

<b>District I</b> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-8161 Fax:(575) 393-0720 <b>District II</b> 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 <b>District III</b> 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 <b>District IV</b> 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462	<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b> <b>Oil Conservation Division</b> <b>1220 S. St Francis Dr.</b> <b>Santa Fe, NM 87505</b>	Form C-103 August 1, 2011 Permit 235257 WELL API NUMBER 30-015-44054 5. Indicate Type of Lease P 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name CEDAR CANYON SWD																																																																																
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)																																																																																		
1. Type of Well: S	8. Well Number 001																																																																																	
2. Name of Operator MESQUITE SWD, INC	9. OGRID Number 161968																																																																																	
3. Address of Operator PO BOX 1479, CARLSBAD, NM 88221	10. Pool name or Wildcat																																																																																	
4. Well Location Unit Letter <u>P</u> : <u>1310</u> feet from the <u>S</u> line and feet <u>1153</u> from the <u>E</u> line Section <u>8</u> Township <u>24S</u> Range <u>29E</u> NMPM County <u>Eddy</u>																																																																																		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 2929 GR																																																																																		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____																																																																																		
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table style="width:100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/></td> </tr> </table>			NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:		PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTER CASING <input type="checkbox"/>	TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE OF PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>		Other: _____		Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/>																																																													
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. See attached work detail. See Attached																																																																																		
<b>Casing and Cement Program</b> <table border="1" style="width:100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>02/12/17</td> <td>Surf</td> <td>FreshWater</td> <td>26</td> <td>20</td> <td>133</td> <td>K55</td> <td>0</td> <td>530</td> <td>1040</td> <td>1.97</td> <td>C</td> <td></td> <td>1000</td> <td>0</td> <td>N</td> </tr> <tr> <td>02/18/17</td> <td>Int1</td> <td>Brine</td> <td>17.5</td> <td>13.375</td> <td>68</td> <td>J55</td> <td>0</td> <td>2828</td> <td>1910</td> <td>2.11</td> <td>C</td> <td></td> <td>1000</td> <td>0</td> <td>N</td> </tr> <tr> <td>03/09/17</td> <td>Prod</td> <td>CutBrine</td> <td>12.25</td> <td>9.625</td> <td>53.5</td> <td>P110</td> <td>0</td> <td>9980</td> <td>2000</td> <td>2.47</td> <td>H</td> <td></td> <td>1000</td> <td>0</td> <td>N</td> </tr> <tr> <td>03/09/17</td> <td>Liner1</td> <td>CutBrine</td> <td>8.5</td> <td>7.625</td> <td>39</td> <td>P110</td> <td>9315</td> <td>14686</td> <td>410</td> <td>1.46</td> <td>H</td> <td></td> <td>1000</td> <td>0</td> <td></td> </tr> </tbody> </table>			Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole	02/12/17	Surf	FreshWater	26	20	133	K55	0	530	1040	1.97	C		1000	0	N	02/18/17	Int1	Brine	17.5	13.375	68	J55	0	2828	1910	2.11	C		1000	0	N	03/09/17	Prod	CutBrine	12.25	9.625	53.5	P110	0	9980	2000	2.47	H		1000	0	N	03/09/17	Liner1	CutBrine	8.5	7.625	39	P110	9315	14686	410	1.46	H		1000	0	
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I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .																																																																																		
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Mesquite SDW, Inc.  
Cedar Canyon SWD #1  
Work Detail Description

02/13/17 TD 26" hole @ 575'. Set 20" 133# K-55 csg @ 530'. Cmt w/660 sx Class C. Tail in w/380 sx C. Circ 313 sx. WOC 18 hrs, test to 1000# for 30 min. Held good.

02/18/17 TD 17 1/2" hole @ 2828'. Ran 13 3/8" 68# csg, 10 jts N-80 & 56 jts J-55. Set @ 2828'

02/19/17 Cmt w/1530 sx P/C. Tail in w/380 sx C. Circ 569 sx. WOC 18 hrs, test to 1000# for 30 min. Held good.

03/07/17 TD 12 1/4" hole @ 9980'. Set 9 5/8" 53.5# P-110 csg @ 9980'.

03/09/17 Cmt Stage 1 w/1100 sx P/H. Tail in w/300 sx H. Circ 61 sx off DVT at 2738'. Cmt Stage 2 w/400 sx C. Tail in w/200 sx C. Circ 97 sx. WOC 18 hrs, test to 1000# for 30 minutes. Held good.

04/01/17 TD 8 1/2" hole @ 14686'. Set 7 5/8" 39# P-110 liner 9315'-14686'. Cmt w/410 sx Class H. WOC 18 hrs, test to 1000# for 30 minutes. Held good.

04/11/17 TD 6 1/2" hole @ 15765'.

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

Comments  
 Permit 235257

**DRILLING COMMENTS**

Operator: MESQUITE SWD, INC PO BOX 1479 CARLSBAD, NM 88221	OGRID: 161968
	Permit Number: 235257
	Permit Type: Drilling

**Comments**

Created By	Comment	Comment Date
MWILSON	Drilled 6 1/2" hole to 15,765'. TD well 04/12/2017.	4/25/2017