

HOBBS OCD

New Mexico Oil Conservation Division, District 1

Form 3160-5 (March 2012)

AUG 13 2013

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

1635 N. French Drive Hobbs, NM 88240

FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2014

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.

Form fields: 1. Type of Well (Oil Well checked), 2. Name of Operator (Ridgeway Arizona Oil Corp), 3a. Address (200 N. Lorraine, STE 1440 Midland, TX 79701), 3b. Phone No. (432-687-0303), 4. Location of Well (660 FNL & 660 FWL Sec. 26, T. -7S, R. 33E), 5. Lease Serial No. (NM-0558287), 6. If Indian, Allottee or Tribe Name, 7. If Unit of CA/Agreement, Name and/or No., 8. Well Name and No. (Morgan "B" Federal #4), 9. API Well No. (30-041-10456), 10. Field and Pool or Exploratory Area (Chaveroo, San Andres), 11. County or Parish, State (Roosevelt, NM)

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

Table with columns: TYPE OF SUBMISSION, TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, and various actions like Acidize, Deepen, Production (Start/Resume), etc.

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 recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones.

Scope of Work Re-enter subject well and cleanout to PBDT; conduct an MIT, re-stimulate the San Andres P1/P2, and RTP. Slimhole completion as necessary.

- 1. MIRU WO rig.
2. Pull existing completion
3. Make clean out run with bit and BHA to PBDT @ TBD ft [lowest perf at 4361 ft].
4. Set packer above top perforation. Test casing to 500 psi/30 mins. Chart if successful.
5. Stimulate P1/P2.
6. Swab back stimulation volumes.
7. If casing test fails MIT; run slimhole completion.
8. Run 2-3/8" production tubing (2-1/16" tubing if slimhole is required).
9. Run rods. Re-start pumping unit and return to production.

OCD REQUIRES AFTER RETURNING FEDERAL WELL TO PRODUCTION; Subsequent report on when and how well was returned to production. Also form C-104 with Transporters, Perfs. producing from. Tubing size and depth, and 24 hour production test.

APPROVED FOR 3 MONTH PERIOD ENDING OCT 15 2013

In response to Order No. 13AMAC 10WO

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Jana True, Title Regulatory/Production Manager, Date 08/05/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by IS/ DAVID R. GLASS, PETROLEUM ENGINEER, Date AUG 08 2013, Office ROSWELL FIELD OFFICE

Please Contact The BLM Roswell Field Office At Least 24 Hours Prior To The Scheduled Casing Integrity Test. For Wells In Chaves And Roosevelt County, During Office Hours Or After Office Hours Call (575) 627-0205. Engineer On Call During Office Hours Call (575) 627-0275 Or After Office Hours Call (575) 626-5749.

for any person knowingly and willfully to make to any department or agency of the United States any false, jurisdiction.

AUG 15 2013