

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N French Dr , Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd , Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-103  
Revised March 25, 1999

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 )		WELL API NO. <b>30-025-01054</b>
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator <b>NorthStar Operating Company</b>		6. State Oil & Gas Lease No.
3. Address of Operator <b>P.O. Box 10708, Midland, Texas 79702-7708</b>		7. Lease Name or Unit Agreement Name: <b>L.H. Chambers</b>
4. Well Location Unit Letter <b>C</b> : <b>660</b> feet from the <b>North</b> line and <b>1980</b> feet from the <b>West</b> line Section <b>11</b> Township <b>12N 48S</b> Range <b>33E</b> NMPM <b>Lea</b> County		8. Well No. <b>2</b>
10. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>4238' GL</b>		9. Pool name or Wildcat <b>97431 Hightower; Atoka, North</b>

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: **Re-Entry Work** ☒

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 Report & Wellbore Schematic -----

RECEIVED

JUN 04 2008

HOBBS OCD

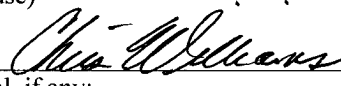
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE **President** DATE **06/04/08**

Type or print name **Mark A. Philpy**

Telephone No. **432/684-5765**

(This space for State use)

APPROVED BY  TITLE **OC DISTRICT SUPERVISOR/GENERAL MANAGER** DATE **JUN 04 2008**  
Conditions of approval, if any:

10/16/06 Dig out and remove dryhole marker. Install wellhead.

**Reenter and tie 5 1/2" casing together to 10,886'**

10/25-11/02/06 Nipple up BOP. RU power swivel. Make up 9 7/8" bit & TIH. Tag at 75'. Drill solid cement to 358'. Fell out into solid red bed. Drill and wash red bed to 7 5/8" casing stub at 792'.

11/03-12/04/06 RIH with 6 3/4" bit on 3 1/2" tubing. Washed down to 3815'. Work through and fell to 4850'. Rolled off, fell through and TIH to 6620'. TIH with 6 3/4" RR concave mill on 4 - 4 3/4" drill collars. Tag at 3818'. Mill from 3818' to 3823'. POH.

12/05/06 RU Lewis casing crew. **Run slip joint and 5 1/2" casing (90 joints, 17#, N-80, LT&C 8rd thread).**

12/06/06 **RU Halliburton and cement with 525 sx Interfill C & 100 sx Class C Premium Plus. Circulated 209 sx cement to surface.**

12/07-11/06 Cut casing off. NU BOP. PU 4 x 3 1/2" drill collars & 4 3/4" bit. RIH with tubing and tag cement at 3770'. Drilled cement to 3815' - 3885'. Wash and mill to 8790'. Tested 5 1/2" casing to 700 psi. Held good.

12/12-22/06 Washed to 10,886'.

12/26-27/06 RU Baker Hughes wireline and run GR/CNL & caliper logs. RIH with packer on 302 jts tubing. Set at 9500'. Pressured up and bled off 300# in 10 min. Pulled 40 jts. Set packer at 8220'. Pressured up casing (Held). Injection rate down tubing 4 BPM at 400#. **Pumped 100 sx cement.**

12/28/06 500# on backside. Pump 35 bbls water at 4 1/2 BPM with no pressure. **Pumped 200 sacks cement.** Displaced with 41 bbls water. **Squeeze to 2000#.** Reversed out 5 bbls cement. Released packer. Pull 20 jts to 7600. Pressured to casing 1000#.

12/29/06-01/04/07 800# on casing. POH with packer. RIH with 4 3/4 bit, 4 - 3 1/2" drill collars and tubing. Tagged at 8140'. Drilled cement to 8980'. Fell out. Well took small drink (+5 bbls) then held. TIH to 10,700'. Tested casing to 500#. No leak off in 5 minutes.

01/05/07 Displaced hole with 200 bbls 5% KCL water.

**Perforate and test Atoka zones**

01/06-07/07 PU VANN tubing conveyed perforating guns and RIH 10 10,350'. RU Halliburton Wireline. Run GR and spot guns. Space out tubing. Set packer. Rerun GR to confirm spot. ND BOP. NU tree. Drop equalizing tube. Drop perforating bar. **Perforated 10,374' - 10,386', 6 shots per foot, (73 holes).** Swab 3 runs with no show.

