Poco Resources, LLC c/o Holcomb Consultants 6900 Spring Cherry Lane Amarillo, Texas 79124

January 28, 2019

State of New Mexico NMOCD Engineering Bureau 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Per the rules and regulations of the New Mexico Oil Conservation Division, please find enclosed a copy of NMOCD form C-108. Poco Resources, LLC, 3307 E. Castleberry Road, Artesia, NM 88210 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to convert the Poker Lake Unit State #63, API 30-015-24724, 665 FSL x 2015 FWL, Unit Letter "N", Section 8, T25S, R30E, Eddy County, New Mexico from a plugged and abandoned well to a salt water disposal well. The proposed disposal interval would be the Delaware (Bell Canyon) formation through perforations between 3,687' – 3,738'. Disposal fluid would be produced water from Poco producing wells in the area. Anticipated disposal rate would be 400 BWPD with a stable state maximum rate of 750 BWPD. Anticipated disposal pressure would be 300 psi with a maximum disposal pressure of 737 psi. The well is located approximately 11.2 miles southeast of Malaga, New Mexico.

All interested parties opposing the aforementioned must file objections with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505 within 15 days. Additional information can be obtained by contacting Danny Holcomb at 806-471-5628.

Sincerely,

Danny J. Holcomb

Agent for Poco Resources, LLC

Email: danny@pwllc.net

DO Holamla

Attachment

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RECEIVED:	30 2018	REVIEWER:	TYPE:		APP NO PRG19	0393533	3O
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Applicant:_	Poco Resou				OGRID	Number: _	373121
Well Name:	Poker Lake	Unit State SWD #63			API:	30-015-24	724
Pool:	SWD: Delay	ware			Pool Co	ode:	96100
SUBMIT AC	CURATE A	ND COMPLETE IN	FORMATION REQUIRED BELL		PROCESS TH	E TYPE OF A	PPLICATION
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					W2010		
				Dat	7/2019		
Adam Olguin				Dai	e		
Print or Type N	ame						
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Cianat	7				guin@ampartners	nm.com	
Signature				e-m	ail Address		

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

FORM C-108 Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

1.	PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storag Application qualifies for administrative approval? X Yes No
II.	OPERATOR: Poco Resources, LLC OGRID 373121
	ADDRESS: 3307 E. Castleberry Road, Artesia, NM 88210
	CONTACT PARTY: Adam Olguin PHONE: 575-703-5782
III.	WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.
IV.	Is this an expansion of an existing project? Yes X No If yes, give the Division order number authorizing the project:
V.	Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
VI.	Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Suc data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schemation of any plugged well illustrating all plugging detail.
VII.	Attach data on the proposed operation, including:
	 Proposed average and maximum daily rate and volume of fluids to be injected; Whether the system is open or closed; Proposed average and maximum injection pressure; Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and, 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.
	Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
	NAME: Danny J. Holcomb TITLE: Agent
	SIGNATURE: DATE: 1/17/2019
	E-MAIL ADDRESS: danny@pwllc.net If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal:

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

Poco Resources, LLC Poker Lake Unit State SWD #63 API # 30-015-24724 665 FSL x 2015 FWL

Unit Letter 'N', Section 8, T25S, R30E Eddy County, New Mexico

C-108 Application for Authorization to Inject

ı.

This application is seeking administrative approval for the conversion of the Poker Lake Unit State #63 from a P&A well to a salt water disposal well in the Delaware – Bell Canyon formation through perforations (3687' – 3738') for Poco lease produced water use only. This SWD would inject low volumes (400 BWPD avg) of Bell Canyon produced water from four nearby wells operated by the applicant. These wells are currently shut in due to no cost effective produced water disposal options.

II.

Operator: Poco Resources, LLC

Address: 3307 E. Castleberry Road, Artesia, NM 88210

Contact Party: Adam Olguin 575-703-5782 email: aolguin@ampartnersnm.com

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Well Name: Poker Lake Unit State #63

API Number: 30-015-24724

Location: Unit Letter 'N', Section 8, T25S, R30E, Eddy County, New Mexico

<u>Operator</u>: Poco Resources, LLC OGRID: 373121 <u>Current Pool</u>: Corral Canyon; Delaware (Pool Code: 13360)

<u>Proposed Pool</u>: SWD; Delaware (Pool Code: 96100) Please see Exhibit "A" for additional well data.

IV.

This is not an expansion of an existing project.

٧.

Please see Exhibit "B" for a lease map.

VI.

There are thirteen offset wells located within the 0.5 mile Area of Review. Three of these offset wells do not penetrate the proposed disposal zone and ten offset wells do penetrate the proposed disposal zone. There are no active Delaware offset wells within the 0.5 mile AOR. Beyond the 0.5 mile AOR, there are three active Delaware-Bell Canyon wells within 1 mile of the subject well and these three wells are operated by the applicant. See AOR maps, list of offset wells and offset wellbore diagrams in Exhibit "C".

VII.

1. Anticipated disposal volume:

For 3 month flush period after restart of production – 1000 BWPD maximum Steady state after 3 month period - 400 BWPD average with a maximum of 750 BWPD.

- 2. System will be closed. Water will be pipelined in from area Poco producers (ie. Field Use SWD).
- Anticipated disposal pressure: Average 300 psig, Maximum 737 psig.
- 4. Disposed fluid will be pipelined in from Poco's Delaware Bell Canyon producing wells in the immediate area. Please see Exhibit "D" for fluid analysis from area wells.

Poco Resources, LLC Poker Lake Unit State SWD #63 API # 30-015-24724

665 FSL x 2015 FWL

Unit Letter 'N', Section 8, T25S, R30E **Eddy County, New Mexico**

C-108 Application for Authorization to Inject

VIII.

Formation	Depths (ft)
T. Salt	900
B. Salt	3430
T. Lamar LM	3630
T. Delaware Sand (Bell Cyn)	3680
Proposed disposal zone	3687 - 3738
T. Delaware (Cherry Cyn)	4530

The applicant is confident that injected water would remain within the proposed disposal zone due to the cement job on the 5-1/2" casing. TOC is at 2986' (per CBL) which provides 444' of cement above the base of salt. The top of the Delaware sand is 250' below the base of salt.

IX.

<u>Proposed Completion Procedure</u>: Drill out all cement plugs and tag CIBP at 3632', pressure test casing to 300 PSI for 30 minutes, drill out CIBP and clean out to TD at 3738'. Run a workstring and packer, set packer ~3662', test backside. If ok, perform pump-in test. If results are unfavorable, pump an acid job. Run 2-7/8" internally plastic coated tubing with 5-1/2" packer and set ~3662'.

X.

Any logs performed will be submitted after completion.

XI.

NM OSE records indicate there are no fresh water wells within the 1 mile Area of Review. See Exhibit "E" for a copy of OSE data base query.

XII.

Available geological and engineering data have been examined and no evidence of open faults or hydrological connection between the proposed disposal zone and any underground sources of drinking water has been found.

XIII.

Please see Exhibit "F" for Proof of Notice. Included are a map of the Area of Review, list of noticees, certified mail electronic signature receipts for notices and the original affidavit of publication from the Artesia Daily Press newspaper for the required public notice.

General Discussion

The applicant understands the general opposition to Delaware - Bell Canyon SWDs close to the base of the salt section. Section VIII above discusses the wellbore construction with lithology. Adequate cement behind pipe protects from injection out of zone. Also, there is 250' between the top of the Delaware formation and the base of the salt in this well. The applicant is confident that injected water would remain

Poco Resources, LLC Poker Lake Unit State SWD #63 API # 30-015-24724 665 FSL x 2015 FWL Unit Letter 'N', Section 8, T25S, R30E Eddy County, New Mexico C-108 Application for Authorization to Inject

General Discussion (cont'd)

in zone. Injected water would be low volumes at low pressure.

This application is requesting approval to inject only Delaware – Bell Canyon produced water back into the formation it originated from. Only Bell Canyon formation produced water would be injected into this SWD well. The applicant has four shut-in Bell Canyon stripper wells located approximately 0.6-1.5 miles away from this proposed SWD well. See map of the wells on page 21 of the application. These wells are shut-in due to lack of water disposal capability. Approval of this C-108 application would allow the operator to put these four wells back on production. These shut-in wells are:

Well Name	API Number
Poker Lake Unit #61	30-015-24700
Poker Lake Unit #65	30-015-24886
Poker Lake Unit #66	30-015-24988
Conoco Federal #1	30-015-31369

There are no Bell Canyon producing wells within the 0.5 mile AOR. There are three Bell Canyon producing wells located within 1 mile of the subject well and those three wells are all operated by the applicant. See map indicating area producing wells on page 20 of the application. No other operator has Bell Canyon production within a mile of the subject well.

