

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised July 18, 2013

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-42761 ✓
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator OWL SWD Operating, LLC ✓		6. State Oil & Gas Lease No.
3. Address of Operator 8214 Westchester Drive, Suite 850, Dallas, TX 75255		7. Lease Name or Unit Agreement Name Talon SWD ✓
4. Well Location Unit Letter <u>E</u> : <u>1880</u> feet from the <u>North</u> line and <u>330</u> feet from the <u>West</u> line Section <u>20</u> Township <u>18S</u> Range <u>34E</u> NMPM Lea County		8. Well Number <u>1</u> ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4064 GL		9. OGRID Number 308339
		10. Pool name or Wildcat Devonian - Silurian

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☒
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

At the request of the NMOCD Engineering Bureau, OWL SWD Operating, LLC proposes to change the tubing size for this proposed SWD well from 5-1/2" to 4-1/2".

See revised wellbore diagram attached.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

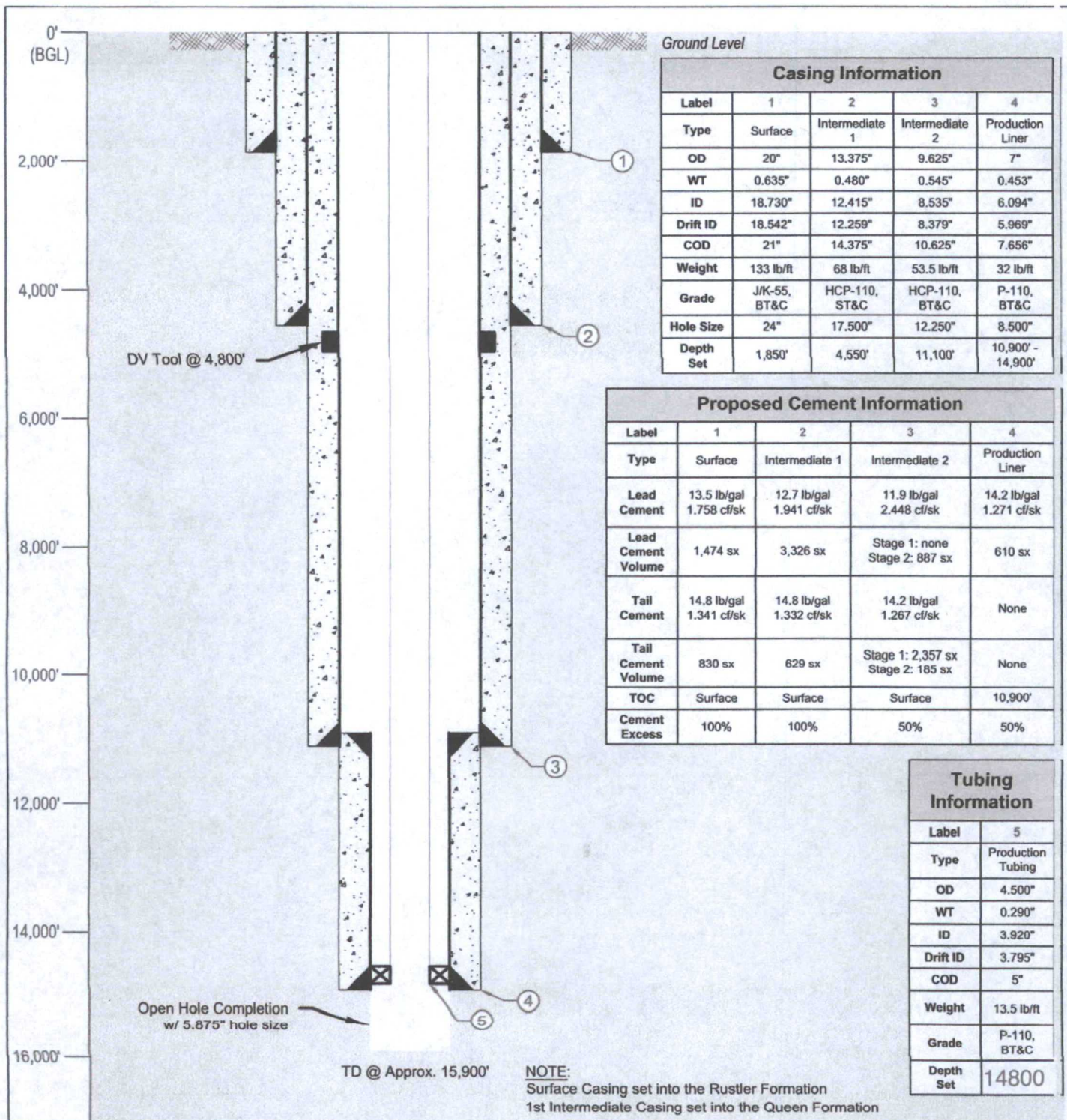
SIGNATURE Billy E. Prichard TITLE Agent for OWL SWD Operating, LLC DATE 1/18/16

