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

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

Form C-103
Revised July 18, 2013

WELL API NO. 30-025-29827

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No. E-8087

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: Mesa "AAF" State

1. Type of Well: Oil Well [X] Gas Well [ ] Other

8. Well Number: 1

2. Name of Operator: Foundation Energy Management, LLC

9. OGRID Number: 370740

3. Address of Operator: 16000 N. Dallas Pkwy Suite 875

10. Pool name or Wildcat: S Baum Wolfcamp & Lazy J Upper Penn

4. Well Location
Unit Letter M : 990 feet from the South line and 990 feet from the West line
Section 28 Township 13S Range 33E NMPM County Lea

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
GR = 4246.5'

OCD HOBBS
SEP 21 2015
RECEIVED

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: Matrix stimulation [X]		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.

Propose to stimulate existing pay in Bough and Wolfcamp with 3,700 gallon 15% NEFE matrix acid job while on well repairing HIT.

CLEAN LOCATION, TEST ANCHORS. MIRU WO UNIT. POOH RODS AND PUMP.NDWH, NUBOP. UNSET TAC, TALLEY OOH TUBING. RIH TUBING AND 2-7/8" x 5-1/2" PACKER TO 9,680' (40' ABOVE TOP BOUGH PERF). HYDROTEST TUBING BACK IN PRESSURING UP TO 7,000 PSI. MIRU ACID SERVICE AND ACIDIZE BOUGH WITH 2600 GAL 15% NEFE ACID AND BALL SEALERS. RELEASE PACKER AND POOH PACKER AND TUBING. RIH PACKER/RPB COMBO. SET RBP @ 9,150' (50' BELOW BTM WOLFCAMP PERF). PULL UP SET PKR AT 8,950' (40' ABOVE TOP WOLFCAMP PERF). ACIDIZE WOLFCAMP WITH 1100 GAL 15% NEFE ACID AND BALL SEALERS. LEAVE WELL SI OVERNIGHT. CHECK PRESSURES, BLOW DOWN AND RU SWAB EQUIPMENT. AFTER SWABBING, RELEASE PACKER AND RIH AND RETRIEVE RBP. POOH AND LD PACKER. RIH 3-1/2" BPMA, PERF SUB, SN, 8 JTS, TAC, TUBING TO 9,800'. NDBOP, NUWH. RIH W/ GA, PUMP, AND RODS. SPACE OUT, HANG ON, LOAD AND TEST. ENSURE GOOD PUMP ACTION. RDMO

Spud Date: 1-11-87 Rig Release Date: 2-2-87

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Lance Bentley TITLE Operations Engr DATE 9/17/15

Type or print name Lance Bentley E-mail address: LBentley@foundationenergy.com PHONE: 580-591-1411

For State Use Only

APPROVED BY: TITLE Petroleum Engineer DATE 9/22/15

Conditions of Approval (if any):

SEP 23 2015

Well Name:	Mesa AAF State #1					**Lease Type:**	State
Location:	Unit M: 990' FSL & 990' FWL	**Sec:**	28	**Township:**	13S	**Range:**	33E
County:	Lea	**State:**	NM	**API:**	30-025-29827	**Formation:**	Und. Lazy J Penn

CURRENT

Surface Csg

Size:	13-3/8"
Wt.&Thrd:	54.5#
Grade:	J-55
Set @:	448'
Sxs cmt:	450 sx
Circ:	Yes
TOC:	Surface
Hole Size:	17-1/2"

KB:	4263.1' KB
DF:	4260' DF
GL:	4246.5' GR
Spud Date:	1/11/1987
Compl. Date:	3/9/1987

Rod description	Length	Depth
1-1/2 X 30' Polish Rod w/ Liner	30	36
1-1" X 6' Steel rod sub	6	42
179-1.25 X 37.5' F.G. rods	6713	6755
124-1" X 25' Steel rods	3100	9855
2-1/2 X 1-1/4 X 26' Pump	26	9881

