

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC063586
2. Name of Operator SHACKELFORD OIL COMPANY		6. If Indian, Allottee or Tribe Name
Contact: CLAY HOUSTON E-Mail: CHOUSTON92083@YAHOO.COM		7. If Unit or CA/Agreement, Name and/or No. NMNM94514X
3a. Address 203 WEST WALL SUITE 200 MIDLAND, TX 79701	3b. Phone No. (include area code) Ph: 432-682-9784 Fx: 432-684-5026	8. Well Name and No. LUSK WEST DELAWARE UNIT 911
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T19S R32E NESW 2310FSL 2160FWL		9. API Well No. 30-025-30165-00-S1
HOBBS OCD JUN 20 2014		10. Field and Pool, or Exploratory LUSK
		11. County or Parish, and State LEA COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" 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 type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <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 checked="" type="checkbox"/> Recomplete <input type="checkbox"/> Other
	<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 recompleate 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

1. NIPPLE UP 3000# BOP
2. TEST CASING TO 500 PSI. RUN CHART.
3. PERFORATE THE FOLLOWING INTERVALS IN UPPER CHERRY CANYON 4 SPF
4844-60
4816-30
4747-50
4722-40
4704-14
4. GIH W/ PACKER AND PLUG AND ACIDIZE INTERVALS INDIVIDUALLY W/ 500 GALS OF NEFE ACID
5. POOH PLUG. GIH W/ PACKER AND TUBING SWAB TEST
6. SET PACKER AND TUBING AT 4550'. PRESSURE UP BACKSIDE TO 500 PSI. FRAC W/ 30,000 LBS OF SAND
7. RECOVER LOAD FROM FRAC

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

SUBJECT TO LIKE
APPROVAL BY STATE

WITNESS

PLUG BACK

14. I hereby certify that the foregoing is true and correct. Electronic Submission #236844 verified by the BLM Well Information System For SHACKELFORD OIL COMPANY, sent to the Hobbs. Committed to AFMSS for processing by CHRISTOPHER WALLS on 04/28/2014 (14CRW0140SE)		APPROVED June 17 2014 Date Paul K. Swartz BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE
Name (Printed/Typed) DON SHACKELFORD	Title PRESIDENT	
Signature (Electronic Submission)	Date 02/25/2014	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved By _____	Title _____	
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.	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.		

