

PNRM0427148391

C-103 Received 9-22-2004  
DHC No. Assigned 9-24-2004

	Order Number	API Number	Operator	County	
	HOB-0095	30-025-33810	Pure Resources, L.P.	Lea	
	Order Date	Well Name	Number	Location	
		Brunson Argo	020	A UL	9 Sec
				22S T (+Dir)	37E R (+Dir)
Pool 1	19190	Drinkard	77%	61%	
Pool 2	62700	Wantz Abo	23%	39%	
Pool 3					
Pool 4					
Comments: Work completed effective _____ Work cancelled effective _____ Supplement _____					

9-27-2004

Posted to  
R BDM

DOWNHOLE COMMINGLE CALCULATIONS:

30-025-33810  
HOB-0095

OPERATOR: Pure Resources, L.P.

PROPERTY NAME: Brunson Argo

WNULSTR: 20-A, 9-22-37

19190	SECTION I:		ALLOWABLE AMOUNT	
	POOL NO. 1	<u>Drinkard</u>	<u>142</u>	<u>852</u> MCF 6000
62200	POOL NO. 2	<u>Wantz Abo</u>	<u>187</u>	<u>1122</u> MCF 6000
	POOL NO. 3			MCF
	POOL NO. 4			MCF
		POOL TOTALS	<u>329</u>	<u>1974</u> MCF

	SECTION II:		Oil	Gas
	POOL NO. 1	<u>Drinkard</u>	$77\% \times 329 = 253.33$	$61\%$
	POOL NO. 2	<u>Wantz Abo</u>	$23\%$	$39\%$
	POOL NO. 3			
	POOL NO. 4			

	<u>OIL</u>	<u>GAS</u>
SECTION III:	$142 \div 77\% = 184.42 (185)$	
SECTION IV:	$185 \times 77\% = 142.45 (142)$	
	$185 \times 23\% = 42.55 (43)$	

Submit 3 Copies To Appropriate District Office

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103

Revised June 10, 2003

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

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

WELL API NO.

30-025-33810

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name  
Brunson Argo

8. Well Number

20

9. OGRID Number

150628

10. Pool name or Wildcat  
Wantz; Abo/Drinkard

## 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

Pure Resources, L. P.

3. Address of Operator

500 W. Illinois  
Midland, Texas 79701

4. Well Location

Unit Letter A : 467 feet from the North line and 990 feet from the East lineSection 9Township 22SRange 37E

NMPM

County Lea11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3,415' GR

## 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 COMPLETION ☒OTHER: ☐

## SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐CASING TEST AND CEMENT JOB ☐OTHER: ☐

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.

Pure Resources, L. P. respectively requests administrative approval to Downhole Commingle production from the Wantz; Abo Oil Pool (62700) and the Drinkard Oil Pool (19190) as per OCD Order No. R-11363.

(SEE ATTACHED)

DHC Order No. HOB-0095

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

SIGNATURE Alan W. BohlingTITLE Regulatory AgentDATE 05/04/2004Type or print name Alan W. Bohling

abohling@pureresources.com

E-mail address:

Telephone No. (432)498-8662

(This space for State use)

PETROLEUM ENGINEER

APPROVED BY Paul J. [Signature]

TITLE

DATE

Conditions of approval, if any:

SEP 24 2004

**ATTACHMENT FOR C-103 NOTICE OF INTENT TO: MULTIPLE  
COMPLETION**

In accordance with OCD Order No. R-11363, Amending Rule 303.C, (Case No. 12346 with Exhibit "A") approved on April 26, 2000, Pure Resources, L. P. respectfully requests permission to Down Hole Commingle (DHC) the Wantz; Abo (62700) and the Drinkard (19190) oil pools in the following well:

**Brunson Argo Well No. 20  
467' FNL & 990' FEL  
UL A, Sec. 9, T-22-S, R-37-E  
Lea County, New Mexico**

Perforated Intervals:	Wantz; Abo	6,662' – 7,307'
	Drinkard	6,295' – 6,569'

**Allocation Method:** The Allocation of Production will be determined later by utilizing either the total commingled production rate minus the established production rate from the Wantz; Abo or from testing of each individual zone.

The Drinkard interval is uneconomical to drill or complete as a stand-alone well. To develop these reserves, a dual or commingled completion is required. A dual completion very costly and inefficient. Therefore, approval of DHC of production is necessary to prevent waste and enable recovery of Drinkard reserves, which would otherwise remain undeveloped.

The lease is a Fee Lease with both intervals having common ownership and each interval is an oil zones producing both oil and gas. We do not anticipate any cross flow problems between these zones due to their depleted nature. The low producing volumes from each zone necessitates placing the well on pump and maintaining a pumped-off condition as much as possible. We are not aware of any incompatibility between the fluids produced from these intervals or expect any reduction in value or loss of reserves by downhole commingling.

AWB 05/04/2004

RICT I

Box 1960, Hobbs, NM 88241-1960

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0710

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. Box 2060, Santa Fe, N.M. 87504-2060

## OIL CONSERVATION DIVISION

P.O. Box 2080

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-33810	Pool Code 62700	Pool Name Wantz; Abo
Property Code 26773	Property Name BRUNSON-ARGO	Well Number 20
OCRID No. 150628	Operator Name Pure Resources, L. P.	Elevation 3417

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	9	22 S	37 E		467	NORTH	990	EAST	LEA

## 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
Dedicated Acres 40	Joint or Infill	Consolidation Code	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

	<b>OPERATOR CERTIFICATION</b> I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <u>Alan W. Bohling</u> Signature <u>Alan W. Bohling</u> Printed Name <u>Regulatory Agent</u> Title <u>05/04/2004</u> Date	
	<b>SURVEYOR CERTIFICATION</b> 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. <u>JAN. 30. 1997</u> Date Surveyed Signature & Seal Professional Surveyor NEW MEXICO 3339 37-11-0169 130-97 Certificate No. JOHN W. VEST 676 RONALD J. EIDSON 3239 PROFESSIONAL SURVEYOR EIDSON 12641	
	DMCC	
	130-97	

## DISTRICT I

Box 1900, Hobbs, NM 88241-1900

## DISTRICT II

P.O. Drawer DD Artesia, NM 88211-0719

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

P.O. Box 2000, Santa Fe, N.M. 87504-2000

## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-33810	Pool Code 19190	Pool Name Drinkard
Property Code 26773	Property Name BRUNSON-ARGO	Well Number 20
OCRID No. 150628	Operator Name Pure Resources, L. P.	Elevation 3417

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	9	22 S	37 E		467	NORTH	990	EAST	LEA

## 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
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<b>OPERATOR CERTIFICATION</b> I hereby certify the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Alan W. Bohling</i> Alan W. Bohling Printed Name Regulatory Agent Title 05/04/2004 Date
	<b>SURVEYOR CERTIFICATION</b> 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. JAN. 30, 1997 Date Surveyed Signature & Seal: <i>RONALD J. EIDSON</i> Professional Surveyor NEW MEXICO 3339 87-11-0187 Certificate No. JOHN W. WEST 676 RONALD J. EIDSON 3239 PROFESSIONAL SURVEYOR EIDSON 12641

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
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District III  
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District IV  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
March 4, 2004

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

WELL API NO. 30-025-33810
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Brunson Argo (26773)
8. Well Number 20
9. OGRID Number 150628
10. Pool name or Wildcat Wantz; Abo (62700) & Drinkard (19190)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,415'; GR

**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  
Pure Resources, L. P.

3. Address of Operator  
500 W. Illinois Midland, Texas 79701

4. Well Location  
Unit Letter A : 476 feet from the North line and 990 feet from the East line  
Section 9 Township 22S Range 37E NMPM County Lea

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"/>	REMEDIAL WORK <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
MULTIPLE COMPLETION <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>
OTHER: Proposed Allocation of DHC Production <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. If a pit or below-grade tank is involved in the operation, complete the reverse side of this form.

