

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
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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
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised July 18, 2013

| | | |
|---|--|---|
| 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. 30-025-29999 |
| 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 Armstrong Energy Corporation | | 6. State Oil & Gas Lease No. |
| 3. Address of Operator P.O. Box 1973, Roswell, NM 88202-1973 | | 7. Lease Name or Unit Agreement Name Wright |
| 4. Well Location Unit Letter <u>P</u> : <u>1200</u> feet from the <u>North</u> line and <u>760</u> feet from the <u>East</u> line Section <u>12</u> Township <u>17S</u> Range <u>37E</u> NMPM <u>Lea</u> County <u></u> | | 8. Well Number <u>002</u> |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3723 GR | | 9. OGRID Number <u>1092</u> |
| | | 10. Pool name or Wildcat Humble City; 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: Recompletion ☒

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.

3/14/19 RU PU (Lucky). TOH w/rods. Pump (10,265'). NUBOP, TOH w/150 stands. SD.

3/15/19 Finish TOH w/160 stands. TAC, total tubing tally (320jts). RU JSI WL, TIH w/4.5" gauge ring & junk basket, went down to 11,116'. TOH, had no drag. TIH w/gun, shot perfs @ 10850'-10870', 2 spf, 90-degree phasing. SD JSI. RU tubing testers, test 132 jts in. SD.

3/18/19 TIH w/188jts tbg, RU HO truck. Couldn't pump into it, plugged off. Rig up to knife tubing. Pumped 1 drum of toluene, got through tight spot (825'-950") w/2 3/8" knife. TOH, put on 2 7/8" knife. Worked 95 singles in hole (2,375'). SD.

SEE PAGE TWO

Spud Date:

8/17/1987

Rig Release Date:

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

SIGNATURE

Kyle Alpers

TITLE

VP Engineering

DATE

6/14/19

Type or print name

Kyle Alpers

E-mail address:

Kalpers@aecnm.com

PHONE:

575 625 2222

For State Use Only

APPROVED BY:

[Signature]

TITLE

Petroleum Engineer

DATE

06/14/19

Conditions of Approval (if any):

1940-1941

3/19/19 TIH w/49 more triples to get to 6100' w/2 7/8" knife. TOH, RU swab. Put 3/4 cup on, swab tubing dry. Broke sand line. Set up to repair tomorrow. Pumped 2 bbl toluene down tubing to soften paraffin. SD.

3/20/19 Repair sand line. TIH w/rods & 2 7/8" knife to 10,241'. TOH working spots with drag. Prep to swab clean.

3/21/19 TIH with 2 7/8" cups to 6195'. Pull out & ran 2 3/8" cup, went to SN. Ran back with 2 7/8" cups & tagged @ 8400'. Couldn't work past. Decided to TOH w/tbg 115 stands, located plugged jts, LD and replace them. SD.

3/22/19 With 114 stands out, ran 2 7/8" cups to SN no problem. TIH w/20 more stands, ran cups to SN no restrictions. RU tubing testers @ 94 stands out to 8,000psi w/GT tubing testers. Test in hole to 10,678.5'. 331 total jts. Set packer, RU Crain acid, start on xylene 250gal pumped @ 2.5bpm rate. Total acid pumped - 2,000gal 15% NEFE with 80 ball sealers, flush with 64bbl 2%KCL water. ISIP - vac. SD, RU to swab, went in on 1st run and tagged fluid @ 5000'. Sand line broke first swab run. Unseat packer and left tubing swinging. SD.

3/23/19 Pulled tubing to get to sand line, pulled out of hole and replace with new. TIH w/tubing, set packer @ 10,768.5'. SDFW.

3/25/19 TP 150psi, 122 bbl to recover. Made 14 swab runs. Recovered 85.5bbl, 36.5 bbl to remaining to recover load. Fluid level held between 5616' and 7660' throughout runs.

3/26/19 Continue swabbing. Recovered 37bbl over load. Made 16 runs, on 8th run 100% oil cut, held until 14th run, dropped to 50% oil cut. H2S monitors indicated sour gas. SD to test and found gas at 30,000ppm H2S. SISR for evaluation.

3/27/19 Ran gas analysis (attached to report), indicating very high H2S concentrations, around 3%. Backside (existing, still-open perforations) @ 2,000ppm. Pumped 75bbl 2% KCL down tubing to kill well. Unset packer, removed BOP, flanged up, TIH w/rods. Left swinging, RDPU. Office spoke with OCD, no other record of H2S concentrations this high in immediate area. Plan to squeeze these perforations next week in interest of safety and liability elimination. This well is near the town of Lovington and in the vicinity of inhabited structures and livestock. RDPU

4/1/19 RUPU. TOH w/rods and tubing. Pumped 70bbl 2% down tubing. Pumped 100bbl additional while tripping out. SD

4/2/19 RU pump truck, pump 30bbl 2% KCL to kill well. TIH w/330jts 2 7/8" tubing. Set packer @ 10,741.85'. RU to swab. First run FL was @ 3618'. 275bbl LLTR. Made 13 runs recovered 105bbl. No OC after 4th run, slight gas show. Fluid level maintained @ 2928' to 6100' throughout runs. SD.

