| | | | | | | FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010 5. Lease Serial No. | | |
|--|--|---|--|---|---|---|--|--|
| 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. | | | | | 6. If Indian, Allottee or Tribe Name | | | |
| SUBMIT IN TRIPLICATE - Other instructions on reverse side. | | | | | 7. If Unit or CA/Agreement, Name and/or No. | | | |
| 1. Type of Well | | | | | 8. Well Name and No. LOCO HILLS B 6 | | | |
| Solution Gas Well Other 2. Name of Operator Contact: JOEL HALE BOAZ ENERGY, LLC E-Mail: JHALE@BOAZENERGY.COM | | | | | 9. API Well No. 30-015-20673 | | | |
| 3a. Address 3b. Phone No. (include area code) PO BOX 50595 Ph: 432-253-7074 | | | |) | 10. Field and Pool, or Exploratory GRAYBURG JACKSON;SR-Q-G-S | | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | | | 11. County or Parish, and State | | | |
| Sec -2147483648 T17S R30E 660FSL 1980FEL | | | | | EDDY COUNTY | ΄, ΝΜ | | |
| 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | | | | | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | | ······································ | | |
| Notice of Intent | Acidize Alter Casing | 🗖 Dee | pen cture Treat | Production (Start/Resume) Reclamation | | ☐ Water Shut-Off ☐ Well Integrity | | |
| Subsequent Report | Casing Repair | — | ■ New Construction | | lete | 🛛 Other Workover Operations | | |
| Final Abandonment Notice | Change Plans Convert to Injection | 🗖 Plug | ; and Abandon ; Back | Tempora Water D | arily Abandon Iisposal | I I IIII | | |
| 13. Describe Proposed or Completed Op If the proposal is to deepen direction Attach the Bond under which the wo following completion of the involved testing has been completed. Final At determined that the site is ready for finance BOAZ ENERGY INTENDS TO BOAZ WILL THEN ACIDIZE E | ally or recomplete horizontally, gi rk will be performed or provide th operations. If the operation resu- pandonment Notices shall be filed inal inspection.) O RE-PERFORATE EXISTI | ve subsurface le Bond No. or lts in a multipl only after all NG GRAYE | locations and measu n file with BLM/BL/ e completion or recorrequirements, include BURG INTERVA | ared and true ve A. Required sub ompletion in a n ding reclamation LS; 2594-262 | rtical depths of all pertin sequent reports shall be ew interval, a Form 316 h, have been completed, a | ent markers and zones. filed within 30 days 0-4 shall be filed once and the operator has | | |
| BOAZ ALSO INTENDS TO PERFORATE NEW INTERVALS AT 1726-1732, 2110-2140, 2570-2584 AT 6 SHOTS PER FOOT. BOAZ WILL THEN ACIDIZE EACH INTERVAL WITH HCL AND FRACTURE TREAT. | | | | | | | | |
| Accepted for record | RECEIVEDSEE ATTACMAY 06 2013CONDITIONNMOCD ARTES'ACONDITION | | | E ATTACI NDITION | HED FOR IS OF APPRO | VAL | | |
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #203604 verified by the BLM Well Information System For BOAZ ENERGY, LLC, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 04/08/2013 () Name(Printed/Typed) JOEL HALE | | | | | | | | |
| Signature (Electronic Submission) | | | Date 04/05/2 | 013 | ARPR | ROVED | | |
| | THIS SPACE FOR | R FEDERA | L OR STATE | OFFICE US | | | | |
| Approved By 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 | | | Title | | ATTERNU OF | 2 2013 Date // And Call | | |
| which would entitle the applicant to condu Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s | uct operations thereon. U.S.C. Section 1212, make it a cr | ime for any pe | Office rson knowingly and thin its jurisdiction. | l willfully to ma | ke to any department or | AND MANAGEMENT | | |

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Loco Hills B 6 30-015-20673 Boaz Energy, LLC May 02, 2013 Conditions of Approval

Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.

Work to be completed by August 02, 2013.

- **1.** Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM.
- 2. A CIT is to be performed on the production casing per Onshore Oil and Gas Order 2.III.B.1.h.
- 3. Make arrangements 24 hours before the test for BLM to witness. E-mail Paul R. Swartz <u>pswartz@blm.gov</u> or phone 575-200-7902, if there is no response, 575-361-2822. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
- 4. If CIT does not fail work is approved as proposed by operator.
- 5. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
- 6. Surface disturbance beyond the originally approved pad must have prior approval.
- 7. Closed loop system required.
- 8. All waste (i.e. drilling fluids, 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.
- 9. Operator to have H2S monitoring equipment on location.

- 10. A minimum of a 2000 (2M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
- 11. Subsequent sundry required detailing work done and completion report for the new formation. Operator to include well bore schematic of current well condition when work is complete.

JAM 050213