



Osage Boyd 15 SWD No. 2 1 Mile Offset Operators and Lessees List

S/T/R	QQ UNIT LETTER(S)	OPERATOR	MINERAL LESSEE	MINERAL OWNER	SURFACE OWNER	ADDRESS 1	ADDRESS 2
9/19S/25E	O,P	EOG RESOURCES INC	-	-	-	PO BOX 2267	MIDLAND, TX 79702
		FASKEN OIL & RANCH LTD	-	-	-	6101 HOLIDAY HILL ROAD	MIDLAND, TX 79707
10/19S/25E	J,K,L,M,N,O,P	EOG RESOURCES INC	-	-	-	PO BOX 2267	MIDLAND, TX 79702
11/19S/25E	м	EOG RESOURCES INC	-	-	-	PO BOX 2267	MIDLAND, TX 79702
14/19S/25E	C,D,E,F,K,L,M,N	EOG RESOURCES INC	-	-	-	PO BOX 2267	MIDLAND, TX 79702
15/19S/25E	A,B,G,H,I,J,O,P	EOG RESOURCES INC	-	-	-	PO BOX 2267	MIDLAND, TX 79702
	C,D,E,F	PERCUSSION PETROLEUM OPERATING LLC	-	-	-	919 MILAM ST SUITE 2475	HOUSTON, TX 77002
	K,L,M,N	PERCUSSION PETROLEUM OPERATING LLC	-	-	-	919 MILAM ST SUITE 2475	HOUSTON, TX 77002
		EOG RESOURCES INC	-	-	-	PO BOX 2267	MIDLAND, TX 79702
16/19S/25E	A,B,C,F,G,H,I,J,K,N	EOG RESOURCES INC	-	-	-	PO BOX 2267	MIDLAND, TX 79702
	O,P	PERCUSSION PETROLEUM OPERATING LLC	-	-	-	919 MILAM ST SUITE 2475	HOUSTON, TX 77002
		EOG RESOURCES INC	-	-	-	PO BOX 2267	MIDLAND, TX 79702
21/19S/25E	A,B,C,G,H,I	EOG RESOURCES INC	-	-	-	PO BOX 2267	MIDLAND, TX 79702
22/19S/25E	A,B,C,D,F,G,H,I,J,K,L	PERCUSSION PETROLEUM OPERATING LLC	-	-	-	919 MILAM ST SUITE 2475	HOUSTON, TX 77002
	E	TACTICAL OIL & GAS LLC	-	-	-	PO BOX 12874	ODESSA, TX 79768
		PERCUSSION PETROLEUM OPERATING LLC	-	-	-	919 MILAM ST SUITE 2475	HOUSTON, TX 77002
23/19S/25E	C,D,E	PERCUSSION PETROLEUM OPERATING LLC	-	-	-	919 MILAM ST SUITE 2475	HOUSTON, TX 77002
		EOG RESOURCES INC	-	-	-	PO BOX 2267	MIDLAND, TX 79702
Surface Hole Location	-	-	-	PRIVATE	JONES JEROME HUGH ET AL	1040 SNELL ST	EUGENE, OR 97405

