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Exploration and Production
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Midland, Texas 79705
432/686-8235
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March 21, 2005

Oil Conservation Division
New Mexico Energy, Minerals, and Natural Resources Department
811 South First Street
Artesia, New Mexico 88210

RECEIVED

MAR 31 2005

ODU-ARTESIA

Re: Administrative Order SWD-967
McKittrick 11 Federal SWD Well No. 5
API No. 30-015-33611

Ladies and Gentlemen:

This is to advise you that cement was circulated to the surface on the 7" casing string of the above referenced Cisco/Canyon salt water disposal well. The attached "Casing Record" summarizes the casing sizes used and the cement volumes pumped during the first and second stages. Further, excerpts from the daily drilling reports presented below give further details on the cement job.

02/01/05
Day 27

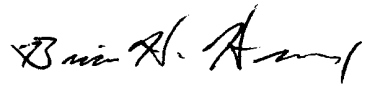
TD: 8750' (0'); Cmt Csg; Surveys: None today; MW: 8.5; Visc: 28; pH: 10
Running 7" casing and wash 120' to bottom (lot of fill) and circ bottoms up. R/U
Halliburton and cmt 1 st stage with LEAD of 100 sx Acid soluble cmt foamed with N2.
Density of 15 lbs/gal. Tailed in with 150 sx Super 'H' Density of 13 lbs/gal.

02/02/05
Day 28

TD: 8750' (0'); Testing BOPE; Surveys: None today; MW: 8.4; Visc: 28; pH: 10
Finnish pumping 2 nd stage on 7" casing (800 sx foamed lead consisting of PREM.+2 %
ZONE SEALANT + Nitrogen) and Tailed in by 100 sx PREM. NEAT and displaced with 287
bbl F/W and bumped plug with 2500 psi. Pumped 50 sx cap Premium Plus 2 % CACL2+2%
ZONE SEALANT and 3 bbl water spacer. Circulated 36 sx cmt to pits. WOC. Nipple down
BOPE and set slips with 165k wt and cut off and N/U BOPE and change out pipe rams and
clean out BOPE and change out kelly to 3 /12 and rig up floor and started testing BOPE at
0500.

If you have any additional questions concerning the above information, please contact me at 432-686-8235 at extension 206.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian H. Huzzey". The signature is fluid and cursive, with the first name "Brian" and last name "Huzzey" being more legible than the middle initial "H.". The signature is written on a white background.

Brian H. Huzzey
Senior Staff Engineer

CASING RECORD

Well No.	Lease Name	Operator	County	State
5	McKittrick 24 Fed	NPC	EDDY	New Mexico

Field INDIAN BASIN UPPER PENN Well Location SEC11,22S,24E

TYPE CASING: Surface Intermediate Long String X Liner

Date Run: 01/31/05 Contractor: PATTERSON UTI Rig No. 55

CASING STRING SET AS FOLLOWS

Kelly Bushing Elevatio						TD: 8,750
No. Jts.	Size	Weight	Grade	Thread	Length	Depth
1	7"	26 #	L80	LTC	34.67	8,715.33
F/C	7"		N80	LTC	1.17	8,714.16
35	7"	26 #	L80	LTC	1,403.65	7,310.51
ECP & DV TOOL	7"	26 #	N80	LTC	17.1	7,293.41
5	7"	26#	L80	LTC	217.97	7,075.44
20	7	29 #	K55	LTC	836.93	6,238.51
95	7"	23 #	N80	LTC	3,987.93	2,250.58
XO	7"	26 #	J55	LTC	28.14	2,222.74
36	7"	26 #	J55	BTC	1328.38	894.36
21	7"	23 #	N/S	BTC	904.77	-10.41

Total No. Jts. Run: 214 Total Footage 8,758.68 Set @: 8,750

CENTRALIZERS: Type: BOW Mfg.: WEATHERFORD
10 Spacing shoe jt every 5 TH collar

CEMENT INFORMATION:

Stage I	No. Sxs.	Additives	Vol. Bbls	lbs./gal.	Yield
lead	100	ACID SOLUABLE CMT foamed with 52,000 scf N2	44	15	2.475
	150	Super H CMT	45	13	1.672
Tail Slurry					

Stage II					
Lead Slurry	800	Premium CMT foamed with 89,380 SCF N2	178	15.2	1.247
Tail Slurry	100	Premium CMT	21	15.6	1.178

Diplaced to: 8,715 ft. w/ 337 BBL lbs./gal. 8.4 (Type fluid used) TOC@: SURFACE
Bump Plug @ NO w/: Held: Plug Holding (Y/N):
Diplaced to: 7,295 ft. w/ 284 lbs./gal. 8.4 F/W TOC@SURFACE
Bump Plug @ AM AM 07:07 w/: 2500 PS Held: 5 MIN Plug Holding (Y/N): Y

Set Slips @(AM/PM): PM 4:00 Date: 1/31/05 w:/ 165,000 # Wgt String Wgt 165,000

Tubing Hd.: Size: W.P.: Mfg.: Test Pressure:

Unusual Conditions: first stage plug was not bumbec packer inflated when plug went threw & drop bomb open dv tool run 2 nd stg
Date received: circ 50 sx cmt to surf. 1 st stge cir. 36 sx to surface 2 nc stge
No. Jts.: Length: Transfer No.:

1/25/04 224 9,156.39

Surplus Casing Tranfered to:

Date Tranfered: No. Jts.: Length: Transfer No.:
10 JTS 23# L80 # 23# BTC 399'

PROJECT MANAGER: HOWARD SMITH AFE No.: