

RAILROAD COMMISSION OF TEXAS

Oil and Gas Division

Form W-2

Rev. 4/1/83

EAG0897

Type or print only

API No. 42- 003-39757				7. RRC District No. 08	
Oil Well Potential Test, Completion or Recompletion Report, and Log				8. RRC Lease No. 37209	
				9. Well No. 10	
1. FIELD NAME (as per RRC Records or Wildcat) MARTIN (San Andres)		2. LEASE NAME PHILLIPS UNIVERSITY P		10. County of well site ANDREWS	
3. OPERATOR'S NAME (Exactly as shown on P-5, Organization Report) Forest Oil Corporation		RRC Operator No. 275740		11. Purpose of filing Initial Potential <input type="checkbox"/> Retest <input type="checkbox"/> Reclass <input checked="" type="checkbox"/> Well record only (explain in Remarks) <input type="checkbox"/>	
4. ADDRESS 707 17th Street, Suite 3600, Denver, CO 80202					
5. If Operator has changed within the last 60 days, name the former operator					
6a. Location (Section, Block, and Survey) 13 11 UL		6b. Distance and direction to nearest town in this county. 16 MI SW FROM ANDREWS			
12. If workover or reclass, give former field (with reservoir) & gas ID or oil lease no. FIELD & RESERVOIR Martin (Consolidated)		GAS ID or OIL LEASE # 37209	Oil - O Gas - G o	WELL NO. 10	
13. Type of electric or other log run Spec GR/LL/Spec DEN/Dual spaced NEUT		14. Completion or recompletion date 8/28/08			

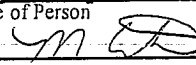
SECTION I: POTENTIAL TEST DATA

IMPORTANT: Test should be for 24 hours unless otherwise specified in field rules.

15. Date of test 8/29/08		16. No. of hours tested 24		17. Production method (Flowing, Gas Lift, Jetting, Pumping - Size & Type of pump) rod pumping		18. Choke size	
19. Production during Test Period Oil - BBLS 124		Gas - MCF 3		Water - BBLS 426		Gas - Oil Ratio 24.19	
20. Calculated 24-Hour Rate Oil - BBLS 124		Gas - MCF 3		Water - BBLS 426		Oil Gravity - API - 60 °	
21. Was swab used during this test? Yes <input type="checkbox"/> No <input type="checkbox"/>		22. Oil produced prior to test (New & Reworked wells)				23. Injection Gas-Oil Ratio	
REMARKS: Successful Recompletion in Martin (San Andres)							

INSTRUCTIONS: File an original and one copy of the completed Form W-2 in the appropriate RRC District Office within 30 days after completing a well and within 10 days after a potential test. If an operator does not properly report the results of a potential test within the 10-day period, the effective date of the allowable assigned to the well will not extend back more than 10 days before the W-2 was received in the District Office. (Statewide Rules 16 and 51) To report a completion or recompletion, fill in both sides of this form. To report a retest, fill in only the front side.

WELL TESTER'S CERTIFICATION I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I conducted or supervised this test by observation of (a) meter readings or (b) the top and bottom gauges of each tank into which production was run during the test. I further certify that the potential test data shown above is true, correct, and complete, to the best of my knowledge.		
Signature: Well Tester	Name of Company	RRC Representative

OPERATOR'S CERTIFICATION I declare under the penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.		
Myriah Carter Typed or printed name of operator's representative		
Telephone: Area Code 303-812-1426 Number 09 / 11 / 08 Date: mo. day year		
Regulatory Technician Title of Person  Signature		

