

Submit 1 Copy To Appropriate District
Office
District I -- (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II -- (575) 748-1283
811 S. First St., Artesia, NM 88210
District III -- (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV -- (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-23196
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator LEGACY RESERVES OPERATING LP		6. State Oil & Gas Lease No.
3. Address of Operator P.O. BOX 10848 MIDLAND, TX 79702		7. Lease Name or Unit Agreement Name STATE IH COM
4. Well Location Unit Letter <u>J</u> : <u>1980</u> feet from the <u>SOUTH</u> line and <u>1980</u> feet from the <u>EAST</u> line Section <u>36</u> Township <u>23S</u> Range <u>24E</u> NMPM County <u>EDDY</u>		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GL: 3874'		9. OGRID Number 240974
		10. Pool name or Wildcat MOSLEY CANYON; UPPER PENN

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: FRAC WOLFCAMP ☒

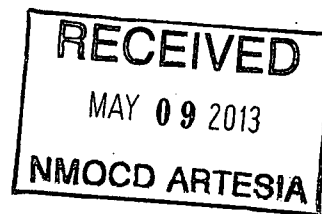
SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

---SEE ATTACHMENTS---



Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Blain Lewis TITLE SENIOR ENGINEER DATE 05/07/2013

Type or print name BLAIN LEWIS E-mail address: blewis@legacylp.com PHONE: 432-689-5200

For State Use Only

APPROVED BY: [Signature] TITLE [Signature] DATE 5/10/2013

Conditions of Approval (if any):

PROCEDURE TO FRAC WOLFCAMP

State IH Com #1

Mosley Canyon Field

Eddy County, New Mexico

Well Data:

KB 19' AGL

5-1/2", 17#, N-80 casing at 10,850' with 3,410 sx, TOC at surface

Wolfcamp perms: 8902'-8922' (41 holes)

CIBP at 10,025' with 35' cement on top (above former Morrow perms 10,075'-10,126' that last produced 48 MCFPD in 2/07)

2-3/8", J-55 tubing at 8923', may have TAC

Volumes: 5-1/2" csg x 2-7/8" tbg annulus = 0.0152 bbls/ft

5-1/2" csg = 0.0232 bbls/ft

2-7/8" tbg = 0.00579 bbls/ft

- 1) **Day one:** MIRU pulling unit. NU BOP. POH and lay down tubing (NOTE: may have TAC). Unload 9,000' of new 2-7/8", 6.5#, N-80, EUE, 8R tubing.
- 2) **Day two:** RIH with 4-3/4" bit, casing scraper and pick up 2-7/8" tubing. RIH to +/- 9,000'. POH and lay down casing scraper and bit.
- 3) MIRU wireline unit with packoff. RIH with 3-1/8" slick gun, get on depth with Jarrel Services GR/CCL log dated 3/14/07 (NOTE: short joint 8371'-8408') and reperfc Wolfcamp with 2 SPF, premium charges from 8900'-8922' (22', 44 holes). POH and RDMO wireline unit.
- 4) **Day three:** RIH with Arrowset 1-X 10K packer (or equivalent), 2.312" "F" profile nipple and type T-2 on/off tool (or equivalent) above packer and 2-7/8" tubing. Set packer at +/- 8800'. Release from on-off tool, circulate with +/- 185 bbls corrosion inhibited 2% KCl water (packer fluid) and sting back onto on-off tool. Test casing annulus to 500 psig for 15 min. NU 10K frac valve on 2-7/8" tubing.
- 5) **Day four:** MIRU frac equipment as per upcoming recommendation. Test frac lines to 9,000 psig for 8,000 psig top treating pressure. Frac down 2-7/8" tubing at 8-12 BPM, 8000 psig maximum. Flush to bottom perf with 54 bbls 2% KCl water. Report ISIP and 5-10-15 min. SIP's. RDMO frac equipment and leave well SI overnight.
- 6) **Day five:** Report SITP. Open on 16/64" adjustable choke to frac tank, then turn to production when able to handle water production rate. Swab if necessary.
- 7) **Day six:** RDMO pulling unit after flow is consistent.

- 8) Optimize production rate by adjusting choke as necessary.

ESTIMATED COSTS:

Pulling unit – 6 days	\$ 30,000
Stimulation services	\$100,000
Wireline services	\$ 15,000
Rental tools	\$ 15,000
Contract labor	\$ 15,000
9000' 2-7/8" tbg	\$ 63,000
Misc. equipment	\$ 20,000
5% contingencies	<u>\$ 8,800</u>
TOTAL	\$266,800

PREPARED BY: Blain Lewis Date: 03/15/13



Permian North - Current Wellbore Schema

STATE IH COM 1

Field: Rock Tank South (Morrow)
County: EDDY
State: NEW MEXICO
Elevation: GL 3,874.00 KB 3,893.00
KB Height: 19.00

Spud Date: 5/14/1980
Initial Compl. Date:
API #: 3001523196
CHK Property #: 891270
1st Prod Date: 3/1/1981
PBDT: Original Hole - 10015.0
TD: 10,850.0

Location: SEC 36, 23S-24E, 1980 FSL & 1980 FEL

