DATE I	29/15	SUSPENSE	ENGINEER PRG	LOGGED IN 06/29/15	TYPE SWD	APP NO PRG 15 18050104
	; (ABOVE	THIS LINE FOR DIVISION USE ONLY		AL STAD
•		NEW	MEXICO OIL COM		IVISION	
1.		1	- Engineeri 220 South St. Francis Di	ng Bureau - ive, Santa Fe, NM	87505	
·			MINISTRATIVE	· · · · · · · · · · · · · · · · · · ·		
 T	HIS CHECKL		· ·			SION RULES AND REGULATIONS
	ication Ac		WHICH REQUIRE PROCES			
	[DH	C-Downhole [PC-Pool Co [WFX	- +	ease Commingling -Lease Storage] [PMX-Pressure al] [IPI-Injection])] [PLC-Pool/Le [OLM-Off-Lease Maintenance Exj Pressure Increa	ease Commingling] Measurement] pansion] se]
[1]	ТҮРЕ		CATION - Check Those cation - Spacing Unit - Si NSL [] NSP []			-3 - 9 [39]
			Only for [B] or [C] nmingling - Storage - M DHC CTB	easurement PLC PC [OLS C	NIS RECE
		[C] Inje	ection - Disposal - Pressu WFX 🔲 PMX 🔀			JUN 29 A II: 2
		[D] Oth	er: Specify			- # 8
[2]	NOTII	FICATION [A]	REQUIRED TO: - Che Working, Royalty or O	-	1 2 -	
		[B]	Offset Operators, Lease	holders or Surface	Owner 7	Brinin Stool Ranch SWO #3
		[C]	Application is One Wh	ich Requires Publis	hed Legal Notice	Brinin Stool Ranch SWO #3 30-025 - Pending
		[D]	Notification and/or Con U.S. Bureau of Land Management -	Commissioner of Public Land	y BLM or SLO s, State Land Office	M-19-233-35E Devonian/Upper Ord.
		[E] X	For all of the above, Pr	oof of Notification	or Publication is A	••
		(F)	Waivers are Attached			Commercial
[3]			ATE AND COMPLET N INDICATED ABOV		N REQUIRED T	O PROCESS THE TYPE

 $\mathbf{\tilde{x}}$

` ,

[4] **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 indjvidual with managerial and/or supervisory capacity.

Ben Stone	Sen trans	Agent for Owl SWD	Operating, LLC 6/17/15
Print or Type Name	Signature	Title	Date
		ben@sosconsulting	g.us
		e-mail Address	



June 24, 2015

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

Attn: Mr. David Catanach, Director

Re: Application of Owl SWD Operating, LLC to permit for salt water disposal the proposed well Brininstool Ranch SWD No.3 well, to be located in Section 19, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico.

Ole Contecoming = Revision Arcessing Assessment Clared Activity of Assessment

Dear Mr. Catanach,

Please find enclosed form C-108 Application for Authority to Inject, supporting the above-referenced request to for disposal in the undrilled Brininstool Ranch SWD Well No.3.

Owl SWD Operating seeks to create additional solutions for disposal in various locations in southeast New Mexico. Approval of this application is consistent with that goal as well as the NMOCD's mission of preventing waste and protection of correlative rights.

Published legal notice ran in the June 2, 2015 edition of the Hobbs News-Sun and all offset operators and other interested parties have been notified individually. The legal notice affidavit is included in this application. The application also includes wellbore schematics, area of review maps, leaseholder plats and other required information for a complete Form C-108. The well is located on private land and federal minerals. The BLM APD is in process.

I respectfully request that the approval of this salt water disposal well proceed swiftly and if you or your staff requires additional information or has any questions, please do not hesitate to call or email me.

Best regards,

Ben Stone, Partner SOS Consulting, LLC Agent for Owl SWD Operating, LLC

Cc: Application attachment and file

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

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Salt Water Disposal and the application QUALIFIES for administrative approval.
- II. OPERATOR: Owl SWD Operating, LLC ADDRESS: 8214 Westchester Dr., Ste.850, Dallas, TX 75255

CONTACT PARTY: Agent: SOS Consulting, LLC - Ben Stone (903) 488-9850

- III. WELL DATA: To be Drilled (BLM APD in Process). All well data and applicable wellbore diagrams are ATTACHED.
- IV. This is not an expansion of an existing project.
- V. **A map is attached** 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. A tabulation is attached of data on all wells of public record within the area of review which penetrate the proposed injection zone. ALL wells in the ½ mile AOR have been P&A'd and NO WELLS penetrate the subject interval of Devonian formation. The data includes a description of each well's type, construction, date drilled, location, depth, and a schematic of any plugged well illustrating all plugging detail. NONE.
- VII. The following data is ATTACHED 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. Appropriate geologic data on the injection zone is ATTACHED 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. Due to limited information in the immediate vicinity, geologic information is inferred from existing studies in the region.
- IX. Stimulation program a conventional acid job may be conducted upon completion of the well.
- *X. During drilling, mudlogging will ensure only Devonian interval is targeted. After drilling, logs will be run from TD to approximately 14,000' and will be submitted to the OCD. CBL logs will be run after setting casing.
- *XI. There are 2 domestic water wells within one mile of the proposed salt water disposal well. Samples are being analyzed and will be forwarded upon receipt.
- XII. An affirmative statement is ATTACHED that available geologic and engineering data has been examined and no evidence was found of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- Xill. "Proof of Notice" section on the next page of this form has been completed and ATTACHED. There are 3 offset lessees and/or operators within ½ mile and BLM minerals all have been noticed. ATTACHED.
- 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:	Ben Stone	IJLE: SOS Consulting, LLC agent for Owl SWD Oper	ating, LLC	
SIGNATURE	- Sen	Jone	DATE:	6/17/2015

E-MAIL ADDRESS: ben@sosconsulting.us

* 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:

Page 2

- III. WELL DATA -- The following information and data is included (See ATTACHED Wellbore Schematic):
- 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 pursuant to the following criteria is ATTACHED.

