

Submit 1 Copy To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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 and Natural Resources

Form C-103
October 13, 2009

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

WELL API NO. 30-005-62781
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-1952
7. Lease Name or Unit Agreement Name Sunfish State
8. Well Number 1
9. OGRID Number 001092
10. Pool name or Wildcat Foor Ranch; Pre Permian
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3925' KB

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other
2. Name of Operator Armstrong Energy Corporation
3. Address of Operator P.O. Box 1973, Roswell, NM 88202-1973
4. Well Location Unit Letter <u>J</u> : <u>1980</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>32</u> Township <u>9S</u> Range <u>27E</u> NMPM Chaves County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3925' KB

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: 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.

(SEE ATTACHED)

NM OIL CONSERVATION
ARTESIA DISTRICT

DEC 21 2016

File C-105 for new completion

RECEIVED

Spud Date:

Rig Release Date:

Approved for plugging of well bore only.
Liability under bond is retained pending receipt
of C-105 (Subsequent Report of Well Plugging)
which may be found at OCD Web Page under
Forms: www.oilandgas.state.nm.us/oecd.

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

SIGNATURE [Signature] TITLE Operations Manager DATE 12/16/16

Type or print name Kyle S. Alpers E-mail address: kalpers@armstrongenergycorp.com PHONE: (575) 625-2222

For State Use Only

APPROVED BY: [Signature] TITLE COMPLIANCE OFFICER DATE 3/29/2017

Conditions of Approval (if any):

11/2/16 Set CIBP @ 6350', cap with two bailer runs of cement

11/3/16 TIH testing tubing, set packer @ 6206', test tubing and casing, SISD

11/4/16 Trouble getting packer to seal. TOH w/tbg and packer. TIH w/CIBP and set at 5990' and Cap with 35' cement. TIH w/tubing and packer and set at 5891' and test. Release pkr and circ hole with 130bbl FW w/2% KCL. SISD.

11/7/16 RU acidizer and spot 250gal 15% NEFE @ 5890', TOH and LD pkr. RU perforators, TIH and perforate 5853'-5865' 3 SPF 39 shots 120 degree phasing, 5884'-5890' 3 SPF 21 shots 120 degree phasing, 5895' 4 shots 90 degree phasing. TOH, wireline broke at surface and dropped guns in the hole. RD and TIH w/pkr and tbg set pkr at 5003'. Put away shot acid. RD and TOH to pick up fishing tools. PU tools and TIH w/92 stds SISD.

11/8/16 PU 7 jts and tag guns @ 5958', catch fish and TOH. BO fish, PU pkr and TIH w/184 jts. ND BOP, set pkr @ 5777', NU flange, RU swab, swab dry in 4 runs. RU acidizers and pump 2000gal 15% NEFE w/100 ball sealers. No ball action. Well treated at 1.5 BPM @ 4900 psi, ISIP 4877, 5 min 4829, 10 min 4778, 15 min 4741, load to recover 96 ½ bbls. RD

11/9/16 14hr SITP 1960psi, open and FB 4.5bbl@ 80 psi. Died in 15 min. RU Swab. Made 7 runs. LLTR 56.5bbl. SISD.

11/10/16 16 hr SITP 100 psi, blow down and RU swab, 2 runs swab dry recover 2.25BW. RD swab, ND flange, NUBOP, release packer and TOH, SISD.

11/11/16 Open well, 0 psi, RU Renegade Wireline and TIH, tie in, set CIBP at 5775', TOH pick up cement bailer TIH and set 35' of cement on top of CIBP, TOH, PBTD now at 5740', LD 4 jts, pick up S.N. (1.00') and TIH with 180 jts (5629.16') and circulate hole at 5638.16' with 130 bbls 2% KCL water, test CIBP to 750 psi for 15 minutes, held good, LD 4 jts and pickup 7' of sub, ready for spot at 5521.32', SISD.

