

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 87410
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 July 18, 2013

HOBBS OGD
MAR 31 2014
RECEIVED

OIL CONSERVATION DIVISION

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

WELL API NO.	30-025-02501
5. Indicate Type of Lease STATE ☐ FEE ☒	
6. State Oil & Gas Lease No.	00284
7. Lease Name or Unit Agreement Name	NEAL
8. Well Number	003
9. OGRID Number	3053
10. Pool name or Wildcat	96090 YATES

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 SALT WATER DISPOSAL

2. Name of Operator
BURK ROYALTY CO., LTD.

3. Address of Operator
P.O. BOX 94903, WICHITA FALLS, TX 76308

4. Well Location
Unit Letter A : 330 feet from the NORTH line and 993 feet from the EAST line
Section 35 Township 20S Range 34E NMPM LEA County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3726' GL

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 ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: REQUIREMENT FOR UIC PROGRAM ☐

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 sheet.)

See Attached
Conditions of Approval
ANNUAL MIT REQUIRED!
MAB

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

TITLE PETROLEUM ENGINEER

DATE 03/28/2014

Type or print name JON H. BEAR

E-mail address: diana@burkroyalty.com

PHONE: 940-397-8638

For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any)

APR 10 2014

BURK ROYALTY CO., LTD.
P.O. BOX 94903
WICHITA FALLS, TX 76308

02-24-2014: Blew well down. Pulled out of hole with 21 joints tubing. Ran in hole with 4-3/4" bit and tubing to 850'. Circulated well clean. Pulled out of hole with bit. Ran in hole with retrieving tool and 900' of tubing. Tested casing to 450#. Lost 47# in 30 minutes. Plan do another polymer squeeze in the morning.

02-25-2014: Moved in and rigged up pump truck, mixed polymer, pulled out of hole with three joints tubing; end of tubing at 788'. Pumped six barrels polymer and displaced with two barrels fresh water @ 1/2 bpm to balance plug. Pulled out of hole with 10 joints tubing; end of tubing @ 478'. Rigged down pulling unit. Pressured up on casing to 600#, dropped to 500# in 30 minutes. After pressuring up six more times to 650#, we had pumped 2.4 barrels polymer into leak. Shut well in with 660#. Shut down for night. Baker Hughes recommends letting polymer set up three weeks this time.

02-26-2014: Casing pressure this a.m. 600#. Plans are to pressure up on polymer squeeze one more time the morning of Friday, February 28th, then wait until March 17th to move back on well.

02-28-2014: 450# casing pressure this a.m. Moved in and rigged up pump truck. Pumped less than 1/4 of barrel fresh water to pressure up on polymer casing, squeezed to 650#. Shut well in until March 17th.

03/13/2014: Plans are to circulate excess polymer out of casing and pressure test casing with pressure test scheduled for approximately 9:00 a.m. on March 17th

