

MAY 14 2019 PM02:32

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

**APPLICATION OF PERMIAN OILFIELD PARTNERS, LLC
TO APPROVE SALT WATER DISPOSAL
WELL IN LEA COUNTY, NEW MEXICO.**

CASE NO. LC571

APPLICATION

Permian Oilfield Partners, LLC ("Permian"), OGRID No. 328259, through its undersigned attorneys, hereby submits this application to the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-12, Rule No. 19.15.26, and Rule 19.15.4.8 for an order approving drilling of a salt water disposal well in Lea County, New Mexico. In support of this application, Permian states as follows:

(1) Permian proposes to drill the Bullseye Federal SWD Well #1 well at a surface location 1,318 feet from the North line and 250 feet from the East line of Section 6, Township 25 South, Range 33 East, NMPM, Lea County, New Mexico for the purpose of operating a produced water disposal well.

(2) Permian seeks authority to inject produced water into the Silurian-Devonian formation at a depth of approximately 17,453' to 18,880'.

(3) Permian further seeks approval of the use of 7 inch tubing inside the surface and intermediate casings and 5 ½ inch tubing inside the liner and requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day.

(4) Permian anticipates using an average injection pressure of 2,000 psi for this well and it requests approval of a maximum injection pressure of 3,491 psi for the well.

(5) On or about April 26, 2019, Permian filed an administrative application with the Division seeking administrative approval of the subject well for produced water disposal.

(6) Permian complied with the notice requirements for administrative applications, including mailing and publication in the Hobbs News Sun.

(7) The New Mexico State Land Office submitted a protest with respect to Permian's administrative application. Permian discussed the State Land Office's protest with the State Land Office. The State Land Office requested that Permian submit an application for hearing before a Division Examiner for this matter.

(8) To Permian's knowledge, no other protests were submitted.

(9) A proposed C-108 for the subject well is attached hereto in Attachment A.

(10) The granting of this application will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Permian requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 13, 2019; and that after notice and hearing, the Division enter its order approving this application.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: Deana M. Bennett

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Attorneys for Applicant

CASE NO. 20571: Application of Permian Oilfield Partners, LLC for approval of a salt water disposal well in Lea County, New Mexico. Applicant seeks an order approving disposal into the Silurian-Devonian formation through the Bullseye Federal SWD Well #1 well at a surface location 1318 feet from the North line and 250 feet from the East line of Section 6, Township 25 South, Range 33 East, NMPM, Lea County, New Mexico for the purpose of operating a produced water disposal well. Applicant seeks authority to inject produced water into the Silurian-Devonian formation at a depth of approximately 17,453' to 18,880'. Applicant further seeks approval of the use of 7 inch tubing inside the surface and intermediate casings and 5 ½ inch tubing inside the liner and requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 24.2 miles West of Jal, New Mexico.

| | | | |
|-----------|-----------|-------|---------|
| RECEIVED: | REVIEWER: | TYPE: | APP NO: |
|-----------|-----------|-------|---------|

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: _____ **OGRID Number:** _____
Well Name: _____ **API:** _____
Pool: _____ **Pool Code:** _____

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

| FOR OCD ONLY | |
|--------------------------|------------------------------|
| <input type="checkbox"/> | Notice Complete |
| <input type="checkbox"/> | Application Content Complete |

3) **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.

 Print or Type Name

 Date

 Phone Number

 Signature

 e-mail Address



APPLICATION FOR AUTHORIZATION TO INJECT

- I. **PURPOSE:** Disposal
Application qualifies for administrative approval? Yes
- II. **OPERATOR:** Permian Oilfield Partners, LLC.
ADDRESS: P.O. Box 1220, Stephenville, TX. 76401
CONTACT PARTY: Sean Puryear **PHONE:** (817) 600-8772
- 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? No
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-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:** Sean Puryear **TITLE:** Manager
SIGNATURE:  **DATE:** 4-24-2019
E-MAIL ADDRESS: spuryear@popmidstream.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: _____

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.

Additional Data

1. **Is this a new well drilled for injection?**
Yes
2. **Name of the Injection Formation:**
Devonian: Open Hole Completion
3. **Name of Field or Pool (if applicable):**
SWD; Devonian-Silurian
4. **Has the well ever been perforated in any other zone(s)?**
No: New Drill for Injection of Produced Water
5. **Give the name and depths of any oil or gas zones underlying or overlying the proposed Injection zone in this area:**

Overlying Potentially Productive Zones:

Delaware, Bone Spring, Wolfcamp, Strawn, Atoka & Morrow Tops all above 15,092'

Underlying Potentially Productive Zones:

None

WELL CONSTRUCTION DATA

Permian Oilfield Partners, LEC.
Bullseye Federal SWD #1
1318' FNL, 250' FEL
Sec. 6, T25S, R33E, Lea Co. NM
Lat 32.1632607° N, Lon 103.6036389° W
GL 3478', RKB 3508'

Surface - (Conventional)

Hole Size: 26" Casing: 20" - 94# H-40 & 106.5# J-55 STC Casing
Depth Top: Surface
Depth Btm: 1465'
Cement: 1007 sks - Class C + Additives
Cement Top: Surface - (Circulate)

Intermediate #1 - (Conventional)

Hole Size: 17.5" Casing: 13.375" - 54.5# J-55 & 61# J-55 STC Casing
Depth Top: Surface
Depth Btm: 4935'
Cement: 1632 sks - Lite Class C (50:50:10) + Additives
Cement Top: Surface - (Circulate)

Intermediate #2 - (Conventional)

Hole Size: 12.25" Casing: 9.625" - 40# L-80 & 40# HCL-80 BTC Casing
Depth Top: Surface
Depth Btm: 12129' ECP/DV Tool: 5055'
Cement: 2650 sks - Lite Class C (65:40:0) + Additives
Cement Top: Surface - (Circulate)

Intermediate #3 - (Liner)

Hole Size: 8.5" Casing: 7.625" - 39# HCL-80 FJ Casing
Depth Top: 11929'
Depth Btm: 17455'
Cement: 261 sks - Lite Class C (65:40:0) + Additives
Cement Top: 11929' - (Volumetric)

Intermediate #4 - (Open Hole)

Hole Size: 6.5" Depth: 18880'
(Inj. Interval: 17455' - 18880' (Open-Hole Completion))

Tubing - (Tapered)

Tubing Depth: 17408' Tubing: 7" - 26# HCP-110 FJ Casing & 5.5" 17# HCL-80
X/O Depth: 11929' FJ Casing (Fiberglass Lined)
X/O: 7" 26# HCP-110 FJ Casing - X - 5.5" 17# HCL-80 FJ Casing (Fiberglass Lined)
Packer Depth: 17418' Packer: 5.5" - Ferns-Pak or Equivalent (Inconel)

WELLBORE SCHEMATIC

Permian Oilfield Partners, L.L.C.
Bulmaga Federal SWD #1
1318' FNL, 250' FEL
Sec. 6, T25S, R13E, Lea Co. NM
Lat 32.1632607° N, Lon 103.6036389° W
GL 3478', RKB 3503'

Surface - (Conventional)

Hole Size: 26"
Casing: 20" - 94# H-40 & 106.5# J-55 STC Casing
Depth Top: Surface
Depth Btm: 1465'
Cement: 1007 sks - Class C + Additives
Cement Top: Surface - (Circulate)

Intermediate #1 - (Conventional)

Hole Size: 17.5"
Casing: 13.375" - 54.5# J-55 & 61# J-55 STC Casing
Depth Top: Surface
Depth Btm: 4935'
Cement: 1682 sks - Lite Class C (50:50:10) + Additives
Cement Top: Surface - (Circulate)

Intermediate #2 - (Conventional)

Hole Size: 12.25"
Casing: 9.625" - 40# L-80 & 40# HCL-80 BTC Casing
Depth Top: Surface
Depth Btm: 12129'
Cement: 2090 sks - Lite Class C (60:40:0) + Additives
Cement Top: Surface - (Circulate)
ECP/DV Tool: 5035'

Intermediate #3 - (Liner)

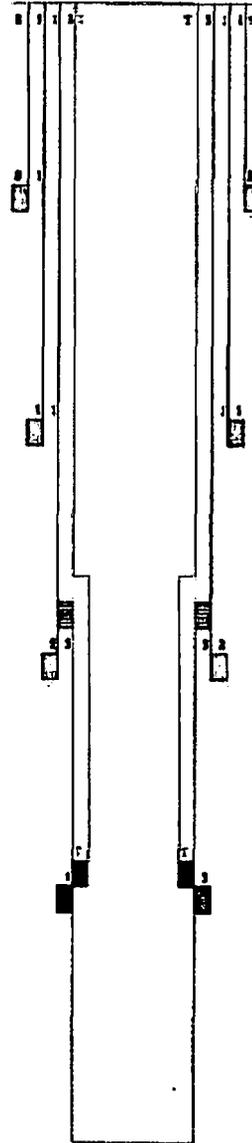
Hole Size: 8.5"
Casing: 7.625" - 89# HCL-80 FJ Casing
Depth Top: 11929'
Depth Btm: 17459'
Cement: 261 sks - Lite Class C (60:40:0) + Additives
Cement Top: 11929' - (Volumetric)

Intermediate #4 - (Open Hole)

Hole Size: 6.5"
Depth: 18880'
Int. Interval: 17459' - 18880' (Open-Hole Completion)

Tubing - (Tapered)

Tubing Depth: 17408'
Tubing: 7" - 26# HCP-110 FJ Casing & 5.5" 17# HCL-80 FJ Casing (Fiberglass Lined)
X/O Depth: 11929'
X/O: 7" 26# HCP-110 FJ Casing - X - 5.5" 17# HCL-80 FJ Casing (Fiberglass Lined)
Packer Depth: 17418'
Packer: 5.5" - Perma-Pak or Equivalent (Inconel)



VI: There are no wells within the proposed wells area of review that penetrate the Devonian Formation.

