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3/29/2022

State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division

ID# 93896 Submitted 3/29/22

Receipt of Fee Application Payment



PO Number: K5H61-220329-C-1080

Payment Date: Payment Amount: Payment Type:	3/29/2022 12:04:31 PM \$500.00 Credit Card
Application Type: Fee Amount: Application Status:	Application for a fluid injection well permit \$500.00 Under OCD Review
OGRID:	113315
First Name:	Vickie
Last Name:	Smith
Email:	vsmith@texpetro.com

IMPORTANT: If you are mailing or delivering your application, you must print and include your receipt of payment as the first page on your application. All mailed and delivered applications must be sent to the following address: 1220 S. St. Francis Dr., Santa Fe, NM 87505. For inquiries, reference the PO Number listed above.

> Oil Conservation Division * 1220 South St. Francis Drive * Santa Fe, New Mexico 87505 (505) 476-3441 * ocd.fees@state.nm.us * www.emnrd.nm.gov/OCD

Vickie Smith

From:	Auto-Receipt <noreply@mail.authorize.net></noreply@mail.authorize.net>
Sent:	Tuesday, March 29, 2022 1:03 PM
То:	Vickie Smith
Subject:	Transaction Receipt from EMNRD OCD for \$500.00 (USD)

Description: Good	s or Services			
		PO Number	K5H61-220329-C-1080	
Billing Information		Shipping Inform	nation	
Randall Jackson				
777 Main Street, Suite 32				
Fort Worth, Texas 76102	2			
US				
vsmith@texpetro.com 575-433-8395				
			Total: \$500.00 (U	SD)
Payment Information				
Date/Time:	29-Mar-2022 12	:03:22 MDT		
Transaction ID:	43296486268			
Payment Method:	Visa xxxx2031			

Merchant Contact Information

23635G

EMNRD OCD Santa Fe, NM 87505 US ocdfees@state.nm.us

Auth Code:

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	RECEIVED:	REVIEWER:	TYPE:	APP NO:	
NEW MEXICO OIL CONSERVATION DIVISION - Geological & Engineering Bureau – 1220 South St. Francis Drive, Santa Fe, NM 87505 ADMINISTRATIVE APPLICATION CHECKLIST HIS CHECKLIST IS MANADATORY TOR ALL ADMINISTRATIVE APPLICATIONS FOR RACEPHIONS TO DIVISION LIES AND RECOLLINGS WHICH REQUIRE POLICINGS FOR RACEPHIONS TO DIVISION RULES AND RECOLLINGS WHICH REQUIRE POLICINGS FOR RACEPHIONS TO DIVISION RULES AND RECOLLINGS WHICH REQUIRE TO PROCESS THE TYPE OF APPLICATION Pool Code: 27130 SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW IMPE OF APPLICATION: Check those which apply for [A] A. Location – Spacing Unit – Simultaneous Dedication MNSL NSP [PROLECTION SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW IMPE OF APPLICATION: Check those which apply for [A] A. Location – Spacing Unit – Simultaneous Dedication MNSL NSP [PROLECTION SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW IMPE OF APPLICATION: Check those which apply. A. Dottic Cols PLC DEC PLC SUBMIT ACCURATE AND ORIGINED TO: Check those which apply. A. Offset operators or lease holders Revally, overriding royally owners, revenue owners C. Application and/or concurrent approval by SLO Notification and/or concurrent approval by BLM Subface owner G. For all of the above, proof of notification or publication is attached, and/or, Notification and/or concurrent approval by BLM No notice required Application action wi					
PEQULATIONS WHICH REQUIRE PROCESSING ATTHE DIVISION LEVEL IN SANTA FE Pplicant: Texland Petroleum-Hobbs, LLCOGRID Number: 113315_ ell Name: Knowles Garrett Unit #4 (V Cook 1Y)API: 30-025-37888 pool Code: 27130 SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION UNDERSTRICT OF APPLICATION: Check those which apply for [A] A. Location – Spacing Unit – Simultaneous DedicationNSLNSPIROLECT AREA!NSPIROLECTION UNIT!SD B. Check one only for [1] or [1]OHCOHCNSPIROLECT ON COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATIONNSLNSPIROLECT AREA!NSPIROLECTION UNIT!SD B. Check one only for [1] or [1]OHCOHCOHCNSPIROLECTION UNIT!OHC		- Geologia 1220 South St. Fr	cal & Engineering ancis Drive, Sant RATIVE APPLICATI	g Bureau – Ta Fe, NM 87505	
ell Name: Knowles Garrett Unit #4 (V Cook 1Y) API: 30-025-37888 pol: Garrett, Drinkard Pool Code: 27130 SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW) TYPE OF APPLICATION: Check those which apply for [A] A. Location - Spacing Unit - Simultaneous Dedication	THIS CF				
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) TYPE OF APPLICATION: Check those which apply for [A] A. Location – Spacing Unit – Simultaneous Dedication	SUBMIT ACCURA	TE AND COMPLETE INI			
 [1] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD IPI EOR PPR NOTIFICATION REQUIRED TO: Check those which apply. A. Offset operators or lease holders B. Royalty, overriding royalty owners, revenue owners C. Application requires published notice D. Notification and/or concurrent approval by SLO E. Notification and/or concurrent approval by BLM F. Surface owner G. For all of the above, proof of notification or publication is attached, and/or, H. No notice required 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. 	A. Location -	- Spacing Unit – Simult SL INSP(PR	taneous Dedicatio	on .	
NOTIFICATION REQUIRED TO: Check those which apply. A. Offset operators or lease holders B. Royalty, overriding royalty owners, revenue owners C. Application requires published notice D. Notification and/or concurrent approval by SLO E. Notification and/or concurrent approval by BLM F. Surface owner G. For all of the above, proof of notification or publication is attached, and/or, H. No notice required OCERTIFICATION: 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.	[] Comn [] Inject	ningling – Storage – M DHC CTB P ion – Disposal – Pressu	LC PC C ure Increase – Enho	anced Oil Recovery	
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. 02/16/2022	A. Offset a B. Royalty C. Applica D. Notifica E. Notifica F. Surface G. For all a	operators or lease hol v, overriding royalty over ation requires published ation and/or concurre ation and/or concurre of the above, proof o	ders wners, revenue ow ed notice ent approval by SL ent approval by BL	VNers Notice Comp Application Content Complete	
02/16/2022	administrative of understand that	approval is accurate of It no action will be tak	and complete to t ken on this applicc	the best of my knowledge. I also	d
	Note	e: Statement must be comple	ted by an individual with	n managerial and/or supervisory capacity.	

Print or Type Name

Nike Smith

Signature

575-433-8395

Phone Number

vsmith@texpetro.com

e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

KNOWLES GARRETT UNIT #4 (formerly known as v cook #1y) Form C-108

Texland Petroleum-Hobbs, LLC

Table of Contents

А.	Form C-108
Β.	Section III
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E.	Section VII: Proposed Operation
F.	Section VIII: Geologic Data
G.	Section IX: Proposed Stimulation
Н.	Section X: Logging and Test Data
I.	Section XI: Offset Fresh Water Chemical Analysis
J.	Section XII: Affirmative Statement for Disposal Wells
К.	Proof of Notice

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ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

FOR**Rage_60f** 49 Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I.	PURPOSE: X Secondary Recovery Pressure Maintenance Disposal Storage Application qualifies for administrative approval? X Yes No
II.	OPERATOR:Texland Petroleum-Hobbs, LLC
	ADDRESS:777 Main Street, suite 3200, Fort Worth, Texas 76102
	CONTACT PARTY: Vickie Smith PHONE: 575-433-8395
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?YesNo If yes, give the Division order number authorizing the project:Order No. R-21348
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:
	 Proposed average and maximum daily rate and volume of fluids to be injected; Whether the system is open or closed; Proposed average and maximum injection pressure; Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and, 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:Vickie SmithTITLE:Regulatory Analyst
	NAME:Vickie SmithTITLE:Regulatory Analyst SIGNATURE:DATE:2/16/2022
*	E-MAIL ADDRESS:vsmith@texpetro.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:

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

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Side 2

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.

eceived by	OCD	: 3/2	9/202	2 12:0	4:31	PM											ŀ	Page 8 of 4
														WELLBORE SCHEMATIC	WELL LOCATION:	WELL NAME & NUMBER:	OPERATOR:	B. Section III Side 1
														EMATIC	1,858' FNL & 579' FWL FOOTAGE LOCATION	Knowles Garrett Unit #4	TEXLAND PETROLEUM-HOBBS, LLC	INJ
		Total Depth: <u>8,460</u> ?	Top of Cement:	Cemented with:	Hole Size:		Top of Cement:	Cemented with:	Hole Size:		Top of Cement:	Cemented with:	Hole Size:		E UNIT LETTER		3BS, LLC	INJECTION WELL DATA SHEET
8,242? feet (Perforated or Open 1	Injection Interval	<u>50'</u>	Surface	1900 sx.	/8"	Production Casing		SX.		Intermediate Casing	SURFACE	<u>950</u> sx.	12-1/4"	WELL CONSTR Surface Casing	29 SECTION			EET
8,242?feetto8,347? (PERFORATED) (Perforated or Open Hole; indicate which)	nterval		Method Determined: Circulation	or	Casing Size: <u>5-1/2</u> "	Casing	Method Determined:	or	Casing Size:	e Casing	Method Determined: Circulation	or	Casing Size: <u>8-5/8" 24# J55 STC</u>	WELL CONSTRUCTION DATA Surface Casing	16S TOWNSHIP			
ATED)	Imag	ing:		₹. 1023 1	<u>5-1/2" 17# N80</u>	4 PM		ft3			irculation	ft ³	# J55 STC		38E RANGE			

•

S

injection zone in this area:

Give the name and depths of any oil or gas zones underlying or overlying the proposed

ω.

Name of Field or Pool (if applicable): _____

GARRETT, DRINKARD

4

intervals and give plugging detail, i.e. sacks of cement or plug(s) used.

