

| | | | | | |
|---------|----------|---------------------|-----------|----------------------|-------------------------------|
| DATE IN | SUSPENSE | ENGINEER <i>WVS</i> | LOGGED IN | TYPE <i>PLC 3912</i> | APP NO <i>WVS 0717 254478</i> |
|---------|----------|---------------------|-----------|----------------------|-------------------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **OPERATOR/Applicant Name:** _____ **OGRD:** 33016
 (If one well) **Lease/Well Name:** _____
Well API No. 30- 025 - 30854

[2] **TYPE OF APPLICATION - Check Those Which Apply for [A]**
[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[3] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply**

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM
U.S. Bureau of Land Management

[E] ☐ Notification and/or Concurrent Approval by SLO
Commissioner of Public Lands, State Land Office

[F] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[G] ☐ Waivers are Attached

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

| | | | |
|-----------------------------|--------------------|-------------------------|---------------|
| _____ Print or Type Name | _____ Signature | _____ Title | _____ Date |
| | | _____ e-mail Address | |

Submit 5 Copies to Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.
30-025-30854

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Carter

8. Well Number

1

9. OGRID Number

33016

10. Pool name or Wildcat

Nadine Drinkard, East/Abo

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. Type of Well: Oil Well ☐ Gas Well ☐ Other Injection ☐

2. Name of Operator
Forest Oil Corporation

3. Address of Operator
707 17th Street, Suite 3600, Denver, Colorado 80202

4. Well Location

Unit Letter F : 1980 feet from the North line and 1980 feet from the West line
Section 15 30 Township 17S 19 Range 19E 39 NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3881' DF

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Temporary Abandon ☒

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

12-7-06 – Rigged up pulling unit. POH w/pkr.

12-8-06 – RU Vac Truck. Bled well down. ND WH released pkr. RU BOP. POH w/tbg & Pkr.

12-11-06 – Bled well down. RU Precision WL. RIH w/CIBP & set 3150' RD WL. RU Pump truck. Press csg to 500 psi and held f/30 minutes. OK. RIH w/tbg. Circ pkr fluid. POH & LD 101 jts 2 3/8" IPC tbg. ND BOP 500 psi and held f/30 minutes. OK. RIH w/tbg. Circ pkr fluid. POH & LD jts 2 3/8" IPC tbg. ND BOP NU WH w/43 2 3/8" sub in WH. BOP. Well TAED.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Cindy Bush TITLE Sr. Regulatory Tech DATE 12-14-06

Type or print name Cindy Bush

E-mail address: cabush@forestoil.com

Telephone No. 303-812-1554

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any): _____



FOREST OIL CORPORATION

507 Teveshewite Street • Suite 3000
Denver, Colorado 80202 303-812-1400

June 14, 2006

Oil Conservation Division
District 1
1625 N. French Drive
Hobbs, New Mexico 88240

RE: Carter #1
API #30-025-30854
Lea County, New Mexico

To Whom It May Concern:

Forest Oil Corporation just recompleted the Carter #1 well in the Drinkard and Abo formations, even though this was for all intensive purposes an unsuccessful Recompletion Forest Oil Corporation respectfully requests to downhole commingle both zones. Please find attached:

Form C107-A
Form C102 – Both zones
Production curve of producing zone (Abo)
Form C-105
Form C-103
Form C-104 – Both zones

If there are any questions, concerning this matter, please contact me at 303-812-1554 or cabush@forestoil.com.

Sincerely,

Cindy Bush

State Lease - 6 copies
Fee Lease - 5 copies

District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

STATE OF NEW MEXICO
Energy, Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Revised June 10, 2003

