Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137

Expires March 31, 2007

6. If Indian, Allottee or Tribe Name

Lease Serial No

NM 064009C

SUNDRY NOTICES AND REPORTS ON WELL

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

APR 1 5 2108

				2. If Unit or CA/Agreement, Name and/or No.	
3a. Address 200 N. Loraine, Ste. 800 Midland, 4 Location of Well (Footage, Sec., T., R, M, or Survey L	Well Gas Well Other Operator eergy Inc. 5380 Loraine, Ste. 800 Midland, TX 79701 3b. Phone No. (include area code) 432-620-6740			8 Well Name and No. Federal DM #1 35588 9. API Well No. 30-025-29354 10. Field and Pool, or Exploratory Area Young; Wolfcamp, North 11 County or Parish, State	
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPO				Lea DRT. OR OTI	NM NM HER DATA
TYPE OF SUBMISSION		TYPE			
Notice of Intent X Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Reclamation Recomplete Temporarily Water Dispo	Abandon	Water Shut-Off Well Integrity X Other Re-Entry
Is Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof If the proposal is to deepen directionally or recomplete horizonally, 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 recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.) 4/26/06 MIRU PU. Cut off dry hole marker. Inst surf, intermediate & production csg heads. Tagged 1st cmt plug @ 25' FS; fell thru. Tagged next plug @ 382'; fell thru. Tagged 3rd plug @ 1,090'; fell thru. Tagged 4th cmt plug @ 1,500'. 5/2/06 Drilled on soft cmt dwn to 2,500'. Drilled on hard cmt 2,500' to 2,600'. Tagged 5th plug @ 2,875' 5/3/06 Drilled hard cmt @ 2,885' dwn to 2,910'. Drilled soft cmt/mud from 2,910'dwn to 4,380' down to 4,560'. Drilled hard cmt to 4,620'. Tagged soft cmt @ 4,990' to 5,515'. RIH tagging hard cmt & CIBP @ 5,975'. 5/5/06 Tagged CIBP @ 5,955'. Drill out CIBP & cmt. Left bit swinging above Avalon perfs (6,338'-6,356'). Tagged CIBP @ 5,955'. Purply a bove Avalon perfs to 6,175'. RIH & tagged next cmt plug @ 8,375'. State of the completion of the model of the completion					
Cont'd. on Next Page.				CEPTE	D FOR RECO
14 I hereby certify that the foregoing is true and correct Name (<i>Printed/Typed</i>) Kristy Ward		Title Regulator	ry Analyst		
Kusty Nard		20 (06 (00	, ;	APF	R 1 3 2008
THIS SPACE FOR FEDERAL OR STATE OFFICE USE			J	Anos	
Approved by Conditions of approval, if any, are attached. Approval of certify that the applicant holds legal or equitable title to which would entitle the applicant to conduct operations the	those rights in the subject I	nt or occ	ANAGER		LAND MANAGEMENT AD FIELD OFFICE

Re-Entry Cont'd.

