setting a packer at approximately 4950' and testing the injection potential from the lower San Andres formation down. If there is a potential for salvaging the project, the well will be recompleted according to the original permit and applicable Oil Conservation Division rules and regulations.

A schedule of the initial work to be performed is attached.

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

SIGNATURE [Signature] TITLE President DATE 19 Nov 93

TYPE & PRINT NAME Jerry Sexton TELEPHONE NO. 390-6662

(This space for State Use) **ORIGINAL SIGNED BY JERRY SEXTON**  
**DISTRICT I SUPERVISOR**

APPROVED BY \_\_\_\_\_ DATE \_\_\_\_\_

COMMISSIONER OF AIR QUALITY \_\_\_\_\_

THE COMMISSION MUST BE NOTIFIED  
24 HOURS PRIOR TO COMMENCING WORK

NOV 23 1993