



June 27, 2018

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

VIA EMAIL

Attn: Mr. Phillip Goetze, PG

Re: Request to Extend Expiration Date for NMOCD Permit SWD-1585 pertaining to Probity SWD, LLC's Pardue 30 Com No.1 SWD, located in Section 30, T23S-R28E, NMPM, Eddy County, New Mexico.

Dear Mr. Goetze,

As you're aware, Probity SWD, LLC has been working on this well in an attempt to achieve the highest rates possible within the permitted parameters. Last year, the well was step-rate tested to allow a slightly higher surface injection pressure. More recently, the well has been squeezed, acidized and fracked. Probity believes the well will take commercial quantities of produced water and be a viable option for some of the area operators. The original permit has been extended one time and is set to expire on October 1, 2018.

I have reviewed the subject Area of Review and determined that no changes have taken place.

Probity is currently exploring facility-sizing options and a contractor to accomplish the build. They expect to have this done soon however; with the considerable investment made in this well its other projects, Probity would like to request an appropriate extension of one year for the subject permit SWD-1585.

If you or your staff has any questions, please do not hesitate to call or email me.

Best regards,

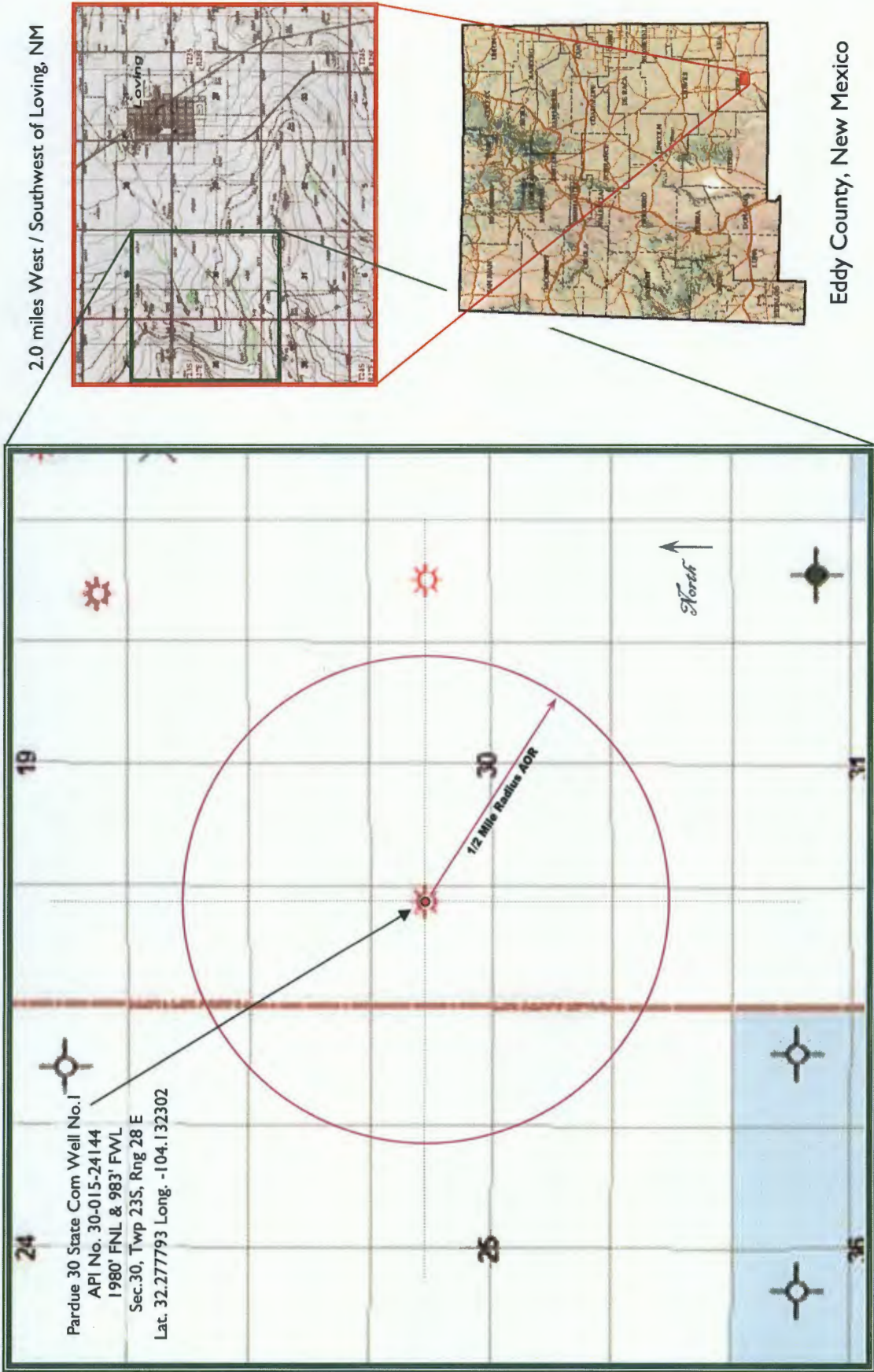
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Ben Stone, SOS Consulting, LLC
Agent for Probity SWD, LLC

