

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 87401  
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 August 1, 2011

**HOBBS OOD**  
**RECEIVED**  
**OCT 18 2012**  
CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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. 30-005-20814
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <u>SWD</u>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> Fee
2. Name of Operator <u>Cross Border Resources Inc.</u>		6. State Oil & Gas Lease No.
3. Address of Operator <u>2515 McKinney Ave Suite 900 Dallas TX 75201</u>		7. Lease Name or Unit Agreement Name <u>Wattam Federal</u>
4. Well Location Unit Letter <u>A</u> : <u>643</u> feet from the <u>North</u> line and <u>782</u> feet from the <u>East</u> line Section <u>7</u> Township <u>8S</u> Range <u>31E</u> NMPM County <u>Chaves</u>		8. Well Number <u>#6 SWD</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number <u>286614</u>
		10. Pool name or Wildcat <u>SWD; San Andres</u>

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <u>Well repair</u>	<input checked="" type="checkbox"/>

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 Report

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

TITLE Agent

DATE 10/17/12

Type or print name Tommy W. Folsom

E-mail address: tommy@redmountainresources.com PHONE: 214.871.0400

For State Use Only

APPROVED BY

TITLE DET. MGR

DATE 1-4-2013

Conditions of Approval (if any):

FEB 04 2013

Cross Border Resources, Inc.  
Wattam Federal #6 SWD  
Sec 7, T-7S, R-31E  
SHL 643' FNL & 782' FEL  
BHL 1097' FNL & 2449' FEL  
Chaves County, New Mexico

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#### Workover Details

- 8/14/12 MIT failed test
- 9/6/12 MIRUPU, NU BOP, release pkr and POOH and laid down all tbg.
- 9/7/12 TIH w/ RBP, pkr and 2 3/8" work string, set RBP at 3,402' and set Pkr at 3,370' pressured tested RBP to 780 psi held ok. Continued to attempt to isolate problem, was unable to isolate. POOH w/ tools.
- 9/10/12 TIH w/ bit, scrapper and 2 3/8" work string to clean csg. POOH
- 9/11/12 RU wireline ran csg inspection log and CBL, cmt cir to surface on 5 1/2". Several possible holes indicated on csg inspection.
- 9/28/12 Completed procedure for workover potential.
- 10/3/12 Filed sundry to BLM for approval to complete workover , Sundry was approved 10/3/12 by David Glass. RU wireline truck set CIBP at 3450' and dump bailed 15' of cmt on CIBP via bailer.
- 10/8/12 RUPU
- 10/9/12 TIH w/ float shoe and 82 jts 4 1/2" 11.6# FL4S csg, float shoe at 3,396'. Pumped 120 sxs Halcem 14.8# cmt, dropped wiper plug and displaced w/ 53 Bbls fresh water. When cmt on 4 1/2" circulated pinched valve to squeeze 5 1/2" csg. Circulated 50 sxs cmt to pit.
- 10/10/12 TIH w/ bit and 2 3/8" work string, drilled out cmt and Float shoe, dropped down and tagged cmt on CIBP.
- 10/11/12 Drilled out cmt and drilled on CIBP. CIBP came free and pushed down in hole.

Cross Border Resources, Inc.