VII:

1. The average injected volume anticipated is 40,000 BWPD
The maximum injected volume anticipated is 50,000 BWPD
2. Injection will be through a closed system
3. The average injection pressure anticipated is 2,000 psi
The proposed maximum injection pressure is 3,491 psi
4. Disposal Sources will be produced waters from surrounding wells in the Delaware, Avalon, Bone Spring and Wolfcamp formations. These formation waters are known to be compatible with Devonian formation water. Representative area produced water analyses were sourced from Go-Tech's website and are listed below.

| WELL NAME | FIGHTING OKRA 18 FEDERAL COM #001H | SALADO DRAW 6 FEDERAL #001H | RATTLESNAKE 13 12 FEDERAL COM #001H | SNAPPING 2 STATE #014H |
|--------------------|---------------------------------------|--------------------------------|--|---------------------------|
| api | 3002540382 | 3002541293 | 3002540912 | 3001542688 |
| latitude | 32.0435333 | 32.0657196 | 32.0369568 | 32.06555986 |
| longitude | -103.5164566 | -103.5146942 | -103.416214 | -103.7413815 |
| section | 18 | 6 | 13 | 2 |
| township | 26S | 26S | 26S | 26S |
| range | 34E | 34E | 34E | 31E |
| unit | E | M | P | P |
| ftgns | 2590N | 200S | 330S | 250S |
| ftgew | 330W | 875W | 330E | 330E |
| county | Lea | Lea | Lea | EDDY |
| state | NM | NM | NM | NM |
| formation | AVALON UPPER | BONE SPRING 3RD SAND | DELAWARE-BRUSHY CANYON | WOLFCAMP |
| sampledate | 42046 | 41850 | 41850 | 42284 |
| ph | 8 | 6.6 | 6.2 | 7.3 |
| tds_mgL | 201455.9 | 99401.9 | 243517.1 | 81366.4 |
| resistivity_ohm_cm | 0.032 | 0.064 | 0.026 | 0.1004 |
| sodium_mgL | 66908.6 | 34493.3 | 73409.8 | 26319.4 |
| calcium_mgL | 9313 | 3295 | 15800 | 2687.4 |
| iron_mgL | 10 | 0.4 | 18.8 | 26.1 |
| magnesium_mgL | 1603 | 396.8 | 2869 | 326.7 |
| manganese_mgL | 1.6 | 0.37 | 3.12 | |
| chloride_mgL | 121072.7 | 59986.5 | 149966.2 | 50281.2 |
| bicarbonate_mgL | 1024.8 | 109.8 | 48.8 | |
| sulfate_mgL | 940 | 710 | 560 | 399.7 |
| co2_mgL | 1950 | 70 | 200 | 100 |

5. Devonian water analysis from the area of review is unavailable. Representative area water analyses were sourced from Go-Tech's website and are listed below.

| WELL NAME | ANTELOPE RIDGE UNIT #003 | BELL LAKE UNIT #006 |
|-----------------|--------------------------|---------------------|
| apl | 3002521082 | 3002508483 |
| latitude | 32.2593155 | 32.3282585 |
| longitude | -103.4610748 | -103.507103 |
| sec | 34 | 6 |
| township | 23S | 23S |
| range | 34E | 34E |
| unit | K | O |
| ftgns | 1980S | 660S |
| ftgew | 1650W | 1980E |
| county | LEA | LEA |
| state | NM | NM |
| field | ANTELOPE RIDGE | BELL LAKE NORTH |
| formation | DEVONIAN | DEVONIAN |
| samplesource | UNKNOWN | HEATER TREATER |
| ph | 6.9 | 7 |
| tds_mgL | 80187 | 71078 |
| chloride_mgL | 42200 | 47900 |
| bicarbonate_mgL | 500 | 476 |
| sulfate_mgL | 1000 | 900 |

VIII: Injection Zone Geology

Fluid injection will take place in the Devonian-Silurian formations. This sequence is bounded above by the Upper Devonian Woodford shale. Underlying the Woodford is the first injection formation, the Devonian, consisting of dolomitic carbonates & chert, followed by the Upper Silurian dolomites, and the Lower Silurian Fusselman dolomite. The lower bound of the injection interval is the limestone of the Upper Ordovician Montoya. This proposed well will TD above the top of the Montoya, and will not inject fluids into the Montoya itself, in order to provide a sufficient barrier to preclude fluid injection into the Middle Ordovician Simpson, the Lower Ordovician Ellenburger, the Cambrian, and the PreCambrian below.

Injection zone porosities are expected to range from 0% to a high of 8%, with the higher ranges being secondary porosity in the form of vugs & fractures due to weathering effects, with occasional interbedded shaly intervals. Permeabilities in the 2-3% porosity grainstone intervals are estimated to be in the 10-15 mD range, with the higher porosity intervals conservatively estimated to be in the 40-50 mD range. It is these intervals of high secondary porosity and associated high permeability that are expected to take the majority of the injected water.

The Devonian-Silurian sequence is well suited for SWD purposes, with a low permeability shale barrier overlying the injection interval to prevent upward fluid migrations to USDW's, sufficient permeabilities and porosities in zone, and multiple formations available over a large depth range. This large injection depth range means there is a large injection surface area available, allowing for low injection pressures at high injection rates.

Permian Oilfield Partners, LLC.
 Bullseye Federal SWD #1
 1318' FNL, 250' FEL
 Sec. 6, T25S, R33E, Lea Co. NM
 Lat 32.1632607° N, Lon 103.6036389° W
 GL 3478', RKB 3508'

| GEOLOGY PROGNOSIS | | | |
|--------------------------|-------------|---------------|------------------|
| FORMATION | TOP | BOTTOM | THICKNESS |
| | KB TVD (ft) | KB TVD (ft) | (ft) |
| Salt | 1,440 | 4,758 | 3,318 |
| Delaware | 4,910 | 9,086 | 4,176 |
| Bone Spring | 9,086 | 12,079 | 2,993 |
| Wolfeamp | 12,079 | 13,185 | 1,106 |
| Lwr. Mississippian | 16,751 | 17,208 | 457 |
| Woodford | 17,208 | 17,418 | 210 |
| Devonian | 17,418 | 18,295 | 877 |
| Fusselman (Silurian) | 18,295 | 18,905 | 610 |
| Montoya (U. Ordovician) | 18,905 | 19,554 | 649 |
| Simpson (M. Ordovician) | 19,554 | 20,126 | 572 |

2. According to the New Mexico Office of the State Engineer, there is 1 fresh water well within the proposed well's one-mile area of review indicating the presence of freshwater at depths less than 150'. Regionally, shallow fresh water is known to exist at depths less than 750'. There is one well in the region that shows fresh water to 1533', which is deeper than the estimated top of salt, but does not show TD, leading us to suspect that there may be a recording error in the well data, where well TD and depth of water were recorded incorrectly. Casing design on this well includes surface casing to a depth of 1465', which may be excessive, but will ensure ground water protection. There are no underground sources of fresh water present below the injection interval.

IX: Formation chemical stimulation with 40,000 gals of 15% Hydrochloric Acid is planned after well completion.

X: A compensated neutron/gamma ray log will be run from surface to TD upon well completion. All logs will be submitted to the NMOCD upon completion.

XI: According to the New Mexico Office of the State Engineer, there is 1 fresh water well within the proposed well's one-mile area of review. Attempts were made to sample the below listed well but the well was capped off.

| Well Name | Formation Name | Depth Top | Depth Bottom | Thickness | Status |
|------------------|-----------------------|------------------|---------------------|------------------|---------------|
| C 02312 | None Given | 60' | 150' | 90' | Capped |

XII: Hydrologic affirmative statement attached.

XIII: Proof of notice and proof of publication attached.



**PERMIAN OILFIELD
PARTNERS**

Item XII. Affirmative Statement

**Re: C-108 Application for SWD Well
Permian Oilfield Partners, LLC
Bullseye Federal SWD #1
Sec. 8, Twp. 25S, Rge. 33E
1318' FNL, 250' FEL
Lea County, NM**

Permian Oilfield Partners, LLC. has 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.

