

Submit To Appropriate District Office  
Two Copies  
District I  
1625 N French Dr., Hobbs, NM 88240  
District II  
811 S First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-105  
Revised August 1, 2011

1. WELL API NO.

15-24429

2 Type of Lease

☒ STATE ☐ FEE ☐ FED/INDIAN

3. State Oil & Gas Lease No

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

4 Reason for filing

☒ **COMPLETION REPORT** (Fill in boxes #1 through #31 for State and Fee wells only)

☐ **C-144 CLOSURE ATTACHMENT** (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33, attach this and the plat to the C-144 closure report in accordance with 19.15 17 13 K NMAC)

7 Type of Completion

☐ NEW WELL ☐ WORKOVER ☐ DEEPENING ☒ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER

8 Name of Operator

THREE RIVERS OPERATING COMPANY, LLC

10 Address of Operator

1122 S. CAPITAL OF TX HWY., #325  
AUSTIN, TX 78746

5 Lease Name or Unit Agreement Name

LOVING 1 STATE

6 Well Number

2

RECEIVED

9 OGRID

272295

JAN 17 2012

11. Pool name or Wildcat

NMOCD ARTESIA

| 12. Location | Unit Ltr | Section | Township | Range | Lot | Feet from the | N/S Line | Feet from the | E/W Line | County |
|--------------|----------|---------|----------|-------|-----|---------------|----------|---------------|----------|--------|
| Surface:     | N        | 01      | 24S      | 27E   |     | 990           | S        | 2110          | W        | EDDY   |
| BH:          |          |         |          |       |     |               |          |               |          |        |

|                                 |                                      |                                 |                                                  |                                                      |
|---------------------------------|--------------------------------------|---------------------------------|--------------------------------------------------|------------------------------------------------------|
| 13 Date Spudded                 | 14 Date T D. Reached                 | 15 Date Rig Released            | 16 Date Completed (Ready to Produce)<br>01/07/12 | 17 Elevations (DF and RKB, RT, GR, etc.)<br>3128' GR |
| 18 Total Measured Depth of Well | 19 Plug Back Measured Depth<br>9380' | 20 Was Directional Survey Made? | 21 Type Electric and Other Logs Run              |                                                      |

22. Producing Interval(s), of this completion - Top, Bottom, Name  
AVALON 6022'-6120' 6432'-6582', 1<sup>st</sup> BONE SPRING 6920'-7097', 2<sup>nd</sup> BONE SPRING 7562'-7710' 8270'-8336', 3<sup>rd</sup> BONE SPRING 8858'-9146'

23 CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT LB./FT | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|---------------|-----------|-----------|------------------|---------------|
| 13 3/8"     | 48#           | 567'      | 17 1/2"   | 530 sx           |               |
| 9 5/8"      | 36#           | 2341'     | 12 1/4"   | 960 sx           |               |
| 7"          | 26#           | 10562'    | 8 3/4"    | 1357 sx          |               |
| 4 1/2"      | 11.6#         | 9498'     | 7"        | 550 sx           |               |

| 24. LINER RECORD |     |        |              |        | 25 TUBING RECORD |           |            |
|------------------|-----|--------|--------------|--------|------------------|-----------|------------|
| SIZE             | TOP | BOTTOM | SACKS CEMENT | SCREEN | SIZE             | DEPTH SET | PACKER SET |
|                  |     |        |              |        | 2 3/8"           | 6003'     |            |

26 Perforation record (interval, size, and number)

AVALON 6022'-6120', 6432'-6582'  
1<sup>st</sup> BONE SPRING 6920'-7097'  
2<sup>nd</sup> BONE SPRING 7562'-7710', 8270'-8336'  
3<sup>rd</sup> BONE SPRING 8858'-9146'

27 ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED

SEE ATTACHED SEE ATTACHED

28 PRODUCTION

|                                  |                         |                                                                                |                        |                  |                                            |                                  |                             |
|----------------------------------|-------------------------|--------------------------------------------------------------------------------|------------------------|------------------|--------------------------------------------|----------------------------------|-----------------------------|
| Date First Production<br>1/10/12 |                         | Production Method (Flowing, gas lift, pumping - Size and type pump)<br>FLOWING |                        |                  | Well Status (Prod or Shut-in)<br>PRODUCING |                                  |                             |
| Date of Test<br>01/13/12         | Hours Tested<br>24      | Choke Size<br>27/64                                                            | Prod'n For Test Period | Oil - Bbl<br>74  | Gas - MCF<br>560                           | Water - Bbl<br>1400              | Gas - Oil Ratio<br>7567 / 1 |
| Flow Tubing Press<br>500         | Casing Pressure<br>1600 | Calculated 24-Hour Rate                                                        | Oil - Bbl<br>74        | Gas - MCF<br>560 | Water - Bbl<br>1400                        | Oil Gravity - API - (Corr)<br>40 |                             |