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.

wed SCH. Z3Nd BLM 0' Ground Level (BGL) **Casing Information** 1 Label 2 3 1 4 2,000' -Intermediate Production Intermediate Туре Surface 2 Liner 1 OD 20" 13.625" 9.875" 7* WT 0.500" 0.625" 0.498" 0.625* 2 ID 19" 12.375" 8.625" 6.004" 4,000' -Drift ID 18.812" 12.219" 8.469 5.879" COD 21" 14.375" 10.625 7.656* Weight 106.5 lb/f 88.2 lb/ft 62.8 lb/ft 35 lb/ft J/K-55, P-110, P-110, HCP-110, Grade 2 ST&C BT&C BT&C BT&C Hole Size 17.500" 24" 12.250" 8.500" 6,000' -Depth 11,800' -1,300 5,150' 12,000 Set 17.250' 4 **Proposed Cement Information** Label 1 2 3 4 8,000' -Production . Туре Surface Intermediate 1 Intermediate 2 Liner 13.5 lb/gal 12.7 lb/gal 11.9 lb/gal 14.2 lb/gal Lead Cement 1.941 cf/sk 1.271 cf/sk 1.758 cf/sk 2.448 cf/sk Lead 1,335 sks 3,590 sks 2,042 sks Cement 830 * BL 10,000' -Volume Tail 14.8 lb/gal 14.8 lb/gal 14.2 lb/gal None Cement 1.341 cf/sk 1.332 cf/sk 1.267 cf/sk ۰. Tail Cement 460 sks 230 sks 261 None -Volume TOC 11,800 Surface Surface Surface 12,000' -Cement 3 100% 100% 50% 50% Excess **Tubing Information** 14.000' -Label 5 5 . Production Production Туре Tubing Tubing OD 5.500" 5.500* WT 0.361" 0.415" ID 4.778" 4.670* 16,000' -Drift ID 4.653" 4.545* COD 6.050" 5.500" Weight 20 lb/ft 23 lb/ft 4 **Open Hole Completion** P-110. 5 P-110 Grade w/ 5.875" hole size flush joint 18,000' -BT&C 11,800' -Depth 11,800 TD Approx. @ 18,250' 17,150' Set Brininstool SWD No. 3 OWL SWD Operating, Inc LONQUIST & CO. LLC PETROLEUM ENERGY ENGINEERS ADVISORS Country: USA State/Province: New Mexico County/Parish: Lea Survey/STR: Site: Status: To Be Drilled AUSTIN & WICHITA

HOUSTON Y CALGARY	API No.:	Field:	Ground Elevation: 3,710'
Texas License F-8952	State ID No.:	Project No:	Date: 9/21/2015
3345 Bee Cave Road, Suite 201 Austin, Texas 78746	Drawn: MMC	Reviewed: RSC	Approved: SLP
Tel: 512.732.9812 Fax: 512.732.9816	Rev No:	Notes: Devonian completion.	

L-VCLIENTS/LCO PROJECTS/OWL/GENERAL ENGINEERING/INFORMATION TO NEVIN 0914/5/BRININSTOOL #3/WELL DESIGN/WBD_BRININSTOOL SWD No. 3.DWG, 9/23/2015 9.20.42 AM, MCANNON

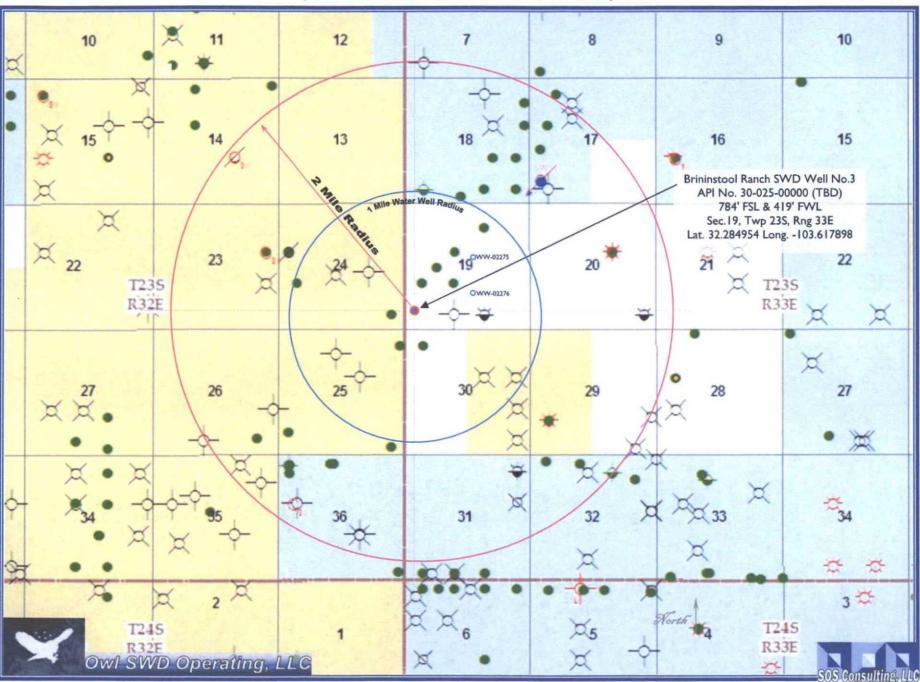
Brininstool SWD No. 3- Wellbore_APD_Calculation_v9.875.xlsx

