

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Natural Resources  
ARTESIA DISTRICT  
JUN 05 2017  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505  
RECEIVED

Form C-103  
Revised July 18, 2013

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-015-44046
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 type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Black Mountain Operating LLC		6. State Oil & Gas Lease No.
3. Address of Operator 500 Main Street Suite 1200, Fort Worth, TX 76102		7. Lease Name or Unit Agreement Name Cypress
4. Well Location Unit Letter <u>M</u> : <u>655</u> feet from the <u>South</u> line and <u>190</u> feet from the <u>West</u> line Section <u>9</u> Township <u>23S</u> Range <u>27E</u> NMPM Eddy County		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3146' GL		9. OGRID Number 371127
		10. Pool name or Wildcat Purple Sage, Wolfcamp

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 ☐  
CLOSED-LOOP SYSTEM ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS ☐ P AND A ☐  
CASING/CEMENT JOB ☐  
OTHER: ☐

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

5/15/2017 - MIRU Elite Well Service. Begin frac ops on well via 5.5"x4.5" tapered long string. Monitor 5.5" x 7" annular pressures. Showing 0 psi.

5/19/2017 - Annular pressure showing 2500 psi. Make decision to RDMO Elite Well Service frac fleet after completing 24 frac stages. Monitoring annular pressure through the night.

5/20/2017 - Annular pressure now down to 2000 psi. During previous week of frac work annular pressure increased during day and usually went down to 0 psi over night. MIRU 2-3/8" CT and drill out 23 frac plugs to PBTD @ 13,865'.

5/21/2017 - RDMO Coil Tubing unit. RU flow back equipment. Annular pressure still at ~2000 psi. Open well to flow back at 17:37 hrs. Monitoring annular pressures.

5/22/2017 - Annular pressure increased to 3000 psi. Made decision to bleed pressure. Moved grate to access 7" csg valve. Bled pressure down to 0 psi immediately. Some drilling mud present in valves.

5/31/2017 - Annular pressure remains at 0 psi. Assume trapped pressure was increasing due to solar heat, casing swelling, and during flowing high temperature well fluids.

Top Perf: 9,640'  
Bottom Perf: 13,862'  
Total Fluid: 6,808,830 gal fresh water  
Total Sand: 8,996,897 lbs (1,623,544 lbs 100 mesh, 7,373,353 lbs 40/70)

Spud Date:

Rig Release Date:

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

SIGNATURE [Signature] TITLE Operations Manager DATE 5/31/2017

Type or print name John Wierzowiecki E-mail address: john.wierzowiecki@blackmtn.com PHONE: (817) 698-9901

For State Use Only

APPROVED BY: [Signature] TITLE Staff Mgr DATE 6-6-17

Conditions of Approval (if any):