WELL API NO.
30-025-30854

5. Indicate Type of Lease
STATE ☐ FEE ☒

State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

| | | | |
|--|-----------------------------|---|--|
| 1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/> | | 7. Lease Name or Unit Agreement Name Carter | |
| b. Type of Completion: NEW <input type="checkbox"/> WORK <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. WELL OVER BACK RESVR. <input type="checkbox"/> OTHER <input type="checkbox"/> | | 8. Well No. 1 | |
| 2. Name of Operator Forest Oil Permian Corporation | | 9. Pool name or Wildcat Nadine Drinkard East / Abo | |
| 3. Address of Operator 707 17 th Street, Suite 3600, Denver, Colorado 80202 | | | |
| 4. Well Location Unit Letter <u>I</u> : <u>660</u> Feet From The <u>East</u> Line and <u>1980</u> Feet From The <u>South</u> Line Section <u>30</u> Township <u>30-S</u> Range <u>39-E</u> NMPM <u>Lea</u> County | | | |
| 10. Date Spudded 4-17-06 | 11. Date T.D. Reached | 12. Date Compl. (Ready to Prod.) 4-24-06 | 13. Elevations (DF& RKB, RT, GR, etc.) 3592 |
| 14. Elev. Casinghead | | | |
| 15. Total Depth 7,900 | 16. Plug Back T.D. 7,590 | 17. If Multiple Compl. How Many Zones? 2 | 18. Intervals Drilled By Rotary Tools x Cable Tools |
| 19. Producing Interval(s), of this completion - Top, Bottom, Name 7,054-7,166 (New Perfs) 7,456-7,562, 7,625-7647 (Old Perfs) | | | 20. Was Directional Survey Made No |
| 21. Type Electric and Other Logs Run | | | 22. Was Well Cored |

23. CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|----------------|-----------|-----------|------------------|---------------|
| 8 5/8" | 24 | 1,740 | 12 1-4 | 850 sxs | 0 |
| 4 1/2 | 10.5 & 11.6 | 7,900 | 7 7/8 | 725 sxs | 0 |
| | | | | | |
| | | | | | |
| | | | | | |

| | | | | | | | |
|---|-----|--------|--------------|--------|--|-----------|------------|
| 24. LINER RECORD | | | | | 25. TUBING RECORD | | |
| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN | SIZE | DEPTH SET | PACKER SET |
| | | | | | 2 3/8 | 7,551 | 7,514 |
| 26. Perforation record (interval, size, and number) 7054-7166 - New Perfs 7,625-7,647 - 9 holes (Old Perfs) 7,456-7,562 - 35 holes (Old Perfs) | | | | | 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 7054-7166 Acidz w/4000 gals NEFE acid 7625-7647 500 gals Acid 7456-7562 7500 gals | | |

28. PRODUCTION

| | | | | | | | |
|----------------------------------|------------------------|--|------------------------|----------------|---|-----------------------------|-----------------|
| Date First Production 4-24-06 | | Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping 1 1/2" x 2" | | | Well Status (Prod. or Shut-in) Producing | | |
| Date of Test 5-5-06 | Hours Tested 24 | Choke Size | Prod'n For Test Period | Oil - Bbl 8 | Gas - MCF 0 | Water - Bbl. 54 | Gas - Oil Ratio |
| Flow Tubing Press. 80# | Casing Pressure 10# | Calculated 24-Hour Rate | Oil - Bbl. 8 | Gas - MCF 0 | Water - Bbl. 54 | Oil Gravity - API - (Corr.) | |

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
No Gas Produced, but would be sold

Test Witnessed By

30. List Attachments

C-107A-C102-C103-C104-Production Curve

31 I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature  Printed Name Cindy Bush

Title Sr. Regulatory Tech

Date 6-14-06

E-mail Address cabush@forestoil.com

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depth shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

| Southeastern New Mexico | | Northwestern New Mexico | |
|-------------------------|--------|-------------------------|-----------------------|
| T. Anhy | 1,720' | T. Canyon | T. Ojo Alamo |
| T. Salt | 1,830' | T. Strawn | T. Kirtland-Fruitland |
| B. Salt | 2,870' | T. Atoka | T. Pictured Cliffs |
| T. Yates | 2,910' | T. Miss | T. Cliff House |
| T. 7 Rivers | 3,144' | T. Devonian | T. Menefee |
| T. Queen | 3,739 | T. Silurian | T. Point Lookout |
| T. Grayburg | | T. Montoya | T. Mancos |
| T. San Andres | 4,444' | T. Simpson | T. Gallup |
| T. Glorieta | 5,702' | T. McKee | Base Greenhorn |
| T. Paddock | | T. Ellenburger | T. Dakota |
| T. Blinberry | | T. Gr. Wash | T. Morrison |
| T. Tubb | 6,638' | T. Delaware Sand | T. Todilto |
| T. Drinkard | 7,012' | T. Bone Springs | T. Entrada |
| T. Abo | 7,420' | T. | T. Wingate |
| T. Wolfcamp | | T. | T. Chinle |
| T. Penn | | T. | T. Permian |
| T. Cisco (Bough C) | | T. | T. Penn "A" |