Pure Resources is now planning to enter back into this wellbore to remove a RBP set @ 6,622' separating the current production testing Drinkard Pool to DHC with the Wantz; Abo Pool. We now believe that we have tested the Drinkard zone and established a stabilized rate of 10 BOPD, 155 MCFPD and 17 BWPD. The Wantz; Abo zone previously averaged over the last year at a stable rate of 3 BOPD, 100 MCFPD and 3 BWPD. Once Downhole Commingled we anticipate this well to produce at a combined rate of 13 BOPD, 255 MCFPD and 23 BWPD. Therefore, we would like to propose using the following Allocation of Production Scenario for the commingled production:

	OIL	GAS	WATER
Wantz; Abo	23%	39%	15%
Drinkard	77%	61%	85%

(PLEASE SEE ATTACHED PRODUCTION SUMMARIES/CHARTS)

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

SIGNATURE Alan W. Bohling TITLE Regulatory Agent DATE 09/14/04

Type or print name Alan W. Bohling E-mail address: abohling@pureresources.com Telephone No. (432) 498-8662  
(This space for State use)

APPROVED BY Paul J. Lutz TITLE PETROLEUM ENGINEER DATE SEP 24 2004  
Conditions of approval, if any:

**Brunson Argo #20 Well - Drinkard Only Production**

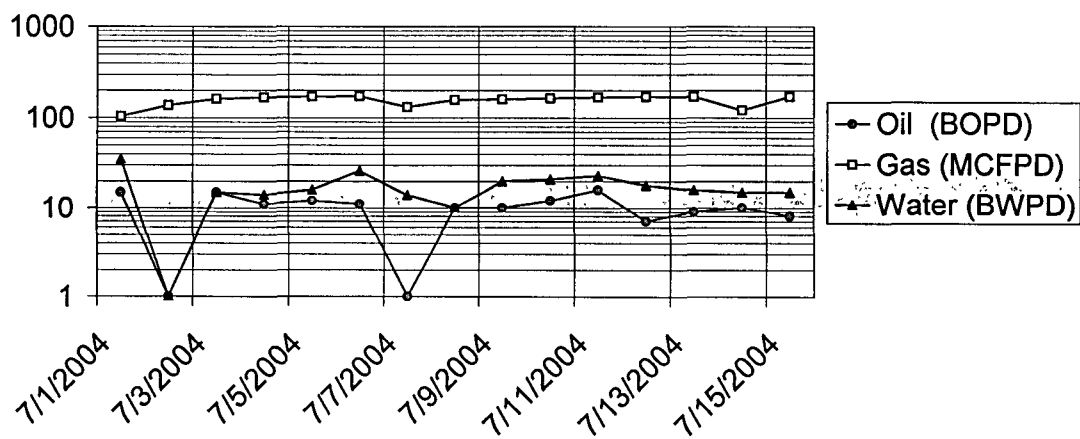
Date	Oil (BOPD)	Gas (MCFPD)	Water (BWPD)
6/25/2004	3	117	3
6/26/2004	4	67	18
6/27/2004	12	108	16
6/28/2004	20	154	30
6/29/2004	16	157	14
6/30/2004	0	136	0
	55	739	81

JUNE	OIL	GAS	WTR
AVG.	9	123	14

7/1/2004	15	104	35
7/2/2004	1	137	1
7/3/2004	15	161	15
7/4/2004	11	167	14
7/5/2004	12	171	16
7/6/2004	11	172	26
7/7/2004	1	131	14
7/8/2004	10	157	10
7/9/2004	10	160	20
7/10/2004	12	164	21
7/11/2004	16	168	23
7/12/2004	7	170	18
7/13/2004	9	171	16
7/14/2004	10	121	15
7/15/2004	8	171	15
	148	2325	259

JULY	OIL	GAS	WTR
AVG.	10	155	17

**Brunson Argo #20  
DRINKARD ONLY PRODUCTION**





LEA NM  
BRUNSON ARGO 20  
PURE RESOURCES LIMITED PARTNER  
ACTIVE

## Production Report

<b>Lease Name:</b>	<b>BRUNSON ARGO</b>	<b>Well Number:</b>	<b>20</b>
Lease Number:	020000	Cum Oil:	34,578
Operator Name:	PURE RESOURCES LIMITED P	Cum Gas:	181,782
State:	NEW MEXICO	Cum Water:	39,800
County:	LEA	First Production Date:	APR 1997
Field:	WANTZ	Last Production Date:	MAR 2004
Sec Twn Rng:	9A 22S 37E	Spot:	
Latitude/Longitude:	32.4122 -103.16225	Lat/Long Source:	TS
Regulatory #:		Completion Date:	APR 09, 1997
API:	30025338100001	Total Depth:	7670
Production ID:	1300210253381062700	Upper Perforation:	6714
Reservoir Name:	ABO	Lower Perforation:	7307
Prod Zone:	ABO /SH/	Gas Gravity:	
Prod Zone Code:	452ABO	Oil Gravity:	38.7
Basin Name:	PERMIAN BASIN	Temp Gradient:	
Gas Gatherer:		N Factor:	
Liquid Gatherer:		GOR:	1545
Status:	ACTIVE	CRUDE OIL	
Well Type:	ACTIVE PRODUCING-GENERAL	Water Depth:	

Annual Production	(8 years)		
Year	Oil BBLs	Gas MCF	Water BBLs

### Beginning

Cum:				
1997	11,300	31,738	729	
1998	10,104	23,831	19,386	
1999	4,643	31,798	3,710	
2000	2,537	21,496	5,210	
2001	2,439	25,297	2,624	
2002	1,780	23,223	3,977	
2003	1,504	20,014	3,891	
2004	271	4,385	273	
Totals:	34,578	181,782	39,800	

### Monthly Production

(Most recent 48 of 84 months)

Date	Oil	Gas	Water	GOR	% Water	# of	Days
MO/YR	BBLs	MCF	BBLs	SCF/BBLs		Wells	on

MAR 2000	314	2,512	419	8001	57.16	1	31
APR 2000	281	2,414	380	8591	57.49	1	30
MAY 2000	291	2,382	403	8186	58.07	1	31
JUN 2000	276	2,340	373	8479	57.47	1	30
JUL 2000	0	0	0			0	0
AUG 2000	0	0	0			0	0
SEP 2000	0	0	0			0	0
OCT 2000	259	2,356	269	9097	50.95	1	31
NOV 2000	253	2,245	2,286	8874	90.04	1	30
DEC 2000	271	2,270	293	8377	51.95	1	31
Totals:							
2000	2,537	21,496	5,210				

