

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] OPERATOR/Applicant Name: _____ OGRD: *33016*
 (If one well) Lease/Well Name: _____
 Well API No. 30-*025*-*30854*

[2] TYPE OF APPLICATION - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

[3] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM
U.S. Bureau of Land Management
 [E] Notification and/or Concurrent Approval by SLO
Commissioner of Public Lands, State Land Office
 [F] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [G] Waivers are Attached

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

_____	_____	_____	_____
Print or Type Name	Signature	Title	Date

		e-mail Address	

District II
1000 W. Grand Avenue, Artesia, NM 88210

Oil Conservation Division
1220 South St. Francis Dr.

APPLICATION TYPE
 x Single

District III
Well
1000 Rio Brazos Road, Aztec, NM 87410

Santa Fe, New Mexico 87505

 Establish Pre-Approved Pools
EXISTING WELLBORE

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

 x Yes No

Operator Forest Oil Permian Corporation Address 707 17th Street, Suite 3600, Denver, Colorado 80202

Lease Carter Well No. 1 Unit Letter-Section-Township-Range I Sec. 30-19S-39E County Lea

OGRID No. 33016 Property Code 28292 API No. 30-025-30854 Lease Type: Federal State Fee x

DATA ELEMENT	UPPER ZONE <i>EAST MADINE</i>	INTERMEDIATE ZONE	LOWER ZONE <i>EAST MADINE</i>
Pool Name	DRINKARD		DRINKARD
Pool Code	47503		47393
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	7,054-7,166'		7,456-7,562'
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	2370 psig @ 7142' KB		3000 psig @ 7467' KB
Oil Gravity or Gas BTU (Degree API or Gas BTU)	34.2 API		34.2 API
Producing, Shut-In or New Zone	Producing		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: <u>6/5/2006</u> Rates: <u>5.58 BOPD</u> (commingled with ABO on 4/24/2006)	Date: Rates:	Date: <u>6/5/2006</u> Rates: <u>5.58 BOPD</u> (commingled with Drinkard on 4/24/2006)
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required)	Oil <u>90%</u> Gas <u>NA%</u> 100%	Oil Gas % %	Oil <u>10%</u> Gas <u>NA%</u> 100%

ADDITIONAL DATA

- Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes x No
- If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No
- Are all produced fluids from all commingled zones compatible with each other? Yes x No
- Will commingling decrease the value of production? Yes No x
- If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No x

NMOCD Reference Case No. applicable to this well: _____

- Attachments:
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
 - Production curve for each zone for at least one year. (If not available, attach explanation.)
 - For zones with no production history, estimated production rates and supporting data.
 - Data to support allocation method or formula.
 - Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
 - Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

- If application is to establish Pre-Approved Pools, the following additional information will be required:
- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
 - List of all operators within the proposed Pre-Approved Pools
 - Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
 - Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Cindy Bush TITLE Sr. Regulatory Tech DATE 6-09-2006

TYPE OR PRINT NAME Cindy Bush TELEPHONE NO. (303) 812-1554

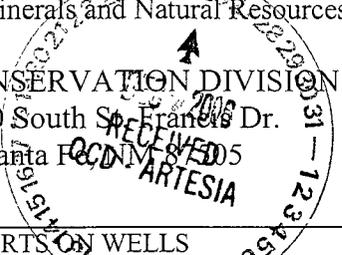
E-MAIL ADDRESS cabush@forestoil.com

Submit 5 Copies to Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505



WELL API NO.
 30-025-30854

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
 Carter

8. Well Number
 1

9. OGRID Number
 33016

10. Pool name or Wildcat
 Nadine Drinkard, East/Abo

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other Injection

2. Name of Operator
 Forest Oil Corporation

3. Address of Operator
 707 17th Street, Suite 3600, Denver, Colorado 80202

4. Well Location
 Unit Letter F : 1980 feet from the North line and 1980 feet from the West line
 Section 15 30 Township 17S 19 Range 19E 39 NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3881' DF

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL

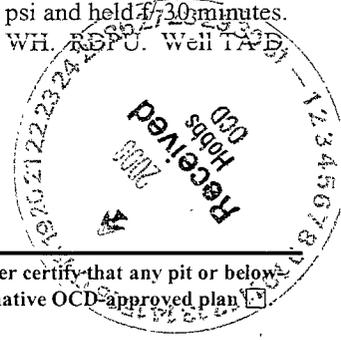
SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB

