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

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

Form C-103
Revised August 1, 2011

WELL API NO.
30-015-23842

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.
FEE

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.)

7. Lease Name or Unit Agreement Name
JENNINGS

1. Type of Well: Oil Well ☒ Gas Well ☐ Other Injection Well ☐

8. Well Number 001

2. Name of Operator
Alamo Permian Resources. LLC

9. OGRID Number
274841

3. Address of Operator
415 W. Wall Street, Suite 500, Midland, TX 79701

10. Pool name or Wildcat
Artesia; Queen-Grayburg-San Andres

4. Well Location
Unit Letter A : 406 feet from the N line and 330 feet from the E line
Section 18 Township 18S Range 28E NMPM County EDDY

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER: CLEAN OUT, ADD PERFS, ACIDIZE ☒		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 ATTACHED

NM OIL CONSERVATION
ARTESIA DISTRICT
JUL 23 2014
RECEIVED

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

SIGNATURE Carie Stoker TITLE **Regulatory Affairs Coordinator** DATE 07/21/2014

Type or print name **CARIE STOKER** E-mail address: **carie@stokeroilfield.com** PHONE: **432.664.7659**

APPROVED BY: [illegible] TITLE Dist II Supervisor DATE 7/24/14

Conditions of Approval (if any):

ALAMO PERMIAN RESOURCES, LLC

JENNINGS FEE #001 -- CLEAN-OUT, ADD PERFS, & ACIDIZE PROCEDURE

1. MIRU PU & BOP's. Be sure well is dead and blown down. If well tries to flow back – flow well back either into water truck(s) if flowback is weak, or via temporary poly line to WAGU Water Station inlet tank, if flowback appears to be strong. In either case, take flowback to WAGU Water Station inlet water tank.

2. **THIS WELL HAS 4-1/2" 10.5# J-55 PRODUCTION CASING.**
We will need to use the 2-3/8" workstring for this workover.

Description of downhole equipment run in well during last workover on April 5, 2014:

	Description		Length	Depth
Tubing		KB	6.00'	6.00'
	51	jts 2⅜" J55 EUE 8rd Tubing	1604.46'	1610.46'
	1	4½"x2⅜" TAC w/12K Tension	2.90'	1613.36'
	27	jts 2⅜" J55 EUE 8rd Tubing	849.42'	2462.78'
	1	2⅜" Endurance Joint	32.14'	2494.92'
	1	2⅜" Standard Seating Nipple	1.10'	2496.02'
	1	2⅜" Muleshoe Joint	15.00'	2511.02'
Rods	1	1¼"x16' Polish Rod w/1½" Liner	16.00'	
	2	¾" Pony Subs, Tea: 2', 6'	8.00'	
	98	¾" Rods	2450.00'	
	1	20-150-10 RWBC Pump w/LS	11.00'	

TAC Set @ 1,613.36' with 12,000# tension
Seating Nipple @ 2,496.02'
EOT @ 2,511.02'

Provide a detailed Tally & Description of all tubing, downhole equipment, pump, and rods pulled from the well in the Morning Report.

Pull out of hole with rods and pump. Pull out of hole with 2-3/8" tubing string & TAC.

Visually inspect rods, tubing, & TAC while coming out of hole. Send Pump and TAC in for Repair/Replacement depending on condition of each.

Current Perforations: 1,725' – 2,596' (871' Overall interval) – 71' of perforations (91 holes).
Planned New Perforations: 1,948' – 2,242' (294' Overall interval) – 82' of perforations (164 holes).
Total Perfs after W/O: 1,725'- 2,596' (871' Overall Interval) – 116' of perforations (255 holes).

See Wellbore Diagram for perforations detail – updated 07/03/2014.

Last workover/repair job on well found hard bottom @ 2,571' inside 4-1/2" casing as PBTD.

Bottom 3 sets of Existing Perforations from 2,580' – 2,596' are covered and not treatable. Effective Total Perforations adding New Perforations are from:

1,725'- 2,558' (833' Overall Interval) – 110' of perforations (249 holes).

3. Run in hole with a 3-1/2" mill tooth skirted rock bit and 4-1/2" rotating casing scraper on 2-3/8" workstring and clean out wellbore to PBTD at 2,571'. Catch samples of any material recovered from well and send to Tech Management for analysis. Note any bridges or hard streaks in report. While at TD, circulate hole clean using clean produced water from WAGU Water Injection Station. POOH with bit and scraper.

   REMEMBER: Paraffin has been encountered in offset wells. If excessive paraffin is encountered, pour 10 gal of diesel down tubing and cut paraffin from tubing string with paraffin knife – pouring additional 5 gal diesel down tubing every knife run; or circulate well with hot water & paraffin solvent chemicals to clean paraffin out of tubing string. Paraffin, iron sulfide, sand, rust, and scale have been recovered in WAGU wells while cleaning out to bottom.

