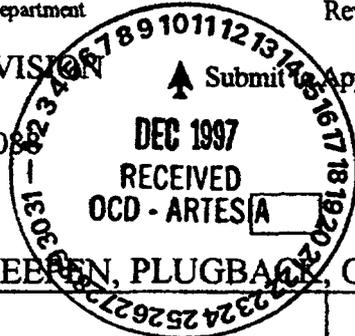


District I
P. O. Box 1980, Hobbs, NM 88241-1980
District II
P. O. Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
P. O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 1994
Instructions on back
Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies



AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address. The Wiser Oil Company C/O J. O. Easley, Inc. P. O. Box 245 Artesia, NM 88211-0245		² OGRID Number 022922
		³ API Number 30-015-29969
⁴ Property Code 20882	⁵ Property Name State "AZ"	⁶ Well No. 3

⁷ Surface Location									
UL or lot no. M	Section 16	Township 17S	Range 31E	Lot Idn	Feet from the 10	North/South Line South	Feet from the 170	East/West line West	County Eddy

⁸ Proposed Bottom Hole Location If Different From Surface									
UL or lot no. M	Section 16	Township 17S	Range 31E	Lot Idn	Feet from the 10	North/South Line South	Feet from the 10	East/West line West	County Eddy

⁹ Proposed Pool 1 Grayburg Jackson SR QN GB SA 4329 28509	¹⁰ Proposed Pool 2
--	-------------------------------

¹¹ Work Type Code N	¹² Well Type Code PO	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3746
¹⁶ Multiple	¹⁷ Proposed Depth 4000'	¹⁸ Formation Grayburg San Andres	¹⁹ Contractor	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program					
Hole size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8" J-55	23#	493'	300 Class "C"	circulate to surf.
7 7/8"	5 1/2" J-55	17#	4000'	700 Halli. Lite	circulate to 100'
				650 Prem.Plus	above 85/8"
					casing shoe

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Propose to drill above captioned well to a total depth of 4000' with rotary rig. If commercial production is indicated, well will be perforated and stimulated as necessary. This Directional Well will be drilled to an Unorthodox bottom hole location and therefore has been forwarded to the OCD in Santa Fe for administrative approval.

Blow Out Prevention: 10" Series 900 Type "E" Shaffer Hydraulic BOP will be used.

*Posted ID-1
HOC API
12-29-97*

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
Signature: *Michael R. Burch*
Printed name: Michael R. Burch, CPL
Title: Agent for The Wiser Oil Company
Date: 12-10-97 Phone: 505-746-1070

OIL CONSERVATION DIVISION	
Approved by:	ORIGINAL SIGNED BY TIM W. GUM
Title:	DISTRICT II SUPERVISOR
Approval Date: DEC 15 1997	Expiration Date: 12-15-98
Conditions of Approval: Attached <input type="checkbox"/>	<i>Drill Only</i>

*cl/34
BEM
52
OP*

DISTRICT I
P.O. Box 1982, Hobbs, NM 88241-1982

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Brewer Dr, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

DISTRICT III
1000 Rio Brazos Rd., Arton, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015- 29969	Pool Code 43329-28509	Pool Name Grayburg Jackson SR QN GB SA
Property Code	Property Name STATE AZ	Well Number 3
OGRID No. 022922	Operator Name THE WISER OIL COMPANY	Elevation 3746

Surface Location

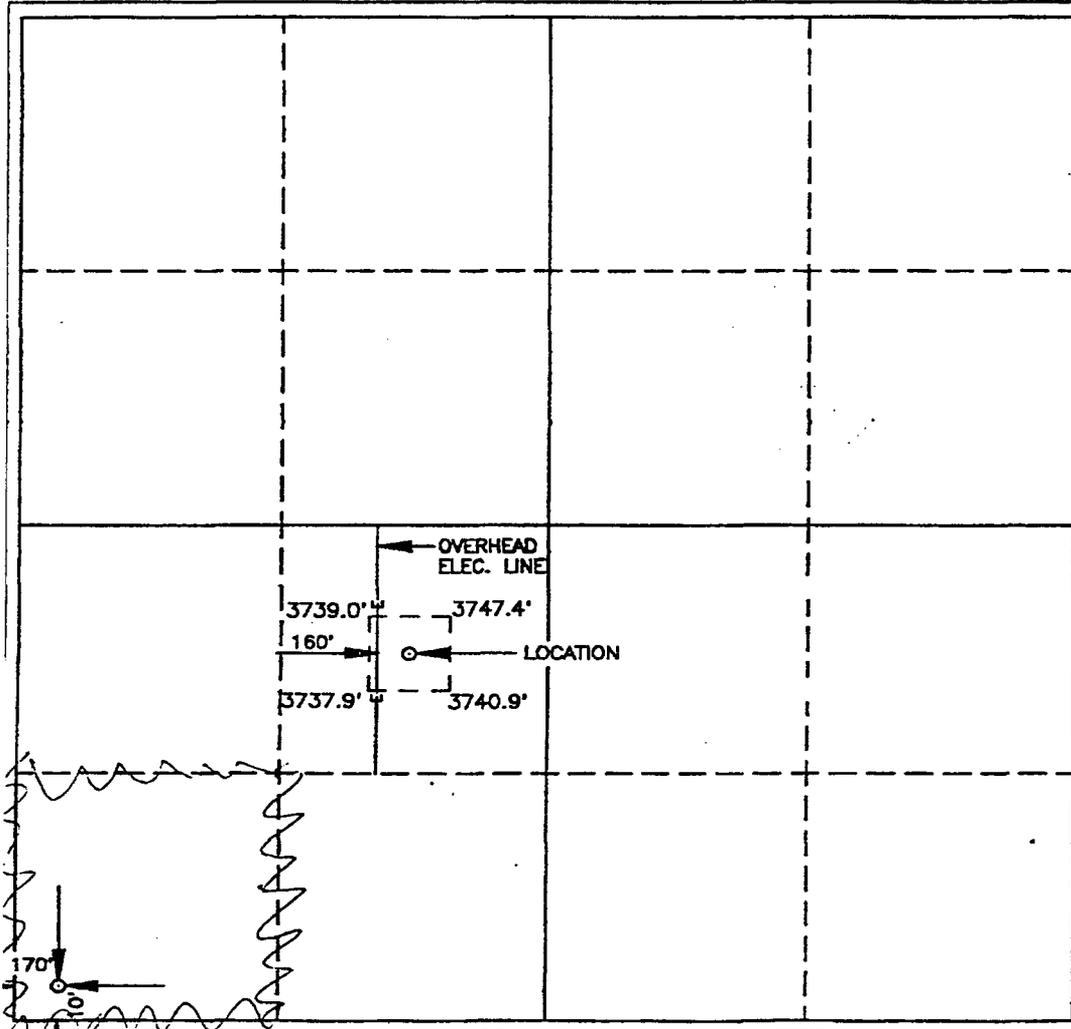
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	17 S	31 E		10	SOUTH	170	WEST	EDDY

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
M	16	17S	31E		10	South	10	West	Eddy

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Michael R. Burch
Signature

Michael R. Burch, CPL
Printed Name of Agent for The Wisier Oil Company

Title
8-21-97
Date

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.

