

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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 page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM113944
2. Name of Operator NEARBURG PRODUCING COMPANY		6. If Indian, Allottee or Tribe Name
Contact: BETTIE WATSON E-Mail: bettie@watsonreg.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 3300 NORTH A STREET BLDG 2 STE 120 MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 972-979-0132	8. Well Name and No. COTTONWOOD 28 33 FEDERAL 2BS 1H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 28 T26S R26E NWNW 150FNL 1270FWL		9. API Well No. 30-015-43691-00-X1
		10. Field and Pool or Exploratory Area WILDCAT
		11. County or Parish, State EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Drilling Operations
	<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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

This is submittal of Drilling Operations on Subject Well.

Attached are Drilling updates for: (See Attached)

Spud

Surface Casing and Cement

Int Casing and Cement

Producing Casing and Cement

NM OIL CONSERVATION

ARTESIA DISTRICT

AUG 21 2017AC 8-22-17
Accepted for record - NMOC**RECEIVED**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #382208 verified by the BLM Well Information System For NEARBURG PRODUCING COMPANY, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 07/24/2017 (17PP0743SE)	
Name (Printed/Typed) BETTIE WATSON	Title AGENT
Signature (Electronic Submission)	Date 07/23/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>OMAR ALOMAR</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>08/17/2017</u>
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 <u>Carlsbad</u>

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Cottonwood 28-33 Fed 2BS 1H Sundry – Subsequent Well Report

Tues., May 16, 2017 Activity Log

From To Hrs Time Code Comments

06:00 11:00 05:00 PU & LD Drill Pipe, Changeout BHA P/u and M/u 17 1/2 surface assy.
11:00 19:30 08:30 Drill Rotating Drlg f/ 52' to 274' 222' 26.7 FPH 500 GPM 85 RPM 18K SPP 500 Psi TQ 8K
19:30 20:00 00:30 Deviation Survey Survey @ 243' .30 Deg
20:00 00:30 04:30 Drill Rotating Drlg f/ 274' to 420' 146' 32 FPH 500 GPM 85 RPM 18K SPP 500 Psi TQ 8K
00:30 01:00 00:30 Circ/Cond/Filter Pump 20 Bbl Hi-Vis sweep. Circ hole clean.
01:00 02:00 01:00 Tripping Short trip to 20" conductor. Tih.
02:00 02:30 00:30 Condition Mud and Circulate Pump 40 bbl Hi-Vis sweep. Circ hole clean.
02:30 04:30 02:00 Tripping Drop Totco. Pooh and Stand back 3 stds collars. L/d 8" Tools. Survey @ 400' .50 Deg
04:30 05:00 00:30 Other Clean rig floor for casing crew.
05:00 06:00 01:00 Run Casing R/u Byrd Casing Crew

Wed., May 17, 2017 Activity Log

From To Hrs Time Code Comments

06:00 08:00 02:00 Run Casing R/u Bird Casing Crews.
08:00 09:00 01:00 Run Casing M/u Texas shoe, 1 jt 13 3/8, Float Collar and 9 jts 13 3/8 54.5# J-55 BTC casing. Total of 414' w/ 3' stick up. Pipe set @ 411' Float collar @ 366'
09:00 10:30 01:30 Condition Mud and Circulate Circ and cond hole. R/d Byrd Casing Crew
10:30 12:00 01:30 Cement R/u Allied. Held PJSM. Test lines to 3000 psi. Pump 30 bbls water. Mix and pump 138 bbls (584 sks) Class C cement. 14.8 ppg, 1.33 yeild, 6.32 Gps mix water. Displaced w/ 55 bbls fresh water. Bumped plug wit 500 psi over. Held 5 min. Bled back 1/2 bbl. Floats held. Pressured up to 500 psi. Shut well in. 57 bbls cmt to surface. Full returns throughout cmt job.
12:00 20:00 08:00 Wait on Cement Wait on cmt. Clean pits
20:00 01:00 05:00 Install/Remove Wellhead/Tree Cut 20" and 13 3/8" Casing. L/o same. Make final cut on 13 3/8" casing. Weld on Cactus MBU-3T Wellhead.
01:00 02:00 01:00 Nipple Up/Nipple Down BOP Install Cactus Bop adapter.
02:00 06:00 04:00 Nipple Up/Nipple Down BOP Nipple up Bop's. Lock down Bop adapter

