Form 3160-5 luna 1000)

UNITED STATES

N.M. Oil Cons. Division 1625 N. French Dr.

FORM APPROVED Budget Bureau No. 1004-0135

	Espiros: Marcinor, 1000
5.	Lease Designation and Serial No. 1486

Expires: March 31, 1993 5. Lease Designation and Serial No. LC -0323267 NM-742 6. If Indian, Allottee or Tribe Name 7. If Unit or CA, Agreement Designation 8. Well Name and No. Jack A-20 No. 10 9. API Well No. 30-025-24789 10. Field and Pool, or Exploratory Area					
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10. Field and Pool or Evoloration Area					
10.1 Red and 1 out, or Exploration 7 not					
Jalmat (T-Y-7R)					
11. County or Parish, State					
Lea, NM					
CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF ACTION					
nt Change of Plans					
n New Construction					
Non-Routine Fracturing					
⊯ Water Shut-Off (Zonal Isolation)					
1 1/2" O.D. FJL Conversion to Injection					
erforated and acidized Jal- (Yates) gas zone Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)					

Jalmat gas well (over the Yates-Upper 7R interval). To make the wellbore useable, and simultaneously bring the wellbore into compliance with NMOCD Rule No. 106(c), by hydraulically isolating the low-pressure Jalmat (Yates) gas zone, from the upper portion of the Langlie Jack Unit 7R-Qn water injection interval, between 2/26/02 and 3/15/02, a 4 1/2" O.D. flush-joint liner was installed in the Jack "A-20" No. 10 open-hole section, and squeezed into place, as outlined on pages 2 of 5 thru 5 of 5, attached hereto.

that the foregoing Date 03/09/2004 Title Engineer

Title 18 U.S.C. Section 1001, makes 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.



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Details of Completed Wellbore Repair Work

Moved in well service unit, on 2-26-02. Pulled and laid down 3/4" API Class "KD" rod string and 2 3/8" O.D. tubing. Ran and set 5 1/2" Model "C" RBP, at 116'. Pulled and laid down remaining 4 jts of 2 3/8" O.D. tubing. Rigged down and moved well service unit to side of location.

Moved in backhoe. Dug out around well. Rigged up welder. Replaced upper 6' of 8 5/8" O.D. surface casing. Sealed 8 5/8" x 5 1/2" casing annulus, by installing 8 5/8" x 5 1/2" x 1/2" welded steel seal ring. Installed 2" heavy-duty threaded tap on side of 8 5/8" O.D. surface casing.

Wrapped exposed casing and piping with corrosion-resistant tape. Installed 52" O.D. corrugated steel cellar can. Backfilled around cellar can. Installed B&M Oil Tool 5 1/2" x 2 3/8" x 3 1/2" 3000-psi Type MR tubinghead. Installed BOP.

Moved well service unit back onto well. Ran 4 jts of 2 7/8" O.D. tubing. Pulled and laid down 5 1/2" Model "C" RBP.

Ran 2 7/8" O.D. work string and 5 1/2" Model "C" packer. Set 5 1/2" Model "C" packer at 2782'. Shut in well. 15-hr SIP = 28.5 psi.

Hooked up Halliburton. Loaded 5 1/2" O.D. casing. Pressured 5 1/2" O.D. casing to 500 psi.

Squeeze cemented open-hole section, by pumping 1050 cu. ft. (800 sx) of cement slurry, consisting of 200 sx of API Class "C" cement containing 3% CaCl₂, followed by 600 sx of API Class "C" cement containing 2.5%CaCl₂. Pumped cement slurry at an average pump rate of 6.7 BPM. While pumping slurry, pump pressure increased from 762 psi to 2586 psi.

Displaced cement with 17.3 bbls of water. Staged to a final squeeze pressure of 1602 psi. Pulled 5 1/2" Model "C" packer.

Ran 530.45' bottom-hole drilling assembly, consisting of 4 3/4" mill-tooth bit and (18) 3 1/2" O.D. drill collars. Tagged cement at 2784'. Drilled 4 3/4" hole to 3107'. Pulled bottom-hole drilling assembly.

