

Oil Cons.  
United States N.M. DIV-Dist. 2  
Department of the Interior 1301 W. Grand Avenue  
Bureau Of Land Management Artesia, NM 88210  
**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.

Form Approved  
OMB No. 1004-0135  
Expires November 30, 2000

|   |  |   |   |
|---|--|---|---|
| <b>SUBMIT IN TRIPLICATE - Other Instructions On reverse side</b>  |  | <b>RECEIVED</b><br>MAY 28 2004<br>BPP-ARTESIA       | Case Serial No.<br>NMLC029389A  |
| 1. Type of Well:<br><input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other |  |   | 6. If Indian, Allottee or Tribe Name                                  |
| 2. Name of Operator<br>Pecos Production Company   |  |   | 7. If Unit or CA/Agreement, Name and/or No.                           |
| 3. Address of Operator<br>400 W Illinois, Ste 1070, Midland, Texas 79701  |  | 3b. Phone No. (Include area code)<br>(432) 620-8480 | 8. Well Name and No.<br>Baish Federal #3                              |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>660' FNL & 1980' FWL, Sec 9, T18S, R31E                 |  |   | 9. API Well No.<br>30-015-2572900S1                                   |
|   |  |   | 10. Field and Pool, or Exploratory Area<br>Shugart Bone Spring, North |
|   |  |   | 11. County or Parish, State<br>Eddy Co, NM                            |

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

| Type Of Submission                                    | Type Of Action   |
|---|--|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off                  |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity                   |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other _____         |
|   | <input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> Add Pay To Bone Spring |
|   | <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal <input type="checkbox"/> & Return to Production     |

13. Describe proposed or completed operations. (clearly state all pertinent details, starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat 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 recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

3/23/04- MIRU.  
3/26/04- Drill & push CIBP to 8695'.  
3/27/04- Perf Bone Spring w/1 SPF @ 7372'-77', 7395'-7404', 7437'-40', 7462'-70' & 7565'-80' (45-.37" holes). Set RBP @ 7721', set pkr @ 7317'. Test tls to 2500 psi - good.  
3/29/04- Acidize perfs 7372'-7580' w/2000 gals 10% acid + BS.  
4/01/04- Frac Bone Spring perfs 7372'-7580' w/140,000 20/40 White SD, 33,000# Super DC Sd in 2260 bbls Medallion FL System.  
4/02/04- Flow back frac ld.  
4/07/04- Ran 2 7/8" tbg & set @ 7093'. Ran pmp & rods. Put new Bone Spring perfs (7372'-7580') on production.  
4/14/04- Producing f/7372'-7580'; Test- 76 BO, 193 BW & 54 MCF.  
5/05/04- Release RBP @ 7721'. POOH w/plug.  
5/06/04- RIH hydrotesting 5000 psi above slips- ok.  
5/07/04- RIH w/2 7/8" tbg & set @ 8659'. Ran (2 1/2" x 1 1/2" x 6' x 30' RHBC) pmp & rods. RD & PWOP (Bone Spring perfs 7372'-8635').  
5-10-04- Well producing- 89 BO, 87 BW & 84 MCFPD.

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|--|--|-------------------|---|
| 14. I hereby certify that the foregoing is true and correct<br>Name (Printed/Typed)<br>Dora Lara   |  | Title Engr. Asst. | <b>ACCEPTED FOR RECORD</b><br>MAY 26 2004<br>LES BASTAK<br>PETROLEUM ENGINEER |
| Signature <i>Dora Lara</i>   |  | Date 5/20/03      |   |
| <b>THIS SPACE FOR FEDERAL OR STATE OFFICE USE</b>  |  |                   |   |
| Approved by<br>Conditions of approval, if any, are attached. Approval of this notice does not warrant or Certify that the applicant holds legal or equitable title to those rights in the subject lease Which would entitle the applicant to conduct operations thereon. |  | Title             | Date  |
|  |  | Office            |   |