

Submit 3 Copies To Appropriate District
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

State of New Mexico
Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

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.)		WELL API NO. 30-025-35528
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 checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Matador Operating Company		6. State Oil & Gas Lease No.
3. Address of Operator 310 W. Wall, Suite 906 Midland, TX 79701		7. Lease Name or Unit Agreement Name: Shelley 35 State
4. Well Location Unit Letter <u>D</u> : <u>705</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>West</u> line Section <u>35</u> Township <u>19S</u> Range <u>37E</u> NMPM Lea County		8. Well No. 1
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3600 GR		9. Pool name or Wildcat Skaggs; Drinkard, Northwest

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: Completion ☒

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 recompilation.

See Attachment



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

SIGNATURE Russ Mathis TITLE Production Manager DATE 02/18/02

Type or print name Russ Mathis

(This space for State use)

APPROVED BY _____ TITLE _____ DATE APR 18 2002

Conditions of approval, if any:

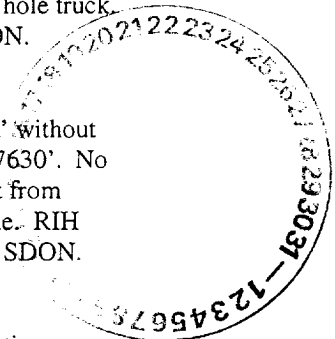
2A Wildcat Simon

Matador Operating Company

Shelley State 35 #1
API # 30-025-355258

Sec 35, T19S, R37E
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09/25/01	Rig moved off of well 9/14/01. Backhoe cleaning and leveling the location. Contractor set mast anchors.
09/26/01	Roustabout crew plumbed casing valves to surface. Crew found 500 psi and oil behind 5-1/2" x 8-5/8" annulus. Completion rig has been delayed. Rig expected on location 9/27/01.
09/27/01	Received 253 joints new 2-7/8" 6.5# J-55 EUE 8rd tubing. Set reverse unit. Set 2 - 500 bbl steel sock tanks. Begin tie-in.
09/28/01	MIRUPU. Bled 5-1/2" x 8-5/8" annulus to pit. After 2 hours, annulus showed a slight blow of gas with a pencil stream of water and oil. NU BOP. Pressured casing to 1000 psi - ok. Dropped shifting bomb and waited 25 minutes. Pressured casing to 1700 psi to shift DV. Pressured to 2000 psi and bled pressure. PU 4-3/4" bit, 5-1/2" casing scrapper, 4 DC. RIH with 57 joints of tubing. Spooled new sand line on unit. SDON.
09/29/01	CIH with tubing. Tag upper DV tool at 4775.36' tubing measurement. Drill bomb in DV tool in 8 minutes. Work bit and scrapper through DV tool 10 times while rotating and 10 times with no rotation. CIH with tubing. Tag cement at 6347' (629 feet high). Pressured casing to 4000 psi. Observed pressure for 10 minutes. Pressure decreased to 3200 psi. Observed for additional 10 minutes. Pressure decreased to 3025 psi. PU swivel. Drill soft to firm cement to 6473'. Drill wiper plug and firm to hard cement from 6473' to 6508'. Circulated hole clean. SWI, SDOS.
10/01/01	Continued drilling cement from 6508' to 7115'. Fall out of cement at 7115'. Pressure tested casing to 2400 psi and lost 100 psi after 20 minutes. CIH with tubing with slight drag starting at 7738'. Tagged up at 7779'. Displaced hole with fresh water and filled reverse pit. SWI, SDON.
10/02/01	POH with tubing and collars. RU Baker wireline and attempted to run CBL. Tools failed when pressure was applied to the casing. RD Baker wireline. RU Baker open hole truck. Ran spectralog, GR, CCL, CNL from 7774' to surface. RD Baker. SWI, SDON. Roustabout crew building battery.
10/03/01	RU Baker wireline. Ran radial analysis log, CCL, GR. Logged 7774' to 6500' without pressure. Logged 7774' to 2260' with 1500 psi. Good cement from 7774' to 7630'. No cement from 7630' to 7100'. Good cement from 7100' to 6550'. Poor cement from 6550' to 6470'. Good cement from 6470' to TOC at 3270'. RD Baker wireline. RIH with 4-3/4" RR bit, collars and tubing to 7779'. RU reverse equipment. SWI, SDON. Roustabout crew building battery.
10/04/01	Drilled DV and FC. Fell out of casing at 7783'. Passed bit through DV FV 5 times. Continued drilling to 7825' with 100% returns. Drilled to 7857' with 100% returns. Drilled to 7875' and lost 2/3 returns. Ran out of water. Laid down 4 joints tubing to 7762'. Continued to reverse cuttings out of tubing. Tubing plugged several times during cleaning attempts. Returns showed LCM and cement. POH with tubing and laid down BHA. RIH with 5-1/2" compression packer and 30 stands tubing. Pumped 1/2 BPM while pulling and running tubing. Set packer. SWI, SDON.



