

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
OCD Artesia

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMLC028992G

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.
8910085020

8. Well Name and No.
GB JACKSON 76

9. API Well No.
30-015-29176-00-S1

10. Field and Pool or Exploratory Area
GRAYBURG

11. County or Parish, State
EDDY COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
SAGUARO PETROLEUM

Contact: ZAYMAN J VILLEGAS
E-Mail: zayman@saguaropetroleum.com

3a. Address
1509 W WALL STREET SUITE 100
MIDLAND, TX 79701-6576

3b. Phone No. (include area code)
Ph: 432-528-5289

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 26 T17S R30E NENW 50FNL 2600FWL

FEB 08 2019
RECEIVED

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. 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 must 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.

Day 1- MIRU Service Rig, POOH laying down rods: 42 x 7/8? + 75 x ?? + 8 x 7/8? and 2-1/2? x 2? x 12? RWTC pump. NDWH, NU BOP. RIH to tag w/ 1 jt 2-7/8?. POOH laying down & tallying 101 jts of 2-7/8? tbg (+/- 3125?), 2-7/8? SN (no mud anchor).

Day2 - If fill is encountered then MIRU Reverse Unit & clean out hole to original PBD @ 3242'. Circulate hole clean. POOH standing back tbg. LD BHA. Release reverse unit. RIH w/ 5-1/2" AD-1 pkr on 2-3/8" white band tbg. Set pkr @ +/- 3050'. RU Crane Hot Oil Acid Pump Truck to acidize with 1000 gals double inhibited NEFE 15% HCL Acid 500# rock salt for diversion. Set packer & top off annulus w/ 2% KCL wtr (55 bbls max volume if backside is completely dry) to monitor. Plan on pumping 2-3 bpm ? Max 4bpm. Capacity of tbg @ 3050? = 12 bbls. Capacity of 5.5? csg from btm perf to packer is 3.5 bbls. Combined capacity is 15.5 bbls. 10 bbls overflush would = approx. 26 bbls total 2% KCL wtr for flush. Record pressure and rate 5-10-15 Shut down pressure. Max treating pressure = 3000

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #449599 verified by the BLM Well Information System
For SAGUARO PETROLEUM, sent to the Carlsbad
Committed to AFMS for processing by PRISCILLA PEREZ on 01/11/2019 (19PP0722SE)**

Name (Printed/Typed) ZAYMAN J VILLEGAS Title ENGINEER

Signature (Electronic Submission) Date 01/07/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By DYLAN ROSSMANGO Title PETROLEUM ENGINEER Date 01/29/2019

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office Carlsbad

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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #449599 that would not fit on the form

32. Additional remarks, continued

psi.

- A. Top off annulus to monitor (55 bbls max volume if backside is completely dry)
- B. Establish rate on KCL water
- C. Pump 500 gals. Acid
- D. Drop 500# rock salt
- E. Pump 500 gals. Acid
- F. Flush to bottom plus 10 bbls over flush
- G. Obtain ISIP, 5, 10, 15 min. shut in pressure
- H. RD acid company
- I. Shut in well in overnight.

Day3- Rig Up swab, swab back load until clean fluid. Swab back 26 bbls 2% KCL flush wtr + 24 bbls HCL at minimum (50 total bbls fluid). Begin catching water samples looking for oil. If oil is encountered, stop swabbing. Swab back an additional 10 bbls fluid (60 bbls total fluid swabbed back). If swab dries up, shut in for 1hr & attempt to swab back to 60 bbls total. If 60 bbls total fluid is recovered or swab dries up a second time, whichever comes first, prepare to pump recommended chemical squeeze. Pump chem sqz. Shut well in for 24 hours and return to production.

Day4- Release Packer POOH LD packer. RIH with 2-3/8", 4.7# white band drift & tested production string, new 2-3/8" SN & 2-3/8" notched collar. Land tbg between 3115' - 3146'. ND BOP. RIH with 2 x 1-1/2" x 12" RWTC pump and 200' x 7/8" D rods w/ SHT and finish off ?? D rods w/ FHT. 11. Return well to production RDMO. Install 1" fittings on tubing T to be able to plumb in a meter loop to measure production. (The meter will be moved from well to well on a pre-determined schedule.) Report and record well production.