OIL OR GAS SANDS OR ZONES

No. 1, from.....3,012.....to.....3,142 -7 Rivers SS....No. 3, from...7,012- to.....7,170 - Drinkard...
 No. 2, from.....4,444'.....to.....4,800 - San Andres...No. 4, from...7,420 to.....7,990 - Abo.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

| From | To | Thickness In Feet | Lithology | From | To | Thickness In Feet | Lithology |
|------|-------|----------------------|--------------------------------------|------|----|----------------------|-----------|
| 0 | 1,720 | 1,720 | Surface Rock, red beds, sand, shales | | | | |
| 1720 | 2,870 | 1,160 | Anhydrite | | | | |
| 2870 | 2,910 | 40 | Anhydrite and salt | | | | |
| 2910 | 3,144 | 234 | Anhydrite | | | | |
| 3144 | 3,739 | 595 | Sand, Shale & Dolomite | | | | |
| 3739 | 4,444 | 705 | Sand, Shale Dolomite & Anhydrite | | | | |
| 4444 | 5,702 | 1,258 | Anhydrite, Dolomite, Shale & Gyp | | | | |
| 5702 | 6,638 | 936 | Dolomite, Lime, Chert | | | | |
| 6638 | 7,012 | 374 | Dolomite, Silt, Shale | | | | |
| 7012 | 7,420 | 405 | Dolomite, Shale, Lime | | | | |
| 7420 | 7,900 | 380 | Dolomite, Lime | | | | |
| | TD | | | | | | |

Rate/Time Graph

Project: c:\pt\tex mex\tex-mex allocated production 05_09_06.mdb

Date: 6/14/2006

Time: 1:57 PM

Lease Name: CARTER 1 ()

