

Submit i^e 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. 30-025-00312 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name ROCK QUEEN UNIT |
| 8. Well Number 71 |
| 9. OGRID Number 240974 |
| 10. Pool name or Wildcat CAPROCK; QUEEN |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4388' KB |

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 ☒ Gas Well ☐ Other ☐

2. Name of Operator
LEGACY RESERVES OPERATING LP

3. Address of Operator
PO BOX 10848, MIDLAND, TX 79702

4. Well Location
Unit Letter E : 1980 feet from the NORTH line and 660 feet from the WEST line
Section 30 Township 13S Range 32E NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4388' KB

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"/> | | | |
| CLOSED-LOOP SYSTEM <input type="checkbox"/> | | | |
| OTHER: <input type="checkbox"/> | | OTHER: STIMULATE & RUN ESP <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 PROCEDURE----

Site:

Rig Release Date:

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

SIGNATURE Laura Pina TITLE REGULATORY TECH DATE 01/22/2016

Type or print name LAURA PINA E-mail address: lpina@legacylp.com PHONE: 432-689-5200

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 01/29/16

Conditions of Approval (if any):

JAN 29 2016

Legacy Reserves
DAILY OPERATIONS REPORT - (Selected Days)

7/1/2015 thru 1/22/2016

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ROCK QUEEN UNIT # 71

LEA Co., NM

BOLO ID: 300680.36.71

Zone: QUEEN Field: CAPROCK

AFE # 215043

Convert from CO2 gas lifting to artificial lift ESP and acidize

Jul 31, 2015 Friday (Day 1)

SICP- 000#. SITP- 320#. Shut flow line and bled gas off tubing. Tubing bled down to 000# with no fluid flow. Moved in rigged up pulling unit. Set pipe racks with 100jnts 2 7/8" J-55 tubing. BOP delivered. Secured well.

Shut Down For Weekend.

Daily Cost: \$1,650

Cum. Cost: \$1,650

AFE Amount:

Aug 3, 2015 Monday (Day 2)

SICP- 000#. SITP- < 40#. Bled down tubing. Nipple down well head, nipple up BOP. Moved in, rigged up Basic Reverse Unit and Tripple RD Spoolers. Released packer and pull out of hole spooling CT lines to reels. Vac truck on annulus due to swabbing with pkr. Only 1-2 bands per stand. Pulled out of hole with 4- 4' x 2 3/8", 2- 6' x 2 3/8" subs, 90 joints 2 3/8" J-55 IPC tubing and packer bottom hole assembly. Stood back IPC Tubing and layed down subs. Very little paraffin noticed in tubing and not until a depth of 2340'. Did not notice any damage to IPC in tubing. Lay down 3 joints and about 9' of 2 3/8" Fiberglass tubing. FG Tubing looked good, no paraffin or build up.

Picked up and ran in hole with 4.25" Bit and 98 joints 2 7/8" J-55 work string, tagged TD at 3090'. Pulled up hole 5 stands. Secured well.

Shut Down For Night.

Daily Cost: \$11,375

Cum. Cost: \$13,025

AFE Amount:

Aug 4, 2015 Tuesday (Day 3)

SICP- 020#, SITP- 020#. Finished pulling out of hole with bit and tubing. LD bit and picked up Arrowset-1X treating packer and run in hole to 2950', set packer and loaded annulus. Test annulus and packer to 500# for 1 hour, no bleed off. Fluid level at about 425'. Moved in rigged up Crain Acidizing. Held safety meeting and began acid job. Test lines to 4000#. Pumped 20bbls fresh water @ 8bpm, 1050#, went to acid. Pumped 95bbls 90/10 blend of Acid/xylene and 25bbls fresh water flush.

Max PSI- 2153#, Minimum PSI- 350#, Average PSI- 1517#. Max rate- 10bpm, Average Rate- 9.5bpm.

ISIP- 350#, 5 minute- 135#, 10 minute- 126#, 15 minute- 92#.

Rigged Down Moved Out Crain. Opened flow line to tank. Flowed back about 20bbls fluid. Began getting nothing but CO2 after that. Flowed CO2 for about 3 hours, 1 hour very strong, slowing down to just a slight amount coming back. Total fluid recovered 20bbls.