Workover Details

Wattam Federal #6 SWD

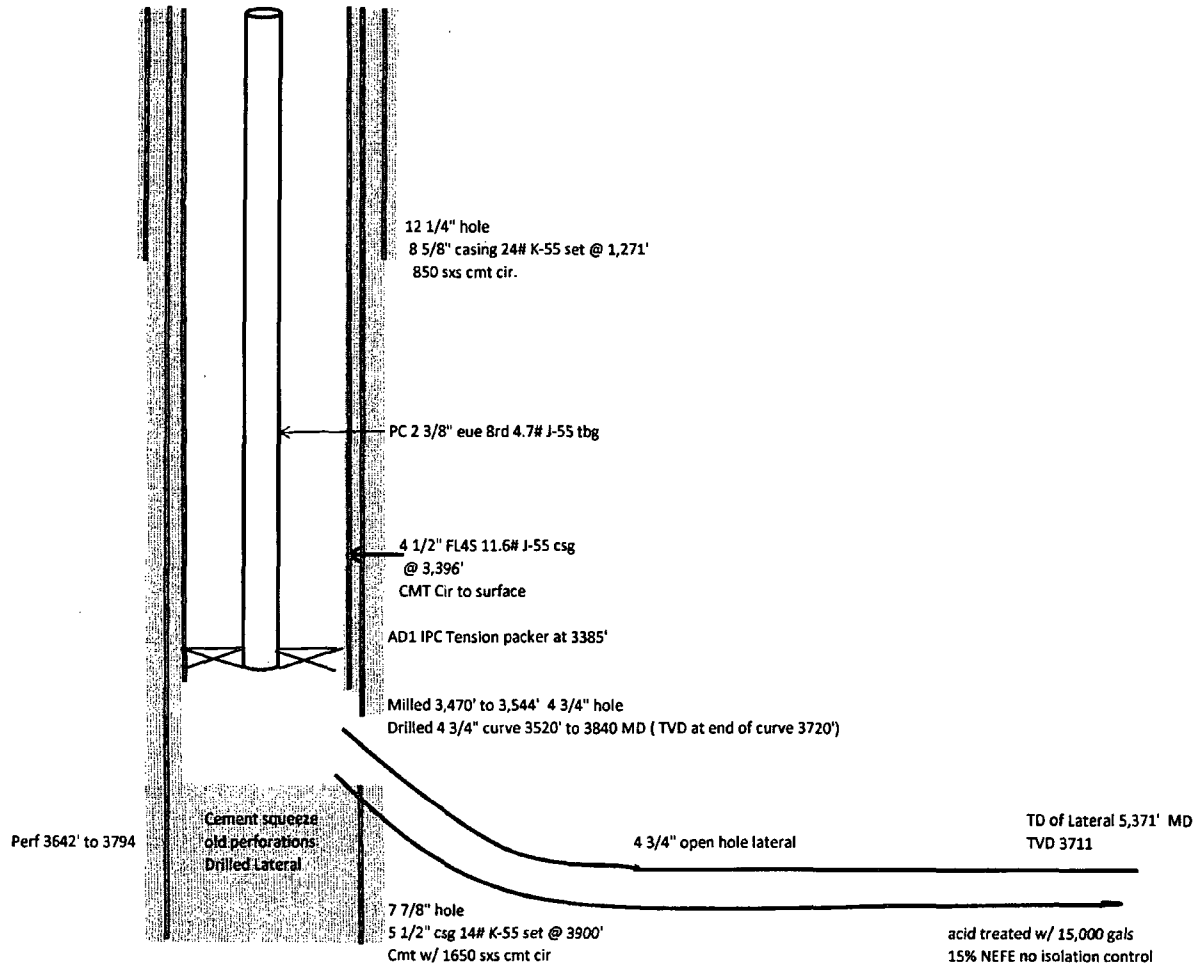
Page 2 of 2

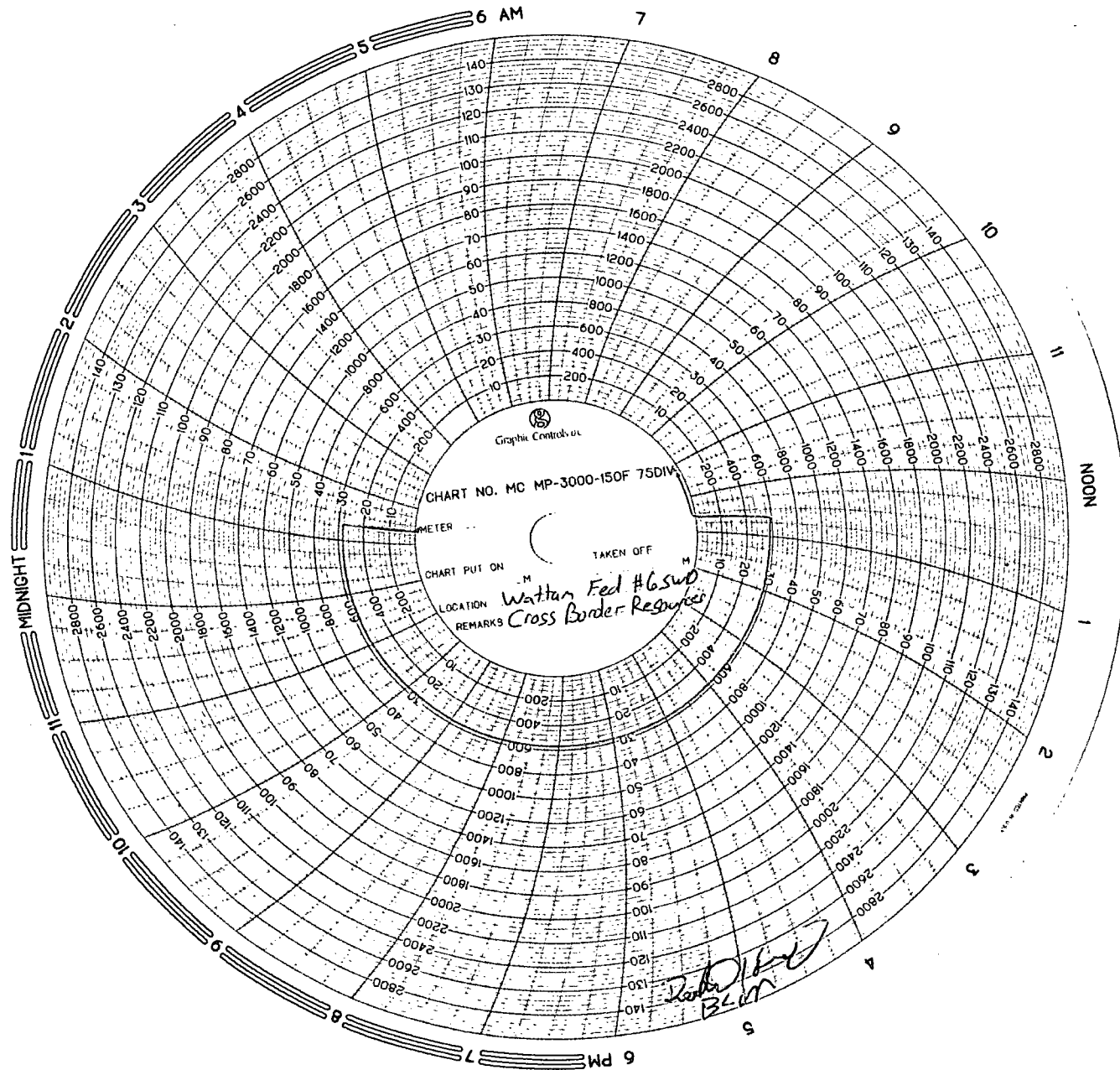
- 10/12/12 TIH w/ 4 ½" x 2 3/8" IPC AD1 pkr and 104 jts new 2 3/8" IPC 4.7# J-55 tbg. Flushed csg w/ fresh water and corrosion inhibitor. Set Pkr at 3,385' and pressured to 600 psi held 20 minutes OK. RDPU
- 10/15/12 Conducted MIT, pressured to 500 PSI and held for 30 minutes. Test was witnessed and approved by the BLM Bob Hoskinson. Sylvia Dickey with the NMOCD was notified but was unable to attend.