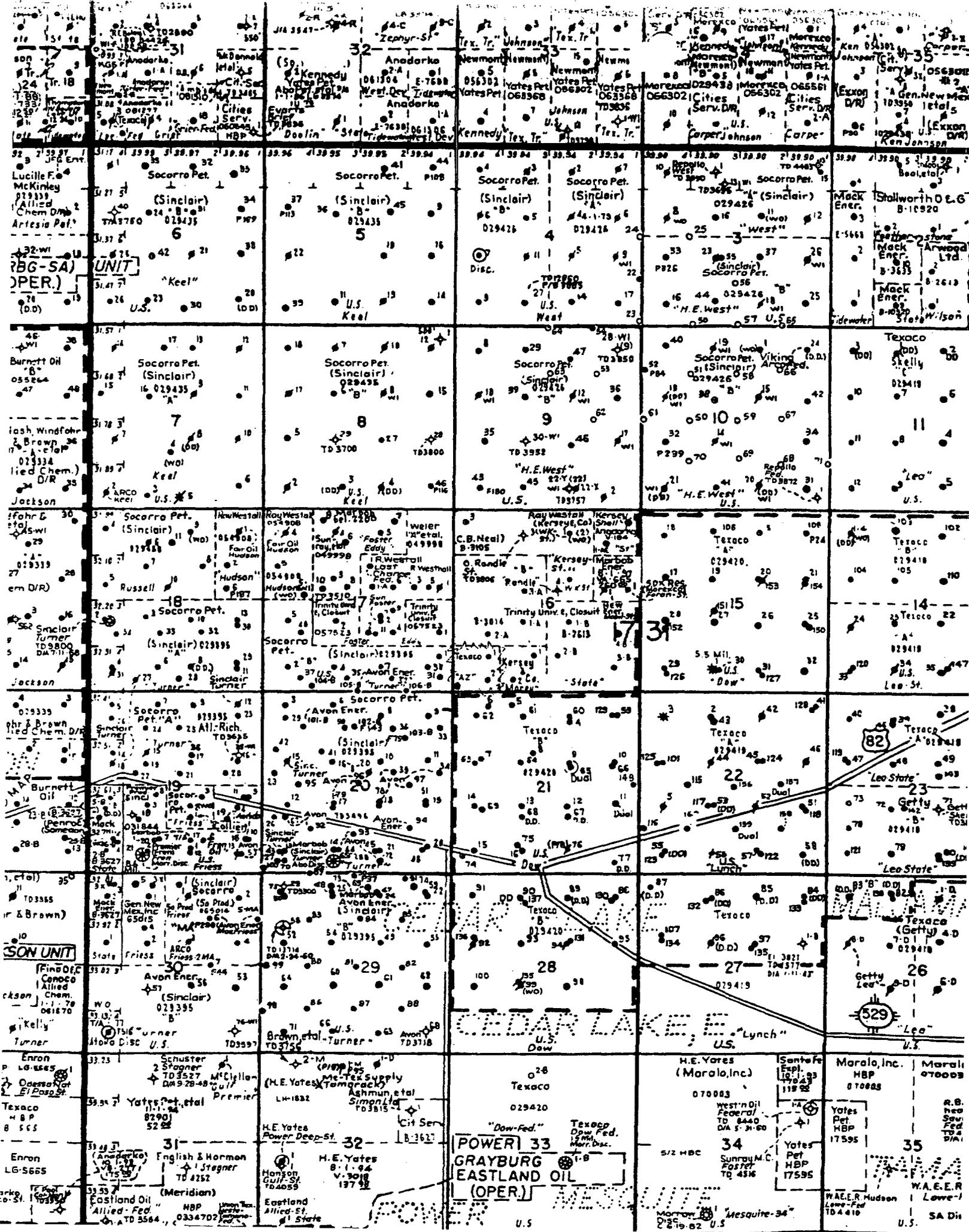
AUGUST 7, 1997
Date Surveyed

JLP
Signature & Seal of Professional Surveyor

J. Eidson
Professional Surveyor

P.O. Num. 97-3239 347

Certification No. 576
WEST, 576
PROFESSIONAL SURVEYOR, J. EIDSON, 3239
GARY G. EIDSON, 12641



BG-SA
PER.
D.O.

SON UNIT

POWER 33
GRAYBURG
EASTLAND OIL
(OPER.)

529

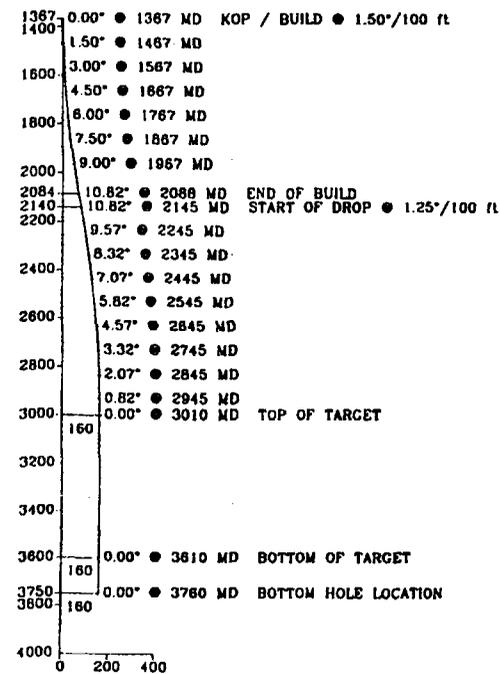
82

SA Di

THE WISER OIL COMPANY
 STATE AZ WELL #3
 SEC. 16, T17S, R31E
 EDDY COUNTY, NEW MEXICO
 DIRECTIONAL PROPOSAL

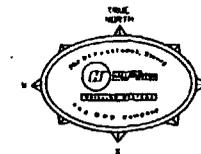
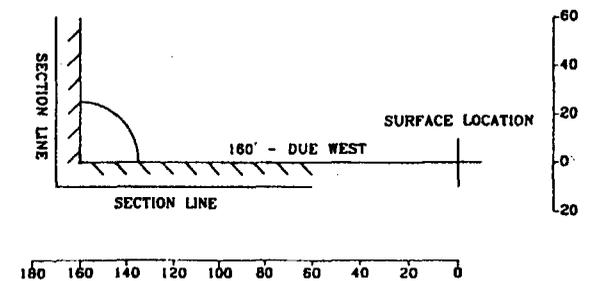


VERTICAL VIEW
 SCALE 200 ft. / in.
 TVD REF: KB
 VERTICAL SECTION REF: WELLHEAD



VERTICAL SECTION PLANE: N 90.00 W

HORIZONTAL VIEW
 SCALE 20 ft. / in.
 SURVEY REF: WELLHEAD



PROPOSED BHL	
TVD	3750.00
MD	3760.42
VS	160.00
N/S	0.00 S
E/W	160.00 W

Proposal Report

Date: 8/25/97
 Time: 1:58 pm
 Wellpath ID: DIRECTIONAL WELLPLAN
 Last Revision: 8/22/97

*Calculated using the Minimum Curvature Method
 Computed using WIN-CADDS REV2.2.2
 Vertical Section Plane: N 90.00 W*

Survey Reference: WELLHEAD
 Offset, Reference To WellHead: (ft): 0.00 N 0.00 E 0.00 TVD
 Vertical Section Reference: WELLHEAD
 Closure Reference: WELLHEAD
 TVD Reference: KB

THE WISER OIL COMPANY
 STATE AZ WELL #3
 SEC. 16, T17S, R31E
 EDDY COUNTY, NEW MEXICO
 DIRECTIONAL WELLPLAN

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	Course Length (ft)	TVD (ft)	TOTAL Rectangular Offsets (ft)		DLS (dg/100ft)	Vertical Section (ft)
KOP / BUILD @ 1.50 deg/100 ft								
1367.00	0.00	N 0.00 E	0.00	1367.00	0.00 N	0.00 E	0.00	0.00
1467.00	1.50	N 90.00 W	100.00	1466.99	0.00 S	1.31W	1.50	1.31
1567.00	3.00	N 90.00 W	100.00	1566.91	0.00 S	5.23W	1.50	5.23
1667.00	4.50	N 90.00 W	100.00	1666.69	0.00 S	11.77W	1.50	11.77
1767.00	6.00	N 90.00 W	100.00	1766.27	0.00 S	20.92W	1.50	20.92
1867.00	7.50	N 90.00 W	100.00	1865.57	0.00 S	32.68W	1.50	32.68
1967.00	9.00	N 90.00 W	100.00	1964.54	0.00 S	47.03W	1.50	47.03
2067.00	10.50	N 90.00 W	100.00	2063.09	0.00 S	63.96W	1.50	63.96
END OF BUILD								
2088.27	10.82	N 90.00 W	21.27	2083.99	0.00 S	67.90W	1.50	67.90
START OF CURVE @ 1.25 deg/100 ft								
2144.90	10.82	N 90.00 W	56.63	2139.61	0.00 S	78.53W	0.00	78.53
2244.90	9.57	N 90.00 W	100.00	2238.03	0.00 S	96.22W	1.25	96.22
2344.90	8.32	N 90.00 W	100.00	2336.82	0.00 S	111.77W	1.25	111.77
2444.90	7.07	N 90.00 W	100.00	2435.91	0.00 S	125.16W	1.25	125.16
2544.90	5.82	N 90.00 W	100.00	2535.28	0.00 S	136.38W	1.25	136.38
2644.90	4.57	N 90.00 W	100.00	2634.87	0.00 S	145.43W	1.25	145.43
2744.90	3.32	N 90.00 W	100.00	2734.63	0.00 S	152.31W	1.25	152.31
2844.90	2.07	N 90.00 W	100.00	2834.52	0.00 S	157.01W	1.25	157.01
2944.90	0.82	N 90.00 W	100.00	2934.48	0.00 S	159.53W	1.25	159.53
TOP OF TARGET								
3010.42	0.00	N 0.00 E	65.52	3000.00	0.00 S	160.00W	1.25	160.00
BOTTOM OF TARGET								

HALLIBURTON DRILLING SYSTEMS

Page 2

Date: 8/25/97

Proposal Report Wellpath ID: DIRECTIONAL WELLPLAN

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	Course Length (ft)	TVD (ft)	TOTAL Rectangular Offsets (ft)		DLS (dg/100ft)	Vertical Section (ft)
3610.42	0.00	N 0.00 E	600.00	3600.00	0.00 S	160.00W	0.00	160.00
BOTTOM HOLE LOCATION								
3760.42	0.00	N 0.00 E	150.00	3750.00	0.00 S	160.00W	0.00	160.00



WISER

September 4, 1997

Devon Energy Corporation
Attention: Mr. Ken Gray
20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-8260

RE: Unorthodox Locations
Skelly 400, 401, 402 and State 'AZ' 3 Wells
Skelly Unit
Eddy County, New Mexico

Gentlemen:

The Wiser Oil Company, as operator of the Skelly Unit, shall apply to the New Mexico Oil Conservation Division for administrative approval of the following unorthodox well locations.