**Gary Fisher
Manager
Permian Oilfield Partners, LLC.**

Date: 4/24/2019

District I
1625 N. Francis Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 E. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Hondo Road, Aztec, NM 87410
Phone: (505) 834-6178 Fax: (505) 834-6170
District IV
1220 N. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-0463

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

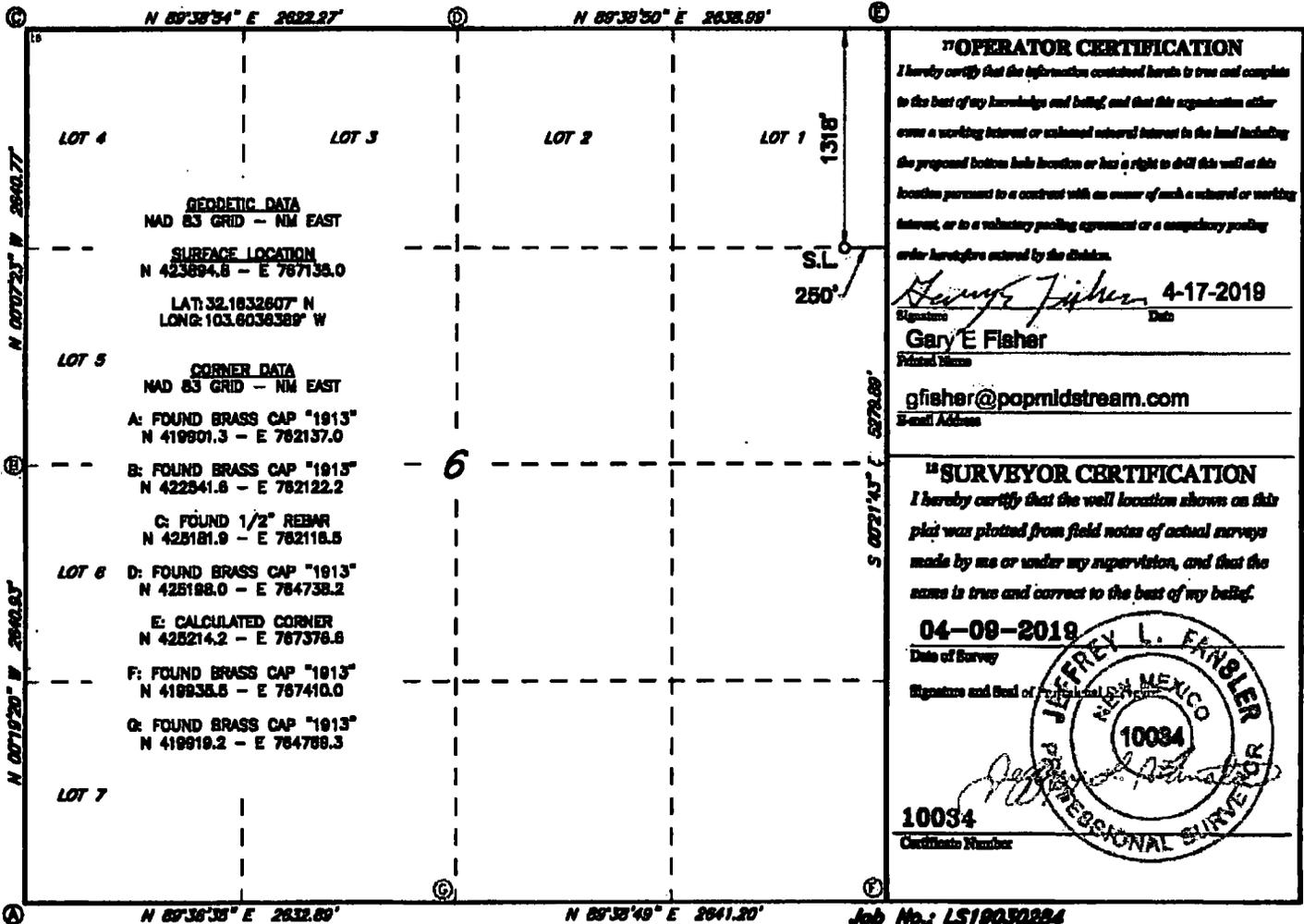
Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

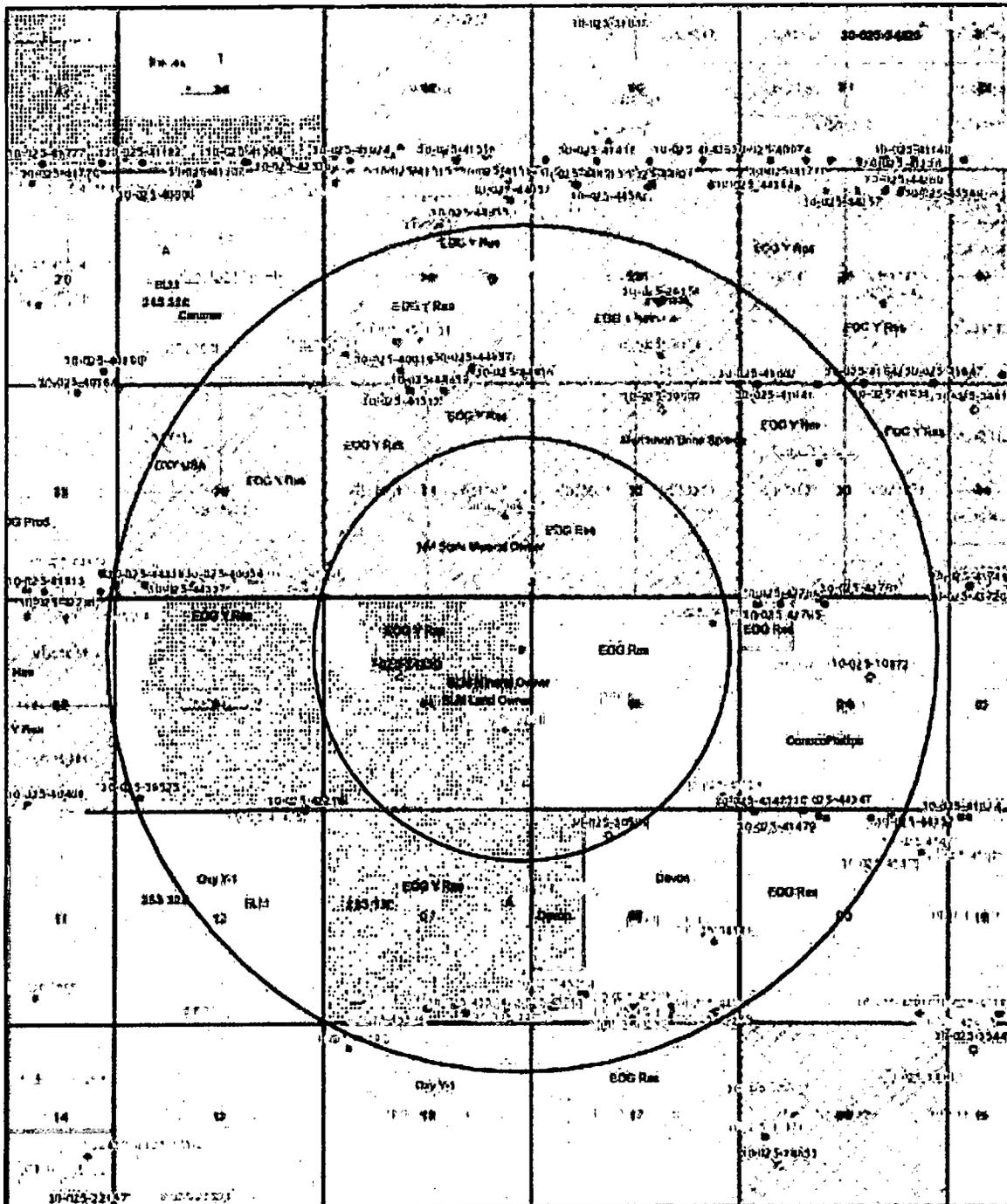
WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|--|---------------------|--|---------------------|---|------------------------------|--|-----------------------------|-------------------------------|----------------------|
| ¹ API Number 30-025- | | ² Pool Code 97869 | | ³ Pool Name SWD; DEVONIAN-SILURIAN | | | | | |
| ⁴ Property Code | | ⁵ Property Name BULLSEYE FEDERAL SWD | | | | ⁶ Well Number 1 | | | |
| ⁷ OCHID NO. 328259 | | ⁸ Operator Name PERMIAN OILFIELD PARTNERS LLC | | | | ⁹ Elevation 3478' | | | |
| ¹⁰ Surface Location | | | | | | | | | |
| UL or lot no. 1 | Section 6 | Township 25S | Range 33E | Lot Idn | Feet from the 1318 | North/South line NORTH | Feet from the 260 | East/West line EAST | County LEA |
| ¹¹ Bottom Hole Location If Different From Surface | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| ¹² Dedicated Acres | | ¹³ Joint or Infill | | ¹⁴ Consolidation Code | | ¹⁵ Order No. | | | |

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



1 & 2 Mile AOR, Bullseye Federal SWD #1



4/20/2018, 7:48:05 PM

Overbite 1

Well Locations - Small Scale

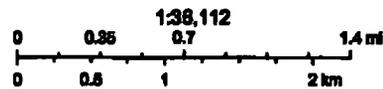
- Active
- New
- Plugged
- Cancelled
- Temporarily Abandoned

Well Locations - Large Scale

- Miscellaneous
- * CO2 Active
- CO2 Cancelled
- CO2 New
- CO2 Plugged
- CO2 Temporarily Abandoned

- Gas Active
- Gas, Cancelled, Never Drilled
- Gas, New
- Gas, Plugged
- Gas, Temporarily Abandoned
- Injection, Active
- Injection, Cancelled
- Injection, New
- Injection, Plugged
- Injection, Temporarily Abandoned
- Oil, Active
- Oil, Cancelled
- Oil, New

