BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JUNE 13, 2019

CASE NO. 20557

SCULLY SWD NO. 1 WELL

LEA COUNTY, NEW MEXICO

GOODNIGHT
MIDSTREAM

GOODNIGHT
MIDSTREAM

Company Overview

June 2019

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A
Case No. 20557
Submitted by: **GOODNIGHT MIDSTREAM**
Hearing Date: June 13, 2019

Goodnight Overview

The most reliable produced water gathering and disposal company in the Permian and Bakken.

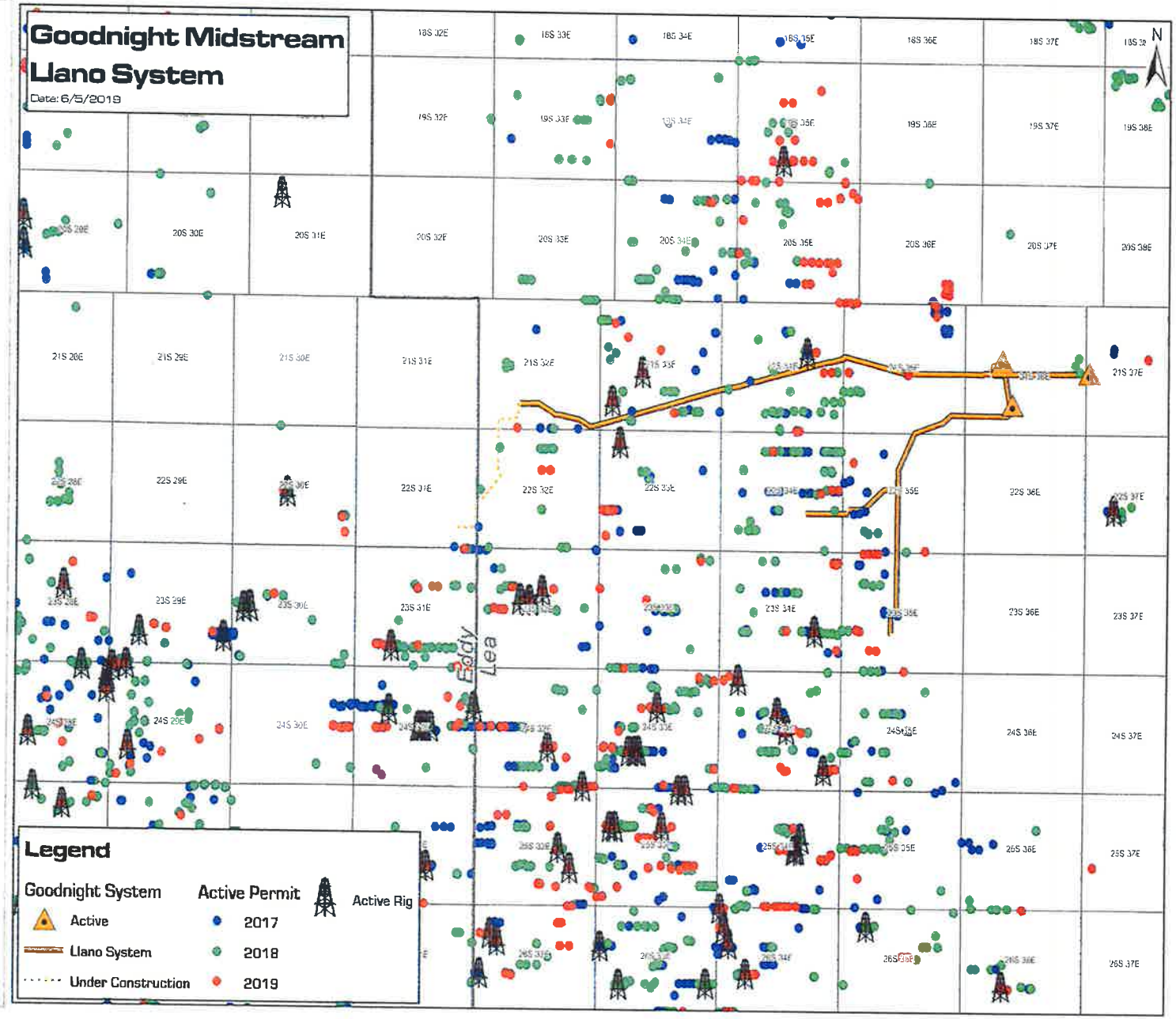
- Founded in 2011 to provide long-term produced water solutions to oil and gas operators
- Handle over 450,000 BWPD with 2/3 of that volume received by pipeline
- Own and operate more than 50 SWDs and 450 miles of water-gathering and transmission lines with additional facilities and pipelines currently under construction
- 99%+ pipeline uptime
- Executed and delivered on long-term contracts with fifteen major producers
- Maintain excellent landowner relationships
- Over 160 employees
- Safety in construction and operations is our number one priority

GOODNIGHT MIDSTREAM

Llano System Overview

Key Points

- Goodnight's Llano system is comprised of 47 miles of pipeline with 400 MBw/d of throughput capacity and three existing SWDs
- Llano system transports produced water from the central Delaware Basin to Goodnight's saltwater disposal well system on the Central Basin Platform ("CBP") in the Eunice area. The Llano system utilizes the depleted oil fields on the CBP as a superior geologic alternative for sustainable disposal of produced water into multiple formations
- The Llano system receives volumes from > 200,000 gross dedicated acres
- Offset operators are targeting high porosity and permeable Bone Spring sand targets with great success
- Marine sandstones in the Bone Spring are capable of producing very high initial rates and fluid volumes
- Offset operators include Ameredev, EOG, Conoco, Devon, Marathon, Matador, Centennial, Oxy and XTO



GOODNIGHT MIDSTREAM

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.

ABOVE THIS LINE FOR DIVISION USE ONLY

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

ADMINISTRATIVE APPLICATION CHECKLIST

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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☒ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[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 individual with managerial and/or supervisory capacity.

Nate Alleman	Nathan Alleman	Regulatory Specialist - ALL Consulting	04/03/2019
Print or Type Name	Signature	Title	Date

nalleman@all-llc.com
Date e-mail Address

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Case No. 20557
Submitted by: GOODNIGHT MIDSTREAM
Hearing Date: June 13, 2019

EXHIBIT A

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT

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

FORM C-108
Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____Secondary Recovery _____Pressure Maintenance ___X___Disposal
_____Storage Application qualifies for administrative approval? ___X___Yes _____No

II. OPERATOR: Goodnight Midstream Permian, LLC

ADDRESS: 5910 N Central Expressway, Suite 850, Dallas, TX 75206

CONTACT PARTY: Grant Adams PHONE: 214-444-7388(0)

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____Yes ___X___No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

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

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

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

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

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: _____ TITLE: _____

SIGNATURE: _____ DATE: _____

E-MAIL ADDRESS: _____

* 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

EXHIBIT A

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.

EXHIBIT A

Application for Authorization to Inject
Well Name: Scully SWD 1

III – Well Data (*The Wellbore Diagram is included as **Attachment 1***)

A.

(1) General Well Information:

Operator: Goodnight Midstream Permian, LLC (OGRID No. 372311)
Lease Name & Well Number: Scully SWD 1
Location Footage Calls: 1,724 FNL & 1,607 FWL
Legal Location: Unit Letter F, S4 T22S R36E
Ground Elevation: 3,589'
Proposed Injection Interval: 4,450' – 5,750'
County: Lea

(2) Casing Information:

Type	Hole Size	Casing Size	Casing Weight	Setting Depth	Sacks of Cement	Estimated TOC	Method Determined
Surface	12-1/4"	9-5/8"	40.0 lb/ft	495'	155	Surface	Circulation
Intermediate 1	8-3/4"	7"	26.0 lb/ft	4,450'	581	Surface	Circulation/ CBL
Tubing	6-3/11"	4-1/2"	20.0 lb/ft	4,430'	N/A	N/A	N/A

(3) Tubing Information:

4-1/2" (composite weight string) of fiberglass-coated tubing with setting depth of 4,430'

(4) Packer Information: Lok-set or equivalent packer set at 4,430'

B.

(1) Injection Formation Name: San Andres
Pool Name: SWD; SAN ANDRES
Pool Code: 96121
(2) Injection Interval: Open-hole injection between 4,450' – 5,750'
(3) Drilling Purpose: New Drill for Salt Water Disposal
(4) Other Perforated Intervals: No other perforated intervals exist.
(5) Overlying Oil and Gas Zones: Below are the approximate formation tops for known oil and gas producing zones in the area.

- Grayburg (3,945')

Underlying Oil and Gas Zones: Below are the approximate formation tops for known oil and gas producing zones in the area.

- Tubb (7,270')

EXHIBIT A

V – Well and Lease Maps

The following maps are included in ***Attachment 2***:

- 2-mile Oil & Gas Well Map
- 2-mile Lease Map
- 1/2-mile Well Detail List
- Potash Lease Map

VI – AOR Well List

There are 18 wells within the 1/2-mile AOR, but none of the wells penetrate the proposed injection zone.

A list of the wells within the 1/2-mile AOR is included in ***Attachment 2***.

VII – Proposed Operation

(1) **Proposed Maximum Injection Rate:** 35,000 bpd
Proposed Average Injection Rate: 17,500 bpd

(2) A **closed system** will be used.

(3) **Proposed Maximum Injection Pressure**: 890 psi (surface)
Proposed Average Injection Pressure: approximately 445 psi (surface)

(4) **Source Water Analysis:** It is expected that the injectate will consist of produced water from production wells completed in the Wolfcamp and Bone Springs formations. Analysis of water from these formations is included in ***Attachment 3***.

(5) **Injection Formation Water Analysis:** The proposed SWD will be injecting water into the San Andres formation which is a non-productive zone known to be compatible with formation water from the Wolfcamp and Bone Springs formations. Water analyses from the Bone Springs, Delaware, Devonian, and Wolfcamp formations in the area are included in ***Attachment 4.***

VIII – Geologic Description

The proposed injection interval includes the San Andres formations from 4,450 – 5,750 feet. This formation consists of interbedded carbonate rocks including dolomites and limestones. Several thick intervals of porous and permeable carbonate rock capable of taking water are present within the subject formation in the area.

The freshwater formation is the Rustler at a depth of approximately 470 feet. Water well depths in the area range from approximately 222 – 267 feet below ground surface.

IX – Proposed Stimulation Program

A small cleanup acid job may be used to remove mud and drill cuttings from the formation. However, no other formation stimulation is currently planned.

X – Logging and Test Data

Logs will be submitted to the Division upon completion of the well.

EXHIBIT A

XI – Fresh Groundwater Samples

Based on a review of data from the New Mexico Office of the State Engineer, 3 groundwater wells are located within 1 mile of the proposed SWD location; however, state water well data and conversations with water well owners have revealed that none of the water wells are currently in use. Thus no water samples have been collected.

A water well map, details of water wells within 1-mile, and any associated water analyses are included in ***Attachment 5***.

XII – No Hydrologic Connection Statement

No faulting is present in the area that would provide a hydrologic connection between the injection interval and overlying USDWs. Additionally, the casing program has been designed to ensure there will be no hydrologic connection between the injection interval and overlying USDWs.

XIII – Proof of Notice

A Public Notice was filed with the Hobbs News-Sun newspaper and an affidavit is included in ***Attachment 6***.