The applicant understands the concern for monitoring and assuring maximum injection pressures are not exceeded during the life of the SWD. The applicant proposes to use a Murphy pressure switch (or similar device) to shut down the injection pump if maximum pressure is breached.

The applicant would support the OCD including language in any resulting SWD order based on this application that would void the SWD order if the applicant subsequently transferred operatorship of the well to another operator unless the OCD specifically approves the transfer.

Danny J. Holcomb	DOHolcomb	
Agent for Poco Resou	rces, LLC	
Date: 1/17	12019	

Poco Resources, LLC Poker Lake Unit State SWD #63 API # 30-015-24724 665 FSL x 2015 FWL Unit Letter 'N', Section 8, T25S, R30E Eddy County, New Mexico

Well Data

Data obtained from records maintained by NMOCD and the previous operator.

Well spudded on 1/14/1984 by Jubilee Energy Corporation as a Delaware oil well test.

9-5/8" 36# casing was set in 12-1/2" hole at 674'. Cemented with 300 sacks of cement. Cement circulated to surface.

5-1/2" 15.5/17# casing was set in 7-7/8" hole at 3738'. Cemented with 150 sacks of cement. Top of cement at 2986' (CBL). TD at 3738'.

Well was completed with perforations (1 spf) from 3687' - 3721', 3500 gallon acid job and fraced with 30,000 gallons 75 quality foam in two 15,000 gallon stages. On 1/24/1984, well tested 31 BOPD, 30 BWPD, gas TSTM. Well produced till 2014, but the last 8 years recorded single digit oil production per year.

In July, 2018, the well was plugged and abandoned by the previous operator.

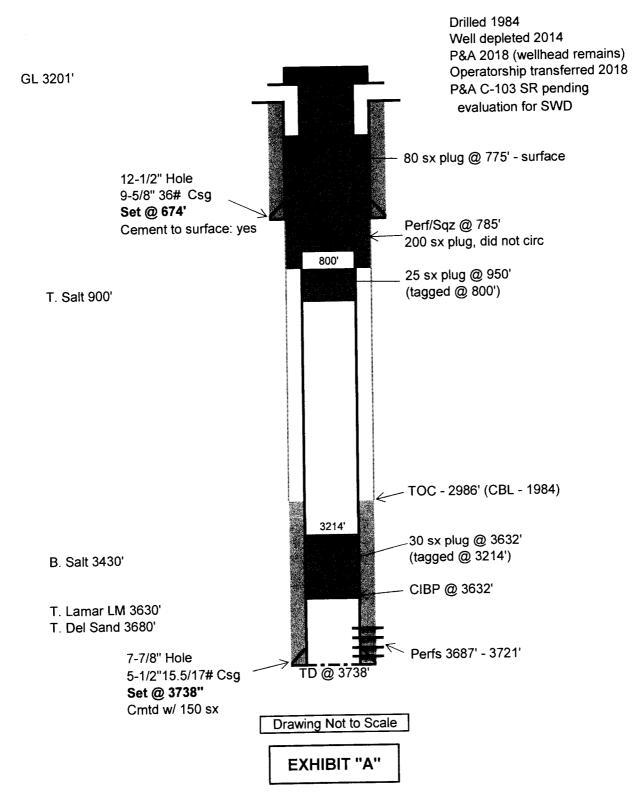
Poco Resources, LLC became the operator of record on 8/29/2018 and desires to re-enter and complete this well for SWD service. Poco currently has four Delaware wells located approximately 0.6-1.5 miles south shut in due to lack of SWD capacity. Having the subject well as an SWD well would allow for production on these four wells to be restarted.

CURRENT WELLBORE DIAGRAM

P&A

Poco Resources, LLC Poker Lake Unit State SWD #63 API # 30-015-24724

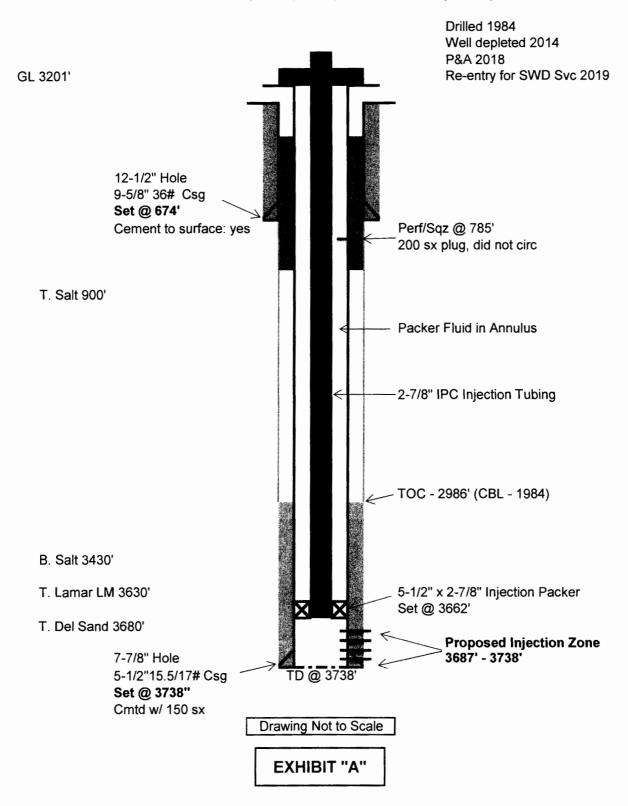
665' FSL x 2015' FWL, UL 'N', Sec 8, T25S, R30E, Eddy County, NM



PROPOSED WELLBORE DIAGRAM

Configured for SWD Service Poco Resources, LLC Poker Lake Unit State SWD #63 API # 30-015-24724

665' FSL x 2015' FWL, UL 'N', Sec 8, T25S, R30E, Eddy County, NM



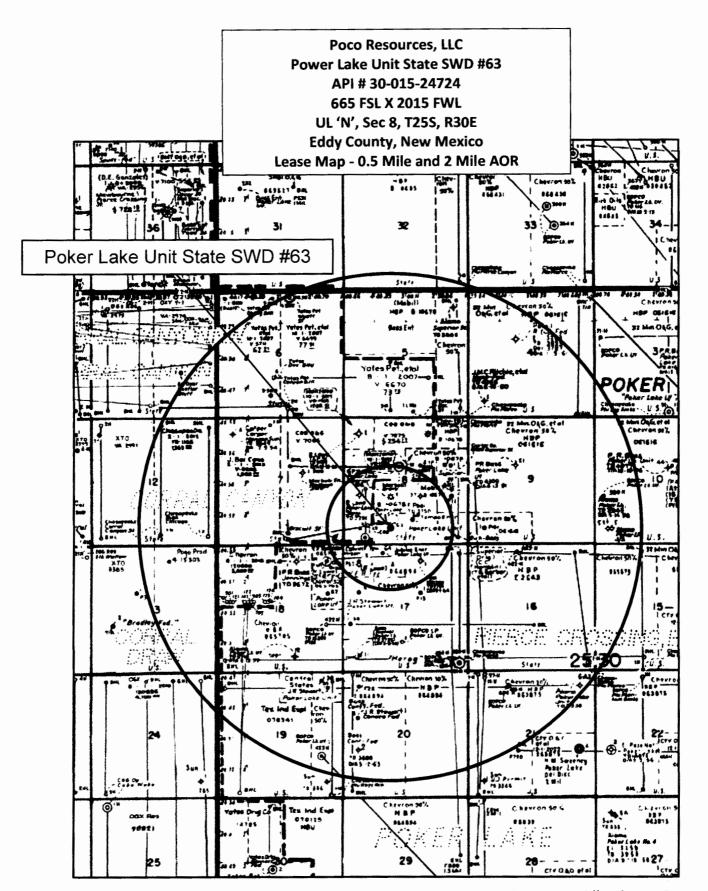
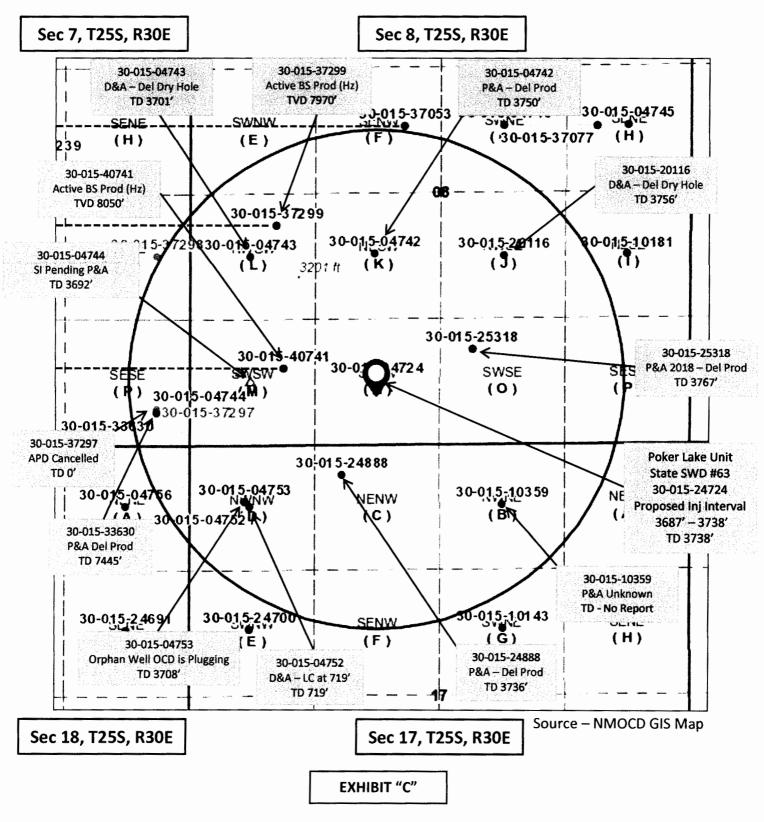


EXHIBIT "B"

Source – Midland Map Co.

