

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., 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

Form C-103  
Revised March 25, 1999

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

|   |
|---|
| WELL API NO.<br>30-025-3088 <b>36088</b>  |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |

|  |   |
|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)  |   |
| 1. Type of Well:<br>Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>  | 7. Lease Name or Unit Agreement Name:<br>Shelley 34 State |
| 2. Name of Operator<br>Matador Operating Company   | 8. Well No.<br>2  |
| 3. Address of Operator<br>310 W. Wall, Suite 906 Midland, TX 79701   | 9. Pool name or Wildcat<br>Monument; Tubb                 |
| 4. Well Location<br>Unit Letter <u>H</u> : <u>1650</u> feet from the <u>North</u> line and <u>330</u> feet from the <u>East</u> line<br>Section <u>34</u> Township <u>19S</u> Range <u>37E</u> NMPM Lea County |   |
| 10. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>3597 GR  |   |

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

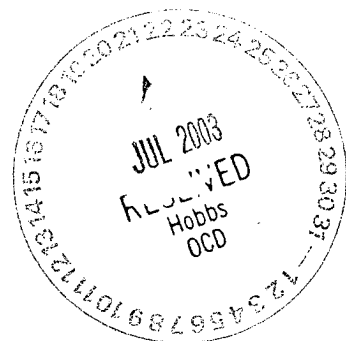
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: Completion ☒

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See Attached



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Russ Mathis TITLE Production Manager DATE 7/18/03

Type or print name Russ Mathis Telephone No. (432) 688-9771  
(This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE JUL 29 2003  
Conditions of approval, if any:

# Matador Operating Company

**Shelley 34 State #2**  
**Sec 34, T19S, R37E**

**API #30-025-36088**  
**Lea County, New Mexico**

**Date :** 2/3/2003

**Activity:** Inspect Casing

**Days On Completion:** 1

**Remarks :** Inspect casing

**Date :** 2/6/2003

**Activity:** Cementing

**Days On Completion:** 4

**Remarks :** CBU & LDDP & DC's. Run 5 1/2" csg & cmt in two stages. Will rel rig today.

**Date :** 2/7/2003

**Activity:** RD

**Days On Completion:** 5

**Remarks :** ND NOP & NU tbghd. Rel Patterson #76 @ 1400 hrs on 2/6/03.

**Date :** 2/10/2003

**Activity:** Prepare location

**Days On Completion:** 8

**Remarks :** Vacuum truck emptied cellar. Backhoe leveled location. Roustabout crew plumbed cellar valves to surface.

**Date :** 2/11/2003

**Activity:** Set Mast Anchors

**Days On Completion:** 9

**Remarks :** Contractor set mast anchors.

**Date :** 2/12/2003

**Activity:** RU for completion

**Days On Completion:** 10

**Remarks :** McCoombs Trucking forklift set pipe racks and matting boards for pulling unit and off loaded tubing on pipe racks. Lea Fishing Tools rigged up reverse unit. Key Trucking filled reverse pit with 120 bbls of fresh water. Received 226 joints new 2-3/8" J-55 8rd eue tubing from Phillips Casing. Key Energy Services set frac tank for swabbing. RUPU. Removed blind wellhead flange and inspected inside wellhead cutoff. Found all equipment was good. Installed BOP. Tested casing, wellhead and BOP to 1500 psi. Test was good. Picked up 3-7/8" bit, 4-1/2" casing scraper, bit sub, 4 3-1/8" drill collars and 2-3/8" J-55 8rd eue tubing. Tagged cement above DV Tool at 3834' KB. Installed stripper rubber and picked up swivel. Tested pipe rams to 1500 psi. Test was good. SWI and SDON.

**Tubing Detail:**

|         |                      |         |         |
|---------|----------------------|---------|---------|
| 117 jts | 2 3/8" J-555 8rd eue | 3697.74 | 3710.24 |
|         | 3 7/8" Bit           | .35     | 3710.59 |
|         | 4 1/2" Csg Scraper   | 3.19    | 3713.78 |
|         | Bit Sub              | 1.50    | 3715.28 |
|         | 3 1/8" Drill Collar  | 29.62   | 3744.90 |
|         | 3 1/8" Drill Collar  | 29.65   | 3774.55 |
|         | 3 1/8" Drill Collar  | 30.31   | 3804.86 |
|         | 3 1/8" Drill Collar  | 32.46   | 3837.32 |
|         | X-Over               | 1.23    | 3838.55 |
|         | KB Adjustment        | 12.50   |         |
|         | EOT                  | 3838.55 |         |

# Matador Operating Company

Shelley 34 State #2  
Sec 34, T19S, R37E

API #30-025-36088  
Lea County, New Mexico

Date : 2/13/2003

Activity: Perforate

Days On Completion: 11

Remarks : RU swivel and began drilling. Drilled cement from 3834' KB to 3855' in 8 mins. Drilled DV Tool from 3855' to 3857' in 45 mins. Ran casing scraper through DV Tool 20 times while rotating and 20 times without rotating to eliminate any drag. Closed pipe rams on BOP and tested casing to 1500 psi. Test was good. RIH with tubing and tagged cement above Float Collar at 7121' KB. (Top of Float Collar at 7153' KB.) Circulated well clean. RU Schlumberger Pumping Services. Spotted 5 bbls of 10# KCL water at 7121' KB. POH with tubing until EOT was at 7018' KB (Bottom Perf). Reversed circulated hole with 30 bbls fresh water. Spotted 750 gals 15% HCL containing NEFE, DI, and LST additives. POH with tubing and laid down tools. RU Apollo Perforators wireline service and ran GR/CCL log from PBDT of 7111 to 5100'. Perforated Drinkard, 4-1/2" casing with 3-1/8" Prospector High Performance gun from 7008' to 7018' with 6 JSPF (10', 60 holes). All shots fired. Perforations were shot with a Prospector deep penetrating charge which has a .34" EH, 23.82" of penetration, 12 gram charges at 60 degree phasing. RIH with 2-3/8" x 4-1/2" Treating Packer, 2-3/8" Seating Nipple, and tubing. Set packer at 6919' KB. Opened bypass and reversed 18 bbls into tubing. Closed bypass and broke down formation at 4471 psi at .3 bpm. Broke back to 3886 psi. Increased rate to 1 bpm and pressure increased to 4400 psi. Pressure decreased to 3644 psi and increased rate to 2 bpm. Pressure increased to 4600 psi. Pressure decreased to 3918 psi at 2 bpm at the end of pumping. ISIP was 3480 psi, 5 mins was 2975 psi, 10 mins was 2806 psi, 15 mins was 2655 psi. Load left to recover is 20 bbls. Bled pressure off tubing and began swabbing. Swabbed well from surface to seating nipple (6919' KB) with 8 swab runs in 2-1/4 hrs. Recovered 32 bbls total fluid. Had a trace of oil on the 4th run and 2% oil cut on the 8th run. Pulled swab from the seating nipple on the 6th thru the 8th runs. Last 2 runs fluid entry was 100 - 150' above seating nipple. Left well open to test tank on a 10/64" choke. SDON.

Tubing Detail:

|         |                       |         |
|---------|-----------------------|---------|
| 218 jts | 2-3/8" J-55 8rd eue   | 6894.38 |
|         | 2-3/8" Tubing Sub     | 6.00    |
|         | 2-3/8" Seating Nipple | 1.10    |
|         | 2-3/8" x 4-1/2" Pkr.  | 5.00    |
|         | KB adjustment         | 12.50   |
|         | EOT                   | 6918.98 |

Date : 2/14/2003

Activity: Swabbing

Days On Completion: 12

Remarks : Well was left open to test tank on a 10/64" choke overnight. This AM FTP was 0. Opened well to test tank to begin swabbing. Had good gas blow on tubing. Swabbed well from 5100' (IFL) to seating nipple (6919' KB) with 11 runs in 7-1/2 hours. Recovered 11 bbls total fluid. Average oil cut was 7%, average emulsion cut was 9% and average water cut was 84%. Had 5% oil cut on 1st run and recovered 5% oil with a good gas blow with the run. Started pulling swab from seating nipple on the 2nd swab run. Made 1 run per hour from the 6th run through the 11 run. Average fluid entry per hour was 150' or .58 bbls per hour. Left well open to tank on a 10/64" choke. SDON.

Date : 2/15/2003

Activity: Swabbing

Days On Completion: 13

Remarks : Well is open to tank with slight blow. RU swab. IFL 5800 FFS. Run 1 - 3% oil slight gas. Run 2 - 6600 FFS, 3% oil good gas. Run 3 - 6800 FFS, 5% oil 20% emulsion. SD 1 hour. Run 4 - 3% oil 20% emulsion 50' of fluid entry. SN at 6918'. LWOTT, SDON. Recovered 8 bbls water and oil.

Date : 2/16/2003

Activity: SDFWE

Days On Completion: 14

Date : 2/17/2003

Activity: Set CIBP

Days On Completion: 15

Remarks : Well is open to tank with slight blow. RU swab. IFL 4000 FFS. Run 1 - 1% oil slight gas. Run 2 - 5600 FFS, 3% oil strong gas. Run 3 - 6700 FFS, 3% oil slight gas. SD for 1 hour. Run 4 - recovered 80' of fluid with 5% oil cut. Total recovery on 4 runs 13.5 bbls. SN at 6918'. RD swab. Pumped 27 bbls FW in tubing. Released packer, POH with tubing and packer. RU JSI wireline. RIH with 3.60" gauge ring to 7050'. Set Howco 4-1/2" 10K EZ-Drill CIBP at 6990'. Tested plug to 2000 psig - ok. Dumped bail 35' of cement on CIBP. TOC 6955'. ND BOP, NU 5K frac valve and NU BOP. Tested casing, frac valve and wellhead to 5000 psi - ok. Bled casing pressure off. SWI, SDON. Started setting frac tanks.

# Matador Operating Company

**Shelley 34 State #2**  
**Sec 34, T19S, R37E**

**API #30-025-36088**  
**Lea County, New Mexico**

**Date :** 2/18/2003

**Activity:** Perforate

**Days On Completion:** 16

**Remarks :** RIH with tubing to 6945'. RU Schlumberger and circulated hole with 100 bbls FW. Spotted 10 bbls 10# brine. POH with tubing to 6755'. Reversed 45 bbls FW. Spotted 750gals 15% NEFE DI LST HCL with U-66 from 6755-5603. POH with tubing. ND BOP. RU JSI and perforated Drinkard from 6749-6755 with 3-3/8" Expendable casing guns, 6 jsfp, 60 deg phasing, 23 gram, .43 EH, 39.56" penetration. RD wireline. Displaced acid as follows: 1 bpm, formation broke at 4300, 1.5 bpm @ 4079, 2.1 bpm @ 4184-3937 at end of 24 bbls. ISIP 3880, 5 min 3282, 10 min 2953. SWI. RD Schlumberger. Contractor set a total of 16 frac tanks and filled with 8000 bbls FW. Schlumberger spotted sand and filled sand chief. Contractor setting flowback equipment. SDON.

**Date :** 2/19/2003

**Activity:** Frac

**Days On Completion:** 17

**Remarks :** RU WHIT and Schlumberger to Frac Drinkard formation from 6749-6755. Casing had 70 psi at start of job. Stage 1 - 23.8 bbls SW, formation break at 4270 with 4.8 bbls. Stage 2 - 47.6 bbls 15% NEFE HCL, 4.9-8.3 bpm at 4156. Stage 3 - 220.4 bbls Slickwater 24-41.4 bpm at 5735-5933 - Max 6819. Stage 4 - Step Down - 22.6 bpm at 4787, 10.8 bpm at 4210, ISIP 3450, 5 min 3235, 10 min 3164, 15 min 3106, 20 min 3051, 25 min 2995, 30 min 2934, 35 min 2870, 40 min 2809. Stage 5 - 238.1 bbls Slickwater 46.4 bpm at 6461. Stage 6 - Pad YF-140ST, (Stage 6-15 contain YF-140ST) 119 bbls, 50.2 bpm at 6572. Stage 7 - 48.2 bbls .25 PPA, (Stage 7-14 contain 20/40 Jordan sand) 49.9 bpm at 6759. Stage 8 - 142.9 bbls Pad, 49.3 bpm at 6759-7111 with .25 on formation. Stage 9 - 48.7 bbls .5 PPA 752#, 49.0 bpm at 7195. Stage 10 Pad 3087 bbls (with 2220.2 bbls pumped WHIT has surface leak, SD repair lead for 28 mins). Before SD pumping 50.2 bpm at 7465, ISIP 5035, after 27 mins 4209 psi. Resume pumping slowly, reaching 50 bpm with 7898 psi (Pressure increased by 400 psi due to SD). Stage 11 - 487 bbls .5 PPA 9957#, 49.8 bpm at 7921. Stage 12 - 895.9 bbls 1.0 PPA 36491#, 50.9 bpm at 7586. (A loss of 400 psi occurred during this stage). Stage 13 - 1246.1 bbls 1.5, 2.0, 1.5, 1.75, PPA 76650#, 50.6 bpm at 7551 to 7906. Stage 14 - 400 bbls 2.0 PPA, 113 bbls 2.5 PPA 41364#, 50.8 bpm at 7689. Stage 15 - 2.5PPA 20/40 Ac Frac Sand 21742#, in 242.5 bbls, 50.1-45 bpm (due to water loading on PCM decreasing). Stage 16 - Flush 100.7 bbls Slick water, 43 bpm at 7184, 20.8 bpm at 6142. ISIP 5796, 5 min 5600, 10 min 5535, 15 min 5468, 20 min 5372. SWI at 2:44 PM MST. RD Lines and WHIT. Total Slurry volume 7461.5 bbls (Clean 7257), 189416# proppant (167674# 20/40 Jordan, 21744# 20/40 Ac Frac). At 3:40 MST opened casing with 4125 psi. At 4:00 PM opened well on 12/64" choke, 1st hour recovered 103 bbls with 3200 psi. Continued to flowback after 12 hours with 723 bbls recovered casing pressure is 200 psi.