Daily Cost: \$14,900

Cum. Cost: \$27,925

AFE Amount:

Legacy Reserves
DAILY OPERATIONS REPORT - (Selected Days)

7/1/2015 thru 1/22/2016

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ROCK QUEEN UNIT # 71

LEA Co., NM

BOLO ID: 300680.36.71

Zone: QUEEN Field: CAPROCK

Aug 5, 2015 Wednesday (Day 4)

SITP- 40#. Bled pressure off and rigged up swab. Made 2 swab runs, fluid initially @ 1300'. Well started gassing hard at the end of second swab run. Gased for about 45 minutes and started getting acid/fluid back. Flowed back for a total of 147bbls. Well would not stop gassing, pumped 18bbls produced water @ .5bpm, well went on vacuum. Released packer, pulled out of hole and layed packer down. Picked up ran in hole with 4.25" bit and tagged @ 3090', no fill. Pulled out of hole laying down tubing and bit. Installed 2' spool above weatherfoed well head with new well head. Secured well. Shut Down For Night.

Daily Cost: \$11,750

Cum. Cost: \$39,675

AFE Amount:

Aug 6, 2015 Thursday (Day 5)

SICP- 000#. Pulled out of hole and lay down remainder of tubing. Pumped 30bbls produced water to keep well from gassing. Moved in rigged up Tripple RD Spoolers for C.T. Lines. Moved in rigged up Baker Spooler and ESP. Run in hole with Baker ESP, 1- 4' x 2 3/8" J-55 IPC tubing sub, 87 joints 2 3/8" J-55 IPC tubing, 2- 10' x 2 3/8" J-55 IPC tubing subs and 1- joint 2 3/8" J-55 IPC tubing. Ran 3/8" cap string from base of motor to surface, banded with cable (2 bands per joint). Ran check valve above ESP assembly at the base of first joint of tubing.

Ran ESP to depth and pulled up hole to make up bottom side pig tail. Have a ground problem down hole. Baker Tech believes it to be cable and not pump. Banded C.T. Line and Cable to tubing, added 10' joint to land in BOP. Will pull well tomorrow morning. Secured well.

Shut down for night.

Daily Cost: \$13,650

Cum. Cost: \$53,325

AFE Amount:

Aug 7, 2015 Friday (Day 6)

SICP- 000#, SITP- 000#. Pulled out of hole with tubing, ESP, cable and C.T. line. Found approximately 5 missing bands from surface to 25' above the end of ESP BHA. The bottom 25' of C.T. line and bands were missing. Noted a damaged spot in the motor lead about 18" above bottom conection. Lay down ESP and sent seal in order to have it replaced. Will have needed equipment back on location to run ESP in hole on Monday morning.

Secured well.

Shut Down For Weekend

Daily Cost: \$8,850

Cum. Cost: \$62,175

AFE Amount:

Aug 10, 2015 Monday (Day 7)

SICP- 000#. Moved in rigged up Baker Spooler and Tripple RD Spooler. (Baker Tech advised a ground was found about 18" from end of motor lead on Friday). Replaced Seal in ESP assembly. Run in hole with ESP, cable and C.T. line. C.T. installed at top of

Legacy Reserves
DAILY OPERATIONS REPORT - (Selected Days)

7/1/2015 thru 1/22/2016

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ROCK QUEEN UNIT # 71

LEA Co., NM

BOLO ID: 300680.36.71

Zone: QUEEN Field: CAPROCK

motor with check valve 12' higher. Run in hole with ESP assembly, 1- 4' x 2 3/8" J-55 IPC sub, 88 joints 2 3/8" J-55 IPC tubing, 1- 8' x 2 3/8" J-55 IPC sub, 1- 10' x 2 3/8" J-55 IPC sub & 1 joint 2 3/8" J-55 IPC tubing. End of BHA 2964.09'. Made up pig tail under well head. Nippled Down BOP, Nipple Up well Head.
Turned well over to production.
Shut Down For Night

Daily Cost: \$9,670

Cum. Cost: \$71,845

AFE Amount:

Aug 11, 2015 Tuesday (Day 8)

Rig Down Move Out Pulling Unit.

Daily Cost: \$600

Cum. Cost: \$72,445

AFE Amount:

Aug 12, 2015 Wednesday (Day 9)

Daily Cost: \$600

Cum. Cost: \$73,045

AFE Amount:
