

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO.
35-025-03469
5. Indicate Type of Lease
STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
B-1167

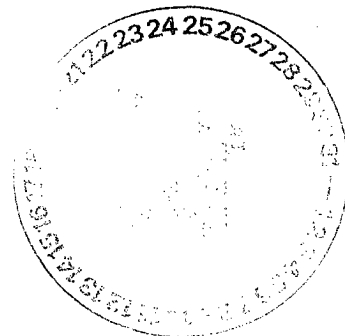
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		7. Lease Name or Unit Agreement Name State H
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	2. Name of Operator Citation Oil & Gas Corp.	8. Well Number 7
3. Address of Operator P O Box 690688 Houston, Texas 77269		9. OGRID Number 004537
4. Well Location Unit Letter <u>J</u> : <u>1980</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>13</u> Township <u>21S</u> Range <u>35E</u> NMPM LEA County		10. Pool name or Wildcat Eumont Yates Seven Rivers Queen
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3595' DF		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" 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"/>	
OTHER: <u>Reactivate</u> <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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Citation Oil & Gas Corp. plans to reactivate the State H # 7 well by running an inner string, re-complete and frac. This reactivation is planned to start once a vendor has been lined up and the state has approved the procedure.



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Sharon Ward TITLE Permitting Manager DATE May 17, 2006

Type or print name Sharon Ward E-mail address: sward@cogc.com Telephone No. 281-517-7309

For State Use Only

OC FIELD REPRESENTATIVE II/STAFF MANAGER

APPROVED BY: Gary W. Wink TITLE _____ DATE MAY 23 2006
Conditions of Approval (if any):

WORKOVER PROCEDURE

PROJECT: State H #7 – OAP and Frac

DRILLED & COMPLETED: 5/54 LAST WO: 2/78: Acidize

LOCATION: 1,980' FSL & 1,980' FEL Section 13; T21S-R35E

FIELD: Eumont COUNTY: Lea STATE: NM

TD: 4,044' PBSD: 3,950' DATUM: 3,595' DF KB: 8'

CASING AND LINER RECORD

SIZE	WEIGHT	DEPTH	CEMENT	HOLE	TOC	REMARKS
8 5/8"	32 ppf	309'	200 sxs	11"	Surf	Cmt cir'd
5 1/2"	15.5 ppf	3,972'	800 sxs	7 7/8"	500' Calc	TOC calc'd w/ 75% xs

Producing Formation: Queen Perfs / SR: 3,825' – 3,943' (305 shots)

Rods: No rods in hole

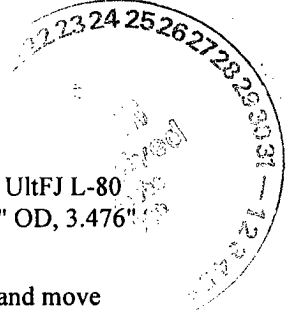
Tubing: (1 jnts) 2 3/8" 4.7 ppf J-55 eue 8rd kill string

Note: Squeezed leaks 480' – 576' w/ 100 sxs (1/06) successful; 1,078' – 1,182' w/ 125 sxs – unsuccessful; Re-squeeze f/ 1,087' – 1,150' (2/06) unsuccessful; CIBP @ 3,750' w/ 2 sx cmt on top.

PROCEDURE

- Notify NMOCD of planned work.
- Use 2% KCl water for all water placed in wellbore.
- RU gas buster pit and flowback manifold using secure steel lines w/ targeted connections.
- Need air unit to clean out after frac - flow back.
- Locate and rack 3800' 2 3/8" 4.7# L-80 WS.
- Contact Reef Chemical (Gary Hyer – 432-570-7038) to line up 750 gal Gas Plus (375 gal per stage).
- Move pumping unit (Bethlehem 114 – 42") from EF King battery and repair.
- Locate and rack 3,800' 4" UltFJ L-80 casing (Tarpon Pipe – Royce Watkins 432-638-8026). Pipe should have 1 short marker joint to be run 3 jnts off bottom.
- No Drill Plate for 4" inner string.

1. MIRU PU. Kill w/ 2% KCL water if necessary.
2. ND WH. NU BOP.
3. RIH w/ 4 3/4" MT skirted bit and 2 3/8" SN on 2 3/8" 4.7# L-80 WS to 3,730' (Top of CIBP). Tally in hole. POH w/bit.
4. RIH w/ 2 jnts 4" UltFJ L-80 csg, x-over and 2 3/8" SN on 2 3/8" L-80 WS to PBSD (+/-3,730'). POH w/ 4" csg on 2 3/8" WS.



