

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

[D] Other: Specify _____

SWD/633
 - Owl SWD Operating LLC
 308339
 - well
 - Kimberly Swinney
 30-025 Pending
 Pool
 SWD; DeLunian-Silurian
 97869

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply
 [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Stephen
L. Dutche
Print or Type Name

See Application
Letter
Signature

Agent, Owl
Title

5-09-2016
Date

steve@Longquist.com
e-mail Address

LONQUIST & CO. LLC

AUSTIN
HOUSTON

PETROLEUM
ENGINEERS

ENERGY
ADVISORS

WICHITA
CALGARY

www.lonquist.com

May 4, 2016

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

Subject: Kimberly SWD No. 1 Authorization to Inject

To whom it may concern:

Attached for your review is Form C-108, Application for Authorization to Inject, and its supplemental documents prepared on behalf of OWL SWD Operating, LLC's for their proposed Kimberly SWD No. 1. In addition, Forms C-101 and C-102 have also been included. Any questions regarding this application should be directed to OWL's agent, Lonquist & Co., LLC, at the number below.

Regards,



Stephen L. Pattee, P.G.
Regulatory Manager
Lonquist & Co., LLC – Regulatory Agent for OWL SWD Operating, LLC
(512) 600-1774
steve@lonquist.com

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised July 18, 2013

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address OWL SWD Operating, LLC 8214 Westchester Drive, Suite 850, Dallas, TX 75255		² OGRID Number 308339
⁴ Property Code		³ API Number 30-025-
² Property Name Kimberly SWD		⁶ Well No. 1

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
1	31	25S	37E		1450	South	287	East	Lea

⁸ Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

⁹ Pool Information

Pool Name SWD; Devonian - Silurian	Pool Code 97869
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Additional Well Information

¹¹ Work Type N	¹² Well Type SWD	¹³ Cable/Rotary R	¹⁴ Lease Type Private	¹⁵ Ground Level Elevation 3,010'
¹⁶ Multiple N	¹⁷ Proposed Depth 11,400'	¹⁸ Formation Devonian - Fusselman	¹⁹ Contractor TBD	²⁰ Spud Date ASAP
Depth to Ground water 150'	Distance from nearest fresh water well 4,062'		Distance to nearest surface water +1 mi	

We will be using a closed-loop system in lieu of lined pits

²¹ Proposed Casing and Cement Program

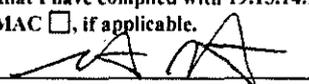
Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	24.0"	20"	106.5 lb/ft	1,100'	1,320 sks	Surface
Intermediate	17.5"	13.375"	80.7 lb/ft	4,550'	2,915 sks	Surface
Production	12.25"	9.625"	53.5 lb/ft	10,000'	2,210 sks	Surface
Tubing	N/A	5.500"	17.0 lb/ft	9,900'	N/A	N/A

Casing/Cement Program: Additional Comments

See attached schematic for additional casing and cementing details.

²² Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Hydraulic/ Blinds, Pipe	10,000 psi	10,000 psi	Schaffer/Cameron

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify that I have complied with 19.15.14.9 (A) NMAC and/or 19.15.14.9 (B) NMAC , if applicable.
Signature: 

OIL CONSERVATION DIVISION

Approved By:

Printed name: Stephen L. Pattee

Title:

Title: Consulting Engineer- Agent for OWL SWD Operating, LLC

Approved Date:

Expiration Date:

E-mail Address: steve@fonquist.com

Date: 05-04-16

Phone: 512-600-1774

Conditions of Approval Attached

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance _____ X _____ Disposal _____ Storage
Application qualifies for administrative approval? _____ X _____ Yes _____ No
- II. OPERATOR: OWL SWD Operating, LLC
ADDRESS: 8214 Westchester Drive, Suite 850, Dallas, Texas 75255
CONTACT PARTY: Preston Carr PHONE: 855-695-7937
- 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. 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: Stephen L. Pattee, P.G. TITLE: Consulting Engineer – Agent for OWL
SIGNATURE: _____ DATE: 05-04-16
E-MAIL ADDRESS: steve@lonquist.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.

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name KIMBERLY SWD	Well Number 1
GRID No	Operator Name OILFIELD WATER LOGISTICS	Elevation 2985'

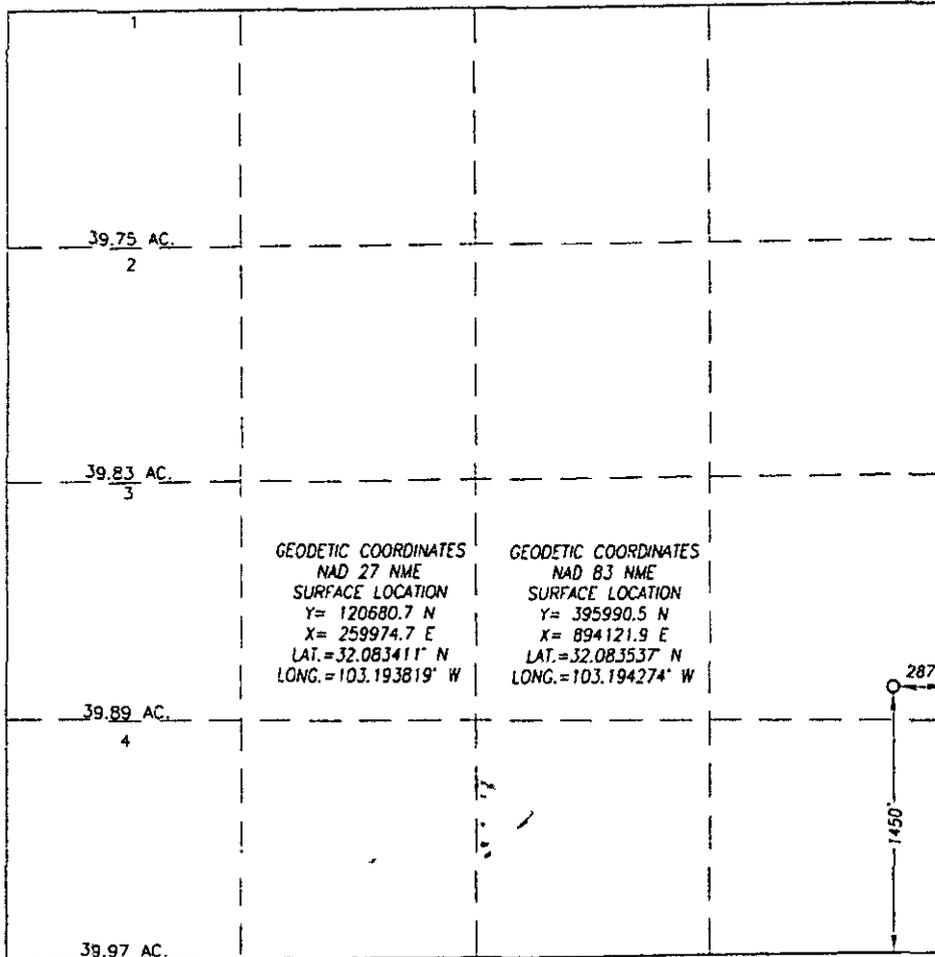
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	31	25-S	37-E		1450	SOUTH	287	EAST	LEA

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
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest, and/or an unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

[Signature] 05-04-16
Signature Date
Stephen Pattee
Printed Name
steve@longquist.com
E-mail Address

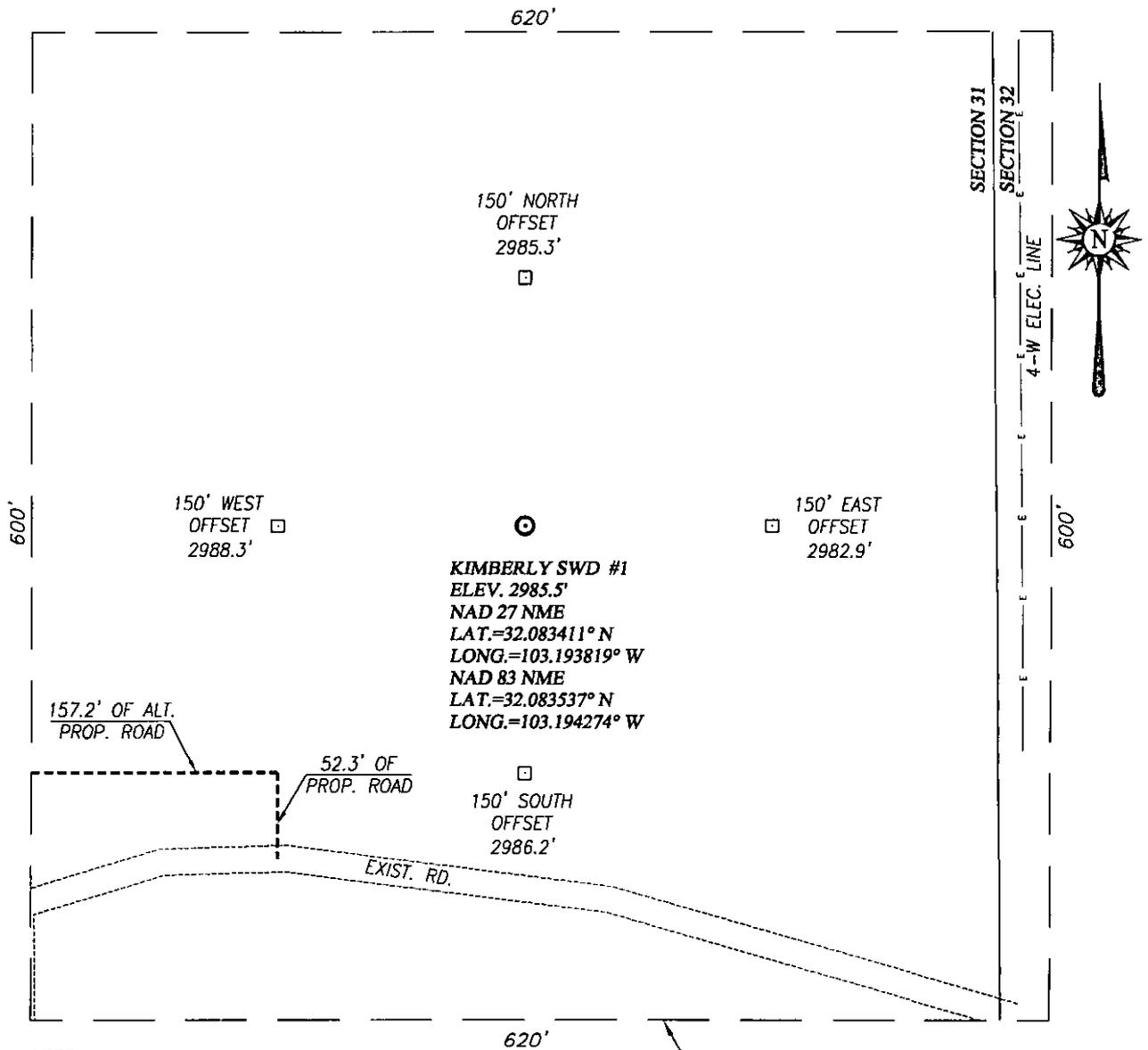
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

APRIL 29, 2016
Date of Survey
Signature & Seal of Professional Surveyor:
[Signature]
Certificate Number: 3239
Ronald J. Eidson 12641
Ronald J. Eidson 3239

LSL JWSC W.O.: 10.11.0328

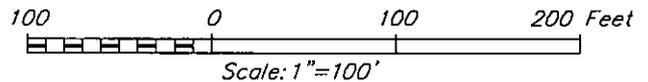
WELL SITE PLAN



NOTE:
1) SEE "TOPOGRAPHICAL AND ACCESS ROAD MAP" FOR PROPOSED ROAD LOCATION.

