

DATE IN	SUSPENSE	EA	LOGGED IN	TYPE	APP NO.
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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.

Pam Manheew
 Print or Type Name

Pam Manheew
 Signature

Vice President
 Title

10/27/16
 Date

pamm@dakotares.com
 e-mail Address

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. 7
 Submitted by: DAKOTA RESOURCES, INC.
 Hearing Date: May 25, 2017

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: Secondary Recovery Pressure Maintenance Disposal Storage
Application qualifies for administrative approval? Yes No

II. OPERATOR: Dakota Resources, Inc. (I)

ADDRESS: 4914 N Midkiff, Midland, TX 79705

CONTACT PARTY: Pam Morphew PHONE: 432-697-3420

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 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.

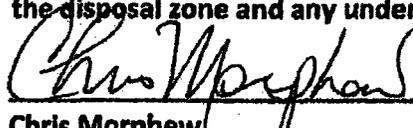
XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Pam Morphew Pammorphew TITLE: Vice President

SIGNATURE: Pam Morphew DATE: 9/12/16

E-MAIL ADDRESS: pammc@dakotares.com

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

- | <u>Item No.</u> | <u>Response.</u> |
|------------------------|--|
| VII | <ol style="list-style-type: none">1. Proposed average injection rate is 1,500 BBL produced water per day with a Maximum rate of 2,000 BWPD.2. The system is to be closed3. Injection pressure should average 500 psig with a maximum of 1,000 psig.4. Source of water is currently from two producing wells-Bass Fenton 7 Federal #1 and Dakota's Big Eddy Unit #98 well. 100% of the fluid will be brine Water produced from oil and gas wells.5. The disposal zone is productive of oil and gas in the area. |
| VIII | <ol style="list-style-type: none">1. Delaware Formation-Bell Canyon2. Lithology – sandstone3. 389 feet thickness overall4. 3,120' depth to midpoint of proposed interval (2,926' to 3,315')5. Geologic name and depth of drinking water-Quaternary Alluvium-surface water. |
| IX | No stimulation program is proposed |
| X | Well logs on file. Production test information on file. |
| XI | No fresh water wells exist within 1 mile of the proposed well. |
| XII | <p>I, Chris Morphew, 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 source of drinking water.</p> <p>
Chris Morphew</p> |
| XIII | Proof of Notice for surface owner, offset operators and proof of publication is attached. |

INJECTION WELL DATA SHEET

OPERATOR: Dakota Resources, Inc. (I)

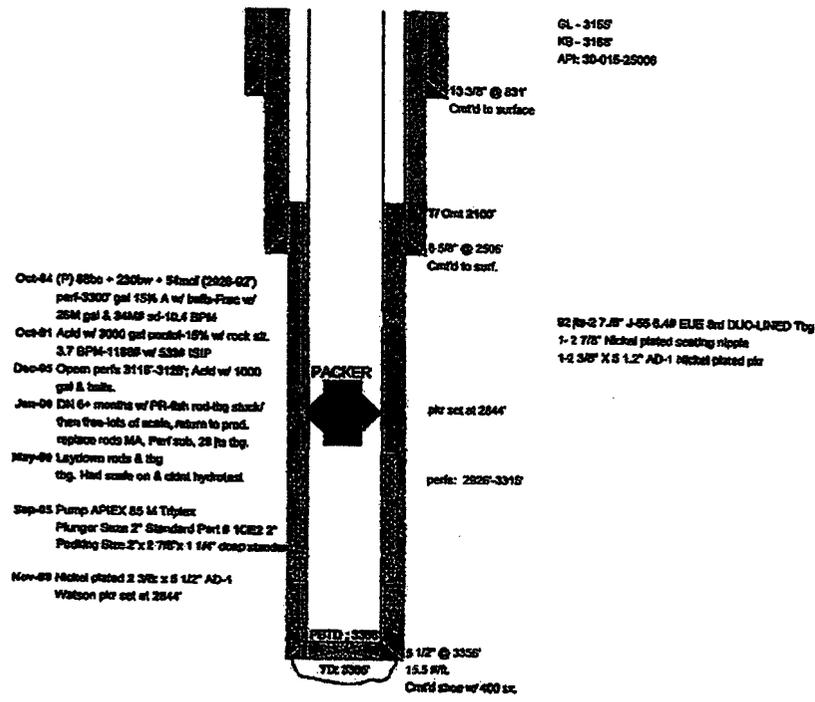
WELL NAME & NUMBER: Federal Trigg #1

WELL LOCATION: 1980' FSL & 660' FWL L 7 21S 28E
 FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA
Surface Casing