OTHER: OTHER: Temporary Abandon

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

12-7-06 – Rigged up pulling unit. POH w/pkr.
 12-8-06 – RU Vac Truck. Bled well down. ND WH released pkr. RU BOP. POH w/tbg & Pkr.
 12-11-06 – Bled well down. RU Precision WL. RIH w/CIBP & set 3150' RD WL. RU Pump truck. Press csg to 500 psi and held f/30 minutes. OK. RIH w/tbg. Circ pkr fluid. POH & LD 101 jts 2 3/8" IPC tbg. ND BOP 500 psi and held f/30 minutes. OK. RIH w/tbg. Circ pkr fluid. POH & LD jts 2 3/8" IPC tbg. ND BOP NU WH w/43 2 3/8" sub in WH. BOPU. Well TA 2B.



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD approved plan .

SIGNATURE Cindy Bush TITLE Sr. Regulatory Tech DATE 12-14-06

Type or print name Cindy Bush E-mail address: cabush@forestoil.com Telephone No. 303-812-1554
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
 Conditions of Approval (if any): _____



F O R E S T O I L C O R P O R A T I O N

507 Tevesh Avenue Street • Suite 3500
Durango, Colorado 81302 (303) 812-1400

June 14, 2006

Oil Conservation Division
District 1
1625 N. French Drive
Hobbs, New Mexico 88240

RE: Carter #1
API #30-025-30854
Lea County, New Mexico

To Whom It May Concern:

Forest Oil Corporation just recompleted the Carter #1 well in the Drinkard and Abo formations, even though this was for all intensive purposes an unsuccessful Recompletion Forest Oil Corporation respectfully requests to downhole commingle both zones. Please find attached:

Form C107-A
Form C102 – Both zones
Production curve of producing zone (Abo)
Form C-105
Form C-103
Form C-104 – Both zones

If there are any questions, concerning this matter, please contact me at 303-812-1554 or cabush@forestoil.com.

Sincerely,

A handwritten signature in cursive script that reads "Cindy Bush".

Cindy Bush

State Lease - 6 copies
 Fee Lease - 5 copies
 District I
 1625 N French Dr., Hobbs, NM 88240
 District II
 1301 W Grand Avenue, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

STATE OF NEW MEXICO
 Energy, Minerals and Natural Resources

Revised June 10, 2003

Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO.
 30-025-30854
 5. Indicate Type of Lease
 STATE FEE
 State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
 OIL WELL GAS WELL DRY OTHER _____
 b. Type of Completion:
 NEW WORK DEEPEN PLUG DIFF.
 WELL OVER BACK RESVR. OTHER

2. Name of Operator
 Forest Oil Permian Corporation

3. Address of Operator
 707 17th Street, Suite 3600, Denver, Colorado 80202

4. Well Location
 Unit Letter I : 660 Feet From The East Line and 1980 Feet From The South Line
 Section 30 Township 30-S Range 39-E NMPM Lea County

10. Date Spudded 4-17-06 11. Date T.D. Reached _____ 12. Date Compl. (Ready to Prod.) 4-24-06 13. Elevations (DF& RKB, RT, GR, etc.) 3592 14. Elev. Casinghead _____

15. Total Depth 7,900 16. Plug Back T.D. 7,590 17. If Multiple Compl. How Many Zones? 2 18. Intervals Drilled By Rotary Tools x Cable Tools _____

19. Producing Interval(s), of this completion - Top, Bottom, Name 7,054-7,166 (New Perfs) 7,456-7,562, 7,625-7647 (Old Perfs) 20. Was Directional Survey Made No

21. Type Electric and Other Logs Run _____ 22. Was Well Cored _____

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24	1,740	12 1-4	850 sxs	0
4 1/2	10.5 & 11.6	7,900	7 7/8	725 sxs	0

