

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 87001  
 District IV - (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised August 1, 2011

**RECEIVED**  
**HOBBS OGD**  
**OCT 18 2012**

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

WELL API NO. 30-005-20814
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> Fee
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Wattam Federal
8. Well Number #6 SWD
9. OGRID Number 286614
10. Pool name or Wildcat SWD; San Andres

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  SWD

2. Name of Operator  
Cross Border Resources Inc.

3. Address of Operator  
2515 McKinney Ave Suite 900 Dallas TX 75201

4. Well Location  
 Unit Letter A : 643 feet from the North line and 782 feet from the East line  
 Section 7 Township 8S Range 31E NMPM County Chaves

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

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

<b>NOTICE OF INTENTION TO:</b> 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"/>		<b>SUBSEQUENT REPORT OF:</b> 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: <u>Well repair</u> <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.

See Attached Report

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 [Signature] TITLE Agent DATE 10/17/12

Type or print name Tommy W. Folsom E-mail address: tommy@redmountainresources.com PHONE: 214.871.0400

**For State Use Only**  
 APPROVED BY [Signature] TITLE Dist. Mgr DATE 1-4-2013  
 Conditions of Approval (if any):

FEB 04 2013

Cross Border Resources, Inc.  
Wattam Federal #6 SWD  
Sec 7, T-7S, R-31E  
SHL 643' FNL & 782' FEL  
BHL 1097' FNL & 2449' FEL  
Chaves County, New Mexico

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#### Workover Details

- 8/14/12 MIT failed test
- 9/6/12 MIRUPU, NU BOP, release pkr and POOH and laid down all tbg.
- 9/7/12 TIH w/ RBP, pkr and 2 3/8" work string, set RBP at 3,402' and set Pkr at 3,370' pressured tested RBP to 780 psi held ok. Continued to attempt to isolate problem, was unable to isolate. POOH w/ tools.
- 9/10/12 TIH w/ bit, scrapper and 2 3/8" work string to clean csg. POOH
- 9/11/12 RU wireline ran csg inspection log and CBL, cmt cir to surface on 5 1/2". Several possible holes indicated on csg inspection.
- 9/28/12 Completed procedure for workover potential.
- 10/3/12 Filed sundry to BLM for approval to complete workover , Sundry was approved 10/3/12 by David Glass. RU wireline truck set CIBP at 3450' and dump bailed 15' of cmt on CIBP via bailer.
- 10/8/12 RUPU
- 10/9/12 TIH w/ float shoe and 82 jts 4 1/2" 11.6# FL4S csg, float shoe at 3,396'. Pumped 120 sxs Halcem 14.8# cmt, dropped wiper plug and displaced w/ 53 Bbls fresh water. When cmt on 4 1/2" circulated pinched valve to squeeze 5 1/2" csg. Circulated 50 sxs cmt to pit.
- 10/10/12 TIH w/ bit and 2 3/8" work string, drilled out cmt and Float shoe, dropped down and tagged cmt on CIBP.
- 10/11/12 Drilled out cmt and drilled on CIBP. CIBP came free and pushed down in hole.

Cross Border Resources, Inc.