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

30 Test Witnessed By

31 List Attachments

32 If a temporary pit was used at the well, attach a plat with the location of the temporary pit

33 If an on-site burial was used at the well, report the exact location of the on-site burial

Latitude

Longitude

NAD 1927 1983

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature

Printed

Name TOM STRATTON

Title OPERATIONS MANAGER Date 01/13/12

E-mail Address tstratton@3rnr.com

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

| Southeastern New Mexico |                                        | Northwestern New Mexico |                  |
|-------------------------|----------------------------------------|-------------------------|------------------|
| T. Anhy                 | T. Canyon                              | T. Ojo Alamo            | T. Penn A"       |
| T. Salt                 | T. Strawn                              | T. Kirtland             | T. Penn. "B"     |
| B. Salt                 | T. Atoka                               | T. Fruitland            | T. Penn. "C"     |
| T. Yates                | T. Miss                                | T. Pictured Cliffs      | T. Penn. "D"     |
| T. 7 Rivers             | T. Devonian                            | T. Cliff House          | T. Leadville     |
| T. Queen                | T. Silurian                            | T. Menefee              | T. Madison       |
| T. Grayburg             | T. Montoya                             | T. Point Lookout        | T. Elbert        |
| T. San Andres           | T. Simpson                             | T. Mancos               | T. McCracken     |
| T. Glorieta             | T. McKee                               | T. Gallup               | T. Ignacio Otzte |
| T. Paddock              | T. Ellenburger                         | Base Greenhorn          | T.Granite        |
| T. Blinebry             | T. Gr. Wash                            | T. Dakota               |                  |
| T.Tubb                  | T. Delaware Sand                       | T. Morrison             |                  |
| T. Drinkard             | T. Bone Springs                        | T.Todilto               |                  |
| T. Abo                  | T. AVALON – 6022'                      | T. Entrada              |                  |
| T. Wolfcamp             | T. 1 <sup>st</sup> BONE SPRING – 6920' | T. Wingate              |                  |
| T. Penn                 | T. 2 <sup>nd</sup> BONE SPRING – 7562' | T. Chinle               |                  |
| T. Cisco (Bough C)      | T. 3 <sup>rd</sup> BONE SPRING – 8858' | T. Permian              |                  |

## OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 3, from.....to.....

No. 2, from.....to.....

No. 4, from.....to.....

## IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....

No. 2, from.....to.....feet.....

No. 3, from.....to.....feet.....

## LITHOLOGY RECORD (Attach additional sheet if necessary)

| From | To | Thickness<br>In Feet | Lithology |
|------|----|----------------------|-----------|
|      |    |                      |           |

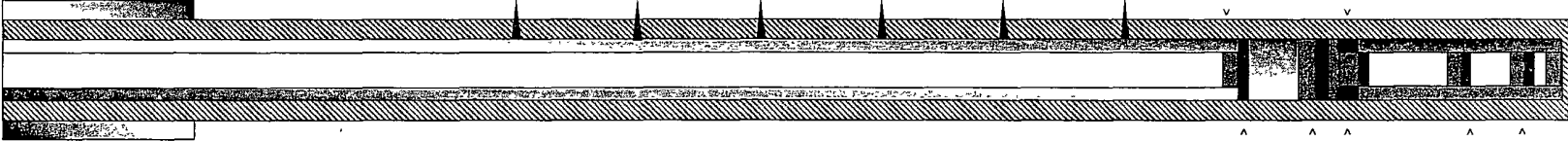
**#27**      8858' - 9146'      3024 gals 15% Hcl, 150712# 20/40 Super LC, 3281 bbls  
8270' - 8336'      2016 gals 15% Hcl, 112245# 30/50 Ottawa, 2421 bbls  
7562' - 7710'      1512 gals 15% Hcl, 160561# 30/50 Ottawa, 3235 bbls  
6920' - 7097'      1554 gals 15% Hcl, 141722# 20/40 Ottawa, 2785 bbls  
6432' - 6585'      1512 gals 15% Hcl, 180588# 20/40 Ottawa, 3208 bbls  
6022' - 6121'      1050 gals 15% Hcl, 132655# 20/40 Ottawa, 2434 bbls