4/3/19 Swabbing. First 2 runs 100% oil cut, remaining were all water until 9th run, started getting slight oil & gas show, 10% oil cut. On run 12, started getting emulsion and swab would not go through. Recovered 72bbl total fluid, 98bbl LLTR. SD.

4/4/19 Swabbing. Runs 1 & 2 - 80-90% oil cut, runs 3-8 slight oil & gas show, runs 9-12- 40-50% oil cut. Last run of day had significant increase in gas, with sign of H2S. 61.5bbl load recovered today. 36.5bbl LLTR. SD.

4/5/19 SITP 90psi. Made 5 swab runs, recovered 38.5bbl - 2 bbl over load. Run gas analysis, results = 2% H2S. Prep to abandon zone, squeeze next week. SDFW.

C-103 -Sub Report-Recompletion
Wright 2 #1
API # 30-025-2999
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- 4/8/19 SITP 320psi. Kill well w/50bbl 2% KCL. TOH w/packer, TIH w/retainer. Set cement retainer @ 10648.82', 327 jts. Set tool to pressure up & test tubing. Loaded in 31 bbl. Got 500psi on tbg & lost 10 points, BS started blowing. LD 177 jts. SD.
- 4/9/19 Kill w/20bbl. Finish TOH w/270 jts, found split collar down hole. TIH w/259 jts 6 doubles in derrick with 4 1 1/16" collar overshot. Grabbed ahold of fish, stung out of retainer & TOH w/39 stands. SD.
- 4/10/19 Kill well w/20bbl 2%. Finish TOH w/fish, LD 57 jts. Replaced stinger, TIH w/200 jts. Shut down due to wind. Par 5 scheduled for 9am tomorrow to squeeze sour interval.
- 4/11/19 Finish TIH & found retainer 327 jts in. Put 6' sub on, stung into retainer, 15 points. Put valve on tubing, shut BOP, waited on Par 5. RU Par 5 cement, test lines to 4000psi, pump 14 bbl FW to load @ 2bpm rate, 2600psi. Pumped 24 bbl FW, started mixing cement lead, Pump 150sx class "H". SD. Pulled out of retainer. 1/2 bbl of cement left on top of retainer. TOH w/310 jts total. Standing in derrick + KB + packer (10108.73'). TIH w/pkr, left pkr swinging @ 9289.16'. SD.
- 4/12/19 Started in with remaining 12 stands, tagged cement stringers @ 9737.06', couldn't push through. TOH w/packer, MU scraper, bit sub, and 4.75" roller cone bit. TIH to 9737', worked through stringers for about 150'. Fell through, ran bit to 10,300' with no issues. TOH. SDFW.
- 4/15/19 TIH w/310jts 2 7/8" w/packer & SN, set pkr @ 10,108.73'. RU to swab test original zone. Made 12 runs. SDFD. 50bbl total fluid recovery.
- 4/16/19 RU to swab. RU Crain acid. Test lines to 5000psi, pump 8 bbl water lead @ 3.25bpm, started on acid. 2000gal 15% acid, 75 ball sealers & 60bbl 2% KCL water flush, total pumped. ISIP 1815psi, 5 min 813psi, 10 min 272psi, 15 min vac. 107bbl LLTR. Made 10 more swab runs, started getting sour gas show last two runs. Recovered 71.5 total bbl. 35.5 bbl LLTR from acid job. SD. H2S monitors going off on overload.
- 4/17/19 SITP 200psi. Pulled H2S tube, showed 5,000ppm. Swabbing. Made 13 runs, recovered 71+bbl, varying oil cut. Pulled tube and maxed out 2% H2S tube. Prep to TOOH and set CIBP over these perforations. SIRD.
- 4/18/19 SITP 200psi. Got off on/off tool, let equalize, unseat packer and killed well with 30bbl 2% KCL. TOH w/tubing. Pumped 20bbl down casing while TOH, released kill truck, RU WL. Pack off, TIH w/CCL & CIBP. Set @ 10,151.5'. Got hung up, decided to set there, 50.5' above top perforation. TOH, trip back in w/l bailer of cement & dump on CIBP. TIH two more times trying to get second bailer glass to break, no luck. SDFD.
- 4/19/19 TIH w/l bailer of cement, shot off blasting cap, dumped cement on top of CIBP. SDFW.
- 4/22/19 RU WL, TIH, tie-in and perforate 9872'-9886', 2 spf, 90-degree phasing. TIH w/2 7/8" x 5 1/2" Arrowset packer, on/off tool w/2.313x profile nipple, SN, 300 jts 2 7/8" tubing. 11 stands in, well started kicking, shut BOP and stab TIW valve. Pumped 16bbl 2% down tubing, 3000psi, SD, opened BS to frac tank, pumped 25bbl circulating to tank. TIH to 5400', well started kicking again. Pumped 35bbl down tubing, BS open to tank. Finish TIH, circulate 150bbl 2%, set packer @ 9792', pressure up BS to 5090psi, held OK. RD kill truck & water truck, RU to swab. Made 4 swab runs. 43bbl total recovered. SDFD.
- 4/23/19 SITP - vacuum. RU to swab. RU acid truck and load tubing w/46bbl 2% KCL. Spot acid @ 9886'. 12 bbl 15% acid, 54bbl 2% behind for balanced spot. Pumped 20bbl down tubing to put acid away. Average rate 1.4bpm, average treating pressure 4018psi. ISIP 2950psi, 5 min 2603psi, 10min 2547psi, 15min 2500psi. 75bbl LLTR. Made 3 runs, recovered 25 bbl. FL on last run was 3318'. SDFD.
- 4/29/19 Swab. Recover 40 bbl fluid. High H2S. Prep to Plug. SD