Cross Border Resources  
Wattam Federal #6 SWD  
Sec 7, T-8S, R-31E  
SHL 643' FNL and 782' FEL  
BHL1097' FNL & 2449' FEL  
Chaves County, New Mexico

API # 30-005-20814

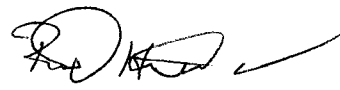
GL 4,208' KB 4220'





Stone Oil Field Service  
Lovington NM  
Unit #K8  
Calibrated Date 10-15-2012  
Test Date

RMR Operating LLC  
Watten Federal #6 SWD Chaves County, New Mexico  
API 30-005-20814  
Sec 7, T8S, R31E  
MIT 10-15-2012  
MK Michael Huber

  
BLM

**HALLIBURTON**

**HOBBS OCD**

**OCT 18 2012**

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**RMR OPERATING LLC**

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**Wattam Federal 6**

**Chaves County , New Mexico**

**Cement Production Liner**

**09-Oct-2012**

**Job Site Documents**

# HALLIBURTON

## Cementing Job Summary

*The Road to Excellence Starts with Safety*

Sold To #: 365815		Ship To #: 2955989		Quote #:		Sales Order #: 9869927	
Customer: RMR OPERATING LLC				Customer Rep: Folsom, Tommy			
Well Name: Wattam Federal		Well #: 6		API/UWI #: 30-005-20814			
Field:		City (SAP): ROSWELL		County/Parish: Chaves		State: New Mexico	
Legal Description: Section 36 Township 7S Range 31E							
Contractor: Workover rig		Rig/Platform Name/Num: ????					
Job Purpose: Cement Production Liner							
Well Type: Under Balance Well		Job Type: Cement Production Liner					
Sales Person: THORNTON, PAUL		Srv Supervisor: MADSEN, DUSTIN		MBU ID Emp #: 450621			
Job Personnel							
HES Emp Name	Exp Hrs	Emp #	HES Emp Name	Exp Hrs	Emp #	HES Emp Name	Exp Hrs
FONTANEZ, DANIEL michael	8	506162	FOOTE, STEPHEN Hale	8	512887	MADSEN, DUSTIN J	450621
Equipment							
HES Unit #	Distance-1 way	HES Unit #	Distance-1 way	HES Unit #	Distance-1 way	HES Unit #	Distance-1 way
Job Hours							
Date	On Location Hours	Operating Hours	Date	On Location Hours	Operating Hours	Date	On Location Hours
10/9/2012	8	5					
TOTAL		Total is the sum of each column separately					
Job				Job Times			
Formation Name				Date	Time	Time Zone	
Formation Depth (MD) Top		Bottom		Called Out	09 - Oct - 2012	06:00	MST
Form Type	BHST			On Location	09 - Oct - 2012	12:00	MST
Job depth MD	3414. ft	Job Depth TVD	3435. ft	Job Started	09 - Oct - 2012	15:15	MST
Water Depth		Wk Ht Above Floor	3. ft	Job Completed	09 - Oct - 2012	18:57	MST
Perforation Depth (MD) From		To		Departed Loc	09 - Oct - 2012	20:00	MST
Well Data							
Description	New / Used	Max pressure psig	Size in	ID in	Weight lbm/ft	Thread	Grade
Production Casing	Unknown		5.5	5.012	14.		
Production Liner	Unknown		4.5	3.428	10.5	AB FL-4S	J-55
Sales/Rental/3 <sup>rd</sup> Party (HES)							
Description	Qty	Qty uom	Depth	Supplier			
PLUG,CMTG,TOP,4 1/2,HWE,3.65 MIN/4.14 MA	1	EA					
SUGAR, GRANULATED, IMPERIAL	200	LB					
Tools and Accessories							
Type	Size	Qty	Make	Depth	Type	Size	Qty
Guide Shoe					Packer		
Float Shoe					Bridge Plug		
Float Collar					Retainer		
Insert Float							
Stage Tool							
Miscellaneous Materials							
Gelling Agt		Conc		Surfactant		Conc	
Treatment Fld		Conc		Inhibitor		Conc	
Fluid Data							
Stage/Plug #: 1							