2nd Dia	20	surface	csg in a	24	inch hole.		Design I	Factors	SUR	FACE
	Segment	#/ft	Grade		Coupling	Joint	Collapse	Burst	Length	Weight
	"A"	106.50	K	55	ST&C	6.93	1.14	0.83	1,300	138,450
	"B"								0	0
	w/8.4#/g	mud, 30min Sfe	Csg Test psig:	1,120	Tail Cmt	does not	circ to sfc.	Totals:	1,300	138,450
	Comparison o	of Proposed t	to Minimum	Required Cer	ment Volumes					
	Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Req'd	Min Dist
	Size	Volume	Cmt Sx	CuFt Cmt	Cu Ft	% Excess	Mud Wt	MASP	BOPE	Hole-Cplg
	24	0.9599	1565	2655	1327	100	10.00	1756	2M	1.50
	Burst Frac Gra						10.00		2111	
3rd Dia	Burst Frac Gra		gment(s) A,							MEDIATE
3rd Dia	Burst Frac Gra	dient(s) for Se	gment(s) A,	B=,b_All>		Joint	Design I Collapse			
3rd Dia	Burst Frac Grad	dient(s) for Se	side the Grade	B=,b_All>	0.70, OK.		Design I	Factors	INTERN	MEDIATE
3rd Dia	Burst Frac Gra 13 5/8 Segment	dient(s) for Se casing in #/ft	side the Grade	B = , b All > 20	0.70, ОК Соupling	Joint	Design I Collapse	Factors Burst	INTERN	VEDIATE Weight
3rd Dia	Burst Frac Gra 13 5/8 Segment "A" "B"	dient(s) for Se casing in #/ft	side the Grade P	B=, b All> 20 110	0.70, ОК Соupling	Joint	Design I Collapse	Factors Burst	INTERN Length 5,150	VEDIATE Weight 454,230
3rd Dia	Burst Frac Grad 13 5/8 Segment "A" "B" w/8.4#/g	dient(s) for Se casing in #/ft 88.20 mud, 30min Sfo	side the Grade P : Csg Test psig:	B=, b All > 20 110	0.70, ОК Соupling	Joint	Design I Collapse	Factors Burst 1.22 Totals:	INTERN Length 5,150 0	MEDIATE Weight 454,230 0
3rd Dia	Burst Frac Grad 13 5/8 Segment "A" "B" w/8.4#/g	dient(s) for Se casing in #/ft 88.20 mud, 30min Sfo	side the Grade P : Csg Test psig:	B=, b All > 20 110	0.70, ОК. Coupling BUTT	Joint 4.76	Design I Collapse 1.58	Factors Burst 1.22 Totals:	INTERM 5,150 0 5,150	MEDIATE Weight 454,230 0 454,230
3rd Dia	Burst Frac Grad 13 5/8 Segment "A" "B" w/8.4#/g The	dient(s) for Se casing in #/ft 88.20 mud, 30min Sfd cement volu	side the Grade P Csg Test psig: me(s) are in	B = , b All > 20 110 tended to act	0.70, ОК. Coupling BUTT	Joint 4.76	Design I Collapse 1.58 ft from su	Factors Burst 1.22 Totals: rface or a	INTERN Length 5,150 0 5,150 1300	MEDIATE Weight 454,230 0 454,230 overlap.

MASP is within 10% of 5000psig, need

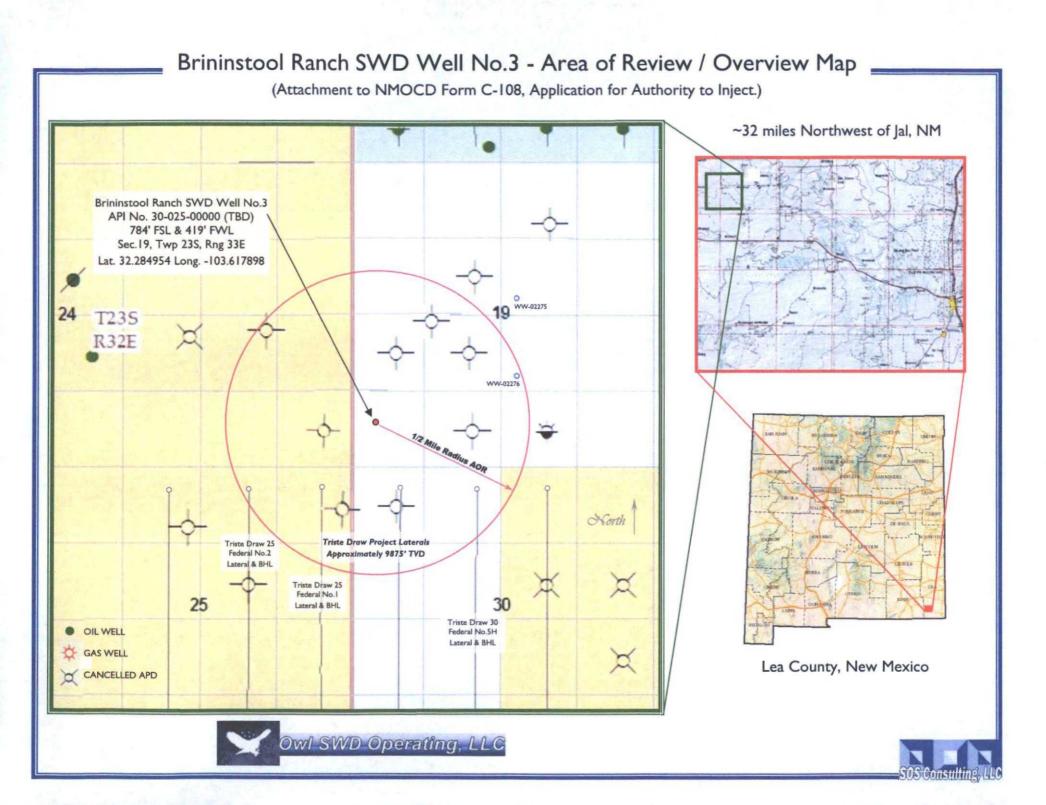
4th Dia	97/8	casing in:	side the	13 5/8	-		Design Fa	ctors	PROD	UCTION
	Segment	#/ft	Grade		Coupling	Joint	Collapse	Burst	Length	Weight
	"A"	62.80	F	110	BUTT	2.10	1.42	1.01	12,000	753,600
1	"B"							S. Sales	0	0
57 20 20 20 20 20 20 20 20 20 20 20 20 20	w/8.4#/g	mud, 30min Sfc	Csg Test psig	: 2,640				Totals:	12,000	753,600
	The	cement volu	me(s) are in	ntended to acl	hieve a top of	0	ft from su	rface or a	5150	overlap.
(Sector Sector Sector	Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Req'd	Min Dist
	Size	Volume	Cmt Sx	CuFt Cmt	Cu Ft	% Excess	Mud Wt	MASP	BOPE	Hole-Cplg
	12 1/4	0.2866	2303	5330	3543	50	11.60	8302	10M	0.81
A DESCRIPTION OF THE OWNER OF	Class 'H' tail cn	00.1.4.1.1.1		AAACD is with	in 10% of 5000	ante mand a	Columna envira			

5th Dia	7	Liner w	/top @	11800	-		Design	Factors	LI	NER
	Segment	#/ft	Grade		Coupling	Joint	Collapse	Burst	Length	Weight
The second of	"A"	35.00	HCP	110	BUTT	1.82	1.15	0.96	5,450	190,750
	"B"								0	0
	w/8.4#/g	mud, 30min Sf	Csg Test psig:	621				Totals:	5,450	190,750
	The	cement volu	ime(s) are in	tended to acl	hieve a top of	11800	ft from su	urface or a	200	overlap.
and the species of	Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Req'd	Min Dist
	Size	Volume	Cmt Sx	CuFt Cmt	Cu Ft	% Excess	Mud Wt	MASP	BOPE	Hole-Cplg
	8 1/2	0.1268	830	1055	702	50	13.50			0.422
	DUISLFIDL			Capitan Reef	est top XXXX.		MASP is with	in 10% of 500	Opsig, need	exrta equip?



Brininstool Ranch SWD Well No.3 - Area of Review - 2 Miles

(Attachment to NMOCD Form C-108 - Item V)



C-108 - Item VI

Area of Review Well Data

THERE ARE NO WELLS WHICH PENETRATE THE PROPOSED DEVONIAN FORMATION IN THE ONE-HALF MILE AREA of REVIEW.

All wells in the AOR have been P&A'd.

Several horizontal laterals enter the AOR from the south. These wells are in Cimerex Energy Company's Triste Draw Bone Spring Project with the lateral completions running approximately 9875' True Vertical Depth.

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C-108 ITEM VII – PROPOSED OPERATION

Brininstool Ranch SWD Well No.3

Commercial SWD Facility

Upon approval of all permits for SWD, operations would begin within 30 days. Completion of the well operations will take six to seven weeks. Facility construction including installation of the tank battery, berms, plumbing and other and associated equipment would be occurring during the same interval but at a different location from the well. In any event, it is not expected for the construction phase of the project to last more than 60 days, depending on availability of contractors and equipment. At the time of this submittal, and subject to the availability of the drilling contractor, the anticipated start date is August 15, 2015.

Configure for Salt Water Disposal

Prior to commencing any work, an NOI sundry(ies) will be submitted to configure the well for SWD and will detail the completion workover including all work otherwise described above, any change to the procedure noted herein and to perform mechanical integrity pressure test per OCD test procedures. (Notify NMOCD 24 hours prior.) The casing/tubing annulus will be monitored for communication with injection fluid or loss of casing integrity.

Operational Summary

The SWD facility will be fenced with only the offloading station located outside so that trucks may access for load disposal 24/7.

The well and injection equipment will be a closed system and equipped with pressure limiting devices and volume meters. The annulus, loaded with an inert, anti-corrosion packer fluid, will be monitored for pressure.

The tanks will be equipped with telemetry devices and visual alarms to alert the operator and customers of full tanks or an overflow situation.

Anticipated daily maximum volume is 20,000 bpd and an average of 15,000 bpd at a maximum surface injection pressure of 3200 psi (.2 psi/ft gradient) with an average pressure of approximately 580 psi.

Potential releases will be contained and cleaned up immediately. The operator shall repair or otherwise correct the situation within 48 hours before resuming operations. OCD will be notified within 24 hours of any release greater than 5 bbls. If required, remediation will start as soon as practicable. Operator shall comply with 19.15.29 NMAC and 19.15.30 NMAC, as necessary and appropriate.

C-108 - Item VII.5

Water Analysis - Disposal Zone - DEVONIAN

NM WAIDS D	ATA		,	;
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

BioTe	chin.	Lat	oratory Analysis Endurance	i	Sample Da	te: <u>1/31/2014</u>	
Requested by:	T, Røtliff	J	azzmaster 17 Sta	ate #4H	Lea (Co. NM	
		Water /	Analysis Measurements	Calions (*)	910°L	Anions (+	mot
Oxygen (mg1)	1.00	Od in Water (ppm)	76.8	Darium (Ba)	0	Carbonate (CO ₃)	0
Carbon Dio ide (mg1.)	QUQ 16	Specific Gravity	1 150	Calcium (Ca)	16.440	Bicarbonate (HOO) }	. 11 60
Hydrogen Suthide (mg%)	00	Total Dissolved Solids (TDS		Ragnesium (Mg.)	380	Chloride (mg1_)	118 520
pH	57	(mg/L) (#	180 (/19	Sodam (Na) _{(an}	54 270	Suttate (SO,)	319
Temperature 👎	מ	Total Hardness (mg/L)	15 (10)	tron (#e)	300		
				Manganese (Mn)	0.00		

Water Analysis - Source Zone – DELAWARE

P C ROL THE	rtin Water Labo	ratories, 1a	IC.		
Per Sala 1230 (DR 563 1943	RESULT OF WATER	ANALYSES			PHONE MIL PL21
			DV 140	9979	<u> </u>
oKrloe_Scall		SAMPLE BLA	CENTED .	G_16	-01
P. O. BOX SISIO, Midland, IX 7	9710	RESULTS RE		9_18	-07
OUPANY Heridian Oil Company		LEASE	Dage	ar.14ks.#1	
ECTION BLOCK SURVEY	COUNTY			<u>124</u>	
NO 1 Recovered water - taken fr	on Dagger Lal	a 11. 9:	-9-92		
NU 2					
NO.3					
140.4					
	Delavar				
IEWARKS:					
CHEI	NO. 1	CAL PROPERT		NO 3	
				10.1	NO,4
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Fills agus Balledo pa migh			<u> </u>		
Value of the set off		1			1

C-108 – Item VIII

Geologic Information

The Devonian formation is comprised of carbonate and chert rocks and is found throughout the Permian Basin. In the area of this proposed well, the Devonian formation can be found at approximately 16,000' feet in total depth (~ -12,300' SS). The nearest Devonian production is in the Bell Lake Field about five miles east of this location. The Devonian in this area is estimated to be from 800'-1200' in total thickness and consists of a somewhat porous, tan dolomite capable of taking water from an injection well. Regional dip of the Devonian formation is to the southeast at a rate of about 100 feet per mile.

Immediately above the Devonian is the Woodford Shale. This shale formation is approximately 150-200 feet thick and is found immediately above the top of the Devonian in this region. Additional barrier geology above the Devonian and the Woodford would be the Wolfcamp shale and the massive Rustler formation, both of which are found between the proposed injection interval within the Devonian and the lowermost underground source of drinking water (USDW). In the region of this proposed well, these formations can be found at 14,800' (-11,100' SS) and 1200' (2500' SS) respectively.

At the proposed depth of 17,500', the well should TD approximately 1500 feet below the estimated top of the Devonian. Casing shoe depth and final TD will be determined by mud logging, drilling records, and openhole logging to ensure that the target interval remains Devonian and possibly <u>upper Montoya</u>. Once the Devonian has been determined, the casing shoe depth will be set at the top of the Devonian with the gross injection interval being the openhole section found within the formation. *In any event, the interval will likely be contracted between a maximum of 16,000' to 18,000'*

Fresh water in the area is generally available from the Santa Rosa formation. State Engineer's records show water wells in the area to have an average depth of 347 feet and a minimum of 225 feet.

There are 2 water wells located within one mile (both to NE) of the proposed SWD. Analyses will be forwarded to NMOCD upon receipt.

C-108 – Item VIII

Geologic Information – Depth to Groundwater (2 water wells within 1 mile of proposed SWD.)

New Mexico Office of the State Engineer Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)	(R=POD has been replaced O=orphaned, C=the file is closed)	(qua						IE 3=SW		3 UTM in meters)		(in feel	ı)
POD Number	POD Sub- Code basin	County		Q 16			: Tws	Rng	X	Y	•	•	Water Column
<u>C 02275</u>		LE	3	3	2	19	23S	33E	630843	3573557* 🏹	650	400	250
<u>C 02276</u>		LE	3	1	4	19	23S	33E	630848	3573154 🍚	650	400	250
<u>C 02277</u>		LE	2	3	4	20	23S	33E	632663	3572970' 🤪	550	400	150
<u>C 02278</u>		LE	3	4	2	28	23S	33E	634484	3571989* 🎧	650	400	250
<u>C 02279</u>		LE	3	4	3	28	23S	33E	633691	3571173" 😽	650	400	250
<u>C 02280</u>		LË	3	2	4	28	23S	33E	634489	3571586" 🚱	650	400	250
<u>C 02281</u>		LE	3	4	4	28	23S	33E	634495	3571183' 🌍	545	400	145
C 02282		LE	3	1	1	25	235	33E	638098	3572436* 🌍	325	225	100
<u>C 02283</u>		LE	4	2	2	26	23S	33E	637896	3572431" 🥪	325	225	100
C 02284		LE	4	2	4	26	23S	33E	637907	3571626" 🌍	325	225	100
C 03582 POD1	с	LE	4	1	1	14	23S	33E	636583	3575666 🥁	590		
										Average Depth to	Water:	347 f	eet
										Minimum) Depth:	225 f	eet
										Maximum	Depth:	400 f	eet
Record Count: 11 PLSS Search:	· • •								. .			*	-

