

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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.JUN 21 2004
SUDARTESIA**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. WILMAR FEDERAL 1
2. Name of Operator PECOS PRODUCTION COMPANY	Contact: DORA LARA E-Mail: dorab@pecosproduction.com	9. API Well No. 30-015-25612
3a. Address 400 W. ILLINOIS, SUITE 1070 MIDLAND, TX 79701	3b. Phone No. (include area code) Ph: 432.620.8480 Fx: 432.683.1628	10. Field and Pool, or Exploratory SHUGART; BONE SPRING, NORTH
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 4 T18S R31E NESE 2130FSL 710FEL		11. County or Parish, and State EDDY COUNTY, NM

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 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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.)

ADD PAY TO BONE SPRING ZONE

- Hot Oil well & clear tbg prior to MIRU. Unseat pmp & POOH. Run paraffin knife & swab cup in 2-7/8" tbg. Rls TAC & TOOH.
- Perf Upper BS Sand @ 7310'-22' (13) & 7346'-62' (17) 1 JSPF, 30-.43" holes.
- TIH w/5-1/2" RBP & treating pkr on 2-7/8" tbg. Hydro test to 7000 psi. Set RBP @ 7500' & test to 2500 psi. Ld hole w/2% KCl wtr, PU to 7200'. Pickle tbg w/500 gal 15% HCl.
- Acidize perfs 7310'-7362' w/3000 gal 7.5% HCl. Flush w/50 Bbl KCl wtr.
- Swab back ld & test.
- Rls pkr, wipe perfs & TOOH. RU 7-1/16" 5M frac valve & tree saver.
- Frac Perfs 7310'-62' w/approx 88,000 gal medallion 30# X-link w/133,500# 20/40 Ottawa followed by 33,000# 20/40 super DC. Target rate- 50 BPM @ 4000 psi.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #32106 verified by the BLM Well Information System For PECOS PRODUCTION COMPANY, sent to the Roswell	
Name (Printed/Typed) DORA LARA	Title SUBMITTING CONTACT
Signature (Electronic Submission)	Date 06/17/2004

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #32106 that would not fit on the form

32. Additional remarks, continued

8. Flowback frac ld @ 20 BPH until dead. TIH w/tbg & check fill, circ out if necessary.
9. TIH w/60' BPMA, (2-7/8" x 3-1/2" w/slots), TAC, slotted SN, 2-7/8" SN, & 2-7/8" production tbg to 7000'. Space out, set TAC & NU pmpg tee w/Baird BPV on tbg & adj chk on csg.
10. Run 2-1/2" x 1.75" frac pmp w/btm discharge & 1" x 20' dip tube. LD excess 1" rods.
11. Re-balance Unit & place well on production.