Submit To Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies
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 and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-105
Revised March 25, 1999

WELL API NO. 30-015-31401
5. Indicate Type of Lease STATE [X] FEE [ ]
State Oil & Gas Lease No. KO 6527

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL [X] GAS WELL [ ] DRY [ ] OTHER

b. Type of Completion: NEW WELL [ ] WORK OVER [X] DEEPEN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] OTHER

DEC 23 2008
OCD-ARTESIA

7. Lease Name or Unit Agreement Name: Eddy FV State

2. Name of Operator: Premier Oil & Gas, Inc.

8. Well No.: 5

3. Address of Operator: P.O. Box 1246, Artesia, NM 88211-1246

9. Pool name or Wildcat: Avalon Delaware

4. Well Location
Unit Letter M : 660 Feet From The South Line and 810 Feet From The West Line
Section 25 Township 20S Range 27E NMPM Eddy County

10. Date Spudded	11. Date T.D. Reached	12. Date Compl. (Ready to Prod.)	13. Elevations (DF& RKB, RT, GR, etc.)	14. Elev. Casinghead
NA		11/24/08	GL 3287'	

15. Total Depth	16. Plug Back T.D.	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By	Rotary Tools	Cable Tools
	4250'	NA			

19. Producing Interval(s), of this completion - Top, Bottom, Name: Upper Cherry Canyon Delaware

20. Was Directional Survey Made: No

21. Type Electric and Other Logs Run: On Record

22. Was Well Cored: No

23. **CASING RECORD** (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
	- SAME AS SHOWN ON C-101				

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-7/8	2934'	

26. Perforation record (interval, size, and number)
SEE ATTACHED

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
SEE ATTACHED	

28 **PRODUCTION**

Date First Production	Production Method (Flowing, gas lift, pumping - Size and type pump)	Well Status (Prod. or Shut-in)
11/24/08	pumping	producing

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
11/24/08	24	none		2	5	425	

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)

29. Disposition of Gas (Sold, used for fuel, vented, etc.): sold

Test Witnessed By: Mark Hope

30. List Attachments: Sept/Oct/Nov, 2008 Completion Work

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature Rosalie Jones Printed Name Rosalie Jones Title President Date 12/22/08

Accepted for record - NMOCD

Sept/Oct/Nov 2008 Completion work on FV #5

Phase 1

1. Rig up pulling unit. TOH with rods/pump and tubing.
2. Set CIBP @ 4250' on wireline. Bailed 35' cement on top of plug.
3. Load casing with 2% KCL and pressure test to 1000 psi. Held pressure for 30 min. Test good.
4. Load annulus with 2% KCL. Rig up wireline and shot collar at 3286'. Unscrewed casing. Circulate down casing to clean annulus. Rig up lay down machine TOH with 51/2" casing. Some threads damaged. Elect to run new 51/2" casing later.
5. Rig up Schlumberger, run CMR log from 3250' to 2550' across Upper Cherry Canyon. Core 40 feet from 3250' – 2510'.
6. Rig up lay down machine. TIH with new J-55 5 ½" 17#. Screw into casing at 3286'. Cut off casing and secure well head.
7. Shoot 3320' with 4 shots per foot. TIH with cement retainer on 2 7/8" tubing. Establish circulation.
8. Rig up HWS. Cement casing with 180 sks of ECONO ™ System 5 lbm/sk (Lost Circulation Additive) + 280 sks of HALCEM ™ System 0.4% LAP-1 + 0.3% FR-3 + 0.25% D_AIR 3000. Circulate gray water. Run tubing and rods to 3150'. Release pulling unit.

Phase 2

1. Rig up pulling unit. Unable to remove rods and tubing. Cement was at 2467' inside casing. Shot off tubing @ 2350'. Run 6 jts. of wash over pipe. Washover and strip out tubing and rods for the next 20 days. Drill out cement retainer and clean out hole to 4000'.
2. Run cement bond log, TOC @ 350'.

Phase 3

1. Perf 3019, 22, 27, 35, 39, 41, 45, 53, 56, 60, 86, 3088' with 1/spf total holes 12. Acidize with 7 1/2% NEFE. Swab test all water. Set CBP @ 3000'.
2. Perf 2836, 39, 42, 44, 48, 58, 64, 66, 80, 84, 89, 2892' with 1/spf total holes 12. Acidize with 7 ½% NEFE. Frac zone with 52,500 Gal of Gel + 100,000 pds of 16/30 brown Expedite. Wireline CBP to 2780'. Perf 2513, 15, 17, 2519, 2663, 65, 69, 71, 73, 75, 77, 79, 81, 83. Acidize down casing. Frac zone with 52,500 Gal of gel + 100,000 pds of 16/30 brown Expedite.
3. DO Expedite and CBP plug at 2780'. Clean out well to 3000'. Run 2934' of 2 7/8" tubing + rods/pump. Start well up on Nov. 5th.
4. Well test at 2 BO + 425 BW.