

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

Form C-103  
Revised August 1, 2011

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

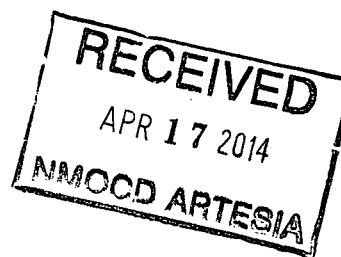
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-02639
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Injection Well <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator <b>Alamo Permian Resources. LLC</b>		6. State Oil & Gas Lease No. OG-5851
3. Address of Operator <b>415 W. Wall Street, Suite 500, Midland, TX 79701</b>		7. Lease Name or Unit Agreement Name WEST ARTESIA GRAYBURG UNIT
4. Well Location Unit Letter H : 2310 feet from the N line and 990 feet from the E line Section 8 Township 18S Range 28E NMPM County EDDY		8. Well Number 007
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number <b>274841</b>
		10. Pool name or Wildcat Artesia; Queen-Grayburg-San Andres

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: CLEAN OUT, ADD PERFS, ACIDIZE <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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



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 04/15/2014

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

APPROVED BY: ADade TITLE District Supervisor DATE 5/12/14  
Conditions of Approval (if any):

## ALAMO PERMIAN RESOURCES, LLC

### WAGU #007 -- CLEAN-OUT, ADD PERFS, & ACIDIZE PROCEDURE

1. MIRU PU & BOP's. Be sure well is dead and blown down.
2. Cannot find any record in files that either Doral Energy Corp. or Alamo Permian Resources has ever worked on the WAGU #007 well at any time since August 2008.

Based on first workovers on other wells, do not expect the tubing to be hung on a TAC, but without any records to go by, need to be cautious and careful when first attempting to pull tubing out of the hole.

Once the rods and pump have been pulled, we should have a good idea of how much tubing is in the well which will allow a calculation of total string weight to be used while pulling the tubing string.

**INCLUDE A DETAILED DESCRIPTION OF RODS, TUBING, PUMP, ETC. RECOVERED FROM THE WAGU #008 IN THE MORNING REPORT FOR OUR RECORDS.**

From well records, a CIBP was set in the WAGU #007 in June 1962 at 2,309'. This PBTD at 2,309' was tagged by Marbob Energy Corp during a workover to add perforations in this well in January 1981. We will need to drill out this CIBP during this workover in order to add perfs below 2,309'.

Pull out of hole with all tubing and downhole pumping equipment and lay down prior to attempting to tag PBTD.

REMEMBER: Paraffin has been encountered in offset wells, WAGU #008 and WAGU #09. If excessive paraffin is encountered, either pour 10 gal 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 and 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.

Visually inspect rods, tubing, & TAC (if present) while coming out of hole. Send both Pump & TAC (if present) in for Repair/Replacement depending on condition.

**Current Perforations:** 2,024' – 2,320' (296' Overall interval) – 29' of perforations (72 holes).  
This includes the 4' of perforations below CIBP at 2,309'.

**Planned New Perforations:** 2,024' – 2,332' (308' Overall interval) – 123' of perforations (246 holes).  
**Total Perforations after W/O:** 2,024' – 2,332' (308' Overall interval) – 123' of perforations (318 holes).  
See Wellbore Diagram for perforations detail — updated 04/20/2014.

3. Run in hole with 4-3/4" mill tooth skirted rock bit (or alternate bit for drilling out CIBP) and drill collars to provide enough weight to drill out CIBP at 2,309'. Use power swivel unit if necessary to provide rotation to drill out / knock out CIBP. Call to discuss. Chase remains of CIBP to bottom with bit, circulate hole clean and pull out of hole with bit and collars.
4. Run in hole with 4-3/4" mill tooth skirted rock bit and 5-1/2" rotating casing scraper on 2-3/8" workstring. Tag for fill and clean out well carefully to new PBTD. Work bit down to find hard bottom inside casing. 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.

5. RU Logging Company and run Compensated GRN/CCL log for perforating correlation from PBTD to base of Surface Casing at 472'. Show Compensated Neutron Porosity Log curves on both a Sandstone Matrix and a Dolomite Matrix on the log tracks. Have log emailed in to Pat Seale and Tom Fekete upon completion for correlation of GRN/CCL log to original open-hole log run in well for perforating.
6. Perforate the WAGU #007 over the following 19 intervals (15 New Intervals & 4 Re-Perf Intervals) using 3-1/8" Hollow-Carrier slick perforating guns with 19-grain charges:

Interval No.	Perf Interval		No. of Ft	SPF	No. of New Perfs	
	Top	Bottom				
1	2,024'	2,032'	8'	2'	16	Re-Perf Loco Hills
2	2,058'	2,062'	4'	2'	8	
3	2,068'	2,076'	8'	2'	16	
4	2,092'	2,102'	10'	2'	20	
5	2,110'	2,116'	6'	2'	12	
6	2,132'	2,136'	4'	2'	8	Re-Perf Metex
7	2,142'	2,147'	5'	2'	10	
8	2,154'	2,156'	2'	2'	4	
9	2,160'	2,170'	10'	2'	20	
10	2,175'	2,180'	5'	2'	10	
11	2,201'	2,209'	8'	2'	16	Re-Perf Premier
12	2,212'	2,218'	6'	2'	12	
13	2,228'	2,234'	6'	2'	12	
14	2,250'	2,256'	6'	2'	12	
15	2,260'	2,266'	6'	2'	12	
16	2,276'	2,284'	8'	2'	16	Re-Perf Premier
17	2,305'	2,312'	7'	2'	14	
18	2,316'	2,320'	4'	2'	8	
19	2,322'	2,332'	10'	2'	20	
<b>TOTALS</b>			<b>123'</b>		<b>246</b>	

7. Acidize Perforated Intervals using **Retrievable Packer/Retrievable Bridge Plug method**.  
**Acid Job Total: 10,500 gal 15% NEFE HCl** (average 85.4 gal/ft of perfs - 33.0 gal/perf) with acid booster, anti-sludge, paraffin solvent, scale inhibitor, and demulsifiers, pumped at 1.0-1.5 BPM

Trip in hole with rental 5-1/2"x2-1/8" retrievable treating packer, rental 5-1/2" retrievable bridge plug & setting tool on workstring. Acidize the perforations in the following **6 Stages**:

<b>CAPACITIES:</b>	2-3/8" 4 7# J-55 EUE Tubing	0.00387 Bbls/ft	258.65 ft/Bbl
	5-1/2" 14# J-55 8rd Casing	0.0238 Bbls/ft	42.01 ft/Bbl

**STAGE 1:**

**Set RBP @ 2,334'**

**Set Retrievable Pkr @ 2,294'**

**Treating Interval = 40'**

Perfs: 2,305' - 2,312' 7'  
 2,316' - 2,320' 4'  
 2,322' - 2,332' 10'

Re-Perf of Premier

**TOTAL 21' of perfs**

**ACIDIZE with 1,800 gal 15% NEFE HCl (42.9 bbls acid) + additives at 1.0-1.5 BPM**

**FLUSH** to bottom of perfs with approximately **9.8 Bbls WAGU produced water**.

Shut well in for 2 hours for acid to spend

Open well and flow back into Water Truck & haul flowback to commercial disposal.

**STAGE 2:**

Release Pkr &amp; retrieve RBP

Set RBP @ 2,294'

Set Retrievable Pkr @ 2,246'

Treating Interval = 48'

Perfs:	2,250' - 2,256'	6'	
	2,260' - 2,266'	6'	
	2,276' - 2,284'	8'	Re-Perf of Premier
	<b>TOTAL</b>	<b>20'</b>	<b>of perfs</b>

**ACIDIZE with 1,800 gal 15% NEFE HCl (42.9 bbls acid) + additives at 1.0-1.5 BPM**

FLUSH to bottom of perfs with approximately 10.0 Bbls WAGU produced water

Shut well in for 2 hours for acid to spend

Open well and flow back into Water Truck &amp; haul flowback to commercial disposal

**STAGE 3:**

Release Pkr &amp; retrieve RBP

Set RBP @ 2,246'

Set Retrievable Pkr @ 2,190'

Treating Interval = 56'

Perfs:	2,201' - 2,209'	8'	
	2,212' - 2,218'	6'	
	2,228' - 2,234'	6'	Re-Perf of Premier
	<b>TOTAL</b>	<b>20'</b>	<b>of perfs</b>

**ACIDIZE with 1,750 gal 15% NEFE HCl (41.7 bbls acid) + additives at 1.0-1.5 BPM**

FLUSH to bottom of perfs with approximately 9.8 Bbls WAGU produced water

Shut well in for 2 hours for acid to spend

Open well and flow back into Water Truck &amp; haul flowback to commercial disposal

**STAGE 4:**

Release Pkr &amp; retrieve RBP

Set RBP @ 2,190'

Set Retrievable Pkr @ 2,126'

Treating Interval = 64'

Perfs:	2,132' - 2,136'	4'	
	2,142' - 2,147'	5'	
	2,154' - 2,156'	2'	
	2,160' - 2,170'	10'	
	2,175' - 2,180'	5'	
	<b>TOTAL</b>	<b>26'</b>	<b>of perfs</b>