SECTION II DATA ON WELL COMPLETION AND LOG (Not Required on													
24. Type of Completion					25. Permit to Drill, Plug Back or, Deepen					DATE	PERMIT NO.		
New Well <input type="checkbox"/> Deepening <input type="checkbox"/> Plug Back <input type="checkbox"/> Other <input checked="" type="checkbox"/>										03/03/08	655782		
26. Notice of Intention to Drill this well was filed in Name of					Rule 37					CASE NO.			
FOREST OIL CORPORATION					Exception								
27. Number of producing wells on this lease in this field (reservoir) including this well					28. Total number of acres in this lease					Salt Water Disposal		PERMIT NO.	
5					280					Permit			
29. Date Plug Back, Deepening, Workover or Drilling Operations:					Commenced		Completed		30. Distance to nearest well. Same Lease & Reservoir			Other	PERMIT NO.
					8/11/08		8/27/08		1439				
31. Location of well, relative to nearest lease boundaries of lease on which this well is located					1650 Feet from North Line and 990 Feet from East Line of the PHILLIPS UNIVERSITY P Lease								
32. Elevation (DF, RKB, RT, GR, ETC.)					33. Was directional survey made other than inclination (W-12)?								
3271' KB					<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No								
34. Top of Pay		35. Total Depth		36. P. B. Depth		37. Surface Casing Determined by:		Field Rules <input type="checkbox"/>		Recommendation of T.D.W.R. Railroad Commission (Special) <input checked="" type="checkbox"/>		Dt. of Letter 01/20/06	
5745		7705		7632								Dt. of Letter	
38. Is well multiple completion?		39. If multiple completion, list all reservoir names (completions in this well) and Oil Lease or Gas ID No.											
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		FIELD & RESERVOIR											
		GAS ID or OIL LEASE #		Oil-O Gas-G		WELL #		40. Intervals Drilled by:		Rotary Tools		Cable Tools	
		37209		o		10				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
41. Name of Drilling Contractor		42. Is Cementing Affidavit Attached?											
Lantern Drilling		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No											
43. CASING RECORD (Report All Strings Set in Well)													
CASING SIZE	WT #/FT.	DEPTH SET	MULTISTAGE TOOL DEPTH	TYPE & AMOUNT CEMENT (sacks)	HOLE SIZE	TOP OF CEMENT	SLURRY VOL. cu. ft.						
8 5/8"	24#	1423		625 C	12.25	SURFACE	1057						
5 1/2"	17#	7698		1850 C	7.875	SURFACE	3994						

44. LINER RECORD				
Size	TOP	Bottom	Sacks Cement	Screen

45. TUBING RECORD			46. Producing Interval (this completion) Indicate depth of perforation or open hole	
Size	Depth Set	Packer Set	From	To
2 7/8"	5715		From 5745	To 5985
			From 6353	To 6654
			From 6807	To 6988
			From 7163	To 7889

47. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
Depth Interval	Amount and Kind of Material Used
5745-5985	1spf, 2000g 15% NEFE HCL w/ balls 111000 20/40 ottawa
6353-6654	1spf, 2164g 15% NEFE HCL w/ balls 141000 20/40 ottawa
6807-6988	2spf, 2400g 15% NEFE HCL w/ balls, 15% ultragel w/ ball
7163-7889	2spf, 2500g 15% HCL w/ balls

48. FORMATION RECORD (LIST DEPTHS OF PRINCIPAL GEOLOGICAL MARKERS AND FORMATION TOPS)			
Formations	Depth	Formations	Depth
Yates	2723	Tubb	6218
San Andres	4200		
Clearfork	5607		

REMARKS 7520-7550, 1 spf, 2500g 15% NEFE HCL w/ balls.