A copy of the application was mailed to the OCD District Office, landowner, and leasehold operators within 1/2-mile of the proposed SWD location. A list of the recipients, as well as delivery confirmations, are included in ***Attachment 6***.

EXHIBIT A

Attachments

Attachment 1: Wellbore Diagram

Attachment 2: Area of Review Information:

- 2-mile Oil & Gas Well Map
- 2-mile Lease Map
- 1/2-mile Well Detail List
- Potash Lease Map

Attachment 3: Source Water Analyses

Attachment 4: Injection Formation Water Analyses

Attachment 5: Water Well Map and Well Data

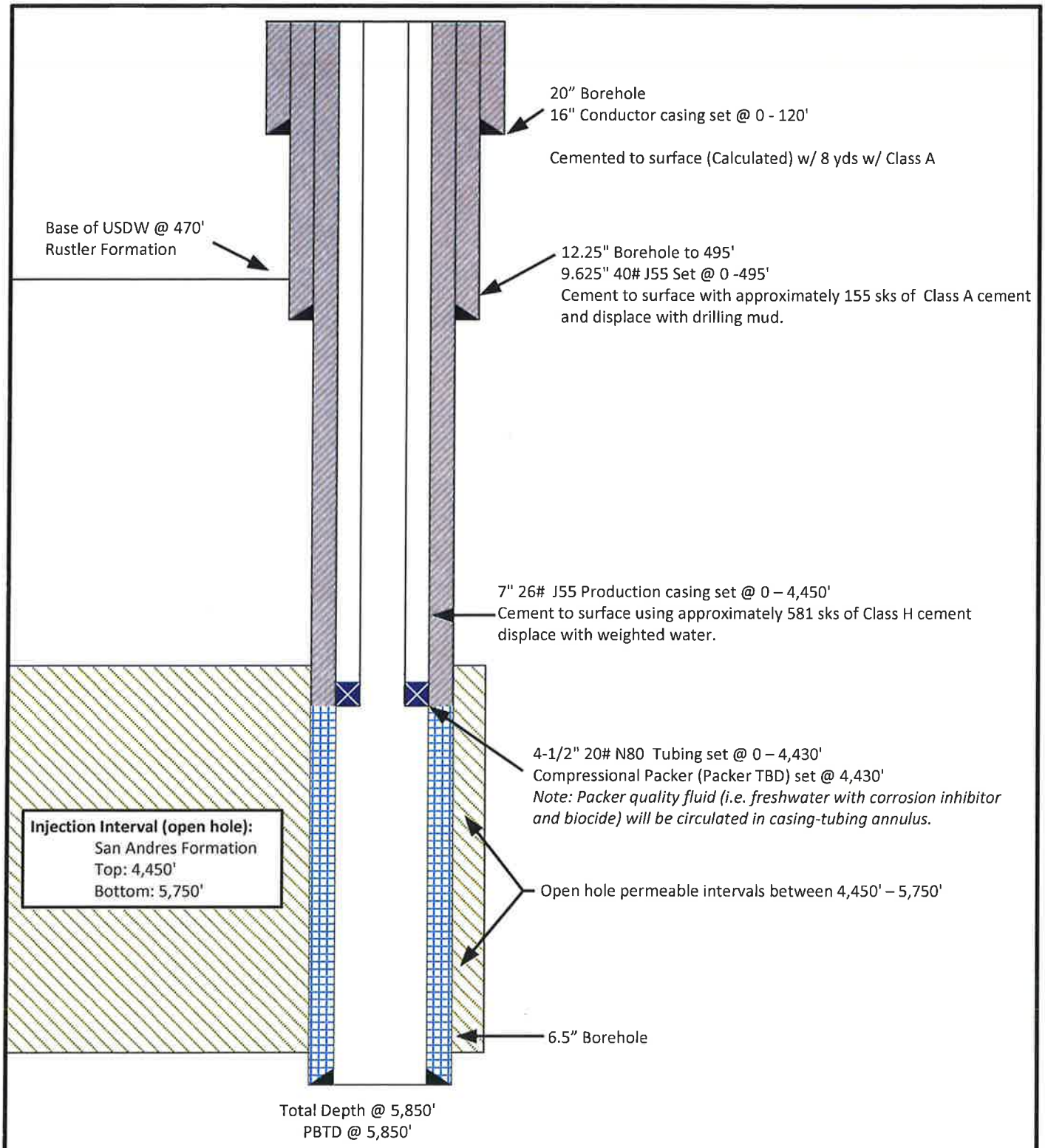
Attachment 6: Public Notice Affidavit and Notice of Application Confirmations

EXHIBIT A

Attachment 1

Wellbore Diagram

EXHIBIT A



NOT TO SCALE

Note: Listed depths and cement volumes are approximates based on available information.

Prepared by: ALL CONSULTING	Drawn by: Joshua Ticknor	Goodnight Midstream Permian, LLC
	Project Manager: Nathan Alleman	Scully SWD 1
	Date: 03/26/2019	Section 4, Twp 22S, Rng 36E 1,724' FNL & 1,607 FWL Lea County, NM

EXHIBIT A

A-3 and AL-2 LOK-SET Retrievable Casing Packers

Product Family No. H64630 and H64628

APPLICATION

The A-3™ LOK-SET™ packer combines advantages of a retrievable packer with the features of a permanent packer. An ability to lock down tubing forces makes the A-3 suitable for a broad range of applications, including production, injection, zone isolation, and remedial operations. The AL-2™ LOK-SET packer is similar to the A-3, and has a larger bore.

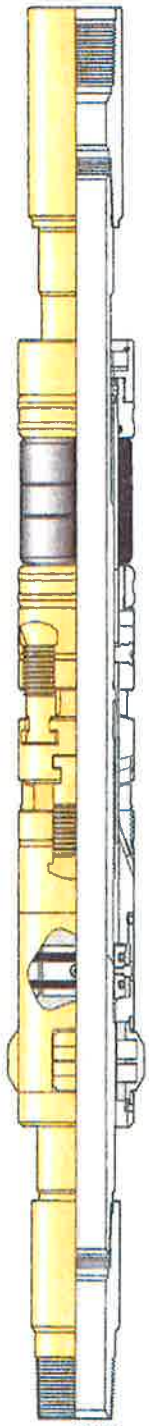
Advantages

- Holds pressure from above and below, without relying on set-down weight, tubing tension, or hydraulic hold down
- Provides tubing anchoring with tension applied, suitable for pumping wells or injection, controlling tubing forces related to change fluid temperatures
- Opposed, non-transferring, dovetail slips prevent packer movement associated with changing differential pressures, while allowing the landing of the tubing in tension, neutral or compression
- Right-hand tubing rotation controls setting and releasing
- Packing element compression locks in by ratcheting action of lock segments, which restricts rotation to one direction

Accessories

To provide a simple and reliable injection system for retrieving an injection string without having to unseat the packer.

L-10 or L-316 on-off sealing connectors, Product Family Nos. H68420 and H68422. Baker Hughes blanking plug can be used in the seating nipple profile of the on-off sealing connector to provide a means of plugging the lower zone while the tubing is being pulled.



A-3 LOK-SET Retrievable Casing Packer Product Family No. H64630

EXHIBIT A

SPECIFICATION GUIDES

A-3™ LOK-SET Retrievable Casing Packer, Product Family No. H64630

Casing			Packer				
OD		Weight •	Size	Nom ID		Max Gage Ring OD	
in.	mm	lb/ft		in.	mm	in.	mm
4	101.6	9.5–12.9	41A2	1.500	38.1	3.244	82.4
4-1/2	114.3	21.6–23.6	41A2	1.500	38.1	3.244	82.4
4	101.6	9.5	41A4	1.500	38.1	3.423	112.4
4-1/2	114.3	18.8	41A4	1.500	38.1	3.423	112.4
		13.5–17.7	41B			3.578	90.9
		11.6–13.5	43A2	1.978	50.2	3.786	96.2
		9.5–10.5	43A4			3.786	96.2
5	127.0	15–18	43B	1.978	50.2	4.140	105.2
		11.5–15	43C			4.265	108.3
5-1/2	139.7	26	43C	1.978	50.2	4.265	108.3
		20–23	45A2			4.515	114.7
		15.5–20	45A4			4.656	118.3
		13–15.5	45B			4.796	121.8
6	152.4	26	45B	1.978	50.2	4.796	121.8
		20–23	45C			5.078	129.0
		15–18	45D			5.171	131.3
6-5/8	168.3	34	45E	1.978	50.2	5.421	137.7
		24–32	45F			5.499	139.7
		24	47A2	2.441	62.0	5.671	144.0
		17–24	45G	1.978	50.2	5.796	147.2
		17–20	47A4	2.441	62.0	5.827	148.0
7	177.8	38	47A2	2.441	62.0	5.671	144.0
		32–35	47A4			5.827	148.0
		26–29	47B2			5.983	152.0
		23–26	47B4			6.093	154.8
		17–20	47C2			6.281	159.5
7-5/8	193.7	33.7–39	47C4	2.441	62.0	6.468	164.3
		24–29.7	47D2			6.687	169.9
		20–24	47D4			6.827	173.4
8-5/8	219.1	44–49	49A2	3.500	88.9	7.327	186.1
		32–40	49A4			7.546	191.7
		20–28	49B			7.796	198.0
9-5/8	244.5	47–53.5	51A2	3.500	88.9	8.234	209.1
		40–47	51A4			8.452	214.7
		29.3–36	51B			8.608	218.6

AL-2™ Large Bore LOK-SET Retrievable Casing Packer Product Family No. H64629

Casing			Packer						
OD		Weight •	Size	Nom ID		Max Gage Ring OD		Max Diameter of Compressed Drag Block	
in.	mm	lb/ft		in.	mm	in.	mm	in.	mm
5-1/2	139.7	20	45A2 x 2-3/8	2.375	60.3	4.562	115.9	4.592	116.6
		15.5–17	45A4 x 2-3/8			4.656	118.3	4.750	120.7
		13	45B x 2-3/8			4.796	121.8	4.902	124.5
6	152.4	26	45B x 2-3/8	2.375	60.3	4.796	121.8	4.902	124.5

• When selecting a packer for a casing weight common to two weight ranges (same OD), choose the packer size shown for the lighter of the two weight ranges. Example: for 7-in. (177.8 mm) OD 26 lb/ft casing use packer size 47B4. Under certain circumstances the other packer size may be run, such as when running in mixed casing strings.

Repair kits, including such items as packing elements, seal rings, etc., are available for redressing Baker Retrievable Packers. Contact your Baker Hughes representative. Use only Baker Hughes repair parts.

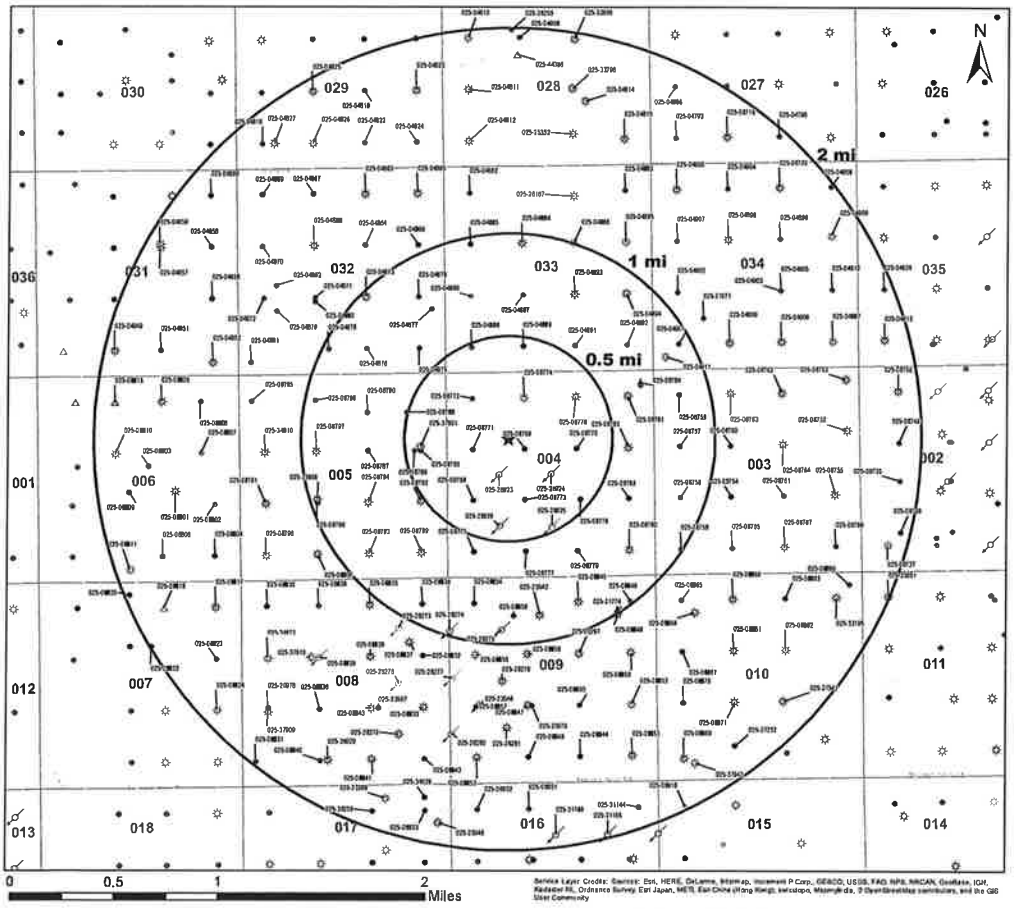
EXHIBIT A

Attachment 2

Area of Review Information:

- 2-mile Oil & Gas Well Map
- 2-mile Lease Map
- 1/2-mile Well Detail List
- Potash Lease Map

EXHIBIT A

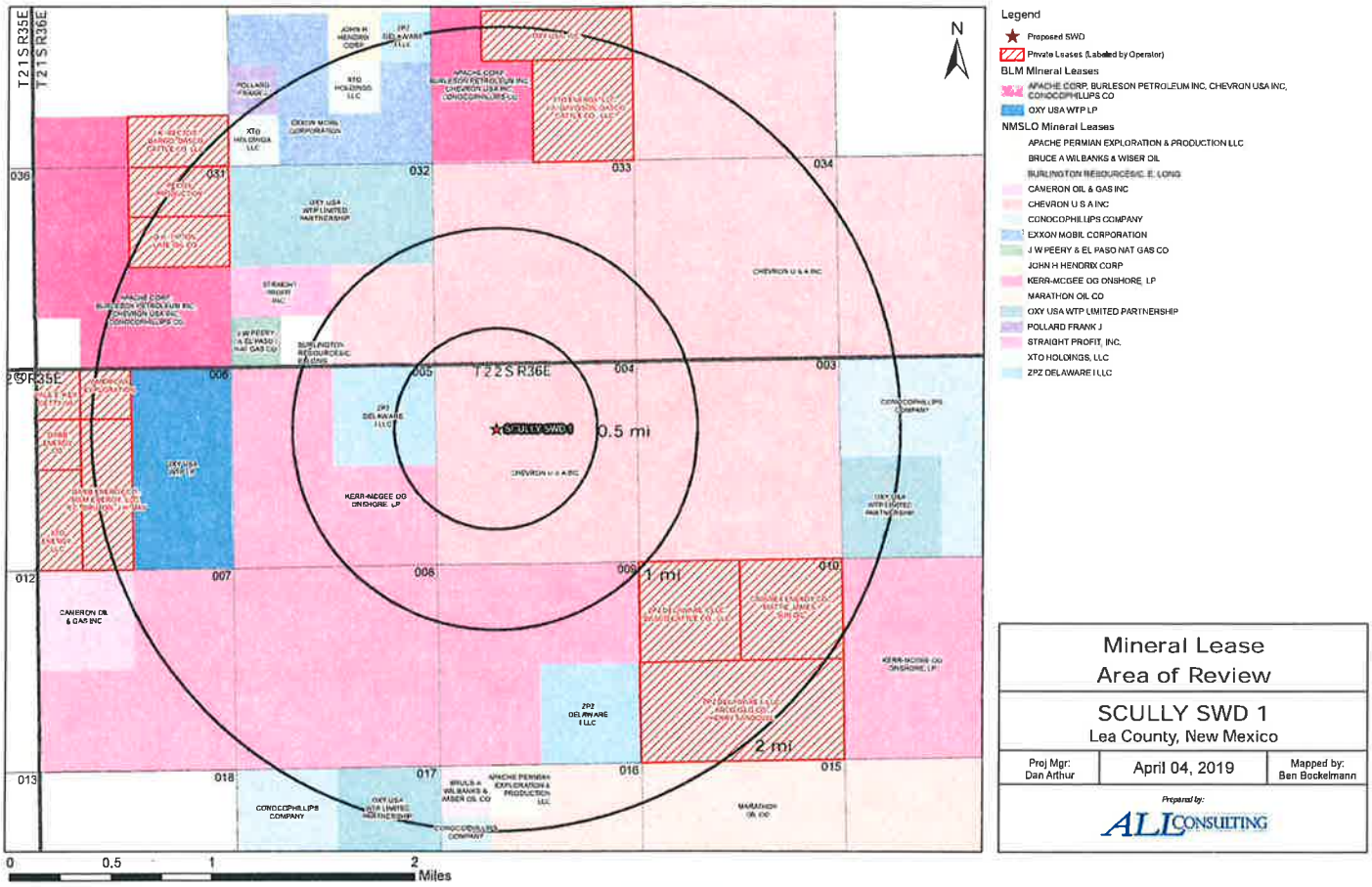


Legend

- ★ Proposed SWD
- Gas, Active (104)
- Gas, Plugged (47)
- Gas, Temporarily Abandoned (1)
- Injection, Active (15)
- Injection, Plugged (6)
- Injection, Temporarily Abandoned (3)
- Oil, Active (82)
- Oil, Plugged (119)
- Oil, Temporarily Abondoned (7)
- Salt Water Injection, Active (2)
- Salt Water Injection, New (1)
- Salt Water Injection, Plugged (2)
- Water, Plugged (2)

O&G Wells Area of Review		
Scully SWD 1 **Lea County, New Mexico**		
Proj Mgr: Dan Arthur	March 07, 2019	Mapped by: Ben Bockelmann
Prepared by: ALL CONSULTING		

EXHIBIT A

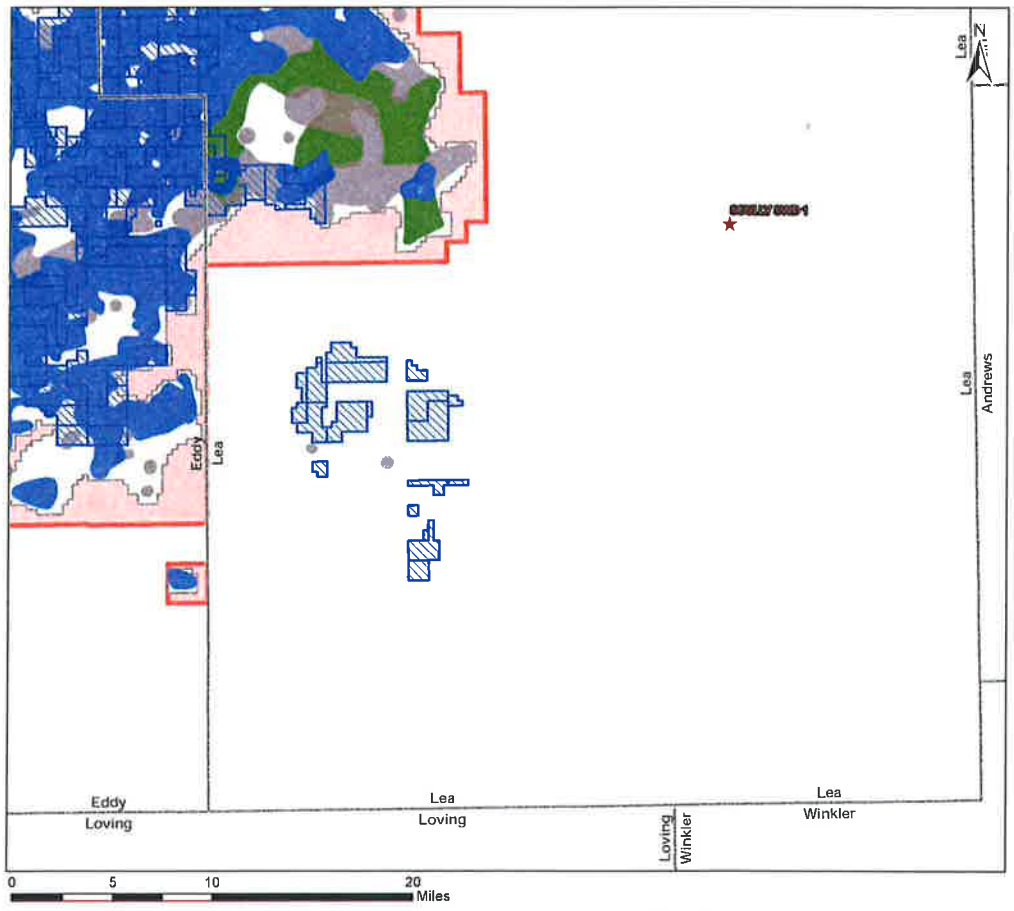


Mineral Lease Area of Review		
SCULLY SWD 1 Lea County, New Mexico		
Proj Mgr: Dan Arthur	April 04, 2019	Mapped by: Ben Bockelmann
Prepared by: ALI CONSULTING		

