

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
Revised July 18, 2013

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

OCD AMENDED REPORT

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FEB 01 2018

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Grand Banks Energy Co 10 Desta Drive, Suite 300E, Midland, TX 79705		² OGRID Number 155471
		³ API Number 30-025-28787
⁴ Property Code 029877	⁵ Property Name Anderson Ranch 10 State	⁶ Well No. 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
A	10	16S	32E		660	North	660	East	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information

<i>WC-024 @-09 9169210 A; ABO</i>	Pool Name	Pool Code <i>98269</i>
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Additional Well Information

¹¹ Work Type A	¹² Well Type O	¹³ Cable/Rotary	¹⁴ Lease Type S	¹⁵ Ground Level Elevation 4317.2
¹⁶ Multiple N	¹⁷ Proposed Depth 10050	¹⁸ Formation Wolfcamp	¹⁹ Contractor	²⁰ Spud Date 02/01/2018
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
S	17 1/2	13 3/8	54.5	500	700	0
I	11	8 5/8	28	4200	1800	0
P	7 7/8	5 1/2	15.5, 17	10050	1700	820

Casing/Cement Program: Additional Comments

Well was originally drilled in 1984. We are just adding a zone from 8930-8960'.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/> , if applicable. Signature: <i>Denise Jones</i> Printed name: Denise Jones Title: Regulatory Analyst E-mail Address: djones@cambrianmgmt.com Date: 01/29/2018 Phone: 432-620-9181	OIL CONSERVATION DIVISION	
	Approved By: <i>[Signature]</i>	
	Title: <i>Petroleum Engineer</i>	
	Approved Date: <i>02/09/18</i>	Expiration Date: <i>02/09/20</i>
	Conditions of Approval Attached	

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. 30-025-28787
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-3633
7. Lease Name or Unit Agreement Name Anderson Ranch 10 State
8. Well Number 001
9. OGRID Number 155471
10. Pool name or Wildcat Anderson Ranch Wolfcamp
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4317.2 GR

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

2. Name of Operator
Grand Banks Energy Co

3. Address of Operator
10 Desta Drive, Suite 300E, Midland, TX 79705

4. Well Location
 Unit Letter A : 660 feet from the North line and 660 feet from the East line
 Section 10 Township 16S Range 32E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4317.2 GR

HOBBS OGD
 FEB 01 2018
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12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input 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"/>	Add Pay <input checked="" 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.
 Perfs will be added in the Wolfcamp @ 8930-8960' (8 holes and acidized w/4000 gal 15% HCL) using the following procedure. We plan to move on location 01/22/2018.
- MIRU WSU
 - POOH w/rods and pump R&R pump
 - NDWH NUBOP
 - Release TAC POOH w/tbg
 - MIRU Wireline Run GR-CCL PBD (10000' +/-) to 8800'
 - Perf 8930, 8953, 8960 w/ 2JSPF RD Wireline
 - PU RBP w/ball catcher and PKR for 5 1/2 17# csg. Hydrotest in hole 6000 psi to 9000'. Set RBP and test 1000 psi.
 - MIRU Acid crew w/4000 gal 15% HCL
 - Pull pkr to 8960' Spot 500 gal 15% HCL Displace 50 BW
 - Pull pkr to 8800' reverse 5 bbls and set pkr
 - Breakdown perfs
 - Acidize with remaining 3500 gal @ 5000 psi, pump 15 bbls then (2) 7/8 BS (1.5 SG) every 10 bbls to 20 BS. Displace 55 bbls produced water. Surge as necessary to vac truck.
 - Wait 4 hrs
 - Swab for results
 - Release pkr and plug. POOH
 - TIH w tbg as before
 - ND BOP NUWH
 - Run pump and rods as before.

Spud Date:

Rig Release Date:

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

SIGNATURE Denise Jones TITLE Regulatory Analyst DATE 1-17-18
 Type or print name Denise Jones E-mail address: djones@cambrianmgmt.com PHONE: 432 620-9181
 For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
 Conditions of Approval (if any): _____