

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

Form C-103
Revised July 18, 2013

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

WELL API NO.	30-025-42947
5. Indicate Type of Lease STATE ☐ FEE ☒	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	McCloy SWD
8. Well Number	002
9. OGRID Number	308339
10. Pool name or Wildcat	SWD; Devonian
4. Well Location Unit Letter <u>L</u> : <u>1595</u> feet from the <u>South</u> line and <u>369</u> feet from the <u>East</u> line Section <u>15</u> Township <u>24-S</u> Range <u>32-E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	3599' G.L.

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☒
OTHER: Production CSG ☐

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.

7/18/17 - Safety mtg; RU casing crew; start running 9.625", 53.5 lb (HCP-110) CSG, fill every 5 jts.

7/19/17 - Cont. RIH w/ CSG, install DV tool @ 7508', BS Centralizer @ 7554'; RIH w. 317 jts @ 12,988'; cement 1st stg - Lead w/ 2010 sx (852 bbls 11.9 ppg); tail w/ 390 sx (33 bbls 14.2 ppg). Start 915 bbl displcmt.

7/20/17 - Safety mtg; Cement 2nd stg - Lead w/ 700 sx (297 bbls 11.9 ppg); tail w/ 200 sx (45 bbl w/ 14.2 ppg); SD, drop plug, disp w/ 387 bbls. RD CSG equip/ crew; Install wellhead, configure rotating head, annular, BOP. (See attachments - Daily Reports for above dates.)

Spud Date:

5/11/2017

Rig Release Date:

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

SIGNATURE

TITLE Agent/consultant

DATE 10/03/2017

Type or print name

E-mail address: ben@sosconsulting.us

PHONE: 903-488-9850

For State Use Only

APPROVED BY:

TITLE

Petroleum Engineer

DATE

10/06/17

Conditions of Approval (if any):

