R. E. C. C. Gommonie P. O. BOX 1980

Form 3160-5 (June 1990)

UNITED STATES HOBBS, NEW MEXICO 88240

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993

5. Lease Designation and Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS 47 Aly 194

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals HGT	6. If Indian, Another of The Name	
SUBMIT IN TRIPLICATE	7. If Unit or CA, Agreement Designation	
1. Type of Well Oil X Gas Well Other	8. Well Name and No.	
2. Name of Operator Paloma Resources, Inc.	Peery Fed. #2 9. API Well No.	
3. Address and Telephone No.	30-005-00516	
P.O. Box 1814 Roswell, NM 88202-1814 505-622-0770	10. Field and Pool, or Exploratory Area	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)	Undesignated Morrow	
1980' FEL & 660' FSL Sec. 29-T15S-R30E	11. County or Parish, State	

			Chaves Co., New Mexico			
12.	CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
	TYPE OF SUBMISSION	TYPE OF A	ACTION .			
	Notice of Intent Subsequent Report Final Abandonment Notice	Abandonment Recompletion Plugging Back Casing Repair Altering Casing Other	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well			
			Completion or Recompletion Report and Log form.)			

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

4-10-94

Operator performed the following work to temporarily abandon the Devonian Formation and re-complete in the Morrow Formation.

Move in and rig up pulling unit. Pull out of hole with tubing and packer. Spot 200 gallons acetic acid from 10020' up to 9900'. Perforate Morrow Formation from 9992'--10006' with 4 JSPF. Go in hole with tubing. Set Guiberson Uni-VI production packer with K-Valve at 10,100'. Cap with 35' sand. Set Guiberson Uni-VI packer with XL on/off tool with 1.81" profile nipple at 9857' Nipple down BOP and install tree. Rig up and make 5 swab runs. Well kicked off flowing. Flowing on 16/64" choke with 1000# FTP. Rate 1360 mcf/d and 88 bbls condensate. Run in hole with BHP bombs. Shut well in for buildup. Run 4 pt test on 4-23-94. CAOF--2423 mcf/d. Connected to GPM Gas Corporation pipeline.

NOTE: RBP Packer at 10,100' tested to 3500# for 30 min with no leakoff. Plug holding.

14. I hereby certify that the foregoing is the and correct Signed	Title	Agent	ACCEPTED FOR RECORD PETER W. CHESTER	Date5-5-94
(This space for Federal or State office use)				
Approved by	Title		MAY 23 1994	Date
			BUREAU OF LAND MANAGEMENT	
Title 18 U.S.C. Section 1001, makes it a crime for any person know or representations as to any matter within its jurisdiction.	ingly and willful	ly to make to	iny department of a length of the United States an	false, fictitious or fraudulent statement