Form 3160-5 (August 2007)

DEPARTMENT OF THE INTERIOR CENTER BUREAU OF LAND MANAGEM

| FORM APPROVED | | | | | | | | | |
|-----------------|---------------|--|--|--|--|--|--|--|--|
| Budget Bureau ? | No. 1004-0137 | | | | | | | | |
| Expires: July | 31 2010 | | | | | | | | |

| |] | Expires: | July | 3 | 1, | 20 |
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| 5. | Lease | Serial | No. |
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| N | MNM | 0309 | 377A |

| SUNDRY NOTICES AND REPORTS ON Do not use this form for proposals to drill or | WELLS ARTESIA | |
|--|---------------|---|
| Do not use this form for proposals to drill or the | ole enter an | - |

6. If Indian, Allottee or Tribe Name

abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA, Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 Type of Well NMNM72332 Oil 8. Well Name and No. HJ 13 Federal Com. #1 2. Name of Operator 9. API Well No. Lynx Petroleum Consultants, Inc. 30-015-23781 3b. Phone No. (include area code) 3a. Address 10. Field and Pool, or Exploratory Area P.O. Box 1708, Hobbs, NM 88241 575-392-3575 Lusk: Wolfcamp 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) greenwood 1. County or Parish, State 1980' FSL & 2310' FWL, Sec. 13, T19S, R31E, Unit K Eddy Co., NM

| 12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | | | | | | | |
|---|--|---|---|-------------------------------------|--|--|--|--|--|
| TYPE OF SUBMISSION TYPE OF ACTION | | | | | | | | | |
| Notice of Intent Subsequent Report Final Abandonment Notice | Acidize Alter Casing Casing Repair X Change Plans Convert to Injection | Deepen Fracture Treat New Construction Plug and Abandon X Plug Back | Production (Start/Resume) Reclamation Recomplete Temporarily Abandon Water Disposal | Water Shut-Off Well Integrity Other | | | | | |

- Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be Filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)
 - 1. MIRU pulling unit. Kill well if necessary w/2% KCL TFW. ND wellhead. NU BOP.
 - Release PLT packer at 11707'. Tally tubing OOH.
 - RU wireline unit. Spot 35' cement on top of CIBP @ 11910'.
 - PU CIBP and set @ 11750'. Spot 35' cement on top of CIBP @ 11750'. RD wireline unit.
 - TIH w/tubing OE and spot 5 bbls 15% HCL-NE-FE acid w/EOT at +/-10450'. TOOH w/tubing.
 - RU wireline unit and perforate Wolfcamp carbonate section 10418'-426', 10436'-440' w/4 JSPF (48 holes total).
 - TIH w/pumpout plug set in 1.81R landing nipple, 10' x 2-3/8" sub, 5-1/2" treating packer w/1.87X profile, On/Off tool, 2-3/8" sub, and 2-3/8" tubing. Test tubing in hole to 5000 psig.
 - Set packer at +/-10200'.
 - Set packer at +7-10200.
 Acidize Wolfcamp perforations w/1000 gallons 15% HCL-NE-FE acid plus 60 ball sealers. ACCEPTED for record

10. ND BOP. NU tree.

11. RU swab and test Wolfcamp for oil show.

Wolfcamp zone appears to be non-commercial, a procedure will follow to plug back and test the Bone Springs.