   EXCESSIVE PARAFFIN was encountered in the Jennings #1 well during the last repair job workover from March 31 – April 5, 2014. The well was hot-water treated 4 times in attempts to clean out tubing and pump which were plugged with paraffin. After the well was first hung back on the well would not pump due to the pump being packed with paraffin after just being run into the tubing. Then after pump was re-run, it had to be pulled again because the bottom 10' of the muleshoe joint was found to be plugged with paraffin, sand, and scale. Circulating well with hot water & paraffin solvent chemicals may be necessary.

4. RU Logging Company and run GRN/CCL log for perforating correlation from PBTD at +/- 2,571' to base of Surface Casing at 518'. Email log directly from wellsite to Pat Seale at pseale@alamoresources.com and Tom Fekete at jordanrubicon@msn.com.

   We will review GRN/CCL log and perfs for correlation to old GRN/CCL log run in 1981, prior to perforating.

5. Perforate the JENNINGS FEE #001 well over the following **9 intervals** using 3-1/8" Hollow-Carrier slick perforating guns with 19-grain charges:

Interval No.	Perf Interval Top	Bottom	No. of Ft	SPF	No. of Perfs
1	1,948'	1,966'	21'	2	42
2	2,026'	2,031'	5'	2	10
3	2,070'	2,076'	6'	2	12
4	2,100'	2,106'	6'	2	12
5	2,121'	2,124'	3'	2	6
6	2,128'	2,132'	4'	2	8
7	2,180'	2,189'	9'	2	18
8	2,209'	2,213'	4'	2	8
9	2,218'	2,242'	24'	2	48
TOTALS			**82'**		**164**

6. **Acidize lower San Andres Intervals from 2,369' – 2,558':** (189' Overall Interval – 18' of perforations & 22 perforations) utilizing the Plug & Packer Method with a Retrievable Bridge Plug and Rental Treating Packer.

   Acid Job Total: 1,000 gal 15% NEFE HCl (23.8 Bbls) (55.6 gal/ft of perfs – 45.5 gal/perf) with acid booster, anti-sludge, paraffin solvent, scale inhibitor, and demulsifiers, **pumped at 1.0-2.0 BPM.**

   Run in hole with Treating Packer on 2-3/8" workstring with Retrievable Bridge Plug setting tool and RBP below packer.

   Set Retrievable Bridge Plug at approximately **2,565'**.
   Set Treating Packer at approximately **2,340'**.

Pump **1,000 gal 15% NEFE HCl plus additives** down tubing at **1-2 BPM**.

Pump +/- 12.5 Bbls **Fresh Water** to displace acid to bottom of perforations at 2,558'.

Shut-in well and record Shut-In Pressures: Initial Shut-in; 5-minute S/I; 10-minute S/I; & 15-minute S/I.

Shut well in 3 hours for acid to spend. Flow back well into water trucks until it lays down and dies.

Release Treating Packer and unseat Retrievable Bridge Plug.

Set Retrievable Bridge Plug at approximately **2,260'**.

7. **Acidize Penrose & Grayburg (WAGU) Perforated Intervals from 1,725'- 2,242'** (517' Overall; 92' of perforations – 227 perfs) **in 4 Stages using Rock Salt for Diversion of acid during Job.**

Acid Job Total: 11,000 gal 15% NEFE HCl (119.6 gal/ft of perfs – 48.5 gal/perf) with acid booster, anti-sludge, paraffin solvent, scale inhibitor, and demulsifiers, **pumped at 5.0-6.0 BPM.**

Acidize the perforations in 4 Stages using Rock Salt as diverting agent between Stages:

STAGE 1: **SPOT 330 gal 15% NEFE HCl (7.9 bbls)** across Perfs from 1,725'-2,242' (517') inside the 4-1/2" 10.5# production casing in the well.

Pick up Retrievable Packer and Set at +/- **1,700'**.

ACIDIZE STAGE 1 with a total of 4,000 gal 15% NEFE HCl (95.2 bbls) + additives, increasing pump rate after breakdown to 5.0-6.0 BPM.

PUMP 400# ROCK SALT in WAGU produced water as Diverting Agent between Stage 1 and Stage 2.

STAGE 2: **PUMP 3,000 gal 15% NEFE HCl ACID (71.4 bbls) + additives at 5.0-6.0 BPM.**

PUMP 400# ROCK SALT in WAGU produced water as Diverting Agent between Stage 2 and Stage 3.

STAGE 3: **PUMP 2,000 gal 15% NEFE HCl ACID (47.6 bbls) + additives at 5.0-6.0 BPM.**

PUMP 400# ROCK SALT in WAGU produced water as Diverting Agent between Stage 3 and Stage 4.

STAGE 4: **PUMP 2,000 gal 15% NEFE HCl ACID (47.6 bbls) + additives at 5.0-6.0 BPM.**

Pump +/- 15.5 Bbls **Fresh Water** to displace acid to bottom of perforations at 2,242'.

Shut-in well and record Shut-In Pressures: Initial Shut-in; 5-minute S/I; 10-minute S/I; & 15-minute S/I.

Leave well Shut-in for 4 hours for acid to spend.