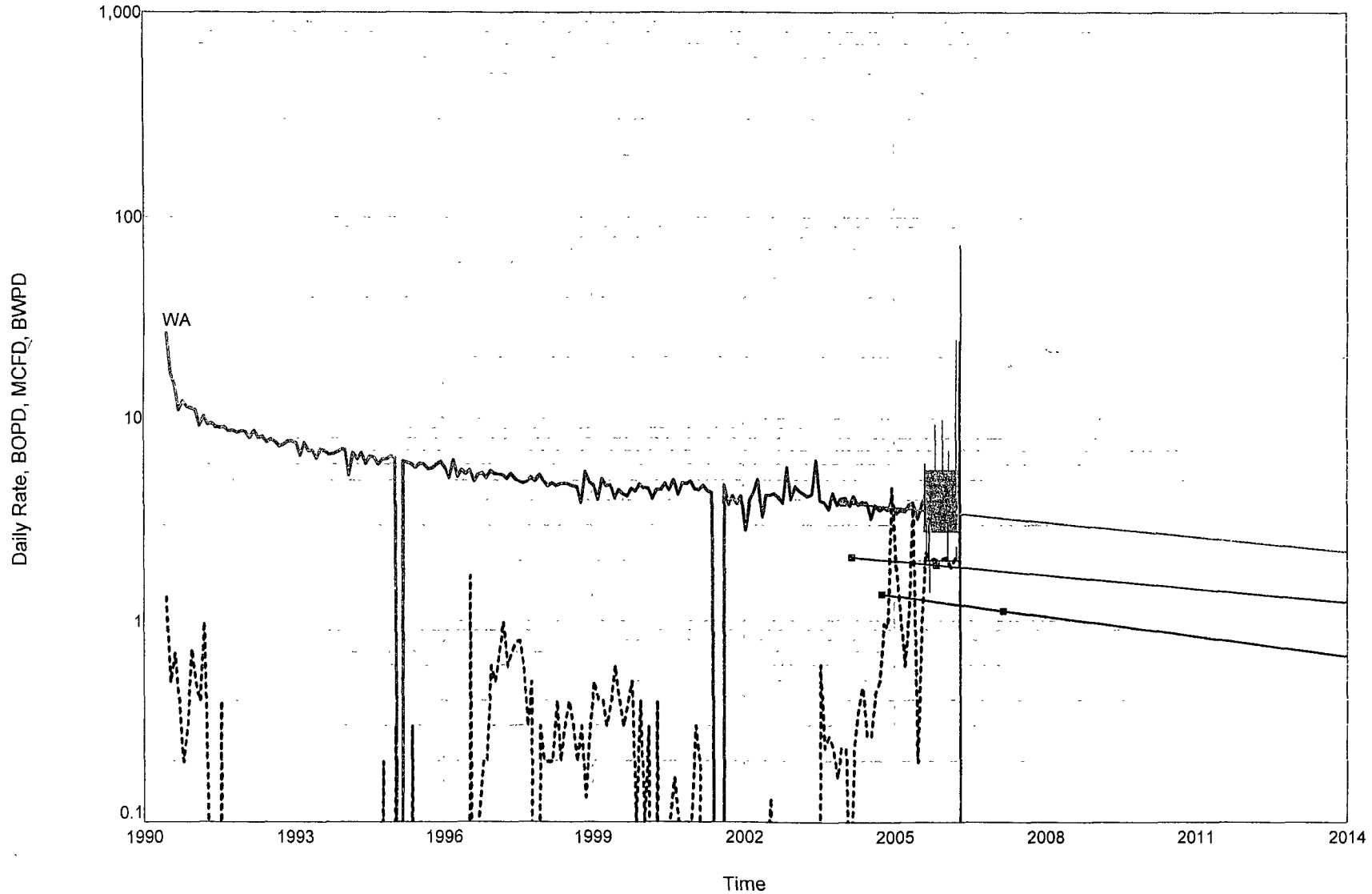
County, ST: LEA, NM

Location: Add WA & L CLFK perfs

Operator: MAYNARD OIL COMPANY

Field Name: NADINE EAST

CARTER 1, CUMOIL = 32,573 bbl, CUMGAS = 489 mcf, OIL EUR (MBO) = 44, GAS EUR (MMCF) = 9



District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|---|--------------------------------|
| ¹ API Number 30-025-30854 | ² Pool Code | ³ Pool Name ABO |
| ⁴ Property Code 28292 | ⁵ Property Name Carter | ⁶ Well Number 1 |
| ⁷ OGRID No. 33016 | ⁸ Operator Name Forest Oil Permian Corp | ⁹ Elevation 3592 |

¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| I | 30 | 19S | 39 E | | 660 | East | 1980 | East | Lea |

¹¹ Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|

| | | | |
|-------------------------------------|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 40 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|-------------------------------------|-------------------------------|----------------------------------|-------------------------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | | | | |
|------------------------|--|--|--|---|
| 16 | | | | <p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Cindy Bush</i> Signature</p> <p>Cindy Bush Printed Name</p> <p>Sr. Regulatory Tech/cabush@forestoil.com Title and E-mail Address</p> <p>6-15-06 Date</p> |
| | | | | |
| | | | | |
| | | | | |
| <p>660</p> <p>1980</p> | | | | <p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>Certificate Number</p> |
| | | | | |
| | | | | |
| | | | | |

| | | | | |
|----|--|--|------|---|
| 16 | | | | <p>17 OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><u>Cindy Bush</u></p> <p>Signature</p> <p><u>Cindy Bush</u></p> <p>Printed Name</p> <p><u>Sr. Regulatory Tech/cabush@forestoil.com</u></p> <p>Title and E-mail Address</p> <p><u>6-15-06</u></p> <p>Date</p> |
| | | | | |
| | | | 660 | <p>18 SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p><u> </u></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> |
| | | | 1920 | <p><u> </u></p> <p>Certificate Number</p> |

