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

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

HOBBSOCD MAR 06 2018 RECEIVED

Form C-103
Revised July 18, 2013

WELL API NO. 30-025-42545

5. Indicate Type of Lease STATE ☑ FEE ☐

6. State Oil & Gas Lease No. NMNM 33955

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: Halfway SWD Federal # 001

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

8. Well Number 001

2. Name of Operator: R360 Permian Basin, LLC

9. OGRID Number 289936

3. Address of Operator: 3 Waterway Square Place Suite 110 The Woodlands, TX 77380

10. Pool name or Wildcat: SWD; Devonian

4. Well Location
Unit Letter M : 845 feet from the South line and 1030 feet from the West line
Section 22 Township 20S Range 32E NMPM County Lea

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

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
CLOSED-LOOP SYSTEM	☐						
OTHER:		Proposed SWD Survey	☑	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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

R360 Permian Basin, LLC (Halfway) will conduct an Injection Survey for Halfway SWD #1 (30-025-42545) . Administrative order SWD-1529 dated March 2, 2015, requires that within two years after commencing disposal, the operator shall conduct an injection survey. The survey will be completed in three days starting on March 6, 2018. Please see attached for proposed procedures.

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 Environmental Specialist DATE 2/15/18

Type or print name Stephanie Garza E-mail address: Stephanieg@r360es.com PHONE: 956-458-0515

For State Use Only

APPROVED BY: [signature] TITLE Petroleum Engineer DATE 03/07/18
Conditions of Approval (if any):

R360 Environmental Solutions LLC
Halfway SWD Federal # 1
RA Tracer and Temperature Decay Survey
Proposed Survey Procedures

Day 1:

1) Move in & rig up wire line unit and mast trailer (or crane)

2) Pick up wire line tools consisting of Temperature tool with casing collar locator.

3) Assure that well has been shut in for 24 hours.

4) Open well and run in while recording wellbore temperature profile from surface to the wells total depth.

5) Correlate tool depth to packer signature (packer reported at 14,589 feet).

6) Pull temperature out of well and lay down temperature tool.

Day 2:

1) Pick up RA tracer tool and tune in well. Tie in tool depth to log-indicated packer depth from temperature survey.

2) Tag well bottom and pull natural gamma ray and casing collar locator survey log to 14,363 feet (200 feet above packer).

3) Make 5-minute statistical checks at 14,590 (20 feet above 7" casing shoe), and 14,563 feet (or 10 feet above top of log-indicated packer).

4) Pick up RA Tracer tool to 14,363 feet and Initiate injection at 60 gallons per minute.

5) Eject RA slug and profile RA slug with overlapping passes from release depth into injection interval below casing show we're maintaining a constant injection rate.

6) Repeat steps 2 & 3.

7) Position RA Tracer tool at 14,600 feet (10' above 7" casing shoe).

8) Increase injection rate to 200 gpm.

9) Release RA tracer slug and conduct 20-minute stationary survey while logging in time-drive.

10) Repeat steps 7 & 8.

11) Cease injection, run in and tag bottom of well.

12) Pull natural gamma ray and casing collar locator survey log to 14,363 feet (200 feet above packer).

13) Pull out of well and lay down RA Tracer Survey tool.

14) Re-start injection at 200 gpm for 6-12 hours to affect wellbore temperature profile.

Day 3:

1) Pick up wire line tools consisting of Temperature tool with casing collar locator.

2) Assure that well has been shut in for at least 1-2 hours.

3) Open well and run in while recording wellbore temperature profile from surface to the well total depth.

4) Correlate tool depth to packer signature (packer reported at 14,589 feet).

5) Pull temperature out of well and lay down temperature tool.

6) Rig down and release wire line unit and mast trailer.