46.4442-4610 (new) 47.4442-4610 frac w/31743gal 86000# 16/30 ottawa sand, acdz 15% HCL NEFE

46.4214-4382 (new) 47.4214-4382 acdz 15% HCL NEFE

MICHAEL L. WILLIAMS, CHAIRMAN
VICTOR G. CARRILLO, COMMISSIONER
ELIZABETH A. JONES, COMMISSIONER



TOMMIE SEITZ
DIRECTOR, OIL AND GAS DIVISION
JOHN JAMES TINTERA P.G.
ASSISTANT DIRECTOR, TECHNICAL PERMITTING

RAILROAD COMMISSION OF TEXAS

OIL AND GAS DIVISION

March 28, 2008

FOREST OIL CORPORATION
ATTN CINDY BUSH
707 17TH STREET STE 3600
DENVER, CO 80202

RE: **APPLICATION FOR EXCEPTION TO SWR 10**
FIELDS: MARTIN (SAN ANDRES), & MARTIN (CONSOLIDATED)
LEASE: PHILLIPS UNIVERSITY P WELL # 10
API NO.: 42-003-39757
ANDREWS COUNTY, TEXAS

Dear Operator:

The Commission has approved your application to down hole commingle production (oil) within the above referenced well bore and MARTIN (SAN ANDRES), & MARTIN (CONSOLIDATED) fields of Andrews County, Texas. For allowable and reporting purposes, the well will be assigned to the **MARTIN (SAN ANDRES)** field. It will be necessary to have or obtain Commission authority to complete this well in each of the subject zones (Form W-1 approval). The effective date of this SWR 10 Exception is March 28, 2008.

Acreage assigned to the referenced well for allocation of allowable shall not be assigned to any other well or well projected to or completed in the fields, such duplicate assignment of acreage is not acceptable, provided however, that this limitation shall not prevent the reformation of development or proration units so long as no duplicate assignment of acreage occurs, and further, that such reformation does not violate other conservation regulations.

The maximum daily allowable for the combined production will be limited to the top allowable for the MARTIN (SAN ANDRES) field and will become effective upon receipt of Form W-2 showing combined completion data and results of a 24-hour production test taken after the physical work of down hole commingling has been completed. Please indicate in "remarks" the reason for filing this report, giving date of Commission approval of this Rule 10 exception.

Should secondary recovery operations be initiated in either of these reservoirs, it may be necessary to segregate these zones. If surface-commingling authority has been granted, it may be necessary to amend or cancel this authority.

Sincerely,


Steve Gault

Engineer, Permitting / Production Services

Cc Proration Oil District 08
District 08
Oil Production Audit Dept.
File (3)

LAW OFFICES
**SCOTT, DOUGLASS
& McCONNICO, L.L.P.**

A REGISTERED LIMITED LIABILITY PARTNERSHIP

ONE AMERICAN CENTER
600 CONGRESS AVENUE, 15TH FLOOR
AUSTIN, TEXAS 78701-2589
TELEPHONE (512) 495-6300
FAX (512) 474-0731
WWW.SCOTTDUG.COM

[†]BOARD CERTIFIED-CIVIL TRIAL LAW
^{*}BOARD CERTIFIED-PERSONAL INJURY TRIAL LAW
^{*}BOARD CERTIFIED-LABOR & EMPLOYMENT LAW
^{*}BOARD CERTIFIED-OIL, GAS & MINERAL LAW
[▲]BOARD CERTIFIED-CIVIL APPELLATE LAW
[◆]BOARD CERTIFIED-ADMINISTRATIVE LAW
TEXAS BOARD OF LEGAL SPECIALIZATION

PAIGE ARNETTE AMSTUTZ
DANIEL C. BITTING
JOHN W. CAMP*
SARA WILDER CLARK
CYNTHIA SAITER CONNOLLY
JAMES N. COWDEN*
AMY LEE DASHIELL*
DOUGLAS JACKSON DASHIELL*
CASEY L. DOBSON
RAY N. DONLEY
MARK W. EIDMAN
ASHER B. GRIFFIN
R. ERIC HAGENSWOLD
MARK W. HANNA
ROBYN BIGELOW HARGROVE
JOHN K. HICKS
SAM JOHNSON
JENNIFER KNAUTH
STANLEY A. KUCZAJ, III
RAY LANGENBERG*
RICHARD P. MARSHALL, JR.*
CARROLL MARTIN*