No

Has the well ever been perforated in any other zone(s)? List all such perforated

INJECTION WELL DATA SHEET

. Name of the Injection Formation: DRINKARD	2.
If no, for what purpose was the well originally drilled? Oil Producer	
. Is this a new well drilled for injection?YesX_No	
Additional Data	
Other Type of Tubing/Casing Seal (if applicable):	Ot
Packer Setting Depth:+/-8142'	Pa
Type of Packer: ARROWSET IX (EPC/IPC)	Ту
Tubing Size: 2-3/8" 4.7# J-55 Lining Material: TK-70 IPC	Tul

Page 9 of 49

Side 2

i. Knowles Garrett Unit #4 Wellbore Schematic

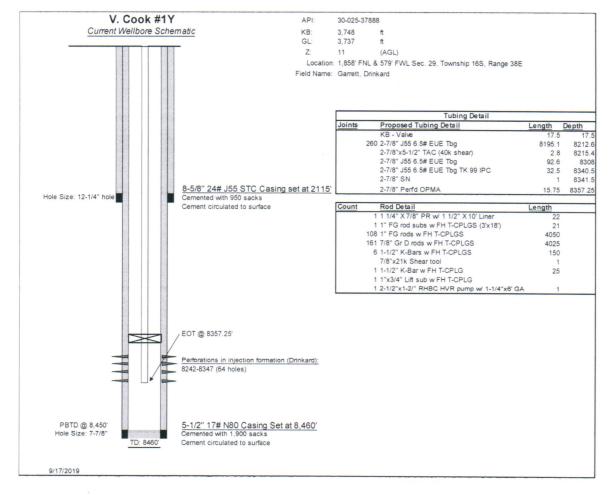


Figure 1: Knowles Garrett Unit #4 Current Wellbore Schematic

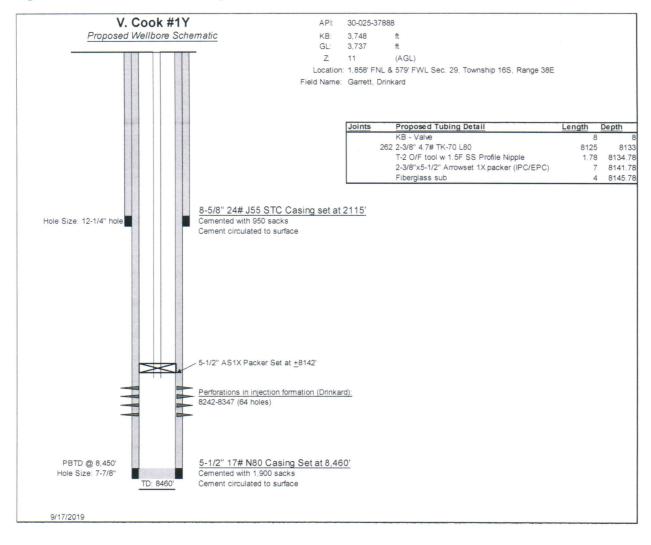


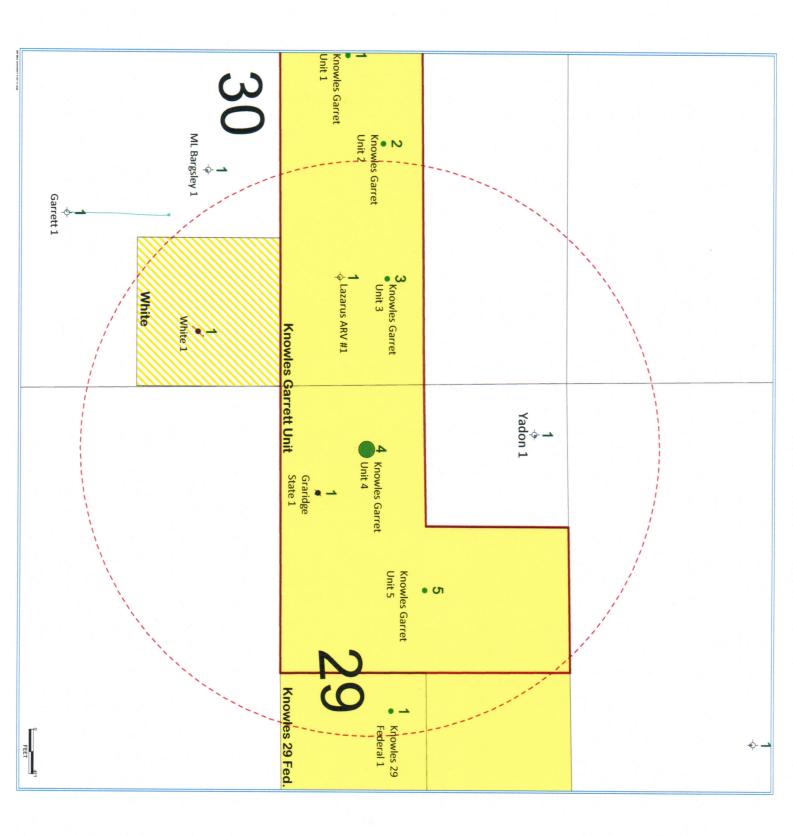
Figure 2 Knowles Garrett Unit #4 Proposed Wellbore Schematic

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Knowles Garret Unit #4- 2 mile radius map

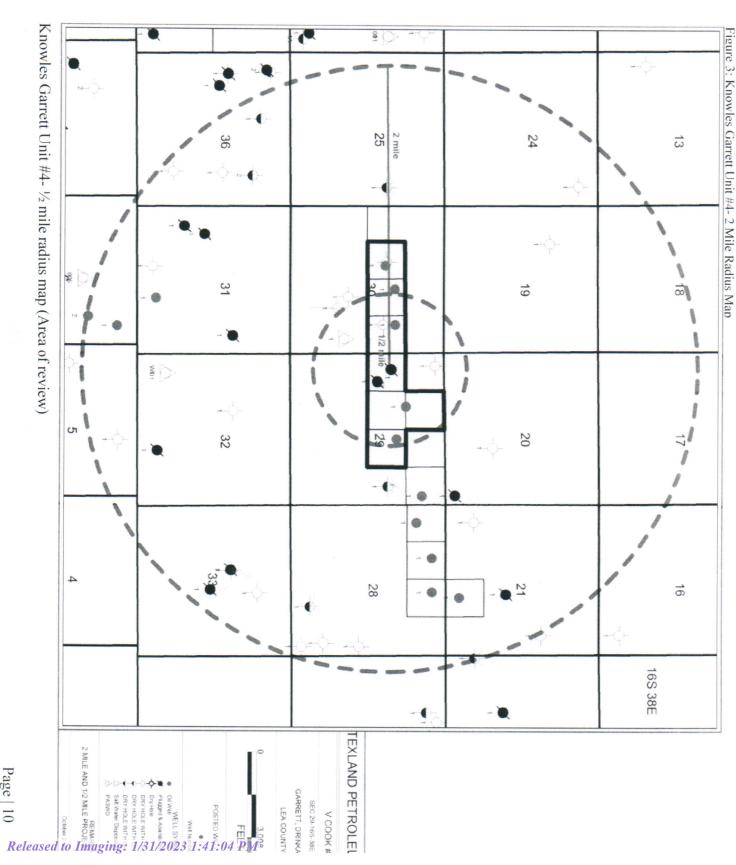
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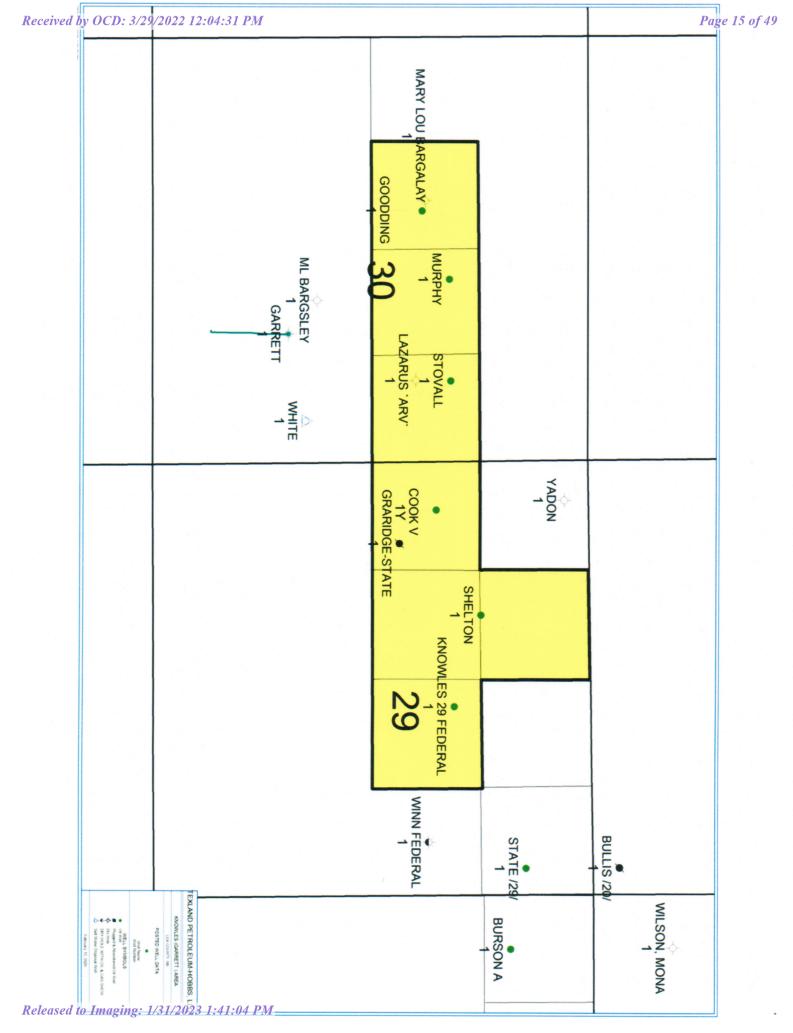
E:



Page | 10

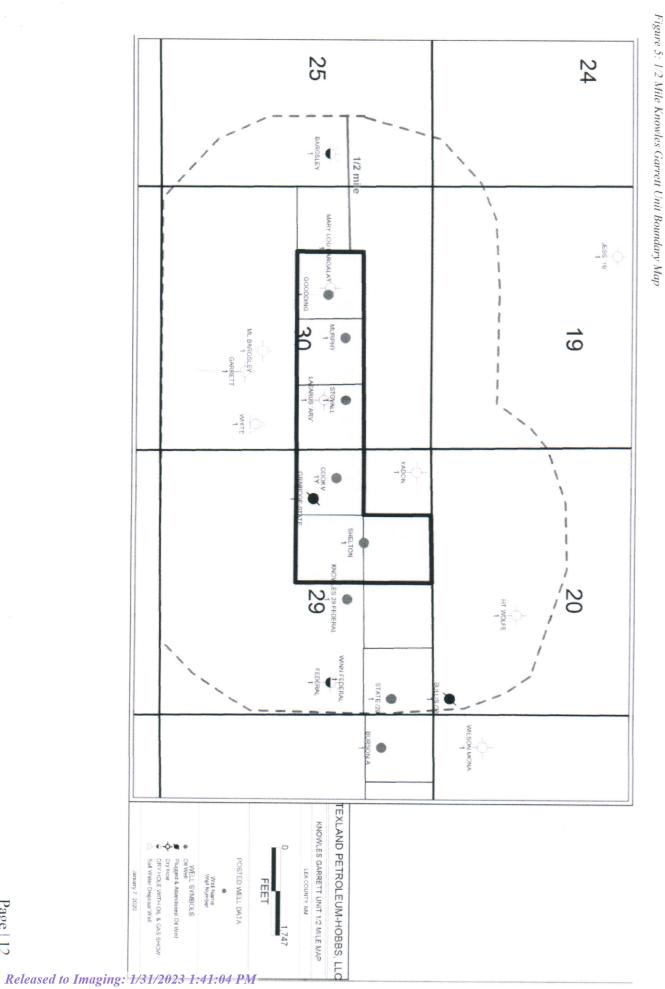


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iv.