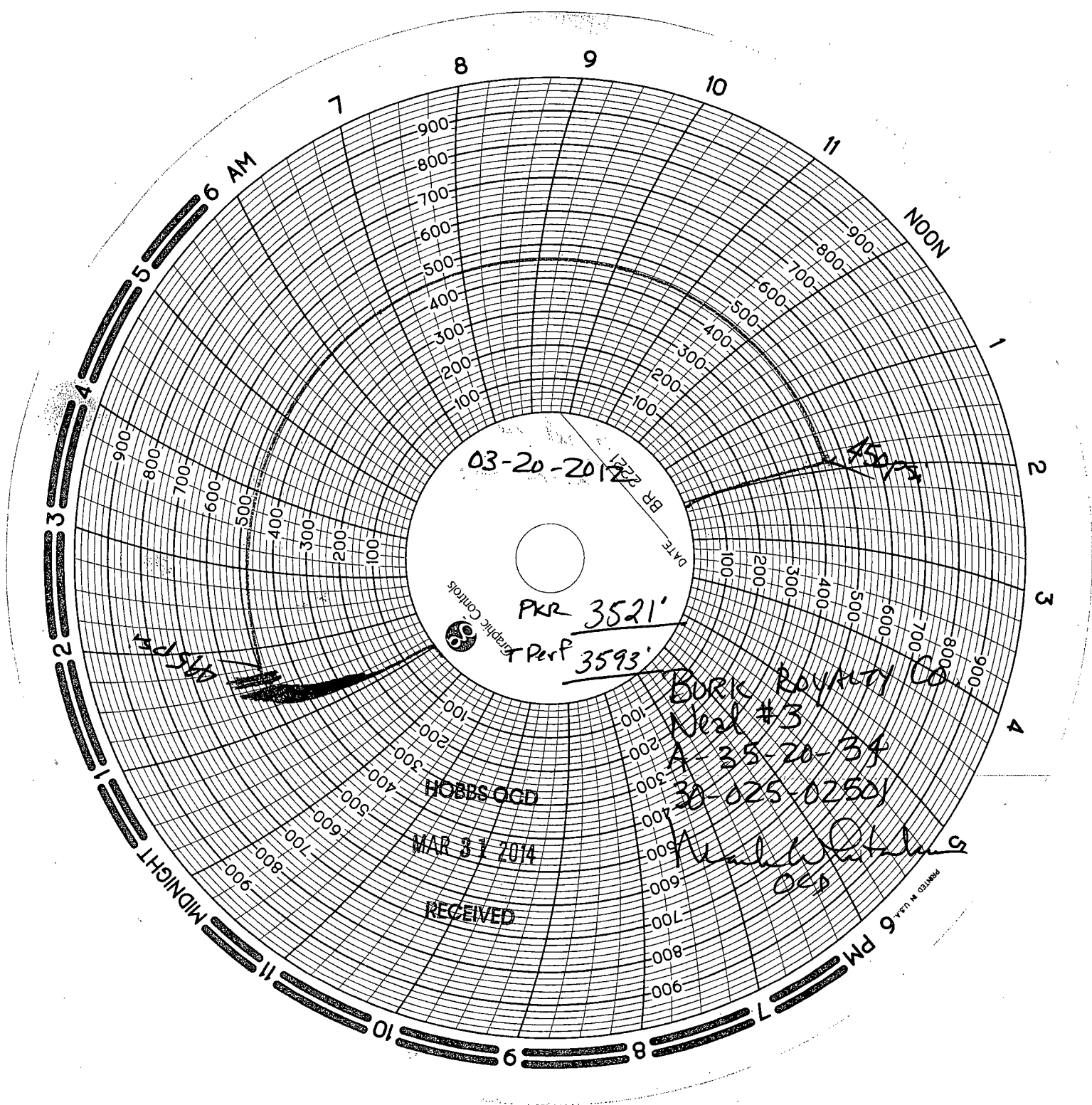
03/14/2014: Moved in and rigged up pulling unit.

03/17/2014: This morning casing pressure was 485# psi. Bled casing down. Ran in hole with 12 joints tubing; end of tubing @ 850'. Moved in and rigged up pump truck. Circulated excess polymer out of casing. OCD representative Bill Sonnamaker on location. Pressured up on casing to 500#. Had leak at wellhead. Tightened biw head and pressured back up to 500#. Lost 30# in 30 minutes. Called office, decided to put well back on injection. Pulled out of hole, laid down work string.

03/18/2014: Notified OCD of scheduled MIT March 19th at 8 AM. Moved in and rigged up tubing testers. Ran in hole with 5-1/2" Model R packer and 15 joints Salta tubing, tested tubing to 6000#. Rigged down and moved off tester. Other tubing testers not available until morning. Notified OCD of change in schedule.

03/19/2014: Moved in and rigged up tubing tester. Ran in hole with 5-1/2" Model R packer, seat nipple and 114 joints salta lined 2-3/8" tubing testing to 6000#. Laid down 32 bad joints. Moved in and rigged up pump truck. Circulated well with 110 barrels packer fluid. Set packer @ 3521' with 14 points. Packed well off and pressured up casing to 500#. Bled air off casing. Pressured casing up to 500#. Lost 15# in 15 minutes. Bled casing down to 300#. Plans are to perform MIT March 20th at 8 AM.