# HALLIBURTON

## Cementing Job Summary

Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density lbm/gal	Yield ft <sup>3</sup> /sk	Mix Fluid Gal/sk	Rate bbl/min	Total Mix Fluid Gal/sk
1	Pump 20 bbl WG-19 GEL		20.00	bbl	.	.0	.0	3	
2	HalCem - C	HALCEM (TM) SYSTEM (452986)	120.0	sacks	14.8	1.33	6.3	3	6.3
	6.302 Gal	FRESH WATER							
	0.6 %	HALAD(R)-322, 50 LB (100003646)							
<b>Calculated Values</b>		<b>Pressures</b>		<b>Volumes</b>					
Displacement	53	Shut In: Instant		Lost Returns	0	Cement Slurry	28	Pad	
Top Of Cement	SURFACE	5 Min		Cement Returns	14	Actual Displacement	53	Treatment	
Frac Gradient		15 Min		Spacers	30	Load and Breakdown		Total Job	114
<b>Rates</b>									
Circulating	3	Mixing		3	Displacement	.5	Avg. Job		3
Cement Left In Pipe	Amount 0 ft	Reason	Shoe Joint						
Frac Ring # 1 @	ID	Frac ring # 2 @	ID	Frac Ring # 3 @	ID	Frac Ring # 4 @	ID		
The Information Stated Herein Is Correct				Customer Representative Signature					

# HALLIBURTON

## Cementing Job Log

*The Road to Excellence Starts with Safety*

Sold To #: 365815	Ship To #: 2955989	Quote #:	Sales Order #: 9869927
Customer: RMR OPERATING LLC		Customer Rep: Folsom, Tommy	
Well Name: Wattam Federal		Well #: 6	API/UWI #: 30-005-20814
Field:	City (SAP): ROSWELL	County/Parish: Chaves	State: New Mexico
Legal Description: Section 36 Township 7S Range 31E			
Lat: N 0 deg. OR N 0 deg. 0 min. 0 secs.		Long: E 0 deg. OR E 0 deg. 0 min. 0 secs.	
Contractor: Workover rig		Rig/Platform Name/Num: ????	
Job Purpose: Cement Production Liner			Ticket Amount:
Well Type: Under Balance Well		Job Type: Cement Production Liner	
Sales Person: THORNTON, PAUL		Srv Supervisor: MADSEN, DUSTIN	MBU ID Emp #: 450621

Activity Description	Date/Time	Cht #	Rate bb/ min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	
Call Out	10/09/2012 06:00							
Pre-Convoy Safety Meeting	10/09/2012 08:30							
Crew Leave Yard	10/09/2012 08:45							
Arrive At Loc	10/09/2012 12:00							
Assessment Of Location Safety Meeting	10/09/2012 12:05							RIG WAS STILL RUNNING 4.5" LINER
Pre-Rig Up Safety Meeting	10/09/2012 12:10							
Rig-Up Equipment	10/09/2012 12:15							SPOT EQUIPMENT, RIG UP
Other	10/09/2012 13:00							WAIT ON RIG TO FINISH RUNNING LINER
Rig-Up Equipment	10/09/2012 14:15							RIG UP FLOOR/ MANIFOLD
Pre-Job Safety Meeting	10/09/2012 15:00							
Start Job	10/09/2012 15:15							
Pump Water	10/09/2012 15:16		2	3	3		13.0	PUMP WATER/ PRIME LINES
Pressure Test	10/09/2012 15:22						4173. 0	PRESSURE TEST LINES 5000 PSI
Pump Spacer	10/09/2012 15:24		3	10	13		6.0	PUMP WATER SPACER
Pump Spacer	10/09/2012 15:27		3	20	33		1506. 0	PUMP WG-19 GEL SPACER
Pump Cement	10/09/2012 15:39		3	28	61		653.0	PUMP HALCEM 120 SKS. 14.8# 1.33 CUFT/SK 6.3 GAL/SK
Shutdown	10/09/2012 15:49							SHUTDOWN