PLUG BACK

SEE ATTACHED FOR CONDITIONS OF APPROVAL

| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) DEBBIE MCKELVEY | Title AGENT 575-392-3575 | |
|---|---------------------------------|--------------------------------------|
| Signature Dellie M. Kelvey. | Date 1/22/13 | PPROVED |
| THIS SPACE FOR FEDER | AL OR STATE OFFICE USE | |
| Approved by | Title | MARPate 7 2013 |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the holds legal or equitable title to those rights in the subject lease which would entitle the applicant to cooperations thereon. | ne applicant induct Office V | VESLEY W. INGRAM TROLEUM ENGINEER |
| | PF | TRULEOW |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make the any department or agency of the United States and false, Fictitious or fraudulent statements or representations as to any matter within its jurisdiction

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II ## | S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 Oistoia III 1000 Rio Brazos Road, Aztec, NM 87410

Phone (505) 334-6178 Fax: (505) 334-6170

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone (505) 476-3460 Fax: (505) 476-3462

District IV

Energy, Minerals & Natural Resources Department 2.5 26 20 Minit of copy to appropriate HOBBS OCDOIL CONSERVATION DIVISION

NMOCD ARTESIA

Form C-102

ÀMENDED REPORT

District Office

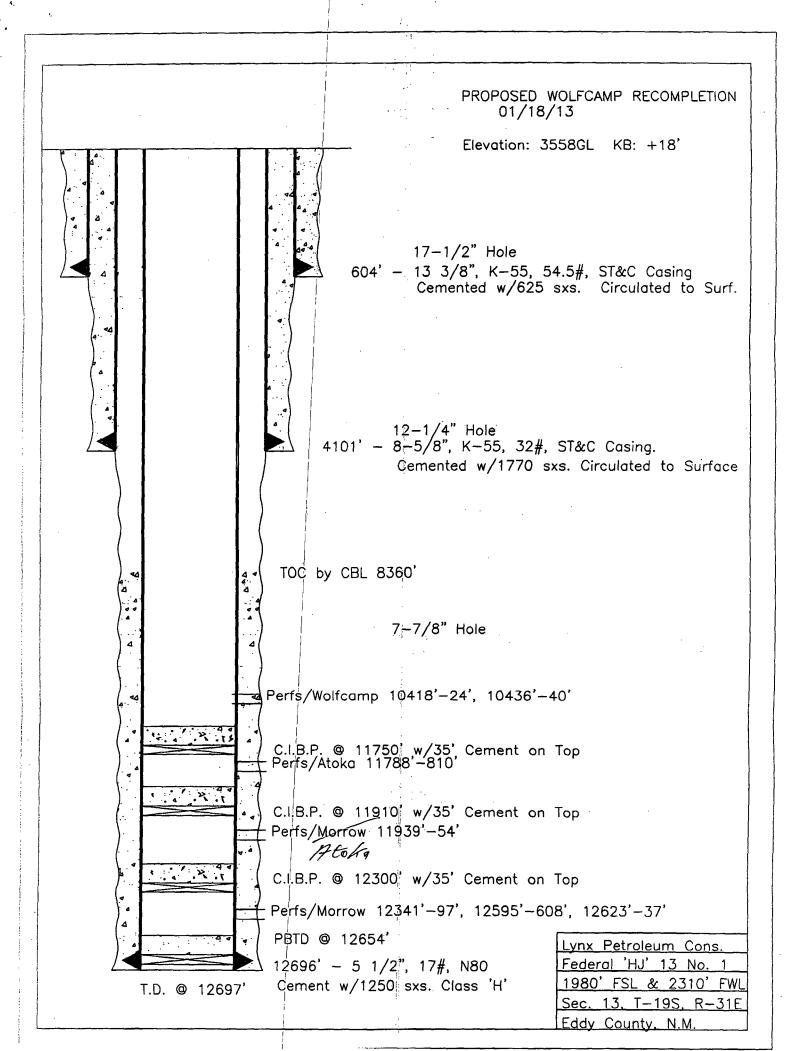
1220 South St. Francis Dr. Santa Fe, NM 87505