Latshaw Drilling & Exploration Company						MORNING REPORT							DATE 18-Jul-2017		RIG NO 21		JOB TYPE Daywork		JOB NO 1		WELL TYPE Vertical		REVISION 		
WELL NAME McCloy SWD #2						LEGAL DESCRIPTION						SPUD DATE/TIME 11-May-2017 / 08:30		DAYS FR SPUD 68		PROJECTED TD 19800		ACTUAL TD							
OPERATOR OWL oilfield water logistics						State NM		County Lea		JOB START DATE/TIME 01-May-2017 / 08:00		DAYS ON JOB 78		EST RELEASE 31-Jul-2017		TD DATE/TIME /									
RIG MANAGER CRAIG WENTHOLD				RIG PHONE NO. 432-847-4875		OPERATOR'S REPRESENTATIVE Ross Robertson				GO MAN PH NO. 985 859 7081		RELEASE DATE/TIME /		WEATHER warm with light winds											
OPERATIONS AT REPORT TIME RUN CASING FILLING EVERY JNT STOPPING EVERY 5 JNTS TO FILL CASING												OPERATIONS NEXT 24 HRS running casing & cementing													
ACCIDENTS/NEAR MISSES/DESCRIPTION none												# JSA's 14		SAFETY DAYS 314		SAFETY RATE		G.P.S. COORDINATES 32.21530 / -103.66973		BOP TEST DATE/PRESSURE 16-Jun-2017 / 10,000					
SAFETY MEETING / JSA TOPICS Hydration / L.D.D.C.												# STOP CARDS		LAST MEETING DATE 17-Jul-2017		CROWN-O-MATIC CHECKED 17-Jul-2017		NEXT BOP TEST DATE / TIME /							
LAST INSPECTION 01-May-2017		INSPECTION BY / TITLE DIAMOND J		CREW MU 5 / 5 /		EXTRA CREWS WHY NONE		OFFICE NOTIFIED NO				BOP DRILL DATE / TIME 14-Jul-2017 / 12:00													
CURRENT DEPTH 12998		FOOTAGE LAST 24 0		PEN RATE 0.00		ROT HRS 2365		BACKDR GAS 0		CONN GAS 0		TRIP GAS 0		LAST CASING SIZE & SET DEPTH 13.375 / 5744		RIG COSTS									
AIR PRESSURE 125		HOOKLOAD 380		PICKUP WEIGHT 395		SLACKOFF 360		ROTATING 380		ROTARY TORQUE 10000		NEXT CASING SIZE & SET DEPTH 9.625 / 13005		SERV/REP		RENTAL									
TIME 06:00		MUD WT IN OUT 9.3		FUNNEL VIB 29		PV YP 1 1		10% GEL 1		FL LOSS 0		FILT CK 0.00		HTHP FL 0		HTTP FC 0		FUEL ADDED TO MUD TODAY CUM							
MUD TYPE Brine		% SOLIDS 2		% CLM 0.0		% SAND 0.0		% OIL 0.0		% H ₂ O 93.2		pH 10		MF 0.00		PF 0.00		Ca 2000		CI 97000		MUD COSTS DAILY 1400 CUM 110108			
CENTRIFUGES YES		SHAKER TYPE VORTEC						SCREENS API 170		CHANGED 06-Jul-2017		WATER SOURCE FRAC TANK		CUM. DAYS 78		78									
From		To		Hours		Code		Details Of Operations												TIME BREAKDOWN		TODAY		WELL	
06:00		11:30		5.60		5		CIRCULATE 80BBLS SWEEP AROUND, MONITOR FLOW AND GAS, SPOT 100BBLS 10.0PPG BRINE ON BOTTOM												1: RIG UP / DOWN				218.50	
11:30		12:30		1.00		6-002		T.O.O.H F-12998' T-12015'(PULL SLOW)												2: DRILLING				635.75	
12:30		13:30		1.00		5		SPOT 100BBLS 10.0PPG BRINE WATER @12015'												3: REAMING				23.50	
13:30		18:00		4.50		6-002		T.O.O.H F-12015' T-1161'												5: COND / CIRC		6.50		133.00	
18:00		19:30		1.50		6-002		TOH F/1,161-T/423 (REMOVED ROT HEAD INSTALLED TRIP NIPPLE)												6: TRIPS		10.00		408.25	
19:30		20:00		0.50		6-001		TIH 3 STDs 6" COLLARS												7: LUBRICATE RIG				17.00	
20:00		21:00		1.00		21-002		HOLD SAFTEY MEETING AND RIG UP LAYDOWN MACHINE,												8: REPAIR RIG				109.50	
21:00		23:30		2.50		6-002		LAY DOWN 9 6" & 12 8" DRILL COLLARS, DRAIN MOTOR BREAK BIT & LAY DOWN SURE SHOT & MOTOR												9: C/O DRILL LINE				10.50	
23:30		00:00		0.50		21-001		PULL WEAR BUSHING												10: DEVIATION				13.25	
00:00		01:30		1.50		12		HOLD SAFETY MEETING AND RIG UP CASING CREW												11: WIRELIN LOG				2.50	
01:30		06:00		4.50		12		RUN CASING FILLING EVERY JNT STOPPING EVERY 5 JNTS TO FILL CASING												12: RUN CSG/CMT		6.00		52.00	
																				13: WAIT ON CEMENT				6.00	
																				14: NIPPLE UP BOP				40.00	
																				15: TEST BOP				9.00	
																				16: DRILL STEM TEST					
																				17: PLUGBACK					
																				18: SQUEEZE CMNT					
																				19: FISHING				83.75	
																				20: DIR. WORK				4.50	
																				21: PULL WEAR BUS		1.50		83.00	
																				22:				5.50	
																				23:				18.50	
																				24: Not Used					
																				25: Not Used					

