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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DEC 01 2010

FORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG
Bureau of Land Management

| | | | | | | | | | |
|---|----------------------|---|-----------------|---|----------------------|---|-----------------------|-------------------|-------------------|
| 1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other | | | | | | 5. Lease Serial No. Contract 111 | | | |
| b. Type of Completion: <input type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input checked="" type="checkbox"/> Plug Back <input checked="" type="checkbox"/> Diff. Resrv., | | | | | | 6. If Indian, Allottee or Tribe Name Jicarilla | | | |
| Other: _____ | | | | | | 7. Unit or CA Agreement Name and No. | | | |
| 2. Name of Operator DJ Simmons, Inc. | | | | | | 8. Lease Name and Well No. Jicarilla H #108 | | | |
| 3. Address 1009 Ridgeway Place, Suite 200 Farmington, NM 87401 | | | | 3a. Phone No. (include area code) (505) 326-3753 | | 9. AFI Well No. 30-039-22104 (00S2) | | | |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 2150' FSL, 1600' FWL At top prod. interval reported below 2150' FSL, 1600' FWL At total depth 2150' FSL, 1600' FWL | | | | | | 10. Field and Pool or Exploratory Otero Chacra | | | |
| | | | | | | 11. Sec., T., R., M., on Block and Survey or Area NE/SW Sec 7, T24N, R4W | | | |
| | | | | | | 12. County or Parish Rio Arriba | | 13. State NM | |
| 14. Date Spudded 10/02/1979 | | 15. Date T.D. Reached 10/15/1979 | | 16. Date Completed 11/25/2010 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. | | 17. Elevations (DF, RKB, RT, GL)* 6742' GL (per original survey) | | | |
| 18. Total Depth: MD 7326' TVD | | 19. Plug Back T.D.: MD 3900' TVD | | 20. Depth Bridge Plug Set: MD NA TVD | | | | | |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) Cement Bonded Log (CBL) | | | | | | 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy) | | | |
| 23. Casing and Liner Record (Report all strings set in well) | | | | | | | | | |
| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
| 12-1/4" | 8-5/8"/K-55 | 24 | Surface | 323' | | 300, Class 'B' | 79 | Surface | NA |
| 7-5/8" | 5-1/2"/K-55 | 17, 15.5 | Surface | 7319' | 3980' | 650, Class 'B' | 189 | 2870', 5480' | NA |
| RCV DEC 6 '10 OIL CONS. DIV. DIST. 3 | | | | | | | | | |
| 24. Tubing Record | | | | | | | | | |
| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | |
| 2-3/8" | 3554' | NA | | | | | | | |
| 25. Producing Intervals | | | | | | | | | |
| Formation | | Top | Bottom | Perforated Interval | | Size | No. Holes | Perf. Status | |
| Otero Chacra | | 3544' | 3653' | 3544'-3653' | | 0.38" | 40 | Open | |
| B) | | | | | | | | | |
| C) | | | | | | | | | |
| D) | | | | | | | | | |
| 27. Acid, Fracture, Treatment, Cement Squeeze, etc. | | | | | | | | | |
| Depth Interval | | Amount and Type of Material | | | | | | | |
| 3544'-3653' | | Frac w/821 BBL of 2% KCL cross link w/water, 1330 MSCF nitrogen, 200,000 lbs 16/30 mh sand, 70 Q N2 foam 37 BPM | | | | | | | |
| 28. Production - Interval A | | | | | | | | | |
| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| 11/22/10 | 11/29/10 | 24 | → | 1 | 185 | 0 | 37 | 0.6 | Flowing |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |
| 1" | 175 psi | 150 psi | → | 1 | 185 | 0 | 185,000 | Shut-in | |
| 28a. Production - Interval B | | | | | | | | | |
| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |
| | | | → | | | | | | |

*(See instructions and spaces for additional data on page 2)

