

OCD-HOBBS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

~~CARLSBAD FIELD OFFICE~~
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
3a. Address 203 WEST WALL SUITE 200 MIDLAND, TX 79701		7. If Unit or CA/Agreement, Name and/or No. NMNM94514X
3b. Phone No. (include area code) Ph: 432-682-9784 Fx: 432-684-5026		8. Well Name and No. LUSK WEST DELAWARE UNIT 902
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T19S R32E NWNE 990FNL 1900FEL		9. API Well No. 30-025-30329-00-S1
10. Field and Pool, or Exploratory W LUSK		11. County or Parish, and State LEA COUNTY, NM

JUL 29 2014

RECEIVED

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 recomplete 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 recompletion 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.)

RECOMPLETE FROM 6400' WATER FLOOD INTERVAL TO CHERRY CANYON INTERVALS

1. NIPPLE UP 3000# BOP
2. POOH W/ RODS, TUBING, AND PUMP
3. RUN IN HOLE W/ CASING SCRAPER TO 6390'
4. GIH W/ CIBP SET AT 6370' W/ 35' CEMENT CAP. GIH AND TAG PLUG.
5. TEST CASING TO 500 PSI. RUN CHART.
6. REPERFORATE THE FOLLOWING INTERVALS IN UPPER CHERRY CANYON 4 SPF. PREVIOUSLY PRODUCED FROM
4600-4608
4654-4660
4706-4714
4723-4730
4750-4760

**WITNESS
PLUG BACK**

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #236855 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 (14CRW0142SE)		SUBJECT TO LIKE APPROVAL BY STATE	
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	Date	
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.			

APPROVED

JUL 24 2014

**BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**

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

JUL 30 2014

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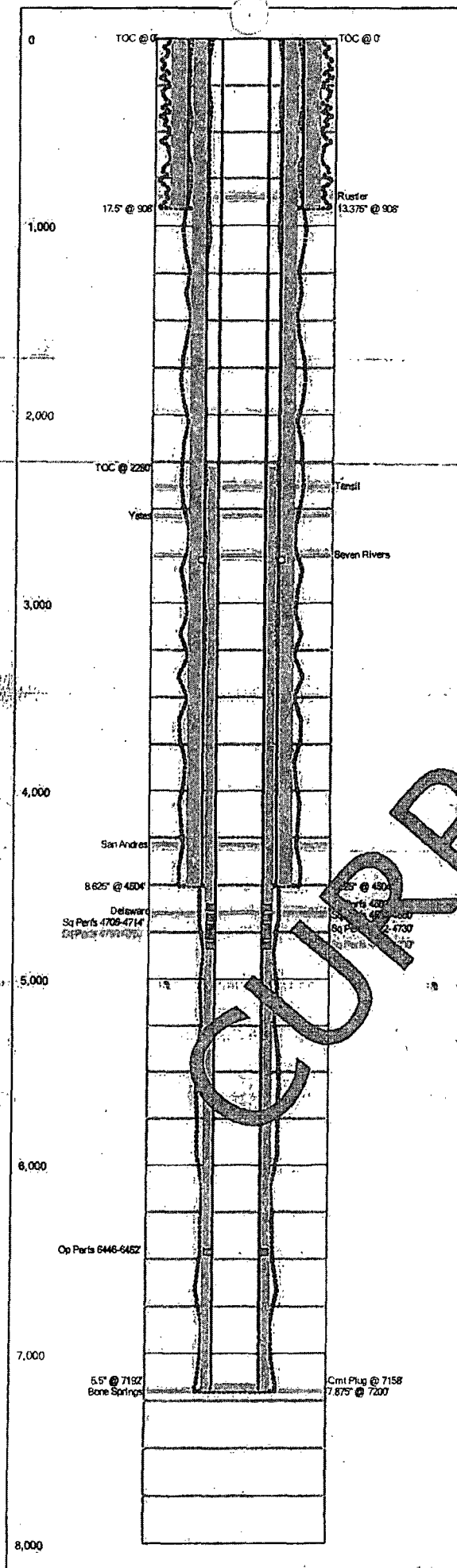
Additional data for EC transaction #236855 that would not fit on the form

32. Additional remarks, continued

4803-4820

7. GIH W/ PACKER AND PLUG AND ACIDIZE INTERVALS INDIVIDUALLY W/ 250 GALS OF NEFE ACID
8. POOH W/ PLUG. GIH W/ PACKER AND TUBING SWAB TEST
9. SET PACKER AND TUBING AT 4500'. PRESSURE UP BACKSIDE TO 500 PSI. FRAC W/ 65,000 # SAND
10. RECOVER LOAD FROM FRAC
11. POOH W/ TUBING AND PACKER
12. GIH W/ TUBING AND MULESHOE CLEAN WELL TO BOTTOM
13. POOH W/ TUBING. GIH W/ TUBING, RODS, PUMP PUT ON PRODUCTION
14. CHANGE NAME OF WELL BY SUNDRY IF OPERATION IS SUCCESSFUL

Last Updated: 2/14 09:24 AM



Field Name		Lease Name		Well No.
Lusk West Delaware Unit		Lusk West Delaware Unit		902
County, State			API No.	
Lea, New Mexico			30025303290000	
Version	Version Tag			
1	Current			
G.L. (ft)	K.B. (ft)	Sec.	Township/Block	Range/Survey
		29	19S	32E
Operator		Well Status	Latitude	Longitude
Shackelford Oil Co				
Footage Call				
PropNum		Spud Date	Comp. Date	
Additional Information				
Prepared By		Updated By	Last Updated	
Brady Shackelford		Brady Shackelford	2/18/2014 9:24 AM	

Hole Summary

Date	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
17.500	13.375	0	908	
12.250	8.625	0	4,504	
7.875	5.500	0	7,200	

Tubular Summary

Date	Description	O.D. (in)	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)
	Surface Casing	13.375	54.00	J-55	0	908
	Intermediate Casing	8.625	32.00	J-55	0	4,504
	Production Tubing	5.500	15.50	K-55	0	7,192

Cement Plug Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
7/28/13	13.375	0	908		CIRC. TO SURFACE
8/14/13	8.625	0	4,504		CIRC. TO SURFACE
8/14/13	6.600	2,280	7,192		CEMENT BOND LOG

Tools/Problems Summary

Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)
DVT, D/O	8.625	0.000	2,768	0

Cement Plug Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
	7.875	7,168	7,200		

Perforation Summary

C	Date	Perf. Status	Formation	OA Top (MD ft)	OA Bottom (MD ft)	Shots
	8/14/1996	Squeezed		4,600	4,608	
	8/14/1996	Squeezed		4,654	4,660	
	8/14/1996	Squeezed		4,708	4,714	
	8/14/1996	Squeezed		4,722	4,730	
	8/14/1996	Squeezed		4,750	4,760	
	8/14/1996	Squeezed		4,803	4,830	
		Open		6,446	6,452	14

Formation Tops Summary

Formation	Top (TVD ft)	Comments
Rustler	850	
Tanell	2,380	
Yates	2,535	
Seven Rivers	2,746	
San Andres	4,285	
Delaware	4,645	
Bone Springs	7,200	

Last Updated: 2/18/2014 09:24 AM

Field Name		Lease Name		Well No.	County, State		API No.	
Lusk West Delaware Unit		Lusk West Delaware Unit		902	Lea, New Mexico		30025303290000	
Version	Version Tag			Spud Date	Comp. Date	G.L. (ft)	K.B. (ft)	
	1 Current							
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			
02/18/2014 9:24 AM			Brady Shackelford		Brady Shackelford			
Additional Information								

Hole Summary

Date	O.D. (In)	Top (MD ft)	Bottom (MD ft)	Comments
	17.500	0	908	
	12.250	0	4,504	
	7.875	0	7,200	