Latshaw Drilling & Exploration Company						MORNING REPORT							DATE 19-Jul-2017		RIG NO 21		JOB TYPE Daywork		JOB NO 1		WELL TYPE Vertical		REVISION	
WELL NAME McCloy SWD #2 2						LEGAL DESCRIPTION								SPUD DATE/TIME 11-May-2017 / 08:30		DAYS FR SPUD 69		PROJECTED TD 19900		ACTUAL TD				
OPERATOR OWL oilfield water logistics						State NM		County Lea		JOB START DATE/TIME 01-May-2017 / 06:00		DAYS ON JOB 79		EST RELEASE 31-Jul-2017		TD DATE/TIME /								
RIG MANAGER JACK HANKINS				RIG PHONE NO. 432-847-4875		OPERATOR'S REPRESENTATIVE Ross Robertson				CO MAN PH NO. 985 859 7081		RELEASE DATE/TIME /		WEATHER										
OPERATIONS AT REPORT TIME												OPERATIONS NEXT 24 HRS												
SAFETY																								
ACCIDENTS/NEAR MISSES/DESCRIPTION												# JSA's 12	SAFETY DAYS 315		SAFETY RATE		G.P.S. COORDINATES 32.21530 / -103.06973				BOP TEST DATE/PRESSURE 16-Jun-2017 / 10,000			
SAFETY MEETING / JSA TOPICS Run casing/Cementing casing												# STOP CARDS		LAST MEETING DATE 18-Jul-2017		CROWN-D-SATIC CHECKED 18-Jul-2017				NEXT BOP TEST DATE / TIME /				
LAST INSPECTION 01-May-2017		INSPECTION BY / TITLE DIAMOND J		CREW M/U 5 / 5		ROT HRS /		EXTRA CREWS/WHY		OFFICE NOTIFIED		BOP DRILL DATE / TIME 14-Jul-2017 / 12:00												
CURRENT DEPTH 12998		FOOTAGE LAST 24 0		PEN RATE 0.00		MAX GAS 0		BCKGR GAS 0		CONN GAS 0		TRIP GAS 0		LAST CASING SIZE & SET DEPTH 13.375 / 5744		RIG COSTS								
AIR PRESSURE 120		HOOKLOAD 650		PICKUP WEIGHT 700		SLACKOFF 630		ROTATING 650		ROTARY TORQUE 0		NEXT CASING SIZE & SET DEPTH 9.625 / 13000				SERV/REP 0	RENTAL 275							
TIME 08:00		MUD WT IN/OUT 9.3		FUNNEL V/S 28		PV 1	YP 1	1% GEL 1	10% GEL 1	FL LOSS 0.00	FILT CK 0	NTHP FL 0	MTP FC 0	FUEL ADDED TO MUD TODAY CUM		AVERAGE 3396	214							
MUD TYPE Brine		% SOLIDS 7.2	% CLM 0.0	% SAND 0.0	% OIL 0.0	% H ₂ O 92.8	pH 9.5	MF 0.22	FF 0.02	Ce 2000	CI 99000	DAILY 427	MUD COSTS CUM 110632		CUMULATIVE 268320	16900								
CENTRIFUGES YES				SHAKER TYPE VORTEC				SCREENS API 170				CHANGED 06-Jul-2017		WATER SOURCE FRAC TANK		CUM. DAYS 79	79							
From To Hours Code				Details Of Operations										TIME BREAKDOWN		TODAY	WELL							
06:00 07:30 1.60 12				RUN CASING F/3073' T/3299', PULL TRIP NIPPLE/INSTALL RUBBER,FILL UP CASING EVERY 5 JTS										1: RIG UP / DOWN		218.50								
07:30 12:00 4.50 12				RUN CASING F/3299' T/6926', FILL UP CASING EVERY 15 JTS										2: DRILLING		635.75								
12:00 13:45 1.75 12				RUN CASING F/6926' T/7506', INSTALL DV TOOL @ 7506', INSTALL BOW CENTRALIZER @ 7554'										3: REAMING		23.50								
13:45 16:30 2.75 12				RUN CASING F/7554' T/9024', INSTALL CRT TOOL										4: CORING		2.50	135.50							
16:30 18:00 1.50 12				RUN CASING F/9024' T/10166' FILL PIPE EVERY 15 JTS										5: COND / CIRCL		406.25								
18:00 21:30 3.50 12				RUN 317 JTS 9 5/8 53.50 LB CASING F/ 10,166-T/12,988										6: TRIPS		17.00								
21:30 22:00 0.50 5				5 FT STICK IN HOLE T/12,983 5 FT UP										7: LUBRICATE RIG		109.50								
22:00 00:00 2.00 5				CIRCULATE, BOTTOMS UP, AND CIRCULATE GAS OUT										8: REPAIR RIG		10.50								
00:00 02:00 2.00 21-001				TROUBLE SHOOT ANNULAR EQUIPMENT-ANNULAR WOULD NOT OPEN,CEMENT THROUGH CHOKE MANIFOLD										9: C/O DRILL LINE		13.25								
02:00 03:00 1.00 12				HOLD SAFTEY MEETING WITH CASING CREW, AND RIG UP AND TEST LINES										10: DEVIATION		2.50								
03:00 06:00 3.00 12				CEMENT 1ST STAGE 9 5/8 CASING, PUMP 20 BBLs SPACER, 852 BBLs 11.90PPG LEAD CEMENT CONTAINING 2010 SKS CEMENT THEN 88 BBLs 14.20PPG TAIL CEMENT CONTAINING 390 SKS OF CEMENT. BEGIN 915 BBL DISPLACEMENT AT REPORT TIME										11: WIRELINE LOG		19.50	71.50							
														12: RUN CSG/CMNT		6.00								
														13: WAIT ON CEMENT		40.00								
														14: NIPPLE UP BOP		9.00								
														15: TEST BOP										
														16: DRILL STEM TEST										
														17: PLUGBACK										
														18: SQUEEZE CMNT										
														19: FISHING		83.75								
														20: DIR. WORK		4.50								
														21: TROUBLE SHOOT		2.00	86.00							
														22:		5.50								
														23:		18.50								
														24: Not Used										
														25: Not Used										
														TOTAL HOURS		24.00	1896.00							
BIT #		SIZE	TYPE	MAKE	SERIAL #	NOZZLES	IN @	OUT @	DRILLED	HRS	CUM HRS	DULL CONDITION		RCP										
10		12.25	U716M	ULTERRA	34950	20/20/20/18/16/16/16	11803		1012	0.00	22.50			44.96										
RE-RUN 9		12.25	U813M	ULTERRA	34270	18/18/18/18/18/18/18	11713	11803	90	0.00	5.00			18.00										
9		12.25	U813M	ULTERRA	34270	18/18/18/18/18/18/18	11713		90	0.00	5.00			18.00</										

