District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Form C-101 May 27, 2004

Oil Conservation Division RECEIVED Submit to appropriate District Office

1220 South St. Francis Dr. MAR 1 7 2005 Santa Fe, NM 87505

☐ AMENDED REPORT

APPI	ICATI	ON FO	OR PERMI?	Г ТО D '	RILL, RE-	ENTE	ER. DI	EEPEI	対:外内tpg// N, PLUGBAC	ζ ČK.	OR AD	D A ZONE
Brothers Pro	duction Co		Operator Name	e and Addre	SS				2936	² OGF	RID Number	г
PO Box 7515 Midland, TX	1	, 							30 -015-32438		PI Number	
³ Property Code ⁵ Property											⁶ Wel	ll No
30501	_ =		SHUGART ST	ATE COM	1		г		10 5	2		
Worker Worker	e S (' ' ' ') (fcamp	hugai	Proposed Pool 1						Shugan	osed Po	ol 2	nain Namal
	ltanip				⁷ Surface	Locati	ion		7,00			Hira Harry
UL or lot no.	Section 16	Township	Range 31-E	Range Lot Idn Feet fr		om the	North/S	South line uth	Feet from the 1650		t/West line West	County Eddy
	L	1 40 0		osed Bott	om Hole Locar						11000	Ducy
UL or lot no.	Section	Township		Lot I				South line	Feet from the	East	t/West line	County
	·			Ad	lditional We	ell Info	rmatic	on				
P	Type Code	×	Well Type Co		¹³ Cable	e/Rotary			Lease Type Code		3659'	and Level Elevation
N 16 M	fultiple		¹⁷ Proposed Dep	pth		mation fcamp			19 Contractor		2	²⁰ Spud Date
Depth to Grou	ındwater	115'	,	Distanc	ce from nearest fres	sh water v	well 2.5	5 miles	Distance from	n neare	st surface w	ater
	Synthetic		mils thick Clay	☐ Pit V	olume:bbl	ls		rilling Met				
Close	ed-Loop Sys	stem 🔼	2	1 D		-100			Brine Die	:sel/Oil	-hased L_1	Gas/Air L1
		Τ		<u> Propos</u> 	sed Casing a							7
Hole S	ıze	+	Casing Size	Casing	g weight/foot	 	Setting De	epth	Sacks of Cement Estimated TOC			Estimated TOC
		<u></u>				<u> </u>						
		—		 		 						
22 Describe t	he propose	A program	If this annlicatio	n is to DEE	DENI OF PILIG B.	ACK giv	a the dat	on the n	recent productive zo	one and	4 proposed	new productive zone.
			orogram, if any. Us				C the can	a on the p	resent productive 20	JIIC and	T broboser :	new productive zone.
Well is no	erforate	ed in th	e Morrow for	rmation	from 11.69	5' to 1	1.768°	. and h	as not produc	ced s	ince Ma	rch. 2004,
	VI 40 -		/ 1/10110		110111 1-,	J	1,,	,	us not brown		11100 1.20	1011, 200
All recov	ered flu	ids wil	l be contained	d in stee	l tankage, p	its wil	l not b	e used	•			
We do no	4 avnac	t to one	ounter H2S i	in any of	f the proper	od oon	nlati	^# 70 # (
We do no	n expec	to enc	Junier 1123 i	пануо	tue propos	eu con	uhien	JH ZUNG	:S.			
Please sec	e the att	ached	recompletion	proced	ure.	1						
		7 H (· regi	rined	for n	nolto	, 2	cre	5			
²³ I hereby cer	rtify that th	e informat	ion given above is further certify th	true and co	mplete to the	DX.	<u> </u>		ONSERVAT	TON	DIVISI	ION
constructed a	according t	to NMOC	D guidelines 🔼 :	at the urm a general p	permit \square , or	Approv	ved by:					
an (attached)) alternativ	/e OCD-a	pproved plan .								GUM	
Printed name:	Robert	Newtor	Kabet	Newto	<u> </u>	Title:		444	DISTRICT	<u>II S</u>	UPERV	/ISOR
Title: Petro	leum En	gineer				Approv	val Date:	翻AK 4	2 2 2005 Ex	xpiratio	on Date:	AR 2 2 2006
E-mail Addre	ss:					<u> </u>						MI ∾ ~ ₽000
Date: 03-16-2005 Phone: (432) 682-2516					Conditions of Approval Attached							

Shugart State Comm. #2

Eddy County, New Mexico

Recompletion Procedure

Note: All perforation depths as per Schlumberger CBL dated 12-5-2002

Wolfcamp

- 1) MIRU workover rig. POH w/ rods and pump. Install BOP and POH w/ tbg and TAC. Lay dn 2172′ tbg.
- 2) Set CIBP@ 11650'. Dump 25' cmt. Perf 9611-26' with 2 JSPF.
- 3) RIH w/ sn, 4 jts tail pipe and pkr to 9630+'. Load hole w/ 2% KCL. Spot 4 bbls acid. Break dn. Set EOT at 9550'. A/1000 gal 15% NEFE + 40 balls.

4/35 CMT

4) Swab and evaluate.

Brushy Canyon

- 5) POH w/ pkr laying down 3550' tbg. Set CIBP + cmt @ 9550'. Perf 5962-74' 2JSPF.
- 6) RIH w/ sn, 4 jts tail pipe and pkr to 5974+'. Spot 1000gal 15% NEFE. Acidize well.
- 7) Swab and evaluate.

Delaware

- 8) POH w/ tbg and pkr. Perf 5034-44' w/ 4JSPF.
- 9) RIH w/ RBP, 4jts tail and pkr. Set RBP @ 5200'. Test plug. Set EOT at 5044+'. Acidize w/ 1000 gal 7 ½% mud acid.
- 10) Swab and evaluate for possible frac.

Bone Springs

- 11) Fish RBP and POH. Perf 8612-32' 2JSPF.
- 12) RIH with tail pipe and pkr to 8632+'. Spot 150 gal 7 ½% acid. Break dn formation. Pull EOT to 8500'. Acidize w/ 1500 gal 7 ½% acid + 60 balls. Swab back load.
- 13) POH w/ 2 7/8" tbg (lay dn all tbg and rods if frac crew not available). RIH w/ pkr and 3 ½" workstring.
- 14) Frac well as per procedure. Leave SI 4 hrs for resin to cure. Flow back. Lay down workstring.
- 15) Run 2 7/8 tbg and TAC. Run rods and pump.
- 16) Set 456 unit
- 17) Build tank battery.

