

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

HOBBBS
OCT 30 2013
 CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-28510	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. A-983	
7. Lease Name or Unit Agreement Name STATE A A/C 3	
8. Well Number 11	
9. OGRID Number 3707367 370767	
10. Pool name or Wildcat LANGLEY MATTIX; 7 RVRS-Q-GRAYBURG	
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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: Water Injector	
2. Name of Operator Blackbeard Operating, LLC	
3. Address of Operator 200 N. Loraine, Suite 300 Midland, TX 79705	
4. Well Location Unit Letter <u>G</u> : <u>1345</u> feet from the <u>NORTH</u> line and <u>2615</u> feet from the <u>East</u> line Section <u>10</u> Township <u>23S</u> Range <u>36E</u> NMPM County <u>LEA</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3650' (GL)	

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

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

- MIRU Plugging company. ND Wellhead. NU BOP.
- RIH w/tubing, tag CIBP at 3575' MD. Spot 25SX of 14.8ppg 1.32ft³/sx Class C cement at 3575' MD. POOH above TOC (~3334'), Circulate clean to surface. POOH w/10 joints. WOC. SPOT 25 SX CLASS C CEMENT 2767 (DU TOOL)
- RIH, Tag cement, Circulate MLF 10.0ppg Fluid, Test casing to 500psi, record results. POOH to 1275'
- Spot 89sx at 1275' (Rustler @ 1215', Shoe @ 445'). TOC at 400' or better. WOC.
- RIH and tag TOC. Test Casing to 500psi, record results. POOH.
- RU wireline, RIH and perforate 5-1/2" casing at 100'. Circulate cement to surface.
- Cut off Wellhead and weld on dry hole marker.

**See Attached
 Conditions of Approval**

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 [Signature] TITLE Asset Engineer DATE 10-22-2019

Type or print name _____ E-mail address: _____ PHONE: _____
For State Use Only

APPROVED BY: Kerry Forth TITLE C.O. A DATE 11-1-19
 Conditions of Approval (if any): _____

State A A/C-3 #11 (Current)
 Pool: Langlie Mattix-7RVRS-Queen-Grayburg
 SU-T-R: 10G-23S-36E
 1345'FNL; 2615' FEL
 Lea, NM
 API: 30-025-28510



**BLACKBEARD
 OPERATING**

K.B. Elev. 3,477'
 Ground Level 3,465'

Spud Date: 4/1984

Surface Casing

Hole Size: 12-1/4"

8-5/8", 24# K-55 @ 445' w/ 275 sx Class C cmt. 50Sx cement to surface, TOC @ surface

Well History:

Initial Completion (5/1/1984):

Drilled as injector and completed in 2 stages.

Casing tests passed: 10/1992, 10/1997

3/13/2003: Failed MIT

6/20/2003 IA:

Set CIBP @ 3575' MD, casing tested, 60psi leakoff over 30min. Interpreted as a good test.

Casing tests failed: 3/2008,
 Casing tests passed: 4/2008, 6/2013

5/2019 MIT test (Blackbeard Personnel)

Test barely passed. Leak-off is evident and each test requires a decent casing volume to be filled back up. Well is OOC per OCD due to idle well requirements.

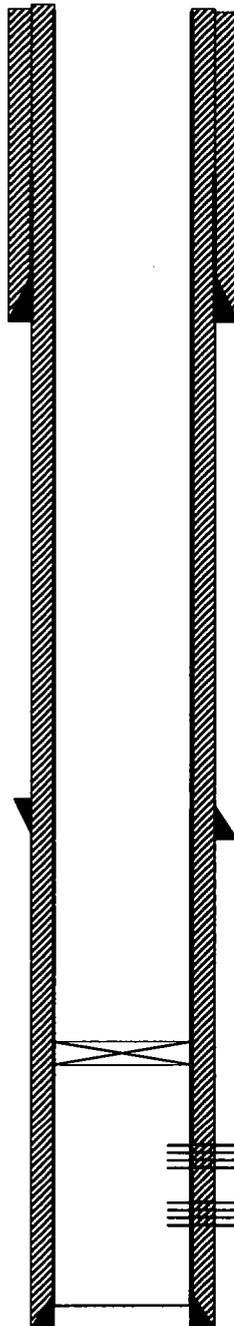
2019_10: Pending PA

Production Casing

Hole Size: 7-7/8"

5-1/2", 15.5ppf J-55 LTC 0' - 165' MD
 5-1/2", 15.5ppf J-55 STC 165' - 2350' MD
 5-1/2", 14.0ppf J-55 STC 2350' - 3800' MD

1st stage: 250 Sx Class C 50-50 Poz,
 2nd stage Lead: 950 Sx Lite
 2nd Stage Tail: 100 Sx Class C
 150Sx to surface, TOC @ Surface.



DV Tool @ 2767' w/1050 SX,
 Circulated 150 Sx to Surface.

CIBP Set at 3575' WLM.

Queen Completion:

Perfs: 3642' - 3728' (1 SPF, 44 holes)
 Acidized w/4500gal 15% NEFE HCl.

Perfs: 3742' - 3754' (1 SPF, 13 holes)
 Acidized w/1000gal 15% NEFE HCl

TD - 3,800'
 PBTD - 3,755'

Est. tops per files
 Rustler = 1215'
 Tansill = 2894'
 Yates = 3050'
 7 Rivers = 3236'
 Queen = 3622'

Last Dated: 10/22/2019
 Author: P. Tinar

State A A/C-3 #11 (Proposed)
 Pool: Langlie Mattix-7RVRS-Queen-Grayburg
 SU-T-R: 10G-23S-36E
 1345'FNL; 2615' FEL
 Lea, NM
 API: 30-025-28510



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2019_10: Pending PA

Production Casing

Hole Size: 7-7/8"

5-1/2", 15.5ppf J-55 LTC 0' - 165' MD

5-1/2", 15.5ppf J-55 STC 165' - 2350' MD

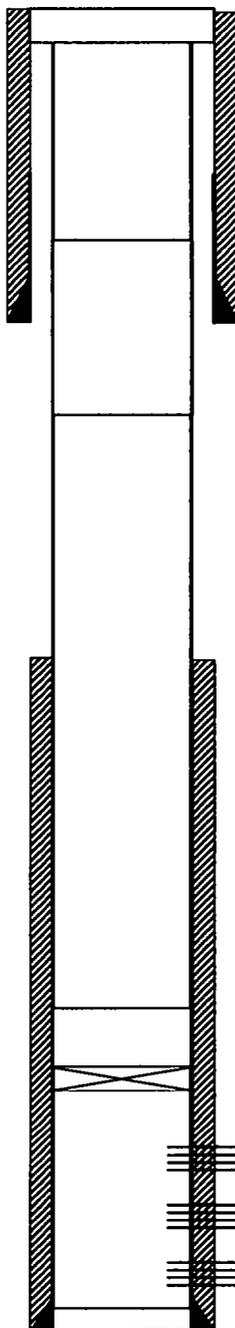
5-1/2", 14.0ppf J-55 STC 2350' - 3800' MD

1st stage: 250 Sx Class C 50-50 Poz,

2nd stage Lead: 950 Sx Lite

2nd Stage Tail: 100 Sx Class C

150Sx to surface, TOC @ Surface.



Cement plug from 100' - Surface MD
 15 Sx inside 8-5/8" x 5-1/2" Annulus
 11 Sx inside 5-1/2"
 Total Sx: 26

Cement plug from 1275' - 396' MD
 89 Sx of 14.8ppg 1.32ft³/sx Class C cement

CIBP @ 3575' MD w/ 25 Sx cement on top.
 Estimated TOC @ 3334' MD

Queen Completion:

Perfs: 3642' - 3728' (1 SPF, 44 holes)
 Acidized w/4500gal 15% NEFE HCl.

Perfs: 3742' - 3754' (1 SPF, 13 holes)
 Acidized w/1000gal 15% NEFE HCl

TD - 3,850'
 PBD - 3,840'

Est. tops per files
 Rustler = 1215'
 Tansill = 2894'
 Yates = 3050'
 7 Rivers = 3236'
 Queen = 3622'

Last Dated: 10/22/2019
 Author: P. Tinar

Plug 1	
	14.8 ppg
	25 sx
	1.32 ft ³ /sx
	33 ft ³
	5.9 bbls
Plug length	241 ft
Base	3575 ft
TOC	3334 ft

5-1/2" 14.0ppf
 Casing Capacity
 0.0244 bbl/ft
 5-1/2" 15.5ppf
 Casing Capacity
 0.0238 bbl/ft

Plug 2	
	14.8 ppg
	89 sx
	1.32 ft ³ /sx
	117.48 ft ³
	20.9 bbls
Plug length	879 ft
Base	1275 ft
TOC	396 ft

8-5/8" 24ppf x 5-1/2" 14/15.5ppf capacity
 0.0343

bbl/ft

Plug 3	
	14.8 ppg
Annular Sx	15 sx
5-1/2" Sx	11 sx
	1.32 ft ³ /sx
	19.8 ft ³
	3.5 bbls
Annular Plug length	103 ft
5-1/2" plug length	108.7 ft
Base	100 ft
TOC	-3 ft

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-dilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy <u>1225</u>	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
D. Salt <u>2894</u>	T. Atoka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates <u>3050</u>	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers <u>3236</u>	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen <u>3622</u>	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____	T. Simpson _____	T. Gallup _____	T. Ignacio Qtzte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Granite _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Delaware Sand _____	T. Entrada _____	T. _____
T. Abo _____	T. Bone Springs _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn. _____	T. _____	T. Pennian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn. "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from <u>3643</u> to <u>3728</u>	No. 4, from _____ to _____
<u>3743</u> <u>3754</u>	
No. 2, from _____ to _____	No. 5, from _____ to _____
No. 3, from _____ to _____	No. 6, from _____ to _____

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from _____ to _____ feet	_____ feet
No. 2, from _____ to _____ feet	_____ feet
No. 3, from _____ to _____ feet	_____ feet
No. 4, from _____ to _____ feet	_____ feet

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
1225	2894	1669	Anydrite, Salt w/ thin sand & shale beds				
2894	3050	156	Interbedded dolomite anydrite, Sandstone & siltstone				
3050	3236	186	Sandstone w/ small interbeds of Dolomite and some thin shale beds				
3236	3622	386	Dolomite and Sandstone w/ some shale				
3622	3800	178	Sandstone w/interbeds of Dolomite				

INCLINATION REPORT

OPERATOR SUN PRODUCTION COMPANY ADDRESS P. O. BOX 1861, MIDLAND, TX 79702

LEASE NAME ST. "A" A/C 3 WELL NO. #11 FIELD

LOCATION

DEPTH	ANGLE INCLINATION DEGREES	DISPLACEMENT	DISPLACEMENT ACCUMULATED
445	1	7.7875	7.7875
937	1 1/8	10.7256	18.5131
1433	3/4	6.4976	25.0107
2085	3/4	8.5412	33.5519
2582	2 1/2	21.6692	55.2211
3045	2 1/2	20.1868	75.4079
3514	2 3/4	22.5120	97.9199
3800	3	14.9578	112.8777

I hereby certify that the above data as set forth is true and correct to the best of my knowledge and belief.

CACTUS DRILLING COMPANY

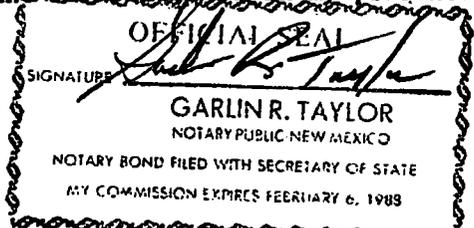
Debra Kelly
TITLE OFFICE MANAGER

AFFIDAVIT:

Before me, the undersigned authority, appeared DEBRA KELLY known to me to be the person whose name is subscribed herebelow, who, on making deposition, under oath states that he is acting for and in behalf of the operator of the well identified above, and that to the best of his knowledge and belief such well was not intentionally deviated from the true vertical whatsoever.

