

RECEIVED: 7/25/2018	REVIEWER:	TYPE: SWD	APP NO: PMAM1811555453
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Delaware Energy, LLC**OGRID Number:** 371195**Well Name:** Chapman SWD #1**API:** Pending **20-025-44661****Pool:** SWD; Devonian**Pool Code:** 96101

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

APR 25 2018 PM03:08

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX☐ PMX☒ SWD☐ IPI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☒ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☒ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete
☐ Application
 Content
 Complete

- 3) CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Sarah Presley

Print or Type Name

Signature

4/20/2018

Date

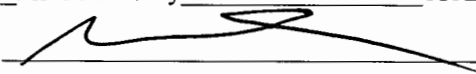
432-685-7005

Phone Number

s.presley@delawareenergy.com

e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance XXX Disposal Storage
Application qualifies for administrative approval? XX Yes No
- II. OPERATOR: Delaware Energy, LLC
ADDRESS: 405 North Marienfeld, Suite 250, Midland TX 79701
CONTACT PARTY: Mike McCurdy PHONE: 432-312-5251
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? Yes XXXX No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: Mike McCurdy TITLE: Vice-President
SIGNATURE:  DATE: 04/09/2018
E-MAIL ADDRESS: m.mccurdy@delawareenergy.com
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

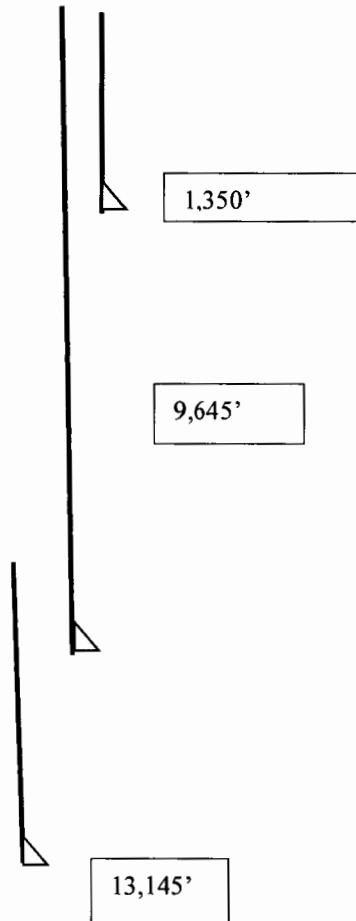
Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

INJECTION WELL DATA SHEET

OPERATOR: Delaware Energy, LLCWELL NAME & NUMBER: Chapman SWD No 1WELL LOCATION: 440' FSL & 1,398' FEL O 10 25S 36E
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE**WELLBORE SCHEMATIC** *see attached wellbore sketch***WELL CONSTRUCTION DATA**Surface CasingHole Size: 17.5"Casing Size: 13-3/8", 54.5#Cemented with: 1300 sx.*or* _____ ft³Top of Cement: surface

Method Determined: Plan to Circulate

Intermediate CasingHole Size: 12-1/4"Casing Size: 9-5/8", 47#, L-80Cemented with: 2,500' sx.*or* _____ ft³Top of Cement: surface

Method Determined: Plan to Circulate

Production CasingHole Size: 8-1/2"Casing Size: 7-5/8", 39#, P-110Cemented with: 650 sx.*or* _____ ft³Top of Cement: Top of LinerMethod Determined: Plan to Circulate
to liner topTotal Depth: 13,145'Injection Interval13,145' feet to 14,145'

(OPEN HOLE)

INJECTION WELL DATA SHEET

Tubing Size: 5.5"x 5.0" tapered string Lining Material: Fiber Glass

Type of Packer: Weatherford Arrow Set 1X

Packer Setting Depth: 13,095'

Other Type of Tubing/Casing Seal (if applicable): none

Additional Data

1. Is this a new well drilled for injection? XXXXXX Yes No

If no, for what purpose was the well originally drilled? N/A

2. Name of the Injection Formation: Devonian

3. Name of Field or Pool (if applicable): SWD; Devonian

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. N/A

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: _____

Below: none

Next Higher: Delaware 5,645' – 7,395', Wolfcamp 9,645'- 11,645, Bone Springs 7,395'-9,645'.



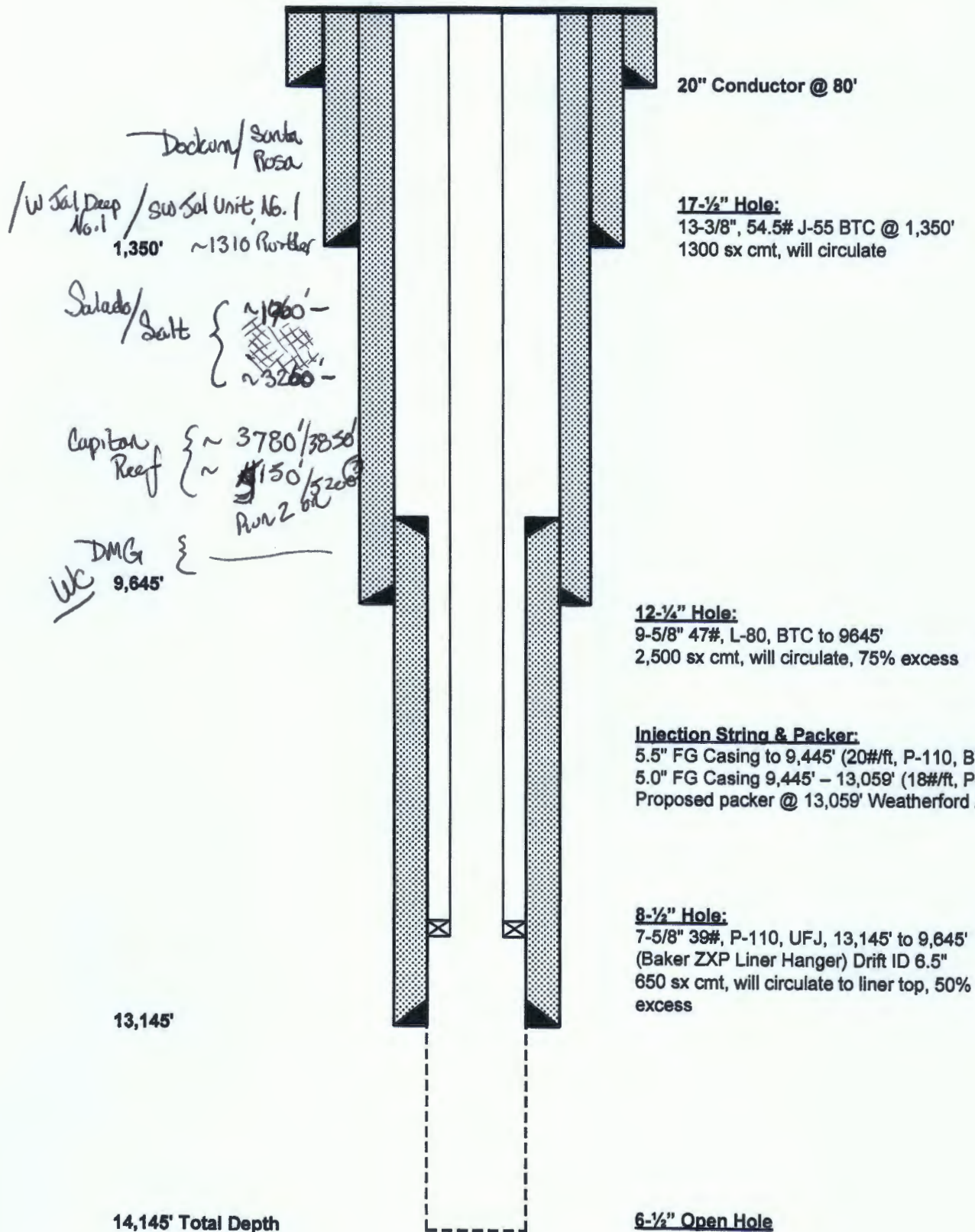
Chapman SWD # 1

API # 30-025-
440' FSL & 1,398' FEL, Sec. 10, T25S, R36E
LEA COUNTY, NEW MEXICO

ELEVATION:

GL: 3,125'

PROPOSED WELLBORE



Delaware Energy, L.L.C. has reviewed and examined available geologic and engineering data in the area of interest for the Chapman SWD #1 and have found no evidence of faults or other hydrologic connections between Devonian disposal zone and the underground sources of drinking water. Furthermore, there exist many impermeable intervals between the injection interval and the fresh ground water from the top of the Devonian Carbonate and the base of the ground water.

Mike McCurdy Vice President 4/9/2018
Title Date

III. WELL DATA

(1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.

Chapman SWD #1, Sec. 10-T25S-R36E, 440' FSL & 1398' FEL, UL O, Lea County, New Mexico

(2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.

Casing Size	Setting Depth	Sacks of Cement	Hole Size	Top of Cement	Determined
13-3/8"	1,350'	1300	17-1/2"	Surface	CIRC
9-5/8"	9,645'	2500	12-1/4"	Surface	CIRC
7-5/8"	9,445'-13,145'	650	8-1/2"	Surface	CIRC

(3) A description of the tubing to be used including its size, lining material, and setting depth.