NMOCD

ACCEPTED FOR RECORD

DEC 02 2010

FARMINGTON FIELD OFFICE

28b. Production - Interval C

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |
| | | | → | | | | | | |

28c. Production - Interval D

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |
| | | | → | | | | | | |

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

Flared

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top |
|-----------|-----|--------|------------------------------|--------------------------|----------------|
| | | | | | Meas. Depth |
| NA | | | | Pictured Cliffs Lewis | 2723' 2808' |
| | | | | Chacra Mesa Verde | 3519' 4237' |
| | | | | Mancos Gallup | 5043' 5962' |
| | | | | Greenhorn Graneros | 6849' 6909' |
| | | | | Dakota Burro Canyon | 7057' 7151' |
| | | | | Morrison | 7307' |

32. Additional remarks (include plugging procedure):

Plugging Back Procedure: 1) Set Cement retainer at 5908' w/ 33sacks below and 24sacks above of Type III Cement with 1/4 lbs per sack cellophane; 2) Perforated 4 squeeze holes at 4300'. Set Cement retainer at 4261' w/ 52sacks below and 50sacks above of Type III Cement with 1/4 lbs per sack cellophane; and 3) Tagged plug back TD at 3900'. DV tool set at 3980'.

Different Reservoir/Recompletion Procedure: 1) Found holes in casing (corrosion) between 2525' and 2750'. Squeezed with 225 sacks of Cement under retainer; 2) Cement drilled out. Pressure Test failed; 3) Resqueezed with 200sacks of Cement under retainer; 4) Perforated 1JSPF over 3544'-3549', 3561'-3563', 3592-3594', 3598'-3600', 3610'-3616', 3631'-3633', 3636'-3641', 3644'-3649', and 3651'-3653' (40 shots); 5) Cement drilled out. Test held 1000 psi OK; 6) New TOC by CBL 2422' after repairs; 7) Frac 3544'-3653' with 821 BBL 2%KCL 16 lbs cross linked and foamed to 70 Q with N2 and carrying 200,000 lbs of 16/30 sand at 37 BPM. ISIP 1505 psi, 5min 1404 psi, 10 min 1388 psi, 15 min 1386 psi.; and 8) Landed 12'MA. SN 110 joints, 2-3/8", 4.7 lbs/ft, J-55 EUE tubing at 3554'KB.

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☒ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☒ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Rodney L. Seale Title Operations Manager
 Signature Rodney L. Seale Date 11/30/2010

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.

(Continued on page 3)

(Form 3160-4, page 2)

INSTRUCTIONS

GENERAL: This form is designed for submitting a complete and correct well completion/recompletion report and log on all types of wells on Federal and Indian leases to a Federal agency, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal office. If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, and all types electric), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal laws and regulations. All attachments should be listed on this form, see item 33.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal office for specific instructions.

ITEM 17: Indicate which reported elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

ITEM 23: Show how reported top(s) of cement were determined, i.e. circulated (CIR), or calculated (CAL), or cement bond log (CBL), or temperature survey (TS).

NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48 (d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. et seq.; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is to be used to evaluate the actual operations performed in the drilling, completing and testing of a well on a Federal or Indian lease.

ROUTINE USES: (1) Evaluate the equipment and procedures used during the drilling and completing/recompleting of a well. (2) The review of geologic zones and formation encountered during drilling. (3) Analyze future applications to drill in light of data obtained and methods used. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this report and disclosure of the information is mandatory once a well drilled on a Federal or Indian lease is completed/recompleted.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling and completing/recompleting wells on Federal and Indian oil and gas leases.

This information will be used to analyze operations and to compare equipment and procedures actually used with those proposed and approved.

Response to this request is mandatory only if the operator elects to initiate drilling and completing/recompleting operations on an oil and gas lease.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Jicarilla H #108

Location: Surface: 2150' FSL, 1600' FWL,
Sec 7, T24N, R4W, Rio Arriba
County, New Mexico

Field: Jicarilla

Zone: Otero Chacra

API #: 30-039-22104

Spud Date: October 2, 1979 2100 hours
Originally drilled by Arco Oil and Gas