03/20/2014: Performed passing MIT on well this morning. Test witnessed by OCD representative Mark Whitaker.



03-20-2012



PKR

3521'

Per P

3593'

BURK ROYALTY CO

Well #3

A-35-20-34

30-025-02501

A. Smith

025

HOBBS OGD

MAR 31 2014

RECEIVED

PRINTED IN U.S.A.

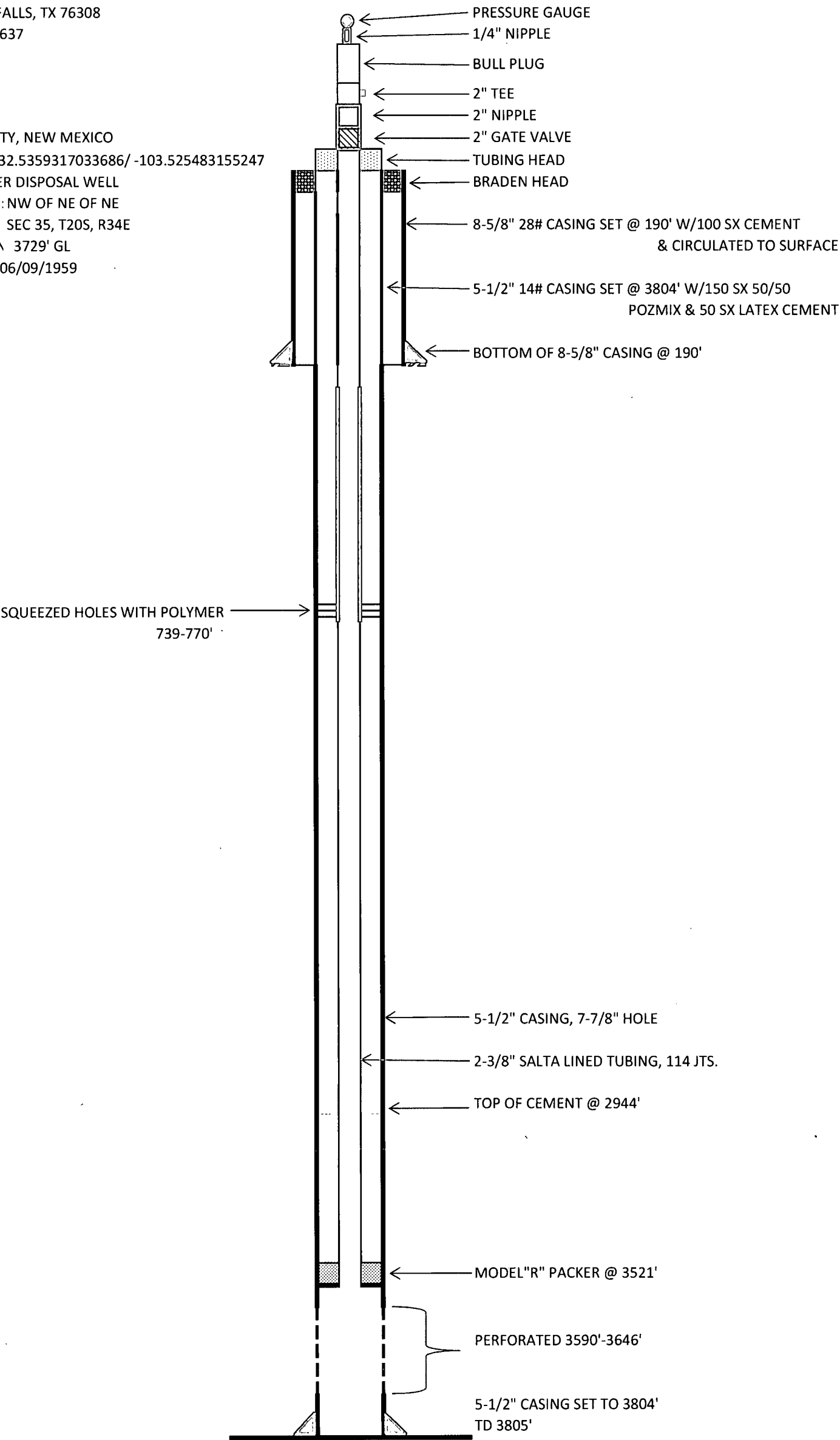
Kurt Parker
Burk Loyalty Co. Ltd.