Workover Details

Wattam Federal #6 SWD

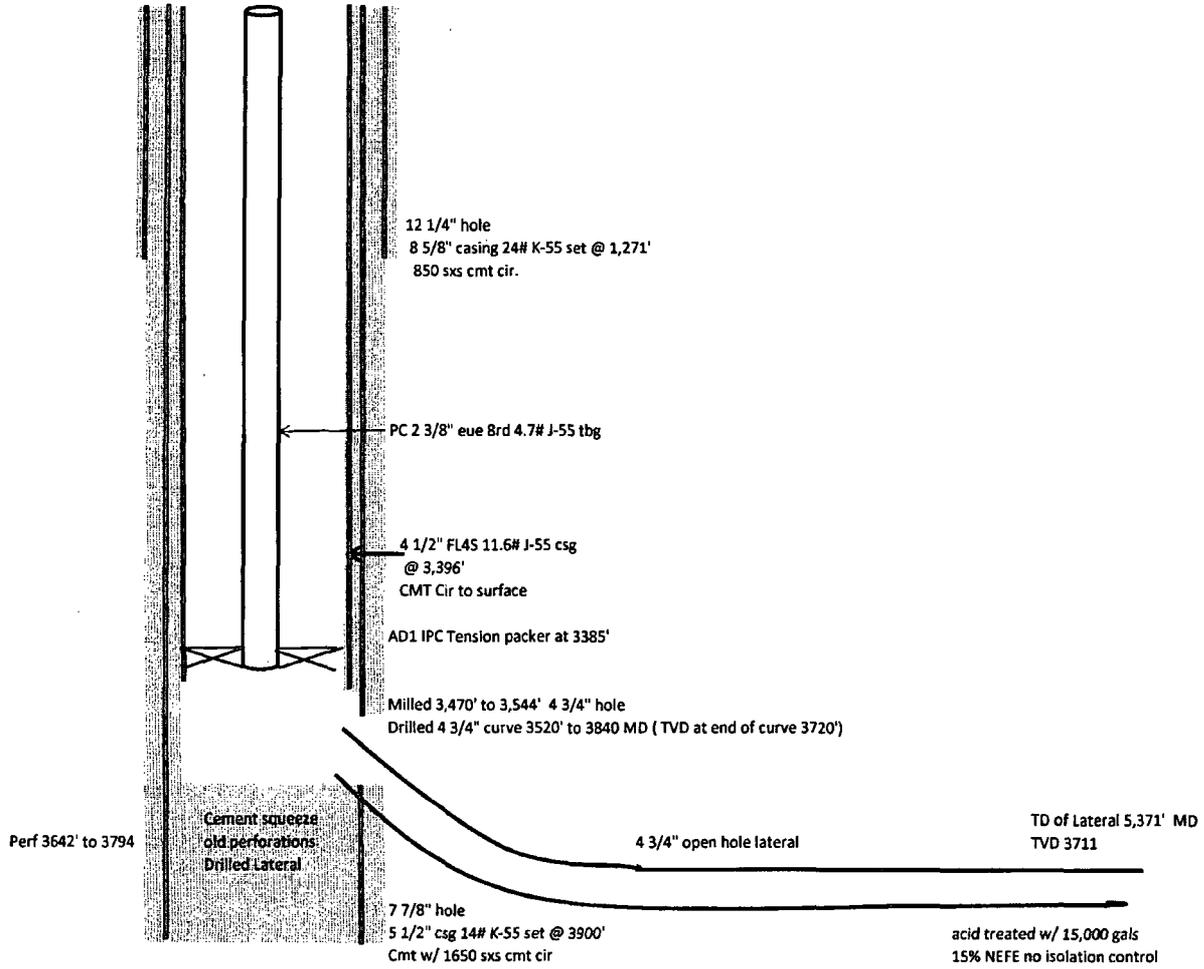
Page 2 of 2

- 10/12/12 TIH w/ 4 ½" x 2 3/8" IPC AD1 pkr and 104 jts new 2 3/8" IPC 4.7# J-55 tbg. Flushed csg w/ fresh water and corrosion inhibitor. Set Pkr at 3,385' and pressured to 600 psi held 20 minutes OK. RDPU
- 10/15/12 Conducted MIT, pressured to 500 PSI and held for 30 minutes. Test was witnessed and approved by the BLM Bob Hoskinson. Sylvia Dickey with the NMOCD was notified but was unable to attend.