District I 1625 N. French Dr., Hobbs, NM 88240 District II

1301 W. Grand Avenue, Artesia, NM 88210

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

		1	<u>WEĻL LC</u>	<u>CAT</u>	<u>101'</u>	N AND ACE	REAGE DEDIC	CATIC	N PL	AT	4		
	PI Numbe	er		² Pool	Code	· / .	des. Shu		³ Pool Na	me			
30-015-32438						<u> </u>	des. Shu	gar	1; L	volfa			
¹ Property C	ode	G 1 .	a a			5 Property	Name	9				Well Numb	er
30501 Shu			State Com								2		
	NO	Ducthou	a Duadwatian ('a Ina		* Operator	Name					' Elevation	
2936		Бгоппег	s Production (.o., 1nc		10 Cymfaga					3659'		
		· 12*********				Surface	Location	r					
UL or lot no.		Township	1 -	·							/West line		County
K	16	18-S	31-E			1850	South			West		Eddy	
			11 Bo	ttom	<u>Hol</u>	e Location I	f Different Fro	m Sur	face				
UL or lot no.	Section	Township	Range		t Idn	Feet from the	North/South line		from the	East	/West line		County
12 70 11 11 11	13	<u> </u>	110 111		15.0			<u> </u>					
12 Dedicated Acres	13 Joint o	r Infill	14 Consolidation	Code	" Or	der No.							
40													
										,			
NO ALLOW	ABLE V	VILL BE	E ASSIGNET	тот с	HIS	COMPLETIO	N UNTIL ALL IN	ITERES	TS HAV	VE BEEN	CONS	OLIDAT	ED OR A
							EN APPROVED F						
16										RATO	D CED	TIEIC	A TION
										tify that the ir			
		ļ											
								'		e to the best of			uej.
								į.	Ful	bet 1	ando	(
								1	Signature		·		
											•		
								1	Robert N	lewton			
				Ì				1	Printed Name				
				-]	Petroleui	m Enginee	er		
			40-8					1-	Title and E-ma	ail Address			
			Dec	icatio	on			- 1	03-16-20				
			/					-	Date				
			×					1	Jate				
					•			.1	18SURV	VEYOR	CERT	IFICA	TION
		A						ii ii		tify that the w			
									olotted from	field notes of	actual surv	eys made by	me or under
1650)'								ny supervisi	on, and that	the same is i	rue and con	rect to the
•		9				F	ECEIVED	J.	est of my b				
							MAR 1 7 2005	ľ	-23 0	···			
· 		TONE SE	ETTERNI PER	19			N .	-					
						- OK	A-WOLESIV	ll l	Date of Surve	•			
									signature and	l Seal of Profe	ssional Surve	уог:	
			1850'										
								_					
		₩						0	Certificate Nu	mber			
		<u> </u>											

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

		WE	ELL LO	CATIO	N AND ACE	REAGE DEDIC	CATION PL	AT			
30-015-32438	7		² Pool Code	, <	Shugari	me .	Nov-	}			
⁴ Property		1	⁵ Property Name						Well Number	.	
30501		Shugart Sta	te Com						2		
OGRID 7	No				8 Operator	Name			' Elevation		
2936		Brothers Pr	oduction (Co., Inc.					3659'		
	¹⁰ Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the			East/West line			County
K	16	18-S	31-E		1850	South	1650	West		Eddy	
			¹¹ Bo	ttom Hol	le Location I	f Different Fro	m Surface	A		•	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/	West line		County
12 Dedicated Acres	s l ¹³ Joint o	r Infill 14 Co	nsolidation	Code 15 Or	der No.		<u> </u>				

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A

*****	NON-STANDAR	<u>RD UNIT HAS BEEN APPROVED BY TH</u>	IE DIVISION
16			17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Ribert Nauton Signature
	40-acre Dedication	n MAR 17 2005	Printed Name Petroleum Engineer Title and E-mail Address 03-16-2005 Date
1650'			¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
	1850'		Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

30501

2936

30-015-32438

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

. St. Francis Dr., San		\square amended r eport				
	WEI	L LOCATION A	ND ACREAGE	DEDICATION	PLAT_	
¹ API Num	ber	² Pool Code			ool Name	
15-32438			Undes.	Shugart;	Dalaw	ia K
¹ Property Code			⁵ Property Name			Well Number
)1	Shugart State	Com			l	2
OGRID No			Operator Name			'Elevation
í	Brothers Prod	luction Co., Inc.				3659'

Surface Location UL or lot no. Feet from the North/South line East/West line Section Township Lot Idn Feet from the Range County K 16 18-S 31-E 1850 South 1650 West Eddy 11 Bottom Hole Location If Different From Surface East/West line UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the County 12 Dedicated Acres ¹³ Joint or Infill Consolidation Code 15 Order No. 40

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A

	MON-STANDARD ONLL HAS BE	<u> </u>	IE DATION
16			¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true
			and complete to the best of my knowledge and belief.
			Robert Naw You
	·		Signature
			Robert Newton
			Printed Name
			Petroleum Engineer
	40-acre		Title and E-mail Address
	Dedication		03-16-2005
	/		Date
	* explanation of the control of the		
			¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was
1650'	EC2 SE3	EIVED	plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the
	MAR	1 7 2005	best of my belief.
	labu:	A四十年QIC	
			Date of Survey
			Signature and Seat of Professional Surveyor:
	1850'		·
	▼		Certificate Number