BURK ROYALTY CO., LTD.
P.O. BOX 94903
WICHITA FALLS, TX 76308
940-397-8637

NEAL #3
LEA COUNTY, NEW MEXICO
Lat/Long: 32.5359317033686/ -103.525483155247
SALTWATER DISPOSAL WELL
LOCATION: NW OF NE OF NE
SEC 35, T20S, R34E
ELEVATION 3729' GL
SPUDDED 06/09/1959

SCHEMATIC DIAGRAM



Date: 3/19/2014

Apache Packer LLC

Company				Burk Royalty				Co. Rep		Kirk Parker		Lease		Neal					
Adress								Office #				Well Number		#3					
City, State								Mobile #				County, State		Lea, New Mexico					
Tools, BHA			Lenght	GR		O.D.		#/Ft	I.D.	Thread		Jt Strenght		Total Jts		Perfs			
seat nipple			1.10	Tubing								0		114					
packer			6.80	Surface								Set @		TOC@					
				Intermediate								Set @		TOC@					
				Casing								Set @		TOC@					
KB Correction				Open Hole								TD@				PBTDTD @			
Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total
1	31.24	113	39.14	21	31.26	93	653.33	41	30.05	73	1265.53	61	30.11	53	1874.85	81	31.24	33	2486.16
2	30.32	112	69.46	22	29.79	92	683.12	42	29.91	72	1295.44	62	30.65	52	1905.50	82	31.25	32	2517.41
3	30.97	111	100.43	23	32.30	91	715.42	43	31.76	71	1327.20	63	30.37	51	1935.87	83	31.25	31	2548.66
4	30.28	110	130.71	24	31.50	90	746.92	44	31.77	70	1358.97	64	29.38	50	1965.25	84	31.29	30	2579.95
5	32.37	109	163.08	25	31.52	89	778.44	45	29.75	69	1388.72	65	31.27	49	1996.52	85	31.27	29	2611.22
6	30.80	108	193.88	26	30.74	88	809.18	46	31.04	68	1419.76	66	29.30	48	2025.82	86	31.31	28	2642.53
7	30.41	107	224.29	27	31.79	87	840.97	47	29.77	67	1449.53	67	29.66	47	2055.48	87	31.38	27	2673.91
8	30.55	106	254.84	28	31.78	86	872.75	48	29.86	66	1479.39	68	30.08	46	2085.56	88	31.42	26	2705.33
9	30.11	105	284.95	29	28.96	85	901.71	49	30.06	65	1509.45	69	30.18	45	2115.74	89	31.53	25	2736.86
10	31.35	104	316.30	30	29.27	84	930.98	50	30.81	64	1540.26	70	31.05	44	2146.79	90	31.33	24	2768.19
11	32.28	103	348.58	31	31.56	83	962.54	51	30.69	63	1570.95	71	29.85	43	2176.64	91	31.45	23	2799.64
12	30.00	102	378.58	32	31.01	82	993.55	52	31.39	62	1602.34	72	30.35	42	2206.99	92	31.31	22	2830.95
13	30.83	101	409.41	33	30.10	81	1023.65	53	31.00	61	1633.34	73	29.42	41	2236.41	93	31.38	21	2862.33
14	31.33	100	440.74	34	30.29	80	1053.94	54	30.21	60	1663.55	74	31.51	40	2267.92	94	31.33	20	2893.66
15	30.11	99	470.85	35	30.40	79	1084.34	55	29.10	59	1692.65	75	29.65	39	2297.57	95	31.25	19	2924.91
16	30.56	98	501.41	36	30.20	78	1114.54	56	30.72	58	1723.37	76	31.35	38	2328.92	96	31.42	18	2956.33
17	29.13	97	530.54	37	30.91	77	1145.45	57	27.90	57	1751.27	77	32.00	37	2360.92	97	31.29	17	2987.62
18	30.56	96	561.10	38	31.21	76	1176.66	58	31.72	56	1782.99	78	31.33	36	2392.25	98	31.26	16	3018.88
19	30.45	95	591.55	39	28.94	75	1205.60	59	31.00	55	1813.99	79	31.20	35	2423.45	99	31.47	15	3050.35
20	30.52	94	622.07	40	29.88	74	1235.48	60	30.75	54	1844.74	80	31.47	34	2454.92	100	31.43	14	3081.78
	614.17			613.41				609.26				610.18				626.86			

