

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

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

Form C-103
Revised August 1 2011

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; BONE SPRING (GAS)	
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., #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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

OTHER: **RECOMPLETION** ☒

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.

09/14/11 - Set CIBP @ 10212' w/35' cmt plug; PBTB 10177'; pressure test to 4500# OK

12/14/11 - Set CIBP @ 9520'

12/16/11 - Ran 4 1/2" 11.6# L80 csg to 9498' w/ float collar @ 9422'

12/17/11 - Cmt'd csg w/550 sx Trinity Lite, 13.5# / gal 1.47 yeild; bump plug, set slips

12/27/11 - Ran CBL - TOC - 2550'
Perf 3rd Bone Spring 9142' - 9146' breakdown
Perf 9030' - 9034', 8950' - 8952', 8858' - 8860'

01/03/12 - Frac well per attached

Spud Date:

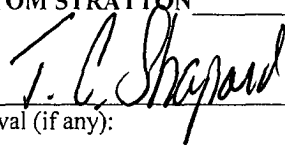
Rig Release Date:

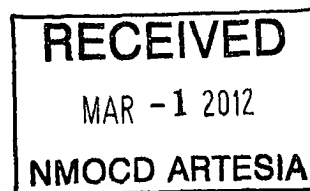
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE **OPERATIONS MANAGER** DATE **01/13/2012**

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

For State Use Only

APPROVED BY:  TITLE **Geologist** DATE **3/5/2012**
Conditions of Approval (if any):



Three River Operating Company LLC

Drilled Out Wellbore Schematic

Lease	Loving 1 State 2
Field	Black River East
County	Eddy
Location	Sec. 1, Twp. 24S, Rge. 27E
State	NM
Log Date	Schlumberger (8-1983)
KB - ft	3148
GL - ft	3128
API #	30-015-24429

Marker JL
N/A

Tree	5" Double Valve 5K Frac Stack
Packer Fluid	N/A

Intermediate
< 9 525", 36 ppf, J-55, LTC
2253'

7" Casing TOC @ 5170' as per Bond Log
Proposed 4.5" Casing TOC @ 2200'

Stage 6 Avalon
6022-6121 30 Holes
134,000 # 20/40 White Sand
3330 bbl of Slickwater & 20# Borate Gel

Stage 5 Avalon
6431-6585 36 Holes
165,000 # 20/40 White Sand
3610 bbl of Slickwater & 25# Borate Gel

Stage 4 1st Bone Springs
6920-7068 36 Holes
155,000 # 20/40 White Sand
3330 bbl of Slickwater & 25# Borate Gel

Stage 3 2nd Bone Springs
7562-7710 36 Holes
165,000 # 20/40 White Sand
3610 bbls of Slickwater & 25# Borate Gel

Stage 2 2nd Bone Springs
8270-8337 28 Holes
118,000 # 20/40 White Sand
2857 bbls of Slickwater & 25# Borate Gel

Stage 1 3rd Bone Springs
8858-9148 40 Holes
154,000 # 20/40 Super LC
3330 bbls of Slickwater & 25# Borate Gel

4.5", 11 6 PPF, N-80, LTC set @ 9500'
Inner String

TOL @ 10228'

Wolfcamp & Morrow Perfs Abandoned
10,310' - 12,692'
See Original Wellbore

7", 28 ppf, N-80, LTC set @ 10562' Intermediate
4.5", 11 6 ppf, P-110, LTC @ 10228'-12,840' Production Liner

CIBP @ 9500'

35' of Cement
CIBP @ 10200'
40' of Cement
CIBP @ 10260'

35' of Cement
CIBP @ 12175'

CIBP @ 12530'

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MAR -1 2012

NMOCD ARTESIA

Prepared by	Tom Bailey
Date	11/23/2011

TD - ft	12,840
PBTD - ft	10,165', CIBP with 35' Cen

WELL NAME: Loving 1 State 2		SPUD DATE: 3/7/83		LEASE #: 022554	
COUNTY: Eddy		RR DATE:		LOCATION: Sec. 1 - 24S - 27E	
STATE: NMA		COMPL DATE:		FIELD: Black River East	
API #: 33-015-24428				FORMATION: Wolfcamp	
TD: 12840		PSTD: 12175		ELEVATION: 3125 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	567		17-1/2"		530		0
Int	9-5/8"	J-55	LT&C	35.00#	0	2341'		12-1/4"		950		0
Int	7"	N-80	LT&C	25.00#	0	10582'		9-3/4"		1357		N/A
Prod	4-1/2"	P-110	LT&C	11.5#	10228'	12540'		5-1/4"		425		
Tbg												

REMARKS:

Perfs @ 12,555-362' squeezed w/40 sx cmt.

6/9/2006: Acids Lwr Mnw with 1500 gals, 7.5% Morrow Acid and 32 ball seals.