Poco Resources, LLC Poker Lake Unit State SWD #63 API 30-015-24724 665 FSL x 2015 FWL, UL 'N', Sec 8, T25S, R30E 0.5 Mile AOR



Poco Resources, LLC Poker Lake Unit State SWD #63 API # 30-015-24724 Offset Wells within 0.5 Mile AOR

There are three offset wells within the 0.5 mile AOR that do not penetrate the proposed disposal zone (3687' - 3738').

UL, Sec, T, R	UL, Sec, T, R API Well No.	Well Name	σντ	Operator	Status
P-7-25S-30E	30-015-37297	Omelette State #1	o,	COG Operating, LLC	APD cancelled – well never drilled
B-17-25S-30E	30-015-10359	Herzog Federal #1	Unknown	Unknown Fred Pool Drilling Co	P&A – no records in OCD well files
D-17-25S-30E	30-015-04752	R & B Federal A #1	719′	Ralph Lowe	D&A in 1960 (lost circ at 719')

There are ten offset wells within the 0.5 mile AOR that do penetrate the proposed disposal zone (3687' – 3738').

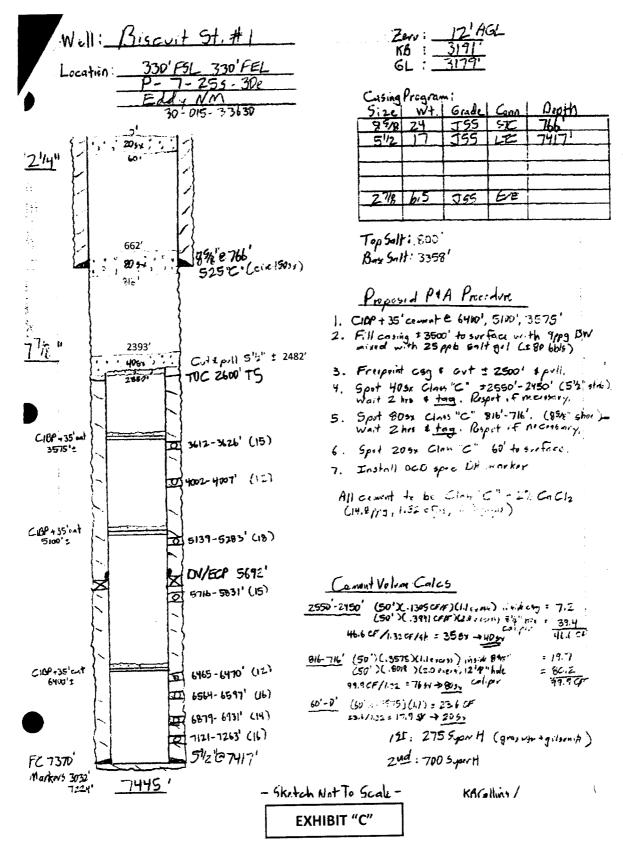
UL, Sec, T, R	API Well No.	Well Name	DV	Operator	Status
P-7-25S-30E	30-015-33630	Biscuit State #1	7445′	Marbob Energy Corp	P&A – Delaware
J-8-25S-30E	30-015-20116	Poker Lake Unit #37	3756′	Fred Pool Drilling Co	D&A in 1974 – dry hole, Delaware
K-8-25S-30E	30-015-04742	Poker Lake Superior #1	3750′	Poco Resources, LLC	P&A – Delaware
L-8-25S-30E	30-015-04743	Poker Lake State #3	3701′	Ralph Lowe	D&A in 1960 – dry hole, Delaware
L-8-25S-30E	30-015-37299	Red Sauce State #1H	7970′	COG Operating, LLC	Bone Spring producer
M-8-25S-30E	30-015-04744	Poker Lake State #1	3692,	Poco Resources, LLC	SI SWD – pending P&A after this
					replacement SWD order issued ¹
M-8-25S-30E	30-015-40741	Omelette State Com #1	8050′	COG Operating, LLC	Bone Spring producer
O-8-25S-30E	30-015-25318	Poker Lake Unit State #68	3767′	Poco Resources, LLC	P&A – Delaware producer
C-17-25S-30E	30-015-24888	Poker Lake Unit #64	3736′	Poco Resources, LLC	P&A - Delaware
D-17-25S-30E	30-015-04753	R & B Federal #1Y	3708	State of NM (Giant Oper.	P&A Pending -NMOCD plugging
				LLC orphan well)	Case 15582

 $^{^{\}mathrm{1}}$ The applicant plans to P&A this well after an SWD order is issued for this application.

producing wells within the 0.5 mile AOR and neither of them are Delaware producers. There is no Bell Canyon production within the 0.5 mile Included on pages 10 - 19 are wellbore diagrams for the ten penetrating wells based on information from OCD files. There are only 2 active AOR and the only Bell Canyon production within the 2 mile AOR is operated by the applicant.

P&A Delaware Producer Marbob Energy Corporation Biscuit State #1 API # 30-015-33630

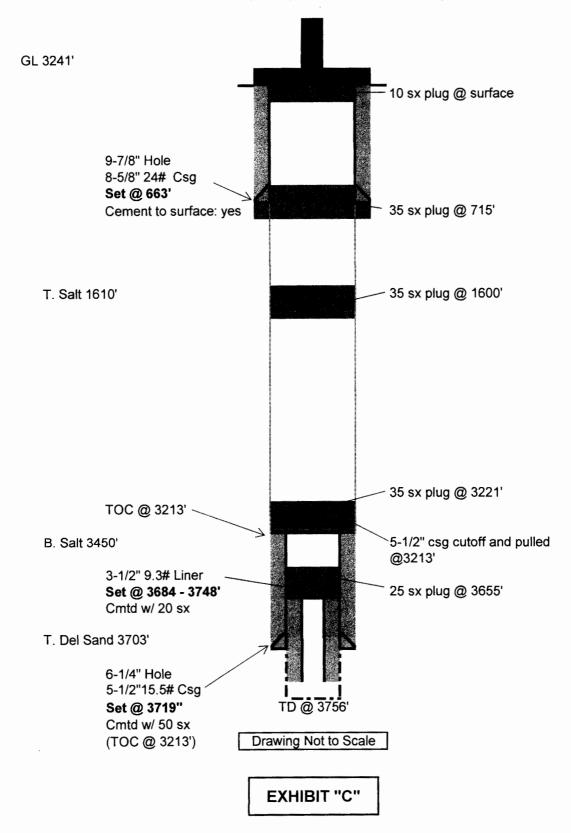
330' FSL x 330' FEL, UL 'P', Sec 7, T25S, R30E, Eddy County, NM