5-1/2" X 5" OD, Internally Fiber Glass Coated Tubing set 50 to 100ft above open hole

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Weatherford Arrow Set 1X injection packer, nickel plated with on/off tool

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

(1) The name of the injection formation and, if applicable, the field or pool name.

Devonian Formation

Pool Name: SWD (Devonian)

(2) The injection interval and whether it is perforated or open-hole.

13,145' to 14,145' (OH)

(3) State if the well was drilled for injection or, if not, the original purpose of the well.

Well is a planned new drill for SWD

(4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.

None, well is a planned new drill

Additional Questions on C-108

VII.

1. Proposed average and maximum daily rate and volume of fluids to be injected;

Average 15,000-20,000 BWPD, Max 25,000 BWPD

2. Whether the system is open or closed;

Open System, Commercial SWD

3. Proposed average and maximum injection pressure;

Average 1,500-1,800 PSI, Max 2,629 PSI

4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,

Bone Spring, Delaware, and Wolfcamp produced water. No known incompatibility exists with these produced water types and the Devonian. Devonian formation is used as a disposal interval throughout the Delaware Basin for Wolfcamp, Bone Springs, and Delaware produced water. See attached water analysis from Bone Spring, Wolfcamp, and Delaware produced water.

5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

Disposal zone is barren and does not produce

***VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.**

The proposed disposal interval is in the Devonian formations 13,145'-14,145. Devonian is an impermeable organic Shale at the very top (13,145ft, Woodford Shale) 500ft thick followed by permeable lime, dolomite, and small amount of shale 1000ft thick. There are no fresh water zones underlying the proposed injection zone. Usable water depth is from surface to 300', the water source is older alluvium (Quaternary). All of the fresh water wells in the area have an average depth to water of 147ft.

IX. Describe the proposed stimulation program, if any.

60,000 gallons 20% HCL acid job with packer

X. Attach appropriate logging and test data on the well

Mud log will be filed after the well has been drilled. All cased hole and open hole Logs will be filed following drilling operations.

XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

Included in the application is a water well sample from Section 10 of T25S R36E.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

(5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

Next Higher: Delaware 5,645' – 7,395', Wolfcamp 9,645' - 11,645, Bone Springs 7,395'-9,645'.

Next Lower: None

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 383-5161 Fax: (575) 383-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (505) 748-1283 Fax: (505) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-8178 Fax: (505) 334-8170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 96101	Pool Name SWD; DEVONIAN
Property Code	Property Name CHAPMAN SWD	Well Number 1
OGRID No. 371195	Operator Name DELAWARE ENERGY	Elevation 3125'

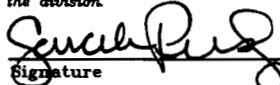
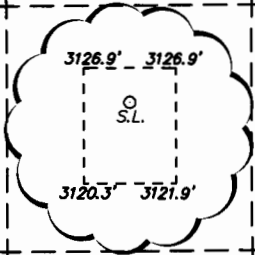
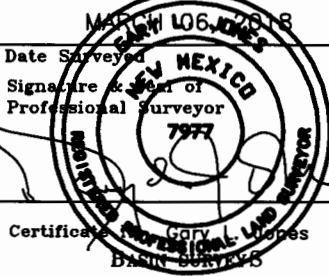
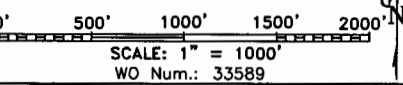
Surface Location

UL or lot No. 0	Section 10	Township 25 S	Range 36 E	Lot Idn	Feet from the 440	North/South line SOUTH	Feet from the 1398	East/West line EAST	County LEA
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						


NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

N420729.5 E:873044.3 (NAD 83)	N420753.9 E:875699.7 (NAD 83)	N420786.7 E:878332.5 (NAD 83)	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  Signature Date 4.11.18 SARAH PRESLEY Printed Name s.presley@delawareenergy.com Email Address
N418091.1 E:873068.7 (NAD 83)	N418143.5 E:878353.2 (NAD 83)	N418143.5 E:878353.2 (NAD 83)	
 SURFACE LOCATION Lat - N 32.138797° Long - W 103.248988° NMSPC- N 415920.0 E 876973.1 (NAD-83)			SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Date Surveyed Signature of Professional Surveyor Certificate of Professional Surveyor 7977 BASIN SURVEYS
			

Water Analysis - Disposal Zone - DEVONIAN

NM WAIDS DATA				
S-T-R	FIELD	FORMATION	TDS	CHLRD
24-23S-29E	REMUDA	DEVONIAN	64582	37500
24-23S-29E	REMUDA	DEVONIAN	56922	29000
06-23S-34E	BELL LAKE NORTH	DEVONIAN	71078	42200
34-23S-34E	ANTELOPE RIDGE	DEVONIAN	80187	47900

Water Analysis - Source Zone – BONE SPRING

 BioTech <small>NY</small>		Laboratory Analysis Endurance Jazzmaster 17 State #4H		Sample Date: <u>1/31/2014</u> Loc Co. NM	
Requested by: <u>T. Ratliff</u>					
Water Analysis Measurements					
Oxygen (mg/L) Carbon Dioxide (mg/L) Hydrogen Sulfide (mg/L) pH Temperature °F	<u>1.00</u> <u>650.18</u> <u>0.0</u> <u>6.7</u> <u>75</u>	Oil in Water (ppm) Specific Gravity Total Dissolved Solids (TDS) (mg/L)	<u>n/a</u> <u>1.100</u> <u>100-400</u> <u>10 TDS</u>	Calcium (°) Barium (Ba) Calcium (Ca) Magnesium (Mg) Sodium (Na) Iron (Fe) Manganese (Mn)	<u>0</u> <u>18.442</u> <u>300</u> <u>34.270</u> <u>100</u> <u>0.01</u>
		Ammonia (°) Carbonate (CO₃) Bicarbonate (HCO₃) Chloride (mg/L) Sulfate (SO₄)	<u>0</u> <u>14.00</u> <u>110.220</u> <u>310</u>		

Water Analysis - Source Zone - DELAWARE

[illegible]



P.O. Box 3394, Midland, Texas 79702
Phone (432) 684-4233 Fax (432) 684-4277

Water Analysis

Code 204157	
Client Information	Sample Information
Delaware Energy County: Lea Rep: Derrick Boutwell	Lease/Well: Chapman/Fresh Water Well Sample Point: Date Sampled: 03/08/2018 Date Reported: 03/13/2018

Results

Cations

Ion	Concentration(mg/L)
Barium (as Ba)	0
Calcium (as Ca)	14
Iron (as Fe)	0
Sodium (as Na)	109
Magnesium (as Mg)	5

Other Measurements

Measurement	Value
pH	7.34
SG	1.0008
Turbidity	9
CO ₂	
Total Dissolved Solids	759.000

Anions

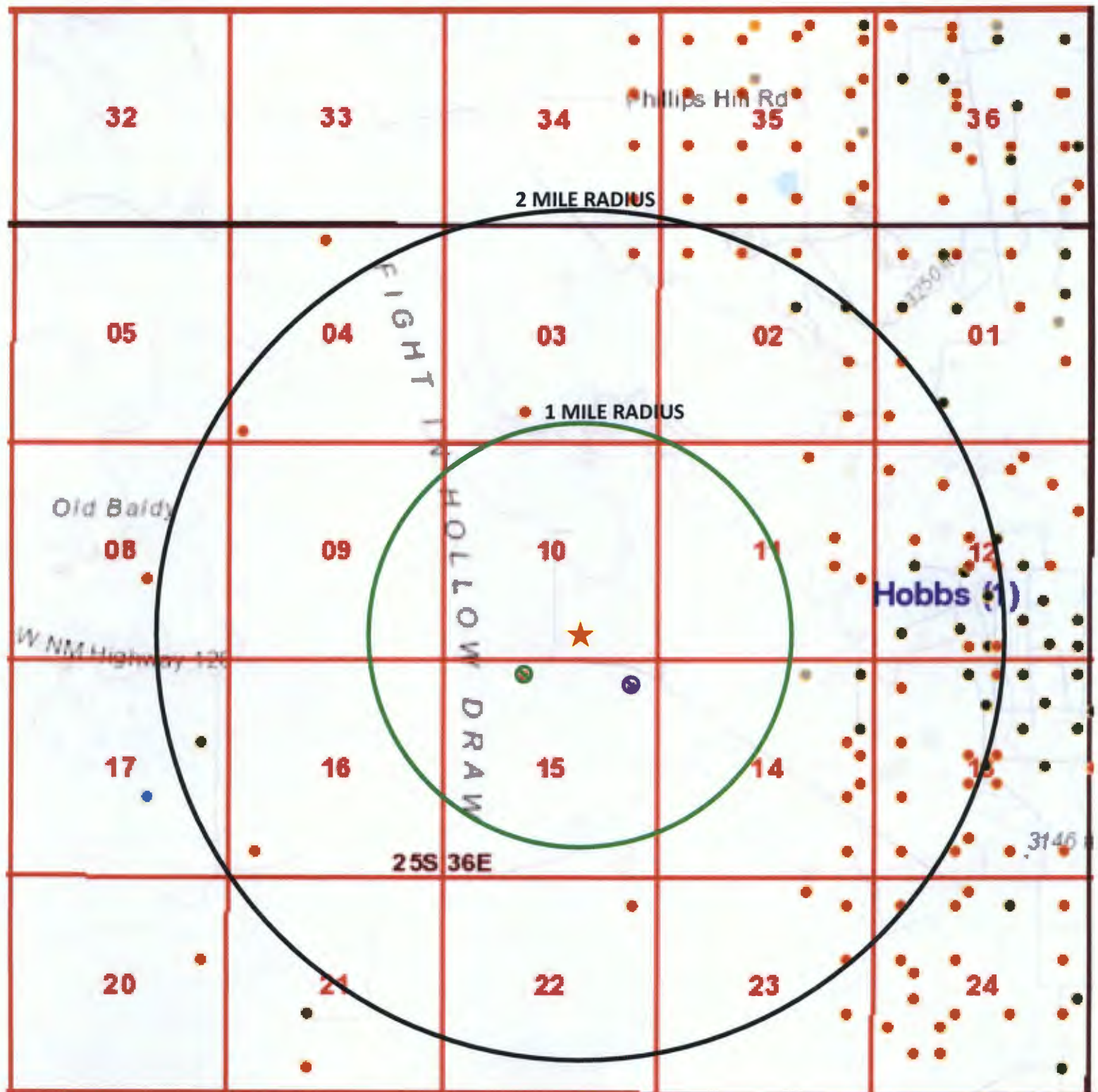
Ion	Concentration(mg/L)
Chlorides (as Cl)	102
Sulfate (as SO ₄)	212
Carbonate (as CO ₃)	0
Bicarbonates (as HCO ₃)	317
Sulfide (as S ₂ -)	0