Township: 23S Range: 33E

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

4/1/15 10:51 AM

Page 1 of 1

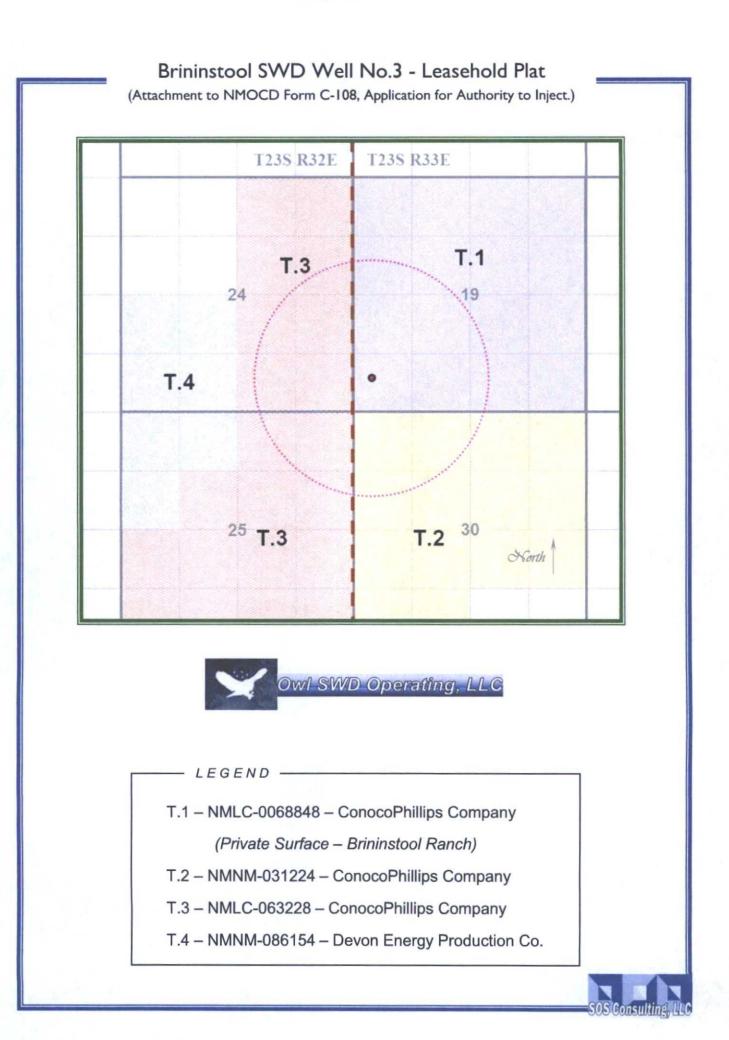
WATER COLUMN/ AVERAGE DEPTH TO WATER

C-108 ITEM XII – GEOLOGIC AFFIRMATION

We have examined available geologic and engineering data and have found no evidence of open faults or other hydrologic connection between the disposal interval and any underground sources of drinking water.

Ben Stone, Partner SOS Consulting, LLC

Project: Owl SWD Operating, LLC Brininstool SWD No.3 Reviewed 5/28/2015



C-108 ITEM XIII – PROOF OF NOTIFICATION INTERESTED PARTIES LIST

SURFACE OWNER

1 BRININSTOOL XL RANCH, LLC P.O. Box 940 Jal, New Mexico 88252

MINERALS LESSEES and OPERATORS (Including Offsetting) (All Notified via USPS Certified Mail)

BLM Leases NMLC-0068848; NMNM-031224; NMLC-063228 Lessee

2 CONOCOPHILLIPS P.O. Box 7500 Bartlesville, OK 74005

Operator

3 CIMEREX ENERGY COMPANY 600 N. Marienfeld Street, Ste.600 Midland, TX 79701

BLM Leases NMLC-0068848 Lessee / Operator

 DEVON ENERGY PRODUCTION COMPANY, LP 333 W. Sheridan OKC, OK 73102

MINERALS OWNER (Including Offsetting)

(All Notified via USPS Certified Mail)

5 U.S. DEPARTMENT OF INTERIOR Bureau of Land Management Oil & Gas Division 620 E. Greene St. Carlsbad, NM 88220

REGULATORY

NEW MEXICO OIL CONSERVATION DIVISION (FedEx'ed original and copy) 1220 S. St. Francis Dr. Santa Fe, NM 87505

NEW MEXICO OIL CONSERVATION DIVISION (FedEx'ed copy) 1625 S. French Drive Hobbs, NM 88240



June 24, 2015

NOTIFICATION TO INTERESTED PARTIES via U.S. Certified Mail

To Whom It May Concern:

Owl SWD Operating, LLC, Dallas, Texas, has made application to the New Mexico Oil Conservation Division to drill and complete for salt water disposal the Brininstool Ranch SWD Well No.3. The proposed SWD will be for commercial use. As indicated in the notice below, the well will be located in Section 19, Township 23 South, Range 33 East in Lea County, New Mexico.

Olle CostAccounting = Regulatory Processing Assistance = Oll related Assist

The disposal interval will be through openhole from 16,000 feet to 18,000 feet in the Devonian formation.

Following is the legal notice published in the Hobbs News-Sun, Hobbs, New Mexico on or about June 2, 2015.

LEGAL NOTICE

Owl SWD Operating, LLC, 8214 Westchester Dr., Ste.850, Dallas, TX 75255 is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division for administrative approval to [drill and] permit for salt water disposal its Brininstool Ranch SWD Well No.3. The well will be located 784' FSL & 419' FWL in Section 19, Township 23 South, Range 33 East in Lea County, New Mexico. Produced water from area production will be commercially disposed into the Devonian and Silurian (Upper Montoya) formations, as encountered and identified by log analysis, through an openhole completion between a maximum applied for top of 16,000 feet to maximum depth of 18,000 feet. (Actual interval will vary only by depth setting of casing and DTD when desired porosity interval is exposed meaning, total depth of the well could be slightly shallower and casing shoe deeper.) The maximum injection pressure will be 3200 psi surface (or 0.2 psi/ft gradient to uppermost injection interval) and a maximum rate limited only by such pressure.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87505, (505)476-3460 within 15 days of the date of this notice. Additional information may be obtained from the applicant's agent, SOS Consulting, LLC, (903)488-9850 or, email info@sosconsulting.us.

You have been identified as a party who may be interested as an offset lessee or operator.

You are entitled to a full copy of the application. A full copy in PDF format on a mini-CD will be arriving within a few days of this notice. If you do not receive it, please call or email SOS Consulting, LLC at 903-488-9850, info@sosconsulting.us, and a copy will be expedited to you and may also be sent via email if preferred.

