DISTRIBUTION
SANTA FE
FILE
U.S.G.S.
LAND OFFICE
OPERATOR

NEW MEXICO OIL CONSERVATION COMMISSION

Supersedes Old C-102 and C-103 Effective 1-1-65

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

5. State Oil & Gas Lease No.: LG-1784

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.)

7. Unit Agreement Name:

OIL WELL [X] GAS WELL [ ] OTHER-

8. Farm or Lease Name: Aztec 2 State

Name of Operator: Holly Energy, Inc.

9. Well No.: 1

Address of Operator: P.O. Box 726 Artesia, New Mexico 88210

10. Field and Pool, or Wildcat: Young Bone Springs North Field

Unit Letter M 660 Feet From The South Line and 330 Feet From The West Line, Section 2 Township 18-S Range 32-E

15. Elevation (Show whether DF, RT, GR, etc.): 3857.8 GR

12. County: Lea

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

- Perform Remedial Work [ ]
- Temporarily Abandon [ ]
- Pull or Alter Casing [ ]
- Plug and Abandon [ ]
- Change Plans [ ]
- Other [ ]

SUBSEQUENT REPORT OF:

- Remedial Work [ ]
- Commence Drilling Opns. [ ]
- Casing Test and Cement Job [ ]
- Altering Casing [ ]
- Plug and Abandonment [ ]
- Other spud and set casing [ ]

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.

Spud well at 11:00 a.m., 10-31-83. Drill 17½" hole to 668'. Set 667' 13 3/8" 54.50 STC casing. Cement with 759 sacks class C 3# per sack Hi-seal with 3% calcium chloride. Plug down at 1:30 p.m. 11-1-83. Circulate 125 sacks to pit. After waiting 18 hours, test casing at 1000# for 30 minutes. Drill out with 11" bit to 4470'. Run new 8 5/8" 32# casing @ 4210'. Casing parted, leaving 37 joints 1569' of casing in hole 11-9-83. Fished for 5 days. Could not fish parted casing. Moved in rig up Eastman Whipstock. Set 300 sacks of Class C 5# sand, 2% cacl. Whipstock plug @ 2987'-2518'. Drill around lost pipe to 4481'.
Run 3480' new 8 5/8" 32# and 1000' 8 5/8" 24# K and set @ 4481'. Cement with 2000 sacks hallite 6# gelsonite 10# salt, ¼# flocele, 300 sacks Class C 2% cacl. Plug down 7:20 p.m. 11-27-83. Circulate 203 sacks ot pit. After waiting 18 hours, test casing 1000# for 30 minutes. Drill out with 7 7/8" bit.

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

SIGNED: [signature] TITLE: Production Superintendent DATE: 1-10-84

ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

APPROVED BY: TITLE: DATE: MAR 8 1984

CONDITIONS OF APPROVAL, IF ANY: