Form 3160-5
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

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.

SUBMIT IN TRIPLICATE – *Other instructions on page 2.*

5. Lease Serial No.
NM 23020

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well
☑ Oil Well ☐ Gas Well ☐ Other

HOBBS OCD
MAY 19 2015
RECEIVED

8. Well Name and No.
State Line Federal #1

2. Name of Operator
Primero Operating, Inc.

9. API Well No.
30-025-41475

3a. Address
PO box 1433, Roswell, NM 88202-1433

3b. Phone No. *(include area code)*
575 622 1001

10. Field and Pool or Exploratory Area
Sawyer, San Andres

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
990 FNL and 2228 FWL, Section 33, T9S, R38E

11. County or Parish, State
Lea, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☑ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other Spud Well
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	Surface Casing
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	Production Casing

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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Commenced drilling a 12.25" hole at 6:30 am, 7/28/2014. Drilled a 12.25" hole to 2230', TD 12:30 pm 7/31/2014

Ran 55 jts 8 5/8" 24# J-55 casing equipped with Texas Pattern Shoe, Float Collar and centralizers every 4rth joint. Casing was cemented w/ 1200 sx Class C: Lead 910 sx C, .005 SF, 2% CaCl, 13#/sx LCM, 3% G, Tail 300 sx Class C .005# SF. Circulated 467 sx to surface. Plug down @ 4:30 am, 7/31/2014. Cement job was witnessed by Pat McKelvey w/ BLM.

WOC 10 hrs then cut off 8 5/8" casing and NU 5,000 psi BOP. BOP and casing were tested by Mann Welding and found to be OK. (see paperwork attached)

Commenced drilling a 7 7/8" hole at 9:30 am 8/1/2014. Drilled a 7 7/8" hole to 5438', TD 3:00 pm 8/6/2014. The hole was logged with Schlumberger HRLA, Micro-CFL/HNGS and CNL-LDT logs.

Ran 129 jts 5.5" 17# J-55 casing equipped with cement guide shoe, float collar and centralizers. Casing was cemented with 1105 sx cement: Lead 850 sx 35:65:6:POZ+C+Gel+.4%FL-52A+a5%Salt+.13#SXSF, Tail 255 sx C+.01%R-3+0.005#SXSF. Circulated 150 sx to surface. Plug down at 3:11 pm, 8/8/2014.

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*
Phelps White

Title President

Signature

Date 08/13/2014

ACCEPTED FOR RECORD
MAY – 7 2015
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

MAY 22 2015

MAN WELDING SERVICES, INC

Company Primero Date 7-31-14

Lease State Line Fed #1 County Cochran County

Drilling Contractor United Drilling 29 Plug & Drill Pipe Size 11"C-22 - 4 1/2 XH

Accumulator Pressure: 2700 Manifold Pressure: 1500 Annular Pressure: —

Accumulator Function Test - OO&GO#2

To Check - USABLE FLUID IN THE NITROGEN BOTTLES (III.A.2.c.i. or ii or iii)

- Make sure all rams and annular are open and if applicable HCR is closed.
- Ensure accumulator is pumped up to working pressure! **(Shut off all pumps)**

1. Open HCR Valve. (If applicable)
2. Close annular.
3. Close **all** pipe rams.
4. Open one set of the pipe rams to simulate closing the blind ram.
5. For 3 ram stacks, open the annular to achieve the 50+ % safety factor. (5M and greater systems).
6. **Record remaining pressure** 1250 **psi. Test Fails if pressure is lower than required.**

- **a.** {**950** psi for a 1500 psi system} **b.** {**1200** psi for a 2000 & 3000 psi system }

7. If annular is closed, open it at this time and close HCR.

To Check - PRECHARGE ON BOTTLES OR SPHERICAL (III.A.2.d.)