- Oil, Plugged
- Oil, Temporarily Abandoned
- △ Salt Water Injection, Active
- Salt Water Injection, Cancelled
- Salt Water Injection, New
- Salt Water Injection, Plugged
- Salt Water Injection, Temporarily Abandoned
- Water, Active
- Water, Cancelled
- Water, New
- Water, Plugged
- Water, Temporarily Abandoned
- PLSS First Division



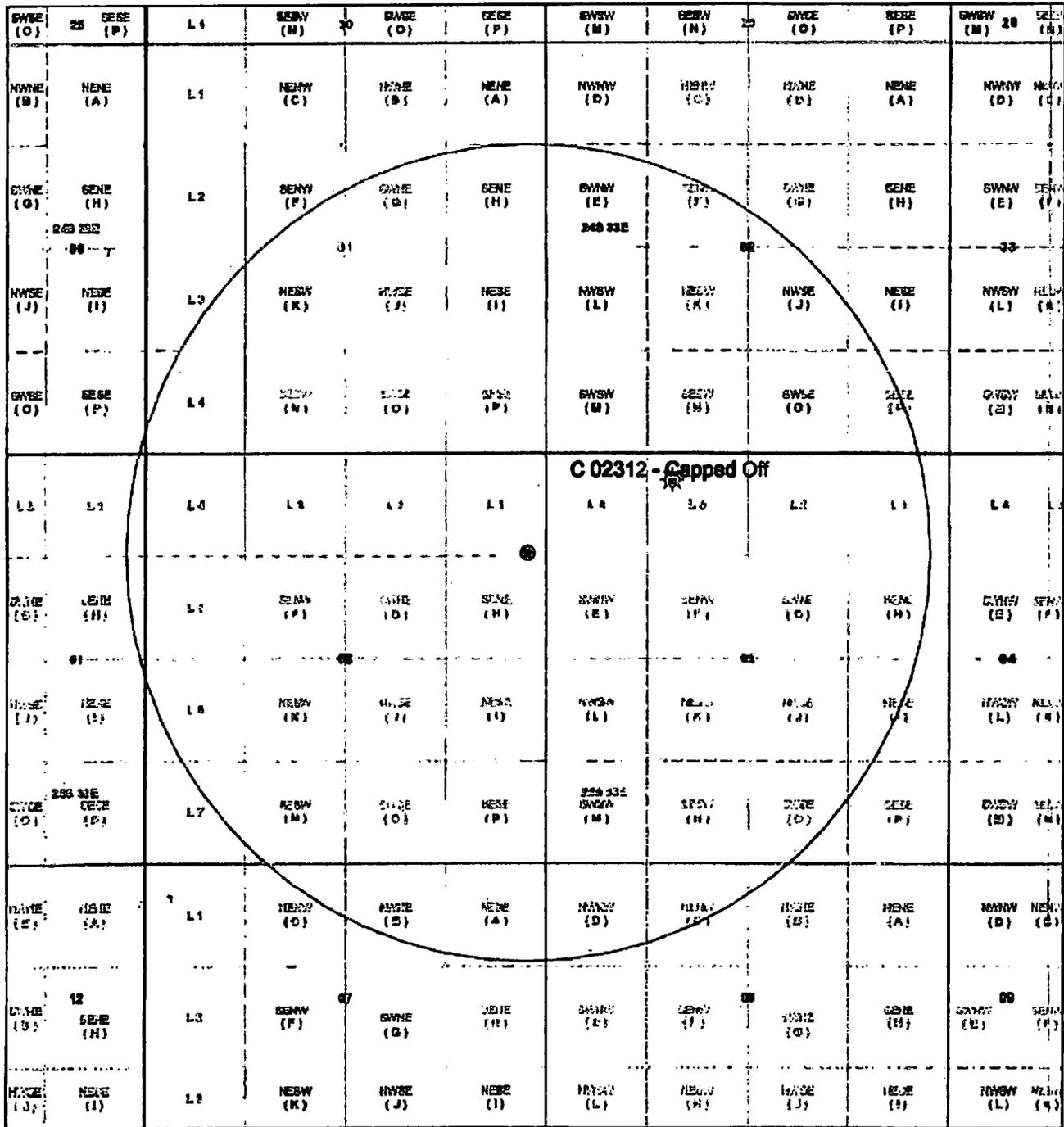
U.S. ELM
 Sources: East, HERE, Garmin, Intermap, increment P Corp.,
 GEBCO, USGS, FAO, NPS, NRCAN, GeoEye, IGN, Kadaster NL,
 Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong),

New Mexico Oil Conservation Division

Bullseye Federal SWD #1 - Wells within 1 Mile Area of Review

| API Number | Current Operator | Well Name | Well Number | Well Type | Well Direction | Well Status | Section | Footwall | Height | CCO Unit Label | Surface Landmark | Bottomhole Landmark | County | APN |
|--------------|---------------------------------------|-----------------|-------------|-----------|----------------|-----------------------------|---------|----------|--------|----------------|-------------------------------------|-------------------------------------|----------|-------------|
| 30-025-48577 | PFC ONSHAW WELL CREATION | PFC ONSHAW WELL | 8001 | Oil | Vertical | Plugged / Shut In/abandoned | 31 | 7245 | 833E | I | H-13-205-33E 1390 PRL 660 PRL | H-13-205-33E 1390 PRL 660 PRL | DELAWARE | 13-01-0130 |
| 30-025-48580 | PFC ONSHAW WELL CREATION | PFC ONSHAW WELL | 8001 | Oil | Vertical | Plugged / Shut In/abandoned | 01 | 7235 | 833E | A | A-05-205-33E Linc 1 660 PRL 660 PRL | A-05-205-33E Linc 1 660 PRL 660 PRL | DELAWARE | 13-01-0130 |
| 30-025-30539 | DEVON ENERGY PRODUCTION COMPANY LP | FLAGLER FEDERAL | 8001 | Gas | Vertical | Active | 01 | 7235 | 833E | C | C-08-205-33E 690 PRL 1360 PRL | C-08-205-33E Linc 1 660 PRL 660 PRL | DELAWARE | 13-01-0130 |
| 30-025-32231 | SMITH RE ENERGY OPERATING PARTNERS LP | OHIO FEDERAL | 8001 | Oil | Vertical | Plugged / Shut In/abandoned | 05 | 7245 | 833E | I | I-06-205-33E 1390 PRL 660 PRL | I-06-205-33E 1390 PRL 660 PRL | DELAWARE | 13-01-0130 |
| 30-025-32261 | EOG YOUNG & RUBICAM INC. | YAMA AVAL STATE | 8001 | Gas | Vertical | Choked / Shut In | 32 | 7245 | 833E | M | M-33-205-33E 310 PRL 660 PRL | M-33-205-33E 310 PRL 660 PRL | DELAWARE | 13-01-0130 |
| 30-025-34350 | DEVON ENERGY PRODUCTION CO. | BLA S FEDERAL | 8001 | Gas | Vertical | Choked / Shut In | 06 | 7235 | 833E | F | F-06-205-33E 1360 PRL 1360 PRL | F-06-205-33E 1360 PRL 1360 PRL | MICHIGAN | 11000111000 |

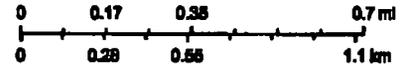
Bullseye Federal SWD #1 - Water Wells within 1 Mile AOR



4/20/2019, 12:20:51 PM

1:18,056

- Override 1
- Points
- Override 1
- Override 2
- PLSS First Division
- PLSS Second Division
- PLSS Townships



Source: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoEye, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), Swisstopo, © OpenStreetMap contributors, and the GIS User

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)

(quarters are 1-NW 2-NE 3-SW 4-SE)
(quarters are smallest to largest)

(NADE3 UTM in meters)

(In feet)

