

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FEB 2 2008

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010OCD-ARTESIA
Lease Serial No.
NM 2537**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 page 2.

1. Type of Well

☒ Oil Well☐ Gas Well☐ Other

2. Name of Operator

ST. MARY LAND & EXPLORATION

3a. Address

3300 N. "A" St., Bldg 7, Suite 200
Midland, TX 79705

3b. Phone No. (include area code)

432 684-6381/688-1787

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

Section 13, T18S, R31E, 430' FSL & 1650' FEL (O)

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.
NMNM101361X8. Well Name and No.
East Shugart Delaware Unit, Well #19. API Well No.
30 015 2574110. Field and Pool or Exploratory Area
Shugart Delaware East11. Country or Parish, State
Eddy County, NM

12. CHECK THE 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 checked="" type="checkbox"/> Recomplete	<input 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 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Propose to drill out CIBP set at 3750', set over perforations from 3790-94', and 4330-4428' - Grayburg.

Propose to drill out CIBP set @ 4781' and 30' cement @ 4751', over perforations @ 4848-4870' - Bone Springs.

Propose to drill out CIBP @ 5050 and Cmt Retainer @ 5150', perforate and test Delaware from 5163-5202'.

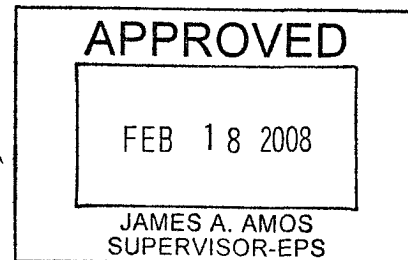
Will produce under packer to isolate production testing in the Delaware. Evaluate for downhole commingling and/or squeeze upper perforations.

As per diagram attached cement is circulated to surface behind 8 5/8" @ 366' and the 5 1/2" production string from 5450' to surface.

OCD Form C-102 attached.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

* By 6/18/08 either return well to prod. or
submit plans for abandonment.



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

Name (Printed/Typed)

Ann E. Ritchie

Title Regulatory Agent

Signature

Date 02/04/2008

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.

(Instructions on page 2)

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 & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-25741	² Pool Code	³ Pool Name Shugart Delaware East
⁴ Property Code 25743	⁵ Property Name East Shugart Delaware Unit	
⁷ OGRID No. 154903	⁸ Operator Name St. Mary Land & Exploration Company	⁶ Well Number 001
		⁹ Elevation 3727'

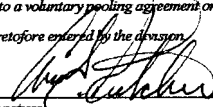
¹⁰ Surface Location

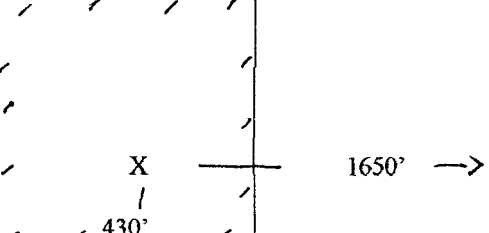
UL or lot no. O	Section 13	Township 18S	Range 31E	Lot Idn	Feet from the 430	North/South line South	Feet from the 1650	East/West line East	County Eddy
---------------------------	----------------------	------------------------	---------------------	---------	-----------------------------	----------------------------------	------------------------------	-------------------------------	-----------------------

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					¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  Signature _____ Date 02/04/2008	
					Ann E. Ritchie, Regulatory Agent Printed Name _____ Recompletion/drill out to Delaware	
					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 _____	