	<u>Surface Location</u>	<u>BHL</u>	
Skelly #400	100' FSL and 260' FWL	10' FSL & 10' FWL	Section 21-17S-31E
Skelly #401	1300' FNL and 60' FWL	1300' FNL & 60' FWL	Section 28-17S-31E
Skelly #402	2625' FNL and 230' FWL	2625' FNL & 10' FWL	Section 28-17S-31E
State 'AZ' #3	10' FSL and 170' FWL	10' FSL & 10' FWL	Section 16-17S-31E

In accordance with Article 7 of our Cooperative Unit Line Injection Well and Unit Line Infill Drilling Agreement effective January 1, 1997, please indicate your waiver, as offset operator, of the above unorthodox locations by signing and returning one copy of this letter as soon as possible.

Yours very truly,
THE WISER OIL COMPANY

Lauri Block
Sr. Landman

Agreed to accept this 9th day of September, 1997.

DEVON ENERGY CORPORATION

By: Ken Gray
Name: KEN GRAY
Title: DISTRICT LANDMAN

RECEIVED
SEP 9 1997
LAND DEPARTMENT

**COOPERATIVE UNIT LINE INJECTION WELL
AND UNIT LINE INFILL DRILLING AGREEMENT**



**SKELLY WATERFLOOD UNIT
TURNER "B" WATERFLOOD PROJECT**

THIS AGREEMENT is entered into by The Wiser Oil Company as Operator of the Skelly Waterflood Unit, hereafter referred to as "Wiser", and Devon Energy Corporation (Nevada), as Operator of the Turner "B" Waterflood Project, hereafter referred to as "Devon".

RECITALS:

1. Wiser is the Operator of the Skelly Waterflood Unit under the terms of the applicable Unit Agreement and the Unit Operating Agreement for said Unit (the "Unit") and the owner of 100% working interest therein.
2. Devon is the Operator of the Turner "B" Waterflood Project as approved by State of New Mexico Oil Conservation Division Order No. R-3185 (the "Project") and the owner of 100% working interest therein.
3. The Unit Area of the Skelly Waterflood Unit includes, among other lands, the W/2 W/2 of Section 21, the W/2 NW/4 and NW/4 SW/4 of Section 28, all in Township 17 South, Range 31 East, Eddy County, New Mexico, and the Project Area for the Turner "B" Waterflood Project, includes, among other lands, the E/2 E/2 of Section 20, the NE/4 SE/4 and E/2 NE/4 of Section 29, all in Township 17 South, Range 31 East, Eddy County, New Mexico.
4. Wiser and Devon desire to enter into an agreement to provide for the continued operation of existing injection wells, the reactivation of existing shut-in injection wells, and the conversion of additional wells to injection as provided in Article 1, along the common boundary of the above described lands for the injection of water into one or more of the Seven Rivers, Queen, Grayburg, and San Andres formations underlying said lands in order to enhance the recovery of hydrocarbons from their respective Unit/Project. Wiser and Devon also desire to enter into an agreement to drill up to six infill producing wells on 20 acre spacing units along the common boundary line of the Skelly Waterflood Unit and the Turner "B" Waterflood Project in accordance with Article 7 below.

NOW, THEREFORE, in consideration of the mutual benefits to be derived from the covenants and obligations herein contained, Wiser and Devon agree as follows:

ARTICLE 1

INJECTION WELLS

- 1.1 Wiser has made application before the New Mexico Oil Conservation Division to convert existing shut-in injection wells as follows:

2.2 **Injection**: Except as otherwise provided in Article 1.4 herein ("Replacement and Substitute Wells"), water injection into each of the proposed conversion injection wells and re-activated injection wells shall commence within sixty (60) days after receipt of approval by the New Mexico Oil Conservation Division. Injection of water into each injection well covered by this agreement, shall be at rates and pressures mutually agreed upon, and below the fracturing pressure of the formation as determined by periodic step-rate injectivity tests. Prior to running a step-rate test, the operating pressure on the well shall be set at a level lower than the lowest fracturing pressures measured by step-rate tests in nearby injection wells completed in the formation. If the rates and pressures cannot be mutually agreed upon, the rate shall be at least 300 barrels of water a day, provided the rate does not result in a bottomhole pressure which is greater than the formation fracturing pressure. Each party, upon request, shall provide the other party details of the results of each step-rate test and any fall-off tests conducted on its wells. Each month, each party shall provide the other party with a statement showing the average daily injection rate and the average daily injection pressure, for the previous month, along with the cumulative injection volumes, for all wells within 700 feet of the common unit boundary.

2.3 **Injection Profile**: Each party shall run annual radioactive water tracer surveys on its wells. Each party shall, upon request, provide a copy of its injection profile logs to the other party hereto.

2.4 **Metering**: Each party shall be responsible, at its sole cost and expense, for installing and maintaining in good repair, appropriate pressure gauges and water meters for each of the injection wells covered by this agreement.

ARTICLE 3

INTERESTS AND OBLIGATIONS OF PARTIES

3.1 **Interests of Parties**: Nothing in this agreement shall be deemed to be an assignment or a cross-assignment of interests in the respective Unit/Project Areas. This agreement is entered into for the sole purpose of providing for the operation of injection and infill producing wells on the common boundary of the Unit/Project Areas to enhance the recovery of hydrocarbons from each Unit/Project Area so that the party who operates the Unit/Project Area, along with the other owners of interests in production from the Unit/Project Area, may benefit by an increase in ultimate recovery of hydrocarbons from the Unit/Project Area.

3.2 **Obligations of Parties**: The obligations and liabilities of the parties shall be several, not joint or collective. Each party shall be responsible only for its obligations as set out in this agreement. It is not the intention of the parties to create, nor shall this agreement be construed to create, a mining or other partnership or association, or to render the parties liable as partners.

ARTICLE 4

FORCE MAJEURE

If either party is rendered unable, wholly or in part, by force majeure to carry out its obligations under this agreement, that party shall give to the other party prompt notice of the force majeure with reasonably full particulars concerning it; thereupon, the obligations of the party giving notice, so far as they are affected by the force majeure, shall be suspended during, but no longer than the continuance of, the force majeure. The affected party shall use all reasonable diligence to remove the force majeure situation as quickly as practicable.

shall not require the settlement of strikes, lockouts, or other labor difficulty by the party involved, contrary to its wishes; how all such difficulties shall be handled shall be entirely within the discretion of the party concerned.

The term "force majeure", as here employed shall mean an act of God, strike, lockout or other industrial disturbance, act of the public enemy, war, blockade, public riot, lightning, fire, storm, flood, explosion, governmental action, governmental delay, restraint or inaction, unavailability of equipment, failure of water supply, and any other cause, whether of the kind specifically enumerated above or otherwise, which is not reasonably within the control of the party claiming suspension.

ARTICLE 5

NOTICES

All notices and other communications authorized or required between the parties under this agreement shall be deemed to have been given when such communications in writing shall have been received by fax or United States mail, by the party to whom the notice is given at the following address:

Wiser:

The Wiser Oil Company
8115 Preston Road, Suite 400
Dallas, TX 75225
Attn: Matt Eagleston
Project Manager

Devon:

Devon Energy Corporation (Nevada)
20 North Broadway, Suite 1500
Oklahoma City, OK 73102
Attn: Steve Cromwell
Land Manager

Each party shall have the right to change its address at any time, and from time to time, by giving written notice thereof to the other party.

ARTICLE 6

EFFECTIVE DATE AND TERM OF AGREEMENT

6.1 Effective Date: The effective date of this agreement shall be January 1, 1997. ✓

6.2 Term of Agreement: This agreement shall be in effect for a period of five (5) years after the effective date hereof and so long thereafter as the Skelly Waterflood Unit, and the Turner "B" Waterflood Project are in effect, unless earlier terminated as hereafter set forth.

This agreement may be terminated at any time after the expiration of such five (5) year term by unanimous agreement of the parties hereto. If the parties are unable to agree, the term of this agreement shall not extend beyond ten (10) years from the cessation of operations attributable to the wells covered in Article 1 and Article 7 hereof.

