

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD

Hobbs

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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.

JUL 30 2015

RECEIVED

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. NMNM80166
2. Name of Operator CROSS BORDER RESOURCES, INC.-Mail: donna@redmountainresources.com		6. If Indian, Allottee or Tribe Name
3a. Address 2515 MCKINNEY AVENUE, SUITE 900 DALLAS, TX 75201	3b. Phone No. (include area code) Ph: 214-871-0400 Ext: 1027 Fx: 214-871-0406	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 30 T7S R32E SENW 2310FNL 2217FWL 33.678722 N Lat, 103.710830 W Lon		8. Well Name and No. MOUNTAIN FEDERAL 3
		9. API Well No. 30-041-20463-00-S1
		10. Field and Pool, or Exploratory TOMAHAWK-SAN ANDRES
		11. County or Parish, and State ROOSEVELT 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 checked="" type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Workover Operations
	<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 recompleat 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 recompleat 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.)

We propose to test the integrity of the casing, make any necessary repairs and perforate the P-3,
Acidize and return to production.

Please see attached detailed breakdown of proposed work schedule.

Please Contact The BLM Roswell Field Office At Least 24
Hours Prior To The Scheduled Mechanical Integrity Test. For
Wells In Chaves and Roosevelt County, During Office Hours
Or After Office Hours Call (575) 627-0205. Engineer On
Call During Office Hours Call (575) 627-0275 Or After
Office Hours Call (575) 626-5749.

ACCEPTED FOR 60 DAY
MONTH PERIOD
ENDING AUG 24 2015

14. I hereby certify that the foregoing is true and correct. Electronic Submission #310099 verified by the BLM Well Information System For CROSS BORDER RESOURCES, INC., sent to the Roswell Committed to AFMSS for processing by DAVID GLASS on 07/23/2015 (15DRG0099SE)	
Name (Printed/Typed) DONNA STURDIVANT	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 07/23/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	DAVID R GLASS Title PETROLEUM ENGINEER	Date 07/24/2015
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 Roswell

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 **

AUG 11 2015

Mountain Federal #3
(API = 30-041-20463)
2310' FNL and 2217' FWL
Section 30, Twp. 7-S, Rge-32-E
Chaves County, New Mexico
KB=4373 GL=4364'

Repair potential casing leak
Perforate the P-3, acidize and return to production

1. MIRU workover unit. NU 3000# double manual BOP's. Pick up additional 2-3/8" J-55 EUE production tubing. Tag T.D. and POOH. Tally out of the hole. Need to confirm PBTD of 4257'. Proposed perfs are 32' above PBTD. Make sure there is enough fluid in the hole to perforate.
2. RIH with packer and RBP. Set RBP at 3000' and start looking for casing leaks from 1700' to 3000'. Typical casing leaks have been underneath the surface casing at 1785'. Call Dallas office for details of cement and volumes once the hole is found and a pump-in rate is established. If there are no casing leaks. The existing perforations will have to be cement squeezed. This has been seen in the Mountain Federal #6.
3. MIRU wireline unit. RIH w/ 3-1/8" csg. guns and perforate the P-3 San Andres intervals as follows: 4165'-4185' (6 spf). POOH and RIH with 3-1/8" csg guns and perforate 4200' to 4225' (6 spf). Re-perforate upper P-2 from 4097'-4158' (4 SPF 90 degree phasing).
4. RIH w/ 4-1/2" treating packer. Set packer at +/- 4060'. Attempt to load hole to make sure the packer has a seat in the casing. Acidize P2 and P-3 perforations 4165' through 4225' with 10,000 gallons 15% NEFE HCL. Bring out 10,000 lbs of rock salt. Start pumping 1000 gallons 15% NEFE HCl with Acidtol type solvent. Divert with 2,500 lbs of rock salt. Pump three more stages of 3,000 gallons of acid and divert with 3,000 lbs of rock salt. Use produced water as the brine water for the rock salt. Flush job with 200 bbls fresh water to flush acid and rock salt. Do not exceed 3000 psig. Let acid sit for one hour. Swab load back and determine fluid rates and oil cut. POOH w/ packer.
5. Allow acid and fresh water to react for two hours before swabbing. Swab well until well cleans up. Release packer and RBP and POOH.
6. RIH with production equipment. Return well to production.