

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

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

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 **RECEIVED**

1. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	JUN 04 2004
2. Name of Operator Pecos Production Company	OCD-ARTESIA
3. Address of Operator 400 W Illinois, Ste 1070, Midland, Texas 79701	3b. Phone No. (Include area code) (432) 620-8480
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 1980' FEL, Sec 34, T17S, R30E	

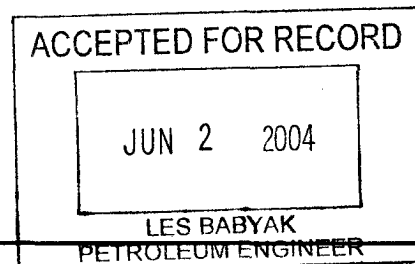
5. Lease Serial No. NMNM0558581
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No. SCR-284
8. Well Name and No. Arnold Federal #1
9. API Well No. 30-015-2398800S1
10. Field and Pool, or Exploratory Area Cedar Lake Strawn
11. County or Parish, State Eddy Co, NM

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"/> TA Strawn Perfs, Sqz
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal <input type="checkbox"/> Morrow & Complete in Miss.

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.)

4/21/04- MIRU.
4/22/04- Tagged CIBP at 11,330', drill out CIBP 1 & 2 @ 11,330' & 11,390'. TOOH w/tbg. Set CICR @ 11,335'.
4/23/04- Sqz Morrow perfs (11,359'-11,434') w/250 sx CI "H" w/1% FL-25. Running sqz w/62 sx cmt behind pipe.
Circ out 40 bbls cmt.
4/26/04- DO CICR @ 11,335' & cmt to 11,440'. Circ clean.
4/27/04- Perf Mississippian w/2 SPF @ 11,468'-78' (22-.38" holes).
4/29/04- Break dwn perfs & swab back ld.
5/03/04- Acidize perfs (11,468'-78') w/35 bbls acid + BS. Swab.
5/04/04- Set 2 3/8" tbg @ 11,460.56'
5/19/04- Put well dwn sales line.
5/24/04- Well flowing 20 MCFPD on 8/64" chk. FTP- 60 psi.



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Dora Lara	Title Engr. & Operations Asst.
Signature <i>Dora Lara</i>	Date 05/26/04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 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 Office	Date
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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 to any department or agency of the United State any flase, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**OPERATORS - FOR WELL
COMPLETIONS SUBMIT 1
ORIGINAL AND 7 COPIES**