ARTICLE 7

INFILL DEVELOPMENT

In order to further enhance the ultimate recovery of hydrocarbons from both the Skelly Waterflood Unit and the Turner "B" Waterflood Project, Wiser and Devon each agree to drill and complete three infill producing wells along the common boundary of the Unit/Project at the ✓

shut-in injection wells as follows:

Turner "B" #11 Located in SE/4 NE/4 of Section 20-T17S-R31E
Turner "B" #9 Located in NE/4 NE/4 of Section 20-T17S-R31E
Turner "B" #51 Located in NE/4 SE/4 of Section 20-T17S-R31E
Turner "B" #59 Located in NE/4 NE/4 of Section 29-T17S-R31E
Turner "B" #62 Located in NE/4 SE/4 of Section 29-T17S-R31E

Within one hundred twenty (120) days of receipt of approval by the New Mexico Oil Conservation Division, Devon shall convert, reactivate, and equip the above wells as necessary, for the injection of water into one or more of the Seven Rivers, Queen, Grayburg, and San Andres formations. These wells shall be equipped, maintained and operated under this agreement, and the covenants of Devon under this agreement shall be performed at the sole expense and risk of Devon.

1.2.1 Wisor and Devon recognize that the following Devon operated wells have previously been converted to injection and are currently injecting water into one or more of the Seven Rivers, Queen, Grayburg and San Andres formations:

Turner "B" #46 Located in SE/4 SE/4 of Section 20-T17S-R31E
Turner "B" #55 Located in SE/4 NE/4 of Section 29-T17S-R31E

The above wells shall continue to be operated in accordance with the terms of this agreement and more specifically in accordance with Article 2.2 hereof.

1.3 Well Log: Upon execution of this agreement and upon request, each party shall provide the other party with a copy of a porosity log on each of the wells contemplated by this agreement, indicating perforation depth. Each party, upon request, shall also provide the other party with details of workover operations on each of the wells, including stimulation and squeezing operations.

1.4 Replacement and Substitute Wells: It is recognized by the parties that the incremental recovery of hydrocarbons reasonably expected from each Unit/Project Area as a result of the injection operations contemplated by this agreement may not justify the drilling of a replacement well in the event a party is unable to continue operations of existing injection wells or is unable to convert its well to an injection well or to obtain governmental authorization to inject fluids into the well. If, as a result of a lack of wellbore integrity or other condition in the hole or formations penetrated, either party is unable after exercising reasonable diligence as would a prudent operator to continue operations of existing injection wells or to convert the wells described in Articles 1.1, 1.2 and 1.2.1 herein to injection wells or to obtain governmental authorization to inject fluids into the Seven Rivers, Queen, Grayburg and San Andres formations, said party shall, within thirty (30) days, notify the other party hereto in writing of the condition of such well and shall have the option but not the obligation to propose either to substitute an existing well therefor, or to drill a replacement well at a location within three hundred (300) feet of the well to be replaced.

If the notifying party has elected to drill a replacement well, it shall, within a reasonable time after giving the above described notice, begin operations for the drilling of the replacement well. If it has chosen to propose a substitute well, the remaining party hereto may either accept or reject the proposed substitute well. If the notifying party proposes a substitute well that is acceptable to the remaining party hereto, the notifying party shall drill and equip said well within one hundred twenty (120) days after receiving the remaining party's written acceptance thereof. If the remaining party hereto rejects the proposed substitute well, such remaining party shall have the option to propose operations on a different injection well covered by this agreement.

necessary for the remaining party hereto to administratively obtain such unorthodox locations in accordance with applicable New Mexico Oil Conservation Division rules.

In order to share in the risks and rewards of drilling the proposed infill wells, Wisner and Devon further agree that an operating agreement between the parties, designating Devon as operator of those infill wells located on the Turner "B" Lease, and further designating Wisner as operator of those infill wells located on the Skelly Unit, which shall be executed simultaneously with this agreement, is attached hereto as Exhibit "B" and made a part hereof. Said operating agreement shall govern the drilling, completion and all other operations associated with such infill wells. Notwithstanding the current working interest ownership of the Turner "B" Waterflood Project and the Skelly Waterflood Unit as recited in paragraphs 1 and 2 above, the working interest of the parties under said operating agreement shall be:

The Wisner Oil Company	50.00%
Devon Energy Corporation (Nevada)	50.00%

The operating agreement and exhibits thereto shall become effective as of the effective date of this agreement and shall govern any operations not expressly covered by this agreement. In the event of a conflict between the terms of the Operating Agreement attached hereto as Exhibit "B" and the terms of this agreement, the terms of this agreement shall prevail.

Production attributable to the Devon operated infill wells as set forth on Exhibit "A" shall be commingled into an existing Turner "B" tank battery of Devon's choice. Production attributable to the Wisner operated infill wells as set forth on Exhibit "A" shall be commingled into an existing Skelly Waterflood tank battery of Wisner's choice. Wisner and Devon agree that production from such infill wells shall be allocated based upon monthly well tests. Well testing shall be accomplished utilizing a test heater treater or test separator. Produced fluid from a well to be tested will be segregated from the field production and diverted to a test vessel where the separation of oil, gas and water will occur. Only one well shall be tested at a time. No other wells shall be allowed to produce into the test vessel when another well is being tested. Oil and water volumes exiting the vessel will be metered or sent to a test tank for direct measurement.

If metering oil volumes, meter accuracy should be at least $\pm 1.0\%$ with a repeatability of at least $\pm 0.05\%$. Oil meters should be calibrated on a quarterly basis with each party having the right, upon thirty (30) days written notice, to witness such oil meter calibrations. Any time the accuracy of a meter is in question either party with reasonable written notification may inspect the other party's oil meter at their own expense.

Gas volumes may be allocated based on the applicable Project or Unit GOR, or gas volumes may be measured using an orifice well tester connected to the gas outlet on the heater treater or test separator.

ARTICLE 8

COMPLIANCE WITH LAWS AND REGULATIONS

8.1 Laws, Regulations and Orders: This agreement shall be subject to and operations hereunder shall be conducted in compliance with the conservation laws of the State of New

cause of action, loss and/or liability which may result from the gross negligence or willful misconduct of such other party, its agents, officers, or employees. Such indemnity shall include, without limitation, reasonable attorney's fees, court costs and similar expenses. Each party hereby releases the other party from any liability for damages to the releasing party's interest in and to the releasing party's land described herein. arising out of, incident to, or in connection with the operations contemplated by this agreement, provided such operations are conducted in accordance with the terms and conditions of this agreement and such damage is not the result of gross negligence or willful misconduct of such other party.

ARTICLE 10

MISCELLANEOUS

10.1 Entire Agreement: This agreement embodies the entire agreement between the parties relating to the subject matter hereof and shall supersede all other agreements, assurances, conditions, covenants or terms relating hereto, whether written or verbal or antecedent or contemporaneous with the execution thereof. This agreement may be modified or amended only by an instrument in writing signed by both parties.

10.2 Captions: Captions have been inserted for reference purposes only and shall not define or limit the terms of this agreement.

10.3 Binding Effect: This agreement shall be binding upon and shall inure to the benefit of the parties hereto and to their respective successors, legal representatives and assigns.

WITNESS EXECUTION this 25th day of April, 1997.

ATTEST:

By: Matt Eyles

THE WISER OIL COMPANY

By: W. B. Phillips
W. B. Phillips
Attorney-in-Fact

ATTEST:

By: Steve Cromwell
STEVE CROMWELL
Assistant Secretary

DEVON ENERGY CORPORATION (NEVADA)

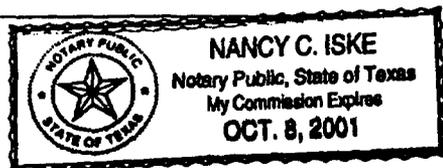
By: J. M. Lacey
J. M. Lacey
Vice President

FDC
KKT
RE

STATE OF Texas)
) SS
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 25th day of April 1997, by W. B. Phillips, President of The Wiser Oil Company, a Delaware corporation, on behalf of the corporation. attorney-in-fact

My Commission Expires:



Nancy C. Iske
Notary Public

STATE OF OKLAHOMA)
) SS
COUNTY OF OKLAHOMA)

The foregoing instrument was acknowledged before me this 2nd day of April 1997, by J. M. Lacey, Vice President of Devon Energy Corporation (Nevada), a Nevada corporation, on behalf of the corporation.