**Date :** 2/20/2003

**Activity:** Flowing

**Days On Completion:** 18

**Remarks :** Continued to flow well back. Well is full open with hourly rates in bbls - 26, 42, 30, 2, 15. Total load recovered until 10:00 AM CST is 836 bbls. ND frac valve, NU BOP. RIH with split BP, 2 joints tubing and sand line. Tagged sand at 6910'. RIH with tubing, pumping 10 bbls 10# brine after 15 stands of tubing. Total 218 joints of tubing. Connected tubing to flowback tanks. Well produced in bbls/hour as follows: 30, 20, 23, 16, 20, 20, 16, 14, 28, 22, 20, 12, 18, 22, 26. Well unloaded 307 bbls in the last 15 hours. Set rental fired production vessel. 1143 BTLR of 7257 BTL. 6114 BTLTR. Running sub pump this AM.

**Date :** 2/21/2003

**Activity:** Flowback

**Days On Completion:** 19

**Remarks :** Waited for rain to stop. Unable to run sub pump due to rain. SD. At 5:00 am 2/22/03, well unloaded 321 bbls in the last 24 hours. Continued to flow well back through the tubing. Last hourly rate was 10 bbls/hour. The well head cut is 2% oil. Set to frac tanks for oil recovery. Contractor connecting gas sales and fluid lines. Set rental generator and fuel tank. Schlumberger connected power to reda panels. 1464 BTLR of 7257 BTL. 5793 BTLTR. Running sub pump this 2/22/03 AM.

# Matador Operating Company

**Shelley 34 State #2**  
**Sec 34, T19S, R37E**

**API #30-025-36088**  
**Lea County, New Mexico**

**Date :** 2/22/2003

**Activity:** Run pump

**Days On Completion:** 20

**Remarks :** Circulated well with 110 bbls 9# cut brine. PU sub pumps and RIH with tubing. While running pumps well is unloading 14 bpm out casing to reserve pit. ND BOP, NU reda wellhead. Roustabout crew built wellhead. Crew plumbed water and oil frac tanks with valves. Schlumberger repaired sub pump electrical panel and started unit at 9:15 PM 2/22/03. BHP at start-up 2815 psi at 106 degs. At 5:00 am 2/23/03, well is pumping 40 bph water with a trace of oil, BHP stopped working at 3:00 AM at 2242psi. 1878 BTLR of 7257 BTL. 5379 BTLLTR.

**Tubing Detail:**

|                                   |         |
|-----------------------------------|---------|
| Surveyor                          | 4.10    |
| Motor                             | 17.75   |
| Motor                             | 17.80   |
| Protector                         | 3.75    |
| Gas Separator                     | 2.25    |
| 4 Pumps                           | 51.20   |
| 207 jts 2- 3/8" EUE 8rd J-55 4.7# | 6545.36 |
| 207 jts total tubing and tools    | 6642.21 |
| KB Correction                     | 12.00   |
| EO Sub pump Assembly              | 6654.21 |

**Date :** 2/23/2003

**Activity:** Producing

**Days On Completion:** 21

**Remarks :** At 5:00 am 2/24/03 well is pumping 30.5 bph water with a trace of oil with BHP of 889 psi. Total production last 24 hours 766 bbls water and trace of oil and sold 59 mcf gas. 2644 BTLR of 7257 BTL. 4613 BTLLTR.

**Date :** 2/24/2003

**Activity:** Producing

**Days On Completion:** 22

**Remarks :** Attempted to RDPU and found the Hyd System froze. At 5:00 am 2/25/03 well is pumping 30 bph water with a trace of oil with BHP of 219 psi. Total production last 24 hours 642 bbls water and trace of oil and sold 106 mcf gas. 3286 BTLR of 7257 BTL. 3971 BTLLTR.

**Date :** 2/25/2003

**Activity:** Producing

**Days On Completion:** 23

**Remarks :** PU. SD. At 5:00 am 2/26/03 well is pumping 7 bph water with a trace of oil with BHP of 232 psi. Total production last 24 hours 416 bbls water, 25 bbls oil (after filling production) and sold 89 mcf gas. 3702 BTLR of 7257 BTL. 3555 BTLLTR.

**Date :** 2/26/2003

**Activity:** Producing

**Days On Completion:** 24

**Remarks :** RDMOPU. At 5:00 am 2/27/03, well is pumping 12 bph water with a trace of oil with BHP of 241 psi. Total production last 24 hours 305 bbls water, and sold 101 mcf gas. The gas flow rate for the last 8 hours has been 222-260 mcf/d. 4007 BTLR of 7257 BTL. 3250 BTLLTR.

**Date :** 2/27/2003

**Activity:** Producing

**Days On Completion:** 25

**Remarks :** RDMOPU. At 5:00 am 2/28/03, well is pumping 12 bph water, with BHP of 281 psi. Total production last 24 hours 350 bbls water, and sold 104 mcf gas. 4357 BTLR of 7257 BTL. 2900 BTLLTR.

**Date :** 2/28/2003

**Activity:** Producing

**Days On Completion:** 26

**Remarks :** Production last 24 hours, 40 bbls oil, 121 mcf, 191 bbls water. BHP 308. 4548 BTLR of 7257 BTL. 2709 BTLLTR.

# Matador Operating Company

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**API #30-025-36088**  
**Lea County, New Mexico**

**Date :** 3/1/2003  
**Activity:** Producing  
**Days On Completion:** 27  
**Remarks :** Production last 24 hours, 32 bbls oil, 160 mcf, 172 bbls water. BHP not working. 4720 BTLR of 7257 BTL. 2537 BTLLTR.

**Date :** 3/2/2003  
**Activity:** Producing  
**Days On Completion:** 28  
**Remarks :** Production last 24 hours, 33 bbls oil, 166 mcf, 175 bbls water. BHP 390 psi. 4895 BTLR of 7257 BTL. 2362 BTLLTR.

**Date :** 3/3/2003  
**Activity:** Producing  
**Days On Completion:** 29  
**Remarks :** Production will lag behind one day.

**Date :** 3/4/2003  
**Activity:** Producing  
**Days On Completion:** 30  
**Remarks :** 11 oil, 167 MCF, 147 water, 85 tbq pressure, 30 csg pressure, no bhp readout, water prod may be off due to having it hauled. 5042 BTLR of 7257 BTL. 2215 BTLLTR.

**Date :** 3/5/2003  
**Activity:** Producing  
**Days On Completion:** 31  
**Remarks :** 20 oil, 180 MCF, 145 water, 70 tbq pressure, 30 csg pressure, 437 bhp

**Date :** 3/6/2003  
**Activity:** Producing  
**Days On Completion:** 32  
**Remarks :** 27 oil, 202 MCF, 145 water, 75 tbq pressure, 30 csg pressure, bhp not readout, called into Reda

**Date :** 3/7/2003  
**Activity:** Producing  
**Days On Completion:** 33  
**Remarks :** 57 oil, 130 MCF, 204 water, 698 bhp. 5536 BTLR of 7257 BTL. 1721 BTLLTR. Roustabout crew and backhoe began building tank battery as per bid. Built tanks and treater pad. Crew moved large rental FWKO to Bertha Barber # 21 and installed rental 3 phase separator.

**Date :** 3/8/2003  
**Activity:** Producing  
**Days On Completion:** 34  
**Remarks :** 18 oil, 120 MCF, 215 water, 487 bhp, down 3 hours. 5751 BTLR of 7257 BTL. 1506 BTLLTR. Roustabout crew furnishing tools and labor as per bid to build tank battery. Crew moved in and set 2 300 bbl steel welded stock tanks, 500 bbl fiberglass water tank and 6' x 20' treater. Began connection work on battery.

**Date :** 3/9/2003  
**Activity:** Producing  
**Days On Completion:** 35  
**Remarks :** 12 oil, 112 MCF, 240 water, 520 bhp. 5991 BTLR of 7257 BTL. 1266 BTLLTR.

**Date :** 3/10/2003  
**Activity:** Producing  
**Days On Completion:** 36  
**Remarks :** 20 oil, 238 MCF, 114 water, 65 tbq pressure, 30 csg pressure, 531 bhp. 6105 BTLR of 7257 BTL. 1152 BTLLTR.