1/2 Mile Unit Boundary



Page | 12

30-025-20469	30-025-25214	30-025-23954	30-025-25303	30-025-23908	30-025-34159	30-025-07068	30-025-37746	30-025-07284	30-025-24885	30-025-20383	30-025-41497	30-025-36958	30-025-37584	30-025-38435	30-025-38614	API#
H.T. Wolfe #1	State 29 #001	Winn Federal 1	Bullis 20 #1	Bargsley #1	Lazarus ARV #1	Mary Lou Bargsley #1	WHITE #001	AUSTIN COOK #1	YADON #1	M.L. BARGELEY #1	GARRETT #001	GOODDING #001	STOVALL #001	SHELTON #001	KNOWLES 29 FEDERAL #001	Well Name
Sam Boren & Major & Global Oils	Texland Petroleum- Hobbs, LLC	Manzano Oil Corporation	RL Burns Corp	Green & Michaelson Producing Co.	EOG Y Resources, INC.	Gulf Oil Corporation	Texland Petroleum- Hobbs, LLC	Gulf Oil Corporation	Michaelson producing Co.	Gulf Oil Corporation	Primero Operating Inc	Texland Petroleum- Hobbs, LLC	Texland Petroleum- Hobbs, LLC	Texland Petroleum- Hobbs, LLC	Texland Petroleum- Hobbs, LLC	Operator
8.728	8,365	12,133		8,700	8,800	5,800	8,662	9,100	8,650	13,306	13,169	8,635	8,495	8,419	8,400	T
P&A	Active	P&A	P&A	P&A	P&A	P&A	Active	P&A	P&A/WSW	P&A	P&A	Active	Active	Active	Active	Well
Oil	Oil	Oil	Oil	Oil	Oil	Oil	SWD	Oil	Oil	Oil	Oil	Oil	Oil	Oil	Oil	Well Type
Vertical	Vertical	Vertical	Vertical	Vertical	Vertical	Vertical	Vertical	Vertical	Vertical	Vertical	Directional	Vertical	Vertical	Vertical	Vertical	Construction
6/30/1963	1/14/1976	11/22/1971	8/1/1976	10/22/1971	10/17/1997	8/13/1960	3/20/2006	4/9/1960	11/4/1974	7/24/1963	1/3/2004	12/13/2004	3/1/2006	6/21/2007	11/30/2007	Spud Date
00	29	29	20	25	30	30	30	29	29	30	30	30	30	29	29	Section
291	16S	16S	16S	16S	16S	16S	16S	16S	16S	16S	16S	16S	16S	16S	16S	Township
38E	38E	38E	38E	37E	38E	38E	38E	38E	38E	38E	38E	38E	38E	38E	38E	Range
Drv Hole	Drinkard	Drinkard	Drinkard	Dry Hole	Dry Hole	Dry Hole	Drinkard/San Andres	San Andres	Dry Hole	Dry Hole	Dry Hole	Drinkard	Drinkard	Drinkard	Drinkard	Record of Completion

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Page 17 of 49 Tabulation of Data in Area of Review **D.** Section VI.

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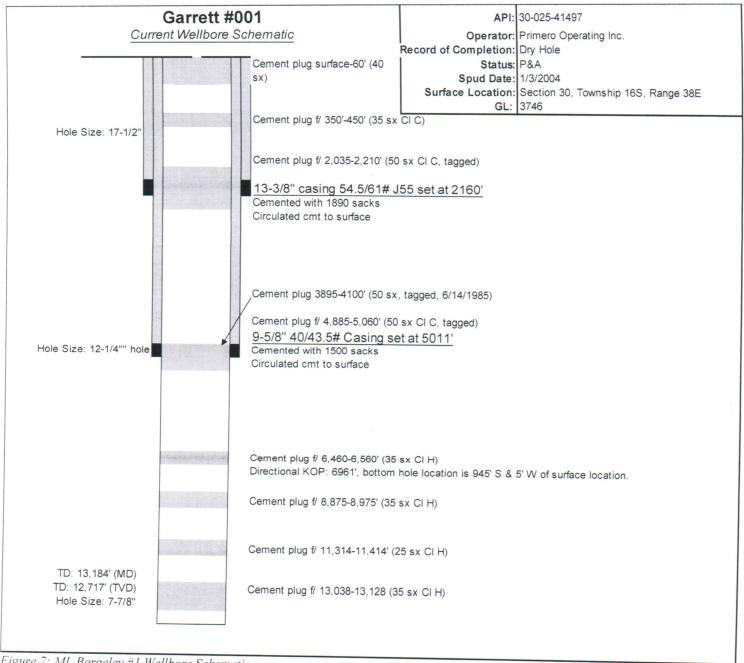


Figure 7: ML Bargeley #1 Wellbore Schematic

Figure 12: Lazarus ARV #1 Wellbore Schematic

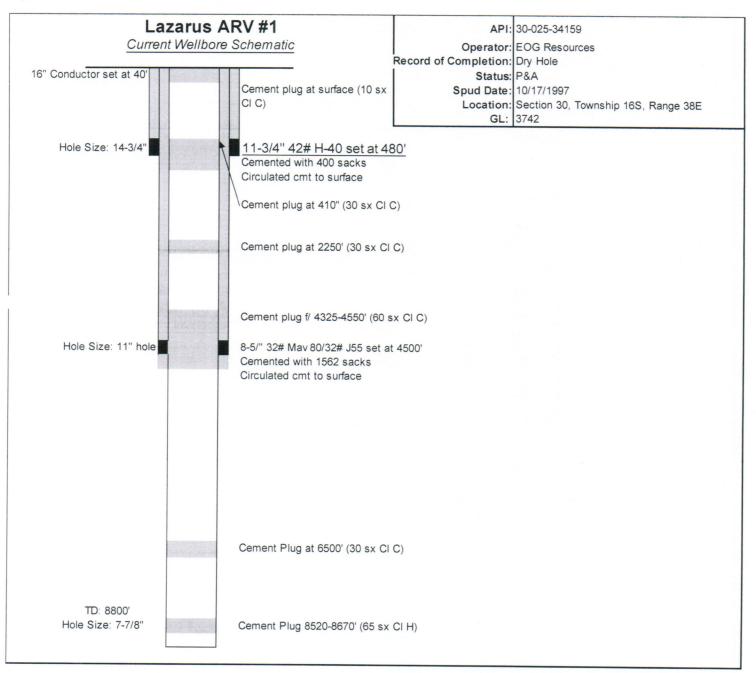


Figure 8: Mona Wilson #1 Wellbore Schematic

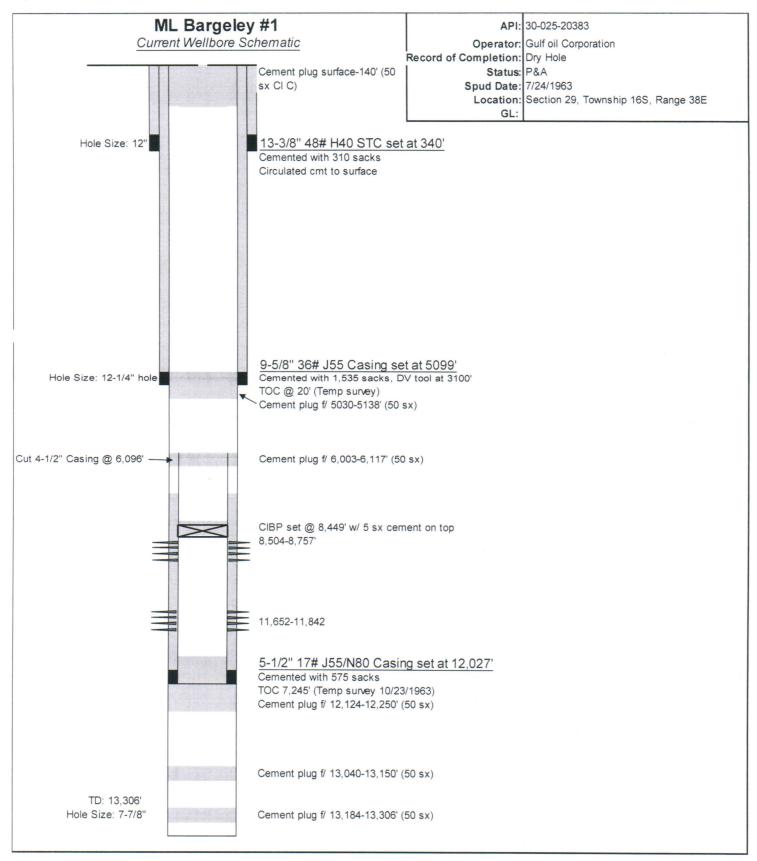


Figure 9: Yadon #1 Wellbore Schematic

Yadon	#1	API:	30-025-24885
Current Wellbore	Schematic	Operator:	Michaelson Producing Co
		Record of Completion:	Dry Hole
	*Well transferred to Clayton	Status:	P&A
	Hughes for uses as a water	Spud Date:	
	supply well.		Section 29, Township 16S, Range 38E
			3739'
	Cement plug f/ 350-450' (100 sx		
Hole Size: 17-1/2"	12" 42# casing set at 400	-	
	Cemented with 400 sacks		
	Circulated cmt to surface		
Cut 8-5/8" Casing @ 1000	Cement plug f/ 1055' (65 sx Cl	C)	
	Cement plug f/ 4450-4550' (200	sx CI C, tagged)	
	F		
	8-5/8" 24/28/32# Casing	set at 1500'	
Hole Size: 11" hole	Cemented with 375 sacks	501 at 4000	
	TOC Unknown		
	Cement plug f/ 6,055-6,500' (70) sx Cl C, tagged)	
	Cement plug f/ 6350-6450		
77. 0.050	Openant alug 2100 2000 (25	x	
TD: 8,650' Hole Size: 7-7/8''	Cement plug 8100-8200' (35 sx)	
	Cement plug 8550-8650' (35 sx)	
		/	

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Figure 10: Austin Cook #1 Wellbore Schematic

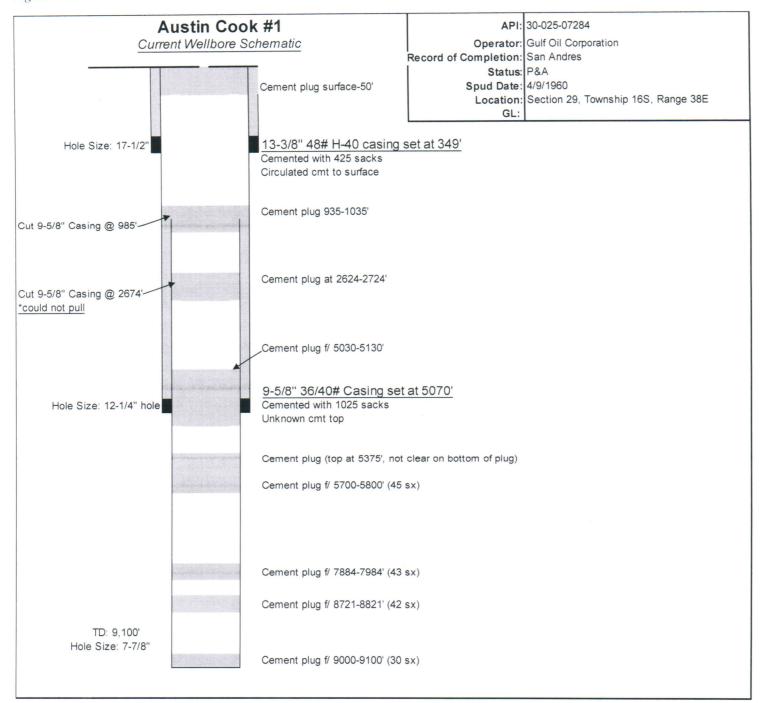


Figure 11: Mary Lou Bargeley #1 Wellbore Schematic

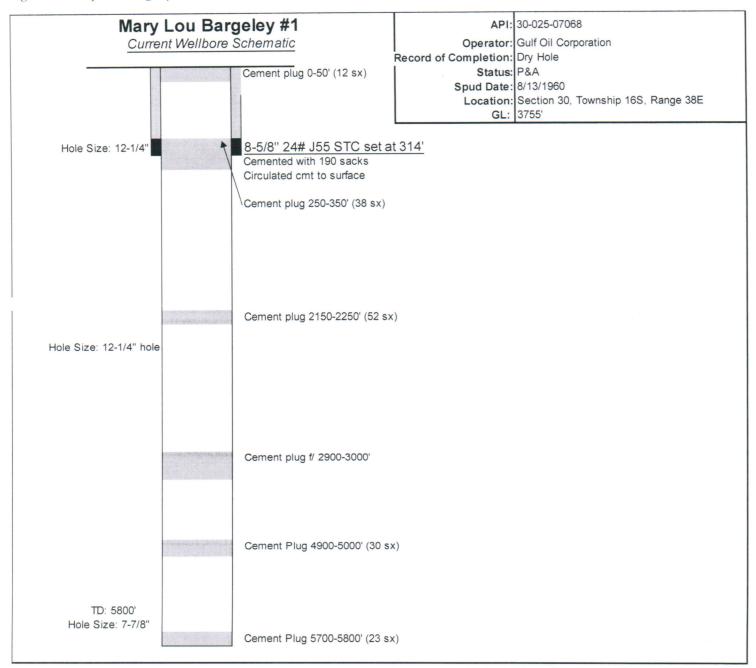


Figure 13: Bargsley #1 Wellbore Schematic

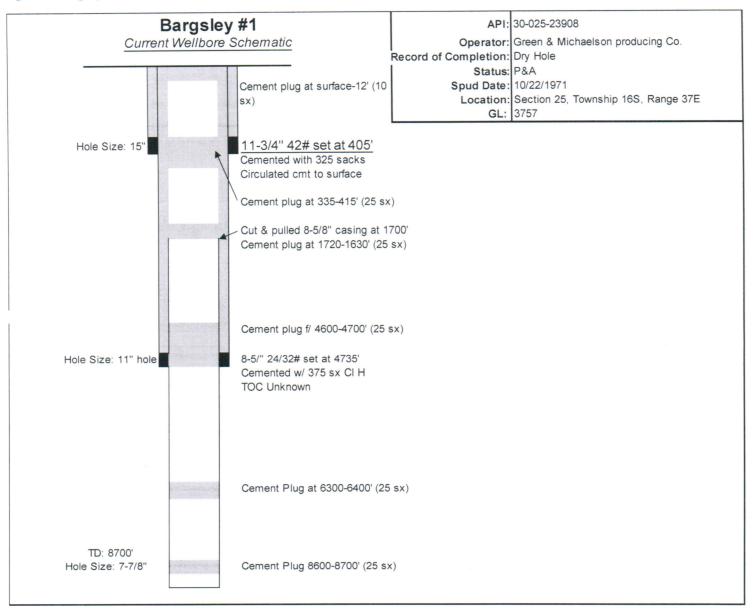


Figure 14: Bullis 20 #1 Wellbore Schematic

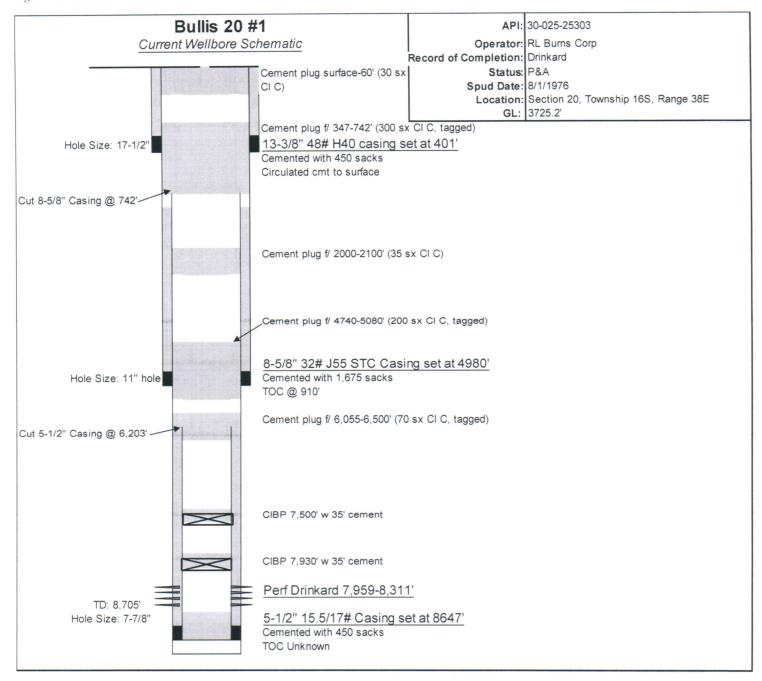


Figure 15: Winn Federal #1 Wellbore Schematic

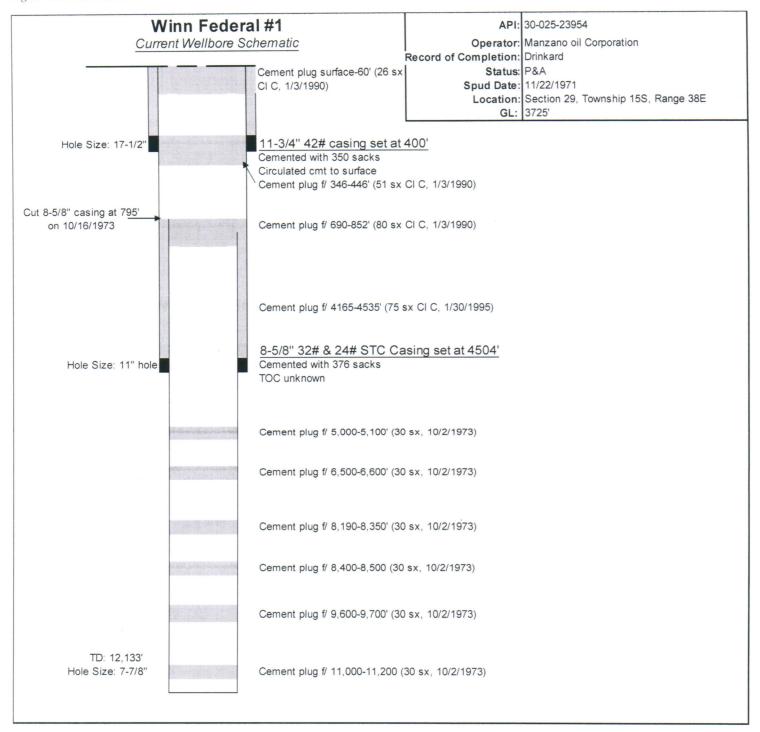
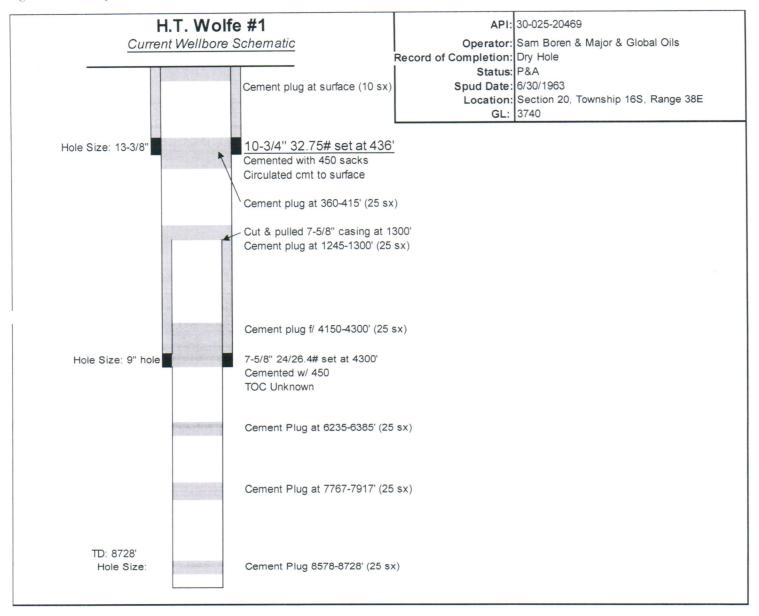


Figure 16: H.T. Wolfe #1 Wellbore Schematic



E. Section VII: Proposed Operation

- 1. Proposed average and maximum daily rate and volume of fluids to be injected;
 - a. Proposed average daily rate: 300 bpd per proposed injection well
 - b. Proposed Maximum daily rate: 750 bpd per proposed injection well
 - c. Proposed maximum volume to be injected: 1.3 MMbbls (total)
- 2. Whether the system is open or closed;
 - a. The system is closed
- 3. Proposed average and maximum injection pressure;
 - a. Murphy #1 Average injection pressure: 1,500 psig
 - b. Murphy #1 Maximum injection pressure: 1,642 psig
 - c. V Cook 1Y Average injection pressure: 1,500 psig
 - d. V Cook 1Y Maximum injection pressure: 1,648 psig
- 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 - a. Texland plans on utilizing the White #1 as a San Andres WSW. The well is located 1-1/2 miles SW of planned waterflood project.
 - b. Section VII **Figure 17** is a Drinkard produced water analysis from the Stovall #1 (API: 30-025-37584)
 - c. Section VII **Figure 18** is a San Andres water analysis from the Sinai #1 (42-165-38727) located in Texas. This sample was utilized due to not having any San Andres production near the proposed unit to gather a sample from.
 - d. Section VII **Figure 19** is a compatibility analysis between the San Andres and Drinkard produced water. A chemical program will be utilized to managed scale precipitation.
- 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.)
 - a. The proposed injection well is not for disposal.

Figure 17: Stovall #1-Drinkard produced water analysis



Catalyst Oilfield Services 11999 E Hwy 158 Gardendale, IX 79758 (432) 563-0727 Fax: (432) 224-1038

Water Analysis Report

Customer:	Texiand Petroleum		Sample #:	106050	
Area:	Permian Basin		Analysis ID #:	98831	
Lease:	Stovall				
Location:	1	0			
Sample Point:	Wellhead				
	Wellhead	0			

Sampling Date:	10/1/2019	Anions	mg/l	meq/l	Cations	mg/i	meq/l
Analysis Date:	10/7/2019	Chloride:	57309.8	1616.5	Sodium:	28690.0	1247.94
Analyst:	Catalyst	Bicarbonate:	24.4	0.4	Magnesium:	1098.0	90.33
TDC (mall or alm2);	95294.8	Carbonate:			Calcium:	5693.0	284.08
TDS (mg/l or g/m3): Density (g/cm3):	1.067	Sulfate:	1280.0	26.65	Potassium:	800.7	20.48
Density (ground).		Borate*:	232.0	1.47	Strontium:	165.1	3.77
		Phosphate*			Barium:	1.6	0.02
Hydrogen Sulfide:	17				Iron:	0.1	0.
Carbon Dioxide:	70		sed on measured on and phosphoru		Manganese:	0.148	0.01
C		pH at time of sampl	ing:	6.2			
Comments:		pH at time of analys	25.				
		pH used in Calcula	ation:	6.2			
		Temperature @ lat	conditions (F):	75	Conductivity (mi Resistivity (ohm		121475 .0823

		Values Calculated at the Given Conditions - Amounts of Scale in Ib/1000 bbl												
Temp °F		Calcite Gypsum CaCO ₃ CaSO ₄ ² H ₂ 0				Anhydrite CaSO 4		Celestite SrSO ₄		rite ISO4				
	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	******			
80	-1.02	0.00	-0.12	0.00	-0.14	0.00	0.13	26.17	1.22	0.96				
100	-0.92	0.00	-0.16	0.00	-0.12	0.00	0.12	24.28	1.04	0.96				
120	-0.82	0.00	-0.19	0.00	-0.07	0.00	0.12	24.28	0.89	0.64				
140	-0.71	0.00	-0.21	0.00	0.00	0.00	0.13	28.17	0.75	0.64				
160	-0.60	0.00	-0.23	0.00	0.09	104.38	0.14	29.37	0.64	0.64				
180	-0.48	0.00	-0.23	0.00	0.19	205.57	0.17	33.20	0.55	0.64				
200	-0.36	0.00	-0.24	0.00	0.31	294.94	0.19	37.67	0.47	0.64				
220	-0.24	0.00	-0.24	0.00	0.44	369.96	0.22	42.13	0.42	0.64				

Figure 18: Sinai #1: San Andres Water Analysis



Catalyst Oilfield Services 11999 E Hwy 158 Gardendale, TX 79758 (432) 563-0727 Fax: (432) 224-1038

Water Analysis Report

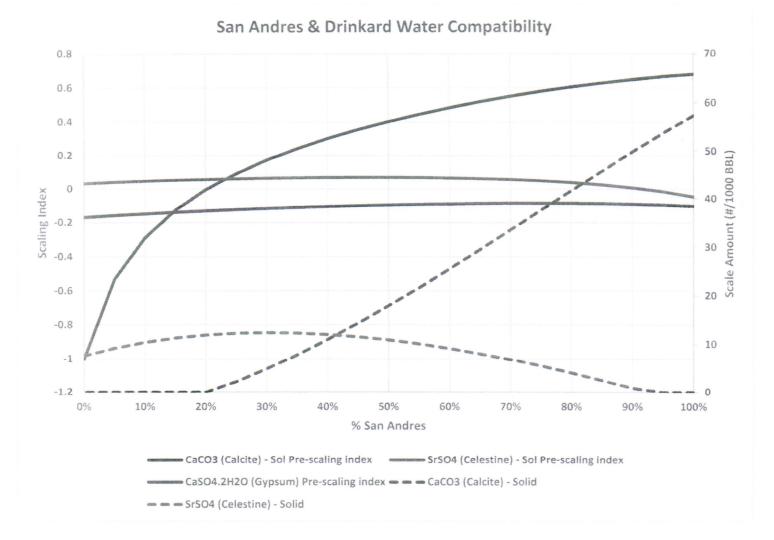
106049 98830

Dustomer:	Texland Petroleum	Sample #:
\rea:	Permian Basin	Analysis ID #
_ease:	Sinai	
location:	1	0
Sample Point:	Wellhead	

mg/l meqЛ Sampling Date: 10/1/2019 Anions Cations meq/l mg/l Analysis Date: 10/7/2019 Chloride: 17102.0 482.39 Sodium: 9314.0 405.14 Catalyst Analyst: Bicarbonate: 585.0 9.59 Magnesium: 519.1 42.7 Carbonate: Calcium: 1737.0 86.68 TDS (mg/l or g/m3); 32018.6 Sulfate: 2400.0 7.16 49.97 Potassium: 280.0 1.022 Density (g/cm3): Borate*: 43.5 0.27 Strontium: 36.4 0.83 Phosphate* Barium: 0.02 1.4 0.1 Iron: 0. Hydrogen Sulfide: 1326 *Calculated based on measured Manganese: 0.056 0. Carbon Dioxide: 130 elemental boron and phosphorus. pH at time of sampling: 6.78 Comments: pH at time of analysis: pH used in Calculation: 6.78 Conductivity (micro-mhos/cm): 43826 Temperature @ lab conditions (F): 75 Resistivity (ohm meter): .2282

		Values Calculated at the Given Conditions - Amounts of Scale in Ib/1000 bbl											
remp °F		Calcite CaCO ₃		Gypsum CaSO ₄ *2H ₂ 0		Anhydrite CaSO ₄		Celestite SrSO ₄		rite aSO ₄			
	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount			
80	0.54	47.53	-0.02	0.00	-0.08	0.00	0.06	3.40	1.77	0.68			
100	0.65	57.72	-0.05	0.00	-0.04	0.00	0.06	3.40	1.61	0.68			
120	0.77	67.91	-0.08	0.00	0.03	62.13	0.07	4.07	1.48	0.68			
140	0.89	78.43	-0.06	0.00	0.12	219.67	0.10	5.09	1.38	0.68			
160	1.02	88.82	-0.05	0.00	0.23	380.95	0.13	6.45	1.27	0.68			
180	1.14	98.46	-0.04	0.00	0.36	534.07	0.16	8.15	1.20	0.68			
200	1.27	107.63	-0.02	0.00	0.49	670.56	0.20	9.51	1.14	0.68			
220	1.41	118.12	-0.01	0.00	0.84	787.02	0.24	11.20	1.10	0.68			





F. Section VIII: Geologic Data

- a. Geologic Name of Injection Zone
 - i. Drinkard Formation
- b. Geologic Description
 - Injection will be into the Permian Drinkard formation. The proposed injection invterval is from 8100-8450'. These units are composed of Dolomite with a gross thickness of about 350'. The reservoir units were deposited as complex shoals near the Drinkard shelf margin. These units are dominated by packstones with mostly vuggy porosity. Porosity in the reservoir ranges from 2% to as much as 12%.
- c. Fresh Water Sources
 - i. Fresh water production in this area is from the Tertiary Ogallala aquifer. The productive interval is from 50' to 150'. Other possible, but currently unused water sources, are the Triassic Santa Rosa from 280' to the top of the Permian Rustler Formation at 2075'. No other fresh water sources overlie the injection interval.

G. Section IX: Proposed Stimulation

a. At this time, Texland does not have any stimulations planned. If scale deposition is encountered when converting the well to an injection well, a small acid stimulation will be pumped.

H. Section X: Logging and Test Data

a. The log and test data have already been filed with the Division for the Murphy #1 and V Cook 1Y.

I. Section XI: Offset Fresh Water Chemical Analysis

a. Section XI Figure 20 is a chemical analysis from a fresh water well (Stovall WW) utilized for agriculture production located .5 miles west of the V Cook 1Y and .15 miles south of the Murphy #1. Section XI Figure 21 is a chemical analysis from the 2nd fresh water well (Shelton WW) that is located .7 miles east of the Murphy #1 and .2 miles northeast of the V Cook 1Y.