Trigg Federal #1 SWD
 1980' FSL & 660' FWL
 Sec. 7 - T21S - R28E
 Eddy Co. NM
 Fenton NW Delaware Field



Hole Size: 17 1/2" Casing Size: 13 3/8"
 Cemented with: 1500 SX. OR _____ ft³
 Top of Cement: Surface Method Determined: Circ'd

Intermediate Casing

Hole Size: 12 1/4" Casing Size: 8 5/8"
 Cemented with: 1550 SX. OR _____ ft³
 Top of Cement: Surface Method Determined: Circ'd

Production Casing

Hole Size: 7 7/8" Casing Size: 5 1/2"
 Cemented with: 400 SX. OR _____ ft³
 Top of Cement: 2100' Method Determined: Temp Log
 Total Depth: 3366'

Injection Interval

2926 feet to 3315'

(Perforated or Open Hole; indicate which)



INJECTION WELL DATA SHEET

Tubing Size: 2 7/8" Lining Material: Due-Lined

Type of Packer: Watson AD-1 Nickel Plated

Packer Setting Depth: 2844'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? _____ Yes x No

If no, for what purpose was the well originally drilled? Production

2. Name of the Injection Formation: Delaware

3. Name of Field or Pool (if applicable): SWD Delaware 96100

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. none

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: _____

no overlying/underlying oil or gas zones have been found in area of review

Section VI of C-108						
Well Data in Area of Review						
Application for Authority to Inject						
Federal Trigg #1 7-21S-28E						
Eddy Co., NM-NM Fenton Delaware						
<u>Operator</u>	<u>Well Name/#</u>	<u>Status</u>	<u>Spud Date</u>	<u>Location</u> <u>Q-Q-Sec</u>	<u>Total Depth</u>	<u>Perfs</u>
Dakota Resources, Inc.	Big Eddy Unit #98	Producing	1/18/1984	SE NW 7	9050'	2942'-3160'
BOPCO LP	Fenton Federal 7 Federal #1	Producing	6/28/1994	SW NW 7	3300'	3116'-3140'
BOPCO LP	Fenton 7 Federal #3	P&A'd	2/4/1996	SE SW 7	3400'	Dry hole
Chevron USA	Government D #6	Producing	9/27/1985	SE NE 12	5735'	3114'-3136'
J.M. Huber	Federal 12 #1	P&A'd	6/3/1985	NW SW 12	3211'	2590'-2592'-Plugged 12/22/87

Bass - Fenton 7 Federal 3

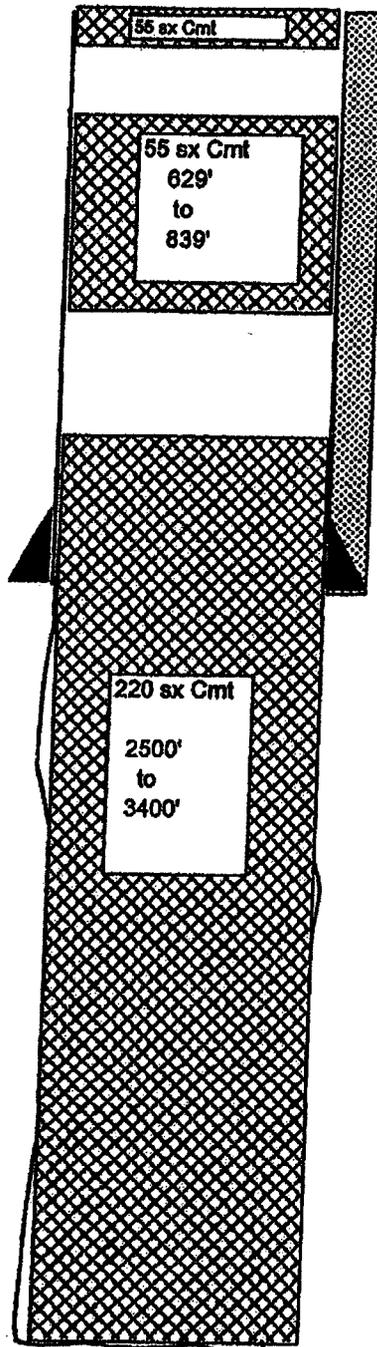
990' FSL & 2280' FWL (N)