JAN 2001	292	2,278	303	7802	50.92	1	31
FEB 2001	227	2,015	200	8877	46.84	1	28
MAR 2001	193	2,063	165	10690	46.09	1	31
APR 2001	228	2,197	251	9636	52.40	1	30
MAY 2001	216	2,209	169	10227	43.90	1	31
JUN 2001	185	2,013	152	10882	45.10	1	30
JUL 2001	205	2,147	130	10474	38.81	1	31
AUG 2001	217	2,141	116	9867	34.83	1	31
SEP 2001	183	2,048	126	11192	40.78	1	30
OCT 2001	50	2,100	341	42001	87.21	1	31
NOV 2001	173	2,021	330	11683	65.61	1	30
DEC 2001	270	2,065	341	7649	55.81	1	31
Totals:							
2001	2,439	25,297	2,624				

JAN 2002	93	2,068	341	22237	78.57	1	31
FEB 2002	159	1,848	308	11623	65.95	1	28
MAR 2002	176	2,042	341	11603	65.96	1	31
APR 2002	153	1,853	308	12112	66.81	1	28
MAY 2002	165	2,086	341	12643	67.39	1	31
JUN 2002	148	1,876	314	12676	67.97	1	30
JUL 2002	156	1,974	341	12654	68.61	1	31
AUG 2002	156	1,985	341	12725	68.61	1	31
SEP 2002	150	1,891	330	12607	68.75	1	30
OCT 2002	135	1,928	341	14282	71.64	1	31
NOV 2002	141	1,827	330	12958	70.06	1	30
DEC 2002	148	1,845	341	12467	69.73	1	31
Totals:							
2002	1,780	23,223	3,977				

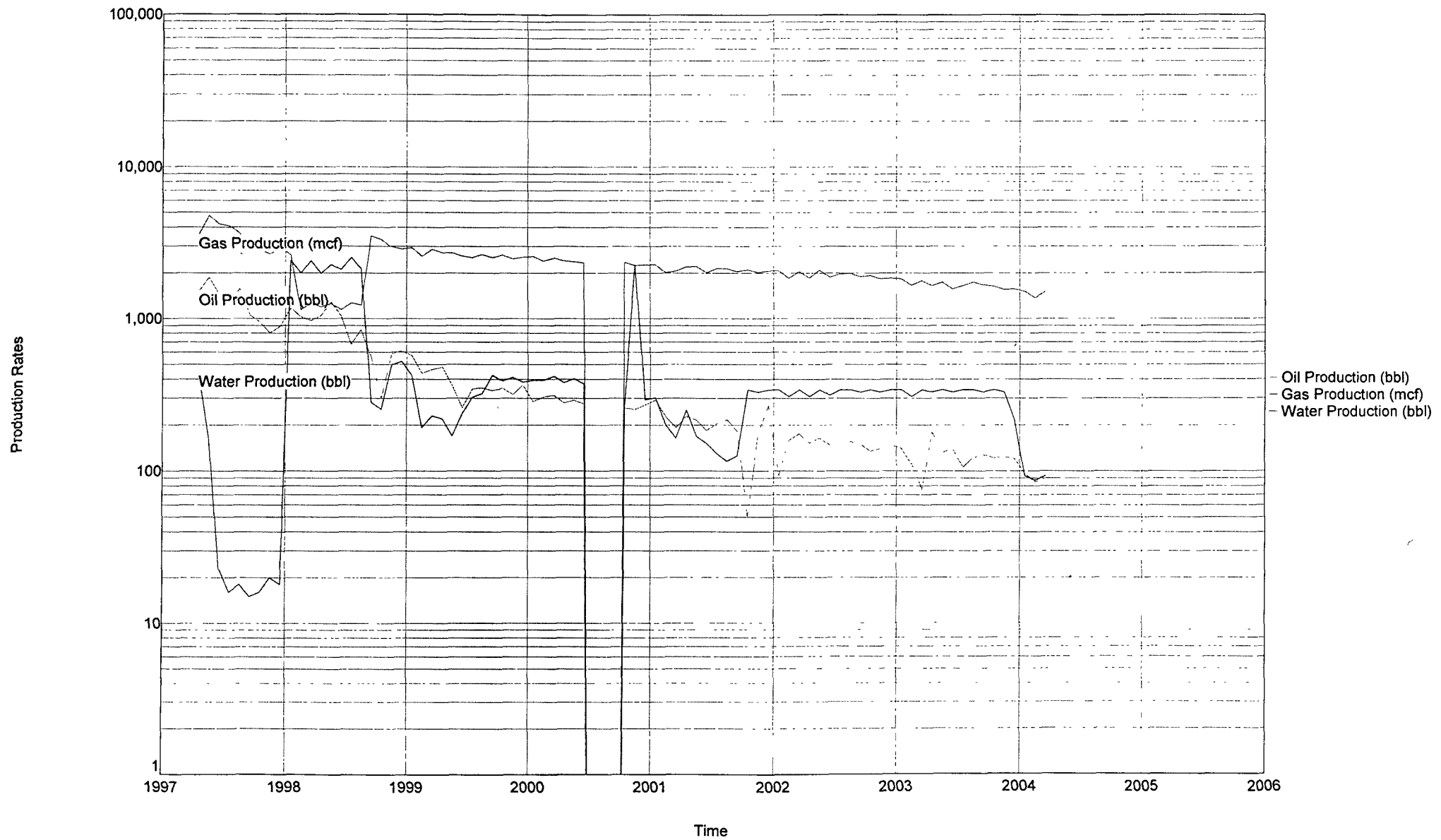
JAN 2003	141	1,827	341	12958	70.75	1	31
FEB 2003	111	1,654	308	14901	73.51	1	28
MAR 2003	76	1,782	341	23448	81.77	1	31
APR 2003	180	1,646	330	9145	64.71	1	30
MAY 2003	132	1,738	341	13167	72.09	1	31
JUN 2003	141	1,568	330	11121	70.06	1	30
JUL 2003	106	1,646	341	15529	76.29	1	31
AUG 2003	122	1,736	341	14230	73.65	1	31
SEP 2003	128	1,663	330	12993	72.05	1	30
OCT 2003	122	1,631	341	13369	73.65	1	31
NOV 2003	124	1,554	330	12533	72.69	1	30
DEC 2003	121	1,569	217	12967	64.20	1	31
Totals:							
2003	1,504	20,014	3,891				

JAN	2004	96	1,513	93	15761	49.21	1	31
FEB	2004	85	1,369	87	16106	50.58	1	29
MAR	2004	90	1,503	93	16701	50.82	1	31
Totals:								
	2004	271	4,385	273				

=====

Lease Name: BRUNSON ARGO  
County, State: LEA, NM  
Operator: PURE RESOURCES LIMITED PARTNER  
Field: WANTZ  
Reservoir: ABO  
Location: 9 22S 37E

BRUNSON ARGO - WANTZ



Submit 3 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  
March 4, 2004

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

WELL API NO. 30-025-33810
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Brunson Argo (26773)
8. Well Number 20
9. OGRID Number 150628
10. Pool name or Wildcat Wantz, Abo (62700) & Drinkard (19190)
11. Elevation (Show whether DR, RKB, RFP, GR, etc.) 3,415'; GR

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  
Pure Resources, L. P.

