

PNRM222626778

Order Number

DI0004

API Number

30-025-26558

Operator

Finley Resources, Inc.

County

Lea

Order Date

3-22-01

Well Name

McQuatters Com

Number

005

Location

H
UL

11
Sec

215
T (+Dir)

36E
R (+Dir)

Pool 1

29710

Hardy Blinebry

Oil %

89%

Gas %

84%

Pool 2

29760

Hardy Tubb Drinkard

11%

16%

Pool 3

Pool 4

2-9-01
Per Sharon Lawinger
on allocation
B

Comments:

Work completed effective 3-22-01
Work cancelled effective _____
Supplement 1229N+1230N 3-22-01 + 7-1-01

8-28-02
Posted to
RBDMA B

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO.	30 025 26558
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	180387
7. Lease Name or Unit Agreement Name:	McQuatters Com
7. Well No.	5
8. Pool name or Wildcat	Hardy Blinebry/Tubb-Drinkard
10. Elevation (Show whether DR, RKB, RT, GR, etc.)	3541' KB

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
 Finley Resources, Inc.

3. Address of Operator
 1308 Lake St., Fort Worth, Texas 76102

4. Well Location
 Unit Letter H: 1650 feet from the North line and 990 feet from the East line
 Section 11 Township 21S Range 36E NMPM County Lea

11. 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
 DRILL OR ALTER CASING MULTIPLE COMPLETION
 OTHER:

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT
 CASING TEST AND CEMENT JOB
 OTHER: Recompletion & Test

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

Division Order R-11363. Proposal to commingle Hardy Blinebry with Hardy Tubb-Drinkard. Operations Summary: **12/1/2000** Rigged up WO unit. Pulled rods, pump & tubing. **12/5/2000** Set retr. Bridgeplug @ 5972'. Set packer @ 5837'. Tested bridge plug, casing & tubing to 1000 psig. Held OK. Tested casing to 1000 psig. Held OK. Perforated Blinebry interval w/ 1 shot per foot 5730-40', 5745-49', 5760-64', 5768-72', 5779-86', 5792-5800', 5802-06', 5812-24'. Set treating packer @ 5500'. **12/6/2000** Frac treat Blinebry interval w/ 1500 gals 15% HCL acid and 1500 bbls of slick water. Treated @ 12 bpm, 3372 psig. ISIP 2007 psig. **12/8/2000** Pull treating packer. Set 2 7/8" production tubing (mud anchor, SN, tubing anchor) w/ end of tubing @ 5798'. **12/9/2000** through **12/20/2000** Test pump Blinebry interval. **12/21/2000** Blinebry production test: 51 bopd, 0 bwpd, 157 mcfgpd.

Recommended Commingle Percentage allocation based on BOED as follows:

Tubb-Drinkard	4.47 bopd, 2.9 bwpd, 29.6 mcfgpd (9.4 boed)	11 10.9% (average November, 2000 production)
Blinebry	51.0 bopd, 0.0 bwpd, 157 mcfgpd (77.2 boed)	89 89.1% (test rate December 21, 2000)
Total	54.47 bopd, 2.9 bwpd, 186.6 mcfgpd (86.6 boed)	100%

*2-9-01
 Per share
 Sawyer &
 allocation
 (2)*

I DHC-0004

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

SIGNATURE James L. Nance TITLE Production & Operations Engineer DATE 12/27/2000

Name or print name James L. Nance Telephone No. (817) 336-1924 x27

(This space for State use)

APPROVED BY 2-9-01 ORIGINAL SIGNED BY CHRIS WILLIAMS DATE JAN 16 2001
 Conditions of approval, if any: Copied for DHC TITLE DISTRICT I SUPERVISOR

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO. 558 30 025 26
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. 180387
7. Lease Name or Unit Agreement Name: McQuatters Com
8. Well No. 5
9. Pool name or Wildcat Hardy Blineby, Hardy Tubb-Drinkand

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
Finley Resources, Inc

3. Address of Operator
1308 Lake St., Fort Worth, TX 76102

4. Well Location
 Unit Letter **H** : **1650** feet from the **North** line and **990** feet from the **East** line
 Section **11** Township **21S** Range **36E** NMPM County **Lea**

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
3541' KB

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

- PERFORM REMEDIAL WORK PLUG AND ABANDON
- TEMPORARILY ABANDON CHANGE PLANS
- PULL OR ALTER CASING MULTIPLE COMPLETION
- OTHER:

- REMEDIAL WORK ALTERING CASING
- COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT
- CASING TEST AND CEMENT JOB
- OTHER:

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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation. **Division Order R-11363. To Commingle Hardy Blineby with Hardy Tubb-Drinkand. Blineby interval: 5730-40, 45-49, 60-64, 68-72, 79-86, 92-5800, 5802-06, 12-24'. Tubb-Drinkand interval: 6534-6700, 6748-6858'. Allocation to be "Fixed" based on separate test from each zone (Blineby test conducted after recompilation). Commingling will allow producing both intervals to lower economic limits thus increasing recovery and value. Interests are common between pools. No state or BLM lands in production unit. Procedure: cover Tubb-Drinkand perf. w/ retrievable bridge plug. Perforate & stimulate Blineby intervals noted above. Test produce Blineby interval. Submit test to finalize allocation. Upon approval, retrieve bridgeplug, return well to production as Hardy Blineby/Hardy Tubb-Drinkand commingled well.**

I DHC Order No. 0004

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

SIGNATURE James L. Nance TITLE Prod. Engr. DATE 11/13/2000

Type or print name JAMES L. NANCE Telephone No. x27 (813) 336-1924

APPROVED BY Chris Williams TITLE DISTRICT 1 SUPERVISOR DATE NOV 21 2000

Conditions of approval, if any:

FR Finley Resources Inc.