Total This Page 3073.88

Date: 3/19/2014

Apache Packer LLC

Company			Burk Royalty					Co. Rep		Kirk Parker		Lease		Neal									
Adress								Office #				Well Number		#3									
City, State								Mobile #				County, State		Lea, New Mexico									
Tools, BHA			Lenght		GR		O.D.		#/Ft		I.D.		Thread		Jt Strenght		Total Jts		Perfs				
seat nipple			1.10		Tubing										0		114						
packer			6.80		Surface										Set @		TOC@						
					Intermediate										Set @		TOC@						
					Casing										Set @		TOC@						
KB Correction					Open Hole										TD@								
																PBTD				TD @			
Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total
1	31.24	113	39.14	21	31.26	93	653.33	41	30.05	73	1265.53	61	30.11	53	1874.85	81	31.24	33	2486.16				
2	30.32	112	69.46	22	29.79	92	683.12	42	29.91	72	1295.44	62	30.65	52	1905.50	82	31.25	32	2517.41				
3	30.97	111	100.43	23	32.30	91	715.42	43	31.76	71	1327.20	63	30.37	51	1935.87	83	31.25	31	2548.66				
4	30.28	110	130.71	24	31.50	90	746.92	44	31.77	70	1358.97	64	29.38	50	1965.25	84	31.29	30	2579.95				
5	32.37	109	163.08	25	31.52	89	778.44	45	29.75	69	1388.72	65	31.27	49	1996.52	85	31.27	29	2611.22				
6	30.80	108	193.88	26	30.74	88	809.18	46	31.04	68	1419.76	66	29.30	48	2025.82	86	31.31	28	2642.53				
7	30.41	107	224.29	27	31.79	87	840.97	47	29.77	67	1449.53	67	29.66	47	2055.48	87	31.38	27	2673.91				
8	30.55	106	254.84	28	31.78	86	872.75	48	29.86	66	1479.39	68	30.08	46	2085.56	88	31.42	26	2705.33				
9	30.11	105	284.95	29	28.96	85	901.71	49	30.06	65	1509.45	69	30.18	45	2115.74	89	31.53	25	2736.86				
10	31.35	104	316.30	30	29.27	84	930.98	50	30.81	64	1540.26	70	31.05	44	2146.79	90	31.33	24	2768.19				
11	32.28	103	348.58	31	31.56	83	962.54	51	30.69	63	1570.95	71	29.85	43	2176.64	91	31.45	23	2799.64				
12	30.00	102	378.58	32	31.01	82	993.55	52	31.39	62	1602.34	72	30.35	42	2206.99	92	31.31	22	2830.95				
13	30.83	101	409.41	33	30.10	81	1023.65	53	31.00	61	1633.34	73	29.42	41	2236.41	93	31.38	21	2862.33				
14	31.33	100	440.74	34	30.29	80	1053.94	54	30.21	60	1663.55	74	31.51	40	2267.92	94	31.33	20	2893.66				
15	30.11	99	470.85	35	30.40	79	1084.34	55	29.10	59	1692.65	75	29.65	39	2297.57	95	31.25	19	2924.91				
16	30.56	98	501.41	36	30.20	78	1114.54	56	30.72	58	1723.37	76	31.35	38	2328.92	96	31.42	18	2956.33				
17	29.13	97	530.54	37	30.91	77	1145.45	57	27.90	57	1751.27	77	32.00	37	2360.92	97	31.29	17	2987.62				
18	30.56	96	561.10	38	31.21	76	1176.66	58	31.72	56	1782.99	78	31.33	36	2392.25	98	31.26	16	3018.88				
19	30.45	95	591.55	39	28.94	75	1205.60	59	31.00	55	1813.99	79	31.20	35	2423.45	99	31.47	15	3050.35				
20	30.52	94	622.07	40	29.88	74	1235.48	60	30.75	54	1844.74	80	31.47	34	2454.92	100	31.43	14	3081.78				
	614.17			613.41				609.26				610.18					626.86						

