

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

DISTRICT II
P.O. 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. 30-025-03239
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. 34
9. Pool name or Wildcat Pearl Queen
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3724 DF

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.)

1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER Injection
2. Name of Operator Pyramid Energy, Inc.
3. Address of Operator 10101 Reunion Place, Suite 210 San Antonio, TX 78216
4. Well Location Unit Letter I : 1980 Feet From The South Line and 660 Feet From The East Line Section 28 Township 19S Range 35E NMPM Lea County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3724 DF

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 checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <input 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.

This well failed a Mechanical Integrity Test. To bring the well into compliance the following procedure will be performed:

- 1) Set CIBP at 4600' and spot 25 sack cement on top of plug. Circulate hole with mud laden fluid.
- 2) Locate casing leak with tubing and packer.
- 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 to NMOCD Rules and Regulations.

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

SIGNATURE Scott Graef TITLE Operations Manager DATE 05/31/94
TYPE OR PRINT NAME Scott Graef TELEPHONE NO. (210) 308-8000

(This space for State Use)

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

ORIGINAL FILED IN 30-025-03239
DATE 6/1/94 BY [illegible]

RECEIVED

JUN 02 1994

**OGD RUBEN
OFFICE**