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10/05/01 Continue running tubing. SD for 3 hours due to high winds. FIH with tubing. Set **packer** at 7640'. RU to swab. IFL 1400'. Made 17 runs. Recovered 88 bbls water. EFL 1400'. Slight gas behind runs. SWI, SDON.

10/06/01 Tubing pressure 35 psi. Casing pressure 130 psi. Continue swab. IFL 1400'. Made 28 runs. Recovered 285 bbls water. EFL 1400'. The water was black, then clear, then black. Slight gas after runs. SWI, SDOS.

10/08/01 Slight blow on tubing, 250 psi on casing. IFL 1400'. Made 32 runs, recovered 247 BW. EFL 1400'. Water sample showed 51048 chlorides. Roustabout crew set 4 x 20 heater treater and 30 x 10 separator. Building battery.

10/09/01 Tubing slight blow, casing 150 psi. Made one run. IFL 1400'. Recovered black water. RD swab. RU Schlumberger. Pumped 2500 gals 15% HCL/DAD **acid** with xylene as follows: pumped 40 bbls **acid**, SD 15 minutes. No pressure. Pumped 10 bbls, SD 15 minutes. Pumped 9.5 bbls, SD 15 minutes. No pressure. Displace **acid** with tubing on vacuum at 1 BPM. RD Schlumberger. RU swab. IFL 1400'. Made 20 runs, recovered 158 bbls flush water, light **acid** and black water. EFL 1400'. SWI, SDON. Roustabout crew building battery. Vacuum trucks pulling oil out of reserve pit. Trucks moved 80 bbls oil out of **frac** tank to stock tank. Trucks put oil, mud, water mixture into **frac** tank for separation.

10/10/01 Tubing slight blow, casing 0 psi. Made 16 runs. IFL 1300'. Recovered 140 bbls black water with H2S on last hour of swab. EFL 1300'. RD swab. Release **packer**. POH with tubing and packer. SWI, SDON. Roustabout crew building battery.

10/11/01 Well shut in with 10 psi on casing. RU Howco wireline. Ran GL, DSN, CCL from 7870' to 6500'. Set 5-1/2" Howco EZ DR 10K **CIBP** at 7762' KB. Fluid level at 1050' from surface. RD Howco. SWI, SDON. Roustabout crew building battery 1/2 day.

10/12/01 Shut down. Waiting on orders. Stand-by time for pulling unit.

10/15/01 Shut down. Waiting on orders.

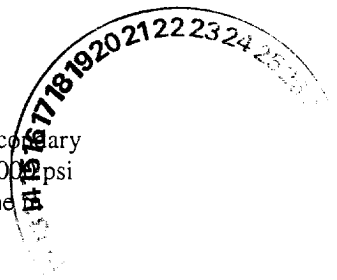
10/16/01 Shut down. Waiting on orders.

10/17/01 Casing pressure 100 psi. Tested tubing head primary seal, ring gasket, and secondary seal to 3000 psi. Loaded casing with 21 bbls 2% KCL. Pressured casing to 4000 psi testing **CIBP**. Pressure fell to 3200 psi in 10 minutes. This is the same decline rate pressure before open hole was drilled out. WOO. SD.

10/18/01 RIH with SN and tubing. Set rental slips. SWI. RDMOPU.

10/19/01 Waiting on Texaco.

10/27/01 MIRUPU and SD.



