Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
NMLC029509A

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☐ Gas Well ☒ Other: injection UNKNOWN OTH ✓

8. Well Name and No.
MALJAMAR AGI 2 ✓

2. Name of Operator ✓
FRONTIER FIELD SERVICES LLC
Contact: MICHAEL W SELKE
E-Mail: mselke@geolex.com

9. API Well No.
30-025-42628 ✓

3a. Address
MALJAMAR, NM 88260

3b. Phone No. (include area code)
Ph: 505-842-8000

HOBBS OCD

10. Field and Pool, or Exploratory
AGI

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 21 T17S R32E Mer NMP SWSE 400FSL 2100FEL ✓
32.813967 N Lat, 103.769748 W Lon

MAR 07 2016

RECEIVED

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

12. CHECK 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
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Drilling Operations
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

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 shall 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 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.)

The second (lower) intermediate casing borehole of the Maljamar #2 well began to be drilled on Friday afternoon, February 5, 2016. The 12.25-inch borehole was drilled through 2,567 feet of 13.375-inch first intermediate casing and completed to a depth of 6,524 feet (MD) on February 11, 2016. The drill bit became stuck at 5,779 during the trip out of the hole. The drilling crew utilized surface jars and vibration subs in an attempt to free the pipe, but ultimately the installation of a bottom hole jar was required to free the pipe on February 13, 2016. Due to the problems encounter with the stuck pipe, a decision was made to cement the second intermediate casing in two stages.

The second intermediate casing was constructed of 150 joints of 9.625-inch, 40 lb/ft, HCL-80 grade, LTC casing, with a DV tool at 5,277.5 feet. Additional cement was used during the first stage to insure coverage above the DV tool. A fluid caliper log was run through the second stage pipe to

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #331965 verified by the BLM Well Information System
For FRONTIER FIELD SERVICES LLC, sent to the Hobbs
Committed to AFMSS for processing by KENNETH RENNICK on 02/26/2016 ()

Name *(Printed/Typed)* MICHAEL W SELKE — Title CONSULTANT TO FRONTIER

Signature (Electronic Submission) — Date 02/22/2016

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

ACCEPTED FOR RECORD
PETROLEUM ENGINEER
FEB 27 2016
KENNETH RENNICK
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD 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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

MAR 14 2016

Additional data for EC transa[illegible]n #331965 that would not fit on the f[illegible]

32. Additional remarks, continued

verify that enough cement was used to insure circulation to the surface. The results indicated an average borehole diameter of 13.625 inches between the bottom of the first intermediate casing (2,567 feet) and the DV tool depth (see Attachment A). A schematic of the Maljamar AGI #2 well design and final installation pipe tally are provided in Attachment B.

Halliburton provided the services for the Maljamar AGI #2 second intermediate casing two-stage cement job. The compressive strength test results were onsite before the start of cement job and Geolex provided the report to the BLM for their review prior to cementing.

The first stage of the second intermediate casing for Maljamar AGI #2 was cemented on Monday afternoon, February 15, 2016 using a lead of 100 sacks of ECONOCEM (trade mark) SYSTEM, with a yield of 1.895 cubic feet per sack and a tail of 420 sacks of VERSACEM (trade mark) SYSTEM with a yield of 1.217 cubic feet per sack. Sixty bbls (215 sacks) of stage #1 cement from above the DV tool was circulated to the surface.

The second stage of the second intermediate casing was cemented on early Tuesday morning, February 16, 2016 using a lead of 1,340 sacks of ECONOCEM (trade mark) SYSTEM, with a yield of 1.871 cubic feet per sack and a tail of 100 sacks of Premium Plus Cement with a yield of 1.328 cubic feet per sack. One hundred bbls (300 sacks) of stage #2 cement was circulated to the surface, as witnessed onsite by Yolanda Jordan (BLM). The cement did not bump the plug so the casing was shut-in under pressure for 4 hours; wait on cement (WOC) time, from shut-in until BOP testing, was 24 hours. Halliburton cement laboratory reports, summary job report, and circulation photographs are provided in Attachment C.

On Wednesday February 17, 2016 the 9.675-inch BOP was installed and successfully pressure tested at 250 and 5,000 psi, with the annular tested at 250 and 3,500 psi. Casing integrity tests (CITs) were performed at the DV tool (1,500 psi for 30 minutes), the cement tag point (1,500 psi for 30 minutes), and approximately 5 feet above the casing shoe (1,500 psi for 30 minutes). The CIT at the cement tag point had to be run three times because of a leaking valve, but ultimately all were successful.

Following the CITs, the drill string was removed and a cement bond log (CBL) for the second intermediate casing was run. The CBL was provided to Kenneth Rennick (BLM) ~~who approved the cement job and authorized the drilling of the production casing borehole,~~ which began with a successful formation integrity test (FIT). Results and charts for the BOP test, CIT, and FIT are provided in Attachment D and the CBL is provided in Attachment E.

KGR 2/27/2016