Scaling Indices

Temp(F)	CaCO ₃	CaSO ₄ *2H ₂ O	CaSO ₄	BaSO ₄
80	-0.4320	0.0000	0.0000	-27.5301
120	-0.1275	0.0000	0.0000	-27.7358
160	0.2008	0.0000	0.0000	-27.8420
200	0.4986	0.0000	0.0000	-27.8854
250	0.7782	0.0000	0.0000	-27.9019

Low = < 0.200, Moderate = 0.200-0.999, High = > 1.00

Comments



WELLS – ONE MILE RADIUS

SECTION 10-T25S-R36E

- ★ Chapman SWD #1
(Proposed Location)
Delaware Energy, LLC

SECTION 15-T25S-R36E

- McKee #1
(PLUGGED AND ABANDONED)
- Federal 15 #1
(PLUGGED AND ABANDONED)

Delaware Energy, L.L.C.
405 N. Marienfeld, Suite 250
Midland, TX 79701
Office: (432) 685-7005

April 11, 2018

Surface Owner / Offset Operators

Re: Notification of Application for Authorization to Inject
Chapman SWD #1 Well

Ladies and Gentlemen:

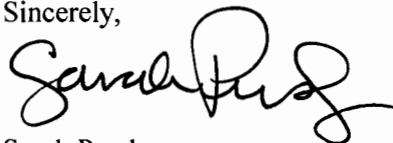
Delaware Energy, LLC is seeking administrative approval to utilize the proposed Chapman SWD #1 as a commercial Salt Water Disposal well. As required by the New Mexico Oil Conservation Division Rules, we are notifying you of the following proposed salt water disposal well. This letter is a notice only. No action is required unless you have questions or objections.

<u>Well:</u>	Chapman SWD #1
<u>Proposed Disposal Zone:</u>	Devonian Formation (from 13,145'- 14,145')
<u>Location:</u>	440' FSL & 1,398' FEL, UL O, Sec. 10, T25S, R36E, Lea Co., NM
<u>Applicants Name:</u>	Delaware Energy, L.L.C.
<u>Applicants Address:</u>	405 N. Marienfeld, Suite 250, Midland, TX 79701

This application for water disposal well will be filed with the New Mexico Oil Conservation Division. If they determine the application complies with the applicable regulations, then it will be approved. The New Mexico Conservation Division address is 1220 South St. Francis Dr., Santa Fe, NM 87505. And their phone number is 505-476-3460.

Please call Mike McCurdy with Delaware Energy, LLC if you have any questions at 432-685-7005.

Sincerely,



Sarah Presley

DISTRIBUTION LIST

Surface Owner:

Johnny Chapman
P.O. Box 875
Jal, NM 88252

Offset Operators/Leasehold Owners:

EOG Resources, Inc.
5009 Champions Drive
Midland, TX 79706

ExxonMobile Oil Corp.
P.O. Box 4358
Houston, TX 77210

Mobil Prod TX & NM
12450 Greenspoint Drive
Houston, TX 77060

O'Neill Properties, Ltd.
410 W. Ohio
Midland, TX 79701

Kew Drilling
4849 Greenville Ave, #1125
Dallas, TX 75206

Broughton Petroleum, Inc.
1205 Silliman Street
Sealy, TX 77474

Moriah Resources
303 W. Wall St., Suite 2400
Midland, TX 79701

Jetstream Oil and Gas Partners
105 Nursery Ln., Suite 220
Fort Worth, TX 76114

Ameredev
5707 Southwest Pkwy Bldg. 1, Suite 275
Austin, TX 78735

Chevron USA Inc.
6301 Deauville Blvd. ✓
Midland, TX 79706

State of New Mexico Oil Conservation Division
District I
1625 N. French Dr.
Hobbs, NM 88240

State of New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

7018 0040 0000 7726 6480

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

JAL, NM 88252

OFFICIAL USE

Certified Mail Fee \$3.45

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$2.75
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$1.63

Total Postage and Fees \$7.83

Sent To **Johnny Chapman**
 Street and Apt. No., or PO Box No.
P.O. Box 875
 City, State, ZIP+4®
Jal, NM 88252

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7018 0040 0000 7726 6503

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
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For delivery information, visit our website at www.usps.com®.

MIDLAND, TX 79706

OFFICIAL USE

Certified Mail Fee \$3.45

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$2.75
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$1.63

Total Postage and Fees \$7.83

Sent To **EDG Resources, Inc.**
 Street and Apt. No., or PO Box No.
5009 Champions Drive
 City, State, ZIP+4®
Midland, TX 79706

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7018 0040 0000 7726 6510

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HOUSTON, TX 77210

OFFICIAL USE

Certified Mail Fee \$3.45

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$2.75
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$1.63

Total Postage and Fees \$7.83

Sent To **Exxon Mobile Oil Corp.**
 Street and Apt. No., or PO Box No.
P.O. Box 4358
 City, State, ZIP+4®
Houston, TX 77210

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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HOUSTON, TX 77060

OFFICIAL USE

Certified Mail Fee \$3.45

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$2.75
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$1.63

Total Postage and Fees \$7.83

Sent To **Mobil Prod TX & NM**
 Street and Apt. No., or PO Box No.
12450 Greenspoint Dr.
 City, State, ZIP+4®
Houston, TX 77060

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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MIDLAND, TX 79706

OFFICIAL USE

Certified Mail Fee \$3.45

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$2.75
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$1.63

Total Postage and Fees \$7.83

Sent To **O'Neill Properties, Ltd.**
 Street and Apt. No., or PO Box No.
410 W. Ohio
 City, State, ZIP+4®
Midland, TX 79701

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DALLAS, TX 75206

OFFICIAL USE

Certified Mail Fee \$3.45

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$2.75
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$1.63

Total Postage and Fees \$7.83

Sent To **Kew Drilling**
 Street and Apt. No., or PO Box No.
4649 Greenville Ave., #1125
 City, State, ZIP+4®
Dallas, TX 75206

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SEALY, TX 77474

Certified Mail Fee \$3.45

Extra Services & Fees (check box, add fees as appropriate)

☐ Return Receipt (hardcopy) \$2.75

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

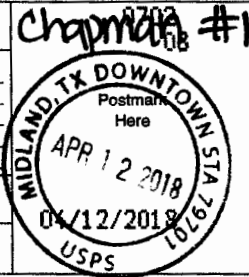
Postage \$1.63

Total Postage and Fees \$7.83

Sent To **Broughton Petroleum, Inc.**
 Street and Apt. No., or PO Box No.
1266 Sullivan Street
 City, State, ZIP+4®
Sealy, TX 77474

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MIDLAND, TX 79701

Certified Mail Fee \$3.45

Extra Services & Fees (check box, add fees as appropriate)

☐ Return Receipt (hardcopy) \$2.75

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

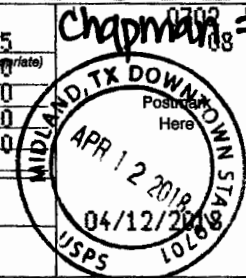
Postage \$1.63

Total Postage and Fees \$7.83

Sent To **Moriah Resources**
 Street and Apt. No., or PO Box No.
303 W. Wall St., Suite 2400
 City, State, ZIP+4®
Midland, TX 79701

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FORT WORTH, TX 76114

Certified Mail Fee \$3.45

Extra Services & Fees (check box, add fees as appropriate)

☐ Return Receipt (hardcopy) \$2.75

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

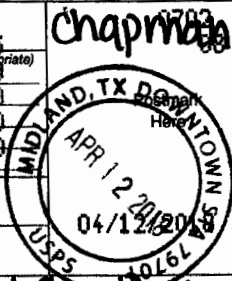
Postage \$1.63

Total Postage and Fees \$7.83

Sent To **Jetstream Oil & Gas Partners**
 Street and Apt. No., or PO Box No.
105 Nursery Ln., Suite 220
 City, State, ZIP+4®
Fort Worth, TX 76114

