

Office

Energy, Minerals and Natural Resources

May 27, 2004

District I

1625 N. French Dr., Hobbs, NM 88241

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Artesia, NM 88240

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

87505

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-34590

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Prarie Fire State

Well Number 1

9. OGRID Number

224400

10. Pool name or Wildcat

Osudo Morrow West (Gas)

1. SUMMARY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐

2. Name of Operator

Edge Petroleum Operating Company

3. Address of Operator

1301 Travis, Suite 2000 Houston, TX 77002

4. Well Location

Unit Letter 7 : 1980 feet from the North line and 1650 feet from the East lineSection 2 Township 21S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3714" GL

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. 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 COMPL ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: completion ☒

13. 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.

Middle Morrow Sands Completion:

1-30-2008 ND well cap w/ valve, NU BOPE. SDFN

1-31-2008 RIH w/ 375 jts. 2 3/8" 4/7# P-110. SDFN

2-1-2008 Tagged cement @ 12,024' SLM. Drilled cement to 13,823' SLM. Started POOH. SDFN

2-2-2008 Ran CBL/CCL from 13,809' to 7,200'. PU csg. acrafer & RIH to 11,375' Secure well. SDFN

2-4-2008 RU kill trk & circ. hole vol. w/ 7% KCL. Started POOH w/ tbg. SDFN

2-5-2008 NU BOP & 10K hydraulic frac valve. Loaded hole w/ 30 bbls KCL & test csg. to 8000 psi. SDFN

2-6-2008 RIH w/ 3875" GR/JB to 13,800'. RIH w/ 4 1/2" CIBP & set @ 13,720'. RIH w/ 3 1/8" gun, 4 spf w/ .43" EHD, 29gr, 31" TTP, 60° phased. Corr. & perf. the MM1 form. from 13,609' to 13,625'. Immediate reaction - csg on lt. vacuum. RIH w/ 3 1/8" gun, 4 spf w/ .43" EHD, 29 gr, 31" TTP, 60°. 128 holes made. Corr. & perf. the MM1 from 13,593' to 13,608'. Immediate reaction: SICP built to 800 psi in 45 min. RIH w/ press. monitoring tool, monitor & record for 1 hr w/ high press. @ 5515 psi. SICP 900 psi.. RIH w/ 3

1/8" gun, 4 spf w/ .43" EHD, 29gr, 31" TTP 60°. 80 holes made. Corr. & perf. the MM2A from 13,564' to 13,584'.

Immediate reaction: SICP built to 1120 psi in 60 min. RIH w/ press. monitoring tool, monitor & record for 45 min w/ high press. @ 5843 psi. SICP to 1220 psi. POOH Opened well on 18/64 choke @ 1220 psi. Fld. to surf. in 2 min. FCP slowly decreased then slowly increased.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.SIGNATURE Angela Lightner TITLE Consultant DATE 2-20-2008Type or print name Angela LightnerE-mail address: angela@rkford.com Telephone No. 432-682-0440

For State Use Only

APPROVED BY: Chris Williams

OCD DISTRICT SUPERVISOR/GENERAL MANAGER

TITLE

DATE

Conditions of Approval (if any):

APR 04 2008

Submit 3 Copies To Appropriate District
Office
District I
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87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO. 30-025-34590
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Prarie Fire State
8. Well Number 1
9. OGRID Number 224400
10. Pool name or Wildcat Osudo Morrow West (Gas)

RECEIVED

FEB 27 2008

HOBBS OGD

SUNDRY NOTICES AND REPORTS ON WELL (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: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Edge Petroleum Operating Company	
3. Address of Operator 1301 Travis, Suite 2000 Houston, TX 77002	
4. Well Location Unit Letter <u>7</u> : <u> </u> 1980 feet from the <u>North</u> line and <u>1650</u> feet from the <u>East</u> line Section <u>2</u> Township <u>21S</u> Range <u>34E</u> NMPM Lea County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3714" GL	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type <u> </u> Depth to Groundwater <u> </u> Distance from nearest fresh water well <u> </u> Distance from nearest surface water <u> </u>	
Pit Liner Thickness: <u> </u> mil Below-Grade Tank: Volume <u> </u> bbls; Construction Material <u> </u>	

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PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: completion ☒

13. 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.

