

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
811 S. 1st Street
Artesia, NM 88210-2884

FORM APPROVED
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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Permian Resources, Inc.

3a. Address

P.O. Box 590, Midland, Texas 79702

3b. Phone No. (include area code)
(915) 685-0113

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

890' FNL & 2245' FWL (NENW)
Section 10, T18S, R27E

5. Lease Serial No.
NMNM-025604

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Federal "BB" No. 1

9. API Well No.
30-015-23384

10. Field and Pool, or Exploratory Area
Chalk Bluff (Wolfcamp)

11. County or Parish, State
Eddy County, New Mexico

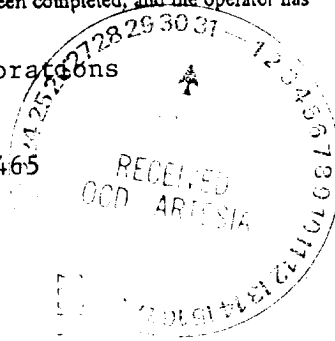
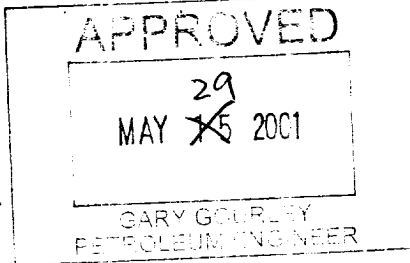
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input 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 Add Perfs,
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Acidize & Return
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	to production

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 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 all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Propose to add lower Wolfcamp perforations, acidize new & existing perforations and equip with beam pumping equipment returning well to production.
See attached detailed procedure
Permian Resources, Inc's operations are covered under BLM Bond No. B-03465

APPROVED FOR 7 MONTH PERIOD
ENDING 12-29-01



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

MICHAEL STEWART

Title Mike Stewart, Engineer

Signature

[Signature]

Date 5-10-2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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.

Office

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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Permian Resources, Inc

Federal "BB" No. 1

Procedure to add Lower Wolfcamp pay, acidize and return to production Chalk Bluff (Wolfcamp) Field

Current Location

890' FNL & 2245' FWL
Section 10, T18S, R27E
Eddy County, New Mexico

Existing Wellbore Conditions

17-1/2" hole 13-3/8" 48 #/ft casing @ 1,003'

Cmt'd w/ 1053 sx. "C" w/ 2% CaCl.
Circ 175 sx.

12-1/4" hole 8-5/8" 32 & 24 #/ft casing @ 5,995'

Cmt'd w/ 1,900 sx. Lite Wt w/ 15# salt,
5 #/ gilsonite & 1/2# flocele per sx. Tailed
w/ 500 sx. "C".
Circ 185 sx.

7-7/8" hole 5-1/2" 17 & 15.5 #/ft casing @ 9,867'
TD @ 9,867'

Cmt'd w/ 800 sx. Lite Wt w/ 6/10% Halad
22, .4% CFR-2, 1/4 #/ sx flocele. Tailed
w/ 350 sx. Class "H" w/ .6% Halad 22,
.4% CFR-2, 5 #/sx CaCl.
TOC @ 3,230' by TS
CIBP @ 7,660' w/ 20' cmt.
PBTD @ ± 7,640'

Current Perforations

Wolfcamp
6,608 – 6,615' 7,083 – 7,087'
6,933 – 6,936' 7,136 – 7,138'
6,969 – 6,974' 7,172 – 7,174'
6,991 – 6,996' 7,201 – 7,216'
7,024 – 7,034' 1 spf
CIBP @ 7,660' w/ 20' cmt.