Tubular Summary

Date	Description	No. Jts	O.D. (In)	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)	Comments
	Surface Casing		13.375	54.00	J-55	0	908	
	Intermediate Casing		8.625	32.00	J-55	0	4,504	
	Production Casing		5.500	15.50	K-55	0	7,192	

Casing Cement Summary

Date	No. Sx	Yield (cuft/yak)	Vol. (cuft)	Csg. O.D. (In)	Top (MD ft)	Bottom (MD ft)	Description	Comments
	722	1.00	722	13.375	0	908	CIRC TO SURFACE	
	800	1.00	800	8.625	0	4,504	CIRC TO SURFACE	
	800	1.00	800	5.500	2,280	7,192	CEMENT BOND LOG	

Tools/Problems Summary

Date	Tool Type	O.D. (In)	I.D. (In)	Top (MD ft)	Bottom (MD ft)	Description	Comments
	DV tool (drilled out)	8.625	0.000	2,766	0		

Cement Plug Summary

Date	No. Sx	O.D. (In)	Top (MD ft)	Bottom (MD ft)	Comments
		7.875	7,158	7,200	

Perforation Summary

C	Date	Perf. Status	Formation	Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Comments
		Open							
				6,446	6,452	2			Interval Comments
C	8/14/1996	Squeezed							Comments
				4,600	4,608				Interval Comments
C	8/14/1996	Squeezed							Comments
				4,654	4,662				Interval Comments
C	8/14/1996	Squeezed							Comments
				4,706	4,714	1			Interval Comments
C	8/14/1996	Squeezed							Comments
				4,722	4,730	1			Interval Comments
C	8/14/1996	Squeezed							Comments
				4,750	4,760	1			Interval Comments
C	8/14/1996	Squeezed							Comments
				4,803	4,830	1			Interval Comments

Formation Top Summary

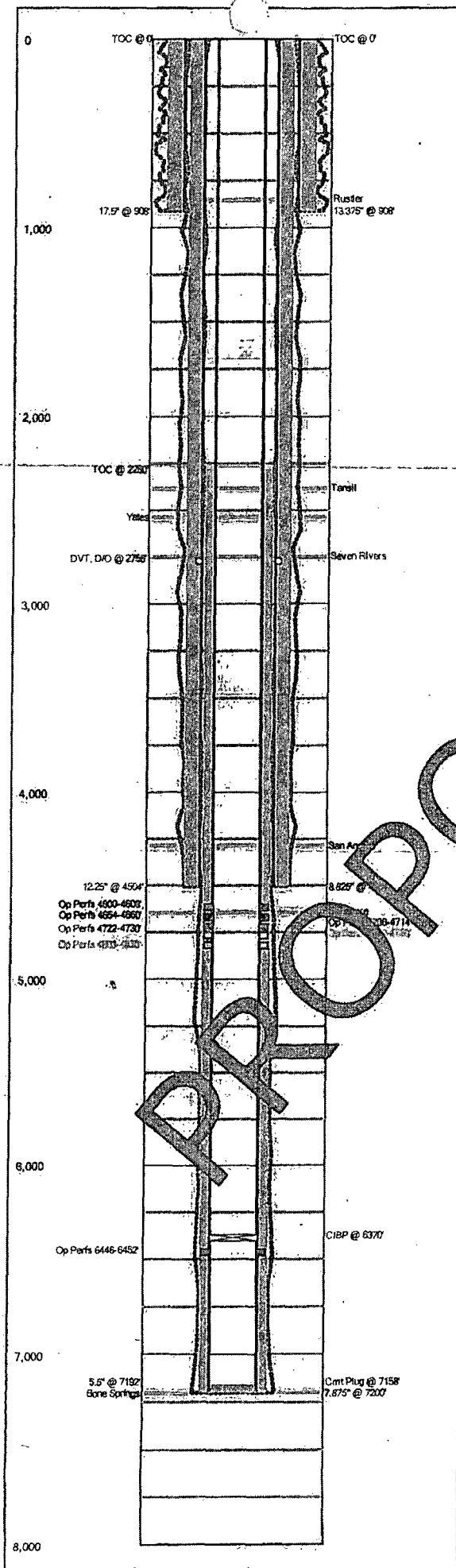
Formation Name	Top (TVD ft)	Comments
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Last Updated: 2/18/2009 09:24 AM