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 3/8	7,551	7,514

26. Perforation record (interval, size, and number)	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
7054-7166 - New Perfs	DEPTH INTERVAL
7,625-7,647 - 9 holes (Old Perfs)	AMOUNT AND KIND MATERIAL USED
7,456-7,562 - 35 holes (Old Perfs)	7054-7166 Acdz w/4000 gals NEFE acid
	7625-7647 500 gals Acid
	7456-7562 7500 gals

28. PRODUCTION

Date First Production 4-24-06 Production Method (*Flowing, gas lift, pumping - Size and type pump*) Pumping 1 1/2" x 2" Well Status (*Prod. or Shut-in*) Producing

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
5-5-06	24			8	0	54	

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (<i>Corr.</i>)
80#	10#		8	0	54	

29. Disposition of Gas (*Sold, used for fuel, vented, etc.*) No Gas Produced, but would be sold Test Witnessed By _____

30. List Attachments
 C-107A-C102-C103-C104-Production Curve

31 I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature Cindy Bush Printed Name Cindy Bush Title Sr. Regulatory Tech Date 6-14-06
 E-mail Address cabush@forestoil.com

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depth shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico		
T. Anhy	1,720'	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	1,830'	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	2,870'	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	2,910'	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	3,144'	T. Devonian	T. Menefee	T. Madison
T. Queen	3,739	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg		T. Montoya	T. Mancos	T. McCracken
T. San Andres	4,444'	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	5,702'	T. McKee	Base Greenhorn	T. Granite
T. Paddock		T. Ellenburger	T. Dakota	T.
T. Blinebry		T. Gr. Wash	T. Morrison	T.
T. Tubb	6,638'	T. Delaware Sand	T. Todilto	T.
T. Drinkard	7,012'	T. Bone Springs	T. Entrada	T.
T. Abo	7,420'	T.	T. Wingate	T.
T. Wolfcamp		T.	T. Chinle	T.
T. Penn		T.	T. Permian	T.
T. Cisco (Bough C)		T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....3,012.....to.....3,142 -7 Rivers SS....No. 3, from...7,012- to.....7,170 - Drinkard...
 No. 2, from.....4,444'.....to.....4,800 - San Andres...No. 4, from...7,420 to.....7,990 - Abo.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
0	1,720	1,720	Surface Rock, red beds, sand, shales				
1720	2,870	1,160	Anhydrite				
2870	2,910	40	Anhydrite and salt				
2910	3,144	234	Anhydrite				
3144	3,739	595	Sand, Shale & Dolomite				
3739	4,444	705	Sand, Shale Dolomite & Anhydrite				
4444	5,702	1,258	Anhydrite, Dolomite, Shale & Gyp				
5702	6,638	936	Dolomite, Lime, Chert				
6638	7,012	374	Dolomite, Silt, Shale				
7012	7,420	405	Dolomite, Shale, Lime				
7420	7,900	380	Dolomite, Lime				
	TD						

Rate/Time Graph

Project: c:\pt\tex mex\tex-mex allocated production 05_09_06.mdb

Date: 6/14/2006

Time: 1:57 PM

Lease Name: CARTER 1 ()