EXHIBIT A

AOR Tabulation for Scully SWD 1 (Top of Injection Interval: 4,450')							
Well Name	API#	Well Type	Operator	Spud Date	Location (Sec., Tn., Rng.)	Total Vertical Depth (feet)	Penetrate Inj. Zone?
STATE 157 G-A #005	30-025-37801	G	BLACKBEARD OPERATING, LLC	4/18/2006	H-05-22S-36E	3800	No
J F JANDA NCT F #006	30-025-08772	Plugged	CHEVRON U S A INC	7/31/1956	4-04-22S-36E	Plugged (3890)	No
J F JANDA NCT F #008	30-025-08774	Plugged	CHEVRON U S A INC	6/25/1962	3-04-22S-36E	Plugged (3890)	No
SEVEN RIVERS QUEEN WATERFLOOD, NORTH #012	30-025-28925	Plugged	CHEVRON U S A INC	12/21/1984	O-04-22S-36E	Plugged (3970)	No
PRE-ONGARD WELL #001 (Sinclair Oil & Gas)	30-025-08785	Plugged	PRE-ONGARD WELL OPERATOR	9/14/1943	H-05-22S-36E	3884	No
PRE-ONGARD WELL #001Y (Atantic Richfield)	30-025-08786	Plugged	PRE-ONGARD WELL OPERATOR	8/11/1955	H-05-22S-36E	3900	No
ARNOTT RAMSAY NCT D #007	30-025-04888	Plugged	XTO ENERGY, INC	6/25/1962	M-33-21S-36E	Plugged (3856)	No
ARNOTT RAMSAY NCT D #008	30-025-04889	O	XTO ENERGY, INC	6/25/1962	N-33-21S-36E	3870	No
J F JANDA NCT F #011	30-025-08778	G	XTO ENERGY, INC	5/28/1957	2-04-22S-36E	3855	No
SEVEN RIVERS QUEEN WATERFLOOD, NORTH #002	30-025-08768	O	XTO ENERGY, INC	7/28/1981	L-04-22S-36E	3885	No
SEVEN RIVERS QUEEN WATERFLOOD, NORTH #003	30-025-08769	O	XTO ENERGY, INC	10/31/1984	F-04-22S-36E	3900	No
SEVEN RIVERS QUEEN WATERFLOOD, NORTH #004	30-025-08770	O	XTO ENERGY, INC	11/15/1984	G-04-22S-36E	3900	No
SEVEN RIVERS QUEEN WATERFLOOD, NORTH #005	30-025-08771	O	XTO ENERGY, INC	5/6/1956	E-04-22S-36E	3900	No
SEVEN RIVERS QUEEN WATERFLOOD, NORTH #006	30-025-08773	O	XTO ENERGY, INC	12/20/1981	K-04-22S-36E	3885	No
SEVEN RIVERS QUEEN WATERFLOOD, NORTH #007	30-025-08776	O	XTO ENERGY, INC	12/28/1956	J-04-22S-36E	3845	No
SEVEN RIVERS QUEEN WATERFLOOD, NORTH #010	30-025-28923	I	XTO ENERGY, INC	12/15/1984	F-04-22S-36E	3970	No
SEVEN RIVERS QUEEN WATERFLOOD, NORTH #011	30-025-28924	I	XTO ENERGY, INC	11/22/1984	G-04-22S-36E	3977	No
SEVEN RIVERS QUEEN WATERFLOOD, NORTH #013	30-025-28926	I	XTO ENERGY, INC	12/7/1984	K-04-22S-36E	3970	No
Notes: No wells within a 1/2-mile AOR penetrated the injection interval.							

EXHIBIT A



Legend

- Proposed SWD
- Potash Leases
- Ore Type - Measured
- Ore Type - Indicated
- Ore Type - Inferred
- KPLA
- SOPA

Potash Leases Area of Review		
SCULLY SWD 1 Lea County, New Mexico		
Proj Mgr: Dan Arthur	April 01, 2019	Mapped by: Ben Bockelmann
Prepared by: ALL CONSULTING		

EXHIBIT A

Attachment 3

Source Water Analyses

EXHIBIT A

PRDUCED WATER FROM BONE SPRING, DELAWARE, DEVONIAN, WOLFCAMP

API	SECTION	TOWNSHIP	RANGE	FORMATION	tds mgL	chloride mgL	bicarbonate mgL	sulfate mgL
3002502424	11	20S	34E	BONE SPRING	29436	16720	634	1142
3002502427	12	20S	34E	BONE SPRING	15429			
3002502427	12	20S	34E	BONE SPRING	180701	108300	1016	670
3002502429	12	20S	34E	BONE SPRING	202606	118100	5196	992
3002502429	12	20S	34E	BONE SPRING	121800			
3002502431	12	20S	34E	BONE SPRING	147229	89640	108	1038
3002531696	2	20S	34E	DELAWARE	152064	102148	404	691
3002532105	2	20S	34E	DELAWARE	296822	215237	143	294
3002532466	2	20S	34E	DELAWARE	340838	245270	229	147
3002502427	12	20S	34E	DELAWARE	214787	132700	208	1816
3002502431	12	20S	34E	DEVONIAN	33414	18570	227	1961
3002502432	13	20S	34E	DEVONIAN	45778	26440	1145	729
3002501912	16	16S	34E	WOLFCAMP	164004	102500	4204	1249
3002501922	20	16S	34E	WOLFCAMP	104541	64290	280	541
3002501922	20	16S	34E	WOLFCAMP	104033	64080	268	515
3002501922	20	16S	34E	WOLFCAMP	105175	65570	207	192
3002501925	21	16S	34E	WOLFCAMP	86355	51800	610	665
3002501928	21	16S	34E	WOLFCAMP	119102	73300	227	454
3002501928	21	16S	34E	WOLFCAMP	35422	19170	979	1949
3002501930	22	16S	34E	WOLFCAMP	30015	14800	750	3300
3002501931	22	16S	34E	WOLFCAMP	87680	53000	301	681
3002501933	28	16S	34E	WOLFCAMP	59960	35100	515	1500
3002501933	28	16S	34E	WOLFCAMP	60309	35350	586	1297
3002501940	30	16S	34E	WOLFCAMP	82422	49890	361	787
3002501944	30	16S	34E	WOLFCAMP	83960	51410	418	641
3002520222	27	16S	34E	WOLFCAMP	85457	51020	544	1201
3001542895	2	23S	31E	WOLFCAMP	119472	73173		1036

EXHIBIT F

EXHIBIT A

Attachment 4

Injection Formation Water Analyses

EXHIBIT A

San Andres Water Sampling Results (mg/L)							
	Chloride	TDS	Benzene	Toluene	Ethylbenzene	Total Xylenes	Total BTEX
San Andres #1 SWAB	48500	80100	0.38	0.045	<0.010	<0.030	0.425
San Andres #2 SWAB	49500	81500	0.014	0.014	<0.001	0.004	0.103
San Andres #3 SWAB	21200	40400	4.33	0.551	<0.050	0.289	5.17
San Andres #4 SWAB	9800	16400	6.2	0.664	<0.100	<0.300	6.86
Source: Cardinal laboratory sampling results as shown in attached pages.							

API# 30-025-44386

Legal Locations: Unit Letter F, S28 T21S R36E

EXHIBIT A

Goetze, Phillip, EMNRD

From: Goetze, Phillip, EMNRD
Sent: Tuesday, September 25, 2018 10:07 AM
To: 'Andy Rickard'
Cc: Bower, George, EMNRD; Brown, Maxey G, EMNRD; McMillan, Michael, EMNRD
Subject: RE: Sampling Results, Ted Williams SWD #1 Administrative Order SWD 1739

Mr. Rickard:

Thank you for providing the results of the sampling requested in Administrative Order SWD-1739. The results confirm that this location of the San Andres and Glorieta formations is not protectable as defined under 19.15.2(F)(3) NMAC. Though the initial sample from the lower zone showed a TDS of less than 10,000 mg/L, the overall assessment of the four samples support a general water quality in excess of 10,000 mg/L. Results of the SWD-846 Method 8021B also indicate a low HC potential. The order remains unchanged and this COA is complete. Copies of the results will be placed in the well record and Imaging file for the SWD order. Additionally, thank Mr. Boyer for providing a description of the sampling procedure as well as the good protocol of obtaining multiple samples. PRG

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

From: Andy Rickard <arickard@cambrianmgmt.com>
Sent: Monday, September 24, 2018 3:40 PM
To: Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>
Subject: FW: Sampling Results, Ted Williams SWD #1 Administrative Order SWD 1739

M Goetze
Per the COA for Ted Williams SWD owned by Goodnight Midstream. The Term "upper zone" refers to a perf set from 5720-5740 (between 5200-5800)
"Lower zone" refers to a perf set 5945-5965 which is between 5900-6500 as dictated by Administrative Order SWD 1739

Andrew E Rickard
Project Manager
Cambrian MANAGEMENT, LTD
415 West Wall St., Suite 900
Midland, TX 79701
Off: 432-620-9181
Cell: 432-553-2828

From: Art Linthicum <art.wellsite@yahoo.com>
Sent: Saturday, September 22, 2018 11:14 AM
To: Andy Rickard <arickard@cambrianmgmt.com>
Subject: Fwd: Sampling Results, Ted Williams SWD #1

EXHIBIT A

CARDINAL Laboratories

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

Analytical Results For:

Safety & Environmental Solutions 703 East Clinton Hobbs NM, 88240	Project: TED WILLIAMS SWD #1 Project Number: CAM - 18-001 Project Manager: Bob Allen Fax To: (575) 393-4388	Reported: 21-Sep-18 08:43

UPPER ZONE # 1 SWAB

H802574-05 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
Cardinal Laboratories										
Inorganic Compounds										
Chloride*	**48500**		4.00	mg/L	1	8090703	AC	14-Sep-18	4500-Cl-B	
TDS*	**80100**		5.00	mg/L	1	8090710	AC	13-Sep-18	160.1	
Volatile Organic Compounds by EPA Method 8021										
Benzene*	**0.380**		0.010	mg/L	10	8091213	MS	13-Sep-18	8021B	
Toluene*	**0.045**		0.010	mg/L	10	8091213	MS	13-Sep-18	8021B	
Ethylbenzene*	<0.010		0.010	mg/L	10	8091213	MS	13-Sep-18	8021B	
Total Xylenes*	<0.030		0.030	mg/L	10	8091213	MS	13-Sep-18	8021B	
Total BTEX	**0.425**		0.060	mg/L	10	8091213	MS	13-Sep-18	8021B	
Surrogate: 4-Bromofluorobenzene (PID)			*98.7 %*	*81.3-128*		*8091213*	MS	*13-Sep-18*	*8021B*	

Cardinal Laboratories

*=Accredited Analyte

Celey D. Keene, Lab Director/Quality Manager

EXHIBIT A

CARDINAL Laboratories

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

Analytical Results For:

Safety & Environmental Solutions 703 East Clinton Hobbs NM, 88240	Project: TED WILLIAMS SWD #1 Project Number: CAM - 18-001 Project Manager: Bob Allen Fax To: (575) 393-4388	Reported: 21-Sep-18 08:43

UPPER ZONE # 2 SWAB

H802574-06 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
Cardinal Laboratories										
Inorganic Compounds										
Chloride*	**49500**		4.00	mg/L	1	8090703	AC	14-Sep-18	4500-Cl-B	
TDS*	**81500**		5.00	mg/L	1	8090710	AC	13-Sep-18	160.1	
Volatile Organic Compounds by EPA Method 8021										
Benzene*	**0.085**		0.001	mg/L	1	8091213	MS	13-Sep-18	8021B	
Toluene*	**0.014**		0.001	mg/L	1	8091213	MS	13-Sep-18	8021B	
Ethylbenzene*	<0.001		0.001	mg/L	1	8091213	MS	13-Sep-18	8021B	
Total Xylenes*	**0.004**		0.003	mg/L	1	8091213	MS	13-Sep-18	8021B	
Total BTEX	**0.103**		0.006	mg/L	1	8091213	MS	13-Sep-18	8021B	
Surrogate: 4-Bromofluorobenzene (PID)			*86.3 %*	*81.3-128*		*8091213*	MS	*13-Sep-18*	*8021B*	

Cardinal Laboratories

*=Accredited Analyte

Celey D. Keene, Lab Director/Quality Manager

EXHIBIT A

CARDINAL Laboratories

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

Analytical Results For:

Safety & Environmental Solutions 703 East Clinton Hobbs NM, 88240	Project: TED WILLIAMS SWD #1 Project Number: CAM - 18-001 Project Manager: Bob Allen Fax To: (575) 393-4388	Reported: 21-Sep-18 08:43

UPPER ZONE # 3 SWAB

H802574-07 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
Cardinal Laboratories										
Inorganic Compounds										
Chloride*	**21200**		4.00	mg/L	1	8090703	AC	14-Sep-18	4500-Cl-B	
TDS*	**40400**		5.00	mg/L	1	8090710	AC	13-Sep-18	160.1	
Volatile Organic Compounds by EPA Method 8021										
Benzene*	**4.33**		0.050	mg/L	50	8091213	MS	13-Sep-18	8021B	
Toluene*	**0.551**		0.050	mg/L	50	8091213	MS	13-Sep-18	8021B	
Ethylbenzene*	<0.050		0.050	mg/L	50	8091213	MS	13-Sep-18	8021B	
Total Xylenes*	**0.289**		0.150	mg/L	50	8091213	MS	13-Sep-18	8021B	
Total BTEX	**5.17**		0.300	mg/L	50	8091213	MS	13-Sep-18	8021B	
Surrogate: 4-Bromofluorobenzene (PID)			*95.1 %*	*81.3-128*		*8091213*	MS	*13-Sep-18*	*8021B*	

Cardinal Laboratories

*=Accredited Analyte

Celey D. Keene, Lab Director/Quality Manager

EXHIBIT A

CARDINAL Laboratories

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

Analytical Results For:

Safety & Environmental Solutions 703 East Clinton Hobbs NM, 88240	Project: TED WILLIAMS SWD #1 Project Number: CAM - 18-001 Project Manager: Bob Allen Fax To: (575) 393-4388	Reported: 21-Sep-18 08:43

UPPER ZONE # 4 SWAB

H802574-08 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
Cardinal Laboratories										
Inorganic Compounds										
Chloride*	**9800**		4.00	mg/L	1	8090703	AC	14-Sep-18	4500-Cl-B	
TDS*	**16400**		5.00	mg/L	1	8091202	AC	13-Sep-18	160.1	
Volatile Organic Compounds by EPA Method 8021										
Benzene*	**6.20**		0.100	mg/L	100	8091213	MS	13-Sep-18	8021B	
Toluene*	**0.664**		0.100	mg/L	100	8091213	MS	13-Sep-18	8021B	
Ethylbenzene*	<0.100		0.100	mg/L	100	8091213	MS	13-Sep-18	8021B	
Total Xylenes*	<0.300		0.300	mg/L	100	8091213	MS	13-Sep-18	8021B	
Total BTEX	**6.86**		0.600	mg/L	100	8091213	MS	13-Sep-18	8021B	
Surrogate: 4-Bromofluorobenzene (PID)			*94.7 %*	*81.3-128*		*8091213*	MS	*13-Sep-18*	*8021B*	

Cardinal Laboratories

*=Accredited Analyte

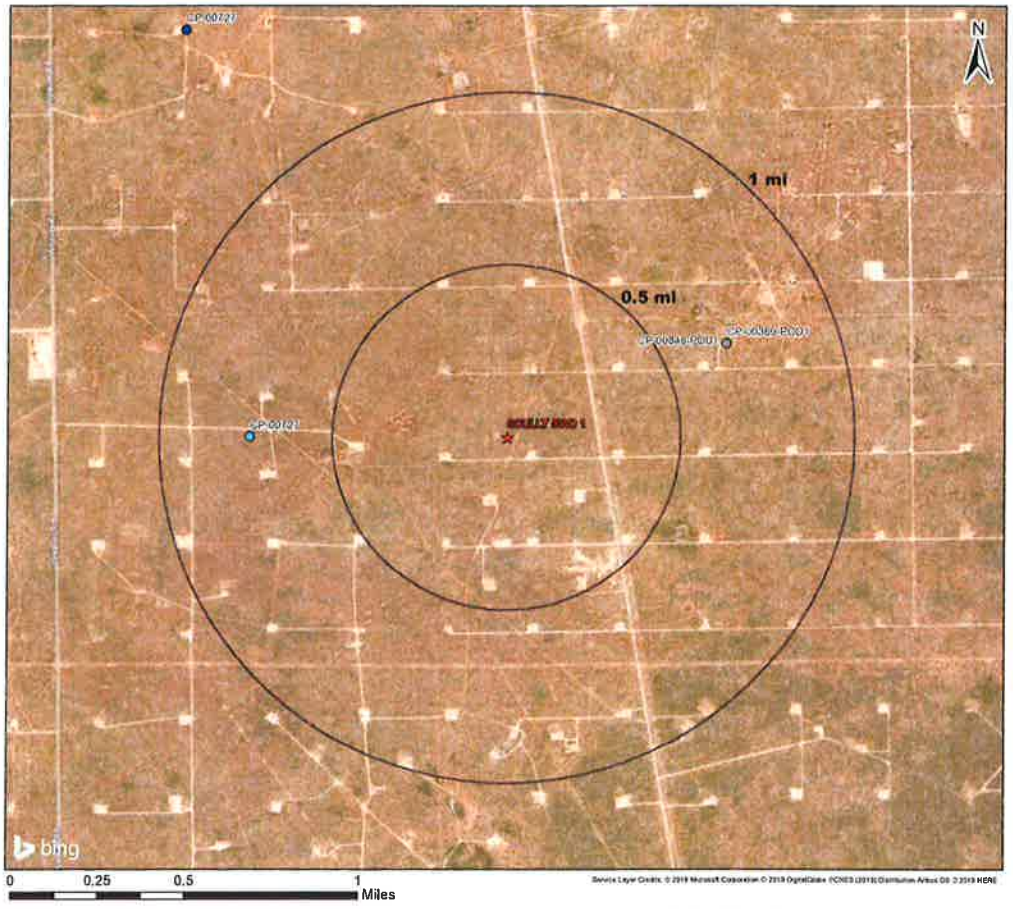
Celey D. Keene, Lab Director/Quality Manager

EXHIBIT A

Attachment 5

Water Well Map and Well Data

EXHIBIT A



Legend

- ★ Proposed SWD

NMOSE PODs

Status

- Active (1)
- Dry Hole (1)
- Unknown (2)

Water Wells Area of Review		
SCULLY SWD 1 Lea County, New Mexico		
Proj Mgr: Dan Arthur	March 29, 2019	Mapped by: Ben Bockelmann
Prepared by: ALL CONSULTING		

EXHIBIT A

Water Well Sampling Rationale Goodnight - Scully SWD 1					
Water Wells	Owner	Available Contact Information	Use		Notes
CP-00727	Dasco Land Corporation	P.O. Box 2545 Hobbs, New Mexico 88240 505.397.6012	Livestock watering	No	The initial application to appropriate underground water in accordance with section 72-12-1 New Mexico State statute for well CP-00727 was approved in March of 1988. This well was drilled in NW 1/4 of the SW 1/4 of the NE 1/4 of section 5 T22S R36E. This well was found to be a dry well. Dasco Land Corporation then filed an application for permit to change location of the well to NE 1/4 of the NW 1/4 of the NE 1/4 of section 32 T21S R36E on May 25, 1988 and that application was approved on May 31, 1988. The second location was drilled and resulted in a producing water well with the same well number as the original location. The GPS location for this well number (CP-00727) on the New Mexico Office of the State Engineer GIS viewer, still reflects the original location of the well. The new location for this well number is aproppoximately 1.4 miles from the proposed SWD location, and thus does not need to be sampled. Attached below are the application to change well location and the two well records.
CP-00848 POD1	Chevron USA INC	P.O. Box 670 Hobbs, New Mexico 88240	Oil Production - Warerflood water supply	No	34.427108, -103.262793, Section 4 T22S R36E Grayburg San Andres 4000' - 5650' Not a freshwater formation.
CP-00369-POD1	Gulf Oil Corporation	P.O. Box 1938 Roswell, New Mexico	Oil Production	No	San Andres Formation 5,650' - 11,370' Not a freshwater formation.

EXHIBIT A

148931
5

Revised December 1971

IMPORTANT–READ INSTRUCTIONS ON BACK BEFORE FILLING OUT THIS FORM
DOMESTIC

L 7573

Application for Permit to Change Location of Well

Date Received May 25, 1988 File No. CP-727

1. Name of Water Right Owner DASCO LAND CORPORATION
   Street or Post Office Address P. O. BOX 2545
   City and State HOBBS, NM Zip Code 88240

2. Source of water supply Shallow (artesian or shallow water aquifer), located in Capitan (name of underground basin).

3. Well from which rights are to be severed:
   (a) Well is in the NW ¼ SW ¼ NE ¼, Section 5 Township 22-S Range 36-E N.M.P.M., or Tract No. _____ of Map No. _____ of the _____
   (b) Is well to be plugged Yes; If not, state for what use retained _____.

4. Application is made to change location of well for the following reasons (If well is to be used for only a part of original right describe that part by legal description under item number 6): Dry hole

5. Well to which transfer is to be made:
   (a) Located in the NE ¼ NW ¼ NE ¼, Section 32 Township 21-S Range 36-E N.M.P.M., or Tract No. _____ of Map No. _____ of the _____ on land owned by applicant.
   (b) Quantity of water to be appropriated 3 acre feet applied to _____ acres of land; if not for irrigation, specify purpose stock.
   (c) If existing well, give File No. _____
   (d) If a new well, give name of driller ABBOTT BROTHERS.
   (e) Outside diameter of casing 6 inches; Approximate depth to be drilled 267 feet.

6. Additional statements or explanations _____

I, Ben Alexander, affirm that the foregoing statements are true to the best of my knowledge and belief and that I am the Sole (sole, partial, agent for, etc.) owner and holder of said water right.

DASCO Land Corporation, Applicant

By: Ben Alexander
CEO

MAY 25 8 16 AM '88
STATE ENGINEER
ROSWELL, NM

ACTION OF STATE ENGINEER

XXXXXXXXXXXXXXXXXXXXXXXXXX After notice pursuant to statute and by authority vested in me, this application is approved provided it is not exercised to the impairment of any others having existing rights; further provided that all rules and regulations of the State Engineer pertaining to the drilling of domestic wells be complied with; and further subject to the following conditions: (1) The maximum amount of water that may be appropriated under this permit is 3 acre-feet in any year. (2) Depth of the well shall not exceed the thickness of the valley fill or Ogallala formation. (3) Use shall be limited to household, non-commercial trees, lawn and garden not to exceed one acre and/or stock use.

Well Record
XXXXXXXXXXXXXXXXXXX Proof of completion of well shall be filed on or before May 31 XX, 1989
Old well to be plugged and plugging report submitted on or before May 31, 1989.

Witness my hand and seal this 26 day of May, A.D., XXX 1988

S. E. Reynolds, State Engineer

By: Delbert W. Nelson
Delbert W. Nelson
District II Supervisor

File No. CP-727

WR FILED: 6-6-88 PLUGGING RECORD FILED: cappd 6-28-88
ac wo dry hole

EXHIBIT A

INSTRUCTIONS

This form shall be executed, preferably typewritten, in triplicate and must be accompanied by a $5.00 filing fee. Each triplicate copy must be properly signed. If applicant is not recorded owner of water right, Change of Ownership affidavit must accompany this application. If additional space is required use a separate sheet or sheets and attach securely hereto.

EXHIBIT A

Revised June 1972

STATE ENGINEER OFFICE

WELL RECORD

475749

Section 1. GENERAL INFORMATION

(A) Owner of well DASCO Land C orporation Owner's Well No. _____
Street or Post Office Address P.O. Box 2545
City and State Hobbs, New Mexico 88240

Well was drilled under Permit No. CP-727 and is located in the:

a. _____ ¼ NW ¼ SW ¼ NE ¼ of Section 5 Township 22S Range 36E N.M.P.M.

b. Tract No. _____ of Map No. _____ of the _____

c. Lot No. _____ of Block No. _____ of the _____
Subdivision, recorded in Lea County.

d. X= _____ feet, Y= _____ feet, N.M. Coordinate System _____ Zone in the _____ Grant.

(B) Drilling Contractor Abbott Bros. Drilling License No. WD-46

Address P.O. Box 637, Hobbs, New Mexico 88240

Drilling Began 4/22/88 Completed 4/26/88 Type tools Cable Size of hole 8 in.

Elevation of land surface or _____ at well is _____ ft. Total depth of well 228 ft.

Completed well is ☒ shallow ☐ artesian. Depth to water upon completion of well DRY HOLE ft.

Section 2. PRINCIPAL WATER-BEARING STRATA

Depth in Feet From	Depth in Feet To	Thickness in Feet	Description of Water-Bearing Formation	Estimated Yield (gallons per minute)
		THIS WAS A DRY HOLE		

Section 3. RECORD OF CASING

Diameter (inches)	Pounds per foot	Threads per in.	Depth in Feet Top	Depth in Feet Bottom	Length (feet)	Type of Shoe	Perforations From	Perforations To
12 3/4	33		7		7			

Section 4. RECORD OF MUDDING AND CEMENTING

Depth in Feet From	Depth in Feet To	Hole Diameter	Sacks of Mud	Cubic Feet of Cement	Method of Placement

88 JUL 28 P2:18 STATE ENGINEER OFFICE SANTA FE, NEW MEXICO

Section 5. PLUGGING RECORD

Plugging Contractor ABBOTT BROS. DRILLING
Address P.O. Box 637
Plugging Method Steel Cap welded on top on 12 3/4
Date Well Plugged April 27,1988
Plugging approved by:
_____
State Engineer Representative

No.	Depth in Feet Top	Depth in Feet Bottom	Cubic Feet of Cement
1			
2			
3			
4			

FOR USE OF STATE ENGINEER ONLY

Date Received April 28, 1988

Quad _____ FWL _____ FSL _____

File No. CP-727 Use STOCK Location No. 22.36.5.23111

EXHIBIT A

Section 6. LOG OF HOLE

Depth in Feet From	Depth in Feet To	Thickness in Feet	Color and Type of Material Encountered
0	5	5	Topsoil
5	10	5	Clay
10	20	10	Sandy Caliche
20	180	160	Sand
180	190	10	Hard Blue Sand
190	225	35	Soft Sand
225	228	3	Hard Sand
			THIS WAS A DRY HOLE

Section 7. REMARKS AND ADDITIONAL INFORMATION

APR 28 8 25 AM '88

STATE ENGINEER
ROSWELL, NM

The undersigned hereby certifies that, to the best of his knowledge and belief, the foregoing is a true and correct record of the above described hole.

Murrell Abbott N.B
Driller

INSTRUCTIONS: This form should be executed in triplicate, preferably typewritten, and submitted to the appropriate district office of the State Engineer. All sections, except Section 5, shall be answered as completely and accurately as possible when any well is drilled, repaired or deepened. When this form is used as a plugging record, only Section 1(a) and Section 5 need be completed.

EXHIBIT A

Revised June 1972

STATE ENGINEER OFFICE

WELL RECORD

475753

Section 1. GENERAL INFORMATION

(A) Owner of well DASCO Land Corp.1 Owner's Well No. _____
Street or Post Office Address P.O. Box 2545
City and State Hobbs, New Mexico 88240

Well was drilled under Permit No. CP-727 and is located in the:

a. _____ ¼ NE ¼ NW ¼ NE ¼ of Section 32 Township 21-S Range 36-E N.M.P.M.

b. Tract No. _____ of Map No. _____ of the _____

c. Lot No. _____ of Block No. _____ of the _____
Subdivision, recorded in _____ County.

d. X= _____ feet, Y= _____ feet, N.M. Coordinate System _____ Zone in the _____ Grant.

(B) Drilling Contractor Abbott Bros. Drilling License No. WD-46

Address P.O. Box 637, Hobbs, New Mexico 882409

Drilling Began 5/12/88 Completed 5/19/88 Type tools Cable Size of hole 10 in.

Elevation of land surface or _____ at well is _____ ft. Total depth of well 267 ft.

Completed well is ☒ shallow ☐ artesian. Depth to water upon completion of well 212 ft.

Section 2. PRINCIPAL WATER-BEARING STRATA

Depth in Feet From	Depth in Feet To	Thickness in Feet	Description of Water-Bearing Formation	Estimated Yield (gallons per minute)
212	225	13	Sand	

Section 3. RECORD OF CASING

Diameter (inches)	Pounds per foot	Threads per in.	Depth in Feet Top	Depth in Feet Bottom	Length (feet)	Type of Shoe	Perforations From	Perforations To
5½	14	Welded	0	264	264	None	1736	264

Section 4. RECORD OF MUDDING AND CEMENTING

Depth in Feet From	Depth in Feet To	Hole Diameter	Sacks of Mud	Cubic Feet of Cement	Method of Placement

88 JUL 28 P 2:18
STATE ENGINEER OFFICE
SANTA FE, NEW MEXICO

Section 5. PLUGGING RECORD

Plugging Contractor _____
Address _____
Plugging Method _____
Date Well Plugged _____
Plugging approved by: _____
State Engineer Representative

No.	Depth in Feet Top	Depth in Feet Bottom	Cubic Feet of Cement
1			
2			
3			
4			

FOR USE OF STATE ENGINEER ONLY

Date Received

Quad (CLOW) FWL _____ FSL _____

File No. June 6, 1988 Use STOCK Location No. 21.36.32.21211

CP-727

EXHIBIT A

Section 6. LOG OF HOLE

Depth in Feet From	Depth in Feet To	Thickness in Feet	Color and Type of Material Encountered
0	7	7	Top Soil
7	20	13	Caliché
20	108	88	Sand with Rock Ledges
108	127	19	Sand
127	165	38	Sandy Clay
165	192	27	Sand
192	212	20	Sandy Clay
212	225	13	Sand-Water
225	265	40	Tight Sandy Clay
265	267	2	Red Bed

Section 7. REMARKS AND ADDITIONAL INFORMATION

JUN 6 8 25 AM '88

STATE ENGINEER
ROSWELL, NM

The undersigned hereby certifies that, to the best of his knowledge and belief, the foregoing is a true and correct record of the above described hole.

Murrell Abbott
Driller

INSTRUCTIONS: This form should be executed in triplicate, preferably typewritten, and submitted to the appropriate district office of the State Engineer. All sections, except Section 5, shall be answered as completely and accurately as possible when any well is drilled, repaired or deepened. When this form is used as a plugging record, only Section 1(a) and Section 5 need be completed.

EXHIBIT A

Attachment 6

Public Notice Affidavit and Notice of Application Confirmations

EXHIBIT A

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
March 29, 2019
and ending with the issue dated
March 29, 2019.

Publisher

Sworn and subscribed to before me this 29th day of March 2019.

Business Manager

My commission expires
January 29, 2023
(Seal)

OFFICIAL SEAL
GUSSIE BLACK
Notary Public
State of New Mexico
My Commission Expires 1-29-23

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 LEGAL

LEGAL NOTICE
MARCH 29, 2019

APPLICATION FOR AUTHORIZATION TO INJECT

NOTICE IS HEREBY GIVEN: That Goodnight Midstream Permian, LLC, 5910 N Central Expressway, Suite 850, Dallas, TX 75206, is requesting that the New Mexico Oil Conservation Division administratively approve the APPLICATION FOR AUTHORIZATION TO INJECT as follows:

PURPOSE: The intended purpose of the injection well is to dispose of salt water produced from permitted oil and gas wells.

WELL NAME AND LOCATION: Scully SWD 1
SE ¼ NW ¼, Section 4, Township 22S, Range 36E
1,724' FNL & 1,607' FWL
Lea County, NM

NAME AND DEPTH OF DISPOSAL ZONE: San Andres (4,450' - 5,750')

EXPECTED MAXIMUM INJECTION RATE: 35,000 Bbls/day

EXPECTED MAXIMUM INJECTION PRESSURE: 890 psi (surface)

Objections or requests for hearing must be filed with the New Mexico Oil Conservation Division within fifteen (15) days. Any objection or request for hearing should be mailed to the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505.

Additional information may be obtained by contacting Nate Alleman at 918-382-7581.
#33958

67115320 00226416

DANIEL ARTHUR
ALL CONSULTING
1718 S. CHEYENNE AVE.
TULSA, OK 74119

EXHIBIT A

Scully SWD 1 - Notice of Application Recipients				
Entity	**Address**	**City**	**State**	**Zip Code**
Landowner				
Llano Estacado Properties, LLC	5910 North Central Expressway, Suite 850	Dallas	TX	75206
OCD District				
NMOCD District 1	1625 N. French Drive	Hobbs	NM	88240
Mineral Owner				
Commissioner of Public Lands State Land Office Attention: Faith Crosby Water Resources NM State Land Office	310 Old Santa Fe Trail	Santa Fe	NM	87501
Leasehold Operators				
Blackbeard Operating, LLC	201 W. Wall St., Suite 900	Midland	TX	79701
Chevron U S A Inc	6301 Deauville Blvd.	Midland	TX	79706
Kerr-McGee O/G Onshore, LP	P.O. Box 867	Andrews	TX	79714
XTO Energy, Inc	200 N. Loraine St., Suite 800	Midland	TX	79701
ZPZ Delaware I LLC	2000 Post Oak Blvd., Suite 100	Houston	TX	77056
Notes:				

EXHIBIT A

Certified Mail™ Labels Top of the page Print postage using Stamps.com Template **SDC-3610**

ALL Consulting
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Tulsa, OK 74119

$5.60 US POSTAGE FIRST-CLASS FROM 74119 APR 03 2019 stamps.com 0925000866399

Place label at top of the center of the envelope and fold at dotted line.

CERTIFIED MAIL™ CERTIFIED MAIL™

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Blackbeard Operating, LLC
201 W. Wall St., Suite 900
Midland TX 79701-4532

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Tulsa, OK 74119

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Chevron USA Inc.
6301 Deauville
Midland TX 79706-2964

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Kerr-McGee OG Onshore LP
P.O. Box 867
Andrews TX 79714-0867

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Tulsa, OK 74119

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Llano Estacado Properties, LLC
5910 North Central Expressway, Suite 850
Dallas TX 75206-1108

For best results, feed this sheet through your printer as few times as possible.
To purchase or for printing instructions go to **www.stamps.com/3610.**

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NMOCD District 1
1625 N. French Drive
Hobbs NM 88240-9273

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Tulsa, OK 74119

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XTO Energy, Inc.
200 N. Loraine St., Suite 800
Midland TX 79701-4754

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1718 S. Cheyenne Ave.
Tulsa, OK 74119

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9414 8118 9956 0657 0321 01

ZPZ Delaware I LLC
2000 Post Oak Blvd., Suite 100
Houston TX 77056-4497

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EXHIBIT A

Certified Mail™ Labels Top of the page Print postage using Stamps.com Template **SDC-3610**

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9414 8118 9956 0646 4361 87

Faith Crosby
Commissioner of Public Lands - Water Resources
State Land Office
310 Old Santa Fe Trail
Santa Fe NM 87501-2708

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stamps.com 03-14

EXHIBIT A

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

APPLICATION OF GOODNIGHT MIDSTREAM PERMIAN, LLC FOR APPROVAL OF A SALT WATER DISPOSAL WELL, LEA COUNTY NEW MEXICO.

