

**BW – 36**

**PERMIT  
APPLICATIONS,  
RENEWALS,  
& MODS**

**2018**

## Chavez, Carl J, EMNRD

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**From:** David Alvarado <davidal00136@gmail.com>  
**Sent:** Thursday, April 5, 2018 1:33 PM  
**To:** Chavez, Carl J, EMNRD  
**Subject:** Discharge Renewal for Schubert Farms Well No. 1 BW-36 with Exhibits  
**Attachments:** Discharge Renewal BW-36.pdf; Schubert Farms B-36 Exhibits A-L.pdf; Schubert Farms B-36 Exhibits M-T.pdf

Hi, Carl here is the Renewal for the Schubert Farms Well No. 1 BW-36 with the Exhibits.

Thanks once more  
Dave

**DISCHARGE RENEWAL APPLICATION FOR BRINE  
EXTRACTION**

**H.R.C., INC**

**BW-36**

**API # 30-025-37548**

**SCHUBERT FARMS WELL No. 1**

**April 5, 2018**

**DAVID H. ALVARADO**

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Revised August 1, 2011

Submit Original  
Plus 1 Copy  
to Santa Fe  
1 Copy to Appropriate  
District Office

## DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITIES

(Refer to the OCD Guidelines for assistance in completing the application)

☐ New ☒ Renewal

- I. Facility Name: Schubert Farms Well No.1 API 30-025-37548
- II. Operator: H.R.C., INC (GARY SCHUBERT OWNER)
- Address: PO BOX 5102 HOBBS, NEW MEXICO 88241-5102
- Contact Person: GARY SCHUBERT Phone: (575) 393-6662
- III. Location: NW /4 NE /4 Section 25 Township 19S Range 38E  
Submit large scale topographic map showing exact location. **PLEASE SEE EXHIBIT A**
- IV. Attach the name and address of the landowner of the facility site.
- V. Attach a description of the types and quantities of fluids at the facility.
- VI. Attach a description of all fluid transfer and storage and fluid and solid disposal facilities.
- VII. Attach a description of underground facilities (i.e. brine extraction well).
- VIII. Attach a contingency plan for reporting and clean-up of spills or releases.
- IX. Attach geological/hydrological evidence demonstrating that brine extraction operations will not adversely impact fresh water.
- X. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
- XI. CERTIFICATION:

*I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.*

Name: DAVID H. ALVARADO

Title: Acting Agent for H.R.C. Inc.

Signature: 

Date: 4/5/18

E-mail Address: davidal00136@gmail.com



## DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITIES

### I. NAME OF FACILITY

This is a renewal application for existing Class III solution brine mine well at the H.R.C. Brine Facility Schubert Farms # 1. (30-025-375548)  
LAT: 32.6375999  
LONG: -103.0988007

### II. NAME OF OPERATOR OR LEGALLY RESPONSIBLE PARTY AND LOCAL REPRESENTATIVE.

The Operator / Legally responsible party are H.R.C., INC. PO Box 5102 Hobbs, New Mexico 88241. Surface is Fee as the lessor owner is Gary Schubert PO Box 5102 Hobbs, New Mexico 88241 (575) 393 3194.

### III. LOCATION OF FACILITY

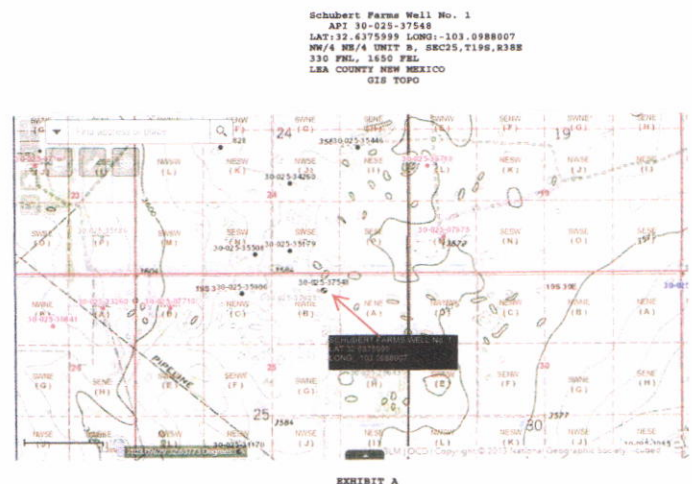
The Schubert Farms # 1 is (NW/4, NE/4 Unit B) of Section 25, Township 19 South, Range 38 East 330 FNL AND 1650 FEL LAT 32.6375999, LONG -103.0988007 Lea County New Mexico.

The facility is located South of Hobbs approximately 5 miles from HWY 18 and HWY 180 turn left on Nadine road travel .81 miles the front sales facility will be to the left. The Schubert Farms Well No. 1 is located

aproxamently 1.28 miles to the northeast of the front sales facility.

The Schubert Farms Well No. 1 has its own facility where brine is stored it is located North of the sales facility aproxamently .36 miles to the northeast

Please see **Exhibit A. Large Topografic Map** with this report.

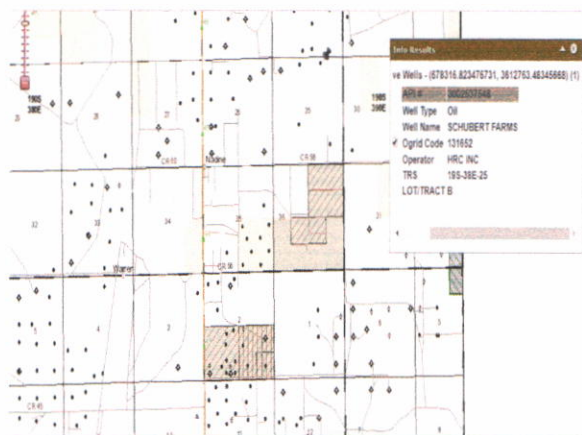


**GSI map of Schubert Farms Well No. 1**

### IV. LANDOWNERS

Gary Schubert and Marcia Schubert, PO Box 5102 Hobbs, New Mexico 88241 are the owners and operators of the Schubert 7 Well No. 1.

Please see **Exhibit: B. State Land Map** at the end of this report.



**NMSLO map**

## V. TYPE AND QUANTITIES OF FLUIDS STORED OR USED AT THE FACILITY

Two types of fluid are stored at the Schubert Farms Well No. 1 facility those are brine and fresh water.

Brine is stored in two fiber glass tanks with a capacity of 500 bbl. each allowing a total of 1000 bbl. capacity.

Brine tanks are kept at a safety level of 6 ft. to 10 ft. at the top end holding a total of 660 bbl. of brine.

Levels vary depending on the demand of the brine on a day to day basis. The brine tanks do not exceed 10 ft. of brine solution volume.

Southwest of the Schubert Farms Well No. 1 are the holding brine tank battery where brine produced from the well is transported to the battery from the Schubert Farms Well No. 1 location.

This battery has eight 500 bbl. tanks containing brine solution with a total capacity of 4000 bbl. Tank levels at this battery are set at 10ft. allowing 6 foot of safety room from filling to a critical level. The maximum safety amount capacity of brine is 2,640 bbl. Please find **Exhibit: S. ISOTOPE** of this battery.

Levels at this battery will fluctuate depending on the demand of sales at the Sales Facility it is transported via poly line by a C-pump.

Fresh water is also stored at the Schubert Farms No 1 location next to the brine fiber glass brine tanks.

Only one Steel 500 bbl. tank supplies the VFD (Variable Frequency Drive) C-pump for the well.

Fresh water is supplied from the Schubert Farms water system where the tank is hooked up to an exit valve located on an irrigation line Pod at the northeast corner of the tank pad berm. This Pod retains positive pressure at all times.

Brine tanks are equalized and the Fresh water tank and the brine tanks are both controlled with a separate head switches set to shut off supply at 10 ft.

Volumes will vary due to day to day operational needs with the demand of brine at the sales loading station.

## VI. ATTACH A DISCRIPTION OF ALL FLUID TRANSFER AND STORAGE AND FLUID AND SOLID DISPOSAL FACILITY

Fresh water is supplied from the Schubert Farms irrigation main water line and a water well that sets in front of the pump house.

The farms main irrigation line lies underground and is constructed of polyethylene / PVC line that is stubbed upwards above surface with a Pod and is located at the north- east end of the facility battery holding pad. The Pod holds a constant pressure of around 25 psig. This port is controlled with a motorized valve and is governed by the needed volume within the tank.

The second source of fresh water is generated from a water well that has a submersible pump and is used to help fill the fresh water tanks if the main line is down at any time this well was drilled to the top of the red bed.

Both points of water are terminated at the facilities fresh water tank. The water well discharge is a one inch line dropped into the thief hatch and the main water line from the Pod is tied at the top where the equalizing port is located.

Water column level in the tank is controlled by a head switch located in front of the sales line port of the fresh water tank.

Once the demand of water is initiated by the head switch it opens a 2" motor valve allowing water to enter the fresh water tank.

The 4" line at the sales port 12" from the base of the tank is the feed line to the suction side of the pump within the pump

house. This 4" line enters the pump house on the North side of the pump house building. Hydrostatic head methodology is used to feed the supply of water for the pump.

The flow of water enters the pump house below ground then up through a riser where the fresh water assembly line houses a magnetic stim type meter localized in the middle of the assembly.

Passing the meter assembly it is connected to the suction side of the Grundfos HPCR 32 Pump with a 3" flex hose equipped with extra heavy IPC connections and Victaulic connectors.

A control ball valve is located before it enters the meter housing and a ball valve located in front of the F 150 type flange that mates to the pump's suction port located at the base of the multistage pump.

This methodology allows complete isolation allowing full control of any type of work that being connection replacements or work needed to be performed on the meter.

Fresh water then enters the pump where a 25 Hp. motor mounted on top of the pump rotates the multi stage bowls that discharges the fresh water from the opposite side of the suction port and is located also at the base of the pump.

The discharge port is mated with a F150 type flange that has a 4" port and is swedge to 2" with extra heavy IPC connection tee and an ell creating two lines from the discharge side.

Both are mated with control ball valves connected to a high pressure flex hose that are tied at the ends of the connections with Victaulic type connectors.

The primary line is connected to the top of the master valve tree that supplies the water to the bottom hole assemble of the tubing that is set at 2680'.

The other line is a flush line that is tied into the annulus port of the well head. Periodically the casing will be swept with fresh water to keep any salt rings from building up between the casing and tubing.

This methodology is used to keep any buildup of back pressure off the Salado formation. Both the tubing tree and the annulus are equipped with fluid filled psi gauges.

Pressure readings are read every day and recorded with the meter readings of the fresh water and brine solution extraction in the daily operation reports by the Lease Operator.

Injection is down the 2 7/8 J-55 IPC tubing and maintains a positive surface pressure of 200-250 psig during brine extraction operations. BHA is at a depth of 2,680 ft. most likely a 4 1/4 inch rock type bit was used to set the tubing into the Salado thru a window in the 5 1/2" 17# casing that was milled from 2651'-2661'.

Brine is extracted up the 5 1/2" 17 ppf casing to surface through the annulus port of the wellhead.

The port has a nipple then ball valve followed by some connections that create a riser that runs horizontal and is equipped with a check valve. Two ells were used with connections to create a down comer leg that brings the line down where the line is equipped with a nipple that mates to the half of the F150 flange that mates to the flow meter body supported with two U bolts anchoring line to a stand.

Brine solution effluents enters the annulus valve and check valve propelled to the meter where the ploy line takes the saturated brine to the top of the East brine fiber glass 500 bbl. tank via 4" poly SDR 11 for storage.

Both tanks are sitting level and above ground with a polyethylene barrier and berm with the ability to hold 133% of total tank volume.

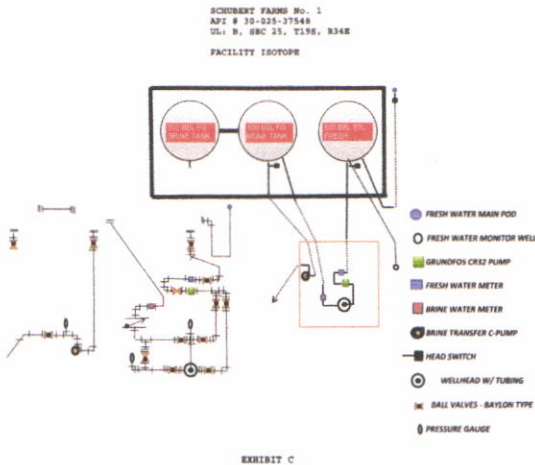
Brine solution is equalized with a line connected between both tanks. A poly line mated with F150 flanges on each end mate to the F150 flanges that are equipped on the fiber glass tanks about 18" from the base of the tanks.

The East brine fiberglass tank sales port has connections that tee supporting a valve and head switch and a line that heads to the pump house building that supplies the suction side of the transfer C-Pump.

The Discharge of the transfer C-pump is at the top and is equipped with a change over swedge back to 2" with a 2" ell, nipple, tee, nipple, and ball valve. The tee has a fluid filled pressure gauge that shows what the



static pressure is as brine is transported to the brine holding tanks located to the south west of the Schubert Farms # 1 Please see **Exhibit: C. Isotope of the Shubert Farms # 1 location** at the end of this report.



#### Isotope of the Shubert Farms # 1 location

## VII. ATTACH A DISCRIPTION OF UNDERGROUND FACILITY

Schubert Farms Well No. 1 spudded on 12/2/05 C 105. C – 103 Subsequent Reported spudded on 12/3/05. 12/4/05 drilling a 12 1/4" hole w/fresh water.

12/5/05 TD surface, 39 joints of 8 5/8" casing was run the point was at 1645' then cemented casing with 700 sx class C cement it was reported that 129 sxs was circulated to the pit.

No record of the BHA was given but normal practice was a saw tooth collar on the bottom of the casing and a float shoe would

be run one joint above the saw tooth assembly.

Cubic foot volume between 8 5/8" casing and 12 1/4" hole at the point depth of 1645' is 678.89 cubic feet. 700 sx Cmt. Class C cement at a 1.32 slurry weight has 924 cubic foot of volume. This is 35% excess cement and was brought to surface.

Waited for cement to set, no record of casing testing nor WOC was recorded. On 12/6/05 began drilling 7 7/8" hole commenced at the top of the float collar then drilled out shoe brine water was used.

1/3/06 drill pipe parted at a depth of 6,442 feet they called out for fishing tools. From 1/4/06 thru 1/15/06 the attempt to fish the drill pipe did not succeed 1/16/06 they abandon the drill collars.

1/17/06 5 1/2" 17# N80 was run and cemented with 1585 sxs class C cement per C-105 report plug back TD was recorded 5460 feet and 5 1/2" casing point at 5506'. Report stated 72 sxs cement was circulated to the pit. Production Company requested the well be re-permitted for the San Andres and Seven Rivers.

Please see **Exhibit D well C-103 Commence Drilling Operations and Casing cement Job** at the end of this report.

# H.R.C., INC

Form C-145  
May 21, 2016

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

WELL ART: 50-025-37545

3. Indicate Type of Lease  
STATE ☒ FEE ☐  
4. State Oil & Gas Lease No.  
N/A

7. Lease Name or Use Agreement Name  
Schubert Farms

8. Well Number  
1

9. Operator Number  
21802

10. Post name or Wellhead  
Name: Deland-Ago

11. Name of Operator  
Trilogy Operating, Inc.

12. Address of Operator  
P.O. Box 7806 Midland, TX 79706

13. Well Location  
Use Letter: B 330 East from the North 1850 East from the East  
Section: 36 Township: 18 Range: 36E NE1/4 Sec 36E  
11. Elevation (Show whether BGL, RGL, HT, GL, etc.)  
2750' BGL

14. Check appropriate box to indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:  
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANE ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL. ☐

SUBSEQUENT REPORT OF:  
REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPER. ☐ P AND A ☐  
CASH/RECEIPT JOB ☐

15. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent facts, including estimated date of starting any proposed work. SEE RULE 1101 For Subsequent Completion. Attach written signature of person completing or recognizing.

12/2/06 - MIRU JW Drilling Rig #6  
12/3/06 - Spud well  
12/4/06 - Begin drilling 12 1/4 hole w/ fresh water  
12/5/06 - TD surface. RHH w/ 39 lbs - 8 5/8" - 248, J55 cag to a setting depth of 1645. Cement w/ 500 sac class C, tail w/ 200 sac class C, circulate 120 sac to pit  
12/6/06 - Begin drilling 7 7/8 hole w/ Brine Water  
1/3/08 - 6442 DP parts order out fishing tools  
1/4/08 - 1/15/08 - Fishing for DP  
1/16/08 - Abandon DCA  
1/17/08 - Run in hole w/ 155 lbs 5 1/2" 19 ABQ casing Cement w/ lead - 425 sac class C, tail w/ 180 sac class C, circulate 72 sac cement to surface. Due to loss of hole we request the well be re-permitted for the San Andres and the Seven Rivers.  
End of report

16. Signature of Marking Director  
Chris Smith  
E-mail address: csmith@hrc.net  
Telephone No: 432 888-2027

APPROVED BY: [Signature]  
Conditions of Approval (if any):

## Commence Drilling Operations and Casing cement Job

NMOCD approved Form C-145 Change of Operator from Trilogy Operating Inc. to HRC Inc. and was approved by NMOCD Paul Kautz District 1 on 6/13/2016.

Please see EXHIBIT: E Change of Operator C-145 at the end of this report

Page 1 of 3

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

HOBBBS OGD  
JUN 13 2016  
RECEIVED

Previous Operator Information:  
Operator: 21802  
Name: TRILGY OPERATING INC  
Address: P.O. Box 7806  
City, State, Zip: Midland, TX 79706

New Operator Information:  
Effective Date: [Signature on the State of approval by the OGD]  
Operator: 151851  
Name: HRC INC  
Address: P.O. Box 8808  
City, State, Zip: Hobbs, NM 88241

## Change of Operator C-145

On June 20, 2016 service unit rigged up on the Schubert Farms 1 and extracted the rods then extracted the tubing with the pump and laid down BHA.

June 21, 2016 wire line set a CIBP at 2750' then tested the casing and CIBP to 780 psig and showed good continuity. A CBL was run from the top of the CIBP to surface.

Wire line bail dumped 5 sacks of cement on top of the CIBP at 2750' giving over 50 foot of cement column top of cmt. Estimated to be 2700'+. HRC Inc. Submitted the CBL to NM OCD for review.

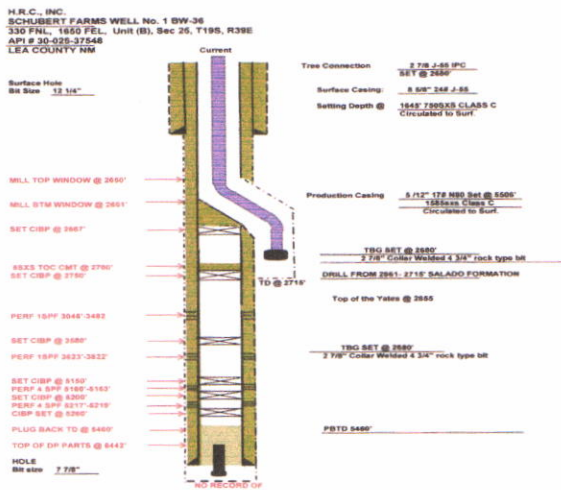
February 9, 2017 Wireline set a CIBP at a depth of 2667' and a whip stock guide was set on 2/20/17.

February 21, 2017 service unit moved in and reverse unit rigged up and made ready to start milling window. Milling started at 2651 to 2661' then came out of the hole with BHA and tripped back in with a bit assembly the new open hole in the Salado formation was drilled down from 2661' to TD at 2715' then came up the hole and left hanging above the window then SDFD.

February 22, 2017 tripped in hole with BHA and tagged at 2703' then proceeded to washed to 2715. Tubbing was spaced out and BHA was set at 2680'. NU wellhead on 2/23/17 well was MIT to 300 psi with a chart recorder and held good. Then proceeded to circulate for five hours well was then shut in.

April 17, 2017 Schubert Farms No. 1 begins injection of fresh water to extract Brine.

February 23, 2017 Schubert Farms Well No. 1 was completed. Please see **Exhibit: F. Schubert Farms No. 1 Wellbore Diagram** with this report.



**WELLBORE DIAGRAM**

# **VIII. ATTACH A CONTINGENCY PLAN FOR REPORTING AND CLEAN-UP OF SPILLS OR RELEASES**

H.R.C., INC. will follow NMAC 20.6.2.1203 where H.R.C., Inc.

1. As soon as possible after learning of such a discharge within 24 hours will orally notify the chief of the ground water quality bureau of the department, or his counter partner in any constituent agency delegated responsibility for enforcement of these rules. HRC Inc. will notify Jim Griswold or Carl Chavez in Santa Fe, District II Hobbs of any release discharge. Information that will be reported at the time is as follows:

a. Name, address, and telephone number of the person in charge of the facility as well as the owner or operator of the facility;

b. Name and address of the facility;

c. Date and time, location, and duration of the discharge;

d. The Source and cause of discharge;

e. A description of the discharge, including its chemical composition;

f. The estimated volume of the discharge;

g. Any actions taken to mitigate immediate damage from the discharge.

H.R.C., Inc. within one week of a discharge will send written notification to the same department officials, verifying the prior oral notification and providing any appropriate additions or corrections to the information contained in the prior oral notification.

The C-141 Release Notification and Correction Action form will be used. Once mitigation of the discharge is complete form C-141 will be filled out with the information of what and how the discharge was addressed within 15 days of the discharge.

H.R.C., Inc. will seek in an effort to determine the department's views as to what further corrective actions may be necessary or appropriate to the discharge in question.

H.R.C., Inc. taking safety measures to control of any discharge. The Schubert Farms Well No. 1 has a lease operator that is on location daily and oversees the facility.

His duties are to make full walk around inspections of all connections, valves, hoses, tank levels, operating pressures, meter readings, gather loading tickets security entry cameras and reports them daily.

All tanks are set above ground level with a berm barrier holding over 133% of total tank capacity followed with a secondary barrier of 20+ mil Polly.

## IX. ATTACH GEOLOGICAL/HYDROLOGICAL EVIDENCE DEMONSTRATING THAT BRINE EXTRACTION OPERATIONS WILL NOT ADVERSELY IMPACT FRESH WATER.

The Ogallala Aquifer formation (Phanerozoic / Cenozoic /Tertiary) is the only source of fresh water in the AOR of the Schubert Farms Well No. 1.

The S&H Enterprises water well # L-298 A-B located NW/4, NE/4, NW/4 of Sec 25, T19S, R38E drilling Lithology report showed the following:

From ft.	To ft.	Thickness	Type Material
0	9	9	Topsoil
9	26	17	Caliche
26	30	4	Rock
30	92	62	Sand
92	108	16	Sandy Clay
108	115	7	Sandy Rock
115	135	20	Sand Clay
135	143	8	Red Shale

Please find with this Report Exhibit: G. Drilling Report of the S&H Enterprises L-298 A-B Irrigation water well.