- Start with manifold pressure at, or above, maximum acceptable pre-charge pressure:
  a. {**800** psi for a 1500 psi system} **b.** {**1100** psi for 2000 and 3000 psi system}

1. Open bleed line to the tank, slowly. **(gauge needle will drop at the lowest bottle pressure)**
2. Close bleed line. Barely bump electric pump and see what pressure the needle jumps up to.
3. **Record pressure drop** 925 **psi. Test fails if pressure drops below minimum.**

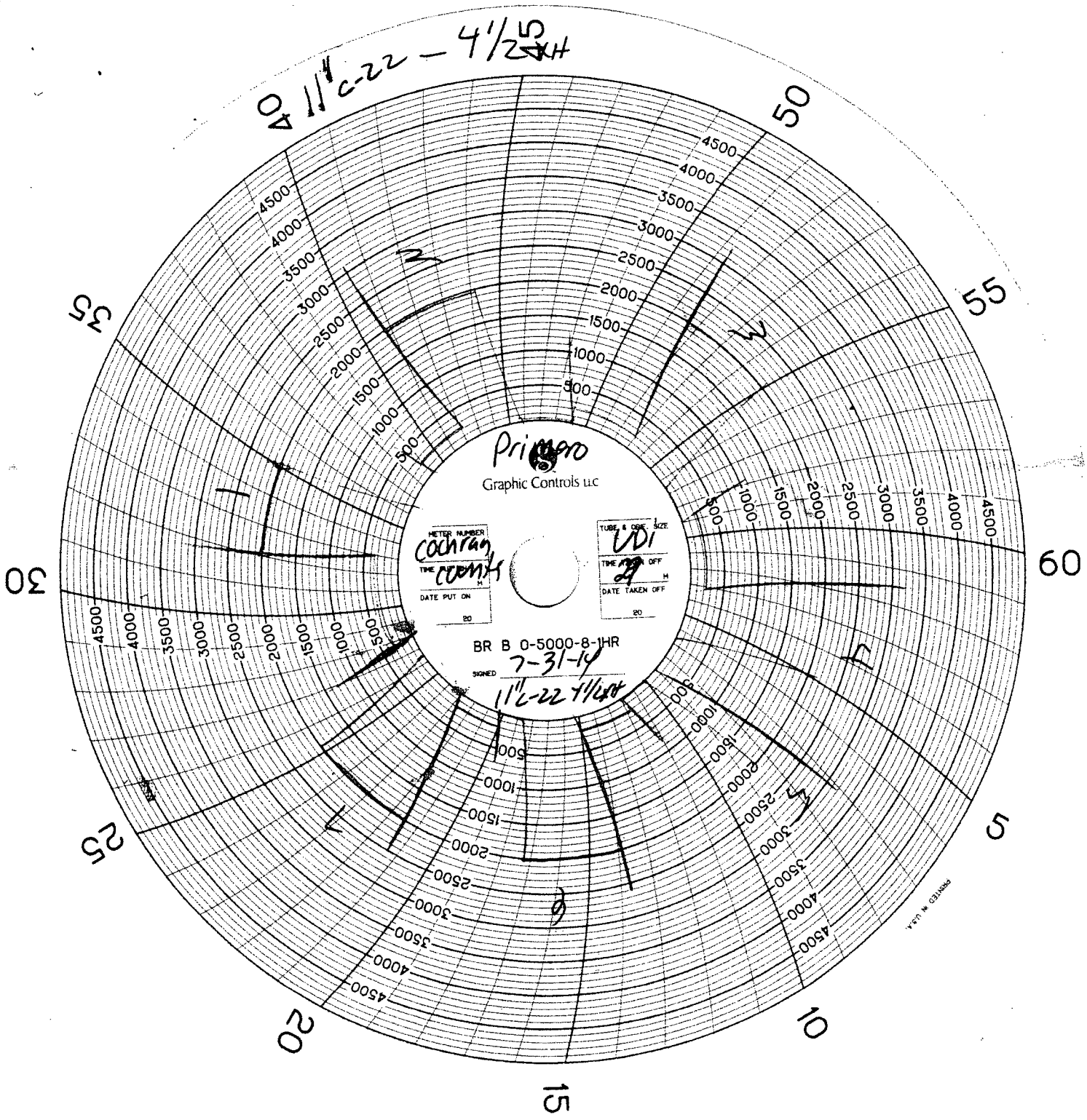
- **Minimum: a.** {**700** psi for a 1500 psi system } b. {**900** psi for a 2000 & 3000 psi system}