DIRECTIONS TO THIS LOCATION:

FROM THE INTERSECTION OF WHITWORTH DRIVE AND THIRD ST. IN JAL. NM. GO SOUTH ON FRYING PAN RD. APPROX. 1.3 MILES TO CALICHE LEASE ROAD. ON LEASE ROAD GO SOUTHEAST 367 FEET THEN TURN LEFT AND GO EAST APPROX. 0.2 MILES, TURN LEFT AND GO EAST APPROX. 292 FEET TO Y. KEEP LEFT AND GO NORTH APPROX. 0.1 MILES, TURN RIGHT AND GO NORTHEAST 160 FEET TO PROPOSED ACCESS ROAD TURN LEFT AND GO NORTH 52 FEET TO THIS LOCATION.



OILFIELD WATER LOGISTICS

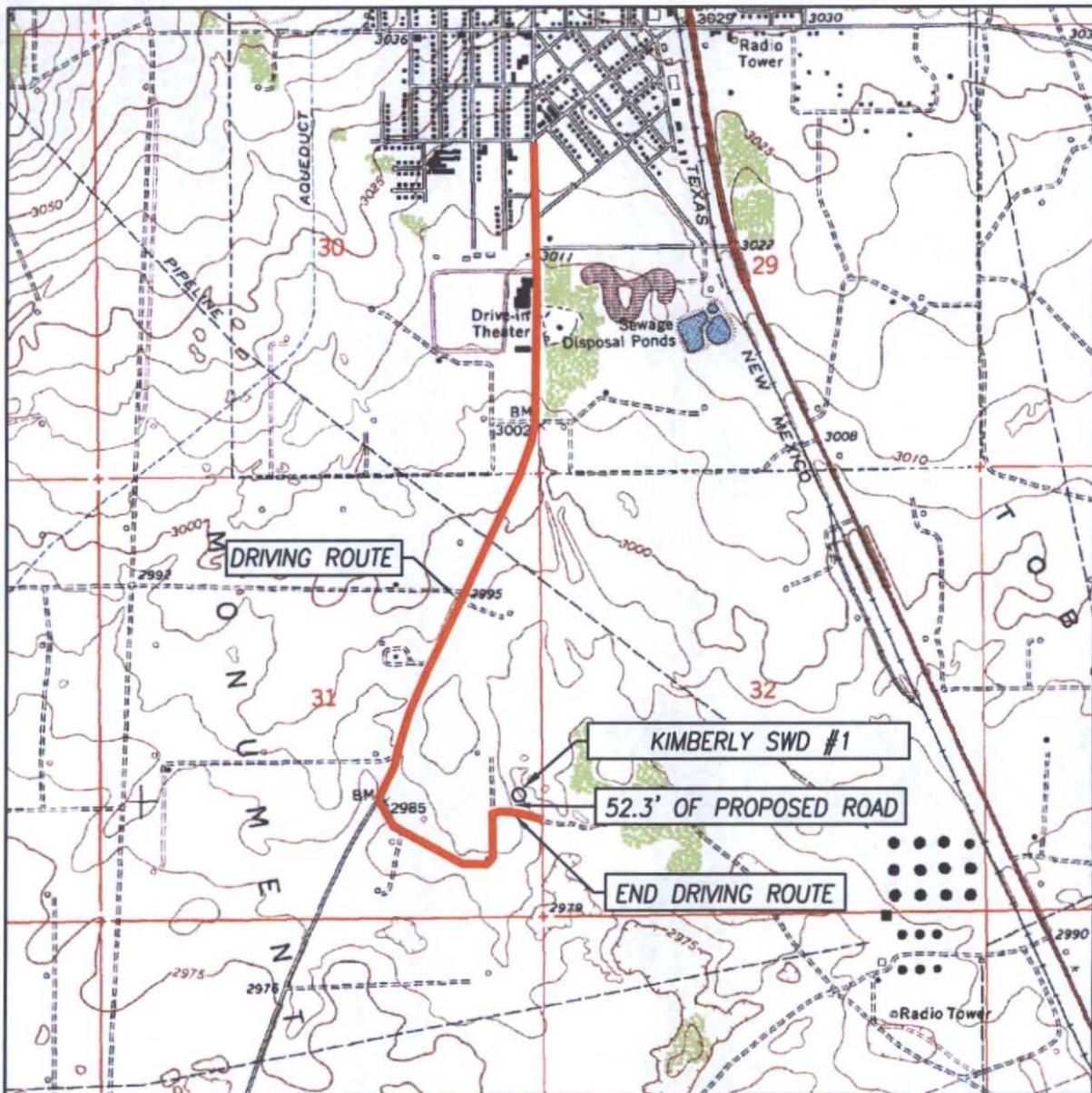
KIMBERLY SWD #1 WELL LOCATED 1450 FEET FROM THE SOUTH LINE AND 287 FEET FROM THE EAST LINE OF SECTION 31, TOWNSHIP 25 SOUTH, RANGE 37 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO HOBBS, N.M. 88240
(575) 393-3117 www.jwsc.biz
TBPLS# 10021000

Survey Date: 4/29/16	CAD Date: 5/3/16	Drawn By: LSL	
W.O. No.: 16110328	Rev: .	Rel. W.O.:	Sheet 1 of 1

TOPOGRAPHIC AND ACCESS ROAD MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
JAL, N.M. - 5'

SEC. 31 TWP. 25-S RGE. 37-E
 SURVEY _____ N.M.P.M.
 COUNTY LEA STATE NEW MEXICO
 DESCRIPTION 1450' FSL & 287' FWL
 ELEVATION 2985'

OPERATOR OILFIELD WATER LOGISTICS
 LEASE KIMBERLY SWD
 U.S.G.S. TOPOGRAPHIC MAP
 JAL, N.M.

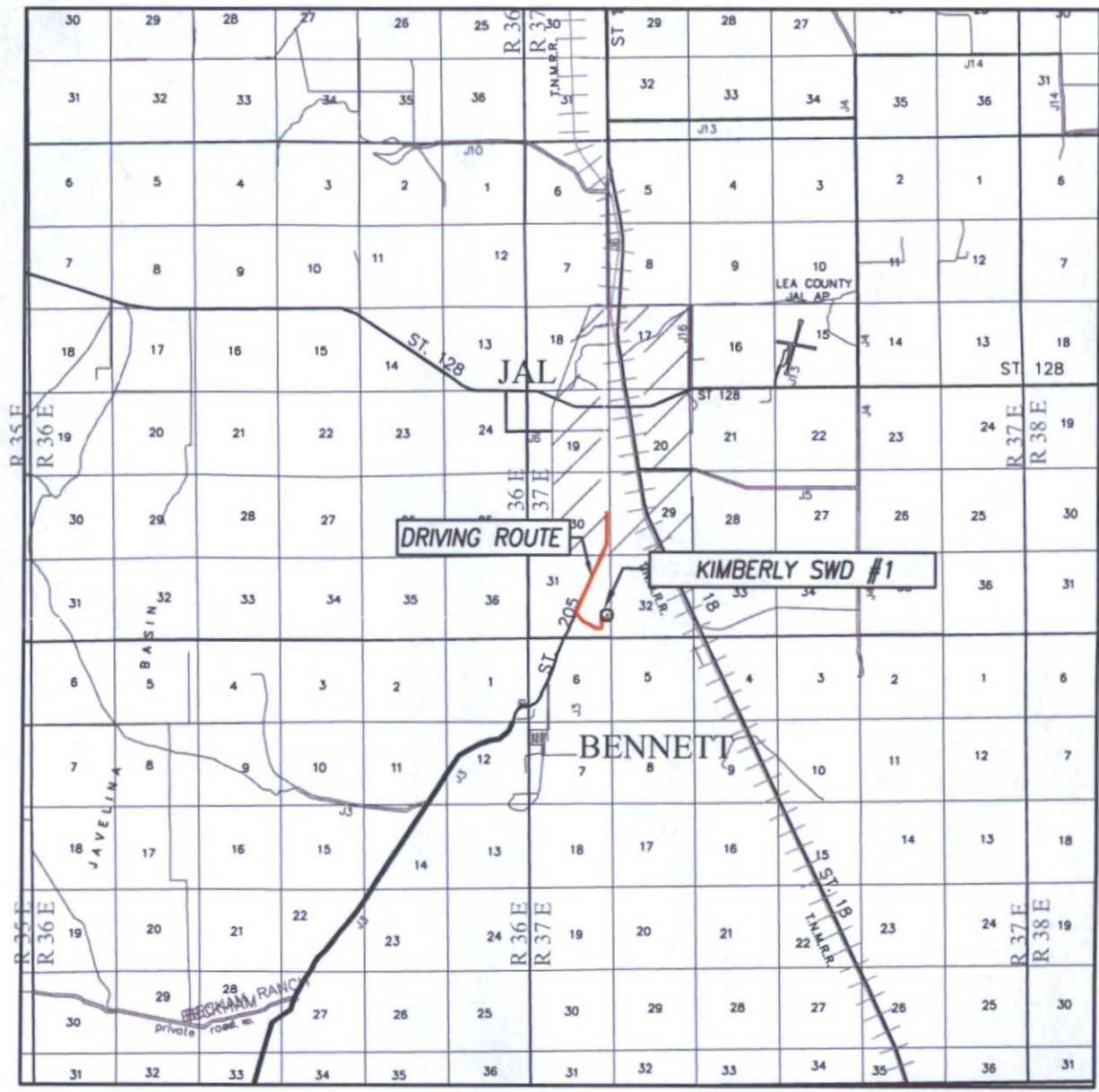
DIRECTIONS TO THIS LOCATION:

FROM THE INTERSECTION OF WHITWORTH DRIVE AND THIRD ST. IN JAL. NM. GO SOUTH ON FRYING PAN RD. APPROX. 1.3 MILES TO CALICHE LEASE ROAD. ON LEASE ROAD GO SOUTHEAST 367 FEET THEN TURN LEFT AND GO EAST APPROX. 0.2 MILES, TURN LEFT AND GO EAST APPROX. 292 FEET TO Y. KEEP LEFT AND GO NORTH APPROX. 0.1 MILES, TURN RIGHT AND GO NORTHEAST 160 FEET TO PROPOSED ACCESS ROAD TURN LEFT AND GO NORTH 52 FEET TO THIS LOCATION.



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 TBPLS# 10021000

VICINITY MAP



SCALE: 1" = 2 MILES

DRIVING ROUTE: SEE TOPOGRAPHICAL AND ACCESS ROAD MAP

SEC. 31 TWP. 25-S RGE. 37-E
 SURVEY N.M.P.M.
 COUNTY LEA STATE NEW MEXICO
 DESCRIPTION 1450' FSL & 287' FEL
 ELEVATION 2985'
 OPERATOR OILFIELD WATER LOGISTICS
 LEASE KIMBERLY SWD



PROVIDING SURVEYING SERVICES
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 TBPLS# 10021000

INJECTION WELL DATA SHEET

Tubing Size: 5-1/2" 17.0 lb/ft N-80 LT&C Lining Material: Duoline

Type of Packer: 9-5/8" x 5-1/2" D&L Oil Tools Permapak Packer – Single Bore

Packer Setting Depth: 9,900'

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

Additional Data

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

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

2. Name of the Injection Formation: Devonian - Silurian

3. Name of Field or Pool (if applicable): SWD: Devonian – Silurian (97869)

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No, this is a new drill.

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: See Form C-108 Supplemental Information.

OWL SWD Operating, LLC.

Kimberly SWD No. 1

FORM C-108 Supplemental Information

III. Well Data

A. Wellbore Information

1.