STATE ENGINEER OFFICE  
WELL RECORD

Section 1. GENERAL INFORMATION

(A) Owner of well S. A. S. ENTERPRISES (S&H ENTERPRISES) Owner's Well No.                       
Street or Post Office Address P.O. BOX 437 City and State NOBLES, NM 86240

Well was drilled under Permit No. L-298 A-B and is located in the:  
T. 19S N. 38E W. 4 of Section 25 Township 19S Range 38E N.M.P.M.  
Tract No.                      of Map No.                      of the  
Lot No.                      of Block No.                      of the  
Subdivision, recorded in                      County

A. 2"                      feet, V.N.                      feet, N.M. Coordinate System                      Zone in the                      Corner

(B) Drilling Contractor ABNEY BROS. RAY BROS. SERVICE License No. MB-54  
Address P.O. BOX 437 NOBLES, NM 86240

Drilling began 3-1-95 Completed 3-7-95 Type well CALICHE Size of hole 14 in.  
Elevation of land surface at                      ft. Total depth of well 143 ft.  
Completed well is ☒ shallow ☐ artesian Depth to water upon completion of well 70 ft.

Section 2. PRINCIPAL WATER-BEARING STRATA

Depth in Feet From	To	Thickness in Feet	Description of Water-Bearing Formation	Estimated Yield (gallons per minute)
26	143	117		

Section 3. RECORD OF CASING

Diameter Inch	Feet per foot	Thickness in feet	Depth in Feet		Length (feet)	Type of liner	Perforations	
			Top	Bottom			From	To
12 3/4	2.10	0.01000	0	143	143	JOINT	60	143

Section 4. RECORD OF MUDLOGGING AND CEMENTING

Depth in Feet From	To	Mud Diameter	Spuds of Mud	Cement Feet of Cement	Method of Placement

Section 5. PLUGGING RECORD

Plugging Contractor                       
Address                       
Plugging Method                       
Date Well Plugged                       
Plugging approved by                       
State Engineer Representative                     

No.	Depth in Feet Top	Bottom	Cement Feet of Cement
1			
2			
3			
4			

FOR USE OF STATE ENGINEER ONLY

Date Received 06/26/95 Quoted FWL FWL  
File No. L-298-A-B Use Irrigation Location No. 19, 38, 25, 121

Section 6. LOG OF HOLE

Depth in Feet From	To	Thickness in Feet	Color and Type of Material Encountered
0	9	9	TOPSOIL
9	26	17	CALICHE
26	30	4	ROCK
30	92	62	SAND
92	108	16	SANDY CLAY
108	115	7	SANDY ROCK
115	135	20	SANDY CLAY
135	143	8	RED SHALE

## S&H ENTERPRISES WATER WELL L-298 A-B

Top of the water level is at 70' we have no record on the thickness of the capillary fringe. The Alluvium estimate would be 60 to 70 feet thick.



The Topo map provided in this report **Exhibit A** shows a slight declination to the southeast.

The elevation at the Schubert Farms Well No. 1 is recorded at 3581' at ground level.

Below the red bed of the Ogallala Aquifer lays the:

**Triassic** (Dockum),

**Permian Ochoan** (Dewey Lake, Rustler, Salado, Castile)

**Permian Guadalupian** Tansill, (Yates, Seven Rivers, Queen, Grayburg) oil bearing strata.

**Pre-Ongard API 30-025-07710 UL: D Sec 25, T19S, R38E** drilled in 1950 and **API 30-025-07975 UL: M SEC 19, T19S, R39E** drilled in 1944 shows a great Lithology Report of the footage being drilled Please see **Exhibit: H. & EXHIBIT: I.** at the end of this report Showing the Tops of Conformance and the Lithology.

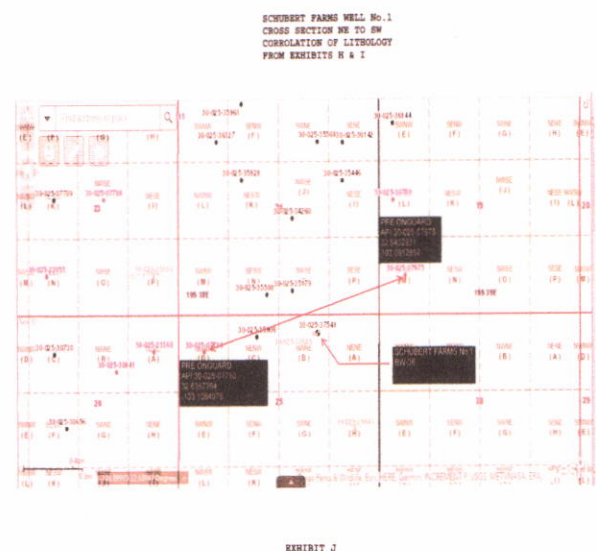
API #	From ft.	To ft.	Thickness	Type of material
30-025-07710	0	1650	1650	Surf sands/Red beds
	1650	1723	73	Anhydrite
	1723	2763	1040	Salado Salt

API #	From ft.	To ft.	Thickness	Type of material
30-025-07975	0	220	220	Surf sands/shale
	220	1659	1439	Red beds
	1659	1744	85	Anhydrite
	1744	2995	1251	Salt / Anhydrite

Pre OnGuard well 30-025-07710 UL: D Sec 25, T19S, R39E Lat: 32.6367264 Long: -103.1084976 is 2941 feet to the West of the Schubert Farms Well No.1.

Pre OnGuard well 30-025-07975 UL: M Sec 19, T19S, R39E Lat: 32.6402931 Long: -103.0912857 is northeast 2,468.9 feet from the Schubert Farms Well No. 1.

Please find with this report **EXHIBIT J** an Aerial view of the location and description of the Pre Ongard wells in relation to the Schubert Farms Well No.1



## LITHOLOGY POINTS OF CROSS SECTION

One can correlate the Pre Ongard wells API 30-025-07975 & API 30-025-07710 lithology report with Schlumberger Litho Density Compensated Neutron /HNGS log on record with the NMOCD.

Please find with this report **EXHIBIT K.** the log depicts the 1655' thickness of the roof strata above the Salado showing the thickness of



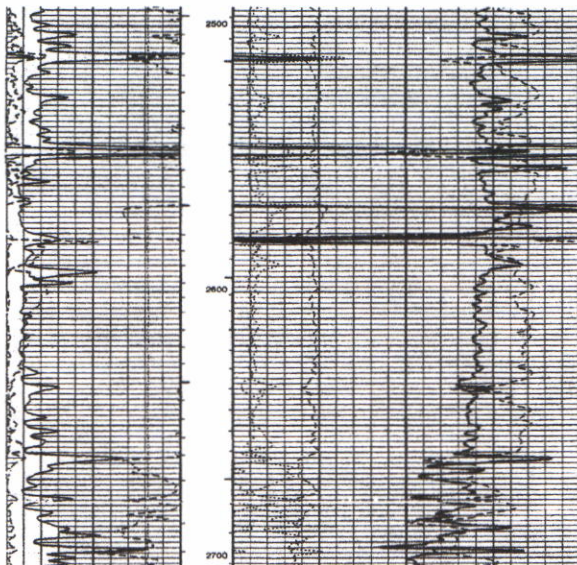
Red beds, RB and Shale, and  $\pm 160$  foot Anhydrite above the shoe set at 1645 ft.

The Schubert Farms Well No. 1 CBL shows continuity between the outer casing wall and the borehole wall that provides a barrier protecting the fresh water sands.

Schubert Farms Well No. 1 is well protected that brine solution will not penetrate the Aquifer of the Ogallala.

NM OCD has on file the CBL log that shows continuity with the outer walls of the casing and the borehole wall.

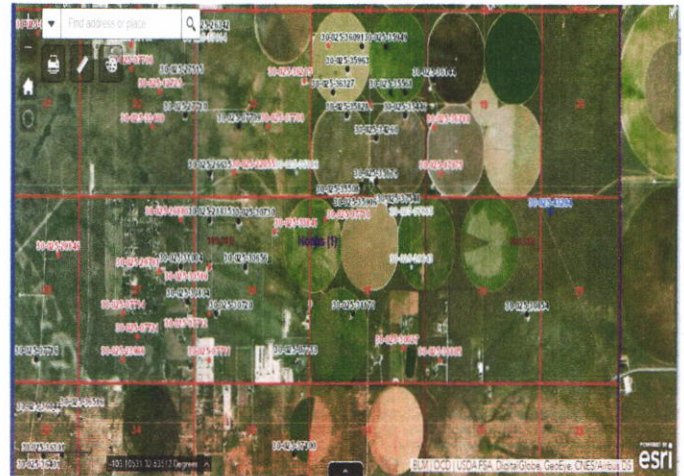
Please find with this report **EXHIBIT L**. The Salado GR / Litho Density Compensated Neutron log showing the Halite stringers to the top of the Yates formation est. at 2855'.



As flooding the slope dip will run off to the southeast. Brine tanks on the Schubert

Farms Well No.- 1 as talked about earlier in this report has a berm and secondary containment to hold 133% of total capacity. Third party trucking empties out the berm containment when it fills with rain water and disposes it at a registered NMOC approved SWD.

No lakes, arroyos, or streams are in the AOR of the Schubert Farms Well No. 1 the area is of Agriculture land farming with cattle in certain areas to the South with some production to the West of the Schubert Farms Well No. 1. **PLEASE SEE EXHIBIT R AIRIAL VEIW OF SCHUBERT FARMS WELL No. 1 AOR.**



**AIRIAL VEIW OF SCHUBERT FARMS WELL No. 1 AOR.**

- X. Attach other information as necessary to demonstrate compliance with any other OCD rules, regulations and / or orders**

# H.R.C., INC

## 1. Section 2. A Quarterly analysis of injected fluids and brine. Pursuant to 20.6.2.5207C

### Tabulated Quarterly analysis last five years Fresh Water Schubert Farms Well No. 1 20.6.2.5207C (1)

Schubert Farms Well No. 1 was placed in operation in March of 2017 below are the Water Analysis during this period of time.

Mo. / Year	pH	TDS	CL	Na	SG
<b>2017</b>					
JAN					
APR	7.32	1870	510	228	
SEP					
NOV	7.98	896	224	130	
DEC.					
<b>2018</b>					
JAN.					
MARCH					
JUNE					
SEP					
DEC.					

### Tabulated Quarterly analysis last five years Brine Water Schubert Farms Well No. 1 20.6.2.5207C (1)

Mo. / Year	pH	TDS	CL	Na	S G
<b>2017</b>					
JAN.					
APR	6.85	198000	122000	80100	
JUNE					
SEP					
NOV	6.96	266000	162000	91100	
DEC.					

<b>2018</b>					
JAN.					
MARCH					
JUNE					
SEP					
DEC.					

### Tabulated Quarterly analysis last five years Monitor Fresh Water Well Schubert 7 Well No. 1 20.6.2.5207C (1)

Mo. / Year	pH	TDS	CL	Na	SG
<b>2017</b>					
JAN.					
MARCH					
APR	7.58	1090	316	131	
JUNE					
SEP					
NOV	7.60	1180	356	125	
DEC.					
<b>2018</b>					
JAN.					
MARCH					
JUNE					
SEP					
DEC.					

**20.6.2.5207C (2) Monitoring injection volumes, Brine, Fresh Water and pressures.**

**20.6.2.5207C (2) Monitoring injection volumes, Brine, Fresh Water and pressures.**



2017 REPORT OF BRINE & F / W

Month	Prod psig	Brine Prod. by meter	Injecti on psig	F/W inj. by meter
JAN	-	-	-	-
FEB	-	-	-	-
MAR	70	13011	230	12833
APR	70	5636	230	5238
MAY	90	11060	270	10143
JUN	100	9831	270	9902
JUL	85	14400	270	14362
AUG	35	11962	250	10340
SEP	40	20945	245	21183
OCT	40	21988	250	20795
NOV	40	19764	250	19522
DEC	20	24921	230	24360

**YEAR TOTAL 153,518 148,678**

2018 REPORT OF BRINE & F / W

Month	Prod psig	Brine Prod. by meter	Injecti on psig	F/W inj. by meter
JAN	25	25912	245	25360
FEB	35	21338	250	21124
MAR				
APR				
MAY				
JUN				
JUL				
AUG				
SEP				
OCT				
NOV				
DEC				

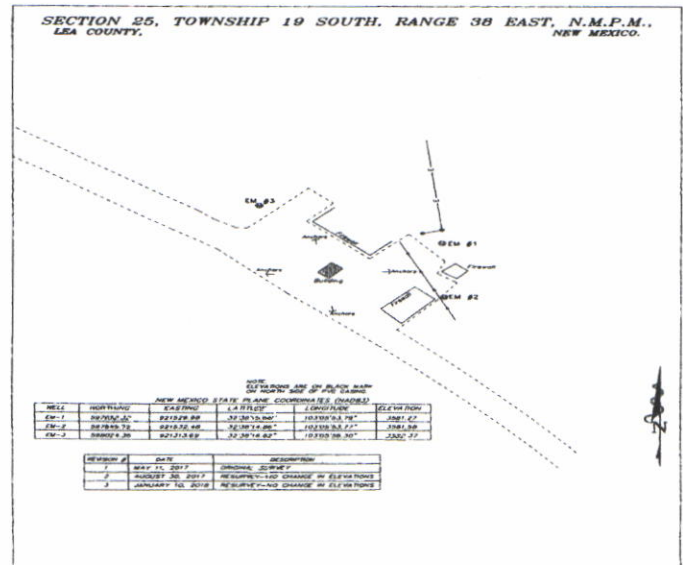
2.B. SOLUTION CAVERN MONITORING

PROGRAM

1. Surface Subsidence Monitoring Plan

H.R.C., Inc. has placed in action the Monitoring Plan on May 11, 2017 a survey was conducted where three elevation markers were placed by Basin Surveys Gary L. Jones. Total of three surveys have been conducted the last one on record was on January 10, 2018. There were no changes in Elevation that has occurred in this time period.

Because this is a live document H.R.C. Inc. will report to the Department of the next survey as Basin Surveys completes them. Please find at the end of this report **Exhibit: M. Basin Surveys Elevation Markers**



Basin Surveys Plat.

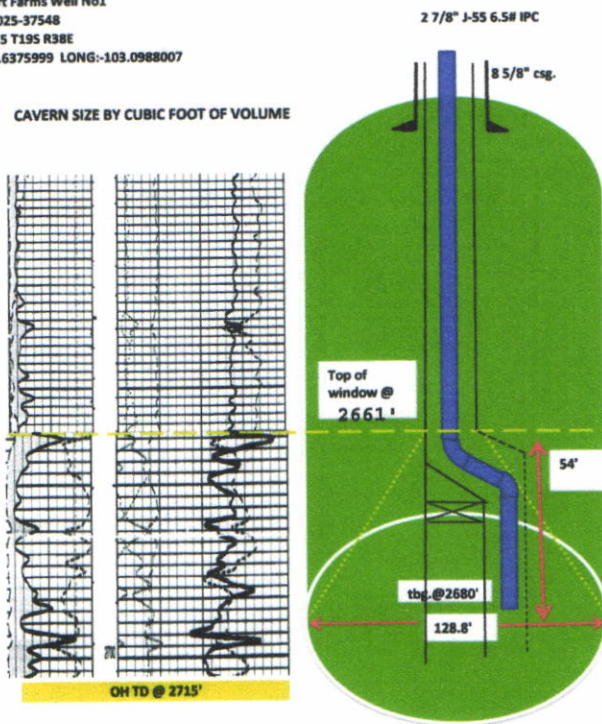
2.

## B.2. SOLUTION CAVERN CHARACTERIZATION PROGRAM

Schubert Farms Well No.1 has extracted a total of 153,518 bbl. of brine from March 2017 thru the end of December 2017 calculating cone volume of  $\text{ft}^3$  this shows the base diameter to be 128.8' and the height of 54' Please see **EXHIBIT: N. CAVERN CHARACTERIZATION PLAN** at the end of this report.

Schubert Farms Well No.1  
API 30-025-37548  
B SEC 25 T19S R38E  
LAT: 32.6375999 LONG:-103.0988007

CAVERN SIZE BY CUBIC FOOT OF VOLUME



PPG 9.97 brine  
PPG 8.34 fresh  
SG 1.1951  
2017 Total Brine bbl. 153,518  
122.136 LBS / BBL = 18,750,075 LBS HALITE  
(18,750,075 LBS) / (80BLS per  $\text{ft}^3$ ) = 234,376  $\text{ft}^3$

$$V = \frac{\pi R^2 h}{3}$$

$$V = \frac{(3.14159 \times 64.4^2) \times (54')}{3}$$

$$V = 234,528 \text{ ft}^3$$

Est. height is 54'  
Est. cavern floor diameter is 128.8'

EXHIBIT N

## CAVERN CHARACTERIZATION PLAN

## 2.B.3 ANNUAL CERTIFICATION

H.R.C., Inc. has demonstrated with the Surface Subsidence Monitoring Plan that no evidence of elevation markers to have changed.

Please find with this report **EXHIBIT K.** the log depicts the 1502' thickness of the roof strata above the Salado to the top of the Red Bed. showing the thickness of 1417'± RB / Shale, and 85' ± Anhydrite. Schubert Farms Well No. 1 is well protected that brine solution will not penetrate the Aquifer of the Ogallala.

Pease find with this report **EXIHIBIT L.** The Salado GR / Neutron log showing the Halite stringers to the top of the Yates formation. The Strata demonstrates strong shale beds and anhydrite beds supporting the solution mining within the Salado formation.

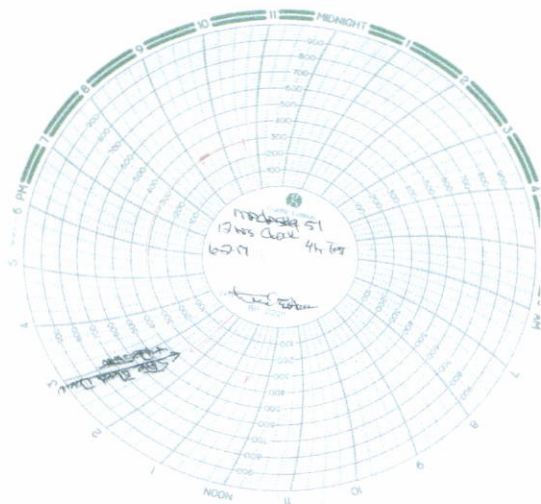
Schubert Farms Well No. 1 conducted a formation MIT on February 23, 2017 pressured formation to 300 psi ran a chart and tested okay. Well was kept shut in until 11/22/16 where a chart recorder was hooked up to the annulus and started a four hour formation test witnessed by OCD Officer Kerry Fortner and passed showing that the formation is sound and intact.

Please find **Exhibit O. Letter OCD evaluation passed MIT, Letter from Lynx Petroleum Consultants, Inc. explanation of new Halite Beds saturation absorption. Subsequent 6-2-2017 MIT test, Chart of the recording**



pressure and Chart Calibration Certificate. Included with this report.

OCD and has been posted on the website for review complying with 20.6.2.3107 NMAC.



6-2-17 MIT Chart

## 2.H.3. ENVIROMENTAL MONITORING

H.R.C., INC. is in compliance with 20.6.2.3107B NMAC or EPA QA / QC Standards. Cardinal Laboratories services are used on all analytical testing their Accreditations through the State of Colorado Department of Public Health and accreditation applies to public drinking water matrices of the State of Colorado and New Mexico Please find at the end of this report EXHIBIT: P. & Q. Cardinal Laboratories water Analysis for the Schubert Farms Well No. 1.

## 2. J ANNUAL REPORTING

H.R.C., Inc. has submitted its Schubert Farms Well No. 1 annual 2017 report to the NM

## 3.C CONTINUOUS MONITORING DEVICES

Schubert Farms Well No. 1 has complied with the monitoring of pressure, flow rate, Volume flow, and pressure on the annulus.

Methodology of the monitoring are as follows an oil fluid gauge is placed at the annulus port where the operator reads and records daily on a daily sheet of the pressure each day.

Tubing has a Cross connection above the master valve and the upper port is supported with an oil fluid gauge monitoring the fluid tubing pressure of the fluid heading to the BHA. Pressures are recorded onto the lease operator's daily log sheet.

Brine solution has a meter that registers bbl amounts. As it leaves the annulus port then through a connection hose it enters a ridged line where the meter is housed in the middle then it leaves and is tied to a 4" SDR 11 poly line to the fill tank. The lease operator daily records the meter reading and records the reading onto his daily log sheet.

Fresh water is metered before entering the suction side of the PD pump it enters a ridged line where the meter is housed in the middle as it leaves the ridged line it is connected with a flex hose and is tied into the suction side of the Grundfos CR 32 pump. The lease

operator records the meter reading and enters the meter reading into his daily sheet.

All tanks, connections, valves, checks valves are inspected daily and most days two or three times a day.

Head switches control the water level and set as to not over fill the tanks. Added protection is a radio frequency communicating with the front facility shutting down the system if the fluid levels start to reach a critical level. Please see **EXHIBIT: C. Facility Schematic** for your review.

### 3.A.3. INITIAL HYDROSTATIC TESTING OF PIPELINE HYDROSTATIC TEST REPORT WITH "AS BUILT" PIPELINE TRANSECT AND ASSOCIATED CONSTRUCTION INFORMATION

**EXHIBIT: C. Facility Schematic** demonstrates the plumbing needs for the Schubert Farms Well No. 1 facility. Please find **EXHIBIT: R TABULATED OF CONNECTIONS AND PIPE SPECS** at the end of this report.