11/14/16 RU acidizers and spot 250gal 15% NEFE @ 5521', RD acidizers. TOH, RU wireline, TIH and perforate 5510'-5526', 3 SPF 120 deg. phasing, 51 shots. TOH, RD WL, PU pkr and TIH w/173 jts. NDBOP, NU flange revers 10bbl and set pkr @ 5433'. RU acidizers put away shot acid. Broke @ 3092psi, treated @ 1.7 BPM 3250psi, ISIP 2500psi, 5 min 841, 10 min 295, 15 min 66, 17 min on vacuum, RD Crane, load to recover 41 ½ bbls, RU swab. Made 5 runs, very slight show of gas. LLTR 12.75bbl SISD.

11/15/16 15 hr SITP 380 psi, RU swab. Made 1 run recovered 5 BW. RU pump truck and acidize w/2000gal 15% NEFE and 100 ball sealers. Flush with 25 bbls 2% KCL water, started at 3 BPM @ 3400 psi, finished at 3.5 BPM @ 4200 psi, slight ball action, ISIP 2750, 5 min 2133, 10 min 1452, 15 min 955, RD acidizers, blow down well, RU swab, well on very small vacuum, load to recover 80 ¼ bbls; Made 15 runs recover 53.5BW, LLTR 26.75bbl. SISD.

11/16/16 14 hr SITP 420 psi. BD and RU swab. Made 9 runs recover .25bbl over load. Show of gas. NU flowline. SD

11/17/16 FTP 190, Line pressure 203 psi, Sold 4 MCF, made 2 bbls water, put in 0.375" plate, now estimating 3-24 MCF/DAY Rate, blow down well and RU swab, made 3 runs and recover 13.5bbl, swabbed dry. Estimate 10-20MCFD rate.

11/18/16 17 hrs production FTP 220, LP 214, FR 10 MCF/DAY, Sold 8 MCF, 0 bbls water.

11/19/16 FTP 195, LP 200, FR 7 MCF/DAY, Sold 7 MCF, 0 bbls fluid.

11/20/16 FTP 195, LP 195, FR 5 MCF/DAY, Sold 3 MCF, 0 bbls fluid

11/21/16 Blow down and release packer. NUBOP, TOH w/tbg, RU WL and set CIBP @ 5460' w/35' of cement on top. RD WL and TIH w/tbg to 5421', RU pump truck and spot 30bbl 9.5lb 35 vis mud. RD pump truck, TOH and LD 91 jts, stand back 81 jts. RU WL and set CIBP @ 4875' w/35' cement cap. PU guns with 1' 4-shot 90 deg phasing and perforate @ 2600'. TOH RD WL, PU pkr and TIH, set pkr @ 2553'. RU pump truck, load and test BS w/2% KCL to 1000 psi. Pkr would not hold, RU on BS and pump 18bbl at 1900psi and broke circulation. Pumped 115 bbl 2% KCL, RD pump truck and TOH w/81 jts. SISD.