						Osage Boyd 15 SWD	No. 2 - O	ffsetting	Produced W	Vater Analys	s					
Well Name	API	Section	Township	Range	Unit	Formation	ph	tds_mgL	sodium_mgL	calcium_mgL	iron_mgL	magnesium_mgL	potassium_mgL	chloride_mgL	bicarbonate_mgL	sulfate_mgL
H E WEST A #005	3001505064	4	17S	31E	J	ARTESIA	6.18	92765						58127	59	384
H E WEST B #028	3001510162	9	9 17S	31E	A	ARTESIA	5.75	258056						157710	132	1964
H E WEST B #028	3001510162	9	9 17S	31E	A	ARTESIA	5.75	225969						138100	116	1720
DAGGER DRAW #002	3001500116	30) 19S	25E	I	CISCO		7622								
JENNY COM #001	3001526469	17	7 19S	25E	E	CISCO	6			2800	70	1677.7		46850	183	12.5
ANDERSON STATE #001	3001502866	2	2 17S	29E	L	GRAYBURG/SAN ANDRES	6.95	1406	505	268	0	310		780	10	550
NDDUP UNIT #138	3001521478	28	3 19S	25E	Ν	MORROW	8.51	7125.41	1475.25	568.955	0.2014	140.98	246.715	2066.36	737.124	1898.19
NDDUP UNIT #138	3001521478	28	3 19S	25E	Ν	MORROW	7.6	10987.6	2935.06	725.18	4.545	121.2	142.41	4295.53	669.63	2194.73
NDDUP UNIT #138	3001521478	28	3 19S	25E	Ν	MORROW	8.79	6258.3	1607.17	424.954	0.1007	77.539	31.217	1783.4	384.674	1931.43
RIO PENASCO KD COM #001	3001523227	2	19S	25E	N	MORROW	6.1			2800	50	2187.8		40896	171	50
APOLLO APU FEDERAL COM #001	3001528840	15	5 19S	25E	В	PENNSYLVANIAN	8.5	7110.22	1850.03	376.244	4.024	98.588	67.402	1978.8	876.226	1889.27
APOLLO APU FEDERAL COM #002	3001529048	15	5 19S	25E	A	PENNSYLVANIAN	7.7	7248.53	1907.38	367.19	4.527	90.54	78.468	1964.72	896.346	1971.76
APOLLO APU FEDERAL #003	3001529431	10) 19S	25E	Р	PENNSYLVANIAN	8.7	5856.65	1462.27	363.81	1.5075	91.455	56.28	1613.02	456.27	1829.1
PATRICK API #004	3001528982	10) 19S	25E	E	PENNSYLVANIAN	7.2	6518.03	1157.91	544.246	298.782	109.654	51.306	1563.32	876.226	1943.59
NDDUP UNIT #124	3001527098	29	9 19S	25E	L	PENNSYLVANIAN	7.1	5837.49	911.535	520.59	331.65	98.49	37.185	1179.87	937.665	1838.14
AMOLE AMM STATE COM #002	3001528424	16	5 19S	25E	К	PENNSYLVANIAN	7.1	7057.31	1225.31	530.162	453.706	112.672	57.342	1828.91	1001.98	1879.21
TACKITT AOT #002	3001528003	28	3 19S	25E	J	PENNSYLVANIAN	8	5950.66	985.905	756.765	27.135	94.47	49.245	1304.49	749.73	2004.97
NDDUP UNIT #119	3001528053	28	3 19S	25E	К	PENNSYLVANIAN	7.5	8435.62	1609.19	1085.55	0.5035	106.742	58.406	2758.17	626.354	2239.57
TACKITT AOT #001	3001528150	28	3 19S	25E	1	PENNSYLVANIAN	8	6929.61	1293.72	873.208	0.9054	80.48	34.204	1835.95	771.602	2072.36
NDDUP UNIT #139	3001528372	28	3 19S	25E	0	PENNSYLVANIAN	7.5	7777.51	1635.37	854.943	8.056	91.637	45.315	2459.09	709.935	2018.03
THOMAS #001	3001505917	8	3 19S	25E	н	SAN ANDRES/YESO		13248						5226	1236	2412
THOMAS #001	3001505917	8	3 19S	25E	Н	SAN ANDRES/YESO		49145						31050	354	1656
PENASCO IW SHALLOW #001	3001522174	31	18S	25E	J	SAN ANDRES/YESO	6.15	125250	55436	3611		7784		114000	920	725
PENASCO IW SHALLOW #003	3001523237	31	18S	25E	N	SAN ANDRES/YESO	6.45	130750	51704	4100	0	9800		116000	180	52
BH MATLOCK #001	3001500109	1	19S	25E	N	WOLFCAMP		20306						10360	1829	940

SOURCE ZONE

GLO/YESO

1230							Lab ID		
API No	300152	4754					Sample	e ID	1146
Well Name	PLATT	PA			009)	Sample	e No	
Locatio	on ULSTR	26	18	S 26	6 E	Lat / Long 32.71216	-104	4.35742	
		330	s	990	W	-	County	Eddy	
Operat	or (when s	ample	ed)	Yates	Petroleum	Corp.			
		Fie	ld	ΑΤΟΚ	A		Unit M		
S	ample Date	•		8/4/19	84	Analysis Date			
		Sa	mple \$	Source V	Vellhead	Depth	(if known)		
		Wa	ater Ty	γp F	Produced V	/ater			
ph					7.5	alkalinity_as_caco	3_mgL		
ph_1	temp_F					hardness_as_cacc	o3_mgL		
spec	cificgravity					hardness_mgL		1800	
spec	cificgravity_	temp_	F			resistivity_ohm_cn	ı		
tds_	mgL				120382	resistivity_ohm_cn	n_temp_		
tds_	mgL_180C					conductivity			
chlo	ride_mgL				113000	conductivity_temp_	_F		
sodi	um_mgL				71415	carbonate_mgL		0	
calc	ium_mgL				2560	bicarbonate_mgL		476	
iron	_mgL				0	sulfate_mgL		2001	
bari	um_mgL					hydroxide_mgL			
mag	nesium_m	gL			0	h2s_mgL		0	
pota	issium_mgl	-				co2_mgL			
stro	ntium_mgL					o2_mgL			
mar	iganese_m	gL				anionremarks			
Remarks									