SCHUBERT FARMS FACILITY  
TABULATED SHEET OF CONNECTIONS AND PIPE

CONNECTION TYPE	SIZE	MODEL	CONSTRUCTION	PORT	PSI RATED AT
BALON FLOATING VALVES	4" X 3" X 4"	48-532-SE	CARBON STEEL	3"	750
BALON FLOATING VALVES	3" X 3" X 3"	3F-542-SE	CARBON STEEL	3"	750
BALON FLOATING VALVES	2" X 2" X 2"	2F-532-SE	CARBON STEEL	2"	750
X HEAVY 2" ELL IPC	2.375"	FIG.No. 02001	CARBON STEEL	2"	2000
X HEAVY 3" ELL IPC	3.375"	FIG.No. 02001	CARBON STEEL	3"	2000
X HEAVY 4" ELL IPC	4.188"	FIG.No. 02001	CARBON STEEL	4"	2000
X HEAVY 2" COLLAR IPC	2.375"	ASTM SA106N	CARBON STEEL	2"	3000
X HEAVY 3" COLLAR IPC	3.375"	ASTM SA106N	CARBON STEEL	3"	3000
X HEAVY 4" COLLAR IPC	4.188"	ASTM SA106N	CARBON STEEL	4"	3000
X HEAVY 2" TEE IPC	2.375"	ASTM SA106N	CARBON STEEL	2"	2000
X HEAVY 3" TEE IPC	3.375"	ASTM SA106N	CARBON STEEL	3"	2000
X HEAVY 4" TEE IPC	4.188"	ASTM SA106N	CARBON STEEL	4"	2000
X HEAVY 2" NIPPLE IPC	2.375"	A106 Sch. 80	CARBON STEEL	2"	2000
X HEAVY 3" NIPPLE IPC	3.375"	A106 Sch. 80	CARBON STEEL	3"	2000
X HEAVY 4" NIPPLE IPC	4.188"	A106 Sch. 80	CARBON STEEL	4"	2000
X HEAVY 1 1/2" X 2" SWEDGE IPC	1.5" X 2.375"	X H	CARBON STEEL	1 1/2" X 2"	2000
X HEAVY 2" X 3" SWEDGE IPC	2.375" X 3.5"	X H	CARBON STEEL	2" X 3"	2000
X HEAVY 3" X 4" SWEDGE IPC	3.5" X 4 1/2"	XH	CARBON STEEL	3" X 4"	2000
X HEAVY 3" CROSS TEE IPC	3.75"	ASTM SA106N	CARBON STEEL	3"	3000
2" VICTAULIC CONNECTOR	2.375"	177N	CARBON STEEL	2"	1000
4" VICTAULIC CONNECTOR	4.188"	177N	CARBON STEEL	4"	1000
3" SDR 11 HDPE POLY LINE	2.375	SDR 11 HDPE	Polyethylene	3"	160
3" SDR 11 HDPE POLY LINE	3.5	SDR 11 HDPE	Polyethylene	3"	160
4" SDR 11 HDPE POLY LINE	4.5	SDR 11 HDPE	Polyethylene	4"	160
4" SDR 11 TRASDUCE	4.5	SDR 11 HDPE	STEEL / SDR11	4"	160
2" BRADED HOSE	2.375"	PTFE	RUBBER / STEEL	2"	UP TO 5000
3" BRADED HOSE	3.375"	PTFE	RUBBER / STEEL	3"	UP TO 5000
4" BRADED HOSE	4.188"	PTFE	RUBBER / STEEL	4"	UP TO 5000

Safety measures for loss of pressure and critical pressures at the Schubert Farms Well No. 1 facility are as follows: The Grunsfos HP CR-32 Stage pump is equipped with a Murphy Control Switch that is set at a low psig level of 50# and a shutdown critical level of 350# located behind the pump.

As stated in this report the Operator checks each day the psi gauges that are mounted on top of the tubing and that of from the annulus port. It is recorded in his daily log of operations. A complete walk around visual is done daily for any leaks.

Hydrostatic height psi at 15.5 foot fill line to the brine tank has a constant psi of 8.06 psi on the line on the ground. Fresh water at 15.5 foot has a positive psi on the line on the ground of 6.714 psi.

### 3.K FLUID INJECTION AND BRINE PRODUCTION VOLUMES AND PRESURES

Please see **Page 12** for the recorded volumes for 2017 and 2018 sent to the Department for review.

The Schubert Farms Well No. 1 facility sends its quality brine solution to a holding battery southwest of the facility then it is transferred to the sales facility on Nadine Road. Please see **EXHIBIT: S. BRINE SOLUTION BATTERY SOUTHWEST OF FACILITY** of Schubert Farms facility.

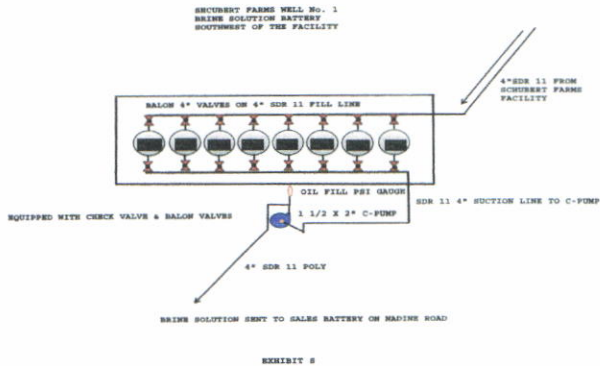


EXHIBIT S

### Schubert Farms Brine Holding Tank Battery Southwest of Schubert Farms Facility.

The holding tanks supply the main sales tanks at the Sales location on Nadine Road. The tanks are filled to a maximum level of 10 feet with the eight tanks this battery holds 2640 bbl. when full. The supply and demand at the sales facility will determines working levels at this battery.

Brine effluents from the Schubert Farms 1 facility are transported through a polyline and enters this battery through the front East side of the sales valve header. A four inch polyline is connected to each tank and equalizes the volume within each tank.

Four inch ball valves are mated to the front of each sales port 12" from the base of each 500 bbl. fiberglass tank.

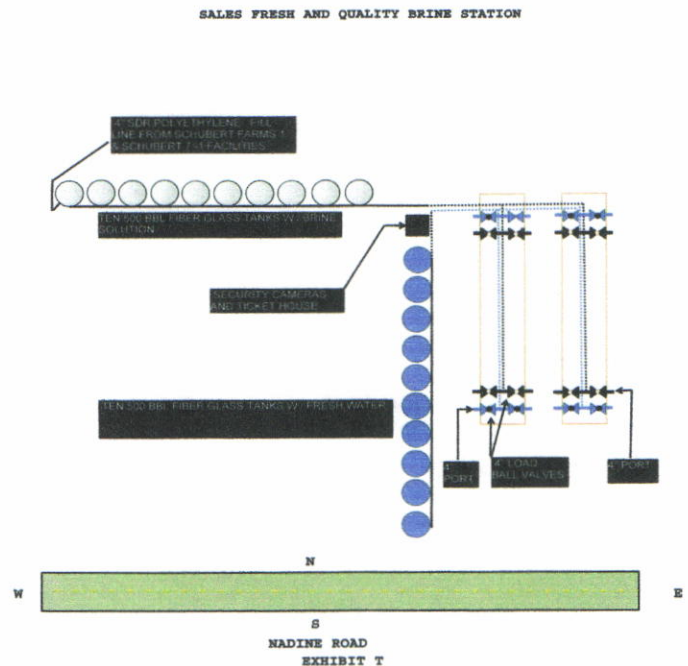
Located on the back of the tanks are 3" drain ports at the bottom of each tank they are equipped each equipped with Balon ball valves and are tied all together with a SDR 11 polyline using poly heat welded tees.

This header is the supply to the C-pump that is controlled with a head switch that communicates with the Sales Facility. During sales of Brine at the Sales site.

The Sales site on Nadine road has two sets of tanks one is the sales brine tanks and the other is the Fresh water sales tanks. Brine is transported from the Schubert Farms holding tanks and also the Schubert 7 facility.

Brine enters the far West tank where all tanks are equalized together. Each 500 bbl. fiberglass tanks has a control valve in front of each tank. All valves are mated together with a four inch poly line that supplies the on loading brine valves at the loading station.

The fresh water tanks are also mated together from the sales port of each tank and supplies the needed fresh water to the on loading fresh water station for the trucks. Please see **Exhibit: T. Isotope of Sales Facility.**



SALES FACILITY ON NADINE ROAD



### SUMMARY

Schubert Farms well No. 1 is currently solution mining below the higher density of Halite beds that are above the point of mining.

With this new well will bring much needed information and knowledge to the solution mining methodology of injecting down tubing and recovering brine through the annulus. 204 feet of net pay lies above the window at 2661 feet.

The upper Halite beds will be non-disturbed until the need to cut another window above in the far future to continue solution mining.

It adds food for thought for future Brine wells in using this methodology of mining halite by allowing the preservation of the upper strata layers of the Salado Formation from saturation as opposed to open hole mining also it reasons in the physics of adding stability to the roof of the cavern.

David H. Alvarado

ALVARADO & SONS CONSULTING

Office: 575 -365-2449

Cell: 575 513-1238

[davidal00136@gmail.com](mailto:davidal00136@gmail.com)

Schubert Farms Well No. 1  
 API 30-025-37548  
 LAT:32.6375999 LONG:-103.0988007  
 NW/4 NE/4 UNIT B, SEC25,T19S,R38E  
 330 FNL, 1650 FEL  
 LEA COUNTY NEW MEXICO  
 GIS TOPO

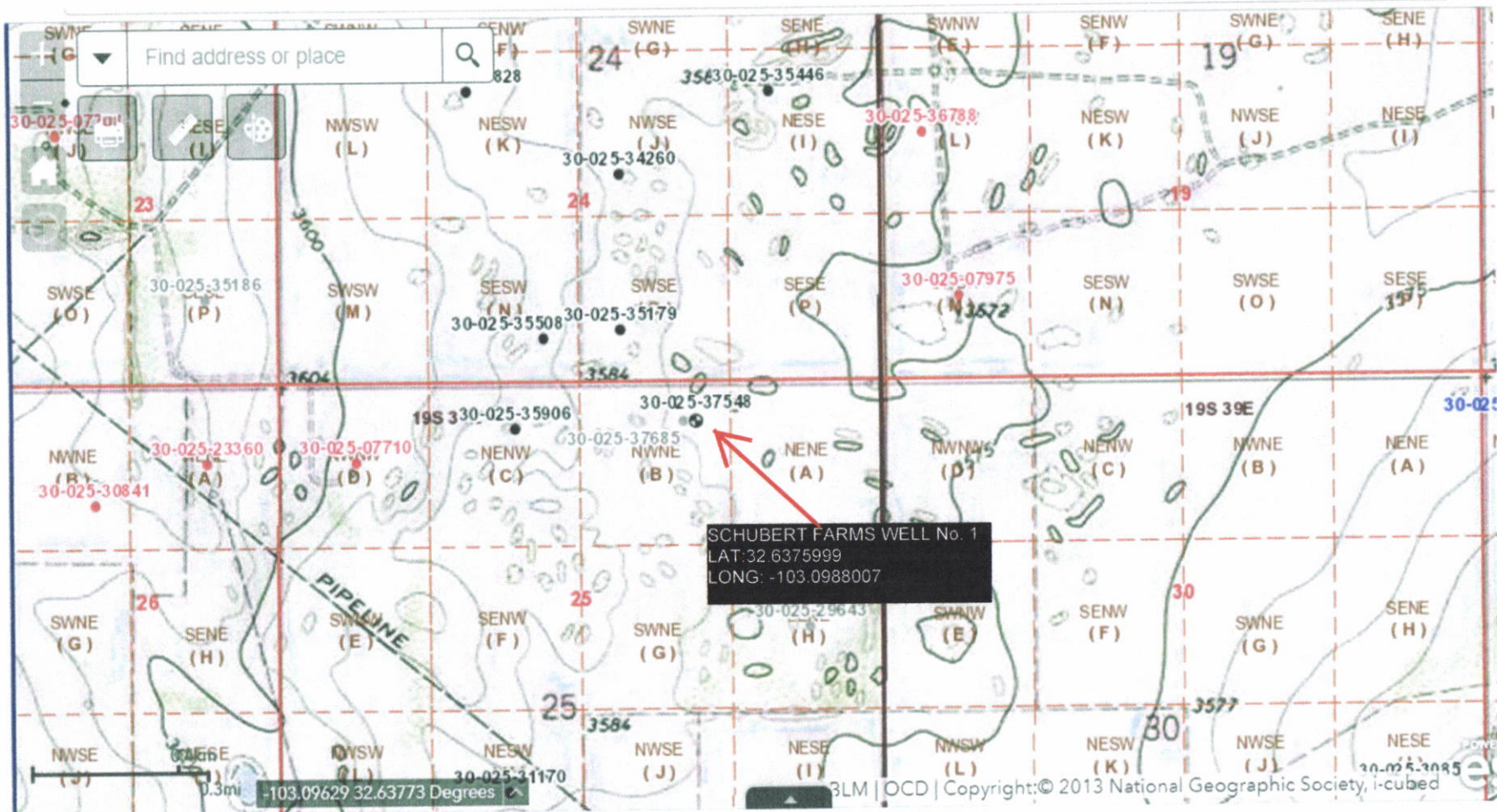


EXHIBIT A

Schubert Farms Well No. 1  
API # 30-025-37548  
NMSLO Map of GARY SCHUBERT Fee Property  
LAT: 32.6375999  
LONG: -103.0988007

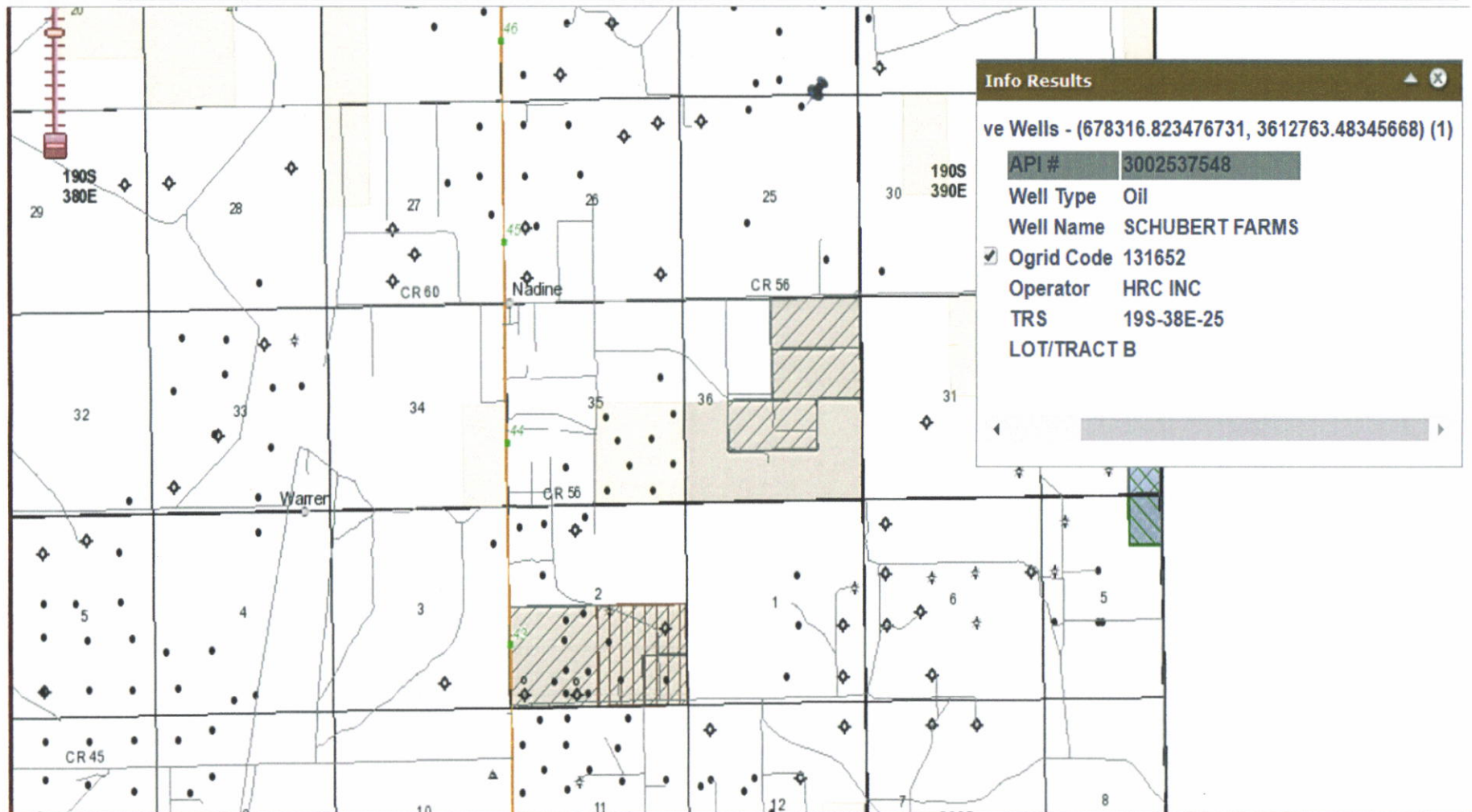


EXHIBIT B



SCHUBERT FARMS No. 1  
API # 30-025-37548  
UL: B, SEC 25, T19S, R34E

FACILITY ISOTOPE

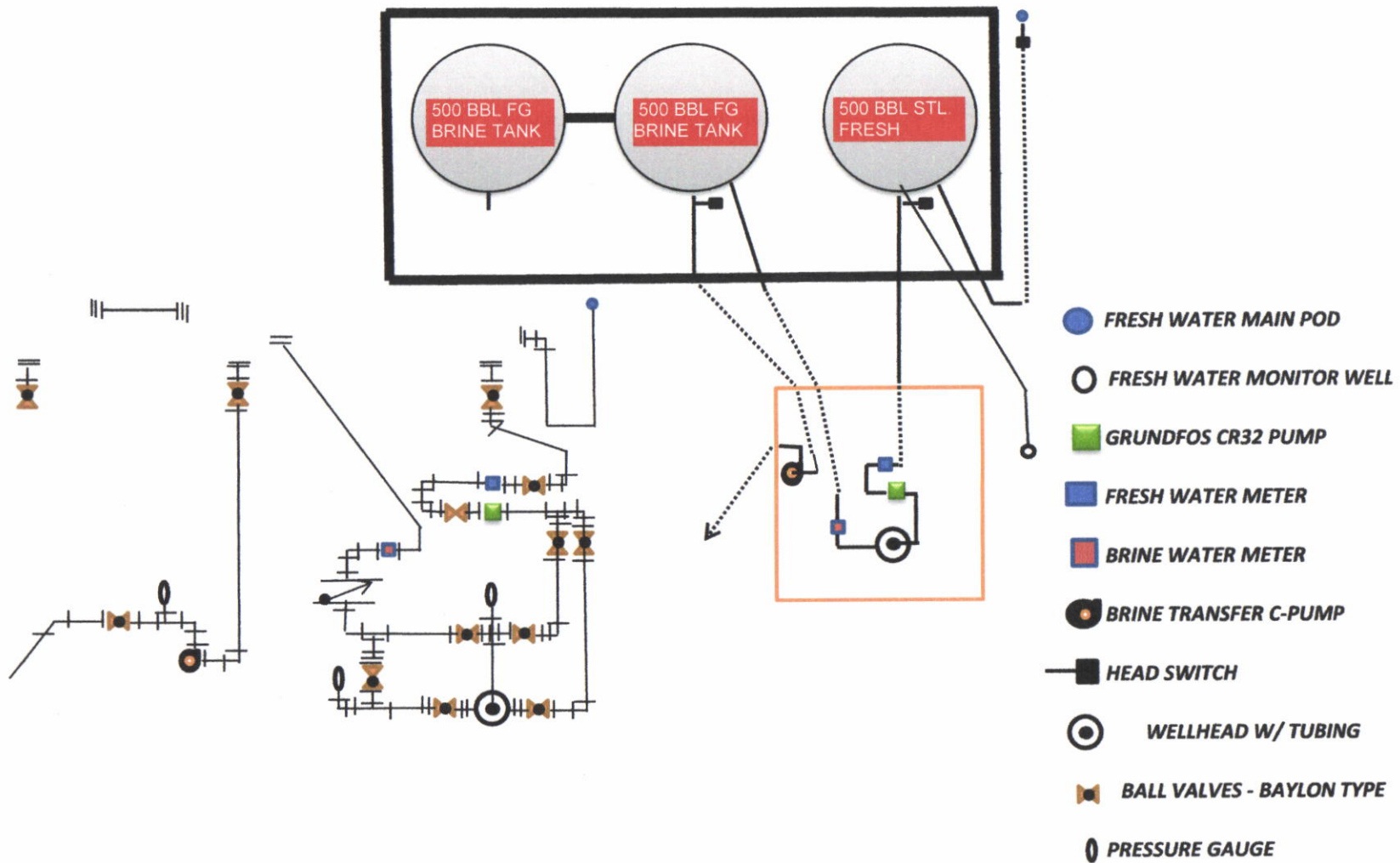


EXHIBIT C

# COMMENCE DRILLING OPERATION

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 May 27, 2004

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

WELL API 30-025-37548

5. Indicate Type of Lease  
 STATE ☐ FEE ☒

6. State Oil & Gas Lease No.  
 N/A

7. Lease Name or Unit Agreement Name  
 Schubert Farms

8. Well Number 1

9. OGRID Number  
 21602

10. Pool name or Wildcat  
 Nadine Drinkard-Abo

SUNDRY NOTICES AND REPORTS ON WELLS  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator  
 Trilogy Operating, Inc.

3. Address of Operator  
 P.O. Box 7606 Midland, Tx. 79708

4. Well Location  
 Unit Letter B 330 feet from the North line and 1650 feet from the East line  
 Section 18 25 Township 19S Range 38E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
 3575 GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mill Below-Grade Tank: Volume \_\_\_\_\_ bbls Construction Material \_\_\_\_\_

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

## NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

## SUBSEQUENT REPORT OF:

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

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

12/2/05 - MIRU JW Drilling Rig #6

12/3/05 - Spud well

12/4/05 - Begin drilling 12 1/4 hole w/ fresh water

12/5/05 - TD surface. RIH w/ 39 jts - 8 5/8" - 24#, J55 csg to a setting depth of 1645'. Cement w/ 500 sxs class C, tail w/ 200 sxs class C, circulate 129 sxs to pit

12/6/05 - Begin drilling 7 7/8 hole w/ Brine Water

1/3/06 - 6442' DP parts order out fishing tools

1/4/06 - 1/15/06 - Fishing for DP

1/16/06 - Abandon DCs

1/17/06 - Run in hole w/ 155 jts 5 1/2" 17# N80 casing. Cement w/ lead - 425 sx class C, tail w/ 1160 sx class C, circulated 72 sx cement to surface. Due to loss of hole we request the well be re-permitted for the San Andres and the Seven Rivers. <sup>@5506 per CS</sup> <sup>Plugback TD @ 5460'</sup>

End of report

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE [Signature] TITLE Marketing Director DATE 1/31/06

Type or print name Chris Smith

E-mail address: csmith1@lx.net

Telephone No. 432 686-2027

For State Use Only

APPROVED BY: [Signature]

TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER

DATE FEB 07 2006

Conditions of Approval (if any):

EXHIBIT D

CHANGE OF OPERATOR

Page 1 of 3

Form C-148  
August 1, 2011

Permit 218808

**District I**  
1026 N. French Dr., Hobbs, NM 88240  
Phone: (575) 383-6161 Fax: (575) 383-0720

**District II**  
611 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-8720

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

**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3470 Fax: (505) 476-3462

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

**HOBBS OCD**

JUN 13 2016

**RECEIVED**

**Previous Operator Information**

OGRID: 21602  
Name: TRILOGY OPERATING INC  
Address: P. O. Box 7606  
City, State, Zip: Midland, TX 79708

**New Operator Information**

Effective Date: Effective on the date of approval by the OCD  
OGRID: 131652  
Name: HRC INC  
Address: P. O. Box 1606  
City, State, Zip: Hobbs, NM 88241

I hereby certify that the rules of the Oil Conservation Division ("OCD") have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, HRC INC certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(i) NMAC.

