

RECEIVED

OCT 28 2003

OCD-ARTESIA

**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:<br><input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | 5. Lease Serial No.<br>NMLC029389A                                    |
| 2. Name of Operator<br>Pecos Production Company   | 6. If Indian, Allottee or Tribe Name                                  |
| 3. Address of Operator<br>400 W Illinois, Ste 1070, Midland, Texas 79701  | 7. If Unit or CA/Agreement, Name and/or No.                           |
| 3b. Phone No. (Include area code)<br>(432) 620-8480   | 8. Well Name and No.<br>Baish Federal #6                              |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>660' FWL & 1980' FNL, Sec 9, T18S, R31E                 | 9. API Well No.<br>30-015-3090200S2                                   |
|   | 10. Field and Pool, or Exploratory Area<br>Shugart, North Strawn Reef |
|   | 11. County or Parish, State<br>Eddy Co, NM                            |

**12. Check Appropriate Box 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 checked="" 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 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 operations. (clearly state all pertinent details, 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 requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

- A. Present TD - 9550'. PBTD - 9140'.
- B. Plan to sidetrack well at 8700' and deepen to 11,000' according to attached procedure.
- C. Minimum BOP requirements: 7 1/16", 3M Dual Ram & hydril to be tested in accordance with Onshore Order #2.
- D. Drilling fluids will be circulated through steel pits with small reserve pit for overflow at same site as original reserve pit.
- E. All operations to be contained on existing pad and facility sites. No additional surface disturbance necessary.

\*See Attached Drilling Prognosis Procedure

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

Name (Printed/Typed)

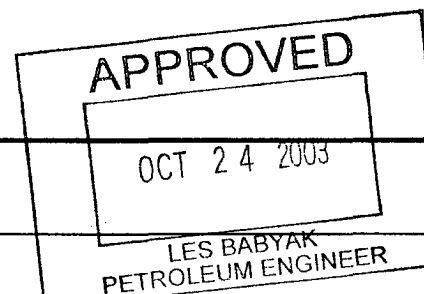
Dora Lara

Title Eng. Asst.

Signature

*Dora Lara*

Date 10/14/03



**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

Date

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 State any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DISTRICT I  
P.O. Box 1880, Hobbs, NM 88241-1880

DISTRICT II  
P.O. Drawer 88, Artesia, NM 88211-0718

DISTRICT III  
1000 Rio Brasos Rd., Artesia, NM 87410

DISTRICT IV  
P.O. Box 2068, Santa Fe, N.M. 87504-2068

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<br>30-015-30902 | Pool Code                                 | Pool Name<br>Shugart, North Strawn Reef |
| Property Code<br>031954    | Property Name<br>BAISH FEDERAL            | Well Number<br>6                        |
| OCRD No.<br>215758         | Operator Name<br>Pecos Production Company | Elevation<br>3697                       |

Surface Location

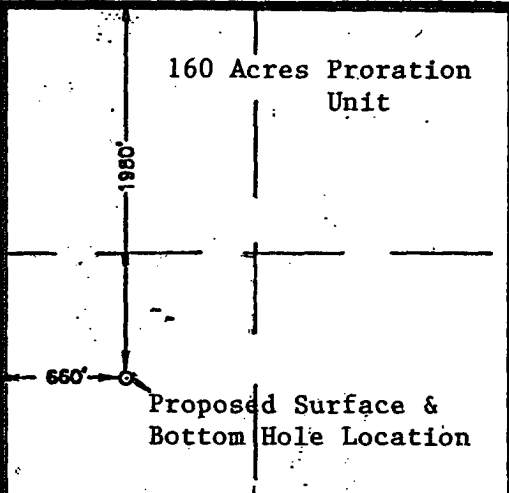
|                    |              |                  |               |         |                       |                           |                      |                        |                |
|--------------------|--------------|------------------|---------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------|
| UL or lot No.<br>E | Section<br>9 | Township<br>18 S | Range<br>31 E | Lot Idn | Feet from the<br>1980 | North/South Line<br>NORTH | Feet from the<br>660 | East/West Line<br>WEST | County<br>EDDY |
|--------------------|--------------|------------------|---------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------|

