

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

WELL API NO. 30-015-24429
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name LOVING 1 STATE ✓
8. Well Number 2 ✓
9. OGRID Number 272295 ✓
10. Pool name or Wildcat BLACK RIVER EAST FIELD
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3128 GR

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)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
THREE RIVERS OPERATING COMPANY, LLC

3. Address of Operator
1122 S. CAPITAL OF TX HWY, SUITE 325, AUSTIN, TX 78746

4. Well Location
 Unit Letter **N** : **990** feet from the **SOUTH** line and **2110** feet from the **WEST** line
 Section **01** Township **24S** Range **27E** NMPM County **EDDY**

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL
 DOWNHOLE COMMINGLE

SUBSEQUENT REPORT OF:

REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB

OTHER:

OTHER:

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.

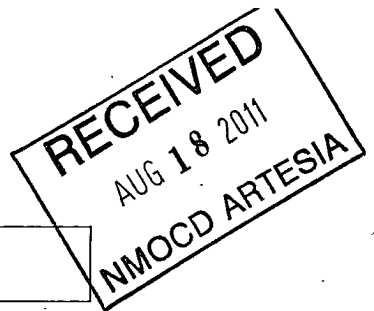
Well is currently TA'd with a CIBP set @ 10,260'; PBSD is 10,220'.

Please see attached document for procedure to recomplete in the Bone Springs formation.

* Not permitted for Bone Springs formation.

File C-101, C-102

- Closed loop system required for this operation. File C-144 to NMOC.



Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE TITLE: OPERATIONS ENGINEER DATE: 08/11/2011

Type or print name **TOM STRATTON** E-mail address: **tstratton@3rn.com** PHONE: **512-706-9849**

For State Use Only
 APPROVED BY **David May** TITLE **Field supervisor** DATE **8-23-11**
 Conditions of Approval (if any): **626-0843**

*



August 4, 2011

LOVING 1 STATE 2
API # 30-015-24429
SEC 1-24S-27E
BLACK RIVER EAST FIELD
EDDY COUNTY, TX

WELL IS CURRENTLY TA'D WITH A CIBP SET @ 10,260'; PBTD IS 10,220'

RECOMMENDATION: RECOMPLETE WELL IN BONE SPRINGS AS FOLLOWS:

3RD BS 8858-9146'
2ND BS 8270-8336'
2ND BS 7562-7710'
1ST BS 6920-7097'
2ND AVALON 6432-6582'
1ST AVALON 6022-6120'
(ALL PERFS 2 SPF)

WELLBORE:

13-3/8" H40 48# @ 567' W 530 SX; CMT CIRC
9-5/8" J55 36# @ 2255' W 960 SX; CMT CIRC
7" N80 26# @ 10,562' W 1357 SX; TOC 2200'
LINER - 4-1/2" P110 11.6# 10,228-12,840'
CIBP SET @ 10,260' W 35' CMT; PBTD 10,220'

PROCEDURE:

1. RIG UP WIRELINE; RIH W GAUGE RING & JUNK BASKET TO PBTD
2. PRESSURE UP TO 1500#; RUN GR-CBL FROM PBTD TO TOC
3. PREPARE LOCATION; CHECK & TEST ANCHORS, SET TANKS AND EQUIPMENT
4. MIRU WORKOVER RIG; INSTALL 10K DV FRAC HEAD
5. PRESSURE UP ON CASING TO 6500#; IF OK, PROCEED
6. BLEED PRESSURE OFF TO 3000#;
7. PERF 3RD BONE SPRINGS: **8858-9146'** W 2SPF; BREAK DOWN PERFS
8. ACIDIZE & FRAC PER FRAC PROCEDURE; FLUSH WITH ACID SPOT
9. SET CFP @ 8450'; PRESSURE UP TO 3000#
10. PERF 2ND BONE SPRINGS: **8270-8336'** W 2 SPF; BREAK DOWN PERFS
11. ACIDIZE & FRAC PER FRAC PROCEDURE; FLUSH WITH ACID SPOT