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

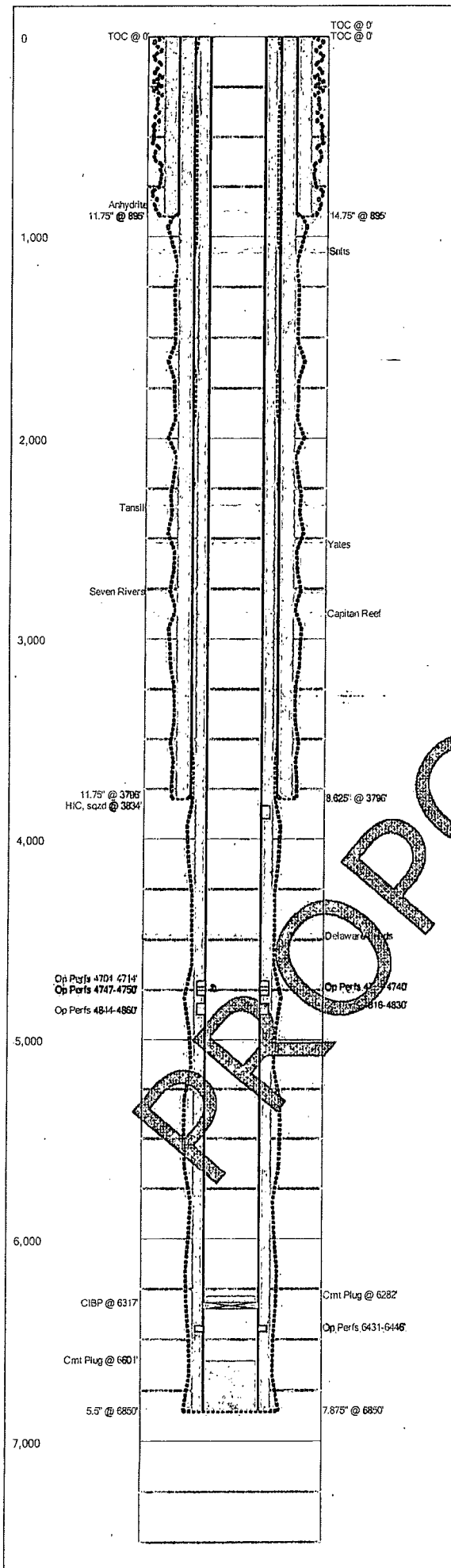
MSB/OCD 6/23/2014

JUN 24 2014

Additional data for EC transaction #236844 that would not fit on the form

32. Additional remarks, continued

8. POOH W/ TUBING AND PACKER
9. GIH W/ TUBING AND MULESHOE CLEAN WELL TO BOTTOM
10. POOH W/ TUBING. GIH W/ TUBING, RODS, PUMP PUT ON PRODUCTION
11. CHANGE NAME OF WELL BY SUNDRY IF OPERATION IS SUCCESSFUL.



Last Updated: 2/24/2014 01:02 PM

Field Name	Lease Name	Well No.
Lusk West Delaware Unit	Lusk West Delaware Unit	911
County, State	API No.	
Lea, New Mexico	30025301650000	
Version	Version Tag	
2	Proposed	
G.L. (ft)	K.B. (ft)	Sec.
		19S
		32E
Operator	Well Status	Latitude
Shackelford Oil Co		
Footage Call		
PropNum	Spud Date	Comp. Date
Additional Information		
Prepared By	Updated By	Last Updated
Brady Shackelford	Brady Shackelford	2/24/2014 1:02 PM

Hole Summary

Date	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
	14.750	0	895	
	11.750	0	3,796	
	7.875	0	6,850	

Tubular Summary

Date	Description	O.D. (in)	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)
	Standard Casing	11.750	42.00	H-40	0	895
	Intermediate Casing	8.625	32.00	S-80	0	3,796
	Tubing	5.500	17.00	J-55	0	6,850

Casing Cement Summary

Date	No. Sx	Seg. Top (in)	Top (MD ft)	Bottom (MD ft)	Comments
	1,000	11.750	0	895	CIRC TO SURFACE
	1,000	8.625	0	3,796	CIRC TO SURFACE
	1,810	5.500	0	6,850	CIRC TO SURFACE

Tools/Problems Summary

Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)
		0.000	0.000	0	0
	HIC, sqzd	5.500	0.000	3,834	3,898
	CIBP	5.500	0.000	6,317	0

Cement Plug Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
		5.500	6,282	6,317	
		5.500	6,601	6,850	PBTD

Perforation Summary

C	Date	Perf. Status	Formation	OA Top (MD ft)	OA Bottom (MD ft)	Shots
		Open	Upper Cherry Canyon	4,704	4,714	40
		Open	Upper Cherry Canyon	4,722	4,740	72
		Open	Upper Cherry Canyon	4,747	4,750	12
		Open	Upper Cherry Canyon	4,818	4,830	56
		Open	Upper Cherry Canyon	4,844	4,880	64
		Open		6,431	6,446	30

Formation Tops Summary

Formation	Top (TVD ft)	Comments
Anhydrite	890	
Salts	1,075	
Tansill	2,345	
Yates	2,532	
Seven Rivers	2,765	
Capitan Reef	2,875	
Delaware Sands	4,485	

Field Name		Lease Name		Well No.	County, State		API No.	
Lusk West Delaware Unit		Lusk West Delaware Unit		911	Lea, New Mexico		30025301650000	
Version	Version Tag		Spud Date		Comp. Date	G.L. (ft)	K.B. (ft)	
	2 Proposed							
Sec.	Township/Block	Range/Survey		Footage Call				
29	19S	32E						
Operator			Well Status		Latitude	Longitude	PropNum	
Shackelford Oil Co								
Last Updated			Prepared By		Updated By			
02/24/2014 1:02 PM			Brady Shackelford		Brady Shackelford			
Additional Information								