Well information	
Lease Name	Kimberly SWD
Well No.	1
Location	S-31 T-25S R-37E
Footage Location	1450' FSL & 287' FEL

2.

a. Wellbore Description

Casing Information			
Type	Surface	Intermediate	Production
OD	20"	13.375"	9.625"
WT	0.500"	0.580"	0.545"
ID	19.000"	12.415"	8.535"
Drift ID	18.812"	12.059"	8.379"
COD	21"	14.375"	10.625"
Weight	106.5 lb/ft	80.7 lb/ft	53.5 lb/ft
Grade	J/K-55, LT&C	P-110, BT&C	HCP-110, BT&C
Hole Size	24"	17.500"	12.250"
Depth Set	1,100'	4,550'	10,100'

b. Proposed Cementing Program

Cement Information			
Casing String	Surface	Intermediate	Production
Lead Cement	13.0 lb/gal 1.89 cf/sk	11.8 lb/gal 2.41 cf/sk	11.8 lb/gal 2.42 cf/sk
Lead Cement Volume	785 sx	2,305 sx	Stage 1: 565 sx Stage 2: 1,090 sx
Tail Cement	14.8 lb/gal 1.33 cf/sk	14.8 lb/gal 1.32 cf/sk	14.1 lb/gal 1.31 cf/sk
Tail Cement Volume	535 sx	610 sx	Stage 1: 375 sx Stage 2: 180 sx
Cement Excess	100%	100%	50%
TOC	Surface	Surface	Surface
Method	Circulate to Surface	Circulate to Surface	Circulate to Surface

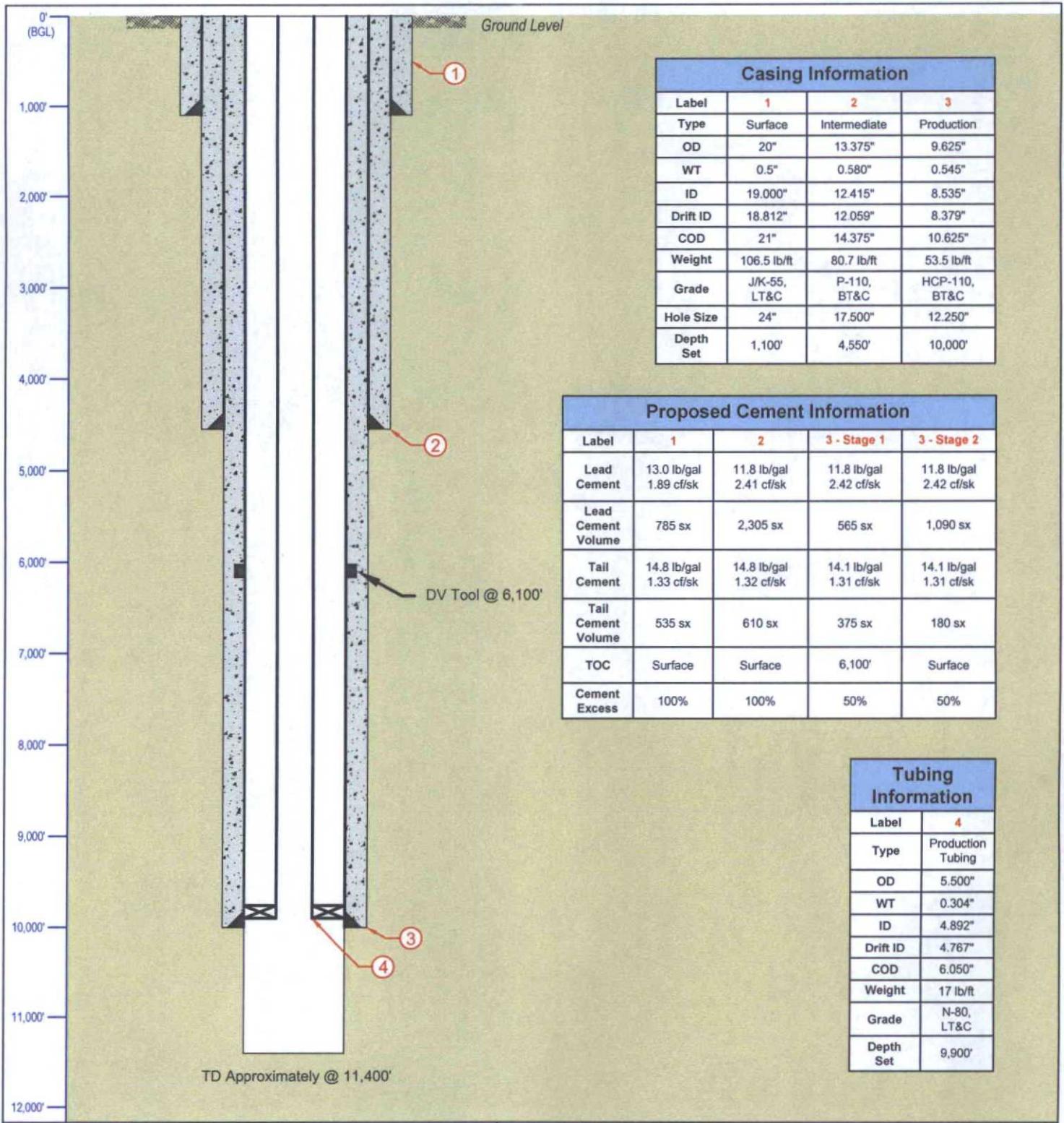
3. Tubing Description

Tubing Information	
OD	5.500"
WT	0.304"
ID	4.892"
Drift ID	4.767"
COD	6.050"
Weight	17.0 #/ft
Grade	N-80, LT&C
Depth Set	9,900'

Tubing will be lined with Duoline.

4. Packer Description

D&L Oil Tools 9-5/8" x 5-1/2" Permapack Packer – Single Bore



Casing Information			
Label	1	2	3
Type	Surface	Intermediate	Production
OD	20"	13.375"	9.625"
WT	0.5"	0.580"	0.545"
ID	19.000"	12.415"	8.535"
Drift ID	18.812"	12.059"	8.379"
COD	21"	14.375"	10.625"
Weight	106.5 lb/ft	80.7 lb/ft	53.5 lb/ft
Grade	J/K-55, LT&C	P-110, BT&C	HCP-110, BT&C
Hole Size	24"	17.500"	12.250"
Depth Set	1,100'	4,550'	10,000'

Proposed Cement Information				
Label	1	2	3 - Stage 1	3 - Stage 2
Lead Cement	13.0 lb/gal 1.89 cf/sk	11.8 lb/gal 2.41 cf/sk	11.8 lb/gal 2.42 cf/sk	11.8 lb/gal 2.42 cf/sk
Lead Cement Volume	785 sx	2,305 sx	565 sx	1,090 sx
Tail Cement	14.8 lb/gal 1.33 cf/sk	14.8 lb/gal 1.32 cf/sk	14.1 lb/gal 1.31 cf/sk	14.1 lb/gal 1.31 cf/sk
Tail Cement Volume	535 sx	610 sx	375 sx	180 sx
TOC	Surface	Surface	6,100'	Surface
Cement Excess	100%	100%	50%	50%

Tubing Information	
Label	4
Type	Production Tubing
OD	5.500"
WT	0.304"
ID	4.892"
Drift ID	4.767"
COD	6.050"
Weight	17 lb/ft
Grade	N-80, LT&C
Depth Set	9,900'

LONQUIST & CO. LLC PETROLEUM ENGINEERS ENERGY ADVISORS AUSTIN HOUSTON WICHITA CALGARY	OWL SWD Operating, LLC <i>1450 FSL 287 FEB 15 SEC. 31 T255 R37E</i>	Kimberly SWD No. 1	
	Country: USA	State/Province: New Mexico	County/Parish: Lea
Survey/STR:	Site:	Status: To Be Drilled	
API No.:	Field:	Ground Elevation:	
Texas License F-8952	State ID No.:	Project No:	Date: 4/28/2016
3345 Bee Cave Road, Suite 201 Austin, Texas 78746 Tel: 512.732.9812 Fax: 512.732.9816	Drawn: NLB	Reviewed: RSC	Approved: SLP
Rev No:	Notes:		

B. Completion Information

1. Injection Formation: Devonian - Silurian
2. Gross Injection Interval: 10,000' – 11,400'

Completion Type: Open Hole

3. Well drilled for injection.
4. New drill; no prior perforated intervals.
5. Oil and Gas Bearing Zones within area of well:

Formation	Depth
Tansill	2760'
Yates	2800'
Seven Rivers	3020'
Crosby Dev	8000'

VI. Area of Review

A table has been attached containing information on wells that are present within the AOR. A completion report or new drill permit application for each well within the AOR has also been attached for construction information and to serve as a record of completion. None of the wells within the AOR penetrate the proposed injection interval.

VII. Proposed Operation Data

1. Proposed Daily Rate of Fluids to be Injection:

Average Volume: 15,000 BWPD
Maximum Volume: 20,000 BWPD

2. Closed System

3. Anticipated Injection Pressure:

Average Injection Pressure: 1,377 PSI (surface pressure)
Maximum Injection Pressure: 1,995 PSI (surface pressure)

4. The injection fluid is to be locally produced water. Attached are produced water sample analyses taken from wells in the area of the proposed Kimberly SWD No. 1 location that feature samples from the Delaware and Avalon Shale Formations.
5. There is no Devonian production within one mile of the proposed well. As required, a Devonian produced water sample is attached.

VIII. Geological Data: Devonian-Silurian Injection

The Devonian formation is a dolomitic ramp carbonate that occurs below the Woodford shale and above the Fusselman formation. Strata found in the Devonian formation near Jal are two major groups, the Wristen Buildups and the Thirtyone Deepwater Chert, with the Wristen being more abundant. The Wristen Groups is composed of mixed limestone and dolomites with mudstone to grainstone and boundstone textures. Porosity in the Wristen group is a result of both primary and secondary development. Present are moldic, vugular, karstic (including collapse breccia) features that allow for higher porosities and permeabilities. The Thirtyone Formation contains two end-member reservoir facies, skeletal packstones/grainstones and spiculitic chert, with most of the porosity and permeability found in the coarsely crystalline cherty dolomite. These particular characteristics allow for this formation to be a tremendous Salt Water Disposal horizon.

Immediately underlying the Devonian Formation is the Fusselman Formation. The Fusselman consists of shallow-water carbonate sediments that were deposited during the Late Ordovician to Early Silurian. Fusselman comprises a diverse succession of shallow-water carbonate facies. The base of the Fusselman is typically formed by an interval of ooid grainstone. These deposits, which are of Late Ordovician age are typically well sorted and in some instances crossbedded. Overlying the lower Fusselman ooid grainstone facies is an interval of fenestral mudstone. The upper Fusselman is mostly composed of pelmatozoan grainstone and packstone that contain bryozoans, brachiopods mollusks, ostracodes and corals. The Fusselman Formation documents deposition on an open-marine, shallow-water carbonate platform that probably formed during Late Ordovician/Early Silurian. The different styles of pore porosity within the Fusselman are intergranular pores in basal ooid grainstones, leached intergranular pores in pelmatozoan packstones, and heavily leached/vuggy pores.

At a proposed depth of 11,400' BGL (Below Ground Level) the well will TD approximately 1,400' below the estimated top of the Devonian. Mud logging through the interval will ensure the target interval remains Devonian and Fusselman (Silurian).

A. Injection Zone: Devonian – Silurian Formation

Formation	Depth
Rustler	1000'
Salado	1300'
Tansill	2670'
Yates	2800'
Seven Rivers	3020'
Capitan	3900'
Grayburg	4250'
Bone Spring	5550'
Wolfcamp	8100'
Strawn	8500'
Mississippian Lime	8940'
Woodford	9500'
Devonian	10000'
Fusselman	10900'

B. Underground Sources of Drinking Water

Underground sources of drinking water are anticipated 100' to 250' below the surface, and fresh water may be present above the Rustler formation. The top of the Rustler formation is estimated at a depth of approximately 1,000'; therefore, the surface casing will be set at 1,100'. There are no sources of drinking water underlying the injection interval.