**ACIDIZE with 2,100 gal 15% NEFE HCl (50.0 bbls acid) + additives at 1.0-1.5 BPM**

FLUSH to bottom of perfs with approximately 9.8 Bbls WAGU produced water

Shut well in for 2 hours for acid to spend

Open well and flow back into Water Truck &amp; haul flowback to commercial disposal

**STAGE 5:**

Release Pkr &amp; retrieve RBP

Set RBP @ 2,126'

Set Retrievable Pkr @ 2,050'

Treating Interval = 76'

Perfs:	2,058' - 2,062'	4'	
	2,068' - 2,076'	8'	
	2,092' - 2,102'	10'	
	2,110' - 2,116'	6'	
	<b>TOTAL</b>	<b>28'</b>	<b>of perfs</b>

**ACIDIZE with 2,250 gal 15% NEFE HCl (53.6 bbls acid) + additives at 1.0-1.5 BPM**

FLUSH to bottom of perfs with approximately 9.7 Bbls WAGU produced water

Shut well in for 2 hours for acid to spend

Open well and flow back into Water Truck &amp; haul flowback to commercial disposal

**STAGE 6:**

Release Pkr & retrieve RBP

Set RBP @ 2,050'

Set Retrievable Pkr @ 2,014'

Treating Interval = 36'

Perfs: 2,024' - 2,032'

8'

Re-Perf of Loco Hills

TOTAL

8' of perfs

**ACIDIZE with 800 gal 15% NEFE HCl (19.1 bbls acid) + additives at 1.0-1.5 BPM**

FLUSH to bottom of perfs with approximately 8.7 Bbls WAGU produced water.

Shut well in for 2 hours for acid to spend.

Open well and flow back into Water Truck & haul flowback to commercial disposal.

8. Release packer & retrieve RBP. POOH. Have water truck on hand to kill well if it tries to come in during trip.
9. Trip in hole with 2-3/8" workstring with muleshoe on bottom & tag for fill. Circulate hole clean to PBTD with water truck using clean produced water from the WAGU Water Station. POOH.
10. Run in hole with 2-3/8" tubing & 5-1/2" x 2-3/8" TAC.  
Be sure to replace 18" - 2-3/8" Muleshoe Joint below Seating Nipple with 2-3/8" Slotted Sub with X-overs to 2-7/8" EUE J-55 8rd Mud Anchor with BP on bottom. Place Seating Nipple as near bottom of perfs as practical.
11. Pressure test tubing to 5,000 psig while going in hole.  
Set TAC between 1,950-2,000. Run pump & rods. Check pump for good pump action. RDMO Pulling Unit rig.
12. Return well to production and report daily production tests to Midland Office.