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10/29/01 Tubing and tubing/casing annulus pressure 0 psi. PU 3 joints with 245 joints in hole. Reverse 170 bbls 2% KCL. Spotted 500 gals 15% NEFE HCL DI from 7728-7215'. Laid down 3 joints and POH with 242 joints and SN. Load hole with 18 bbls 2% KCL. RU ISO wireline. **Perforate** ABO 7686-7726, 4 SPF, 160 holes, .46" entry hole, 23.91" penetration, 19 gram charges. RD Jarrel Services. RIH with 5-1/2" x 2-3/8" Arrow Set 1X **packer**, 2-1/2" seating **nipple**, 242 joints 2-7/8" tubing. Reversed **acid** into tubing, set **packer** and tested annulus to 750 psi. Displaced **acid** as follows: 1/4 bpm at 2400 psi until 2 bbls pumped, 3 bbls away 1800 psi at 1 bpm, 4 bbls away 1200 psi at 1-1/4 bpm. Continued pumping 1-1/4 bpm with ending pressure at 1000 psi with 12 bbls pumped. ISIP vacuum. RU swab. IFL 2400', pulled from 3900', 2nd 3400' pulled from 4900', 3rd 4200' pulled from 5700', 4th 4200' pulled from 5700', 5th 4200' pulled from 5700'. On the 5th run slight show of gas. SD. Change saver rubbers and cups. The 6th run fluid scattered at 1400', pulled from 3000' with well flowing after run. Flowed well to **frac** tank while running lines to production equipment. Recovered 76 bbls water/**acid** and 57 bbls oil in **frac** tank. Put well through production equipment at 10:30 pm. At 7:00 am, 10/30/01, flowing on 18/64, 440 psi, 19-20 BPH rate for 8.5 hours. The gas is being flared. Total production into stock tanks 170 bbls 100% oil. Oil is light brown in color. **Packer** is set at 7641' KB. Tubing detail to follow.

10/30/01 Well produced 332 bbls in 24 hours, 100% oil, 19/64 choke, 400 psi FTP. Transferred 57 BO from **frac** tank to stock tank. Total bbls on location is 636.

10/31/01 Well is flowing to tank and gas is flaring. Produced 323 bbls oil on the last 24 hours. Well flowing 11-13 BPH with 400 psi tubing pressure on a 19/64 choke. RU pump truck. Pumped 60 bbls 2% KCL in tubing at 1/2 bpm until 22 bbls away. Increased to 1.5 bpm with 0 psi. Pumped a total of 60 bbls in tubing. Released **packer** and lowered to setting depth at 7747' KB. Packed off **packer** with 20 points up and 30 points down. Loaded tubing/casing annulus with 18 bbls 2% KCL and tested to 500 psi - ok. ND BOP and installed 7-1/16" x 2-7/8" TCIW wraparound, 2-7/8" x 4-3/8" Acme BO2 bushing with 2-1/2" type "H" backpressure threads, 2 - 2-9/16" 5M Barton valves, 2-9/16" FE x 2-1/16" FE tee, 2-9/16" 5M with 2-7/8" 8rd lift flange, 2-1/16" 5M FE WKM wing valve, 2-1/16" FE X LP N60 adjustable choke. (Tree moved from Cooper 3 #6 stored at Kvaerner in Hobbs. MT #00369.) Landed tubing with 15 points compression on **packer**. Tested ring gasket, wraparound, and BO2 bushing to 5000 psi - ok. RU swab with IFL at 3800'. 2nd run 3800', 3rd run 3200'. After 3rd run, the well started flowing. Returned well to production vessels. Roustabout crew built riser for wellhead and made changes to production equipment. Well is flowing 14-15 bph at 420 psi tubing pressure on a 16/64 choke. Total production for 14 hours after landing tree 164 bbls oil. Tubing left on location 11 joints 2-7/8" EUE 8rd J-55 6.5# 346.88'. Two joints bad 63.31'. Total good tubing 283.37'. Transferred surplus tubing to Matador stock. MT #00370. Tubing left on location. RDMOPU. Released rental equipment.

Tubing Detail:

	5-1/2" x 2-3/8" Arrow set 1X packer	7.35
	2-3/8" x 2-7/8" EUE 8rd swedge	0.50
	2-7/8" EUE 8rd API seating nipple	1.10
242 jts	2-7/8" EUE 8rd J-55 6.5# tubing	7624.16
242 jts	total tubing and tools	7633.11
	KB adjustment	14.00
	EOT	7647.11

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11/01/01 Made 190 bbls oil, 50 bbls water with 420# tubing pressure on a 20/64 choke. Oil hauler found bad oil in 2 stock tanks. Pulled 50 bbls off bottom of each tank. Oil hauler bought 2 loads from the east tank. Hot oiler treated west tank. Hooked up chemical to wellhead. Well is producing 12% water. Note: downhole **packer** was purchased for \$1,800 with rental discount included. Gas purchaser will hook up gas at noon 11/2/01.