HRC INC understands that the OCD's approval of this operator change:

1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
2. constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

3/29/2016

**EXHIBIT E**

**Previous Operator**

Signature: [Signature]  
 Printed Name: Michael C. Muench  
 Title: President  
 Date: 4/20/16 Phone: \_\_\_\_\_

**New Operator**

Signature: [Signature]  
 Printed Name: GARY M. SCHUBERT  
 Title: PRES.  
 Date: 4/5/16 Phone: \_\_\_\_\_

**NMOCD Approval**

Electronic Signature: Paul Kautz, District 1  
 Date: June 13, 2016

H.R.C., INC.  
 SCHUBERT FARMS WELL No. 1 BW-36  
 330 FNL, 1650 FEL, Unit (B), Sec 25, T19S, R38E  
 API # 30-025-37548  
 LEA COUNTY NM

Surface Hole  
 Bit Size 12 1/4"

MILL TOP WINDOW @ 2650'

MILL BTM WINDOW @ 2661'

SET CIBP @ 2667'

5SXS TOC CMT @ 2700'  
 SET CIBP @ 2750'

PERF 1SPF 3046'-3482'

SET CIBP @ 3580'

PERF 1SPF 3623'-3822'

SET CIBP @ 5150'  
 PERF 4 SPF 5160'-5163'  
 SET CIBP @ 5200'  
 PERF 4 SPF 5217'-5219'  
 CIBP SET @ 5260'

PLUG BACK TD @ 5460'

TOP OF DP PARTS @ 6442'

HOLE  
 Bit size 7 7/8"

Current

Tree Connection 2 7/8 J-55 IPC  
SET @ 2680'

Surface Casing: 8 5/8" 24# J-55

Setting Depth @ 1645' 750SXS CLASS C  
Circulated to Surf.

Production Casing 5 1/2" 17# N80 Set @ 5506'  
1585sxs Class C  
Circulated to Surf.

TBG SET @ 2680'

2 7/8" Collar Welded 4 3/4" rock type bit

DRILL FROM 2661- 2715' SALADO FORMATION

TD @ 2715'

Top of the Yates @ 2855

TBG SET @ 2680'

2 7/8" Collar Welded 4 3/4" rock type bit

PBTD 5460'

NO RECORD OF  
 TD

EXHIBIT F



STATE ENGINEER OFFICE  
WELL RECORD

## Section 1. GENERAL INFORMATION

(A) Owner of well S & B ENTERPRISES (KYN ELTON) Owner's Well No. \_\_\_\_\_  
 Street or Post Office Address P.O. BOX 16056  
 City and State HOBBS, NM 88240

Well was drilled under Permit No. L-298 A-B and is located in the:

a. NW  $\frac{1}{4}$  NE  $\frac{1}{4}$  NW  $\frac{1}{4}$  of Section 25 Township 19S Range 38E N.M.P.M.

b. Tract No. \_\_\_\_\_ of Map No. \_\_\_\_\_ of the \_\_\_\_\_

c. Lot No. \_\_\_\_\_ of Block No. \_\_\_\_\_ of the \_\_\_\_\_  
 Subdivision, recorded in \_\_\_\_\_ County.

d. X= \_\_\_\_\_ feet, Y= \_\_\_\_\_ feet, N.M. Coordinate System \_\_\_\_\_ Zone in  
 the \_\_\_\_\_ Grant.

(B) Drilling Contractor ABBOTT BROS. RAT HOLE SERVICE License No. WD-46

Address P.O. BOX 637 HOBBS, NM 88240

Drilling Began 5-5-95 Completed 5-7-95 Type tools CABLE Size of hole 14 in.

Elevation of land surface or \_\_\_\_\_ at well is \_\_\_\_\_ ft. Total depth of well 143 ft.

Completed well is ☒ shallow ☐ artesian. Depth to water upon completion of well 70 ft.

## Section 2. PRINCIPAL WATER-BEARING STRATA

Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation	Estimated Yield (gallons per minute)
From	To			
<u>70</u>	<u>143</u>	<u>73</u>		

## Section 3. RECORD OF CASING

Diameter (inches)	Pounds per foot	Threads per in.	Depth in Feet		Length (feet)	Type of Shoe	Perforations	
			Top	Bottom			From	To
<u>12 3/4</u>	<u>219</u>	<u>WELDED</u>	<u>0</u>	<u>143</u>	<u>143</u>	<u>NONE</u>	<u>68</u>	<u>143</u>

## Section 4. RECORD OF MUDDING AND CEMENTING

Depth in Feet		Hole Diameter	Sacks of Mud	Cubic Feet of Cement	Method of Placement
From	To				

## Section 5. PLUGGING RECORD

Plugging Contractor \_\_\_\_\_  
 Address \_\_\_\_\_  
 Plugging Method \_\_\_\_\_  
 Date Well Plugged \_\_\_\_\_  
 Plugging approved by: \_\_\_\_\_

State Engineer Representative

No.	Depth in Feet		Cubic Feet of Cement
	Top	Bottom	
<u>1</u>			
<u>2</u>			
<u>3</u>			
<u>4</u>			

## FOR USE OF STATE ENGINEER ONLY

Date Received 06/26/95

Quad \_\_\_\_\_ FWL \_\_\_\_\_ FSL \_\_\_\_\_

File No. L-298-A-B

Use Irrigation Location No. 19.38.25.121

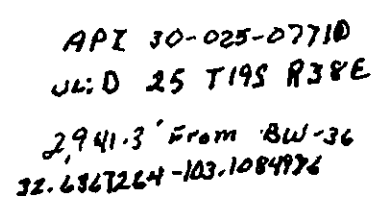
EXHIBIT G

[illegible]

STATE ENGINEER OFFICE  
STATE ENGINEER NEW MEXICO  
SASOASCO  
05 JUN 26 PM 1 10

Floyd Bennett  
Driver 22

INSTRUCTIONS: This form should be executed in triplicate, preferably typewritten, and submitted to the appropriate district office of the State Engineer. All questions, except Section 5, shall be answered as completely and accurately as possible when any well is drilled, repaired, or deepened. When this form is used as a plugging record, only Section 1(a) and Section 2 shall be completed.



WELL RECORD

AREA 648 AGENTS  
LOCATE WELL COMBUSTLY

**OIL RAINBOW CO. BOWEN**

### IMPORTANT WATER SAVING

## CHANGE LOG

### NUDDING AND COUNTING RECORD

## PLUGS AND ADAPTERS

REPORT OF PROCEEDINGS OF CHEMICAL SYMPOSIUM

RECORD OF DRILL-STEM AND SPECIAL TESTS**TOOLS USED****EMPLOYERS**

FORMATION RECORDED ON OTHER SIDE

Subscribed and sworn to before me this 8th day of August, 1950.  
*David*  
Notary Public for New Mexico  
Hobbs, New Mexico - August 8, 1950  
Name of Plaintiff  
Position Field Engineer  
Plaintiff's Address and Post Office Address  
Plaintiff's Residence Address and Post Office Address

EXHIBIT H

# EXHIBIT H

5009' at 5-1/2" casing was recovered and hole plugged and abandoned according to M.M.D.C.C. Regulations May 31, 1950.

24 hours. No shallow pays were encountered while drilling. Lead with 1,500 gallons acid. Swabbed 188 barrels water, no oil in 20 barrels water, no oil in 14 hours. Perforated 7060-7080' and acid-perforated 6990-7040' and acidized with 1,500 gallons acid. Swabbed non-commercial production from 7300-7600'. Set 5-1/2" casing at 7114'. The well was drilled to 7610' T.D. in April, 1950. Drinker showed

Tool open one hour. Very weak blow of air for 12 minutes and died. Recovered 60' very slightly gas cut mud. Flowing and 15-minute shut-in bottom hole pressures were zero.

Tool open 3 hours. Medium blow air lamed-lately to weak blow at end of test. Re-covered 120' slightly gas cut mud. Flowing and 15-minute shut-in bottom hole pressures were zero.

Tool open 6 hours. Strong blow air lamed-lately to weak blow at end of test. Re-covered 180' salt water below circulating and in drill pipe. Flowing bottom hole pressure - 5500 psi. 30-minute shut-in bottom hole pressure - 2000 psi.

Tool open 4 hours. Strong blow air at beginning to weak blow at end of test. Recovered 180' oil and gas cut mud below circulating and in drill pipe. Flowing and 15-minute shut-in pressure - zero.

Tool open one hour. Weak blow air 50 min. and died. Recovered 30' drilling mud. Pressures were zero.

Tool open one hour. Weak blow shut-in B.H. Pressures were zero.

Tool open one hour. Weak blow of air for 22 minutes and died. Recovered 30' drilling mud. Flowing and 15-minute shut-in B.H. Pressures were zero.

Test Number	Interval	Results
1	3785-3868'	Tool open one hour. Weak blow of air for 22 minutes and died. Recovered 30' drilling mud. Flowing and 15-minute shut-in B.H. Pressures were zero.
2	6755-6862'	Tool open one hour. Weak blow air 50 min. and died. Recovered 30' drilling mud. Pressures were zero.
3	6985-7090'	Tool open 4 hours. Strong blow air at beginning to weak blow at end of test. Recovered 180' oil and gas cut mud below circulating and in drill pipe. Flowing and 15-minute shut-in pressure - zero.
4	7070-7105'	Tool open 6 hours. Strong blow air lamed-lately to weak blow at end of test. Re-covered 180' salt water below circulating and in drill pipe. Flowing bottom hole pressure - 5500 psi. 30-minute shut-in bottom hole pressure - 2000 psi.
5	7370-7500'	Tool open 3 hours. Medium blow air lamed-lately to weak blow at end of test. Re-covered 120' slightly gas cut mud. Flowing and 15-minute shut-in bottom hole pressures were zero.
6	7490-7605'	Tool open one hour. Very weak blow of air for 12 minutes and died. Recovered 60' very slightly gas cut mud. Flowing and 15-minute shut-in bottom hole pressures were zero.

FORMATION RECORD

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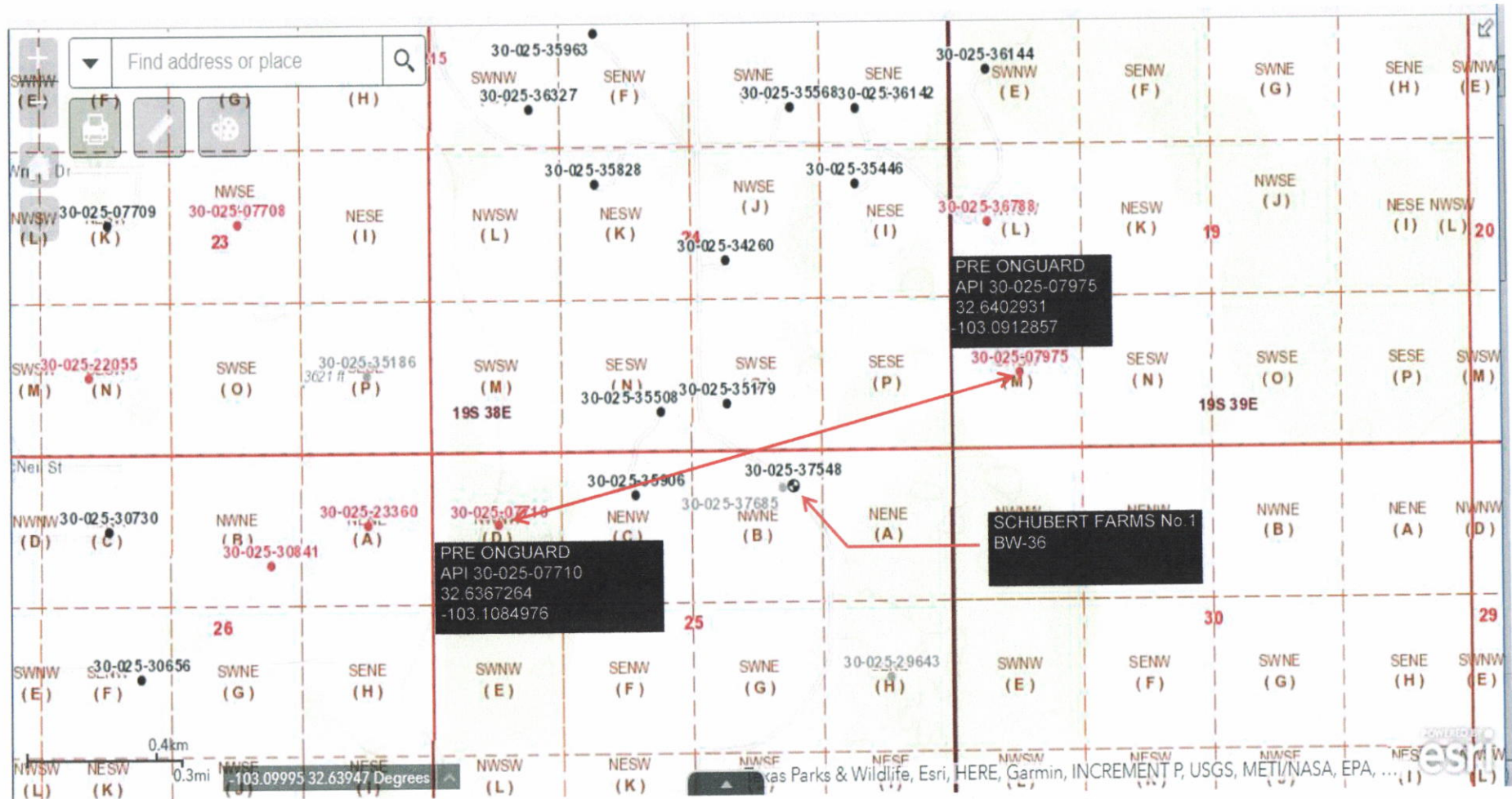
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FORMATION

EXHIBIT I

[illegible]

**SCHUBERT FARMS WELL No.1**  
**CROSS SECTION NE TO SW**  
**CORROLATION OF LITHOLOGY**  
**FROM EXHIBITS H & I**



**EXHIBIT J**

**SCHUBERT FARMS WELL No. 1  
LITHO DENSITY COMPENSATED NEUTRON / HNGS  
THICKNESS OF RED BEDS, ANHYRITE TO CSG. SHOE**

<b>Schlumberger</b> Logging, Operating Inc. Schubert Farms #1 Nacimé Lea State New Mexico			
<b>PLATFORM EXPRESS</b> <b>Three Detector Litho Density</b> <b>Compensated Neutron / HNGS</b>			
County: Lea Field: Nacimé Location: 330' FNL & 1650' FEL Well: Schubert Farms #1 Company: Trilogy Operating Inc.	Permanent Datum: Log Measured From: Drilling Measured From:	Ground Level: Kelly Bushing: Kelly Bushing:	Elev.: K.B. 3694 ft G.L. 3680 ft D.F. 3683 ft Dev.: 3680 ft 14.0 ft above Perm. Datum
LOCATION Section 25, Township 19S, Range 38E AP Serial No. 30-025-37548	Section 25 Township 19S Range 38E		
Logging Date: 15-Jan-2008 Run Number: One Depth Driller: 6442 ft Schlumberger Depth: 5400 ft Bottom Log Interval: 6088 ft Top Log Interval: 200 ft Casing Driller Size @ Depth: 8.825 in Casing Schlumberger: 1645 ft Bit Size: 7.875 in Type Fluid In Hole: Air-Pac / Fed-Zan Density: 8.7 lbm/gal Viscosity: 50 s Mud Loss: 4.4 cm3 Source Of Sample: Circulation Tank RM @ Measured Temperature: 0.004 ohm m RM @ Measured Temperature: 0.041 ohm m RM @ Measured Temperature: 0.007 @ 98 RM @ Measured Temperature: 0.028 @ 98 RM @ Measured Temperature: 0.007 @ 98 RM @ Measured Temperature: 0.028 @ 98 Maximum Recorded Temperature: 88 degF Circulation Stopped Time: 14-Jan-2008 4:30 Logger On Bottom: 15-Jan-2008 14:00 Unit Number: 3075 Hobbs, New Mexico Recorded By: Esteban Padilla Witnessed By: Mr. Mike Morrey	Run 1 Run 2 Run 3 Run 4		



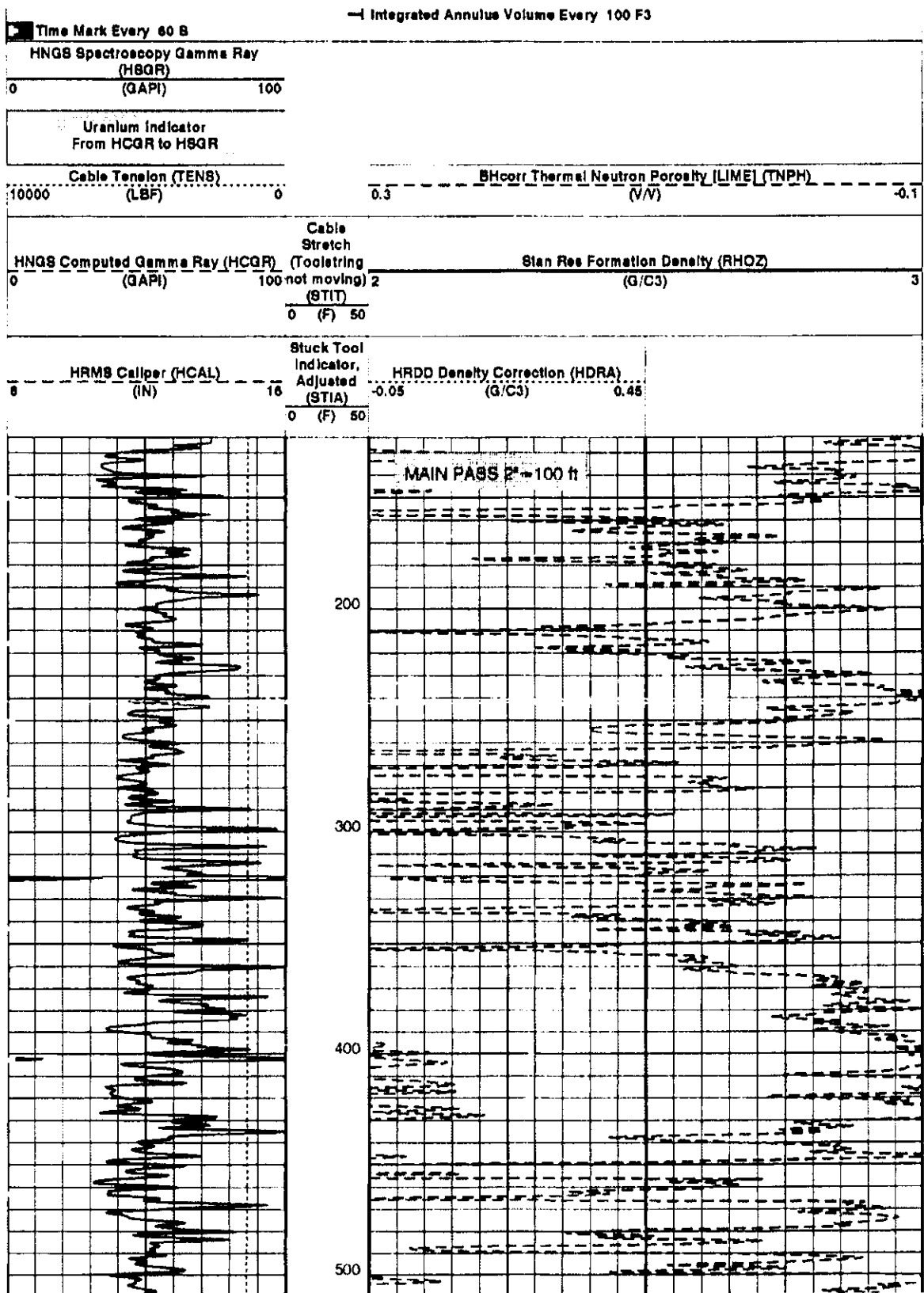


EXHIBIT K

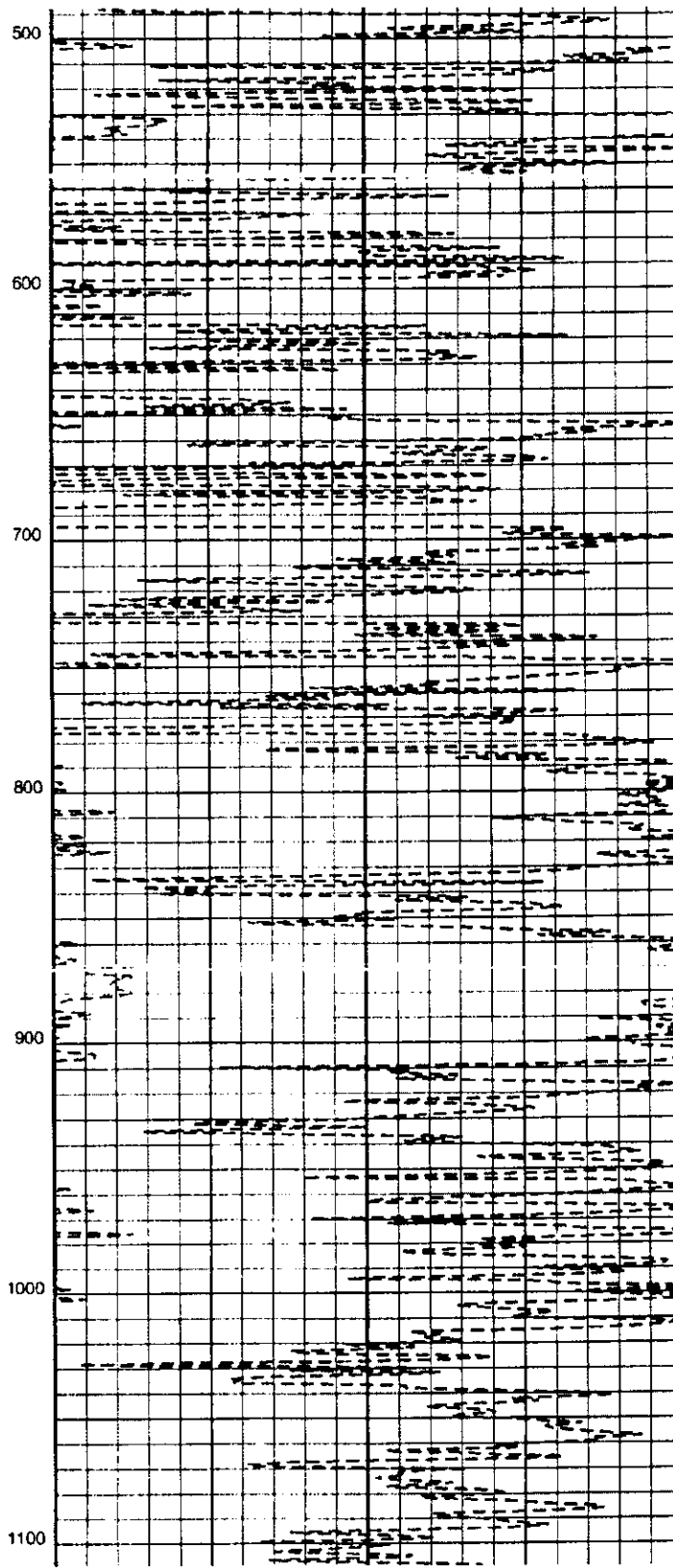
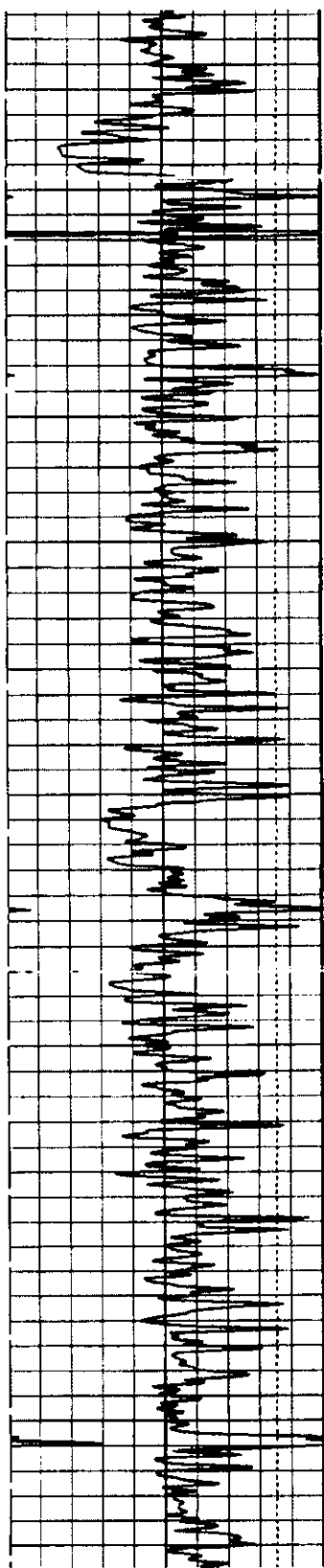