Middle Morrow Sands Completion:

- 2-8-2008 Cont. flowing well. RIH w/ 1 1/4" coiled tbg. to 13,420 while pumping 3220 c-scf nitro. blowing hole dry. RD CT unit & returned well to choke. Well was stabilized, no fluid recovery. SWI to build pressure. First test of hydration in the gas resulted in 9 ppg, by 7:00pm hydration was down to 3 ppg, put down sales line.
- 2-9-2008 SWI for dehydration unit problems. Morning SI press. @ 2250#.
- 2-10-2008 Water content down to 3#. Turned to sales @ 800 mcf/day rate on 1/8" choke. FCP @ 2050 psi. SWI to prepare for frac.
- 2-11-2008 Fraced the MM1 & MM2A form. w/ 1,222 bbl 7% KCL & 300 tons CO2 & 89,270 lb 20/40 Sin Buax. Formation broke @ 5,189 psi. avg psi- 5361 psi, max psi- 6697, avg rate- 34.3 bpm, max rate- 48.5 bpm. ISIP- 5100 psi, 15 min.- 4813 psi. RD stinger, RU flowback iron. Opened well for flowback w/ SICP- 3425 psi. Well ceased flowing, tried SWI to build press. w/ no success.
- 2-12-2008 RIH w/ 1 1/4" CT, circulating w/ N2 & 7% KCL mist. Ran to 13,720' w/ no indication of fill on wt. indicator .csg. vol. was displaced to tank w/ large amt. of foam returns requiring returning to reserve pit. Worked tbg. thru perfs. twice, circ. sweep from bottom & POOH. Odor of condensate & gas present. SWI, RD CT, RU flowback iron. Recovered 530 BLW for day.
- 2-13-2008 Finished RDMO CTU & RU flowback iron. Opened well & cont. flowback.
- 2-14 to 2-15-2008 Cont. flowback.

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SIGNATURE Angela Lightner TITLE Consultant DATE 2-20-2008

Type or print name Angela Lightner E-mail address: angela@rkford.com Telephone No. 432-682-0440

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APPROVED BY: Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE APR 04 2008

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State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO. 30-025-34590
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6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Prarie Fire State
8. Well Number 1
9. OGRID Number 224400
10. Pool name or Wildcat Osudo Morrow West (Gas)

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FEB 27 2008

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TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: completion ☒

13. 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.

Middle Morrow Sands Completion:

- 2-16-2008 Ran Gamma recorder log. RIH w/ 3875" GT/JB to 13,560'. RIH w/ 4 1/2" 12K composit plug & set @ 13,550'. Loaded hole w/ 376 bbl 7% KCL & tested to 3500 psi. RIH w/ 3 1/8" gun loaded 4 spf/ .43" EHD, 29 gr, 31" TTP 60 degree phased. 60 holes made. Perforate the MM2 from 13,527' to 13,542', no reaction at surface. TIH w/ 3 1/8" gun loaded 4 spf w/ .43" EHD, 29 gr, 31" TTP 60 degree phased. 60 holes made. Perforate MM2 from 13,512' to 13,526'. Reaction: dribble @ manifold needle valve. 120 total holes made. RIH w/ real time press. monitoring tool, correlated & set @ mid perfs - 13,527'. Monitor & record press. @ perfs for 30 min., highest press. @ 4620 psi, then fell & stabilized @ 4570 psi. Well left open to tank w/ occasional trickle first hour, then no flow.
- 2-17-2008 RIH w/ 2" CT to 13,550' while pumping nitrogen. Ran to bottom, circ. 1 hr. & jetted while POOH w/ 340 bbl recovered. FCP dropped from 450 spi to 120 psi in less than 1 hr. on 28/64 choke. Made another CT run to bottom. Blew well from bottom @ N2 rate up to 1600 scf/min & POOH. Recovered 37 BLW w/ 93 BLWLTR. RDMO CT & started flow test.
- 2-18-2008 MIRU Frac, wellhead & FloCo. Fraced the MM2 w/ 28,726 gals WF140 (% KCL) & 188 tons CO2 & 57,525 lbs 20/40 Sin Baux sand. Formation broke @ 5806 psi, avg psi- 5247, max psi- 7171, avg rate- 21.7 bpm, max rate- 26.6 bpm. Finished flush w/ 83 bbl 7% KCL water cap. ISIP- 6155 psi. TBLWTR- 684 bbls. Opened well for flowback w/ 4300 psi at wellhead. As press. dropped, increased choke size to keep fld. returns. As rate increase flowline began freezing of to tank. Laid 2nd line to reserve pit. Alternated between lines to keep well flowing. SWI.