Hole Summary

Date	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
	14.750	0	895	
	11.750	0	3,796	
	7.875	0	6,850	

Tubular Summary

Date	Description	No. Jts	O.D. (in)	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)	Comments
	Surface Casing		11.750	42.00	H-40	0	895	
	Intermediate Casing		8.625	32.00	S-80	0	3,796	
	Tubing		5.500	17.00	J-55	0	6,850	

Casing Cement Summary

Date	No. Sx	Yield (cuft/sk)	Vol. (cuft)	Csg. O.D. (in)	Top (MD ft)	Bottom (MD ft)	Description	Comments
	1,000	1.00	1,000	11.750	0	895	CIRC TO SURFACE	
	1,400	1.00	1,400	8.625	0	3,796	CIRC TO SURFACE	
	1,610	1.00	1,610	5.500	0	6,850	CIRC TO SURFACE	

Tools/Problems Summary

Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)	Description	Comments
		0.000	0.000	0			
	Casing Leak (squeezed)	5.500	0.000	3,834	2,898		w/ 400 sxs (est) cement
	Cast Iron Bridge Plug	5.500	0.000	6,317			

Cement Plug Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
		5.500	6,282	6,317	
		5.500	6,801	6,850	PBTD

Perforation Summary

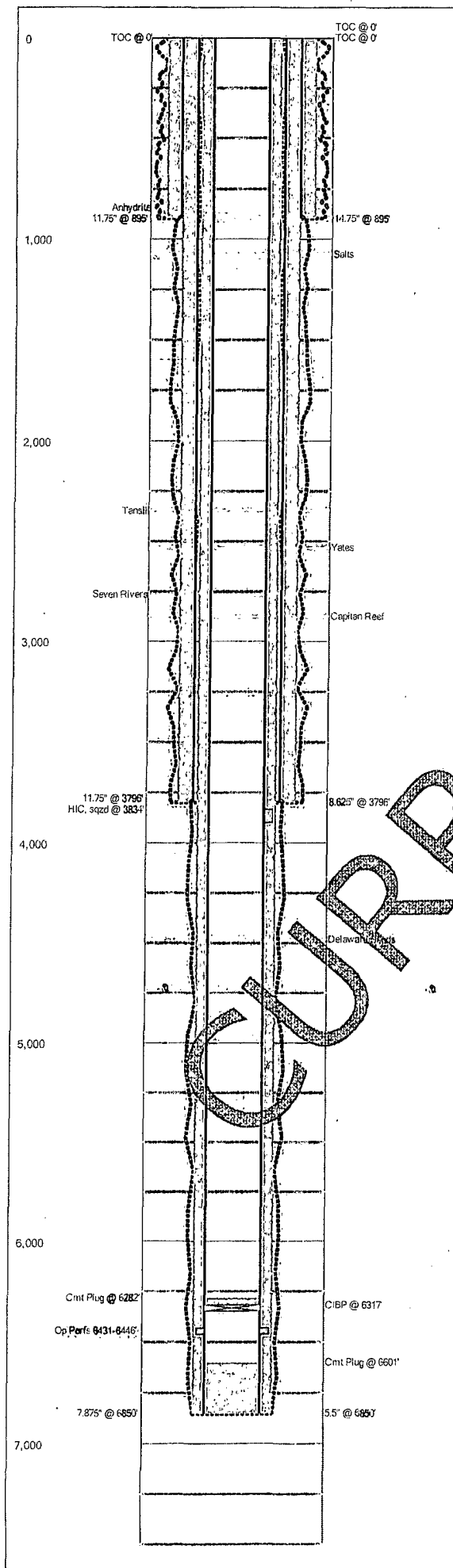
C	Date	Perf. Status	Formation		Comments	
		Open				
	Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
	6,431	6,446	2	30		
C	Date	Perf. Status	Formation		Comments	
		Open	Upper Cherry Canyon		Acidize intervals individually w/ 500 gals of NEFE acid	
	Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
	4,844	4,860	4	64		
C	Date	Perf. Status	Formation		Comments	
		Open	Upper Cherry Canyon		**	
	Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
	4,816	4,830	4	56		
C	Date	Perf. Status	Formation		Comments	
		Open	Upper Cherry Canyon		***	
	Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
	4,747	4,750	4	12		
C	Date	Perf. Status	Formation		Comments	
		Open	Upper Cherry Canyon		****	
	Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
	4,722	4,740	4	72		
C	Date	Perf. Status	Formation		Comments	
		Open	Upper Cherry Canyon		*****	
	Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
	4,704	4,714	4	40		