Figure 20: Stovall WW Fresh Water Analysis



PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

Analytical Results For:

TEXLAND PETROLEUM P. O. BOX 3446 HOBBS NM, 88241	Project: WATER SAMPLES Reported: Project Number: STOUVALL / SHELTON 09-Oct-19 15:23 Project Manager: RONNIE MC CRACKEN Fax To: (432) 596-4235									23
) VALL W 355-01 (Wa						
Analyze	Revalt	MDL	Reporting Linut	Units	Dilution	Barch.	Analyst	Analyzed	Method	Notes
			Cardin	1al Laborat	ories					
Inorganic Compounds										
Alkalinity, Bicarbonate	278		5.00	mgL	1	9092417	AC	02-Oct-19	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	9092417	AC	02-Oct-19	310.1	
Chloride*	68.0		4.00	mgL	1	9100204	AC	02-Oct-19	4500-C1-B	
Conductivity*	693		1.00	uS/cm	1	9100209	AC	02-Oct-19	120.1	
pH*	7.74		0.100	pH Units	1	9100209	AC	02-Oct-19	1 50.1	
Sulfate*	120		25.0	mg/L	2.5	9100203	AC	03-Oct-19	375.4	
TDS*	503		5.00	mgL	2	9100107	AC	03-Oct-19	160.1	
Alkabuity. Total*	228		4.00	mgL	1	9092417	AC	02-Oct-19	310.1	
			Green Ana	lytical Lab	oratories					
Total Recoverable Metals by I	CP (E200.7)									
Calcium*	87.8		0.500	mgL	5	B910039	AES	08-Oct-19	ER4200.7	
Magnesium*	18.0		0.500	mg/L	5	B910039	AES	08-Oct-19	EPA200.7	
Potassium*	2.16	0.339	5.00	mg/L	5	B910059	AES	08-Oct-19	EPA200.7	3
Sodium*	49.4		5.00	mgl	5	B910059	AES	08-Oct-19	EPA200.7	

Cardinal Laboratories

*=Accredited Analyte

ALAGE MOTE: Lability and Damages. Cardinal's lability and cleart's exclusive reversely for any calm straining, whether based in contract or tort, shall be limited to the amount paid by cleart for analyses. All calms, including those for molegaristic accession of the applicable service. In to went chall Cardinal be limited for includent in a contract or tort, shall be limited to the amount paid by cleart for analyses. All calms, including those for molegaristic damage including whose the service limited to the amount paid by cleart for analyses. All calms, including whose for molegaristic damage including whose limited limited limited to the applicable service. In to went chall Cardinal be limited for molegaristic damage including whose limited limited limited limited limited limited to the performance of the services heaving the calms, and and to the restricted limited limi

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Celey D. Keene, Lab Director/Quality Manager

Page 3 of 9

Figure 21: Shelton WW Fresh Water Analysis



PHONE (575) 393-2326 * 101 E. MARLAND * HOBBS, NM 88240

Analytical Results For:

TEXLAND PETROLEUM P. O. BOX 3446 HOBBS NM, 88241	Project: WATER SAMPLES Reported Project Number: STOUVALL / SHELTON 09-Oct-19 Project Manager: RONNIE MC CRACKEN Fax To: (432) 596-4235									23
			SHE	ELTON W	W.					
			H903	355-02 (Wa	ter)					
Analyte	Revalt	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
			Cardia	nal Laborat	ories					
Inorganic Compounds										
Alkalinity, Bicarbonate	268		5.00	mgL	1	9092417	AC	02-Oct-19	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	9092417	AC	02-Oct-19	310.1	
Chloride*	56.0		4.00	mg/L	1	9100204	AC	02-Oct-19	4500-C1-B	
Conductivity*	653		1.00	uS/cm	1	9100209	AC	02-Oct-19	120.1	
pH*	7.58		0.100	pH Units	1	9100209	AC	02-Oct-19	150.1	
Sulfate*	112		25.0	mg/L	2.5	9100203	AC	03-Oct-19	375.4	
TDS*	481		5.00	mg/L	1	9100107	AC	03-Oct-19	160.1	
Alkalinity, Total*	220		4.00	mgL	1	9092417	AC	02-Oct-19	310.1	
			Green Ans	ilytical Labo	oratories					
Total Recoverable Metals by IG	CP (E200.7)									
Calciment	67.6		0.500	mail	<	B010050	4 70	08-0-10	ED4000 7	

Calcium*	\$2.6		0.500	mgL	5	B910059	AES	08-Oct-19	EPA200.7	
Magnesium*	16.8		0.500	mgL	5	B910059	AES	08-Oct-19	EPA200.7	
Potassium*	2.69	0.339	5.00	mg/L	5	B910059	AES	08-Oct-19	EPA200.7	3
Sodium*	54.9		5.00	mgL	5	B910059	AES	08-Oct-19	EPA200.7	

Cardinal Laboratories

*=Accredited Analyte

ALAGE WOTE: Labity and Damages. Cardina's labitity and clearts exclusion remety for any cairs rating, whether based in context or tor, shall be insteed to the answer paid by clear for analyses. All clears, including those for including those for analyses are completed or of the applicable service. In its event call Cardina's labitity and clearest are for writing and neurone by Cardina's labitity (00) days after completion of the applicable service. In its event call Cardina's labitity for including the limits of scalars, including the limits of scalars, and the model of the applicable service. In its event call Cardina's labitity for including the limits of scalars, and the limits of the service of the services for an analysis of the limits of the service of the services for an analysis of whether as clear is tool of one sole state reaction or otherway, of the show state reacte reaction or otherway. Finals is scalars and one is of the services for an analysis of the services in the service of the services for an analysis of the services and the service of the services of the services is cleared above. This report shall not be reproduced except in full with writing approxis of cleared locars.

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Celey D. Keene, Lab Director/Quality Manager

Page 4 of 9

J. Section XII: Affirmative Statement for Disposal Wells

Texland Petroleum conducted a hydrogeologic investigation related to the proposed injection well to determine whether a hydrologic connection between the proposed injection interval and any sources of underground drinking water. In support of this analysis, I reviewed available geologic information and engineering data, in addition to confidential and proprietary data sets. Based on that review and my analysis, I have determined that there is no evidence in the data of open faulting or any other hydrologic connection between the injection interval and any underground sources of drinking water.

Sherman Smith Vice President Geoscience Texland Petroleum, L.P.

nun 24, 2022

Date

K. Proof of Notice

13690727_v1

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 2 issue(s).

> Beginning with the issue dated February 25, 2022 and ending with the issue dated March 04, 2022.

Insell

Publisher

Sworn and subscribed to before me this 4th day of March 2022.

Business Manager

My commission expires

January 29, 2023 (Seal) GUSSIE BLACK Notary Public - State of New Mexico Commission # 1087526 My Comm. Expires Jan 29, 2023

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 NOTICES February 25 and March 4, 2022

Texland Petroleum-Hobbs, LLC, 777 Main Street, Suite 3200, Fort Worth, Texas 76102, will be filing Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to reenter the Knowles Garrett Unit #4, located 1858' FNL & 579' FWL, Section 29, Township 18 South, Range 38 East, Lea County, New Mexico, and convert it to a salt water injection well in the Drinkard Formation from 8100' to 8450'. The maximum injection rate will be 750 BWPD at a maximum surface injection pressure of 1648 psi. Injection water will be sourced from area wells producing from the Drinkard formation. The disposal water will be injected into the Drinkard Dolomite . Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Frances Street, Santa Fe, New Mexico 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact Trey Wann or Sherman Smith at Texland Petroleum-Hobbs, LLC, 777 Main Street, Suite 3200, Fort Worth, Texas, 76102 or call 817-336-2751. #37359

02108309

00264039

TEXLAND PETROLEUM-HOBBS, LLC 777 MAIN ST., STE. 3200 FORT WORTH, TX 76102

SURFACE USE AGREEMENT

This Surface Use Agreement (this "<u>Agreement</u>") is entered into this <u>1</u> day of <u>CCULARY</u>. 2022, between **PEGGY HUGHES**, whose address is 1109 W. Avenue N, Lovington, NM, 88260 and **CLIFFORD HUGHES**, whose address is <u>100 NW Tanya's Trail</u> <u>Cacke</u>, ox <u>73527</u> (collectively, "<u>Owner</u>"): and **TEXLAND PETROLEUM – HOBBS, L.L.C.**, a Texas limited liability company, whose address is 777 Main Street, Suite 3200, Fort Worth, Texas 76102 ("<u>Operator</u>").

RECITALS

Owner is the record title owner of the surface estate of the following described lands in Lea County, New Mexico (the "Land"):

Township 16 South, Range 38 East: Section 29: NW/4

Operator is the owner of oil and gas leases covering the Land and desires to drill one or more wells on the Land to explore for oil and gas in accordance with those leases. Pursuant to the New Mexico Surface Owners Protection Act (NMSA 1978 §70-12-1 to 70-12-10), Operator and Owner have agreed to the following provisions with respect to Operator's use of the surface of the Land and Owner's compensation for damages to the Land.

AGREEMENT

Section 1 - Statutory Notice Requirements

- 1. Pursuant to NMSA §70-12-5 B(2), Owner hereby acknowledges that Operator has supplied Owner with a copy of the Surface Owners Protection Act.
- 2. Pursuant to NMSA §70-12-5 B(3), Operator may be contacted at:

TEXLAND PETROLEUM, L.P. 777 Main Street, Suite 3200 Fort Worth, Texas 76102 Phone: (817) 336-2751 Fax: (817) 900-1294 Email: information@texpetro.com

Section 2 - Basic Agreements

- 3. Notice of Operations. See NMSA §70-12-5 B(4)(a):
 - a. Prior to initial entry on the Land for activities that do not disturb the surface, including inspections, staking, surveys, measurements and general evaluation of proposed routes and sites for oil and gas operations, Operator shall provide at least five business days' notice by certified mail or hand delivery to Owner.
 - b. Operator shall initially select the location for each wellsite and any gathering, production, storage or disposal facilities or lines, electric power lines, and roads to be constructed for oil and gas operations. Operator shall limit the area selected as is reasonably necessary to conduct the planned oil and gas operations.
 - c. Operator agrees to give Owner at least thirty days advance written notice of Operator's intention to enter upon the Land to drill a new well or re-work an existing well. Such notice will include a plat showing Operator's initial proposed location for the well. Operator shall consult with Owner as to Operator's final location for the well, giving due regard to Owner's then existing use of the surface of the Land. No written notice will be required for Operator to conduct routine servicing or repair work or to conduct emergency repair work on Operator's wells or equipment located on the Land.

