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	UNITED STATES EPARTMENT OF THE INTERIOR REAU OF LAND MANAGEMENT		FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993 5. Lease Designation and Serial No.
SUNDRY NOTICES AND REPORTS ON WELLS			NO-G-9909-1357 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			Navajo Allotted
SUBMIT IN TRIPLICATE			7. If Unit or CA, Agreement Designation
1. Type of Well	1		
X Oil Gas Well Other			8. Well Name and No.
2. Name of Operator			Bisti 2
Pro NM Energy, Inc. (OGRID 018118)			9. API Weil No.
3. Address and Telephone No.			30-045-25784 10. Field and Pool, or Exploratory Area
460 St. Michael's Dr., #300 Santa Fe, NM 87505 98824171			10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			Bisti Lower Gallup
740' FSL, 1860' FEL			11. County or Parish, State
Sec. 23 - T25N-R11W			San Juan County
CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION		TYPE OF ACTION	
Notice of Intent	Abandon	ment	Change of Plans
<u></u>	Recompl	etion	New Construction
Subsequent Report	Plugging	Back	Non-Routine Fracturing
· / ' —	Casing F		Water Shut-Off
Final Abandonment Notice	Altering	Casing	Conversion to Injection
	Other _		Dispose Water
. 1			(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 give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*			
Pro NM Energy, Inc. intends to recomplete the subject well in accordance with the attached procedure. The work will be performed as soon as approval is received and a rig			
The work will be pavailable.	erformed as soon as	approval is recei	ved and a rig
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Approved by _______ Title ______ Date 6/26/04

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.

Director of Operations

14. I hereby certify that the foregoing is true and correct

(This space for Federal or State office use)

COMPLETION PROCEDURE PRO NEW MEXICO ENERGY, INC.

Well Name: Bisti #2

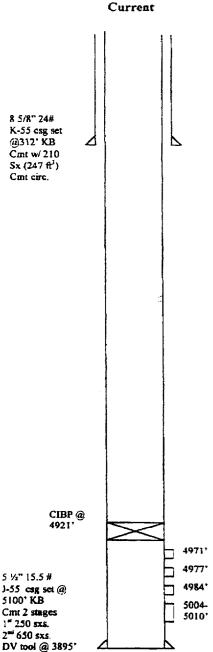
Location: 740' FSL, 1860' FEL

> Sec. 23 - T25N - R11W San Juan County, N.M.

Elevations: 6498' GL, 6510' KB **TD:** 5100° PBTD: 5040'

1. Move in and rig up a pulling unit with pump and pit. Nipple down wellhead and install BOP.

- 2. Make up 4 3/4" bit on 2 7/8" tubing. Tally pipe while tripping in the hole. Mill out the CIBP set at 4921'. Do not attempt to mill out the bridge plug with a casing scraper. After milling through the plug. trip out of hole and pick up casing scraper and trip to PBTD (5040).
- 3. Set cement retainer off wireline at 4994'. Trip in hole with tubing and sting into retainer. Cement squeeze the Huerfano perforations with 10 sxs. of Class G cement. The flush volume of the 2 7/8" tubing is 29 Bbls. (2 7/8° 6.5 Lb/ft tubing = 0.00579 Bbl/ft). If the Huerfano perforations pressure up before the cement is displaced out of the tubing, pull out of the retainer and circulate the hole clean. If no squeeze pressure is obtained during the cementing, shut down the flush with the cement just out of the tubing tail. Pull up several stands and reverse circulating bottoms-up. Trip out of hole with the tubing. Let cement set overnight.
- 4. Rig up to swab down the casing liquid level to 4000'. Record the oil cut and fluid inflow as the well is swabbed down from the three open Marye Bar perforations.
- 5. Rig up to perforate the Gallup (Marye Bar) from 4962 4980' (18'), with 4" casing guns at 4 JSPF 90° phasing. These depths are referenced from the open hole dual induction log dated 8/31/83.
- 6. Trip in hole with a packer on the 2 3/8" work-string and set at 4950'. Swab down the new perforations again keeping record of the fluid cut and inflow. Based on the swab test a decision will be made to acidize the well. If the oil cut looks favorable this interval. will be acidized as follows:

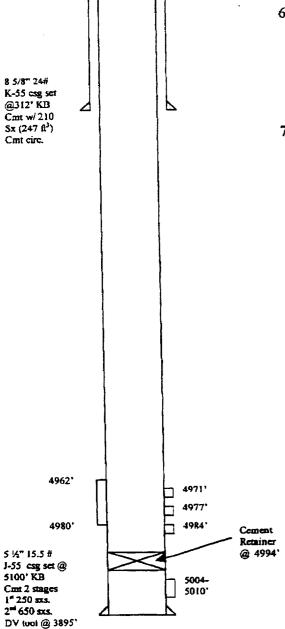


Circ. to surface

COMPLETION PROCEDURE PRO NEW MEXICO ENERGY, INC.

Bisti #2

After Recompletion



Circ. to

- 6. (Continued)
 - Pump 150 gallons of 7 ½% HCl with corrosion inhibitor. Followed with 750 gallons of inhibited 12-3 mud acid. Displace the mud acid with 2% KCl water with a 5 Bbl over-flush (21.5 Bbls.). Record the total load to be recovered.
- 7. Rig up to swab back the acid and water flush. Keep track of the total load to recover and the oil cut during the swabbing. Based on the results of this testing a decision will be made to install a pump jack and produce the well, to hydraulic fracture stimulate the well or to plug and abandon the well. A separate procedure will be prepared depending on which decision is made.