4808 North Michigan Ave. Roswell, NM. 88202-8323 (575) 626-9874

Precision Gas Measurement, Inc.

Natural Gas Analysis Report

Sample Information

| Sample Information | |
|--------------------------------|----------------------------|
| Company Name | ARMSTRONG ENERGY |
| Lease Name | WRIGHT # 2 |
| Location ID | |
| Sample Date | 3/27/2019 |
| Method Name | BTUH2S.met |
| Injection Date | 2019-03-27 13:35:42 |
| NGA Phys. Property Data Source | GPA Standard 2145-16 (FPS) |

Component Results

| Component Name | Norm% | Gross HV (Dry) (BTU / Ideal cu.ft.) | Gross HV (Sat.) (BTU / Ideal cu.ft.) | Relative Gas Density (Dry) | GPM (Dry) (Gal. / 1000 cu.ft.) |
|----------------|----------|--|---|-------------------------------|-----------------------------------|
| H2S | 2.8957 | 18.4 | 18.1 | 0.03407 | 0.000 |
| Nitrogen | 0.4322 | 0.0 | 0.0 | 0.00418 | 0.000 |
| Carbon Dioxide | 16.4640 | 0.0 | 0.0 | 0.25017 | 0.000 |
| Methane | 34.8578 | 351.0 | 344.8 | 0.19308 | 0.000 |
| Ethane | 21.5873 | 380.8 | 374.2 | 0.22412 | 5.787 |
| Propane | 10.3201 | 258.9 | 254.3 | 0.15712 | 2.850 |
| N-Butane | 7.7491 | 252.0 | 247.6 | 0.15551 | 2.449 |
| I-Butane | 2.2275 | 72.2 | 70.9 | 0.04470 | 0.731 |
| N-Pentane | 1.3343 | 53.3 | 52.4 | 0.03324 | 0.485 |
| I-Pentane | 1.8402 | 73.4 | 72.1 | 0.04584 | 0.675 |
| C6+ | 0.2918 | 14.9 | 14.7 | 0.00939 | 0.127 |
| Water | 0.0000 | 0.0 | 0.0 | 0.00000 | 0.000 |
| Total: | 100.0000 | 1474.9 | 1449.1 | 1.15142 | 13.103 |

Results Summary

| Result | Dry | Sat. (Base) | As Delivered(Flowing) |
|--|----------|-------------|-----------------------|
| Total Normalized Mole% | 100.0000 | 100.0000 | 100.0000 |
| Pressure Base (psia) | 14.650 | | |
| Flowing Temperature (Deg. F) | 60.0 | | |
| Flowing Pressure (psia) | 50.0 | | |
| Water Mole% | - | 1.7502 | 0.5316 |
| Gross Heating Value (BTU / Ideal cu.ft.) | 1474.9 | 1449.1 | 1467.0 |
| Gross Heating Value (BTU / Real cu.ft.) | 1486.8 | 1461.6 | 1479.2 |
| Relative Density (G), Real | 1.1603 | 1.1515 | 1.1576 |
| Compressibility (Z) Factor | 0.9920 | 0.9914 | 0.9918 |
| Total GPM | 13.103 | 12.980 | 13.065 |
| Gross Wobbe Index, Real | 1380.343 | 1362.024 | 1374.793 |

Let Your Interest In Measurement Be Our Concern