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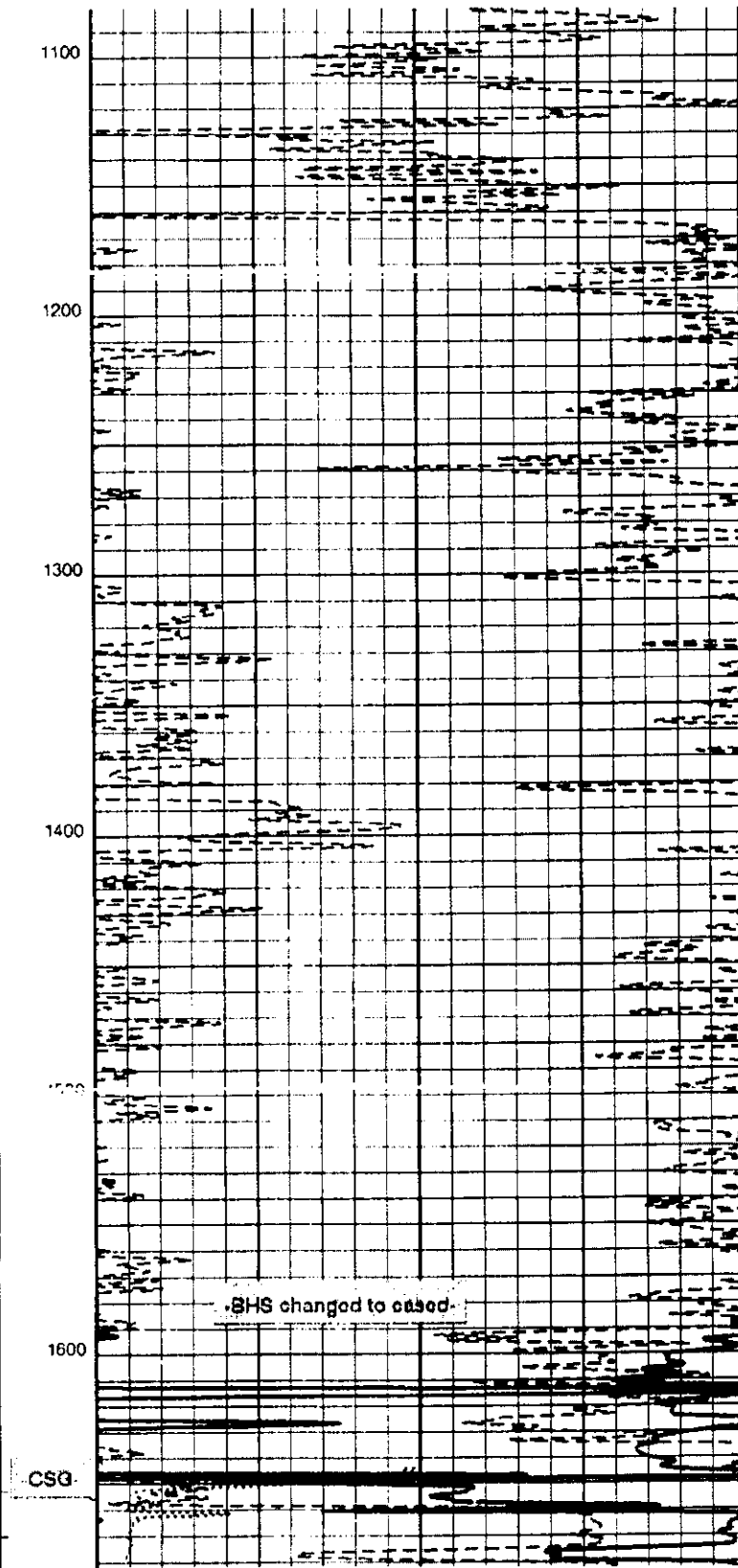
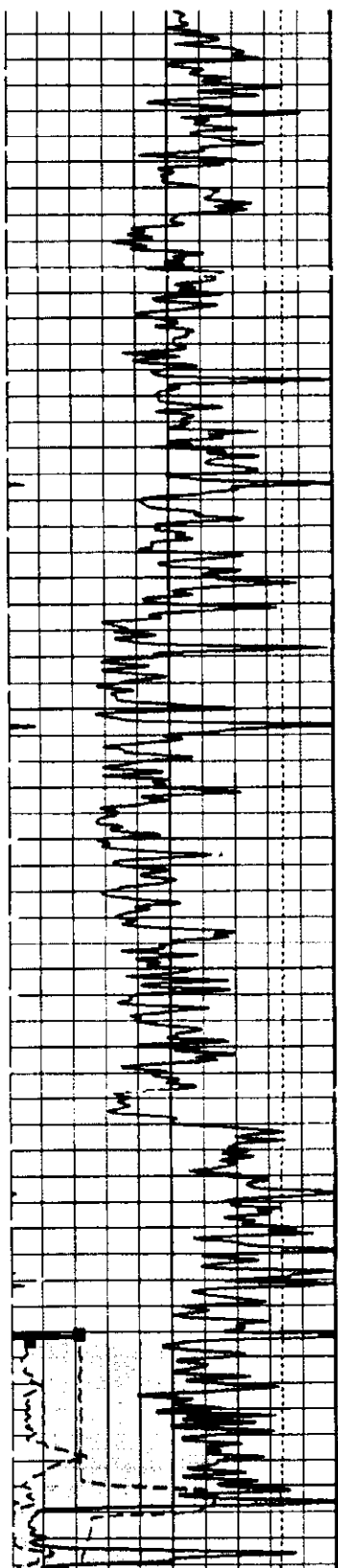


EXHIBIT K

Schlumberger				Run 1	Run 2	Run 3	Run 4
<b>Trilog, Operating Inc</b> <b>Schubert Farms #1</b> <b>Nadine</b> <b>Lee</b> <b>State New Mexico</b>							
<b>PLATFORM EXPRESS</b> <b>Three Detector Litho Density</b> <b>Compensated Neutron / HNGS</b>							
County: Lee Field: Nadine Location: 330' FNL & 1650' FEL Well: Schubert Farms #1 Company: Trilog Operating Inc	330' FNL & 1650' FEL Section 25, Township 19S, Range 38E		Elev.: K.B. 3594 ft G.L. 3583 ft D.F. 3583 ft				
	Permanent Datum: Ground Level Log Measured From: Kelly Bushing Drilling Measured From: Kelly Bushing		Elev.: 3040 ft 14.0 ft above Perm. Datum				
	API Serial No. 30-025-37548	Section 25	Township: 19S	Range: 38E			
	Logging Date: 15-Jan-2006 Run Number: One Depth Driller: 6442 ft Schlumberger Depth: 5400 ft Bottom Log Interval: 5308 ft Top Log Interval: 200 ft Casing Driller Size @ Depth: 8.625 in @ 1645 ft Casing Schlumberger: 1648 ft Bit Size: 7.875 in Type Fluid In Hole: Air-Pac / Fed-Zan Density: 8.7 lbm/gal Viscosity: 50 s Fluid Loss: 4.4 cm3 FH: 8 Source Of Sample: Circulation Tank						
RM @ Measured Temperature: 0.054 ohm.m @ 65 degF RMF @ Measured Temperature: 0.041 ohm.m @ 65 degF RMC @ Measured Temperature: @ Source: RMF RMC Calculated RM @ MRT: 0.037 @ 98 RMC @ MRT: 0.028 @ 98 Maximum Recorded Temperatures: 98 degF Circulation Stopped: 14-Jan-2008 4:30 Logger On Bottom: 15-Jan-2008 14:00 Unit Number: 3076 Location: Hobbs, New Mexico Recorded By: Eschbar Padilla Witnessed By: Mr. Mike Monncy							
Logging Date: 15-Jan-2006 Run Number: One Depth Driller: 6442 ft Schlumberger Depth: 5400 ft Bottom Log Interval: 5308 ft Top Log Interval: 200 ft Casing Driller Size @ Depth: 8.625 in @ 1645 ft Casing Schlumberger: 1648 ft Bit Size: 7.875 in Type Fluid In Hole: Air-Pac / Fed-Zan Density: 8.7 lbm/gal Viscosity: 50 s Fluid Loss: 4.4 cm3 FH: 8 Source Of Sample: Circulation Tank							
RM @ Measured Temperature: 0.054 ohm.m @ 65 degF RMF @ Measured Temperature: 0.041 ohm.m @ 65 degF RMC @ Measured Temperature: @ Source: RMF RMC Calculated RM @ MRT: 0.037 @ 98 RMC @ MRT: 0.028 @ 98 Maximum Recorded Temperatures: 98 degF Circulation Stopped: 14-Jan-2008 4:30 Logger On Bottom: 15-Jan-2008 14:00 Unit Number: 3076 Location: Hobbs, New Mexico Recorded By: Eschbar Padilla Witnessed By: Mr. Mike Monncy							

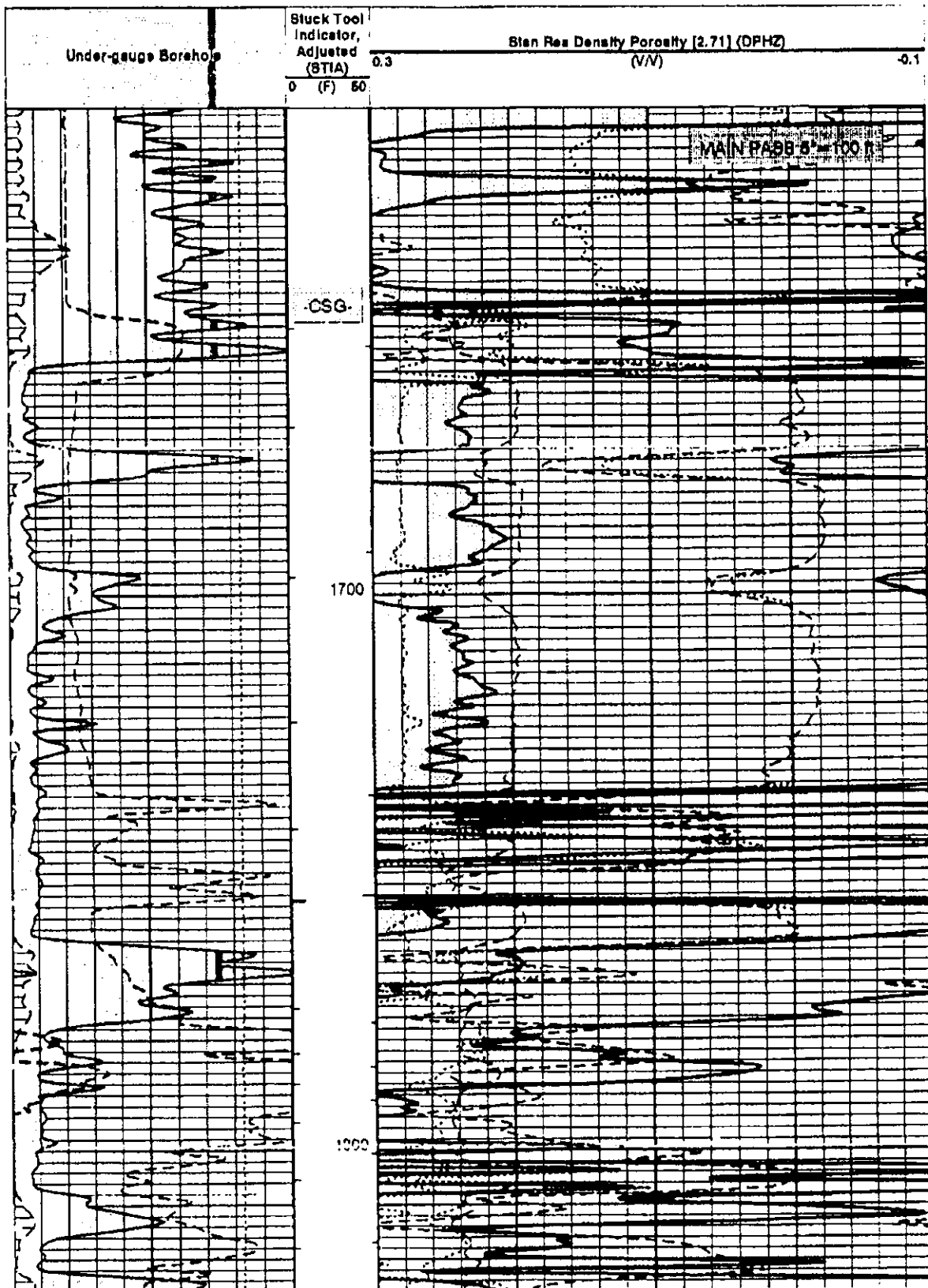


EXHIBIT L

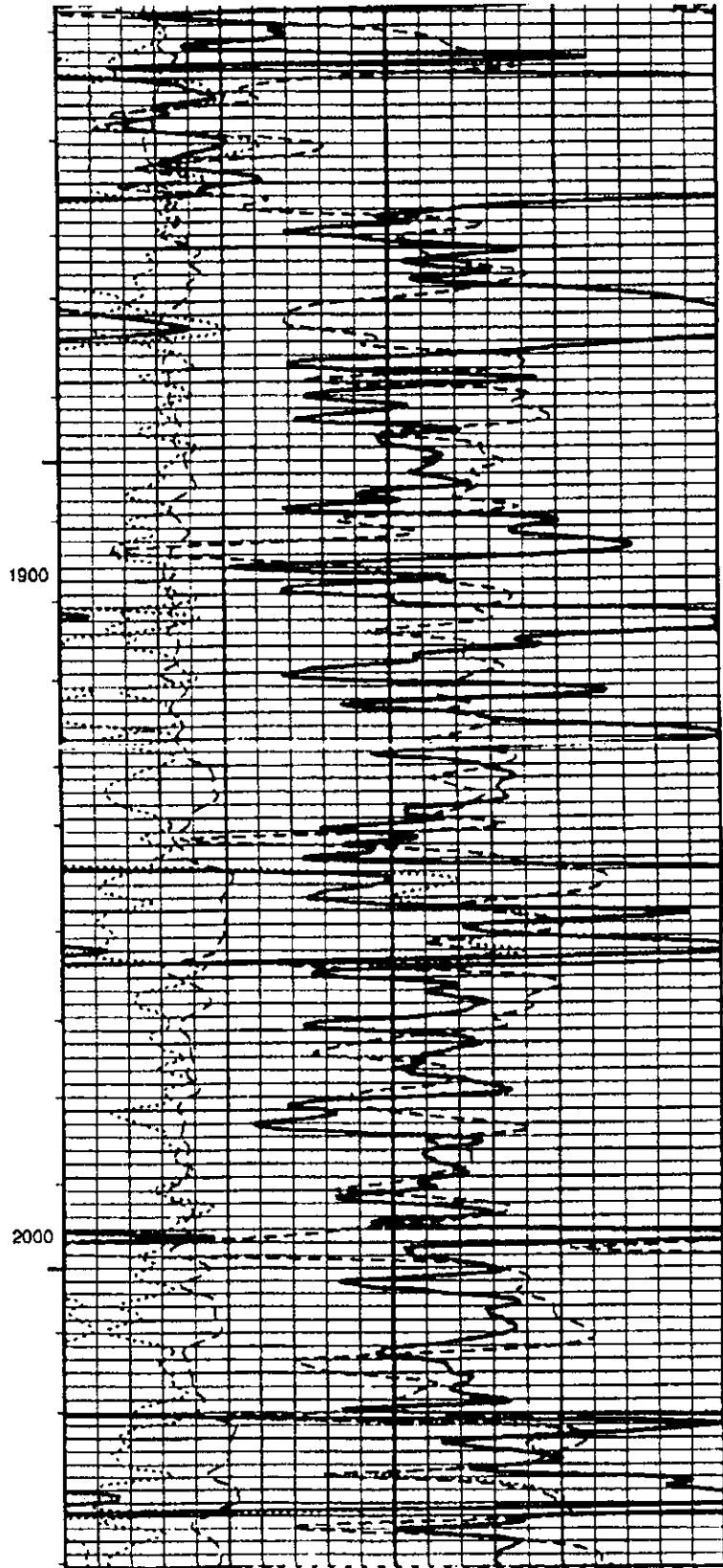
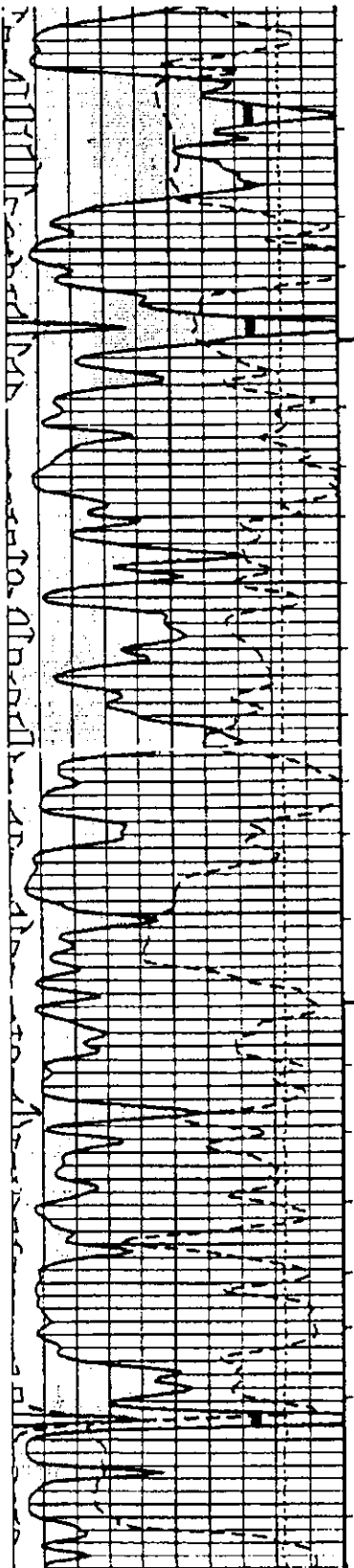


EXHIBIT L



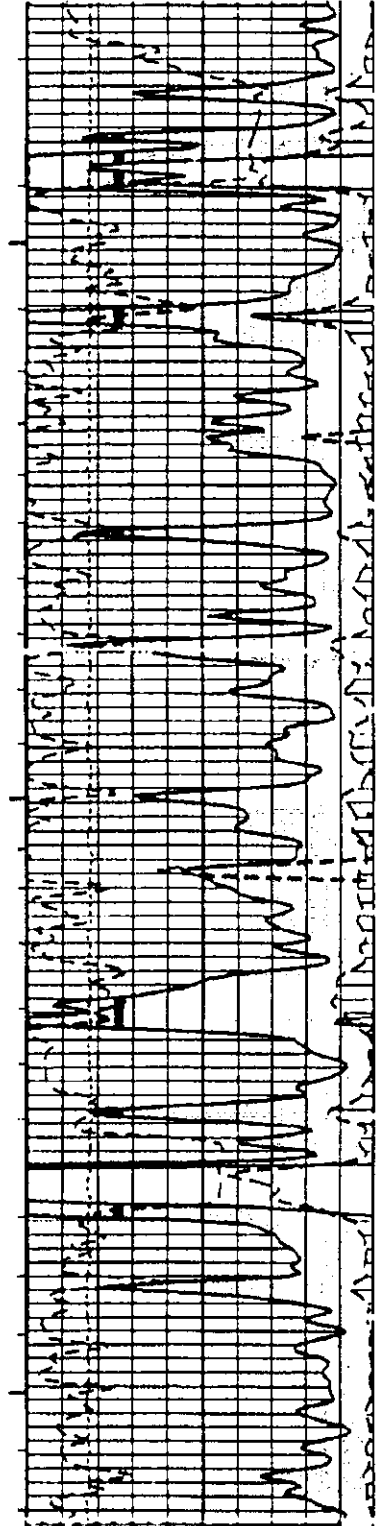
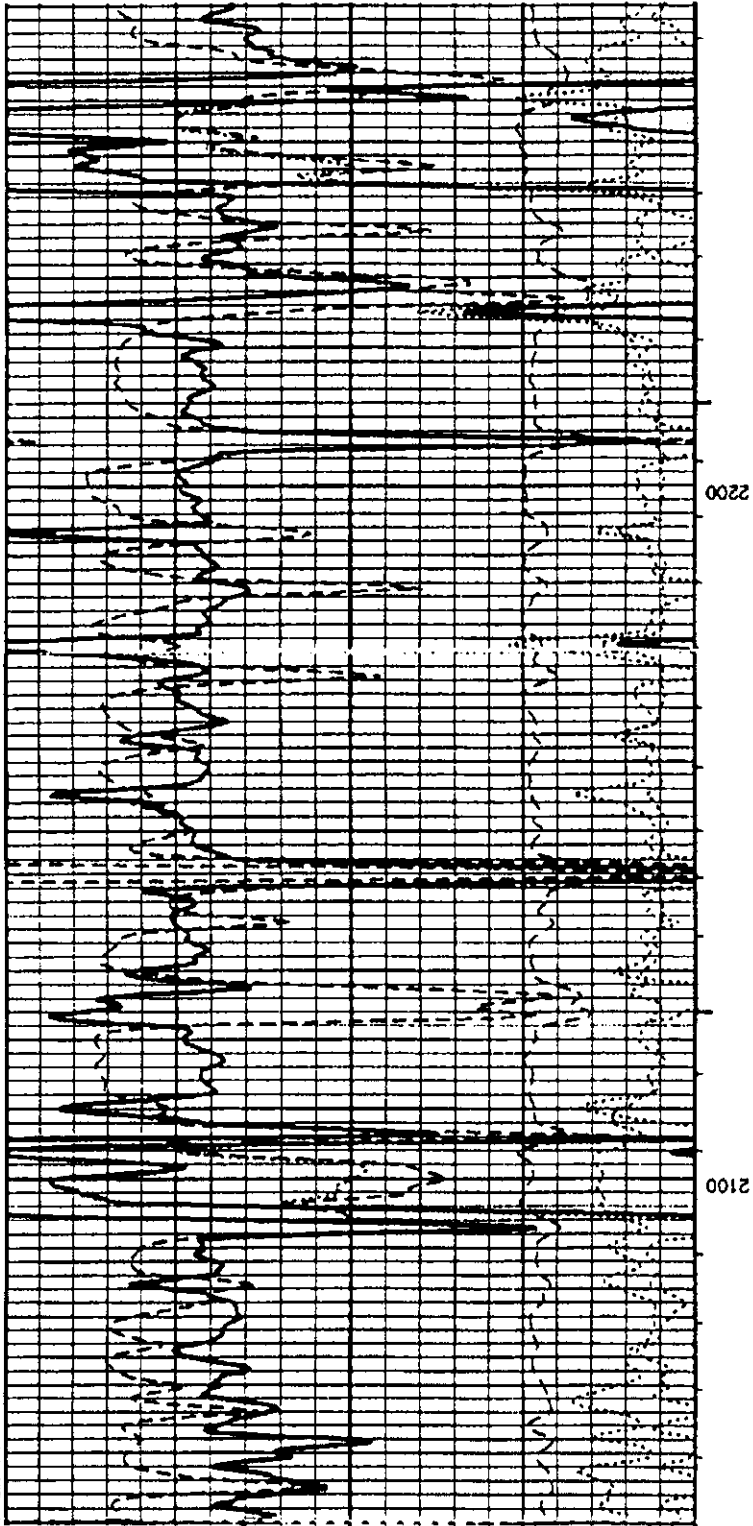


