م 4. Form 3160-5 (April 2004)	DEPARTMEN	New Mexico Oil Conservation Division, Dist UNITED STATES FMENT OF THE INTERIORS N. French Drive J OF LAND MANAGEMENODDS, NM 88240			Expires March 31, 2007		
					5. Lease Serial No.		
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an					NMNM107671 6. If Indian, Allottee or Tribe Name		
Do noi abando	use this form for p ned well. Use Form	n 3160-3 (APD) foi	r such proposals.		,		
	IN TRIPLICATE - (	Other instructions	s on reverse side		7. If Unit or CA	A/Agreement, Name and/or No.	
1. Type of Well     Oil Well     Other       2. Name of Operator					8. Well Name and No. Diamondback 24 Fed		
Nearburg Producing Company					Com #1 9. API Well No	 ).	
3a. Address			3b. Phone No. (include an	-	30-025-35622		
<u>3300 N A St., Bldg 2, Ste 120, Midland, TX 79</u> 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			432/686-8235 x 203		10. Field and Pool, or Exploratory Area Gem: Morrow		
					Gem; Morr	OW	
710 FLS and 1980 FEL, Sec 24, 19S, 32E					11. County or Parish, State		
					Lea <u>NM</u>		
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, R					ORT, OR OT	HER DATA	
X Notice of Inten	L	Acidize	Deepen	Production	(Start/Resume)	Water Shut-Off	
Final Abandonment Notice		Alter Casing	Fracture Treat	Reclamatio	n	Well Integrity	
		Casing Repair	New Construction	Recomplet	e	Other	
		Change Plans	Plug and Abandon	Temporari	ly Abandon		
		Convert to Inject	ion X Plug Back	Water Disp	oosal		
Attach the Bond under w following completion of t testing has been complete determined that the final s The before reques	hich the work will be per he involved operations. I id. Final Abandonment I ite is ready for final inspe ted plugback fro	formed or provide the f the operation results Notices shall be filed or ction.) m the Morrow to	Bond No. on file with BLM in a multiple completion or i	DBIA. Required s recompletion in a r icluding reclamation <b>not</b> success	ubsequent repor new interval, a F on, have been co	Il pertinent markers and zones. ts shall be filed within 30 days form 3160-4 shall be filed once impleted, and the operator has equests	
		(I	Vell Completion Or H Form 3160-4) Requir Vork Has Been Comj	ed After All F	Report And Recompletio	Log 1	
14. I hereby certify that the foregoing is true and correct Name (Printed Typed)			Title	<u></u>		<u></u>	
Narra (Printed/Typed)			Produc	ction Analys	t		
70 Janan			Date 3/4/05				
		S SPACE FOR FE	DERAL OR STATE OF	FICE USE	<u> </u>		
Approved by CRIG. SG	D.) DAVID R. C	TAS	DETROLEUN	ENGINE	D	<sup>ate</sup> MAR 0 7 2005	
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.						K	
Title 18 U.S.C. Section 1001, a States any false, fictitious or fra				and willfully to me	ake to any depart	ment or agency of the United	

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CURRENT EQUIPMENT DESCRIPTION:

## **RECOMMENDED Cost effective PROCEDURE:**

1) MIRU PU. Kill well if necessary and ND WH. NU BOP.

2) Release & POH w/2-7/8" x 5 1/2" Baker Model M 10K pkr and 3.5" P-110 9.3# tbg.

3) MIRU JSI to RIH w/JB/GR/CCL to 11,100' (just below Wolfcamp perfs). POH & RIH w/5-1/2" CIBP/CCL to 11,000' and set CIBP. Dump 35' cmt on CIBP.

4) RU JSI to perforate from 10,350-66' w/4spf 3-3/8" Premium casing guns phased 120 degrees under a 5000# lubricator (correlate to Schlumberger "Platform Express Triple Detector Litho-Density Compensated Neutron / GR" run one dated 1-OCT-2001). RD JSI.

5) RIH w/2-7/8" 5-1/2" 10K trtg pkr, on/off tool, and Xover and 3.5" workstring to 10,300' testing to 5000#. Pickle tbg w/400 g Xylene and 900g 15% HCL and reverse out w/4% KCL. Set pkr. Swab well in.

6) If well will flow bring it on with a 10 or 12/64" chk. Increase choke size only after consulting Matt Lee or Brian Huzzey.

7) If well does not flow RU BJ to perform a 3000 g 20% HCL at 4-5bpm as follows:

Pump 1000 g 20% HCL Drop 25 - 7/8" 1.3 balls Pump 500 gal 20% HCL Drop 25 - 7/8" 1.3 balls Pump 500 g 20% HCL Drop 25 - 7/8" 1.3 balls Pump 500 g 20% HCL Drop 25 - 7/8" 1.3 balls Pump 500 g 20% HCL Flush to top perf w/2% KCL

Let acid spend for 30 to 45 min then flow back acid load. If well flows follow step 6 flowback procedure. RD BJ.

8) If breakdown provides sufficient response a frac may be performed if both Operations (Matt Lee) and Engineering (Brian Huzzey) believe it is warranted. If results are poor POH w/equipment and set a CIBP @ 10,310' and dump 10' cmt.

9) RU JSI to perforate from 9004-06'; 8950-65'; 8914-16'; 8860-74' w/1 spf 3-3/8" Premium casing guns phased 120 degrees under a 5000# lubricator (correlate to Schlumberger "Platform Express Triple Detector Litho-Density Compensated Neutron / GR" run one dated 1-OCT-2001). RD JSI.

10) If well does not flow RU BJ to perform a 4500 g 7.5% BS HCL at 4-5b pm as follows: Pump 500 g 7.5% BS HCL Drop 12 - 7/8" 1.3 balls
Pump 1000 gal 7.5% BS HCL Drop 12 - 7/8" 1.3 balls
Pump 1000 g 7.5% BS HCL Drop 12 - 7/8" 1.3 balls
Pump 1000 g 7.5% BS HCL Drop 12 - 7/8" 1.3 balls
Pump 1000 g 7.5% BS HCL Drop 12 - 7/8" 1.3 balls
Pump 1000 g 7.5% BS HCL
Drop 12 - 7/8" 1.3 balls
Pump 1000 g 7.5% BS HCL
Drop 12 - 7/8" 4.3 balls
Pump 1000 g 7.5% BS HCL
Drop 12 - 7/8" 4.3 balls
Pump 1000 g 7.5% BS HCL

Let acid spend for 30 to 45 min then flow back acid load. If well flows follow step 6 flowback procedure. If zone is wet set CIBP @ 8830' w/35' cmt on top. RD BJ.

11) If breakdown provides sufficient response a frac may be performed if both Operations (Matt Lee) and Engineering (Brian Huzzey) believe it is warranted.

12) Place well on production.

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¥ 12'