November 13, 2000

New Mexico Energy, Minerals and
Natural Resources Department
Oil Conservation Division
1625 French Drive
Hobbs, NM 88240

Attn: Chris Williams

Re: McQuatters Com #5H, 11-21S-36E

Gentlemen:

Please find enclosed revised form C-103 for your review and approval to commingle the Blinbry interval in the referenced well. Note that forms C-101, C-102 & C-107 have previously been filed for the purpose of recompleting and testing the Blinbry interval. After submittal of a qualified 24 hour production test, Finley Resources will request approval for the retrievable bridge plug to be removed and that the Blinbry be downhole commingled with the currently producing Tubb-Drinkard.

Your continued attention to this matter is greatly appreciated. Please contact the undersigned at (817) 336-1924 x27 should further questions arise.

Yours truly,



James L. Nance
Production/Operations Engineer

Finley Resources

JLN

DI-0004
30-025-26558

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Finley Resources Inc.

PROPERTY NAME: McQuatters Com

WNULSTR: 5-H, 11-21-36

SECTION I:		ALLOWABLE AMOUNT	
AHAR20000	POOL NO. 1 <u>Hardy B Linebry</u>	<u>107</u>	<u>214</u> MCF 2000
AHAR30000	POOL NO. 2 <u>Hardy Tubb Drinkard</u>	<u>142</u>	<u>852</u> MCF 6000
	POOL NO. 3 _____	_____	_____ MCF
	POOL NO. 4 _____	_____	_____ MCF
		POOL TOTALS <u>249</u>	<u>1066</u>

SECTION II:		
29710	POOL NO. 1 <u>Hardy B Linebry</u>	11%
29760	POOL NO. 2 <u>Hardy Tubb Drinkard</u>	89% x 249 = 221.61 (222)
	POOL NO. 3 _____	
	POOL NO. 4 _____	

	<u>OIL</u>	<u>GAS</u>
SECTION III:	<u>107 ÷ 89% = 120.23 (121)</u>	_____
SECTION IV:	<u>107 x 11% = 11.77 (12)</u>	_____
	<u>107 x 89% = 95.23 (95)</u>	_____
	_____	_____
	_____	_____

OIL CONSERVATION DIVISION
Hobbs, New Mexico 88241

DISTRICT OFFICE

July Thru
December, 2001

No. 1230N

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE: 10/24/2001

PURPOSE: ALLOWABLE ASSIGNMENT (NEW WELL) (A-M)

Effective 07/01/2001, the marginal allowables of the

FINLEY RESOURCES INC,
MCQUATTERS COM, 5 - H, 11-21-36,

well for the period covering July through December, 2001,
are hereby assigned in the various pools as follows:

HARDY;BLINEBRY----- #M12
HARDY;TUBB-DRINKARD----- #M95

(P-P)
DI-0004

OIL CONSERVATION DIVISION

Chris Williams

DISTRICT SUPERVISOR

CW:nm

FINLEY RESOURCES INC

P O 18037

DEF 36785

OIL CONSERVATION DIVISION
Hobbs, New Mexico 88241

DISTRICT OFFICE

July Thru
December, 2001

No. 1229N

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE: 10/24/2001

PURPOSE: ALLOWABLE ASSIGNMENT (NEW WELL) (A-M)

Effective 03/22/2001, the marginal allowables of the

FINLEY RESOURCES INC,
MCQUATTERS COM, 5 - H, 11-21-36,

well for the period covering March through December, 2001,
are hereby assigned in the various pools as follows:

HARDY;BLINEBRY----- #M12
HARDY;TUBB-DRINKARD----- #M95

(P-P)
DI-0004

OIL CONSERVATION DIVISION

Chris Williams

DISTRICT SUPERVISOR

CW:nm

FINLEY RESOURCES INC

P O 18037

DEF 36785

OIL CONSERVATION DIVISION
Hobbs, New Mexico 88241

DISTRICT OFFICE

July Thru
December, 2001

No. 1230N

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE: 10/24/2001

PURPOSE: ALLOWABLE ASSIGNMENT (NEW WELL) (A-M)

Effective 07/01/2001, the marginal allowables of the

FINLEY RESOURCES INC,
MCQUATTERS COM, 5 - H, 11-21-36,

well for the period covering July through December, 2001,
are hereby assigned in the various pools as follows:

HARDY;BLINEBRY----- #M12
HARDY;TUBB-DRINKARD----- #M95

(P-P)
DI-0004

OIL CONSERVATION DIVISION

Chris Williams

DISTRICT SUPERVISOR

CW:nm

FINLEY RESOURCES INC

P O 18037

DEF 36785

OIL CONSERVATION DIVISION
Hobbs, New Mexico 88241

DISTRICT OFFICE

July Thru
December, 2001

No. 1230N

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE: 10/24/2001

PURPOSE: ALLOWABLE ASSIGNMENT (NEW WELL) (A-M)

Effective 07/01/2001, the marginal allowables of the

FINLEY RESOURCES INC,
MCQUATTERS COM, 5 - H, 11-21-36,

well for the period covering July through December, 2001,
are hereby assigned in the various pools as follows:

HARDY;BLINEBRY----- #M12
HARDY;TUBB-DRINKARD----- #M95
(P-P)
DI-0004

OIL CONSERVATION DIVISION

Chris Williams

DISTRICT SUPERVISOR

CW:nm

FINLEY RESOURCES INC

P O 18037

DEF 36785