My Commission Expires:

Jan. 24, 1998

Aida Peter
Notary Public AIDA PETERS

II. ADDRESSES FOR NOTICE PURPOSES:

The Wiser Oil Company
 8115 Preston Road, Suite 400
 Dallas, TX 75225
 Attn: Matt Eagleston
 Project Manager

Devon Energy Corporation (Nevada)
 20 North Broadway, Suite 1500
 Oklahoma City, OK 73102
 Attn: Steve Cromwell
 Land Manager

III. PERCENTAGE WORKING INTERESTS OF THE PARTIES:

<u>Parties</u>	<u>Percentage Working Interest in Contract Area</u>
The Wiser Oil Company	50.00%
Devon Energy Corporation (Nevada)	<u>50.00%</u>
Totals	100.00%

IV. DESCRIPTION OF COMMITTED LEASEHOLD:

Each of the Oil, Gas and Mineral Leases, or undivided interests therein, committed to this Agreement by the parties hereto and listed hereinafter are committed INSOFAR, AND ONLY INSOFAR, as each covers lands and depths within the Contract Area. All recording references are to the County Records of Eddy County, New Mexico.

A. Leases committed by The Wiser Oil Company (100%):

LESSOR	LESSEE	LEASE DATE	LESSOR ROY.	OTHER BURDENS	RECORDING REFERENCES BOOK PAGE
USA #LC-029420-B	Steddy Oil Company	4/30/38	oil - .0210000 gas - .1250000	.0100000 ORRI	
State of New Mexico B-1565-9	George F. Gatty Oil Company	11/20/28	.1250000		

B. Leases committed by Devon Energy Corporation (Nevada) (100%):

LESSOR	LESSEE	LEASE DATE	LESSOR ROY.	OTHER BURDENS	RECORDING REFERENCES BOOK PAGE
USA #LC-029395-B	Dunwoiger Oil & Refining Co.	4/1/46	oil - .0210000 gas - .1250000	-0-	

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-103
Revised 1-1-89

457
10

DISTRICT I
P. O. Box 1980, Hobbs, NM 88240

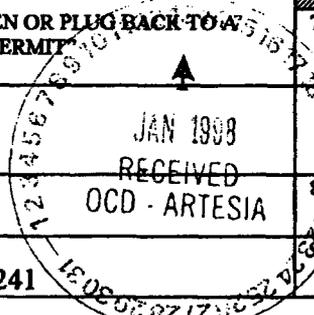
OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, NM 87504-2088

DISTRICT II
P. O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-015-29969
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Lease Name or Unit Agreement Name State "AZ"
2. Name of Operator The Wiser Oil Company	8. Well No. 3
3. Address of Operator P.O. Box 2568 Hobbs, New Mexico 88241	9. Pool name or Wildcat Grayburg Jackson SR QN GB SA
4. Well Location Unit Letter <u>M</u> : <u>10</u> Feet From The <u>South</u> Line and <u>170</u> Feet From The <u>West</u> Line Section <u>16</u> Township <u>17S</u> Range <u>31E</u> MPM <u>Eddy</u> County	10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3746'



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

NOTICE OF INTENTION TO		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <u>Spudding, Cementing Surface & Production Casing</u> <input checked="" type="checkbox"/>	

12. 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

MIRU Norton Drilling Co., Rig # 5. Spudded 12-1/4" hole @ 3:15 p.m. 12/29/97. Drilled hole to 525'. Ran 12 jts. 8-5/8", 23#, ISW-42, ST&C csg. Set at 523'. Halliburton cemented with 300 sks. Class "C" containing 1/4#/sk. Flocele + 2% CaCl. Plug down at 12:30 a.m. 12/30/97. Circulated 43 sks. cmt. OCD notified, no representative present. NU BOP and tested csg. to 1000# for 30 min, no pressure loss. WOC 12 hrs.

WOC 12 hrs

Drilled 7-7/8" production hole to a depth of 3759'. Ran 87 jts. 5-1/2", 17#, J-55, LT&C csg. Set at 3759'. Halliburton cemented w/1000 gals. Superflush 102 + 825 sks. Halliburton Lite w/8# salt/sk. + 1/4# Flocele/sk. followed by 250 sks. Premium Plus w/3#KCL/sk. + .5% Halad 344 + 1/4# Flocele/sk. Displaced with 1 bbl. FW + 12 bbls. MSA + 73 bbls. FW w/Lo-Surf 300. Plug down at 2:00 p.m. 1/05/98. Circulated 95 sks. cmt. Pressure tested casing to 1500# for 30 minutes, no pressure loss. Released rig at 4:00 p.m. 1/05/98.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mary Jo Turner TITLE Drilling Department DATE January 7, 1998

TYPE OR PRINT NAME Mary Jo Turner
(This space for State Use)

APPROVED BY ORIGINAL SIGNED BY TIM W. GUM TITLE DISTRICT II SUPERVISOR DATE JAN 14 1998

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-103
Revised 1-1-80

DISTRICT I
P. O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, NM 87504-2088

DISTRICT II
P. O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-015-29969
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 State "AZ"
--

8. Well No. 153

9. Pool name or Wildcat Grayburg Jackson SR QN GB SA

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.)

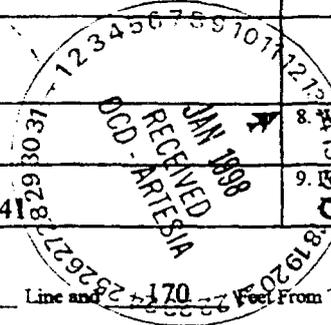
1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>

2. Name of Operator The Wiser Oil Company
--

3. Address of Operator P.O. Box 2568 Hobbs, New Mexico 88241

4. Well Location Unit Letter <u>M</u> : <u>10</u> Feet From The <u>South</u> Line and <u>170</u> Feet From The <u>West</u> Line Section <u>16</u> Township <u>17S</u> Range <u>31E</u> MPM <u>Eddy</u> County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3746'



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

NOTICE OF INTENTION TO		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <u>Spudding, Cementing Surface & Production Casing</u> <input checked="" type="checkbox"/>	

12. 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

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Drilled 7-7/8" production hole to a depth of 3759'. Ran 87 jts. 5-1/2", 17#, J-55, LT&C csg. Set at 3759'. Halliburton cemented w/1000 gals. Superflush 102 + 825 sks. Halliburton Lite w/8# salt/sk. + 1/4# Flocele/sk followed by 250 sks. Premium Plus w/3#KCL/sk. + .5% Halad 344 + 1/4# Flocele/sk. Displaced with 1 bbl. FW + 12 bbls. MSA + 73 bbls. FW w/Lo-Surf 300. Plug down at 2:00 p.m. 1/05/98. Circulated 95 sks. cmt. Pressure tested casing to 1500# for 30 minutes, no pressure loss. Released rig at 4:00 p.m. 1/05/98.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mary Jo Turner TITLE Drilling Department DATE January 7, 1998

TYPE OR PRINT NAME Mary Jo Turner
(This space for State Use)

APPROVED BY Jim W. Beem TITLE District Supervisor DATE 1/14/98

DRILLING MEASUREMENTS INC.
Directional Survey Data

Company: WISER OIL CO.
Well Name: ST.LEASE AZ WELL #3
API Number:
Side Track: 0

Field: SKELLY UNIT
Location: MALJAMAR NM.
County: EDDY
State: NM.

DMI Operator: JOEY BOUTTE
Probe Number:

Job Number: ST97-H161
Date: 01/05/1998

Calculation Method: Minimum Curvature
Proposed Azimuth: 270.00 (N90.0W)

Units: Feet/xF
Declination: 9.300 (West - / East +)