SOURCE ZONE

GLO/YESO

1230							Lab ID		
API No	300152	4619					Sample	e ID	1207
Well Name	PLATT	PA			00	8	Sample	e No	
Locatio	n ULSTR	26	18	S 26	6 E	Lat / Long 32.71	245 -104	4.35329	
		430	s	2260	w c	-	County	Eddy	
Operate	or (when s	ample	ed)	Yates	Petroleur	n Corporation			
		Fie	ld	ATOK	A		Unit N		
S	ample Date)		1/19/19	985	Analysis Date			
		Sa	mple \$	Source v	vell head	D)epth (if known)		
		Wa	ater Ty	/p F	Produced	Water			
ph					e	alkalinity_as_o	caco3_mgL		
ph_1	emp_F					hardness_as_	_caco3_mgL		
spec	cificgravity					hardness_mg	L	11500	
spec	cificgravity_	temp_	F			resistivity_ohn	n_cm		
tds_	mgL				136324	resistivity_ohn	n_cm_temp		
tds_	mgL_180C					conductivity			
chlo	ride_mgL				12100	conductivity_t	emp_F		
sodi	um_mgL				6157 ⁻	carbonate_mg	βL		
calc	ium_mgL				4160	bicarbonate_n	ngL	104	
iron_	_mgL				() sulfate_mgL		3720	
bariu	um_mgL					hydroxide_mg	IL		
mag	nesium_m	gL			7340	h2s_mgL			
pota	ssium_mgl	-				co2_mgL			
stroi	ntium_mgL					o2_mgL			
man	ganese_m	gL				anionremarks			
Remarks									

SOURCE ZONE

Lab ID

BONE SPRING

API No	300152	20225							Sample	: ID	5847
Well Name	BIG ED		ΙT		(012			Sample	No	
Locatio	n ULSTF	21	20	S 31	Е		Lat / Long	32.56399	-103	.87994	
		660	Ν	660	W				County	Eddy	
Operate	or (when s	sample	d)	MALLO		COMPANY					
		Fie	ld	BIG EI	DDY				Unit D		
Sa	ample Dat	e		8/27/19	99	Analy	vsis Date	8/	31/1999		
		Sa	mple S	Source				Depth (i	f known)		
		Wa	iter Ty	γp							
ph					E	5.2	alkalinit	y_as_caco3_	_mgL		
ph_t	emp_F						hardnes	ss_as_caco3	_mgL		
spec	ificgravity				1.1	25	hardnes	ss_mgL			
spec	ificgravity	_temp_	F				resistivi	ity_ohm_cm			
tds_	mgL				1816	97	resistivi	ity_ohm_cm_	temp_		
tds_	mgL_1800	2					conduc	tivity			
chloi	ride_mgL				1237	50	conduc	tivity_temp_F	:		
sodi	um_mgL				73895	5.6	carbona	ate_mgL			
calci	um_mgL				56	25	bicarbo	nate_mgL		13.725	
iron_	_mgL				337	7.5	sulfate_	_mgL		787.5	
bariu	ım_mgL						hydroxi	de_mgL			
mag	nesium_m	ıgL					h2s_m	gL		0	
pota	ssium_mg	IL					co2_m	gL			
stror	ntium_mgL	-					o2_mgl	-			
man	ganese_m	ngL					anionre	marks			
Remarks											

Remarks

DISPOSAL ZONE

CIS Lab ID Sample ID 5945 **API** No 3001526468 Sample No Well Name JOHN AGU 002 Location ULSTR 14 Е -104.55197 S 24 Lat / Long 32.57883 20 660 Ν 660 Е County Eddy **Operator (when sampled)** Field Unit A DAGGER DRAW Sample Date Analysis Date 5/13/2000 Sample Source Depth (if known) Water Typ ph 6.1 alkalinity_as_caco3_mgL ph_temp_F hardness_as_caco3_mgL specificgravity 1.05 hardness_mgL specificgravity_temp_F resistivity_ohm_cm tds_mgL 216236 resistivity_ohm_cm_temp_ tds_mgL_180C conductivity chloride_mgL 53321 conductivity_temp_F sodium mgL carbonate mgL calcium_mgL bicarbonate_mgL 4576 72619 iron_mgL 1000 sulfate_mgL 952 barium_mgL 0 hydroxide_mgL magnesium_mgL 463 h2s_mgL 0 potassium_mgL co2_mgL strontium_mgL o2_mgL manganese_mgL anionremarks