Sold To #: 365815

Ship To #: 2955989

Quote #:

Sales Order #: 9869927

SUMMIT Version: 7.3.0040

Tuesday, October 09, 2012 07:33:00

# HALLIBURTON

## Cementing Job Log

Activity Description	Date/Time	Cht #	Rate bbl/min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	
Other	10/09/2012 15:50							WASH PUMPS/LINES TO PIT
Drop Plug	10/09/2012 15:55							DROP 5.5" TOP PLUG
Other	10/09/2012 15:57							SHUTDOWN 3 BBLS INTO DISPLACEMENT DUE TO CASING BEING LIFTED AND VALVES BREAKING, WAITED ON WELDER TO CUT PIPE AND WELD ON THREAD TO PUT TWI VALVE ON AND ATTEMPT TO FINISH DISPLACEMENT. CONTACTED COORDINATORS AND SUPERVISORS AND INFORMED ON INCIDENT
Pump Displacement	10/09/2012 17:34		2	53	114		.0	PUMP FRESH WATER DISPLACEMENT
Slow Rate	10/09/2012 17:48		0.5				700.0	SLOW RATE
Bump Plug	10/09/2012 18:51						1588.0	BUMP PLUG @ 1588 PSI
Check Floats	10/09/2012 18:53						1830.0	CHECK FLOATS, .5 BBLS BACK TO TRUCK
Other	10/09/2012 18:55							PRESSURE UP TO 1000 PSI AND SHUT IN
End Job	10/09/2012 18:57							JOB COMPLETE, 14 BBLS/ 50 SKS. TO SURFACE
Pre-Rig Down Safety Meeting	10/09/2012 19:00							
Rig-Down Equipment	10/09/2012 19:10							RIG DOWN EQUIPMENT
Other	10/09/2012 19:15							PAPERWORK, WASH TRUCK
Pre-Convoy Safety Meeting	10/09/2012 19:50							
Crew Leave Location	10/09/2012 20:00							

Sold To #: 365815

Ship To #: 2955989

Quote #:

Sales Order #: 9869927

SUMMIT Version: 7.3.0040

Tuesday, October 09, 2012 07:33:00

# HALLIBURTON

## Field Ticket

<b>Field Ticket Number:</b> 9869927		<b>Field Ticket Date:</b> Tuesday, October 09, 2012	
<b>Site:</b> RMR OPERATING LLC 2515 MCKINNEY AVE STE 900 DALLAS, TX 75201		<b>Job Name:</b> 4-1/2" Liner <b>Order Type:</b> Streamline Order (ZOH) <b>Well Name:</b> Wattam Federal 6 <b>Company Code:</b> 1100 <b>Customer PO No.:</b> NA <b>Shipping Point:</b> Hobbs, NM, USA <b>Sales Office:</b> Permian Basin BD <b>Well Type:</b> Oil <b>Well Category:</b> Development	
<b>Site Id:</b> RMR OPERATING LLC Wattam Federal, 6 2955989 RMR WATTAM FEDERAL 6 ROSWELL, NM 88201			