Attachments: Original AOR Map; SWD-1585 1st Extension, Squeeze & Acid (M. Taylor)
Cc: Project file

Pardue '30' State Com Well No.1 SWD –Area of Review Map

(Attachment to NMOCD Form C-108, Application for Authority to Inject.)



Probrity
OPERATING

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



September 18, 2017

Mr. Ben Stone, Agent for Probitry SWD, LLC
SOS Consulting, LLC
P. O. Box 300
Como, TX 75431

RE: Administrative Order SWD-1585; First Extension of Deadline to Commence Injection

Pardue 30 Com Well No. 1 (API 30-015-24144)

Unit E, Sec 30, T23S, R28E, NMPM, Eddy County, New Mexico

Order Date: October 1, 2015

Injection into the Bell Canyon and Cherry Canyon formations; permitted interval: 2500 feet to 4590 feet

Dear Mr. Stone:

Reference is made to your request on behalf of Probitry SWD, LLC (the "operator") to extend the deadline stipulated in order SWD-1585 based upon the approval date of October 1, 2015, to commence injection for the above referenced well for an additional one year for reasons outlined in the attached correspondence.

It is the Division's understanding from your request that there have been no significant changes in the information provided in the application submitted for review and approval of this order. These changes include the completion of new wells within the Area of Review that penetrated the approved injection interval and any changes in ownership.

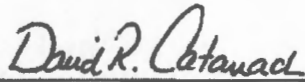
The Division finds that granting this request to extend this administrative order is in the interest of conservation, will prevent waste, and will protect the environment.

The deadline to commence injection for the existing order is hereby extended until October 1, 2018. All requirements of the above referenced administrative order and agreements in the application

SWD-1585: First Extension of Deadline to Commence Injection
Probitly SWD, LLC
September 18, 2017
Page 2 of 2

remain in full force and effect.

Sincerely,



DAVID R. CATANACH
Director

DRC/prg

cc: Oil Conservation Division – Artesia District Office
SWD-1585
Well file 30-015-24144