3. Address of Operator  
500 W. Illinois Midland, Texas 79701

4. Well Location

Unit Letter A : 476 feet from the North line and 990 feet from the East line  
Section 9 Township 22S Range 37E NE 03A NMPM County Lea

11. Elevation (Show whether DR, RKB, RFP, GR, etc.)  
3,415'; GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Work to DHC Prod. & Tbg. Details ☒

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. If a pit or below-grade tank is involved in the operation, complete the reverse side of this form.

This C-103 is to show work done to pull RBP from well, RIH w/production equipment and DHC production from the Wantz, Abo and Drinkard pools.

Work began on 7/27/04. MIRU, bled pressure off tbg. POOH w/rods & pump. ND wellhead, NU BOP, release TAC. POOH w/2-3/8" tbg. Well started gassing. Killed well w/50 Bbls 2% KCL, then let water gravity in to keep well dead. RIH w/retrieving head & bulldog bailer. Cleaned ball sealers off & latched on to RBP @ 6622'. Released RBP & POOH w/tbg, bailer & RBP. SDON. On 7/28/2004, RIH w/2-3/8" tbg. and set @ 7,224.96', TAC @ 6,172.9'. RIH w/rods and pumping equipment. Hung well on. Well is now DHC producing.

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

SIGNATURE Alan W. Bohling TITLE Regulatory Agent DATE 09/14/04

Type or print name Alan W. Bohling E-mail address: abohling@pureresources.com Telephone No. (432) 498-8662  
(This space for State use)

APPROVED BY [Signature] TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
Conditions of approval, if any:

PETROLEUM ENGINEER

SEP 24 2004

Submit 3 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  
March 4, 2004

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

WELL API NO.  
30-025-33810

5. Indicate Type of Lease:

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name  
Brunson Argo (26773)

8. Well Number  
20

9. OGRID Number  
150628

10. Pool name or Wildcat  
Wantz; Abo (62700) & Drinkard (19190)

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

Pure Resources, L. P.

3. Address of Operator

500 W. Illinois Midland, Texas 79701

4. Well Location

Unit Letter A : 476 feet from the North line  
Section 9 Township 22S Range 12E

11. Elevation (Show whether  
3,415'; GR

last line  
M County Lea

12. Check Appropriate Box to Indicate  
NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☒

OTHER: Proposed Allocation of DHC Production ☒

Other Data  
IT REPORT OF:

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ☐

ABANDONMENT

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

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. If a pit or below-grade tank is involved in the operation, complete the reverse side of this form.

Pure Resources is now planning to enter back into this wellbore to remove a RBP set @ 6,622' separating the current production testing Drinkard Pool to DHC with the Wantz; Abo Pool. We now believe that we have tested the Drinkard zone and established a stabilized rate of 10 BOPD, 155 MCFPD and 17 BWPD. The Wantz; Abo zone previously averaged over the last year at a stable rate of 3 BOPD, 100 MCFPD and 3 BWPD. Once Downhole Commingled we anticipate this well to produce at a combined rate of 13 BOPD, 255 MCFPD and 23 BWPD. Therefore, we would like to propose using the following Allocation of Production Scenario for the commingled production:

	<u>OIL</u>	<u>GAS</u>	<u>WATER</u>
Wantz; Abo	23%	39%	15%
Drinkard	77%	61%	85%

(PLEASE SEE ATTACHED PRODUCTION SUMMARIES/CHARTS)

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

SIGNATURE Alan W. Bohling TITLE Regulatory Agent DATE 09/14/04

Type or print name Alan W. Bohling E-mail address: abohling@pureresources.com Telephone No. (432) 498-8662  
(This space for State use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_

Conditions of approval, if any:

ORIGINAL SIGNED BY  
PAUL F. KAUTZ  
PETROLEUM ENGINEER

DATE  
SEP 24 2004

**Brunson Argo #20 Well - Drinkard Only Production**

Date	Oil (BOPD)	Gas (MCFPD)	Water (BWPD)
6/25/2004	3	117	3
6/26/2004	4	67	18
6/27/2004	12	108	16
6/28/2004	20	154	30
6/29/2004	16	157	14
6/30/2004	0	136	0
	55	739	81

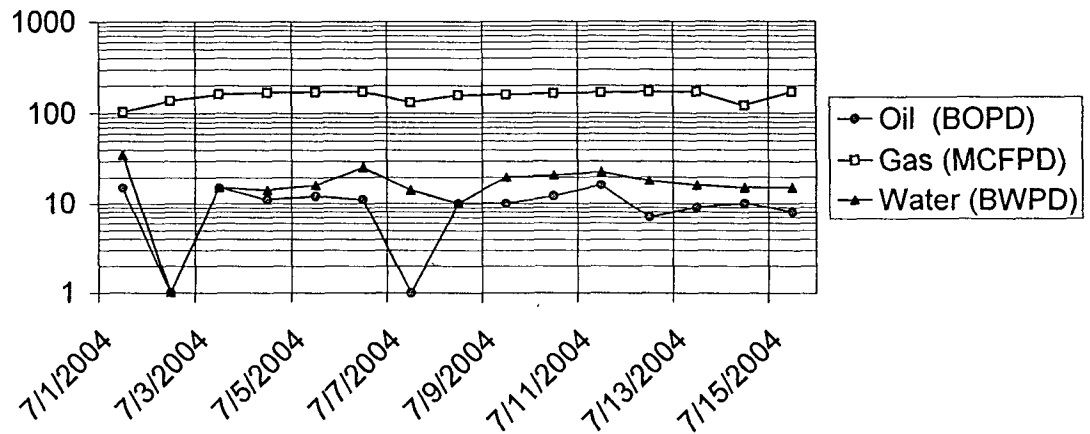
JUNE	OIL	GAS	WTR
AVG.	9	123	14

7/1/2004	15	104	35
7/2/2004	1	137	1
7/3/2004	15	161	15
7/4/2004	11	167	14
7/5/2004	12	171	16
7/6/2004	11	172	26
7/7/2004	1	131	14
7/8/2004	10	157	10
7/9/2004	10	160	20
7/10/2004	12	164	21
7/11/2004	16	168	23
7/12/2004	7	170	18
7/13/2004	9	171	16
7/14/2004	10	121	15
7/15/2004	8	171	15
	148	2325	259

JULY	OIL	GAS	WTR
AVG.	10	155	17

Use this date as test date and test value due to nearest to avg. values.

