

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

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised July 18, 2013

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

|   |  |   |
|---|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)                  |  | WELL API NO.<br><b>30-015-35558</b>   |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> <b>SWD</b>  |  | 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 2. Name of Operator<br><b>Owl SWD Operating, LLC</b>  |  | 6. State Oil & Gas Lease No.  |
| 3. Address of Operator<br><b>8214 Westchester Dr., Ste.850, Dallas, TX 75225</b>  |  | 7. Lease Name or Unit Agreement Name<br><b>Black Lake 7 SWD</b><br><i>(formerly Kimber State)</i>   |
| 4. Well Location<br>Unit Letter <b>C</b> : <b>660</b> feet from the <b>North</b> line and <b>1980</b> feet from the <b>West</b> line<br>Section <b>7</b> Township <b>25-S</b> Range <b>28-E</b> NMPM County <b>Eddy</b> |  | 8. Well Number <b>001</b>   |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br><b>3067' G.L.</b>   |  | 9. OGRID Number<br><b>308339</b>  |
| 10. Pool name or Wildcat<br><b>SWD; Delaware</b>  |  |   |

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

|   |  |   |  |
|---|--|---|--|
| <b>NOTICE OF INTENTION TO:</b><br>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/><br>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input checked="" type="checkbox"/><br>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/><br>DOWNHOLE COMMINGLE <input type="checkbox"/><br>CLOSED-LOOP SYSTEM <input type="checkbox"/> <b>Tubing Mod &amp; Configure SWD</b> <input type="checkbox"/><br>OTHER: |  | <b>SUBSEQUENT REPORT OF:</b><br>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/><br>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/><br>CASING/CEMENT JOB <input type="checkbox"/><br>OTHER: <input type="checkbox"/> |  |
|---|--|---|--|

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

*(Formerly Kimber State; Owl will rename to Black Lake 7 SWD.)*

**SWD-1464 – Approved modification by OCD letter 1/22/16 for 4.5" tubing.** This tubing size will allow for maximized volume at the allowed pressure. NO OTHER DETAILS WILL BE ALTERED. Updated wellbore diagram is attached. (Verbal approval 12/15/15: OCD Santa Fe & Artesia; written approval 1/22/16.)

**Convert to SWD:** Pull tubing and existing production equipment. Set CIBP @ 12,250' Cap w/ 35' Cmt. Circulate hole w/ Mud Laden Fluid. Set CIBP @ 11,900' Cap w/ 35' Cmt. Spot additional plugs as shown. Set CIBP @ 4450' Cap w/ 35' Cmt. Perf Injection Intervals Determined by Logs. Acidize perms w/ 15% HCl; Swab Clean. Run PC Tubing and PKR - Conduct MIT w/ OCD 24 hr notice. Commence Disposal Operations.

**NM OIL CONSERVATION**  
 ARTESIA DISTRICT

Spud Date: [Rig Up] ASAP 2/01/16 Rig Release Date:  JAN 26 2016

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

**RECEIVED**

SIGNATURE  TITLE Agent/consultant DATE 1/26/2015

Type or print name \_\_\_\_\_ E-mail address: ben@sosconsulting.us PHONE: 903-488-9850

**For State Use Only**  
 APPROVED BY:  TITLE Dist. Supervisor DATE 1/26/2015  
 Conditions of Approval (if any):

State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

David Martin  
Cabinet Secretary

Tony Deffin  
Deputy Cabinet Secretary

David R. Catanach, Division Director  
Oil Conservation Division



January 22, 2016

Ben Stone, as agent for OWL SWD Operating, LLC  
SOS Consulting, LLC  
PO Box 300  
Como, TX 75431

**RE: Administrative Order SWD-1464; Modification of Allowed Tubing Size**  
Black Lake 7 SWD Well No. 1 (API 30-015-35558)  
Unit C, Sec 7, T25S, R28E, NMPM, Eddy County, New Mexico  
Order Date: March 5, 2014, Delaware Mountain Group  
Permitted disposal depths: 2430 feet to 4350 feet

Dear Mr. Stone:

Reference is made to your request on behalf of OWL SWD Operating, LLC to modify the existing disposal permit by changing the maximum allowed tubing size from 3.5 inch to 4.5 inch OD.

The Division finds that granting this request will not unduly increase the chances of a premature abandonment or increase the chance of improper future plugging of this well.

All requirements of the above referenced administrative order and agreements in the application remain in full force and effect excepting the limitation on disposal tubing size is hereby increased to 4-1/2 inch.

Sincerely,

A handwritten signature in black ink, appearing to read "David R. Catanach", is written over a horizontal line.