Formation Name	Top (TVD ft)	Comments
Rustler	850	
Tansil	2,380	
Yates	2,535	
Seven Rivers	2,746	
San Andres	4,285	
Delaware	4,645	
Bone Springs	7,200	

CURRENT

Last Updated: 2/18/2014 09:25 AM



Field Name		Lease Name		Well No.
Lusk West Delaware Unit		Lusk West Delaware Unit		902
County, State			API No.	
Lea, New Mexico			30025303290000	
Version	Version Tag			
2	Proposed			
G.L. (R)	K.B. (R)	Sec.	Township/Block	Range/Survey
		29	18S	32E
Operator		Well Status	Latitude	Longitude
Shackelford Oil Co				
Footage Call				
PropNum		Spud Date	Comp. Date	
Additional Information				
Prepared By		Updated By	Last Updated	
Brady Shackelford		Brady Shackelford	2/18/2014 9:25 AM	

Hole Summary

Date	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
17,500		0	908	
12,250		0	4,504	
7,875		0	7,200	

Tubular Summary

Date	Description	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)
	Surface Casing	13.375	J-55	0	908
	Intermediate Casing	8.825	J-55	0	4,504
	Production Stringer	5.500	K-55	0	7,192

Cement Plug Summary

No.	Sx	Top (MD ft)	Bottom (MD ft)	Comments
722	13.375	0	908	CIRC TO SURFACE
460	8.825	0	4,504	CIRC TO SURFACE
800	5.500	2,280	7,192	CEMENT BOND LOG

Tools/ Problems Summary

Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)
	DVT, D/O	8.825	0.000	2,758	0
	CIBP	5.500	0.000	6,370	0

Cement Plug Summary

Date	No.	Sx	Top (MD ft)	Bottom (MD ft)	Comments
		7,875	7,158	7,200	

Perforation Summary

C	Date	Perf. Status	Formation	OA Top (MD ft)	OA Bottom (MD ft)	Shots
		Open	Upper Cherry Canyon	4,600	4,608	
		Open	Upper Cherry Canyon	4,654	4,660	
		Open	Upper Cherry Canyon	4,706	4,714	
		Open	Upper Cherry Canyon	4,722	4,730	
		Open	Upper Cherry Canyon	4,750	4,760	
		Open	Upper Cherry Canyon	4,803	4,830	
		Open		6,448	6,452	14

Formation Tops Summary

Formation	Top (TVD ft)	Comments
Rustler	850	
Tansil	2,380	
Yates	2,535	
Seven Rivers	2,746	
San Andres	4,285	
Delaware	4,645	
Bone Springs	7,200	

Last Updated: 2/18/2014 09:25 AM

Field Name		Lease Name		Well No.	County, State		API No.
Lusk West Delaware Unit		Lusk West Delaware Unit		902	Lea, New Mexico		30025303290000
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			
02/18/2014 9:25 AM		Brady Shackelford		Brady Shackelford			
Additional Information							

Hole Summary

Date	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
17.500	0	0	908	
12.250	0	0	4,504	
7.875	0	0	7,200	

Tubular Summary

Date	Description	No. Jts	O.D. (in)	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)	Comments
	Surface Casing		13.375	54.00	J-55	0	908	
	Intermediate Casing		8.625	32.00	J-55	0	4,504	
	Production Casing		5.500	15.50	K-55	0	7,192	

Casing Cement Summary

Date	No. Sx.	Yield (cuft/sk)	Vol. (cuft)	Csg. O.D. (in)	Top (MD ft)	Bottom (MD ft)	Description	Comments
722	1.00	722	13.375	0	908		CIRC TO SURFACE	
800	1.00	800	8.625	0	4,504		CIRC TO SURFACE	
800	1.00	800	5.500	2,280	7,192		CEMENT BOND LOG	

