STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-78

5a. Indicate Type of Lease State [X] Fee [ ]

5. State Oil & Gas Lease No.

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. OIL WELL [ ] GAS WELL [ ] OTHER- Salt Water Disposal

7. Unit Agreement Name

2. Name of Operator: Chevron U.S.A. Inc.

8. Farm or Lease Name: State 32

3. Address of Operator: P.O. Box 670 Hobbs, NM 88240

9. Well No.: 2

4. Location of Well: UNIT LETTER J, 1980 FEET FROM THE South LINE AND 1980 FEET FROM THE East LINE, SECTION 32 TOWNSHIP 23 RANGE 38 NMPM.

10. Field and Pool, or Wildcat: Stateline Ellenburger

15. Elevation (Show whether DF, RT, GR, etc.)

12. County: Lea

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK [ ]	PLUG AND ABANDON [ ]	REMEDIAL WORK [ ]	ALTERING CASING [ ]
TEMPORARILY ABANDON [ ]		COMMENCE DRILLING OPNS. [ ]	PLUG AND ABANDONMENT [ ]
PULL OR ALTER CASING [ ]	CHANGE PLANS [ ]	CASING TEST AND CEMENT JOB [ ]	
OTHER [ ]		OTHER Convert to salt water disposal [X]	

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.

POH with rods and tubing. PU 5 1/2" packer on 2 3/8" 4.7# J-55 IPC tubing, testing to 3,000 psi. Packer started dragging at 403'. PU to 338', packer hung up. Back off at top of packer. POH with 2 3/8 tubing. PU 2 7/8" tubing TIH, screwed into packer, attempted to work free without success. Backed off tubing, POH, PU fishing assembly screwed into packer at 328'. Attempted to work packer free without success. Attempt to wash over packer without success (packer spenning). RU WLU and back off 5 1/2" casing at 439'. POH and layed down 11 joints of 5 1/2" casing (packer in joint # 8). RU and ran 11 joints of 5 1/2" 17# and 20# N80 casing. Screw back in casing at 439'. Set casing slips. Install tubing head and BOP, test void to 2500 psi. RU WLU and make 4.518"

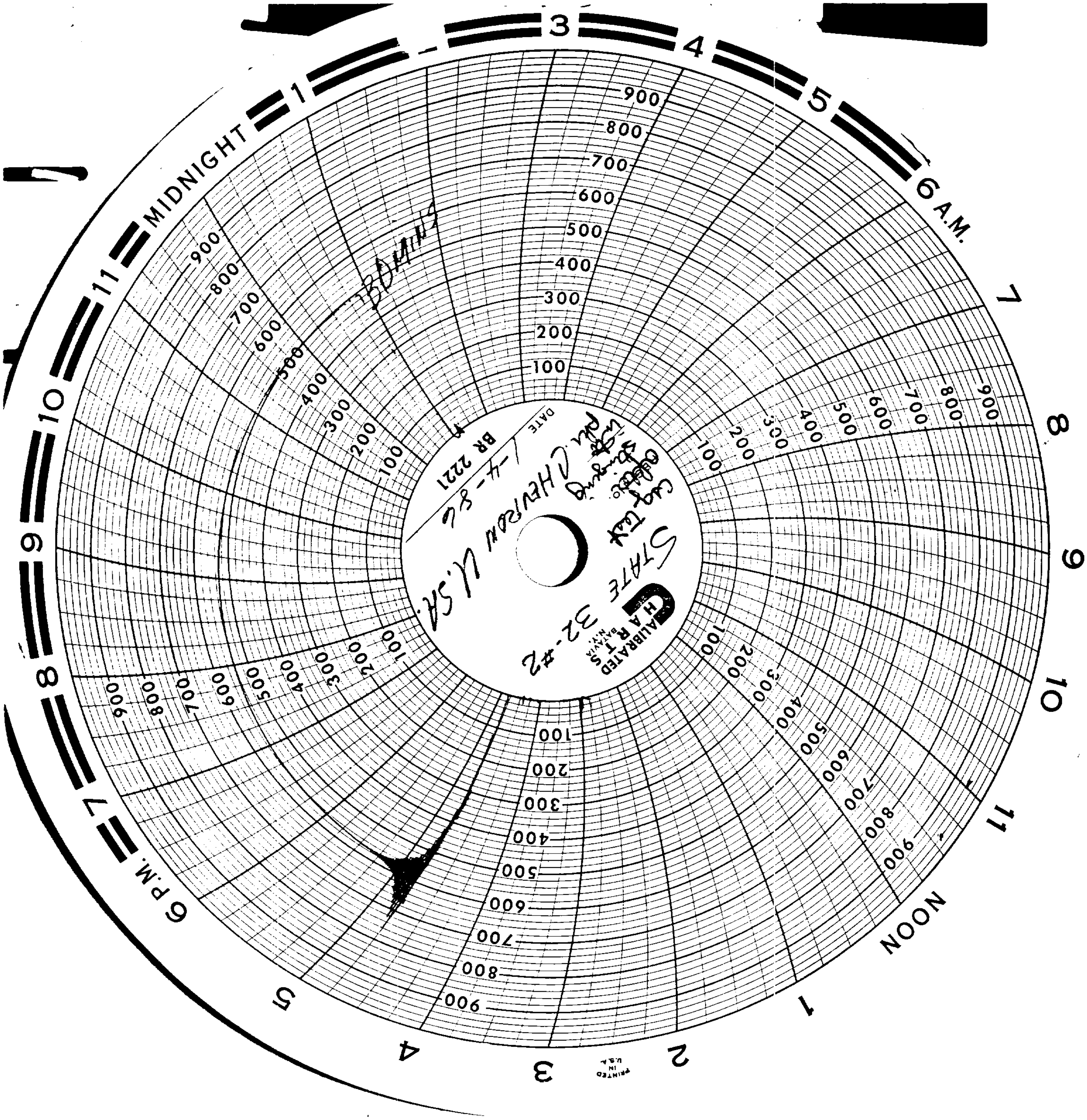
18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED M W Casey TITLE Division Proration Engr. DATE 1-8-86

ORIGINAL SIGNED BY JERRY SEXTON
APPROVED BY DISTRICT I SUPERVISOR TITLE _____ DATE JAN 9 - 1986

CONDITIONS OF APPROVAL, IF ANY:

gage ring run to 5869' (could not get below 5869'). PU 4 3/4" bit casing scraper. TIH to 5869' work tight spot at 5869' could not get deeper. PU 4" casing swedge. Tag tight spot at 5862' swedge out tight spot to 5866' POH PU 4 5/8" casing swedge. Tag tight spot at 5862' swedge out tight spot to 5866'. POH PU 4 5/8" tapered mill. Work mill thru tight spot. PU RBP and packer. Set RBP at 6121'. Test RBP 500 psi. Set packer at 5814'. Found casing leak from 5862' to 5866'. POH with packer. PU cement retainer and set it at 5453'. Mix and pump 400 sacks Class "C" .4% Halad-9 (12-29-85). Stung off of retainer. POH with tubing. Drill out retainer and cement. Tested casing to 550 psi. Last 50 psi in 15 minutes (okayed with Jerry Sexton 1-2-86). POH with RBP. PU and ran Otis 5 1/2" WB packer set at 12100'. PU nickel plated seal assembly, 229 joints 2 3/8" J-55 8rd IPC tubing, and 162 joints 2 7/8 N-80 8rd IPc tubing, tested to 3000 psi. Tested back side to 580 psi bled to 500 psi in 30 minutes (okayed with J. Sexton 1-4-86). Well closed in pending injection lines.



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