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

HOBBS OCD
SEP 08 2014
RECEIVED

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
Revised July 18, 2013

WELL API NO. 30-005-00971 ✓	
5. Indicate Type of Lease STATE ☐ FEE ☐ FED ✓	
6. State Oil & Gas Lease No.	
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.)	7. Lease Name or Unit Agreement Name DRICKEY QUEEN SAND UNIT ✓
1. Type of Well: Oil Well ☐ Gas Well ☐ Other INJECTION ✓	8. Well Number 17
2. Name of Operator LEGACY RESERVES OPERATING LP ✓	9. OGRID Number 240974 ✓
3. Address of Operator PO BOX 10848, MIDLAND, TX 79702	10. Pool name or Wildcat CAPROCK; QUEEN
4. Well Location Unit Letter C : 665 feet from the NORTH line and 1980 feet from the WEST line ✓ Section 3 Township 14S 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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
CLOSED-LOOP SYSTEM ☐			
OTHER: STEP RATE TEST ☒		OTHER: ☐	

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----

PROVIDE S.R.T. RESULTS TO SANTA FE FOR APPROVAL

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 Laura Pina TITLE REGULATORY TECH DATE 09/17/2014

Type or print name LAURA PINA E-mail address: lpina@legacylp.com PHONE: 432-689-5200

For State Use Only

APPROVED BY: Maley B Brown TITLE Dist. Supervisor DATE 9/18/2014

Conditions of Approval (if any):

SEP 18 2014

Step rate test

1. Shut well in a minimum of 48 hours prior to test. If the well is injecting CO2, switch to water a minimum of 2 weeks prior to the test.
2. RIH with pressure tool to top of perforations or end of casing in an open hole completion.
3. Record static surface pressure and bottom hole pressure.
4. Begin injection at 50-150 BWPD. Continue for 15-30 minutes until surface injection pressure gain stabilizes.
5. Increase injection rate by a 50-150 BWPD and maintain rate until pressure gain is 1 psi per minute or less. This increase in rate will be used for each step throughout the test. The amount of time is the step length that will be used for the remainder of the test.
6. Continue making steps at the same rate increase as number 5. above recording the surface pressure and bottom hole pressure at the end of the step.
7. Plot/graph the bottom hole pressure recorded as a function of the rate for each step. Ideally, a plot of two straight lines will be developed where the second straight line has a lower slope than the first. The test is complete when 3 points connect on the second, higher-rate straight line. The intersection of these two lines represents the bottom hole fracture pressure of the well.