STATE OF NEW MEXICO
IERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-78

5a. Indicate Type of Lease: State [XX] Fee [ ]

5. State Oil & Gas Lease No.: B-2317

API No. 30-025-02221

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.)

Unorthodox location approved per NMOCD Order NSL-1734

OIL WELL [X] GAS WELL [ ] OTHER-

7. Unit Agreement Name:

Name of Operator: Phillips Petroleum Company

8. Farm or Lease Name: M. E. Hale

Address of Operator: Room 401, 4001 Penbrook Street, Odessa, Texas 79762

9. Well No.: 3

Location of Well: UNIT LETTER P, 660 FEET FROM THE south LINE AND 660 FEET FROM THE east LINE, SECTION 35 TOWNSHIP 17-S RANGE 34-E NMPM.

10. Field and Pool, or Wildcat: Vacuum GB/SA

15. Elevation (Show whether DF, RT, GR, etc.): 4088.2'GR

12. County: Lea

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 [ ]		COMMENCE DRILLING OPNS. [ ]	PLUG AND ABANDONMENT [ ]
PULL OR ALTER CASING [ ]	CHANGE PLANS [ ]	CASING TEST AND CEMENT JOB [ ]	
		OTHER [ ]	

OTHER Treat for salt precipitation & scale; deepen and acidize [X]

17. 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.

After repairing casing leak located in the salt section, well's production dropped. Recommended procedure is to treat for any scale or salt deposits that may have have formed when water from the salt section mixed with the San Andres produced water and deepen open hole interval to include lower San Andres pay as follows:

MI & RU DDU. COOH w/rods & pump. Install BOP. COOH w/tubing & tubing anchor. MI & RU reverse unit. GIH w/6-1/4" bit, drill collars and 2-7/8" workstring. Tag bottom and record current total depth. Drill out open hole section from PTD 4552' to 4721'. If circulation cannot be established with fresh water, drill out with fresh water containing 1PPB of Drispac and paper as required to control excessive seepage. After reaching new TD (4721'), circulate hole clean and spot 1000 gals. 10% Xylene/90% 15%FE HCL acid mixture containing dispersant and corrosion inhibitor additives, across open hole section 4099'-4721'. COOH w/workstring drill collars and bit. RIH w/630' of 2-7/8" tail pipe, RTTS type packer and 2-7/8" workstring. Land tubing at ±4720'. Swab back load and acid water. Pull tubing to ±4050'. Set packer, load tubing/casing annulus with fresh water and pressure test to 500 psi. Acidize open hole interval 4099'-4721' with 2000 gals 15% NEFE HCL acid containing corrosion inhibitor additives Swab back load and acid water. Treat open hole interval with scale inhibitor. COOH w/tbg & packer. GIH w/2-7/8" production tubing and tubing pump bottom hole assembly.

SEE REVERSE SIDE

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

SIGNED W. J. Mueller TITLE Sr. Engineering Specialist DATE July 10, 1985

APPROVED BY ORIGINAL SIGNED BY JERRY SEXTON DISTRICT I SUPERVISOR TITLE DATE JUL 12 1985

CONDITIONS OF APPROVAL, IF ANY:

Land tubing at ±4710' and set tubing anchor at ±4080' in 12,000# tension.
GIH w/rod string and return well to production.