Remarks





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

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)	(R=POD has been replaced, O=orphaned, C=the file is closed)	(quarte (quarte	rs a	are 1= are sr	=NW :	2=NE 3= at to larg	=SW 4=SB est) (N	E) IAD83 UTM in me	eters)	(In feet)	
POD Number	POD Sub- Code basin Cour	Q Q ty 64 16	Q 4	Sec	Tws	Rng	x	Y	Distance	Depth Well	Depth Water	Water Column
RA 05450	CH	4	2	15	19S	25E	550057	3614015* 🌍	1352	204	80	124
RA 02909	ED	1	3	22	19S	25E	548864	3611989* 🥵	1660	188	130	58
RA 05900	ED	2	2	16	19S	25E	548442	3614424* 🌍	2584	185	95	90

Average Depth to Water: 101 feet

Minimum Depth: 58 feet

Maximum Depth: 130 feet

CURRENT-ARGUS

AFFIDAVIT OF PUBLICATION

Ad No. 0001277037

LONQUIST FIELD SERVICE 1001 MCKINNEY ST., SUITE 1650

HOUSTON TX 77002

I, a legal clerk of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

<u>02/13/19</u>

egal Clerk

Subscribed and sworn before me this 13th of February 2019.

State of WI, County of Brown NOTARY PUBLIC

My Commission Expires

Ad#:0001277037 P O : Percussion Petroleum Operating # of Affidavits :0.00



Percussion Petroleum Operating, LLC, 919 Milam St. Suite 2475, Houston, TX 77002, is filling Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division for administrative approval for its salt water disposal well Osage Boyd 15 SWD No. 2. The proposed well will be located at 1,980' FSL & 1,980' FWL in Section 15, Township 19S, Range 25E in Eddy County, New Mexico. Disposal water will be sourced from area production, and will be injected into the Cisco-Canyon Formation (determined by log analysis) through a perforated interval completion between an applied for top of 7,620' feet to a maximum depth of 8,060' feet. The maximum surface injection pressure will not exceed 1,524 psi with a maximum rate of 10,000 BWPD. Interested parties opposing the action must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within 15 days. Additional information can be obtained from the applicant's agent, Lonquist & Co., LLC, at (512) 600-1774. Legal ad #1277037 Run: Feb. 13, 2019

		Osage Boyd SW	D No. 2			
		Percussion Petroleum	Operating, LLC			
TRACT ID	COUNTY CLERK	MAILING ADDRESS	PHONE	TRACKING #	DATE SHIPPED	DATE RECEIVED
	OIL CONSERVATION DIVISION DISTRICT II	811 S. FIRST ST., ARTESIA, NM 88210		USPS - 7017 2400 0001 0599 2674	2/14/2019	
	OIL CONSERVATION DIVISION DISTRICT IV	1220 S ST FRANCIS DR, SANTA FE NM 87505		USPS - 7017 2400 0001 0599 2681	2/14/2019	
	SURFACE LANDOWNER	MAILING ADDRESS				
	JONES, JEROME HUGH ET AL	1010 SNELL ST, EUGENE, OR 97405		USPS - 7017 2400 0001 0599 2698	2/14/2019	
	OFFSET OPERATORS	MAILING ADDRESS				
	NEW MEXICO STATE LAND OFFICE	310 Old Santa Fe Trail, Santa Fe, NM 87501		USPS - 7017 2400 0001 0599 2728	2/14/2019	
	BUREAU OF LAND MANAGEMENT	620 E Greene St Carlsbad, NM 88220		USPS - 7017 2400 0001 0599 2735	2/14/2019	
	OFFSET OPERATORS	MAILING ADDRESS				
	EOG RESOURCES INC.	P.O. BOX 2267, MIDLAND, TX 79702		USPS - 7017 2400 0001 0599 2704	2/14/2019	
	FASKEN OIL & RANCH LTC	6101 HOLIDAY HILL ROAD, MIDLAND, TX 79707		USPS - 7017 2400 0001 0599 2711	2/14/2019	

Notices were sent for the Osage Boyd 15 SWD No. 2 application by mailing them a copy of Form C-108 on 2/14/2019

Tyler F. Moehlman Petroleum Engineer / Lonquist & Co., LLC Agent for Percussion Petroleum



November 07, 2018

JERRY MATHEWS PERCUSSION PETROLEUM 919 MILAM , STE 2475 HOUSTON, TX 77002

RE: FRESH WATER WELLS

Enclosed are the results of analyses for samples received by the laboratory on 11/05/18 10:20.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-18-11. 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.