- 1/22/16 PU cement retainer, TIH to 2548' and RU cementers. Clear pipe, attempt to set retainer. Retainer issues, TOH, setting tool broken. TIH and open retainer valve, break circulation up 8 5/8", TOH, LD 1 jt and PU subs, TIH and set new retainer above old. Test BS and tbg and pump Pump 20 bbl chemical wash spacer, 10 bbl F/W spacer, lead in with 160 sx of extended C cement with a 2.04 yield, 11.097 gal/sk blended with 35/65 P/C+5%PF44(BWOW)(Salt)+6%PF20(Bentonite Gel)+0.2%PF153(Anti Settling Agent) +0.4#/skPF45(Defoamer), tail in with 175 sx C cement with a 1.33 yield, 6.3 gal/sk blended with 1% PF1(Calcium Chloride), sting out, LD 4 joints and leave 83' of cement on top of retainer with 74' of cement below retainer inside 5-1/2, displace whole hole with 2% KCl, LD 4 joints, RD Cementers, SISD.
- 1/28/16 RU and spot 250gal 15% NEFE @ 2254', RD acidizers. TIH w/guns and perforate 2229'-2230', 2247'-2249', 2254'-2257' all 3 SPF, 9' of perforation, 27 holes 120 degree phasing, TOH, RD perforators. PU pkr and TIH, ND BOP, NU flange, reverse acid and attempt to set pkr @ 2151', drop packer. Go downhole and find packer, get back on it. TOH, lugs on setting sleeve broken. PU new pkr and TIH to set at 2151'. RU pump truck and put away shot acid. Release pkr, circ BS, ND Bop, set pkr, NU flange, SISD.
- 11/29/16 SITP 1180psi, BD immediately. Make 2 swab runs recover 9BW. Acidize w/2000gal 15% NEFE and 50 ball sealers. Balled out, put away 3.9 BPM @ 2300 psi, ISIP 1728, 5 min 1537, 10 min 1501, 15 min 1470, SI RD Crane, RU swab and flow back 13 1/2 bbls, make 13 swab runs and recover 45BW, no oil, no gas. SISD.
- 11/30/16 SITP 95psi. 5 swab runs, recover 4.5BW.
- 12/1/16 SITP 95psi. 2 swab runs, recover 2.5BW, trace dead oil, no gas. ND flange, release pkr, NUBOP, TOH, RU WL, TIH w/CIBP and set @ 2210' w/35' cement cap. TIH w/guns and perforate 2080'-81', 2096'-97', 2099', 2100'-01', 2103'-06', 2109', 2111'-2112', 2114'-15', 16' of perforation, 2 SPF, 32 holes, 60 degree phasing, TIH with packer to 2114'. Spot 250gal 20% NEFE. Attempt to set pkr @ 2025', packer sheared. NU BOP, TOH and PU new pkr. TIH, RU and reverse acid and set packer at 2018'. Put away acid, formation broke down at 1962 psi, increase rate to 2.9 BPM @ 2369 psi, increase rate to 4.1 BPM @ 2610 psi, ISIP 1868 psi, 5 min 1206 psi, 10 min 907 psi, 15 min 730 psi. release packer and flush BS w/11BW to open top pit. SISD. LLTR 18bbl.
- 12/2/16 SITP 0 psi, ND BOP. Set pkr @ 2025', NU flange, RU and swab tbg dry in 6 runs, load left in hole is 9bbl. RU and acidize with 2000gal 20% NEFE w/50 ball sealers. Acid on formation 3.8 BPM @ 2514 psi, flushed with 30 bbls 2% KCl finishing job 3.9 BPM @ 2181 psi, ISIP 1561, 5 min 1412, 10 min 1386, 15 min 1371. RD acidizers, LLTR now 87.5bbl. RU swab, make 14 runs recovered 50.25BW. LLTR 37.25bbl.
- 12/5/16 SITP 60psi, blow down and make 12 swab runs, recover 23.75bbl. ND flange, release packer, NU BOP, TOH w/62jts and pkr. Prep to test P1 interval.
- 12/6/16 RU WL, set CIBP @ 2075', perforate at 2007'-11', 2014'-17', 2020'-23', 2027'-30', 2032'-44', 2050'-52', 2 SPF 60 degree phasing, 66 holes. RD WL, TIH w/pkr, tag CIBP and set @1963'. RU and acidize w/2000gal 20% NEFE w/100 ball sealers. Acid on formation increase rate to 4.6 BPM at 2350 psi, and work down to 2174 psi, no ball action, flush with 15 bbls 2% KCL, load to recover 72 bbls, RD Crane, ISIP 1503, 5 min 1396, 10 min 1367, 15 min 1347, blowdown, RU swab, made 6 runs and recovered 36 bbls, no shows, SISD.
- 12/7/16 SITP 250psi. BD and RU swab, make 14 runs recover 31.5BW, no oil no gas.
- 12/8/16 SITP 0, make 7 swab runs recover 13.5BW, no oil, no gas. RDPU, SISD.