Submit 3 Copies to Appropriate District Office

CONDITIONS OF APPROVAL, IF ANY:

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State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NM 88240	OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504-2088			WELL API NO.		
DISTRICT II P.O. Drawer DD, Artesia, NM 88210				30-025-28059 5. Indicate Type of Lease		
DISTRICT III 1000 Rio Brazos Rd., Aziec, NM 87410				6. State Oil & Gas I	STATE X FEE	
				B-2317		
(DO NOT USE THIS FORM FOR PRO DIFFERENT RESER (FORM C	CES AND REPORTS ON PPOSALS TO DRILL OR TO DE RVOIR. USE "APPLICATION FO -101) FOR SUCH PROPOSALS.	EPEN A PEI	OR PLUG BACK TO A	7. Lease Name or U	nit Agreement Name	
1. Type of Well: OE. GAS WELL GAS WELL GAS	отных Wat	er	Injection	M. E. Hale		
2 Name of Operator Phillips Petroleum	Company			8. Well No. 16		
3. Address of Operator 4001 Penbrook St.,	Odessa, TX 79762			9. Pool name or Will Vacuum Gb/		
4. Well Location	O Feet From The South		Line and1330	1		
25					The East Line	
Section 35	Township 17-S		nge 34 DF, RKB, RT, GR, etc.)	_{NMPM} Lea	County	
	4010' GR, 4					
11. Check	Appropriate Box to Indic	ate l	Nature of Notice, Re	port, or Other I	Data	
NOTICE OF INT	ENTION TO:		SUB	SEQUENT RE	PORT OF:	
PERFORM REMEDIAL WORK	PLUG AND ABANDON		REMEDIAL WORK	A	LTERING CASING	
TEMPORARILY ABANDON	CHANGE PLANS		COMMENCE DRILLING	OPNS. D	LUG AND ABANDONMENT	
PULL OR ALTER CASING			CASING TEST AND CE	MENT JOB		
OTHER: Isolate lower per	rfs with CIBP	X	OTHER:			
12. Describe Proposed or Completed Operationsk) SEE RULE 1103.	ions (Clearly state all pertinent deta	ils, an	d give pertinent dates, includ	ling estimated date of s	tarting any proposed	
 GIH with bit and PBTD at approx. 4 GIH with CIBP. S RIH with 2-7/8" the Pressure test cas acid treatment. 	725'. POOH. et CIBP at 4520'. ubing workstring ing & packer to 5	2- and	7/8" tubing wo	eker. Set p	packer at 4330'.	
5. Pump 2,800 gallon 6. Swab. COOH with 7. RIH with tubing & 8. Apply 500 psi to (500# for 30 min) 9. Return well to wa	packer & tubing. injection packer annulus & hold fo . Record test on	r 3	0 minutes. No		to witness test	
I hereby certify that the information above is inte		-				
SIONATURE	andus	m	Supv., Reg.	Affairs	DATE	
TYPE OR PRINT NAME L. M. San	ders				915/ TELEPHONE NO. 368-1488	
(This space for State Use)	ig. Signed by Paul Kautz				JUL 2 9 1993	
APPROVED BY	Ge	- 170	LE		_ DATE	

WELL SERVICE APPROVAL AILLIPS PETROLEUM COMPANY--PERMIAN BASIN RE. A Procedure No. 93168

Date <u>July 13, 1993</u>

RKB @ 4022.0' DF @ 4021.0' GL @ 4010.0' 8-5/8" 24# K-55 Csg. set a 360' Cmtd w/400 sxs TOC @ Surface (circ. 150 sxs) 5-1/2" 15.5# K-55 Csg. Set @ 4800' Cmtd w/1200 sxs TOC @ Surface (Circ. 180 sxs) Perforations (1 SPF) (Grayburg/San Andres) 4389' - 4431' (42')4477' - 4488' 4520' Proposed CIBP === 4552'- 4581' (29') === === 4615'- 4633' (18')=== 4639' - 4704' (65')PBTD = 4725

Category Code: JNE

Area North Subarea Buckeye
Lease & Well No. M.E. Hale #16
Legal Description 2630' FSL & 1330' FEL, Section 35, T17S - R34E
Lea County State: New Mexico
Field Vacuum (Grayburg/San Andres)
Status: INJ Date:July 1993: BOPD BWPD MCFPD
Tbg. 4280' of 2-7/8" 6.5# J-55 (Internally Plastic Coated)
Other Baker AD-1 packer @ 4280'

Date Drilled: May 1983

Date Drilled: May 1983
Hole/Casing Condition Good
Last Stimulation: 6/13/90 - 19200 gal 20% HCL & 230 RCNB diverter balls

Workover Proposal: Isolate lower San Andres perfs at 4552'- 4581',
4615'- 4633', and 4639'- 4704' with CIBP in order to divert injection
water to injection perfs uphole at 4389'- 4431', and 4477'- 4488'.
Wellhead Description: (Include connection that BOP will bolt to)
Not shown in wellfiles. Vendor to verify prior to RU.

PROJECT JUSTIFICATION: Recent Injection Profile survey run on the M.E. Hale #16 indicates that 95+% of total injection water is being taken by perfs @ 4552'- 4704'. Isolating these lower perfs will allow increased injection into upper perfs @ 4389'- 4488', which will provide for better Hale waterflood efficiency.

Stimulation History:

	_	_		_		Max
<u>Interval</u>	<u>Date</u>	<u>Туре</u>	<u>Gals</u>	Sand	Rate	Press
4389-4704	4/12/83	15% HCL	17,500	115 RCNBS	3.0	2950#
4389-4704	6/13/90	20% HCL	19,200	230 RCNBS	4.0	3300#

Tubular Ratings (Pw Allowable):

Size	<u>Weight</u>	Grade	Burst	Collapse	<u>Tension</u>
5-1/2"	15.5	K-55	4510	3810	131,000
2-7/8"	6.50	J-55	5 93 0	6670	67,600

Production Engr.: K.H. Maberry K.H. Maberry Production Engr.: D.G. Harms Production Engr.: K.E. Snow Let 7/12/97

D&P Engr. Director: R.K. Bogan

North Distr. Mngr.: T.J. Bogan

Checked by:

Copies: R.M. Sulak (r) Central Files PROJECT ECONOMICS @ \$ 18.78 D.R. Wier 10 BOPD _ MCFD (r) K.H. Maberry AARR 500+ T.J. Bogan PAYOUT 0.2 NTER 21.0 YRS. (r) D.G. Williamson TIMES R.K. Bogan NPV @ 13% 106.8 (r) K.E. Snow PI @ 13% 13.94 ECONOMIC LIFE 10.4 YRS. D.G. Harms L.M. Sanders EST. COMPL. DATE 8/93 L.S. Malone M.L. Moore J.S. Chimahusky J.I. Michaelis R.W. Chambers

 CHARGE TO EXPENSE AFE TOTAL
 GROSS COST SEXPENSE AFE SEXP

TD = 4800'