

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.

30-025-28556

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
300615

7. Lease Name or Unit Agreement Name
SHOE BAR 14 STATE COM

8. Well Number 1

9. OGRID Number 148394

10. Pool name or Wildcat
ATOKA

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 VERNON E. FAULCONER, INC.

3. Address of Operator PO BIOX 7995, TYLER, TX 75711

4. Well Location

Unit Letter L : 1980 feet from the S line and 660 feet from the W line

Section 14 Township 17S Range 35E NMPM 30 County LEA

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

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 SURFACE STEEL

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: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☒

COMMENCE DRILLING OPNS. ☐ P AND A ☐

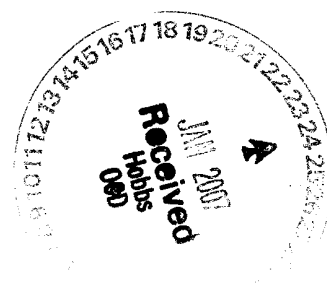
CASING/CEMENT JOB ☐

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.

Recompletion to Lower Penn started on October 12th, and completed on October 24th. Zone tested Non-Commercial.

See attached detail workover report and well bore diagram.



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 Roy Sloan Jr. TITLE ENGINEER DATE 1/18/2007

Type or print name Roy Sloan Jr.

E-mail address: RSLOAN@vefinc.com Telephone No. 903-581-4382

For State Use Only

APPROVED BY: Harry W. Wink TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE JAN 31 2007

Conditions of Approval (if any):

Vernon E. Faulconer, Inc

WORKOVER REPORT

Well Name: **SHOE BAR 14 STATE COM #1**

Field: **SHOE BAR RANCH**

Date:

Co. Consultant:

- 10/16/2006 Set CIBP, Perf Penn Section** - JSI on loc w/ wire line truck & logs. RU wire line. PU BP TIH. Tie logs into cbl/gr/ccl log while TIH w/ plug. Run CS, tie in. Set CIBP @ 12,150'. Trip out w/ set'g tool/ PU 3" dmp bailer. Fill w/ cmt TIH tag PL dmp 35' of cmt on PL FL @ 3000'. Out w/ bailer, LD PU lub rated to 5000# PU 1st gun run. Test trk on loc. HU to test lub put 1100# on lub loose to 1000# pmp'g by rams. RD tester rel tester trip in w/ gun. Run CS, tie in shot 10,841'-10,844', & 10,851'-858'. Shot out w/ perf gun. Shot all shots PU next gun. TIH w/ select fire gun. Run collar log, tie in shot 10,830'-838' run tie log. shot 10,768'-775' trip out gun shot ok PU last gun TIH run collar log tie in shot 10,728'-733' & 10,736' -742'. Out w/ gun shot all shots RD wire line. Close BOP in, leave well open on 1/4 open vlv SD.
- 10/13/2006 Finish Pulling Well Setting / Run Wireline GR-JB, CBL, Wait on OH Logs** - tbg 0, csg 0. Key on loc, held safety meet'g. Pull 10 stds. LD 22 jts to pkr, x-over. LD pkr x-over. LD 23 jts N 80 seal lock tbg x-over SN. Jerrel Services Inc Wire line on loc. RU wire line. Run 4.34" gauge ring to 11,475'. Run 3.625" gauge ring to 12,150. Out w/ gauge ring. PU PL. Set'g @ 11,300'. Stop, call in. Bk out w/ PL. Trip in w/ cbl/gr/ccl to 11,475'. Log min cmt look ok. Drive to Carin Hot oil logs no show up. UPS has not run. Call UPS to ck on logs. PL set'g @ 11,000'. Call Jerrel wire line. Pull PL out. Call in reset up tbg testers for Tuesday AM. Call & reset acid job for Wednesday AM. RD wire line. SI well to tk on part close vlv. Jerrel services went by UPS caught someone there. Ck'd on logs, didn't make it. They said Monday log would be in Hobbs UPS. Will call & get number to track log. SD log are in UPS Hobbs.
- 10/12/2006 MIRU Pulling Unit / Pull Well Setting** - csg 25#, tbg 1250#. Blw csg dwn PU on loc, held safety meet'g. Spot unit, start RU. RU, blw tbg dwn. Start ND WH pull off WH strip on BOP NU BOP. RU wk floor. PU 1 jt w/ VEF TIW vlv on it. Rel pkr let swile. Start pull'g pipe, catch @ every collar wk thru 10 collars. Wk thru 8 more collars. Start pull'g ok out w/ 17 stds tbg start flw'g. SI RU hose. Open up to tk put 4 bbls of fl in tk. Stop bring fl. Trip OOH. Trip out 322 jts 2-7/8" tbg. Close BOP, leave csg open to tk on 3/4. Close vlv, SD.