| POD Number | Code | Sub-basin | County | Q 64 | Q 16 | Q 4 | Sec | Tws | Rng | X | Y | Depth Well | Depth Water | Water Column |
|---------------------|------|-----------|--------|------|------|-----|-----|-----|-----|--------|----------|------------|-------------|--------------|
| <u>C_02308</u> | | CUB | LE | 1 | 3 | 1 | 10 | 24S | 33E | 634953 | 3567364* | 40 | 20 | 20 |
| <u>C_02309</u> | | CUB | LE | 2 | 2 | 2 | 25 | 24S | 33E | 639638 | 3562994* | 60 | 30 | 30 |
| <u>C_02310</u> | | CUB | LE | 2 | 3 | 2 | 33 | 24S | 33E | 634437 | 3560918* | 120 | 70 | 50 |
| <u>C_02311</u> | | CUB | LE | 2 | 3 | 2 | 33 | 24S | 33E | 634437 | 3560918* | 120 | 70 | 50 |
| <u>C_02430</u> | | CUB | LE | 3 | 3 | 3 | 16 | 24S | 33E | 633377 | 3564732* | 643 | 415 | 228 |
| <u>C_02431</u> | | CUB | LE | 4 | 4 | 4 | 17 | 24S | 33E | 633175 | 3564728* | 525 | 415 | 110 |
| <u>C_02432</u> | | CUB | LE | 4 | 4 | 4 | 17 | 24S | 33E | 633175 | 3564728* | 640 | 415 | 225 |
| <u>C_02563</u> | | CUB | LE | 1 | 4 | 2 | 33 | 24S | 33E | 634639 | 3560923* | 120 | | |
| <u>C_02564</u> | | CUB | LE | 2 | 4 | 2 | 33 | 24S | 33E | 634839 | 3560923* | 120 | | |
| <u>C_02890</u> | | C | LE | 2 | 4 | 29 | 24S | 33E | | 633114 | 3562012* | 500 | | |
| <u>C_03566</u> POD3 | | CUB | LE | 3 | 4 | 08 | 24S | 33E | | 632763 | 3566546 | | | 1533 |
| <u>C_03591</u> POD1 | | CUB | LE | 2 | 1 | 4 | 05 | 24S | 33E | 632731 | 3568518 | | | |
| <u>C_03600</u> POD1 | | CUB | LE | 2 | 2 | 1 | 26 | 24S | 33E | 637275 | 3563023 | | | |
| <u>C_03600</u> POD2 | | CUB | LE | 4 | 4 | 1 | 25 | 24S | 33E | 638824 | 3562329 | | | |
| <u>C_03600</u> POD3 | | CUB | LE | 3 | 4 | 2 | 26 | 24S | 33E | 637784 | 3562340 | | | |
| <u>C_03600</u> POD4 | | CUB | LE | 3 | 3 | 1 | 26 | 24S | 33E | 636617 | 3562293 | | | |
| <u>C_03600</u> POD5 | | CUB | LE | 3 | 2 | 4 | 26 | 24S | 33E | 637857 | 3562020 | | | |
| <u>C_03600</u> POD6 | | CUB | LE | 3 | 1 | 4 | 26 | 24S | 33E | 637383 | 3562026 | | | |
| <u>C_03600</u> POD7 | | CUB | LE | 3 | 1 | 3 | 26 | 24S | 33E | 636726 | 3561968 | | | |
| <u>C_03601</u> POD1 | | CUB | LE | 4 | 4 | 2 | 23 | 24S | 33E | 638124 | 3563937 | | | |
| <u>C_03601</u> POD2 | | CUB | LE | 3 | 2 | 4 | 23 | 24S | 33E | 637846 | 3563588 | | | |
| <u>C_03601</u> POD3 | | CUB | LE | 1 | 3 | 3 | 24 | 24S | 33E | 638142 | 3563413 | | | |
| <u>C_03601</u> POD4 | | CUB | LE | 3 | 3 | 3 | 24 | 24S | 33E | 638162 | 3561375 | | | |
| <u>C_03601</u> POD5 | | CUB | LE | 2 | 4 | 4 | 23 | 24S | 33E | 637988 | 3563334 | | | |
| <u>C_03601</u> POD6 | | CUB | LE | 1 | 4 | 4 | 23 | 24S | 33E | 637834 | 3563338 | | | |
| <u>C_03601</u> POD7 | | CUB | LE | 4 | 4 | 4 | 23 | 24S | 33E | 637946 | 3563170 | | | |
| <u>C_03602</u> POD2 | | CUB | LE | 4 | 4 | 1 | 25 | 24S | 33E | 638824 | 3562329 | | | |
| <u>C_03603</u> POD1 | | CUB | LE | 3 | 2 | 2 | 35 | 24S | 33E | 637805 | 3561225 | | | |
| <u>C_03603</u> POD2 | | CUB | LE | 3 | 1 | 2 | 35 | 24S | 33E | 637384 | 3561167 | | | |
| <u>C_03603</u> POD3 | | CUB | LE | 4 | 1 | 1 | 35 | 24S | 33E | 636890 | 3561092 | | | |
| <u>C_03603</u> POD4 | | CUB | LE | 3 | 2 | 4 | 35 | 24S | 33E | 637789 | 3560461 | | | |
| <u>C_03603</u> POD5 | | CUB | LE | 3 | 3 | 2 | 35 | 24S | 33E | 636745 | 3560767 | | | |
| <u>C_03603</u> POD6 | | CUB | LE | 3 | 1 | 3 | 35 | 24S | 33E | 636749 | 3560447 | | | |

4/24/2018

T24S R33E Average Fresh Water Depths.htm

| | | | | | | | | | | | | | |
|---------------------|-----|----|---|---|---|----|-----|-----|--------|---------|-----|-----|-----|
| <u>C_03662.POD1</u> | C | LE | 3 | 1 | 2 | 23 | 24S | 33E | 637342 | 3564428 | 550 | 110 | 440 |
| <u>C_03666.POD1</u> | C | LE | 2 | 3 | 4 | 13 | 24S | 33E | 639132 | 3565078 | 650 | 390 | 260 |
| <u>C_03679.POD1</u> | C | BD | 1 | 4 | 2 | 14 | 24S | 33E | 603567 | 3581547 | 700 | 575 | 125 |
| <u>C_03917.POD1</u> | C | LE | 4 | 1 | 3 | 13 | 24S | 33E | 638374 | 3565212 | 600 | 420 | 180 |
| <u>C_04014.POD2</u> | CUB | LE | 4 | 4 | 2 | 01 | 24S | 33E | 639656 | 3568917 | 95 | 81 | 14 |
| <u>C_04014.POD3</u> | CUB | LE | 2 | 4 | 2 | 01 | 24S | 33E | 639497 | 3569007 | 95 | 87 | 8 |
| <u>C_04014.POD4</u> | CUB | LE | 3 | 4 | 2 | 01 | 24S | 33E | 639295 | 3568859 | 96 | 86 | 10 |
| <u>C_04014.POD5</u> | CUB | LE | 1 | 4 | 2 | 01 | 24S | 33E | 639284 | 3569086 | 95 | 85 | 10 |

Average Depth to Water: 300 feet
 Minimum Depth: 20 feet
 Maximum Depth: 1533 feet

Record Count: 41

FLSS Search:

Township: 24S Range: 33E

*UTM location was derived from FLSS - 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.

4/20/18 12:13 PM

WATER COLUMN/ AVERAGE DEPTH TO WATER

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)

(quarters are 1-NW 2-NE 3-SW 4-SE)
(quarters are smallest to largest)

(NAD83 UTM in meters)

(In feet)

| POD Number | Code | POD Sub-basin | County | Q 64 | Q 16 | Q 4 | Sec | Tws | Rng | X | Y | Depth Well | Depth Water | Water Column |
|---------------------|------|---------------|--------|------|------|-----|-----|-----|-----|--------|----------|------------|-------------|--------------|
| <u>C.02270</u> | | CUB | LE | 1 | 1 | 2 | 27 | 26S | 33E | 636063 | 3543722 | 150 | 125 | 25 |
| <u>C.02273</u> | | CUB | LE | | 1 | 2 | 21 | 26S | 33E | 634549 | 3545134* | 160 | 120 | 40 |
| <u>C.02285</u> POD1 | | CUB | LE | 1 | 4 | 4 | 03 | 26S | 33E | 636613 | 3548855 | 220 | 220 | 0 |
| <u>C.02286</u> | | CUB | LE | 3 | 4 | 4 | 03 | 26S | 33E | 636470 | 3548714 | 220 | 175 | 45 |
| <u>C.02287</u> | | C | LE | 3 | 4 | 4 | 03 | 26S | 33E | 636427 | 3548708 | 220 | | |
| <u>C.02288</u> | | CUB | LE | 4 | 4 | 4 | 03 | 26S | 33E | 636646 | 3548758 | 220 | 180 | 40 |
| <u>C.02289</u> | | CUB | LE | 4 | 4 | 4 | 03 | 26S | 33E | 636612 | 3548675* | 200 | 160 | 40 |
| <u>C.02290</u> | | CUB | LE | 4 | 4 | 4 | 03 | 26S | 33E | 636538 | 3548770 | 200 | 160 | 40 |
| <u>C.02293</u> | | CUB | LE | 2 | 2 | 1 | 14 | 26S | 33E | 637501 | 3546975 | 200 | 135 | 65 |
| <u>C.02294</u> | | CUB | LE | 4 | 4 | 3 | 11 | 26S | 33E | 637465 | 3547003 | 200 | 145 | 55 |
| <u>C.02295</u> | | CUB | LE | 2 | 2 | 4 | 12 | 26S | 33E | 639850 | 3547710* | 250 | 200 | 50 |
| <u>C.03577</u> POD1 | | CUB | LE | 3 | 3 | 3 | 22 | 26S | 33E | 636010 | 3543771 | 750 | 110 | 640 |
| <u>C.03596</u> POD1 | | C | LE | 3 | 3 | 4 | 22 | 26S | 33E | 636017 | 3543756 | 225 | | |

Average Depth to Water: 157 feet
Minimum Depth: 110 feet
Maximum Depth: 220 feet

Record Count: 13

FLSS Search:

Township: 26S Range: 33E

*UTM location was derived from FLSS - see Help

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

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WATER COLUMN/ AVERAGE DEPTH TO WATER

New Mexico Office of the State Engineer Point of Diversion Summary

| Well Tag | POD Number | (quarters are 1-NW 2-NE 3-SW 4-SE) (quarters are smallest to largest) | | | | | (NAD83 UTM in meters) | | |
|------------------------------|------------|--|------------|-------------------------|-----|---------|-----------------------|--------|----------|
| | | Q64 | Q16 | Q4 | Sec | Tws | Rng | X | Y |
| | C 02312 | 1 | 2 | 1 | 05 | 25S | 33E | 632241 | 3559687* |
| Driller License: | | Driller Company: | | | | | | | |
| Driller Name: UNKNOWN | | | | | | | | | |
| Drill Start Date: | 01/01/0948 | Drill Finish Date: | 06/30/1948 | Plug Date: | | | | | |
| Log File Date: | | PCW Rev Date: | | Source: | | | | | |
| Pump Type: | | Pipe Discharge Size: | | Estimated Yield: | | 20 GPM | | | |
| Casing Size: | 6.38 | Depth Well: | 150 feet | Depth Water: | | 90 feet | | | |

*UTM location was derived from FLS5 - 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.

