Form 3160-5 (April 2004)

N.M. Oil Cons. DIV-Dist. 2

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals. SUBMIT IN TRIPLICATE- Other instructions on reverse side. 1. Type of Well Gas Well Other 2. Name of Operator was as a second of the such proposals.			C AVE FOR APPROVED OMB No. 1004-0137 882 Fores: March 31, 2007 5. Lease Serial No. NM-98121 6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. Skelly Unit 8. Well Name and No. 86 9. API Well No. 30-015-05421
4 Leasting of Well (Footage See	<u> </u>	Propriet RECEIVED	10. Field and Pool, or Exploratory Area Grayburg Jackson 7 Rivers QN-GB-SA
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FNL & 1900' FWL Sec. 27-T17S-R31E OCT 2 6 2005			11. County or Parish, State
Unit C OCU-ARTES			Eddy County, New Mexico
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION TYPE OF ACTION			
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Deepen Alter Casing Fracture 7 Casing Repair New Con Change Plans Plug and Convert to Injection Plug Back	Production (Statement of Struction Recomplete Abandon Temporarily Ab	Well Integrity Other Clean Out
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)			
3/1/05 MIRU unit. ND WH. RU BOP. Unset pkr. POH w/AD-1 pkr. & 2-3/8" IPC tbg. RIH w/bit, bit sub & 4-1/2" scraper on 116 jts. 2-3/8" work string. Tagged fill @ 3635'. POH w/work string. LD tools. 3/2/05 RU reverse unit. RIH w/cone bit, bit sub & DC's on 2-3/8" work string. Tagged fill @ 3635'. Clean out to PBTD 3759'. Circulate hole clean. RD reverse unit. POH w/2-3/8 work string. LD DC's & tools. RU Gray WL. Perforated San Andres f/3739'-43' 4 SPF. Perforated Grayburg/Premier f/3635'-44' (9 holes), 3583'-92' (9 holes), 3558'-68' (10 holes) & 3534'-40' (6 holes). Total of 152 holes 4 SPF. RD WL. 3/3/05 RU Monk testers. Could not test, tools hung up. RD testers. RIH w/4-1/2" AS 10K service pkr. & SN on 2-3/8" work string to 3745'. RU Petroplex Acidizing. Tested tbg. to 4000#. Held ok. Pickled tbg. w/100 gals. 15% HCL acid & reversed out. Spot 100 gals. 15% HCL across perfs. 3712'-43'. Set pkr. @ 3681'. Pressure communicated to backside @ 1518#. Set pkr. @ 3467'. Acidize San Andres Grayburg 3534'-3743' w/a total of 6300 gals. 15% FE/AS-2X anti-sludge acid in 6 stages w/1750# rock salt in 5 stages. ATP 2900#. ATR 4.0 bpm. MTP 4013#. MTR 5.0 BPM. Flush w/34 bbls. 2% KCL. ISIP 2300#. 5 min. 2194#. 10 min. 2143#. 15 min. 2101#. S.I. 45 min. 2010#. 3/4/05 Unset pkr. POH. LD 2-3/8" work string & 4-1/2" service pkr. Notified NMOCD. RIH w/rebuilt AD-1 pkr. & 110 jts. 2-3/8" IPC tbg. Pkr. @ 3457'. Circulated 60 bbls. pkr. fluid. Set pkr. & pulled 13,000#. Performed MIT 500# for 30 min. w/chart Adam Bero w/ Hughes Services. NMOCD did not witness. NU WH & injection line. Left well to injection - 100.BWPD.@.450#. RDMO. Copy of chart attached. Original chart to NMOCD Artesia.			
14. I hereby certify that the foregoing is true and correct			
Name (Printed/Typed) Mary Jo Turner		Title Production Analyst	OCT 2 4 2005
Signature Mary Qo Tur	nin .	Date Quant 28. 200	000
THIS SPACE FOR FEDERAL OR STATE OFFICE USE PETROLEUM ENGINEER			
certify that the applicant holds lega	attached. Approval of this notice does not warr l or equitable title to those rights in the subject l o conduct operations thereon.	ease Office	Date NAMOCO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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