

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBSOCD

APR 13 2015

OCD-HOBBS

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS** RECEIVED
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. NMNM-112940

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Owl SWD Operating, LLC

3a. Address 8214 Westchester Drive, Ste.850
Dallas, TX 752253b. Phone No. (include area code)
214-292-2011

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

8. Well Name and No.

Brininstool 25 Federal No.1

9. API Well No.

30-025-37582

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980' FNL & 660' FEL, Sec.25, Twp 23-S, Rng 33-E

10. Field and Pool or Exploratory Area

SWD; Bell Canyon/Cherry Canyon

11. Country or Parish, State

Lea

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|---|---|
| <input checked="" 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 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"/> Recomplete | <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input checked="" 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 recompleat 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 recompleat 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.)

This sundry is being submitted to correct and otherwise update the record of activity on this well. Sundry is being submitted to comply with instructions from BLM CFO (email 2/11/15) to bring well activities, status and configuration current. Instructions per BLM CFO - Submit an NOI to properly Temporarily Abandon the well.

2/06 THRU 2/07/2015 - RUPU. RU Capitan Wireline and RIH w/ gauge ring & junk basket to 5460' (Losing weight from ~3200'). POOH to add 400# sinker bar - RIH. Set down at 5480'. POOH & found green cement in junk basket.

RIH w/ Bit & Scraper on 2-7/8" workstring. Tagged up @ 7444'. Picked up 1 joint and circulated hole. 160 bbls shy of full circulation.

BLM rep showed up - ordered PU operator to shut down until further notice. Closed BOP and secured well for weekend.

2/10/2015 - Got BLM OK to finish C/O. Circulated additional 160 bbls. POOH w/ workstring tubing. Closed blind rams on BOP to test casing - 500 psi - slight bleed. POOH and install 7-1/16" nite cap w/ 2" full open. Retest casing and held 500 for 30 minutes.

2/11/2015 - Ran MIT 500 psi for 30 minutes - witnessed by Pat McKelvey, BLM Hobbs. 7" casing standing full packer/test fluid.

This sundry was submitted as a notice of intent, late, after work was accomplished.
PLEASE NOTE: MIT CHART AND TEST REPORTING ON SEPERATE SUNDRY.

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

Ben Stone

Title SOS Consulting, LLC - Agent for Owl SWD Operating, LLC

Signature

Date 2/16/15

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

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)

ACCEPTED FOR RECORD

APR 7 2015

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

APR 27 2015

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment.

NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

ATTACHMENT TO BLM 3160-5 NOI SUNDRY TO TA WELL DATED 2/16/2015

**Owl Oil and Gas, LLC
Brininstool 25 Federal Well No.1
API No.30-025-37582
1980' FNL & 660' FEL
Section 25, Twp 23-S, Rng 33-E
Lea County, New Mexico**

THIS SUMMARY IS BEING PROVIDED PER INSTRUCTIONS FROM ED FERNANDEZ (BLM-CFO) VIA EMAIL (2/11/2015) TO CATCH UP PAPERWORK DOCUMENTATION WHICH WAS NEVER FILED BY OWL SWD OPERATING, LLC OR ANY OF ITS CONTRACTORS.

Instruction: Submit a Notice Of Intent sundry. Request to TA well based on previous work.

Daily Report Detail

2/05/2015 - Slinghot nipped up 'C' section & spool extension on well on Monday. MI - M&M Well Service. Unable to rig up due to Owl hyDrotesting service line across location.

2/06/2015 - Wait on Hydro test on a water transfer line to be completed before rigging up. RUPU. Notified NM OCD District I - Bill Sonnamaker of the proposed MIT test. New NMOCD policy this year requires OCD personnel to witness all MIT's & therefore can only be scheduled Monday thru Friday. Notified BLM- Linda Jimenez, of the proposed MIT (BLM requests copy of the signed chart mailed to them for records. - BLM, 414 W. Taylor, Hobbs, NM. 88240). Later BLM -Jim McCormick called with permit issues needing to be resolved. Unloaded 132 Jts of 4.5" 13.5# casing. RU Capitan WL & RIH with gauge ring/junk basket to 3,200' when the WL string weight started decreasing. Continue RIH to 5,460' & WL stopped. Uable to get any deeper. POOH. Added 400# of sinker bar & rerun. Stopped at 5,480'. POOH. Found green cement in junk basket & around the gauge ring. RD WLU. SIW/SDFN.

2/07/2015 - Arrived at location @ 0700, Unload & strap workstring, PU Bit, Casing Scraper and TIH with the 2 7/8" workstring. Tagged up on bottom at 7444' tubing depth. Pull 1 joint and rig up and circulate the well. BLM representative stopped by to give instructions from the Carlsbad office. We are to shut-in on the workstring. Do no further work until Monday the 9th of February when the BLM will come to the location and inform us of what they will permit us to do. We are 160 bbls shy of a total circulation of the well. We will resume the clean-out Monday, trip out and lay down the work string and await further instructions. Shut in the well on the pipe rams removed the handle, closed the casing valves and removed those handles. Installed a Full opening safety valve on the workstring and closed it. The well is secure for the weekend.

2/10/2015 - Circulated additional 160 bbls to clean out the well. POOH & lay down the work string. Close the blind rams and test the well to 500 psi for 30 minutes. Lost 30 psi over the test period. Nipple down the BOP and Nipple up the 7 1/16" 5K night cap. Re-test the casing to 500 psi for 30 minutes – No decrease in pressure. Load out the work-string and return it to the vendor. Hauling off fluid from the Frac tanks. Well is shut-in. The MIT test is scheduled for 9:00 AM with the BLM.

2/11/2015 - Perform MIT - 500 psi for 30 minutes. No loss in pressure. Witnessed by Pat McKelvey - BLM Hobbs. RD equipment. Empty Frac tanks & release. Send tbg for storage at M&M Wells Service yard in Odessa. RDMOPU & all remaining equipment. SIW. REPORTS SUSPENDED UNTIL WORKOVER CAN BE RESUMED.

NOTE: MIT TEST SUBMITTED ON SEPARATE SUNDRY AS SUBSEQUENT MIT.