

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNMOCD
HobbsFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

HOBBS OCL

NOV

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.

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. NMNM046153A
2. Name of Operator CROSS BORDER RESOURCES, INC - Mail: ROSS@REDMOUNTAINRESOURCES.COM		6. If Indian, Allottee or Tribe Name
3a. Address 14282 GILLIS ROAD FARMERS BRANCH, TX 75244		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 214-871-0400 Ext: 1017 Fx: 214-871-0406		8. Well Name and No. MILLER FEDERAL 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 34 T7S R31E SESE 660FSL 660FEL 33.657905 N Lat, 103.755371 W Lon		9. API Well No. 30-005-20044-00-S1
		10. Field and Pool, or Exploratory TOM TOM-SAN ANDRES
		11. County or Parish, and State CHAVES COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" 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 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 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.)

See Attached

**Accepted For Record Only! Approval Subject To
Putting Well On Continuous Production And Keeping
Well On Continuous Production Or Plugging Well With
An Approved Plugging Program! Please Submit Copy
Of Run Ticket For First Load Of Oil Sold On Or Before
MAR 01 2017 And Second Load Of Oil Sold On Or
Before JUN 01 2017.**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #358120 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 11/16/2016 (17JS0005SE)	
Name (Printed/Typed) ROSS PEARSON	Title VP OPERATION
Signature (Electronic Submission)	Date 11/15/2016

ACCEPTED FOR RECORD
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By DAVID R. GLASS NOV 16 2016	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	ROSWELL FIELD 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.

Kz

11/10/16

RUPU. POOH with rods and pump. ND wellhead, NU BOP. POOH w/ 131 jts 2-3/8" 4.7# EUE tubing. MIRU Q.E.S. wireline service. RIH with CNL-CCL log. CNL log is not working. No charge for log, Dummy run. Found existing perfs 3954'-4984'. CCL log suggest existing perfs at 3912'-3924' and 3932'-3946'. POOH w/ CCL and CNL log. Correlate logs 20' (probably KB correction). Perforate as follows (gun runs): 3964'-3984' (1spf), 3954'-3964' (1spf), 3930'-3950' (2 spf), 3906'-3930' (2spf). All guns fired. Found fluid level at 2710'. Did not require loading hole to perforate. Last perf run saw a 60' increase in fluid level. Secure wellhead. SDFN.

11/11/16

RIH w/ Kline Crest-3 packer, SN, on 2-3/8" production tbg. Tally tbg into the hole. Hydrotest tbg to 6,000 psig. No tbg failures. Set packer at 3811. Load backside with 28 bbls produced water. Pressure test casing to 300 psig. Held pressure. MIRU Crain acidizing services. Test lines to 5,500 psig. Pump 4,500 gallons 20% NEFE HCl w/ 90/10 blend with toluene. Drop 4,000 lbs rock salt for diversion. Average rate 3.8 bpm. Average pressure 2,200 psig, Maximum pressure 2,619 psig. ISIP=2,000 psig, 5 min=1,819 psig, 10 min= 1741 psig, 15 min=1669 psig. 235 Bbls total load to recover. Open well and flowed back +/- 20 bbls and died. RU swab lubricator. RIH w/ swab. Fluid at surface. Make two swab runs. SDFN.

11/12/16

Arrive on location. SITP = 250 psig. Blow well down. RU swab lubricator. RIH w/ swab and tag fluid at 2100'. Swab well Recovered a total of 51 bbls of fluid. Release treating packer. POOH. RIH w/ bull plug (new), 1 jt of tubing (new). 4' perf nipple(new), SN(new), 6 jts prod tbg, T.A.C. (new) 122 jts 2-3/8" 4.7# prod. Tbg. Set T.A.C. w/ 10 pts tension. RD BOP, RU wellhead. Run 1.5" pump and rods. Hang well on. Turn well to production.

11/13/16

Pumped 8 bbls of oil and 28 bbls of water in 12 hours. 152 bbls load water to recover.

11/14/16

Pumped 11 bopd, and 79 bwpd in 24 hours. 73 bbls load water to recover. RDMO pulling unit.