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

6/17/2006: Acids Upr Mnw with 2400 gals, 15% Percol 10

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

8/2/2007: (10,310'-10,394') Acids w/3000 gals 7.5% NeFe acid

Dropped 75 ball sealers. Did not ball out.

08/16/2010: CIBP Set @ 10250' Temporarily Abandon

CAPACITIES			
(BBL/FT)	(FT/BBL)	(CF/FT)	
TSG:			
CSG:			
LINER:			

VOLUME BETWEEN			
(BBL/FT)	(FT/BBL)	(CF/FT)	
TSGxCSG:			
TSGxLINER:			
CSGxHOLE:			
LINERxHOLE:			

PERFORATION RECORD				
DATE	TOP	BTM	ZONE	STAT
6/7/2005	12,658'	12,692'	Morrow	Abandon
4/30/1983	12,655'	12,662'	Morrow	9cws/Aban
5/5/1983	12,400'	12,430'	Morrow	Abandon
5/12/1983	12,395'	12,400'	Morrow	Abandon
5/5/1983	12,316'	12,355'	Morrow	Abandon
5/5/1983	12,231'	12,243'	Morrow	Abandon
8/1/2007	10,392'	10,354'	Wfcomp	Abandon
8/1/2007	10,382'	10,365'	Wfcomp	Abandon
8/1/2007	10,318'	10,330'	Wfcomp	Abandon

ENGINEER: Ken Krawetz

SRC WIP: 43.51%

PENALTY:

SRC OFFSET: Loving 1 State 1 - Morrow

ZONE: Morrow

FORCE POOL:

BIT: 195

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

GEOLOGIST:

FERC CLASS: EST WHSIP: 750 psi

COMPRESSION: yes

PERF D

5022-620 A/P/ON

6138-658 A/P/ON

6920-707 15' BS

7500-770 2' BS

5270-733 2' BS

8858-9146-3' BS

TOC @ 10220'

TOL @ 10228'

CIBP @ 10250'

10,310'-10,330' (2 spf)

10,362'-10,365' (2 spf)

10,392'-10,394' (2 spf)

7" set @ 10,562'

CIBP @ 12175' w/35' cmt on top

Perfs @ 12,231-12,243'

Perfs @ 12,316-12,430'

CIBP @ 12,530' (6/16/2006)

Perfs @ 12,558-12,552'

Perfs @ 12,576-12,680'

Perfs @ 12,558-12,692'

4-1/2" set @ 12,840'

TD 12,840'

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MAR - 1 2012

NMOCD ARTESIA

PREPARED BY: Jeff Ross

DATE: 5/6/1993

Updated: 7/9/1996

Updated: 4/26/00 jdb

OFFICE: (432) 583-7053

FAX #: (432) 583-5347

05/23/2010 gja

Three Rivers Operating

WJC, Inc.
Midland Tx, 79701

Consulting Services

Loving 2 St 1
Prep for frac
Eddy Co., NM

Bill Collier
Company Rep.
Office 685 4171
Cell 559 4005

- 1/3/2012 RU Cudd; Allied wireline; HOWCO plugs. Pump 1st stage as per schedule. Fairly tight but no net pressure inc. ; .76 frac gradient. HOWCO plug (3.6" OD) would not go into wellhead. Call for Jmar plug w/ smaller OD 3.51". GIH and set plug @ 8,500'. Perf and break 1st interval stage 2. 2nd and 3rd guns mis-fired - hit something in well @ 78', solid? Pump 140 bbls fluid and TIH w/ weight bar and tag plug at 8500'.
- 1/4/2012 Finished stages 3, 4, 5, 6, as per procedure and set capping CBP at 6,000'. All stages successful. Finish at 5:00 PM
- 1/5/2012 Crew on loc @ 4:00 PM
Rig up Sweeco. RD frac head and inspect csg for tite spot. Install wellhead. RU reverse unit and hook up for drill out frac plugs. RU well service rig. Unload and spot tbgs. on racks.
- 1/6/2012 Crew on loc @ 4:00 PM
RU well service rig. Finish hooking up reverse unit and nipple up BOP. Tally tbgs. TIH to 5935'. Wash 10' sand of plug. Start drilling on plug @ 1 PM Drill 1 foot and bit quit drilling. 2.5 hrs and made no hole. POOH to check bit. Bit appears to be OK. Will retry in AM.
- 1/7/2012 Crew on loc @ 7:00 AM
TIH w/ same bit. Finish drilling 1st plug 35 min. (tag @ 5806' set 5800') plug 2 (tag @ 6297'; set @ 6300'); # 3 (tag @ 6854'; set @ 6710'; 144' low); #4 (tag @ 7250'; set @ 7210'; 40' low); #5 (tag @ 7909'; set @ 7210'; 67' sand on plug); #6 (tag @ 8464'; set @ 8500'; 30' sand on plug); Wash clean to 9,300'. Pull bit back up to 6,03'. Install wellhead wrap-around. ND BOP and NU wellhead. Drop ball to open sliding sleeve in bottom sub. Pressure to 2500 PSI and shear pins open sleeve. Hook well to flow back manifold. Turn over to flow back crew. Crew leave loc at 6:00 AM 1/8/12.