IX. Proposed Stimulation Program

No stimulation program is proposed for this well.

X. Logging and Test Data on the Well

There are no logs or test data on the well. During the process of drilling and completion, resistivity, gamma ray, and density logs will be run.

XI. Chemical Analysis of Fresh Water Wells

The closest fresh water well (CP 00900) is located 4,062' southeast from the proposed well location. The most recent records on the well indicate that the well is owned by Shell Pipeline Company LP. According to the well's Point of Diversion Summary from the New Mexico Office of the State Engineer the well has not been active since 2005. This well is part of a remediation system and is one of seven (7) wells which were installed to monitor soil and groundwater contamination.

A similar system of two (2) wells was established just under one-mile away to the northeast of the proposed location. This second remediation monitoring system is operated by Southern Union Gas Services.

Attached is a map featuring the water wells, the Water Right Summary from the New Mexico Office of State Engineer, and the Transaction Summary from the New Mexico Office of the State Engineer for both locations.

XII. Affirmative Statement of Examination of Geologic and Engineering Data

Based on the available engineering and geologic data we find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

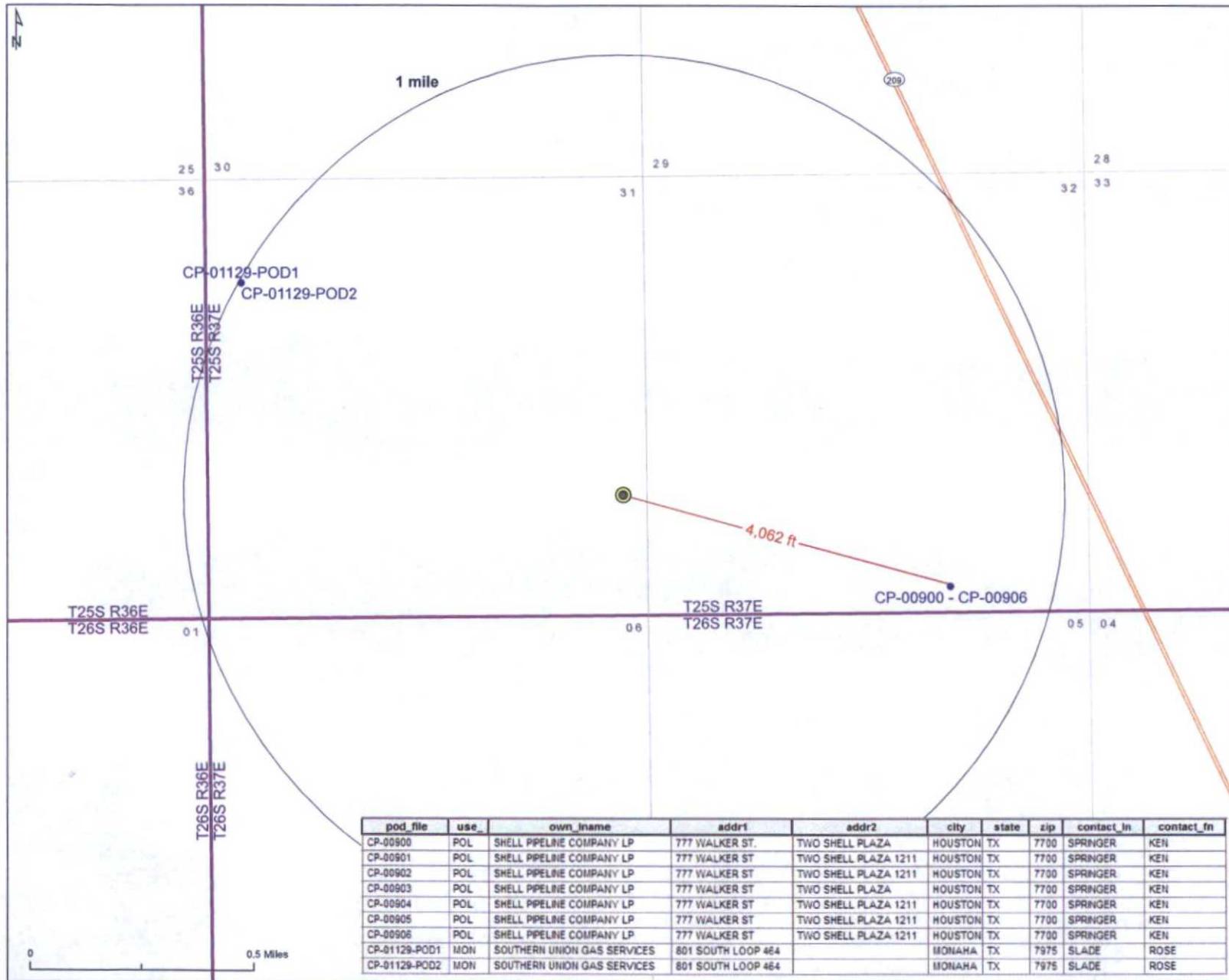
Signature: _____

Name: Stephen L. Pattee, P.G.

Date: 05-04-16

Title: Consulting Engineer -- Agent for OWL

Kimberly SWD No. 1 - 1/2 AOR Well List						
API #	Well Name	Operator	Well Type	Spud Date	Location	Depth (TVD)
30-025-11846	PRE-ONGARD WELL #001	PRE-ONGARD WELL OPERATOR	OP	1955	G-31-25S-37E	3335
30-025-11847	PRE-ONGARD WELL #001	PRE-ONGARD WELL OPERATOR	OP	1934	O-31-25S-37E	3252
30-025-11848	PRE-ONGARD WELL #002	PRE-ONGARD WELL OPERATOR	OP	1935	J-31-25S-37E	3285
30-025-11855	DYER #003	FULFER OIL & CATTLE LLC	GA	5/10/1976	H-31-25S-37E	2968
30-025-11856	LEGAL #001	BURLINGTON RESOURCES OIL & GAS CO	GP	12/12/1951	P-31-25S-37E	3254
30-025-11857	M F LEGAL #002	CIMAREX ENERGY CO. OF COLORADO	GP	8/10/1951	I-31-25S-37E	3350
30-025-11858	LEGAL #003	CIMAREX ENERGY CO. OF COLORADO	OP	10/18/1951	O-31-25S-37E	3336
30-025-11859	LEGAL #004	BURLINGTON RESOURCES OIL & GAS CO	OP	11/15/1951	J-31-25S-37E	3365
30-025-11864	ARNOTT RAMSAY NCT-B #001	ENERVEST OPERATING L.L.C.	GA	4/28/1935	M-32-25S-37E	3400
30-025-11958	PRE-ONGARD WELL #001	PRE-ONGARD WELL OPERATOR	OP	1952	A-06-26S-37E	3260
30-025-26280	ARNOTT RAMSAY NCT-B #008	ENERVEST OPERATING L.L.C.	OA	4/26/1979	N-32-25S-37E	3630
30-025-26757	ARNOTT RAMSAY NCT-B #009	ENERVEST OPERATING L.L.C.	OA	4/25/1980	K-32-25S-37E	3450
30-025-26963	ARNOTT RAMSAY NCT-B #011	ENERVEST OPERATING L.L.C.	OT	12/31/9999	L-32-25S-37E	3473
30-025-28289	M F LEGAL #005	CIMAREX ENERGY CO. OF COLORADO	GA	7/29/1983	P-31-25S-37E	3350



**Kimberly SWD #1
Offset Water Wells**
Lea County, NM
OWL SWD Operating, LLC

Projection: NAD 1983 State Plane NM East FIPS 3001
 Drawn by: SAH Date: 4/28/2016 Approved by: NLB

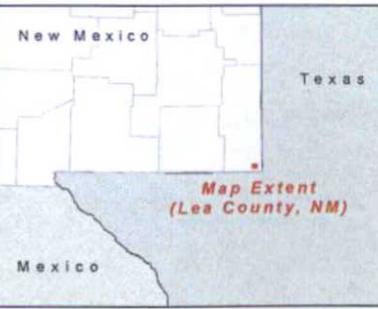
LONQUIST & CO. LLC

AUSTIN HOUSTON PETROLEUM ENGINEERS ENERGY ADVISORS MICHELE CALSBARY

Texas License P-8952

- Water Well
- Kimberly SWD #1
- 1 mile Radius
- Section Boundary
- ▭ Township Boundary
- Major Road

Source: New Mexico Office of the State Engineer



pod_file	use	own_name	addr1	addr2	city	state	zip	contact_in	contact_fn
CP-00900	POL	SHELL PIPELINE COMPANY LP	777 WALKER ST.	TWO SHELL PLAZA	HOUSTON	TX	7700	SPRINGER	KEN
CP-00901	POL	SHELL PIPELINE COMPANY LP	777 WALKER ST	TWO SHELL PLAZA 1211	HOUSTON	TX	7700	SPRINGER	KEN
CP-00902	POL	SHELL PIPELINE COMPANY LP	777 WALKER ST	TWO SHELL PLAZA 1211	HOUSTON	TX	7700	SPRINGER	KEN
CP-00903	POL	SHELL PIPELINE COMPANY LP	777 WALKER ST	TWO SHELL PLAZA	HOUSTON	TX	7700	SPRINGER	KEN
CP-00904	POL	SHELL PIPELINE COMPANY LP	777 WALKER ST	TWO SHELL PLAZA 1211	HOUSTON	TX	7700	SPRINGER	KEN
CP-00905	POL	SHELL PIPELINE COMPANY LP	777 WALKER ST	TWO SHELL PLAZA 1211	HOUSTON	TX	7700	SPRINGER	KEN
CP-00906	POL	SHELL PIPELINE COMPANY LP	777 WALKER ST	TWO SHELL PLAZA 1211	HOUSTON	TX	7700	SPRINGER	KEN
CP-01129-POD1	MON	SOUTHERN UNION GAS SERVICES	801 SOUTH LOOP 464		MONAHA	TX	7975	SLADE	ROSE
CP-01129-POD2	MON	SOUTHERN UNION GAS SERVICES	801 SOUTH LOOP 464		MONAHA	TX	7975	SLADE	ROSE



New Mexico Office of the State Engineer

Point of Diversion Summary

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest)

(NAD83 UTM in meters)

POD Number
CP 00900

Q64 Q16 Q4 Sec Tws Rng
4 3 4 32 25S 37E

X Y
671613 3550794*

Driller License: 1044 **Driller Company:** EADES WELL DRILLING & PUMP SERVICE

Driller Name: EADES, ALAN

Drill Start Date:	Drill Finish Date: 10/18/1999	Plug Date:
Log File Date:	PCW Rcv Date: 03/31/2003	Source: Shallow
Pump Type: SUBMER	Pipe Discharge Size:	Estimated Yield:
Casing Size: 2.00	Depth Well: 101 feet	Depth Water:

Meter Number: 7734	Meter Make:
Meter Serial Number:	Meter Multiplier: 1.0000
Number of Dials: 6	Meter Type: Diversion
Unit of Measure: Gallons	Return Flow Percent:
Usage Multiplier:	Reading Frequency: Quarterly

Meter Readings (in Acre-Feet)

Read Date	Year	Mtr Reading	Flag	Rdr	Comment	Mtr Amount
04/12/2002	2002	105987	A	jw		0
07/15/2002	2002	164733	A	jw		0.180
10/24/2002	2002	392684	A	jw		0.700
01/10/2003	2003	627435	A	jw		0.720
08/01/2003	2003	917218	A	jw		0.889
01/12/2004	2004	50490	R	jw	Meter Rollover	0.409
04/11/2005	2005	259321	A	jw		0.641
07/02/2005	2005	418661	A	jw		0.489
10/12/2005	2005	502168	A	jw		0.256

**YTD Meter Amounts:	Year	Amount
	2002	0.880
	2003	1.609
	2004	0.409
	2005	1.386

*UTM location was derived from PLSS - 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.