WALLACE H. SCOTT, JR.
(1920-2005)
FRANK DOUGLASS
(1933-2007)

STEVE McCONNICO^{†*}
D. DAVIN MCGINNIS*
ELIZABETH N. MILLER*
CURTIS J. OSTERLOH
GREG PIERCE
PHYLLIS POLLARD^{†*}
DIANA E. REINHART
JOE T. SANDERS
STEVE SELBY
QUENTIN (DOUG) SIGEL
CHRISTOPHER D. SILEO
JOHN G. SOULE*
JULIE A. SPRINGER^{†*}
RYAN S. SQUIRES
JANE M. N. WEBRE[▲]
H. PHILIP WHITWORTH, JR.*
STEVEN J. WINGARD

March 13, 2008

Via Email: steve.gault@rrc.state.tx.us

Mr. Steve Gault
Railroad Commission of Texas
Oil & Gas Division, 11th Floor
1701 N. Congress Ave.
Austin, Texas 78701

In Re: Application of Forest Oil Corporation for Exception to Rule 10 to Downhole
Commingle its Phillips University P #10 Well, Martin (Consolidated) and Martin
(San Andres) Fields, Andrews County, Texas

Dear Mr. Gault:

Enclosed is Forest Oil Corporation's Amended Rule 10 Data Sheet, per your request, addressing the scaling issue. Also enclosed is a revised plat showing offsets to the University P Lease, and a new offset list. Notice was sent today by forwarding a copy of the data sheet to the persons on the attached list.

This should finalize this application. Please call if you have any questions.

Yours truly,



Dick Marshall

DM:lks
Encl.

Statewide Rule 10 Exception Application

\$150.00 Fee Required

County: Andrews

RRC District: 08

- (1) Operator: Forest Oil Corporation (275740)

Contact Address: **Cindy Bush**
Forest Oil Permian Corporation
707 17th Street, Suite 3600
Denver, Colorado 80202

- (2) API #: 42-003-39757 Lease Name & Well No: **Phillips University P #10**

- (3) Field Name and RRC Field # (indicate oil or gas and special field rules, if any, for each zone, top allowable for a well in each field. Indicate discovery date of each field and depth:

Martin (Consolidated) Field: RRC Field No: 57774275 Oil & Gas
Disc: 00/00/00 Ratio: 2000-1 Allowable: 328 Depth: 7672 330/660 40 ac

Martin (San Andres) Field: RRC Field: 57774581 Oil
Disc: 1945 Ratio: 2000-1 Allowable: 93 Depth: 4300 467/933 40 ac

- (4) Indicate one instance (operator, lease, well no. or docket#) wherein the Commission has granted a Statewide Rule 10 Exception for these same zones (if none all operators in all of the zones must be notified of this application.

Oil & Gas Docket No. 08-0247345 (See Attached Order)

- (5) Is this well currently on the Commission's schedule as a multi-completed well in the zones cited above? If not, explain well status in detail and indicate if Form W-1 has been filed for zones not on the schedule. Indicate completion date of subject well in zone.

W-1 filed for Martin (San Andres) and Martin (Consolidated) 2-21-08 Permit #655782

- (6) Is this a regular location with respect to all zones for which the exception is requested?

Yes

- (7) If the answer to item (6) is "NO", was a Rule 37 permit obtained? If so state the Rule 37 case number.

N/A

- (8) Are the Royalty and Working Interest identical with respect to all proposed combined zones in the well?

YES

- (9) Attach history of subject well including current producing capabilities, current shut-in BHP for each zone. Indicate method of determining BHP.

Upper and Lower Clearfork producer current calculated BHP-400psi, based on 3 day shut-in fluid levels. San Andres Producer current calculated BHP-325 psi, based on a 3 day shut in fluid levels.

Production History Attached

- (10) Indicate estimated daily commingled production.