Bottom Hole Location If Different From Surface

|                    |              |                  |               |         |                       |                           |                      |                        |                |
|--------------------|--------------|------------------|---------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------|
| UL or lot No.<br>E | Section<br>9 | Township<br>18 S | Range<br>31 E | Lot Idn | Feet from the<br>1980 | North/South Line<br>North | Feet from the<br>660 | East/West Line<br>West | County<br>Eddy |
|--------------------|--------------|------------------|---------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------|

|                        |                      |                    |           |
|------------------------|----------------------|--------------------|-----------|
| Dedicated Acres<br>160 | Joint or Infill<br>* | 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

|  |  |
|--|--|
|  <p>160 Acres Proration Unit</p> <p>Proposed Surface &amp; Bottom Hole Location</p> | <p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Dora Lara</i><br/>Signature</p> <p>Dora Lara<br/>Printed Name</p> <p>Engr. Asst.<br/>Title</p> <p>October 14, 2003<br/>Date</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>NOVEMBER 4, 1999</p> <p>Date Surveyed<br/>Signature of Surveyor<br/>Professional Surveyor<br/>NEW MEXICO<br/>3239<br/>11-18-99<br/>49-11-0827</p> <p>Certification No. RONALD E. KIDSON 3239<br/>CARY EBBSON 12841<br/>MICHAEL McDONALD 12185</p> |
|--|--|

**Pecos Production Company  
Drilling Prognosis**

**Purpose:** Sidetrack and Deepen to Strawn.

**Well:** Baish Federal No. 6                      API: 30-015-30902

**Location:** 1980' FNL & 660' FWL, Sec 9, Twp 18-S, Rge 31-E, Eddy Co., NM

**TD:** 9550'                      PBSD: 9140'                      Proposed New TD: 11,000

**Casing:** 13-3/8" @ 704' w/ 610 sx.                      Circulated  
8-5/8" @ 2184' w/ 690 sx.                      Circulated  
5-1/2", 17# @ 8945' w/ 1425 sx.                      Circulated  
3-1/2" 8742 - 9528' w/ 65 sx.                      Circulated

**Perfs:** U. Bone spring                      5596 - 5806'                      Open  
L. Bone Spring                      7820 - 7880'                      Sqzd 100 sx.  
Wolfcamp                      9210 - 9338'                      CIBP at 9175' w/ 35' cmt.

**PROCEDURE**

1. MIRU. Nipple up BOP's. TIH w/ CICR on 2-7/8" work string. Set at 5550'. Establish injection and sqz U. Bone Spring perfs 5596 - 5806' w/ 75 sx Class C w/ FLA followed by 75 sx Class C Neat. Stage last 50 sacks if necessary to get squeeze. Sting out and reverse out w/ fresh water.
2. TIH w/ 4-3/4" bit on 2-7/8" tubing. Drill out CICR and cement. Test casing to 1000 psi. TIH to TOL at 8741'. Circulate clean and TOOHL laying down 2-7/8" work string.
3. RUWL and run Gyro to orient whipstock. Set CIBP at 8725'. RDMO Pulling unit.
4. MIRU 24-hr rig. NU 7-1/6" hydraulic BOP's and Hydril. TIH picking up 2-7/8" AOH drillpipe. Tag CIBP and TOOHL.
5. TIH w/ bottom-trip whipstock and starter mill on 2-7/8" drillpipe. Orient whipstock, tag CIBP and set same. Shear mill and mill starter window. Trip for window mill and clean out window.
6. TIH w/ 4-3/4" bit, motor, MWD and 16 3-3/4" DC's on 2-7/8" drillpipe. Drill 4-3/4" hole to 11,000' MD. Use cut brine to 10,200', then add starch for 10 cc WL to TD. Anticipate using 5 x 4-3/4" bits.
7. At TD circulate and TOOHL for logs. Drop liner drift before TOOHL. Run 2-3/4" slimhole CNL-LDT-DLL-MSFL.

8. If productive run 2600' of 3-1/2", 9.5# N-80 liner and linerhanger on 2-7/8" drillpipe.
9. Cement liner w/ 150 sx 61:15:11 H:poz:CSE w/ .7% FL-25, .4% FL-52. Mix at 13.8 PPG, Yield 1.4 cf/sk. Release from Liner hanger. Reverse excess cement and TOO H.
10. TIH w/ 4-3/4" bit and clean out to TOL. TOO H. TIH w/ 2-7/8" bit on 2-1/16" tubing and balance of drill pipe. Clen out TOL and TIH to PBTD. Circulate clean. Test liner top and casing to 1500 psi. Spot acid across interval to be perforated. TOO H.
11. Perforate Strawn according to log shows.
12. TIH w/ 2000' 2-1/16" tailpipe, 5-1/2" packer on 2-7/8" production tubing. Set packer above TOL at 8500'. ND BOP's and NU tree.
13. Acidize Strawn perfs approx 5000 gal 15% NEFE HCL w/ additives.
14. Place well on production.

WRH