Formation Top Summary

Formation Name	Top (TVD ft)	Comments
Anhydrite	890	
Salts	1,075	

Formation Name	Top (TVD ft)	Comments
Tansill	2,345	
Yates	2,532	
Seven Rivers	2,765	
Capitan Reef	2,875	
Delaware Sands	4,485	

PROPOSED



Last Updated: 2/24/2014 01:01 PM

Field Name	Lease Name	Well No.
Lusk West Delaware Unit	Lusk West Delaware Unit	911
County, State	API No.	
Lea, New Mexico	30025301650000	
Version	Version Tag	
1	Current Status	
G.L. (ft)	K.B. (ft)	Sec.
	29	19S
		32E
Operator	Well Status	Latitude
Shackelford Oil Co		
Footage Call		
PropNum	Spud Date	Comp. Date
Additional Information		
Prepared By	Updated By	Last Updated
Brady Shackelford	Brady Shackelford	2/24/2014 1:01 PM

Hole Summary

Date	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
	14.750	0	895	
	11.750	0	3,796	
	7.875	0	6,850	

Tubular Summary

Date	Description	O.D. (in)	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)
	Surface Casing	11.750	42.00	H-40	0	895
	Intermediate Casing	8.625	32.00	S-80	0	3,796
	Tubing	5.500	17.00	J-55	0	6,850

Casing Cement Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
	1,000	11.750	0	895	CIRC TO SURFACE
	1,400	8.625	0	3,796	CIRC TO SURFACE
	610	5.500	0	6,850	CIRC TO SURFACE

Tools/Problems Summary

Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)
	HIC, sqzd	5.500	0.000	3,834	3,898
	CIBP	5.500	0.000	6,317	0

Cement Plug Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
		5.500	6,282	6,317	
		5.500	6,601	6,850	PBTD

Perforation Summary

C	Date	Perf. Status	Formation	OA Top (MD ft)	OA Bottom (MD ft)	Shots
		Open		6,431	6,446	30

Formation Tops Summary

Formation	Top (TVD ft)	Comments
Anhydrite	890	
Salts	1,075	
Tansil	2,345	
Yates	2,532	
Seven Rivers	2,765	
Capitan Reef	2,875	
Delaware Sands	4,485	

Field Name		Lease Name		Well No.	County, State		API No.
Lusk West Delaware Unit		Lusk West Delaware Unit		911	Lea, New Mexico		30025301650000
Version	Version Tag			Spud Date	Comp. Date	G.L. (ft)	K.B. (ft)
	1 Current Status						
Sec.	Township/Block	Range/Survey		Footage Call			
29	19S	32E					
Operator				Well Status	Latitude	Longitude	PropNum
Shackelford Oil Co							
Last Updated		Prepared By			Updated By		
02/24/2014 1:01 PM		Brady Shackelford			Brady Shackelford		
Additional Information							

Hole Summary

Date	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
	14.750	0	-895	
	11.750	0	3,796	
	7.875	0	6,850	

Tubular Summary

Date	Description	No. Jts	O.D. (in)	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)	Comments
	Surface Casing		11.750	42.00	H-40	0	895	
	Intermediate Casing		8.625	32.00	S-80	0	3,796	
	Tubing		5.500	17.00	J-55	0	6,850	

Casing Cement Summary

Date	No. Sx	Yield (cuft/sk)	Vol. (cuft)	Csg. O.D. (in)	Top (MD ft)	Bottom (MD ft)	Description	Comments
	1,000	1.00	1,000	11.750	0	895		CIRC TO SURFACE
	1,400	1.00	1,400	8.625	0	3,796		CIRC TO SURFACE
	1,610	1.00	1,610	5.500	0	6,850		CIRC TO SURFACE

