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Office

District I - (575) 393-6161
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87505

State of New Mexico
Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
HOBBS
OCT 31 2013
RECEIVED

COPY

Form C-103
Revised August 1, 2011

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. 30-025-34016
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 LEGACY RESERVES OPERATING LP		6. State Oil & Gas Lease No.
3. Address of Operator P.O. BOX 10848 MIDLAND, TX 79702		7. Lease Name or Unit Agreement Name SKELLY PENROSE A UNIT
4. Well Location Unit Letter <u>O</u> : <u>1190</u> feet from the <u>SOUTH</u> line and <u>1531</u> feet from the <u>EAST</u> line Section <u>3</u> Township <u>23S</u> Range <u>37E</u> NMPM County <u>LEA</u>		8. Well Number <u>87</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3298' GR		9. OGRID Number 240974
		10. Pool name or Wildcat Langlie Mattix; 7 Rvrs-Queen-Grayburg

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

OTHER: FRAC AND RTP ☒

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.

---SEE ATTACHED PROCEDURE---

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 Kent Williams TITLE SENIOR ENGINEER DATE 08/20/2013

Type or print name KENT WILLIAMS E-mail address: kwilliams@legacylp.com PHONE: 432-689-5200

For State Use Only

APPROVED BY [Signature] TITLE DIST-MGR DATE 10-31-2013
Conditions of Approval (if any):

OCT 31 2013

Legacy Reserves
DAILY OPERATIONS REPORT

Page 1 of 2

Skelly Penrose A Unit # 87

Lea Co., NM

Zone: SEVEN RIVERS / QUEEN

Field: LANGLEIE-MATTIX

SUMMARY: RTP. Frac Stimulate w/ 27,636 gal 30# X-Link gel and 39,740 # 16/30 sand. Plan to install pumping unit and put on rod pump in next few days.

Jun 26, 2013 Wednesday (Day 1)

MIRU Lucky pulling unit, set pipe racks, rack 2 7/8" N-80 workstring. SDFN.

Jun 27, 2013 Thursday (Day 2)

MIRU Lucky reverse unit, strap 2 7/8" workstring. Casing had 20 psi, flowed pressure and some oil back to the reverse unit pit. Tested the casing to 500 psi for 15 minutes, good test. Nipple down the well head and nipple up the BOP. RIH with 4 3/4" bit, drill collars, and 2 7/8" workstring. Reverse pit had a leak, changed out reverse pit. SDFN

Jun 28, 2013 Friday (Day 3)

Tagged cement at 3,426' drilled down to the cast iron bridge plug at 3,460', drilled out cast iron plug. Went down the hole to 3,550' stopped making hole and started getting back small metal cuttings. POH with tools and workstring, RIH with open ended tubing, tagged at 3,550'. POH will run impression block on Monday. SDFN.

Jul 1, 2013 Monday (Day 4)

POH with the kill string, RIH with 4 3/4" impression block on the 2 7/8" workstring tagged at 3,550'. POH with the impression block, had some marks on the side and on the bottom that indicated possible bridge plug parts. RIH with a new 4 3/4" bit, 6 3 1/2" collars and 2 7/8" workstring, tagged at 3,550'. Drilled out the rest of the plug and cleaned out down to 3,740' PBTD. Circulated clean and POH. Seccure the well, SDFN.

Jul 2, 2013 Tuesday (Day 5)

RIH with a 5 1/2" x 2 7/8" AS-1X packer with a 2 7/8" seat nipple and 108 joints of 2 7/8" N-80 workstring testing the tubing to 6000 psi. Circulated 85 BBLS of 2% KCL wtr. Set the packer at 3,448' and tested the casing to 550 psi for 15 minutes. Nipple down the BOP and nipple up the Frac Stac. RDMO pulling unit. SDFN.

Note: Will frac well at later date in next few weeks.

Jul 23, 2013 Tuesday (Day 6)

RU Rising Star Fracturing. Pressure test lines to 5500 #. Acidize perfs 3501'-3642' down 2 7/8" tubing w/ 2500 gal 15% NEFE HCL and Frac perfs with total of 27,636 gal of 30# X-Linked Gel and 39,740 # 16/30 Brown Brady Sand (23,980# 16/30 Brown + 15760# 16/30 Super LC Resin Coated Sand) at 0.25, 1, 2, 3, 4 and 5 PPG sand concentrations at 24 BPM ave treating rate and 4365 # ave treating pressure. Flush to top perf with 20 bbls linear gel. Max rate of frac was 25 BPM and 5233 #. ISIP-1748#, 5 min-1534#, 10 min 1415#, 15 min 1320 #. Total load to recover 870 bbl.

Jul 24, 2013 Wednesday (Day 7)

flow back report. Mike Parrish will insert report here.

Jul 25, 2013 Thursday (Day 8)

90 psi on the tubing, started flowing back on a full open choke. 1st hour made 20 BBLS, 2% oil, slight gas. 2nd hour made 15 BBLS, 2% oil, slight gas. 3rd hour made 9 BBLS, 2% oil, slight gas. 4th hour made 11 BBLS, 2% oil, slight gas. 5th hour made 6 BBLS, 5% oil, slight gas. 6th hour made 9 BBLS, 5% oil, slight gas. 7th hour made 5 BBLS, 5% oil, slight gas. 8th hour made 5 BBLS, 5% oil, slight gas. 9th hour made 10 BBLS, 5% oil, slight gas. MIRU pump truck and pumped 25 BBLS of brine down the tubing. The well was still trying to flow back. SDFN.

Legacy Reserves
DAILY OPERATIONS REPORT
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Skelly Penrose A Unit # 87

Jul 26, 2013 Friday (Day 9)

30 psi on the tubing, pumped 10 BBLS of brine down the tubing to kill the flow. Nipple down the frac stack and nipple up the BOP. Unset the packer and POH laying down the 2 7/8" workstring. RIH with 2 3/8" production tubing picking up the tubing off the rack and a used 4 5/8" bit and bit sub. Tagged fill at 3,714', 72' below the bottom perf at 3642'. Pulled up the hole to 3,468' to get above the perfs at 3501'-3642'. SDFN.

Jul 29, 2013 Monday (Day 10)

90 psi on the tubing, 40 psi on the casing, bled the well down to the frac tank. POH with 2 3/8" tubing. RIH with 2 3/8" production tubing as follows: bull plug mud anchor at 3,672', 4' perforated sub, seat nipple at 3,640', 6 joints, tubing anchor at 3,452'. Nipple down the BOP, set the tubing anchor and nipple up the well head. RIH with rod string as follows: gas anchor, pump, 5 1 1/2" K-bars, 138 7/8" KD rods, 1-8' x 7/8", 1-6' x 7/8", 1-2' x 7/8" pony rods. Test the pump to 500 psi, good test. SDFN.

Jul 30, 2013 Tuesday (Day 11)

RDMO Lucky pulling unit. Note: Waiting on production dept to move pumping unit to location from another SPAU well and hang well on.