

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

|   |
|---|
| WELL API NO.<br><b>30-025-22943</b>   |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.<br><b>SWD 818</b>  |
| 7. Lease Name or Unit Agreement Name:<br><b>Royalty Holdings #4</b>                                 |
| 8. Well No.<br><b>4</b>   |
| 9. Pool name or Wildcat<br><b>San Andres</b>  |

**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 Injection Well *SWD*

2. Name of Operator  
**Vista Services**

3. Address of Operator  
**P.O. Box 758 Eunice, NM 88231**

4. Well Location  
Unit Letter **A** : **660** feet from the **North** line and **660** feet from the **East** line  
Section **25** Township **21S** Range **37E** NMPM **Lea** County **NM**

10. Elevation (Show whether DR, RKB, RT, GR, etc.)  
**11 ft. RKB**

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

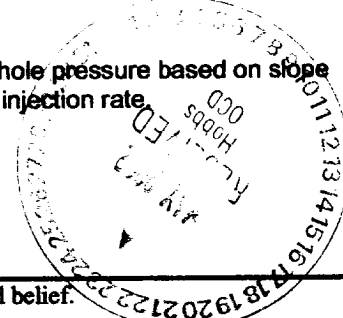
|  |  |  |   |
|--|--|--|---|
| NOTICE OF INTENTION TO:                        |  | SUBSEQUENT REPORT OF:  |   |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/>    | REMEDIAL WORK <input type="checkbox"/>   | ALTERING CASING <input type="checkbox"/>      |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input type="checkbox"/>        | COMMENCE DRILLING OPNS. <input type="checkbox"/>                                       | PLUG AND ABANDONMENT <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPLETION <input type="checkbox"/> | CASING TEST AND CEMENT JOB <input type="checkbox"/>                                    |   |
| OTHER: <input type="checkbox"/>                |  | OTHER: Step-rate test - determine parting pressure <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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Step-rate procedure completed on 04/30/2002 to determine formation fracture injection rate and pressure for safe injection operating conditions.

- a) rigged up slickline unit and deployed pressure gauges to the mid-point of perforations
- b) rigged up pump truck with supply water
- c) from static condition and starting at 600 BPD, pumped for 15 minutes each at 200 BPD rate increments
- d) after pumping a total of 24 stabilized rates, rigged down and retrieved data
- e) processed surface pressures, injection rates, and down-hole pressure data
- f) determined a formation parting point at 2871 BPD rate and 3559 psia bottomhole pressure based on slope change on a plot of the end-points of each rate: bottomhole pressure versus injection rate.

\* see attached plots, data listing, and operations log



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

SIGNATURE Mike Pilcher TITLE Vice President DATE 5/1/02

Type or print name Mike Pilcher Telephone No. (505) 394-4084  
(This space for State use)

APPROVED BY GARY W. WILE DATE MAY 23 2002  
Conditions of approval, if any: OC FIELD REPRESENTATIVE H/STAFF MANAGER