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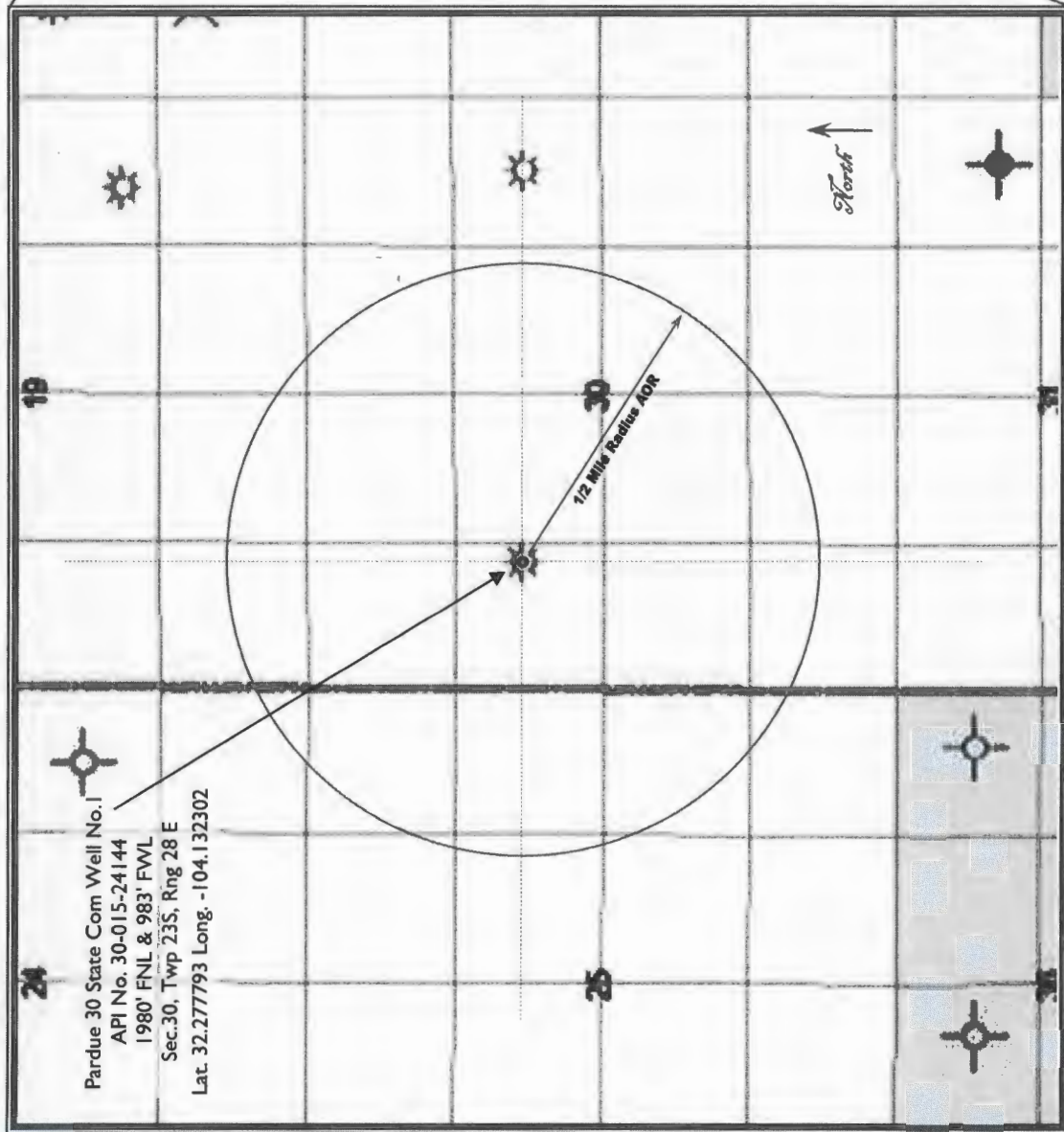
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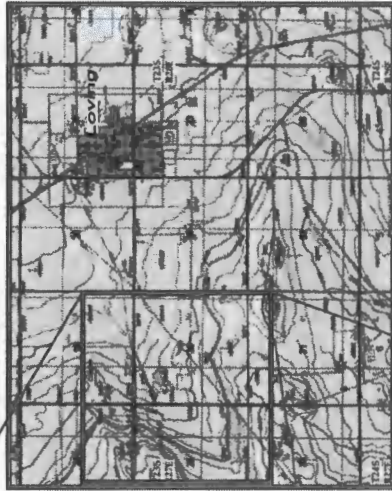
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Pardue '30' State Com Well No.1 SWD -Area of Review Map

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2.0 miles West / Southwest of Loving, NM



Eddy County, New Mexico

Probitry
OPERATING

State of New Mexico
Energy, Minerals and Natural Resources Department

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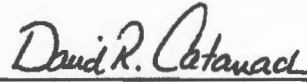
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Probity SWD, LLC
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Sincerely,



DAVID R. CATANACH
Director

DRC/prg

cc: Oil Conservation Division – Artesia District Office
SWD-1585
Well file 30-015-24144

Pardue Squeeze jobs and acid treatments

Jan 3, 2018

1200: Mob pulling unit to site and begin rigging up
1500: Set pipe racks

Daily Cost: Pulling Unit \$1500
Consultant: \$1600

DAILY TOTAL: \$3,100

CUMULATIVE: \$3,100

Jan 4, 2018:

0800: Continue rigging up
0900: Workstring on-site
1400: got BOP in place
1430: pulling 3-1/2" tubing from well
1600: packer out of well
1700: secure well with one joint of 3-1/2 for kill string and secure well for the night