- 5/12/06 Tagged up @ 10,282'. Circ frac balls OOH to top of CIBP @ 10,320'. Milled out CIBP & pushed to btm of hole @ 10,597'. Displaced hole w/260 bbls 2% KCL wtr. POOH w/180 jts 2-7/8" tbg & left conebuster swinging above Avalon perfs @ 6,175'.
- 5/16/06 RIH w/5-1/2" BJ pkr. Set pkr @ 10,299'.
- 5/19/06 RIH w/5-1/2" CIBP on 323 jts 2-7/8" N-80 EUE 8rd tbg. Attempt to set CIBP @ 10,169'. Set CIBP @ 10,105'. Stung out of CIBP. Circ hole w/120 bbls 2% KCL wtr to spot 84 gals of 15% NEFE double inhibited acid from 9,116' up to 9,086'.
- 5/20/06 RIH w/logging tool & perforating guns. Tied log into Schlumberger Neutron/Density log dated 3/24/86. Peforated Upper Wolfcamp intervals w/4 JSPF as follows: 9,086' 9,092' (24 holes), 9,095' (4 holes), 9,101' (4 -holes), 9,104' 9,110' (24 holes), 9,114' 9,116' (8 holes). RIH w/5-1/2" BJ PKR on 285 jts 2-7/8" N-80, EUE 8rd tbg. Set PKR @ 9,005'. RU pmp trk to put spot acid away w/2% KCL wtr.
- 5/25/06 Acidize Upper Wolfcamp perfs 9,086' 9,116' w/2,500 gals 15% NEFE HCL Acid. Opened by-pass on PKR set @ 9,005' to circ fluid out. Re-set PKR @ 9,005' & pmped Acid as follows: Pmpd 125 gals acid, formation broke dwn @ 3,802 psi & 2.2". Pmpd remaining acid, dropping 5 ball sealers every 2.5 bbls. With 5 balls on press 3,979 psi 2.2", 15 balls on 3,363 psi 2", 25 balls on 3,276 psi 3", 35 balls on 3,788 psi 3.8", 45 balls on 3,680 psi 3.3", 55 balls on 3,500 psi 3.3", 65 balls on 4,000 psi 3.3" (Ballout). Resumed pmping. With 75 balls on 2,665" 3", 95 balls on 2,391 psi 3", 105 balls on 2,664 psi 3". Flushed to btm perf w/54 bbls 2% KCL wtr.
- 6/2/06 RIH w/BJ 2-7/8" x 5-1/2" CI cmt retainer, on 285 jts 2-7/8" N-80 EUE 8rd tbg. RU BJ Ser to cmt squeeze Upper Wolfcamp perfs 9,086 9,116'. Pmpd through Cmt Retainer & set @ 8,995'. Squeezed perfs w/70 sx cmt below retainer @ 2,500 psi.
- 6/3/06 Tagged top of CICR & cmt cap @ 8,974'.
- 6/6/06 RIH w/additional 4 jts of 2-7/8" tbg & tagged cmt cap on top of CICR @ 8974'. Press tstd squeezed Wolfcamp perfs 9086' 9116'.
- 6/7/06 Tied collars into Gray Log dated 5/19/2006. Perforated intervals 9,086' 9,100' w/2 SPF. RIH w/2-7/8" x 5-1/2" BJ PKR on 288 jts 2-7/8" N-80 EUE 8rd tbg. Acidize perfs w/250 gals 15% HCL acid. With btm of PKR @ 9,102' spotted acid across perfs. PU & LD 3jts 2-7/8" tbg. Set PKR @ 9,001'.
- 6/8/06 Pmpd 250 gals 15% HCL acid & followed with 51 bbls 2% KCL wtr to spot acid across Upper Wolfcamp perfs 9,086' 9,100'.

Federal DM #1

Page 2

Cont'd.

6/16/06 RIH w/TD 450 Sub pmp & 215 jts 2-7/8" J-55 EUE 8rd tbg & 69 jts 2-7/8" L-80 EUE 8rd tbg.

6/17/06 RDMO PU.

6/18/06 Ran elec pwr to Sub pmp drive.

6/20/06 Fin final connections on pwr & gas lines. Tied well to heater treater & started drive @ 67 hz.

6/21/06 Started sub pmp drive @ 68 hz. Well made 12 BO & 212 BW w/gas rate of 144.0 mcf gas in 12 hrs.

7/1/06 Well made 289 BO & 355 BW w/470.0 mcf gas in 24 hrs.

7/11/06 Well tst 298 BO x 418 BW x 414 mcf gas. Running @ 72 htz.

9/29/06 RIH w/TD 650 Sub Pump on 215 jts 2-7/8", J-55, 6.5#, EUE, 8rd tbg & 69 jts 2-7/8", 6.5#, L-80, EUE, 8rd tbg. Btm of pmp @ 9,044' & intake @ 9,010'. RWTP.