

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. 30-025-03392
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NM B-1400
7. Lease Name or Unit Agreement Name State L
8. Well Number 4
9. OGRID Number 004537
10. Pool name or Wildcat Eumont Yates Seven Rivers Queen

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
Citation Oil & Gas Corp.

3. Address of Operator
P O Box 690688, Houston, Texas 77269

4. Well Location
Unit Letter J : 1930 feet from the South line and 1980 feet from the East line
Section 1 Township 21S Range 35E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)	
3572 DF	

Pit or Below-grade Tank Application ☐ or Closure ☐

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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Recomplete to Yates Seven Rivers ☒

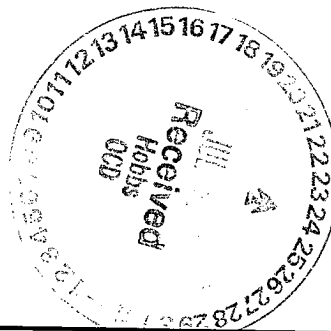
SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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. proposes to recomplete this well to the Yates Seven Rivers per attached procedures under NMOCD order SD-04-08-A.



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 July 19, 2006

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

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER

Conditions of Approval (if any):

DATE AUG 04 2006

WORKOVER PROCEDURE

PROJECT: State L #4 – OAP and Frac

DRILLED & COMPLETED: 7/54 LAST WO: 5/72

LOCATION: 1980' FSL 1980' FEL; Sec 1 T21S-R35E

FIELD: Eumont COUNTY: Lea STATE: NM

TD: 3,895' PBD: 3,828' DATUM: 3,572' DF KB: 10'

CASING AND LINER RECORD

SIZE	WEIGHT	DEPTH	CEMENT	HOL E	TOC	REMARKS
8 5/8"	32 ppf	301'	225 sxs	11"	Surf	Cmt cir'd
5 1/2"	15.5 ppf	3,780'	750 sxs	7 7/8"	500' Calc	TOC calc'd w/ 75% xs
4 3/4" OH		3,780' – 3,895'		4 3/4"		OH

Producing Formation: Queen OH: 3,780' – 3,895'

Rods: No rods in hole.

Tubing: No tbg in hole.

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' New 2 3/8" 4.7# J-55 prod tbg.
- Contact Reef Chemical (Gary Hyer – 432-570-7038) to line up 750 gal Gas Plus (375 gal per stage).
- Move pumping unit (LC 228-250-74") from State University T #2.
- 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.

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# J-55 tbg to 3,730' (Top of CIBP). Tally in hole. POH w/bit.

4. Load hole w/ 2% KCL. RIH w/ GR/CNL. Run from new PBTD to surface. POH w/logging tools. Send GR/ Neutron log (**need LAS Files from logging company**) to Houston for evaluation of Yates and Seven Rivers formations.
5. RU WL. RIH w/ GR/CBL/CCL and log f/ PBTD to TOC or minimum run (determine TOC). POH w/ logging tools. RD WL.
6. 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 tag PBTD (CIBP w/ 20' cmt @ +/- 3,730'). **Pick up inner string 15' off PBTD.**
7. Cement inner string in place as per service company recommendation. Periodically rotate and move string while cementing. Be sure to circulate cement. WOC. (If cement does not circulate – PT 4" x 5 1/2" annulus for NMOCD and run CBL to determine cement top).
8. RIH w/ 3 1/4" skirted bit, 2 1/2" DCs and 2 3/8" SN on 2 3/8" tbg 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" tbg.
9. RU WL w/ full lubricator. RIH w/ GR/CCL and correlate to above GR/CNL. 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.
10. POOH w/ Csg guns.
11. RU hydrotesters and RIH w/ PPI Tool, 2 3/8" SN on 2 3/8" 4.7 ppf tbg to bottom perf of 1st stage hydrotesting to 5,800 psi (75% of new rating). Straddle target perfs and set PPI tool. Break down w/ 15% AS HCL acid (**Max treating pressure = 4,000 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" tbg.
12. RU frac company. Pump (375 Gallons) Reef GAS PLUS down casing as per recommendation. 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.**)
13. RU WL w/ lubricator. Lubricate CIBP (for 4" OD casing) in hole and set at +/-50' above top SR perf. POH.
14. Pressure csg to 500 psi w/ 2% KCL w/ full lubricator. RIH w/ 2 1/2" csg gun. Correlate to Gamma Ray Neutron log. Perf (stage 2) Yates w/ 1 SPF Select Fire (0.38" holes) as recommended by the Reservoir group.
15. POH w/ csg guns.
16. RIH w/ PPI Tool, 2 3/8" SN on 2 3/8" 4.7 ppf tbg to bottom perf of 2nd stage. Straddle target perfs and set PPI tool. Break down w/ 15% AS HCL acid (**Max treating pressure = 4,000 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" tbg.
17. Pump (375 Gallons) Reef GAS PLUS down casing as per recommendation. 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.**)
18. Flow well back to gas buster pit using flowback manifold w/ targeted connections and secure steel lines.