11/02/01 230 oil, 0 water, 420 tbg pressure

11/03/01 275 oil, 212 MCF, 14 water, 350 tbg pressure. Note gas volume is partial day.

11/04/01 204 oil, 403 MCF, 20 water, 325 tbg pressure

11/05/01 160 oil, 356 MCF, 25 water, 300 tbg pressure, 20/64 choke

BBC International sprayed the reserve pit with 300 gals Nutri Cell Biological Amendment liquid. The reserve pit has a skim of oil on top of drilling mud. We have skimmed the pit several times removing oil.

11/06/01 117 oil, 307 MCF, 20 water, 200 tbg pressure

11/07/01 69 oil, 216 MCF, 11 water, 90 tbg pressure, full choke

11/08/01 129 oil, 324 MCF, 37 water, 70 tbg pressure, open full choke

11/09/01 0 oil, 76 MCF, 0 water, 50 tbg pressure, shut in

11/10/01 0 oil, 0 MCF, 0 water, 100 tbg pressure, shut in

11/11/01 0 oil, 0 MCF, 0 water, 120 tbg pressure, shut in

11/12/01 0 oil, 0 MCF, 0 water, 160 tbg pressure, shut in

11/13/01 0 oil, 0 MCF, 0 water, 170 tbg pressure, shut in

11/14/01 0 oil, 0 MCF, 0 water, 180 tbg pressure, shut in

11/15/01 0 oil, 0 MCF, 0 water, 200 tbg pressure, shut in

11/16/01 0 oil, 0 MCF, 0 water, 210 tbg pressure, shut in

RU Jarrel Services. RIH with pressure gauges making gradient stops as follows: (well had been shut in 144 hours)

Depth feet	Pressure psig	Delta Pressure psig	Pressure Gradient psig/ft
Surface	198		
1000	205	7	0.0070
2000	212	7	0.0070
3000	219	7	0.0070
4000	226	7	0.0070
5000	233	7	0.0070
6000	321	88	0.0880
7000	652	331	0.3310
7706	881	229	0.3244