50 BOPD

- (11) Attach schematic diagram of current and proposed well completion. Indicate where production tubing will be set.

A schematic of the current and proposed commingling is attached.

- (12) Attach plat or list identifying offset operators and offset wells completed in the proposed combined zones.

See the attached notice list of direct offset operators with active wells in either of the two fields to be commingled.

- (13) Will combined production be artificially lifted?

The commingled production will be artificially lifted.

- (14) Attach detailed summary as to why this well cannot be produced as a multi-completed well. Also include detailed reasons for desiring the requested exception.

All zones need artificial lift to produce. Casing is too small for multi-completion. Commingling is most efficient method at production.

- (15) Will cross-flow exist if combined production is permitted? If cross flow did exist would reservoir damage result?

Cross flow will not occur under normal operating conditions of pumping the well. If cross flow does occur reservoir damage is not expected because zones are similar throughout.

- (16) Present evidence that the fluids from both zones are compatible.

The fluid analysis indicated the compatibility of the fluids from the different formations in various wells. Forest intends to commingle these zones and once commingled; will monitor the scaling tendencies and treat if necessary.

- (17) Present evidence as to the additional recovery of hydrocarbons which result from down hole commingling. Also present evidence of the estimated recoverable reserves from each zone without commingling.

Producing three similar zones to a single economic limit will result in approximately 4200 incremental barrels. This will add approximately a 50% incremental reserve increase on a low rate zone.

- (18) If commingling is not approved, what action will the Operator take?

Current producing zone will be plugged back leaving producible hydrocarbons behind, which are currently producing at a rate of 8 BOPD and 48 MCFPD.

- (19) Indicate the field that you request the commingled wellbore be assigned to for proration purposed (for first application in these fields only)

Martin (San Andres)

**SERVICE LIST
FOREST OIL CORPORATION
PHILLIPS UNIVERSITY #10**

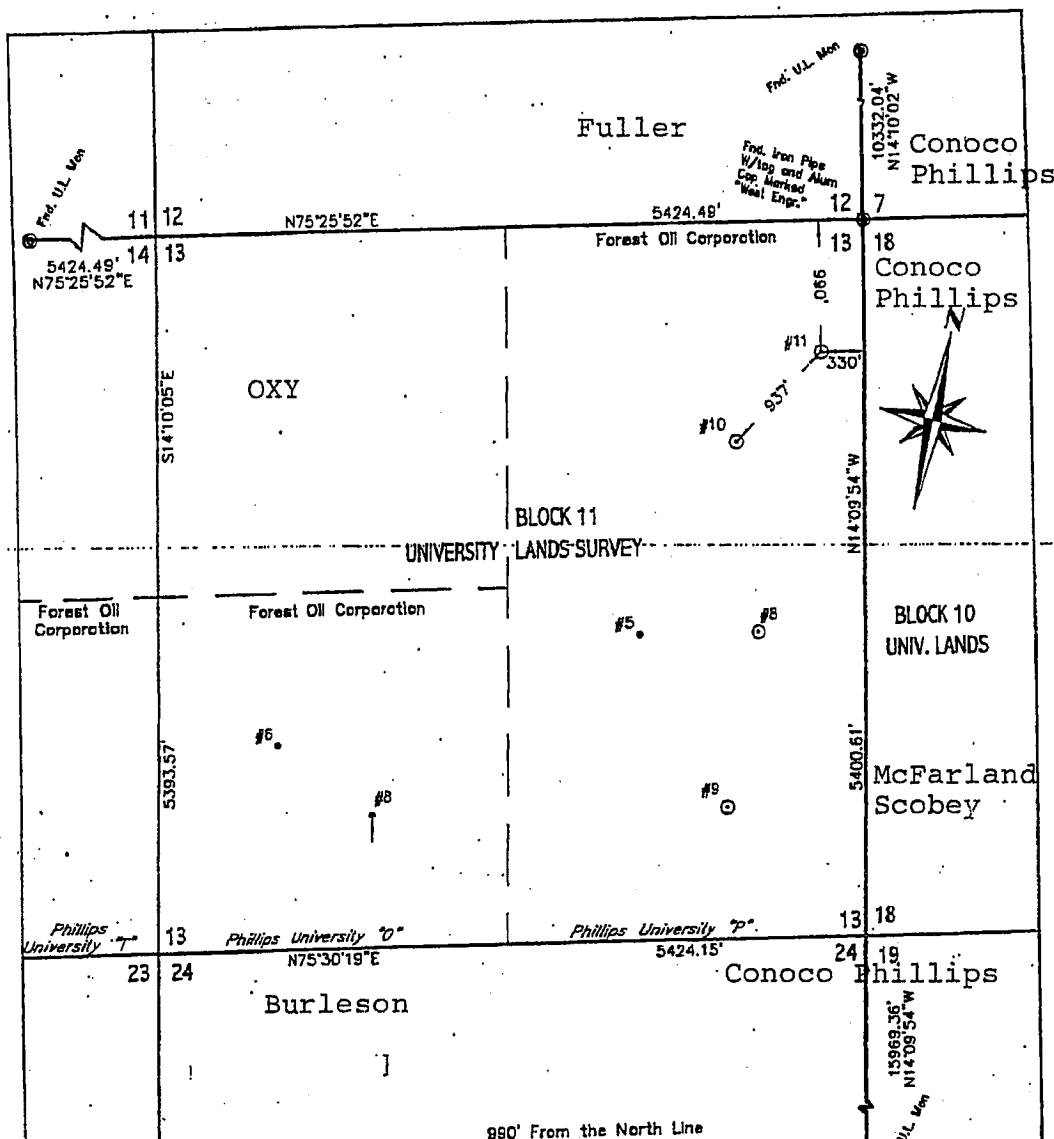
Conoco Phillips
PO Box 2197
Houston, TX 77252

