

Submit 3 Copies
to Appropriate
District Office

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

DISTRICT II

P. O. Drawer DD, Artesia, NM 88210-2834

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 S. Pacheco

Santa Fe, New Mexico 87505

WELL API NO.
30-025-34383

5. Indicate Type of Lease
State

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Bass

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 ☒ GAS WELL ☐ OTHER

2. Name of Operator

HALLWOOD PETROLEUM, INC.

8. Well No.

4

3. Address of Operator

P.O.Box 378111 Denver, CO 80237

9. Pool name or Wildcat

Hat Mesa - Delaware

4. Well Location

Unit Letter **G** : **1700** Feet From The **North** Line and **1815** Feet From The **East** Line
Section **30** Township **20S** Range **33E** NMPM **Lea** County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

3584' GR 3600' KB

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: **Recomplete to Upper Delaware** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

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.

Hallwood plans to temporarily abandon the three sets of perforation in the Lower Delaware (7670'-7676', 7914'-7924' & 8060'-8090') and recomplete this well to the Upper Delaware (6916'-6946' & 6965'-6969').

Please see attached for procedures and further information on this recompletition.

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

SIGNATURE Nonya K Durham

TITLE

**Production Reporting
Supervisor**

DATE **10/1/98**

TYPE OR PRINT NAME **Nonya K Durham**

TELEPHONE NO. **303-850-6257**

(This space for State Use)

APPROVED BY William Williams

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

Hallwood Petroleum, Inc.

4582 South Ulster Street Parkway • Stanford Place III • Suite 1700 • Post Office Box 378111
Denver, Colorado 80237 • (303) 850-7373

BASS #4

Completion Procedure **(Revised for Upper Delaware)**

SW of NE Section 30-T20S-R33E
Hat Mesa (Delaware) Field
Lea County, New Mexico

Well Data

Total Depth:	8300'
PBTD:	8264' (Float Collar)
DV Tool:	5989'
KB:	3600'
GL:	3584'
Difference:	16'
Spud Date:	5/12/98
Production Casing:	1) 0-880' 5 ½" 17# K-55 LTXC
	2) 880-5895' 5 ½" 15.5# K-55 LTXC
	3) 5895-8300' 5 ½" 17# N-80 LTXC

Cement 1st Stage with 535 sxs Modified Super "H" with 5# Gilsonite, 1# salt, 0.5% Halad 344, 0.4% CFR-3. Top of cement at 5989' (DV tool).

Cement 2nd Stage with 405 sxs lead cement, Interfill "H" with ¼# Flocele, 0.4% Halad 322. Tail-in with 100 sxs Class "H" premium cement. Top of cement at 2615'.

Discussion

The Bass #4 well has been pump testing for two months now from Lower Delaware zones with somewhat disappointing results as shown below:

	<u>Dates</u>	<u>Zone(s)</u>	<u>Production Average</u>	<u>Oil Cut %</u>
A)	7/23 to 8/6/98	7670-7676' 7914-7924' 8060-8090'	76 BOPD x 482 BWPD x 57 MCFD	13.6
B)	8/7 to 8/17/98	7670-7676'	55.5 BOPD x 329 BWPD x 40 MCFD	14.4
C)	8/20 to 9/21/98	7914-7924' 8060-8090'	32 BOPD x 269 BWPD x 54 MCFD	10.6
Sum of B + C = 87 BOPD x 598 BWPD x 94 MCFD				12.7

Due to the high water production rates, the difficulty and cost of handling much more water on this lease and the continued low oil prices, Hallwood recommends temporarily abandoning the three (3) sets of perforations currently in the Bass #4 and proceeding with testing the Upper Delaware zones.

Upper Delaware Completion

1. MIRUSU, TOH with rods and pump.
2. ND tree and NU BOP. Release anchor and TOH with tubing.
3. PU Guiberson retrieving tool and TIH. Latch and release packer assembly at 7647-7721', which is isolating perfs at 7670-7676'. TOH with all of this set-up.
4. RU wireline and run a gauge ring to 7900'.
5. Set a Halliburton Fas-Drill plug at 7860'. Set a second plug at 7640' thus isolating the two zones.
6. Load casing with 2% KCl water and pressure test casing/plug to 2500 psi for 15 minutes.
7. Perforate the Upper Delaware zones at 6916-6946' (30') and 6965-6969' (4') with 4 spf, 90° or 120° phasing and maximum premium charges with 4" guns. Correlate to the Halliburton Open Hole Spectral Density log dated 6/3/98.
8. Spearhead frac with 2000 gallons of 7½ % acid, then frac Upper Delaware per attached design. Design is a 25# Delta Frac System (Halliburton) with up to 150,000# of 16/30 sand including the last stages (approx. 50,000#) of resin coated sand pumped at 20 BPM (±) down casing.

9. Flow back frac until it dies. RIH with tubing and clean out sand. Swab test well 2-3 days.

NOTE: Attempt to swab/flow back 90% of the frac load fluid in order to get a valid pressure test in Step 10.

10. RIH with pressure bombs and obtain a gradient survey and a 48-hour build up pressure on this zone prior to pump testing. Hang bombs at 6930'.

11. TOH with tubing.

12. Run production tubing set up, anchor and pump and rods. Put well on test.

NOTE: Land tubing around 7100' and anchor between 6800-6850' (above top perf).

13. Pump and rods design is as follows:

1 3/4" pump
20-1" new grade D rods (500')
4300' (approx. 172) - 3/4" new high strength rods
remainder of rods - 7/8" new high strength rods

14. Put well on pump and pump test for 30-60 days.

NOTE: There are two prospective zones uphole at 6600-6620' and 6706-6730' that may also be tested to determine if they are commercially productive. Hallwood plans to production test the Bass #4 for 7-14 days prior to additional uphole testing.

X. E. O'Connell 9/23/98

Attachments

cc: Well File
John Genziano
Doug Little
Jim Bonaventura
Working Interest Owners

KEO98.042