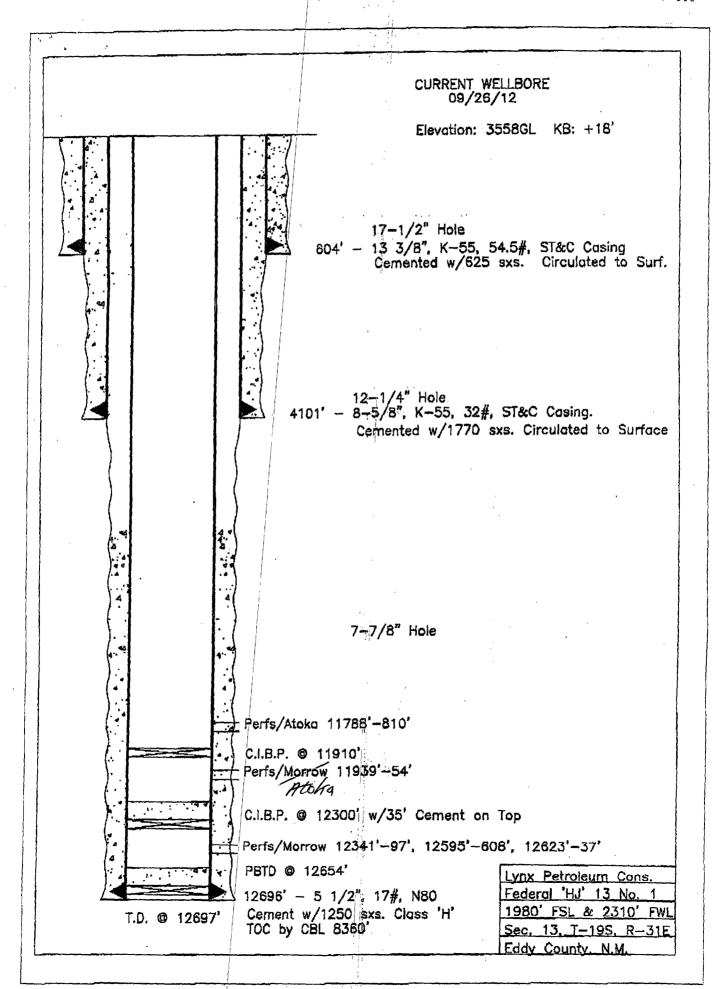
WEILECE CATION AND ACREAGE DEDICATION PLAT

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State of New Mexico

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HJ 13 Federal Com 1 30-015-23781 Lynx Petroleum Consultants, Inc. March 7, 2013 Conditions of Approval

Note: Strawn recompletion was not performed per e-mail from operator on March 6, 2013.

Conditions:

1. Submit a sundry to change the well name as "Com" is no longer needed with a Wolfcamp or potential Bone Spring completion.

2. Notify BLM 575-200-7902 a minimum of 24 hours prior to commencing plug back operations.

- 3. Surface disturbance beyond the originally approved disturbance shall have prior approval.
- 4. A closed loop system is required.
- 5. Functional H2S monitoring equipment shall be on location.
- 6. Operator shall specify BOP size on future submissions. A minimum of a 5000 (5M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
- 7. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
- 8. Operator step 3 operator has the option of pumping sufficient cement on the CIBP at 11910' to bring the top of cement to a minimum of 50' above the uppermost Atoka perforation shown as 11788'. This plug shall be tagged at 11738' or shallower. Operator can also place 35' of Class H cement on the CIBP at 11910' operator shall tag CIBP, place 35' of Class H cement, tag to verify 35'.
- 9. Operator step 4 if operator has opted to set the second CIBP, operator shall place 35' of Class H cement on the CIBP at 11750' operator shall tag CIBP, place 35' of Class H cement, tag to verify 35'.
- 10. Prior to perforating, operator shall perform an MIT on the casing to 500 psi. Test shall be charted and witnessed. A pressure drop may require remedial work before continuing with the remainder of the procedure.
- 11. Operator shall submit a subsequent sundry detailing all operations and a completion report for the recompletion.

12. Work over approval is good until May 15, 2013 at which time the well shall be on production and be producing in paying quantities. Operator shall submit documentation to confirm paying quantities.

WWI 030713