

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

HOBBS OCD

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

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.

NOV 30 2015

5. Lease Serial No. MNM33955

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

8. Well Name and No. HALFWAY SWD 1

9. API Well No. 30-025-42545-00-X1

10. Field and Pool, or Exploratory SWD

11. County or Parish, and State LEA COUNTY, NM

1. Type of Well Oil Well Gas Well Other: UNKNOWN OTH

2. Name of Operator R360 PERMIAN BASIN LLC Contact: CHRIS R RUANE E-Mail: chrisr@wasteconnections.com

3a. Address 3 WATERWAY SQUARE PLACE SUITE 110 THE WOODLANDS, TX 77380 3b. Phone No. (include area code) Ph: 832-442-2200

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T20S R32E SWSW 845FSL 1030FWL

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

Table with 2 main columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production, Water Shut-Off, 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 recompleat 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Production String: TD at 14,635? top of Devonian with BLM approval. Ran 345 joints of ?? casing. Ran ?? 35# HCL80 f/ 14,635?- 11,136?, ran ??,29#,P110 f/ 11,136?-155?, ran ??35# HCL80 f/155?- 0?. DVT at 5178? and 10,456?. ?? float collar at 14,579. Hold safety meeting with Halliburton, Schlumberger, Weir and Precision drilling. Pump Cement as follows: 530 sxs Lead (13.5 pg / 1.3 cf/sx) Tail w/ 105 sxs (16.4 ppg/ 1.09 cf/sx) Lift Psi 17750 psi, Displace with 150 bbl FW & 383 bbls mud, floats held, Drop 1st stage ball open and pump thru Stage #1 DV tool, circ 125 sxs cmt Circulate w/ rig pumps thru DV Tool #1, Set up pump Stage #2 Cement

SUBJECT TO LIKE APPROVAL BY STATE

14. I hereby certify that the foregoing is true and correct. Electronic Submission #319643 verified by the BLM Well Information System For R360 PERMIAN BASIN LLC, sent to the Hobbs Committed to AFMSS for processing by JENNIFER SANCHEZ on 11/16/2015 (16JAS0123SE)

Name (Printed/Typed) JEREMY CANNADY Title ENGINEERING Date 10/13/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By Signature (Electronic Submission) Title 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.

ACCEPTED FOR RECORD stamp with date NOV 18 2015 and signature of BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE

** BLM REVISED **

FEB 12 2016

Handwritten initials and marks at the bottom right of the page.

Additional data for EC transaction #319643 that would not fit on the form

32. Additional remarks, continued

Lithology: 100% Limestone @ 14,635'

TOPS:

Yates - 2,969

Capitan - 3,300'

Delaware MTN - 5,129'

Bone springs - 7,738'

1st Bone springs - 8,815'

2nd Bone springs carb - 9,160"

2nd Bone springs sand - 9,410'

3rd Bone springs carb - 10,040'

3rd Bone springs sand - 10,498'

Wolfcamp - 10,754'

Strawn - 11,714'

Atoka - 12,216'

Marrow - 12,793'

Marrow Sand - 13,042

Lower Morrow - 13,379'

Barnett -13,752'

Mississippian Lime - 13,884'

Woodford shale, 14,409'

Devonian, 14,623'

Circulate 1st stage DVT and hold safety meeting for 2nd stage cmt job.

Change lines from rig back to Schlumberger, Pump 2nd stage 7" cement job as follows: 10 bbls of FW W/dye, 40 bbls of CW-100

spacer, 40 bbls of gelled spacer pumped @ 5 bbls min @ 600 psi, 2nd stage Lead: 567 sx of TXI cement, Blended with 75 lb/sx WTSK

0.2% BWOB, 10% BWOB, 0.8% BWOB, 0.1% BWOB, 2 lb/sx WTSK, 0.25% BWOB, 0.2% BWOB, 2% BWOB, Pumped @ 5 bbls min @

800 psi for a 240 bbls slurry, mixed @ 11.5 lb/gal, 2.38 cuft/sx, 13.88 gal fw/sx. 2nd stage

Tail: 103 sx of class H cement, mixed @

16.4 lb/gal, 1.09 cuft/sx, 4.45 gal fw/sx, blended with, 94 lb/sx WTSK, 0.4% BWOB, 0.25% BWOB, 2% BWOB, Pumped @ 5 bbls min @

500 psi, 20 bbl slurry, Shut down and drop plug, Wash up on top of plug, displace 7" casing with

200 bbls FW, swaping to drilling mud

for 187 bbls pumped @ 5 bbls min @ 850 psi, slowing the last 10 bbls to 2 bbls min @ 950 psi,

bumping plug @ 2,900 psi, check floats

floats held, drop Halliburton bomb, wait 25 min, pressure up to 1,100 psi and open 3rd stage DVT,

circulate cement off DVT with pump

truck, circulated off 235 sx or 100 bbls of cement.

Turn back over to rig pumps, Service rig and topdrive, circulate 3rd stage DVT for 6 hrs.

Cement 3rd stage as follows: Lead cement: 364 sx of TXI, mixed @ 11.5 lb/gal, 2.16 cuft/sx, 12.66 gal fw/sx, Blended with, 75 lb/sx of

WTSK, 1.5% BWOB, 5% BWOB, 1% BWOB, 0.2% BWOB, 0.2% BWOB, pumped @ 5 bbls min @ 550 psi for a 140 bbls slurry,

Tail cement: 95 sx of class C, mixed @ 14.8 ppg, 1.36 cuft/sx, 6.44 gal fw/sx, blended with 94

lb/sx WTSK, 0.1% BWOB, 0.2% BWOB,

0.3% BWOB, 0.2% BWOB, 2% BWOB, pumped @ 5 bbls min @ 350 psi, for a 23 bbls slurry, Shut down, drop

plug, wash up on top of

plug, displace with 191 bbls of fesh water slowing the last 10 bbls to 2 bbls min @ 1100 psi,

bumping plug @ 2700 psi, hold pressure

for 5 min, bleed off pressure DVT closed, Circulated 30 bbls or 77 sx of cement to 1/2 round. Close

in cementing head on 7' csg.

Wash up pump trucks and wash out BOP's, flow lines and well head, rig down Schlumberger and start cleaning pits.

Wait on cement 4 hrs, back out landing jt, make up and install well head pack off from Weir well heads, trash is on top of landing ring

We will have to nipple down to set the packoff on the casing. We will wait the 24 hrs on cement

then nipple down install packoff, install

DSA then nipple up and test BOP's.

Pat with BLM was notified about the cement job. He did not come out due to other pressing jobs.