Total This Page

3073.88

Date: 3/19/2014

Apache Packer LLC

Company			Burk Royalty					Co. Rep		Kirk Parker		Lease		Neal						
Adress								Office #				Well Number		#3						
City, State								Mobile #				County, State		Lea, New Mexico						
Tools, BHA			Lenght		GR		O.D.		#/Ft		I.D.		Thread		Jt Strenght		Total Jts		Perfs	
seat nipple			1.10		Tubing										0		114			
packer			6.80		Surface								Set @		TOC@					
					Intermediate								Set @		TOC@					
					Casing								Set @		TOC@					
KB Correction					Open Hole								TD@						PBTDTD @	
Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	
COMPANY: Burk RoyaltyLEASE: NealWELL: #3																				
Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	
101	31.47	13	3113.25	121		-7	3521.11	141		-27	3521.11	161		-47	3521.11	181		-67	3521.11	
102	31.34	12	3144.59	122		-8	3521.11	142		-28	3521.11	162		-48	3521.11	182		-68	3521.11	
103	31.36	11	3175.95	123		-9	3521.11	143		-29	3521.11	163		-49	3521.11	183		-69	3521.11	
104	31.43	10	3207.38	124		-10	3521.11	144		-30	3521.11	164		-50	3521.11	184		-70	3521.11	
105	31.41	9	3238.79	125		-11	3521.11	145		-31	3521.11	165		-51	3521.11	185		-71	3521.11	
106	31.27	8	3270.06	126		-12	3521.11	146		-32	3521.11	166		-52	3521.11	186		-72	3521.11	
107	31.51	7	3301.57	127		-13	3521.11	147		-33	3521.11	167		-53	3521.11	187		-73	3521.11	
108	31.29	6	3332.86	128		-14	3521.11	148		-34	3521.11	168		-54	3521.11	188		-74	3521.11	
109	31.37	5	3364.23	129		-15	3521.11	149		-35	3521.11	169		-55	3521.11	189		-75	3521.11	
110	31.44	4	3395.67	130		-16	3521.11	150		-36	3521.11	170		-56	3521.11	190		-76	3521.11	
111	31.42	3	3427.09	131		-17	3521.11	151		-37	3521.11	171		-57	3521.11	191		-77	3521.11	
112	31.35	2	3458.44	132		-18	3521.11	152		-38	3521.11	172		-58	3521.11	192		-78	3521.11	
113	31.24	1	3489.68	133		-19	3521.11	153		-39	3521.11	173		-59	3521.11	193		-79	3521.11	
114	31.43	0	3521.11	134		-20	3521.11	154		-40	3521.11	174		-60	3521.11	194		-80	3521.11	
115		-1	3521.11	135		-21	3521.11	155		-41	3521.11	175		-61	3521.11	195		-81	3521.11	
116		-2	3521.11	136		-22	3521.11	156		-42	3521.11	176		-62	3521.11	196		-82	3521.11	
117		-3	3521.11	137		-23	3521.11	157		-43	3521.11	177		-63	3521.11	197		-83	3521.11	
118		-4	3521.11	138		-24	3521.11	158		-44	3521.11	178		-64	3521.11	198		-84	3521.11	
119		-5	3521.11	139		-25	3521.11	159		-45	3521.11	179		-65	3521.11	199		-85	3521.11	
120		-6	3521.11	140		-26	3521.11	160		-46	3521.11	180		-66	3521.11	200		-86	3521.11	
439.33				0.00				0.00				0.00				0.00				