- Operator's right of ingress and egress upon the surface of the Land for oil and gas operations shall be subject to the terms and provisions of this agreement. See NMSA §70-12-5 B(4)(b).
- 5. Operator agrees to construct and maintain all drillsites, roads, and tank batteries used in oil and gas operations on the Land in accordance with applicable local, state, and federal laws. See NMSA $\S70-12-5 B(4)(c)$.
- Operator agrees that all water used in oil and gas operations on the Land shall be stored in above ground tanks. Without the Owner's prior consent, Operator shall not use any of Owner's underground water wells in Operator's oil and gas operations See NMSA §70-12-5 B(4)(d).
- Operator agrees to restore surface areas used by Operator in oil and gas operations on the Land as specifically provided in this Agreement. See NMSA §70-12-5 B(4)(e).
- In the construction and maintenance of its drillsites, tank batteries, and roads, Operator shall take reasonable measures to not alter the drainage of surface water on the Land. See NMSA §70-12-5 B(4)(f).
- Operator shall take reasonable measures to address the impact, if any, of precipitation runoff or erosion associated with Operator's oil and gas operations on the Land. See NMSA §70-12-5 B(4)(g).
- Operator agrees to take reasonable measures to manage noise, weeds, dust, traffic, trespass, and litter associated with Operator's oil and gas operations on the Land. See NMSA §70-12-5 B(4)(h).
- Operator agrees to reclaim the surface of the Land used in its oil and gas operations as expressly provided in this Agreement and as otherwise required by federal, state, or local law. See NMSA §70-12-5 B(4)(i).
- Operator agrees to conduct its oil and gas operations in a reasonable and non-negligent manner in an effort to minimize surface damages to the Land. See NMSA §70-12-5 B(4)(j).
- 13. OPERATOR SHALL INDEMNIFY AND HOLD OWNER HARMLESS FROM AND AGAINST ANY AND ALL THIRD PARTY CLAIMS, DEMANDS, CAUSES OF ACTION, COSTS, EXPENSES, AND LIABILITY OF ANY NATURE WHATSOEVER, INCLUDING COURT COSTS, ATTORNEY'S FEES, AND ANY EXPENSES INCURRED, WHICH MAY RESULT FROM, ARISE OUT OF, BE RELATED TO, OR IN ANY WAY BE CONNECTED WITH OPERATOR'S OIL AND GAS OPERATIONS ON THE LAND; PROVIDED, HOWEVER, THAT NOTHING HEREIN SHALL BE CONSTRUED TO REQUIRE TO OBLIGATE OPERATOR TO INDEMNIFY OWNER AGAINST, OR HOLD OWNER HARMLESS FROM, OWNER'S OWN NEGLIGENT ACTS OR OMISSIONS. See NMSA §70-12-5 B(4)(k).

Section 3 – Specific Agreements for Compensation (See NMSA §70-12-5 B(4)(1))

14. Operator shall pay Owner for all damages caused by its operations on the Land, including, without limitation, fair market value damages to the land, water wells, irrigation systems, irrigation equipment, crops, livestock (whether such crops or livestock belong to Owner or to Owner's tenant), or other personal property or improvements situation thereon. For purposes hereof, it is understood and agreed that damages to crops shall include, without limitation, reduction in crop yield which may occur from all or any part of the Land as a result of Operator's activities interfering with Owner's preparation of the land, planting, irrigation, cultivation, pesticide applications, or other agricultural practices.

- 15. Operator and Owner agree that the following amounts are in-lieu of any damages payable to Owner pursuant to Paragraph 14 above, covering the same or similar matters and shall be paid to the surface owner for the following easement and oil and gas development activities:
 - a. \$7,500.00 for each new drillsite, provided that each site shall not consume more than three (3) acres of land. If such site shall consume more than three (3) acres of land after it is reduced to a production facility, the amount shall be proportionately increased at the rate of \$2,500.00 per acre;
 - b. \$2,500.00 for each new site occupied by a tank battery, pumping station, meter run, or other surface production, treating, or marketing facility; provided that such site shall not consume more than one (1) acre of land. If such site shall consume more than one (1) acre, the amount shall be proportionately increased at the rate of \$2,500.00 per acre;
 - c. \$25.00 per rod for all new pipelines, flowlines, electric transmission lines, or other lines necessary to the Operator's operations on the Land; provided that Operator may lay pipelines within a new roadway right-of-way as contemplated in 15(d) below at no additional pipeline damage charge.
 - d. \$25.00 per rod for all new roads constructed on the Land;

The payments by Operator provided for above shall fully compensate Owner for any associated loss of agricultural production or income, loss of land value, and loss of access to such areas caused by Operator's oil and gas operations on the areas of the Land used by Operator. Such damages are agreed as compensation for the damages which will be done by reasonable, not excessive, and non-negligent operations, and are not intended to cover any additional damages which may result from unreasonable, excessive or negligent operations. All sums referenced herein shall be paid to Owner in advance.

Section 4 - Other Specific Agreements

16. All roads to be built by Operator on the Land shall be located as agreed upon by Owner and Operator, but Owner shall not unreasonably withhold permission to build a road on the Land. Roads will generally be no more than 20 feet wide, but may be wider to accommodate sharp turns or obstructions located on the Land. If any fence is cut by Operator, Operator shall properly brace the fence before cutting and, at the request of Owner, Operator shall install a pipe gate capable of being locked. Each gate shall be kept closed and locked at all times and keys distributed only to Operator's appropriate personnel.

If the Land is used by Owner as pasture land for cattle or other livestock, then at the request of Owner, Operator shall install a cattle guard at each location where Operator built roads crossing an existing fence. Operator shall be responsible for the maintenance and upkeep of each such gate and cattle guard so long as Operator maintains oil and gas operations on the Land.

- 17. All pipeline and flowlines shall be buried to a depth of 36 inches or below plow depth, whichever is deeper.
- 18. Upon completion of any operations or abandonment of any drill site, well location, or other surface disturbance, Operator shall (i) remove all rock, gravel, caliche or other materials foreign to the natural condition of the land, (ii) level or fill all ruts or other surface disturbances in such a manner as to restore the area to the natural contour of the land, (iii) clean the area to the end that all objects, materials and structures not reasonably necessary to the production of oil and/or gas are removed and/or eliminated, (iv) not store any type of tubing, drill pipe, or other pipe in the area of operations on the Land, and (v) otherwise restore the surface of the Land to its original condition as nearly as reasonably possible. Further, upon completion of operations or abandonment of any well location, Operator shall plug all wells and holes in accordance with all applicable laws, regulations and ordinances.

- 19. In the event Operator drills a dry hole or ceases to produce or use a previously drilled well an elects to permanently abandon any such well, Operator shall, within six months, remove all equipment used by Operator on the well and restore the site as described in the preceding paragraph.
- 20. If the Owner maintains livestock on the Land and if requested by Owner, Operator shall fence off tank batteries and pumping units.
- 21. Operator shall use every effort to prevent fires on said lands and shall use every effort to prevent papers, boxes, sacks, containers and waste materials of any kind from coming on said lands and littering the premises. Under no circumstances shall Operator be allowed to bury any trash or debris on the Land.
- 22. Neither Operator nor Operator's agents, employees, contractors, subcontractors or invitees shall have any right to fish or hunt upon the Land, and no firearms of any kind shall be brought by them on the Land. Operator shall use diligence to prevent anyone entering the Land from disturbing livestock or hunting, shooting or killing wild game.
- 23. In the event of a change of ownership to the Land, the Operator shall not be required to recognize the grantee until Operator has been furnished a copy of a recorded conveyance of the Land. Owner and Operator agree that the provisions of this agreement shall constitute covenants running with the Land.
- 24. Operator and Owner have voluntarily entered into this agreement and hereby stipulate their respective obligations with regard to the use of the surface of the Land as contemplated under the New Mexico Surface Owner Protection Act. Execution of this agreement by Owner shall constitute compliance with the New Mexico Surface Owner Protection Act by Operator and waiver of all provisions of said Act by Owner.
- 25. This Agreement shall not be recorded, but in lieu thereof, Operator shall file the attached Memorandum of Surface Use Agreement in the appropriate public records within 3 days following its execution hereof and promptly thereafter provide to Owner a copy of the recorded and/or file-stamped Memorandum.
- 26. This Agreement shall be binding upon Operator's successors, assigns, and agents and shall be binding on Owner's heirs, successors, representatives, administrators, and assigns.

[This Space Intentionally Left Blank]

Executed as of the date of acknowledgements below, but effective as of the date first written above.

OWNER: PEOCY HUGHES

ORD HUGHES

OPERATOR:

Texland Petroleum - Hobbs, L.L.C. By: Texland Petroleum, L.P., Managing Member By: Texpet Mgt., LLC, its general partner

By: James H. Wilkes, President

STATE OF NEW MEXICO § COUNTY OF LEA

This instrument was acknowledged before me this $\frac{3}{2}$ day of March, 2022, by Peggy Hughes.



\$

§

Notary Public, State of New Mexico

STATE OF OKLAHOMA

COUNTY OF COMOR

This instrument was acknowledged before me this I day of March 2022, by **Clifford Hughes**.



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Notary Public, State of Oklahoma

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me this day of , 2022, by James H. Wilkes, President of Texpet Mgt., LLC, the general partner of Texland Petroleum, L.P., the managing member of Texland Petroleum - Hobbs, L.L.C., a Texas limited liability company, on behalf of the company.



Notary Public, State of Texas

TEXLAND PETROLEUM, L.P. EXPLORATION AND PRODUCTION 777 MAIN STREET, SUITE 3200

FORT WORTH, TEXAS 76102

February 17, 2022

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

To: Affected Parties

Re: Application of Texland Petroleum-Hobbs, L.L.C. for Administrative Approval of Authorization to Inject into the Knowles Garrett Unit #4 Well, formerly V Cook #1Y.

Ladies & Gentlemen:

This letter is to advise you that Texland Petroleum-Hobbs, L.L.C. has filed for administrative approval to inject into the Knowles Garrett Unit #4 well, formerly V Cook #1Y, with the New Mexico Oil Conservation Division. When authority was granted to form the Knowles Garrett Waterflood Unit, authorization was given for administrative approval for one additional water injection well within the project area, in addition to the Knowles Garrett Unit #2, formerly Murphy #1. This serves as our notice to offset operators and/or surface owners.

Enclosed is a copy of the injection application. No hearing is required and no additional action is required by you.

If you have any questions about this matter, please contact Trey Wann at twann@texpetro.com or call 817-336-2751 with any questions.