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

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

Accreditation applies to public drinking water matrices.

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. Keine

Celey D. Keene Lab Director/Quality Manager



Analytical Results For:

PERCUSSION PETROLEUM JERRY MATHEWS 919 MILAM , STE 2475 HOUSTON TX, 77002 Fax To:

Received:	11/05/2018	Sampling Date:	11/05/2018
Reported:	11/07/2018	Sampling Type:	Water
Project Name:	FRESH WATER WELLS	Sampling Condition:	** (See Notes)
Project Number:	ROSS RANCH 22 SWD	Sample Received By:	Tamara Oldaker
Project Location:	EDDY CO NM		

Sample ID: SAMPLE # 02909 (H803163-01)

TDS 160.1	mg/	'L	Analyze	d By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TDS*	2410	5.00	11/06/2018	ND	472	89.6	527	7.48	

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and clent's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for 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 thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, whother bits ubsidiaries, affiliates or successor arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celeg D. Keine

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

Cardinal Laboratories

*=Accredited Analyte

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 client for 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 thirty (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, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the sample identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celeg D. Keine

Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

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

Company Name:	brend in Or					
Project Manager:	Jen Y withey s	Ulcon.	P.O. #:			
Address:			Company:			
City:	State:	Zip:	Attn:			
Phone #:	Fax #:		Address:			
Project #:	Project Ow	ner:	City:			
Project Name:	Hoss Rand	has swd	State: Zip:			
Project Location:			Phone #:			
Sampler Name:			Fax #:			
FOR LAB USE ONLY		MATRIX	PRESERV. SAMPLIN	ົດ		
Lab I.D.	Sample I.D.	AB OR (C)OMP INTAINERS UNDWATER TEWATER	ER : //BASE: COOL ER :	DS		
H803163		(G)R # CO GRO WAS SOIL OIL SLUI		TIME		
	a	4 4	01011	0.42		
PLEASE NOTE: Liability and I analyses. All claims including th	amages. Cardinal's liability and client's exclusive remedy hose for negligence and any other cause whatsoever shal	for any claim arising whether based in contract II be deemed waived unless made in writing and	or tort, shall be limited to the amount paid i received by Cardinal within 30 days after	by the client for the completion of the applicable		
affiliates or successors arising (unal de liable for incidental or consequental damages, inclu- out of or related to the performance of services hereunder	using without limitation, business interruptions, I by Cardinal, regardless of whether such claim in	loss of use, or loss of profits incurred by cli s based upon any of the above stated reas	ent, its subsidiaries, ons or otherwise.		
Relinquished By:	Date:	Received By:	UNII	Phone Result: Yes N Fax Result: Yes N	Add'l Phone #:	
Relinquished By:	Time: 20	Received Rv.	Wildallo		40 Add1 Fax#:	
	Time:		(!		
Delivered By:	(Circle One)	Sample Conditi	on CHECKED BY:			
Sampler - UPS -	Bus - Other: 8.3	C #97 Yes Yes	TO.			

+ Cardinal cannot accent verhal channee Dieace fav written channee to 15751 202_2226

Complete items 1, 2, and 3.	A. Signature
 Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailplece, or on the front if space permits. 	X Agent B. Received by (Printed Name) C. Date of Deliver
OIL CONSERVATION DIVISION DISTRICT II 811 S FIRST STREET ARTESIA NM 88210 1901-OSAGE BOYD 15 SWD #2	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
9590 9402 4693 8323 9945 18 2. Article Number (Transfer from service label) 7017 2400 0001 0599 2674	3. Service Type Priority Mail Express® Adult Signature Registered Mail™ Adult Signature Restricted Delivery Registered Mail™ Certified Mail Restricted Delivery Registered Mail Restricted Delivery Collect on Delivery Return Receipt for Merchandise Insured Mail Signature Confirmation™ Insured Mail Signature Confirmation™ Insured Mail Restricted Delivery Insured Mail Restricted Delivery
FO FUIII 00 1 1 JULY 2015 DEN 7500 00 000 000	

|--|

 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature
1. Article Addressed to:	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
OIL CONSERVATION DIVISION DISTRICT IV 1220 S ST FRANCIS DR SANTA FE NM 87505 1901-OSAGE BOYD 15 SWD #2	3. Service Type □ Priority Mail Express@
9590 9402 4693 8323 9938 01 2. Article Number (Transfer from service label) 7017 2400 0001 0599 2681	Adult Signature Adult Signature Restricted Delivery Certified Mail® Collect on Delivery Collect on Delivery Restricted Delivery Insured Mail Insured Mail Restricted Delivery Collect on Selvery Collect on Delivery Insured Mail Insured Mail Restricted Delivery Collect on Delivery Colle