PS Form 3800, April 2015 PSN 7530-02-000-9047

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AUSTIN, TX 78735

Certified Mail Fee \$3.45

Extra Services & Fees (check box, add fees as appropriate)

☐ Return Receipt (hardcopy) \$2.75

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

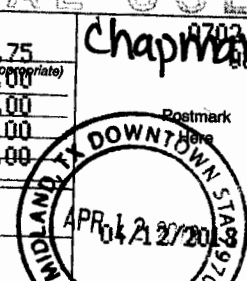
Postage \$1.63

Total Postage and Fees \$7.83

Sent To **Ameredeve**
 Street and Apt. No., or PO Box No.
5707 Southwest Penny Bldg. Suite 275
 City, State, ZIP+4®
Austin, TX 78735

PS Form 3800, April 2015 PSN 7530-02-000-9047

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MIDLAND, TX 79706

Certified Mail Fee \$3.45

Extra Services & Fees (check box, add fees as appropriate)

☐ Return Receipt (hardcopy) \$2.75

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

Postage \$1.63

Total Postage and Fees \$7.83

Sent To **Chevron USA Inc.**
 Street and Apt. No., or PO Box No.
6301 Deauville Blvd.
 City, State, ZIP+4®
Midland, TX 79706

PS Form 3800, April 2015 PSN 7530-02-000-9047

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HOBBBS, NM 88240

Certified Mail Fee \$3.45

Extra Services & Fees (check box, add fees as appropriate)

☐ Return Receipt (hardcopy) \$2.75

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

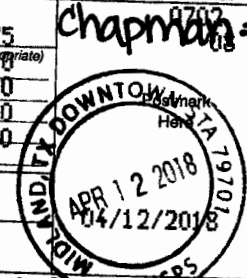
Postage \$1.63

Total Postage and Fees \$7.83

Sent To **NMOCB District I**
 Street and Apt. No., or PO Box No.
1625 N. French Dr.
 City, State, ZIP+4®
Hobbs, NM 88240

PS Form 3800, April 2015 PSN 7530-02-000-9047

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Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
April 17, 2018
and ending with the issue dated
April 17, 2018.


Publisher

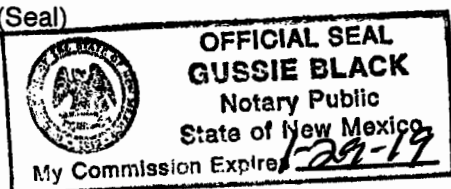
Sworn and subscribed to before me this
17th day of April 2018.


Business Manager

My commission expires

~~January 29, 2019~~

(Seal)



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE **April 17, 2018**

Delaware Energy, L.L.C., 405 N. Marienfeld St. Suite 250, Midland, TX 79701, has filed a form C-108 (Application for Authorization to Inject) with the Oil Conservation Division seeking administrative approval to drill the Chapman SWD #1 as a Commercial Salt Water Disposal well.

The Chapman SWD #1 is located at 440' FSL and 1398' FEL, Unit Letter O, Section 10, Township 25 South, Range 36 East, Lea County, New Mexico. The well will dispose of water produced from oil and gas wells into the Devonian Formation from 13,145' to 14,145' at a maximum rate of 25,000 barrels of water per day at a maximum pressure of 2,629 psi.

Interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

Additional information can be obtained by contacting Delaware Energy, L.L.C., at (432) 685-7005, #32716

67114908

00210283

MIKE MCCURDY
DELAWARE ENERGY
405 N. MARIENFELD, STE 250
MIDLAND, TX 79701

Chapman SWD #1**Location: Sec. 10, T-25S, R-36E, UL O****Estimated Pre-Drill Formation Tops**

Rustler	1,300'
Top of Salt	1,145'
Base Salt	5,645'
Delaware	5,645'
Bone Springs Lime	7,395'
Wolfcamp	9,645'
Barnett	11,645'
Mississippian	12,145'
Woodford	12,645'
Devonian	13,145'

Statement Regarding Seismicity and Well Location (Chapman SWD #1)

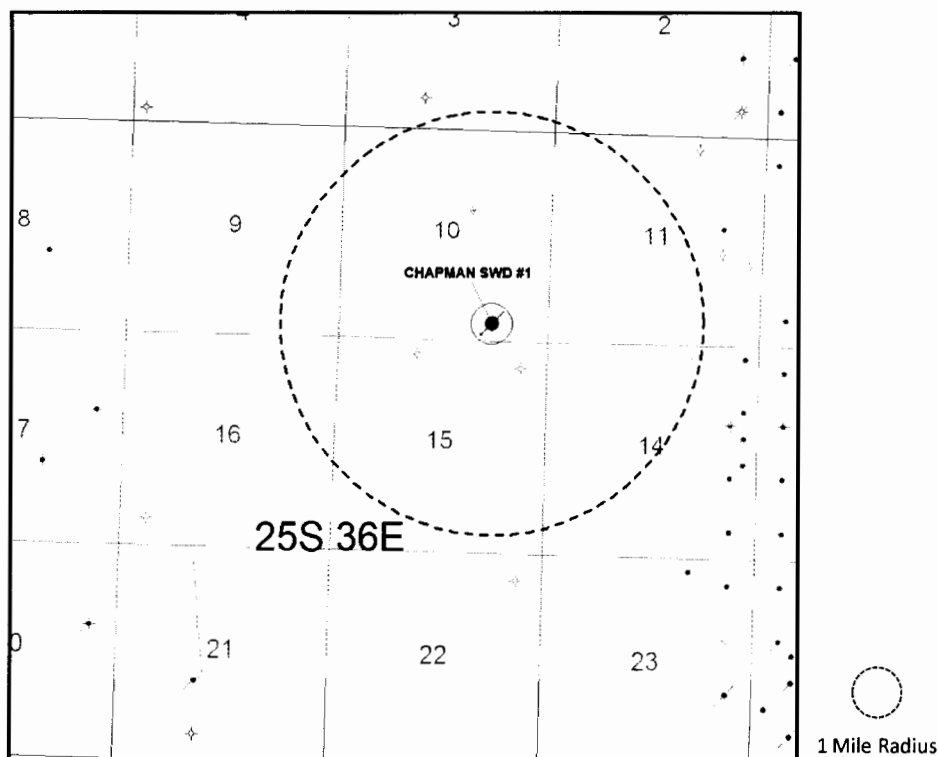
Historically, the area near the proposed Chapman SWD has not seen any major seismic activity. There have been four seismic events (as per public data available on the USGS database) in the area. All events are over 13 miles from the proposed SWD location. The closest activity (13.9 miles to the SE) was located on the Central Basin Platform and measured 2.6 in May 2017.

Delaware Energy does not own 2D or 3D seismic data near the proposed SWD location therefore the fault interpretations are based on data obtained from the USGS New Mexico Faults Database dated January 1, 2005. Based on these sources the closest fault activity is approximately 1.1 miles east of the location in a series of down-to-the-basin faults setting up the western edge of Central Basin Platform. A recent technical paper written by Snee and Zoback, "State of Stress in the Permian Basin, Texas and New Mexico: Implications for induced seismicity", was published in the February 2018 edition of The Leading Edge. The study evaluates the strike-slip probability of known faults using FSP analysis. The study predicts that the fault activity nearest this well should have a low probability (<10%) of being critically stressed resulting in an induced seismicity event. This is due to the relationship of the strike of the faults and the regional Shmax orientation (approx. N 75 deg E) in the area.