Debra Kelly
AFFIANT'S SIGNATURE

Sworn and subscribed to in my presence on this the _____ day of _____, 19____



SEAL

Notary Public in and for the County
of Lea, State of New Mexico

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

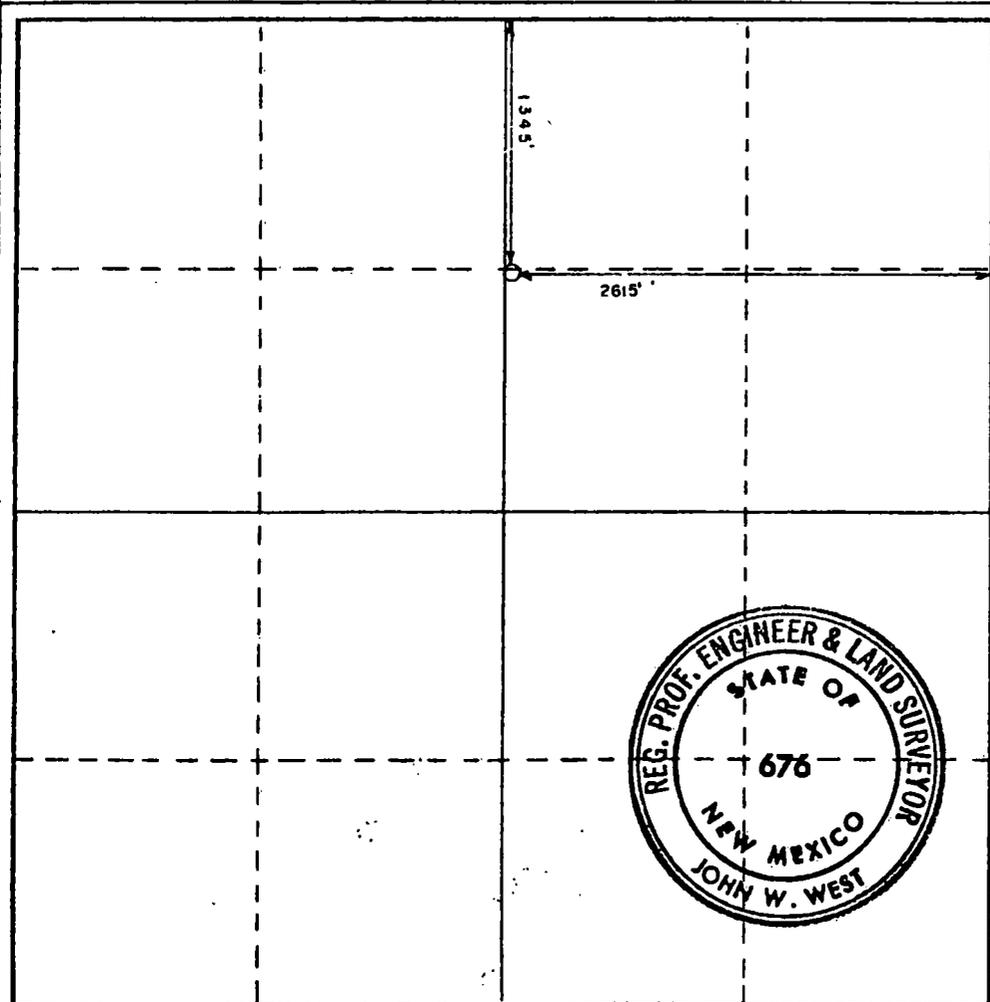
Operator SUN Exploration & Production Co.		Lease STATE "A" A/C 3		Well No. 11
Unit Letter G	Section 10	Township 23 SOUTH	Range 36 EAST	County LEA
Actual Footage Location of Well: 1345 feet from the NORTH line and 2615 feet from the EAST line				
Ground Level Elev. 3464.8	Producing Formation Seven Rivers/Queen	Pool Langlie-Mattix		Dedicated Acreage: None-WIW Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Maria L. Perez
Name

