

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.

5. Lease Serial No.
NMNM101360X **60548**
LC0563028

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
NORTH SQUARE LAKE UNIT. 187

2. Name of Operator
BOAZ ENERGY LLC
Contact: CASEY MORTON
E-Mail: cmorton@boazenergy.com

9. API Well No.
30-015-33102

3a. Address
PO BOX 50595
MIDLAND, TX 79710

3b. Phone No. (include area code)
Ph: 432-253-7076

10. Field and Pool, or Exploratory
SQUARE LAKE-GB-SA

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 33 T16S R31E

11. County or Parish, and State
EDDY COUNTY, NM

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

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

Boaz Energy intends to complete the Lovington Sand and Grayburg under bond NMB000965. Boaz Energy plans to start this work on February 10, 2013 pending approval of Boaz as operator of the North Square Lake Unit.

Procedure:

- Pull rods and pump
- kill well and ND wellhead, NU BOP, POOH with tbg
- TIH with tubing and retrieving tool, wash over RBP set at 3565' and come out with the RBP

Accepted for NMOC SEE ATTACHED FOR CONDITIONS OF APPROVAL

5/29/2013

RECEIVED
MAY 28 2013
NMOC ARTESIA

14. Thereby certify that the foregoing is true and correct.

Electronic Submission #172339 verified by the BLM Well Information System
For BOAZ ENERGY LLC, sent to the Carlsbad
Committed to AFMS for processing by KURT SIMMONS on 01/04/2013 ()

Name (Printed/Typed) CASEY MORTON

Title ENGINEER

Signature (Electronic Submission)

Date 12/28/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED
MAY 24 2013
[Signature]
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Approved By

Title

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

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #172339 that would not fit on the form

32. Additional remarks, continued

- RU power swivel and reverse unit, PU bit and scraper and cleanout to PBTD of 3670'
- TOOH with tbg and LD bit and scraper
- Re-perforate the Lovington Sand from 3582-3604 with 4 spf
- TIH with packer and 2-7/8", spot 50 gals of 15% HCL acid, come up a stand and set packer at 3550'
- frac with 35,000 gals of gel and 40,000 lbs of 16/30 sand
- Test the Lovington for several weeks and then set RBP at 3490 over Lovington and dump 2 sacks of sand, TOOH with tbg
- Perforate Grayburg interval from 3427-3474, 3384-3394, 3350-3370 all with 6 spf
- Frac under packer set at 3340' with 2500 gals of 15% HCL, 1500 bbls of gel and 110,000 lbs of 16/30 sand
- After flowback, kill well with biocide treated 2% KCL, unset packer, get RBP and return to production

North Square Lake Unit 187
30-015-33102
Boaz Energy LLC
May 24, 2013
Conditions of Approval

Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.

Work to be completed by August 24, 2013.

1. **Must conduct a casing integrity test before any work can be done. Submit results to BLM. The CIT is to be performed on the production casing per Onshore Oil and Gas Order 2.III.B.1.h.** Make arrangements 24 hours before the test for BLM to witness. E-mail Paul R. Swartz pswartz@blm.gov or phone 575-200-7902, if there is no response, 575-361-2822. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
2. **If CIT does not fail work is approved as written.**
3. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
4. Surface disturbance beyond the originally approved pad must have prior approval.
5. Closed loop system required.
6. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
7. Operator to have H2S monitoring equipment on location.
8. A minimum of a 2000 (2M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.

9. **Subsequent sundry required detailing work done. Operator to include well bore schematic of current well condition when work is complete.**

JAM 052413