PAGE 1

SURVEY DATA AND CLOSURE INFORMATION

MD	AZ	INC	DLEG	TVD	VS	NORTH	EAST	TEMP	DATE
621.0	299.4	1.3	0.0	621.0	-0.0	0.0	-0.0	(TIE-IN)	
705.0	307.0	1.0	0.4	704.9	1.4	0.9	-1.4	57.3	01/01/1998
784.0	338.5	1.5	1.1	783.9	2.3	2.3	-2.3	63.9	01/01/1998
871.0	332.7	1.3	0.3	870.9	3.2	4.2	-3.2	64.8	01/01/1998
965.0	359.5	0.4	1.0	964.9	3.7	5.5	-3.7	65.8	01/01/1998
1057.0	9.7	1.0	0.7	1056.9	3.6	6.6	-3.6	66.2	01/01/1998
1151.0	20.9	1.8	0.9	1150.8	2.9	8.8	-2.9	68.2	01/01/1998
1246.0	23.4	2.5	0.7	1245.8	1.6	12.1	-1.6	68.6	01/01/1998
1340.0	37.9	2.8	0.8	1339.7	-0.7	15.8	0.7	70.3	01/01/1998
1432.0	32.2	2.6	0.4	1431.6	-3.2	19.3	3.2	70.9	01/01/1998
1527.0	18.6	2.2	0.7	1526.5	-4.9	22.9	4.9	70.2	01/01/1998
1621.0	8.6	1.9	0.5	1620.4	-5.7	26.1	5.7	71.2	01/01/1998
1714.0	352.6	1.5	0.7	1713.4	-5.8	28.9	5.8	71.0	01/01/1998
1809.0	327.8	1.1	0.7	1808.4	-5.1	30.9	5.1	71.7	01/01/1998
1903.0	306.6	0.9	0.4	1902.4	-4.1	32.1	4.1	72.7	01/01/1998
1996.0	276.1	0.6	0.5	1995.3	-3.0	32.6	3.0	73.1	01/01/1998
2090.0	284.3	0.3	0.3	2089.3	-2.3	32.7	2.3	71.3	01/01/1998
2153.0	252.5	0.4	0.3	2152.3	-1.9	32.6	1.9	72.3	01/01/1998
2190.0	230.4	0.7	1.0	2189.3	-1.6	32.5	1.6	71.4	01/01/1998
2220.0	255.5	1.0	1.6	2219.3	-1.2	32.3	1.2	70.0	01/01/1980
2313.0	272.1	2.1	1.3	2312.3	1.3	32.1	-1.3	73.2	01/01/1998
2405.0	271.1	3.6	1.6	2404.2	5.9	32.3	-5.9	73.5	01/02/1998
2499.0	272.6	5.0	1.5	2497.9	12.9	32.5	-12.9	73.1	01/02/1998
2592.0	272.3	6.1	1.2	2590.5	21.9	32.9	-21.9	74.9	01/02/1998
2686.0	271.9	6.9	0.9	2683.9	32.5	33.3	-32.5	78.9	01/02/1998
2780.0	265.7	7.4	1.0	2777.1	44.2	33.0	-44.2	73.8	01/02/1998
2874.0	252.0	7.0	1.9	2870.4	55.7	30.8	-55.7	79.6	01/03/1998
2967.0	259.5	6.9	1.0	2962.7	66.6	28.0	-66.6	75.0	01/03/1998
3062.0	252.0	6.7	1.0	3057.1	77.5	25.3	-77.5	76.0	01/03/1998
3156.0	256.3	7.1	0.7	3150.4	88.3	22.2	-88.3	77.6	01/03/1998
3251.0	253.8	6.5	0.7	3244.7	99.2	19.3	-99.2	82.3	01/03/1998
3343.0	251.7	6.6	0.3	3336.1	109.2	16.2	-109.2	81.6	01/04/1998
3438.0	256.2	7.1	0.8	3430.4	120.1	13.1	-120.1	82.7	01/04/1998
3533.0	252.0	5.5	1.8	3524.9	130.1	10.3	-130.1	83.3	01/04/1998
3626.0	257.7	7.3	2.1	3617.3	140.1	7.6	-140.1	82.0	01/04/1998
3719.0	266.4	6.1	1.7	3709.6	150.8	6.1	-150.8	77.6	01/05/1998

TTOM HOLE CLOSURE 151.0 FEET AT 272.30 (N87.7W)

From: Stogner, Michael
Sent: October 15, 1999 1:50 PM
To: Arrant, Bryan; Valdes, Kathy
Subject: Wisner

I have the application for Wisner's State "AZ" Well No. 3 in my pending files. I have been waiting for a copy of the amended lease line agreement between Wisner and Devon since Sept. 1997. I have called Jim Bruce who is handling this application and left a message for him to call me back. Hopefully we should have something by next week.

Case

From: Valdes, Kathy
Sent: Tuesday, February 05, 2002 11:20 AM
To: Arrant, Bryan
Subject: FW: NSL

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

From: Arrant, Bryan
Sent: Monday, February 04, 2002 9:32 AM
To: Valdes, Kathy
Subject: NSL

Hello Kathy,

I need to see if there is a NSL for the following well.

Wiser Oil Company
State 'AZ' #3
Sec. 16, T17S-R-31-E
Eddy Co., N.M.
30-015-29969

I have a copy of a letter written by Mike on 6/12/98 asking Wiser for more information for them, but this is all I have.

Thanks and let it snow.

Bryan

[Valdes, Kathy] Bryan, I show no record of an NSL for this well.

Submit to Appropriate District Office
 State Lease - 6 copies
 Federal Lease - 5 copies

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-105
 Revised 1-1-89

OIL CONSERVATION DIVISION

P. O. Box 2088
 Santa Fe, NM 87504-2088

DISTRICT I
 P. O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P. O. Drawer DD, Artesia, NM 88210

DISTRICT III
 200 Rio Brazos Rd. Aztec, NM 87410

WELL API NO. 30-015-29969
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-2148
7. Lease Name or Unit Agreement Name St. "AZ"
8. Well No. 3
9. Pool name or Wildcat Grayburg Jackson SR QN GB SA

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL GAS WELL DRY OTHER

b. Type of Completion: NEW WELL WORK OVER DEEPEN PLUG BACK DIFF RESVR OTHER

2. Name of Operator
The Wiser Oil Company

3. Address of Operator
P.O. Box 2568 Hobbs, New Mexico 88241 (505) 392-9797

4. Well Location
 Unit Letter **M** : **10** Feet From The **South** Line and **170** Feet From The **West** Line

Section **16** Township **17S** Range **31E** NMPM **Eddy** County

10. Date Spudded 12/29/97	11. Date T.D. Reached 01/05/98	12. Date Compl. (Ready to Prod.) 05/08/98	13. Elevations (DF & RKB, RT, GR, etc.) 3746'	14. Elev. Casinghead
15. Total Depth 3759'	16. Plug Back T.D. 3414'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By All	19. Rotary Tools All
19. Producing Interval(s), of this completion - Top, Bottom, Name 3009'-3257' Vacuum & Lower Grayburg				20. Was Directional Survey Made Yes
21. Type Electric and Other Logs Run Dual Spaced Neutron			22. Was Well Cored No	

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"	23# ISW-42	523'	12-1/4"	300 sx. Class "C"	Circ. 43 sx. cmt.
5-1/2"	17# J-55	3759'	7-7/8"	825 sx. Hall. Lite w/8# salt/sk. + 1/4# floccle/sk. followed by 250 sx. Premium Plus w/3# KCL/sk. + .5% Halad 344 + 1/4# Floccle/sk.	Circ. 95 sx. cmt.

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	3266'	

26. Perforation record (interval, size, and number)
 3599'-3606', 08', 09', 11' & 14'-21' w/1 SPF (19 holes)
 3469', 70', 96'-99', 3555', 59'-65', 73', 75' & 79'-84' w/1 SPF (22 holes)
 3009', 10', 11', 34', 35', 36', 90'-95', 3139', 40', 55', 56', 58', 98', 99', 3200', 20',
 21, 54', 55', & 57'-w/1 SPF (25 holes)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
3599'-3621'	Acidized w/2800 gals. 15% NE-FE acid w/38 balls
3599'-3621'	Squeezed w/70 sks. Class "C"
3469'-3584'	Acidized w/3300 gals. 15% NE-FE acid + 44 balls

28. PRODUCTION See Attached Sheet

Date First Production 05/08/98	Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping - 2-1/2" x 1-3/4" x 16' RHBC	Well Status (Prod. Or Shut-in) P					
Date of Test 05/28/98	Hours Tested 24	Choke Size 24	Prod'n For Test Period 95	Oil - Bbl. 95	Gas - MCF 88	Water - Bbl. 37	Gas - Oil Ratio .9263/1
Flow Tubing Press.	Casing Pressure 18#	Calculated Hour Rate 24	Oil - Bbl. 95	Gas - MCF 88	Water - Bbl. 37	Oil Gravity - API - (Corr.) 36.0	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
 Sold

Test Witnessed By
Alan Short

30. List Attachments
Deviation Survey & Logs

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

Signature Mary Jo Turner Printed Name Mary Jo Turner Title Completion Department Date June 3, 1998

RECEIVED
 OGD - ARTESIA

32. Set CIBP @ 3434'.

3009'-3257' Acidized w/2500 gals. 15% NE-FE acid + 50 ball sealers.

3009'-3221' & 3854'-3257' Frac'd w/12,000 gals. gelled water, 45,000 gals. 20# Delta Frac & 100,000# 16/30 Brown sand.