New Mexico Office of the State Engineer

Water Right Summary

WR File Number: CP 00900 **Subbasin:** - **Cross Reference:-**
Primary Purpose: POL POLLUTION CONTROL WELL
Primary Status: PMT PERMIT
Total Acres: 0 **Subfile:** -
Total Diversion: 0 **Cause/Case:** -
Owner: SHELL PIPELINE COMPANY LP
Contact: KEN SPRINGER

Documents on File

Trn #	Doc	File/Act	Status		Transaction Desc.	From/ To	Acres	Diversion	Consumptive
			1	2					
298918	COWNF	2003-03-31	CHG	PRC	CP 900	T	0	0	3
191592	APPRO	2001-03-26	PMT	MTR	CP 00900	T	0	0	0

Current Points of Diversion

(NAD83 UTM in meters)

POD Number	Source	Q	Q	Q	Q	Sec	Tws	Rng	X	Y	Other Location Desc
CP 00900	Shallow	4	3	4	32	25S	37E		671613	3550794*	

An () after northing value indicates UTM location was derived from PLSS - see Help

Place of Use

Q	Q	Q	Q	Sec	Tws	Rng	Acres	Diversion	CU	Use	Priority	Status	Other Location Desc
256	64	16	4	4	32	25S 37E		0	0	POL		PMT	Jal Basin Station

Source

Acres	Diversion	CU	Use	Priority	Source Description
0	0	0	POL		GW OGALLALA

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New Mexico Office of the State Engineer

Transaction Summary

COWNF Change of Ownership Full

Transaction Number: 298918

Transaction Desc: CP 900

File Date: 03/31/2003

Primary Status: CHG Change of Ownership

Secondary Status: PRC Processed

Person Assigned: *****

Applicant: SHELL PIPELINE COMPANY LP

Contact: KEN SPRINGER

Events

Date	Type	Description	Comment	Processed By
03/31/2003	APP	Application Received	*	*****
03/18/2004	FTN	Finalize non-published Trans.		*****
03/18/2004	QAT	Quality Assurance Completed		*****

Water Right Information

WR File Nbr	Acres	Diversion	Consumptive	Purpose of Use
CP 00900	0	0	3 POL	POLLUTION CONTROL WELL

Remarks

ACCOMPANIED BY REQUEST LETTER DATED MAY 15, 2002 FROM EQUILON PIPELINE COMPANY LLC.



New Mexico Office of the State Engineer

Transaction Summary

APPRO Application to Appropriate

Transaction Number: 191592

Transaction Desc: CP 00900

File Date: 09/19/2000

Primary Status: PMT Permit
Secondary Status: MTR Meter Installation Received
Person Assigned: *****
Applicant: EQUILON PIPELINE COMPANY LLC
Contact: THERESA NIX

Events

Date	Type	Description	Comment	Processed By
09/19/2000	APP	Application Received		*****
09/25/2000	NFP	Notice for Publication		*****
01/26/2001	AOP	Affidavit of Publication rcv		*****
03/26/2001	PCA	PCW Approval		*****
03/26/2001	FIN	Final Action on application		*****
04/12/2002	MTR	Meter Report Received		*****
03/31/2003	PCW	Proof Completion of Well/Works	*	*****
03/31/2003	CN5	Meter Installation Request		*****
03/18/2004	QAT	Quality Assurance Completed		*****
04/12/2004	MTR	Meter Report Received		*****
04/16/2004	QAT	Quality Assurance Completed	pcw	*****
10/25/2004	QAT	Quality Assurance Completed	IMAGES	*****

Water Right Information

WR File Nbr	Acres	Diversion	Consumptive	Purpose of Use
CP 00900	0	0	0	POL POLLUTION CONTROL WELL

**Point of Diversion

CP 00900 671613 3550794*

An () after northing value indicates UTM location was derived from PLSS - see Help

**Place of Use

Q	Q	Q	Q	Sec	Tws	Rng	Acres	Diversion	Consumptive	Use	Priority	Status	Other	Loc	Desc
256	64	16	4	SE	32	25S	37E		0	0	POL	APP	Jal	Basin	Station

Remarks

The recovered and treated water will be reingected back into the subsurface at the same location.

Conditions

- 5B A totalizing meter shall be installed before the first branch of the discharge line from the well and the installation shall be acceptable to the State Engineer; the Engineer shall be advised of the make, model, serial number, date of installation, and initial reading of the meter prior to appropriation of water; pumping records shall be submitted to the District Supervisor on or before the 10th of Jan., April, July, and Oct. of each year for the 3 preceding calendar months.
- 7 The Permittee shall utilize the highest and best technology available to ensure conservation of water to the maximum extent practical.
- B The well shall be drilled by a driller licensed in the State of New Mexico in accordance with Section 72-12-12 New Mexico Statutes Annotated.
- C Driller's well record must be filed with the State Engineer within 10 days after the well is drilled or driven. Well record forms will be provided by the State Engineer upon request.
- 1B Depth of the well shall not exceed the thickness of the Ogallala formation.

Action of the State Engineer

This well shall be located at least 660 feet from all wells of other ownership.

**** See Image For Any Additional Conditions of Approval ****

Approval Code: A - Approved

Action Date: 03/26/2001

PCW Due Date: 03/31/2003

State Engineer: Thomas C. Turney



New Mexico Office of the State Engineer

Water Right Summary



WR File Number: CP 01129 **Subbasin:** - **Subfile:** -
Primary Purpose: MON MONITORING WELL
Primary Status: PMT PERMIT
Total Acres:
Total Diversion: 0
Agent: STRAUB CORPORATION
Contact: RAYMOND L. STRAUB, JR.
Owner: SOUTHERN UNION GAS SERVICES
Contact: ROSE SLADE

Documents on File

Trn #	Doc	File/Act	Status		Transaction Desc.	From/	Acres	Diversion	Consumptive
			1	2		To			
	517693	EXPL	2012-12-04	PMT	APR	CP 01129	T	0	0

Current Points of Diversion

(NAD83 UTM in meters)

POD Number	Source	Q	64Q16Q4SecTwsRng	X	Y	Other Location Desc
<u>CP 01129 POD1</u>	3	1	1 31 25S 37E	669012	3551886	
<u>CP 01129 POD2</u>	3	1	1 31 25S 37E	669012	3551886	

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.

10/8/15 12:00 PM

WATER RIGHT
SUMMARY



New Mexico Office of the State Engineer

Transaction Summary

EXPL Permit To Explore

Transaction Number: 517693 **Transaction Desc:** CP 01129 **File Date:** 11/28/2012

Primary Status: PMT Permit
Secondary Status: APR Approved
Person Assigned: *****
 Agent: STRAUB CORPORATION
 Contact: RAYMOND L. STRAUB, JR.
 Applicant: SOUTHERN UNION GAS SERVICES
 Contact: ROSE SLADE

Events

Date	Type	Description	Comment	Processed By
 11/28/2012	APP	Application Received	*	*****
12/04/2012	FTN	Finalize non-published Trans.		*****
01/23/2013	QAT	Quality Assurance Completed	IMAGES	*****

Water Right Information

WR File Nbr	Acres	Diversion	Consumptive	Purpose of Use
CP 01129	0	0		MON MONITORING WELL
**Point of Diversion				
CP 01129 POD1		669012	3551886	
CP 01129 POD2		669012	3551886	

Remarks

"SOIL BORINGS WITH THE POSSIBILITY OF CONVERTING TO MONITOR WELLS."

Conditions

- 1A Depth of the well shall not exceed the thickness of the valley fill.
- 4 No water shall be appropriated and beneficially used under this permit.
- 6 The well shall be plugged upon completion of the permitted use, and a plugging report shall be filed with the State Engineer within 10 days.
- 7 The Permittee shall utilize the highest and best technology available to ensure conservation of water to the maximum extent practical.
- B The well shall be drilled by a driller licensed in the State of New Mexico in accordance with Section 72-12-12 New Mexico Statutes Annotated.

- C Driller's well record must be filed with the State Engineer within 20 days after the well is drilled or driven. Well record forms will be provided by the State Engineer upon request.
 - C2 No water shall be diverted from this well except for testing purposes which shall not exceed twenty (20) cumulative days, and well shall be plugged or capped on or before , unless a permit to use water from this well is acquired from the Office of the State Engineer.
 - P The well shall be constructed, maintained, and operated to prevent inter-aquifer exchange of water and to prevent loss of hydraulic head between geologic zones.
-

Action of the State Engineer

Approval Code: A - Approved

Action Date: 12/04/2012

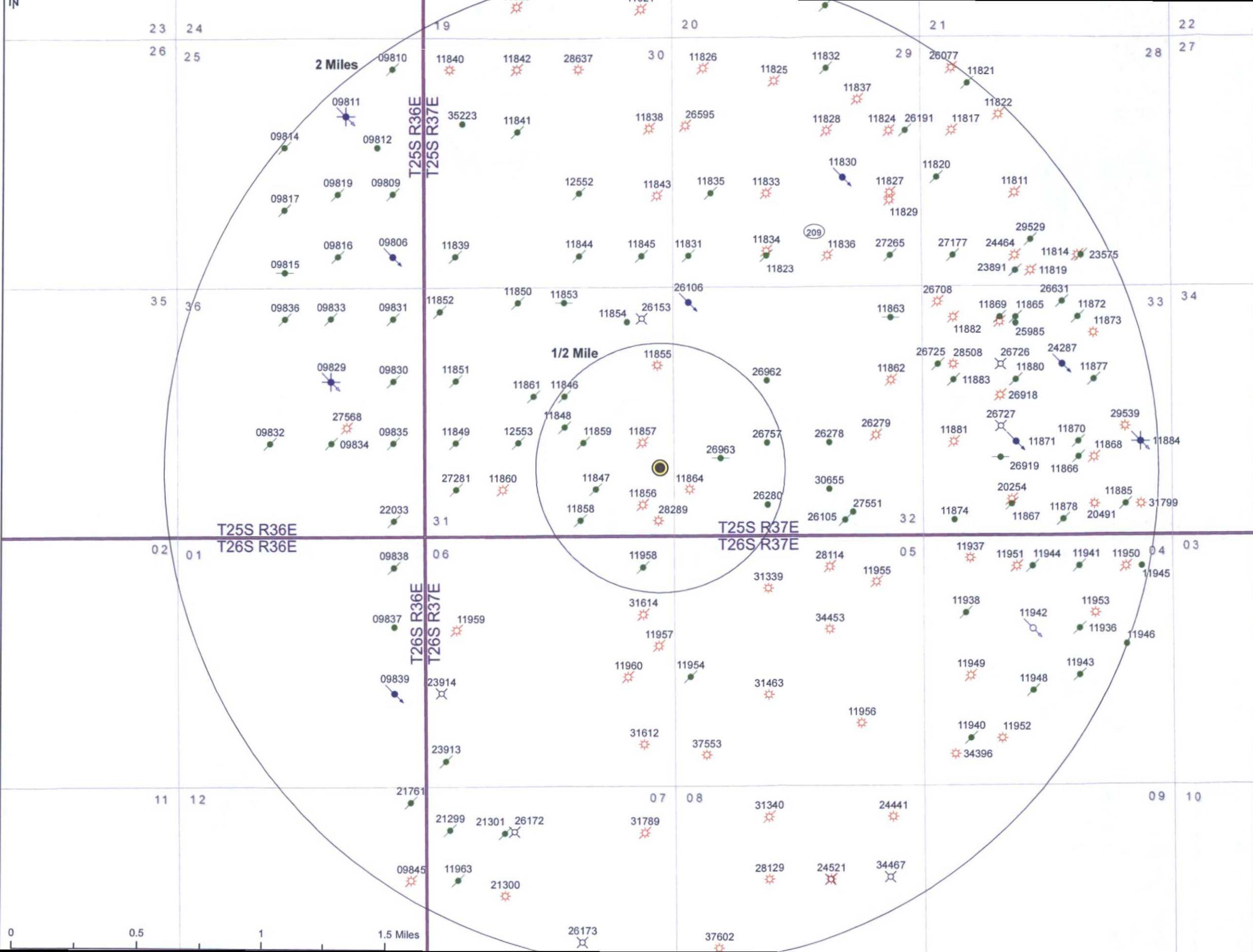
Log Due Date: 12/31/2013

State Engineer: Scott A. Verhines, P.