# Matador Operating Company

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**API #30-025-36088**  
**Lea County, New Mexico**

|   |                               |
|---|-------------------------------|
| <b>Date :</b> 3/11/2003   |                               |
| <b>Activity:</b> Producing  | <b>Days On Completion:</b> 37 |
| <b>Remarks :</b> 20 oil, 239 MCF, 104 water, 70 tbg pressure, 30 csg pressure, 545 bhp. 6209 BTLR of 7257 BTL. 1048 BTLLTR.   |                               |
|   |                               |
| <b>Date :</b> 3/12/2003   |                               |
| <b>Activity:</b> Producing  | <b>Days On Completion:</b> 38 |
| <b>Remarks :</b> 20 oil, 243 MCF, 106 water, 80 tbg pressure, 30 csg pressure, 557 bhp. 6315 BTLR of 7257 BTL. 942 BTLLTR.  |                               |
|   |                               |
| <b>Date :</b> 3/13/2003   |                               |
| <b>Activity:</b> Turn to Production   | <b>Days On Completion:</b> 39 |
| <b>Remarks :</b> 22 oil, 246 MCF, 98 water, 80 tbg pressure, 30 csg pressure, 556 bhp. 6413 BTLR of 7257 BTL. 844 BTLLTR. SD sub pump, connected well to new production equipment and restart well. Roustabout crew has completed agreed work for the bid price. Released all test equipment. Releasing test tanks 3/14/03. |                               |
|   |                               |
| <b>Date :</b> 3/14/2003   |                               |
| <b>Activity:</b> Producing  | <b>Days On Completion:</b> 40 |
| <b>Remarks :</b> 5 oil, 250 MCF, 144 water, 6557 BTLR of 7257 BTL. 700 BTLLTR.  |                               |
|   |                               |
| <b>Date :</b> 3/15/2003   |                               |
| <b>Activity:</b> Producing  | <b>Days On Completion:</b> 41 |
| <b>Remarks :</b> -22 oil, 256 MCF, 112 water, 6669 BTLR of 7257 BTL. 588 BTLLTR. Transferred 330 bbls oil from frac tanks.  |                               |
|   |                               |
| <b>Date :</b> 3/16/2003   |                               |
| <b>Activity:</b> Producing  | <b>Days On Completion:</b> 42 |
| <b>Remarks :</b> 17 oil, 258 MCF, 157 water, 6826 BTLR of 7257 BTL. 431 BTLLTR.   |                               |
|   |                               |
| <b>Date :</b> 3/17/2003   |                               |
| <b>Activity:</b> Producing  | <b>Days On Completion:</b> 43 |
| <b>Remarks :</b> 35 oil, 262 MCF, 93 water, 48 tbg pressure, 30 csg pressure, generator down. 6919 BTLR of 7257 BTL. 338 BTLLTR.  |                               |
|   |                               |
| <b>Date :</b> 3/18/2003   |                               |
| <b>Activity:</b> Producing  | <b>Days On Completion:</b> 44 |
| <b>Remarks :</b> 18 oil, 259 MCF, 100 water, 60 tbg pressure, 30 csg pressure, 563 bhp. 7019 BTLR of 7257 BTL. 238 BTLLTR.  |                               |
|   |                               |
| <b>Date :</b> 3/19/2003   |                               |
| <b>Activity:</b> Producing  | <b>Days On Completion:</b> 45 |
| <b>Remarks :</b> 13 oil, 264 MCF, 111 water, 60 tbg pressure, 30 csg pressure, 565 bhp. 7130 BTLR of 7257 BTL. 127 BTLLTR.  |                               |
|   |                               |
| <b>Date :</b> 3/20/2003   |                               |
| <b>Activity:</b> Producing  | <b>Days On Completion:</b> 46 |
| <b>Remarks :</b> 17 oil, 264 MCF, 99 water, 60 tbg pressure, 30 csg pressure, 565 bhp. 7229 BTLR of 7257 BTL. 28 BTLLTR.  |                               |