**Brunson Argo #20  
DRINKARD ONLY PRODUCTION**



LEA NM  
BRUNSON ARGO 20  
PURE RESOURCES LIMITED PARTNER  
ACTIVE

## Production Report

<b>Lease Name:</b>	<b>BRUNSON ARGO</b>	<b>Well Number:</b>	<b>20</b>
Lease Number:	020000	Cum Oil:	34,578
Operator Name:	PURE RESOURCES LIMITED P	Cum Gas:	181,782
State:	NEW MEXICO	Cum Water:	39,800
County:	LEA	First Production Date:	APR 1997
Field:	WANTZ	Last Production Date:	MAR 2004
Sec Twn Rng:	9A 22S 37E	Spot:	
Latitude/Longitude:	32.4122 -103.16225	Lat/Long Source:	TS
Regulatory #:		Completion Date:	APR 09, 1997
API:	30025338100001	Total Depth:	7670
Production ID:	1300210253381062700	Upper Perforation:	6714
Reservoir Name:	ABO	Lower Perforation:	7307
Prod Zone:	ABO /SH/	Gas Gravity:	
Prod Zone Code:	452ABO	Oil Gravity:	38.7
Basin Name:	PERMIAN BASIN	Temp Gradient:	
Gas Gatherer:		N Factor:	
Liquid Gatherer:		GOR:	1545
Status:	ACTIVE	CRUDE OIL	
Well Type:	ACTIVE PRODUCING-GENERAL	Water Depth:	

Annual Production		(8 years)	
Year	Oil BBLs	Gas MCF	Water BBLs

### Beginning

Cum:

1997	11,300	31,738	729
1998	10,104	23,831	19,386
1999	4,643	31,798	3,710
2000	2,537	21,496	5,210
2001	2,439	25,297	2,624
2002	1,780	23,223	3,977
2003	1,504	20,014	3,891
2004	271	4,385	273

Totals:

34,578	181,782	39,800
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### Monthly Production (Most recent 48 of 84 months)

Date MO/YR	Oil BBLs	Gas MCF	Water BBLs	GOR SCF/BBLs	% Water	# of Wells	Days on
---------------	-------------	------------	---------------	-----------------	---------	---------------	------------



MAR 2000	314	2,512	419	8001	57.16	1	31
APR 2000	281	2,414	380	8591	57.49	1	30
MAY 2000	291	2,382	403	8186	58.07	1	31
JUN 2000	276	2,340	373	8479	57.47	1	30
JUL 2000	0	0	0			0	0
AUG 2000	0	0	0			0	0
SEP 2000	0	0	0			0	0
OCT 2000	259	2,356	269	9097	50.95	1	31
NOV 2000	253	2,245	2,286	8874	90.04	1	30
DEC 2000	271	2,270	293	8377	51.95	1	31
Totals: 2000	2,537	21,496	5,210				

JAN 2001	292	2,278	303	7802	50.92	1	31
FEB 2001	227	2,015	200	8877	46.84	1	28
MAR 2001	193	2,063	165	10690	46.09	1	31
APR 2001	228	2,197	251	9636	52.40	1	30
MAY 2001	216	2,209	169	10227	43.90	1	31
JUN 2001	185	2,013	152	10882	45.10	1	30
JUL 2001	205	2,147	130	10474	38.81	1	31
AUG 2001	217	2,141	116	9867	34.83	1	31
SEP 2001	183	2,048	126	11192	40.78	1	30
OCT 2001	50	2,100	341	42001	87.21	1	31
NOV 2001	173	2,021	330	11683	65.61	1	30
DEC 2001	270	2,065	341	7649	55.81	1	31
Totals: 2001	2,439	25,297	2,624				

JAN 2002	93	2,068	341	22237	78.57	1	31
FEB 2002	159	1,848	308	11623	65.95	1	28
MAR 2002	176	2,042	341	11603	65.96	1	31
APR 2002	153	1,853	308	12112	66.81	1	28
MAY 2002	165	2,086	341	12643	67.39	1	31
JUN 2002	148	1,876	314	12676	67.97	1	30
JUL 2002	156	1,974	341	12654	68.61	1	31
AUG 2002	156	1,985	341	12725	68.61	1	31
SEP 2002	150	1,891	330	12607	68.75	1	30
OCT 2002	135	1,928	341	14282	71.64	1	31
NOV 2002	141	1,827	330	12958	70.06	1	30
DEC 2002	148	1,845	341	12467	69.73	1	31
Totals: 2002	1,780	23,223	3,977				

JAN 2003	141	1,827	341	12958	70.75	1	31
FEB 2003	111	1,654	308	14901	73.51	1	28
MAR 2003	76	1,782	341	23448	81.77	1	31
APR 2003	180	1,646	330	9145	64.71	1	30
MAY 2003	132	1,738	341	13167	72.09	1	31
JUN 2003	141	1,568	330	11121	70.06	1	30
JUL 2003	106	1,646	341	15529	76.29	1	31
AUG 2003	122	1,736	341	14230	73.65	1	31
SEP 2003	128	1,663	330	12993	72.05	1	30
OCT 2003	122	1,631	341	13369	73.65	1	31
NOV 2003	124	1,554	330	12533	72.69	1	30
DEC 2003	121	1,569	217	12967	64.20	1	31
Totals: 2003	1,504	20,014	3,891				

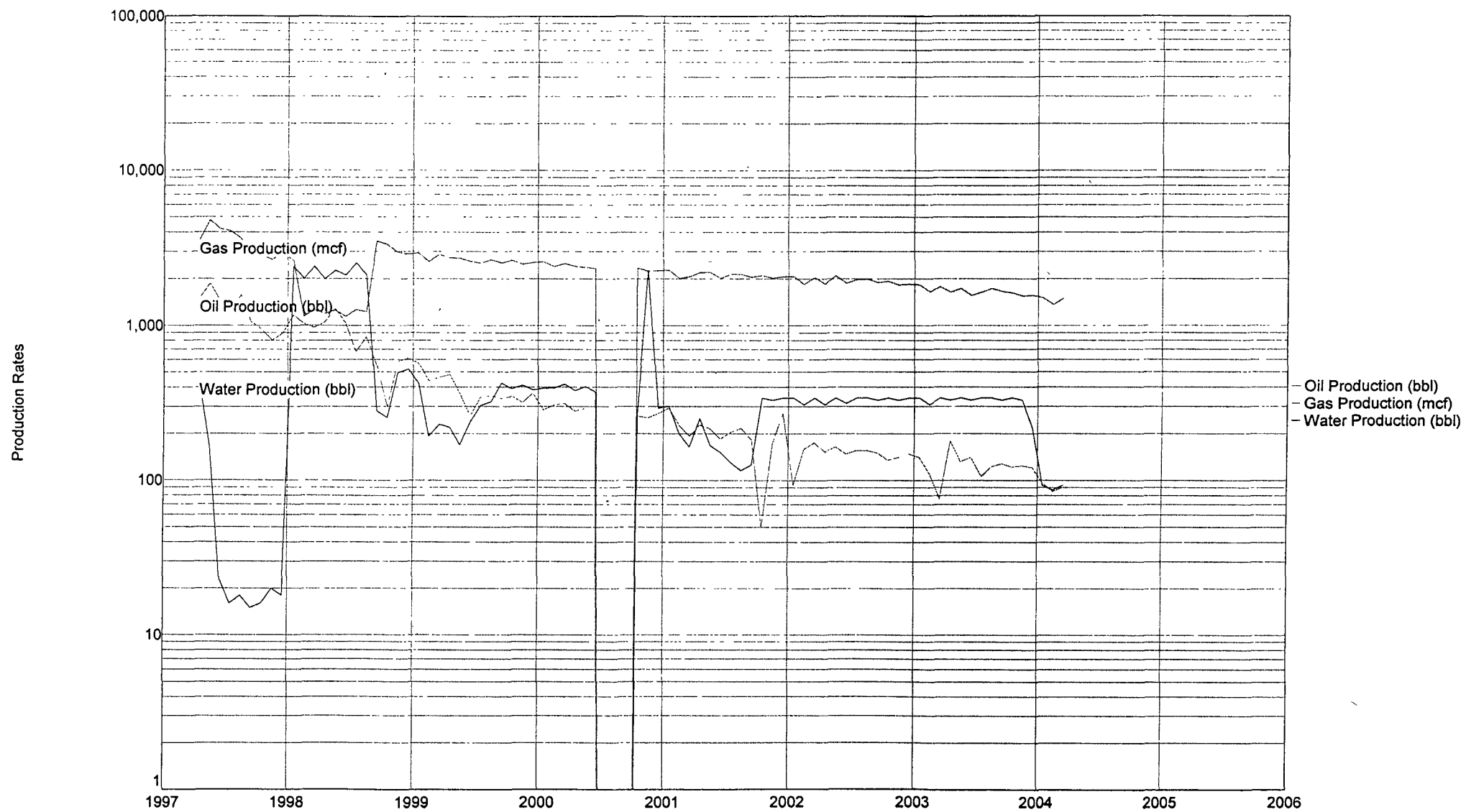
JAN 2004	96	1,513	93	15761	49.21	1	31
FEB 2004	85	1,369	87	16106	50.58	1	29
MAR 2004	90	1,503	93	16701	50.82	1	31
Totals:							
2004	271	4,385	273				