Material	Description	Qty	UOM	Base/Am	Unit/Am	Gross/Amount	Discount	Net/Amount
3965	SVC CHR, CMT & ADDITIVES	122	CF	0.00	5.49	669.78	35%	435.36
	NUMBER OF EACH	1						
100008028	SUGAR, GRANULATED, IMPERIAL	200	LB	0.00	6.44	1,288.00	35%	837.20
613641	Depart Yard/ Loc	1	EA	0.00	0.00	0.00		0.00
	Date: mm/dd/yyyy	10/09/2012						
	Time: 24 hr clock hh:mm	08:30						
613604	Arrive Location	1	EA	0.00	0.00	0.00		0.00
	Date: mm/dd/yyyy	10/09/2012						
	Time: 24 hr clock hh:mm	12:00						
613605	Start Job	1	EA	0.00	0.00	0.00		0.00
	Date: mm/dd/yyyy	10/09/2012						
	Time: 24 hr clock hh:mm	15:15						
613606	End Job	1	EA	0.00	0.00	0.00		0.00
	Date: mm/dd/yyyy	10/09/2012						
	Time: 24 hr clock hh:mm	18:57						
613641	Depart Yard/ Loc	1	EA	0.00	0.00	0.00		0.00
	Date: mm/dd/yyyy	10/09/2012						
	Time: 24 hr clock hh:mm	20:00						
100003638	WG-19	50	LB	0.00	39.54	1,977.00	35%	1,285.05
<b>Totals</b>				<b>USD</b>		<b>24,333.81</b>	<b>8,237.65</b>	<b>16,096.16</b>

Halliburton Rep: DUSTIN MADSEN  
 Customer Agent: Tommy Folsom  
 Halliburton Approval

# HALLIBURTON

## Field Ticket

<b>Field Ticket Number:</b> 9869927		<b>Field Ticket Date:</b> Tuesday, October 09, 2012	
<b>Bill To:</b> RMR OPERATING LLC 2515 MCKINNEY AVE STE 900 DALLAS, TX 75201		<b>Job Name:</b> 4-1/2" Liner <b>Order Type:</b> Streamline Order (ZOH) <b>Well Name:</b> Wattam Federal 6 <b>Company Code:</b> 1100 <b>Customer PO No.:</b> NA <b>Shipping Point:</b> Hobbs, NM, USA <b>Sales Office:</b> Permian Basin BD <b>Well Type:</b> Oil <b>Well Category:</b> Development	
<b>Ship To:</b> RMR OPERATING LLC Wattam Federal, 6 2955989 RMR WATTAM FEDERAL 6 ROSWELL, NM 88201			

Quantity	Description	GTV	UOM	Base Unit	Unit Amt	Gross Amount	Discount	Net Amount
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THIS OUTPUT DOES NOT INCLUDE TAXES. APPLICABLE SALES TAX WILL BE BILLED ON THE FINAL INVOICE.  
CUSTOMER HEREBY ACKNOWLEDGES RECEIPT OF THE MATERIALS AND SERVICES DESCRIBED ABOVE AND ON THE ATTACHED DOCUMENTS.

