

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
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

WELL API NO. 30-025-02605
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 014961
7. Lease Name or Unit Agreement Name State AA
8. Well Number 001
9. OGRID Number 003044 371127
10. Pool name or Wildcat SWD; Yates
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3630' DF

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.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other - Salt Water Disposal
2. Name of Operator Black Mountain Operating
3. Address of Operator 500 Main St, Suite 1200, Fort Worth, TX 76102
4. Well Location Unit Letter I : 660 feet from the East line and 1980 feet from the South line Section 35 Township 21S Range 34E NMPM Lea County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

- | | |
|--|---|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> |
| DOWNHOLE COMMINGLE <input type="checkbox"/> | |
| CLOSED-LOOP SYSTEM <input type="checkbox"/> | |
| OTHER: <input type="checkbox"/> | |

SUBSEQUENT REPORT OF:

- | | |
|---|--|
| REMEDIAL WORK <input checked="" type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| CASING/CEMENT JOB <input type="checkbox"/> | |

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.

- 5/31/16 - found pinhole leak in tbg above tbg slips. SI well, bled down to frac tank. Well dead. Cleaned area around wellhead.
- 6/27/16 - POOH with tbg and packer. Found packer to be set high at 3,600'. Stand back good tbg LD bad. PU new tbg as necessary. RIH bit and scraper to ~3,750' and circulate well clean to open top tank. PU to ~1,875' and SDFN.
- 6/28/16 - Continue POOH bit & scraper. RIH 2nd trip w/ bit and scraper to ~3,750' reverse circulate hole clean to open top tank. POOH standing back tbg LD bit & scraper.
- 6/28/16 - RIH 6' 2-3/8" IPC pup with WLEG, 5-1/2"x2-3/8" Arrowset IPC packer, On-Off tool, 6' 2-3/8" IPC pup, X-nipple, 119 jts 2-3/8" IPC tbg. Set packer at ~3757' as stated in injection permit State Order R-6080.
- 6/28/16 - PU from on-off tool. Reverse circulate 55 bbl spacer followed by 70 bbl treated packer fluid. SD to on-off tool. Test backside to 500 psi. Held. RDMO Rig and all rentals.
- 6/29/16 - RU injection line and resume injecting.

Approval Pending Review
OF CHART TEST.

Spud Date:

Rig Release Date:

Send email 7/18/2016

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

SIGNATURE [Signature] TITLE Operations Engineering Consultant DATE 7/1/2016

Type or print name John Wierzowiecki E-mail address: john.wierzowiecki@blackmtn.com PHONE: (817) 550-3565

For State Use Only

APPROVED BY: [Signature] TITLE Accepted for Record Only DATE 7/18/2016

Conditions of Approval (if any):

Accepted for Record Only
MJB/OCD 7/18/2016

Black Mountain Operating

500 Main Street Suite 1200

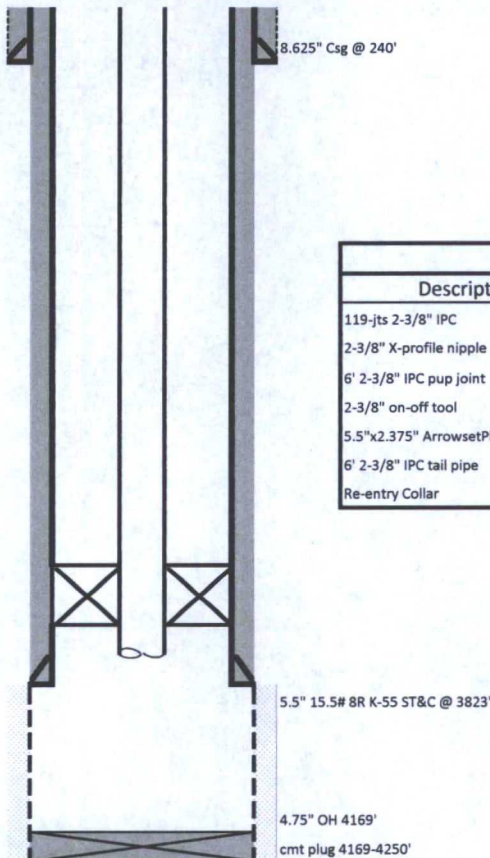
Fort Worth, Texas 76102



Lease:	State AA #1 SWD	OH Information									
County/Parish:	Lea	Section	Size	Beg. Depth		End Depth	MW	Comments			
State:	NM	Surface	12 1/4"	Surface							
API:	30-025-02605	Production	7 7/8"	Surface		3823					
State Lease #:	14961	OH	4 3/4"	3823		4169		OH capacity ~ 7.64 bbl			
SHL Legal:	660 FEX 1980 FSIL Sec 35 T 215 R34E; NE 1/4 of SE 1/4										
Spud Date:	10/7/1956	Casing Information									
Rig Release:	11/3/1956	Size	Weight	Grade	Thread	Depth	ID	Drift	Collapse	Burst	bbl / ft
Comments:		8 5/8"	24.00	?	?	240					
Well originalled Spud in 10/1956 and plugged as a dry hole. Recompleted in 1979 by Getty Oil as SWD.		5 1/2"	15.00	K-55	8 RD ST&C R-2	3,823	4,950	4,825			0.0238
		Tubing Information									
		2 3/8"	4.70	IPC Coated		3,757	1.861				0.0034
2-3/8" X 5-1/2" ASX-1 packer @ 3757'											
		Comments: Acidized 4/2005, Tubing last pulled 6/28/2016									
Max Allowable Injection Pressure: 950 psig											

Cement Information			
	8 5/8"	5 1/2"	
Spacer			
Volume, bbl		370	
Density, lb/gal			
Lead Cement 1	Longhorn Neat + 3% CaCl	"C" 65-35 Poz, 6% gel, 10# salt, 1/4 #Cello	
Sacks	200	650	
Yield, ft3/sk			
Volume, ft3			
Density, lb/gal			
Tail Cement 1		"C"+ 2% CaCl	
Sacks		200	
Yield, ft3/sk			
Volume, ft3			
Density, lb/gal			
Est TOC, ft	Surface	Surface	
Calc or Actual	Actual	Actual	
CBL TOC			

Capacity Calcs			
tubular	footage	bbl/ft	capacity
2 3/8" IPC tbg	3757	0.0034	12.6
5 1/2" csg	222	0.0238	5.3
4.75" OH	346	0.0219	7.6
To pbitd			25.5
Annulus	3757	0.0183	68.8
Well capacity w/tbg			94.3
Well capacity w/o tbg			98.6



Tbg Detail				
Description	OD	ID	Length	Depth
119-jts 2-3/8" IPC	2-3/8"	1.861	3750.1	0
2-3/8" X-profile nipple	2-5/8"	1.875	1.1	3750
6' 2-3/8" IPC pup joint	2-3/8"	1.861	6.1	3751
2-3/8" on-off tool	4-7/16"	1.820	1.4	3757
5.5"x2.375" ArrowsetPkr	4-5/8"	1.861	8.0	3759
6' 2-3/8" IPC tail pipe	2-3/8"	1.861	6.1	3767
Re-entry Collar	3-1/16"		0.4	3773

Directions to Location: From Eunice drive ~15.5 miles west. Turn left (South) off 176 at the Pyote SWD sign which is just before mile marker 19. Drive ~4.3 miles and turn left (East) at caliche pit on west side of road. State AA is second location you come to.

Last Update: 7/1/2016