Thank you for your attention in this matter.

Best regards,

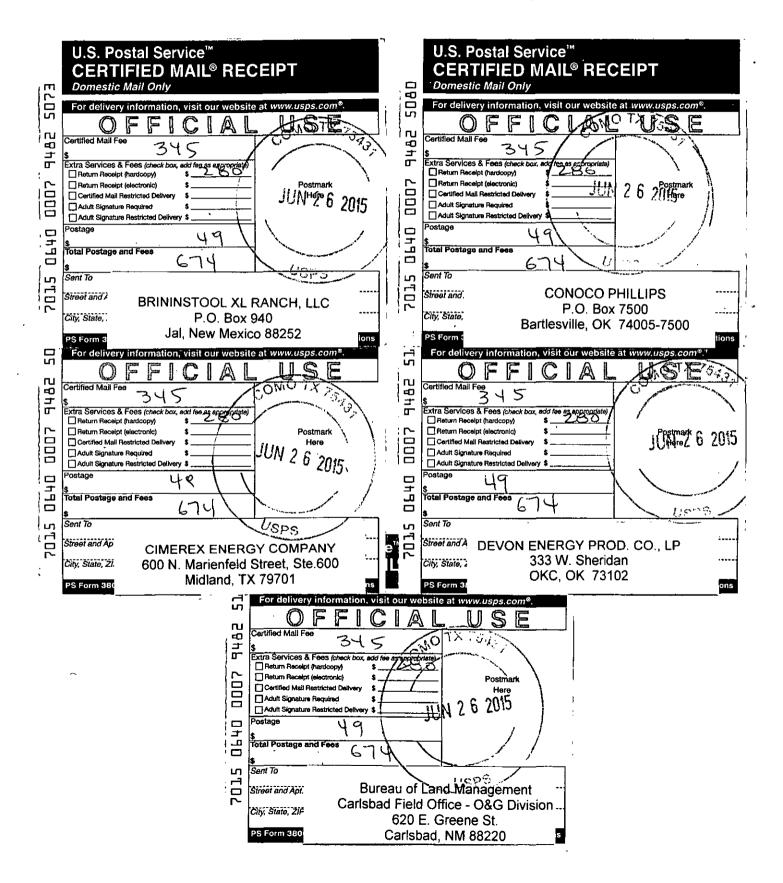
Jone

Ben Stone, SOS Consulting, LLC Agent for Owl SWD Operating, LLC

Cc: Application File

C-108 - Item XIV

Proof of Notice (Certified Mail Receipts)



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).

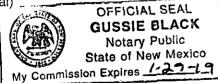
> Beginning with the issue dated June 02, 2015 and ending with the issue dated June 02, 2015.

Publisher

Sworn and subscribed to before me this 2nd day of June 2015.

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

LEGALS LEGAL NOTICE June 2, 2015 Owl SWD Operating, LLC, 8214 Westchester Dr., Ste.850, Dallas, TX 75255 is filing Form C-108 (Application for Authority to Form C-108 Inject) with the New Mexico Oil Conservation Division for administrative approval to [drill and] permit for_salt water disposal its Brininstool Ranch SWD Well No.3. The well will be located 784' FSL & 419' FWL in Section 19. Township 23 South, Range 33 East in Lea County, New Mexico. Produced water from area production will be commercially disposed into the Devonian and Silurian (Upper Montoya) formations, (Upper Montoya) formations, as encountered, and identified by log analysis; through an openhole completion between, a maximum applied for top of 16,000 feet to maximum depth of 18,000 feet. (Actual interval will vary only by depth setting of casing; and DTD when desired porosity interval is exposed meaning, total depth of the well could be slightly shallower_and be slightly shallower_and casing shoe deeper.)-The maximum injection pressure will be 3200 psi surface.(or 0.2 psi/ft gradient to uppermost injection interval) and a maximum rate limited only by such pressure.

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67104420

00157416

BEN STONE SOS CONSULTING, LLC. P.O. BOX 300 COMO, TX 75431

SHEDR HEW NEW	C-108 Review	w Checklist: R	トモレアシー sceived <u>」ショフン</u> Add. Reque	edy S	AS 129 Reply Date: 196	Suspended: [Ver 15]
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API : 30-0 _	25-427 6	Spud Da	te: TBn	New or Old:	<u> </u>	Primacy 03/07/1982)
Footages	419EWL	Lot	Dor Unit Sec <u>14</u>	Tsp 7	35 Rge 315	County Lea
General Locat	ion: 225-2-	s nul JA	Pool:	کر د می ک	se vonida	Pool No.:
			operAting (: 30837 Conta	ct: Stone
	ERULE 5.9: Total We					5.9 OK? Date: 10-15-24
WELL FILE R	EVIEWED 🔿 Curren	it Status: Pri	pused			
WELL DIAGR	AMS: NEW: Propose	d 🕑 or RE-ENTER:	Before Conv. O After C	onv. 🔿 L	ogs in Imaging:	
Planned Rehal	o Work to Well:	BL Nu	Liner + 2	ndint	comediate	2
Well Cons	7 struction Details	Sizes (in) Borehole / Pipe	Setting Depths (ft)		Cement Sx or Cf	Cement Top and Determination Method
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	it: Litho. Struc. Por.		DV	17000		or NEW Perfs ()
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} -	AOR: Hydrologic					(0.2 psi per ft)
						<u>NW</u> : Cliff House fm
FRESH WA	TER: Aquifer Doc	Kum	Max Depth Yoo	HYDRC	AFFIRM STATEME	NT <u>By Qualified Person</u>
NMOSE Bas	in: CARLSHAL	_ CAPITAN REEF:	thru adj NA	No. Wells w	vithin 1-Mile Radius	P FW Analysis
Disposal Flu	id: Formation Source	(s) <u>Dela</u>	Analysis	?	On Lease () Operat	or Only () or Commercial ()
Disposal Int:	Inject Rate (Avg/Max	(BWPD):	Protectable Water	s?	ource:	System: Closed or Open
		11		\sim		2-Mile Radius Pool Map
•		A *	Total No. Wells P	_	1	<u> </u>
			on which well(s)?_	=		r -
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	,					· · ·
RULE 26.7(A)	: Identified Tracts?	Affected Pers	sons: <u>Cimar</u>	Ex, Bu		N. Date 6-26
Order Cond		1				<u> </u>
Add Order Co	nd:					