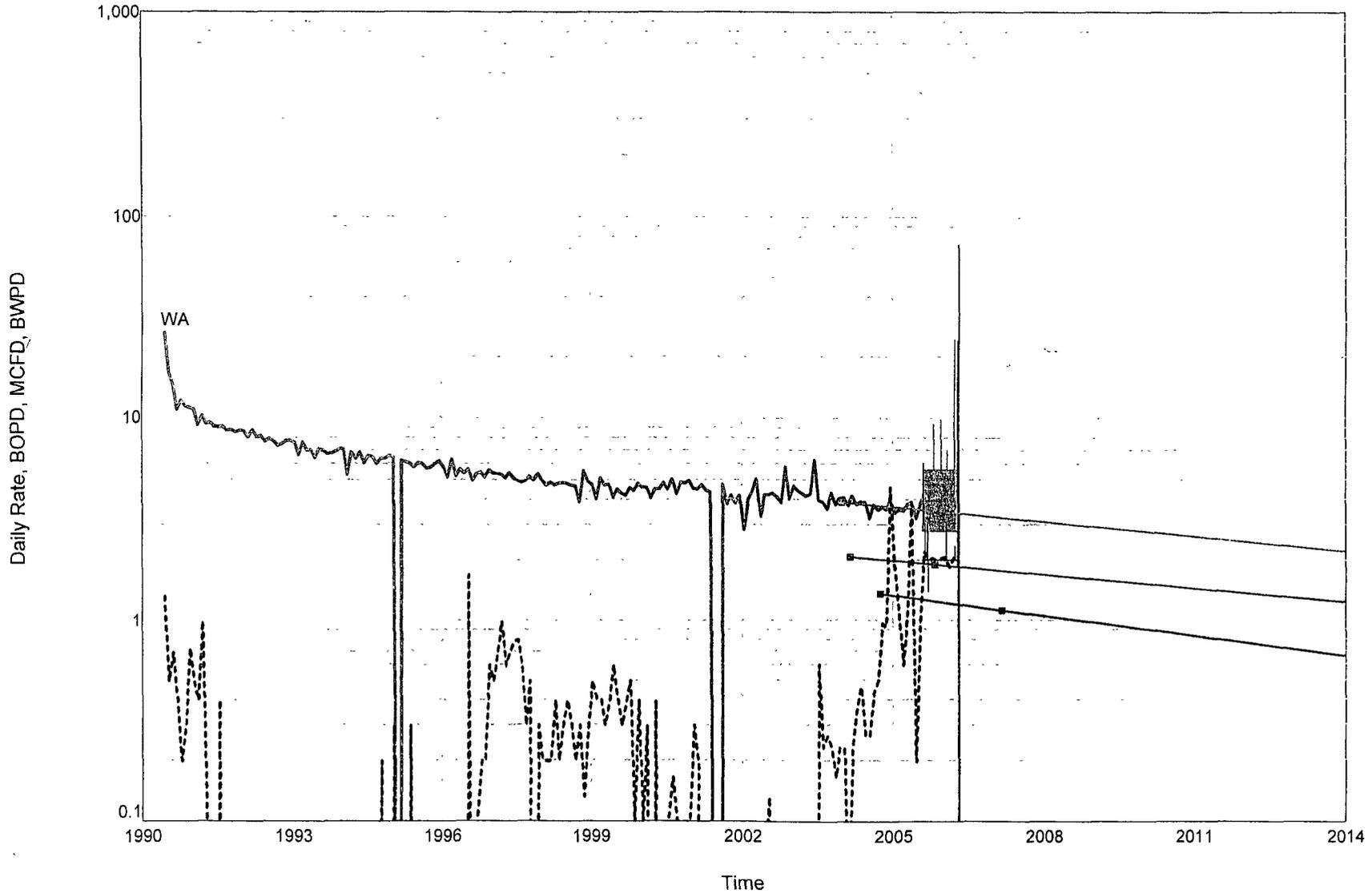
County, ST: LEA, NM

Location: Add WA & L CLFK perms

Operator: MAYNARD OIL COMPANY

Field Name: NADINE EAST

CARTER 1, CUMOIL = 32,573 bbl, CUMGAS = 489 mcf, OIL EUR (MBO) = 44, GAS EUR (MMCF) = 9



District I
1625 N. French Dr., Hobbs, NM 88240
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1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-30854		² Pool Code		³ Pool Name ABO	
⁴ Property Code 28292		⁵ Property Name Carter			⁶ Well Number 1
⁷ OGRID No. 33016		⁸ Operator Name Forest Oil Permian Corp			⁹ Elevation 3592

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	30	19S	39 E		660	East	1980	East	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
-------------------------------------	-------------------------------	----------------------------------	-------------------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16					<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p></p> <p>Signature</p> <p>Cindy Bush Printed Name</p> <p>Sr. Regulatory Tech/cabush@forestoil.com Title and E-mail Address</p> <p>6-15-06 Date</p>
					<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p>
					<p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p>
					<p>Certificate Number</p>

660

1980

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-30854	² Pool Code 47503	³ Pool Name Nadine Drinkard East
⁴ Property Code 28292	⁵ Property Name Carter	
⁷ OGRID No. 33016	⁸ Operator Name Forest Oil Permian Corp	⁶ Well Number I
		⁹ Elevation 3592