Intermediate Csg 1

Size:	8-5/8"
Wt.&Thrd:	32#
Grade:	J-55
Set @:	4200'
Sxs Cmt:	1800 sx
Circ:	Yes
TOC:	Surface
Hole Size:	11"

TBG description	Length	Depth
KB	17	17
272 jts 2-7/8" J-55	8875	8892
2-7/8" x 5-1/2" TAC	3	8895
8 jts 2-7/8" J-55	253	9148
2-1/2" MHD SN	2	9150
2-7/8" Perf sub	4	9154
X-Over	2	9156
3" BP MA	27	9183

Production Csg

Size:	5-1/2"
Wt.&Thrd:	17# & 20#
Grade:	37 joints 20# N-80
	45 joints 20# N-80
	90 joints 17# J-55
	69 joints 17# N-80
	3 joints 20# N-80
Set @:	10100'
Sxs Cmt:	675 sx
Circ:	No
TOC:	7,800'
Hole Size:	7-7/8"

TD 10100'
PBTD 10037'

Wolfcamp Perfs (50 holes)

8,990-98'	(2 SPF)
9,037-41'	(2 SPF)
9,084-97'	(2 SPF)

Bough Perfs (128 holes)

9,708-30'
9,777-94'
9,814-34'
9,967-74'
10,008-18'
10,022-30'

History - Highlights

1987-01: Spud.
1987-02: Originally **completed** in Bough C limestone from 9,814'-9,834'. **Acid frac'd** w/ 2,000 gals 15% NEFE and ball sealers. 100 gals acid/ft. **Re-acid frac'd** w/ 7,500 gals gelled 2% KCL pad and 15,000 gals 20% retarded acid. Average 4 BPM, 1200#, max pressure 4,400#. 750 gals acid/ft
1992-02: Bough B&C RC **Perf'd** into Bough B and C, from 9,708'-30' and 9,777'-94'. **Acidized** 9,814'-34' with 6,000 gals 15% NEFE and 24 ball sealers. Average 4.2 BPM, 100#, max pressure 100#. **Acidized** 9,777'-9,834' with 4,000 gals 15% NEFE HCL and 100 ball sealers. Average 4.5 BPM, 200#, max pressure 4,500#. Went to a vacuum.
1995-03: WO. Had to cut tubing and jar free due to stuck TAC, **reported HIC** from 4,730-62'. 1.5 BPM @ 500#. **No report of fixing, but passed MIT in 2006.**
2006-02: Wolfcamp RC. POOH, no TAC. Had to drill out "trash" in casing from 8,223'-26'. Abandoned Upper Penn with CIBP @ 9,650'. Load and MIT casing to 1,000# for 30 minutes. **Perf'd** Wolfcamp limestone from 8,990'-98', 9,037'-41', and 9,084'-97' (2 SPF). **Acid frac'd** with 7,500 gal 15% HCL and diversionary balls. Broke @ 4,100#/5 BPM.
Initial Pr ~ 3,300# (from DST, initial gradient of 0.37). IP 89 BOPD, 0 MCFD, and 96 BWPD.
2007-03: SI, making 6 BOPD and 8 MCFD
2009-12: Scanned tubing out of hole. **RA** Upper Penn (9,708'-9,834') by drilling out CIBP. **Commingle** Wolfcamp (8,990'-98' and 9,084'-97') and Upper Penn. **Perforate** Upper Penn (Bough D) from 9,967'-9,974', 10,008'-10,018', and 10,022'-10,030' w/ 3 SPF. Set packer above Bough D
Acidize Bough D with 15,000 gals 15% NEFE HCL acid w/ clay stabilizer and corrosion inhibitor, leave well SI overnight and swab back load (had to try twice because popped hole in tubing while pressuring up during 1st try). Break down Bough perfs @ 5,880#. Pump @ 3.9-6.4 BPM. Average treating pressure 4,990# and rate 5 BPM. Est. **initial Pr** ~ 3,200-3500#. Gradient of 0.32 psi/ft

Tubulars - Capacities and Performance

	V	cf/ft	Tensile (lbs)	Burst (psi)	Collapse (psi)	ID(in)	Drift (in)