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.

10/8/15 11:57 AM

TRANSACTION
SUMMARY



Area of Review
 Lea County, NM
 OWL SWD Operating, LLC

Projection: NAD 1983 State Plane NM East FIPS 3001
 Drawn by: SAH Date: 5/2/2016 Approved by: NLB

LONQUIST & CO. LLC

AUSTIN HOUSTON PETROLEUM ENGINEERS ENERGY ADVISORS WICHITA CALGARY
 Texas License F-8952

- Kimberly SWD #1
- Gas Well
- Plugged Gas Well
- Oil Well
- Plugged Oil Well
- TA Oil Well
- Injection Well
- SWD Well
- Plugged SWD Well
- Cancelled Location
- 1/2 & 2 mile Radius
- Section Boundary
- Township Boundary

Source: State of New Mexico OCD



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
May 06, 2016
and ending with the issue dated
May 06, 2016.



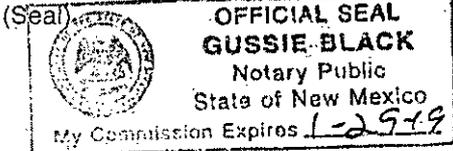
Editor

Sworn and subscribed to before me this
6th day of May 2016.



Business Manager

My commission expires
January 29, 2019



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

LEGAL NOTICE
May 6, 2016
OWL SWD Operating, LLC
8214 Westchester Dr., Suite
850, Dallas, Texas 75256 is
filling Form LC 108
(Application for Authorization
to Inject) with the New
Mexico Oil Conservation
Division for administrative
approval for its salt water
disposal well Kimberly SWD
No. 1. The proposed well will
be located 1450' FSL & 287'
FEL in Section 31, Township
25S, Range 37E in Lea
County, New Mexico.
Disposal water will be
sourced from area
production and will be
injected into the Devonian
and Fusselman Formations
(determined by offset log
analysis) through an open
hole completion between a
maximum applied for top of
10,000' to a maximum depth
of 11,400'. The maximum
surface injection pressure
will be 1,995' psi with a
maximum rate of 20,000
BWPD. Interested parties
opposing the action must file
objections or requests for
hearing with the Oil
Conservation Division, 1220
South St. Francis Drive,
Santa Fe, New Mexico
87505, within 15 days.
Additional information can
be obtained from the
applicant's agent, Lonquist &
Co., LLC, at (512) 600-1774.
#30903

67112661

00174495

MATTHEW CANNON
LONQUIST & CO., LLC
3345 BEE CAVE ROAD, STE 201
AUSTIN, TX 78746

McMillan, Michael, EMNRD

From: Steve Pattee <steve@lonquist.com>
Sent: Tuesday, May 10, 2016 11:33 AM
To: McMillan, Michael, EMNRD
Cc: Goetze, Phillip, EMNRD; Jones, William V, EMNRD; Lowe, Leonard, EMNRD
Subject: RE: OWL SWD Operating, LLC Kimberly SWD Well No. 1 Lea Co.

Michael,

Thank you for the update on this application. We just received the Affidavit of Publication today. It is going out in a FedEx package to you today.

You are correct that Fulfer Oil and Cattle is the surface owner and they have been notified.

Thanks again for your attention to this application.

LONQUIST & CO. LLC Stephen Pattee, P.G. • Regulatory Manager • Lonquist & Co., LLC • 3345 Bee Cave Rd., Suite 201 • Austin, Texas, USA 78746
 Direct: 512-600-1774 • Cell: 281-773-0728 • Fax: 512-732-9816 • steve@lonquist.com • www.lonquist.com

AUSTIN HOUSTON | WICHITA CALGARY

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From: McMillan, Michael, EMNRD [mailto:Michael.McMillan@state.nm.us]
Sent: Tuesday, May 10, 2016 11:20 AM
To: Steve Pattee
Cc: Goetze, Phillip, EMNRD; Jones, William V, EMNRD; Lowe, Leonard, EMNRD
Subject: OWL SWD Operating, LLC Kimberly SWD Well No. 1 Lea Co.

Steve:

I received your SWD administrative application for the Kimberly SWD Well No. 1 Lea Co. on May 9, 2016. I need the following information:

- Affidavit of publication from a Lea County newspaper.
- I assume that Fulfer Oil and Cattle is the surface owner- is that correct-if not who is?

The application will be suspended until the affidavit of publication is received.

Thank You

Michael A. McMillan

Kimberly SWD No. 1 Notice List		
Notice	Address	Phone Number
Fulfer Oil & Cattle Co., LLC	P.O. Box 578, Jal, New Mexico 88252	575-395-9970
New Mexico OCD District IV	1220 South St. Francis Drive, Santa Fe, New Mexico 87505	505-476-3440
New Mexico OCD District I	1625 North French Drive, Hobbs, New Mexico 88240	575-393-6161
R&R Royalty, Ltd.	500 N. Shoreline Blvd., Suite 322, Corpus Christi, TX 78401	(361) 882-3858
Oxy USA WTP LP	6 Desta Drive #6000, Midland, TX 79705	(432) 685-5600
Daniel L. Veirs	1209 West Cuthbert, Midland, TX 79701	(432) 687-4889
Crown Oil Patners III LP	303 Veterans Air Park Ln #6101, Midland, TX 79705	(432) 683-2950
Cimarex Energy Co.	Wells Fargo Private Bank Office, 1700 Lincoln St., Ste. 3700, Denver, CO 80203	(303) 295-3995
Chevron USA Inc.	15 Smith Rd., Midland, TX 79705	(432) 685-7780
Apache Corp	2000 Post Oak Blvd, Suite 100, Houston, TX 77056	(713) 296-6000

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X</p> <p>B. Received by (<i>Printed Name</i>) C. Date of Delivery</p>
<p>1. Article Addressed to:</p> <p style="text-align: center;">Crown Oil Partners III, LP 303 Veterans Air Park Lane, #6101 Midland, Texas 79705</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery</p> <p>4. Restricted Delivery? (<i>Extra Fee</i>) <input type="checkbox"/> Yes</p>
<p>2. Article Number (<i>Transfer from service label</i>)</p>	<p>7013 2250 0001 4438 8460</p>
<p>PS Form 3811, July 2013 Domestic Return Receipt</p>	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X</p> <p>B. Received by (<i>Printed Name</i>) C. Date of Delivery</p>
<p>1. Article Addressed to:</p> <p style="text-align: center;">Mr. Daniel L. Veirs 1209 West Cuthbert Midland, Texas 79701</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery</p> <p>4. Restricted Delivery? (<i>Extra Fee</i>) <input type="checkbox"/> Yes</p>
<p>2. Article Number (<i>Transfer from service label</i>)</p>	<p>7013 2250 0001 4438 8477</p>
<p>PS Form 3811, July 2013 Domestic Return Receipt</p>	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input checked="" type="checkbox"/> X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: Fulfer Oil & Cattle Co., LLC P. O. Box 578 Jal, New Mexico 88252	B. Received by (Printed Name)	C. Date of Delivery
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
	3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery	
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number (Transfer from service label) 7013 2250 0001 4438 8385		
PS Form 3811, July 2013 Domestic Return Receipt		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input checked="" type="checkbox"/> X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: New Mexico Energy, Minerals & Natural Resources Department Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505	B. Received by (Printed Name)	C. Date of Delivery
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
	3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery	
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number (Transfer from service label) 7013 2250 0001 4438 8392		
PS Form 3811, July 2013 Domestic Return Receipt		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input checked="" type="checkbox"/> X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: New Mexico Energy, Minerals & Natural Resources Department Oil Conservation Division 1625 North French Drive Hobbs, New Mexico 88240	B. Received by (Printed Name)	C. Date of Delivery
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
	3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery	
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number (Transfer from service label) 7013 2250 0001 4438 8408		
PS Form 3811, July 2013 Domestic Return Receipt		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input checked="" type="checkbox"/> X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: R&R Royalty Ltd. 500 N. Shoreline Blvd, Suite 322 Corpus Christi, Texas 78401	B. Received by (Printed Name)	C. Date of Delivery
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
	3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery	
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number (Transfer from service label) 7013 2250 0001 4438 8415		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input checked="" type="checkbox"/> X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: <p style="text-align: center;">Oxy USA WTP LP 6 Desta Drive #6000 Midland, Texas 79705</p>	B. Received by (Printed Name)	C. Date of Delivery
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery		
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes		
2. Article Number (Transfer from service label) 7013 2250 0001 4438 8422		
PS Form 3811, July 2013 Domestic Return Receipt		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input checked="" type="checkbox"/> X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: <p style="text-align: center;">Apache Corp. 2000 Post Oak Blvd, Suite 100 Houston, Texas 77056</p>	B. Received by (Printed Name)	C. Date of Delivery
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery		
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes		
2. Article Number (Transfer from service label) 7013 2250 0001 4438 8439		
PS Form 3811, July 2013 Domestic Return Receipt		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input checked="" type="checkbox"/> X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: <p style="text-align: center;">Chevron USA Inc. 15 Smith Road Midland, Texas 79705</p>	B. Received by (Printed Name)	C. Date of Delivery
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery		
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes		
2. Article Number (Transfer from service label) 7013 2250 0001 4438 8446		
PS Form 3811, July 2013 Domestic Return Receipt		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input checked="" type="checkbox"/> X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: <p style="text-align: center;">Cimarex Energy Company Wells Fargo Private Bank Office 1700 Lincoln St., Suite 3700 Denver, Colorado 80203</p>	B. Received by (Printed Name)	C. Date of Delivery
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery		
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes		
2. Article Number (Transfer from service label) 7013 2250 0001 4438 8453		

U.S. Postal Service
CERTIFIED MAIL RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL *Ronald S. King*

Postage \$ _____
 Certified Mail _____
 Return Receipt Fee (Reimbursement Required) _____
 Restricted Delivery Fee (Reimbursement Required) _____
 Postmark Here

Article Addressed to:
 Crown Oil Partners III, LP
 4000 North Big Spring Street
 Suite 310
 Midland, Texas 79705

Article Number (Transfer from service label) 7013 2250 0001 4436 8415

PS Form 3811, July 2013 Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
 Print your name and address on the reverse so that we can return the card to you.
 Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Apache Corp.
 2000 Post Oak Blvd, Suite 100
 Houston, Texas 77056

2. Article Number (Transfer from service label) 7013 2250 0001 4436 8439

PS Form 3811, July 2013 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
[Signature]

B. Received by (Printed Name) *Ronald S. King* C. Date of Delivery *5-7-16*

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Priority Mail Express
 Registered Return Receipt for Merchandise
 Insured Mail Collect on Delivery

4. Restricted Delivery? (Extra Fee) Yes No

SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
 Print your name and address on the reverse so that we can return the card to you.
 Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Oxy USA WTP LP
 6 Desta Drive #6000
 Midland, Texas 79705