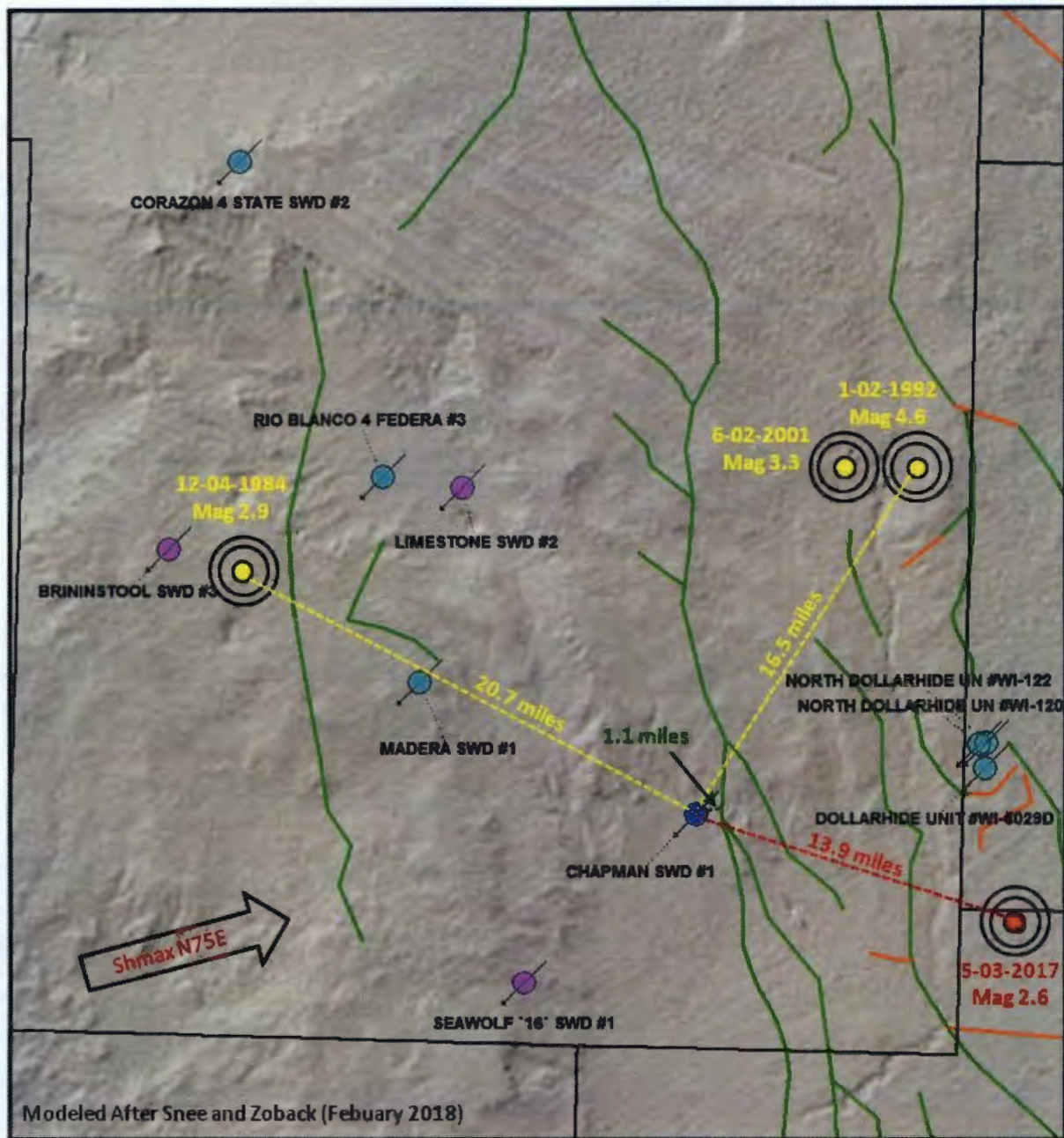
The proposed Chapman SWD #1 location is located well away from any active Devonian SWD wells (see map below) to meet current OCD and Industry recommended practices.

Kevin J. Schepel
Petrophysical Advisor
kevin.schepel@att.net
214-212-6540

Well Activity and Closest SWD



Proximity to Historic Earthquake Activity and Faults



- Existing Devonian Permit ● Active Devonian SWD ● Proposed Location
- USGS Earthquake / Low Fault Slip Potential / Higher Fault Slip Potential

Data and Interpretation Disclosure - Although care has been taken to ensure that these data are up to date and accurate, this information and data is being providing as is. The data are what is believed to be the best public data available based on published documents, reports, and information available through the USGS. The user assumes all responsibility and risk for use of the data and interpretations. Users of the data agree not to misuse, add to without permission, or misrepresent the data provided in any way. In no event will the provider of this document be liable to any party for any direct, indirect, incidental, consequential, special or exemplary damages, or lost profit resulting from any use or misuse of this data. Additionally, provider is not liable for any inaccurate data. No person, entity, or user shall use the information in a manner that is in violation of any federal, state, or local law or regulation.

01388

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MEMORANDUM OF SALT WATER DISPOSAL AGREEMENT

THE STATE OF NEW MEXICO §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF LEA §

This Memorandum of Salt Water Disposal Agreement is made and entered into as of the 26 day of October, 2016, between **Johnny Chapman**, whose address is Box 875, Jal, NM 88252 ("Lessor"), and **DELAWARE ENERGY, LLC**, whose address is 3001 W. Loop 250 North, Suite C-105-318, Midland, Texas 79705 ("Lessee"):

WITNESSETH:

Lessor and Lessee have this day entered into a Salt Water Disposal Agreement, dated effective as of the date first-written above, covering the following described lands in **Lea County**, New Mexico, to-wit:

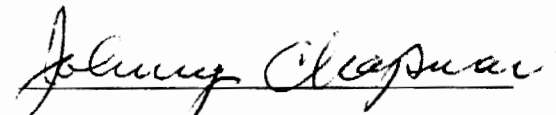
Section 10, Township 25 South, Range 36 East,
Section 15, Township 25 South, Range 36 East,
Section 9, Township 26 South, Range 37 East,
Section 16, Township 26 South, Range 37 East,

Said Salt Water Disposal Agreement, subject to certain termination provisions, contains a primary term of five (5) years and shall remain in force as long thereafter, subject to the further conditions and limitations stated in the terms and provisions of said Salt Water Disposal Agreement.

Lessor and Lessee are executing this Memorandum of Salt Water Disposal Agreement for the purpose of placing the same of record in Lea County, New Mexico, and in order to constitute constructive notice of said Salt Water Disposal Agreement in lieu of recording of said Salt Water Disposal Agreement in its entirety. A full and complete copy of said Salt Water Disposal Agreement will be maintained in the office of both Lessor and Lessee at the address shown above.

IN WITNESS WHEREOF, this Memorandum of Salt Water Disposal Agreement is executed as of the day, month and year first hereinabove written.

LESSORS:


Johnny Chapman

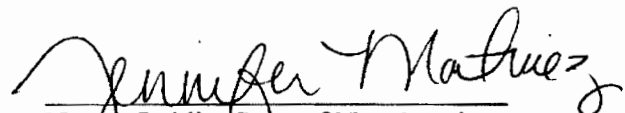
ACKNOWLEDGMENT

STATE OF NEW MEXICO

COUNTY OF Lea

§
§
§

This instrument was acknowledged before me on the 27th of October, 2016 by Johnny Chapman.


Notary Public, State of New Mexico

RECORDER'S MEMORANDUM
Acknowledgment
Incomplete

AFTER RECORDING, RETURN TO:

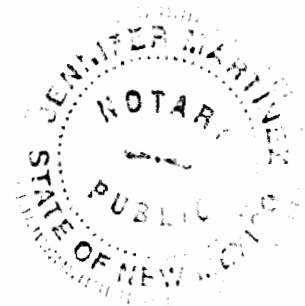
DELAWARE ENERGY, LLC
3001 W. Loop 250 North, Suite C-105-318
Midland, Texas 79705

STATE OF NEW MEXICO
COUNTY OF LEA
FILED
At 10:38 o'clock A M

FEB 06 2017

Recorded in Book 2081 Page 405
Keith Manes, Lea County Clerk
By CSandora Deputy

01388



APR 25 2018 PM03:08

Delaware Energy, LLC
Application for Injection/SWD
Chapman SWD #1

UL O, Sec. 10, T-25-S, R-36-E, 440' FSL & 1,398' FEL, Lea Co., NM

April 20, 2018

Contents:

1. Administrative Application Checklist
2. Form C-108: Application for Authority to Inject
3. Form C-108 Additional Questions Answered
4. Form C-102
5. Chemical Analysis of Devonian Formation Water Sample
6. Chemical Analysis of Bone Spring Formation Water Sample
7. Chemical Analysis of Delaware Formation Water Sample
8. Planned wellbore diagram for the Chapman SWD #1
9. ~~Tabular Data on All Wells of Public Record within the Area of Review which Penetrate the Proposed Injection Zone~~ (No applicable wells)
10. Water Well Samples taken for the Chapman SWD #1 FW well (Sec. 10, T25S, R36E) CP-181
11. Map Identifying all Wells and Leases within Two Miles of Any Proposed Injection Well with a One Mile Radius Circle Drawn Around the Proposed Injection Well
12. Sample of Letter Sent with This Application Packet to Owner of Surface of the Land on Which the Well is to be Located and to each Leasehold Operator within One Mile of the Well Location
13. Legal Notice that was run as required in the Hobbs News-Sun
14. Formation Tops
15. Statement regarding seismicity
16. Memorandum of Salt Water Disposal Agreement



FORM C-108 Technical Review Summary [Prepared by reviewer and included with application; V16.2]

DATE RECORD: First Rec: 04/25/18 Admin Complete: 04/25/18 or Suspended: _____ Add. Request/Reply: Expanded 1-mile AOR info

ORDER TYPE: WFX / PMX (SWD) Number: 1745 Order Date: 04/11/18 Legacy Permits/Orders: _____

Well No. 1 Well Name(s): Chapman SWD

API: 30-0 25-44954 Spud Date: TBD New or Old (EPA): New (UIC Class II Primacy 03/07/1982)

Footages 440' FSL / 1398' FEL Lot - or Unit 0 Sec 10 Tsp 25S Rge 36E County Lea

General Location: ~3.1 mi NW of Jal Pool: SWD; Devonian Pool No.: 96101

BLM 100K Map: Jal Operator: Delaware Energy, LLC OGRID: 371195 Contact: Sarah Presley

COMPLIANCE RULE 5.9: Total Wells: 10 Inactive: 0 Fincl Assur: OK Compl. Order? No IS 5.9 OK? Yes Date: 04/11/18

WELL FILE REVIEWED ☒ Current Status: APD on file [with submitted design]