Sincerely,

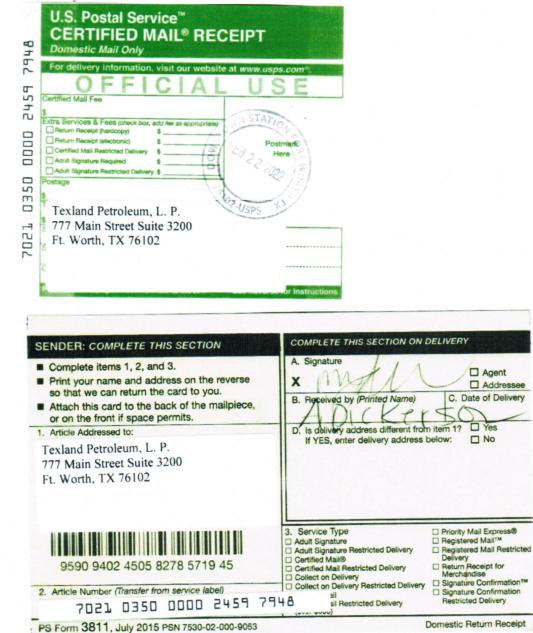
Trey Wann Petroleum Engineer



PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

Received by OCD: 3/29/2022 12:04:31 PM



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Released to Imaging: 1/31/2023 1:41:04 PM

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Alan R. Hannifin and Michelle S 518	518 17th Street Suite 540	Denver, CO 80202		70210350000024597580 NO	70210350000024597580 NOT DELIVERED. RETURNED TO TEXLAND.
	350 CR 244	Eureka, Springs, AR 72631		70211970000109426908 NO	70211970000109426908 NOT DELIVERED. RETURNED TO TEXLAND.
D & J Anguish Properties, LLC 338	33819 Conroe Huffsmith Road	Magnolia, TX 77354		70211970000109426922 NO	70211970000109426922 NOT DELIVERED. RETURNED TO TEXLAND.
Frances A. Hannifin and Shawn 49315 E. 88th Ave.	1008	Bennett, CO 80102		70210350000024597597 NO	70210350000024597597 NOT DELIVERED. RETURNED TO TEXLAND.
Lisa J. Seed		Hobbs, NM 88240		70210350000024597894 NO	70210350000024597894 NOT DELIVERED. RETURNED TO TEXLAND.
	P. O. Box 1887	Hobbs, NM 88240		70210350000024598006 NO	70210350000024598006 NOT DELIVERED. RETURNED TO TEXLAND
		Midland, TX 79707		70210350000024597634	
IVIdildBellient		Boswell NM 88202	Salita FE, NIVI 07 500	70210350000034503827	
Clifford Mordhorst P. C	P. O. Box 4335	Tulsa, OK 74159		70210350000024597689	
a Bargsley	902 Sharpshire	Grand Prairie, TX 75050		70211970000109426939	
	1 Concho Center 600 W. Illinois Midland, TX 79701	Midland, TX 79701		70211970000109427011	
	5000 Burnet Road	Austin, TX 78756		70211970000109427028	
Concho Resources 1 Co	1 Concho Center 600 W. Illinois Midland, Texas 79701	Midland, Texas 79701		70211970000109427035	
Crill Pearson aka	aka Crill Pearson Watson	P O Box 575	Lovington, NM 88260	70210350000024597795	
, LLC	825 Goodsprings Loop	Williston, TN 38076		70211970000109427103	
Done Wallace Burnet P (P O Roy 20524 Oklahoma City C	Oklahoma City OK 73156		702103300000243376487	
al		Bristow, OK 74010		70211970000109427004	
	P O Box 716	Alpine, TX 79830		70210350000024598013	
Derek Mordhorst P. C	P. O. Box 4335	Tulsa, OK 74159		70210350000024597702	
er Denish	Road NE	Albuquerque, NM 87106-2523		70211970000109427066	
		Davide Valley, DK 73075		70210350000024397771	
EOG Resources P O	P O Box 4362	Houston, TX 77210		70210350000024597535	
t Company		Santa Fe, NM 87504		70210350000024597511	
Foundation for the Junior Blind 5300 Angeles Vista Blvd.		Los Angeles, CA 90043		70210350000024597559	
vorth	gret Lane	Sarasota, FL 34238		70210350000024597900	
GFSJR Minerals, LLC P. C	P. U. Box 906	El Campo, 1X //34/		70210350000024597566	
-	P O Boy 7967	Midland TX 79708		70710200007607670	

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Hefner Company Inc. P. O. Box 2177	Oklahoma City, OK 73102		70210350000024597610	
Laura J. Jennings and Patrick R. 2716 N. Pennsylvania Apt. 56			70210350000024597627	
Maddy Mann 4008 N. Apodaca			70210350000024597641	
Marilyn Schacherl Siler & Leroy 113 Camino Real	San Angelo, TX 76904		70210350000024597856	
Mike Oglesby 4607 30th St.	Lubbock, TX 79412		70210350000024597788	
Mike Tinley 125 W. Baja	Hobbs, NM 88240		70210350000024597931	
Monty McLane P. O. Box 9451	Midland, TX 79708		70210350000024597672	
Mordhorst, Dan Trustee of the Dan Mordhorst Trust of 6-30-97 P. O. Box 4335)-97 P. O. Box 4335	Tulsa, OK 74159	70210350000024597696	
tion	Roswell, NM 88202		70210350000024597726	
Occidental Permian, L. P. P O Box 27520	Houston, TX 77227		70210350000024597740	
Y	Houston, TX 77277		70210350000024597757	
	Houston, TX 77024		70211970000109427059	
Pecos Bend Royalty, Inc. 415 W. Wall Suite 2207 Ponderosa Royalty IIC P. O. Box 10438	Midland, IX /9/01 Midland TY 79703		70210350000024597801	
Dehhie I	Invington NM 88260		70210350000024337665	
Raymond Karl Ford 1809 CR 4200	Winnsboro, TX 75494		70210350000024597542	
	Saratoga, CA 95070		70211970000109427080	
Ronald J. Byers Company, a Tex 3112 Above Stratford Place	Austin, TX 78746		70211970000109426991	
Roy B. Wallace 13317 Apple Valley Dr.	Oklahoma City, OK 73120		70210350000024597979	
S	Hobbs, NM 88241		70211970000109427073	
	Breckenridge, IX /6424		70210350000024597917	
Ted Yadon P O Box 445	Alpine. TX 79830		70210350000024337667	
lobbs, LLC	Ft. Worth, Texas 76102		70210350000024597924	
Texland Petroleum, L. P. 777 Main Street Suite 3200	Ft. Worth, TX 76102		70210350000024597948	
W. Chris Barnhill & Donna M. B P. O. Box 700968	San Antonio, TX 78270		70211970000109426946	
William R. Upthegrove 3941 Warwick Drive Norman, OK 75	Norman, OK 73072		70210350000024597962	
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C-108 APPLICATION FOR AUTHORIZATION TO INJECT ADMINISTRATIVE COMPLETENESS FORM

Well Name:

Applicant:_____

Action ID:

Admin. App. No:______

C-108 Item	Description of Required Content	Yes	No
I. PURPOSE	Selection of proper application type.		
II. OPERATOR	Name; address; contact information.		
	Well name and number; STR location; footage location within section.		
	Each casing string to be used, including size, setting depth, sacks of cement, hole size, top of cement, and basis for determining top of cement.		
III. WELL DATA	Description of tubing to be used including size, lining material, and setting depth.		
	Name, model, and setting depth of packer to be used, or description of other seal system or assembly to be used.		
	Well diagram: Existing (if applicable).		
	Well diagram: Proposed (either Applicant's template or Division's Injection Well Data Sheet).		
IV. EXISTING PROJECT	For an expansion of existing well, Division order number authorizing existing well (if applicable).		
V. LEASE AND WELL MAP	AOR map identifying all wells and leases within 2 mile radius of proposed well, and depicting a 1/2 mile radius circle around any another projected injection well and a 1 mile radius circle around any other projected injection well in the Devonian formation.		
VI. AOR WELLS	Tabulation of data for all wells of public record within AOR which penetrate the proposed injection zone, including well type, construction, date drilled, location, depth, and record of completion.		
	Schematic of each plugged well within AOR showing all plugging detail.		
	Proposed average and maximum daily rate and volume of fluids to be injected.		
	Statement that the system is open or closed.		
	Proposed average and maximum injection pressure.		
VII. PROPOSED OPERATION	Sources and analysis of injection fluid, and compatibility with receiving formation if injection fluid is not produced water.		
	A chemical analysis of the disposal zone formation water if the injection is for disposal and oil or gas is not produced or cannot be produced from the formation within 1 mile of proposed well. Chemical analysis may be based on sample, existing literature, studies, or nearby well.		
	Proposed injection interval, including appropriate lithologic detail, geologic name, thickness, and depth.		
VIII. GEOLOGIC DATA	USDW of all aquifers <u>overlying</u> the proposed injection interval, including the geologic name and depth to bottom.		
	USDW of all aquifers <u>underlying</u> the proposed injection interval, including the geologic name and depth to bottom.		



C-108 (SWD) APPLICATION FOR AUTHORIZATION TO INJECT ADMINISTRATIVE COMPLETENESS FORM

Well Name: _____

Applicant:

Action ID:

Admin. App. No:_____

C-108 Item	Description of Required Content	Yes	No
IX. PROPOSED STIMULATION	Description of stimulation process or statement that none will be conducted.		
X. LOGS/WELL TESTS	Appropriate logging and test data on the proposed well or identification of well logs already filed with OCD.		
XI. FRESH WATER	Chemical analysis of fresh water from two or more fresh water wells (if available and producing) within 1 mile of the proposed well, including location and sampling date(s).		
XII. AFFIRMATION STATEMENT	Statement of qualified person endorsing the application, including name, title, and qualifications.		
	Identify of all "affected persons" identified on AOR map in Section V, including all affected persons within 1/2 mile radius circle around any another projected injection well and a 1 mile radius circle around any other projected injection well in the Devonian formation.		
	Identification and notification of all surface owners.		
	BLM and/or NMSLO notified per 19.15.2.7(A)(8)(d) NMAC.		
XIII. PROOF OF NOTICE	Notice of publication in local newspaper in county where proposed well is located with the following specific content:		
	 Name, address, phone number, and contact party for Applicant; 		
	 Intended purpose of proposed injection wel, including exact location of a single well, or the section, township, and range location of multiple wells; 		
	 Formation name and depth, and expected maximum injection rates and pressures; and 		
	 Notation that interested parties shall file objections or requests for hearing with OCD no later than 15 days after the admin completeness determination. 		
XIV. CERTIFICATION	Signature by operator or designated agent, including date and contact information.		

Review Date*:

Reviewer:

○ Administratively COMPLETE

○ Administratively INCOMPLETE

NOTES:

* The Review Date is the date of administrative completeness determination that commences the 15 day protest period in 19.15.26.8 (C)(2) NMAC.

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Operator:	OGRID:
TEXLAND PETROLEUM-HOBBS, LLC	113315
777 Main Street	Action Number:
Fort Worth, TX 76102	93896
	Action Type:
	[C-108] Fluid Injection Well (C-108)

CONDITIONS

Created By	Condition	Condition Date
aschaefer	None	1/31/2023

CONDITIONS

Action 93896

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