Cross Border Resources  
Wattam Federal #6 SWD  
Sec 7, T-8S, R-31E  
SHL 643' FNL and 782' FEL  
BHL1097' FNL & 2449' FEL  
Chaves County, New Mexico

API # 30-005-20814

GL 4,208' KB 4220'





Stone Oil Field Service  
Lovington NM  
Unit #K8  
Calibrated Date 10-15-2012  
Test Date

RMR Operating LLC  
Watten Federal #6 SWD Chaves County, New Mexico  
API 30-005-20814  
Sec 7, T8S, R31E  
MIT 10-15-2012  
MK Michael Huber

  
BLM

**HALLIBURTON**

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**RMR OPERATING LLC**

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**Wattam Federal 6**

**Chaves County , New Mexico**

**Cement Production Liner**

**09-Oct-2012**

**Job Site Documents**



# HALLIBURTON

## Cementing Job Summary

Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density lbm/gal	Yield ft <sup>3</sup> /sk	Mix Fluid Gal/sk	Rate bbl/min	Total Mix Fluid Gal/sk
1	Pump 20 bbl WG-19 GEL		20.00	bbl	.	.0	.0	3	
2	HalCem - C	HALCEM (TM) SYSTEM (452986)	120.0	sacks	14.8	1.33	6.3	3	6.3
	6.302 Gal	FRESH WATER							
	0.6 %	HALAD(R)-322, 50 LB (100003646)							
<b>Calculated Values</b>		<b>Pressures</b>			<b>Volumes</b>				
Displacement	53	Shut In: Instant		Lost Returns	0	Cement Slurry	28	Pad	
Top Of Cement	SURFACE	5 Min		Cement Returns	14	Actual Displacement	53	Treatment	
Frac Gradient		15 Min		Spacers	30	Load and Breakdown		Total Job	114
<b>Rates</b>									
Circulating	3	Mixing	3	Displacement	.5	Avg. Job	3		
Cement Left In Pipe	Amount 0 ft	Reason	Shoe Joint						
Frac Ring # 1 @	ID	Frac ring # 2 @	ID	Frac Ring # 3 @	ID	Frac Ring # 4 @	ID		
The Information Stated Herein Is Correct				Customer Representative Signature					

# HALLIBURTON

## Cementing Job Log

*The Road to Excellence Starts with Safety*

Sold To #: 365815	Ship To #: 2955989	Quote #:	Sales Order #: 9869927
Customer: RMR OPERATING LLC		Customer Rep: Folsom, Tommy	
Well Name: Wattam Federal	Well #: 6	API/UWI #: 30-005-20814	
Field:	City (SAP): ROSWELL	County/Parish: Chaves	State: New Mexico
Legal Description: Section 36 Township 7S Range 31E			
Lat: N 0 deg. OR N 0 deg. 0 min. 0 secs.		Long: E 0 deg. OR E 0 deg. 0 min. 0 secs.	
Contractor: Workover rig	Rig/Platform Name/Num: ????		
Job Purpose: Cement Production Liner			Ticket Amount:
Well Type: Under Balance Well		Job Type: Cement Production Liner	
Sales Person: THORNTON, PAUL	Srv Supervisor: MADSEN, DUSTIN	MBU ID Emp #: 450621	

Activity Description	Date/Time	Cht #	Rate bbv/min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	
Call Out	10/09/2012 06:00							
Pre-Convoy Safety Meeting	10/09/2012 08:30							
Crew Leave Yard	10/09/2012 08:45							
Arrive At Loc	10/09/2012 12:00							
Assessment Of Location Safety Meeting	10/09/2012 12:05							RIG WAS STILL RUNNING 4.5" LINER
Pre-Rig Up Safety Meeting	10/09/2012 12:10							
Rig-Up Equipment	10/09/2012 12:15							SPOT EQUIPMENT, RIG UP
Other	10/09/2012 13:00							WAIT ON RIG TO FINISH RUNNING LINER
Rig-Up Equipment	10/09/2012 14:15							RIG UP FLOOR/ MANIFOLD
Pre-Job Safety Meeting	10/09/2012 15:00							
Start Job	10/09/2012 15:15							
Pump Water	10/09/2012 15:16		2	3	3		13.0	PUMP WATER/ PRIME LINES
Pressure Test	10/09/2012 15:22						4173. 0	PRESSURE TEST LINES 5000 PSI
Pump Spacer	10/09/2012 15:24		3	10	13		6.0	PUMP WATER SPACER
Pump Spacer	10/09/2012 15:27		3	20	33		1506. 0	PUMP WG-19 GEL SPACER
Pump Cement	10/09/2012 15:39		3	28	61		653.0	PUMP HALCEM 120 SKS. 14.8# 1.33 CUFT/SK 6.3 GAL/SK
Shutdown	10/09/2012 15:49							SHUTDOWN

