

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

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.

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. NMLC028936D
2. Name of Operator BOAZ ENERGY LLC Contact: CASEY MORTON E-Mail: cmorton@boazenergy.com		6. If Indian, Allottee or Tribe Name
3a. Address PO BOX 50595 MIDLAND, TX 79710	3b. Phone No. (include area code) Ph: 432-253-7076	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T17S R30E		8. Well Name and No. FEDERAL K 1
		9. API Well No. 30-015-21869
		10. Field and Pool, or Exploratory LOCO HILLS-QN-GB-SA
		11. County or Parish, and State EDDY 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 checked="" 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 recomplete 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 recompletion 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.)

Boaz intends on perforating the Lovington Sand from 3164 to 3181' with 6 spf. Frac under tubing and packer with 28,000 gals of gel and 15,000 lbs of 20/40 sand. Flowback frac load, TOOH and then go back in and hang off at 3000' and RTP.

LD Wade 6/20/2013
Accepted for record
NMOC

RECEIVED
JUN 14 2013
NMOC ARTESIA

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #201130 verified by the BLM Well Information System For BOAZ ENERGY LLC, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 03/11/2013 ()

Name (Printed/Typed) CASEY MORTON	Title ENGINEER
Signature (Electronic Submission)	Date 03/08/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	<p>APPROVED</p> <p>JUN 12 2013</p> <p><i>Ken... [Signature]</i></p> <p>BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE</p>
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 _____	

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.

**Federal K 1
30-015-21869
Boaz Energy LLC
June 12, 2013
Conditions of Approval**

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

Work to be completed by September 12, 2013.

1. **Must conduct a casing integrity test before to maximum treating pressure. Submit results to BLM. The CIT is to be performed on the production casing per Onshore Oil and Gas Order 2.III.B.1.h.** Make arrangements 24 hours before the test for BLM to witness. E-mail Paul R. Swartz pswartz@blm.gov 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.
2. **If CIT does not fail work is approved as written.**
3. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
4. Surface disturbance beyond the originally approved pad must have prior approval.
5. Closed loop system required.
6. 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.
7. Operator to have H2S monitoring equipment on location.
8. A minimum of a 3000 (3M) 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 (3M 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.

9. Subsequent sundry required detailing work done. Operator to include well bore schematic of current well condition when work is complete.

JAM 061213