2. Article Number (Transfer from service label) 7013 2250 0001 4436 8422

PS Form 3811, July 2013 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
[Signature]

B. Received by (Printed Name) *Robert M. King* C. Date of Delivery

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Priority Mail Express
 Registered Return Receipt for Merchandise
 Insured Mail Collect on Delivery

4. Restricted Delivery? (Extra Fee) Yes No

SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
 Print your name and address on the reverse so that we can return the card to you.
 Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 R&R Royalty Ltd.
 500 N. Shoreline Blvd, Suite 322
 Corpus Christi, Texas 78401

2. Article Number (Transfer from service label) 7013 2250 0001 4436 8415

PS Form 3811, July 2013 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
[Signature]

B. Received by (Printed Name) *Sonic Air* C. Date of Delivery *5/6/16*

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Priority Mail Express
 Registered Return Receipt for Merchandise
 Insured Mail Collect on Delivery

4. Restricted Delivery? (Extra Fee) Yes No

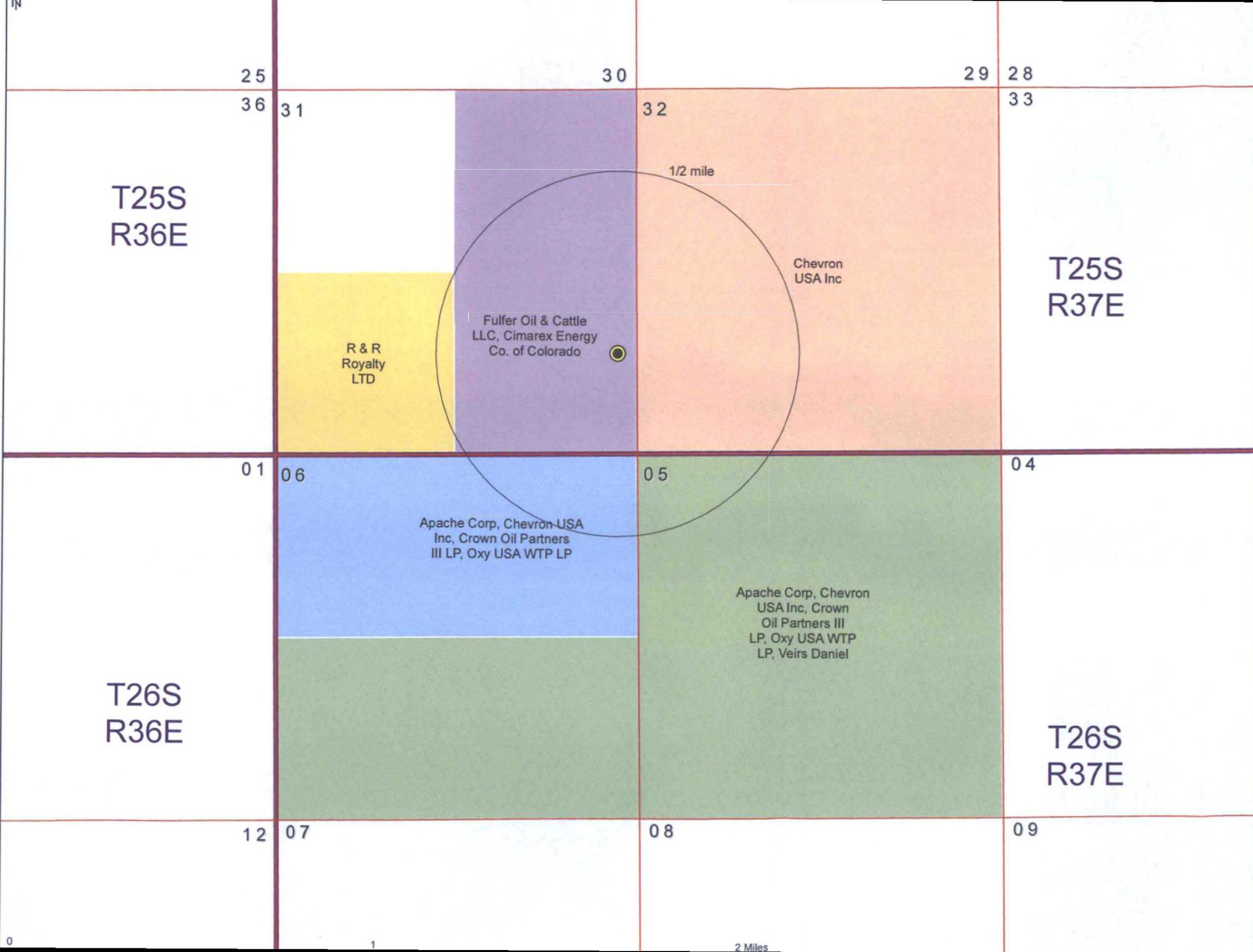
SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: New Mexico Energy, Minerals & Natural Resources Department Oil Conservation Division, Dist 1 1625 North French Drive Hobbs, New Mexico 88240		B. Received by (Printed Name) _____ C. Date of Delivery 5/9/10	
2. Article Number (Transfer from service label) 7013 2250 0001 4438 8408		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
PS Form 3811, July 2013 Domestic Return Receipt		3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered® <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: New Mexico Energy, Minerals & Natural Resources Department Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505		B. Received by (Printed Name) _____ C. Date of Delivery 5/10	
2. Article Number (Transfer from service label) 7013 2250 0001 4438 8392		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
PS Form 3811, July 2013 Domestic Return Receipt		3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered® <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: Chevron USA Inc. 15 Smith Road Midland, Texas 79705		B. Received by (Printed Name) _____ C. Date of Delivery Clarence 4/16	
2. Article Number (Transfer from service label) 7013 2250 0001 4438 8446		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
PS Form 3811, July 2013 Domestic Return Receipt		3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered® <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
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1. Article Addressed to: Cimarex Energy Company Wells Fargo Private Bank Office 1700 Lincoln St., Suite 3700 Denver, Colorado 80203		B. Received by (Printed Name) _____ C. Date of Delivery RECEIVED	
2. Article Number (Transfer from service label) 7013 2250 0001 4438 8453		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
PS Form 3811, July 2013 Domestic Return Receipt		3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered® <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

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1. Article Addressed to: Fulfer Oil & Cattle Co., LLC P. O. Box 578 Jal, New Mexico 88252		B. Received by (Printed Name) _____ C. Date of Delivery 5/10	
2. Article Number (Transfer from service label) 7013 2250 0001 4438 8385		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
PS Form 3811, July 2013 Domestic Return Receipt		3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered® <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	



Area of Review

Lea County, NM

OWL SWD Operating, LLC

Projection: NAD 1983 State Plane NM East FIPS 3001

Drawn by: SAH Date: 5/2/2016 Approved by: NLB

LONQUIST & CO. LLC

AUSTIN HOUSTON PETROLEUM ENGINEERS ENERGY ADVISORS WICHITA CALGARY
Texas License F-8952

- Kimberly SWD #1
- 1/2 mile Radius
- Section Boundary
- Township Boundary
- Lessee**
- Apache Corp, Chevron USA Inc, Crown Oil Partners III LP, Oxy USA WTP LP
- Apache Corp, Chevron USA Inc, Crown Oil Partners III LP, Oxy USA WTP LP, Veirs Daniel
- Chevron USA Inc
- Fulfer Oil & Cattle LLC, Cimarex Energy Co. of Colorado
- R & R Royalty LTD



Injection Formation Water Samples

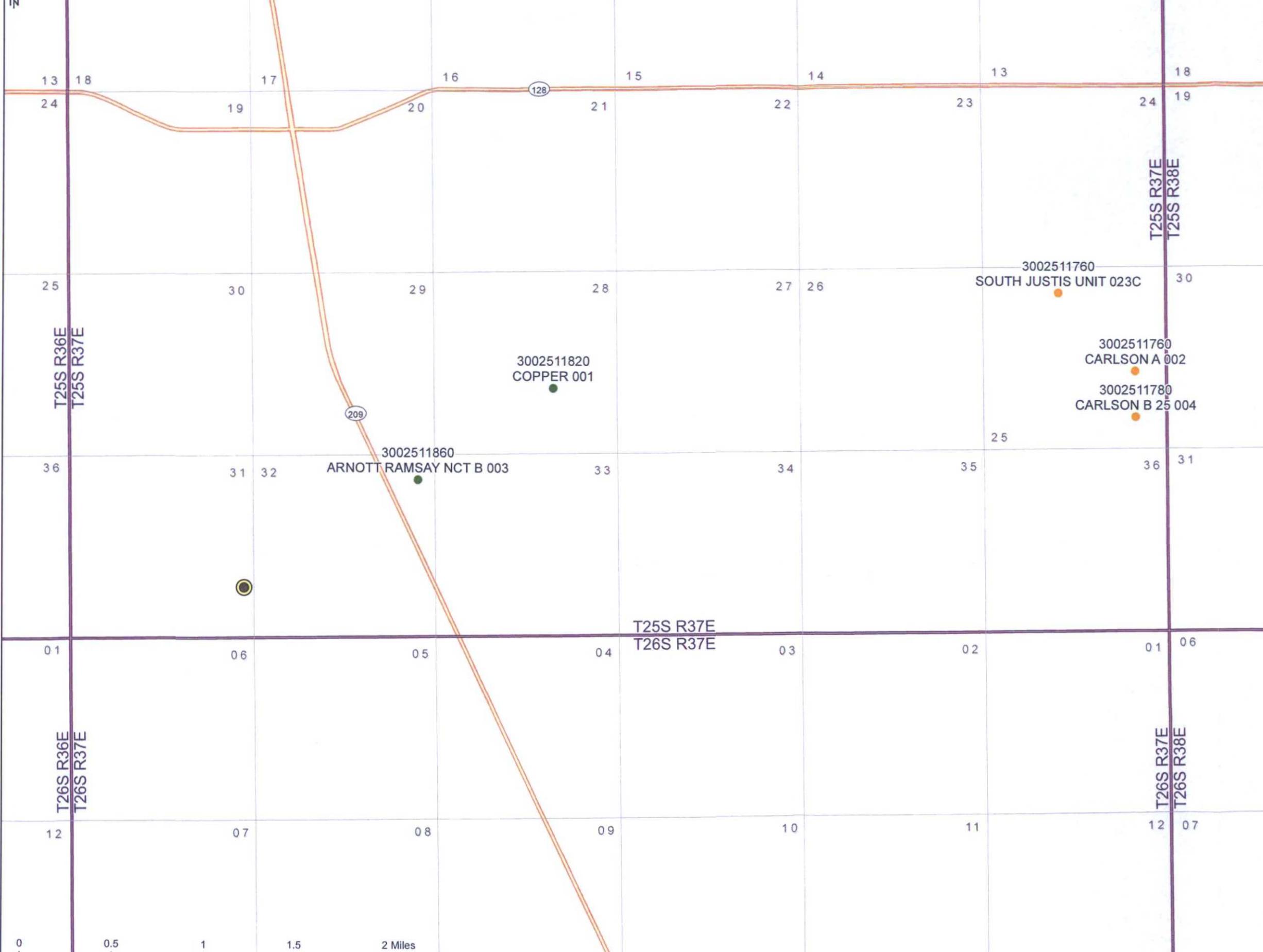
Lea County, NM
OWL SWD Operating, LLC

Projection: NAD 1983 State Plane NM East FIPS 3001

Drawn by: SAH | Date: 5/2/2016 | Approved by: NLB

LONQUIST & CO. LLC

AUSTIN HOUSTON | PETROLEUM ENGINEERS | ENERGY ADVISORS | WICHITA CALGARY
Texas License F-8952



- Kimberly SWD #1
- Section Boundary
- Township Boundary
- Field, Formation**
 - CROSBY, DEVONIAN
 - JUSTIS, FUSSELMAN
 - Major Road