Three River Operating Company LLC

|          |                         |
|----------|-------------------------|
| Lease    | Loving 1 State 2        |
| Field    | Black River East        |
| County   | Eddy                    |
| Location | Sec 1, Twp 24S, Rge 27E |
| State    | NM                      |
| Log Date | Schumborger (8-1983)    |
| KB - ft  | 3148                    |
| GL - ft  | 3128                    |
| API #    | 30-015-24429            |

Marker Jt  
N/A

Drilled Out Wellbore Schematic



|              |                               |
|--------------|-------------------------------|
| Tree         | 5" Double Valve 5K Frac Stack |
| Packer Fluid | N/A                           |

Intermediate  
< 9.625" 35 ppt, J-55, LTC  
225'

7" Casing TOC @ 5170' as per Bond Log  
Proposed 4 5" Casing TOC @ 2200'

Stage 6 Avalon  
6022-6121 30 Holes  
134,000 # 20/40 White Sand  
3330 bbl of Slickwater & 20# Borate Gel

Stage 5 Avalon  
6431-6585 36 Holes  
165,000 # 20/40 White Sand  
3810 bbl of Slickwater & 25# Borate Gel

Stage 4 1st Bone Springs  
6920-7088 36 Holes  
165,000 # 20/40 White Sand  
3330 bbl of Slickwater & 25# Borate Gel

Stage 3 2nd Bone Springs  
7562-7710 36 Holes  
165,000 # 20/40 White Sand  
3810 bbls of Slickwater & 25# Borate Gel

Stage 2 2nd Bone Springs  
8270-8337 28 Holes  
119,000 # 20/40 White Sand  
2857 bbls of Slickwater & 25# Borate Gel

Stage 1 3rd Bone Springs  
8858-9146 40 Holes  
154,000 # 20/40 Super LC  
3330 bbls of Slickwater & 25# Borate Gel

4.5", 11.5 PPF, N-80, LTC set @ 9500'  
Inner String

TOL @ 10228'

Wellcamp & Morrow Perfs Abandoned  
10,310' - 12,692'  
See Original Wellbore

CIBP @ 9600'

35' of Cement  
CIBP @ 10200'  
40' of Cement  
CIBP @ 10260'

35' of Cement  
CIBP @ 12175'

CIBP @ 12530'

7", 26 ppt, N-80, LTC set @ 10562' Intermediate  
4 5", 11.6 ppt, P-110, LTC @ 10228'-12,840' Production Liner

|             |             |
|-------------|-------------|
| Prepared by | Toni Bailey |
| Date        | 11/23/2011  |

|           |                            |
|-----------|----------------------------|
| TD - ft   | 12,840                     |
| PBTD - ft | 10,165', CIBP with 35' Cen |

|                             |  |                    |  |                              |  |
|-----------------------------|--|--------------------|--|------------------------------|--|
| WELL NAME: Loving 1 State 2 |  | SPUD DATE: 3/17/83 |  | LEASE #: 022554              |  |
| COUNTY: Eddy                |  | RR DATE:           |  | LOCATION: Sec. 1 - 24S - 27E |  |
| STATE: NM                   |  | COMPL DATE:        |  | FIELD: Black River East      |  |
| API #: 30-015-24429         |  |                    |  | FORMATION: Wolfcamp          |  |
| TD: 12840'                  |  | PBTD: 12175'       |  | ELEVATION: 3128' GR          |  |