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

QTY	ITEM	LENGTH	DEPTH
TUBING	KB	10'	10'
114	Jts 2 3/8" 4.7# J-55 eue 8rd tbg	3556'	3566'
1	Jt 2 3/8" 4.7# J-55 eue 8rd IPC tbg	31'	3597'
1	2 3/8" SN	1'	3598'
1	2 3/8"x 4' TBG Sub	4'	3602'
1	Cavins D2301G Desander	20'	3622'
2	2 Jts 2 3/8" BPMA	62'	3684'

23. RU Swab. Swab well until clean fluid is produced. RD Swab.

24. Run rod string as follows:

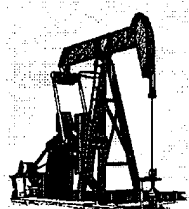
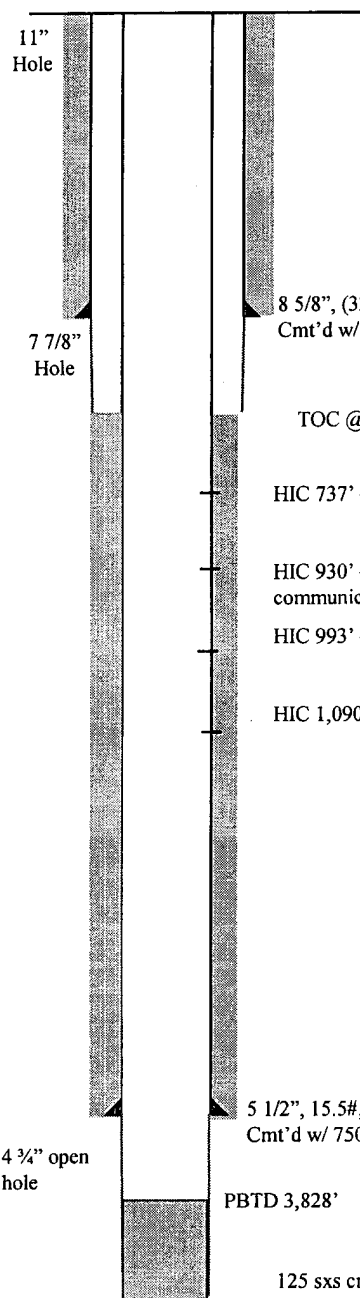
RODS			
1	1 1/4" x 16' PR w/ 1 1/2" x 10' Liner	16'	16'
Set	3/4" KD Rod Subs w/ SM couplings	10' (+/-)	26'
144	3/4" KD Rods w/ SM couplings	3600'	3626'
1	3/4" KD Rod Sub w/ SM couplings	2'	3628'
1	2" x 1 1/4" x 12' RHBC Pump	12'	3640'

25. Move pumping unit (LC 228-250-74") from State University T #2 (Andrews South field) to State L #4 and repair if needed.
26. Load tbg w 2% KCl and pressure test pump. Space out and hang well on. Place pumping unit in 55" SL at +/- 6 SPM (Expected production rate +/- 53 BFPD @ 100% efficiency and 1 1/4" pump).
27. RD MO PU. Return well to production and place on test.

CITATION OIL AND GAS CORPORATION

CURRENT WELLBORE DIAGRAM AND INFORMATION

Well Name: State L #4 **Field:** Eumont
Date: January 25th, 2006 **Location:** 1980' FSL 1980' FEL Section 1
County: Lea **State:** New Mexico



No Unit

API #: 30-025-03392
Surface: 1980' FSL 1980' FEL Section 1,
T21S-R35E
Lea County, NM
Completed: 7/1954
Elevation: 3,572' (DF)
KB: 10'