Vernon E. Faulconer, Inc

WORKOVER REPORT



Well Name: **SHOE BAR 14 STATE COM #1**

Field: **SHOE BAR RANCH**

Date:

Co. Consultant:

- 10/19/2006 (Cont'd)** - R#14: TF:4000', PF 5200', rec 6 BCF(98% wtr, 2% oil), CP 0#, TP blw. Last few runs get'g some soft like rubber on swab cups. Leave well open to tk. TP good blw, CP 0#. Rec 79 bbls fl today, rec 188 bbls fl to date. SD. Final Report (Spend:
- 10/19/2006 Swab Well (14 runs)** - TP: little blw, CP: lgt vac. Gauge tk, made no fl ON. RD PU. PU bk on loc. Key Swab'g on loc. Spot unit RU. Ck all conn in swab RU. Swab: R#1: TF:1400', PF 2500', rec 6 BBF(100% wtr), CP 0#, TP light blw. R#2: TF:1900', PF 3000', rec 6 BLBF(100% wtr); CP 0#, TP light blw. R#3: TF:2300', PF 3400', rec 6 BBF(100% wtr), CP 0#, TP blw. R #4: TF:2400', PF 3500', rec 6 bbls blk fl, 100% wtr, CP 0#, TP blw. R#5: TF:2700', PF 3800', rec 6 BBF(100% wtr), CP 0#, TP blw. R#6: TF:3200', PF 4400', rec 6 BLBF(100% wtr), CP 0#, TP blw. R#7: TF:3400', PF 4500', rec 6 BLBF(100% wtr), CP 0#, TP blw. R#8: TF:3400', PF 4500', rec 5 BLBF(99% wtr, 1% oil), CP 0#, TP blw. R#9: TF:3400', PF 4500', rec 5 BLBF(99% wtr, 1% oil), CP 0#, TP blw. R#10: TF:3400', PF 4500', rec 5 BLBF(99% wtr, 1% oil), CP 0#, TP blw. R#11: TF:3400', PF 4500', rec 5 BLBF(99% wtr, 1% oil), CP 0#, TP blw. R#12: TF:3600', PF 4800', rec 5 BCF(99% wtr, 1% oil), CP 0#, TP blw. R#13: TF:3900', PF 5000', rec 6 BCF(98% wtr, 2% oil), CP 0#, TP blw.
- 10/18/2006 (Cont'd)** - Make 18 bbls, make 2 more bbls. RU swab, swab as follows: R #9: TF@ SF, PF 1000', rec 6 bbls clr fl, 100% wtr, CP 0#, TP 0#. R#10: TF@ 700', PF 1700', rec 6 bbls clr fl, 100% wtr, CP 0#, TP 0#. R#11: TF@ 1500', PF 2500', rec 6 bbls clr fl, 100% wtr, CP 0#, TP 0#. R#12: TF@ 2200', PF 3200', rec 6 bbls clr fl, 100% wtr, CP 0#, TP 0#. R#13: TF@ 2900', PF 3900', rec 6 bbls clr fl, 100% wtr, CP 0#, TP 0#. R#14: TF@ 3500', PF 4500', rec 6 bbls clr fl, 100% wtr, CP 0#, TP 0#. Put new flags in sd line. Fnd sd line bad, pull off 400' line bad call in. SD rig leave well open to tk. Rec 103 bbls fl today, rec 109 bbls fl to date, 74 bbls fl left to rec.
- 10/18/2006 Swab Well (8 runs) / Acidize Penn / Swab Well (5 runs)** - TP 0#, CP 0#. RU swab. Swab as follows: R#1: TF: 3200', PF 4200', rec 6 bbls light gray fl, 100% wtr, CP 0#, TP 0#. R#2: TF:4200', PF 5200', rec 6 bbls light gray fl, 100% wtr, CP 0#, TP 0#. R#3: TF:5200', PF 6200', rec 6 bbls light gray fl, 100% wtr, CP 0#, TP vac. R#4: TF@ 6000', PF 7000', rec 6 bbls light gray fl, 100% wtr, CP 0#, TP vac. R#5: TF@ 6900', PF 7900', rec 6 bbls light gray fl, 100% wtr, CP 0#, TP vac. Key press up pmp services & Stone Oil fld Services on loc. R#6: TF@ 7800', PF 8800', rec 6 bbls light gray fl, 100% wtr, CP 0#, TP vac. R#7: TF: 8600', PF 9600', rec 6 bbls light gray fl, 100% wtr, CP 0#, TP vac. R#8: TF:9400', PF 10,400', rec 6 bbls light gray fl, 100% wtr, CP 0#, TP blw. RD swab Rec 53 bbls. HU Stone to csg took 41 bbls to ld csg. Put 500# on it. HU Key pmp'g services to tbq test line to 6000#. Open up tbq. Start acid dwn well 5 bbls, start balls 13 every 5 bbls hole ld 57 bbls all balls in 160 of them. PSI 3850, 4.5 BPM. Start flush PSI 4020 BPM 3.9. 4.3 BPM 4800#, 3700# 5 min 3000#, 10 min 2560#, 15 min 2300#. SI well, get off well ready to opne up well. Tbg 1950# open up to tk.
- 10/17/2006 Run Tubing (testing), Packer / NU Wellhead** - Hydro Test on loc. Key on loc, held safety meet'g. Ck csg 0. RU tbq tester. PU 1 jt put SN on it. RIH, PU pkr 1 jt make up run in. HU test to 8000#. Talley & test IH. Drift every 1000'. Talley test & drift IH. Have 180 jts IH tested & drift'd. Talley test & drift IH. On btm test'd & drift'd. RD tester. RD wk floor. ND BOP, put flange on. PU 42" turn 1 rnd right set pkr put 10,000# on pkr pull 10,000#, over did this a few times. Flange well up pkr 13,000# set on it flanged up. Ck all conn in swab. RU swab TF @ 2500', PF 3500', rec 6 bbls. RD swab. Leave well open to tk. SD(SN set'g @ 10,721' jt above SN 30.58' pkr set @ 10,689', 340 jts 10' sub 1 jt IH all numbers w/ 20' kb ADD in. Rec 6 bbls fl today, rec 6 bbls fl to date.

Vernon E. Faulconer, Inc

WORKOVER REPORT



Well Name: **SHOE BAR 14 STATE COM #1**

Field: **SHOE BAR RANCH**

Date:

Co. Consultant:

- 10/24/2006** Swab Well (1 run), RDMO Swab Ut / Clean Up Loctn / Finalize Workover - Key Swab'g on loc. Tbg 0#, csg very light vac. Ck all conn in swab. RU swab, FL 6500', PF 7600', rec 6 bbls 200' oil, rest salty wtr. Call in. RD swab unit & rel. M&S Wtr Services on loc. Pull 3 lds out of tk, took to disposal. Clean WH. Call'd Lamar, he fnd crew to move pipe to yd. Swab unit left loc. Madron Service on loc. Ld 20 jts 2-3/8" 19 good jts, ld 23 jts 2-7/8" seal lock x-over, 2 of them, ld 23 jts 2-7/8" N-80 EUE. Ld PL #907CM11, 2-7/8", ld gin pole & all conn for HU, PL tree 2-7/8". Clean up all junk on loc & trash. Fix fence in 2 spots. **Final Report (Spend: \$ 82,275)**
- 10/23/2006** (cont'd) R#15: TF 5600', PF 6800', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#16: TF 5600', PF 6800', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#17: TF 5700', PF 6900', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#18: TF 5600', PF 6800', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac.
- 10/23/2006** Swab Well (18 runs) - TP: 220#, CP: light vac. R#1: TF 5000', PF 6200', rec 6 bbls clr fl, 70% wtr, 30% oil, CP light vac, TP vac. R#2: TF 5300', PF 6500', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#3: TF 5300', PF 6500', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#4: TF 5300', PF 6500', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#5: TF 5400', PF 6600', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#6: TF 5400', PF 6600', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#7: TF 5400', PF 6600', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#8: TF 5500', PF 6700', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#9: TF 5500', PF 6700', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#10: TF 5600', PF 7900', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#11: TF 5400', PF 6600', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#12: TF 5500', PF 6700', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#13: TF 5600', PF 6800', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. R#14: TF 5700', PF 6900', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. 10-23-06 Run #19: TF 5600', PF 6800', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. (Cont'd) Run #20: TF 5600', PF 6800', rec 6 bbls clr fl, 97% wtr, 3% oil, CP 0#, TP vac. Leave well open to tk & SD. Rec 120 bbls fl today, rec 445 bbls fl to date, no fl left to rec.
- 10/20/2006** (Cont'd) R#16: TF 5300', PF 6500', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#17: TF 5300', PF 6700', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#18: TF 5300', PF 6500', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#19: TF 5300', PF 6500', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#20: TF 5300', PF 6500', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#21: TF 5300', PF 6500', rec 6 bbls fl. R#22: TF 5300', PF 6500', rec 6 bbls fl, 95% wtr, 5% oil. SD. Rec 137 bbls fl today, rec 325 bbls fl to date, no fl left to rec.
- 10/20/2006** Swab (21 runs) - TP: vapor, CP: 0#. Swab: R#1: TF 3900', PF 5100', rec 6 bbls green fl, 100% oil, CP & TP 0#. R#2: TF 4300', PF 5500', rec 6 bbls clr fl, 98% wtr, 2% oil, CP & TP 0#. R#3: TF 4600', PF 5800', rec 7 bbls clr fl, 98% wtr, 2% oil, CP & TP 0#. R#4: TF 4600', PF 5800', rec 6 bbls clr fl, 98% wtr, 2% oil, CP & TP 0#. R#5: TF 4700', PF 5800', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#6: TF 4800', PF 6000', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#7: TF 4800', PF 6000', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#8: TF 4900', PF 6100', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#9: TF 4900', PF 6100', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#10: TF 5000', PF 6200', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#11: TF 5100', PF 6500', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#12: TF 5200', PF 6500', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#13: TF 5300', PF 6500', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#14: TF 5300', PF 6500', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw. R#15: TF 5300', PF 6500', rec 6 bbls clr fl, 95% wtr, 5% oil, CP 0#, TP blw.



