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

Form 3160-5 (April 2004)

Signature

UNITED STATES
DEPARTMENT OF THE BUSINESS OF STAT

FORM APPROVED

OM B No. 1004-0137 Expires: March 31, 2007 BUREAU OF LAND MANAGEMENT 5. Lease Serial No. NM92757 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE- Other instructions on reverse side. 1. Type of Well X Oil Well RECEIVED Gas Well Other 8. Well Name and No. Willow Lake Federal "20" #1 2. Name of Operator SEP 1 6 2004 9. API Well No. McCabe Energy, Inc. 3b. Phone None None 1915 30-015-33209 <u>(432)</u> 682-9653 P.O. Box 3816, Midland, TX 79702 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Willow Lake 11. County or Parish, State 1910' FNL & 1838' FEL, Sec. 20, T-24-S, R-28-E, NMPM Eddy County, NM 12 CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Production (Start/Resume) Deepen Water Shut-Off Notice of Intent Well Integrity Alter Casing Fracture Treat Reclamation Casing Repair New Construction Recomplete Other X Subsequent Report Change Plans ___ Temporarily Abandon Plug and Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) ACCEPTED FOR RECORD See Attached Sheet. SEP 1 3 2004 LES BABYAK PETROLEUM ENGINEER 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Title <u>H</u>ai Executive Vice President Gregory

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease Office which would entitle the applicant to conduct operations thereon. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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 anymatter within its jurisdiction. (Instructions on page 2)

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Date

9/8/2004

Date

8/28/04 MI & RU WO unit. POOH with rods and tubing. SDON.

- 8/30/04 PU regular bailer and bail frac sand to top of CIBP. Recovered 10' of sand. PU drill pipe bailer and attempt to knock out CIBP. Unable to knock out BP after several attempts. Bailer leaking sand on top of bridge plug. SDON. Will change out bailer and attempt ot Knock out BP on 8/30/04.
- 8/31/04 Continued to work on CIBP with sand line bailer & made some progress but did not knock it out. LD bailer, PU 4 3/4" bit, Bull Dog bailer (cavity = 8 stds 2 7/8" tubing) & RIH to 3000'. SDON.
- 9/1/04 Continue in the hole with bit & bailer. Tag CIBP @ 6170', drill top & chase to 6267' (PBTD = 6271'). POOH & LD bailer & bit. Ran tubing as follows:

1-2 7/8" Seating nipple

1.10'

12-2 7/8", J-55, 8rd tubing

380.64'

1-2 7/8" X 5 1/2" TAC

2.50

184-2 7/8", J-55, 8rd tubing

5836.48'

Total tubing

6220.72'

Well came in while preparing to ND BOP. Pump 40 bbls KCI wtr down casing & 20 bbls down tubing with out killing it (ran out of wtr). SDFD. Will circulate out oil & gas in the morn with 2 % KCI wtr.

9/2/04 SITP = 0 psi, SICP = 1200 psi. RU pump trk, pumped 88 bbls 2% KCl wtr down casing while bleeding gas off tubing. ND BOP, set TAC (15,000# tension) & NU well head. Ran rods as follows:

1-2 1/2" X 1 3/4' X 20'-5' RHBC with 3' sand screen

1-3/4" X 2' Rod sub

102-3/4" Rods

74-7/8" Rods

69-1" Rods

1-1" X 4' Pony rod

1-1 1/4" X 22' Polish rod with 1 1/2" X 12' liner

Space out pump & hang on. Load & test tubing to 500 psi (held ok). Leave well pumping & rig down.