Sec 7, T-21-S, R-28-E

Eddy Co., NM

NW Fenton Field

Surface
to 200'



Elev - KB

GL

KB-to-GL

API NO. 30-015-28713

2793' -8 5/8" Cmt w. 615 sx - circ'd

Spud: - 2/1/96

P&A -2/5/96

TD: 3400'

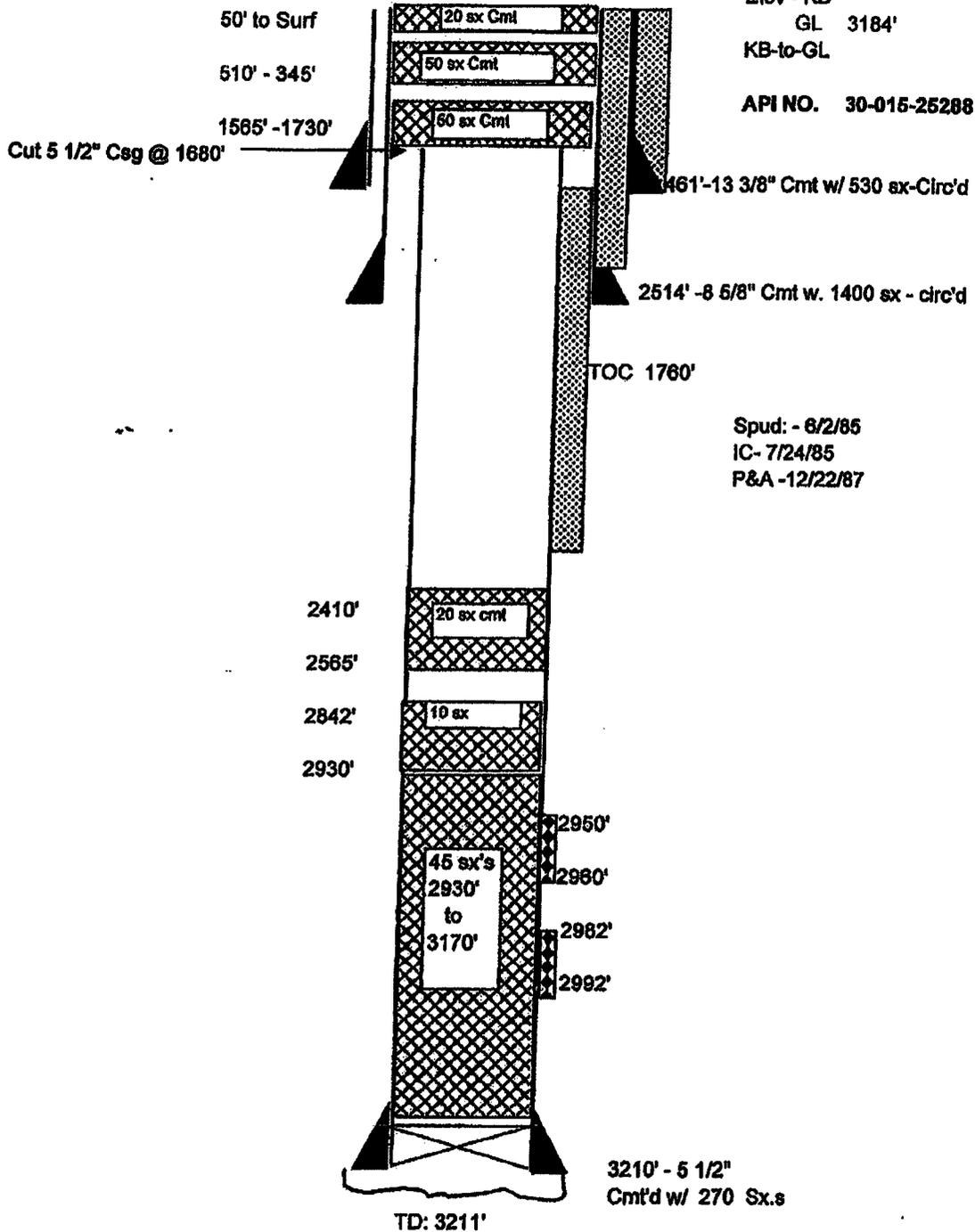
JM Huber- Federal 12 # 1

2310' FSL & 990' FEL
 Sec 12, T-21-S, R-27-E
 Eddy Co., NM
 NW Fenton Field

Elev - KB
 GL 3184'

KB-to-GL

API NO. 30-015-25288



Spud - 6/2/85
 IC - 7/24/85
 P&A - 12/22/87

CERTIFIED STATEMENT

**Federal Trigg #1 Lease
OFFSET PRODUCER LIST**

**BOPCO, L.P.
P.O. Box 2760
Midland, TX 79702**

**Chevron USA Inc.
Attn: Permitting Team
6301 Deauville Blvd.
Midland, TX 79706**

SURFACE OWNER

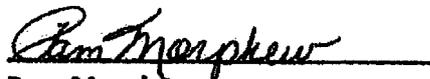
**Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220**

NEWSPAPER

**Current-Argus
P.O. Box 1629
Carlsbad, NM 88220**

A letter and a copy of form C-108 were mailed today, 9/23/2016, to the above named offset operators and landowner. The newspaper notification was printed on 9/2/16. I certify this to be true and correct.

Dakota Resources, Inc. (I)



**Pam Morphew
Vice President
432-697-3420**

SEP 06 2016

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Danny Fletcher, being first duly
sworn, on oath says:

That he is the Publisher of the
Carlsbad Current-Argus, a
newspaper published daily at the
City of Carlsbad, in said county of
Eddy, state of New Mexico and of
general paid circulation in said
county; that the same is a duly
qualified newspaper under the laws
of the State wherein legal notices
and advertisements may be
published; that the printed notice
attached hereto was published in the
regular and entire edition of said