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SIGNATURE Angela Lightner TITLE Consultant DATE 2-20-2008

Type or print name Angela Lightner

E-mail address: angela@rkford.com Telephone No. 432-682-0440

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APPROVED BY: Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE APR 04 2008

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State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO.
30-025-34590

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Prarie Fire State

8. Well Number 1

9. GRID Number
224400

10. Pool name or Wildcat
Osudo Morrow West (Gas)

SUNDRY NOTICES AND REPORTS ON WELLS

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1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

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Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

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NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: completion ☒

13. 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.

Middle Morrow Sands Completion:

2-19 to 2-22-2008 Flowback cont.

2-23-2008 SWI & ND flowback equip. Opened well SICP= 400 psi. RU CT unit, opened well with SICP- 2700 psi. Flared off press. as CT unit ran in. Started N2 at liner top w/ 1/2 bbl 7% KCL mixed w/ 1 gal per 10 bbl foamer. RIH & tag bottom. Circ. 1 hr. & started POOH.

2-24-2008 Finished POOH & RD 1 1/4" CT. RU wireline. RIH w/ 3 35" GR/JB, sat down at liner assembly top & could not work through. POOH & RD wireline. changed out 1 1/4" CT unit to 1 3/4". RIH w/ 3.35" tapered mill. & work through liner assembly. Cont. in hole to 13,500', circ. w/ 800 scf/ min N2 & 1 bpm 7% KCL w/ 1.5 gal / 1000 foamer.

2-25-2008 Finished RIH w/ 3,750" mill to 13,500'. Circ. cal. bottoms up w/ N2 @ 800 scf/ min w/ 1 gal/10 bbl foamer. POOH, cont. N2 @ 300 scf. Stood back CT equip. RU wireline, RIH w/ 3/625" GR/JB. POOH, PU RIH w/ 12K composite plug. Got to 13,490' & stacked out on sand. PU & plug was stuck. Worked briefly to loosen plug - no success. SICP @ 1750 psi. Opened well on 18/64" choke & was able to get wireline tools moving. Dragged to 2500# for 500' then pulled free. At surf. plug was still on setting tool part. set w/ sand packed in all ports & cracks. RD wireline RU CT unit. RIH to 13,550', circ. w/ 7% KCL w/ 1.5 gal/10 bbl foamer. Ran 2 gel sweeps & blue dye marker. Circ. 1.5 hrs until pills & dye at tank. SWI & POOH w/ CT, stood back CT equip. RU wireline, RIH w/ new 12K composite plug. Plug sat down @ 13,451' w/ no progress after repeating attempts. POOH @ inspected composite plug. Lt. grit present but no dings or scrapes visible. Prepare to run 3.625 GR/JB.