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POINT OF DIVERSION SUMMARY

**Plugging Risk Assessment
Permian Oilfield Partners, LLC.
Bullseye Federal SWD #1
SL: 1318' FNL & 250' FEL
Sec 6, T25S, R33E
Lea County, New Mexico**

WELLBORE SCHEMATIC

Permian Oilfield Partners, LLC.
Bullseye Federal SWD #1
1318' FNL, 250' FEL
Sec. 6, T15S, R13E, Lea Co. NM
Lat 32.1632607° N, Lon 103.6036389° W
GL 3478', RKB 3508'

Surface - (Conventional)

Hole Size: 26"
Casing: 20" - 94# H-40 & 108.5# J-55 STC Casing
Depth Top: Surface
Depth Btm: 1465'
Cement: 1007 sks - Class C + Additives
Cement Top: Surface - (Circulate)

Intermediate #1 - (Conventional)

Hole Size: 17.5"
Casing: 13.975" - 54.5# J-55 & 81# J-55 STC Casing
Depth Top: Surface
Depth Btm: 4935'
Cement: 1682 sks - Lite Class C (50:50:10) + Additives
Cement Top: Surface - (Circulate)

Intermediate #2 - (Conventional)

Hole Size: 12.25"
Casing: 9.625" - 40# L-80 & 40# HCL-80 BTC Casing
Depth Top: Surface
Depth Btm: 12129'
Cement: 2090 sks - Lite Class C (60:40:0) + Additives
Cement Top: Surface - (Circulate)
ECP/DV Tool: 5035'

Intermediate #3 - (Liner)

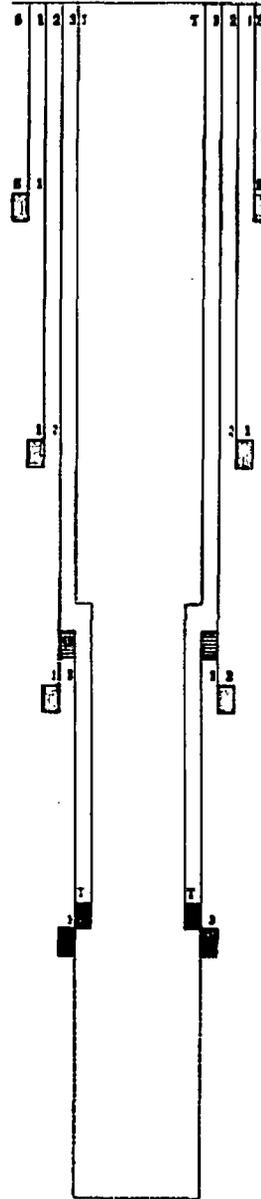
Hole Size: 8.5"
Casing: 7.625" - 39# HCL-80 FJ Casing
Depth Top: 11929'
Depth Btm: 17453'
Cement: 261 sks - Lite Class C (60:40:0) + Additives
Cement Top: 11929' - (Volumetric)

Intermediate #4 - (Open Hole)

Hole Size: 6.5"
Depth: 18880'
Inj. Interval: 17453' - 18880' (Open-Hole Completion)

Tubing - (Tapered)

Tubing Depth: 17408'
Tubing: 7" - 26# HCP-110 FJ Casing & 5.5" 17# HCL-80 FJ Casing (Fiberglass Lined)
X/O Depth: 11929'
X/O: 7" 26# HCP-110 FJ Casing - X - 5.5" 17# HCL-80 FJ Casing (Fiberglass Lined)
Packer Depth: 17418'
Packer: 5.5" - Perma-Pak or Equivalent (Inconel)



7" UFJ Tubing Inside of 9 5/8" 40# Casing

Bowen Series 150 Releasing and Circulation Overshots Maximum Casing Size 6 3/4" to 7 1/2" Indicators

| Maximum Casing Size (Spiral) | | 6 3/4" | 6 7/8" | 7" | 7 1/8" |
|------------------------------|----------|----------|----------|--------|----------|
| Maximum Casing Size (Basket) | | 5 3/4" | 6 1/8" | 6 3/4" | 6 3/4" |
| Overshot O.D. | | 8 3/4" | 7 3/4" | 8 3/4" | 8 3/4" |
| Type | | F.S. | S.H. | S.H. | S.H. |
| Complete Assembly | Part No. | C-3032 | C-5222 | 8217 | C-5354 |
| (Dressed Spiral Parts) | Weight | 280 | 243 | 251 | 280 |
| Key Components Parts | | | | | |
| Top Sub | Part No. | A-3033 | A-5223 | 8218 | A-5355 |
| Bowl | Part No. | B-3034 | B-5224 | 8219 | B-5356 |
| Pusher | Part No. | A-1814 | B-5225 | 8224 | B-5357 |
| Spiral Grapple | Part No. | N-84 | B-5227 | 8222 | B-5358 |
| Spiral Grapple Control | Part No. | M-88 | A-5228 | 8223 | B-5360 |
| Standard Guide | Part No. | A-1818 | A-5229 | 8228 | A-5361 |
| Basket Parts | | | | | |
| Basket Grapple | Part No. | N-84 | B-5227 | 8222 | B-5358 |
| Basket Grapple Control | Part No. | M-88 | A-5228 | 8223 | B-5360 |
| RH Control Pusher | Part No. | A-1814-R | B-5225-R | 8224-R | B-5357-R |

A 6.375" O.D. Bowen Series 150 Overshot will be used to perform this overshot operation. Details on the overshot are listed above. Casing to tubing clearance dimensions are listed below.

7" 26# FJ Casing Inside 9.625" 40# BTC Casing

| Clearance (in) | Elgs Size (in) | Weight lb-ft | Grade | Conn. | Type | Body O.D. (in) | Coupling O.D. (in) | I.D. (in) | Drift (in) | Lined Wt. Lb/ft | Lined I.D. (in) | Elgs L.D. (in) | Lined Drift (in) |
|----------------|----------------|--------------|---------|-------|--------|----------------|--------------------|-----------|------------|-----------------|-----------------|----------------|------------------|
| 0.840 | 9 5/8 | 40.0 | L-80 | BTC | Casing | 9.625 | 10.625 | 8.835 | 8.679 | - | - | - | - |
| | 7 | 26.0 | ECP-110 | FJ | Casing | 7.000 | 7.000 | 6.276 | 6.151 | 28.500 | 6.080 | 5.940 | 5.815 |

*Bad Indicates Tubing

Fishing Procedure

Overshot Fishing Procedure

In the Event of a Connection Break

- If fishing neck is clean

1. Trip in hole with overshot and engage fish.
2. Pick up 2 points over neutral weight.
3. Turn pipe 10-15 turns to the right to release the seal assembly from the packer.
4. Once released from packer, trip out of hole with fish.

A skirted mill may be substituted for a standard mill to ensure pipe stabilization and the casing is not damaged while milling

- If dressing fishing neck is required

1. Trip in hole with mill and dress fishing neck to allow for overshot to engage tubing.
2. Trip out of hole with mill.
3. Trip in hole with overshot and engage fish.
4. Pick up 2 points over neutral weight.
5. Turn pipe 10-15 turns to the right to release the seal assembly from the packer.
6. Once released from packer, trip out of hole with fish.

A skirted mill may be substituted for a standard mill to ensure pipe stabilization and the casing is not damaged while milling

In the Event of a Body Break

- If fishing neck is clean

1. Trip in hole with overshot and engage fish.
2. Pick up 2 points over neutral weight.
3. Turn pipe 10-15 turns to the right to release the seal assembly from the packer.
4. Once released from packer, trip out of hole with fish.

- If dressing fishing neck is required

1. Trip in hole with mill and dress fishing neck to allow for overshot to engage tubing.
2. Trip out of hole with mill.
3. Trip in hole with overshot and engage fish.
4. Pick up 2 points over neutral weight.

5. Turn pipe 10-15 turns to the right to release the seal assembly from the packer.
6. Once released from packer, trip out of hole with fish.

A skirted mill may be substituted for a standard mill to ensure pipe stabilization and the casing is not damaged while milling

Spear Fishing Procedure

If an overshot cannot be used to retrieve the fish, a spear may be used.

- Due to the use of insert lined tubing, the composite liner must be removed from the tubing before engaging the fish with a spear.
1. Trip in hole with spear sized to engage the I.D. of the insert liner.
 2. Engage the insert liner inside the tubing with spear.
 3. Pull the insert liner out of the tubing.
 4. Trip out of hole with insert liner.
 5. Trip in hole with spear sized to engage the I.D. of the tubing.
 6. Engage the tubing with spear.
 7. Pick up 2 points over neutral weight.
 8. Turn pipe 10-15 turns to the right to release the seal assembly from the packer.
 9. Once released from packer, trip out of hole with fish.

Inside Diameter Cutting Tool Fishing Procedure

If an overshot is required but a mill cannot be used to dress off a fishing neck, an inside diameter cutting tool may be used.

