

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

HOBBS OCD

OCT 29 2012

RECEIVED

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

WELL API NO. 30-025-26557
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG 3340
7. Lease Name or Unit Agreement Name Pawnee Deep Unit #1
8. Well Number 1
9. OGRID Number 289348
10. Pool name or Wildcat Pawnee (Strawn) WE Delaware

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
Heritage Resources, Inc.

3. Address of Operator
3131 McKinney Avenue, Suite 710, Dallas, Texas 75204

4. Well Location
Unit Letter F : 1650 feet from the North line and 2310 feet from the West line
Section 22 Township 26S Range 36E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
2910' GR

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input checked="" type="checkbox"/>	

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.

MIRU workover unit and remove all pumping equipment from well. Set 7 5/8" CIBP @12400' w/8sx cement on top. Set 7.71" CIBP @11500' w/12 sx cement on top. Set 9 5/8" CIBP @7000' w/12 sx cement on top - plug back to 6965'. Spot 500 gals 15% hcl acid 6500'-6686'. Perf 9 5/8" casing 6652'-6672' using 4" od expendable hollow carrier gun loaded 4 shots per foot. Trip in hole w/full bore packer to 6516' and reverse acid. Break down perfs at 1100 psi and pump 6.7 bpm @1900 psi for 18 bbl. ISI=360 psi, 15 min=215 psi. Rig up to swab and fluid level at surface. Swab down to 5700' in 6 runs. Recovered 53 of 61 total load. Continue to swab and recover small amount of oil and water. Acidize 6652'-6672' w/5000 gal 15% hcl acid. Swab 190 bbls of 173 bbls load with trace of oil. Sand frac 6652'-6672' with 30000 gal 20# gel and 28000# 20-40 sand at 18 to 19 bbl/min. Flow back and swab to test well. Rig down and move out swab unit.

Spud Date:

August 30, 2012

Rig Release Date:

October 9, 2012

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

SIGNATURE MB Wise TITLE President DATE 10-25-2012

Type or print name Michael B. Wisenbaker E-mail address: mbw1@heritage-standard.com PHONE: 214-526-8118

For State Use Only

APPROVED BY: [Signature] TITLE Dist. MGR DATE 10-30-2012

Conditions of Approval (if any):

PA Pawnee Strawn (BAS)

OCT 30 2012