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SIGNATURE Angela Lightner TITLE Consultant DATE 2-26-2008

Type or print name Angela Lightner

E-mail address: angela@rkford.com Telephone No. 432-682-0440

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APPROVED BY: Chris Williams OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE APR 04 2008

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3714' GL

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SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: completion ☒

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Middle Morrow Sands Completion:

- 2-26-2008 SICP = 1,600 psi. RIH w/ 3.625" GR/JB. Tagged & stacked out same point, 13,451'. RU CT. RIH w/ dummy plug. RIH & wash to bottom w/ very little indication of obstruction or sand. Increased N2 rate from 800 scf/min. to 2100/ scf/min & jetted bottoms up. SIW & cont. N2 to press. up well to 2,500 psi to attempt to hold back sand from entering from formation. POOH w/ CT. PU 12K composite plug & setting tool & RIH on CT. Tagged sand & could not get past 13,554'. Opened well (SICP = 2,800) to 5,000 mcf/day flow rate. Started N2 @ 400 scf/min w/ 1/2 bbl KCL w/ 2 gal/ 10 bbl foamer. Carefully worked & washed down to 13,510'. Shut down N2, increased water rate to 1.4 bpm & dropped ball to set plug. Spaced out plug @ 12,495', corr. from earlier tag on lower plug (13,550'). Ball hit & press. to 5500 psi. PU 10' w/ CT & RIH to tag & confirm plug set. Appears good set FCP = 2000 & falling. Start loading hole thru CT @ PBTD (13,495').
- 2-27-2008 Finish POOH w/ CT & RD. Finished loading hole w/ pump & press. to 7800 psi to test plug. Press. fell to 5,000 psi in 5 min. brought press. back to 7,500 psi press. decline same as before. Plug test failed. RIH w/ 12 K composite. plug. Tagged & stacked out @ 13,451'. Could get no further. POOH. Will try 3" sand bailer.
- 2-28-2008 RU wireline & PU sand bailer. RIH & tagged fill 13,453'. Worked line to actuate bailer, without making any progress. POOH. LD bailer & check for sand - none present. RU CT unit, MU motor & 3.750" five bladed mill. RIH to 13,450' (+ -) & tagged unknown obstruction. PU & ran thru. Repeated running up/down, no further tag. Cont. in to plug @ 13,498' tagged @ 12,523' (SLM), indicating that the upper plug had moved downhole. Began milling out plug for 5 hrs. & still tryng to cut lower portion. Gas increase w/ each plug removal. Lost torque & ceased to make may progress @ 14,621' Circ. bottoms up & POOH.

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SIGNATURE Angela Lightner TITLE Consultant DATE 3-3-2008

Type or print name Angela Lightner

E-mail address: angela@arkford.com Telephone No. 432-682-0440

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OTHER: completion ☒

13. 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.

Middle Morrow Sands Completion:

- 2-29-2008 PU motor & reran the 3.750" tapered mill. FPC= 500 psi, flowing to tank on 42/64choke, est. flow rate 5,004 mcf /day. Opened well & RIH w/ CT & tapered mill. Started N2 @ 700 scf / min & 1.25 bbl 7% KCL w/ 2 gal / 1000 foamer. Mill / cleanout to 13,720' (PBTD), work up & down & circ. 1 hr. PU to above perms to 13,500'. Dropped 3/4" ball & displaced to motor w/ 10 bbl water, increased N2 to 1500 scf / min to open circ. sub. Cut water & cont. N2 @ 1500 scf / min for 78 min., POOH. RD CT & wireline. PU 12K composite plug & RIH. @ 13,000' started stacking out, able to cont. downhole. @ 13,200' progress all but ceased. SICP= 850 psi, opened well incrementally to 18/64 choke, able to get plug to depth. Fired setting tool, saw limited CCL meter activity, lost 50# wt. PU to find we were stuck. Well blew down to TSTM @ report time. RD CT & wireline.
- 3-4-2008 Constant lt. gas flow, TSTM on 24/64 choke. RU comp. rig. ND stinger 10K frac valve & NU 5K BOPE. PU & RIH w/ 3.750" overshot dressed w/ 1 7/16" grapple, bumper sub, & bowen jars. RU & RIH w/ 385 jts. 2 3/8", 4.7#, P-110, 8rd tbg. EOT @ 12,009'. Left well open to tank, SDFN
- 3-5-2008 Constant lt. gas flow, TSTM on 24/64 choke. MIRU foam air unit. Pump 1200 scf / 1 bbl 7% KCL w/ foamer & corrosion inhibitor. Broke circ. in 1.5 hrs & cont. pumping same rate w/ additional 40 min. Cont. PU tbg & RIH. Tagged fill @ 13,387', PU tbg. swivel, built foam & broke circ., washed & cleaned to fish. Tagged & latched on & sheared setting tool from plug. Began POOH, RD swivel & was able to pull fishing BHA & fish to into 7", just above liner top. SIW. SDFN