newspaper and not in supplement
thereof on the date as follows, to wit:

September 2 2016

That the cost of publication is \$68.15
and that payment thereof has been
made and will be assessed as court
costs.

D. C. + J.

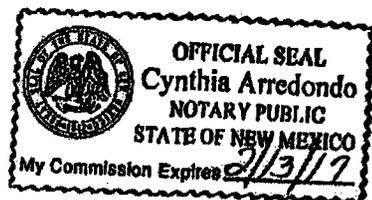
Subscribed and sworn to before me
this 2 day of September,

2016

Cynthia Arredondo

My commission Expires
2/13/17

Notary Public



<p>SENDER: COMPLETE THIS SECTION</p> <ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. <p>1. Article Addressed to:</p> <p style="text-align: center;">Chevron USA Inc. Permitting Team 6301 Deauville Blvd Midland, TX 79706</p> <p>2. Article Number <i>(Transfer from service label)</i></p>	<p>COMPLETE THIS SECTION ON DELIVERY</p> <p>A. Signature X <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>C. Lawrence</i> C. Date of Delivery <i>9-26-16</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
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PS Form 3811, August 2001 Domestic Return Receipt 102595-02-M-1035

<p>SENDER: COMPLETE THIS SECTION</p> <ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. <p>1. Article Addressed to:</p> <p style="text-align: center;">Bureau of Land Mgmt 620 E. Greene Street Carlsbad, NM 88220</p> <p>2. Article Number <i>(Transfer from service label)</i></p>	<p>COMPLETE THIS SECTION ON DELIVERY</p> <p>A. Signature X <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>T. Norris</i> C. Date of Delivery <i>9/26/16</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
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PS Form 3811, August 2001 Domestic Return Receipt 102595-02-M-1035