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 depths 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 _____
 T. Salt _____
 B. Salt _____
 T. Yates _____
 T. 7 Rivers _____
 T. Queen 2457'
 T. Grayburg 2807'
 T. San Andres 3173'
 T. Glorieta _____
 T. Paddock _____
 T. Blinebry _____
 T. Tubb _____
 T. Drinkard _____
 T. Abo _____
 T. Wolfcamp _____
 T. Penn _____
 T. Cisco (Bough C) _____

T. Canyon _____
 T. Strawn _____
 T. Atoka _____
 T. Miss _____
 T. Devonian _____
 T. Silurian _____
 T. Montoya _____
 T. Simpson _____
 T. McKee _____
 T. Ellenburger _____
 T. Gr. Wash _____
 T. Delaware Sand _____
 T. Bone Springs _____
 T. _____
 T. _____
 T. _____

T. Ojo Alamo _____
 T. Kirtland-Fruitland _____
 T. Pictured Cliffs _____
 T. Cliff House _____
 T. Menefee _____
 T. Point Lookout _____
 T. Mancos _____
 T. Gallup _____
 Base Greenhorn _____
 T. Dakota _____
 T. Morrison _____
 T. Todilto _____
 T. Entrada _____
 T. Wingate _____
 T. Chinle _____
 T. Permian _____
 T. Penn "A" _____

T. Penn. "B" _____
 T. Penn. "C" _____
 T. Penn. "D" _____
 T. Leadville _____
 T. Madison _____
 T. Elbert _____
 T. McCracken _____
 T. Ignacio Otzte _____
 T. Granite _____
 T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from _____ to _____
 No. 2, from _____ to _____
 No. 3, from _____ to _____
 No. 4, from _____ to _____

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
0'	40'	40'	Caliche & Sand
40'	170'	130'	Redbed
170'	320'	150'	Anhydrite
320'	1300'	980'	Salt
1300'	3759'	2459'	Dolomite, Sand & Anhydrite

From	To	Thickness in Feet	Lithology

District I
P. O. Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-104
Revised October 18, 1994

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Instructions on back
Submit to Appropriate District Office
5 Copies

1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address The Wiser Oil Company P.O. Box 2568 Hobbs, New Mexico 88241		² OGRID Number 022922	
		³ Reason for Filing Code NW	
⁴ API Number 30-015-29969	⁵ Pool Name Grayburg Jackson 7RVS QN-GB-SA		⁶ Pool Code 28509
⁷ Property Code 20882	⁸ Property Name State "AZ"		⁹ Well Number 3

II. 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
M	16	17S	31E		10	South	170	West	Eddy

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
M	16	17S	31E		10	South	10	West	Eddy

¹² Use Code S	¹³ Producing Method Code P	¹⁴ Gas Connection Date 02/14/97	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date
-----------------------------	--	---	-----------------------------------	------------------------------------	-------------------------------------

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
7440	EOTT Operating Limited Partnership P.O. Box 4666 Houston, Texas 75210	2475610	O	SW/SW Sec. 16-T17S-R31E /
005097	CONOCO INC. P.O. Box 460 Hobbs, New Mexico 88240	2475630	G	SW/SW Sec. 16-T17S-R31E

IV. Produced Water

²³ POD 2475650	²⁴ POD ULSTR Location and Description Used for injection on Unit
------------------------------	--

V. Well Completion Data

²⁵ Spud Date	²⁶ Ready Date	²⁷ TD	²⁸ PBTB	²⁹ Perforation	³⁰ DHC, DC, MC
12/29/97	05/08/98	3759'	3414'	3599'-3621' 3469'-3584' 3009'-3257'	
³¹ Hole Size	³² Casing & Tubing Size	³³ Depth Set	³⁴ Sacks Cement		
12-1/4"	8-5/8" 23# ISW-42	523'	300 sx. Class "C"		
7-7/8"	5-1/2" 17# J-55	3759'	825 sx. Halliburton Lite		
	2-7/8"	3266'			

VI. Well Test Data

³⁵ Date New Oil	³⁶ Gas Delivery Date	³⁷ Test Date	³⁸ Test Length	³⁹ Tbg. Pressure	⁴⁰ Csg. Pressure
05/08/98	05/08/98	05/28/98	24 hrs.	25#	18#
⁴¹ Choke Size	⁴² Oil	⁴³ Water	⁴⁴ Gas	⁴⁵ AOF	⁴⁶ Test Method
	95	37	88		P

⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, NM 87504-2088

DISTRICT I
P. O. Box 1980, Hobbs, NM 88240

DISTRICT II
P. O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-015-29969
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

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
The Wiser Oil Company

3. Address of Operator
P.O. Box 2568 Hobbs, New Mexico 88241

4. Well Location
 Unit Letter **M** : **10** Feet From The **South** Line and **170** Feet From The **West** Line
 Section **16** Township **17S** Range **31E** NMPM **Eddy** County

7. Lease Name or Unit Agreement Name
State "AZ"

8. Well No.
3

9. Pool name or Wildcat
Grayburg Jackson SR QN GB SA

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3746'

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

NOTICE OF INTENTION TO	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER: <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: <u>Perforate & Acidize</u> <input checked="" type="checkbox"/>

12. 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.

04/17/98 MIRU unit. NU BOP's.

04/20/98 HES perforated Lower Massive f/3599'-3606', 08', 09', 11' & 14'-21' w/1 SPF (19 holes). RD HES. Tested in hole 112 jts. 2-7/8" EUE tbg. Set pkr. @ 3488'. RU HES & acidized Lower Massive perfs. 3599'-3621' w/2800 gals. 15% NE-FE acid & 38 ball sealers. Did not ball out. ATP 2450# @ 3.5 bpm. MTP 3533# @ 3.7 bpm. ISIP 1761#. 5 min. 1220#. 10 min. 953#. 15 min. 833#.

04/21/98 POH w/tbg. RU HES. RIH w/cmt. retainer on WL. Set @ 3592'. RD WL. RIH w/stinger & 2-7/8" tbg. Squeezed Lower Massive perfs. 3599'-3621' w/70 ska. Class "C" containing 4/10% Halad-322A in formation. Squeeze pressure 3000#. Circulate. RD HES:-POH w/tbg.

04/22/98 RU HES & perforated Upper Massive f/3469', 70', 96'-99', 3555', 59'-65', 73', 75' & 79'-84' w/1 SPF (22 holes). RD HES. RIH w/pkr. & 2-7/8" tbg. to 3584'. RU HES. Spotted 100 gals. 15% NE-FE acid. Pulled to 3368' & set pkr. Acidized Upper Massive perfs. 3469'-3584' w/3300 gals. 15% NE-FE acid & 44 ball sealers. Did not ball out. ISIP 2976#. 5 min. 1482#. 10 min. 1375#. 15 min. 1263#. ATP 3000# @ 3 bpm. MTP 4000# @ 2.8 bpm.

04/23/98 HES perforated Vacuum and Lower Grayburg f/3009', 10', 11', 34', 35', 36', 90'-95', 3139', 40', 65', 68', 98', 99', 3200', 20', 21', 54', 55' & 57' w/1 SPF (25 holes). RIH w/CIBP & set @ 3434'. Dump bail 2 ska. cmt. on plug. RIH w/pkr. & 2-7/8" tbg. to 3268'. Spotted 100 gals. acid. Pulled to 3237' & set pkr. Broke down Vacuum. Pulled to 2928'. Acidized Vacuum and Lower Grayburg perfs. 3009'-3257' w/2500 gals. 15% NE-FE acid & 50 ball sealers. ATP 2620# @ 26 bpm. MTP 2896# @ 4.3 bpm. Did not ball out. ISIP 2035#. 5 min. 1533#. 10 min. 1441#. 15 min. 1392#.

04/24/98 Released pkr. LD tbg. ND BOP's. RU frac valve.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mary Jo Turner TITLE Completion Department Date June 3, 1998

TYPE OR PRINT NAME Mary Jo Turner TELEPHONE NO. (505) 392-9797
(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

DISTRICT I
P. O. Box 1980, Hobbs, NM 88240

DISTRICT II
P. O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, NM 87504-2088

WELL API NO. 30-015-29969
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Lease Name or Unit Agreement Name State "AZ"
2. Name of Operator The Wiser Oil Company	8. Well No. 3
3. Address of Operator P.O. Box 2568 Hobbs, New Mexico 88241	9. Pool name or Wildcat Grayburg Jackson SR QN GB SA

4. Well Location
Unit Letter M : 10 Feet From The South Line and 170 Feet From The West Line
Section 16 Township 17S Range 31E NMPM Eddy County
10. Elevation (Show whether DF, RKB, RT, GR, etc.)
4094'

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

NOTICE OF INTENTION TO		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: <u>Frac</u> <input checked="" type="checkbox"/>	

12. 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.

04/29/98 HES frac'd Lower Grayburg perf. 3009'-3221' & Vacuum perf. 3854'-3257' w/12,000 gals. gelled water, 45,000 gals. 20# Delta Frac & 100,000# 16/30 Brown sand. Flushed w/3000 gals. Delta frac gel. ATP 2900# @ 50.1 bpm. MTP 3900# @ 50.8 bpm. ISIP 1868#. 5 min. 1783#. 10 min. 1752#. 15 min. 1738#.

05/06/98 ND frac valve. NU BOP's. RIH w/2-7/8" tbg.

05/07/98 Finished going in hole w/tbg. Tagged up @ 3300'. Pulled up to 3266'. Set TAC w/8,000# tension @ 2922'. SN @ 3235'. TS @ 3266'. ND BOP. NU WH. RIH w/2-1/2" x 1-3/4" x 16' RHBC pump.-Hit sand bridge @ 3000'. Pulled pump out of hole.