Thur., May 18, 2017 Activity Log

From To Hrs Time Code Comments

06:00 10:30 04:30 Nipple Up/Nipple Down BOP Nipple up Bop's. Install kill and Hcr valves. Install Choke line. Install koflex lines. Install remote kill line valve.
10:30 11:30 01:00 Nipple Up/Nipple Down BOP Modify flo-line.
11:30 15:00 03:30 Test BOPE M/u test plug. Test Bop's 5K Hi and 250 Low for 10 Min each test.
15:00 17:00 02:00 Third Party Repair Monahans Bop testing truck down. Trouble shoot same. Wait on chart recorder. Test casing to 1500 psi while waiting.
17:00 02:30 09:30 Test BOPE Test Bop's, choke manifold, upper and lower kelly cock valves 250 Low 5K Hi. Test TDS back to pumps, stabbing valve, lbop to 250 Low 5K Hi. Test annular to 250 Lo and 2500 Hi 10 Min each test. Bump test chokes to 5K. Replaced section of mud line, rebuilt check valve, valve stem on Hcr leaking flush and work valve and retest. Function and retest lower lbop. Performed Accumulator Test.
02:30 03:00 00:30 Nipple Up/Nipple Down BOP Install wear bushing.
03:00 06:00 03:00 PU & LD Drill Pipe, Changeout BHA P/u and M/u 12 1/4 Bha. Tih same. Tagged 370' Break circ.

Frid., May 19, 2017 Activity Log

From To Hrs Time Code Comments

06:00 06:30 00:30 Circ/Cond/Filter Break circ @ 370'
06:30 07:30 01:00 Drill Cement Drlg shoe trac f/ 370' to 420'
07:30 15:00 07:30 Drill Rotating Rotate drlg f/ 420' to 884' 464' 61.8 FPH 35K WOB, 700 GPM, 100 RPM, SPP 1450 Psi Diff 350 Psi Tq 7-10K
15:00 16:00 01:00 Circ/Cond/Filter Rotary torqued and stalled @ 12K. P/u and set back on bottom to drill. No torque, or differential pressure. No loss in SPP.
16:00 16:30 00:30 Circ/Cond/Filter Pump sweep. Circ hole clean.
16:30 18:30 02:00 Tripping Pooh f/ motor. Attempt to drain motor. Motor would not drain. Grinding noise in drive shaft. Break bit.
18:30 20:00 01:30 Tripping L/o motor. P/u new motor. M/u Bha. Tih w/ Bha. Break circ.
20:00 20:30 00:30 Routine Rig Maintenance Service rig.
20:30 05:30 09:00 Drill Rotating Rotate Drlg f/ 884' to 1406' 522' 58 FPH 35K WOB, 700 GPM, 55 RPM, SPP 1950 Psi Diff 300 Psi Tq 10K05:30 06:00 00:30 Deviation Survey Wireline survey @ 1403' 1.5 Deg

Cottonwood 28-33 Fed 2BS 1H Sundry – Subsequent Well Report

Sat., May 20, 2017 Activity Log

From To Hrs Time Code Comments

06:00 08:30 02:30 Drill Rotating Rotate Drlg f/ 1406' to 1615' 209' 83.6 FPH 35K WOB, 700 GPM, 55 RPM, SPP 1950 Psi Diff 300 Psi Tq 10K
08:30 09:00 00:30 Condition Mud and Circulate Pump Sweep. Circ hole clean.
09:00 10:00 01:00 Tripping Pooh to 900' for short trip. No overpull. Tih
10:00 10:30 00:30 Condition Mud and Circulate Pump sweep. Circ hole clean.
10:30 14:00 03:30 Tripping Pooh f/ 9 5/8 casing run. No overpull. L/d 8" collars and tools.
14:00 14:30 00:30 Nipple Up/Nipple Down BOP Pull wear bushing.
14:30 16:00 01:30 Run Casing R/u Byrd Casing Crew. Held PJSM
16:00 19:00 03:00 Run Casing M/u Float shoe, 1 jt 9 5/8, Float Collar and 36 jts 9 5/8 36# J-55 LTC casing, and Hanger Jt. Total of 1593' w/ 3' stick up. Pipe set @ 1590' Float collar @ 1544'
19:00 20:00 01:00 Run Casing R/d Byrd Casing Crew. R/u Allied Services. Held PJSM
20:00 22:30 02:30 Cement R/u Allied. Held PJSM. Test lines to 3000 psi. Break circ. Pump 30 bbls water. Mix and pump Lead 146 bbls (328 sks) Class C cement. 12 ppg, 2.51 yield, 14.77 Gps mix water. Mix and pump tail 23.7 bbls (100sks) 14.8 ppg, 1.33 yield, 6.33 gps mix water. Displaced w/ 120 bbls fresh water. Bumped plug with 1200 psi. 500 psi over. Held 5 min. Bled back 3/4 bbl. Floats held. 60 bbls cmt to surface. Full returns through out cmt job.
22:30 23:00 00:30 Cement R/d Allied Services
23:00 00:00 01:00 Install/Remove Wellhead/Tree P/u Washdown tool. Wash wellhead. Set pack-off for 9 5/8 casing. Tested to 5K for 15 Min. Pull tested to 40K over. L/d tools.
00:00 00:30 00:30 Nipple Up/Nipple Down BOP WOC. Install wear bushing
00:30 01:30 01:00 Other WOC. R/d casing bails and elevators. Clear rig floor.
01:30 06:00 04:30 PU & LD Drill Pipe, Changeout BHA WOC. P/u and M/u 8 3/4 Bha. Stand back same.