D&A - Delaware Dry Hole

Fred Pool Drilling Company Poker Lake Unit #37 API # 30-015-20116

1980' FSL x 1980' FEL, UL 'J', Sec 8, T25S, R30E, Eddy County, NM

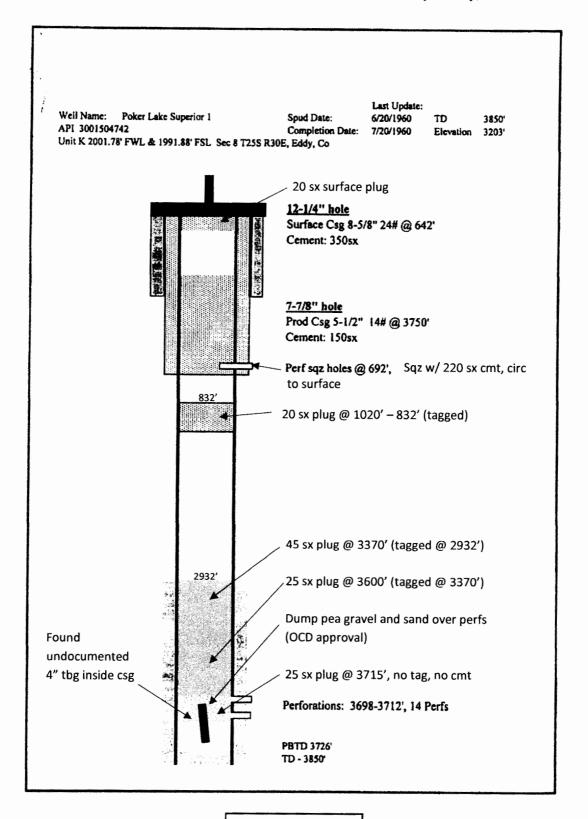


P&A Delaware Producer

Harvard Petroleum Company, LLC Poker Lake Superior #1

API # 30-015-04742

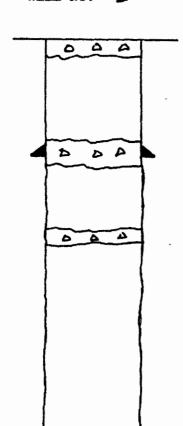
1992' FSL x 2002' FWL, UL 'K', Sec 8, T25S, R30E, Eddy County, NM



D&A - Delaware Dry Hole Ralph Lowe Poker Lake State #3 API # 30-015-04743

1980' FSL x 660' FWL, UL 'L', Sec 8, T25S, R30E, Eddy County, NM

OPERATOR - RALPH LOWE LEASE - POKER LAKE STATE WELL NO. - 3 DATE P & A-12/11/60 LOCATION: UNIT L, S8, T25S, R30E



Spot 10 sx. at top with marker

8-5/8", 24#, J-55, ST&C, Casing at 658' with 400 sx. circ. to surface (12-1/4" hole)

Spot 15 sx. 610' - 665'

Spot 15 sx. 1570' - 1620'

7-7/8" hole

spot 15 sx. 3370' - 3420'

spot 45 sx. 3570' - 3701'

TD-3701'

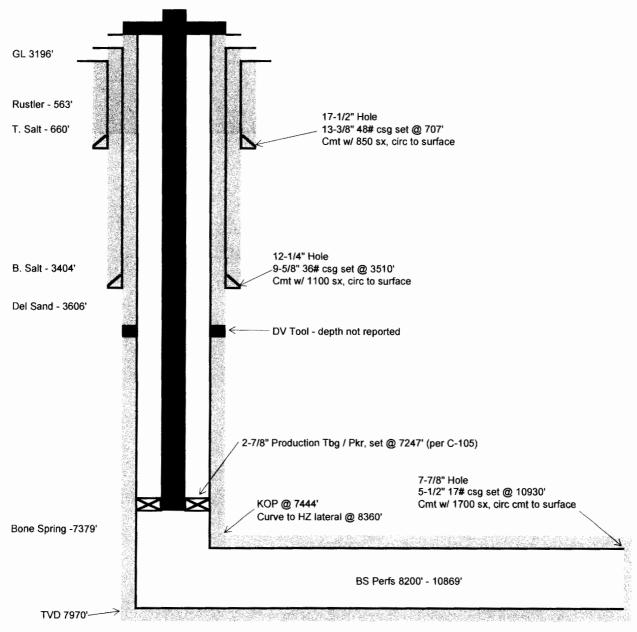
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Source - OCD SWD-719 File

CURRENT WELLBORE DIAGRAM - OFFSET WELL Active BS Producer (hz inside & outside AOR)

COG Operating, LLC Red Sauce State #1H API # 30-015-37299

SL - 2310' FSL x 940' FWL, UL 'L' Sec 8, T25S, R30E, Eddy County, NM BHL - 2261' FSL x 2310' FEL, UL 'J' Sec 7, T25S, R30E, Eddy County, NM



TMD 10930'

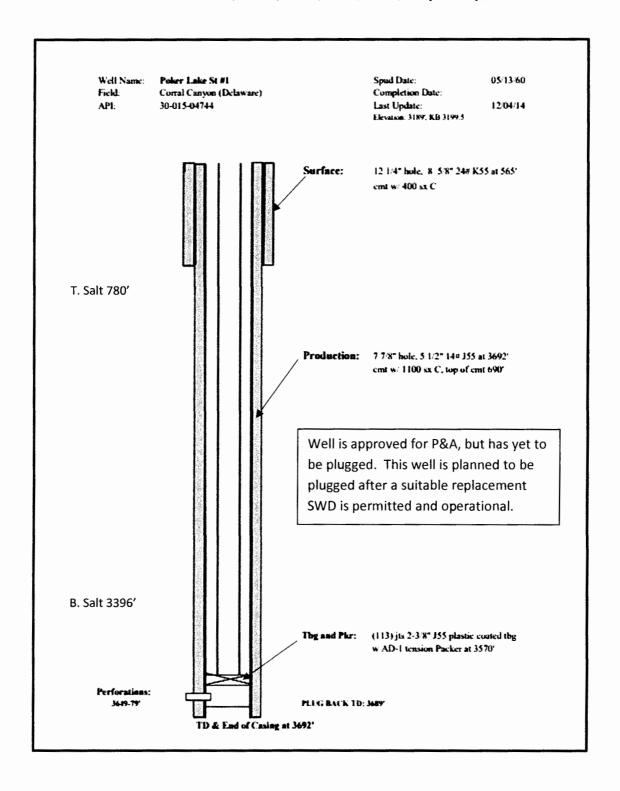
Drawing Not to Scale

EXHIBIT "C"

DJH 12/3/18 - from OCD wellfile

SI Delaware (Bell Cyn) SWD Pending P&A Harvard Petroleum Company, LLC Poker Lake State SWD #1 API # 30-015-04744

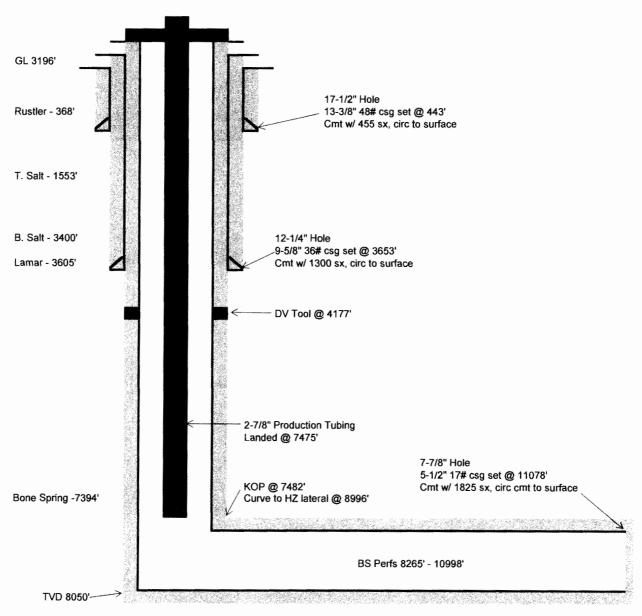
660' FSL x 660' FWL, UL 'M', Sec 8, T25S, R30E, Eddy County, NM



CURRENT WELLBORE DIAGRAM - OFFSET WELL Active BS Producer (hz inside & outside AOR)

COG Operating, LLC Omelette State Com #1H API # 30-015-40741

SL - 800' FSL x 1020' FWL, UL 'M' Sec 8, T25S, R30E, Eddy County, NM BHL - 432' FSL x 2326' FEL, UL 'O' Sec 7, T25S, R30E, Eddy County, NM



TMD 11087'

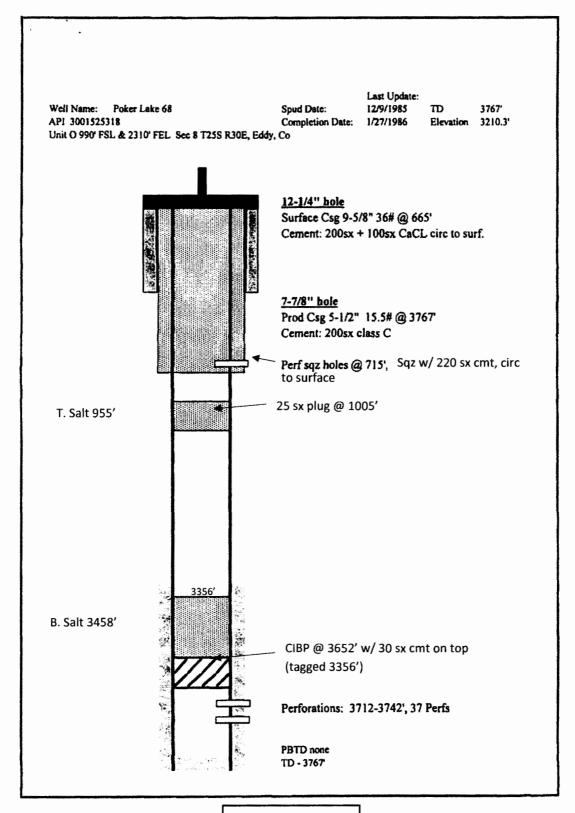
Drawing Not to Scale

EXHIBIT "C"

