

HOBBSDCD  
SEP 05 2017  
RECEIVED

State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division Hobbs District Office

BRADENHEAD TEST REPORT

|                                               |                                    |
|-----------------------------------------------|------------------------------------|
| Operator Name<br><b>Black Beard Operating</b> | *API Number<br><b>30-025-28510</b> |
| Property Name<br><b>STATE AA/C 3</b>          | Well No.<br><b>011</b>             |

7. Surface Location

|                      |                      |                         |                      |                          |                      |                          |                      |                      |
|----------------------|----------------------|-------------------------|----------------------|--------------------------|----------------------|--------------------------|----------------------|----------------------|
| UL - Lot<br><b>G</b> | Section<br><b>10</b> | Township<br><b>23 S</b> | Range<br><b>36 E</b> | Feet from<br><b>1345</b> | N/S Line<br><b>N</b> | Feet From<br><b>2615</b> | E/W Line<br><b>E</b> | County<br><b>Lea</b> |
|----------------------|----------------------|-------------------------|----------------------|--------------------------|----------------------|--------------------------|----------------------|----------------------|

Well Status

|                                                                                  |                                                                                |                                                                                  |                                                                       |                        |
|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------------------------------------------------|------------------------|
| TA'D WELL<br><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO | SHUT-IN<br><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO | INJECTOR<br><input checked="" type="checkbox"/> INJ <input type="checkbox"/> SWD | PRODUCER<br><input type="checkbox"/> OIL <input type="checkbox"/> GAS | DATE<br><b>5-31-17</b> |
|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------------------------------------------------|------------------------|

OBSERVED DATA

|                      | (A) Surface  | (B) Interm(1) | (C) Interm(2) | (D) Prod Csing | (E) Tubing                                                 |
|----------------------|--------------|---------------|---------------|----------------|------------------------------------------------------------|
| Pressure             | <b>0</b>     | <b>—</b>      | <b>—</b>      | <b>0</b>       | <b>TA</b>                                                  |
| Flow Characteristics |              |               |               | <b>vac</b>     |                                                            |
| Puff                 | <b>Y / 0</b> | <b>Y / N</b>  | <b>Y / N</b>  | <b>Y / 0</b>   | CO2 <input type="checkbox"/>                               |
| Steady Flow          | <b>Y / 0</b> | <b>Y / N</b>  | <b>Y / N</b>  | <b>Y / 0</b>   | WTR <input type="checkbox"/>                               |
| Surges               | <b>Y / 0</b> | <b>Y / N</b>  | <b>Y / N</b>  | <b>Y / 0</b>   | GAS <input type="checkbox"/>                               |
| Down to nothing      | <b>0 / N</b> | <b>Y / N</b>  | <b>Y / N</b>  | <b>0 / N</b>   | Type of Fluid<br>Injected for<br>Waterflood if<br>applies. |
| Gas or Oil           | <b>Y / 0</b> | <b>Y / N</b>  | <b>Y / N</b>  | <b>Y / 0</b>   |                                                            |
| Water                | <b>Y / 0</b> | <b>Y / N</b>  | <b>Y / N</b>  | <b>Y / 0</b>   |                                                            |

Remarks - Please state for each string (A,B,C,D,E) pertinent information regarding bleed down or continuous build up if applies.

|                                                                                                |                           |
|------------------------------------------------------------------------------------------------|---------------------------|
| Signature:  | OIL CONSERVATION DIVISION |
| Printed name: <b>CHARLES F. JONES</b>                                                          | Entered into RBDMS        |
| Title: <b>FOREMAN</b>                                                                          | Re-test <b>X</b>          |
| E-mail Address: <b>CFJONES@BLACKBEARDOPERATING.COM</b>                                         |                           |
| Date: <b>5-31-17</b>                                                                           |                           |
| Phone: <b>575 420 5506</b>                                                                     |                           |
| Witness: <b>Kerry FORTNER - OCD</b>                                                            |                           |

399-3221

INSTRUCTIONS ON BACK OF THIS FORM