Type or print name Billy E. Prichard E-mail address: billy@pwillc.net PHONE: 432-934-7680

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 01/29/16
Conditions of Approval (if any):

JAN 29 2016



LONQUIST & CO. LLC

PETROLEUM ENGINEERS ENERGY ADVISORS

AUSTIN HOUSTON WICHITA CALGARY

Texas License F-8952

3345 Bee Cave Road, Suite 201
Austin, Texas 78746
Tel: 512.732.9812
Fax: 512.732.9816

OWL SWD Operating, Inc

Country: USA

Survey/STR: E-20-18S-34E

API No.: 30-025-42761

State ID No.:

Drawn: MMC

Rev No: 1

Talon SWD No. 1

State/Province: New Mexico

Site:

Field:

Project No:

Reviewed: SLP

Notes: Devonian completion with 4-1/2" Injection Tubing.

County/Parish: Lea

Status: To Be Drilled

Ground Elevation:

Date: 1/15/2016

Approved: SLP

Talon_Devonian - Wellbore_APD_Calculation_4.5 in.xlsx

20	surface csg in a	24	inch hole.	Design Factors			SURFACE		
Segment	#/ft	Grade	Coupling	Joint	Collapse	Burst	Length	Weight	
"A"	133.00	J 55	BUTT	8.18	1.53	1.2	1,850	246,050	
"B"							0	0	
w/8.4#/g mud, 30min Sfc Csg Test psig: 1,335			Tail Cmt	does not	circ to sfc.	Totals:	1,850	246,050	
<u>Comparison of Proposed to Minimum Required Cement Volumes</u>									
Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Req'd	Min Dist
Size	Volume	Cmt Sx	CuFt Cmt	Cu Ft	% Excess	Mud Wt	MASP	BOPE	Hole-Cplg
24	0.9599	2304	3704	1852	100	10.20	1552	2M	1.50

13 3/8	casing inside the	20	Design Factors				INTERMEDIATE		
Segment	#/ft	Grade	Coupling	Joint	Collapse	Burst	Length	Weight	
"A"	68.00	HCP 110	ST&C	4.19	1.14	1.07	4,550	309,400	
"B"							0	0	
w/8.4#/g mud, 30min Sfc Csg Test psig:						Totals:	4,550	309,400	
The cement volume(s) are intended to achieve a top of				0	ft from surface or a		1850	overlap.	
Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Req'd	Min Dist
Size	Volume	Cmt Sx	CuFt Cmt	Cu Ft	% Excess	Mud Wt	MASP	BOPE	Hole-Cplg
17 1/2	0.6946	3955	7294	3647	100	10.80	4016	5M	1.56

9 5/8	casing inside the		13 3/8	Design Factors				PRODUCTION	
Segment	#/ft	Grade	Coupling	Body	Collapse	Burst	Length	Weight	
"A"	53.50	HCP 110	BUTT	2.88	1.37	1.15	11,100	593,850	
"B"							0	0	
w/8.4#/g mud, 30min Sfc Csg Test psig: 2,442							Totals:	11,100	593,850
The cement volume(s) are intended to achieve a top of					0	ft from surface or a		4550	overlap.
Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Req'd	Min Dist
Size	Volume	Cmt Sx	CuFt Cmt	Cu Ft	% Excess	Mud Wt	MASP	BOPE	Hole-Cplg
12 1/4	0.3132	look \	0	3595		11.20	6165	10M	0.81
Setting Depths for D V Tool(s):				4800			sum of sx	Σ CuFt	Σ%excess
% excess cmt by stage:				50	50		3429	5392	50
Class 'H' tail cmt yld > 1.20					MASP is within 10% of 5000psig, need exrtia equip?				

7	Liner w/top @		10900		Design Factors			LINER	
Segment	#/ft	Grade	Coupling	Body	Collapse	Burst	Length	Weight	
"A"	32.00	P 110	BUTT	2.15	1.14	1.23	4,000	128,000	
"B"							0	0	
w/8.4#/g mud, 30min Sfc Csg Test psig: 3,278							Totals:	4,000	128,000
The cement volume(s) are intended to achieve a top of				10900	ft from surface or a		200	overlap.	
Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Req'd	Min Dist
Size	Volume	Cmt Sx	CuFt Cmt	Cu Ft	% Excess	Mud Wt	MASP	BOPE	Hole-Cplg
8 1/2	0.1268	610	775	517	50	12.20			0.422
Capitan Reef est top XXXX.				MASP is within 10% of 5000psig, need exrtia equip?					