Sold To #: 365815

Ship To #: 2955989

Quote #:

Sales Order #:

9869927

SUMMIT Version: 7.3.0040

Tuesday, October 09, 2012 07:33:00

# HALLIBURTON

## Cementing Job Log

Activity Description	Date/Time	Cht #	Rate bbl/min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	
Other	10/09/2012 15:50							WASH PUMPS/LINES TO PIT
Drop Plug	10/09/2012 15:55							DROP 5.5" TOP PLUG
Other	10/09/2012 15:57							SHUTDOWN 3 BBLS INTO DISPLACEMENT DUE TO CASING BEING LIFTED AND VALVES BREAKING , WAITED ON WELDER TO CUT PIPE AND WELD ON THREAD TO PUT TWI VALVE ON AND ATTEMPT TO FINISH DISPLACEMENT. CONTACTED COORDINATORS AND SUPERVISORS AND INFORMED ON INCIDENT
Pump Displacement	10/09/2012 17:34		2	53	114		.0	PUMP FRESH WATER DISPLACEMENT
Slow Rate	10/09/2012 17:48		0.5				700.0	SLOW RATE
Bump Plug	10/09/2012 18:51						1588.0	BUMP PLUG @ 1588 PSI
Check Floats	10/09/2012 18:53						1830.0	CHECK FLOATS, .5 BBLS BACK TO TRUCK
Other	10/09/2012 18:55							PRESSURE UP TO 1000 PSI AND SHUT IN
End Job	10/09/2012 18:57							JOB COMPLETE, 14 BBLS/ 50 SKS. TO SURFACE
Pre-Rig Down Safety Meeting	10/09/2012 19:00							
Rig-Down Equipment	10/09/2012 19:10							RIG DOWN EQUIPMENT
Other	10/09/2012 19:15							PAPERWORK, WASH TRUCK
Pre-Convoy Safety Meeting	10/09/2012 19:50							
Crew Leave Location	10/09/2012 20:00							

Sold To #: 365815

Ship To #: 2955989

Quote #:

Sales Order #: 9869927

SUMMIT Version: 7.3.0040

Tuesday, October 09, 2012 07:33:00

# HALLIBURTON

## Field Ticket

<b>Field Ticket Number:</b> 9869927	<b>Field Ticket Date:</b> Tuesday, October 09, 2012
<b>Site:</b> RMR OPERATING LLC 2515 MCKINNEY AVE STE 900 DALLAS, TX 75201	<b>Job Name:</b> 4-1/2" Liner <b>Order Type:</b> Streamline Order (ZOH) <b>Well Name:</b> Wattam Federal 6 <b>Company Code:</b> 1100 <b>Customer PO No.:</b> NA <b>Shipping Point:</b> Hobbs, NM, USA <b>Sales Office:</b> Permian Basin BD <b>Well Type:</b> Oil <b>Well Category:</b> Development
<b>Site Id:</b> RMR OPERATING LLC Wattam Federal, 6 2855989 RMR WATTAM FEDERAL 6 ROSWELL, NM 88201	