Tools/Problems Summary

Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)	Description	Comments
	DV tool (drilled out)	8.625	0.000	2,756			
	Cast iron Bridge Plug	5.500	0.000	6,370	0		w/ 35' cmt cap

Cement Plug Summary

Date	No. Sx.	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
		7.875	7,158	7,200	

Perforation Summary

C	Date	Perf. Status	Formation	Comments
		Open		
	Top (MD ft)	Bottom (MD ft)	SPF	Shots
	8,446	8,452	2	14
				Phasing (deg)
				Interval Comments
C	Date	Perf. Status	Formation	Comments
		Open	Upper Cherry Canyon	Acidize Intervals Individually w/ 250 gals of NEFE acid
	Top (MD ft)	Bottom (MD ft)	SPF	Shots
	4,800	4,800		
				Phasing (deg)
				Interval Comments
C	Date	Perf. Status	Formation	Comments
		Open	Upper Cherry Canyon	
	Top (MD ft)	Bottom (MD ft)	SPF	Shots
	4,654	4,654	4	
				Phasing (deg)
				Interval Comments
C	Date	Perf. Status	Formation	Comments
		Open	Upper Cherry Canyon	
	Top (MD ft)	Bottom (MD ft)	SPF	Shots
	4,706	4,714	4	
				Phasing (deg)
				Interval Comments
C	Date	Perf. Status	Formation	Comments
		Open	Upper Cherry Canyon	
	Top (MD ft)	Bottom (MD ft)	SPF	Shots
	4,722	4,730	4	
				Phasing (deg)
				Interval Comments
C	Date	Perf. Status	Formation	Comments
		Open	Upper Cherry Canyon	
	Top (MD ft)	Bottom (MD ft)	SPF	Shots
	4,750	4,760	4	
				Phasing (deg)
				Interval Comments
C	Date	Perf. Status	Formation	Comments
		Open	Upper Cherry Canyon	
	Top (MD ft)	Bottom (MD ft)	SPF	Shots
	4,803	4,830	4	
				Phasing (deg)
				Interval Comments

Formation Top Summary

Last Updated: 2/18/2009 09:25 AM

Formation Name	Top (TVD ft)	Comments
Rustler	850	
Tansil	2,380	
Yales	2,535	
Seven Rivers	2,745	
San Andres	4,285	
Delaware	4,645	
Bone Springs	7,200	

PROPOSED

Conditions of Approval

Shackelford Oil Company
Lusk West Delaware Unit – 902
API 3002530329, T19S-R32E, Sec 29
July 24, 2014

1. Due to being within the Lesser Prairie Chicken habitat, this workover activity will be restricted to the hours of 9:00am through 3:00am for the period of March 1 through June 15. Exceptions to these restrictions may be granted by BLM's Johnny Chopp <jchopp@blm.gov> 575.234.2227 or Bob Ballard <bballard@blm.gov> 575.234.5973.
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. **The well is within the BLM designated Capitan Reef four casing boundary and was allowed to be completed with only surface, intermediate and production casings. It is critical to protect the C. R. The operator shall maintain annual casing integrity (above the top perforation) test records available for BLM access.**
5. Surface disturbance beyond the existing pad must have prior approval.
6. 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.
7. Functional H₂S monitoring equipment shall be on location.
8. 3000 (3M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. Blind ram(s) and pipe ram(s) designed to close on all workstring diameters used is required equipment. A manual BOP closure system (hand wheels) shall be available for use 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.
9. 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.
10. **Notify BLM 575-393-3612 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.**
11. **Set a 25sx "C" cement plug from PBTD to cover the top of the Bone Springs formation.**
12. **Step 4 of procedure: Place a 25sx "C" cement plug on the CIBP.**

13. Verify all annular casing vents are plumbed to surface and those valves open to the surface.
14. File intermediate subsequent sundry Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry.
15. 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.

16. 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) before 12/20/2014.
17. Should "beneficial use" not be achieved submit for BLM approval a plan for plug and abandonment.

"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.