11/17/01 0 oil, 0 MCF, 0 water, 220 tbg pressure, shut in

11/18/01 0 oil, 0 MCF, 0 water, 220 tbg pressure, shut in

11/19/01 0 oil, 0 MCF, 0 water, 225 tbg pressure, shut in

11/20/01 0 oil, 0 MCF, 0 water, 230 tbg pressure, shut in

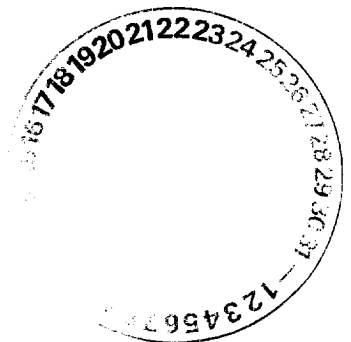
11/21/01 0 oil, 0 MCF, 0 water, opened

11/22/01 0 oil, 3 MCF, 0 water

11/23/01 0 oil, 0 MCF, 0 water, shut in

11/24/01 0 oil, 0 MCF, 0 water, shut in

11/25/01 0 oil, 0 MCF, 0 water, shut in



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- 11/26/01 0 oil, 0 MCF, 0 water, 60 tbg pressure, shut in
- 11/27/01 0 oil, 0 MCF, 0 water, 60 tbg pressure, shut in
- 11/28/01 0 oil, 0 MCF, 0 water, 60 tbg pressure, shut in
- 11/29/01 0 oil, 0 MCF, 0 water, 60 tbg pressure, shut in
- 11/30/01 0 oil, 0 MCF, 0 water, 60 tbg pressure, shut in
- 12/01/01 0 oil, 0 MCF, 0 water, 60 tbg pressure, shut in
- 12/02/01 0 oil, 0 MCF, 0 water, 60 tbg pressure, shut in
- 12/03/01 0 oil, 0 MCF, 0 water, 60 tbg pressure, shut in
- 12/04/01 0 oil, 0 MCF, 0 water, 60 tbg pressure, shut in
- 12/05/01 0 oil, 0 MCF, 0 water, 60 tbg pressure, shut in
- 12/06/01 0 oil, 0 MCF, 0 water, 60 tbg pressure, shut in
- 12/07/01 0 oil, 0 MCF, 0 water, 60 tbg pressure
- 12/08/01 0 oil, 0 MCF, 0 water, 60 tbg pressure
- 12/09/01 0 oil, 0 MCF, 0 water, 60 tbg pressure
- 12/10/01 Move in rig. Pull in pump 60 barrels. 2% KCL in tbg. **Nipple** down tree. Remove wraparound. **Nipple** up BOP. Remove **packer**. Lay down 27 joints 2 7/8 tbg. POH w/ 215 joints 2 7/8 tbg. 5 1/2 **packer**. SWI. SDON.
- 12/11/01 Current **perforations** 7686-7726 (ABO). RU Jarrel Services. RIH with 3.343" gauge ring to 7680'. RIH with Howco EZ-Drill 10K 5-1/2" **CIBP** and set at 7630'. Dump bailed 30' Class H cement in two runs. Cement top is at 7600'. Set Howco EZ-Drill 10K 5-1/2" **CIBP** at 7050'. **Perforate** 6982-86 with 3-3/8" gun, loaded 3 SPF, 120 degree phasing, 12 holes, 12 gram charges, .35" entry hole, 16.82" penetration. RD JSI. RIH with redressed 5-1/2" x 2-3/8" AS 1X **packer**, 2-7/8" SN, 217 joints EUE 8rd J-55 tubing. **Packer** bottom at 6855' KB.
- 12/12/01 Start swabbing. IFL 4400', 2nd 5600', 3rd tubing is dry. Loaded tubing/casing annulus with 70 bbls 2% KCL. Est fluid level 4605'. RU Cudd. Tested lines to 6000 psi. Pumped 39 bbls 15% NEFE HCL LST DI **acid** with 8 ball sealers after 24 bbls. Tubing loaded and pressured to 6200 psi. **Acid** is 3.5 bbls away from the **perforations**. Pumped a total of 1.5 bbls after pressure gain in stages. Released pressure on tubing and annulus. Released **packer** and lower tubing to 7000'. Spotted 3 bbls **acid** across **perforations**. Pulled **packer** to 6890' and reversed 10 bbls into the tubing. Set **packer** at 6890'. Started pumping with 4680 psi formation started taking **acid**. Pumped 48 bbls **acid** at 2.8-3.3 bpm average pressure 4096, final 3.3 bpm at 3760 psi. ISIP 3160, 5 min 530, 10 min 170, 15 min 20. RD Cudd. Total load to recover is 90 bbls. Start swabbing. IFL 60', 2nd 800', 3rd 3200', 4th 2600', 5th 2600' with a 5% oil cut. Laid lubricator down to change saver rubbers and well started flowing. Flowed and swabbed 100 bbls total fluid to test tank. Installed choke and turned to production equipment. At report time well is flowing 1.2 MMCF/D on a 18/64 choke with 825 psi tubing pressure and making 6.5 bbls of oil per hour. The water had decreased to 0 bpm at report time. Preparing to install tree.
- 12/13/01 Well is flowing at 1.5 MMCFD, 850 psi, 6 bph oil. SWI for 120 minutes with pressure increasing to 1885 psi. Pressure increased as follows: starting at 850 psi, in 5 minute increments - 1000, 1140, 1250, 1325, 1420, 1460, 1520, 1560, 1610, 1650, 1680, at 60 minutes 1710, 1730, 1760, 1780, 1800, 1810, 1825, 1839, 1859, 1860, 1870, at 2 hours 1885. Pumped 40 bbls 2% KCL down tubing. Released **packer**. Lay down 3 joints tubing. Reverse circulate 120 bbls 2% KCL and **packer** fluid. Set **packer** with 215

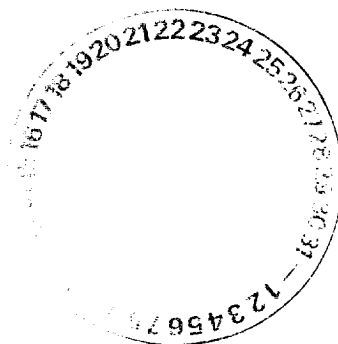
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joints tubing from surface at 6788' with 14 points compression. ND BOP. NU tree. Test annulus, casing, **packer** and wellhead at 2000 psi for 15 minutes - ok. RU swab. Swab 36 BF and well kicked off flowing. Put on line through PPS heater. FTP 700 psi. Gas flow rate at 1600 MCFD. Note these flowrates are starting points and should increase overnight. At 8:00 am, 12/14/01, 1.8 MMCFD with 650 FTP, liquid rate at 175 BOPD and 25 BWPD.