5. RIH w/ inner string as follows:
4" UltFJ float shoe, No Drill plate, 1 jnt 4" UltFJ L-80 csg, 4" UltFJ float collar, 2 jnts 4" UltFJ L-80 csg, 1 jnt 4" UltFJ L-80 Marker jnt and +/- 3,650' 4" UltFJ 10.5 ppf L-80 Inner String (4" OD, 3.476" ID, 3.351" Drift diameter) and land at PBTD (CIBP w/ 20' cmt @ +/- 3,730').
6. Cement inner string in place as per service company recommendation. Periodically rotate and move string while cementing. Be sure to circulate cement. WOC.
7. RIH w/ 3 1/4" skirted bit, 2 1/2" DCs and 2 3/8" SN on 2 3/8" WS and tag. RU Rev Unit and DO float collar and cement to No Drill plate. RD Rev Unit and POH w/ bit, DCs and 2 3/8" L-80 WS.
8. RU WL w/ full lubricator. RIH w/ GR/CCL and correlate to 5/26/54 Schlumberger GR/Neutron. POH w/ GR/CCL. RIH w/ 2 1/2" csg gun and Perf (stage 1) Seven Rivers w/ 1 SPF Select Fire (0.38" holes) as recommended by Reservoir group.
9. POOH w/ Csg guns.
10. RU hydrotesters and RIH w/ PPI Tool, 2 3/8" SN on 2 3/8" 4.7 ppf L-80 WS to bottom perf of 1st stage hydrotesting tbq to 7,000 psi (62% of new rating) Straddle target perfs and set PPI tool. Break down w/ 15% AS HCL acid (**Max treating pressure = 6,000 psi**). Rlse PPI tool and proceed to the next group of target perfs repeating the procedure until all Seven Rivers perfs are broken down / treated. (**Note- Record Max and Min pressures, Average injection rate, ISIP and signs of communication for each tool setting-treatment**). POOH w/ PPI tool on 2 3/8" WS.
11. RU acid/frac company. Pump (375 Gallons) Reef GAS PLUS down casing as per recommendation and then Acidize Seven Rivers perfs down casing w/ 15% AS HCL acid at +/- 10-15 BPM (**Volume TBD, No Diverter**). Frac Seven Rivers perfs down casing as per service company recommendation using CO₂. Tag w/ IR-192 @ 0.5MC/1M# sand (74 day half-life). Record rates, max and min pressures and SIP's. (**NOTE: Max pressure = 5,000 psi @ 80%. All sand tagged w/ IR-192.**)
12. RU WL w/ lubricator. Lubricate CIBP (for 4" OD casing) in hole and set at +/-50' above top SR perf. POH.
13. Pressure csg to 500 psi w/ 2% KCL w/ full lubricator. RIH w/ 2 1/2" csg gun. Correlate to Schlumberger 5/26/54 Gamma Ray / Neutron log. Perf (stage 2) Yates w/ 1 SPF Select Fire (0.38" holes) as recommended by the Reservoir group.
14. POH w/ csg guns.
15. RIH w/ PPI Tool, 2 3/8" SN on 2 3/8" 4.7 ppf L-80 WS to bottom perf of 2nd stage. Straddle target perfs and set PPI tool. Break down w/ 15% AS HCL acid (**Max treating pressure = 6,000 psi**). Rlse PPI tool and proceed to the next group of target perfs repeating the procedure until all Yates perfs are broken down / treated. (**Note- Record Max and Min pressures, Average injection rate, ISIP and signs of communication for each tool setting-treatment**). POOH w/ PPI tool on 2 3/8" WS.
16. Pump (375 Gallons) Reef GAS PLUS down casing as per recommendation and then Acidize Yates perfs down casing w/ 15% AS HCL acid at +/- 10-15 BPM (**Volume TBD, No Diverter**). Frac Yates down casing as per service company recommendation using CO₂. Tag w/ SC-46 @ 0.5MC/1M# sand (84 day half-life). Record rates, max and min pressures and SIP's. (**NOTE: Max pressure = 5,000 psi @ 80%. All sand tagged w/SC-46.**)
17. Flow well back to gas buster pit using flowback manifold w/ targeted connections and secure steel lines.
18. Kill well w/ 2% KCL if required. RU foam air unit. RIH w/ 3 1/4" MT skirted bit, bit sub, (6) 2 1/2" DC's and SN on 2 3/8" 4.7# L-80 WS to sand fill (second stage frac sand). CO sand to CIBP. RU power swivel. DO CIBP. RD power swivel.

19. FIH to sand fill (first stage frac sand). CO sand to PBTD @ +/- 3,720'. CHC. RD foam air unit. POH w/ bit and 2 3/8" WS.
20. RU WL w/ Lubricator. Run After Frac Spectra (dual isotope) GRLog f/ 2,700' - PBTD. POH and RD WL.
21. Run 2 3/8" 4.7 ppf J-55 eue 8rd production tbg string as follows:

QTY	ITEM	LENGTH	DEPTH
TUBING	KB	8'	8'
114	Jts 2 3/8" 4.7# J-55 eue 8rd tbg	3557'	3565'
1	Jt 2 3/8" 4.7# J-55 eue 8rd IPC tbg	31'	3596'
1	2 3/8" SN	1'	3597'
1	2 3/8"x 4' TBG Sub	4'	3601'
1	Cavins D2301G Desander	20'	3621'
2	2 Jts 2 3/8" BPMA	62'	3683'

22. RU Swab. Swab well until clean fluid is produced. RD Swab.
23. Run rod string as follows:

RODS			
1	1 1/4" x 16' PR w/ 1 1/2" x 10' Liner	16'	16'
Set	3/4" KD Rod Subs w/ SM couplings	10' (+/-)	26'
144	3/4" KD Rods w/ SM couplings	3600'	3626'
1	3/4" KD Rod Sub w/ SM couplings	2'	3628'
1	2" x 1 1/4" x 12' RHBC Pump	12'	3640'

24. Move pumping unit (Bethlehem 114-?- 42") from EF King battery to State H #7 and repair.
25. Load tbg w 2% KCl and pressure test pump. Space out and hang well on. Place pumping unit in 42" SL at +/- 7 SPM (Expected production rate +/- 43 BFPD @ 100% efficiency and 1 1/4" pump).
26. RD MO PU. Return well to production and place on test.