8. Open well up to flow back into water trucks on location initially. Take the first 2 truckloads of flow back to commercial disposal site. If well should continue to flow back – tie well in to flow back to the WAGU Water Station inlet tank until it dies. May need to put pulling unit rig on standby during these flowback times in order to keep workover costs down.

9. Release Retrievable Treating Packer & POOH with packer and workstring. Have water truck on hand to kill well if it tries to come in during trip.

10. Trip in hole with 2-3/8" workstring with muleshoe on bottom & tag for fill to PBTD. Circulate hole clean with water truck using **Fresh Water** at least at least 2 times around in order to dissolve rock salt. POOH with workstring and muleshoe.

11. Run in hole with 2-3/8" tubing & 4-1/2"x2-3/8" TAC.

    Be sure to replace Muleshoe Joint below Seating Nipple with 2-3/8" Slotted Sub with X-overs to 2-3/8" EUE J-55 8rd Mud Anchor with BP on bottom.

    Also replace insert pump with 1-3/4" tubing pump in well (for 2-3/8" tbg).

    Pressure Test tubing to 5,000 psig while going in hole.

12. Pressure test tubing to 5,000 psig while going in hole.

    Set TAC at +/- 1,900'. Run pump & rods. Check pump for good pump action. RDMO Pulling Unit rig.

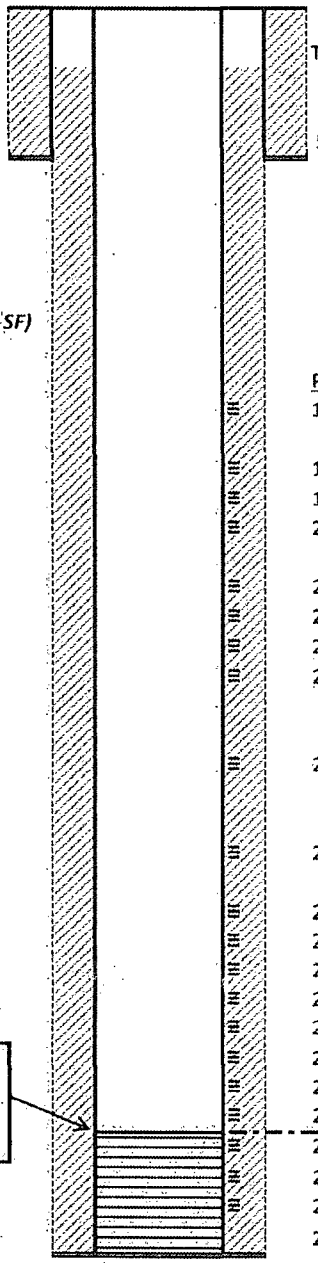
    If necessary, due to presence of excessive paraffin in tubing which interferes with pump performance, circulate well with hot water and paraffin solvent chemicals to clean casing, tubing, rods, and pump of paraffin.

13. Return well to production and report daily tests to Midland Office.

H. Patrick Seale
July 17, 2014

ALAMO PERMIAN RESOURCES, LLC
WELLBORE DIAGRAM

Lease/Well No.:	**JENNINGS FEE No. 001**	ELEVATION, GL:	3,603 ft
Location:	406' FNL & 330' FEL		
	UL: A, SEC: 18, T: 18-S, R:28-E	FIELD:	**ARTESIA: QN-GB-SA**
	EDDY County, NM		
LEASE No.:	FEE Lease	Spudded:	6/27/1981
API No. :	**30-015-23842**	Drlg Stopped:	7/12/1981
		Completed:	7/31/1981
	ROTARY RIG	LAT:	
		LONG:	



12-1/4" HOLE

Surface Csg:
8-5/8" 24# J-55
Csg Set @ 518'
Cmt'd w/ 300 sx

TOC Est'd @ 244'
Calucated (75% SF)

7-7/8" HOLE

TOC = Surface
Circulated 175 sx

518' Csg

PBTD @ 2,571'
3/31/2014 - Btm 3 Sets Perfs are Covered Up

Production Csg:
4-1/2" 10.5# J-55
Csg Set @ 2,634'
Cmt'd w/ 550 sx

TOPS (TEF)	DEPTH, ft
QN-PENROSE	1,710
QN-LOCO HILLS	1,947
GRAYBURG	1,968
GB-METEX	2,058
GB-PREMIER	2,172
SAN ANDRES	2,246
SA - LOVINGTON	2,382
SA - JACKSON	2,390