01/08/07 RU Cudd. Load tubing with 5% KCL water. Released packer. Run 2 joints. (packer at 10,258' & vent at 10,386'). Spot 1200 gals 7 1/2% Morrow acid. Set packer. NU wellhead. Acidize zone. Formation broke at 4800#. AIR - 1.2 BPM, AIP - 2300#. ISIP - 2080#, 5 min - 1920#. RU swab and swab and flowed 45 bbls load.

01/09/07 Well dead. FL at 7600'. Some oil on first pull. Swab FL to 9400' in 3 runs. No fluid entry in 3 hours. No gas. Released packer. Swab 90 bbls water out of hole.

01/10/07 Swab until recovered a total of 140 bbls water. POH. RU Jarrell Wireline. RIH with **CIBP and set at 10,360'.** **Dump bail 10' cement on top.**

01/11-16/07 RU JSI. Perforate **10,340-346', 10,302-306', 10,260-274', 10,224-232', 10,212-218', 4 shots per foot, (152 holes).** TIH with AS-1 packer, on/off tool, 1.81" profile nipple on 2 3/8" tubing. Set packer at 10,140'. NU wellhead. RU Swab.

01/17-19/07 No pressure on well. FL at 3700'. Swabbed dry in 5 runs. Swab hourly. Total recovery 43 bbls water. Not much gas or fluid entry. Swab samples shows some oil (10%), mostly water. RU Halliburton. Pumped 2500 gals Morrow acid with 200 ball sealers. Flow back. Then swab 74 bbls water, some gas, some oil. Pulled swab from packer at 10,140'. SD for 40 minutes. FL came up 600'. Swab 1 bbl water (25 bbls to recover). Left well open on 11/64" choke.

01/22-29/07 Swabbed and recovered load water and small amount of oil.

01/30-31/07 RU Cudd. Loaded backside with 35 bbls of 7 1/2% KCL water. Pressured to 500#. Hooked up to tubing. Tested lines to 7000#. Tubing loaded with 37 bbls. Pumped 3 bbls. Casing pressured up to 1100#. SD. Pumped 8 bbls of water slowly. Circulated to frac tank. Balanced tubing. Released packer. Pulled up to 4150'. Reset packer. Start acid down tubing @ 52 bbls (CP - 100#, TP 5703#, Rate - 4.4 BPM), @ 66 bbls (CP - 478#, TP - 5820#, Rate - 4.4 BPM), @ 69.8 bbls (CP - 4412#, TP - 3065#, Rate - 0.9 BPM). Regulated casing pressure below 2000# with needle valve. Finish acid job. 110 bbls total at 1 BPM. High pressure - 3562#. No breaks. ISIP 3424#. Bled well back. Swabbed to packer in 10 runs. Recovered 50 bbls load. Swabbed dry. Load tubing. Released packer. Installed BOP. POH.

02/03/07 RU JSI. Run CIBP. **Spot and set CIBP at 8996'.** RD JSI. FL at 3600'. TIH with SN on tubing. Tag CIBP.

**Perforate and test Wolfcamp zones**

02/05/07 RU Cudd. Load hole with 120 bbls 2% KCL water. Tested casing and CIBP to 1500#. (Held OK). Spot 300 gals of 15% NEFE acid. Pressured casing to 1500#. Perforated **8976' to 8990' (4 spf - 56 holes).** Slow pressure loss for 30 minutes. POH with guns. Check FL at 1450' on way out. Re-check FL at 1860' 5 minutes later. RD JSI. RIH with AS-1 packer, SN, 281 jts 2 3/8" tubing. Set packer at 8886'. RU swab. FL at 2300'. Made 3 swab runs and well kick off and flowed. Made **140 BO** in 2 hours, no water.

02/06/07 TP 540#. CP 0#. Flowed back 8 bbls of oil then died in 30 minutes. 1<sup>st</sup> swab FL @ 2000' (all water). 2<sup>nd</sup> swab FL @ 600' (water and oil). Well flowing on 24/64" choke. Pinch back to 16/64" choke. Flowed 2 1/2 hours at 270#. SI for 30 minutes. Hooked up to separator. Opened back up and well almost died. Left flowing on 13/64" choke at 140 psi

02/07-12/07 Flowed and swabbed well and recovered additional **45 BO** lots of water.

02/13/07 TP 250#. Blew down, all gas. ND wellhead and NU BOP. Released packer. POH. Laid down packer. TIH with cement retainer to 8948'.

02/14/07 **Set CICR at 8948'**. Loaded and tested casing to 1000# (OK). Tested tubing to 1000# (OK). Tubing on vacuum when retainer is open. **Mix and pumped 50 sx (10.5 bbls cement)**. Displaced to formation at 2.5 BPM at 65#. Locked up with 2.3 bbls of cement behind perforations. Reversed out.

02/16-17/07 Drilled out cement retainer and cement to 8992'. RU Baker Atlas wireline. **Perforated 8977'- 8984' (4 spf – 28 holes)**. TIH with packer. ND BOP. Set packer at 8886'. NU wellhead. Swabbed to SN.

02/19/07 TP 100#. CP 0#. Blew well down. Swabbed dry. RU Crain Hot Oil Service. Pumped 300 gals 15% NEFE acid (double inhibited). Loaded hole with brine. Total load 36.1 bbls.

02/20/07 TP 50#. CP 0#. FL @ 900'. RU Stone pump truck. Load tubing with 3.1 bbls of water. Pressure to 200#. Very slow pressure loss. Pressure to 500#. Slow pressure loss to 300#. Pump 1.6 bbl in 30 min. 4.7 bbl total. Pressure dropped to 0#. Pumped 6 more bbls. RD pump truck. RU swab. FL @ 1800'. Made 13 swab runs. Recovered 90 bbls of fluid 98% water. FL stays @ 4,000'. ND wellhead. NU BOP. Released packer.

02/21/07 TP 30#. Slight vacuum on casing. POH, Loading backside with 3% KCL water. Loaded with 35 bbls, Finish POH. RU JSI. **Run CIBP. Set at 8950'. Dump bail 50' cement on top.**

**Perforate and test Abo zones**

02/21/07 **Perforated 8548-60, 66-72, 78-96 with 4 spf (144 holes)**. TIH with 2 3/8" x 5 1/2" AS-1 packer, 2 3/8" SN & tubing

02/22/07 Set packer at 8486'. RU Halliburton and acidize with 1950 gals 15% HCL. AIR – 0.5 BPM, AIP – 4500#. ISIP – 5585#. RD Halliburton. NU wellhead and flow well back. RU swab and swabbed back 45 bbls water (85 bbls load). Last FL – 4800'. Some hot acid and lots of acid gas. 5% oil cut on last 2 runs

02/23-27/07 Swabbed well down with very little recovery.

02/28/07 Rigged up JSI and ran 1 11/16" strip gun. **Re-Perforated 8548-96' (126 holes)**. RU swab and made 3 swab runs to 8470'. Swabbed back 16 bbls water. Rigged up Cudd and acidized well with 2000 gals 15% HCL. AIR – 2 BPM, AIP – 5340#. ISIP – 5260#, 5 min – 4820#, 10 min – 4520#, 15 min – 4200#. Flowed well back for 30 min. RU swab and swabbed down to 2000', then 4000', then 7000'. Made a total of 10 swab runs. Swabbed back 54 bbls water.

03/01/07 TP – 0#. RU swab and FL at 2800'. Swabbed down to SN in 12 runs. RU Cudd and acidized with 2000 gals 15% HCL. AIR – 2.6 BPM, AIP – 5169#. ISIP – 5320#, 5 min – 4658#, 10 min – 4216#, 15 min – 3803#. Bled down well. RU swab and swabbed to SN. Swabbed back 85 bbls water. SDFN

03/02/07 TP – 700#. Bled down in 45 minutes. RU swab. FL at 3000'. 2<sup>nd</sup> run – 5000', 3<sup>rd</sup> run 7000'. Next run SN. SI and reopened on 10/64" choke with 120#. Recovered 18 bbls water. Watched for 2.5 hours. RU swab and FL at 7500'.

03/05/07 TP – 210#. CP – 0#. FL at 5000'. RU swab and swabbed dry. RU Cudd. Acidize well with 3000 gals 20% gelled acid. AIR – 2.8 BPM, AIP – 3550#. ISIP – 5025#, 5 min – 4361#, 10 min – 3691#, 15 min – 3142#, 20 min – 2660#. Displaced 15 bbls past perms.

03/06/07 TP – 450#. Flowed well back for 1/2 hour. RU swab. FL at 1800'. Swabbed fluid level down to 6800' in 10 runs. Made 10 more runs. Had a blow of gas at all times.