Quantity	Description	Unit	UOM	Base/Amount	Unit/Amount	Gross/Amount	Discount	Net/Amount	
3965	SVC CHRГ, CMT & ADDITIVES	122	CF	0.00	5.49	669.78	35%	435.36	
	NUMBER OF EACH	1							
100008028	SUGAR, GRANULATED, IMPERIAL	200	LB	0.00	6.44	1,288.00	35%	837.20	
613641	Depart Yard/ Loc	1	EA	0.00	0.00	0.00		0.00	
	Date: mm/dd/yyyy	10/09/2012							
	Time: 24 hr clock hh:mm	08:30							
613604	Arrive Location	1	EA	0.00	0.00	0.00		0.00	
	Date: mm/dd/yyyy	10/09/2012							
	Time: 24 hr clock hh:mm	12:00							
613605	Start Job	1	EA	0.00	0.00	0.00		0.00	
	Date: mm/dd/yyyy	10/09/2012							
	Time: 24 hr clock hh:mm	15:15							
613606	End Job	1	EA	0.00	0.00	0.00		0.00	
	Date: mm/dd/yyyy	10/09/2012							
	Time: 24 hr clock hh:mm	18:57							
613641	Depart Yard/ Loc	1	EA	0.00	0.00	0.00		0.00	
	Date: mm/dd/yyyy	10/09/2012							
	Time: 24 hr clock hh:mm	20:00							
100003638	WG-19	50	LB	0.00	39.54	1,977.00	35%	1,285.05	
<b>Totals</b>						<b>USD</b>	<b>24,333.81</b>	<b>8,237.65</b>	<b>16,096.16</b>

Halliburton Rep: DUSTIN MADSEN  
 Customer Agent: Tommy Folsom  
 Halliburton Approval

# HALLIBURTON

## Field Ticket

<b>Field Ticket Number:</b> 9869927	<b>Field Ticket Date:</b> Tuesday, October 09, 2012
<b>Bill To:</b> RMR OPERATING LLC 2515 MCKINNEY AVE STE 900 DALLAS, TX 75201	<b>Job Name:</b> 4-1/2" Liner <b>Order Type:</b> Streamline Order (ZOH) <b>Well Name:</b> Wattam Federal 6 <b>Company Code:</b> 1100 <b>Customer PO No.:</b> NA <b>Shipping Point:</b> Hobbs, NM, USA <b>Sales Office:</b> Permian Basin BD <b>Well Type:</b> Oil <b>Well Category:</b> Development
<b>Ship To:</b> RMR OPERATING LLC Wattam Federal, 6 2955989 RMR WATTAM FEDERAL 6 ROSWELL, NM 88201	

Quantity	Description	GTY	UOM	Base Price	Unit Price	Gross Price	Discount	Net Amount
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THIS OUTPUT DOES NOT INCLUDE TAXES. APPLICABLE SALES TAX WILL BE BILLED ON THE FINAL INVOICE.  
 CUSTOMER HEREBY ACKNOWLEDGES RECEIPT OF THE MATERIALS AND SERVICES DESCRIBED ABOVE AND ON THE ATTACHED DOCUMENTS.

