

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

HOBBS OGD  
 MAR 06 2017  
 RECEIVED

WELL API NO. 30-025-28224
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Pearl State
8. Well Number 2
9. OGRID Number 310761
10. Pool name or Wildcat Scarb Southeast (Wolfcamp)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,830' RKB

**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.)

1. Type of Well: Oil Well  Gas Well  Other SWD

2. Name of Operator  
Oasis Water Solutions, LLC

3. Address of Operator  
P. O. Box, Monument, NM 88265

4. Well Location  
Unit Letter J : 1,980 feet from the South line and 1,980 feet from the East line  
 Section 10 Township 19 S Range 35 E NMPM County Lea

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

RU 12/2/16 to run step-rate test. Unable to load 5-1/2" casing x 3-1/2" tubing annulus.  
 Released Pkr & POOH w/ 302 jts 3-1/2" IPC Tbg and Pkr. Found 3 holes in 3-1/2" Tbg and corrosion in several couplings / pins .  
 PU 4-3/4" bit, 5-1/2" casing scrapper & RIH on DC's & 2-7/8" WS. Tag fill @ 10,659' (Perfs 10,490 - 10,555'). Circulate WB clean and wash fill down to 10,758'.  
 POOH & LD DC's, scrapper & bit. PU 5-1/2" treating Pkr & RIH on 2-7/8" WS hydro-testing.  
 Set Pkr @ 5,214' & test 5-1/2" x 2-7/8" annulus above Pkr to 500 psi - Ok. Release Pkr & RIH to 10,379'.  
 Set Pkr @ 10,379' & test 5-1/2" x 2-7/8" annulus above Pkr to 500 psi - Ok. 5-1/2" casing tested good.  
 RU Stone Oilfield Services Acid Company and acidize perfs 10,490 - 10,550' w/ 300 gals Xylene followed by 1,200 gals 15% NEFE.  
 Overflushed. POOH & LD WS & Pkr. 12/19/16 Suspend operations to secure new 3-1/2" Injection Tbg.  
 Resume operations 2/21/17.  
 PU new 5-1/2" x 2-7/8" Arrowset 1-X NP 10k Pkr w/ IPC ID + 2-7/8" on/off tool w/ 2.31 SS "F" Profile + 2-7/8" x 3-1/2" SS XO & RIH on 330 Jts (10,412') 3-1/2", 9.3 ppf, L-80, 8rd EUE FG Duoline Tbg. Set Pkr @ 10,421' KB w/ 20 pts compression. Circulate annulus w/ 130 bbls FW Pkr fluid w/ CI & Biocide. NU WH. Load & test 5-1/2" x 3-1/2" annulus to 620 psi and chart for 30 mins. RD 2/27/17. Schedule MIT w/ NMOCD.

Spud Date: 12/2/16 Rig Release Date: 2/27/17

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

SIGNATURE [Signature] TITLE Agent - HeLMS Oil & Gas DATE 3/2/17

Type or print name Michael Stewart E-mail address: mstewart@helmsoil.com PHONE: (432) 682-1122

**For State Use Only**  
 APPROVED BY: [Signature] TITLE AO/II DATE 3/8/2017  
 Conditions of Approval (if any):