PERFS:	Zone	SPF - # Holes	Date
1725 - 1735'	QN - Penrose SS	10' 1 spf - 10 holes	07/31/81
1950 - 1954'	GB - Zone 12	4' 1 spf - 4 holes	07/31/81
1959 - 1963'	GB - Zone 12	4' 2 spf - 8 holes	07/31/81
2027 - 2031'	GB - Zone 11	4' 1 spf - 4 holes	07/31/81
	GB - Zone 10		
2073 - 2076'	GB - Zone 9	3' 1 spf - 3 holes	07/31/81
2099 - 2105'	GB - Zone 8	6' 1 spf - 6 holes	07/31/81
2121 - 2123'	GB - Zone 7	2' 1 spf - 2 holes	07/31/81
2128 - 2132'	GB - Zone 7	4' 1 spf - 4 holes	07/31/81
	GB - Zone 6		
	GB - Zone 5		
2182 - 2188'	GB - Zone 4	6' 2 spf - 12 holes	07/31/81
	GB - Zone 3		
	GB - Zone 2		
2228 - 2232'	GB - Zone 1	4' 2 spf - 8 holes	07/31/81
2369 - 2371'	SA - Upper SA	2' 1 spf - 2 holes	07/31/81
2374 - 2376'	SA - Upper SA	2' 1 spf - 2 holes	07/31/81
2382 - 2386'	SA - Lovington SS	4' 2 spf - 8 holes	07/31/81
2494 - 2496'	SA - Jackson Dolo	2' 1 spf - 2 holes	07/31/81
2500 - 2502'	SA - Jackson Dolo	2' 1 spf - 2 holes	07/31/81
2512 - 2514'	SA - Jackson Dolo	2' 1 spf - 2 holes	07/31/81
2524 - 2526'	SA - Jackson Dolo	2' 1 spf - 2 holes	07/31/81
2556 - 2558'	SA - Jackson Dolo	2' 1 spf - 2 holes	07/31/81
2580 - 2582'	SA - Jackson Dolo	2' 1 spf - 2 holes	07/31/81
2587 - 2589'	SA - Jackson Dolo	2' 1 spf - 2 holes	07/31/81
2594 - 2596'	SA - Jackson Dolo	2' 1 spf - 2 holes	07/31/81
2,634' Csg	*TOTALS:*	*71' -- 91 holes*	
2,571' PBTD (03/31/2014)			
2,634' TD			

---------- WAGU Unitized Interval ----------

Originally Drilled as JENNINGS #1 by MARBOB ENERGY CORPORATION in 1981.

Cumulative Prod. (05/31/14):

OIL	24,302	MBO
GAS	7,278	MMCF
WATER	31,810	MBW
INJECT.	----	MBW

HPS: 07/03/2014

JENNINGS FEE No. 001

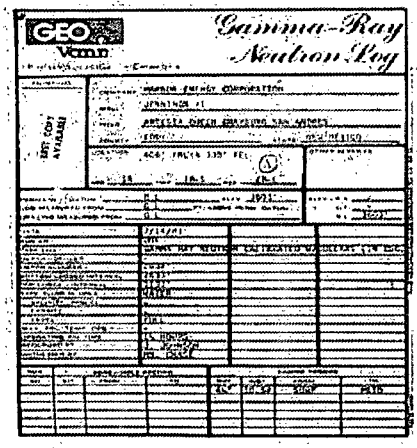
WELL PERFORATION, ACID JOB, FRAC JOB, & WELL TEST DETAILS

PERFS			ACID JOB(S)			FRAC JOB(S)						INITIAL POTENTIAL TEST			
TOP	BOTTOM	ZONE	DATE	ACID GALS	ACID TYPE	DATE	FRAC FLUID GALS	FLUID TYPE	SAND LBS	SAND SIZE	REMARKS	TEST DATE	OIL BOPD	GAS MCFD	WATER BWPD
1,725	1,735	QN - Penrose				7/31/1981	100,000	Gelled Water	78,500	20/40		8/5/1981	21	28	1
1,950	1,954	GB - Zone 12						X-Linked	31,800	10/20					
1,959	1,963	GB - Zone 12													
2,027	2,031	GB - Zone 11													
2,073	2,076	GB - Zone 9													
2,099	2,106	GB - Zone 8													
2,121	2,123	GB - Zone 7													
2,128	2,132	GB - Zone 7													
2,182	2,188	GB - Zone 4													
2,228	2,232	GB - Zone 4													
2,369	2,371	SA-Lovington SS													
2,374	2,376	SA-Lovington SS													
2,382	2,386	SA-Lovington SS													
2,494	2,496	SA-Jackson Dolo													
2,500	2,502	SA-Jackson Dolo													
2,512	2,514	SA-Jackson Dolo													
2,524	2,526	SA-Jackson Dolo													
2,556	2,558	SA-Jackson Dolo													
2,580	2,582	SA-Jackson Dolo													
2,587	2,589	SA-Jackson Dolo													
2,594	2,596	SA-Jackson Dolo													

Jennings #1

30-015-23842

T-18-S, R-28-E, Sec. 18
406' FNL & 330' FEL
Reference Elevation = 3603'