Tools/Problems Summary

Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)	Description	Comments
	Casing Leak (squeezed)	5.500	0.000	3,834	3,898		w/ 400 sxs (est) cement
	Cast Iron Bridge Plug	5.500	0.000	6,317			

Cement Plug Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
		5.500	6,282	6,317	
		5.500	6,601	6,850	PBTD

Perforation Summary

C	Date	Perf. Status	Formation	Comments
		Open		
Top (MD ft)	Bottom (MD ft)	SPF	Shots	Interval Comments
6,431	6,446	2	30	

Formation Top Summary

Formation Name	Top (TVD ft)	Comments
Anhydrite	890	
Salts	1,075	
Tansill	2,345	
Yates	2,532	
Seven Rivers	3,796	
Capitan Reef	2,875	
Delaware Sands	4,485	

Conditions of Approval

Shackelford Oil Company
Lusk West Delaware Unit 911
API 3002530165, T19S-R32E, Sec 29
June 17, 2014

1. Operator is removing well from the unitized formation. Operator shall remove "Unit" from the well name via sundry, and or rename well to be produced on a lease basis.
2. Before casing or a liner is added, replaced, or repaired prior BLM approval of the design is required. Use notice of intent Form 3160-5.
3. Subject to like approval by the New Mexico Oil Conservation Division.
4. **Provide BLM with an electronic copy (Adobe Acrobat Document) of a recent cement bond log record from 5000 or below to top of cement. The CBL may be attached to a pswartz@blm.gov email.**
5. Notify BLM 575-393-3612 Lea Co as work begins. Some procedures are to be witnessed. If there is no response, call 575-361-2822, leave a voice mail with the API#, workover purpose, and a call back phone number
6. Surface disturbance beyond the existing pad must have prior approval.
7. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
8. Functional H₂S monitoring equipment shall be on location.
9. 2000 (2M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels) equipment shall be installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.
10. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
11. **Tag the CIBP at 6317 and place a balanced 25sx class C cement plug on the CIBP.** Isolation plugs of Class "C" to be mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water.
12. The BLM PET witness is to run tbg tally and agree to cement placement. Sample each plug for cement curing time and tag and/or pressure test (WOC time of 4 hours recommended) as requested by BLM PET witness.

13. After setting the plug and before perforating, perform a BLM PET witnessed (charted) **casing integrity test of 700 psig. Verify all annular casing vent valves are open to the surface during this pressure test.** Pressure leakoff may require correction for approval. Include a copy of the chart in the subsequent sundry for this workover.
14. File intermediate **subsequent sundry** Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry.
15. Submit the BLM Form 3160-4 **Recompletion Report** within 30 days of the date all BLM approved procedures are complete.
16. Workover approval is good for 90 days (completion to be within 90 days of approval). A legitimate request is necessary for extension of that date.

An inactive/shut-in well bore is a non-producing completion that is capable of “beneficial use” i.e. production in **paying quantities** or of service use.

17. Submit evidence to support your determination that the well has been returned to active “beneficial use” for BLM approval on the Sundry Notice Form 3160-5 (the original and 3 copies) within three months of workover completion.
18. Should “beneficial use” not be achieved submit for BLM approval a plan for plug and abandonment.

PRS

Access information for **use of Form 3160-5** “Sundry Notices and Reports on Wells”

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.