Source: New Mexico Office of the State Engineer



wellname	wellid	api	latitude	longitude	section	township	township_d	range	range_dir	ftgns	ftgns_dir	ftgew	ftgew_dir	unit	county	state	field	formation	samplesour	tds_mgL	chloride_m	bicarbonat	sulfate_mg
ARNOTT RAMSAY NCT B	003	3002511860.000000	32.092040	-103.177860	32	25	S	37	E	660	N	660	E	A	Lea	NM	CROSBY	DEVONIAN	UNKNOWN	158761.000000	0.000000	0.000000	0.000000
COPPER	001	3002511820.000000	32.099260	-103.165220	28	25	S	37	E	1980	S	1981	E	J	Lea	NM	CROSBY	DEVONIAN	UNKNOWN	27506.000000	15270.000000	1089.000000	1079.000000
CARLSON A	002	3002511760.000000	32.100200	-103.111050	25	25	S	37	E	2310	S	990	E	I	Lea	NM	JUSTIS	FUS	DST	208280.000000	124000.000000	510.000000	3400.000000
CARLSON B 25	004	3002511780.000000	32.096570	-103.111040	25	25	S	37	E	990	S	990	E	P	Lea	NM	JUSTIS	FUS	SEPARATOR	184030.000000	112900.000000	68.000000	1806.000000
SOUTH JUSTIS UNIT	023C	3002511760.000000	32.106480	-103.118130	25	25	S	37	E	660	N	2080	W	C	Lea	NM	JUSTIS	FUS	SEPARATOR	63817.000000	35870.000000	360.000000	3442.000000

General Information About: Sample 5533			
HACKBERRY DP UT			
API	3001510385	Sample Number	
Unit/Section/ Township/Range	E/31/19S/31E	Field	
County	Eddy	Formation	B SPG
State	NM	Depth	
Lat/Long	32.61900, -103.91318	Sample Source	BALER
TDS (mg/L)	184000	Water Type	
Sample Date(MM/DD/YYYY)	11/12/1971 12:00:00 AM	Analysis Date(MM/DD/YYYY)	
Remarks/Description			
Cation Information (mg/L)		Anion Information (mg/L)	
Potassium (K)		Sulfate (SO ₄)	4970
Sodium (Na)		Chloride (Cl)	107900
Calcium (Ca)		Carbonate (CO ₃)	
Magnesium (Mg)		Bicarbonate (HCO ₃)	649
Barium (Ba)		Hydroxide (OH)	
Manganese (Mn)		Hydrogen Sulfide (H ₂ S)	
Strontium (Sr)		Carbon Dioxide (CO ₂)	
Iron (Fe)		Oxygen (O)	

General Information About Sample 4462			
GOEDEKE			
API	3002508407	Sample Number	
Unit/Section/ Township/Range	G/10/26S/33E	Field	SALADO DRAW
County	Lea	Formation	IDEL
State	NM	Depth	
Lat/Long	32.05944, -103.55754	Sample Source	SEPARATOR
TDS (mg/L)	293925	Water Type	
Sample Date(MM/DD/YYYY)		Analysis Date(MM/DD/YYYY)	
Remarks/Description			
Cation Information (mg/L)		Anion Information (mg/L)	
Potassium (K)		Sulfate (SO)	210
Sodium (Na)		Chloride (Cl)	184000
Calcium (Ca)		Carbonate (CO ₃)	
Magnesium (Mg)		Bicarbonate (HCO ₃)	85
Barium (Ba)		Hydroxide (OH)	
Manganese (Mn)		Hydrogen Sulfide (H ₂ S)	
Strontium (Sr)		Carbon Dioxide (CO ₂)	
Iron (Fe)		Oxygen (O)	

General Information About: Sample 4081			
ASCARTA FEDERAL			
API	3002509791	Sample Number	
Unit/Section/Township/Range	C724 / 25S / 38E	Field	JALMAT
County	Lea	Formation	ARTESIA
State	NM	Depth	
Lat/Long	32.12204, -103.21966	Sample Source	DST
TDS (mg/L)	35753	Water Type	
Sample Date(MM/DD/YYYY)		Analysis Date(MM/DD/YYYY)	
Remarks/Description			
Cation Information (mg/L)		Anion Information (mg/L)	
Potassium (K)		Sulfate (SO ₄)	3100
Sodium (Na)		Chloride (Cl)	18403
Calcium (Ca)		Carbonate (CO ₃)	
Magnesium (Mg)		Bicarbonate (HCO ₃)	1220
Barium (Ba)		Hydroxide (OH)	
Manganese (Mn)		Hydrogen Sulfide (H ₂ S)	
Strontium (Sr)		Carbon Dioxide (CO ₂)	
Iron (Fe)		Oxygen (O)	



C-108 Review Checklist: Received 5/10/2016 Add. Request: 5/10/2016 Reply Date: 5/10/2016 Suspended: _____ [Ver 15]

ORDER TYPE: WFX / PMX / (SWD) Number: _____ Order Date: _____ Legacy Permits/Orders: _____

Well No. 1 Well Name(s): Kimberly SWD

API: 30-0 25-Pending Spud Date: 7 BP New or Old: N (UIC Class II Primacy 03/07/1982)

Footages 1450 FSL 287 FEL Lot: _____ or Unit I Sec 31 Tsp 25S Rge 37E County Lea

General Location: 2 miles SW/JAL Pool: SWD; Devonian-Silurian Pool No.: 97865

BLM 100K Map: JAL Operator: OWL OGRID: 308339 Contact: Stephen Peltz agent

COMPLIANCE RULE 5.9: Total Wells: 1 Inactive: 2 Fincl Assur: Y Compl. Order? MA IS 5.9 OK? yes Date: 6/3/2016

WELL FILE REVIEWED Current Status: Proposed

WELL DIAGRAMS: NEW: Proposed or RE-ENTER: Before Conv. After Conv. Logs in Imaging: _____

Planned Rehab Work to Well: _____

Well Construction Details		Sizes (in) Borehole / Pipe	Setting Depths (ft)	Stage Tool	Cement Sx or Cf	Cement Top and Determination Method
Planned ___ or Existing ___ Surface		<u>24/20</u>	<u>1100</u>		<u>1320</u>	<u>SURFACE / VISUAL</u>
Planned ___ or Existing ___ Interm/Prod		<u>17 1/2 / 13 7/8</u>	<u>4550</u>		<u>2915</u>	<u>SURFACE / VISUAL</u>
Planned ___ or Existing ___ Interm/Prod		<u>12 1/4 / 9 5/8</u>	<u>10100</u>	<u>6100</u>	<u>2210</u>	<u>SURFACE / VISUAL</u>
Planned ___ or Existing ___ Prod/Liner						
Planned ___ or Existing ___ Liner						
Planned ___ or Existing <u>(OH)</u> / PERF		<u>10000</u> <u>11400</u>		Inj Length <u>1400</u>		
Injection Lithostratigraphic Units:				Completion/Operation Details:		
Adjacent Unit: Litho. Struc. Por.		Depths (ft)	Injection or Confining Units	Tops	Drilled TD <u>11400</u> PBDT _____	
Confining Unit: Litho. Struc. Por.					NEW TD _____ NEW PBDT _____	
Proposed Inj Interval TOP:					NEW Open Hole <input checked="" type="checkbox"/> or NEW Perfs <input type="checkbox"/>	
Proposed Inj Interval BOTTOM:					Tubing Size <u>5 1/2</u> in. Inter Coated? <u>Y</u>	
Confining Unit: Litho. Struc. Por.					Proposed Packer Depth <u>9900</u> ft	
Adjacent Unit: Litho. Struc. Por.					Min. Packer Depth <u>9900</u> (100-ft limit)	
AOR: Hydrologic and Geologic Information				Proposed Max. Surface Press. <u>1945</u> psi		
POTASH: R-111-P <u>MA</u> Noticed? <input type="checkbox"/> BLM Sec Ord <input type="checkbox"/> WIPP <input type="checkbox"/> Noticed? <input type="checkbox"/> Salt/Salado T: _____ B: _____ NW: Cliff House fm _____				Admin. Inj. Press. <u>2000</u> (0.2 psi per ft)		
FRESH WATER: Aquifer <u>Quaternary</u> Max Depth <u>275</u> HYDRO AFFIRM STATEMENT By Qualified Person <input checked="" type="checkbox"/>						
NMOSE Basin: <u>CAPITAN</u> CAPITAN REEF thru <u>adj</u> NA No. Wells within 1-Mile Radius? _____ FW Analysis _____						
Disposal Fluid: Formation Source(s) <u>Delaware, Bone Springs</u> Analysis? _____ On Lease <input type="checkbox"/> Operator Only <input type="checkbox"/> or Commercial <input type="checkbox"/>						
Disposal Int: Inject Rate (Avg/Max BWPD): <u>15/120</u> Protectable Waters? <u>N/A</u> Source: _____ System: <u>Closed</u> or Open _____						
HC Potential: Producing Interval? <u>N/A</u> Formerly Producing? _____ Method: Logs/DST/P&A/Other _____ 2-Mile Radius Pool Map <input type="checkbox"/>						
AOR Wells: 1/2-M Radius Map? <u>Y</u> Well List? <u>Y</u> Total No. Wells Penetrating Interval: <u>0</u> Horizontals? <u>MA</u>						
Penetrating Wells: No. Active Wells <u>0</u> Num Repairs? _____ on which well(s)? _____ Diagrams? _____						
Penetrating Wells: No. P&A Wells <u>0</u> Num Repairs? _____ on which well(s)? _____ Diagrams? _____						
NOTICE: Newspaper Date <u>5/16/2016</u> Mineral Owner <u>Enterprise</u> Surface Owner <u>Falkenberg</u> N. Date <u>5/16/2016</u>						
RULE 26.7(A): Identified Tracts? _____ Affected Persons: <u>Apache, Cimarron, Acheiron</u> N. Date <u>5/16/2016</u>						

Order Conditions: Issues: run C-B-L 9-5/8" -> SURFACE; Circulate only
Add Order Cond: strings / SURFACE

Crown Oil Partners

432.683.2950

Tracking Number: 70132250000144388460



Updated Delivery Day: Monday, May 16, 2016

Product & Tracking Information

AV

Postal Product:

Features:
Certified Mail™

DATE & TIME	STATUS OF ITEM	LOCATION
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May 19, 2016, 9:06 am	Delivered, Front Desk/Reception	MIDLAND, TX 79705
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Your item was delivered to the front desk or reception area at 9:06 am on May 19, 2016 in MIDLAND TX 79705.

May 19, 2016, 12:37 am	Departed USPS Facility	MIDLAND, TX 79711
May 18, 2016, 9:40 pm	Arrived at USPS Facility	MIDLAND, TX 79711
May 17, 2016, 10:06 pm	Departed USPS Facility	AUSTIN, TX 78710
May 16, 2016, 9:02 am	Out for Delivery	AUSTIN, TX 78704
May 16, 2016, 8:52 am	Sorting Complete	AUSTIN, TX 78704
May 16, 2016, 4:01 am	Arrived at Unit	AUSTIN, TX 78704
May 14, 2016, 1:35 pm	Arrived at USPS Facility	AUSTIN, TX 78710
May 11, 2016, 11:24 pm	Departed USPS Facility	NORTH TEXAS PROCESSING AND DISTRIBUTION CENTER

NORTH TEXAS
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NORTH TEXAS

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Restricted Delivery Fee (Endorsement Required)		
Total Postage		

Sent To: **Crown Oil Partners III, LP**
4000 North Big Spring Street
Suite 310
Midland, Texas 79705

Street, Apt or PO Box
City, State

PS Form 3800, August 2006 See Reverse for Instructions