STATE OF NEW MEXICO

ENERGY AGO MINERALS DEPARTMENT

OIL CONSERVATION DIVISION HO. 87 COPIES SCCEIVED DISTRIBUTION Form C-103 P. O. BO 5 2088 Revised 10-1-78 SANTA FE SANTA FE, NEW MEXICO 37501 #11.E 5a. Indicate Type of Lease U.S.G.4. State LAND OFFICE 5. State Oil & Gas Lease No. DPERATOR SUNDRY NOTICES AND REPORTS ON WELLS FORM FOR PROPOSALS TO PRILL OF TO DEFEN OR DILL BACK TO A DIFFERENT RESERVOIR.

FORM FOR PROPOSALS TO PRILL OF TO DEFEN OR DILL BACK TO A DIFFERENT RESERVOIR.

FORM CHAPPLICATION FOR PERMIT =" (FORM CHAP) FOR SUCH PROPOSALS.) 7. Unit Agreement Name WELL X GAS WELL OTHER-2. Nama of Operator 8. Farm or Lease Name Grace Petroleum Corporation Grizzell Deep 3. Address of Operator 9. Well No. P.O. Drawer 2358, Midland, Texas, 79702-2358 4. Location of Well 10. Field and Pool, or Wildcat 330 FEET FROM THE South 543 Undesignated 22S 15. Elevation (Show whether DF, RT, GR, etc.) 12. County 3423.2 GR, 3438.6 KB Check Appropriate Box To Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: ORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK COMMENCE DRILLING OPHS. PLUG AND ABANDORME PULL OR ALTER CASING CASING TEST AND CEMENT JOB Squeeze off water, additional perfor- [XX] ations, & acidizing. DTHER 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. 10-21-81 Acidized Perfs. 7292'-7360' s/200 gals 15% MCA acid 10-22-81 to 10-24-81 Pkrs. would not set. Acidized Perfs. 7292'-7360' w/2500 gals. of 15% MCA acid in 10 equal stages separated by 6 ball sealers per stage (54 ball sealers). Fm. broke @ 1680 psi. AIR 4.8 BPM @ 1823 psi, max press. 2500 psi, ISIP, 0. 10-24-81 thru 10-27-81 Recovered black formation water. 10-28-81 Set Howco EZ-Drill sv cement retainer @ 7275'. Ran tbg. 10-29-81 Pumped 200 sx. class "C" cement thru retainer @ 4 BPM. Did not squeeze. Pumped 200 sx. class "C" cement w/1/4# flocele/sk. Squeezed @ 4000 psi w/50 sx. below retainer. Reversed out excess cement. Perforated 7251'-7255' w/2 JSPF (9 holes). Acidized Perf. 7251'-7255' w/500 gals. 15% MCA acid. FM broke @ 2800 psi-10-30-81 11-2-81 AIR 3.2 BPM @ 2730 psi. ISIP 700 psi. Immediately to -0-. Recovered black formation water. Set C.I.B.P. 07247'. Perf. 7225'-7236' w/l JSPF (12 holes). Acidized perfs. 7225'-7236' w/750 gals. 15% MCA acid. Pumped in 0 1100 psi 11-4-81 11-5-81 & acidized @ AIR of 2.2 BPM and 1800 psi pressure. Max. rate 3.8 BPM @ 2500 psi. I.S.I.P. -0-. Recovered black formation water. (continued on page 2)

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

TITLE Asst. Dist. Prod. Manager

100

Orig. Signed St

Jerry Second

Dist 1 ONDITIONS OF APPROVAL, IF ANY:

- 11-7-81 Set Howco EZ-Drill sv cement retainer @ 7210'. Ran tbg. & pumped in @ 3 BPM @ -0- psi. Squeezed perfs. w/150 sx. of class "C" cement (1/4# flocele/sk. in last 75 sx.). Max. squeeze pressure 4000 psi. Reversed out 60 sx.
- 11-9-81 Perforated 7181'-7183' (5 holes) & 7189'-7196' (15 holes) w/2 JSPF.
- 11-10-81 Acidized perfs. 7181'-7196' w/750 gals. of 15% MCA acid. Fm. broke @ 2900 psi. Treated @ AIR of 2.7 BPM and 2757 psi pressure. I.S.I.P. 1400 psi, 5" S.I.P. -0-. Swabbed well to flow. (Baker Model "R" Dbl. grip packer set @ 7109' on 2 3/8", J-55, 8R, 4.7#, EUE tubing). Waiting on facilities.