WELL DIAGRAMS: NEW: Proposed ☒ or RE-ENTER: Before Conv. ☐ After Conv. ☐ Logs in Imaging: _____

Planned Rehab Work to Well: *[Conductor to 80']

Well Construction Details		Sizes (in) Borehole / Pipe	Setting Depths (ft)	Cement Sx or Cf	Cement Top and Determination Method
Planned <input checked="" type="checkbox"/> or Existing <u>Surface</u>	<u>*</u>	<u>17 1/2 / 13 3/8</u>	<u>0 to 1350</u>	<u>1300</u>	<u>Circulate to surface</u>
Planned <input checked="" type="checkbox"/> or Existing <u>Interm/Prod</u>		<u>12 1/4 / 9 5/8</u>	<u>0 to 9645</u>	<u>2500</u>	<u>Circulate to surface</u>
Planned <input type="checkbox"/> or Existing <u>Interm/Prod</u>					
Planned <input type="checkbox"/> or Existing <u>Prod/Liner</u>					
Planned <input checked="" type="checkbox"/> or Existing <u>Liner</u>		<u>8 1/2 / 7 5/8</u>	<u>9445 to 13145</u>	<u>650</u>	<u>TOL - no method provide</u>
Planned <input checked="" type="checkbox"/> or Existing <u>OH/PERF</u>		<u>6 1/2</u>	<u>13145 to 14145</u>	<u>Inj Length 1000</u>	

Injection Lithostratigraphic Units:	Depths (ft)	Injection or Confining Units	Tops
Adjacent Unit: Litho. Struc. Por.		<u>Mississippian</u>	<u>12145</u>
Confining Unit: <u>Litho</u> Struc. <u>(Por.)</u>	<u>Ø contact</u>	<u>Woodford shale</u>	<u>12645</u>
Proposed Inj Interval TOP:	<u>13145</u>	<u>Devonian</u>	<u>13145</u>
Proposed Inj Interval BOTTOM:	<u>14145</u>		
Confining Unit: <u>Litho</u> Struc. <u>(Por.)</u>		<u>Silurian / Foss</u>	<u>14145</u>
Adjacent Unit: Litho. Struc. Por.		<u>Montana</u>	

Completion/Operation Details:	
Drilled TD	<u>14145</u> PBTB <u>-</u>
NEW TD	<u>14145</u> NEW PBTB <u>-</u>
NEW Open Hole <input checked="" type="checkbox"/> or NEW Perfs <input type="checkbox"/>	
Tubing Size <u>5 x 5.5</u> in. Inter Coated? <u>Yes</u>	
Proposed Packer Depth <u>13095</u> ft	
Min. Packer Depth <u>13045</u> (100-ft limit)	
Proposed Max. Surface Press. <u>2629</u> psi	
Admin. Inj. Press. <u>2629</u> (0.2 psi per ft)	

AOR: Hydrologic and Geologic Information

POTASH: R-111-P No Noticed? NA BLM Sec Ord No WIPP No Noticed? NA Salt/Salado T: 1960 B: 3260 NW: Cliff House fm

FRESH WATER: Aquifer Rustler/Dockum/Capitan Max Depth 5100 HYDRO AFFIRM STATEMENT By Qualified Person ☒

NMOSE Basin: Capitan CAPITAN REEF thru ✓ adj NA No. GW Wells in 1-Mile Radius? 2 FW Analysis? Yes CP-101

Disposal Fluid: Formation Source(s) WCT/DMG/BS Analysis? Yes On Lease ☐ Operator Only ☐ or Commercial ☒

Disposal Interval: Inject Rate (Avg/Max BWPD): 15,000-25,000 Protectable Waters? No Source: Historical System: Closed or Open

HC Potential: Producing Interval? No Formerly Producing? No Method: Logs/DST/P&A/Other Emulog 2-Mi Radius Pool Map ☐

AOR Wells: 1/2-M Radius Map and Well List? NA No. Penetrating Wells: Ø [AOR Horizontals: Ø AOR SWDs: Ø]

Penetrating Wells: No. Active Wells - Num Repairs? - on which well(s)? - Diagrams? -

Penetrating Wells: No. P&A Wells - Num Repairs? - on which well(s)? - Diagrams? -

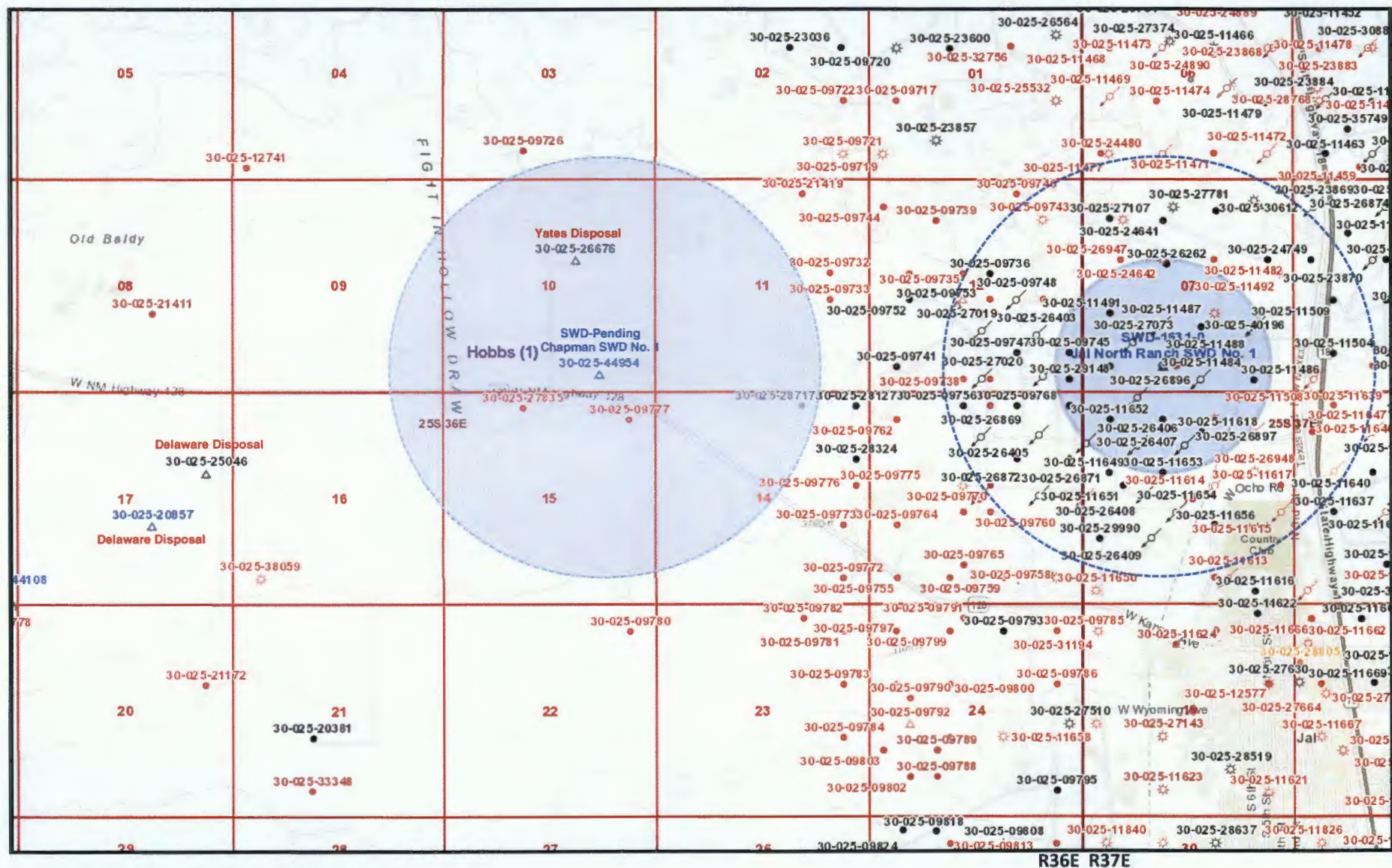
NOTICE: Newspaper Date 04/17/18 Mineral Owner J. Chapman Surface Owner J. Chapman N. Date 4/12/18

RULE 26.7(A): Identified Tracts? Yes Affected Persons: EOG/Exxon/Mobil/O'Neil Prop/Kaw/Morieh + 4 more N. Date 4/12/18

Order Conditions: Issues: Salt/Capitan/DMG in one string; TOL not determined; Strat control; Devonian only

Additional COAs: New well design; CBL on liner; 200'/standard cmnt notification; picks/formation BTH pres.

Pending Application for High-Volume Devonian Disposal Well C-108 Application for Chapman SWD No. 1 – Delaware Energy LLC



Chapman SWD No. 1; Delaware Energy LLC

API 30-025-44954 Application No. pMAM1811555453; Rcvd 04.25.2018

Proposed interval: 13,145' to 14,145'

Proposed construction: processing application with current design; modification of casing design necessary for Salt/Capitan interval.

Closet Devonian Wells with Large-Volume Potential: Jal North Ranch SWD No. 3 (30-025-27085) deepened to Devonian; approved current tubing is 4.5-in; <1800 BHPD in June 2018.