Submit 3 Copies to Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

| |
|---|
| WELL API NO. 30-025-30854 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name Carter |
| 8. Well Number 1 |
| 9. OGRID Number 33016 |
| 10. Pool name or Wildcat Nadine Drinkard, East/Abo |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3592 GR |

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. Type of Well: Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Forest Oil Permian Corporation

3. Address of Operator
707 17th Street, Suite 3600, Denver, Colorado 80202

4. Well Location

Unit Letter I : 660 feet from the East line and 1980 feet from the South line
Section 30 Township 19S Range 39E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3592 GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Recompletion ☒

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

4-17-06 - POH w/Prod. Equip set CIBP @7350' and Perf 7054-7166'.
4-18-06 - RIH w/packer hydro testing tbg.
4-19-06 - Acidized Clearfork w/4000 gals 15% NEFE w/55 ball sealers
4-21-06 - Swabbed load back + 6 bbls 3% oil cut, FFL @6600' POH LD pkr. SION
4-24-06 - RIH w/sand line drill, knocked out CIBP @7350' & chased to bt. RIH w/prod equip.
5-15-06 - Final Report. Commingling Production

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Cindy Bush TITLE Sr. Regulatory Tech DATE 6-14-06

Type or print name Cindy Bush

E-mail address: cabush@forestoil.com

Telephone No. 303-812-1554

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

Jones, William V., EMNRD

From: Cindy Bush [CABush@forestoil.com]
Sent: Thursday, June 21, 2007 7:44 AM
To: Jones, William V., EMNRD
Subject: RE: DHC Application: Carter #1 30-025-30854

Abo 50% oil, 10% water, no gas being reported

Drinkard 50% oil, 90% water, no gas being reported.

-----Original Message-----

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]
Sent: Wednesday, June 20, 2007 2:37 PM
To: Cindy Bush
Cc: Ezeanyim, Richard, EMNRD; Mull, Donna, EMNRD
Subject: RE: DHC Application: Carter #1 30-025-30854

Hello Cindy:

Just read your question sent with this application about adding additional perforations from 6153 to 6168 which would be above the Drinkard.

Please have your Forrest Oil geologist give you the formation name in this proposed new interval and ask your engineer whether it will be "gas" or "oil", then go to your "Pool boundary books" and decide which Pool this upper set of perforations would be in. If you don't maintain or have access to Pool Books, then get an opinion from the Hobbs District Geologist (Paul Kautz) or from Donna Mull in Hobbs as to the correct formation name and the correct Pool for those perforations.

At that time, and if you are certain this work will be done, send in a new C-107A asking to commingle the three separate Pools and amend any existing DHC permit for this well or issue the first permit.

In the meantime, I will process the C-107A you sent in this week to allow Forrest to commingle the Drinkard and the Abo - or do you want me to wait?

William V. Jones PE

New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

From: Jones, William V., EMNRD
Sent: Wednesday, June 20, 2007 2:17 PM
To: Cindy Bush
Cc: Ezeanyim, Richard, EMNRD; Mull, Donna, EMNRD
Subject: DHC Application: Carter #1 30-025-30854

Hello Cindy:

I understand that perforating the Drinkard in this well was a disappointment but it should be contributing something, otherwise Forrest Oil will be required to squeeze it off.

You did not supply a percentage split for production between the Drinkard and the Abo - please send a production split by email back to me here and I will process this application.

6/21/2007

As far as the correct Pools for these two sets of perforations, the authority on this is the Geologist in Hobbs District. The books available to me in Santa Fe show the Drinkard formation in this location to be within the Undesignated East Nadine; Drinkard Pool (47503) and the Abo formation in this location to be within the East Nadine; Abo Pool (47393). I will correct the C-107A form you submitted to reflect this and....

.....wait for your answer on the production splits prior to processing this application.

Thank You,

William V. Jones PE

New Mexico Oil Conservation Division
1220 South St Francis
Santa Fe, NM 87505
505-476-3448

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.