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Lease Name: BRUNSON ARGO  
County, State: LEA, NM  
Operator: PURE RESOURCES LIMITED PARTNER  
Field: WANTZ  
Reservoir: ABO  
Location: 9 22S 37E

BRUNSON ARGO - WANTZ



Time

Submit 3 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  
March 4, 2004

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

WELL API NO.  
30-025-33810

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name  
Brunson Argo (26773)

8. Well Number  
20

9. OGRID Number  
150628

10. Pool name or Wildcat  
Drinkard (19190)

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  
Pure Resources, L. P.

3. Address of Operator  
500 W. Illinois Midland, Texas 79701

4. Well Location

Unit Letter A : 476 feet from the North line and 990 feet from the East line  
Section 9 Township 22S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3,415'; GR

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 ☐

WELL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Work Summary/Well History-Prep to DHC ☒

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. If a pit or below-grade tank is involved in the operation, complete the reverse side of this form.

Work began on 5/26/04. POH w/rods & pump equip. Had to jar, acidize, jar to get TAC to release. String finally came free, POOH. RIH & tagged TOF @7345' = 125' of fill to PBTD. RIH w/2-7/8" WS & pkr, set pkr @6554' & acidized Wantz; Abo f/6862'-7307' w/8000g 15% acid in 10 stages dropping ball sealers. Swabbed till dry. On 6/10/04, RIH w/4" select fire guns & perf'd Drinkard f/6295'-6569' w/2SPF for 52 holes. RIH w/RBP & pkr & set RBP @ 6622'. PUH & set pkr @ 6198' & pumped 2500g 15% acid in 10 stages over Drinkard perfs dropping ball sealers for diversion. POH w/2-7/8" WS. On 6/15/04, frac'd Drinkard perfs w/40M gals 50Q CO2 foam carrying 100M # 20/40 Ottawa sand down 3-1/2" L80 WS. Started to flow & swab back frac load on 6/15/04. Released Pkr, POOH laying down 3-1/2" workstring. RIH w/2-1/2" prod string, scanned string w/tuboscoped & graded tbg. RIH w/ 4-3/4" blade scraper/bailer, cleaned out sand to 6436', could not go further. POH. MIRU reverse unit, RIH w/ 4-3/4" blade bit on DC's & cleaned out to RBP @ 6622'. POH w/2-3/8" tbg, DC's and bit. RIH w/2-3/8" prod tbg., set TAC. RIH w/ pump & rods. On 6/25/04, hot oiled, changed out some rods, seat pump and hang well on. On 7/6/04, POH w/rods & pump, R&R pump, RIH w/pump & rods & hang well back on. Hence, problems in re-establish a stable production rate for allocation purposes.

(ALSO SEE ATTACHED WELL HISTORY REPORT)

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

SIGNATURE Alan W. Bohling TITLE Regulatory Agent DATE 09/14/04

Type or print name Alan W. Bohling E-mail address: abohling@pureresources.com Telephone No. (432) 498-8662  
(This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE SEP 24 2004  
Conditions of approval, if any:

2A Wantz Abo

## Pure Resources, Inc.

## Well History

BRUNSON ARGO #20 From 5/26/2004 through 7/06/2004

Well Name BRUNSON ARGO #20

Lease Well 500760-0020

State: NM

County: LEA

Activity Date 5/26/2004

Type of Report: SERV JOB

INITIAL REPORT

Description SODN

Times

Hours

Remarks

MIRU. BLEED PRESSURE OFF TBG. COULD NOT GET PUMP OFF SEAT. BACKED OFF ON RODS. POOH W/81 7/8" RDS. ND WH NU BOP. COULD NOT GET TAC TO RELEASE. PULLED 65 PTS INTO TBG. PUT 8 ROUNDS RIGHT HAND TORQUE INTO TBG. CLOSE BOP. PETROPLEX MIRU. PUMPED 1000 GAL 15% HCL FLUSH TO BOTTOM W/15 BBLs 2% KCL. WAITED 15 MIN. TRIED AGAIN TO RELEASE TAC. NO LUCK. PULLED 65 PTS INTO TBG. PUT 8 ROUNDS OF RIGHT HAND TORQUE INTO TBG. SDON. TOTAL MAN HRS 66.5

Daily Cost

Cum Cost

AFE Amount

AFE #

\$5,525

\$5,525

Activity Date 5/27/2004

Type of Report: SERV JOB

PROGRESS REPORT

Description

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. TAC WAS STILL STUCK. COULD NOT JAR IT FREE. RIH W/81 7/8" RODS SCREW BACK ON TO RODS LEFT IN HOLE. ATTEMPT TO JAR PUMP OFF SEAT AGAIN. NO LUCK. HANG WELL BACK ON START PUMPING UNIT. CHECK PUMP ACTION. VMJ HOT OIL TRUCK MIRU. HOT OIL DN BACK SIDE W/75 BBLs LEASE OIL & 20 GAL PARAFFIN SOLVENT. LEFT WELL PUMPING OVER WEEKEND. SDOW. TOTAL MANHOURS 43.