DJH 12/3/18 - from OCD wellfile

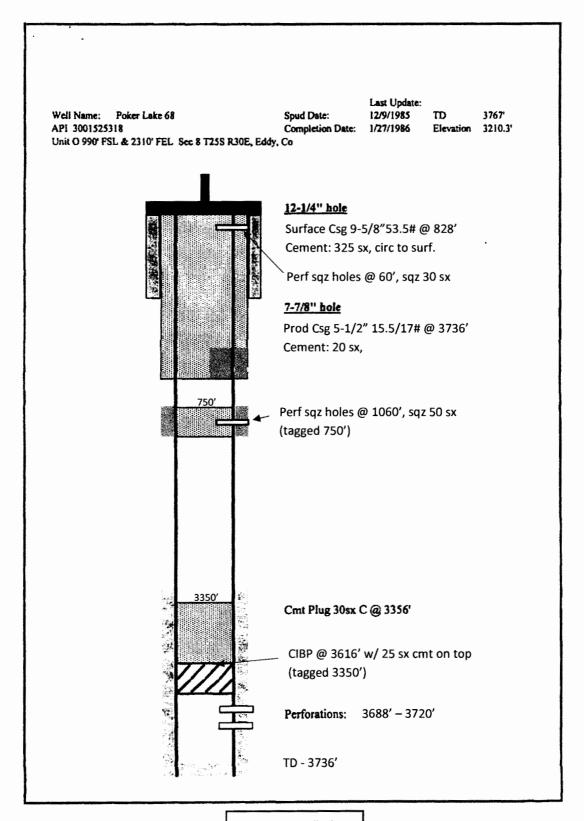
P&A Delaware Producer Harvard Petroleum Company, LLC Poker Lake State #68 API # 30-015-25318

990' FSL x 2310' FEL, UL 'O', Sec 8, T25S, R30E, Eddy County, NM



P&A Delaware Producer Harvard Petroleum Company, LLC Poker Lake Unit #64 API # 30-015-24888

330' FNL x 1650' FWL, UL 'C', Sec 17, T25S, R30E, Eddy County, NM



Proposed P&A - OCD Plugging Orphan Well (Case 15582)
Giant Operating, LLC
R and B Federal A #1Y
API # 30-015-04753
611' FNL x 614' FWL, UL 'D', Sec 17, T25S, R30E, Eddy County, NM

Wellbore Diagram - After Proposed P&A by OCD

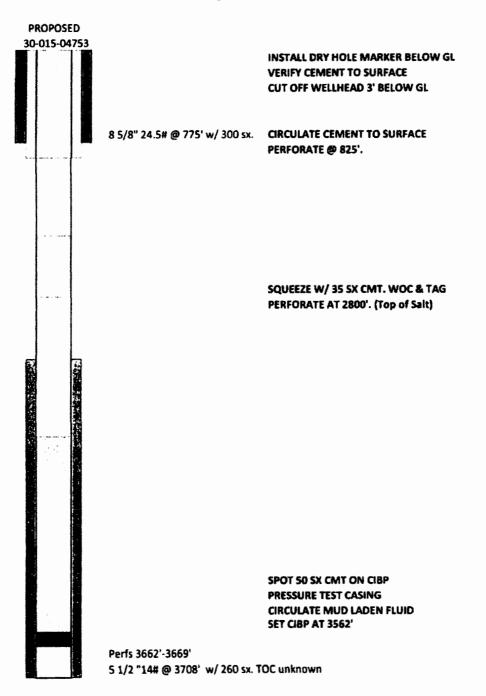
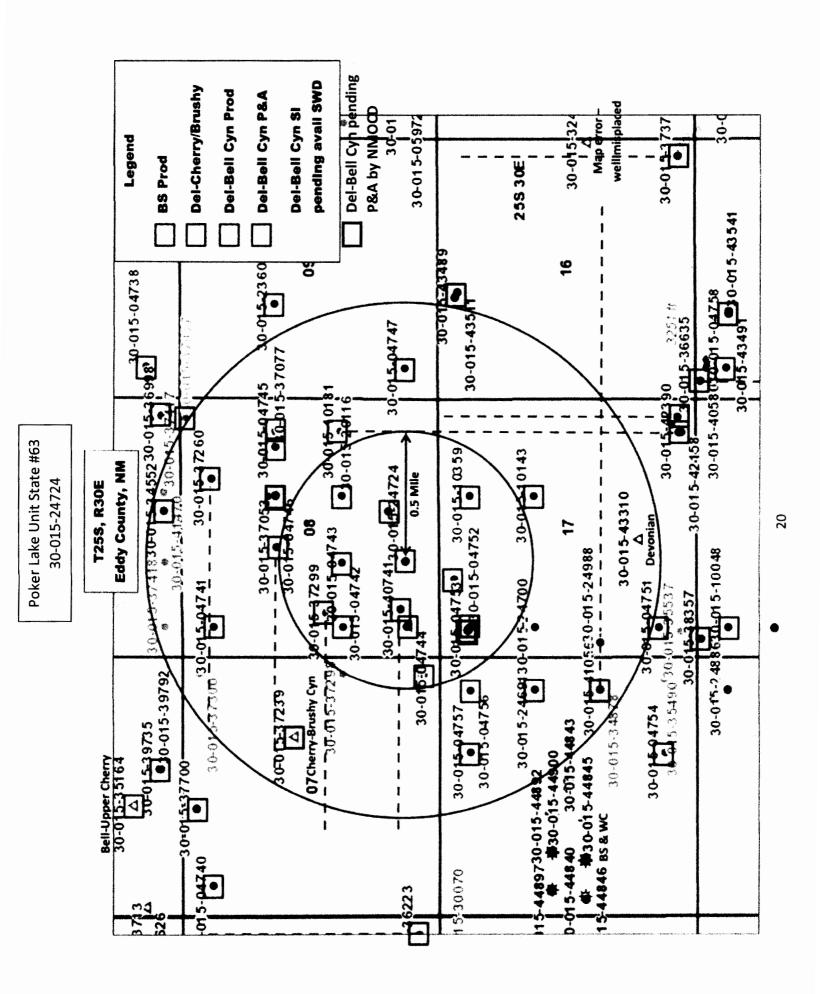
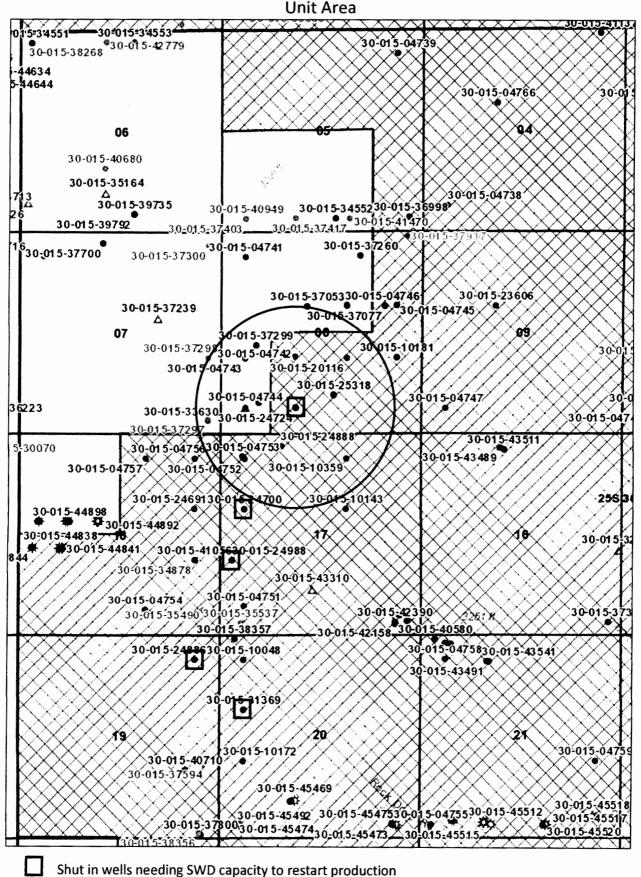


EXHIBIT "C"