¹⁰ Surface Location

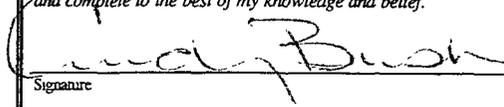
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	30	19S	39 E		660	East	1980	East	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

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				¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor:	
				Certificate Number	

660

1980

Submit 3 Copies to Appropriate District Office
 District I
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State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-30854
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Carter
8. Well Number 1
9. OGRID Number 33016
10. Pool name or Wildcat Nadine Drinkard, East/Abo

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
Forest Oil Permian Corporation

3. Address of Operator
707 17th Street, Suite 3600, Denver, Colorado 80202

4. Well Location
 Unit Letter I : 660 feet from the East line and 1980 feet from the South line
 Section 30 Township 19S Range 39E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3592 GR

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Recompletion <input checked="" type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- 4-17-06 – POH w/Prod. Equip set CIBP @7350' and Perf 7054-7166'.
- 4-18-06 – RIH w/packer hydro testing tbg.
- 4-19-06 – Acidized Clearfork w/4000 gals 15% NEFE w/55 ball sealers
- 4-21-06 – Swabbed load back + 6 bbls 3% oil cut, FFL @6600' POH LD pkr. SION
- 4-24-06 – RIH w/sand line drill, knocked out CIBP @7350 & chased to bt. RIH w/prod equip.
- 5-15-06 - Final Report. Commingling Production

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Cindy Bush TITLE Sr. Regulatory Tech DATE 6-14-06

Type or print name Cindy Bush E-mail address: cabush@forestoil.com Telephone No. 303-812-1554

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any): _____

Jones, William V., EMNRD

From: Cindy Bush [CABush@forestoil.com]
Sent: Thursday, June 21, 2007 7:44 AM
To: Jones, William V., EMNRD
Subject: RE: DHC Application: Carter #1 30-025-30854

Abo 50% oil, 10% water, no gas being reported

Drinkard 50% oil, 90% water, no gas being reported.

-----Original Message-----

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]
Sent: Wednesday, June 20, 2007 2:37 PM
To: Cindy Bush
Cc: Ezeanyim, Richard, EMNRD; Mull, Donna, EMNRD
Subject: RE: DHC Application: Carter #1 30-025-30854

Hello Cindy:

Just read your question sent with this application about adding additional perforations from 6153 to 6168 which would be above the Drinkard.

Please have your Forrest Oil geologist give you the formation name in this proposed new interval and ask your engineer whether it will be "gas" or "oil", then go to your "Pool boundary books" and decide which Pool this upper set of perforations would be in. If you don't maintain or have access to Pool Books, then get an opinion from the Hobbs District Geologist (Paul Kautz) or from Donna Mull in Hobbs as to the correct formation name and the correct Pool for those perforations.

At that time, and if you are certain this work will be done, send in a new C-107A asking to commingle the three separate Pools and amend any existing DHC permit for this well or issue the first permit.

In the meantime, I will process the C-107A you sent in this week to allow Forrest to commingle the Drinkard and the Abo - or do you want me to wait?

William V. Jones PE

New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

From: Jones, William V., EMNRD
Sent: Wednesday, June 20, 2007 2:17 PM
To: Cindy Bush
Cc: Ezeanyim, Richard, EMNRD; Mull, Donna, EMNRD
Subject: DHC Application: Carter #1 30-025-30854

Hello Cindy:

I understand that perforating the Drinkard in this well was a disappointment but it should be contributing something, otherwise Forrest Oil will be required to squeeze it off.

You did not supply a percentage split for production between the Drinkard and the Abo - please send a production split by email back to me here and I will process this application.

6/21/2007

As far as the correct Pools for these two sets of perforations, the authority on this is the Geologist in Hobbs District. The books available to me in Santa Fe show the Drinkard formation in this location to be within the Undesignated East Nadine; Drinkard Pool (47503) and the Abo formation in this location to be within the East Nadine; Abo Pool (47393). I will correct the C-107A form you submitted to reflect this and....

.....wait for your answer on the production splits prior to processing this application.

Thank You,

William V. Jones PE

New Mexico Oil Conservation Division
1220 South St Francis
Santa Fe, NM 87505
505-476-3448

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