N.M. Oil Cons. DIV-Dist. 2 1301 W. Grand Avenue

Form 3160-5 (June 1990)

UNITED STATES Artesia, NM 88210

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Buresu No. 1004-0135
Expires: March 31, 1993

	Expues. A			
5. Lease	Designatio	n and	Serial	No.

NM 3606 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE RECEIVED 1. Type of Well Weil Gas Weil 8. Well Name and No. Other SEP 0 1 2004 2. Name of Operator Lake Shore "10" Federal No. 5 Fasken Oil and Ranch, Ltd. 9. API Well No. OOD: ARTERIA 30-015-33234 3. Address and Telephone No. 303 W. Wall, Suite 1800, Midland, TX 79701 (432) 687-1777 10. Field and Pool, or Exploratory Area Catclaw Draw Delaware, East 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1500' FNL. 1980' FEL Section 10, T21S, R26E Eddy, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion **New Construction** Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled,

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drillegive subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Fasken Oil and Ranch, Ltd. is proposing to recomplete the Lake Shore "10" Federal No. 5 from the Avalon; Upper Penn (Gas) pool to the Catclaw Draw Delaware, East oil pool. Please see the attached procedure for details of this work. Also be advised this application will require an Non-Standard Location (NSL) exception from the New Mexico Oil Conservation Division (NMOCD). An NSL application is being prepared and should be filed with the NMOCD Santa Fe Office in the next two weeks.

Signed Killiam Carrier	Title _	Regulatory Affairs Coordinator	Date _	8/25/2004
(This space for Federal of State of ALEXIS C. SWOBODA Approved by Conditions of approval, if any:	Title _	PETROLEUM ENGINEER	Date	AUG 2 7 2004

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Recommended Procedure Lake Shore "10" Fedeal SC No. 5 1500' FNL & 1980' FEL Sec 10, T21S R26E **AFE No. 868**

OBJECTIVE:

Recomplete to the Cherry Canyon Delaware

WELL DATA:

API Number:

30-015-33234

13-3/8" 48#/ft H-40 ST&C casing:

Set at 414.06' KB Cmt w/390 sx Premium Plus "C" + 1" w/100sx

"C" w/2% CaCl2 and 86 sx "C" w/2% CaCl2. Circ to surface.

9-5/8"36#/ft J-55 ST&C casing:

Set at 1909.50' KB, Cmt w/200 sx Thixotropic cmt + 500 sx

Premium Plus w/4% gel+200 sx Premium Plus w/2% CaCl2, 1" w/230 sx Premium Plus w/2% CaCl2. Circ to surface.

5-1/2" 17&20#/ft L-80 LT&C csg

(20# 9714.96' to TD): Set at 11,073.63 KB, DV @ 4488.47' KB, Cmt 1st stage 800 sx Halliburton Super "H" did not circ through DV, Cmt 2nd stage 750 sx Halliburton Super "C"+200 sx Class "C" neat. TOC

1470' by CBL.

Marker 20# it 14.00' @ 10,823.07'-10,837.07'. Marker 20# it 29.20' @ 9.714.96'-9.744.16'. Marker 17# jt 7.75' @ 9,196.01-9,203.76'. Marker 17# it 18.90' @ 2,182.60-2,201.50'.

9314', 17', 24', 26', 28', 9280', 83', 93', 94', 99', 9309' Perfs:

CIBP @10900' w/35' Class "H" cmt PBTD 10865'

10,938' - 10,948' TCP 40 holes 60 deg phased

Packer: 1-5-1/2" x 2-3/8" Arrowset 10K packer w/TOSSD w/1.875 "F"

PN (7.26') @ 9142'

Tubing: 281- jts 2-3/8" EUE 8rd N-80 tbg (9124.65')

EOT: 9149.58' TD: 11.075

PBTD: 10,865' (CIBP @ 10900' w/35' cmt)

- 1. RUPU. Set test tank, separator and flare line.
- 2. Receive 2250' of 2-7/8" EUE 8rd 6.5#/ft J-55 tubing and 2-7/8" tree.
- 3. Kill well with 35 bbls (2-3/8" tbg. capacity) 3% KCL water containing packer fluid.
- 4. ND wellhead and NU BOP configured with blind rams and 2-3/8" pipe rams.
- 5. Release packer at 9142', POW laying down 281 jts 2-3/8" EUE 8rd N-80 tbg (9124.65') and packer. Install pin end thread protectors before laying down tbg.
- 6. RU wireline lubricator. RIW w/ CIBP (5-1/2" 17#/ft casing) and set at 9285' +/- (within 50' of top of top Cisco perf @ 9314'). Dump 35' Class "H" cement on CIBP with dump bailer for PBTD 9250' +/-.
- 7. Change out 2-3/8" pipe rams with 2-7/8" pipe rams. PU and RIW with 2-7/8" SN and +/-2550' 2-7/8" EUE 8rd 6.5#/ft J-55 tubing.
- 8. Displace well w/ 55 bbls of 10 ppg brine. (Note: Drilling rig took a kick while drilling through Delaware on 8.4 ppg FW mud and had to mud up to 9.3 ppg).

- 9. POW and fill csg. w/ brine.
- 10. RU 2000 psi wireline lubricator. Perforate Delaware with 4" casing gun, 1 JS per 2 ft., 60 or 120 degree phased at 2492'-2512' (11 holes, max core perm 145 md) and 2342'-2364' (12 holes, max core perm 123 md) by Schlumberger Three Detector Litho-Density Compensated Neutron/GR log dated 12-Mar-2004. Trickle 10 ppg brine in well while POW w/ wireline and RD.
- 11. RIW w/ redressed 5-1/2" x 2-3/8" Arrowset 1 packer, 2-7/8" SN, and tbg. Keep annulus full while RIW. Set packer in 10,000# tension. Remove BOP and install christmas tree.
- 12. Swab and flow well to test tank and evaluate.
- 13. If results from swab & flow test are not satisfactory, the following recommended acid ball job will be pumped.

 Pump 230 gallons 7-1/2% NEFE HCL containing 5 gpt Ferrotrol 300-L, 6 gpt Ferrotrol 270, 2 gpt Ferrotrol 271, 1 gpt Cl-27, ½ gpt Claymaster 5C, 1 gpt NE 940, 2 gpt LT-21. Drop displacement wiper valve (DWV) and displace to SN with 13.6 bbl 4% KCl water containing 0.5 gpt Claymaster 5C.
- 14. Swab and flow well to test tank and evaluate. Note: It may be necessary to put well on pump upon results of swab & flow test.
- 15. RDPU.
- 16. Put well on line to battery.

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