X
430'
1650' →

WELLBORE DIAGRAM

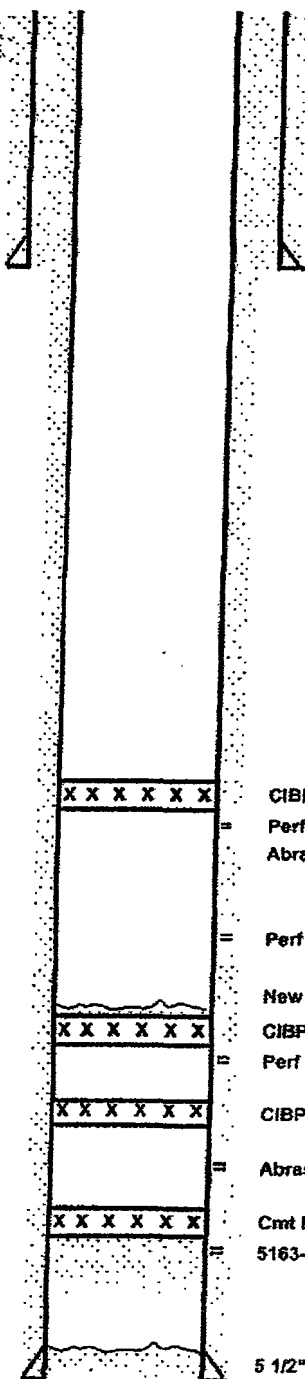
ESDU #1

LEASE: ESDU
LOCATION: 430' FSL & 1650' FEL
FIELD: SHUGART DELAWARE EAST
CURRENT STAT. TEMP ABANDONED

UL: 0
WELL NO.: 1
SEC: 13 T:18S R:31E
GL: 3727 CT/ST: EDDY, NM

API #: 30-015-25741
SPUD: 3/30/87
COMP: 8/8/87
INITIAL FORM: BONE SPRINGS

CURRENT
WELLBORE



8 5/8" 24# @ 366'
Cmt'd w/230 sx, circ
40 sx to surf

CIBP @ 3750'

Perf 3790-94', 2 JSPF (8 holes)
Abrasa Jet - 2 cuts @ 3792'

Perf 4330-4428', 1 SPF (6 holes), Grayburg

New PBTD 4751'

CIBP @ 4781' w/30' cmt on top
Perf 4848-4870' (23 holes), Bone Springs

CIBP @ 5050'

Abrasa Jet - 2 cuts @ 5085'

Cmt Ref @ 5150'

5163-5202', 1spf(7 total) at 5163,65,68,72,76,5201,5202, Sqzd w/588 sx

5 1/2", 17#, J-55 @ 5450'
Cmt'd w/ 1950 sx, circ
15 sx to surf

WELL HISTORY

Apr-87 TD well @ 5450'
Perf 5163-5202', 1 JSPF. Acidize w/2000 gals
7-1/2% MYA-100. Frac w/40,000 gals + 60,000# sand

Jun-87 Set ret @ 5150'. Squeeze perms 5163-5202' w/588 sx cmt.
Abrasa jet 2 cuts @ 5085', acidize w/500 gals
7-1/2% NEFE. Frac cuts @ 5085' w/10,000 gals
+ 21,000# sand.

Aug-87 Set 5-1/2" CIBP @ 5050'.
Perf 4848-4870', 1 JSPF (23 holes). Acidize w/2100
gals 7-1/2% HCL. Frac w/20,000 gals + 42,500# sand.

Jul-88 Set CIBP @ 4781'. Perf 4330-4428' (OA), 1 SPF (6 holes).
Acidize w/1200 gals 15% SRA & 18 ball sealers. Frac only
4330-32' w/40,000 gals WF 35 & 63,000# sand.

Aug-89 Set RBP @ 4150'. Abrasa jet 2 cuts @ 3792'.
Acidize w/1000 gals 10% MSR-100. Frac cuts
w/7800 gals 30# x-link & 3000# 10/20 Ottawa sand.
Clean out to 4150' (RBP). Ref RPB @ 4150' and POH.

Nov-89 Perf (re-shoot) 3790', 91', 93' & 94', 2 JSPF (8 holes).
Acidize w/1500 gals 10% SRA. Re-frac perms & cuts
3790-94' w/15,000 gals 30# x-link & 24,000# 16/30
Ottawa sand.

Mar-02 Set CIBP @ 3750'.

PBTD: 5404'
TD: 5450'

DATE: 1/9/08
PREPARED BY:
L. HAGELSTEIN