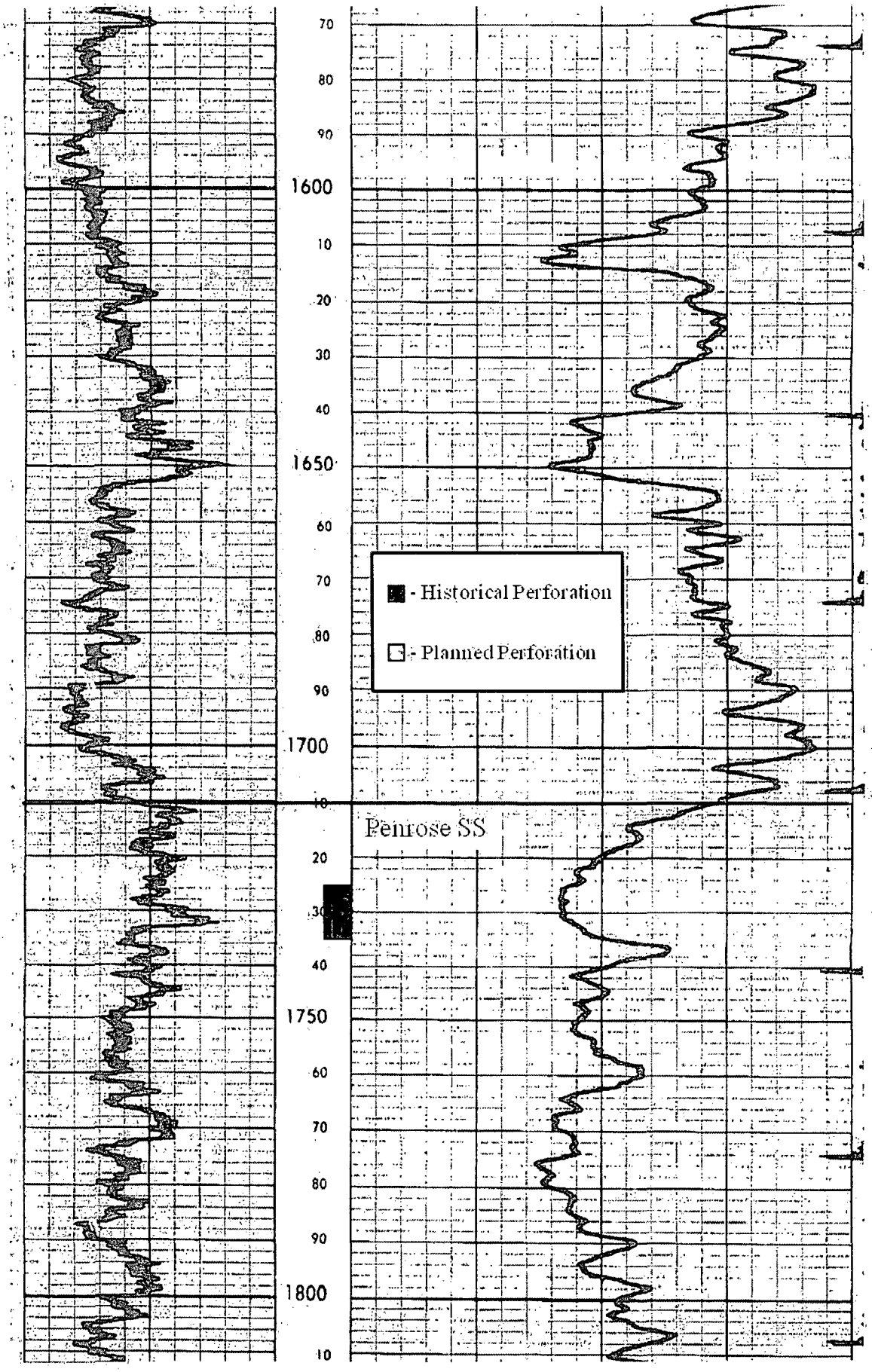
Also perforated:
Penrose SS: 1725-35,
Upper San Andres: 2369-71, 2374-76,
Lovington SS: 2382-86,
and San Andres "Jackson": 2494-96, 2500-02, 2512-14, 2524-26, 2556-58, 2580-82, 2587-89, 2594-96.

■ - Historical Perforation

□ - Planned Perforation

(6/30/2014)