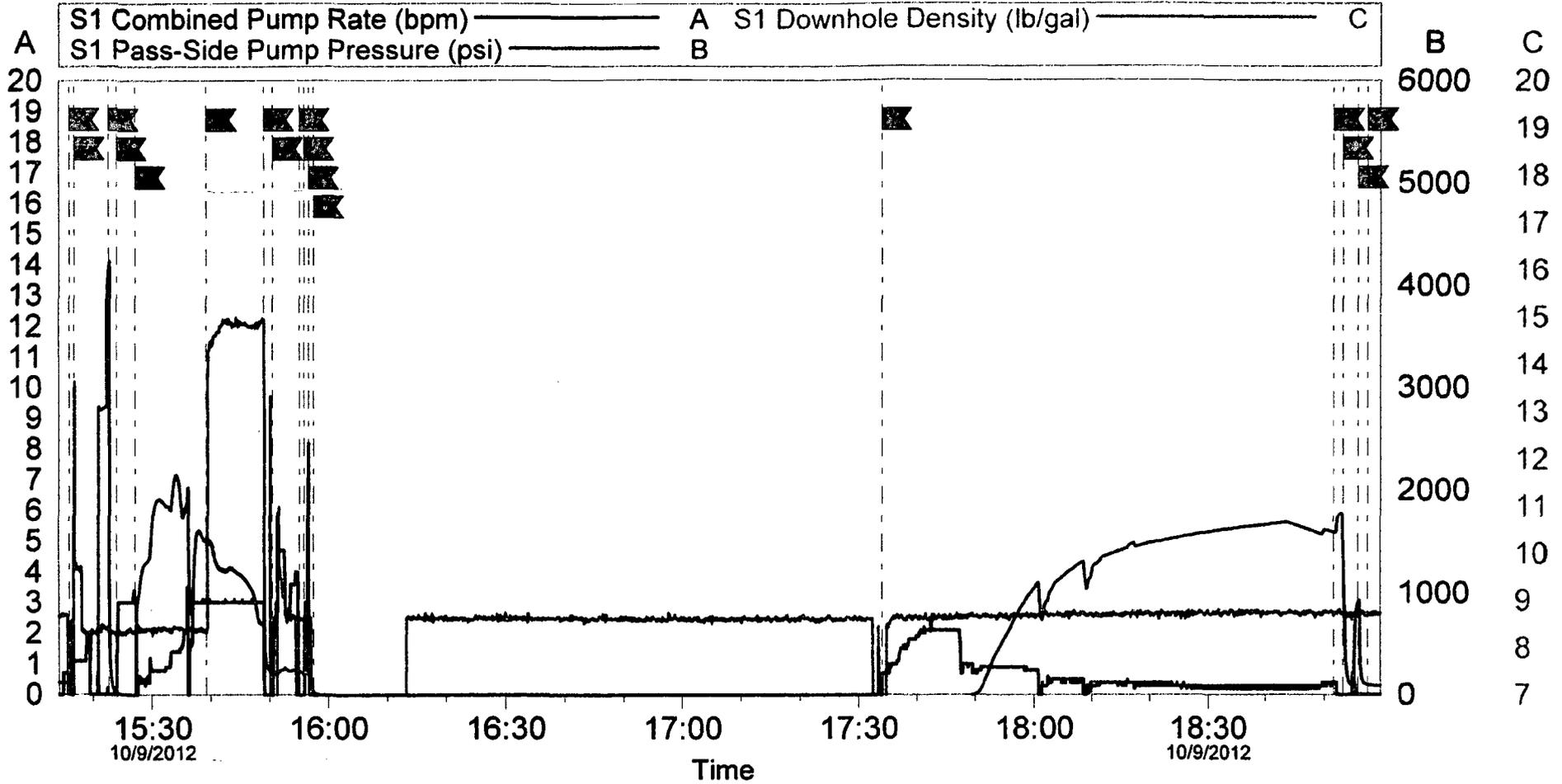
X \_\_\_\_\_ FIELD TICKET TOTAL: USD 16,096.16

Customer Signature

Was our HSE performance satisfactory? Y or N      Were you satisfied with our Equipment? Y or N      Were you satisfied with our people? Y or N  
 (Health, Safety, Environment)

Comments

# RMR OPER. WATTAM FED #6 PROD. LINER



Local Event Log			
START JOB	15:15:57	PUMP WATER	15:16:49
PUMP WATER SPACER	15:24:01	PUMP GEL SPACER	15:27:12
SHUTDOWN	15:49:01	WASH PUMPS/LINES	15:50:32
PUMP DISPLACEMENT	15:55:52	SHUTDOWN	15:56:40
PUMP DISPLACEMENT	17:34:02	BUMP PLUG	18:51:37
SHUT IN WELL WITH PRESSURE	18:55:41	END JOB	18:57:21
		PRESSURE TEST	15:22:38
		PUMP CEMENT	15:39:17
		DROP PLUG	15:55:07
		OTHER	15:57:29
		CHECK FLOATS	18:53:10

Customer: RMR OPERATING	Job Date: 09-Oct-2012	Sales Order #: 9869927
Well Description: WATTAM FED #6 PROD. LINER	UWI: 30-005-20814	Supervisor: MADSEN