Source - OCD well file



Poker Lake Unit State #63 30-015-24724



Proposed Poker Lake Unit State SWD #63

Poco Resources, LLC Poker Lake Unit State SWD #63 API # 30-015-24724 665 FSL x 2015 FWL

Unit Letter 'N', Section 8, T25S, R30E Eddy County, New Mexico

\LLIBURTON DIVISION LABORATOF

HALLIBURTON SERVICES

	ART	ESIA DISTRICT	
	LABOR	RATORY REPORT	No. W216, W217 & W21F
TO J. Ray Ste	wart		Date August 5, 1993
P. O. Box	451		
Midland, T	X 79702	Pared no e copy Po deprets order used a Pared value	regarni, pi Halburtan Sancas and neither a nei any pini Bannadi ne te be publishedar peciasad neithod hall sticcting a approved of lebandary managamanic, a may homenen, be pi nepulas business aperdana by any person or concern and necessing buch reput hum Halburtan Sanncas
Submitted by		Date Re	c
Well No. Poker Lake		Depth	Formation
Field		County	Source
•	#61	#65	#66
Resistivity		0.060 @ 70	0.060 @ 70°
Specific Gravity	1.118 @ 70°	1.116 @ 70°	1.112 @ 70°
pĦ	6.5	6.0	6.5
Calcium		**************************************	
Magnesium			
Chlorides	105,000	103,000	99,000
Sulfates	200	400	400
Bicarbonates			
Soluble Iron			
TDS	171,100	168,200	162,400
		THE CONTRACTOR OF THE PERSON NAMED IN	
Remarks:	30-015-24700	30-015-24886	30-015-24988
	(ک) O. Ana	
	Respec	tfully submitted	- Control of the Cont
Analyst: Eric Jacobs	son - Operations Eng	ineer	HALLIBURTON SERVICES

EXHIBIT "D"

NOTICE:

This report is for information only and the content is limited to the sample described. Hashbutton makes no warranties, express or implied, as to the occuracy of the contents or results. Any user of this report agrees Hashburton shall not be liable for any loss or damage, regardless of cause, including any act or omission of Hashburton, resulting from the use hereof



New Mexico Office of the State Engineer Water Column/Average Depth to Water

No records found.

PLSS Search:

Section(s): 5, 6, 7, 8, 9, 16, Township: 25S Range: 30E

The OSE data base contains no water wells located within the 1 mile AOR.

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, or suitability for any particular purpose of the data.

12/13/18 9:25 AM

Poco Resources, LLC Poker Lake Unit State SWD #63 API # 30-015-24724 665 FSL x 2015 FWL Unit Letter 'N', Section 8, T25S, R30E Eddy County, New Mexico

Injection	Formation	Water.
intection	Formation	water

API Number	<u>Formation</u>	<u>TDS</u>	<u>Chlorides</u>
30-015-24700	Delaware – Bell Cyn	171,100	105,000

Possible Disposal Fluid

API Number	<u>Formation</u>	<u>TDS</u>	<u>Chlorides</u>
30-015-10181	Delaware – Bell Cyn	155,173	92,820
30-015-24886	Delaware – Bell Cyn	168,200	103,000
30-015-24988	Delaware – Bell Cyn	162,400	99,000

Data obtained from GO-Tech NMWAIDS data base and water test report on page 23.

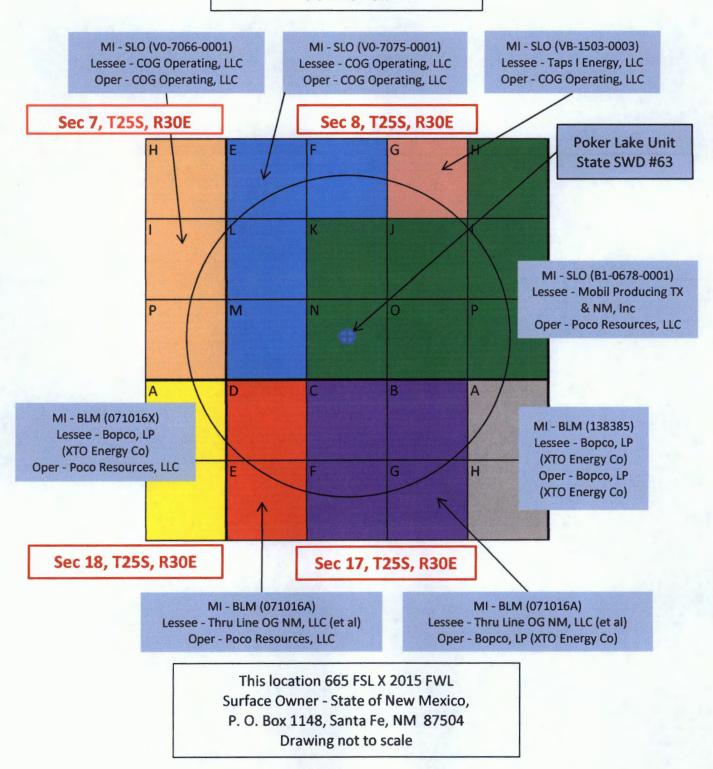
Legal Notice

Affidavit of Publi	cation	Copy of Publication:
No.		Legal Softer
State of New Mexico	Poco Resource	s, LLC, 3307 E. Castleberry Road, Artesia, NM 88210 has filed form C-108
County of Eddy:	seeking admin	or Authorization to Inject) with the New Mexico Oil Conservation Division istrative approval to convert the Poker Lake Unit State #63, API 30-015-24724.
Brienne Green June	665 FSL x 2015	5 FWL, Unit Letter "N", Section 8, T25S, R30E, Eddy County, New Mexico from abandoned well to a salt water disposal well. The proposed disposal interval
being duly sworn sayes is that she is	would be the I	Delaware (Bell Canyon) formation through perforations between 3,687° - 3,738 would be produced water from Poco producing wells in the area. Anticipated
of the Artesia Daily Press, a daily newspape	, disposal rate w	rould be 400 BWPD with a stable state maximum rate of 750 BWPD. Anticipa essure would be 300 psi with a maximum disposal pressure of 737 psi. The wel
circulation published in English at Artesia is located appr		oximately 11.2 miles southeast of Malaga, New Mexico.
and state, and that the hereto attached	Oil Conservati	parties opposing the aforementioned must file objections with the New Mexico on Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505 within
Legał Ad	15 days. Addit 5628.	tional information can be obtained by contacting Danny Holcomb at 806-471-
was published in a regular and entire issue	Published in the	he Artesia Daily Press, Artesia, N.M., Jan. 20, 2019 Legal No. 24971.
Artesia Daily Press, a daily newspaper duly	qualified	
for that purpose within the meaning of Cha	pter 167 of	
the 1937 Session Laws of the state of New	Mexico for	
1 Consecutive weeks'day on the	same	
day as follows:		
First Publication January 2	20, 2019	
Second Publication		
Third Publication		
Fourth Publication		
Fifth Publication		
Sixth Publication		
Seventh Publication		
Subscribed and sworn before me this		
22nd day of January	2019	
Can.	1	

Notary Public, Eddy County, New Mexico

Danny Scott

Poco Resources, LLC
Poker Lake Unit State SWD #63
API # 30-015-24724
0.5 Mile AOR



Poco Resources, LLC Poker Lake Unit State SWD #63 API #30-025-24724

EXHIBIT 'F' - NOTIFICATION LIST

Section 8, T25S, R30E, NMPM (UL N)

#	NAME	ADDRESS	CITY STATE ZIP	TYPE
1	State of New Mexico			
<u>'</u>	Commissioner of Public Land	P. O. Box 1148	Santa Fe, NM 87504	Surface Owner

Section 7, T25S, R30E, NMPM (ULs H, I, P)

#	NAME	ADDRESS	CITY STATE ZIP	TYPE
1	State of New Mexico			
	Commissioner of Public Land	P. O. Box 1148	Santa Fe, NM 87504	Mineral Owner
2	COG Operating, LLC	2208 W. Main Street	Artesia, NM 88210	Lessee/Operator

Section 8, T25S, R30E, NMPM (UL G)

#	NAME	ADDRESS	CITY STATE ZIP	TYPE
1	State of New Mexico			
L_'_	Commissioner of Public Land	P. O. Box 1148	Santa Fe, NM 87504	Mineral Owner
	Taps I Energy, LLC	29 S. Main Street, Suite 216	West Hartford, CT 06107	Lessee
2	COG Operating, LLC	2209 W. Main Street	Artesia, NM 88210	Operator

Section 8, T25S, R30E, NMPM (ULs E, F, L, M)

#	NAME	ADDRESS	CITY STATE ZIP	TYPE
1	State of New Mexico			
	Commissioner of Public Land	P. O. Box 1148	Santa Fe, NM 87504	Mineral Owner
2	COG Operating, LLC	2208 W. Main Street	Artesia, NM 88210	Lessee/Operator