Jennings #1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Penrose SS
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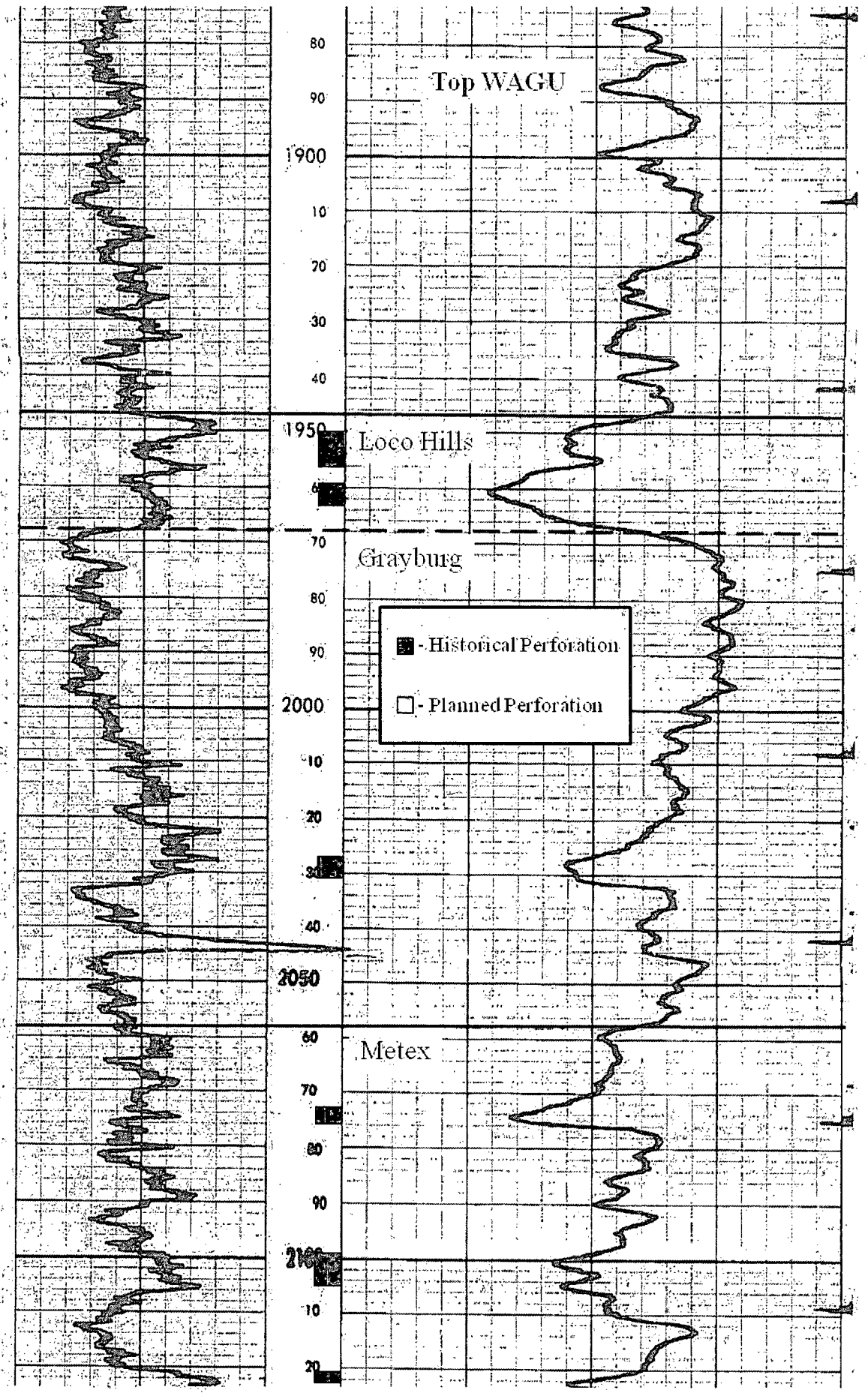
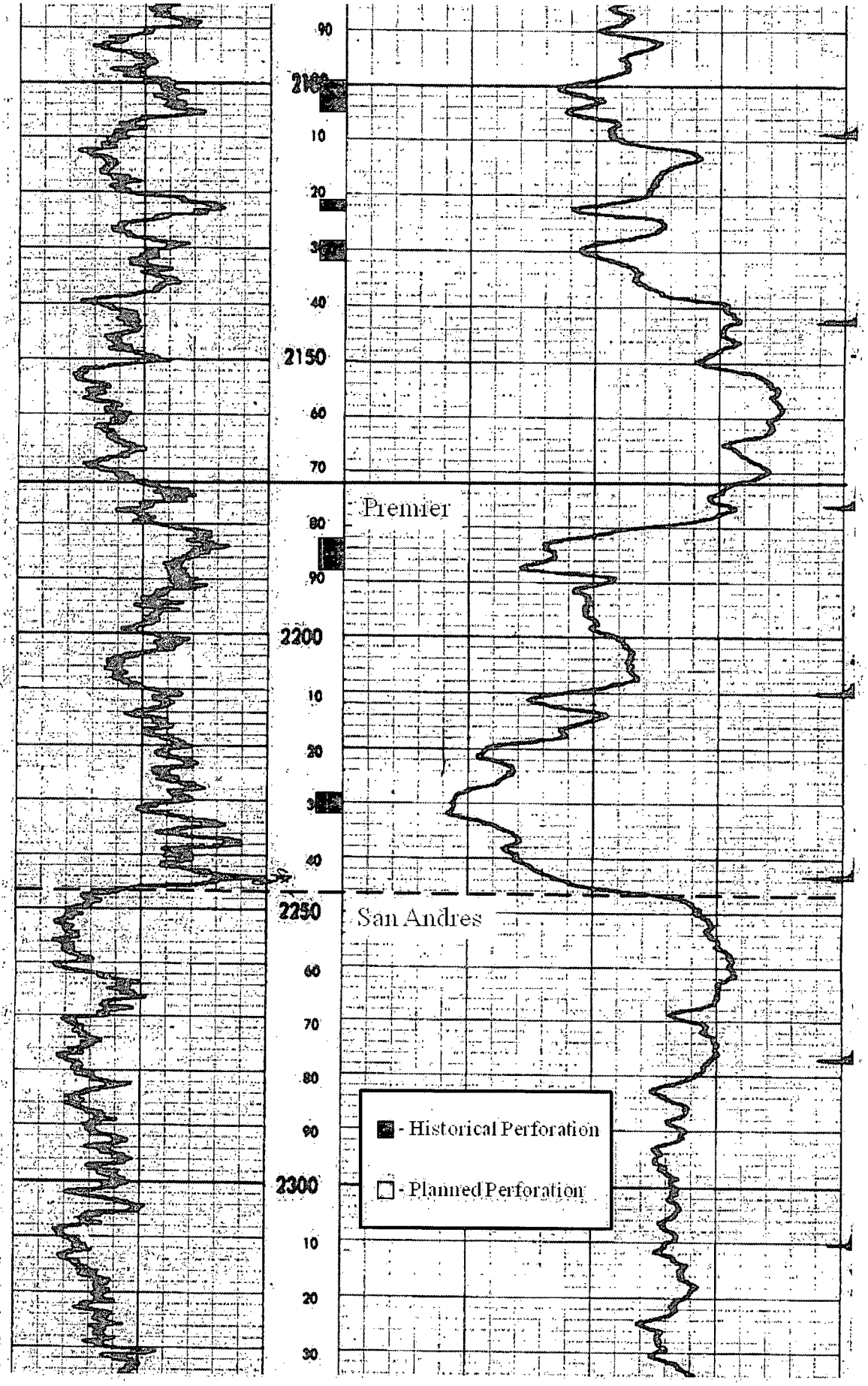
1800
10
- Historical Perforation
- Planned Perforation