Daily Cost

Cum Cost

AFE Amount

AFE #

\$2,269

\$7,794

Activity Date 5/28/2004

Type of Report: SERV JOB

PROGRESS REPORT

Description

Times

Hours

Remarks

PAID 8 HRS. STAND BY

Daily Cost

Cum Cost

AFE Amount

AFE #

\$1,416

\$9,210

Activity Date 6/1/2004

Type of Report: SERV JOB

FINAL REPORT

Description

Times

Hours

Remarks

DROVE CREW TO LOCATION, HELD SAFETY MEETING. BLEED PRESSURE OFF TBG. ATTEMPT TO JAR PUMP OFF SEAT. WERE NOT SUCCESSFUL. HANG WELL ON. CHECK PUMP ACTION. RD MOVE TO BRUNSON ARGO #9. WE WILL SPOT SCALE CONVERTER AND COME BACK TO THIS WELL LATER. TOTAL MANHOURS 17.5

Daily Cost

Cum Cost

AFE Amount

AFE #

\$1,066

\$10,276

Activity Date 6/6/2004

Type of Report: SERV JOB

PROGRESS REPORT

Description

Times

Hours

Remarks

6/4/2004 - OMEGA MIRU, DUMPED 4 DRUMS CONVERTER MEXED W/4 DRUMS FW DN BACK SIDE. SI WELL FOR 24 HRS.  
6/5/2004 - PETROPLEX MIRU. DUMPED 500 GALS 15% HCL. PUMPER STARTED PUMPING UNIT.  
TOTAL MAN HRS 4.

Daily Cost

Cum Cost

AFE Amount

AFE #

\$3,978

\$14,254

Activity Date 6/7/2004

Type of Report: SERV JOB

PROGRESS REPORT

Description SDON.

Times

Hours

Remarks

MIRU. BLEED PRESSURE OFF TBG. ATTEMPT TO UNSEAT PUMP. JARRED ON PUMP PULLING 21 JTS OVER HANGING WT RDS PARTED DEEP. POOH W/RODS TO PARTED PULL ROD. ND WH, NU BOP, ATTEMPT TO RELEASE THE TAC. NO LUCK. ROTARY MIRU. RIH TO 7271' SHOT 6 DRAIN HOLES. POOH W/GUN. TRIED TO RELEASE TAC. NO LUCK. PULLED 65 PTS ON STRING & IT CAME FREE. POOH W/PRODUCTION TBG. TAC WAS NOT SHEARED. BOTTOM 6' OF MUD ANCHOR HAD BEEN POLISHED. FOUND FRAC SAND IN PUMP JT AND MUD ANCHOR. NOTE: WILL NEED TO SCAN TBG BEFORE WE PUT WELL BACK ON PRODUCTION. RIH W/1 JT TBG ON SAND LINE TO CHECK FOR FILL. TAGGED TOF @ 7345' = 125' OF FILL TO PBTD. 38' OF OPEN RAT HOLE REMAINING. SDON. TOTAL MAN HRS 63.

Daily Cost

Cum Cost

AFE Amount

AFE #

\$3,976

\$18,230

Activity Date 6/8/2004  
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION, HELD SAFETY MEETING. RIH W 2 7/8" x 5 1/2" TREATING PKR ON JTS. 2 7/8" L80 WORK STRING. SET PKR @ 6554'. PETROPLEX MIRU ON CSG. LOAD BACK SIDE TO 500 PSI W/96 BBLS 2% KCL. PRESSURE HELD, PETROPLEX RU ON TBG. TEST LINES TO 8800 PSI. HELD SAFETY MEETING, ACIDIZE ABO 6862 - 7307' 8000 GAL 15% IN 10 STAGES DROPPING 15 BALL SEALERS PER STAGE (150 TOTAL) FLUSHED TO BOTTOM PERF W/55 BBLS 2% KCL. AVG RATE = 8.1 BPM, AVG PSI = 2725, MAX PSI = 5294, ISDP = 2500 ON A VACUM IN 5 MIN. PETROPLEX RDMO. RU TO SWAB BACK LOAD. MADE 7 RUNS. IFL @ 4000' RECOVERED 26 BBLS. FFL @ 5000' & SCATTERED TO SN. SDON.

Daily Cost  
\$19,436

Cum Cost  
\$37,666

AFE Amount

AFE #

Activity Date 6/9/2004  
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION, HELD SAFETY MEETING, START SWABBING. IFL @ 5000' & SCATTERED TO SN. MADE 13 RUNS, RECOVERED 30 BBLS. HOLE DRIED UP. FFL @ 6300' & SCATTERED TO SN. DROPPED 2 SOAP STICKS SD FOR 2 HRS. MADE 14TH RUN. NO FLUID, RELEASE PKR, POOH W/TBG & PKR. SDON.

Daily Cost  
\$2,331

Cum Cost  
\$39,997

AFE Amount

AFE #

Activity Date 6/10/2004  
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING, COMPUTALOG MIRU. RIH W/4" SELECT FIRE GUNS TO PERF DRINKARD @ 6295. 6337, 64, 90, 98, 6403, 14, 22, 31, 38, 50, 58, 67, 78, 85, 92, 96, 6502, 08, 15, 25, 29, 39, 57, 64, 69. (52 HOLES TOTAL 2 SPF). POOH W/GUNS. COMPUTALOG RDMO. RIH W/RBP & PKR ON 203 JTS 2 7/8" L80 WORK STRING TO SET RBP @ 6622'. SET PKR @ 6618'. PETROPLEX MIRU ON TBG. HELD SAFETY MEETING. LOAD TBG TO 500 PSI W/35 BBLS 2% KCL. PRESSURE HELD. RELEASE PKR. POOH LAYING DN 1 JT. SPOT ACID ACROSS DRINKARD PERFS. POOH W/12 JTS TO SET PKR @ 6198'. LOAD CSG TO 500 PSI. PRESSURE HELD. RU ON TBG. TEST LINES TO 9000 PSI. START IUT ON WTR. ESTABLISH PI RATE OF 8 BPM. SWITCH TO ACID. PUMPED TO 2500 GAL 15% HCL IN 10 STAGES DROPPING 8 BALL SEALERS PER STAGE. ON FLUSH BALLED OUT W/64 BALLS ON. SD, SURGED BALLS OFF. STARTED PUMPING AGAIN. BALLED OUT AGAIN W/80 BALLS ON. SD, SURGED BALLS OFF. FLUSHED TO BOTTOM. SIDP = 1300 PSI, 5 MIN = 949, 10 MIN = 536, 15 MIN = VACUM. MAX PSI = 700 AT BALL OUT. MAX PUMP IN PRESSURE = 4100 PSI, AVG PSI = 300 PSI. AVG RATE = 8 BPM. PETROPLEX RDMO. RU SWAB EQUIP. MADE 4 RUNS IFL. TOTAL MAN HRS 107.

Daily Cost  
\$16,303

Cum Cost  
\$56,300

AFE Amount

AFE #

Activity Date 6/11/2004  
Description SDOW.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. START SWABBING. MADE 7 RUNS. IFL @ 3500'. GOT NO FLUID RETURN ON LAST 3 RUNS. RECOVERED 19 BBLS, 39 TOTAL. RELEASE PKR POOH LAYING DOWN 2 7/8" L80 WORK STRING & PKR. SDOW.