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: 	A. Signature □ Agent X □ Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? □ Yes Item to the tem tem tem tem tem tem tem tem tem te
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	Domestic Return Receipt



 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: EOG RESOURCES INC PO BOX 2267 	A. Signature Agent X Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No				
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PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt				



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY			
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits 	A. Signature A. Signature A. Agent A. Addressee B. Received by (Printed Name) C. Date of Delivery			
1. Article Addressed to:	D. Is delivery address different from item 1? Yes			
FASKEN OIL & RANCH LTC 6101 HOLIDAY HILL ROAD MIDLAND TX 79707	If YES, enter delivery address below: 🔲 No			
1901-OSAGE BOYD 15 SWD #2	3. Service Type			
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2. Article Number (Transfer from service label) 7017 2400 0001 0599 2711	□ Collect on Delivery Restricted Delivery □ Signature Confirmation™ □ Insured Mail □ Signature Confirmation™ □ Insured Mail Restricted Delivery (over \$500) Restricted Delivery			
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt			

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SENDER. COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY				
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature X Agent B. Received by (Printed Name) C. Date of Delivery				
1. Article Addressed to: NEW MEXICO STATE LAND OFFICE 310 OLD SANTA FE TRAIL PO BOX 1148 SANTA FE NM 87504-1148 1901-OSAGE BOYD 15 SWD#2	D. Is delivery address different from item 1? If YES, enter delivery address below: No				
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LONQUIST & CO. LLC

AUSTIN HOUSTON

PETROLEUM ENERGY ENGINEERS ADVISORS WICHITA CALGARY

www.lonquist.com

February 14, 2019

Jerome Hugh Jones Et. Al. 1010 Sanell St. Eugene, OR 97405

Subject: Osage Boyd 15 SWD No. 2 Authorization to Inject

To Whom It May Concern:

Attached for your review is Form C-108, Application for Authorization to Inject, and its supplemental documents prepared for Percussion Petroleum Operating LLC's Osage Boyd 15 SWD No. 2 well. Section XIV of Form C-108 requires that the surface land owner on which the well is located and each leasehold operator within a one-half mile radius of the proposed well location be furnished with the application. The notice of application has been extended to a one-mile radius

According to the New Mexico Oil Conservation Division, surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date in which this application was mailed to them.

Any questions should be directed towards Percussion Petroleum LLC's agent, Lonquist & Co., LLC.

Regards,

Stephen L. Pattee, P.G. Regulatory Manager Lonquist & Co., LLC

(512) 600-1774 steve@longuist.com Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

	APPLICATION FOR AUTHORIZATION TO INJECT
I.	PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage Application qualifies for administrative approval? X Yes No
II.	OPERATOR: Percussion Petroleum, LLC
	ADDRESS: 919 Milam St. Suite 2475
	CONTACT PARTY: Ryan BarberPHONE: 713-518-1331
III.	WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.
IV.	Is this an expansion of an existing project?YesNo If yes, give the Division order number authorizing the project:
V.	Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
VI.	Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
VII.	Attach data on the proposed operation, including:
	 Proposed average and maximum daily rate and volume of fluids to be injected; Whether the system is open or closed; Proposed average and maximum injection pressure; Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and, If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
*VIII.	Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
IX.	Describe the proposed stimulation program, if any.
*Х.	Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
*XI.	Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
XII.	Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: <u>Ramona Hovey</u>	TITLE: Consulting Engineer – Agent for Percussion Petroleum
SIGNATURE:	DATE: <u>2/14/2019</u>

E-MAIL ADDRESS: <u>ramona@lonquist.com</u>

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal:

Side 2

III. WELL DATA

- A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:
 - (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
 - (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
 - (3) A description of the tubing to be used including its size, lining material, and setting depth.
 - (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

- B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.
 - (1) The name of the injection formation and, if applicable, the field or pool name.
 - (2) The injection interval and whether it is perforated or open-hole.
 - (3) State if the well was drilled for injection or, if not, the original purpose of the well.
 - (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
 - (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,