Daily Cost: Pulling Unit: \$3000
Workstring:
Pipe Racks:
Packer Hand: \$1400
Consultant: \$1600

DAILY TOTAL: \$6,000

CUMULATIVE: \$9,100

Jan 5, 2018:

0800: Safety meeting
0815: pull kill string joint
0830: wireline on-site
0900: rigged up, going in hole
0945: sat down with wireline @4421'
1100: rig down wireline. Well has PBTD of 4685 or 264' fill
1130: called office to discuss situation
1200: called for additional workstring, 6-1/8" shielded bit, collars, reverse unit and pit
1500: going in hole with bit, collars and workstring
1800: 7 joints from obstruction
1830: secure well for the night

Daily Cost: Pulling Unit: \$3700
Workstring:
Pipe Racks:
Packer Hand: \$1400
Consultant: \$1600
Reverse Unit: \$3000
Drill Bit: \$600
Kill Fluid: \$7600

DAILY TOTAL: \$17,900

CUMULATIVE: \$27,000

Jan 6, 2018:

0700: run remaining joints to obstruction
0800: rotated an went pass obstruction down to
0900: Worked up and down with rotation above obstruction up/down to PBTD
1000: trip out workstring and racked back same for wireline
1130: out of hole
1200: wireline on-site
1300: going in hole to shoot squeeze holes for cement squeeze
1400: squeeze shot 4,698'
1430: rig down wireline / start in w/packer
1545: set service packer @ 4543'
1600: tested and got circulation for squeeze
1630: release crew until Monday

Daily Cost: Pulling Unit: \$3000

Workstring:

Pipe Racks:

Packer Hand: \$1400

Consultant: \$1600

Reverse Unit: \$3000

Drill Bit: \$0

Kill Fluid: \$0

Wireline: \$3800

Vac Truck: \$1200

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DAILY TOTAL: \$14,000

CUMULATIVE: \$41,000

Jan 8, 2018:

0700: on-site for safety meeting
0800: cementers on site
0900: Safety meeting & confirm cementing plans
1000: start cement job pump 120 sacks 1.35 yield
1130: pumped cement away at 3 bpm @ 650 psi - while cleaning tubing pressure up 1150 psi - looks like cement made the turn
1200: closed valve with 650 psi on well for cement to set
1300:
1400:
1430:

1545:

1630: bled pressure and release packer / pull out workstring laying down

1730: rig down secure well for night

Daily Cost: Pulling Unit: \$3000

Workstring:

Pipe Racks:

Packer Hand: \$1400

Consultant: \$1600

Reverse Unit: \$3000

Drill Bit: \$0

Kill Fluid: \$0

Cementers: \$16,900

Vac Truck: \$1200

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DAILY TOTAL: \$27,100

CUMULATIVE: \$68,100

Jan 9, 2018:

0700: on-site for safety meeting well had 360 psi, bled same off 15 bbls over 10 mind

0800: pulled work string and service packer out of hole racked back

1200: wireline on site, rigged up

1300: went in hole with CBL tool

1400: found new PBTD of 4,590' spot on

1500: finish bond log. Never saw cement behind pipe at 4,590'

1600: rigging down wireline

1630: line up wireline and cementers for second squeeze

1730: secure well for the night

Daily Cost: Pulling Unit: \$2800

Workstring:

Pipe Racks:

Packer Hand: \$1400

Consultant: \$1600

Reverse Unit: \$3000

Drill Bit: \$0

Kill Fluid: \$0

Cementers: \$0

Wireline: \$4,900

service packer \$5400

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DAILY TOTAL: \$19,100

CUMULATIVE: \$81,200

Jan 10, 2018:

0700: on-site for safety meeting well had 200 psi, bled same off 10 bbls
0800: ran in hole with service packer to 2,975'
1000: tested 7" casing to 1,225 psi for 30 mins - held - then bled off pressure
1130: packer and work string out
1200: wireline on site, rigged up
1300: went in hole with squeeze perf gun.
1330: shot squeeze perms 4,540'
1430: rigged down wireline
1500: line up wireline and cementers for second squeeze job in the morning
1530: dust storm and 60 mph wind gusts
1530: secure well for the night