Total This Page

439.33

Date: 3/19/2014

Apache Packer LLC

Company			Burk Royalty						Co. Rep		Kirk Parker		Lease		Neal												
Adress									Office #				Well Number		#3												
City, State									Mobile #				County, State		Lea, New Mexico												
Tools, BHA			Lenght		GR		O.D.		#/Ft		I.D.		Thread		Jt Strenght		Total Jts		Perfs								
seat nipple			1.10		Tubing										0		114										
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KB Correction					Open Hole										TD@				PBTD TD @								
Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total								
COMPANY: Burk Royalty																				LEASE: Neal				WELL: #3			
Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total	Jts	Length	Out	Run Total								
501		-387	3521.11	521		-407	3521.11	541		-427	3521.11	561		-447	3521.11	581		-467	3521.11								
502		-388	3521.11	522		-408	3521.11	542		-428	3521.11	562		-448	3521.11	582		-468	3521.11								
503		-389	3521.11	523		-409	3521.11	543		-429	3521.11	563		-449	3521.11	583		-469	3521.11								
504		-390	3521.11	524		-410	3521.11	544		-430	3521.11	564		-450	3521.11	584		-470	3521.11								
505		-391	3521.11	525		-411	3521.11	545		-431	3521.11	565		-451	3521.11	585		-471	3521.11								
506		-392	3521.11	526		-412	3521.11	546		-432	3521.11	566		-452	3521.11	586		-472	3521.11								
507		-393	3521.11	527		-413	3521.11	547		-433	3521.11	567		-453	3521.11	587		-473	3521.11								
508		-394	3521.11	528		-414	3521.11	548		-434	3521.11	568		-454	3521.11	588		-474	3521.11								
509		-395	3521.11	529		-415	3521.11	549		-435	3521.11	569		-455	3521.11	589		-475	3521.11								
510		-396	3521.11	530		-416	3521.11	550		-436	3521.11	570		-456	3521.11	590		-476	3521.11								
511		-397	3521.11	531		-417	3521.11	551		-437	3521.11	571		-457	3521.11	591		-477	3521.11								
512		-398	3521.11	532		-418	3521.11	552		-438	3521.11	572		-458	3521.11	592		-478	3521.11								
513		-399	3521.11	533		-419	3521.11	553		-439	3521.11	573		-459	3521.11	593		-479	3521.11								
514		-400	3521.11	534		-420	3521.11	554		-440	3521.11	574		-460	3521.11	594		-480	3521.11								
515		-401	3521.11	535		-421	3521.11	555		-441	3521.11	575		-461	3521.11	595		-481	3521.11								
516		-402	3521.11	536		-422	3521.11	556		-442	3521.11	576		-462	3521.11	596		-482	3521.11								
517		-403	3521.11	537		-423	3521.11	557		-443	3521.11	577		-463	3521.11	597		-483	3521.11								
518		-404	3521.11	538		-424	3521.11	558		-444	3521.11	578		-464	3521.11	598		-484	3521.11								
519		-405	3521.11	539		-425	3521.11	559		-445	3521.11	579		-465	3521.11	599		-485	3521.11								
520		-406	3521.11	540		-426	3521.11	560		-446	3521.11	580		-466	3521.11	600		-486	3521.11								
	0.00				0.00				0.00				0.00				0.00										

Total This Page 0.00

TOTAL Tubing	3513.21
With Tools	3521.11
Avg JT.	30.81763
Avg Std.	61.64

Volumes			Bbls/Ft
0	0	Tubing	0.00000
0	0	Casing	0.00000
0	0	Open Hole	0.00000
0	X	0 Annulus	0.00000
0	X	0 Open Hole	0.00000