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Angela Lightner TITLE Consultant DATE 3-6-2008

Type or print name Angela Lightner

E-mail address: angela@rkford.com Telephone No. 432-682-0440

For State Use Only

APPROVED BY: Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE APR 04 2008

Conditions of Approval (if any):

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

Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

May 27, 2004

WELL API NO.

30-025-34590

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(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: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Edge Petroleum Operating Company

3. Address of Operator

1301 Travis, Suite 2000 Houston, TX 77002

4. Well Location

Unit Letter 7G: 1980 feet from the North line and 1650 feet from the East lineSection 2 Township 21S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3714' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. 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 COMPL ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: completion ☒

13. 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.

Middle Morrow Sands Completion:

3-6-08 No flow, No press. on well indicating plug had been set. TOH w/ no fish. RIH w/ 3.750" overshot to liner top (11,882') w/ 391 jts. tbg. in hole. SDFN

3-7-08 Loaded hole w/ 455 bbls 7% KCL & broke circ. Pumped 4.5 bpm for additional 45 min. recovered small amt. rubber, comp. plug & sand. Cont. RIH, circ. bottoms up @ 13,925', nothing in returns. Cont. RIH, tagged fill @ 13,408'. LD 4 jts. tbg. in singles, replaced with doubles. Started washing, circ. bottoms up between connections. Recovered more rubber, comp. fiber & sand. Washed down to 1' above fish (13,480'). Circ. hole vol. w/ clean 7% KCL & latched on to fish. POOH w/ 48 stands. SDFN

3-8-08 Finish TOOH, did not recover fish. PU grapple & TIH w/ 1 7/16" grapple. Latched onto fish, worked up while cir. @ 2 bpm @ 750 psi, started jarring. POOH, LD fishing tools. ND BOPE, NU frac valve. SDFN

3-9-08 RIH w/ 4 1/2" comp. plug & set @ 13,480'. POOH, started pumping/press. test plug & csg. to 8100 psi- held ok. GIH w/ 2 1/2" 60 degree phased. 0.32" EHD perf gun 2 spf, perf MM3 from 13,468'-13,473', no reaction at surface after perf. Pumped 30 bbls 7% KCL @ 4 bpm @ 1100 psi., cont. pumping 10 bbls @ 3 bpm, press. fell off to 400 psi, SD pumping. ISIP- 0 psi. Opened choke, slight vaccum in 5 min. RIH w. press. recording tool & set @ 13,468.5' (mid perms) Monitor & record press @ 6367 psi, falling off to 6287 psi w/ light vaccum at surface. POOH, RIH w/ 2 1/2" guns in tandem, perf. MM3 sands 13,452'-13,457', 2 spf 60 degree 0.32 EHD, 10 holes, surface press. lt. vaccum. PU & perf. MM3 stray sand 13,420'-13,425, 3 spf 60 degree phased 0.32 EHD 15 holes, surface press. lt. vaccum. Unable to identify fld. level on way out w/ guns. SIW to monitor/build pressure.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.SIGNATURE Angela Lightner TITLE Consultant DATE 3-12-2008Type or print name Angela LightnerE-mail address: angela@rkford.com Telephone No. 432-682-0440

For State Use Only

APPROVED BY: Chris Williams

DISTRICT SUPERVISOR/GENERAL MANAGER

DATE

Conditions of Approval (if any):

APR 04 2008