

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

OCD Artesia

RECEIVED**WELL COMPLETION OR RECOMPLETION REPORT AND LOG 1 2013**

1a TYPE OF WELL ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other ☐
 1b TYPE OF COMPLETION ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff Resvr

2 NAME OF OPERATOR
Capstone Natural Resources, LLC

3 ADDRESS
2250 E. 73rd St., Suite 500, Tulsa, OK 74136

3A. PHONE NO.
432-218-7924 (Darren Seglem)

4 LOCATION OF WELL (Report location clearly and in accordance with Federal requirements)*
 At surface **1280' FNL & 2599' FWL**

At top prod. Interval reported below **SAME**

At total depth **SAME**

14. DATE SPURRED 2/9/13 15. DATE TD REACHED 2/12/13 16. DATE COMPLETED ☐ D&A ☒ Ready to Prod 4/1/13

18. TOTAL DEPTH: MD 4413' 19. PLUG BACK TD: MD 4368' 20. DEPTH BRIDGE PLUG SET: MD 3942' GL
 TVD Same TVD Same TVD

21. TYPE ELECTRIC & OTHER MECH LOGS RUN (Submit copy of each)

DLL & Comp Neutron Litho Density

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
 Was DST run? ☒ No ☐ Yes (Submit report)
 Directional Survey? ☐ No ☒ 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 Cntr Depth	No. of Sk. & Type of Cmt	Slurry Vol. (Bbl)	Cement Top*	Amount Pulled
12 1/4"	8 5/8"	24#, J-55	0	694		450 sx Class C		Circ surface	
7 7/8"	5 1/2"	15.5# J-55	0	4413'		955 sx POZ H		Circ surface	

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 7/8	4293'	None						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. of Holes	Perf Status
A) Grayburg San Andres	3427	4161	3427-4161 and 4276-4284	.36	81	3427-4284' OPEN
B)						
C)						

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
3427-4161'	Acidized with 2016 gals. of 15% NeFe HCL
4276-4284'	Acidized 1008 gals. 15% NeFe pumped with CO2 foam plus 5000 gals. PPI acid job
4276-4284'	Frac w/150,900# 40/70 AZ sand

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
4/12/13	4/13/13	24	→	3	0	154	35.3		Pump
Choke Size	Tbg. Press Flwg	Csg. Press	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
	140 psi	60 psi	→	3	0	154		Producing	

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	

ACCEPTED FOR RECORD
 MAY 25 2013
 BUREAU OF LAND MANAGEMENT
 CARLSBAD FIELD OFFICE

5. LEASE SERIAL NO.

NMLC-029418B

6. IF INDIAN, ALLOTEES OR TRIBE NAME

7. UNIT OR CA AGREEMENT NAME

8. LEASE NAME AND WELL NO.
LEA C FEDERAL 18

9. API WELL NO.

30-015-40993

10. FIELD AND POOL, OR EXPLORATORY

GRAYBURG JACKSON:SR-Q-GB-SA

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec. 11, T17S, R31E, NMPM

12. COUNTY

13. STATE

EDDY**NM**

17. ELEVATIONS (DF, RKB, RG, GL)*

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 (Sold, used for fuel, vented, etc.)

30. Summary of Porous Zones (Include Aquifers):

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

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
Rustler	629	742	Sand & Salt	Rustler	629
Salt	742	1943	Salt	Salt	742
Yates	1943	2879	Sand & Salt	Yates	1943
Queen	2879	3291	Sand and Dolomite	Queen	2879
Grayburg	3291	3623	Sand and Dolomite	Grayburg	3291
San Andres	3623		Dolomite	San Andres	3623

31. Formation (Log) Markers

32. Additional remarks (include plugging procedure):

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
Mailed Separately
☐ 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) Debbie McKelvey 575-392-3575Title AGENTSignature Debbie McKelveyDate 5/3/13