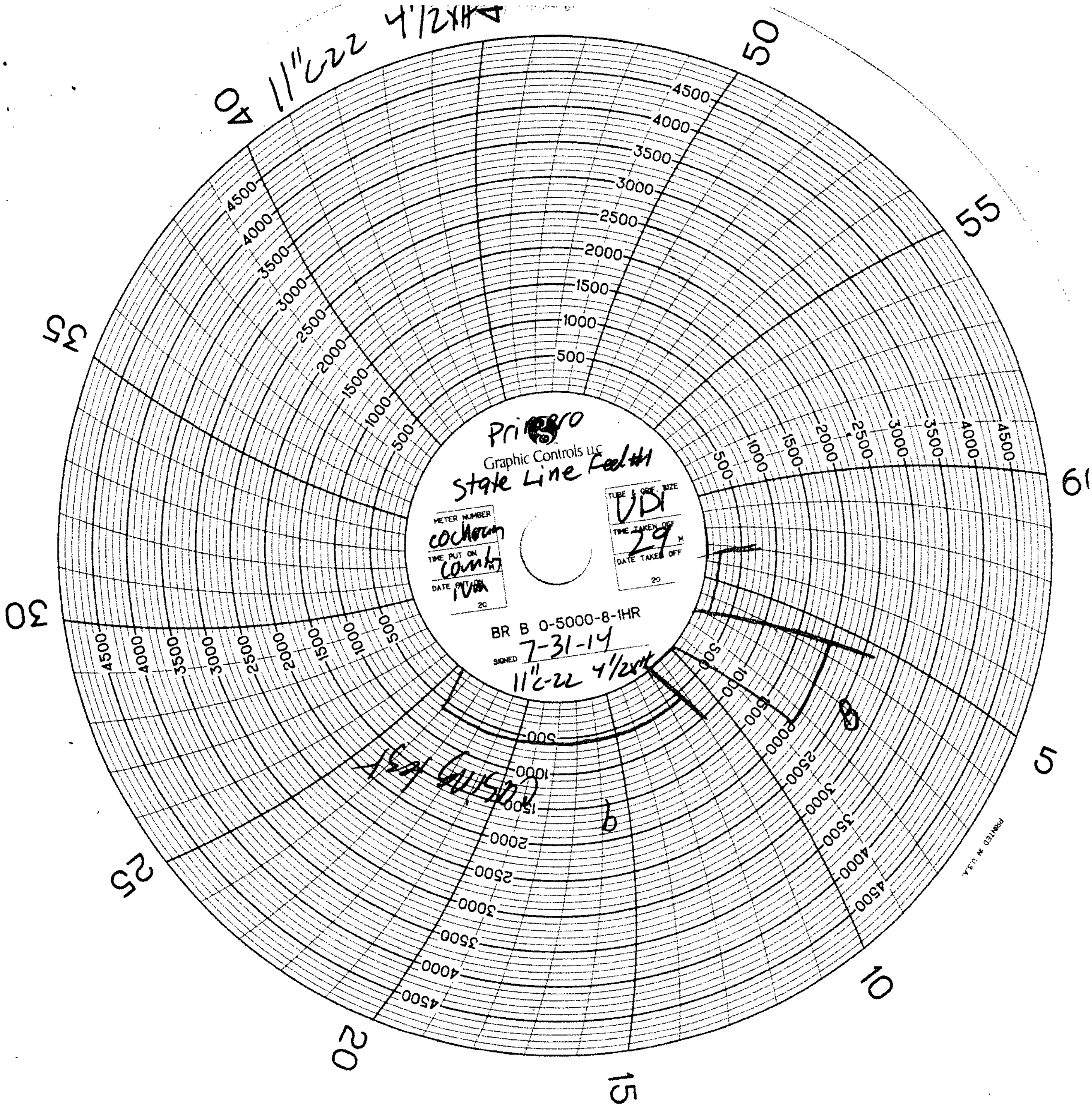
To Check - THE CAPACITY OF THE ACCUMULATOR PUMPS (III.A.2.f.)

- Isolate the accumulator bottles or spherical from the pumps & manifold.
- Open the bleed off valve to the tank, {manifold psi should go to 0 psi} close bleed valve.

1. Open the HCR valve, {if applicable}
2. Close annular
3. With **pumps** only, time how long it takes to regain the required manifold pressure.
4. **Record elapsed time** 1.38sec **Test fails if it takes over 2 minutes.**

- **a.** {**950** psi for a 1500 psi system} **b.** {**1200** psi for a 2000 & 3000 psi system)


11"C-22 4 1/2 XH
Primero
Graphic Controls LLC
METER NUMBER
Cochran
TIME
DATE PUT ON
TUBE & ORIF. SIZE
UDI
TIME TAKEN OFF
DATE TAKEN OFF
BR B 0-5000-8-1HR
SIGNED
7-31-14
11"C-22 4 1/2 XH
PRINTED IN U.S.A.