- Due to the use of insert lined tubing, the composite liner must be removed from the tubing before engaging the fish with a spear.
1. Trip in hole with spear sized to engage the I.D. of the insert liner.
 2. Engage the insert liner inside the tubing with spear.
 3. Pull the insert liner out of the tubing.
 4. Trip out of hole with insert liner.
 5. Trip in hole with inside diameter cutting tool and cut the tubing below the damaged fishing neck.
 6. Trip out hole with cutting tool.
 7. Trip in hole with spear sized to engage the I.D. of the tubing.
 8. Engage the previously cut tubing segment with spear.
 9. Trip out hole with cut tubing segment and spear.
 10. Trip in hole with overshot and engage fish.
 11. Pick up 2 points over neutral weight.
 12. Turn pipe 10-15 turns to the right to release the seal assembly from the packer.
 13. Once released from packer, trip out of hole with fish.

5 1/2" UFJ Tubing Inside of 7 5/8" 39# Casing

Seri... 150 Overshots

Tools are listed in order of maximum catch size.

The following table shows only a partial listing of available NOV Downhole Bowen® overshots.

NOTE: Nitroloy Grapples are available upon request.

Bowen Series 150 Releasing and Circulation Overshots Minimum Case Size: 6.5" to 12" inside

| Maximum Catch Size (Spools) | 4.0 | 4.1 | 4.2 | 4.3 | 5 | 5 | 5.75 |
|-----------------------------|----------|-------|--------|----------|--------|----------|--------|
| Maximum Catch Size (Basket) | 37.0 | 41.0 | 43.0 | 47.0 | 47.0 | 48.0 | 48.0 |
| Overall O.D. | 5.94 | 5.94 | 5.94 | 5.94 | 5.94 | 5.94 | 5.94 |
| Type | FS | B.H. | B.H. | B.F.B. | B.H. | FS | B.H. |
| Complete Assembly | Part No. | 5800 | 5800 | C-5180 | 5870 | C-5171 | C-4825 |
| (Standard Spool Parts) | Weight | 120 | 120 | 120 | 120 | 140 | 150 |
| Replacement Parts | | | | | | | |
| Top Sub | Part No. | 5367 | 5368 | A-5100 | 5370 | A-5172 | B-4320 |
| Stret | Part No. | 5369 | 5700 | B-5170 | 5377 | B-5173 | B-4327 |
| Fraser | Part No. | 100 | 1140 | B-2100 | 5114 | L-5300 | L-4505 |
| Spool Grapple | Part No. | 105 | 1135 | B-2201 | 5112 | B-4300 | M-1071 |
| Spool Grapple Control | Part No. | 106 | 1137 | B-2202 | 5118 | B-4370 | M-1072 |
| Standard Guide | Part No. | 107 | 1143 | B-2203 | 5121 | B-4371 | L-1074 |
| Sealed Parts | | | | | | | |
| Sealed Grapple | Part No. | 105 | 1135 | B-2201 | 5112 | B-4300 | M-1071 |
| Sealed Grapple Control | Part No. | 106 | 1137 | B-2202 | 5118 | B-4370 | M-1072 |
| Seal Control Fraser | Part No. | 100-R | 1140-R | B-2100-R | 5114-R | L-5300-R | M-4305 |

A (6.625" turned down to 6.500" O.D.) Bowen Series 150 Overshot will be used to perform this overshot operation. Details on the overshot are listed above. Casing to tubing clearance dimensions are listed below.

5.5" 17# FJ Casing Inside 7.625" 39# FJ Casing

| Clearance (in) | Eye Size (in) | Weight lb/ft | Grade | Conn. | Type | Body O.D. (in) | Coupling O.D. (in) | I.D. (in) | Drift (in) | Lined Wt. lb/ft | Lined I.D. (in) | Flare I.D. (in) | Lined Drift (in) |
|----------------|---------------|--------------|--------|-------|--------|----------------|--------------------|-----------|------------|-----------------|-----------------|-----------------|------------------|
| 0.500 | 7 5/8 | 39.0 | HCL-80 | FJ | Casing | 7.625 | 7.625 | 6.625 | 6.500 | - | - | - | - |
| | 5 1/2 | 17.0 | HCL-80 | FJ | Casing | 5.500 | 5.500 | 4.892 | 4.767 | 18.500 | 4.520 | 4.400 | 4.275 |

*Red indicates Tubing

Fishing Procedure

Overshot Fishing Procedure

In the Event of a Connection Break

- If fishing neck is clean

1. Trip in hole with overshot and engage fish.
2. Pick up 2 points over neutral weight.
3. Turn pipe 10-15 turns to the right to release the seal assembly from the packer.
4. Once released from packer, trip out of hole with fish.

A skirted mill may be substituted for a standard mill to ensure pipe stabilization and the casing is not damaged while milling

- If dressing fishing neck is required

1. Trip in hole with mill and dress fishing neck to allow for overshot to engage tubing.
2. Trip out of hole with mill.
3. Trip in hole with overshot and engage fish.
4. Pick up 2 points over neutral weight.
5. Turn pipe 10-15 turns to the right to release the seal assembly from the packer.
6. Once released from packer, trip out of hole with fish.

A skirted mill may be substituted for a standard mill to ensure pipe stabilization and the casing is not damaged while milling

In the Event of a Body Break

- If fishing neck is clean

1. Trip in hole with overshot and engage fish.
2. Pick up 2 points over neutral weight.
3. Turn pipe 10-15 turns to the right to release the seal assembly from the packer.
4. Once released from packer, trip out of hole with fish.

- If dressing fishing neck is required

1. Trip in hole with mill and dress fishing neck to allow for overshot to engage tubing.
2. Trip out of hole with mill.
3. Trip in hole with overshot and engage fish.
4. Pick up 2 points over neutral weight.

5. Turn pipe 10-15 turns to the right to release the seal assembly from the packer.
6. Once released from packer, trip out of hole with fish.

A skirted mill may be substituted for a standard mill to ensure pipe stabilization and the casing is not damaged while milling

Spear Fishing Procedure

If an overshot cannot be used to retrieve the fish, a spear may be used.

- Due to the use of insert lined tubing, the composite liner must be removed from the tubing before engaging the fish with a spear.
1. Trip in hole with spear sized to engage the I.D. of the insert liner.
 2. Engage the insert liner inside the tubing with spear.
 3. Pull the insert liner out of the tubing.
 4. Trip out of hole with insert liner.
 5. Trip in hole with spear sized to engage the I.D. of the tubing.
 6. Engage the tubing with spear.
 7. Pick up 2 points over neutral weight.
 8. Turn pipe 10-15 turns to the right to release the seal assembly from the packer.
 9. Once released from packer, trip out of hole with fish.

Inside Diameter Cutting Tool Fishing Procedure

If an overshot is required but a mill cannot be used to dress off a fishing neck, an inside diameter cutting tool may be used.

- Due to the use of insert lined tubing, the composite liner must be removed from the tubing before engaging the fish with a spear.
1. Trip in hole with spear sized to engage the I.D. of the insert liner.
 2. Engage the insert liner inside the tubing with spear.
 3. Pull the insert liner out of the tubing.
 4. Trip out of hole with insert liner.
 5. Trip in hole with inside diameter cutting tool and cut the tubing below the damaged fishing neck.
 6. Trip out hole with cutting tool.
 7. Trip in hole with spear sized to engage the I.D. of the tubing.
 8. Engage the previously cut tubing segment with spear.
 9. Trip out hole with cut tubing segment and spear.
 10. Trip in hole with overshot and engage fish.
 11. Pick up 2 points over neutral weight.
 12. Turn pipe 10-15 turns to the right to release the seal assembly from the packer.
 13. Once released from packer, trip out of hole with fish.

Abandonment Procedure

If the tubing cannot be recovered and the well is to be abandoned.

- The operator will ensure that all geologic formations are properly isolated.
- 1. Confirm the I.D. of the injection tubing is free from obstructions.
- 2. Run in hole with wireline set profile plug.
- 3. Set plug inside of packer assembly.
(Plug will allow cement to fill the I.D. of the injection tubing and the tubing to casing annulus)
- 4. Run in hole with wireline conveyed perforating guns and perforate the tubing immediately above the packer.
- 5. Trip in hole with an overshot, spear, cement retainer or isolation tool that will provide a work string-to- injection tubing seal.
- 6. Engage the fish with sealing tool.
- 7. Confirm circulation down the tubing and up the tubing-to-casing annulus.
- 8. Cement the work string, injection tubing, injection tubing-to-casing annulus and work string-to-casing annulus to surface.
- 9. Confirm the entirety of the wellbore is cemented to surface and all zones are isolated.
- 10. ND wellhead and install permanent capping flange.