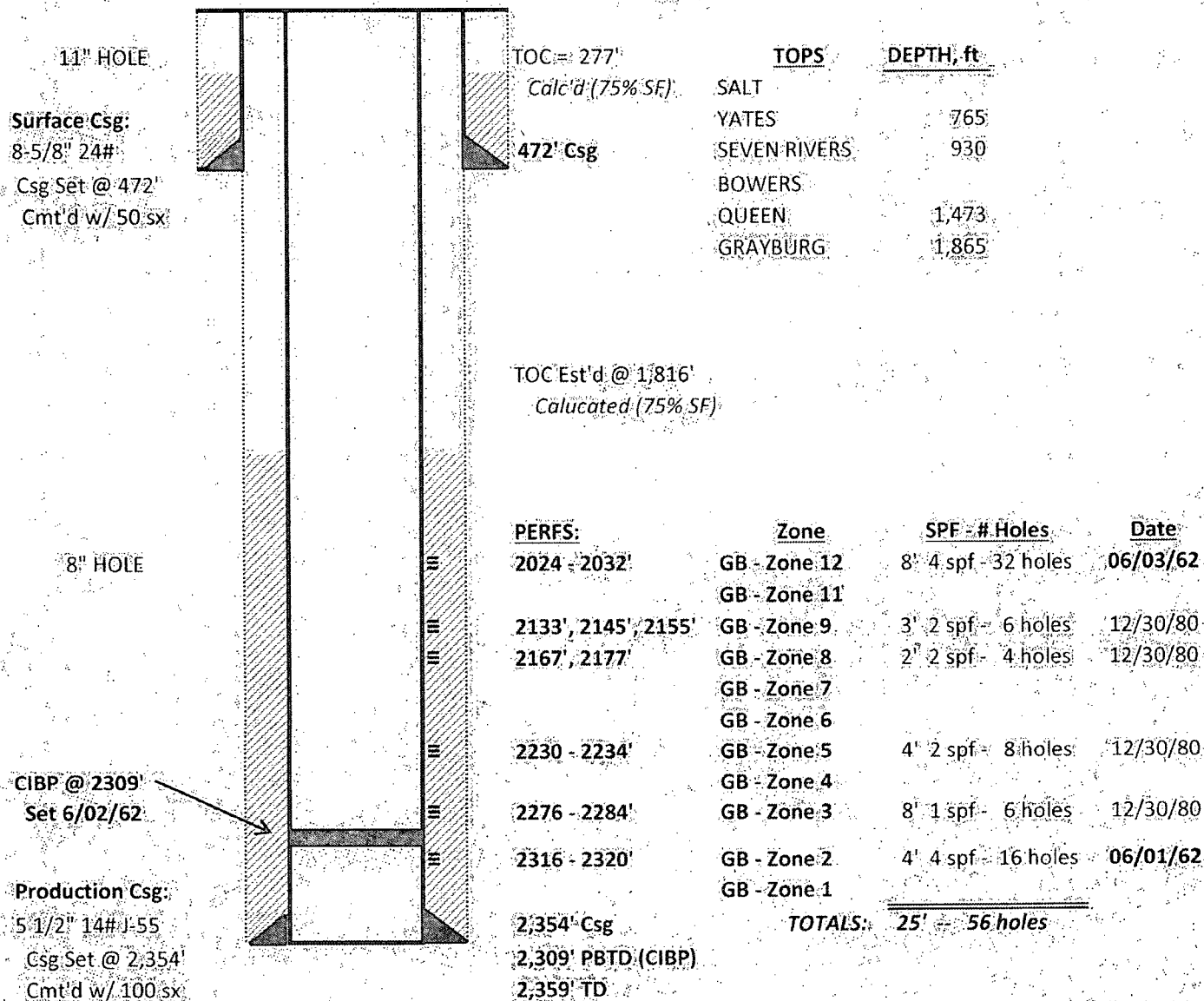
H. Patrick Seale

April 14, 2014

**ALAMO PERMIAN RESOURCES, LLC**  
**WELLBORE DIAGRAM**

Lease/Well No.: **WAGU No. 007** ELEVATION, GL: 3,635 ft  
 Location: 2,310' FNL & 990' FEL  
 UL: H, SEC: 8, T: 18-S, R: 28-E FIELD: ARTESIA: QN-GB-SA  
 EDDY County, NM  
 LEASE No.: State OG-5851 Spudded: 5/3/1962  
 API No.: 30-015-02639 Drilg Stopped: 5/27/1962  
 Completed: 7/23/1962

**CABLE TOOLS**



Originally Drilled as Signal State #1 by Kincaid & Watson Drilling Co.  
 Renamed WAGU Tract 10 #7 - 03/21/68.  
 GB Zone 2 Perfs (2316-2320') isolated by CIBP @ 2309' after tests 06/01/62.

**Cumulative Prod. (11/30/13):**

OIL	58.621	MBO
GAS	0.057	MMCF
WATER	95.898	MBW
INJECT.	---	MBW

HPS: 04/14/2014

## WAGU No. 007

## WELL PERFORATION, ACID JOB, FRAC JOB, &amp; 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
2,316	2,320	GB - Zone 2	6/1/1962			6/1/1962	25,000	Gelled Oil	35,000	n/a		6/1/1962	26	0	232
SET CIBP @ 2,309" (6/02/62) - FOLLOWING TESTS --- ISOATED GB ZONE 2 PERFS															
2,024	2,032	GB - Zone 12									Pre-Frac Test	6/2/1962	0.3	0	0
2,024	2,032	GB - Zone 12	6/3/1962			6/3/1962	34,500	Gelled Oil	56,000	n/a		7/23/1962	15	0	0
2,133		GB - Zone 9	12/30/1980	1,000	15% HCl				5 ft of perfs		10 perfs	12/31/1980	20	0	10
2,145		GB - Zone 9							200.0 gal/ft of perfs		100.0 gal/perf		All Zones		
2,155		GB - Zone 9													
2,167		GB - Zone 8													
2,177		GB - Zone 8													
2,230	2,234	GB - Zone 5	12/30/1980	500	15% HCl				4 ft of perfs		8 perfs				
									125.0 gal/ft of perfs		62.5 gal/perf				
2,276	2,284	GB - Zone 3	12/30/1980	500	15% HCl				8 ft of perfs		6 perfs				
									62.5 gal/ft of perfs		83.3 gal/perf				