Section 8, T25S, R30E, NMPM (ULs H, I, J, K, N, O, P)

#	NAME	ADDRESS	CITY STATE ZIP	TYPE
1	State of New Mexico			
<u>L'</u>	Commissioner of Public Land	P. O. Box 1148	Santa Fe, NM 87504	Mineral Owner
3	Mobil Producing Tx & NM, Inc	P. O. Box 2305	Houston, TX 77252-2305	Lessee
	Poco Resources, LLC (Applicant)	3307 E. Castleberry Rd	Artesia, NM 88210	Operator

Section 17, T25S, R30E, NMPM (ULs A, H)

#	NAME	ADDRESS	CITY STATE ZIP	TYPE
1	United States Dept of Interior			
*	Bureau of Land Management	620 E Greene Street	Carlsbad, NM 88220-6292	Mineral Owner
5	Bopco, LP (XTO Energy Co)	6401 Holiday Hill Road, Bldg #5	Midland TX 79707	Lessee/Operator

Poco Resources, LLC Poker Lake Unit State SWD #63 API #30-025-24724

EXHIBIT 'F' - NOTIFICATION LIST

Section 17, T25S, R30E, NMPM (ULs B, C, F, G)

#	NAME	ADDRESS	CITY STATE ZIP	TYPE
	United States Dept of Interior			
	Bureau of Land Management	620 E Greene Street	Carlsbad, NM 88220-6292	Mineral Owner
6	Thru Line OG NM, LLC (et al)	201 Main Street, Suite 2700	Ft Worth, TX 76102	Lessee
5	Bopco, LP (XTO Energy Co)	6401 Holiday Hill Road, Bldg #5	Midland, TX 79707	Operator

Section 17, T25S, R30E, NMPM (ULs D, E)

#	NAME	ADDRESS	CITY STATE ZIP	TYPE
1	United States Dept of Interior			
4	Bureau of Land Management	620 E Greene Street	Carlsbad, NM 88220-6292	Mineral Owner
6	Thru Line OG NM, LLC (et al)	201 Main Street, Suite 2700	Ft Worth, TX 76102	Lessee
	Poco Resources, LLC (Applicant)	3307 E. Castleberry Rd	Artesia, NM 88210	Operator

Section 18, T25S, R30E, NMPM (ULs A, H)

#	NAME	ADDRESS CITY STATE ZIP TY		TYPE
	United States Dept of Interior			
4	Bureau of Land Management	620 E Greene Street	Carlsbad, NM 88220-6292	Mineral Owner
5	Bopco, LP (XTO Energy Co)	6401 Holiday Hill Road, Bldg #5	Midland, TX 79707	Lessee
	Poco Resources, LLC (Applicant)	3307 E. Castleberry Rd	Artesia, NM 88210	Operator

NMOCD Notices

#	NAME	ADDRESS	CITY STATE ZIP
8 NMOCE	Engineering Bureau	1220 South St. Francis Drive	Santa Fe, NM 87505
7 NMOCE	District 2 Office	811 S. First Street	Artesia, NM 88210

Certified Mailed 1/17/19
Priority Mailed 1/28/19



Dear Danny Holcomb:

The following is in response to your request for proof of delivery on your item with the tracking number: 7017 2680 0000 8751 2239.

Item Details

Status:

Delivered, PO Box

Status Date / Time:

January 22, 2019, 7:32 am

Location:

SANTA FE. NM 87501

Postal Product: Extra Services: First-Class Mail*

Certified Mail™

Return Receipt Electronic

She ment De tals

Weight:

6.0oz

Recipient Signature

Signature of Recipient:

Address of Recipient:

No with hances

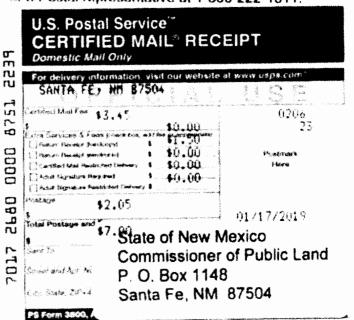
White hances

148

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service^s for your mailing needs. If you require additional assistance, please contact your local Post Office[™] or a Postal representative at 1-800-222-1811.

Sincerely, United States Postal Service* 475 L'Enfant Plaza SW Washington, D.C. 20260-0004





Dear Danny Holcomb:

The following is in response to your request for proof of delivery on your item with the tracking number: 7017 2680 0000 8751 2253.

Item Delans

Status: Delivered, Left with Individual Status Date / Time: January 22, 2019, 11:35 am

Location: ARTESIA, NM 88210

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Shipment Details

Weight: 6.0oz

Recipient Signature

Signature of Recipient:

Address of Recipient:

Jagn V

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Sincerely, United States Postal Service* 475 L'Enfant Plaza SW Washington, D.C. 20260-0004





Dear Danny Holcomb:

The following is in response to your request for proof of delivery on your item with the tracking number: 7017 2680 0000 8751 2208.

Item Detain

Status:

Delivered, To Agent

Status Date / Time:

January 28, 2019, 4:23 am

Location:

HOUSTON, TX 77210

Postal Product: Extra Services:

First-Class Mail*

Certified Mail™

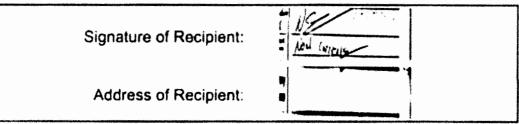
Return Receipt Electronic

Shipment Details

Weight:

6.0oz

Recipient Signature



Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service^a 475 L'Enfant Plaza SW Washington, D.C. 20260-0004





Dear Danny Holcomb:

The following is in response to your request for proof of delivery on your item with the tracking number: 7017 2680 0000 8751 2222.

Item Details

Status: Delivered

Status Date / Time: January 24, 2019, 9:18 am Location: CARLSBAD, NM 88220-9998

Postal Product: First-Class Mail[®]
Extra Services: Certified Mail ™

Return Receipt Electronic

Shipment Details

Weight: 6.0oz

Recipient Signature

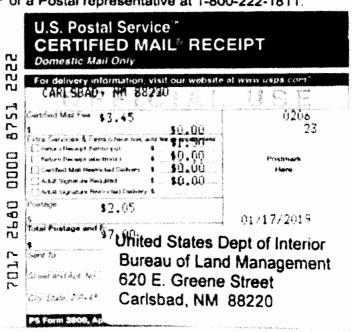
Signature of Recipient:

Address of Recipient:

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Sincerely, United States Postal Service* 475 L'Enfant Plaza SW Washington, D.C. 20260-0004





Dear Danny Holcomb:

The following is in response to your request for proof of delivery on your item with the tracking number: 7017 2680 0000 8751 2246.

Item Details

Status: Delivered, Left with Individual

Status Date / Time: January 22, 2019, 11:42 am

Location: MIDLAND, TX 79707

Postal Product: First-Class Mail[®]
Extra Services: Certified Mail[™]

Return Receipt Electronic

Shipment Details

Weight: 6.0oz

Recipient Signature

Signature of Recipient:

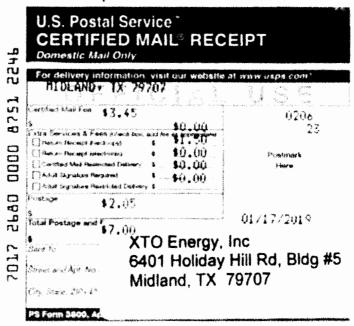
Address of Recipient:

6401 444

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Sincerely, United States Postal Service* 475 L'Enfant Plaza SW Washington, D.C. 20260-0004





Dear Danny Holcomb:

The following is in response to your request for proof of delivery on your item with the tracking number: 7017 2680 0000 8751 2192.

Item Detail

Status: Delivered, Left with Individual Status Date / Time: January 22, 2019, 8:36 am FORT WORTH, TX 76102

Postal Product: First-Class Mail®
Extra Services: Certified Mail™

Return Receipt Electronic

Shipment Details

Weight: 6.0oz

Recipient Signature

Signature of Recipient:

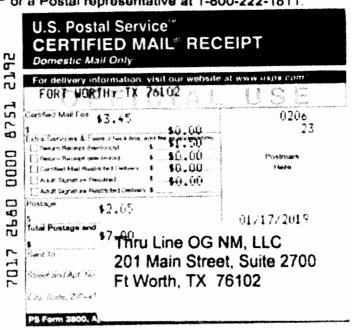
Address of Recipient:



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Sincerely, United States Postal Service^s 475 L'Enfant Plaza SW Washington, D.C. 20260-0004





Dear Danny Holcomb:

The following is in response to your request for proof of delivery on your item with the tracking number: 7017 2680 0000 8751 2215.