Other Perforations

Cisco
7,935 – 7,941'
7,945 – 7,950'

CIBP @ 9,482' w/ 20' cmt.
Upper Morrow
9,560 – 9,570'
9,604 – 9,616'

CIBP @ 9,640'
Middle Morrow
9,664 – 9,708'

CIBP @ 9,737'
Lower Morrow
9,774 – 9,792'

No tubing or rods in hole

Proposed New Perforations

Wolfcamp
Wolfcamp

7,565 – 7,580' w/ 1 SPF (16 holes)
7,603 – 7,621' w/ 1 SPF (19 holes)

Proposed Procedure

1. MIRU well service unit. Dig and line WO pit and blow well down to pit.
2. PU 4-3/4" bit, x-over, 3 3-1/2" DC's, x-over and 2-3/8" yellow band tubing and RIH to top of cmt. capped CIBP @ $\pm 7,640'$. NU BOP w/ JU stripper rubber.
3. RU reverse unit and CO wellbore to **minimum depth of 7,640'**. RU transport truck and circulate hole clean with 2% KCl wtr. POOH w/ tbg, BHA and bit.
4. RU wireline company. RU lubricator or pack-off. PU cased hole GRN- CL log and run cased hole strip from 7,640' to 6,500'. PU 3-1/8" cased hole guns and RIH. **Perforate Lower Wolfcamp from 7,603 to 7,621' and 7,565' to 7,580' w/ 1 SPF.** RD wireline company.
5. PU 5-1/2", 17 #/ft RBP and treating pkr. and RIH on 2-3/8" tbg. Set RBP @ bottom of hole. PUH and set pkr. @ 7,450'.
6. RU acid stimulation company. Open bypass on pkr. and spot acid to end of tbg. Acidize new Lower Wolfcamp perms from 7,565' to 7,621' with 3,500 gals 15% gelled acid dropping 35-7/8" RCNB's evenly spaced through job. Pmax 5000#. Record ISIP thru 15" SIP. RU swab and flow / swab well to pit. Evaluate results and recovery of Lower Wolfcamp perms.
7. Release pkr. and retrieve RBP. PUH and set RBP @ $\pm 7,450'$. Set pkr. above RBP and test to 1000#. Release pkr. and PUH and set @ $\pm 7,050'$.
8. RU acid stimulation company. Open bypass on pkr. and spot acid to end of tbg. Acidize existing Wolfcamp perms from 7,083' to 7,216' with 3,400 gals 15% gelled acid in 2 stages with 500 gals / 500 # GBW block. Pmax 5000#. Record ISIP thru 15" SIP. RU swab and flow / swab well to pit. Evaluate results and recovery of Wolfcamp perms 7,083 to 7,216'.
9. Release pkr. and retrieve RBP. PUH and set RBP @ $\pm 7,050'$. Set pkr. above RBP and test to 1000#. Release pkr. and PUH and set @ $\pm 6,870'$
10. RU acid stimulation company. Open bypass on pkr. and spot acid to end of tbg. Acidize existing Wolfcamp perms from 6,933' to 7,034' with 3,400 gals 15% gelled acid in 2 stages with 500 gals / 500 # GBW block. Pmax 5000#. Record ISIP thru 15" SIP. RD acid stimulation company. RU swab and flow / swab well to pit. Evaluate results and recovery of Wolfcamp perms 6,933 to 7,034'.
11. Release pkr. and retrieve RBP. POOH w/ tbg, pkr. and RBP. Lay down pkr. and RBP. PU 20' 2-3/8" BPMA jt., PS, SN, 33 jts. 2-3/8" tbg, 5-1/2" x 2-3/8" TAC and remaining jts. of 2-3/8" tbg. Land EOT $\pm 15'$ off bottom of hole. NU WH. PU 2" x 1-1/4" x 16' x 4' RWBC pump and RIH on 12 – 1-1/2" Kbars w/ SMSH couples, 148 – 3/4" KD rods w/ FSSM couples, 72 – 7/8" KD rods w/ FSSM couples and $\pm 78 - 1"$ KD rods w/ SMSH couples. Install PR and liner and NU pumping tee assembly.

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Add Lower Wolfcamp Pay and Acidize
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12. Set Lufkin 320 x 84" SL Conventional unit on location. Space out well and hang off. RD well service unit. Clean location. Perform motor service on BPU.
13. Pump test well to existing 500 Bbl tank on lease. Record daily production rates, run time and fluid levels and report to office daily. Based upon test results set 2 – 300 Bbl oil tanks, 1 – 500 Bbl FG water tank, 4' x 20' heater treater and associated flowlines.

Prepared By: _____

Date: _____

Approved By: _____

Date: _____