

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240DISTRICT II
P.O. Drawer DD, Artesia, NM 88210DISTRICT III
1000 Rio Brazos Rd., Artesia, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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| WELL API NO. | 30-025-03175 |
| 5. Indicate Type of Lease | STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. | |
| 7. Lease Name or Unit Agreement Name | |
| East Pearl Queen Unit | |
| 8. Well No. | 11 |
| 9. Pool name or Wildcat | Pearl Queen |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) | |
| 3767" | |

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.)

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|--|--|
| 1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER TA-Injection | 2. Name of Operator Pyramid Energy, Inc. |
| 3. Address of Operator 10101 Reunion Place, Ste. 210 San Antonio, TX 78216 | 4. Well Location Unit Letter N : 660 Feet From The South Line and 1980 Feet From The West Line Section 21 Township 19S Range 35E NMPM Lea County |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3767" | |

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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"/> | PLUG AND ABANDON <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | OTHER: Locate casing leak and either TA or PSA wellbore <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.

On May 6, 1994, the captioned well failed a casing integrity test. To bring the wellbore into compliance, the following procedure will be performed:

- 1) Locate casing with tubing and packer.
- 2) Tag cement plug with tubing at 4539' (60' cement plug above retainer @ 4599') and circulate hole with mud laden fluid.
- 3) Contact NMOCD District Office and obtain instructions to TA well. If conditions exist that will not allow well to be TA, then it shall be plugged and abandoned in accordance with NMOCD rules and regulations.

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

| | | |
|--|-------------------------------------|-----------------------|
| SIGNATURE: <u>Scott Graef</u> | TITLE: <u>Operations Manager</u> | DATE: <u>05/20/94</u> |
| TYPE OR PRINT NAME: <u>Scott Graef</u> | TELEPHONE NO. <u>(210) 308-8000</u> | |

(This space for State Use)

| | | |
|---------------------------------|--------------|-------------|
| APPROVED BY: _____ | TITLE: _____ | DATE: _____ |
| CONDITIONS OF APPROVAL, IF ANY: | | |

ORIGINAL FILED BY JEFFREY SEXTON
DISTRICT SUPERVISOR

1-5-94

RECEIVED

MAY 23 1994

JUD HUBBS
OFFICE