Goetze, Phillip, EMNRD

From: Goetze, Phillip, EMNRD
Sent: Monday, July 9, 2018 1:32 PM
To: Kautz, Paul, EMNRD
Subject: RE: Delaware Energy LLC, Chapman SWD # 1

Agreed. I just don't want the salt section to be poorly cemented as result of pushing a single casing string over this interval and have this come back to haunt the next state employee who inherits this project. Thanks. PRG

Phillip Goetze, PG
Engineering Bureau, Oil Conservation Division, NM EMNRD
1220 South St. Francis Drive, Santa Fe, NM 87505
Direct: 505.476.3466
E-mail: phillip.goetze@state.nm.us

From: Kautz, Paul, EMNRD
Sent: Monday, July 9, 2018 1:27 PM
To: Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>
Subject: RE: Delaware Energy LLC, Chapman SWD # 1

That's OK with me as long as the 3rd sting is set into the top of the Wolfcamp.

Paul

From: Goetze, Phillip, EMNRD
Sent: Monday, July 9, 2018 1:18 PM
To: Kautz, Paul, EMNRD <paul.kautz@state.nm.us>
Cc: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Subject: RE: Delaware Energy LLC, Chapman SWD # 1

Paul:

Wanted to touch base on you on this well design. Seems that Delaware is planning to run a single string (9 5/8-inch) through the Salado and the Capitan before landing the shoe in Wolfcamp. I don't really like such a long section through so much different geology in an area with no subsurface control. I am going to request a third casing to isolate the salt section from the deeper section including the Capitan. Comments? PRG

Phillip Goetze, PG
Engineering Bureau, Oil Conservation Division, NM EMNRD
1220 South St. Francis Drive, Santa Fe, NM 87505
Direct: 505.476.3466
E-mail: phillip.goetze@state.nm.us

From: Kautz, Paul, EMNRD
Sent: Friday, July 6, 2018 10:40 AM
To: Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>
Subject: Delaware Energy LLC, Chapman SWD # 1

Hello Phillip,

I am holding the APD for the above well. However, I have assigned an API # 30-025-44954 to it so they can get a single well bond approved for it. Please let me know when their application for a SWD is approved.

Thanks

Paul Kautz
Hobbs District Geologist
Energy Minerals Natural Resources Dept.
Oil Conservation Division
1625 N. French Dr.
Hobbs, NM 88240
575-393-6161 ext. 104

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

OIL CONS. COMMISSION
(See instructions on reverse side)Form approved.
Budget Bureau No. 42-R355.5.P. O. BOX 2431
HOBBS, NEW MEXICO 88240

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL:		OIL WELL <input type="checkbox"/>	GAS WELL <input type="checkbox"/>	DRY <input checked="" type="checkbox"/>	Other _____
b. TYPE OF COMPLETION:					
NEW WELL <input type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other <u>Plug & Abandon</u>					
2. NAME OF OPERATOR Robert N. Enfield					
3. ADDRESS OF OPERATOR P. O. Box 2431, Santa Fe, NM 87501					
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 360' FNL & 1980' FWL of Sec. 15 At top prod. interval reported below At total depth					
14. PERMIT NO. _____ DATE ISSUED _____					
15. DATE SPUDDED 5/27/82					
16. DATE T.D. REACHED 6/1/82					
17. DATE COMPL. (Ready to prod.) 6/3/82					
18. ELEVATIONS (DP, RKB, RT, GR, ETC.)* 3121.5 GR					
19. ELEV. CASINGHEAD					
20. TOTAL DEPTH, MD & TVD 3685'					
21. PLUG, BACK T.D., MD & TVD					
22. IF MULTIPLE COMPL., HOW MANY*					
23. INTERVALS DRILLED BY					
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* None					
25. WAS DIRECTIONAL SURVEY MADE No					
26. TYPE ELECTRIC AND OTHER LOGS RUN Borehole compensated sonic log, simultaneous dual laterlog micro-SEL, simultaneous compensated neutron formation density log					
27. WAS WELL CORED No					
28. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24# K-55	510'	12-1/4"	325 sx C1 C w/2% Cacl2	
29. LINER RECORD					
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	
30. TUBING RECORD					
SIZE	DEPTH SET (MD)	PACKER SET (MD)			
31. PERFORATION RECORD (Interval, size and number) None					
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.					
DEPTH INTERVAL (MD)					
None					
AMOUNT AND KIND OF MATERIAL USED					
33.*					
DATE FIRST PRODUCTION					
PRODUCTION METHOD (Flowline, gas lift, pumping—size and type of pump) ROSWELL, NEW MEXICO					
WELL STATUS (Producing or shut-in) P&A					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.
FLOW. TUBING PRESS.					
CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)					
TEST WITNESSED BY					
35. LIST OF ATTACHMENTS 2 copies of logs					
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records					
SIGNED <u>Robert N. Enfield</u> TITLE <u>Operator</u> DATE <u>6/4/82</u>					

*(See Instructions and Spaces for Additional Data on Reverse Side)

U. S. LAND OFFICE Las Cruces
SERIAL NUMBER 066286
LEASE OR PERMIT TO PROSPECTUNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

LOG OF OIL OR GAS WELL

LOCATE WELL CORRECTLY

Company Ralph Lowe Address Box 832 Midland, Texas
Lessor or Tract McLee Field Wildcat State N M
Well No. 1 Sec. 15 T. 25 R. 36 Meridian N M P County Lea
Location 660 ft. N. of N Line and 660 ft. E. of E Line of NE/4 Elevation 3126
(S.) (W.) (S.) (W.) (Denote base section to be used)The information given herewith is a complete and correct record of the well and all work done thereon
so far as can be determined from all available records.Signed [Signature] Title Agent
Date September 20, 1955

The summary on this page is for the condition of the well at above date.

Commenced drilling August 25, 1955. Finished drilling September 10, 1955.OIL OR GAS SANDS OR ZONES
(Denote gas by G)No. 1, from None to None No. 4, from None to None
No. 2, from None to None No. 5, from None to None
No. 3, from None to None No. 6, from None to None

IMPORTANT WATER SANDS

No. 1, from None to None No. 3, from None to None
No. 2, from None to None No. 4, from None to None

CASING RECORD

Size casing	Weight per foot	Threads per inch	Make	Amount	Kind of shoe	Cut and pulled from	Perforated	Purpose
							From--	To--
8-5/8	24	8	JAL	1265	Reg.	None		

MUDDING AND CEMENTING RECORD

Size casing	Where set	Number sacks of cement	Method used	Mud gravity	Amount of mud used
8-5/8	1265	600	Pump		None

PLUGS AND ADAPTERS

Heaving plug—Material None Length None Depth set None
Adapters—Material None Size None

SHOOTING RECORD

Size	Shot used	Explosive used	Quantity	Date	Depth shot	Depth cleaned out
------	-----------	----------------	----------	------	------------	-------------------

TOOLS USED

Rotary tools were used from 0 feet to 4410 feet, and from None feet to None feet
Cable tools were used from None feet to None feet, and from None feet to None feet

DATES

Put to producing Dry hole, 1955.The production for the first 24 hours was 0 barrels of fluid of which None % was oil; None % emulsion; None % water; and None % sediment. Gravity, °Bé. NoneIf gas well, cu. ft. per 24 hours None Gallons gasoline per 1,000 cu. ft. of gas NoneRock pressure, lbs. per sq. in. None

EMPLOYEES

R. J. Rives, Driller W. G. Knight, Driller
Clyde Hagood, Driller

FORMATION RECORD

FROM--	TO--	TOTAL FEET	FORMATION
0	200	200	Surface rock
200	290	90	Shale & sand
290	480		Red beds & sand
480	790		Red beds
790	1265		Red beds & sand
1265	1590		Ashy.
1590	3228		Salt & ash.
3228	3316		Ashy.
3316	3409		Lime
3409	3478		Band
3478	3605		Lime & sand
3605	4410		Lime.

FORMATION RECORD—Continued

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

Form C-105
Revised 11-1-8

NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

API No. 30-025-26676

5a. Indicate Type of Lease	
State <input type="checkbox"/>	Fee <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.	