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Ran 530.45' bottom-hole assembly equipped with 4 3/4" button bit. Hooked up air unit. Unloaded water from hole, to blowdown tank. Established circulation with foam. Drilled 4 3/4" hole to 3428'. Circulated hole clean and dry. Pulled bottom-hole drilling assembly.

Ran 549.63' string-mill assembly. Rotated and circulated 4 3/4" O.D. string-mill assembly, from 3015' to 3428'. Circulated hole clean and dry.

Made 5 trips into hole with 4 1/2" x 6 1/4" under reamer assembly. Under reamed hole, from 3000' to 3257', to a hole diameter of 6 1/4".

Ran 530.45' bottom-hole drilling and cleanout assembly. Cleaned out fill, from 3376' to 3428'. Circulated hole clean and dry. Pulled bottom-hole drilling and cleanout assembly.

Ran and set 4 1/2" O.D., 11.6 lb/ft, J-55, FJ liner, from 2762' to 3428'. Ran and set 5 1/2" Model "C" packer at 2584'. Loaded 5 1/2" O.D. casing. Pressured 5 1/2" O.D. casing to 500 psi.

Squeeze cemented 4 1/2" O.D. flush-joint liner into place, utilizing 1025 cu. ft. (780 sx) of cement slurry, consisting of 200 sx of API Class "C" cement containing 2% CaCl₂, 3 lb/sx Gilsonite, and 0.25 lb/sx Flocele, followed by 580 sx of API Class "C" cement containing 2.5% CaCl₂. Pumped cement slurry at an average pump rate of 11 BPM, with pump pressure climbing from 375 psi to 4517 psi.

Switched to water. After pumping 1 bbl of displacement, open hole locked up (0 BPM, at 4800 psi). Reversed remainder of cement slurry out of 2 3/8" tubing. Pulled 5 1/2" Model "C" packer.

Finished loading 5 1/2" O.D. casing. Pressured 5 1/2" O.D. casing to 1000 psi.

Tied Halliburton to 8 5/8" O.D. casing. Cemented upper portion of 5 1/2" O.D. casing, by pumping down 8 5/8" x 5 1/2" casing annulus with 2800 cu. ft. (2120 sx) of cement slurry, consisting of 120 sx of API Class "C" cement containing 2.5% $CaCl_2$, followed by 2000 sx of API Class "C" cement containing 3% $CaCl_2$, 5 lb/sx Gilsonite, and 0.5 lb/sx Flocele. Pumped cement slurry at an initial rate of 6.4 BPM, at 636 psi. Final slurry rate was 12.2 BPM, at 520 psi. ISIP = 387 psi.

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Filled 52" O.D. cellar can with 100 sx of API Class "C" cement containing 2.5% CaCl₂.

Ran 174.77' bottom-hole drilling assembly, consisting of 4 3/4" bit and (6) 3 1/8" O.D. drill collars. Drilled cement from 2584' to 2751'. Circulated hole clean. Pulled and laid down 2 7/8" O.D. work string and 4 3/4" bit.

Ran 2 3/8" O.D. tubing and 174.63' bottom-hole drilling assembly, consisting of 3 7/8" blade bit and (6) 3 1/8" O.D. drill collars. Drilled cement, from 2751' to 3428'. Circulated hole clean. Loaded hole with clean 2% KCl water. Pressure tested wellbore, from surface to 3428', to 2000 psi. Pressure held okay. Pulled and laid down 174.63' bottom-hole assembly.

Rigged up Schlumberger. Logged well with DAS-CNL-GR-CCL log and VDCBL-GR-CCL log.

Ran 2 3/8" O.D. tubing. Unloaded water from wellbore, to blowdown tank. Pulled 2 3/8" O.D. tubing.

Select-fire perforated Jalmat (Yates) gas zone with (24) 0.38" x 17" holes, with one shot each at:

2998	3033	3069	3124	3153
3005	3049	3093	3131	3158
3014	3051	3109	3135	3162
3018	3055	3114	3139	3167
3025	3059	3119	3149	

Ran 2 3/8" O.D. tubing and 4 1/2" Model "C" packer. Tested 2 3/8" O.D. tubing to 5000 psi, while running into hole. At 2766', 4 1/2" Model "C" packer would not move up or down. Backed off of packer. Pulled 2 3/8" O.D. tubing.