CASE NOS. 20557

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Adam G. Rankin, attorney in fact and authorized representative of Goodnight Midstream Permian, LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.

Adam G. Rankin

SUBSCRIBED AND SWORN to before me this 12th day of June 2019 by Adam G. Rankin.

Notary Public

My Commission Expires:
August 26, 2021

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Case No. 20557
Submitted by: **GOODNIGHT MIDSTREAM**
Hearing Date: June 13, 2019

HOLLAND&HART

Adam G. Rankin
Phone (505) 988-4421
Fax (505) 983-6043
agrankin@hollandhart.com

May 24, 2019

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: AFFECTED PARTIES

Re: Application of Goodnight Midstream Permian, LLC for Approval of a Salt Water Disposal Well, Eddy County, New Mexico.
Scully SWD No. 1 Well

Ladies & Gentlemen:

This letter is to advise you that Goodnight Midstream Permian, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on June 13, 2019 and the status of the hearing can be monitored through the Division's website at http://www.emnrd.state.nm.us/ocd/. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter please contact ALL Consulting, LLC, at (918) 382-7581 or nalleman@all-llc.com.

Sincerely,

Adam G. Rankin
ATTORNEY FOR GOODNIGHT MIDSTREAM PERMIAN, LLC

UNITED STATES POSTAL SERVICE®

Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Goodnight Midstream
Scully SWD Case No.
20557

Shipment Date: 05/24/2019

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	3
Total	3

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:
1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail. Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE

9275 0901 1935 6200 0014 7024 25

SANTA, FE, NM 87501
MAY 24 2019
USPS

UNITED STATES POSTAL SERVICE®

Firm Mailing Book For Accountable Mail

Name and Address of Sender

Holland & Hart LLP
110 N Guadalupe St # 1
Santa Fe NM 87501

Check type of mail or service

- ☐ Adult Signature Required
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery (COD)
- ☐ Insured Mail
- ☐ Priority Mail
- ☐ Priority Mail Express
- ☐ Registered Mail
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation
- ☐ Signature Confirmation Restricted Delivery

Affix Stamp Here
(if issued as an international certificate of mailing or for additional copies of this receipt).
Postmark with Date of Receipt.

	USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code™)	Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
1.	9214 8901 9403 8383 8015 86	James Bruce PO BOX 1056 Santa Fe NM 87501	0.65	3.50								1.60			
2.	9214 8901 9403 8383 8015 93	Blackbeard Operating LLC 1751 River Run Suite 405 Fort Worth TX 76107	0.65	3.50								1.60			
3.	9214 8901 9403 8383 8016 09	New Mexico State Land Office 310 Old Santa Fe Trail Santa Fe NM 87504-1148	0.65	3.50								1.60			

Handling Charge - if Registered and over $50,000 in value

Adult Signature Required

Adult Signature Restricted Delivery

Restricted Delivery

Return Receipt

Signature Confirmation

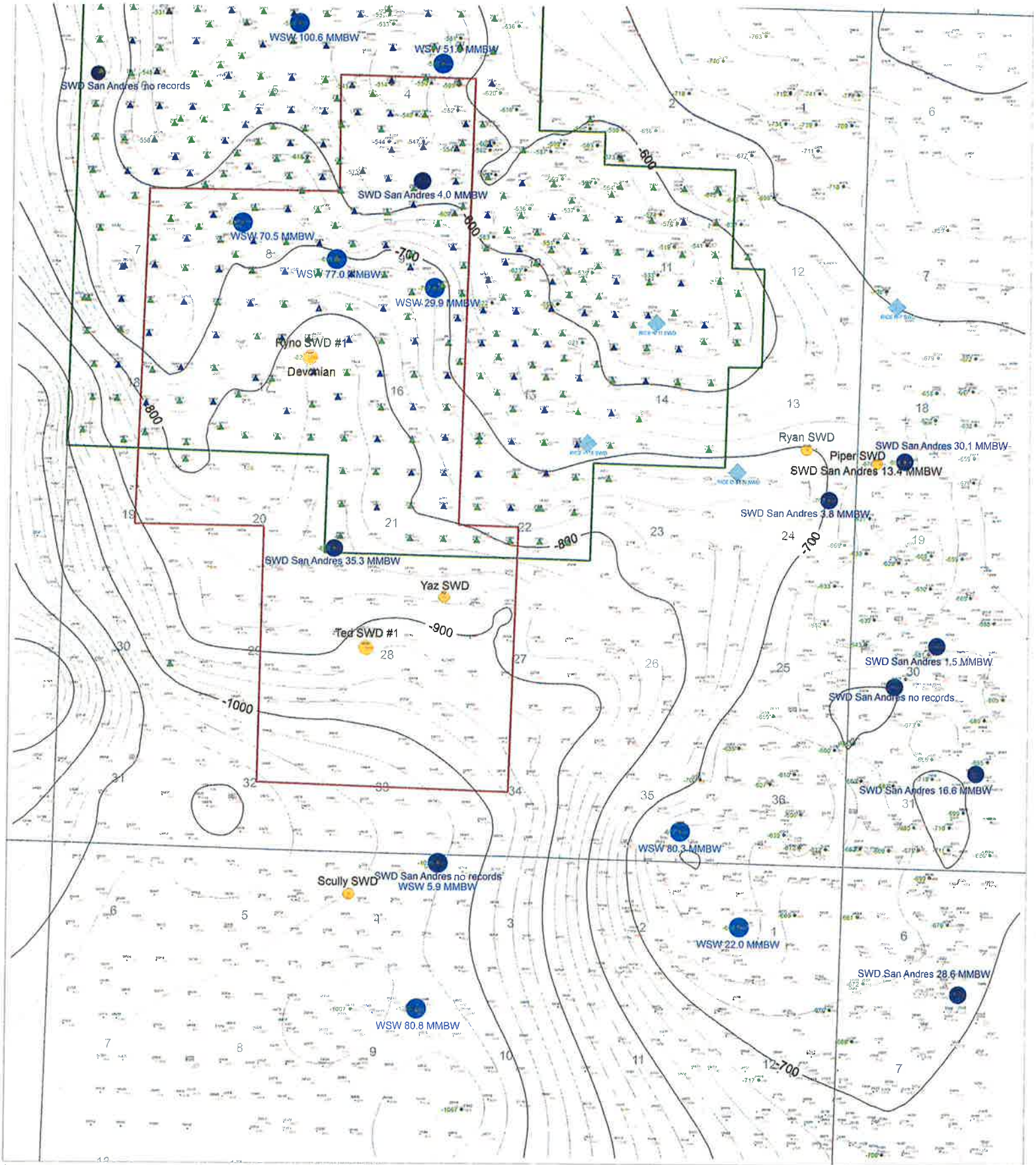
Signature Confirmation Restricted Delivery

Special Handling

Total Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster, Per *(Name of receiving employee)*
3		

POSTAL DELIVERY REPORT
SCULLY SWD NO. 1 WELL
CASE NO. 20557

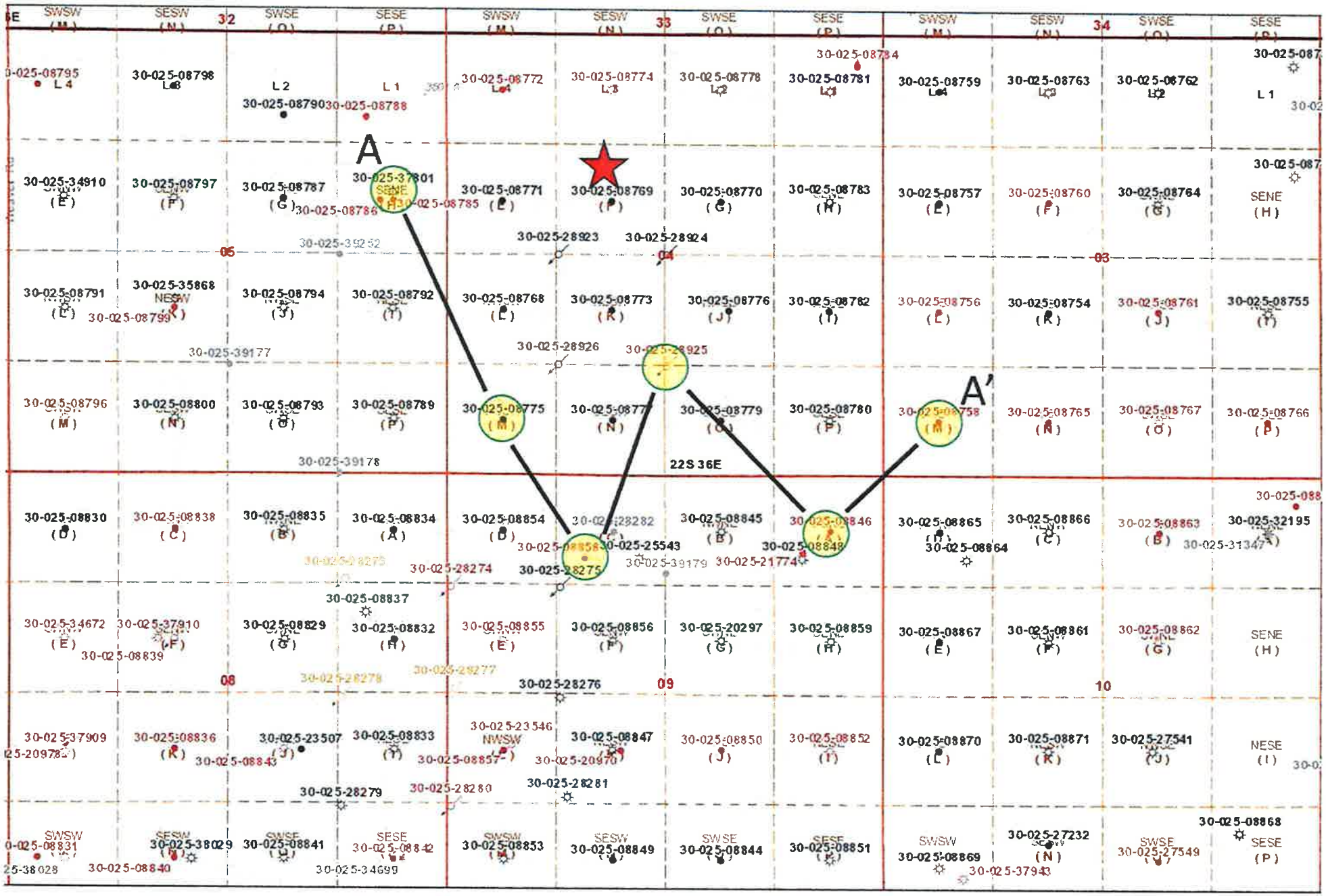
Recipient	Status	Custom
James Bruce PO BOX 1056 Santa Fe NM 87501	Delivered Signature Received	Ref#: C1403012.7876066 RetRef#:
Blackbeard Operating LLC 1751 River Run Suite 405 Fort Worth TX 76107	Delivered Signature Received	Ref#: C1403012.7876067 RetRef#:
New Mexico State Land Office 310 Old Santa Fe Trail Santa Fe NM 87504-1148	Delivered Signature Received	Ref#: C1403012.7876068 RetRef#:



Goodnight Midstream, LLC

219 36E, Lea County NM
San Andres Structure (Top of Middle Porosity Member)

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Case No. 20557
Submitted by: **GOODNIGHT MIDSTREAM**
Hearing Date: June 13, 2019

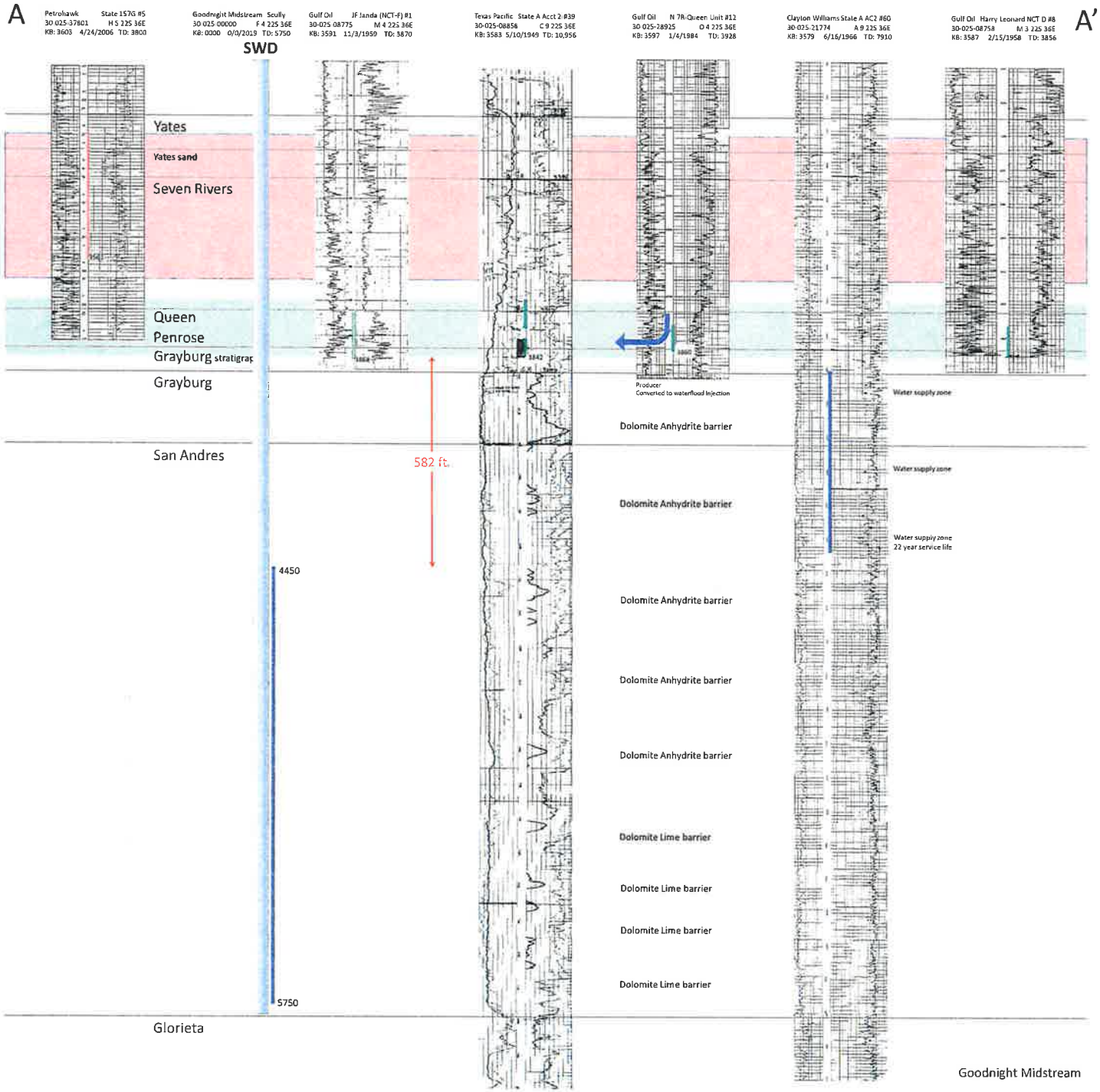


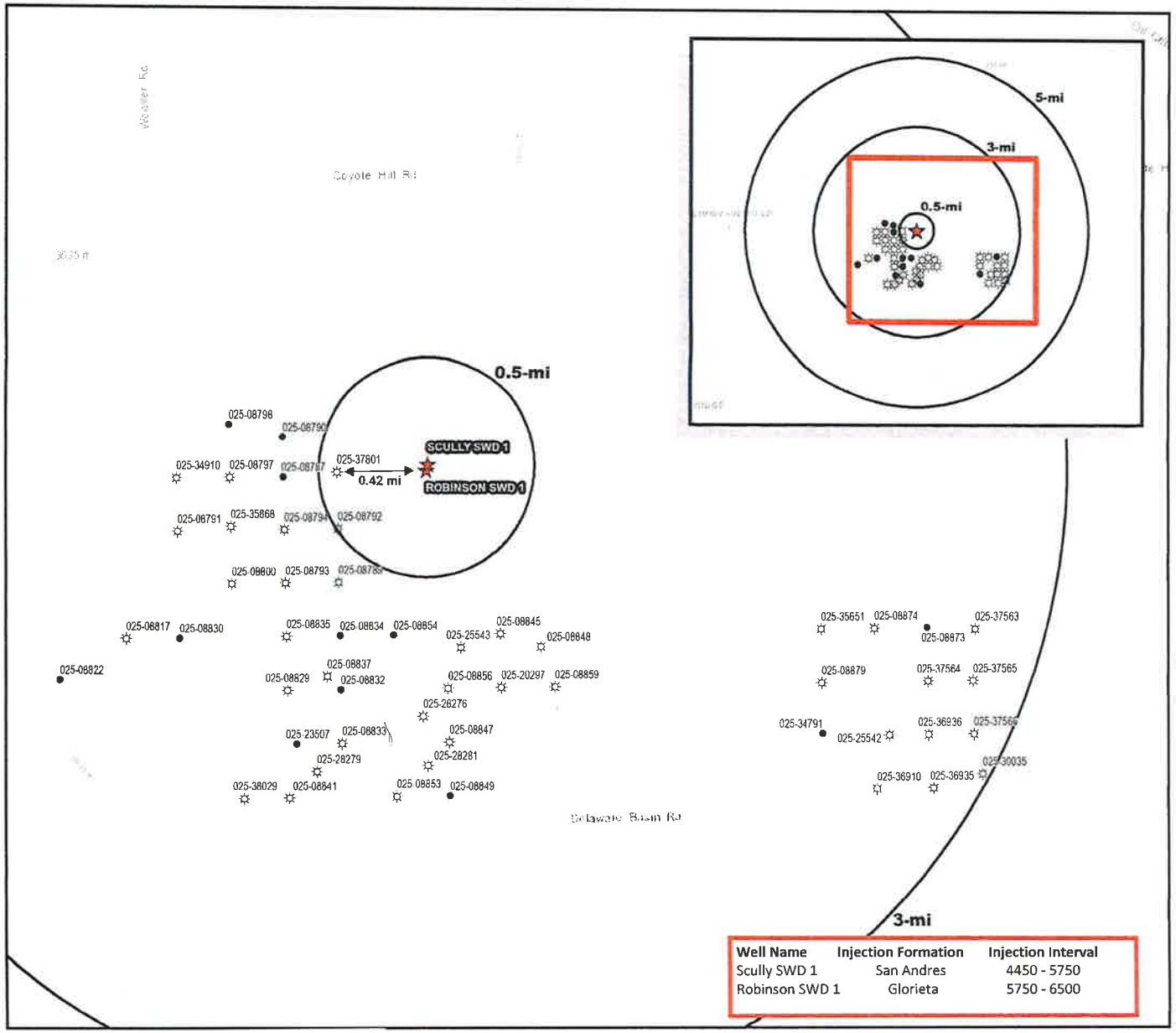
BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Case No. 20557
Submitted by: GOODNIGHT MIDSTREAM
Hearing Date: June 13, 2019

Goodnight Midstream

Scully SWD

Cross Section Index Map


A
A'
Petrohawk State 157G #5
30-025-37801 H S 22S 36E
KB: 3603 4/24/2006 TD: 3800
Goodnight Midstream Scully
30-025-00000 F 4 22S 36E
KB: 0000 0/0/2019 TD: 5750
SWD
Gulf Oil JF Janda (NCT-F) #1
30-025-08775 M 4 22S 36E
KB: 3591 11/3/1959 TD: 3870
Texas Pacific State A Acct 2 #39
30-025-08856 C 9 22S 36E
KB: 3583 5/10/1949 TD: 10,956
Gulf Oil N 7Rivers Queen Unit #12
30-025-28925 O 4 22S 36E
KB: 3597 1/4/1984 TD: 3928
Clayton Williams State A AC2 #60
30-025-21774 A 9 22S 36E
KB: 3579 6/16/1966 TD: 7910
Gulf Oil Harry Leonard NCT D #8
30-025-08758 M 3 22S 36E
KB: 3587 2/15/1958 TD: 3856
Yates
Yates sand
Seven Rivers
Queen
Penrose
Grayburg stratigrap
Grayburg
San Andres
Glorieta
582 ft.
4450
5750
Producer
Converted to waterflood injection
Dolomite Anhydrite barrier
Dolomite Anhydrite barrier
Dolomite Anhydrite barrier
Dolomite Anhydrite barrier
Dolomite Anhydrite barrier
Dolomite Lime barrier
Dolomite Lime barrier
Dolomite Lime barrier
Dolomite Lime barrier
Water supply zone
Water supply zone
Water supply zone
22 year service life
Goodnight Midstream



Well Name	Injection Formation	Injection Interval
Scully SWD 1	San Andres	4450 - 5750
Robinson SWD 1	Glorieta	5750 - 6500

Legend

- ★ Proposed SWD
- ☼ Gas, Active (40)
- • Oil, Active (12)

Coordinate System: NAD 1983 UTM Zone 13N
Projection: Transverse Mercator
Datum: North American 1983
False Easting: 500,000.0000
False Northing: 0.0000
Central Meridian: -105.0000
Scale Factor: 0.9996
Latitude Of Origin: 0.0000
Units: Meter

1:30,000

0 0.5 1 2
Miles

Service Layer Credits: Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Blackbeard O&G Wells within 5-miles

Robinson SWD 1 & Scully SWD 1
Lea County, New Mexico

Proj Mgr: Nate Alleman	June 07, 2019	Mapped by: Ben Bockelmann

Prepared by: ALL CONSULTING

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Case No. 20557
Submitted by: **GOODNIGHT MIDSTREAM**
Hearing Date: June 13, 2019