1a. TYPE OF WELL		OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>		7. Unit Agreement Name	
b. TYPE OF COMPLETION		NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER <input type="checkbox"/>		8. Farm or Lease Name	
2. Name of Operator		Phillips Petroleum Company		9. Well No.	
3. Address of Operator		Room 401, 4001 Penbrook St., Odessa, TX 79762		10. Field and Pool, or Wildcat	
4. Location of Well		UNIT LETTER <u>G</u> LOCATED <u>1980</u> FEET FROM THE <u>North</u> LINE AND <u>1980</u> FEET FROM		(Undesignated) Wildcat	
THE <u>East</u> LINE OF SEC. <u>10</u> TWP. <u>25-S</u> RGE. <u>36-E</u> NMPM				12. County	
				<u>Lea</u>	
15. Date Spudded	16. Date T.D. Reached	17. Date Compl. (Ready to Prod.)	18. Elevations (DF, RKB, RT, GR, etc.)	19. Elev. Casinghead	
4-12-80	6-18-80	P&A	3165.6' GR	-----	
20. Total Depth	21. Plug Back T.D.	22. If Multiple Compl., How Many	23. Intervals Drilled By	Rotary Tools	Cable Tools
9550'	Surface P&A	NA	Rotary	Rotary	-----
24. Producing Interval(s), of this completion - Top, Bottom, Name					25. Was Directional Survey Made
NA					No
26. Type Electric and Other Logs Run					27. Was Well Cored
Schlumberger GR-CCL, GR-CNL, FDC					No
28. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	61 & 68# K-55	1644'	17-1/2" (925 sxs C1 "H" w/10% DD, 2% CaCl ₂ , 1/4#/sx---		
(Celloflakes, 2% Defoam Tail w/350 sxs C1 "H" w/2% CaCl ₂ , 2% Defoam. Circ 70 sxs to sur					
9-5/8"	36# K-55	5200'	12-1/4" (700 sxs C1 "H", 825 sxs TLW + 10%)---		
(DD 7.5# salt, 1/4# Celloflakes, no returns)					
29. LINER RECORD			30. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE
5-1/2"	4943'	9550'	605 SXS	-----	-----
31. Perforation Record (Interval, size and number)			32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.		
NA--P&A			DEPTH INTERVAL		
			AMOUNT AND KIND MATERIAL USED		
			9394-9489 w/3000 gals 15% NE HCl acid & (ball sealers)		
			9394-9489 squeezed w/300 sxs C1 "H" 2%LWT		
			9026-9180 w/2400 gals 15% NE HCl acid & ball sealers (see attachment)		
33. PRODUCTION					
Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)		Well Status (Prod. or Shut-in)	
NA		-----		P&A	
Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period	Oil - Bbl.	Gas - MCF
-----	---	---	-----	-----	-----
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.
-----	---	-----	-----	-----	-----
34. Disposition of Gas (Sold, used for fuel, vented, etc.)					Test Witnessed By
NA					NA
35. List of Attachments					
Logs furnished direct by Schlumberger					
36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.					
SIGNED <u>W. J. Mueller</u>		TITLE <u>Sr. Engineering Specialist</u>		DATE <u>September 3, 1980</u>	

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Commission not later than 30 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

Rustler 1305	T. Canyon	T. Ojo Alamo	T. Penn. "B"
Tansill 3190'	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
Tansill Dolo 3260'	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates 3376'	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers 3627'	T. Devonian	T. Menefee	T. Madison
Capitan Reef 3743'	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Qtzite
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinberry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Granite	T. Todilto	T.
T. Drinkard	T. Delaware Sand 5300'	T. Entrada	T.
T. Abo	T. Leonard Reef 6800'	T. Wingate	T.
T. Wolfcamp	T. Bone Spring 7647'	T. Chinle	T.
T. Penn.	T. Bone Spr. Sand 8997'	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn. "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....
 No. 2, from.....to.....
 No. 3, from.....to.....
 No. 4, from.....to.....
 No. 5, from.....to.....
 No. 6, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....
 No. 4, from.....to.....feet.....

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	465	465	Redbed	4252	5612	1360	Dolomite
465	787	322	Anhy	5612	6971	1359	Dolomite & Sand
787	1110	323	R. B./Anhy.	6971	7368	397	Dolomite & Chert
1110	1365	255	Shale	7368	7558	190	Lime
1365	1660	295	Anhy/R.B.	7558	8199	641	Lime & Shale
1660	1934	274	Anhy	8199	8791	592	Lime
1934	2685	751	Salt	8791	9141	342	Shale/Lime
2685	3280	595	Anhy & Salt	9141	9321	180	Shale
3280	3335	55	Anhy	9321	9452	131	Lime/Shale
3335	3683	348	Anhy & Dolo	9452	9550	98	Lime
3683	3828	145	Dolo				
3828	3871	43	Dolo/SD				
3871	4252	381	Dolo				

RECEIVED

SEP 5 1980

P&A 8-14-80

FORM.
586673

223.

John P. Davis being first duly sworn upon my oath, depose and say that the following is a full and complete statement prepared in accordance with the instructions on the reverse side of this form and submitted in evidence of ownership of a valid underground water right, that I have carefully read each and all of the items contained therein and that the same are true to the best of my knowledge and belief.

34

day of

are true to the best of
my knowledge and belief.
Notary Public
J. D. [Signature]
A.D. 1962
[Circular Notary Seal]

- Fractional or percentage interest claimed in well All (I had well drilled and paid all cost

- Well # 9

[illegible]

(Note: location of well and acreage actually irrigated must be shown on plat on reverse side.)

- 

8. Additional statements or explanations _____

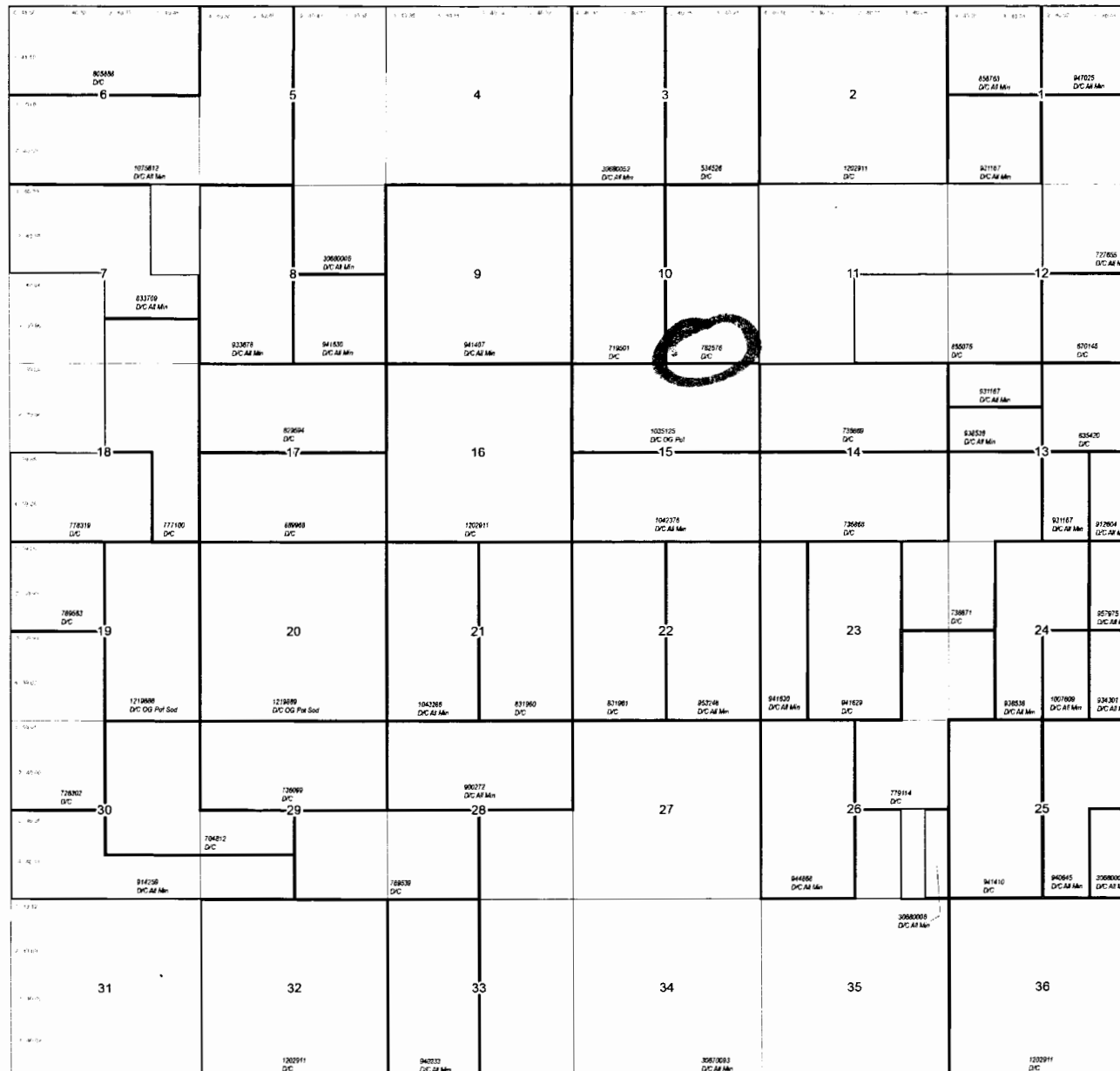
90-151

BUREAU OF LAND MANAGEMENT
STATUS OF PUBLIC DOMAIN
LAND AND MINERALS

BLM Field Office: Carlsbad

T25S R36E

Entire Township included in:
EO Wdl NM 1 Pot Res 5 (3/11/1926)
Cl of Public Lands NM 0560202 (Cl No 30-06-01)



NOTE: The Serial Numbers displayed are in the Bureau's LR2000 system format.
If there is a zero in the 7th position (from the right), the serial number has a "prefix" zero,
example NM 0012345.
If there is not a zero in the 7th position (from the right) then the serial number does not have a "prefix" zero;
example NM 012345.

0 0.25 0.5 1 Mile

1 inch = 30 chains
1 : 23,760

CAVEAT STATEMENT

CAVEAT STATEMENT
This plat is the Bureau's Record of Title, and should be used only as a graphic display of the township survey data. Records hereon do not reflect title changes which may have been affected by lateral movements of rivers or other bodies of water. Refer to the cadastral surveys for official survey information.

T 25 S
R 36 E
NMPM