

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*Serial No.
NMEC0289921

SUBMIT IN TRIPLICATE - Other instructions on page 2		6. If Indian, Allottee or Tribe Name
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		7. If Unit or CA/Agreement, Name and/or No. 8910085020
2. Name of Operator SAGUARO PETROLEUM Contact: ZAYMAN J VILLEGAS E-Mail: zayman@saguaropetroleum.com		8. Well Name and No. GB JACKSON TR12 1
3a. Address 1509 W WALL STREET SUITE 100 MIDLAND, TX 79701-6576		9. API Well No. 30-015-04339-00-S1
3b. Phone No. (include area code) Ph: 432-528-5289		10. Field and Pool or Exploratory Area GRAYBURG
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 26 T17S R30E SENW Tract 12 1980FNL 1980FWL		11. County or Parish, State EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Workover Operations
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

12/12/18: POOH. LD rods, pump & tbg

12/13/18: Verify PBDT @ 3310.18 (no fill in hole)

12/14/18: RIH with caliper and gamma ray ran down to tagged up, at 3271?. POOH with tools had soft iron sulfide on caliper tool. Rigged down wireline and release. Picked up 106 jts. of 2 3/8? white banded tubing RIH hole opened. POOH standing back while waiting on bit. RIH with used 4 ?? bit, x-over on 106 jts. 2 3/8? tubing did not feel fill picked up 107th joint tagged up 3310? with 12? out of 107th joint. RU reverse unit pump. Started circulating broke circ. with 80 bbls. Getting black water and iron sulfide in returns. Circ. with total 230 bbls. for 2 hrs. hole clean. RD down pump, POOH standing back LD 4 ? bit and x-over. Secured well Shut down PREP: to run Caliper, Gamma Ray log, and neutron log.

GC 2/19/19
Accepted for record NMOCDNM OIL CONSERVATION
ARTESIA DISTRICT

FEB 08 2019

RECEIVED

14. I hereby certify that the foregoing is true and correct. Electronic Submission #449340 verified by the BLM Well Information System For SAGUARO PETROLEUM, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 01/11/2019 (19PP0594SE)	
Name (Printed/Typed) ZAYMAN J VILLEGAS	Title ENGINEER
Signature (Electronic Submission)	Date 01/07/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____ Date FEB 01 2019
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	/s/ Jonathon Shepard Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional data for EC transaction #449340 that would not fit on the form

32. Additional remarks, continued

12/17/18: RU wireline RIH to run gamma ray neutron log, from 3310' to 2300' unable to verify existing perms. or top of liner with log. POOH laid down tools, PU caliper ran caliper log from 3308' to 2852'. Top of liner at 2894' could see existing perms. showed casing wall lost from 3310' to 3240'. POOH laid down tools RD wireline. PU 5 ?? AD-1 pkr. 2 3/8" S.N. RIH on 101 jts. 2 3/8" white banded tubing set pkr. @ 3144'. RU acid company. Loaded annulus to 300 PSI to monitor, w/55 bbls. 2% KCL. Tied on to tbg. tested lines to 3400 psi. bled off pressure. Max. Treating Pressure 2000 PSI. to acidize with 1000 gals. 15% HCL Acid with 250# rock salt for diversion as follows.

Establish rate on 2% KCL fresh water 4 BPM
2 bbls. in 12 PSI @ 4 BPM
7 bbls. in 1732 PSI @ 4 BPM tubing loaded
8 bbls. in 1926 PSI @ 4 BPM cut rate to 3.5 BPM
On Acid
12 bbls Acid in Dropped 250# RS 3.5 BPM 1312 PSI
16 bbls. Acid in on formation 1571 PSI @ 3.5 BPM
On Flush 3.5 BPM
Block on 1254 PSI @ 3.5 BPM Block all in 1754 PSI @ 3.5 BPM 500 PSI increase
22 bbls. acid in Broke back 1486 PSI @ 3.6 BPM
24 bbls. acid in on Flush
36 bbls. Flush all in 1186 PSI @ 3.7 BPM
ISIP 514 PSI 5 Min. 0 PSI

RD & release acid company. Left well shut for 2 hrs. Started Swabbing into vac. trk at 6:00 PM swabbed 4 hrs. made 17 runs Starting @ 1100 FFS Ending fluid level 2000' FFS. starting sample laden with heavy iron sulfide ending sample clearing with some iron sulfide. Swabbed back 100 bbls. Shut down @ 10:00 PM RD swab Secure well Shut in overnight.

12/18/18: Rel. pkr. POOH standing back laid down pkr. RIH w/ N.C. S.N on 105 jts. 2 3/8" white band tbg. ND BOP land tbg. EOT @ 3263'. RIH picking up w/ Quinn 20-150-RWTC-12-3-0 Insert Pump, 200' #1 Grade ?D? 7/8" rods SH-T #1 cplgs. 122 ?? #1 Grade ?D? ??rods FS-T #1 cplgs. ?? x 4" X 8" rod subs. ? Pins 1 ??x 16" Polish rod with 1 ??x ?? Hung well on. Open flow line. Left well down to load tbg. in morning.

12/19/18: Hot Oil Truck loaded tbg. with 5 bbls. freshwater to 500 psi. held, release pressure pumped up with Pump Jack to 500 psi. Ok. Release Hot Oil Trk. Rigged down Pulling Unit. Left well pumping on Hand going through brooks meter to flowline.