Ran bottom-hole fishing assembly consisting of spear, bumper sub, (6) 3 1/8" O.D. drill collars, and hydraulic jars. Pushed 4 1/2" Model "C" packer to 3428'. Stung into fish. Pulled and laid down 4 1/2" Model "C" packer and bottom-hole fishing assembly.

Ran 4 1/2" casing scraper, to 3426'. Pulled 4 1/2" casing scraper.

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Ran 3 7/8" O.D. mill shoe, to 2900', to dress top of 4 1/2" O.D. liner. Pulled 3 7/8" O.D. mill shoe.

Ran 4 1/2" Model "C" packer to 3212'. Spotted 160 gal of 15% MCA acid. Raised and set 4 1/2" Model "C" packer at 2956'. Pumped 300 gal of 15% MCA acid down 2 3/8" O.D. tubing. Let acid soak for 30 minutes.

Acidized perfs, from 2998' to 3167' (24 holes), with an additional 4500 gal (total of 5000 gal) of 15% MCA acid, and 35 ball sealers, at an average treating rate of 4.2 BPM. Displaced acid with 15 bbls of flush. Maximum treating pressure = 3500 psi (on 2nd ballout).

Lowered and set 4 1/2" Model "C" packer at 3212'. Attempted to pressure test 4 1/2" O.D. liner, to 3000 psi, below 3212'. Pressure test was unsuccessful. Pulled 4 1/2" Model "C" packer.

Rigged up wireline truck. Set 4 1/2" CIBP at 3424'.

Ran into hole with 2 3/8" O.D. tubing. Pulled and laid down questionable 2 3/8" O.D. tubing string.

Picked up and ran new 2 3/8" O.D. tubing string, and 4 1/2" Model "C" packer. Set 4 1/2" Model "C" packer at 3221'. Pressure tested 4 1/2" O.D. liner, from 3221' to 3424', to 3000 psi. Pressure held okay. Pulled 4 1/2" Model "C" packer.

Ran and landed bottom of 2 3/8" O.D. tubing at 3331' RKB (103 jts @ 32.09'/jts + 1.1'SN + 18'A - 3'AGL + 10' KBC = 3331.1'). Ran 2" x 1 1/4" x 12' RHAC insert pump and 3/4" API Class "KD" rod string. Started pumping well and recovering load, at 7:15 P.M., CST, 3-15-02, at 8.3 Spm x 42" x 1 1/4".

Note: By virtue of the subject 4 1/2" O.D. flush-joint liner installation, and corresponding squeeze jobs, the low-pressure Jack "A-20" No. 10 Jalmat (Yates) gas zone is now effectively isolated from the underlying Langlie Jack Unit 7R-Qn water injection interval.

Langlie Jack Unit Unitized Interval: Seven Rivers-Queen

HOBBS DIVISION : Wig 13'68 1 Div. C'1, 1421. Cans'y, Cerra.

UNITED STATES ~ DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT DIVISION OF LANDS & MINERALS PROGRAM MANAGEMENT & LAND OFFICE P. O. Box 1449 Santa Pe, New Mexico 87501

LC 032325(a) NM 7486 Oil & Cas 4.70a

August 14, 1968

DECISION

W. M. Beauchamp, Ancillary Guardian of the Estate of William Howard Jack, an incompetent person, Annie May Kavanaugh, Abner M. Jack, Guy Jack, Jr., and Florence Jack Nayo

Unit: Langlie Jack Unit Unit No.: 14-08-0001-8910 Base Lease: LC 032326(a) Exchange Segregated Lease: NM 7486 Exchange Leases Dated: December 1, 1957

Unit Effective: Nay 1, 1968

Sept. 2, 1960 (74 Stat. 784 Sec. 17j) Lease Segregated, PL 86-705 Title 43 CFR Subpart 3127.4(c)

this should be 1968

Effective May 1, 1948) of 1 and gas lease LC 032326(a) was unitized in part as to the Seven Rivers - Queen interval. The committed land in the base lease is described in Item 1. The non-committed land in the segregated lease is described in Item 2:

