

State of New Mexico  
Energy, Minerals and Natural ResourcesOIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505WELL API NO.  
30-025-385715. Indicate Type of Lease  
STATE ☐ FEE ☒

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name  
PEVEHOUSE 8

8. Well Number

9. OGRID Number  
16148510. Pool name or Wildcat  
WILDCAT DEVONIAN *Morrow*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 ☒ Other2. Name of Operator  
LONE STAR OIL & GAS, INC.3. Address of Operator  
P. O. BOX 2696, MIDLAND, TX 79702

4. Well Location

Unit Letter \_\_\_\_\_ P \_\_\_\_\_ 660 \_\_\_\_\_ feet from the \_\_\_\_\_ SOUTH \_\_\_\_\_ line and \_\_\_\_\_ 900 \_\_\_\_\_ feet from the \_\_\_\_\_ EAST \_\_\_\_\_ line.  
Section 8 Township 24S Range 36E NMPM LEA County11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3409 RKB

## 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. ☐  
DOWNHOLE COMMINGLE ☐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.

(SEE ATTACHED COMPLETION PROCEDURES)

RECEIVED

HOBBS OCE

Spud Date:

12/31/07

Rig Release Date:

4/4/08

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

SIGNATURE

*Linda Johnston*

TITLE

AGENT

DATE

7/9/08

Type or print name LINDA JOHNSTON E-mail address: stateoilreports@satx.rr.com PHONE: (830) 964-5963

For State Use Only

APPROVED BY:

*[Signature]*

TITLE

PETROLEUM ENGINEER

DATE

Conditions of Approval (if any)

JUL 22 2008

12/27/2007	DRILLED 26" HOLE TO 80' & SET & CEMENTED 20" CONDUCTOR
12/31/2007	SPUDDED WELL
1/2/2008	RUNNING 13 3/8" CASING TO 540'
	CEMENT CSG. w/450 SX. CEMENT / CIRCULATED 92 SX. TO PITS
1/14/2008	DRILLING AHEAD FROM 5,635' TO 5,675' - 40' @ 16' / HR. <b>RIG UP &amp; RUN 148 JTS. - 9 5/8" CASING in 12 1/4" hole</b>
1/15/2008	RUNNING 9 5/8" CASING
	CIRCULATE & WORK CASING AT TIGHT SPOT, CSG. STUCK -5,478'
	CIRC. & RIG DOWN CSG. EQUIP. & RIG UP CEMENTERS
	CEMENT 1st STAGE w/ 700 SX. LEAD & 200 SX. TAIL "C" CEMENT
	FLOAT HELD, DROP DV TOOL & OPEN DV TOOL w/1,000 PSI
	CIRCULATE THRU DV TOOL, CIRCULATE 150 BBL. CEMENT TO SFC
	CEMENT 2nd STAGE w/ 1350 SX. LEAD & 200 SX. TAIL CEMENT
	W O C / NIPPLE DOWN FLOWLINE & BOP's / JET & CLEAN PITS
	LIFT BOP's, SET SLIPS, CUT OFF CSG. NIPPLE UP "B" SEC & TEST
2/10/2008	RIG UP LAY DOWN MACHINE & LAY DOWN 156 JTS. DRILL P & BHA
	RUN 7" LINER IN HOLE w/52 STANDS 5" DRILL PIPE
	6:00 AM - LINER SHOE IS AT 9,702' M.D. {10 STANDS OFF BOTTOM}
2/11/2008	TRIPPING IN & WASH 7" LINER TO T.D. @ 10,656'
	CIRCULATE LINER THRU SHOE & HANG LINER @ 10,653'
	CIRCULATE w/FULL RETURNS / PREPARE TO CEMENT 7" LINER
	CEMENT LINER w/1,380 SX. LEAD CEMENT & 240 SX. TAIL CEMENT
	<b>7" LINER IS HUNG OFF &amp; SET @ 10,653' w/TOP of 7" @ 4,985'</b>
	<b>7" LINER IS OVER LAPPED 494' INSIDE THE 9 5/8" INT. CASING</b>
4/3/2008	LAYING DOWN 5" DRILL PIPE
	MAKE UP 5" LINER HANGER & TRIP IN HOLE w/LINER TO 13,000'
	<b>N.M.O.G REP. "CHRIS WILLIAMS" APPROVED PROD. LINER JOB</b>
	<b>5" LINER IS SET @ 13,000' w / LINER TOP @ 10,216'</b>
4/4/2008	TRIPPING IN HOLE w/5" LINER TO 13,000'
	HANG LINER IN 7" @ 10,216'
	CEMENT LINER w/400 SX. CEMENT, CIRCULATED 45 SX THRU TOP
	<b>SET PACKER, TEST TO 7,100 PSI, RELEASE &amp; REVERSE OUT</b>
	LAY DOWN 3 1/2" DRILL PIPE & 4 3/4" BHA, & LINER HANGER
	<b>NIPPLE DOWN BOP's AND ALL EQUIPMENT, RIGGING DOWN</b>
	<b>5" LINER IS SET @ 13,000' w / LINER TOP @ 10,216'</b>
	<b>RIG 76 IS RIGGED DOWN &amp; RELEASED @ 12:00 NOON - 4/4/08</b>
4/24/2008	PICKING UP & RUN in HOLE w / 2 3/8" TBG. To 12,610' { 404 Joints }
	TAG UP @ 12,610' - WASHED DOWN TO 12,835' { 411 Joints }
	DISPLACE MUD w/7% KCL / KILL TRUCK BROKE DOWN @ 307 BBL
	2nd KILL TRUCK BROKE DOWN @ 140 BBL. 3rd TRUCK PUMPED
	140 BBLs & BROKE DOWN - TOTAL DISPLACED 587 BBL.
4/26/2008	MAKE UP TCP & PACKER ASSEMBLYS & TRIP IN HOLE
	R. I. H. w/WIRELINE & CONFIRM DEPTHS & SET PACKER @12,435'
	PERFORATE 5" CASING w / 4 SHOTS/FT. FROM 12,556' TO 12,586'
	GAS TO SURFACE IN 4 MINUTES / FLOW BACK to 10 PSI @ 9:00 PM
4/29/2008	MONITORING TUBING PRESSURE 6:00 AM - 1,650 PSI
	OPEN WELL on 16/64" CHOKE & BLED WELL DOWN TO 0 PSI
	ACIDIZE WELL w/1,000 GALS. 7 1/2% HCL, (15% MeOH), FLUSHED
	WITH 3,000 GALS. KCL. SHUT DOWN - ISIP - 5053#, 5" 2750#,
	10" 2165#, 15" 1971#.
	RIGGED DOWN TREE SAVER & BJ SERVICES
	OPENED WELL UP on 16/64" CHOKE & FLOWED WELL BACK @
	175# UNTIL WELL DIED, REC 7 BBLs. +-.
	RIH w/SWAB, MADE 7 RUNS - REC. 58 BBLs , WELL KICKED OFF
4/30/2008	FLOW WELL BACK ON 16/64" CHOKE, PRESSURE TO 800 PSI
	SHUT IN WELL & R I H w / BOMBS TO RUN 100 HR BH PSI TEST
	FLOW WELL BACK ON 16/64" CHOKE, 800 PSI @ 8:00 PM
	SHUT IN WELL IN TO RUN 100 HR. BH PSI & GRADIENT TESTS
	10:00 PM - 2,500#, 12 MIDNITE - 4,000#, 2:00 AM - 4,600#
	RELEASED WORKOVER RIG & MOVED OFF LOCATION