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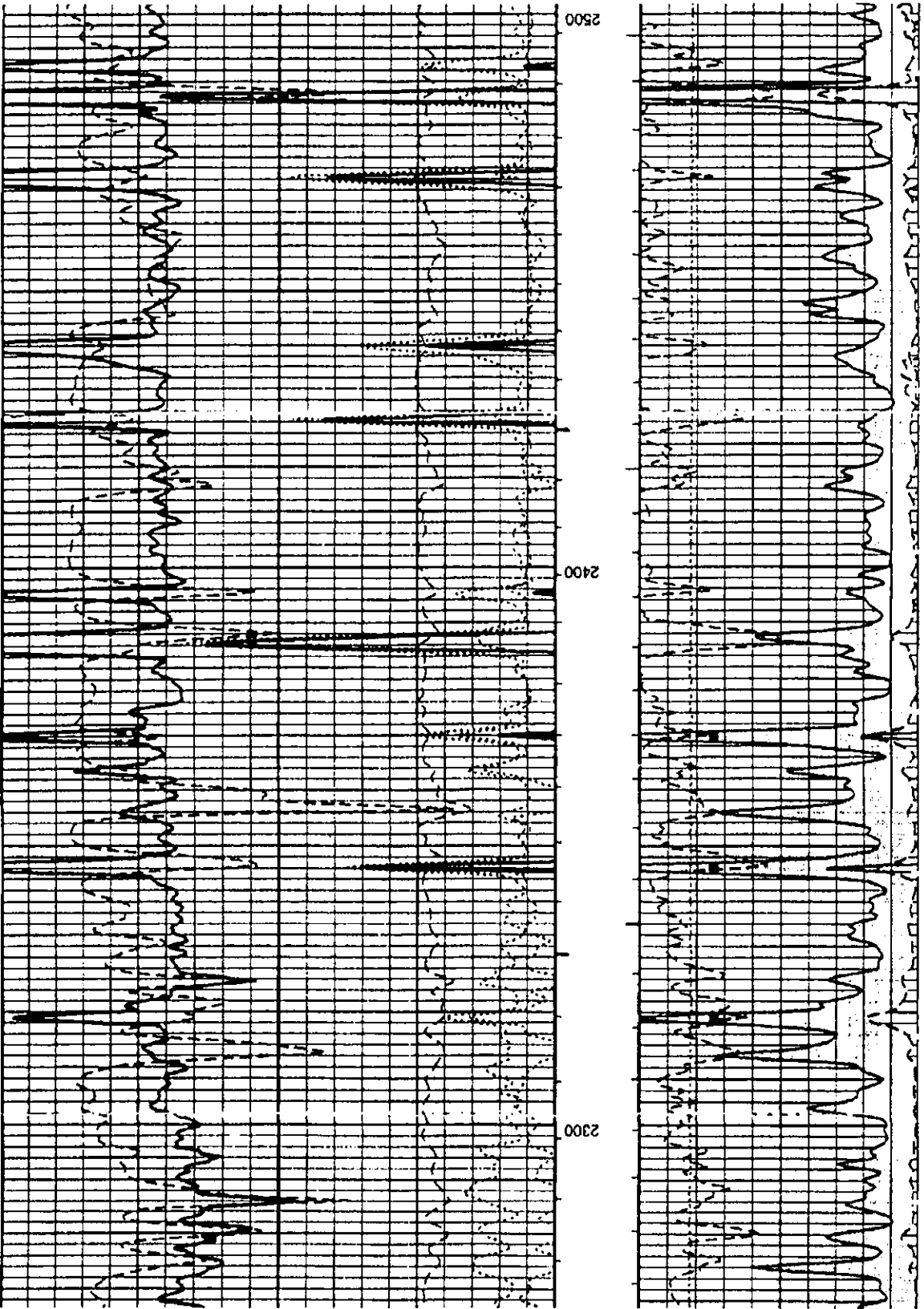


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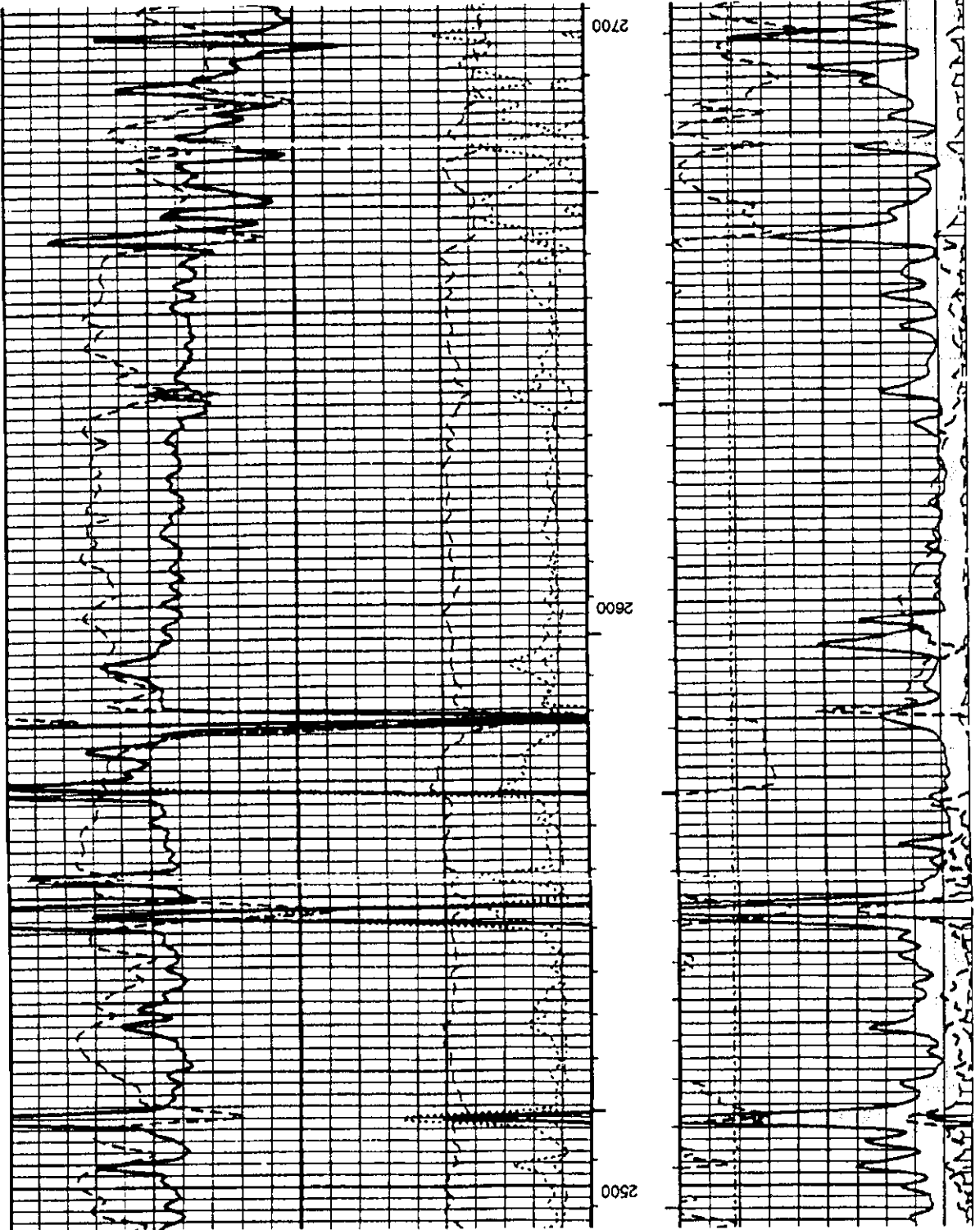
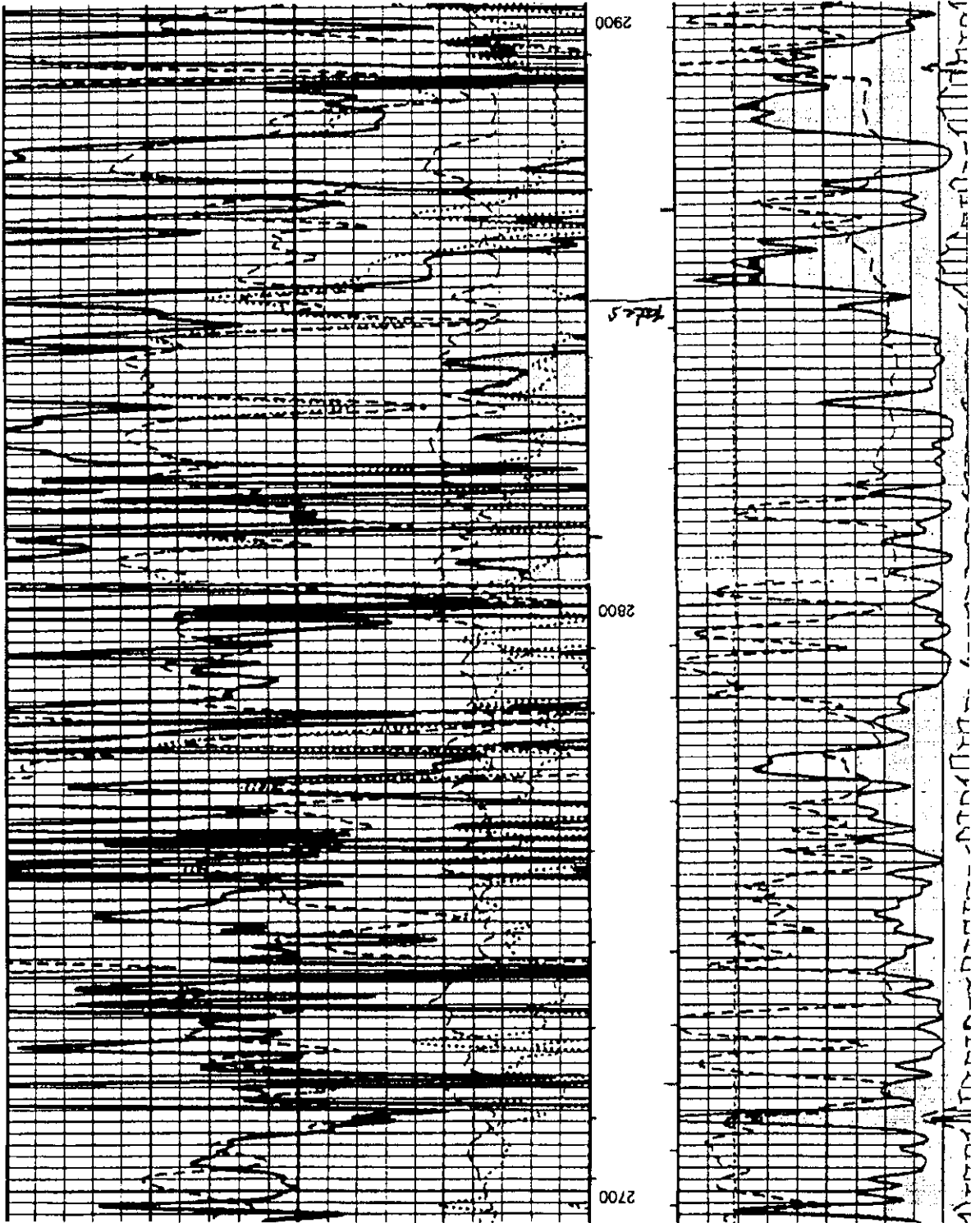


EXHIBIT L



SCHUBERT FARMS WELL No. 1  
SURFACE MONITORING MARKERS

SECTION 25, TOWNSHIP 19 SOUTH, RANGE 38 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO.

EM #3

Anchors

Building

Anchors

Anchors

EM #1

Firewall

EM #2

Firewall

Anchors

NOTE:  
ELEVATIONS ARE ON BLACK MARK  
ON NORTH SIDE OF PVC CASING.

NEW MEXICO STATE PLANE COORDINATES (NAD83)

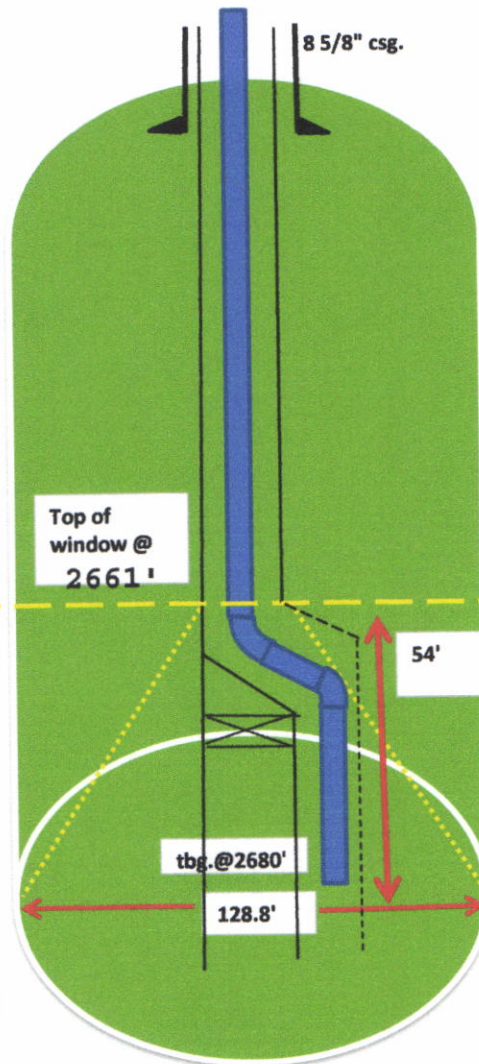
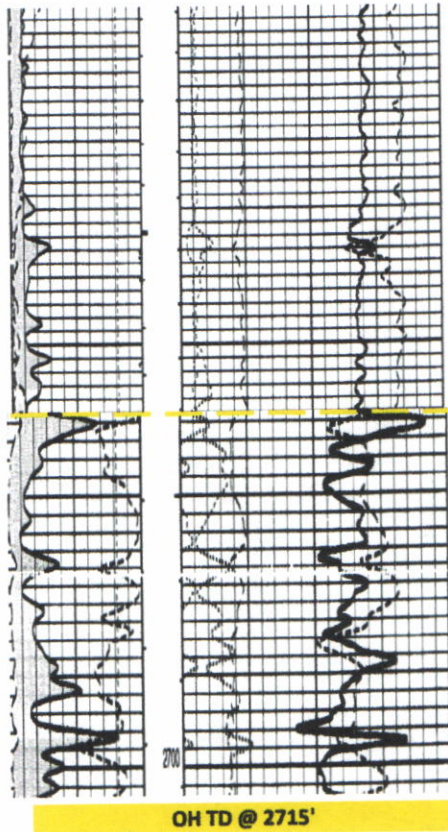
WELL	NORTHING	EASTING	LATITUDE	LONGITUDE	ELEVATION
EM-1	597052.32	921529.98	32°38'15.08"	103°05'53.79"	3581.27
EM-2	597049.72	921532.48	32°38'14.86"	103°05'53.77"	3581.58
EM-3	598024.36	921313.69	32°38'16.62"	103°05'56.30"	3582.37

REVISION #	DATE	DESCRIPTION
1	MAY 11, 2017	ORIGINAL SURVEY
2	AUGUST 30, 2017	RESURVEY-NO CHANGE IN ELEVATIONS
3	JANUARY 10, 2018	RESURVEY-NO CHANGE IN ELEVATIONS

Schubert Farms Well No1  
 API 30-025-37548  
 B SEC 25 T19S R38E  
 LAT: 32.6375999 LONG:-103.0988007

2 7/8" J-55 6.5# IPC

CAVERN SIZE BY CUBIC FOOT OF VOLUME



PPG 9.97 brine  
 PPG 8.34 fresh  
 SG 1.1951

2017 Total Brine bbl. 153,518  
 122.136 LBS / BBL = 18,750,075 LBS HALITE  
 (18,750,075 LBS) / (80BLS per ft<sup>3</sup>) = 234,376 ft<sup>3</sup>

$$V = \frac{\pi R^2 h}{3}$$

$$V = (3.14159 * 64.4^2) * (54') / 3$$

$$V = 234,528 \text{ ft}^3$$

Est. height is 54'  
 Est. cavern floor diameter is 128.8'

EXHIBIT N



SCHUBERT FARMS WELL No. 1  
API 30-025-37548  
MIT ACCEPTANCE OCD LETTER

**Chavez, Carl J, EMNRD**

**From:** Chavez, Carl J, EMNRD  
**Sent:** Tuesday, June 27, 2017 9:41 AM  
**To:** 'Gary Schubert'  
**Cc:** Griswold, Jim, EMNRD, Whitaker, Mark A, EMNRD, Fortner, Kerry, EMNRD  
**Subject:** RE: BW-36 Schubert Farms Well No. 1 (API# 30-025-37548) OCD June 2, 2017 MIT Approval

Gary

Good morning. The New Mexico Oil Conservation Division (OCD) is in receipt of and has completed its evaluation of the requested information.

OCD has determined that the above subject well MIT passed.

OCD review and reading from the original MIT chart indicates a start pressure of 325 psig and end pressure of 300 psig. However, based on the spring weight, 24-hr chart scale, and clock speed, etc. run for the MIT, OCD does not discount your stated pressures below.

OCD evaluated this Cavern MIT Method utilizing the "Casing MIT" Pressure of +/- 10% Pass/Fail due to the low volume of fluids associated with the new brine well and small cavern size. As the cavern size matures, and fluid volume increases, OCD will communicate closely with the Permittee on MIT interpretations, and will eventually implement the +/- 1% Pass/Fail evaluation for the Cavern MIT method. In addition, OCD may require a Casing MIT to be run in lieu of a Cavern MIT in the future.

Please contact me if you have questions. Thank you

Mr. Carl J. Chavez, CHMM (#13099)  
New Mexico Oil Conservation Division  
Energy Minerals and Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505  
Ph: (505) 476-3490  
E-mail: [CarlJ.Chavez@state.nm.us](mailto:CarlJ.Chavez@state.nm.us)

"Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?" (To see how, go to: <http://www.emnrd.state.nm.us/OCD> and see "Publications")

**From:** Gary Schubert [mailto:[garymschubert@gmail.com](mailto:garymschubert@gmail.com)]  
**Sent:** Tuesday, June 27, 2017 8:22 AM  
**To:** Chavez, Carl J, EMNRD <[CarlJ.Chavez@state.nm.us](mailto:CarlJ.Chavez@state.nm.us)>  
**Subject:** BW-36

Mr. Chavez,

Attached is the requested information regarding the MIT test on the Schubert Farms Well No. 1 (BW-36).

1. Signed letter from Mr. Larry Scott
2. Calibration information on Chart Recorder from MacIskey Oilfield Services

SCHUBERT FARMS WELL No. 1  
API 30-025-37548  
LETTER OF EXPLANATION

Lynx Petroleum Consultants, Inc.

P.O. Box 1708  
3325 Enterprise Drive  
Hobbs, New Mexico 88241  
575 392-8850 Fax 575 392-7886  
June 9, 2017

New Mexico Oil Conservation Division  
1625 N French Drive  
Hobbs, New Mexico 88240

Re HRC Inc Schubert Farms Brine Well No 1 (BW-36)  
API#230-025-2976

Gentlemen

I was requested by the principal to review the pressure tests run on the above well which were performed on June 2, 2017 and exhibited a pressure loss over several test intervals of some 12-15 psig. The concern expressed was that this loss slightly exceeded that allowed by the OCD (9.6 psig).

This wellbore was recently completed in the halite interval and has no significant operational history in this zone. The well was originally drilled and completed in several intervals below the halite in attempts to establish hydrocarbon production. This history would lead to the conclusion that there has been no significant "mining" of the salt with the operations that have been conducted so far.

Although I am unable to develop a quantitative analysis due to incomplete data, there is a qualitative observation that can be drawn from the wellbore history along with the charts. The pressure tests were conducted with fresh water. It is therefore probable that solution mining was underway during the test period. Water chemistry dictates that volume losses converting fresh water to brine are on the order of 3%, that is, 43.3 gallons of material (water + halite) are required to generate 42 gallons of saturated brine. The volume decrease as a result of salt going into solution could very well be the cause of the pressure loss. This effect is masked during pressure tests on established brine wells due to the fact that there is already a large reservoir of brine in the cavern. I am of the opinion that there is nothing leaking here and that the wellbore should be approved to commence operations.

Sincerely  
Lynx Petroleum Consultants, Inc

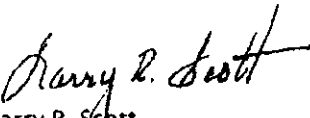
  
Larry R. Scott  
President

EXHIBIT O

SCHUBERT FARMS WELL No. 1  
API 30-025-37548  
SUBSEQUENT MIT TEST

HRC INC.  
P. O. Box 5011  
Hobbs, NM 82841  
(Office) 575-393-6662 (Fax) 575-397-2976

HRC Inc. Schubert Farms Brine Well No. 1 (BW-36)

**MIT TEST**

**6-2-2017**

**7:30 AM**

Rig up Maclasky Oilfield Services Pump Truck - (David Arron) at 7:30AM

Hook up backside CSG Pump 5 5 bbl to 500 psi for 5 minutes; bleed down to 360 psi for 1.5 hours.