| PIPE RECORD |         |       |      |        |         |         |       | CEMENT & HOLE DATA |       |      |     |         |
|-------------|---------|-------|------|--------|---------|---------|-------|--------------------|-------|------|-----|---------|
| CSG         | OD      | GRADE | THD  | WT/FT  | TOP     | BTM     | # JTS | BIT SIZE           | DEPTH | SX   | WT. | Top Cmt |
| Surf        | 13-3/8" | H-40  | ST&C | 48.00# | 0       | 567'    |       | 17-1/2"            |       | 530  |     | 0       |
| Int         | 9-5/8"  | J-55  | LT&C | 35.00# | 0       | 2,341'  |       | 12-1/4"            |       | 950  |     | 10      |
| Int         | 7"      | N-80  | LT&C | 25.00# | 0       | 10,552' |       | 8-3/4"             |       | 1357 |     | N/A     |
| Prod        | 4-1/2"  | P-110 | LT&C | 11.6#  | 10,228' | 12,840' |       | 6-1/4"             |       | 425  |     |         |
| Tbg         |         |       |      |        |         |         |       |                    |       |      |     |         |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |         |             |          |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|-------------|----------|------------|
| REMARKS:                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |         | CSG COLLARS | ELW/GRM  |            |
| Perfs @ 12,555-562' squeezed w/40 sx cmt.<br><br>6/9/2006: Acid Lwr Mmww with 1500 gals, 7.5% Morrow Acid and 32 ball seals.<br><br>6/16/2006: Set CIBP @ 12530', EOT @ 12155'<br>6/17/2006: Acid Upr Mmww with 2400 gals, 15% Petrol 10<br>7/31/2007: Set CIBP @ 12175'. Dump ball 35' cement on top of CIBP.<br>8/2/2007: (10,310'-10,354') Acid w/3000 gals 7.5% NaFe acid<br>Dropped 75 ball sealers. Did not ball out.<br>08/16/2010: CIBP Set @ 10250' Temporarily Abandon |         |             |          |            |
| CAPACITIES (BBL/FT) (FT/BBL) (CF/FT)                                                                                                                                                                                                                                                                                                                                                                                                                                             |         |             |          |            |
| TSG:                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |         |             |          |            |
| CSG:                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |         |             |          |            |
| LINER:                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |         |             |          |            |
| VOLUME BETWEEN (BBL/FT) (FT/BBL) (CF/FT)                                                                                                                                                                                                                                                                                                                                                                                                                                         |         |             |          |            |
| TSGxCSG:                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |         |             |          |            |
| TSGxLINER:                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |         |             |          |            |
| CSGxHOLE:                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |         |             |          |            |
| LINERxHOLE:                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |         |             |          |            |
| PERFORATION RECORD                                                                                                                                                                                                                                                                                                                                                                                                                                                               |         |             |          |            |
| DATE                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | TOP     | BTM         | ZONE     | STAT       |
| 6/7/2006                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 12,558' | 12,592'     | Morrow   | Abandon    |
| 4/30/1983                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 12,555' | 12,552'     | Morrow   | Set d/Aban |
| 5/5/1983                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 12,400' | 12,430'     | Morrow   | Abandon    |
| 5/12/1983                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 12,385' | 12,400'     | Morrow   | Abandon    |
| 5/5/1983                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 12,315' | 12,395'     | Morrow   | Abandon    |
| 5/5/1983                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 12,231' | 12,243'     | Morrow   | Abandon    |
| 8/1/2007                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 10,352' | 10,354'     | Wolfcamp | Abandon    |
| 8/1/2007                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 10,352' | 10,355'     | Wolfcamp | Abandon    |
| 8/1/2007                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 10,310' | 10,330'     | Wolfcamp | Abandon    |

|             |                                |              |         |
|-------------|--------------------------------|--------------|---------|
| ENGINEER:   | Ken Krawetz                    | GEOLOGIST:   |         |
| SRC WPA:    | 43.51%                         | FERC CLASS:  |         |
| PENALTY:    |                                | EST WHSIP:   | 750 psi |
| SRC OFFSET: | Loving 1 State 1 - Morrow      |              |         |
| ZONE:       | Morrow                         |              |         |
| FORCE POOL: |                                | COMPRESSION: | yes     |
| BHT:        | 195                            |              |         |
| LOGS:       | CNL/LDT, DLL; EPT; LDT/CNL/EPT |              |         |

PROPOSED  
 4022-4120 AVALON  
 6488-6588 AVALON  
 6950-7097 1<sup>ST</sup> BS  
 7562-7710 2<sup>ND</sup> BS  
 8270-8385 2<sup>ND</sup> BS  
 8858-9146 3<sup>RD</sup> BS

TOC @ 10220'  
 TOL @ 10,228'  
 CIBP @ 10250'  
 10,310'-10,330' (2 spf)  
 10,352'-10,355' (2 spf)  
 10,352'-10,394' (2 spf)  
 7" set @ 10,562'  
  
 CIBP @ 12,175' w/35' cmt on top  
 Perfs @ 12,231-12,243'  
  
 Perfs @ 12,316-12,430'  
  
 CIBP @ 12,530' (6/16/2006)  
 Perfs @ 12,558-12,552'  
 Perfs @ 12,575-12,530'  
 Perfs @ 12,555-12,592'  
 4-1/2" set @ 12,840'  
 TD 12,840'

PREPARED BY: Jeff Ross  
 DATE: 6/6/1993  
 Updated: 7/9/1995  
 Updated: 4/28/00 jdb  
 05/23/2010 gis  
 OFFICE: (432) 583-7053  
 FAX #: (432) 583-5847