# Matador Operating Company

**Shelley 34 State #2**  
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**Lea County, New Mexico**

|  |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
|--|--------------------------------------|-----------------------------|---------|-----------------------|------|---------------------------------|------|----------------------------------|------|------------------------|-------|----------------|-------|-----------------------|---------|--------------------|--|--|------|
| <p><b>Date :</b> 3/21/2003<br/> <b>Activity:</b> Producing</p>   | <p><b>Days On Completion:</b> 47</p> |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| <p><b>Remarks :</b> 19 oil, 258 MCF, 72 water, 65 tbg pressure, 30 csg pressure. 7257 BTLR of 7257 BTL.</p>  |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
|  |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| <p><b>Date :</b> 3/22/2003<br/> <b>Activity:</b> Producing</p>   | <p><b>Days On Completion:</b> 48</p> |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| <p><b>Remarks :</b> 16 oil, 263 MCF, 81 water, 60 tbg pressure, 30 csg pressure</p>  |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
|  |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| <p><b>Date :</b> 3/23/2003<br/> <b>Activity:</b> Producing</p>   | <p><b>Days On Completion:</b> 49</p> |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| <p><b>Remarks :</b> 17 oil, 256 MCF, 88 water, 60 tbg pressure, 30 csg pressure</p>  |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
|  |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| <p><b>Date :</b> 3/24/2003<br/> <b>Activity:</b> Producing</p>   | <p><b>Days On Completion:</b> 50</p> |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| <p><b>Remarks :</b> 17 oil, 256 MCF, 75 water, 55 tbg pressure, 30 csg pressure</p>  |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
|  |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| <p><b>Date :</b> 3/25/2003<br/> <b>Activity:</b> Pull pump</p>   | <p><b>Days On Completion:</b> 51</p> |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| <p><b>Remarks :</b> 13 oil, 265 MCF, 72 water. RUPU. SD ESP pump. RU pump truck and pumped 20 bbls 2% KCL water down annulus and 20 bbls down tubing. Pump truck also kept hole loaded while pulling tubing. Unflanged wellhead and installed BOP. RU Schlumberger ESP Services and POH with tubing, pumps, motors and cable. Laid down all ESP equipment. RIH with 2-7/8" Slotted Mud Anchor with 2 3/8" collars, 2-3/8" x 4-1/2" Mod "B" TAC, 2-3/8" Slotted Seating Nipple, 2-3/8" Standard Seating Nipple and 209 joints 2-3/8" J-55 8rd eue tubing. Bottom of Mud Anchor at 6662' KB. Removed BOP. Set TAC in 22" of stretch or 13 points tension. Installed wellhead, pumping tee and valves. SWI and SDON. Received pump, polish rod and liner, pumping tee and valves.</p>                             |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| <p><b>Tubing Detail:</b></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 40%;">209 jts 2-3/8" J-55 8rd eue</td> <td style="width: 60%; text-align: right;">6608.74</td> </tr> <tr> <td>2-3/8" Seating Nipple</td> <td style="text-align: right;">1.10</td> </tr> <tr> <td>2-3/8" Slotted SN</td> <td style="text-align: right;">1.10</td> </tr> <tr> <td>2-3/8" x 4 1/2" TAC</td> <td style="text-align: right;">3.20</td> </tr> <tr> <td>2-7/8" Slotted MA</td> <td style="text-align: right;">32.50</td> </tr> <tr> <td>KB Adjustment</td> <td style="text-align: right;">15.00</td> </tr> <tr> <td>EOT</td> <td style="text-align: right;">6661.64</td> </tr> </table>   |                                      | 209 jts 2-3/8" J-55 8rd eue | 6608.74 | 2-3/8" Seating Nipple | 1.10 | 2-3/8" Slotted SN               | 1.10 | 2-3/8" x 4 1/2" TAC              | 3.20 | 2-7/8" Slotted MA      | 32.50 | KB Adjustment  | 15.00 | EOT                   | 6661.64 |                    |  |  |      |
| 209 jts 2-3/8" J-55 8rd eue  | 6608.74                              |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| 2-3/8" Seating Nipple  | 1.10                                 |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| 2-3/8" Slotted SN  | 1.10                                 |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| 2-3/8" x 4 1/2" TAC  | 3.20                                 |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| 2-7/8" Slotted MA  | 32.50                                |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| KB Adjustment  | 15.00                                |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| EOT  | 6661.64                              |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
|  |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| <p><b>Date :</b> 3/26/2003<br/> <b>Activity:</b> Run pump</p>  | <p><b>Days On Completion:</b> 52</p> |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| <p><b>Remarks :</b> Received 7/8" and 3/4" rods. RU pump truck and pumped 20 bbls 2% KCL water down tubing to kill well. SITP was 290 psi. RIH with 2" x 1-1/2" x 16' RXBC pump with 1" x 16' gas anchor, 176 3/4" Weatherford D-61 rods with FH-T couplings, 85 7/8" Weatherford D-61 rods with SH-T couplings, 7/8" x 4', 7/8" x 6', 7/8" x 8', 1-1/4" x 22' polish rod with 1-1/2" x 10' polish rod liner. Loaded tubing with 4 bbls 2% KCL water. Pressure test and pump action was good to 500 psi. RDPU. Roustabout crew built wellhead and tied wellhead into flow line. Pumping unit truck moved and realigned pumping unit to center unit over wellhead. Electricians tied temporary services into electric motor from generator. Left unit in operation on hand. Unit was running 9 SPM, 86" SL.</p> |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| <p><b>Rod Detail:</b></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 40%;">1-1/4" x 22' PR w/10' liner</td> <td style="width: 60%; text-align: right;">22</td> </tr> <tr> <td>3-7/8" x 4' x 6' x 8'</td> <td style="text-align: right;">18</td> </tr> <tr> <td>85 7/8" Weatherford D-61 w/SH-T</td> <td style="text-align: right;">2125</td> </tr> <tr> <td>176 3/4" Weatherford D-61 w/FH-T</td> <td style="text-align: right;">4400</td> </tr> <tr> <td>2" x 1 1/2" x 16' RXBC</td> <td style="text-align: right;">16</td> </tr> <tr> <td>Pump No. MD-13</td> <td></td> </tr> <tr> <td>w/1" x 16' Gas Anchor</td> <td></td> </tr> <tr> <td>Pump has HVR valve</td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">6581</td> </tr> </table>                                |                                      | 1-1/4" x 22' PR w/10' liner | 22      | 3-7/8" x 4' x 6' x 8' | 18   | 85 7/8" Weatherford D-61 w/SH-T | 2125 | 176 3/4" Weatherford D-61 w/FH-T | 4400 | 2" x 1 1/2" x 16' RXBC | 16    | Pump No. MD-13 |       | w/1" x 16' Gas Anchor |         | Pump has HVR valve |  |  | 6581 |
| 1-1/4" x 22' PR w/10' liner  | 22                                   |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| 3-7/8" x 4' x 6' x 8'  | 18                                   |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| 85 7/8" Weatherford D-61 w/SH-T  | 2125                                 |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| 176 3/4" Weatherford D-61 w/FH-T   | 4400                                 |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| 2" x 1 1/2" x 16' RXBC   | 16                                   |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| Pump No. MD-13   |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| w/1" x 16' Gas Anchor  |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
| Pump has HVR valve   |                                      |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |
|  | 6581                                 |                             |         |                       |      |                                 |      |                                  |      |                        |       |                |       |                       |         |                    |  |  |      |

