

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OCD

APR 09 2014

FORM APPROVED
OMB NO. 1004-0137
Expires: October 31, 2014

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

RECEIVED

1a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other
b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.,
Other: _____

2. Name of Operator
Regeneration Energy Corp.

3. Address PO Box 210
Artesia, NM 88210

3a. Phone No. (include area code)
575 736-3535

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

330' FSL. 280' FWL

At surface

At top prod. interval reported below

At total depth 330' FNL 347' FWL

14. Date Spudded
12/16/2013

15. Date T.D. Reached
01/16/2014

16. Date Completed
☐ D & A ☒ Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
3371' GL

18. Total Depth: MD 15719.00
TVD 11368.61

19. Plug Back T.D.: MD 15674
TVD 11373.23

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
None

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☐ No ☒ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17.5"	13 3/8"	54.5#	0	1212'		940		0	none
12.25"	9 5/8"	40#	0	5024'		1500		0	none
8.75"	5 1/2"	17#	0	15719'		2280		4750'	none

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Bone Spring	8618'	11540'	12,035-15374	0.43	432	open
B)						
C)						
D)						

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
see attached	see attached

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
04/05/14	04/06/14	24	→	316	238	2197			flowing
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
24/64		1600#	→	316	238	2197		producing	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

*(See instructions and spaces for additional data on page 2)

APR 21 2014

K2

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
bone spring	8618'	11540'		Top of Salt	1220
				bottom of salt	4841
				delaware	5261
				bone spring	8618

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☒ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) William Miller
 Signature [Signature]

Title Landman
 Date 4/8/14

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.

720
HOBBS CEN
720
NOV 26 2013
70

RECEIVED

AMENDED REPORT

Pool Code	Pool Name
-----------	-----------

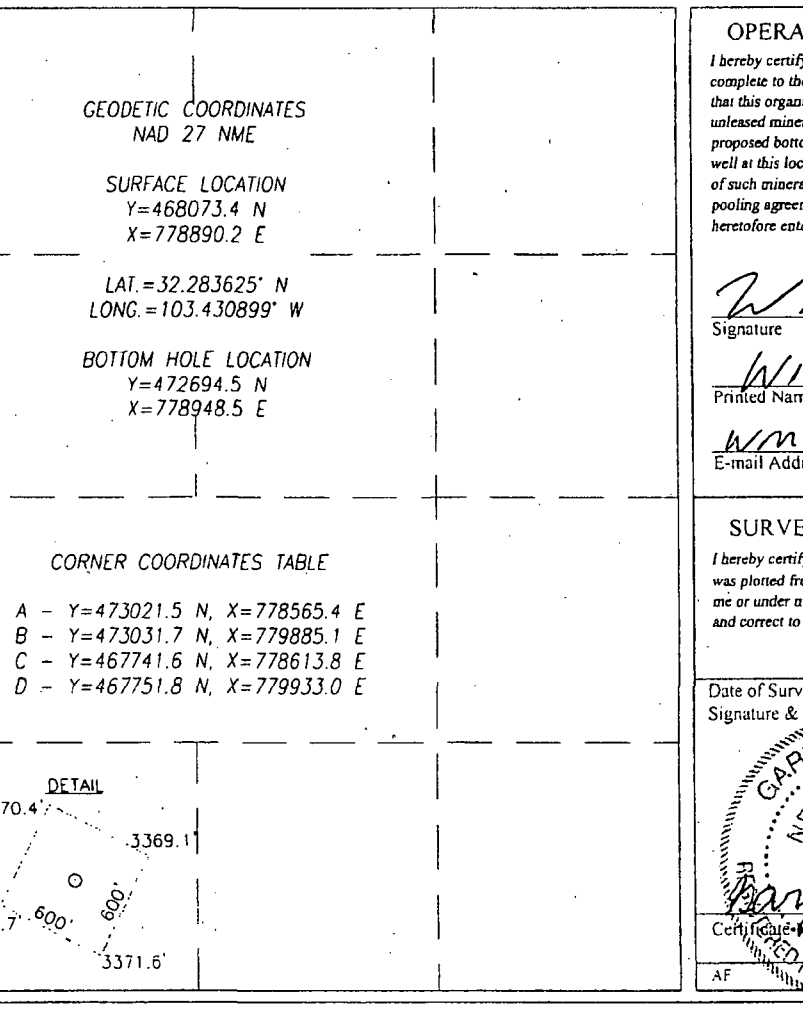
2200	Antelope Ridge/Bone S
------	-----------------------

Township	Range	Lot Idn	Feet from the	North/South line	Feet from the
22 S	34 E		330	SOUTH	380

Township	Range	Lot/Idn	Feet from the	North/South line	Feet from the
----------	-------	---------	---------------	------------------	---------------

23-S	34-E	330	NORTH	380
Consolidation Code		Order No.		

TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT



I hereby certify

GEODETTIC COORDINATES
 NAD 27 NME
 SURFACE LOCATION
 Y=468073.4 N
 X=338800.2 E

LAT. = 32.283625° N
LONG. = 103.430899° W

BOTTOM HOLE LOCATION
Y=472694.5 N
U=578212.5 E

$x = 778948.5 \text{ E}$

W/M
E-mail Add

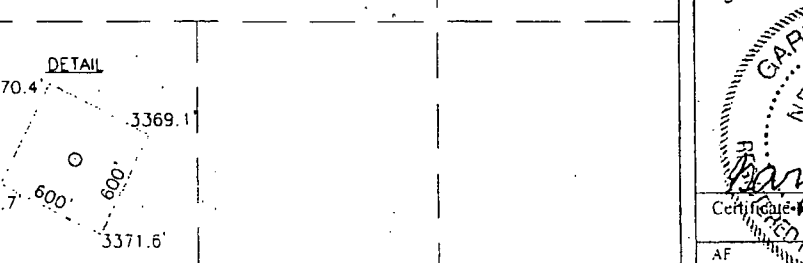
CORNER COORDINATES TABLE

CORNER COORDINATES TABLE

A - Y=473021.5 N, X=778565.4 E	I hereby certify that this point was plotted from the original survey and correct to the nearest 0.1 foot.
--------------------------------	--

C - Y=467741.6 N, X=778613.8 E

$D - Y = 467751.8$ N, $X = 779933.0$ E



D



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District

Carlsbad Field Office

620 E. Greene

Carlsbad, New Mexico 88220-6292

www.blm.gov/nm



IN REPLY REFER TO:
NM133270
3105.2 (P0220)

Reference:
Landreth Fed Com 1H
T. 23 S., R. 34 E.,
Section 24, W2W2
Lea County, NM

SEP 09 2014

Regeneration Energy Corp.
P.O. Box 210
Artesia, New Mexico 88211

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM133270 involving 80 acres of Federal land in lease NM113416, and 80 acres of State land in lease V0-8145, Lea County, New Mexico, which comprise a 160 acre well spacing unit.

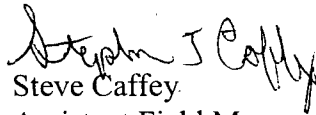
The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the W2W2 of sec. 24, T. 23 S., R. 34 E., NMPM, and is effective December 1, 2013. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,


Steve Caffey
Assistant Field Manager,
Lands and Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NM (P0220-CFO, File Room)

Determination - Approval - Certification

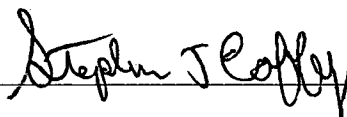
Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering the W2W2 of sec. 24, T. 23 S., R. 34 E., NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (e) are not met.

Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement. Operator will be required to obtain like approval from the BLM on these sundries to confirm that the public interest requirements are met.

- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:



Authorized Officer

Effective: December 1, 2013

Contract No.: Com. Agr. NM133270



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.nm.blm.gov



In Reply Refer to
NM133270
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM133270

Date of Completion:	4/5/14
Date of First Production:	4/5/14
Field:	Antelope Ridge
Operator, Well Name & No, API Number:	Regeneration Energy; Landreth Fed Com 1H; 3002541522
Surface Location:	W2W2 sec. 24, T. 23 S., R. 34 E.
Total Depth:	15,719' MD; 11368.61' TVD
Surface Elevation:	3,371' GL
Producing Formation:	Bone Spring (12,035' – 15,374')
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 316 BBL; Gas 238 MCF; Water 2,197 BBL
Current Status:	Producing Oil Well
Remarks:	CA NM133270, effective 12/01/2013, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath the W2W2 of sec. 24, T. 23 S. R. 34 E., NMPM, and is comprized of 80 acres State land in lease VO-8145 and 80 acres of Federal land in lease NMNM113416 for a 160 acre spacing unit, whose leases are held by actual production.

If you have any questions regarding this memorandum, please email Arthur Morrison at ajmorrison@blm.gov.

/S/ Arthur Morrison
9/9/14

cc:
ONRR-MS 63230B
First Production File
LLNM (P0220, File Room)