X \_\_\_\_\_

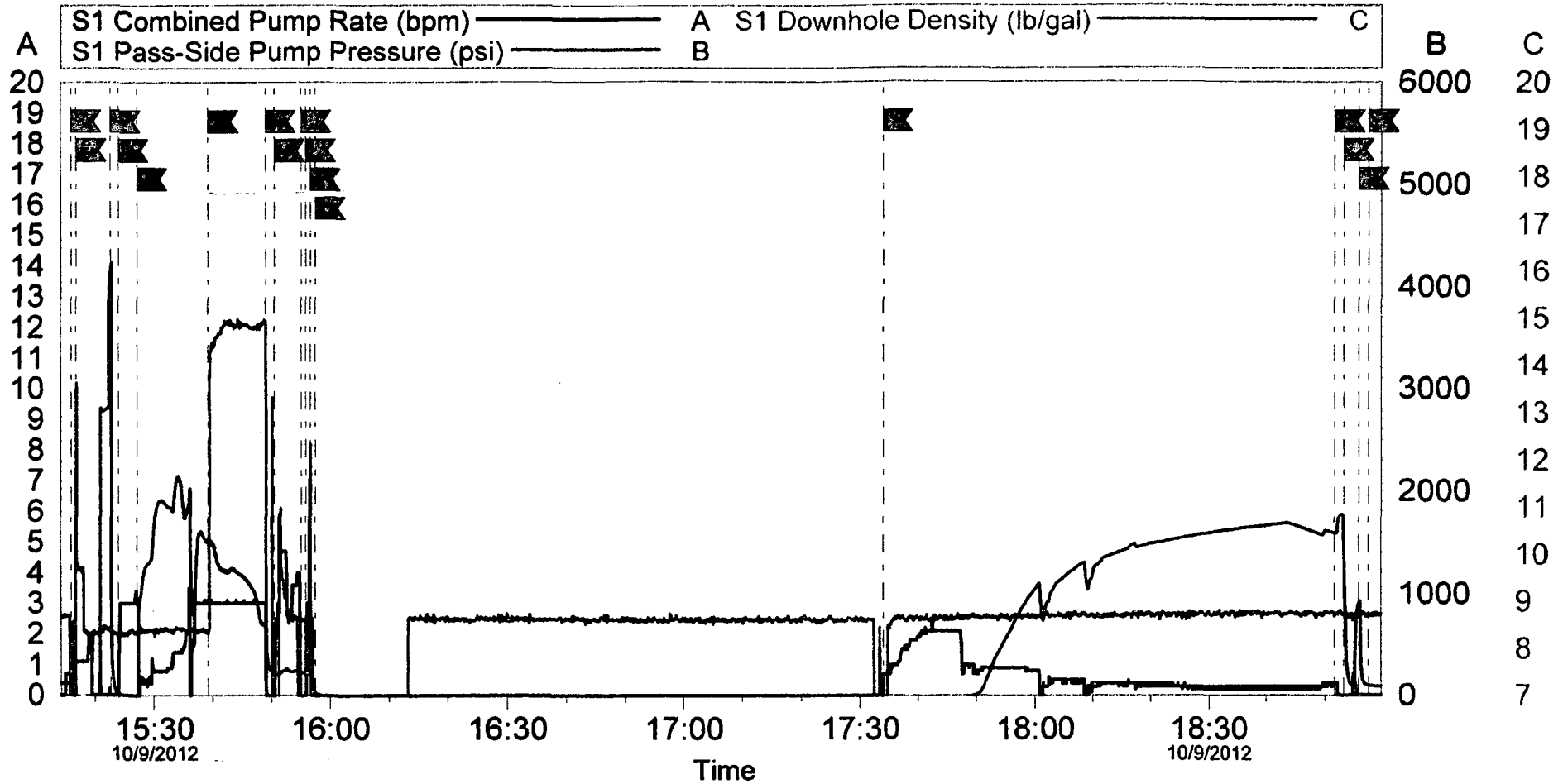
Customer Signature

FIELD TICKET TOTAL: USD 16,096.16

Was our HSE performance satisfactory? Y or N      Were you satisfied with our Equipment? Y or N      Were you satisfied with our people? Y or N  
(Health, Safety, Environment)

Comments

# RMR OPER. WATTAM FED #6 PROD. LINER



## Local Event Log

START JOB	15:15:57	PUMP WATER	15:16:49	PRESSURE TEST	15:22:38
PUMP WATER SPACER	15:24:01	PUMP GEL SPACER	15:27:12	PUMP CEMENT	15:39:17
SHUTDOWN	15:49:01	WASH PUMPS/LINES	15:50:32	DROP PLUG	15:55:07
PUMP DISPLACEMENT	15:55:52	SHUTDOWN	15:56:40	OTHER	15:57:29
PUMP DISPLACEMENT	17:34:02	BUMP PLUG	18:51:37	CHECK FLOATS	18:53:10
SHUT IN WELL WITH PRESSURE	18:55:41	END JOB	18:57:21		

Customer: RMR OPERATING  
Well Description: WATTAM FED #6 PROD. LINER

Job Date: 09-Oct-2012  
UWI: 30-005-20814

Sales Order #: 9869927  
Supervisor: MADSEN

OptiCem v6.4.21  
09-Oct-12 19:12