DAVID R. CATANACH  
Director

DRC/wvjj

cc: Oil Conservation Division – Artesia District Office  
Well File API 30-015-35558, SWD-1464

**NM OIL CONSERVATION**  
ARTESIA DISTRICT

JAN 26 2016

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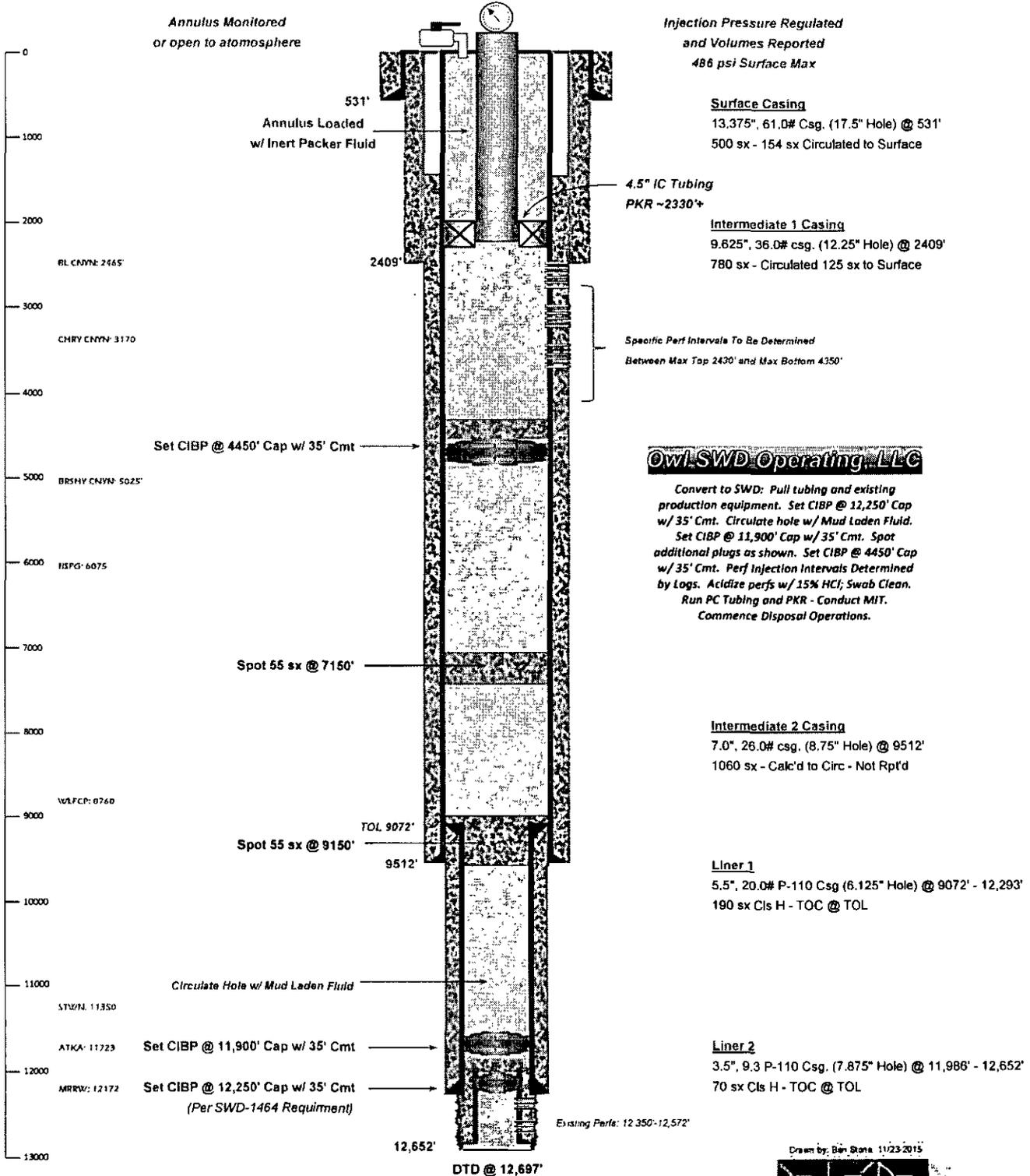


**WELL SCHEMATIC - PROPOSED**  
**Black Lake 7 SWD Well No.1**

(Formerly the Kimber State No.1)  
**API 30-015-35558**  
 660' FNL & 1980' FWL, SEC. 7-T25S-R28E  
 EDDY COUNTY, NEW MEXICO

SWD; Delaware - Pool ID 96100

Re-Entry Date: 12/07/2015



**NM OIL CONSERVATION**  
 ARTESIA DISTRICT

JAN 26 2016

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