12. SET CFP @ 7810'; PRESSURE UP TO 3000#
13. PERF 2ND BONE SPRINGS: 7562 - 7710' W 2 SPF; BREAK DOWN PERFS
14. ACIDIZE & FRAC PER FRAC PROCEDURE; FLUSH WITH ACID SPOT
15. SET CFP @ 7200'; PRESSURE UP TO 3000#
16. PERF 1ST BONE SPRINGS: 6920 - 7097'; BREAKDOWN PERFS
17. ACIDIZE & FRAC PER FRAC PROPOSAL; FLUSH WITH ACID SPOT
18. SET CFP @ 6700'; PRESSURE UP TO 3000#
19. PERF AVALON: 6432 - 6582' W 2 SPF; BREAK DOWN PERFS
20. ACIDIZE & FRAC PER FRAC PROPOSAL; FLUSH WITH ACID SPOT
21. SET CFP @ 6250'; PRESSURE UP TO 3000#
22. PERF AVALON: 6022 - 6120' W 2 SPF: BREAK DOWN PERFS
23. ACIDIZE & FRAC PER FRAC PROPOSAL; NORMAL FLUSH
24. FLOW WELL BACK UNTIL IT DIES
25. RIH W/ BIT & TBG & DRILL OUT 5 - CFP'S WITH FOAMED AIR UNIT
26. CLEAN OUT TO PBTD; CIRCULATE CLEAN; PULL TBG
27. RIH WITH PRODUCTION TUBING WITH BHA
28. RIH WITH RODS & PUMP TO S.N.
29. SET PUMPING UNIT WITH GAS ENGINE
30. SET APPROPRIATE SEPARATION AND STORAGE FACILITIES FOR OIL, GAS AND WATER PRODUCTION.
31. RETURN WELL TO PRODUCTION
32. TEST

RESPECTFULLY;



TOM STRATTON
OPERATIONS

CURRENT

WELL NAME: Loving 1 State 2 SPUD DATE: 3/17/83 LEASE #: 022554
 COUNTY: Eddy RR DATE: LOCATION: Sec. 1 - 24S - 27E
 STATE: NM COMPL DATE: FIELD: Black River East
 API #: 30-015-24429 FORMATION: Wolfcamp

TD: 12840' PBSD: 12175' ELEVATION: 3128' GR

PIPE RECORD								CEMENT & HOLE DATA				
CSG	OD	GRADE	THD	WT/FT	TOP	BTM	# JTS	BIT SIZE	DEPTH	SX	WT.	Top Cmt
Surf	13-3/8"	H-40	ST&C	48.00#	0	587'		17-1/2"		530		0
Int	9-5/8"	J-55	LT&C	36.00#	0	2,341'		12-1/4"		960		0
Int	7"	N-80	LT&C	26.00#	0	10,562'		8-3/4"		1357		N/A
Prod	4-1/2"	P-110	LT&C	11 6#	10,228'	12,840'		6-1/4"		425		
Tbg												

REMARKS:

Perfs @ 12,655-662' squeezed w/40 sx cmt.

6/9/2006: Acdz Lwr Mrrw with 1500 gls, 7.5% Morrow Acid and 32 ball seals

6/16/2006: Set CIBP @ 12530', EOT @ 12155'

6/17/2006: Acdz Uprr Mrrw with 2400 gls, 15% Petrol 10

7/31/2007: Set CIBP @ 12175'. Dump bail 35' cement on top of CIBP.

8/2/2007: (10,310'-10,394') Acdz w/3000 gals 7.5% NeFe acid
Dropped 75 ball sealers Did not ball out.

08/16/2010: CIBP Set @ 10260' Temporarily Abandon

CSG COLLARS ELM/GRM

CAPACITIES (BBL/FT) (FT/BBL) (CF/FT)

TBG
CSG
LINER:

VOLUME BETWEEN (BBL/FT) (FT/BBL) (CF/FT)

TBGxCSG:
TBGxLNR:
CSGxHOLE.
LNRxHOLE:

PERFORATION RECORD

DATE	TOP	BTM	ZONE	STAT
6/7/2006	12,658'	12,692'	Morrow	Abandon
4/30/1983	12,655'	12,662'	Morrow	Sqz'd/Abdn
5/5/1983	12,400'	12,430'	Morrow	Abandon
5/12/1983	12,395'	12,400'	Morrow	Abandon
5/5/1983	12,316'	12,395'	Morrow	Abandon
5/5/1983	12,231'	12,243'	Morrow	Abandon
8/1/2007	10,392'	10,394'	Wlfcmp	Abandon
8/1/2007	10,362'	10,366'	Wlfcmp	Abandon
8/1/2007	10,310'	10,330'	Wlfcmp	Abandon

ENGINEER: Ken Krawietz GEOLOGIST:

SRC Wt%: 43.51%

PENALTY: FERC CLASS:
EST WHSIP: 750 psi

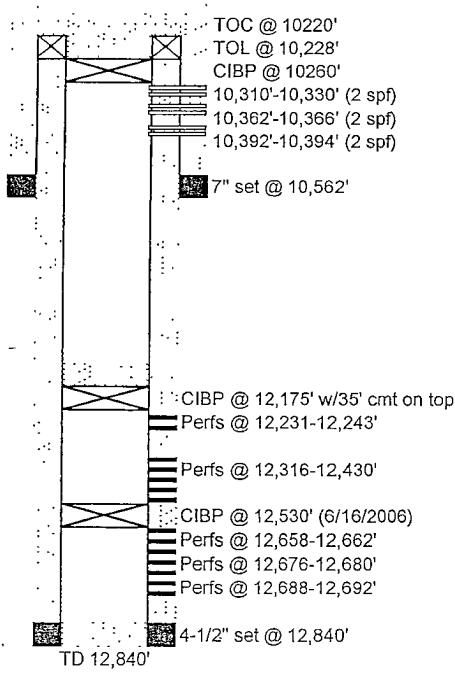
SRC OFFSET: Loving 1 State 1 - Morrow

ZONE: Morrow

FORCE POOL: COMPRESSION: yes

BHT: 195

LOGS: CNL/LDT, DLL; EPT; LDT/CNL/EPT



PREPARED BY: Jeff Ross OFFICE: (432) 683-7063
 DATE: 6/8/1993 FAX #: (432) 683-6847
 Updated: 7/9/1996
 Updated: 4/28/00 jdb 08/23/2010 gls

PROPOSED

CURRENT

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CSG.
LINER.

VOLUME BETWEEN (BBL/FT) (FT/BBL) (CF/FT)

TBGXCSG
TBGXLNR:
CSGXHOLE
LNRXHOLE

PERFORATION RECORD

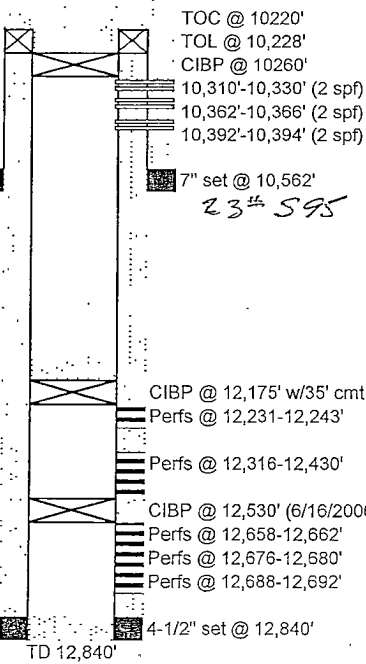
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 FERC CLASS:
 EST WHSIP: 750 psi
 PENALTY:
 SRC OFFSET: Loving 1 State 1 - Morrow
 ZONE: Morrow
 FORCE POOL:
 BHT: 195 COMPRESSION: yes
 LOGS: CNL/LDT; DLL; EPT, LDT/CNL/EPT

1st AV
AV
1st B/S
2nd B/S
3rd B/S

TOC
9-5/8" @ 2255'
K553L#
Proposed
6022-6120
6432-6582
6920-7097
7562-7710
8270-8356
8858-9146

8 1/2" hole - 1857 sx



10226 b/f
44.2759 f/b

1375_{sc}

5,615 cf/bbl X .0226 b/f X L X 2
1.02 ft³/sx

11,052' X 80% = 8842'
10562-8842 = TOC-1720'