Rem Detail

Status:

Delivered, Left with Individual

Status Date / Time:

January 22, 2019, 1:59 pm

Location:

ARTESIA, NM 88210

Postal Product:

First-Class Mail*

Extra Services:

Certified Mail™

Return Receipt Electronic

Shipment Details

Weight:

6.0oz

Recipient Signature

Signature of Recipient:

Address of Recipient:

811 5155 AVASIA NM 88212

Note. Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service^a for your mailing needs. If you require additional assistance, please contact your local Post Office[™] or a Postal representative at 1-800-222-1811.

Sincerely, United States Postal Service⁶ 475 L'Enfant Plaza SW Washington, D.C. 20260-0004



Poco Resources, LLC c/o Holcomb Consultants 6900 Spring Cherry Lane Amarillo, Texas 79124

January 28, 2019

New Mexico Oil Conservation Division Engineering Bureau 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Re: Original Affidavit of Publication
C-108 Application from Poco Resources, LLC
Poker Lake Unit State SWD #63 (30-015-24724)

Gentlemen,

Attached is the original AOP received from the Artesia Daily Press for the legal notice publication made on January 20, 2019 as part of the C-108 application (Authority to Inject) on the above referenced well.

If you have any questions concerning this notice or need any additional information, please let me know.

Sincerely,

Danny J. Holcomb

Ortoleomb

Agent for Poco Resources, LLC

Email: danny@pwllc.net

Cell: 806-471-5628

Attachment

Affidavit of Publication

Copy of Publication:

State of New Mexico County of Eddy: **Brienne Green** being duly sworn sayes is that she is of the Artesia Daily Press, a daily newspar circulation, published in English at Artesia and state, and that the hereto attached 5628. Legal Ad was published in a regular and entire issu Published in the Artesia Daily Pres is, Artesia, N.M., Jan. 20, 2019 Legal No. 24971. Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for Consecutive weeks/day on the same day as follows: January 20, 2019 First Publication Second Publication Third Publication Fourth Publication Fifth Publication Sixth Publication Seventh Publication Subscribed and sworn before me this 2019 January day of 22nd

Danny Scott

Notary Public, Eddy County, New Mexico

berry Road, Artesia, NN 88210 has filed form C-108 Poco Resources, LLC, 3307 E. Castle ect) with the New Mexico Oil Conservation Division (Application for Authorization to Injuneert the Poker Lake Unit State #63, API 30-015-24724, seeking administrative approval to cc., Section 8, T25S, R30E, Eddy County, New Mexico from a plugged and abandoned well to a sale of the proposed disposal interval a plugged and abandoned well to a se) formation through perforations between 3,687' - 3,738'. would be the Delaware (Bell Canyon) ter from Poco producing wells in the area. Anticipated Disposal fluid would be produced waith a stable state maximum rate of 750 BWPD. Anticipat-

disposal rate would be 400 BWPD will with a stable state maximum rate of 730 BWPD. Although ed disposal pressure would be 300 ps outheast of Malaga, New Mexico.

All interested parties opposing the auth St. Francis Drive, Santa Fe, New Mexico 87505 within 15 days. Additional information ca

Poco Resources, LLC c/o Holcomb Consultants 6900 Spring Cherry Lane Amarillo, TX 79124 JAN 2 9 2019

January 17, 2019

Mobil Producing TX & NM, Inc P. O. Box 2305 Houston, TX 77252-2305

C-108 Application for Poker Lake Unit State SWD #63 (30-015-24724)

N-S8-T25S-R30E, Eddy County, New Mexico

Per the rules and regulations of the New Mexico Oil Conservation Division, please find enclosed a copy of NMOCD form C-108. Poco Resources, LLC, 3307 E. Castleberry Road, Artesia, NM 88210 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to convert the Poker Lake Unit State #63, API 30-015-24724, 665 FSL x 2015 FWL, Unit Letter "N", Section 8, T255, R30E, Eddy County, New Mexico from a plugged and abandoned well to a salt water disposal well. The proposed disposal interval would be the Delaware (Bell Canyon) formation through perforations between 3,687' – 3,738'. Disposal fluid would be produced water from Poco producing wells in the area. Anticipated disposal rate would be 400 BWPD with a stable state maximum rate of 750 BWPD. Anticipated disposal pressure would be 300 psi with a maximum disposal pressure of 737 psi. The well is located approximately 11.2 miles southeast of Malaga, New Mexico.

You are receiving this notice because Mobil Producing TX & NM, Inc is a mineral lessee within 0.5 miles of the subject well.

All interested parties opposing the aforementioned must file objections with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505 within 15 days. Additional information can be obtained by contacting Danny Holcomb at 806-471-5628.

Sincerely,

Danny J. Holcomb

ORfoliomb

Agent for Poco Resources, LLC

Email: danny@pwllc.net

Attachments

Poco Resources, LLC c/o Holcomb Consultants 6900 Spring Cherry Lane Amarillo, Texas 79124

January 28, 2019

State of New Mexico NMOCD Engineering Bureau 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Per the rules and regulations of the New Mexico Oil Conservation Division, please find enclosed a copy of NMOCD form C-108. Poco Resources, LLC, 3307 E. Castleberry Road, Artesia, NM 88210 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to convert the Poker Lake Unit State #63, API 30-015-24724, 665 FSL x 2015 FWL, Unit Letter "N", Section 8, T25S, R30E, Eddy County, New Mexico from a plugged and abandoned well to a salt water disposal well. The proposed disposal interval would be the Delaware (Bell Canyon) formation through perforations between 3,687' – 3,738'. Disposal fluid would be produced water from Poco producing wells in the area. Anticipated disposal rate would be 400 BWPD with a stable state maximum rate of 750 BWPD. Anticipated disposal pressure would be 300 psi with a maximum disposal pressure of 737 psi. The well is located approximately 11.2 miles southeast of Malaga, New Mexico.

All interested parties opposing the aforementioned must file objections with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505 within 15 days. Additional information can be obtained by contacting Danny Holcomb at 806-471-5628.

Sincerely,

Danny J. Holcomb

Agent for Poco Resources, LLC

Email: danny@pwllc.net

Molwala

Attachment

Goetze, Phillip, EMNRD

From: Goetze, Phillip, EMNRD

Sent: Friday, February 8, 2019 11:02 AM

To: 'danny@pwllc.net'

Cc: McMillan, Michael, EMNRD; Jones, William V, EMNRD; Lowe, Leonard, EMNRD; Michael

Feldewert (mfeldewert@hollandhart.com)

Subject: Notification of Protest for Application to Inject - Poker Lake Unit State SWD Well No. 63

RE: Poker Lake Unit State SWD Well No. 63 (API 30-015-24724; Admin. Appl. pPRG1903935330) Unit N; Sec 8, T25S, R30E, NMPM, Eddy County

Mr. Holcomb:

The Division was notified by XTO Energy Inc. through counsel that it is protesting this application. This party is identified as an affected person for the location being considered for the application. You are being notified that if Poco Resources, LLC wishes for this application to be considered, they must either go to hearing or may be reviewed administratively if the protest is withdrawn as a result of a negotiated resolution with this party. The application will be retained pending resolution of the protest. Please continue to provide OCD with information regarding the standing of this application. Please me call with any questions on this matter. PRG

Contact for the Mesquite SWD Inc.:

Michael Feldewert Holland & Hart 110 N Guadalupe St, Suite A Santa Fe, NM 87501

Phone: 505.988.4421

E-mail: mfeldewert@hollandhart.com

Phillip Goetze, PG

Engineering Bureau, Oil Conservation Division

New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive, Santa Fe, NM 87505

Direct: 505.476.3466

E-mail: phillip.goetze@state.nm.us



Goetze, Phillip, EMNRD

From: Michael Feldewert < MFeldewert@hollandhart.com>

Sent: Wednesday, January 30, 2019 10:02 AM

To: Goetze, Phillip, EMNRD; Jones, William V, EMNRD; Davidson, Florene, EMNRD

Cc: Hueske, Blake; danny@pwllc.net; Adam Rankin

Subject: [EXT] Poco Resources proposed Poker Lake State SWD #63

Attachments: MFDScan49072.pdf

Please take note that XTO Energy, Inc. (a successor of Mobile Producing TX & NM Inc.) objects to the attached application for a disposal well in the Delaware (Bell Canyon) formation underlying the Poker Lake Unit. XTO did not receive actual notice of this application until yesterday, January 29th. Please inform my office if this matter is placed on the Division or Commission docket for hearing.

Michael H. Feldewert

Partner, Holland & Hart LLP 110 N Guadalupe St, Suite A, Santa Fe, NM 87501 T 505.988.4421





≥ in y :

CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this e-mail.