<p>SENDER: COMPLETE THIS SECTION</p> <ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. <p>1. Article Addressed to:</p> <p style="text-align: center;">BOPCO, L.P. P.O. Box 2760 Midland, TX 79702</p> <p>2. Article Number <i>(Transfer from service label)</i></p>	<p>COMPLETE THIS SECTION ON DELIVERY</p> <p>A. Signature X <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>R. Forre</i> C. Date of Delivery <i>10-5-16</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
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PS Form 3811, August 2001 Domestic Return Receipt 102595-02-M-1035

Public Notice

NOTICE OF APPLICATION FOR FLUID INJECTION WELL PERMIT

Dakota Resources, Inc. (I), 4914 N. Midkiff, Midland, TX 79705 is applying to the Oil Conservation Division, New Mexico for a permit to inject fluid into a formation which is productive of oil and gas. The contact person is Chris Morphew at 432-697-3420 or the above address.

The applicant proposes to inject fluid into the Delaware formation in the Federal Trigg #1. The proposed injection well is located 1980' FSL & 660' FWL, (Unit letter L) Sec. 7, T-21-S, R-28-E, Eddy County, New Mexico, NW Fenton Delaware Field. Injection will be through perforations 2926' to 3315'. The maximum rate will be 2000 BWPD with a maximum pressure of 1000 psi.

Interested parties must file objections or requests with the Oil Conservation Division within 15 , 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010



SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No
NMLC000672A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
 Oil Well Gas Well Other Salt Water Disposal

2. Name of Operator
Dakota Resources, Inc. (I)

3a. Address
4914 N. Bldg
Midland, TX 79705

3b. Phone No. (include area code)
432-697-3420

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1887 FRI & 889 F-WL, Section 7 T41-S, R-26-E, T48P4

7. If Univ of CA/Agreement, Name and/or No

8. Well Name and No
Togo Federal #1 **DEC 16 2008**

9. API Well No
30-016-25006 **OCD-ARTESIA**

10. Field and Pool or Exploratory Area
Fonton Delaware NE

11. Country or Parish, State
Eddy County, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recumplete	<input checked="" type="checkbox"/> Other repair tbg leak
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Repair tubing part at packer.

11/17/08
MIRU Mesa Rig #218. ND WH, NU BOP. POOH W/ B2 Jts. 2 7/8" DUO-Line tbg and 2 7/8" X 2 3/8" Swadge, w/ 2 3/8" Collar. RU Hydrostatic testers, PU Nickel plated 5 1/2" AD-1 Watson Packer, 2 7/8" SN (plated) and lost tbg in hole to 2500 PSI below slips. ND BOP. Strip off WH, replace 5 1/2" collar, install WH, packoff WH. RU I & W. Circulate 55 BBL packer fluid. ND WH. Set packer w/ 15K tension. NU WH. Test Packer and Casing to 500 PSI. Hold 15 Min. Well tests good. RU Kodiak. Release pressure on lb to truck. Remove 2 7/8" sub. Install orbit valve. NU WH. Lease well ready for injection. RDPU.

Rig released 11/19/08

MIT test performed on 12/02/2008. Pressure up to 400#, held for 30 min. Test witnessed by Richard Ingo of the OCD.

ACCEPTED FOR RECORD

CHART ON FILE

DEC 17 2008

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Rodney Long

Signature *Rodney Long*

Title *Foreman*

Date 12/04/2008

Gerry Guys, Deputy Field Inspector
NMOCD-District II ARTESIA

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

Date DEC 14 2008

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Additional Notifications for Trigg SWD, Eddy County, New Mexico

**Devon Energy Production Company LP
333 West Sheridan Avenue
Oklahoma City, OK 73102-5015**

**SRBI Oil & Gas
201 Main Street, #2700
Ft. Worth, TX 76102-3131**

**Featherstone Development Corp.
601 N. Marienfeld Street, #202
Midland, TX 79701**

**Mewbourne Oil Co.
P.O. Box 5270
Hobbs, NM 88241**