New Mexico Office of the State Engineer Water Column/Average Depth to Water

(A CLW###### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)	(R=POD has been replaced, O=orphaned, C=the file is closed)	(quar							SW 4=SE) st) (NAD8	3 UTM in meters)	1	(In feet)
POD Number	POD Sub- Code basin C	· /	Q 64		1.00	1. A.	Tws	Rng,	X			•	Water Column
C 02275		LE					23S		630843	3573557* 🌍	650	400	250
<u>C 02276</u>		LE	3	1	4	19	23S	33E	630848	3573154* 🎲	650	400	250
<u>C 02277</u>		LE	2	3	4	20	23S	33E	632663	3572970* 🎡	550	400	150
										Average Depth to Water:		400 f	eet
				,						Minimum Depth:		400 f	eet
										Maximum Depth:		400 f	eet
Record Count: 3													

PLSS Search:

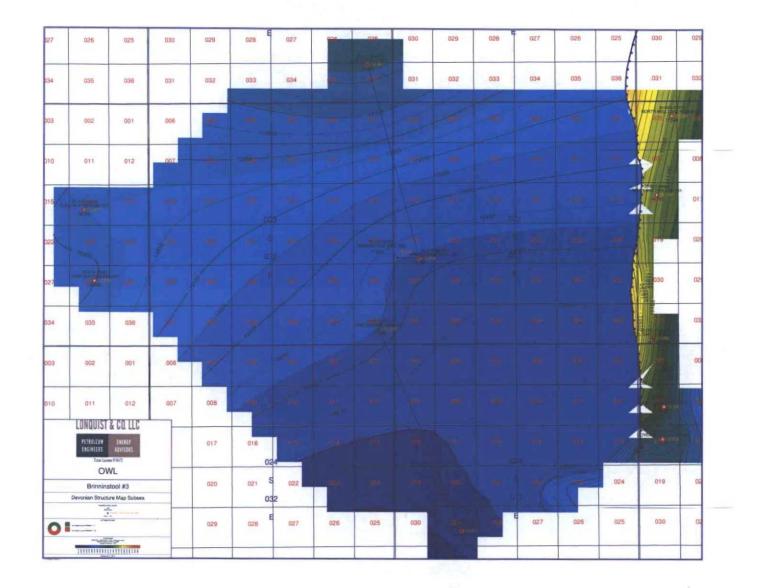
Section(s): 17-20

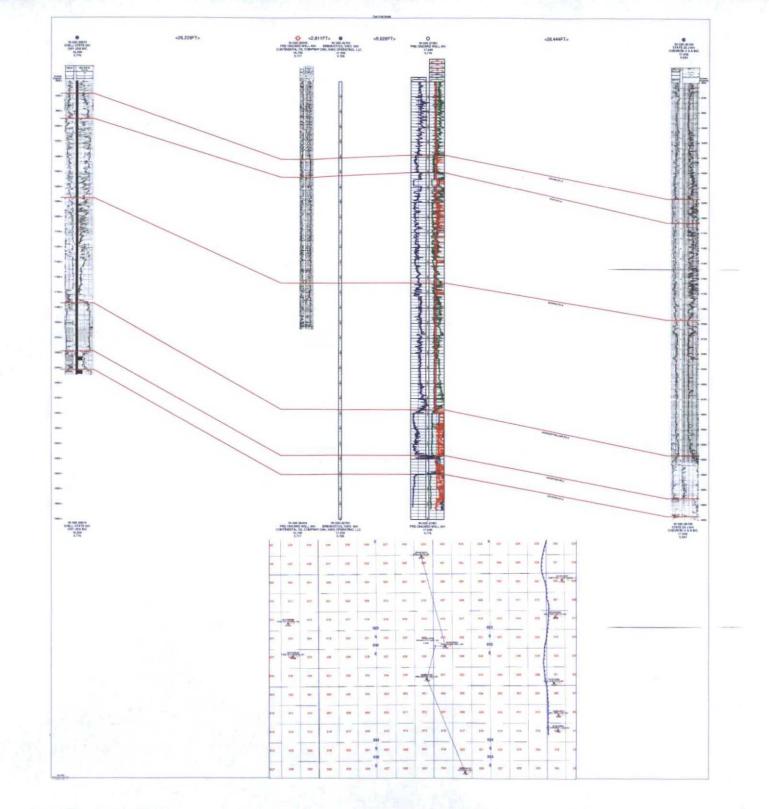
Township: 23S

Range: 33E

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.





Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Gussie Black, Business Manager 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).

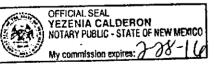
> Beginning with the issue dated September 27, 2015 and ending with the issue dated September 27, 2015.

Business Manager

Sworn and subscribed to before me this 27th day of September 2015.

Circulation Coordinator

My commission expires February 28, 2016 (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 67104420

00163777

BEN STONE SOS CONSULTING, LLC. P.O. BOX 300 COMO, TX 75431

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heceived 10^{05,2015}

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