Call OCD to request witness of test talk to George Saenz (OCD) He advises to bleed pressure to 320 psi and start chart at 11:15AM

Kerry Fortner, (OCD) arrives to witness test Kerry Fortner witnessed chart recorder calibration. He advises to bleed pressure off chart recorder to 0 psi and then open pressure back to chart recorder (note on chart) Run chart. Test for 4 hours Begin test 12:20 pm Complete test at 4:20 pm

David Arron (Maclasky Oilfield Services)

See enclosed test explanation from Lynx Petroleum Consultants, Inc

EXHIBIT O

SCHUBERT FARMS WELL No. 1 BW-36  
API 30-025-37548  
330' FNL, 1650 FEL  
UL: B, SEC 25, T19S, R38E  
LAT: 32.6375999  
LONG: -103.0988007  
LEA COUNTY NM

MIT CHART 6-2-17

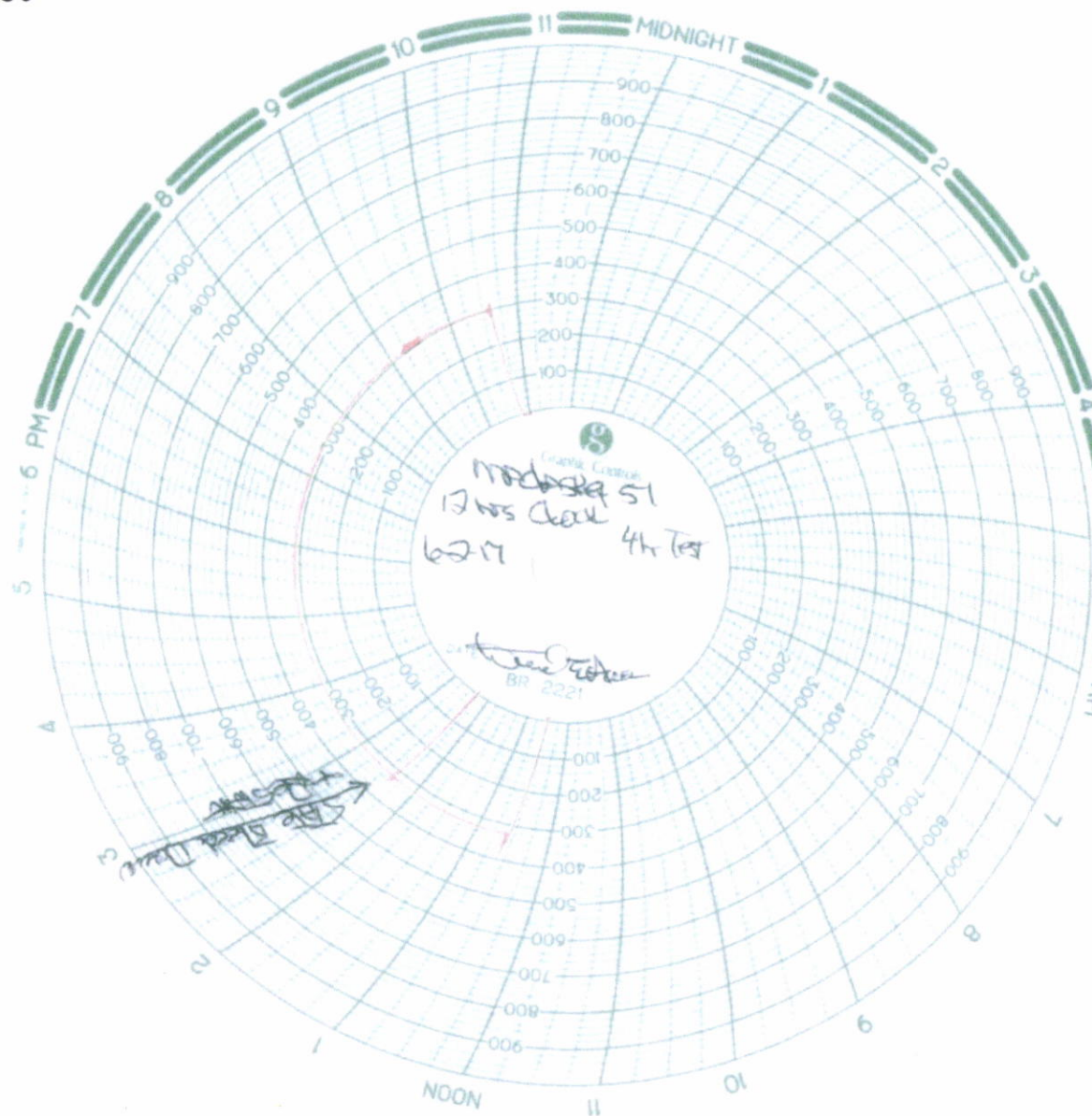


EXHIBIT O



SCHUBERT FARMS WELL No. 1  
CERTIFICATE OF CALABRATION  
CHART RECORDER

MACLASKEY  
OILFIELD SERVICES

5960 WEST LOVINGTON HWY HOBBS NM 88240  
505-393-1116

THIS IS TO CERTIFY THAT

DATE 8-1-17

I Albert Rodriguez METER TECHNICIAN FOR MACLASKEY OILFIELD  
SERVICES, INC. HAS CHECKED THE CALIBRATION ON THE FOLLOWING  
INSTRUMENT. 1000 PRESSURE RECORDER

SERIAL NUMBER  
9501

TESTED AT THESE POINTS.

PRESSURE <u>500</u>		
TEST	AS FOUND	CORRECTED
<u>0</u>	<u>100</u>	<u>/</u>
<u>100</u>	<u>200</u>	<u>/</u>
<u>200</u>	<u>300</u>	<u>/</u>
<u>300</u>	<u>400</u>	<u>/</u>
<u>400</u>	<u>500</u>	<u>/</u>

PRESSURE <u>1000</u>		
TEST	AS FOUND	CORRECT
<u>500</u>	<u>600</u>	<u>/</u>
<u>600</u>	<u>700</u>	<u>/</u>
<u>700</u>	<u>800</u>	<u>/</u>
<u>800</u>	<u>900</u>	<u>/</u>
<u>900</u>	<u>1000</u>	<u>/</u>

REMARKS

SIGNED

Albert Rodriguez

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

---

December 05, 2017

BEN DONAHUE

ETZ WATER STATION

PO BOX 6056

HOBBS, NM 88241

RE: SCHUBERT

Enclosed are the results of analyses for samples received by the laboratory on 11/16/17 10:22.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-17-9. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at [www.tceq.texas.gov/field/qa/lab\\_accred\\_certif.html](http://www.tceq.texas.gov/field/qa/lab_accred_certif.html).

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Total Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Cardinal Laboratories is accredited through the State of New Mexico Environment Department for:

Method SM 9223-B	Total Coliform and E. coli (Colilert MMO-MUG)
Method EPA 524.2	Regulated VOCs and Total Trihalomethanes (TTHM)
Method EPA 552.2	Total Haloacetic Acids (HAA-5)

Accreditation applies to public drinking water matrices for State of Colorado and New Mexico.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

**Analytical Results For:**

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: FARMS #1 Project Manager: BEN DONAHUE Fax To:	Reported: 05-Dec-17 14:36
---	--	------------------------------

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
BRINE WATER	H703207-01	Water	16-Nov-17 09:00	16-Nov-17 10:22
MONITOR WELL	H703207-02	Water	16-Nov-17 09:00	16-Nov-17 10:22
FRESH WATER	H703207-03	Water	16-Nov-17 09:00	16-Nov-17 10:22

Cardinal Laboratories

\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

ETZ WATER STATION  
PO BOX 6056  
HOBBS NM, 88241

Project: SCHUBERT  
Project Number: FARMS #1  
Project Manager: BEN DONAHUE  
Fax To:

Reported:  
05-Dec-17 14:36

**BRINE WATER**  
H703207-01 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
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**Cardinal Laboratories**
**Inorganic Compounds**

Alkalinity, Bicarbonate	476		5.00	mg/L	1	7110705	AC	17-Nov-17	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	7110705	AC	17-Nov-17	310.1	
Chloride*	162000		4.00	mg/L	1	7112001	AC	20-Nov-17	4500-Cl-B	
Conductivity*	475000		1.00	uS/cm	1	7111701	AC	17-Nov-17	120.1	
pH*	6.96		0.100	pH Units	1	7111701	AC	16-Nov-17	150.1	
Sulfate*	6580		833	mg/L	83.3	7112201	AC	22-Nov-17	375.4	
TDS*	266000		5.00	mg/L	1	7111608	AC	17-Nov-17	160.1	
Alkalinity, Total*	390		4.00	mg/L	1	7110705	AC	17-Nov-17	310.1	

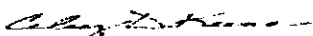
**Green Analytical Laboratories**
**Total Recoverable Metals by ICP (E200.7)**

Calcium*	844		1.00	mg/L	10	B711206	JDA	29-Nov-17	EPA200.7	
Magnesium*	455		1.00	mg/L	10	B711206	JDA	29-Nov-17	EPA200.7	
Potassium*	1420		10.0	mg/L	10	B711206	JDA	29-Nov-17	EPA200.7	
Sodium*	91100		200	mg/L	200	B711206	JDA	29-Nov-17	EPA200.7	

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 ETZ WATER STATION  
 PO BOX 6056  
 HOBBS NM, 88241

 Project: SCHUBERT  
 Project Number: FARMS #1  
 Project Manager: BEN DONAHUE  
 Fax To:

 Reported:  
 05-Dec-17 14:36

**MONITOR WELL**  
**H703207-02 (Water)**

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
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**Cardinal Laboratories**
**Inorganic Compounds**

Alkalinity, Bicarbonate	327		5.00	mg/L	1	7110705	AC	17-Nov-17	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	7110705	AC	17-Nov-17	310.1	
Chloride*	356		4.00	mg/L	1	7112001	AC	20-Nov-17	4500-Cl-B	
Conductivity*	1790		1.00	uS/cm	1	7111701	AC	17-Nov-17	120.1	
pH*	7.60		0.100	pH Units	1	7111701	AC	16-Nov-17	150.1	
Sulfate*	264		50.0	mg/L	5	7112201	AC	22-Nov-17	375.4	
TDS*	1180		5.00	mg/L	1	7111608	AC	17-Nov-17	160.1	
Alkalinity, Total*	268		4.00	mg/L	1	7110705	AC	17-Nov-17	310.1	

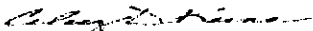
**Green Analytical Laboratories**
**Total Recoverable Metals by ICP (E200.7)**

Calcium*	171		1.00	mg/L	10	B711206	JDA	29-Nov-17	EPA200.7	
Magnesium*	45.3		1.00	mg/L	10	B711206	JDA	29-Nov-17	EPA200.7	
Potassium*	<10.0		10.0	mg/L	10	B711206	JDA	29-Nov-17	EPA200.7	
Sodium*	125		10.0	mg/L	10	B711206	JDA	29-Nov-17	EPA200.7	

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\* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager





PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

**Analytical Results For:**ETZ WATER STATION  
PO BOX 6056  
HOBBS NM, 88241Project: SCHUBERT  
Project Number: FARMS #1  
Project Manager: BEN DONAHUE  
Fax To:Reported:  
05-Dec-17 14:36**FRESH WATER**  
**H703207-03 (Water)**

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
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**Cardinal Laboratories****Inorganic Compounds**

Alkalinity, Bicarbonate	283		5.00	mg/L	1	7110705	AC	17-Nov-17	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	7110705	AC	17-Nov-17	310.1	
Chloride*	224		4.00	mg/L	1	7112001	AC	20-Nov-17	4500-Cl-B	
Conductivity*	1420		1.00	uS/cm	1	7111701	AC	17-Nov-17	120.1	
pH*	7.98		0.100	pH Units	1	7111701	AC	16-Nov-17	150.1	
Sulfate*	195		25.0	mg/L	2.5	7112201	AC	22-Nov-17	375.4	
TDS*	896		5.00	mg/L	1	7111608	AC	17-Nov-17	160.1	
Alkalinity, Total*	232		4.00	mg/L	1	7110705	AC	17-Nov-17	310.1	

**Green Analytical Laboratories****Total Recoverable Metals by ICP (E200.7)**

Calcium*	119		5.00	mg/L	50	B711172	JDA	22-Nov-17	EPA200.7	
Magnesium*	25.6		5.00	mg/L	50	B711172	JDA	22-Nov-17	EPA200.7	
Potassium*	<50.0		50.0	mg/L	50	B711172	JDA	22-Nov-17	EPA200.7	
Sodium*	130		50.0	mg/L	50	B711172	JDA	22-Nov-17	EPA200.7	

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 ETZ WATER STATION  
 PO BOX 6056  
 HOBBS NM, 88241

 Project: SCHUBERT  
 Project Number: FARMS #1  
 Project Manager: BEN DONAHUE  
 Fax To:

 Reported:  
 05-Dec-17 14:36

**Inorganic Compounds - Quality Control**
**Cardinal Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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**Batch 7110705 - General Prep - Wet Chem**
**Blank (7110705-BLK1)**

Prepared &amp; Analyzed: 07-Nov-17

Alkalinity, Carbonate	ND	1.00	mg/L							
Alkalinity, Bicarbonate	5.00	5.00	mg/L							
Alkalinity, Total	4.00	4.00	mg/L							

**LCS (7110705-BS1)**

Prepared &amp; Analyzed: 07-Nov-17

Alkalinity, Carbonate	ND	2.50	mg/L				80-120			
Alkalinity, Bicarbonate	330	12.5	mg/L				80-120			
Alkalinity, Total	270	10.0	mg/L	250		108	80-120			

**LCS Dup (7110705-BSD1)**

Prepared &amp; Analyzed: 07-Nov-17

Alkalinity, Carbonate	ND	2.50	mg/L				80-120		20	
Alkalinity, Bicarbonate	355	12.5	mg/L				80-120	7.30	20	
Alkalinity, Total	290	10.0	mg/L	250		116	80-120	7.14	20	

**Batch 7111608 - Filtration**
**Blank (7111608-BLK1)**

Prepared: 16-Nov-17 Analyzed: 17-Nov-17

TDS	ND	5.00	mg/L							
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**LCS (7111608-BS1)**

Prepared: 16-Nov-17 Analyzed: 17-Nov-17

TDS	228	5.00	mg/L	213		107	80-120			
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**Duplicate (7111608-DUP1)**

Source: H703199-01

Prepared: 16-Nov-17 Analyzed: 17-Nov-17

TDS	9630	5.00	mg/L		9890			2.64	20	
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**Batch 7111701 - General Prep - Wet Chem**
**LCS (7111701-BS1)**


Prepared: 16-Nov-17 Analyzed: 17-Nov-17

Conductivity	507		uS/cm	500		101	80-120			
pH	6.97		pH Units	7.00		99.6	90-110			

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Celey D. Keene, Lab Director/Quality Manager



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**Analytical Results For:**ETZ WATER STATION  
PO BOX 6056  
HOBBS NM, 88241Project: SCHUBERT  
Project Number: FARMS #1  
Project Manager: BEN DONAHUE  
Fax To:Reported:  
05-Dec-17 14:36**Inorganic Compounds - Quality Control****Cardinal Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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**Batch 7111701 - General Prep - Wet Chem**

<b>Duplicate (7111701-DUP1)</b>		<b>Source: H703206-01</b>		<b>Prepared: 16-Nov-17 Analyzed: 17-Nov-17</b>						
Conductivity	501000	1.00	uS/cm		494000			1.46	20	
pH	7.07	0.100	pH Units		7.06			0.142	20	

**Batch 7112001 - General Prep - Wet Chem**

<b>Blank (7112001-BLK1)</b>				<b>Prepared &amp; Analyzed: 20-Nov-17</b>						
Chloride	ND	4.00	mg/L							

<b>LCS (7112001-BS1)</b>				<b>Prepared &amp; Analyzed: 20-Nov-17</b>						
Chloride	100	4.00	mg/L	100	100	80-120				

<b>LCS Dup (7112001-BSD1)</b>				<b>Prepared &amp; Analyzed: 20-Nov-17</b>						
Chloride	100	4.00	mg/L	100	100	80-120	0.00	20		

**Batch 7112201 - General Prep - Wet Chem**

<b>Blank (7112201-BLK1)</b>				<b>Prepared &amp; Analyzed: 22-Nov-17</b>						
Sulfate	ND	10.0	mg/L							

<b>LCS (7112201-BS1)</b>				<b>Prepared &amp; Analyzed: 22-Nov-17</b>						
Sulfate	23.2	10.0	mg/L	20.0	116	80-120				

<b>LCS Dup (7112201-BSD1)</b>				<b>Prepared &amp; Analyzed: 22-Nov-17</b>						
Sulfate	23.6	10.0	mg/L	20.0	118	80-120	1.79	20		

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

ETZ WATER STATION  
PO BOX 6056  
HOBBS NM, 88241

Project: SCHUBERT  
Project Number: FARMS #1  
Project Manager: BEN DONAHUE  
Fax To:

Reported:  
05-Dec-17 14:36

**Total Recoverable Metals by ICP (E200.7) - Quality Control**
**Green Analytical Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
---------	--------	-----------------	-------	-------------	---------------	------	-------------	-----	-----------	-------

**Batch B711172 - Total Rec. 200.7/200.8/200.2**
**Blank (B711172-BLK1)**

Prepared: 20-Nov-17 Analyzed: 22-Nov-17

Sodium	ND	1.00	mg/L							
Magnesium	ND	0.100	mg/L							
Calcium	ND	0.100	mg/L							
Potassium	ND	1.00	mg/L							

**LCS (B711172-BS1)**

Prepared: 20-Nov-17 Analyzed: 22-Nov-17

Magnesium	20.8	0.100	mg/L	20.0		104	85-115			
Calcium	4.23	0.100	mg/L	4.00		106	85-115			
Sodium	6.68	1.00	mg/L	6.48		103	85-115			
Potassium	8.07	1.00	mg/L	8.00		101	85-115			

**LCS Dup (B711172-BSD1)**

Prepared: 20-Nov-17 Analyzed: 22-Nov-17

Magnesium	20.8	0.100	mg/L	20.0		104	85-115	0.0742	20	
Potassium	8.22	1.00	mg/L	8.00		103	85-115	1.77	20	
Calcium	4.24	0.100	mg/L	4.00		106	85-115	0.215	20	
Sodium	6.66	1.00	mg/L	6.48		103	85-115	0.224	20	

**Batch B711206 - Total Rec. 200.7/200.8/200.2**
**Blank (B711206-BLK1)**

Prepared: 27-Nov-17 Analyzed: 29-Nov-17

Calcium	ND	0.100	mg/L							
Sodium	ND	1.00	mg/L							
Magnesium	ND	0.100	mg/L							
Potassium	ND	1.00	mg/L							

**LCS (B711206-BS1)**

Prepared: 27-Nov-17 Analyzed: 29-Nov-17

Magnesium	20.7	0.100	mg/L	20.0		104	85-115			
Potassium	8.35	1.00	mg/L	8.00		104	85-115			
Calcium	4.15	0.100	mg/L	4.00		104	85-115			
Sodium	6.64	1.00	mg/L	6.48		102	85-115			

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Celey D. Keene, Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

**Analytical Results For:**

ETZ WATER STATION  
PO BOX 6056  
HOBBS NM, 88241

Project: SCHUBERT  
Project Number: FARMS #1  
Project Manager: BEN DONAHUE  
Fax To:

Reported:  
05-Dec-17 14:36

**Total Recoverable Metals by ICP (E200.7) - Quality Control**

**Green Analytical Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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**Batch B711206 - Total Rec. 200.7/200.8/200.2**

**LCS Dup (B711206-BSD1)**

Prepared: 27-Nov-17 Analyzed: 29-Nov-17

Potassium	8.07	1.00	mg/L	8.00		101	85-115	3.36	20	
Magnesium	20.0	0.100	mg/L	20.0		100	85-115	3.34	20	
Sodium	6.43	1.00	mg/L	6.48		99.2	85-115	3.28	20	
Calcium	3.99	0.100	mg/L	4.00		99.7	85-115	4.11	20	

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Celey D. Keene, Lab Director/Quality Manager



**Notes and Definitions**

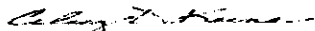
ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

---

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---

Celey D. Keene, Lab Director/Quality Manager



# CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 11 of 11

101 East Marland, Hobbs, NM 88240  
(575) 393-2326 FAX (575) 393-2476

Company Name: OT2 Water Station  
Project Manager: Ben Donahue  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone #: 575 343 2194 Fax #: \_\_\_\_\_  
Project #: \_\_\_\_\_ Project Owner: \_\_\_\_\_  
Project Name: Schubert Farms #1  
Project Location: \_\_\_\_\_  
Sampler Name: Ben Donahue

## BILL TO

## ANALYSIS REQUEST

P.O. #: \_\_\_\_\_  
Company: \_\_\_\_\_  
Attn: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone #: \_\_\_\_\_  
Fax #: \_\_\_\_\_

FOR LAB USE ONLY	Lab I.D.	Sample I.D.	MATRIX	PRESERV	SAMPLING
			GROUNDWATER WASTEWATER SOIL OIL SLUDGE OTHER	ACID/BASE ICE / COOL OTHER	DATE TIME
	<u>H703201</u>	<u>Brine Water Monitor Well fresh Water</u>	<input checked="" type="checkbox"/>		<u>11-16-17 9:00</u>

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort shall be limited to the amount paid by the client for the analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages including without limitation, business interruptions, loss of use, or loss of profits incurred by client or its subsidiaries, officers or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By: <u>[Signature]</u> Date: <u>11/16/17</u> Time: <u>6:22 PM</u> Relinquished By: _____ Date: _____ Time: _____	Received By: <u>[Signature]</u> Date: _____ Time: _____ Received By: _____ Date: _____ Time: _____
Delivered By: (Circle One) <input checked="" type="radio"/> UPS - <input type="radio"/> Bus - <input type="radio"/> Other: <u>Corrected 0.55°C</u>	Sample Condition: <u>0.3°C</u> Cool <input type="checkbox"/> Intact <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Checked By: <u>TD #75</u>

Phone Result: ☐ Yes ☐ No  
Fax Result: ☐ Yes ☐ No  
REMARKS: email to: garymschubert@gmail.com

EXHIBIT P

*Farms!*



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

May 04, 2017

BEN DONAHUE

ETZ WATER STATION

PO BOX 6056

HOBBS, NM 88241

RE: SCHUBERT FARMS

Enclosed are the results of analyses for samples received by the laboratory on 04/20/17 12:00.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-16-8. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at [www.tceq.texas.gov/field/ga/lab\\_accred\\_certif.html](http://www.tceq.texas.gov/field/ga/lab_accred_certif.html).

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Total Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Cardinal Laboratories is accredited through the State of New Mexico Environment Department for:

Method SM 9223-B	Total Coliform and E. coli (Colilert MMO-MUG)
Method EPA 524.2	Regulated VOCs and Total Trihalomethanes (TTHM)
Method EPA 552.2	Total Haloacetic Acids (HAA-5)

Accreditation applies to public drinking water matrices for State of Colorado and New Mexico.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Celey D. Keene".

