

WELL SERVICE APPROVAL
LIPS PETROLEUM COMPANY--PERMIAN BASIN REG.

KB @ 3691.2
GL @ 3674.2

CAP w/ 50' CMT PLUG

17-1/2" Hole

13-3/8", 48#, H-40
Set @ 866'
TOC: Circ.

12-1/4" Hole

3576' CMT PLUG
F/8K - 4392'

8-5/8", 60 Jts. 24#, K-55
8-5/8", 37 Jts. 32#, K-55
Set @ 4292'
TOC: Circ.

7-7/8" Hole

Area North Subarea Loco Hills Date December 3, 1991
Lease & Well No. Luke Federal #2 Spud Date: November 6, 1991
Legal Description 660' FNL & 660' FNL, Sec. 31, T-21-S, R-32-E
Lea County State: New Mexico
Field Undesignated (Delaware)
Status New Well BOPD BOPD MCFO
Tbg.
Other New well.
Wellhead Type: National Wellhead
Hole/Casing Condition: Good.

Last Stimulation: New well completion.

Workover Proposal: Initial Completion.

Project Justification: New well completion.

Tubular Ratings (Pw Allowable):

Size	Weight	Grade	Burst	Collapse	Tension	Vol. (Bbl/Ft)
5-1/2"	15.5	K-55	4510	3810	131 K	0.02380
5-1/2"	17.0	K-55	4980	4630	156 K	0.02320
2-7/8"	6.5	J-55	5930	6670	67.6K	0.00579
2-3/8"	4.7	N-80	8770	10240	67.3K	0.00387

Top of Citizony Canyon @ 5490'

DV Tool @ 5495'

Top of Brushy Canyon @ 6749'

Project Economics @ \$20.00 /Bbl

BOPD MCFO

AARR

PAYOUT YEARS

NTer TIMES

NPV @ 13% \$

PI @ 13%

ECONOMIC LIFE YRS

EST. COMPL. DATE 12/91

Form 452-S COST ESTIMATE ATTACHED

PPCO: W.I. 100 %

R.I. 82.5 %

Checked By:

Reser. Engr. J. S. Hargrove

Prod. Engr. K. J. Hart

Approved: REL 12-4-91

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NET COST

CHARGE TO

GROSS COST

Invest. AFE P-CF92

Expense

TOTAL

\$

\$

\$

\$

\$

\$

PBTD: 8538'

5-1/2", 15.5# & 17#, K-55
Set @ 8585'
TOC: Circ.

TD: 8585'