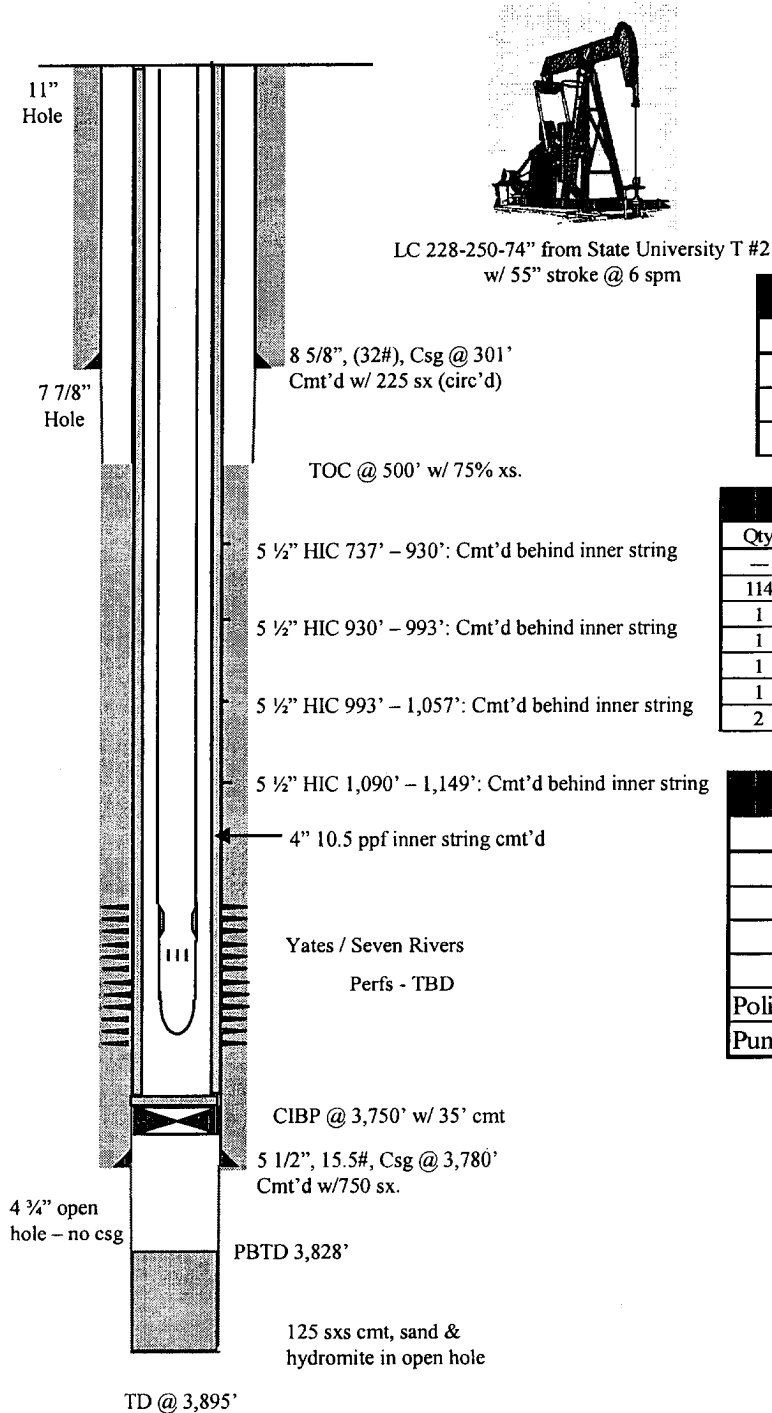
CASING DETAIL

Size	Weight	Depth
8 5/8"	32	Surf - 301'
5 1/2"	15.5	Surf - 3780'

CITATION OIL AND GAS CORPORATION

PROPOSED WELLBORE DIAGRAM AND INFORMATION

Well Name: State L #4 **Field:** Eumont
Date: June 6, 2005 **Location:** 1980' FSL 1980' FEL Section 1
County: Lea **State:** New Mexico



API #: 30-025-03392
Surface: 1980' FSL 1980' FEL Section 1,
T21S-R35E
 Lea County, NM
Completed: 7/1954
Elevation: 3,572' (DF)
KB: 10'

CASING DETAIL

Size	Weight	Depth
8 5/8"	32	Surf - 301'
5 1/2"	15.5	Surf - 3780'
4"	10.5	Surf - 3,700'

TUBING DETAIL

Qty	Description	Length	Depth
—	KB	10	10
114	Jts 2 3/8", 4.7#, J-55 tbg	3556	3566
1	Jt 2 3/8", 4.7#, J-55 IPC tbg	31	3597
1	2 3/8" SN	1	3598
1	2 3/8" Tbg Sub	4	3602
1	Cavins D2301G Desander	20	3622
2	Jts 2 3/8" BPMA	62	3684

ROD DETAIL

Qty	Size	Type	Length
1	3/4"	KD Subs	+/- 10
144	3/4"	KD	3,600'
1	3/4"	KD Sub	2
Polish Rod: 1 1/4" x 16' w/ 1 1/2" x 10' Liner			
Pump: 2" x 1 1/4" x 12'			