Daily Cost: Pulling Unit: \$2800

Workstring:

Pipe Racks:

Packer Hand: \$1400

Consultant: \$1600

Reverse Unit: \$1875

Drill Bit: \$0

Kill Fluid: \$0

Cementers: \$0

Wireline: \$3,100

service packer \$0

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DAILY TOTAL: \$10,775

CUMULATIVE: \$91,975

Jan 11, 2018:

0800: well had 200 psi, with gas and some oil/water about 2 bbls
0800: started tripping in the hole with work string and service packer
1000: cementers on site and rigging up
1130: pumped 84 sacks of 14.5 #/gal yield 1.35 , 1% Ca closed valve in a 1,025 psi
1200: rig down cementers
1830: release pressure with no water flow to surface through tubing

1900: secure well for the night

Daily Cost: Pulling Unit: \$3,800

Workstring:

Pipe Racks:

Packer Hand: \$1100

Consultant: \$1600

Reverse Unit: \$1875

Drill Bit: \$0

Kill Fluid: \$0

Cementers: \$0

Wireline: \$0

service packer \$0

Cementers \$12,500

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DAILY TOTAL: \$20,875

CUMULATIVE: \$112,850

Jan 12, 2018:

0800: well had 400 psi, with gas and some oil/water about 2 bbls

0800: pulled out workstring and packer laying down

1100: wireline rig up

1200: ran CBL and found PBTB = 4,482' and added injection perforations

1500: rigged down wireline

1630: secure well for the night

Final PBTB = 4,482'

Squeeze perfs: 4,540'

Top of Cement after squeeze job behind 7" casing= 4,314'

168' of cement above squeeze holes

Daily Cost: Pulling Unit: \$3,200

Workstring:

Pipe Racks:

Packer Hand: \$1100

Consultant: \$1600

Reverse Unit: \$0

Drill Bit: \$0

Kill Fluid: \$0

Cementers: \$0

Wireline: \$14,000

service packer \$3,500

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DAILY TOTAL: \$23,400

CUMULATIVE: \$136,250

Jan 13, 2018:

0800: well had 200 psi, with gas and some oil/water about 2 bbls
0800: pulled out workstring and packer laying down
1030: rigged up casing crew
1500: ran tubing and released casing crew
1630: pulled annular fluids and replaced with packer fluid
1700: rigging bop and set wellhead
2000: testing packer - held 600 psi 30 mins
2115: secure well for the night

Daily Cost: Pulling Unit: \$3,800
Workstring:
Pipe Racks:
Packer Hand: \$1100
Consultant: \$1600
Reverse Unit: \$0
Drill Bit: \$0
Kill Fluid: \$0
Cementers: \$0
Wireline: \$0
Packer \$6000
Casing crew \$9000
Kill Truck \$1500

○
DAILY TOTAL: \$23,000

CUMULATIVE: \$159,250

Jan 14, 2018:

0800: rigged down pulling unit
1100: attempted to start system up
1400: got system operational, had gas pressure on well.
1430: bled gas pressure and injected at 5,600 bpd rate, kicked pump at 760 psi
1445: secure well for the night

Daily Cost: Pulling Unit: \$2200
Workstring:

Pipe Racks:
Packer Hand: \$
Consultant: \$1600
Reverse Unit: \$0
Drill Bit: \$0
Kill Fluid: \$0
Cementers: \$0
Wireline: \$0
Packer \$
Casing crew \$
Kill Truck \$

○
DAILY TOTAL: \$3,800

CUMULATIVE: \$163,050

Jan 15, 2018:

0800: rig up for acid stimulation
0930: start acid job
1100: acid job completed
1145: acid rig down
1200: release acid crew
1230: secure well

Daily Cost: Pulling Unit: \$0
Workstring:
Pipe Racks:
Packer Hand: \$
Consultant: \$1600
Reverse Unit: \$0
Drill Bit: \$0
Kill Fluid: \$0
Cementers: \$0
Wireline: \$0
Packer \$0
Casing crew \$0
Kill Truck \$0
Acid Pumpers \$29,000

○
DAILY TOTAL: \$30,600

CUMULATIVE: \$193,650

Mark H. Taylor, P.E.
Disposal Well Consultants, LLC
318-243-7379