05/08/98 Circulated 70 bbls. down backside. Washed sand out of tbg. RIH w/ rods & 2-1/2" x 1-3/4" x 16' RHBC pump. Left well pumping to State AZ Battery.

I hereby certify that the information above is true and complete to the best of my knowledge and belief

SIGNATURE Mary Jo Turner TITLE Completion Department Date June 3, 1998

TYPE OR PRINT NAME Mary Jo Turner TELEPHONE NO. (505) 392-9797

APPROVED BY _____ TITLE _____ DATE _____

DISTRICT I
P. O. Box 1980, Hobbs, NM 88240

DISTRICT II
P. O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, NM 87504-2088

WELL API NO.
30-015-29969

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
State "AZ"

8. Well No.
3

9. Pool name or Wildcat
Grayburg Jackson SR QN GB SA

SUNDRY NOTICES AND REPORTS ON WELLS
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OIL WELL GAS WELL OTHER

2. Name of Operator
The Wiser Oil Company

3. Address of Operator
P.O. Box 2568 Hobbs, New Mexico 88241

4. Well Location
Unit Letter M : 10 Feet From The South Line and 170 Feet From The West Line
Section 16 Township 17S Range 31E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3746'

i1. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <u>Perforate & Acidize</u> <input checked="" type="checkbox"/>

12. 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.

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04/21/98 POH w/tbg. RU HES. RIH w/cmt. retainer on WL. Set @ 3592'. RD WL. RIH w/stinger & 2-7/8" tbg. Squeezed Lower Massive perfs. 3599'-3621' w/70 sks. Class "C" containing 4/10% Halad-322A in formation. Squeeze pressure 3000#. Circulate. RD HES. POH w/tbg.

04/22/98 RU HES & perforated Upper Massive f3469', 70', 96'-99', 3555', 59'-65', 73', 75' & 79'-84' w/1 SPF (22 holes). RD HES. RIH w/pkr. & 2-7/8" tbg. to 3584'. RU HES. Spotted 100 gals. 15% NE-FE acid. Pulled to 3368' & set pkr. Acidized Upper Massive perfs. 3469'-3584' w/3300 gals. 15% NE-FE acid & 44 ball sealers. Did not ball out. ISIP 2976#. 5 min. 1482#. 10 min. 1375#. 15 min. 1263#. ATP 3000# @ 3 bpm. MTP 4000# @ 2.8 bpm.

04/23/98 HES perforated Vacuum and Lower Grayburg f3009', 10', 11', 34', 35', 36', 90'-95', 3139', 40', 65', 66', 68', 98', 99', 3200', 20', 21', 54', 55' & 57' w/1 SPF (25 holes). RIH w/CIBP & set @ 3434'. Dump bail 2 sks. cmt. on plug. RIH w/pkr. & 2-7/8" tbg. to 3268'. Spotted 100 gals. acid. Pulled to 3237' & set pkr. Broke down Vacuum. Pulled to 2928'. Acidized Vacuum and Lower Grayburg perfs. 3009'-3257' w/2500 gals. 15% NE-FE acid & 50 ball sealers. ATP 2620# @ 26 bpm. MTP 2896# @ 4.3 bpm. Did not ball out. ISIP 2035#. 5 min. 1533#. 10 min. 1441#. 15 min. 1392#.

04/24/98 Released pkr. LD tbg. ND BOP's. RU frac valve.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mary Jo Turner TITLE Completion Department Date June 3, 1998

TYPE OR PRINT NAME Mary Jo Turner TELEPHONE NO. (505) 392-9797
(This space for State Use)

APPROVED BY [Signature] ORIGINAL SIGNED BY TIM W. GUM TITLE DISTRICT II SUPERVISOR DATE SEP 20 2001

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, NM 7504-2088

DISTRICT I

P. O. Box 1980, Hobbs, NM 88240

DISTRICT II

P. O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-015-29969
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 State "AZ"
8. Well No. 3
9. Pool name or Wildcat Grayburg Jackson SR QN GB SA
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3746'

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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER
2. Name of Operator The Wiser Oil Company
3. Address of Operator P O. Box 2568 Hobbs, New Mexico 88421
4. Well Location Unit Letter <u>M</u> : <u>10</u> Feet From The <u>South</u> Line and <u>170</u> Feet From The <u>West</u> Line Section <u>16</u> Township <u>17S</u> Range <u>31E</u> NMPM Eddy County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3746'

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

NOTICE OF INTENTION TO		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: <u>Re-perf. Grayburg & Acidize</u> <input checked="" type="checkbox"/>	

12. 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.

10/12/01 MIRU Key Well Service. Pump stuck in SN. ND WH. RU BOP. Strip tbg. & rods out of hole. LD SN blast jt. & pump. RIH w/4-3/4" bit, 5-1/2" csg. scraper on 2-7/8" tbg. Tag fill @ 3300'. POH w/2-7/8" tbg. LD tool

10/15/01 RU Computalog WL & perforate Grayburg f/3009'-11',34'-36',90'-95',31',39',40',65'-67',98',99',3200',20',21',31',32',54'-56', & 64'-68' w 4 SPF. RD WL. RIH w/5-1/2" AD-1 pkr. on 2-7/8" tbg. to 2946'. Set pkr. Pressure test tbg. to 4000#. RU Cudd Pumping Service & acidized Grayburg 3009'-3268' w/3,000 gals. 15% NE-FE acid & 3,000# rock salt. Best block 2500#. Best break 2450#. ATP 800# @ 4.0 bpm. MTP 3270# @ 4.5 bpm. Flush w/81 bbls. Fresh water. ISIP 470#. 5 min. 0#. Well on vac. in 2 min. RD Cudd.

10/16/01 POH w/2-7/8" tbg. LD 5-1/2" AD-1 pkr. RIH w/2-7/8" tbg. Tbg. @ 3266'. SN @ 3235'. TAC @ 2922'. RD BOP. NU WH. RIH w/rods & 2-1/2" x 1-3/4" x 16' RHBC pump. Left well pumping to Skelly Unit Battery A.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mary Jo Turner TITLE Production Tech II DATE December 1, 2001
 TYPE OR PRINT NAME Mary Jo Turner TELEPHONE NO. (505) 392-9797

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE JAN 31 2002

CONDITIONS OF AP _____

FOR RECORD ONLY



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

May 12, 1998

RECEIVED
OCD - ARTESIA

Wiser Oil Company
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Re: Application of Wiser Oil Company for administrative approval to drill its State "AZ" Well No. 3 (API No. 30-015-29969) to an unorthodox bottomhole oil well location within the Grayburg-Jackson Pool 10 feet from the South and West lines (Unit M) of Section 16, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

Dear Mr. Bruce:

My records indicate that this well was drilled by Wiser Oil Company in December 1997/January 1998. Please submit a copy of the certified directional survey and a schematic of this wellbore (see copy of Division form C-103 dated January 7, 1998 attached). Please indicate the exact location of this wells perforated intervals, top and bottom, and its bottomhole location at total depth.

Also, were the New Mexico State Land Office and U. S. Bureau of Land Management notified of Wiser's proposed lease line agreement? What if any were their reactions or concerns?

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 827-8185.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Artesia
New Mexico State Land Office - Santa Fe
U. S. Bureau of Land Management - Carlsbad



April 22, 2002

Attention: Brian Arrant

THE WISER OIL COMPANY

P.O. BOX 2568 • HOBBS, NM 88241

(Phone) 505-392-9797

(FAX) 505-392-8971

Dear Brian,

We are reviewing our records concerning the Lea AZ #3. We have contacted our lawyer Mr. Jim Bruce about the paperwork. He will contact you in the near future. In the meantime we have shut the well in.

Thanks,

G. M. Jones

FAX COVER SHEET

OIL CONSERVATION DIVISON
1301 W. GRAND AVE
ARTESIA, NM 88210

PHONE (505-748-1283)
FAX (505-748-9720)

Date 4-24-02

TO: Mike Stagner

FROM: Bryan Anant

NUMBER OF PAGES 3 (INCLUDING COVER SHEET)

MESSAGE Mike - I came across a well that is producing w/c
an NSL or approved clay. FYI
mailed out. Bryan

- Called 4/22/02 Mary Jo Turner
for NSL
Mike Jones
Well to be shot-in

30-015-29969

OBRID 22922

PROP 20882

POD1 28509

Hold for Schematic of Well Bone

• James Bruce - BHL Report

• Hold - Called Dallas &

Spoke w/ Susan Hooper for NSL
will get w/ Attorney & notify us as soon as
Administrative Order is released.
6/30/98

214 360 3522

Bryan

Please check on
this well. It's
showing up on
our notices.