Operator: Shackelford Oil Company
 Surface Lease: LC063586
 Case No: NM94514x
 Subsurface Concerns for Casing Designs: Cap
 Well Status: WIW
 Spud date: 01/17/1988
 WDW, Rt of Way: 0
 Admn Order, date: R-10863, 08/28/1997
 Formation, Depths, psig: "6400-foot" Delaware, 6431-446, 1280

Well: Lusk West Delaware Unit - 911
 API: 3002530165
 @ Srfce: T19S-R32E, Sec 29, 2310FSL & 2160FWL
 @ M TD: T19S-R32E, Sec 29, 2310FSL & 2160FWL

KB: 3566
 GL: 3553
 Corr: 13

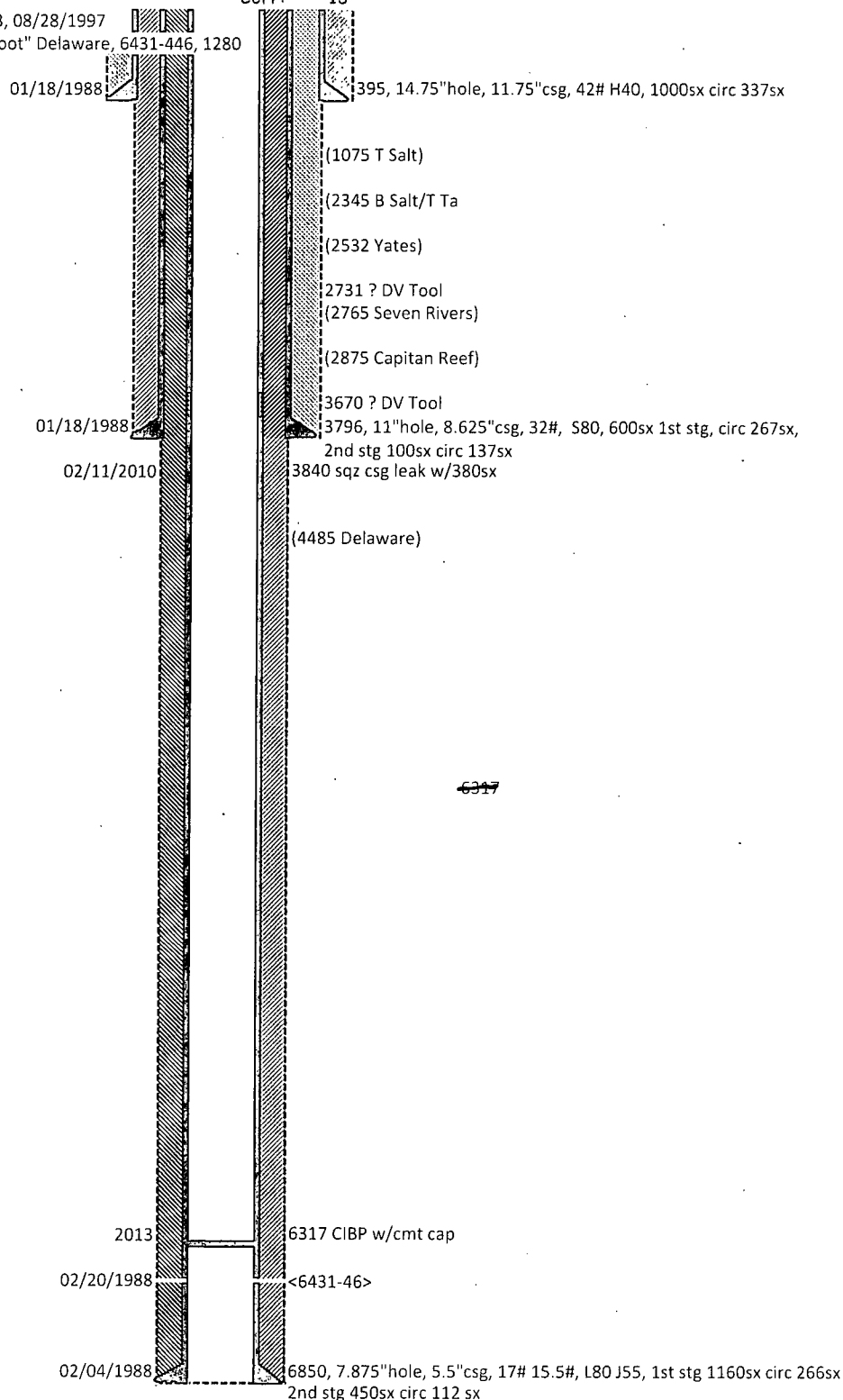


Diagram last updated: 06/17/2014