12/14/01	114 oil, 435 MCF, 27 water, 630 tbg pressure. RDMOPU. Clean location. Received line heater.
12/15/01	166 oil, 1486 MCF, 17 water, shut in 45 minutes. Roustabout crew plumbed line heater. Technician repaired line heater controls.
12/16/01	164 oil, 1771 MCF, 11 water, 500 tbg pressure
12/17/01	165 oil, 1790 MCF, 19 water, 480 tbg pressure, 26/64 choke
12/18/01	175 oil, 1654 MCF, 12 water, 440 tbg pressure
12/19/01	139 oil, 1516 MCF, 10 water, 340 tbg pressure. Released all test equipment. Filled line heater with glycol. Turned production to line heater. Released frac tank.
12/20/01	171 oil, 1479 MCF, 8 water, 330 tbg pressure
12/21/01	162 oil, 1370 MCF, 10 water, 300 tbg pressure
12/22/01	174 oil, 1259 MCF, 9 water, 280 tbg pressure
12/23/01	166 oil, 1136 MCF, 8 water, 280 tbg pressure
12/24/01	161 oil, 1044 MCF, 8 water, 280 tbg pressure
12/25/01	153 oil, 974 MCF, 9 water, 280 tbg pressure, gas line froze
12/26/01	157 oil, 829 MCF, 6 water, 280 tbg pressure, gas line froze
12/27/01	163 oil, 711 MCF, 7 water, 280 tbg pressure
12/28/01	141 oil, 840 MCF, 7 water
12/29/01	136 oil, 628 MCF, 6 water, down 7 hours
12/30/01	157 oil, 715 MCF, 9 water
12/31/01	152 oil, 674 MCF, 20 water, 250 tbg pressure
01/01/02	160 oil, 441 MCF, 8 water, 270 tbg pressure, gas line froze
01/02/02	145 oil, 505 MCF, 7 water, 280 tbg pressure
01/03/02	141 oil, 639 MCF, 5 water, 460 tbg pressure, gas line freezing
01/04/02	117 oil, 352 MCF, 3 water, 560 tbg pressure
01/05/02	103 oil, 372 MCF, 5 water, 600 tbg pressure
01/06/02	60 oil, 264 MCF, 2 water, 720 tbg pressure, choke plugging up
01/07/02	118 oil, 286 MCF, 7 water, 620 tbg pressure, choke plugging up
01/08/02	164 oil, 419 MCF, 10 water, 370 tbg pressure
01/09/02	129 oil, 458 MCF, 5 water, 520 tbg pressure
01/10/02	161 oil, 508 MCF, 8 water, 190 tbg pressure
01/11/02	154 oil, 617 MCF, 7 water, 200 tbg pressure
01/12/02	156 oil, 637 MCF, 6 water, 200 tbg pressure
01/13/02	148 oil, 642 MCF, 5 water, 200 tbg pressure
01/14/02	150 oil, 639 MCF, 7 water, 210 tbg pressure
01/15/02	145 oil, 633 MCF, 11 water, 210 tbg pressure
01/16/02	147 oil, 625 MCF, 5 water, 210 tbg pressure
01/17/02	142 oil, 615 MCF, 5 water, 210 tbg pressure
01/18/02	133 oil, 604 MCF, 5 water, 200 tbg pressure
01/19/02	144 oil, 592 MCF, 5 water, 250 tbg pressure, freezing



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01/20/02 137 oil, 549 MCF, 5 water, 220 tbg pressure
01/21/02 146 oil, 568 MCF, 7 water, 200 tbg pressure
01/22/02 142 oil, 552 MCF, 5 water, 200 tbg pressure
01/23/02 138 oil, 536 MCF, 5 water, 200 tbg pressure
01/24/02 137 oil, 517 MCF, 5 water, 210 tbg pressure
01/25/02 143 oil, 487 MCF, 0 water, 210 tbg pressure, purchasers line frozen
01/26/02 135 oil, 423 MCF, 3 water, 210 tbg pressure, purchasers line frozen
01/27/02 142 oil, 388 MCF, 5 water, 210 tbg pressure, purchasers line frozen
01/28/02 142 oil, 413 MCF, 7 water, 200 tbg pressure
01/29/02 137 oil, 426 MCF, 3 water, 200 tbg pressure
01/30/02 148 oil, 424 MCF, 5 water, 200 tbg pressure
01/31/02 137 oil, 417 MCF, 5 water, 210 tbg pressure
Run gauge ring to **perforate** 2/1/02. RU Pro Wireline. SWI. RIH with 1.750 gauge ring to 7036'. POH and RD.