Graphic Controls LLC
METER NUMBER
TIME PUT ON
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TIME TAKEN OFF
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MAN WELDING SERVICES

WELDING • BOP TESTING
NIPPLE UP SERVICE • BOP LIFTS • TANDEM
MUD AND GAS SEPARATORS
Lovington, NM • 575-396-4540

Pg. 1 of 2

Company: Primero O.I Date: 7-31-14 Invoice # 64896

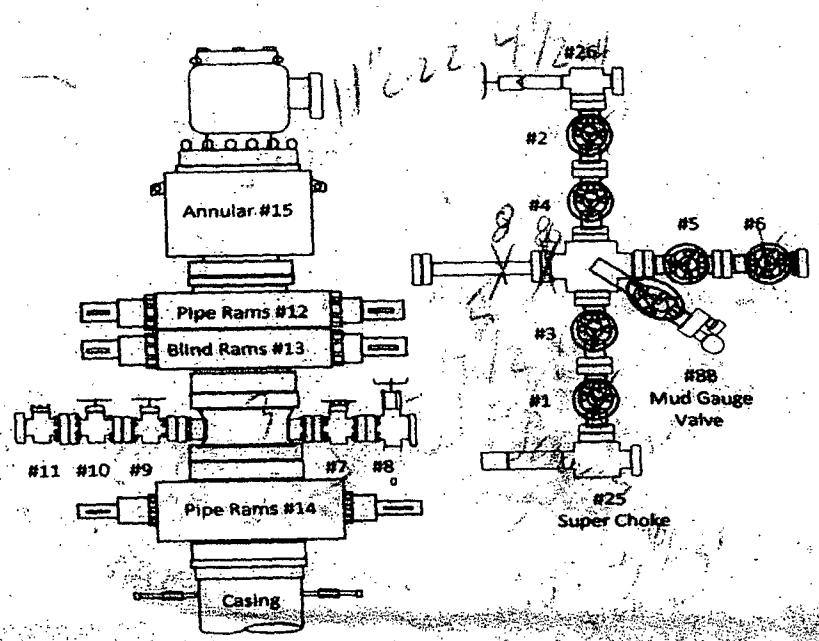
Lease: Stak line Gd #1 Drilling Contractor: United Drilling Rig # 29

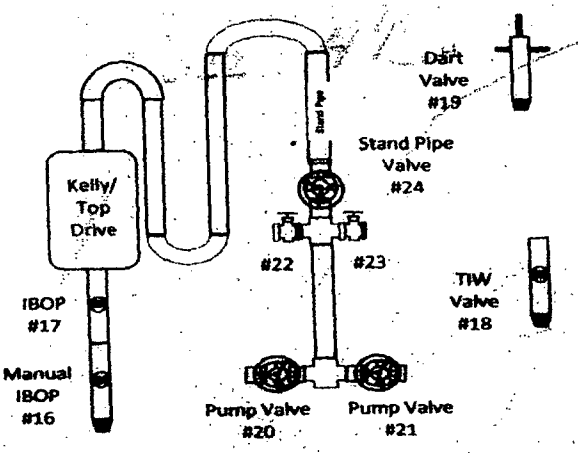
Plug Size &Type: 11" C-22 Drill Pipe Size 4 1/2 XH Tester: Todd

Required BOP: _____ Installed BOP: _____

*Appropriate Casing Valve Must Be Open During BOP Test *

* Check Valve Must Be Open/Disabled To Test Kill Line Valves *





TEST #	ITEMS TESTED	TEST LENGTH	LOW PSI	HIGH PSI	REMARKS
1.	12 9 7	10-10	250	2000	
2	12 9 8	10-10	250	2000	
3.	12 9 6	10-10	250	2000	
4	12 9 3 4 5	10-10	250	2000	
5	12 9 3 2 6 5	~~10-10~~ 14	250	2000	bump test
6.	17	10-10	250	2000	
7	18	10-10	250	2000	
8	19	10-10	250	2000	
9.	casing 13, 3, 4, 5, 9	30 min	—	600	