Sun, May 21, 2017 Activity Log

From To Hrs Time Code Comments

06:00 06:30 00:30 Wait on Cement WOC
06:30 07:00 00:30 Routine Rig Maintenance Service rig.
07:00 07:30 00:30 Tripping Tih Tagged @ 1530'
07:30 08:30 01:00 Drill Cement Drlg shoe trac f/ 1530' to 1615'
08:30 10:00 01:30 Drill Rotating Rot Drlg f/ 1615' to 1699' 84' 56 FPH 50 GPM 70 RPM 1250 SPP DIFF 230
10:00 11:30 01:30 Tripping Attempt survey. Pressured up and blew nail. Trouble shoot surface equipment. Problem down hole. Pooh
11:30 13:00 01:30 PU & LD Drill Pipe, Changeout BHA L/o MWD and float sub. Motor parted 8' up from bit. Backed off in connection were stator connect to drive shaft. B/o and L/o bit and motor.
13:00 14:30 01:30 PU & LD Drill Pipe, Changeout BHA P/u and M/u new motor. M/u bit. M/u bha. Shallow test. Tih same.
14:30 16:00 01:30 Tripping Tih
16:00 16:30 00:30 Nipple Up/Nipple Down BOP Install rotating bearing.
16:30 19:00 02:30 Drill Rotating Rot Drlg f/ 1699' to 1889' 190' 76 FPH 50 GPM 70 RPM 1250 SPP DIFF 230 Hole drifting last survey 1827' 4.68 deg
19:00 21:00 02:00 Directional Tool Failure Trouble shoot MWD. Unable to retrieve surveys.
21:00 01:00 04:00 Tripping Pooh f/ directional tools. B/o and L/o bit, motor, and Mwd.
01:00 04:00 03:00 Wait on Services Wait on directional tools.
04:00 06:00 02:00 PU & LD Drill Pipe, Changeout BHA P/u and M/u directional tools. Dial down motor to 1.5 Scribe and shallow test same.

Fri., June 9, 2017 Activity Log

From To Hrs Time Code Comments

06:00 10:00 04:00 Tripping TOOH - LD whipstock tools
10:00 15:00 05:00 Tripping PU BHA & TIH
15:00 02:00 11:00 Drill Sliding Drill slide through whipstock from 6193' to 6207' - Drill slide/rotate from 6207' to 6388' - bit wt 35-40, gpm 575
02:00 03:00 01:00 Condition Mud and Circulate Circulate btms up
03:00 06:00 03:00 Tripping TOOH to pick up Curve/Lateral PDC bit

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Sun., June 25, 2017 Activity Log

From To Hrs Time Code Comments

06:00 07:30 01:30 Tripping Trip out of hole
07:30 08:30 01:00 PU & LD Drill Pipe, Changeout BHA LD BHA
08:30 09:00 00:30 Run Casing Pull wear bushing
09:00 04:00 19:00 Run Casing Held safety meeting - RU Casers & Run 13868' of 5.5" 17# P-110 CDC casing set @ 13858'
04:00 06:00 02:00 Condition Mud and Circulate Shear Float in collar & Circulate out air

Mon., June 26, 2017 Activity Log

From To Hrs Time Code Comments

06:00 09:00 03:00 Condition Mud and Circulate Drop dart for float in sub - circulate
09:00 13:30 04:30 Cement Safety meeting - RU cementers - Cement 5.5" with 468 bbls, 678 sks, 10.5 ppg, 3.88 yield, 24.68 gal/sk Allied Featherweight blend 2 followed by 398 bbls, 1944 sks, 15.8 ppg, 1.16 yield, 4.98 gal/sk Class H premium tail, Displaced W/ 308 bbls fresh water - bumped float w/ 700 over
final lift pressure - floats held - good returns entire job - 120 bbls cement to surface
13:30 00:30 11:00 Nipple Up/Nipple Down BOP Rig down cementers - Nipple down BOPE - Set casing slips W/ 130K
00:30 06:00 05:30 Rig Up and Rig Down Clean pits - Prep rig for Skid