03/07/07 TP – 0#. CP – 0#. FL at 6300'. Swabbed all day and recovered 30 bbls water. Total swabbed 130 bbls water since acid job. Well trying to flow. No fluid on last 2 swab runs. Left well open to separator.

03/08/07 TP – 0#, CP -0#. Made 0 gas overnight. FL at 6200' (mostly water). Made 3 runs. Flowed gas for 1 hour then died. ND wellhead. NU BOP. Loaded tubing with 2% KCL water. Released packer. POH. RU JSI. TIH with 4" casing guns. Tagged fluid at 4000'. **Perforated 8696-8716' with 1 SPF (20 holes)**. Pulled guns. FL at 4000'. RD JSI.

03/09/07 TP – 0#. TIH with 1 joint mud anchor, 2 3/8" x 5 1/2" AS-1 packer, SN and 274 jts 2 3/8" tubing. Loaded hole with 2% KCL water. Spotted 500 gals 20% NEFE acid to end of tubing. Set packer at 8660'. RU Crain Hot Oil pump truck. Put acid away. Formation broke at 5900#. Treated at 1 BPM. Lowest pressure during treatment was 5600#. Highest pressure was 5900# at breakdown and end of treatment. ISIP – 5672#, 5 min – 5040#, 10 min – 4826#, 15 min – 4737#. Bled pressure off. NU wellhead. RU swab and swabbed back 42 bbls water, (no show of oil or gas). Swabbed dry.

03/12-29/07 Swabbed well with very little recovery.

04/02/07 TP – 10#, CP – 90#. RU Key well service. Bled well down. Rigged up transport and pumped 130 bbls 2% KCL water to load backside. PU on tree and couldn't move tree. WO pump truck. Pulled 100K and moved 1'. Set tree off. RU pump truck and pumped 30 bbls trying to pick up on tree but would not move. Waited on pump truck. PU on tree and moved 4'. ND tree, NU BOP. Started pumping on tubing and jarred on packer. Moved packer up 20' and casing started running over. Kept working on packer but couldn't move.

04/03/07 TP – 0#, CP – 0#. Pulled on packer (still stuck). WO pump truck. RU pump truck on backside and started pumping and got full returns on tubing. Started working tubing up and down and tubing went down but not up. Tried to pull through tight spot but could not. Worked up and down and finally came free. Pumped total of 95 bbls fresh water. RD pump truck. RU Rotary wireline and RIH with gauge ring. Tagged at 7753'. POH and RIH with freepoint tool. Tubing free at 7750'. POH and run chemical cutter. **Cut tubing at 7706'**. POH. PU on tubing and made sure it was free. Laid down 70 jts. tubing.

04/04-05/07 TP – vacuum, CP – vacuum. Continued laying down tubing. Total laid down 244 jts. + 15' (cut off joint). RU JSI. **Run CIBP. Set at 6800'. Dump bailed 50' cement on top.** ND BOP. Shut well in. RD

Perforate and test San Andres zone

08/13/07 RU Halliburton. Made 4 runs and set CICR @ 4574'. Perforate 2 squeeze holes at 4470'. RIH testing tubing. RU swab and swabbed well down.

08/14/07 TP 0#. Tagged fluid at 2900'. Swabbed well down. Sting tubing into CICR. RU Halliburton and loaded casing to 500#. Pumped and squeezed 50 sx cement thru retainer. Pulled 20 jts.

08/15/07 RIH with 10 jts. and tagged CICR. POH with tubing.

08/16/07 RU JSI wireline and perforated 4364'-4420' (176 holes). Picked up packer and RIH with tubing. Set packer. RU swab and swabbed down. RU Halliburton and acidized with 1000 gals 15% HCL. RU swab and made 5 swab runs.

08/17-21/07 Swabbed back approximately 300 BW.

08/22/07 Made 2 swab runs. Rigged up Cudd and acidized well with 3000 gals 15% HCL. Formation broke at 2492#. Treated at AIR of 3.7 BPM and AIP at 2062#. ISIP – 1340#, 5 min – 1275#, 10 min – 1231#, 15 min – 1196#. Rigged up swab and swabbed well down.

08/23-26/07 Tagged FL @ 1500'. Swabbed well dry. Fluid entry weak on every run.

08/27/07 Tagged FL at 1800'. Swabbed well dry. Rigged down swab. Opened BOP & unset packer. POH with tubing and packer laying down. Take off BOP. Flanged well up. RD.