

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Box 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 32027
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil / Gas Lease No.	B-1306-1
7. Lease Name or Unit Agreement Name	VACUUM GRAYBURG SAN ANDRES UT
8. Well No.	127
9. Pool Name or Wildcat	VACUUM GRAYBURG SAN ANDRES
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	GR-3992', KB-4006'

SUNDRY NOTICES AND REPORTS ON WELL
 (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 GAS WELL OTHER

2. Name of Operator
 TEXACO EXPLORATION & PRODUCTION INC.

3. Address of Operator
 205 E. Bender, HOBBS, NM 88240

4. Well Location
 Unit Letter K ; 1980 Feet From The SOUTH Line and 2625 Feet From The WEST Line
 Section 1 Township 18-S Range 34-E NMPM LEA COUNTY

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"/>	COMMENCE DRILLING OPERATION <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	FRACTURE TREATMENT <input checked="" 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 notice of intent dated 9/5/96 to perform this workover was approved by the NMOCD on 9/9/96.

9/11/96 - 9/24/96

- MIRU. TOH w/ rods & pump. Installed BOP. Tagged fill & TOH w/ tubing.
- TIH w/ bit, cleaned out to 4190'. Spotted 2000# 20/40 sand from 4581' (PBTD) - 4450'.
- Perforated from 4305'-4325' (8 SPF, .52" holes, 160 holes, 120° phasing).
- TIH w/ 5-1/2" pkr. Tested tbg to 9000 psi. Set pkr @ 4095', loaded backside w/ fresh water. Spotted 2 drums TH-756 inhibitor mixed in 20 Bbls fresh water.
- Fracture treated perms from 4179'-4568' w/ 74,214 gals 40# YF-40 Gel, 1800# Adamite Regaine, 200,000# 16/30 Ottawa sand & 39,000# 16/30 Curable Resin Coated sand. Max P = 9890# AIR = 38 BPM. SI for 24 hours to set sand. Cleaned out sand w/ coiled tbg unit.
- Released pkr, TOH w/ pkr & frac tubing. TIH with bit & cleaned out 5 1/2" casing.
- TIH w/ production equipment & returned well to production.

OPT 10/16/96 FLOWING: 121 BOPD, 352 BWPD, 39 MCFD

INTERNAL TEPI STATUS CHANGED FROM SI-O TO FL)

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

SIGNATURE Monte C. Duncan TITLE Engr Asst DATE 12/5/96
 NAME OR PRINT NAME Monte C. Duncan Telephone No. 397-0418

is space for State Use)

APPROVED BY _____ TITLE _____ DATE DEC 10 1996

CONDITIONS OF APPROVAL, IF ANY: