

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

## 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 ☒ Other2. Name of Operator  
SM Energy Company3a. Address 3b. Phone No. (include area code)  
3300 N. A Street, Bldg 7, Suite 200 Midland, TX 79701 (32) 688-1789

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

1450 FSL & 330 FEL  
Sec. 35; T19S, R35E  
29

5. Lease Serial No.

NM54865

6. If Indian, Allottee or Tribe Name

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

NM88491X

8. Well Name and No.

Parkway Delaware Unit #704

9. API Well No.

30-015-30028

10. Field and Pool, or Exploratory Area

Parkway, Delaware

11. County or Parish, State

Eddy Co.,

New Mexico

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

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |   |
|---|---|---|--|---|
| <input 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 checked="" 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 Repair & return to Injection. |
|   | <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 recomplete 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 recompletion 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.)

Unsuccessful MIT 5/19/2010 See attached Daily report for Repair Detail.

8/30/2010 - 9/3/2010 In preparation to repair the PDU 704 we conducted a Casing Inspection Log and found that the casing was most likely parted at 1796' and had significant metal loss and holes between 1864' and 1707'.

9/30/2010 - 10/14/2010 To repair the casing we RIH with a watermelon type string mil to ensure we could pass the casing part with chemical cutting head. We cut 4 1/2" Casing at 1910' and pulled out 40 joints of bad casing. Casing parted approximately 2 1/2 jts from cut. RIH with tubing and fished out remaining 2 1/2 jts of casing. RIH with 4 1/2" Lead Seal on 6 Joints 4 1/2" N80 11.6# LTC casing with externally casing coating from Bond-Coat (Flint Coat). Followed coated tubing with 9 jts of 4 1/2" N80 11.6# LTC casing and then 28 jts of reconditioned Range 2 K55 4 1/2" 10.5# LTC Casing. Pulled 25 pts tension in casing string. Successfully tested casing to 2000 psig for 15 minutes with no pressure bleed off. Cement was not circulated in this repair due to a know hole in the 7" 20# J55 external casing in the Capitan Reef. Previous attempts to cement squeeze the Capitan Reef have been unsuccessful and would not allow for us to circulate cement back to surface. Ran in hole with 4 1/2" Arrowset 1X nickel plated production packer, SS 1.5" 'F' nipple, T2 on/off tool on 125 jts of 2 3/8" J55 IPC (TK70) tbg from Tuboscopes yard (29 jts of blue band, 96 jts of yellow band). Packer set at 3973'. Will run MIT to be witnessed by NMOCD & BLM 10/18/2010.

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

Name (Printed/Typed)

Donna Huddleston

Title Engineering Tech

Signature

Date 10/19/2010

RECEIVED

NOV 15 2010

ACCEPTED

NMOCD ARTESIA

FOR RECORD

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Office

NOV 11 2010

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.

CARLSBAD FIELD OFFICE

(Instructions on page 2)

Accepted for record  
NMOCD 12

11/16/10

|                                   |  |  |  |  |                         |  |
|-----------------------------------|--|--|--|--|-------------------------|--|
| Job Type: Wellwork                |  |  |  |  |                         |  |
| Lease Name<br>PDU 704             |  | API<br>30015300280000  |  | Prospect<br>PARKWAY  |                         |  |
| Field Name<br>PARKWAY             |  | Original Spud Date<br>1/26/1998  |  | Rig Release Date   |                         |  |
| County/Parish<br>EDDY             |  | State<br>NM  |  | Total Depth (ftKB)<br>PBTD (All) (ftKB)<br>Original Hole -<br>4368.0   |                         |  |
| Work Type<br>Downhole Failure     |  | Secondary Job Type<br>Casing Leak Repair   |  | Objective<br>Identify 4 1/2" casing leak interval, cement squeeze, drill out and test. Acidize perforations. TIH w/ injection equipment and return to injection. |                         |  |
| Start Date<br>8/31/2010           |  |  |  |  |                         |  |
| Work Summary                      |  |  |  |  |                         |  |
| 8/30/2010 06:00 - 8/30/2010 06:00 |  |  |  |  |                         |  |
| End Date<br>8/30/2010             |  | Operations Summary<br>Notified Richard Inge w/ NMOCD and Paul R. Swartz w/ BLM at 8:18 AM. Lucky WS #77 MI&RU. TFH Rental set slide and pipe racks. Unload and rack 145 jts. 2 3/8" N80 rental workstring tbg. L&E vacuum truck MI&RU. ND wellhead, installed 8 5/8" 8rd Larkin x 6" 900 adapter flange, and NU 6" 900 BOP. Commenced jarring on 4 1/2" Baker Loc-Set packer @ 4003'. Unable to work any tbg. rotation through packer mandral to release packer. Rotary Wireline MI&RU. Ran 1 7/16" OD free point tool. Found tbg. free 3' above packer @ 4000'. Note: Hit numerous tight spots on TIH. Ran string shot and backed off tbg. @ 3973'. Tbg. free. Rotary Wireline RD&MO. TOH LD w/ 124 jts. 2 3/8" Duo-lined injection tbg. Note: Have 2 3/8" tbg. upset as fish @ 3973'.<br><br>CI. Road crew to yard.  |  |  | Depth End (ftKB)<br>0.0 |  |
| Operations Detail                 |  |  |  |  |                         |  |
| 8/31/2010 06:00 - 8/31/2010 06:00 |  |  |  |  |                         |  |
| End Date<br>8/31/2010             |  | Operations Summary<br>Drove crew to location. Lucky Rental MI&RU reverse unit. TIH w/ 3 7/8" OD overshot w/ 2 19/32" grapple, 3 1/8" OD bumper sub, 3 1/8" OD hydraulic jars, 6- 3 1/8" OD drill collars, and PU off racks w/ 121 jts. 2 3/8" N80 rental tbg. Tagged and caught fish @ 3976'. Commenced jarring on Baker Loc-Set pkr. Note: Jars failed after 4 hits. Continued jarring using bumper sub. Came loose but saw no additional weight or drag. TOH w/ 121 jts. 2 3/8" tbg., 6- 3 1/8" OD drill collars, jars, bumper sub, and overshot. Note: recovered 2' piece of 2 3/8" tbg. Tbg. outside of overshot skirt wadded into a knot. Top of fish @ 3978'. TIH w/ 4 1/2" 'TS' RBP, 4 1/2" Arrowset 1X pkr., SN, and 126 jts. 2 3/8" tbg. Set RBP @ 3974, LD 1 jt. 2 3/8" tbg., and set pkr. @ 3941'. Pressure tested tools to 1000#. Held. Continued to move pkr. uphole pressure testing casing. Isolated 4 1/2" 10.5# casing leak interval f/ 1864'- 1707' (157'). Est. injection rate of 3.0 bpm @ 320# PP. Released pkr.<br><br>CI. Drove crew to yard. |  |  | Depth End (ftKB)<br>0.0 |  |
| Operations Detail                 |  |  |  |  |                         |  |
| 9/1/2010 06:00 - 9/1/2010 06:00   |  |  |  |  |                         |  |
| End Date<br>9/1/2010              |  | Operations Summary<br>Crews drove to location. TIH w/ Arrowset 4 1/2" comp packer on 64 jts of 2 3/8" N-80 tbg (workstring) to below casing leak @ 2022'. Dumped 150# of sand down tbg - flushed w/ 5 BFW. TOH w/ 64 jts of tbg - LD Arrowset packer and retrieving tool. PU & run 4 1/2" Weatherford 32A tension packer - RIH on 46 jts of 2 3/8" N-80 tbg - set packer @ 1460' - load backside w/ 1.5 BFW - tested packer to 500 psig. Pressure held. Bled off pressure. WOO. Closed TIW valve - secured well for night.<br><br>CI Drove crew to yard.   |  |  | Depth End (ftKB)<br>0.0 |  |
| Operations Detail                 |  |  |  |  |                         |  |
| 9/2/2010 06:00 - 9/2/2010 06:00   |  |  |  |  |                         |  |
| End Date<br>9/2/2010              |  | Operations Summary<br>0 psig. Release packer - TOH w/ tbg and pkr. LD pkr. RU Appollo WL - RIH w/ 3 3/8" casing inspection tool to 2500' - TUH logging running inspection. LD inspection tool. PU CBL tool - RIH to same depth (2500')   |  |  | Depth End (ftKB)<br>0.0 |  |
| Operations Detail                 |  |  |  |  |                         |  |
| 9/3/2010 06:00 - 9/3/2010 06:00   |  |  |  |  |                         |  |
| End Date<br>9/3/2010              |  | Operations Summary<br>Drove crews to location. Released Weatherford tension packer. TOH w/ 46 jts of 2 3/8" N-80 workstring. LD packer. WO wireline. MIRU Apollo Wireline - RIH w/ 3 3/8" casing inspection tool from 2500' to surface. Identified possible casing part @ 1796'. Several holes in casing from 1864' up to 1707'. LD inspection tool - RIH w/ CBL from 2500' to surface - est TOC @ 2105'. LD CBL tool - RD - released Apollo. TIH w/ 6 - 3 1/8" DCs - TOH - LD DCs. TIH w/ 120 jts of 2 3/8" N-80 workstring. TOH - LD worksting on pipe racks. ND BOPs. NU WH.<br><br>RDMO<br>CI- Work suspended.<br><br>NOTE: Tagged parted casing at 57 1/2 jts in hole had to LD tbg in 2 runs.  |  |  | Depth End (ftKB)<br>0.0 |  |
| Operations Detail                 |  |  |  |  |                         |  |
| 9/30/2010 06:00 - 9/30/2010 06:00 |  |  |  |  |                         |  |
| End Date<br>9/30/2010             |  | Operations Summary<br>Road Lucky Rig 77 to location from Geronimo 6.<br><br>MIRU Lucky Services 77. TFH forklift moved in pipe racks and tbg from PDU 707. ND WH. NU BOPs. MIRU Lucky Rentals reverse unit. PU 6 - 3 1/8" drill collars - TOH - stood back in derrick. Unable to locate a 3.875" "watermelon" type string mill. Lucky having one made up. Closed blind rams.<br><br>CI   |  |  | Depth End (ftKB)<br>0.0 |  |
| Operations Detail                 |  |  |  |  |                         |  |

|                                 |                  |                       |                     |                       |   |
|---------------------------------|------------------|-----------------------|---------------------|-----------------------|---|
| Lease Name<br>PDU 704           |                  | API<br>30015300280000 | Prospect<br>PARKWAY | Field Name<br>PARKWAY |   |
| Original Spud Date<br>1/26/1998 | Rig Release Date | County/Parish<br>EDDY | State<br>NM         | Total Depth (ftKB)    | PBTD (All) (ftKB)<br>Original Hole - 4368.0 |

Work Summary

10/1/2010 06:00 - 10/1/2010 06:00

|                       |   |                         |
|-----------------------|---|-------------------------|
| End Date<br>10/1/2010 | Operations Summary<br>Road crew to location.<br>PU 3 7/8" Tapered mill in tandem with 3 7/8" string mill - RIH on 6 - 3 1/8" drill collars and 116 jts 2 3/8" tbg picking up from pipe racks. Did not encounter any tight spots from surface to 3958'.<br>Trip standing back tbg in derrick. LD drill collars and mills. Closed blind rams.<br>Crew dug out surface head. Opened all casing valves to check for pressure - no presure.<br>Ordered casing crew and pipe recovery crew for Monday. Ordered extra set of pipe racks and cat walk.<br>SD operations for weekend.<br><br>Drove crew to yard.<br><br>CI | Depth End (ftKB)<br>0.0 |
|-----------------------|---|-------------------------|

Operations Detail

10/4/2010 06:00 - 10/4/2010 06:00

|                       |  |                         |
|-----------------------|--|-------------------------|
| End Date<br>10/4/2010 | Operations Summary<br>Road crew to location.<br>Removed production casing head and moved BOP to surface head with 4 1/2" pipe rams.<br>RU Rotary Wireline - RIH w/ 3 3/8" chemical cutting head - located collars 1889' and 1935' PUH - cut casing @ 1910'.<br>RU Bull Rogers casing crew - TOH w/ 40 jts of 4 1/2" casing laying down on pipe racks - bottom jt of casing was parted at app 8' from end.<br>RD and released casing crew. PU 3.88" grapple type spear and 2 - 3 1/8" Drill collars RIH on 56 jts of 2 3/8" tbg - latched on to good casing at 1900'<br>TOH w/ tbg to casing - strip out 2.5 jts of 4 1/2" casing - LD on racks. 4 jts of casing were in very bad condition.<br>LD DCs and spear.<br>Closed blind rams. | Depth End (ftKB)<br>0.0 |
|-----------------------|--|-------------------------|

Operations Detail

10/5/2010 06:00 - 10/5/2010 06:00

|                       |  |                         |
|-----------------------|--|-------------------------|
| End Date<br>10/5/2010 | Operations Summary<br>Road crews to location.<br><br>PU 5 3/4" overshot shoe w/ 4 5/8" dress off mill, 4 - 4 3/4" drill collars - RIH on 54 jts of 2 3/8" tbg to 1923' -<br>RU powerswivel - mill and wash down to 1927'. Used 230 BFW - all water pumped away - no significant returns.<br>LD powerswivel - TUH w/ 12 stands of tbg - mill swinging @ 1252'.<br><br>Pradon delivered 6 jts of externally coated 4 1/2" LTC 11.6# casing, 4 marker jts and 4 pup joints along with 9 - jts of 4 1/2" LTC 11.6# casing. APP 504'.<br>Bulldog Services forklift unloaded and racked pipe.<br><br>Total Safety Tech did NORM survey on LD casing - Background 5mr/hr - no over background registered on casing.<br><br>CI | Depth End (ftKB)<br>0.0 |
|-----------------------|--|-------------------------|

Operations Detail

10/6/2010 06:00 - 10/6/2010 06:00

|                       |  |                         |
|-----------------------|--|-------------------------|
| End Date<br>10/6/2010 | Operations Summary<br>Road crews to location.<br><br>RIH w/ shoe to tag top of casing to ensure no scale has fallen on top of existing casing. OK<br>TOH w/ 56 jts of tbg , LD 4 - 4 3/4" drill collars and mill shoe<br>Closed blind rams. Changed rams from 2 3/8" to 4 1/2".<br><br>Tuboscope delivered 35 jts of C2 4 1/2" 11.6# LTC casing.<br>Racked , prepped and tallied casing.<br>TFH forklift loaded 43 pieces of old 4 1/2" casing on Tuboscope float to transfer back to Tuboscope. (1915' gross)<br><br>SDFN<br><br>Casing crew setup for tomorrow am.<br><br>CI | Depth End (ftKB)<br>0.0 |
|-----------------------|--|-------------------------|

Operations Detail

|                                     |  |                       |             |                     |   |
|-------------------------------------|--|-----------------------|-------------|---------------------|---|
|                                     |  |                       |             |                     |   |
| Lease Name<br>PDU 704               |  | API<br>30015300280000 |             | Prospect<br>PARKWAY |   |
| Field Name<br>PARKWAY               |  |                       |             |                     |   |
| Original Spud Date<br>1/26/1998     | Rig Release Date   | County/Parish<br>EDDY | State<br>NM | Total Depth (ftKB)  | PBTD (All) (ftKB)<br>Original Hole - 4368.0 |
|                                     |  |                       |             |                     |   |
| Work Summary                        |  |                       |             |                     |   |
| 10/7/2010 06:00 - 10/7/2010 06:00   |  |                       |             |                     |   |
| End Date<br>10/7/2010               | Operations Summary<br>Road Crew to location.<br><br>RU casing crew. PU and RIH w/ 5 3/4" overshot w/ 4 1/2" lead seal on 6 jts of 4 1/2" N80 11.6# LTC casing w/ external epoxy coating, 9 jts of 4 1/2" N80 11.6# LTC casing and 28 jts of reconditioned Range 2 K55 4 1/2" 10.5# LTC casing (1927') Latched on to existing casing - pull 25 pts tension. RD casing crew. Filled casing with water. Strip off spool and BOPs. Set casing in wellhead slips. Checked work area and pipe for LEL & H2S - reading 0 on each. Welder cut off casing - LD BOPs. Welded on bell nipple - released welder. NU casing head. Installed swedge - RU reverse unit Tested casing to 2000 psig - observed for 15 minutes w/ no bleed off. Good test. Bled off pressure. NU Larkin tubing head and BOPs. Changed pipe rams from 4 1/2" to 2 3/8". PU 3 7/8" cone mill, 2 - 3 1/8" drill collars - RIH on 58 jts of 2 3/8" tbg to 2100' - casing clear. TOH - stood back all tubulars - LD mill Closed blind rams.<br><br>CI<br><br>Drove crews to yard. |                       |             |                     | Depth End (ftKB)<br>0.0                     |
| Operations Detail                   |  |                       |             |                     |   |
| 10/8/2010 06:00 - 10/8/2010 06:00   |  |                       |             |                     |   |
| End Date<br>10/8/2010               | Operations Summary<br>Road crew to location.<br>PU RBP retrieving tool.- RIH on jts of 2 3/8" tbg to tag sand - washed down to RBP. Latched on to RBP @ 3974' - allowed psi to equalize release RBP - TOH - LD RBP and retrieval tool to top of fish @ 3978'. PU 3 3/4" concave bottom mill. 6 - 3 1/8" drill collars and 114 jts of 2 3/8" tbg to top of fish. RU powerswivel - milled down top of fish app 14". TOF @ 3976'<br><br>TOH - w/ all tbg - LD mill.<br>PU 3 3/4" texas pattern mill shoe, 1 jt of 3 3/4" wash over pipe - RIH on 6 - 3 1/8" dirll collars, XO and 114 jts of 2 3/8" tbg. Left shoe swinging.<br><br>Closed pipe rams.<br><br>SDFN<br><br>CI   |                       |             |                     | Depth End (ftKB)<br>0.0                     |
| Operations Detail                   |  |                       |             |                     |   |
| 10/9/2010 06:00 - 10/9/2010 06:00   |  |                       |             |                     |   |
| End Date<br>10/9/2010               | Operations Summary<br>Road Crew to Location.<br><br>Continued in hole w/ texas pattern shoe and wash pipe. RU power swivel - cleaned down 12' of hard packed fill to hard tag on Baker Lok-set packer. Circulated clean. TOH - LD wash pipe and mill.<br><br>PU 3 7/8" overshot w/ 2 3/8" grapple - RIH on 6 - 3 1/8" drill collars and 115 jts of 2 3/8" tbg to top of fish 3976' . Latched on to fish - released packer - hyd tongs broke down. WO tongs. TOH - LD cut jt and 4 1/2" Baker Lok set packer.<br><br>Closed blind rams.<br><br>CI<br><br>Road crews to yard.  |                       |             |                     | Depth End (ftKB)<br>0.0                     |
| Operations Detail                   |  |                       |             |                     |   |
| 10/11/2010 06:00 - 10/11/2010 06:00 |  |                       |             |                     |   |
| End Date<br>10/11/2010              | Operations Summary<br>Drove crew to location.<br><br>Opened well to bleed to tank. PU and RIH w/ 3 7/8" drill bit, 6 - 3 1/8" drill collars - RIH to tag fill @ 4040'. RU power swivel, established immediate circulation - drilled down through hard ironsulfide type scale to 4357'. Circulated well clean - lost app 120 bbls of produced water to formation. Circulated out scale, some metai and significant amount of frac balls. RD power swivel - TOH - standing back 115 stands of 2 3/8" tbg. LD 6 - 3 1/8" drill collars and 3 7/8" drill bit. Closed blind rams.<br><br>CI   |                       |             |                     | Depth End (ftKB)<br>0.0                     |
| Operations Detail                   |  |                       |             |                     |   |
|                                     |  |                       |             |                     |   |

|                                     |  |   |  |               |  |            |  |                    |  |                        |  |
|-------------------------------------|--|---|--|---------------|--|------------|--|--------------------|--|------------------------|--|
|                                     |  |   |  |               |  |            |  |                    |  |                        |  |
| Lease Name                          |  | API   |  | Prospect      |  | Field Name |  |                    |  |                        |  |
| PDU 704                             |  | 30015300280000  |  | PARKWAY       |  | PARKWAY    |  |                    |  |                        |  |
| Original Spud Date                  |  | Rig Release Date  |  | County/Parish |  | State      |  | Total Depth (ftKB) |  | PBTD (All) (ftKB)      |  |
| 1/26/1998                           |  |   |  | EDDY          |  | NM         |  |                    |  | Original Hole - 4368.0 |  |
| Work Summary                        |  |   |  |               |  |            |  |                    |  |                        |  |
| 10/12/2010 06:00 - 10/12/2010 06:00 |  |   |  |               |  |            |  |                    |  |                        |  |
| End Date                            |  | Operations Summary  |  |               |  |            |  |                    |  | Depth End (ftKB)       |  |
| 10/12/2010                          |  | <p>Drove crew to location.</p> <p>Opened well to tank to bleed down. PU 4 1/2" Arrowset 1A packer, SN - RU Hydrostatic Pipe Testers Inc - RIH on 123 jts of 2 3/8" J55 tbg testing to 6000 psig.</p> <p>All tbg tested. RD Hydrostatic Pipe Testers.</p> <p>Set packer @ 3986'</p> <p>RU Petroplex Acid Services - load and test backside to 500 psig - OK. Held and monitored backside pressure.</p> <p>Test lines to 3000 psig. Start off on water- switched to acid. Pumped 1000 gals of 15% NEFE followed by 750 gals of brine w/ 2ppg rock salt (1500# block) followed by 1000 gals of 15% NEFE. Flushed to btm perf w/ 27 bbls. Pumped @ avg rate = 4.6 BPM/1500 psig, Max rate = 5 BPM/2089 psig.</p> <p>ISIP - 544 psig, 5 min - 294 psig, 10 mins - 206 psig, 15 min - 148 psig. RD released Petroplex.</p> <p>Allowed acid to set on formation for 1 hour. Total load - 83 bbls.</p> <p>NOTE: L&amp;E Services jetted and cleaned reverse pit.</p> <p>Opened well @ 11:30 am 80 psig to tank flowed back 94 bbls in 3.5 hours. Load Status: (+) 11 bbls. wtr.</p> <p>SDFN</p> <p>Drove crews to yard.</p> <p>CI</p>   |  |               |  |            |  |                    |  | 0.0                    |  |
| Operations Detail                   |  |   |  |               |  |            |  |                    |  |                        |  |
| 10/13/2010 06:00 - 10/13/2010 06:00 |  |   |  |               |  |            |  |                    |  |                        |  |
| End Date                            |  | Operations Summary  |  |               |  |            |  |                    |  | Depth End (ftKB)       |  |
| 10/13/2010                          |  | <p>Drove crews to location.</p> <p>Released packer - TOH laying down 123 jts of 2 3/8" J55 work string on pipe racks. TFH forklift moved tubing and one set of pipe racks to PDU 707.</p> <p>Took delivery of 126 jts of 2 3/8" J55 IPC (TK70) tbg f/ Tuboscope's yard (30 jts blue band, 96 jts of yellow band).</p> <p>Racked tallied, prepped.</p> <p>RU Hydrostatic Pipe Testers Inc - RIH w/ pump out plug on 4 1/2" Arrowset 1X nickel plated production packer, SS 1.50" 'F' nipple, T2 on/off tool on 125 jts of 2 3/8" IPC tbg. Tested all tbg to 6000 psig. RD release pipe testers.</p> <p>Load tbg with packer fluid.</p> <p>Set packer, release from on/off tool PU - RU reverse unit - circulated wellbore w/ 90 bbls of double inhibited packer fluid. Set tbg back down on on/off tool.</p> <p>Nipple down BOPEs. Pull tension into packer and set in Larkin wellhead slips. RU injection wellhead.</p> <p>Pressure backside to 500 psig and observe for 30 minutes with no bleed off. Released pressure.</p> <p>RU pump to tbg - pressured up to 1600 psig to release blow out plug - OK</p> <p>Release transport and RD reverse unit.</p> <p>SI well.</p> <p>SDFN</p> <p>NOTE: Packer set @ 3973.47', (10K tension) F nipple @ 3966.96'</p> <p>Drove crews to yard.</p> <p>CI</p> |  |               |  |            |  |                    |  | 0.0                    |  |
| Operations Detail                   |  |   |  |               |  |            |  |                    |  |                        |  |
| 10/14/2010 06:00 - 10/14/2010 06:00 |  |   |  |               |  |            |  |                    |  |                        |  |
| End Date                            |  | Operations Summary  |  |               |  |            |  |                    |  | Depth End (ftKB)       |  |
| 10/14/2010                          |  | <p>Rig down Lucky Services 77.</p> <p>Clean location and move out.</p> <p>Rig up Key Energy Services pump truck and chart. Pressured up on casing to 500 psig and charted for 30 minutes.</p> <p>Lost 11 psig in 30 mins - good test. Bled off psi and RD Key pump truck.</p> <p>WO regulatory approval.</p>  |  |               |  |            |  |                    |  | 0.0                    |  |
| Operations Detail                   |  |   |  |               |  |            |  |                    |  |                        |  |