Maria L. Perez
Position

Sr. Acctng. Asst.
Company

Sun Exploration & Production
Date

11/7/83

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

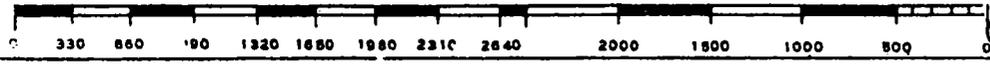
Date Surveyed

OCTOBER 25, 1983

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239



State A
A/C 3 #11
Schlum CNL
4/18/84

3600

-2

Set II

3700

Costing
Collars

28

SD

42

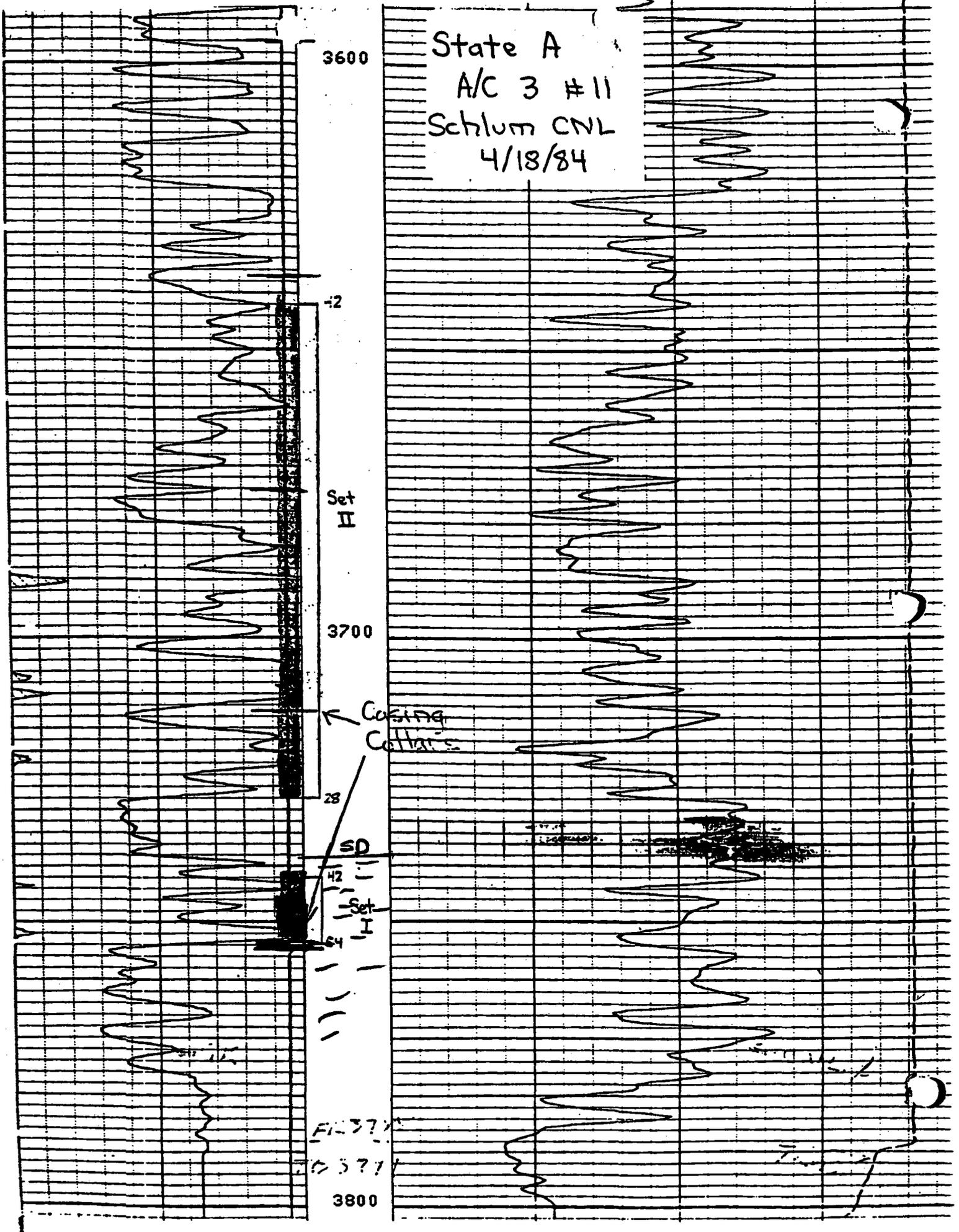
Set I

54

FI 371

571

3800



GENERAL CONDITIONS OF APPROVAL:

- 1) Insure all bradenheads have been exposed, identified, and valves are operational prior to rigging up on well.
- 2) Contact the appropriate NMOCD District Office no later than 24 hours prior to moving in and rigging up.
- 3) A copy of the approved C103 intent to P&A should be distributed to the onsite company and plugging representatives. Approved procedures are good for a period of one year from approved date, unless otherwise specified on the C103 intent. Approvals past this date will require the submission and approval of a new C103 intent.
- 4) A company representative is required to be present to witness all operations including setting CIBP's, circulation of mud laden fluids, perforating, squeezing or spotting cement plugs, tags, or any other operations approved on the C103 intent to P&A. Company representative should contact the NMOCD and report all operations.
- 5) Any changes that may be required during plugging operations should be approved by the NMOCD before proceeding.
- 6) A closed loop system is to be used for all plugging operations. Contents of the steel pits to be hauled to a NMOCD permitted disposal facility.
- 7) Mud laden fluids must be placed between all cement plugs mixed at 25 sacks of salt gel per 100 barrels of brine.
- 8) All cement plugs will be 100' or 25 sacks cement, whichever is greater. Class 'C' cement will be used above 7500' and Class 'H' below 7500'. Plugs should be no more than 3000' apart
- 9) Site remediation due within one year of well plugging completion.