Jennings #1


Top WAGU
1900
1950
Loco Hills
Grayburg
2000
2050
Metex
- Historical Perforation
- Planned Perforation

Jennings #1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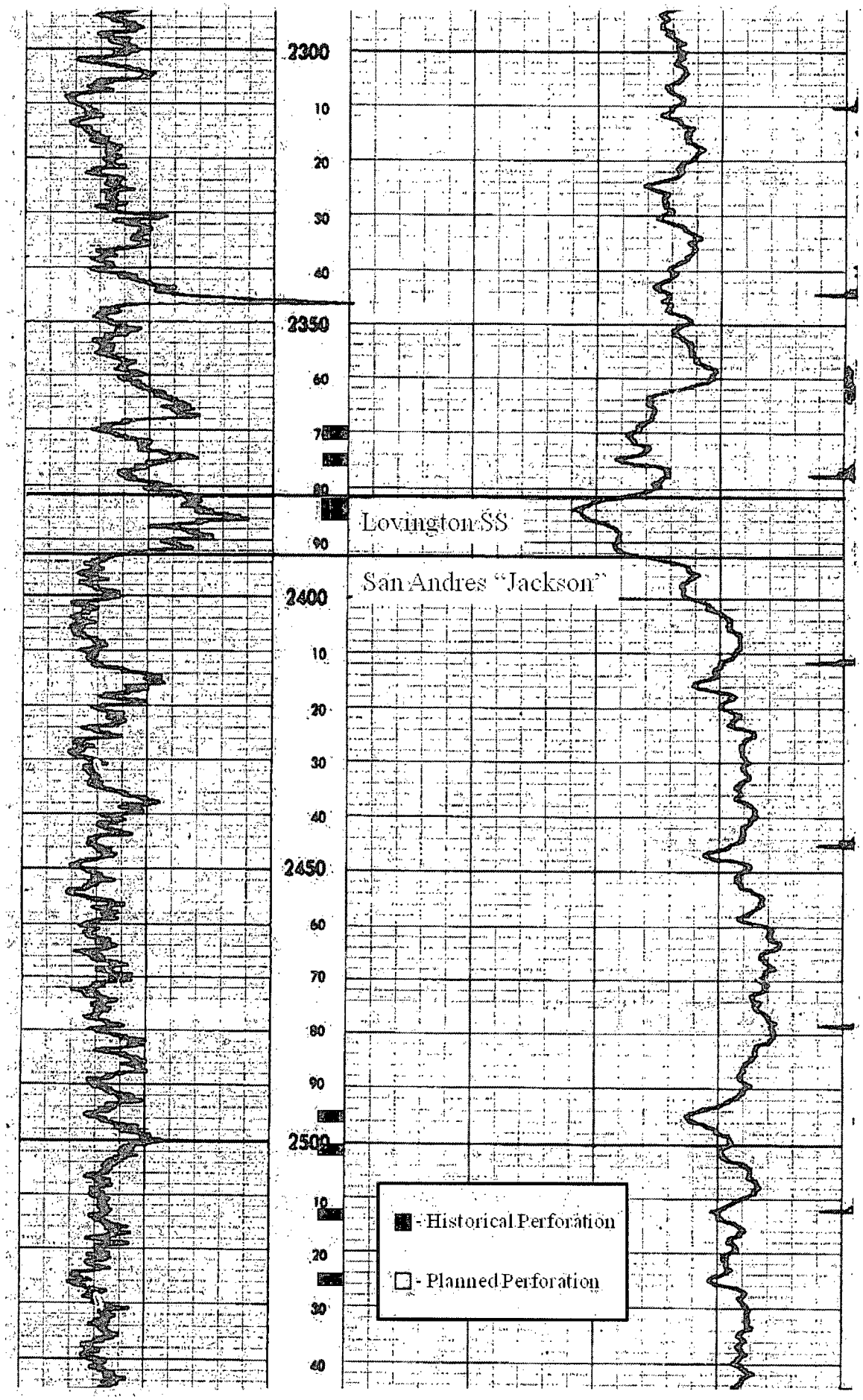
- Historical Perforation
- Planned Perforation