4/1- TD

# INCLINATION REPORT

RECEIVED

DATE: 2/29/08

30-025-38571

WELL NAME :

Pevehouse 8-1

LOCATION:

Lea County, NM

OPERATOR:

LoneStar Oil & Gas

DRILLING CONTRACTOR:

GREY WOLF DRILLING COMPANY, LP  
RIG 76

JUL 21 2008

HOBBS OCD

I, 2.7, do hereby certify, that the following inclination report was prepared in the office of GREY WOLF DRILLING COMPANY, LP in Midland, Texas, under my supervision, from records of said well, and is true and correct to the best of my knowledge:

DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH
0.7 @	550	0.3 @	6593	4.6 @	8936	1.5 @	10432
0.5 @	1339	1.6 @	6881	4.2 @	8975	1.4 @	10464
0.3 @	1627	1.1 @	7019	4.1 @	9134	1.2 @	10496
0.5 @	2097	0.9 @	7116	4 @	9166	2.2 @	10529
0.9 @	2454	0.5 @	7209	4.1 @	9261	2.75 @	10600
1.4 @	2674	1.7 @	7293	3.8 @	9293	3.7 @	10701
1.7 @	2769	0.6 @	7388	3.7 @	9323	3.1 @	10735
1.7 @	2811	2.3 @	7625	3.7 @	9354	2.7 @	10764
1.2 @	2906	2.5 @	7654	4.3 @	9418	2 @	10860
1.4 @	3003	2.5 @	7686	4.5 @	9449	2.1 @	10892
2.2 @	3097	1.2 @	7719	4.3 @	9482	2 @	10924
2.3 @	3308	1.6 @	7753	3.8 @	9513	1.6 @	10956
2.3 @	3404	1.3 @	7782	3.5 @	9544	1.6 @	10988
3 @	3479	2.6 @	7773	2.1 @	9577	1.9 @	11100
2.9 @	3529	3.2 @	7867	3.2 @	9608	1.9 @	11132
2.6 @	3559	3 @	7803	2.1 @	9640	1.6 @	11228
2.2 @	3591	2.5 @	7845	3.7 @	9671	1.6 @	11164
2.7 @	3632	1.7 @	7951	2.7 @	9707	1.5 @	11196
1.9 @	3657	1.7 @	7971	3.4 @	9734	1.4 @	11260
1.4 @	3949	2.1 @	8065	3.1 @	9766	1.5 @	11292
0.3 @	4047	3.2 @	8096	1.7 @	9829	1.4 @	11324
1 @	4364	3.7 @	8129	2.1 @	9861	1.2 @	11355
1.1 @	4461	2.7 @	8232	2.1 @	9893	1.8 @	11387
1.6 @	4525	3.4 @	8262	3.2 @	9924	2.1 @	11419
1.8 @	4620	3.1 @	8298	2.3 @	9924	2.3 @	11448
1.5 @	5002	4.2 @	8327	3.7 @	9988	2.4 @	11480
1.3 @	5132	3.6 @	8357	2.7 @	10019	2.9 @	11513
1.4 @	5257	4.6 @	8452	3.4 @	10051	3.4 @	11544
1.6 @	5512	3.5 @	8484	3.1 @	10082	3.5 @	11576
0.4 @	5686	2.75 @	8535	3.1 @	10114	2.25 @	11554
0.4 @	5874	2.5 @	8566	1.7 @	10146	3.5 @	11876
0.5 @	6088	4 @	8664	2.1 @	10241	3.4 @	12313
0.1 @	6381	3.25 @	8912	2.1 @	10154		

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\_\_\_\_\_  
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Drilling Contractor:  
Grey Wolf Drilling Company, LP

By: Marshall Hornsby  
Marshall Hornsby

Subscribed and sworn to before me on this 4 day of March, 2008

My Commission Expires: 11/18/09

By: Karina Rubio

Notary Public