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NMOCD ARTESIA

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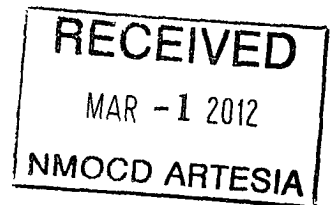
WJC, Inc.
Midland Tx, 79701



Loving 2 St 1
Prep for frac
Eddy Co., NM

Bill Collier
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- 12/13/2011 RU pulling unit. set pipe racks and unload 9650' csg. SIFN @ 6:00 PM
- 12/14/2011 RU Allied and RIH w/ Gr/ JB to 9,600'. RIH w/ CIBP set at 9,520'. Sweeco inspect wellhead and remove wellhead and get ready to change to 4.5" csg hanger.. SIFN @ 4:00 PM Tomorrow finish wellhead; clean csg and drift.
Ready to run csg on Friday.
- 12/15/2011 Clean csg thread and drift csg. change out wellhead to hang 4.5" csg. SIFN @ 4:00 PM Tomorrow run csg and get ready for cmt.
- 12/16/2011 Rig up Allan csg crew tong, elevator, slips and bails to run 4.5" and run 214 jt with 2 marker jts. saw tooth collar on bottom and float collar one jt up. Land Bottom of csg @ 9498'. 18' above CIBP. Circ csg w/ 150 bbls fresh wtr. SIFN @ 5:30 PM Tomorrow ready for cmt.
- 12/17/2011 RU Par Five 10:00 AM to cement 4.5" csg. test lines, pump 50 bbls fresh wtr followed by 550 sxs. trinity lite @ 13.5 #/gal 1.47 yield. cmt. Bump plug w/ 500 above pump pressure 2470 PSI. Check flowback . Good. Set 4.5" slips in wellhead. SIFN @ 5:00 PM
- 12/27/2011 RU Allied wireline and RIH w/ GR/ JB and find PBTD @ 9,380' [float collar @ 9,422']. Run CBL fro TD to TOC @ 2,550' w/ 1,000 PSI on csg. bottom 200' had some spots with weak bonding. Pressure csg and frac valve to 5,000 PSI - held. Make 3 bailer runs and dump 50 gal 10% acetic from 9146' to 9,075'. RIH and pressure to 3500 PSI and perf 9142 to 9146'. Lost 500 PSI when perf. Pump into perfs @ .5 and 1 BPM 3100 PSI and 3300 PSI. ISIP 2900 PSI fell to 2800 PSI in 5 min. Finish perf 9030' - 9034'; 8950' - 8952'; 8858' - 8860'. SIFN @ 1:00 AM



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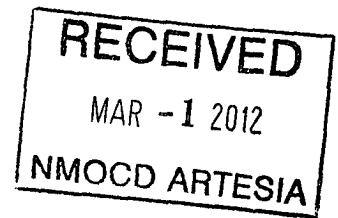
WJC, Inc.
Midland Tx, 79701

Consulting Services

Loving 2 St 1
CSG Inspection
Eddy Co., NM

Bill Collier
Company Rep.
Office 685 4171
Cell 559 4005

- 9/13/2011 RU well service rig and pump truck. SITP = 250 PSI. Flow to tank rec 3 bbls and dead. ND wellhead & NU BOP. Load csg w/ 2 bbls and full. WO WL trk from Lovington Plains 2 -1. RU Allied WL to run CBL. Find PBD @ 10,228'. Run bond log up to 7,200' and trk broke down. SIFN @ 8:00 PM Will fix trk before morning.
- 9/14/2011 Allied WL working and finish CBL. RIH w/ 5.9 gage ring to 10,228'. RIH w/ CIBP and set @ 10,212'. RIH w/ 2 cmt bailer runs and spot 35' cmt on plug. RD Allied WL and RU Baker Atlas to run csg inspection log. While waiting shut blind rams and pressure csg to 4,500 PSI. Held 10 min. no leakoff. Run csg insp log from 10,100' to surf. SIFN @ 7:00 PM
- 9/15/2011 ND BOP NU wellhead. Release Rig and all equip. SIFN @ 9:00 AM



Three Rivers Operating

WJC, Inc.
Midland Tx, 79701

Consulting Services

Loving 2 St 1
Return to prod
Eddy Co., NM

Bill Collier
Company Rep.
Office 685 4171
Cell 559 4005

8/17/2011 RU Dialog to run slim tools CBL. TIH and tag TD @ 10,228' PBTD. Attempt to run bond log but not returning good reading of bond. Pull log to 6850' and shut down and POOH. Well had 1190 PSI pressure. SIFN @ 9:00 PM.

8/18/2011 Set flowback frac tank. Hookup and start flowing back. Well had 1190 PSI pressure. SIFN @ :00 PM.