(4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

ELL NAME & NUMBER: Osage Boyd 15 SWD No. 2	;		
ELL LOCATION: <u>1,650 FSL 1,980 FWL</u> FOOTAGE LOCATION	<u>K</u> UNIT LETTER	<u>15</u> <u>19S</u> SECTION TOWNSHIP	<u>25E</u> RANGE
WELLBORE SCHEMATIC		WELL CONSTRUCTION DATA	
		Surface Casing	
	Hole Size: <u>13.750"</u>	Casing Size: <u>9.625"</u>	
	Cemented with: 950 sx.	or	ft ³
	Top of Cement: <u>surface</u>	Method Determined: circulation	ion
		Production Casing	
	Hole Size: <u>8.750</u> "	Casing Size: 7.000"	
	Cemented with: 1,320 sx.	01	ft ³
	Top of Cement: surface	Method Determined: circulation	ion
		Liner	
	Hole Size: <u>6.125"</u>	Casing Size: <u>4.500"</u>	
	Cemented with: 175 sx.	or	ft ³
	Top of Cement: 7,800'	Method Determined: calculati	ion
	Total Depth: <u>9,600'</u>		
		Injection Interval	
		7.620 feet to 8.060 feet	
		(Perforated Interval)	

INJECTION WELL DATA SHEET

Side 1

OPERATOR: Percussion Petroleum Operating, LLC

INJECTION WELL DATA SHEET

Tubing Size: <u>3.5</u>" IPC, <u>9.3 lb/ft</u>, <u>L-80</u>, <u>Upset</u>, from <u>0</u>' – 7,520'

Lining Material: Internal Plastic Coated (IPC)

Type of Packer: 7" X 2-7/8" Non-permanent Nickle Plated Packer with 2-7/8" x 3.5" crossover at packer

Packer Setting Depth: 7.520'

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

Additional Data

N0 N × Yes If no, for what purpose was the well originally drilled? Is this a new well drilled for injection?

(1.) Upper Pennsylvanian, North, oil production from 8/22/1996 - 9/8/1999

(2.) Re-entry into Morrow, gas production from 9/8/1999 - Present

- 2. Name of the Injection Formation: Cisco-Canyon
- 3. Name of Field or Pool (if applicable): <u>SWD; Cisco-Canyon 96186</u>
- Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. 4

7627'-7630' (Cisco/Canyon): 6/5/1996 w/ 4" gun 2 jspf (LDT/CNL) 7660'-7665' (Cisco/Canyon): 6/3/1996 w/ 4" gun 2 jspf (LDT/CNL) 7667'-7669' (Cisco/Canyon): 6/3/1996 w/ 4" gun 2 jspf (LDT/CNL) 7671'-7710' (Cisco/Canyon): 6/3/1996 w/ 4" gun 2 jspf (LDT/CNL) 7722'-7726' (Cisco/Canyon): 6/3/1996 w/ 4" gun 2 jspf (LDT/CNL) 7722'-7786' (Cisco/Canyon): 6/1/1996 w/ 4" gun 4 jspf 7772'-7786' (Cisco/Canyon): 6/1/1996 w/ 4" gun 4 jspf 7791'-7818' (Cisco/Canyon): 6/1/1996 w/ 4" gun 4 jspf Cement squeeze from 7,627' - 7,818' before re-entry down to Morrow (8/21/1999)

9088'-9092' (Morrow): 9/27/2005, 4spf, 0 deg phasing 9126'-9138' (Morrow): 9/27/2005, 4spf, 0 deg phasing 9146'-9156' (Morrow): 9/27/2005, 4spf, 0 deg phasing 9170'-9186' (Morrow): 9/27/2005, 4spf, 0 deg phasing 9204'-9216' (Morrow): 9/27/2005, 4spf, 0 deg phasing 9220'-9228' (Morrow): 9/27/2005, 4spf, 0 deg phasing 9248'-9252' (Morrow): 9/27/2005, 4spf, 0 deg phasing Proposed SWD wellbore will contain cast iron bridge plug @ 9,038' with 25 sacks of cement on top

Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Ś.

<u>Glorieta: 2,345'</u> <u>3rd Bone Spring: 5,835'</u> <u>Wolfcamp: 5,990'</u> <u>Strawn: 8,206'</u> <u>Atoka: 8,556'</u> Morrow: 8,950'

District I 1625 N. French Dr., Hobbs, NM 88240	State of New Mexico	Form C-101
Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S, First St., Artesia, NM 88210	Energy Minerals and Natural Resources	Revised July 18, 2013
Phone: (575) 748-1283 Fax: (575) 748-9720 District III	Oil Conservation Division	AMENDED REPORT
1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV	1220 South St. Francis Dr.	
1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462	Santa Fe, NM 87505	