Operator: Vernon E. Faulconer Inc

SURFACE CASING (13-3/8")

Setting: 12 jts 13-3/8" 61# K55 @ 464'
Cement: 850 sxs. Cement circulated
Interval Hole Size: 17-1/2"

Well Name: Shoebar 14-1
Field Name: Shoe Bar (Atoka, South (Gas))
Location: Lea County, New Mexico
Legal Description: 1980' FSL, 660' FWL
Section 14, T17S, R35E
API #: 30-025-28556
Grd Elev (ft): 3938.5'
KB Elev (ft): 3958.5'
Drawn By: G. Kern **Date:** 10/24/2006

NOTE: Drawing not to scale (is in "perspective")



INTERMEDIATE CASING (9-5/8")

Setting: 9-5/8" 40#, K-55 set @ 4933'
Cement: 2000 sxs Lite, 300 sxs CI C (circ)
Hole Size: 12-1/4"

Casing Integrity

Leak @ 6500-6530', Detected 10/23/91
by packer, RBP testing. Squeezed w/250
sxs CI C (13.1#) 100 sxs CI C (14.8#)

Well Setting Info (Run 10/17/06)

1 jt 2-7/8", 6.5#, N-80 EUE 8rd
1 10' 2-7/8", 6.5#, N-80 EUE 8rd sub (10')
340 jts 2-7/8", 6.5#, N-80 EUE 8rd
5-1/2" x 2-7/8" Arrow-swt pkr @ 10,689' (kbn),
1 jt 2-7/8", 6.5#, N-80 EUE 8rd (30.58')
SN set'g @ 10,721' (kbn)

TOC (5-1/2"): N/A (CBL not run to TOC)

Reasonable: 11,449' -11,088'
Spotty : 11,088'-9400'
CBL not run above 9400'

10/06 -TEST OF LOWER PENN

Perfs: (10/16/06) 10,851'-858'; 10,841'-10,844'; 10,830'-838'
10,768'-775'; 10,736' -742'; 10,728'-733'
Stimulation: (10/17/06) Acidize w/2800 gals 15% PSI 3850, 4.5 BPM.
Test Results: (10/23/06) Swabbed 1 BO, 119 BW (CI: 120M)

PRODUCTION CASING (5-1/2")

Setting: 279 jts 5-1/2" 17# K-55,
N-80 @ 11,449' (top of PBR)
Cement: Cmt'd w/4-1/2" (see below)
Hole Size: 8-3/4"

Polished Bore Recemptacle -MWL Tool Co 5" OC x 3-7/8" ID 25' Long

0

Current PBTD: 12,130'

CI BP w/35' cement @ 12,150' (run 10/16/06)

04/84 & 3/06 -TEST OF ATOKA

Perfs: (4/26/84) 12,151'-156', 4 JSPF (20 holes)
(3/23/06) 12,151'-156' 3-1/8" "slick gun" (19 gm chg)
Stimulation: (4/27/84) Acidize w/3500 gals 7-1/2% MS acid w/N2
(6/16/84) Frac w/3Mgals pre-pd, 50/50 Alco gel 3X, 4000 gal pad, 3000
gals w/1# interprop. 4000 gals w/2 ppa 20/40 interprop, Screened out
(10/17/91) 500 gals methanol, 1300 gals 30# linear gel, 5ppa 20/40
frac sd, followed by 798 gals, 9#/gal brine wtr.
(11/19/91) Acidize w/1000 gals Mod-101, 10 bs
(3/8/06) Acidize w/1000 gals 7.5% acid w/25% MCA.
Test Results: (11/29/84) 613 MCFD, 3565# FTP, AOF: 980 MCFD.

Fish in Hole: (6/19/84) Lost rope sckt,
sinker bar, spang jars & swab knuckle.
Fished on 6/21/84 to 12,361' (no recv)

PRODUCTION CASING (4-1/2")

Setting: 38 jts 4-1/2", 13.5#,
N-80 @ 12,978'
Cement: Cement w/475 sxs CI H - Lite
700 sxs CI H - Poz
Hole Size: 8-3/4"

**TD: 12,978' (driller TD)
12,962' (Logger's TD)**

Original PBTD: 12,910 (compltg log)