Celey D. Keene

Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

**Analytical Results For:**

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT FARMS Project Number: NONE GIVEN Project Manager: BEN DONAHUE Fax To:	Reported: 04-May-17 14:52
---	--	------------------------------

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
FRESH WATER	H701043-01	Water	20-Apr-17 08:00	20-Apr-17 12:00
BRINE WATER	H701043-02	Water	20-Apr-17 08:00	20-Apr-17 12:00
MONITOR WELL	H701043-03	Water	20-Apr-17 08:00	20-Apr-17 12:00

Cardinal Laboratories

\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 ETZ WATER STATION  
 PO BOX 6056  
 HOBBS NM, 88241

 Project: SCHUBERT FARMS  
 Project Number: NONE GIVEN  
 Project Manager: BEN DONAHUE  
 Fax To:

 Reported:  
 04-May-17 14:52

**FRESH WATER**  
**H701043-01 (Water)**

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
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**Cardinal Laboratories**
**Inorganic Compounds**

Alkalinity, Bicarbonate	244		5.00	mg/L	1	7041918	AC	24-Apr-17	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	7041918	AC	24-Apr-17	310.1	
Chloride*	510		4.00	mg/L	1	7042103	AC	25-Apr-17	4500-Cl-B	
Conductivity*	2710		1.00	uS/cm	1	7042105	AC	21-Apr-17	120.1	
pH*	7.32		0.100	pH Units	1	7042007	AC	20-Apr-17	150.1	
Sulfate*	579		125	mg/L	12.5	7042613	AC	26-Apr-17	375.4	QM-07
TDS*	1870		5.00	mg/L	1	7042114	AC	25-Apr-17	160.1	
Alkalinity, Total*	200		4.00	mg/L	1	7041918	AC	24-Apr-17	310.1	

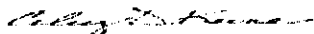
**Green Analytical Laboratories**
**Total Recoverable Metals by ICP (E200.7)**

Calcium*	254		0.100	mg/L	1	B704200	JDA	01-May-17	EPA200.7	
Magnesium*	86.9		0.100	mg/L	1	B704200	JDA	01-May-17	EPA200.7	
Potassium*	7.62		1.00	mg/L	1	B704200	JDA	01-May-17	EPA200.7	
Sodium*	228		1.00	mg/L	1	B704200	JDA	01-May-17	EPA200.7	

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Celey D. Keene, Lab Director/Quality Manager



**Analytical Results For:**

 ETZ WATER STATION  
 PO BOX 6056  
 HOBBS NM, 88241

 Project: SCHUBERT FARMS  
 Project Number: NONE GIVEN  
 Project Manager: BEN DONAHUE  
 Fax To:

 Reported:  
 04-May-17 14:52

**BRINE WATER**

II701043-02 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
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**Cardinal Laboratories**
**Inorganic Compounds**

Alkalinity, Bicarbonate	268		5.00	mg/L	1	7041918	AC	24-Apr-17	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	7041918	AC	24-Apr-17	310.1	
Chloride*	122000		4.00	mg/L	1	7042103	AC	25-Apr-17	4500-Cl-B	
Conductivity*	357000		1.00	uS/cm	1	7042105	AC	21-Apr-17	120.1	
pH*	6.85		0.100	pH Units	1	7042007	AC	20-Apr-17	150.1	
Sulfate*	4430		833	mg/L	83.3	7042613	AC	26-Apr-17	375.4	
TDS*	198000		5.00	mg/L	1	7042114	AC	25-Apr-17	160.1	
Alkalinity, Total*	220		4.00	mg/L	1	7041918	AC	24-Apr-17	310.1	

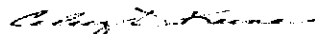
**Green Analytical Laboratories**
**Total Recoverable Metals by ICP (E200.7)**

Calcium*	920		10.0	mg/L	100	B704200	JDA	01-May-17	EPA200.7	
Magnesium*	524		10.0	mg/L	100	B704200	JDA	01-May-17	EPA200.7	
Potassium*	950		100	mg/L	100	B704200	JDA	01-May-17	EPA200.7	
Sodium*	80100		100	mg/L	100	B704200	JDA	01-May-17	EPA200.7	

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 ETZ WATER STATION  
 PO BOX 6056  
 HOBBS NM, 88241

 Project: SCHUBERT FARMS  
 Project Number: NONE GIVEN  
 Project Manager: BEN DONAHUE  
 Fax To:

 Reported:  
 04-May-17 14:52

**MONITOR WELL**  
**H701043-03 (Water)**

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
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**Cardinal Laboratories**
**Inorganic Compounds**

Alkalinity, Bicarbonate	244		5.00	mg/L	1	7041918	AC	24-Apr-17	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	7041918	AC	24-Apr-17	310.1	
Chloride*	316		4.00	mg/L	1	7042103	AC	25-Apr-17	4500-Cl-B	
Conductivity*	1700		1.00	uS/cm	1	7042105	AC	21-Apr-17	120.1	
pH*	7.58		0.100	pH Units	1	7042007	AC	20-Apr-17	150.1	
Sulfate*	221		50.0	mg/L	5	7042613	AC	26-Apr-17	375.4	
TDS*	1090		5.00	mg/L	1	7042114	AC	25-Apr-17	160.1	
Alkalinity, Total*	200		4.00	mg/L	1	7041918	AC	24-Apr-17	310.1	

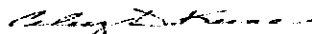
**Green Analytical Laboratories**
**Total Recoverable Metals by ICP (E200.7)**

Calcium*	161		2.00	mg/L	20	B704200	JDA	01-May-17	EPA200.7	
Magnesium*	46.3		2.00	mg/L	20	B704200	JDA	01-May-17	EPA200.7	
Potassium*	<20.0		20.0	mg/L	20	B704200	JDA	01-May-17	EPA200.7	
Sodium*	131		20.0	mg/L	20	B704200	JDA	01-May-17	EPA200.7	

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Celey D. Keene, Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

**Analytical Results For:**ETZ WATER STATION  
PO BOX 6056  
HOBBS NM, 88241Project: SCHUBERT FARMS  
Project Number: NONE GIVEN  
Project Manager: BEN DONAHUE  
Fax To:Reported:  
04-May-17 14:52**Inorganic Compounds - Quality Control****Cardinal Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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**Batch 7041918 - General Prep - Wet Chem****Blank (7041918-BLK1)**

Prepared &amp; Analyzed: 19-Apr-17

Alkalinity, Carbonate	ND	1.00	mg/L							
Alkalinity, Bicarbonate	10.0	5.00	mg/L							
Alkalinity, Total	8.00	4.00	mg/L							

**LCS (7041918-BS1)**

Prepared &amp; Analyzed: 19-Apr-17

Alkalinity, Carbonate	ND	1.00	mg/L				80-120			
Alkalinity, Bicarbonate	132	5.00	mg/L				80-120			
Alkalinity, Total	108	4.00	mg/L	100		108	80-120			

**LCS Dup (7041918-BSD1)**

Prepared &amp; Analyzed: 19-Apr-17

Alkalinity, Carbonate	ND	1.00	mg/L				80-120		20	
Alkalinity, Bicarbonate	127	5.00	mg/L				80-120	3.86	20	
Alkalinity, Total	104	4.00	mg/L	100		104	80-120	3.77	20	

**Batch 7042007 - General Prep - Wet Chem****LCS (7042007-BS1)**

Prepared &amp; Analyzed: 20-Apr-17

pH	7.23		pH Units	7.00		103	90-110			
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**Duplicate (7042007-DUP1)**

Source: 11701041-04

Prepared &amp; Analyzed: 20-Apr-17

pH	7.83	0.100	pH Units	7.82				0.128	20	
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**Batch 7042103 - General Prep - Wet Chem****Blank (7042103-BLK1)**

Prepared &amp; Analyzed: 21-Apr-17

Chloride	ND	4.00	mg/L							
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\* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



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**Analytical Results For:**ETZ WATER STATION  
PO BOX 6056  
HOBBS NM, 88241Project: SCHUBERT FARMS  
Project Number: NONE GIVEN  
Project Manager: BEN DONAHUE  
Fax To:Reported:  
04-May-17 14:52**Inorganic Compounds - Quality Control****Cardinal Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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**Batch 7042103 - General Prep - Wet Chem****LCS (7042103-BS1)**

Prepared &amp; Analyzed: 21-Apr-17

Chloride	104	4.00	mg/L	100	104	80-120
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**LCS Dup (7042103-BSD1)**

Prepared &amp; Analyzed: 21-Apr-17

Chloride	100	4.00	mg/L	100	100	80-120	3.92	20
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**Batch 7042105 - General Prep - Wet Chem****LCS (7042105-BS1)**

Prepared &amp; Analyzed: 21-Apr-17

Conductivity	498		uS/cm	500	99.6	80-120
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**Duplicate (7042105-DUP1)**

Source: H701041-01

Prepared &amp; Analyzed: 21-Apr-17

Conductivity	707	1.00	uS/cm	703		0.567	20
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**Batch 7042114 - Filtration****Blank (7042114-BLK1)**

Prepared: 21-Apr-17 Analyzed: 27-Apr-17

TDS	ND	5.00	mg/L
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**LCS (7042114-BS1)**

Prepared: 21-Apr-17 Analyzed: 27-Apr-17

TDS	229	5.00	mg/L	240	95.4	80-120
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**Duplicate (7042114-DUP1)**

Source: H701021-01

Prepared: 21-Apr-17 Analyzed: 27-Apr-17

TDS	2260	5.00	mg/L	2310		1.84	20
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**Batch 7042613 - General Prep - Wet Chem****Blank (7042613-BLK1)**

Prepared &amp; Analyzed: 26-Apr-17

Sulfate	ND	10.0	mg/L
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Celey D. Keene, Lab Director/Quality Manager

Page 7 of 11

EXHIBIT Q



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

**Analytical Results For:**

ETZ WATER STATION  
PO BOX 6056  
HOBBS NM, 88241

Project: SCHUBERT FARMS  
Project Number: NONE GIVEN  
Project Manager: BEN DONAHUE  
Fax To:

Reported:  
04-May-17 14:52

**Inorganic Compounds - Quality Control**

**Cardinal Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC Limits	RPD	RPD Limit	Notes
<b>Batch 7042613 - General Prep - Wet Chem</b>									
<b>LCS (7042613-BS1)</b>				<b>Prepared &amp; Analyzed: 26-Apr-17</b>					
Sulfate	20.1	10.0	mg/L	20.0	101	80-120			
<b>LCS Dup (7042613-BSD1)</b>				<b>Prepared &amp; Analyzed: 26-Apr-17</b>					
Sulfate	19.8	10.0	mg/L	20.0	99.0	80-120	1.55	20	

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*Celey D. Keene*

Celey D. Keene, Lab Director/Quality Manager





PHONE (575) 393-2326 \* 101 E. MARLAND \* HOBBS, NM 88240

**Analytical Results For:**ETZ WATER STATION  
PO BOX 6056  
HOBBS NM, 88241Project: SCHUBERT FARMS  
Project Number: NONE GIVEN  
Project Manager: BEN DONAHUE  
Fax To:Reported:  
04-May-17 14:52**Total Recoverable Metals by ICP (E200.7) - Quality Control****Green Analytical Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
<b>Batch B704200 - Total Rec. 200.7/200.8/200.2</b>										
<b>Blank (B704200-BLK1)</b>										
Prepared: 28-Apr-17 Analyzed: 01-May-17										
Sodium	ND	1.00	mg/L							
Magnesium	ND	0.100	mg/L							
Potassium	ND	1.00	mg/L							
Calcium	ND	0.100	mg/L							
<b>LCS (B704200-BS1)</b>										
Prepared: 28-Apr-17 Analyzed: 01-May-17										
Magnesium	20.7	0.100	mg/L	20.0		104	85-115			
Sodium	6.81	1.00	mg/L	6.48		105	85-115			
Potassium	8.36	1.00	mg/L	8.00		104	85-115			
Calcium	4.07	0.100	mg/L	4.00		102	85-115			
<b>LCS Dup (B704200-BSD1)</b>										
Prepared: 28-Apr-17 Analyzed: 01-May-17										
Calcium	4.07	0.100	mg/L	4.00		102	85-115	0.0739	20	
Sodium	6.83	1.00	mg/L	6.48		105	85-115	0.275	20	
Magnesium	20.8	0.100	mg/L	20.0		104	85-115	0.274	20	
Potassium	8.32	1.00	mg/L	8.00		104	85-115	0.396	20	

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Celey D. Keene, Lab Director/Quality Manager

**Notes and Definitions**

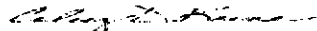
QM-07	The spike recovery was outside acceptance limits for the MS and/or MSD. The batch was accepted based on acceptable LCS recovery.
ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

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Cardinal Laboratories

\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



# CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 11 of 11

101 East Marland, Hobbs, NM 88240  
(575) 393-2326 FAX (575) 393-2476

<b>Company Name:</b> <u>ETB Water Station</u> <b>Project Manager:</b> <u>Ben Donahue</u> <b>Address:</b> <u>P.O. 5102</u> <b>City:</b> <u>Hobbs</u> <b>State:</b> <u>NM</u> <b>Zip:</b> <u>88241</u> <b>Phone #:</b> <u>575 393 3194</u> <b>Fax #:</b> _____ <b>Project #:</b> <u>Schubert Farms #</u> <b>Project Owner:</b> <u>Gary Schubert</u> <b>Project Name:</b> _____ <b>Project Location:</b> _____ <b>Sampler Name:</b> <u>Ben Donahue</u>				<b>BILL TO</b> <b>P.O. #:</b> _____ <b>Company:</b> _____ <b>Attn:</b> _____ <b>Address:</b> _____ <b>City:</b> _____ <b>State:</b> _____ <b>Zip:</b> _____ <b>Phone #:</b> _____ <b>Fax #:</b> _____		<b>ANALYSIS REQUEST</b>															
<b>Lab I.D.</b> <u>H761043</u>	<b>Sample I.D.</b> <u>Fresh water</u> <u>Brine water</u> <u>Monitor Well</u>	<b>GROUNDWATER</b> <u>2</u> <b>WASTEWATER</b> <u>2</u> <b>SOIL</b> <u>2</u> <b>OIL</b> <u>2</u> <b>SLUDGE</b> <u>2</u> <b>OTHER</b> <u>2</u>	<b>MATRIX</b> <u>2</u> <b>ACID/BASE</b> <u>2</u> <b>ICE / COOL</b> <u>2</u> <b>OTHER</b> <u>2</u>	<b>PRESERV.</b> <u>2</u> <b>DATE</b> <u>4/24/17</u> <b>TIME</b> <u>8:00</u>	<b>SAMPLING</b> <u>2</u>	<b>Analysis Request Table</b>															
						<table border="1"> <tr> <td><u>✓</u></td><td><u>✓</u></td><td><u>✓</u></td><td><u>✓</u></td><td><u>✓</u></td><td><u>✓</u></td><td><u>✓</u></td><td><u>✓</u></td><td><u>✓</u></td><td><u>✓</u></td><td><u>✓</u></td><td><u>✓</u></td> </tr> </table>										<u>✓</u>	<u>✓</u>	<u>✓</u>	<u>✓</u>	<u>✓</u>	<u>✓</u>
<u>✓</u>	<u>✓</u>	<u>✓</u>	<u>✓</u>	<u>✓</u>	<u>✓</u>	<u>✓</u>	<u>✓</u>	<u>✓</u>	<u>✓</u>	<u>✓</u>	<u>✓</u>										
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<b>Relinquished By:</b> <u>[Signature]</u> <b>Relinquished By:</b> _____		<b>Date:</b> <u>4/20/17</u> <b>Time:</b> <u>12:00 PM</u> <b>Date:</b> _____ <b>Time:</b> _____		<b>Received By:</b> <u>[Signature]</u> <b>Received By:</b> _____		<b>Phone Result:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <b>Add'l Phone #:</b> _____ <b>Fax Result:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <b>Add'l Fax #:</b> _____		<b>REMARKS:</b> <u>garymschubert@gmail.com</u>													
<b>Delivered By: (Circle One)</b> <b>Sampler - UPS - Bus - Other:</b> <u>#75</u>		<b>Sample Condition</b> <b>Cool - Intact</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		<b>CHECKER BY:</b> <u>[Signature]</u>																	

† Cardinal cannot accept verbal changes. Please fax written changes to (575) 393-2326

EXHIBIT Q

**SCHUBERT FARMS FACILITY  
TABULATED SHEET OF CONNECTIONS AND PIPE**

CONNECTION TYPE	SIZE	MODEL	CONSTRUTION	PORT	PSI RATED AT
BALON FLOATING VALVES	4"X 3" X 4"	4R-S32-SE	CARBON STEEL	3"	750
BALON FLOATING VALVES	3" X 3" X 3"	3F-S42-SE	CARBON STEEL	3"	750
BALON FLOATING VALVES	2" X 2" X 2"	2F-S32-SE	CARBON STEEL	2"	750
X HEAVY 2" ELL IPC	2.375"	FIG.No. 02001	CARBON STEEL	2"	2000
X HEAVY 3" ELL IPC	3.375"	FIG.No. 02001	CARBON STEEL	3"	2000
X HEAVY 4" ELL IPC	4.188"	FIG.No. 02001	CARBON STEEL	4"	2000
X HEAVY 2" COLLAR IPC	2.375"	ASTM SA105N	CARBON STEEL	2"	3000
X HEAVY 3" COLLAR IPC	3.375"	ASTM SA105N	CARBON STEEL	3"	3000
X HEAVY 4" COLLAR IPC	4.188"	ASTM SA105N	CARBON STEEL	4"	3000
X HEAVY 2" TEE IPC	2.375"	ASTM SA105N	CARBON STEEL	2"	2000
X HEAVY 3" TEE IPC	3.375"	ASTM SA105N	CARBON STEEL	3"	2000
X HEAVY 4" TEE IPC	4.188"	ASTM SA105N	CARBON STEEL	4"	2000
X HEAVY 2" NIPPLE IPC	2.375"	A106 Sch. 80	CARBON STEEL	2"	2000
X HEAVY 3" NIPPLE IPC	3.375"	A106 Sch. 80	CARBON STEEL	3"	2000
X HEAVY 4" NIPPLE IPC	4.188"	A106 Sch. 80	CARBON STEEL	4"	2000
X HEAVY 1 1/2" X 2" SWEDGE IPC	1.9" x 2.375"	X H	CARBON STEEL	1 1/2" X 2"	2000
X HEAVY 2" X 3" SWEDGE IPC	2.375" X 3.5"	X H	CARBON STEEL	2" X 3"	2000
X HEAVY 3" X 4" SWEDGE IPC	3.5" X 4 1/2"	XH	CARBON STEEL	3" X 4"	2000
X HEAVY 3" CROSS TEE IPC	3.75"	ASTM SA105N	CARBON STEEL	3"	3000
2" VICTAULIC CONNECTOR	2.375"	177N	CARBON STEEL	2"	1000
4" VICTAULIC CONNECTOR	4.188"	177N	CARBON STEEL	4"	1000
2" SDR 11 HDPE POLY LINE	2.375	SDR 11 HDPE	Polyethylene	2"	160
3" SDR 11 HDPE POLY LINE	3.5	SDR 11 HDPE	Polyethylene	3"	160
4" SDR 11 HDPE POLY LINE	4.5	SDR 11 HDPE	Polyethylene	4"	160
4" SDR 11 TRASDUCER	4.5	SDR 11 HDPE	STEEL / SDR11	4"	160
2" BRADED HOSE	2.375"	PTFE	RUBBER /STEEL	2"	UP TO 5000
3" BRADED HOSE	3.375"	PTFE	RUBBER /STEEL	3"	UP TO 5000
4" BRADED HOSE	4.188"	PTFE	RUBBER /STEEL	4"	UP TO 5000

SHCUBERT FARMS WELL No. 1  
BRINE SOLUTION BATTERY  
SOUTHWEST OF THE FACILITY

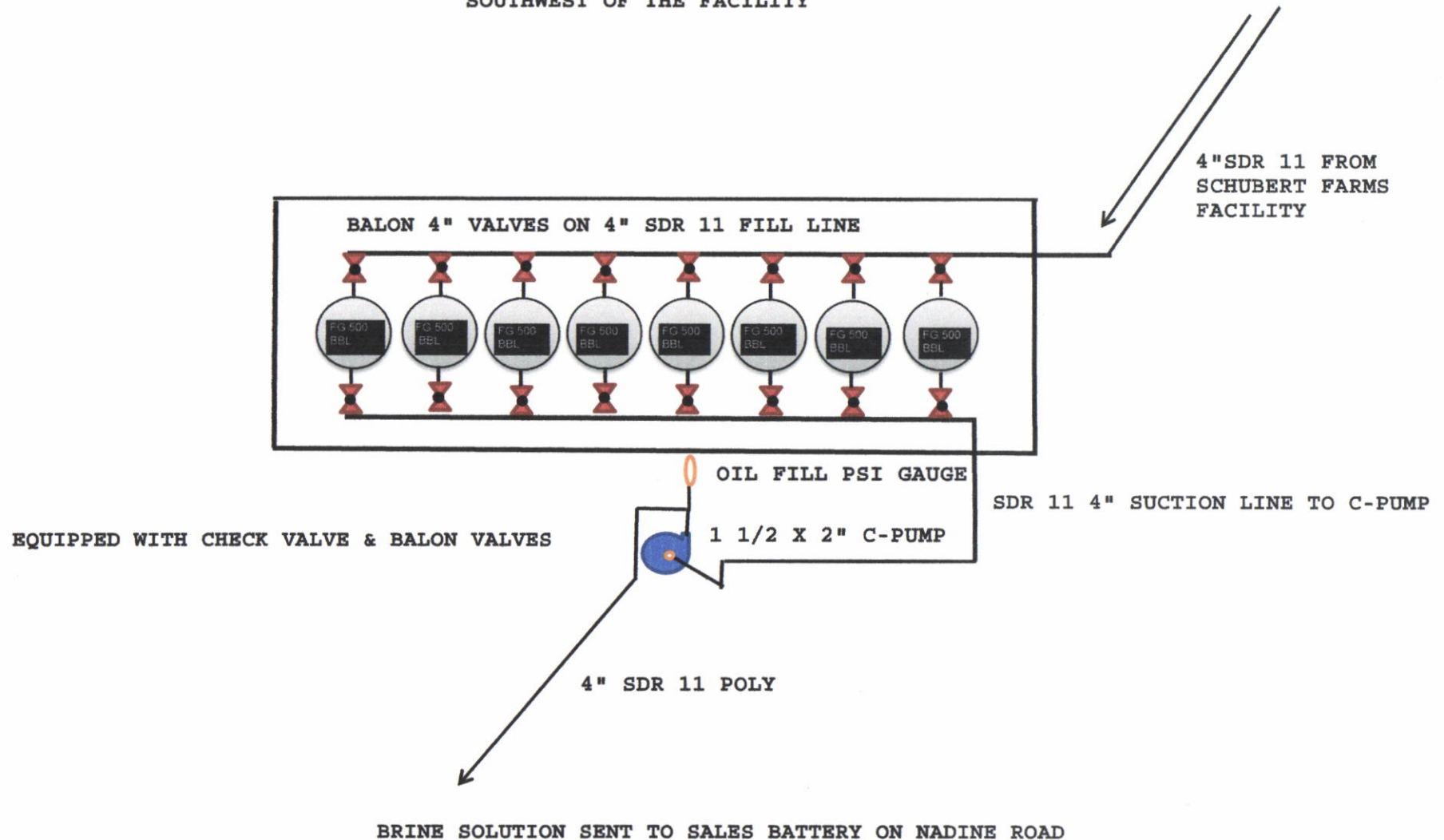


EXHIBIT S

H.R.C., INC.  
SCHUBERT 7 WELL No.1  
SCHUBERT FARMS WELL No.1

SALES FRESH AND QUALITY BRINE STATION