Latshaw Drilling & Exploration Company										MORNING REPORT										20-Jul-2017		RIG NO 21		JOB TYPE Daywork		JOB NO 1		WELL TYPE Vertical		REVISION																																																																																																			
WELL NAME McCloy SWD #2 2										LEGAL DESCRIPTION										SPUD DATE/TIME 11-May-2017 / 08:30		DAYS PR SPUD 70		PROJECTED TO 19800		ACTUAL TD																																																																																																							
OPERATOR CWL offiled water logistics										State NM		County Lea								JOB START DATE/TIME 01-May-2017 / 06:00		DAYS ON JOB 80		EST RELEASE 31-Jul-2017		TD DATE/TIME /																																																																																																							
RIG MANAGER JACK HANKINS					RIG PHONE NO. 432-847-4875					OPERATOR'S REPRESENTATIVE Ross Robertson					CO MAN PH NO. 985 859 7081					RELEASE DATE/TIME /					WEATHER																																																																																																								
OPERATIONS AT REPORT TIME																									OPERATIONS NEXT 24 HRS																																																																																																								
INSTALL AND WELD UP FLOWLINE,TORQ NUTS ANNULAR AND ROT HEAD ASSEMBLY,																																																																																																																																	
ACCIDENTS/NEAR MISSES/DESCRIPTION										# JSA's 12		SAFETY DAYS 316		SAFETY RATE		G.P.S. COORDINATES 32.21530 / -103.69973					BOP TEST DATE/PRESSURE 16-Jun-2017 / 10,000																																																																																																												
SAFETY MEETING / JSA TOPICS Cementing casing										# STOP CARDS		LAST MEETING DATE 19-Jul-2017		CROWN-O-MATIC CHECKED 19-Jul-2017					NEXT BOP TEST DATE / TIME 20-Jul-2017 / 06:00																																																																																																														
LAST INSPECTION 01-May-2017					INSPECTION BY / TITLE DIAMOND J					CREW M/U 5 / 5		EXTRA CREWS/WHY /					OFFICE NOTIFIED					BOP DRILL DATE / TIME 14-Jul-2017 / 12:00																																																																																																											
CURRENT DEPTH 12996		FOOTAGE LAST 24 0			PEN RATE 0.00		ROT HRS 0		MAX GAS 0		BCKGR GAS 0		CONN GAS 0		TRIP GAS 0		LAST CASING SIZE & SET DEPTH 13.375 / 5744			RIG COSTS																																																																																																													
AIR PRESSURE 120		HOOKLOAD 0			PICKUP WEIGHT 0		SLACKOFF 0		ROTATING 0		ROTARY TORQUE 0		NEXT CASING SIZE & SET DEPTH 9.625 / 13000					DAILY		SERV/REP		RENTAL																																																																																																											
TIME 18:00		MUD WT IN/OUT 9.3		FUNNEL VIS 29		PV 1		YP 1		100 GEL 1		10M GEL 1		FL LOSS 0		FLT CK 0.00		HTHP FL 0		HTHP FC 0		FUEL ADDED TO MUD TODAY CUM																																																																																																											
MUD TYPE None		%SOLIDS 7.2		%LCN 0.0		%SAND 0.0		%OIL 0.0		%H2O 0.0		pH 9.5		MF 0.00		PF 0.00		Ca 0		Cl 0		MUD COSTS DAILY 427 CUM 110632																																																																																																											
CENTRIFUGES YES					SHAKER TYPE VORTEC					SCREENS API 170					CHANGED 06-Jul-2017					WATER SOURCE FRAC TANK					CUM. DAYS		80		80																																																																																																				
From										To										Hours										Code										Details Of Operations										TIME BREAKDOWN										TODAY										WELL																																																											
06:00										09:30										3.50										12										CEMENT,DISPLACING 900 BBLs BEFORE BUMP PLUG,@ 915 BBLs BUMP PLUG,CHECK FLOATS, DROP BOMB,OPEN DV TOOL,										1: RIG UP / DOWN										218.50																																																																					