₽. 123

1

T. 24 S.

Sec. 20: E Sec. 21: SMF2MF Sec. 29: ne ine i

Seven Rivers

Queen interval only

400.00 acres

T. 24 S., R. 37 E., NMPN Sec. 20: Et (All formations except Seven Rivers)

Queen interval)

SWESKE (All formations except Seven Sec. 21:

Rivers - Queen interval)

NEINE: (All form tions except Seven

Rivers - Queen interval)

Sec. 29: Winet, SEINEL, NISEL, SWISEL (All formations) 640.00 acres

Abner H. Jack, Guy Jack., Jr. and Florence Jack Mayo are deceased. Satisfactory evidence of the final probate proceedings for these parties will be formally accepted as soon as the qualifications for the heirs are received.

Both leases are producing.

Padilla, Fred Branch of Oil and Gas

"Distribution Regional Oil & Gas Supvr. (4) Branch of Oil and Gas Langlie Jack Unit File (3)

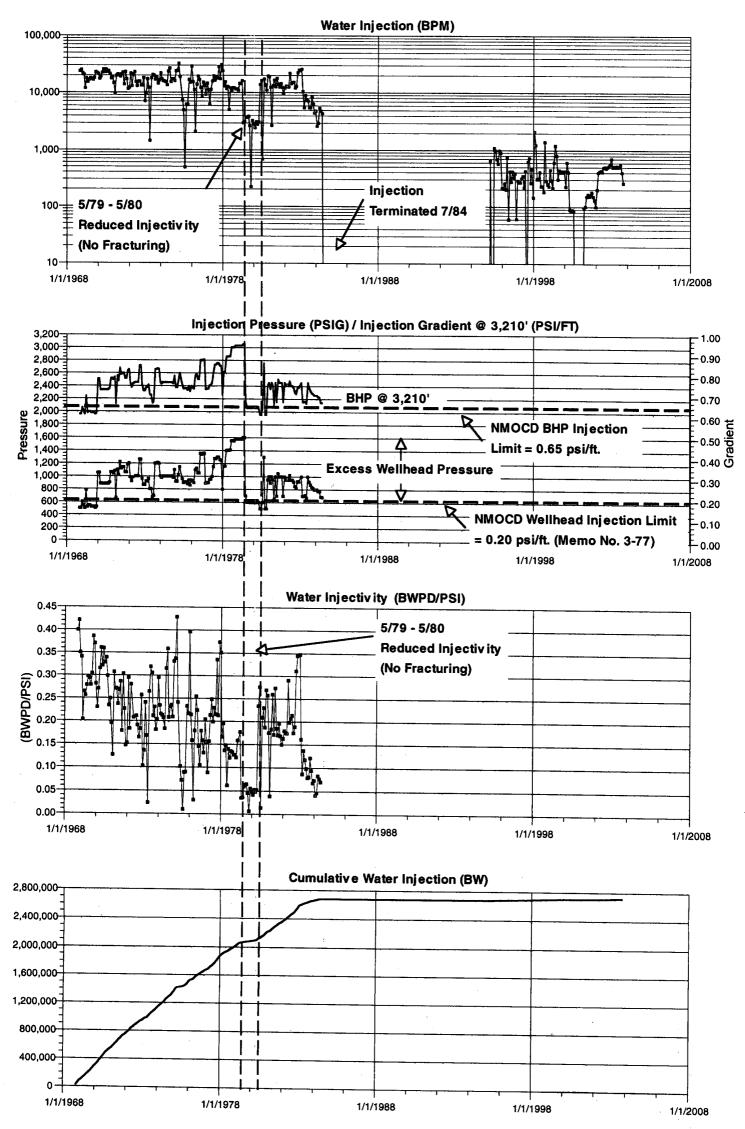
Unit Operator Continental Oil Company P. O. Box 460 Hobbs, New Mexico 88240



Opinion sent to you as a courtesy with the understanding that Conoco inc. cannot be responsible if you should rely on same to your detriment.

LANGLIE JACK UNIT # 12 LANGLIE MATTIX (7R-Q) I - 20-24S-37E

CONOCO INC. / SANTA FE EXPL. CO. / MCDONNOLD OPER. INC.



LANGLIE JACK UNIT # 14 LANGLIE MATTIX (7R-Q-GRB) O-20-24S-37E