Daily Cost  
\$1,716

Cum Cost  
\$58,016

AFE Amount

AFE #

Activity Date 6/15/2004  
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION, HELD SAFETY MEETING. BJ MIRU. FRACED WELL AS PER PROCEDURE. ISDP = 2000, 5 MIN = 1930. SI WELL FOR 2 HRS. BJ RDMO. STARTED FLOWING LOAD BACK TO SWAB TANK ON A 15/64THS CHOKE. IP = 1000 PSI. PRESSURE FELL TO ZERO WITHIN 1 HR. RECOVERED 9 BBLS. RD FRAC STACK. RU SWAB EQUIP. MADE 6 RUNS IFL @ 2000'. RECOVERED 60 BBLS, 69 TOTAL. FFL @ 2800'. SDON. TOTAL MAN HRS 100.

Daily Cost  
\$80,847

Cum Cost  
\$138,863

AFE Amount

AFE #

Activity Date 6/16/2004  
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOC, HELD SAFETY MEETING. HAD 400 PSI ON TBG, BLEED PRESSURE TO SWAB TANK. MADE FIRST SWAB RUN. IFL @ 2500', MADE 8 RUNS, HAD BIG GAS KICKS AFTER EVERY RUN. RECOVERED 65 BBLS (134 TOTAL) FFL = 500' & SCATTERED TO SN. TIED TBG TO GAS SALES LINE. FLOWING @ 230 MCF RAE. TOTAL MAN HRS 60.

Daily Cost

\$3,634

Cum Cost

\$142,497

AFE Amount

AFE #

Activity Date 6/17/2004  
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION, HELD SAFETY MEETING. RESUME SWABBING. IFL @ 2800' & SCATTERED TO SN. MADE 15 RUNS, RECOVERED 70 BBLS (204 TOTAL). FFL @ 3000' & SCATTERED TO SN. SDON.

Daily Cost

\$5,716

Cum Cost

\$148,213

AFE Amount

AFE #

Activity Date 6/18/2004  
Description SDOW.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW T LOCATION, HELD SAFETY MEETING. RESUME SWABBING. IFL @ 2500' & SCATTERED TO SN. MADE 12 RUNS, RECOVERED 43 BBLS (247 TOTAL). FFL @ 2800' & SCATTERED TO SN. SDOW.

Daily Cost

\$2,884

Cum Cost

\$151,097

AFE Amount

AFE #

Activity Date 6/21/2004  
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION, HELD SAFETY METING. RESUME SWABBING. IFL @ 2800' & SCATTERED TO SN. MADE 6 RUNS, RECOVERED 28 BBLS (275 TOTAL). FFL @ 3300' & SCATTERED TO SN. RELEASE PKR, POOH LAYING DN 3 1/2" L80 WORK STRING. RIH W/196 JTS 2 3/8" PROD TBG TO TAG TOS @ 6456'. (166' OF SAND ON RBP, 113' OF PERF COVERED). POOH W/2 JTS TBG. OPEN WELL TO GAS SALES SDON.

Daily Cost

\$5,257

Cum Cost

\$156,354

AFE Amount

AFE #

Activity Date 6/22/2004  
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION, HELD SAFETY MEETING. TUBOSCOPE MIRU. START OUT OF HOLE SCANNING TBG. COULD NOT SEE ROD WEAR DUE TO PARAFFIN O TBG WALL. SD WAITING HRS ON HOT OIL TRUCK. HOT OIL TBG W/50 BBLS LEASE OIL & 20 GAL PARAFFIN SOLVENT. POOH SCANNING 220 JTS 2 3/8" PRODUCTION TBG. GRADED 198 - Y, 12 - B, 8 - G, 2 - R. TUBOSCOPE RDMO. SMITH SERVES MIRU. RIH W 4 3/4" BLADE BIT & BULLDOG BAILER ON 2 3/8" PROD TBG TO 6260'. SDON.

Daily Cost

\$8,147

Cum Cost

\$164,501

AFE Amount

AFE #

Activity Date 6/23/2004  
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. RIH TO TAG @ 6456'. CLEAN OUT SAND TO 6436'. STOP MAKING HOLE, STROKED & ROTATED FOR 1 HOUR. GOT STUCK, WORKED FREE, STROKED BAILER FOR ANOTHER 1/2 HOUR AND LOST 4'. POOH W/TBG & BAILER, MIRU REVERSE UNIT. RIH W/4 3/4" BLADE BIT, BIT SUB, 4 -3" DC ON 2 3/8" TBG TO TAG TOS. RU POWER SWIVEL, BROKE CIRCULATION 400 BBLS FW. CLEAN OUT SAD TO RBP @ 6622'. POOH W/BIT TO 6260'. SDON.

Daily Cost

\$7,166

Cum Cost

\$171,667

AFE Amount

AFE #

Activity Date 6/24/2004  
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION, HELD SAFETY MEETING. RIH TO TAG TOS @ 6617'. BROKE CIRCULATION, CLEAN OUT SAND TO 6622'. RD POWER SWIVEL. POOH W/TBG LAYING DN DRILL COLLARS, BIT SUB & BIT. RIH W/ 2 3/8" PRODUCTION TBG. ND BOP, NU WH. SET TAC W/39" TBG STRETCH. START IN W/PUMP & RODS. STACKED OUT W/18 3/4" RODS IN POOH W/1 TRIP. SDON.

Daily Cost

\$4,989

Cum Cost

\$176,656

AFE Amount

AFE #

Activity Date 6/25/2004  
Description RD CLEAN LOCATION MO.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION, HELD SAFETY MEETING HOT OIL TRUCK MIRU.  
HOT OIL TBG W/45 BBLS LEASE OIL & 5 GAL PARAFFIN SOLVENT. RIH  
W/RODS. CHANGED OUT 6 3/4" & 12- 7/8" ROD COUPLINGS DUE TO ROD  
WARE. SEAT PUMP, LOAD TBG TO 500 PSI W/16 BBLS FW. PRESSURE HELD,  
HANG WELL ON SPACING PLUNGER 18" OFF BOTTOM. CHECK PUMP ACTION  
TO 500 PSI W/DN HOLE PUMP. HAD GOOD PUMP ACTION. RD CLEAN  
LOCATION MO.

Daily Cost  
\$10,467

Cum Cost  
\$187,123

AFE Amount

AFE #

Activity Date 7/6/2004  
Description RDMO.

Type of Report: SERV JOB

INITIAL & FINAL REPORT

Times

Hours

Remarks

MIRU, POH W/RODS & PUMP, R&R PUMP, RIH W/PUMP & RODS. HANG WELL  
ON, SPACING OUT PUMP PLUNGER 10" OFF BTM. LOAD TBG W/18 BBLS  
PROD. WTR. PRESSURE TO 500 PSI W/DOWN HOLE PUMP. RDMO.  
TOTAL MAN HRS 65.

Daily Cost  
\$3,173

Cum Cost  
\$3,173

AFE Amount

AFE #