Daily Cost: \$575 Cum Comp Cost: \$156,749 TWC: \$1,436,774

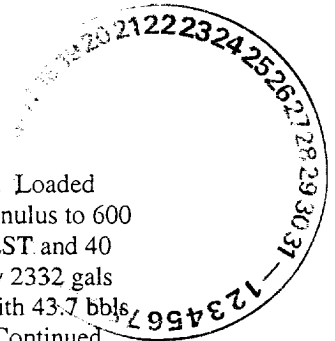
02/01/02 40 oil, 277 MCF, 2 water, 480 tbg pressure, shut in.
SITP at 1040 psi after 16 hours. MIRU Baker Atlas. RIH with guns.. **Perforate**
Drinkard from 6946-54 at 4 SPF with 0 phasing with 1-11/16" strip gun containing
Predator charges. No change in tubing pressure. POH with guns.

Daily Cost: \$5,000 Cum Comp Cost: \$161,749 TWC: \$1,441,774

02/02/02 122 oil, 153 MCF, 3 water, 200 tbg pressure
02/03/02 157 oil, 345 MCF, 5 water, 200 tbg pressure
02/04/02 162 oil, 388 MCF, 5 water, 210 tbg pressure
02/05/02 149 oil, 411 MCF, 5 water, 210 tbg pressure
02/06/02 142 oil, 428 MCF, 5 water, 210 tbg pressure
02/07/02 151 oil, 439 MCF, 5 water, 210 tbg pressure
02/08/02 139 oil, 448 MCF, 3 water, 210 tbg pressure
02/09/02 148 oil, 450 MCF, 5 water, 210 tbg pressure
02/10/02 143 oil, 446 MCF, 3 water, 210 tbg pressure
02/11/02 142 oil, 445 MCF, 4 water, 210 tbg pressure
02/12/02 137 oil, 452 MCF, 5 water, 210 tbg pressure

02/13/02 131 oil, 456 MCF, 3 water, 210 tbg pressure
Well is flowing. RU Cudd Pumping Service to **acidize** present perforations. Loaded
tubing casing annulus with 7 bbls FW containing packer fluid. Pressured annulus to 600
psi. Tested lines to 3000 psi. Pumped 3000 gals 15% NEFE DI HCL with LST and 40
1.3 sg ball sealers. Pumped 500 gals, 40 ball sealers in 168 gals, followed by 2332 gals
acid. Flushed with 43.7 bbls water. Tubing pressure increased to 340 psi with 43.7 bbls
pumped. Pumped total of 60 bbls and increased rate to 5 bpm at 2350 psi. Continued
pumping 5 bpm at 2570 psi ending pressure. No ball action was observed. ISIP 1350, 2
min vacuum. RD Cudd. RU Aries swab unit. Started swabbing. IFL at 1845, 2400,
2600, 3000, 3200, 2800 scattered, 3000 st, 2600 st, 4200 st, 2600 st, 3300 st.. SD
swabbing. Recovered 90.8 bbls water and 26.7 bbls oil. LTR 114, LR 90, LLTR 24.
LWOTT

Daily Cost: \$6,375 Cum Comp Cost: \$168,124 TWC: \$1,448,149



Matador Operating Company

Shelley State 35 #1
API # 30-025-355258

Sec 35, T19S, R37E
Lea Co., NM

02/14/02	36 oil, 199 MCF, 3 water, 170 tbg pressure. 93 BTLR of 114 BTL, 21 BTLLTR. Partial day.
02/15/02	151 oil, 245 MCF, 19 water, transfer 66 bbls from frac tank. 112 BTLR of 114 BTL, 2 BTLLTR
02/16/02	128 oil, 391 MCF, 17 water. 114 BTLR of 114 BTL
02/17/02	130 oil, 429 MCF, 15 water.