**PERMIAN OILFIELD
PARTNERS**

**Attachment to C-108
Permian Oilfield Partners, LLC
Bullseye Federal SWD #1
Sec. 6, Twp. 25S, Rge. 33E
1318' FNL, 250' FEL
Lea County, NM**

April 16, 2019

STATEMENT REGARDING SEISMICITY

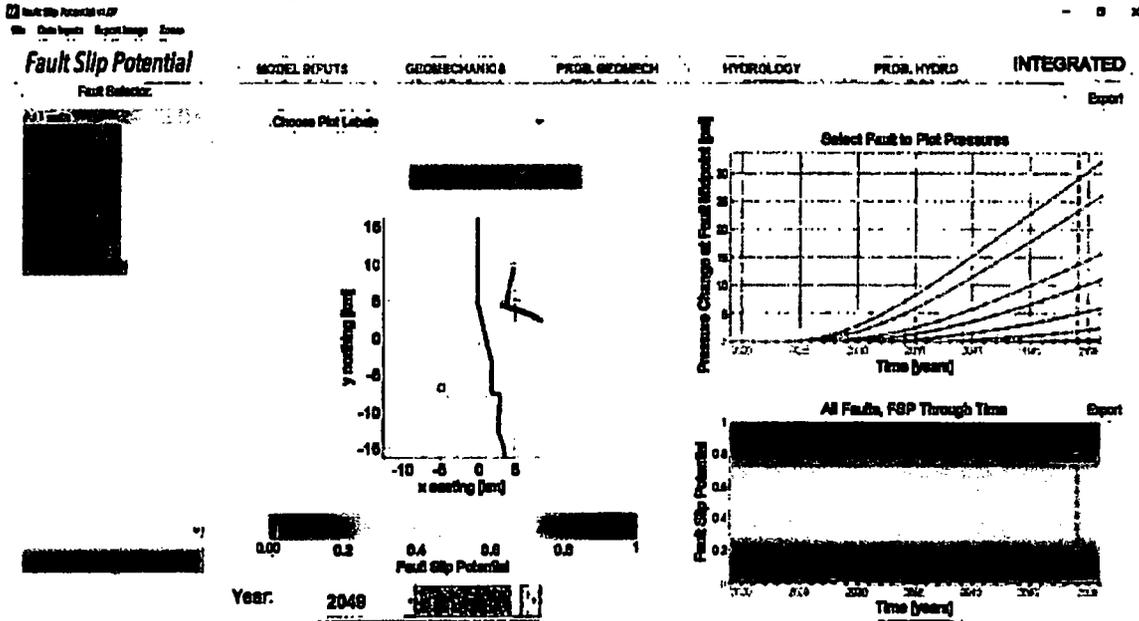
Examination of the USGS and TexNet seismic activity databases has shown minimal historic seismic activity in the area (< 30 miles) of our proposed above referenced SWD well as follows:

1. M2.9, 1984-12-09, 7.73 miles away @ 21.08 deg heading
2. M3.1, 2012-03-18, 18.80 miles away @ 296.07 deg heading
3. M3.3, 2001-06-02, 29.73 miles away @ 65.81 deg heading

Permian Oilfield Partners does not own any 2D or 3D seismic data in the area of this proposed SWD well. Our fault interpretations are based on well to well correlations and publicly available data and software as follows:

1. USGS Quaternary Fault & Fold database shows no quaternary faults in the nearby area.
2. Based on offset well log data, we have not interpreted any faults in the immediate area.
3. A basement PreCambrian fault is documented in the Snee & Zoback paper, "State of stress in the Permian Basin, Texas and New Mexico: Implications for Induced seismicity", published in the February 2018 issue of the SEG Journal, The Leading Edge, along with a method for determining the probability of fault slip in the area.
4. Even though we do not propose to inject into the PreCambrian, Permian Oilfield Partners ran modeling to check for fault slip assuming the improbable occurrence of a total downhole well failure that would allow 100% of injected fluids to enter the PreCambrian. Software as discussed in #3 from the Stanford Center for Induced and Triggered Seismicity, "FSP 1.0: A program for probabilistic estimation of fault slip potential resulting from fluid injection", was used to calculate the probability of the PreCambrian fault being stressed so as to create an induced seismic event, with the following assumptions:
 - a. Full proposed capacity of 50,000 BBL/day for 30 years

- b. 12.5 mD average permeability, 3% average porosity, .75 psi/ft frac gradient, .45 psi/ft hydrostatic gradient
 - c. $A\text{-}\phi=0.60$ & Max Horizontal Stress direction 75 deg NW, as per Snee, Zoback paper noted above.
5. The probability of an induced seismic event in the PreCambrian is calculated to be 0% after 30 years as per the FSP results screenshot below.
 6. The analysis below assumes an improbable well failure through the Montoya and Simpson zones, into the PreCambrian. When the injected fluids stay in the Devonian-Silurian zone as per design, there will be very low probability of fault slip, since there are no known nearby faults within the Devonian-Silurian.



As per NM OCD requirements (injection well to injection well spacing minimum of 1.5 miles), this proposed above referenced SWD well is located 4.03 miles away from the nearest active or permitted Devonian disposal well.

Andy E. Fisher

afisher@popmidstream.com
 (817) 606-7630



**PERMIAN OILFIELD
PARTNERS**

Statement of Notifications

**Re: C-108 Application for SWD Well
Permian Oilfield Partners, LLC
Bullseye Federal SWD #1
Sec. 6, Twp. 25S, Rge. 33E
1318' FNL, 250' FEL
Lea County, NM**

Permian Oilfield Partners, LLC has mailed notifications to offset operators, mineral owners, lessees and the surface owner as per the following list:

| Bullseye Federal SWD #1 - Affected Persons within 1 Mile Area of Review | | | | | | |
|--|---------------------------------------|---------------------------------------|----------------|------------------------|---------------------|--|
| Notified Name | Notified Address | Notified City, State, ZIP Code | Shipper | Tracking No. | Mailing Date | |
| Devon Energy Production Company, LP | 333 West Sheridan Ave. | Oklahoma City, OK 73102 | USPS | 9414811899561827918123 | 4/26/2019 | |
| Santa Fe Energy Operating Partners LP | 1516 S Voss Ste 600 | Houston, TX 77057 | USPS | 9414811899561827917688 | 4/26/2019 | |
| EOG Resources, Inc. | 104 S 4th St | Artesia, NM 88210 | USPS | 9414811899561827918553 | 4/26/2019 | |
| Bureau Of Land Management | 620 E Greene St | Corisbad, NM 88220 | USPS | 9414811899561827918843 | 4/26/2019 | |
| New Mexico State Land Office | 2827 N Del Paso St Suite 117 | Hobbs, NM 88240 | USPS | 9414811899561827917761 | 4/26/2019 | |
| New Mexico State Land Office | 310 Old Santa Fe Trail | Santa Fe, NM 87501 | USPS | 9414811899561827917891 | 4/26/2019 | |
| EOG Resources Inc | P.O. Box 2287 | Midland, TX 79702 | USPS | 9414811899561827918072 | 4/26/2019 | |
| EOG A Resources Inc | 105 South 4th Street | Artesia, NM 88210-2123 | USPS | 9414811899561827918343 | 4/26/2019 | |
| EOG M Resources Inc | PO BOX 840 | Artesia, NM 88211 | USPS | 9414811899561827918058 | 4/26/2019 | |
| Ory Y-1 Company | 5 Greenway Plaza | Houston, TX 77046 | USPS | 9414811899561827917952 | 4/26/2019 | |
| Merced Glendale, LLC | 601 Carlson Parkway, Suite 200 | Minnetonka, MN 55305 | USPS | 9414811899561827918546 | 4/26/2019 | |
| R&R Royalty Ltd. | 500 N. Shoreline Boulevard, Suite 322 | Corpus Christi, TX 78401-0913 | USPS | 9414811899561827917983 | 4/26/2019 | |
| Murchison Bone Springs Drif Prog. 1, LLC | 814 San Jacinto Boulevard Suite 303 | Austin, TX 78701 | USPS | 9414811899561827917242 | 4/26/2019 | |

Sean Puryear
Permian Oilfield Partners, LLC
spuryear@poomidstream.com

Date: 4-26-2019

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

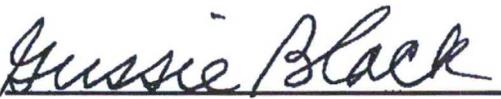
I, Todd Bailey, Editor of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
April 25, 2019
and ending with the issue dated
April 25, 2019.



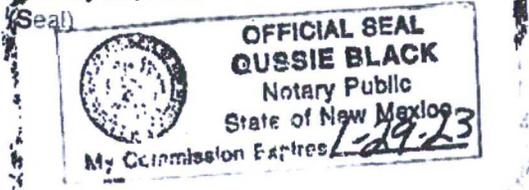
Editor

Sworn and subscribed to before me this
25th day of April 2019.



Business Manager

My commission expires
January 29, 2023



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
APRIL 25, 2019

Newspaper Publication
Notice

Permian Oilfield Partners, LLC, PO Box 1220, Stephenville, TX 76401, phone (817) 608-7630, attention Gary Fisher, has filed form C-108 (Application for Authorization for Injection) with the New Mexico Oil Conservation Division seeking approval to drill a commercial salt water disposal well in Lea County, New Mexico. The well name is the Bulbeye Federal SWD #1, and is located 1316' FNL & 280' FEL, Unit Letter A, Section 6, Township 28 South, Range 33 East, NMPM. The well will dispose of water produced from nearby oil and gas wells into the Devonian formation from a depth of 17,453 feet to 18,650 feet. The maximum expected injection rate is 50,000 SWPD at a maximum surface injection pressure of 8,491 psi.

Interested parties must file objections or requests for hearing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87608 within 15 days.
634062

67115647

00227380

GARY FISHER
PERMIAN OILFIELD PARTNERS, LLC
PO BOX 1220
STEPHENVILLE, TX 76401