# Matador Operating Company

**Shelley 34 State #2**  
**Sec 34, T19S, R37E**

**API #30-025-36088**  
**Lea County, New Mexico**

|  |                               |
|--|-------------------------------|
| <b>Date :</b> 3/27/2003<br><b>Activity:</b> Producing<br><b>Remarks :</b> 20 oil, 151 MCF, 196 water | <b>Days On Completion:</b> 53 |
| <b>Date :</b> 3/28/2003<br><b>Activity:</b> Producing<br><b>Remarks :</b> 25 oil, 347 MCF, 154 water | <b>Days On Completion:</b> 54 |
| <b>Date :</b> 3/29/2003<br><b>Activity:</b> Producing<br><b>Remarks :</b> 21 oil, 330 MCF, 122 water | <b>Days On Completion:</b> 55 |
| <b>Date :</b> 3/30/2003<br><b>Activity:</b> Producing<br><b>Remarks :</b> 19 oil, 311 MCF, 138 water | <b>Days On Completion:</b> 56 |
| <b>Date :</b> 3/31/2003<br><b>Activity:</b> Producing<br><b>Remarks :</b> 26 oil, 323 MCF, 112 water | <b>Days On Completion:</b> 57 |
| <b>Date :</b> 4/1/2003<br><b>Activity:</b> Producing<br><b>Remarks :</b> 22 oil, 308 MCF, 97 water   | <b>Days On Completion:</b> 58 |
| <b>Date :</b> 4/2/2003<br><b>Activity:</b> Producing<br><b>Remarks :</b> 15 oil, 285 MCF, 80 water   | <b>Days On Completion:</b> 59 |
| <b>Date :</b> 4/3/2003<br><b>Activity:</b> Producing<br><b>Remarks :</b> 20 oil, 289 MCF, 94 water   | <b>Days On Completion:</b> 60 |
| <b>Date :</b> 4/4/2003<br><b>Activity:</b> Producing<br><b>Remarks :</b> 17 oil, 305 MCF, 98 water   | <b>Days On Completion:</b> 61 |
| <b>Date :</b> 4/5/2003<br><b>Activity:</b> Producing<br><b>Remarks :</b> 16 oil, 307 MCF, 93 water   | <b>Days On Completion:</b> 62 |
| <b>Date :</b> 4/6/2003<br><b>Activity:</b> Producing<br><b>Remarks :</b> 15 oil, 303 MCF, 86 water   | <b>Days On Completion:</b> 63 |