Jennings #1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Lovington SS
San Andres "Jackson"
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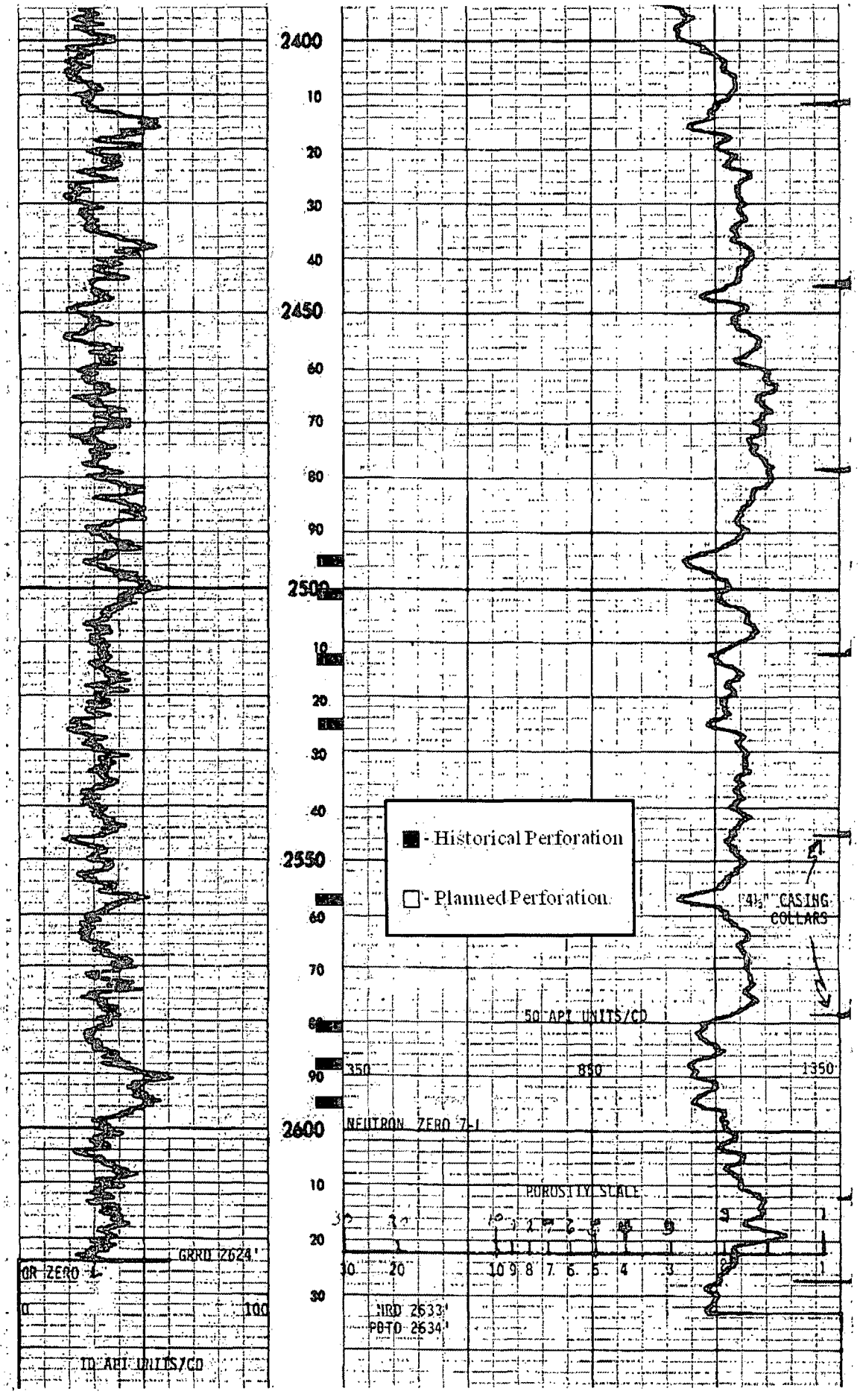
- Historical Perforation
- Planned Perforation

Jennings #1


2400
2450
2500
2550
2600
■ - Historical Perforation
□ - Planned Perforation
4½" CASING COLLARS
50 API UNITS/CD
350
850
1350
NEUTRON ZERO 7-1
POROSITY SCALE
GRRD 2624'
GR ZERO
0
100
10 API UNITS/CD
NRD 2633'
PBTD 2634'