Burleson Lewis B Inc
Box 2479
Midland, TX 79702

McFarland & Scobey
30 W Industrial Loop
Midland, TX 79701-8508

Oxy USA Inc.
5 Greenway Plz
Houston, TX 77046-526

Fuller Production Inc.
PO Box 11327
Midland, TX 79702



Latitude: 32°09'39.9" N
 Longitude: 102°44'28.9" W
 Ground Elevation: 3271'

980' From the North Line
 330' From the East Line
 Section 13, Block 11,
 University Land Survey,
 Andrews County, Texas

For complete boundary information and construction see
 block-11-ul.dwg in surveyors office.

Note: All bearings, distances, coordinates, latitudes and
 longitudes shown hereon are based on the Texas Coordinate
 System Central Zone (NAD 83).

Dated this 17th day of December 2005.

Registered Professional Land Surveyor No. 5643
 Date: 1/16/06

Approximately 16 miles SW from Andrews, Texas

BRP ENTERPRISES, INC. (BRUCE R. PENNELL)
 PROFESSIONAL LAND SURVEYING
 2500 N. BIG SPRING STREET, SUITE 180
 P.O. BOX 51622, MIDLAND, TEXAS 79710
 VOICE: (432) 570-8256 FAX: (432) 682-3262
 Bruce R. Pennell, Tx. 4170
 Cell: (432) 528-1027
 Marcus L. Hostas, Tx. 5643
 Cell: (432) 559-4108

GPS DATA FILE: RLK-11-UL.GPS
 CAD FILE: BLOCK-11-UL-SEC13-P11

CREW: M.H./CW
 REVISED DATE: N/A
 DRAWN BY: MARCUS L. HOSTAS DATE: 1/18/06



SCALE: 1" = 1000'



IF SURVEYORS SIGNATURE IS NOT SIGNED IN
 IN RED INK, THIS IS NOT AN ORIGINAL DOCUMENT