OCD-HOBBS

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals.

SUBMIT IN TRIPLICATE *- Other instructions on reverse side.*

5. Lease Serial No.
NM 36915

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☑ Oil Well ☐ Gas Well ☐ Other

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8. Well Name and No.
Gantryperson Federal #003

2. Name of Operator **Three Rivers Operating Company, LLC**

9. API Well No.
30-025-36261

3a. Address
1122 S Capital of Texas Hwy Ste 325 Austin, TX 7976

3b. Phone No. *(include area code)*
515-600-3196

10. Field and Pool, or Exploratory Area
Tonto; Seven Rivers 59470

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec. 15, T-19S, R-33E 330' FNL & 990' FWL

11. County or Parish, State
Lea Co. NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☑ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Three Rivers Operating Company is requesting approval to recomplete the Tonto; Seven Rivers pool. A recompletion procedure is attached. work will begin approx. 2-1-2011. After well is tested it will be placed back into production.

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SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Angela Lightner angela@rkford.com

Title **Regulatory Consultant 432-682-0440**

Signature Angela Lightner

Date **01/05/2011**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED
FEB 4 2011
/s/ Dustin Winkler
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

FEB 08 2011

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

THREE RIVERS OPERATING, LLC

Gantryperson Federal #3

Section 15, T-19-S, R-33-E
330' FNL & 990' FWL
Lea County, New Mexico
Spud Date: August 6, 2003

SEVEN RIVERS INTERVAL ADDITION
RECOMMENDED RECOMPLETION PROCEDURE
Revision Date: November 7, 2010

CASING:

Surface	8-5/8"	32#	J-55 STC	0' - 1510'	TOC Surf (Circ)
Production	5-1/2"	15.5#	J-55 LTC	0' - 3900'	TOC Surf (Circ)
					Top Tail 3170' (Calc)

OPEN HOLE LOGS:

Schlumberger	TDLD/CN	dated 08-11-2003	(7-7/8" hole)
	HRLA/MCFL	dated 08-11-2003	(7-7/8" hole)

REFERENCE LOG:

Schlumberger	TDLD/CN	dated 08-11-2003	(7-7/8" hole)

GL – 3670' **KB – 3681'** **KB to ground – 11'**

EQUIPMENT:

Tubing	2-7/8" 6.5# J-55 (per OCD completion report)
Wellhead	To be determined – field recon required
Lift Equipment	Rod pump

PLUGGED BACK TOTAL DEPTH: 3824'

EXISTING SEVEN RIVERS PERFORATIONS: (Depths per open hole logs)

3641' to 3662' (21', 43 holes at 2 SPF, 08-13-2003)

PROPOSED SEVEN RIVERS PERFORATIONS: (Depths per open hole logs)

3584' to 3588' (4', 9 shots at 2 SPF)
3592' to 3601' (9', 19 shots at 2 SPF)

Total 28 holes in 13' net, 17' gross interval

RECOMMENDED PROCEDURE:

1. Clean and level location. Set and pull test mast support anchors for pulling unit.

2. Plumb surface casing valve as required.

3. Set matting boards for rig. MIRU pulling unit. Set catwalk and pipe racks.

4. POOH rods & rod pump. Document components of rod string on report. N/D wellhead, N/U 3K manual BOP. Unset TAC, POOH tubing. Document components of tubing string on report. Tally tubing.

5. RIH with 4-3/4" bit and casing scraper to PBTD (see front page).

6. Circulate hole clean with 2% KCL substitute. Set test tank for catching all spent fluids throughout job. POOH tubing.

7. MIRU wireline company and run RCBL and CCL from PBTD to 1000'. Run main pass with no pressure. Repeat with pressure only if necessary for RCBL response. Run caliper-type casing inspection log.

8. Wireline set RBP just above existing perforations. Dump bail 10' sand on top of RBP.

9. If inspection log shows casing has sufficient integrity, test casing to 3000 psi (or as high as wellhead and casing strengths will allow) in preparation for casing frac. Otherwise, test casing to 1000 psi and prepare to use 3-1/2" tubing frac string.

10. Rig up full lubricator and test (1000 psi) and perforate as stated above using 3-1/8" slick guns with 120 degree phasing and equal charge spacing with Titan RDX DP EXP 3319-322T 19g charges.

11. RIH tubing with test packer. Hydro test tubing below slips to 5000 psi while RIH. Set packer 120' above perfs.

12. Swab well to evaluate natural production.

13. If acid stimulation is required, MIRU acid company.

14. Unset packer, RIH to bottom perf. Pickle tubing with 200 gal 15% NEFE acid. Displace acid to end of tubing, reverse acid to tank.

15. Spot 150 gal 15% NEFE acid across perfs as balanced pill. POOH to 120' above perfs, reverse 10 bbls into tubing, set packer.

16. Test lines to 6000 psi, use 5000 psi as job max pressure. Treat well with 1000 gal 15% NEFE acid, evenly distribute 7/8 inch diameter RCNBS 1.3 specific gravity ball sealers (quantity to be twice number of perfs). Displace acid with 2% KCL substitute at 3 to 5 BPM to bottom perf plus 2 bbls. Be certain to request electronic record of acid job when scheduling acid job and have file sent to Midland office. Record breakdown pressure, ISIP, 5, 10 & 15 minute shut-in, max rate, max pressure, average rate, average pressure on report. Record density of flush fluid in lb/gal. (Note: Density of fresh water with 2% KCL substitute is 8.34 lb/gal.)

17. Unset packer, RIH to one joint below point of acid spotting to knock balls off of perfs. Reverse out any acid from below perfs into tubing with 10 bbls.

18. POOH to 120' above perfs, set packer.

19. Swab load back to evaluate stimulation results. Document swab results on report, carefully noting recovery including oil percentage.

20. If frac treatment is necessary, call for 3-1/2" frac tubing. POOH L/D 2-7/8" work string. Replace packer. P/U and RIH packer on 3-1/2" 9.3# L-80 8RD EUE rental tubing. Utilize L/D machine as required. Set packer 120' above perfs, closer if necessary due to casing condition.

21. N/D BOP, N/U wellhead on 3-1/2" tubing. N/U frac valve.

22. Set necessary frac tanks on location (refer to frac proposal) and fill tanks with fresh water. Be certain to add biocide to tanks before or while filling.

23. Frac well per frac company proposal. Prepare to flow back well to test tank as necessary. Once well is bled off, N/D wellhead, N/U BOP. Unset packer, RIH, tag, record depth (determine if sand is in wellbore). POOH L/D 3-1/2" frac string. Replace packer. P/U 2-7/8" tubing, bail out sand as necessary. RIH packer on 2-7/8" tubing, set packer 120' above top perf. Swab to tank as required to evaluate production.

24. POOH, L/D packer, P/U retrieving tool for RBP, RIH. Wash sand on top of RBP, retrieve RBP, POOH, L/D same.

25. Refer to engineering for any changes in rods or pump. Run production tubing with perforated sub 30' below bottom perforation and TAC 30' above top perforation. Set TAC with 12 points tension. N/D BOP, N/U wellhead. Run pump and rod string. Notify production group, turn well to battery and sales.

Three Rivers Operating Company, LLC
NM-36261: Gantryperson Federal #3
API: 30-025-36261
Lea County, New Mexico

RE: Recompletion – Conditions of Approval

There is to be no surface disturbance beyond the originally approved pad. A closed loop system is to be used. H2S monitoring and protection equipment is to be on site.

3000 (3M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.

Submit subsequent report with well test once work is completed.

Approval good for one year.

DHW 020411