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

* Operator Name and Address Percussion Petroleum Operating, LLC 919 Milam St., Suite 2475 Houston, TX 77002							² OGRID Number 371755 ³ API Number 30-015-28599			
* Property Code Property Name Osage Boyd 15							* Well No. 2			
	⁷ Surface Location									
UL - Lot K	Section 15	Township 198	Range 25E	Lot Idn	Feet from 1650	N/S Line S	Feet From 1980	E/W Line W	County Eddy	
	⁸ Proposed Bottom Hole Location									
UL - Lot	UL - Lot Section Township Range Lot Idn Feet from N/S Line Feet From E/W Line County									
	⁹ Pool Information									

Pool Name	Pool Code
SWD; Cisco-Canyon	96186

Additional Well Information							
^{11,} Work Type	12, -	Well Type	¹³ Cable/Rotary	14. Lease	е Туре	¹⁵ [,] Ground Level Elevation 3457	
^{16,} Multiple	¹⁷ Pro	posed Depth	^{18,} Formation	¹⁹ * Cont	ractor	^{20.} Spud Date	
Depth to Ground water		Distance from ne	earest fresh water well		Distance to nea	arest surface water	

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

^{21.} Proposed Casing and Cement Program

Туре	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Old Surf.	14-3/4"	9-5/8"	36	1101'	950 sx	Surface
Old Int.	8-3/4"	7 "	26 & 23	8150'	1320 sx	Surface
Old. Liner	6-1/8"	4-1/2"	13.5	9580'	175 sx	7805'
		in the second	NAME AND ADDRESS OF A DESCRIPTION OF A D			

Casing/Cement Program: Additional Comments

Propose to convert to SWD in the Cisco-Canyon interval. Set CIBP above Morrow perfs, perf and acidize Cisco-Canyon, set packer and tubing, and perform SRT.

²² Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
Annular & rams	5000 psi	3500 psi	TBD

^{23.} I hereby certify that the information g of my knowledge and belief.	iven above is true and complete to the best	OIL CONSERVATION DIVISION		
1 further certify that I have complied 19.15.14.9 (B) MAC , if applicabl Signature:	with 19.15.14.9 (A) NMAC 🛛 and/or le.	Approved By:		
Printed name: Ryan Barber		Title:		
Title: Petroleum Engineer		Approved Date:	Expiration Date:	
E-mail Address: rvan@percussionpetrole	um.com			
Date: 2/13/19 Phone: 979-292-6279		Conditions of Approval Attache	d	

<u>District I</u> 1625 N, French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

		W	/ELL LO	CATIO	N AND ACR	EAGE DEDIC	ATION PLAT	Г	
1 30-015-28599	API Numbe	r		² Pool Code 96186		³ Pool Name SWD; Cisco-Canyon			
⁴ Property (TBD	Code		⁵ Property Name ⁶ We Osage Boyd 15 SWD					Vell Number 2	
⁷ OGRID 371755	No. 5		⁸ Operator Name Percussion Petroleum Operating LLC ⁹ Elevation 3457					Elevation 3457	
					Surface L	ocation			
UL or lot no. K	Section 15	Township 19S	Range 25E	Lot Idn	Feet from the 1650	North/South line South	Feet from the 1980	East/West line West	Eddy County
			¹¹ Bot	ttom Hol	e Location If	Different From	Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acre	s ¹³ Joint o	r Infill ¹⁴ (Consolidation (Code ¹⁵ Or	der No.				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

.16			¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working
			interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division 2/13/19 Simethure
			Ryan Barber Printed Name ryan@percussionpetroleum.com E-mail Address
1980'			*SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. July 28, 1995
	1650'		Date of Survey Signature and Seal of Professional Surveyor: Dan Reddy <u>NM Cert. No. 5412</u> Certificate Number





Percussion Petroleum Operating, LLC

Osage Boyd 15 SWD No. 2

FORM C-108 Supplemental Information

III. Well Data

A. Wellbore Information

1.

Well information				
Lease Name Osage Boyd 15 SWD				
Well No. 2				
Location S-15 T-19S R-25E				
Footage Location	1,650' FSL & 1,980' FWL			

2.

a. Wellbore Description

Casing Information						
Туре	Surface	Production	Liner			
OD	9.625″	7.000"	4.5″			
WT	0.352″	0.317", 0.362"	0.290"			
ID	8.921"	6.276", 6.366"	3.920"			
Drift ID	8.765″	6,151", 6.241"	3.795"			
COD	10.625"	7.675", 7.875"	4.935″			
Weight	36 lb/ft	23 & 26 lb/ft	13.5 lb/ft			
Grade	J-55 STC	N-80/K-55/S-95 STC/LTC	N-80 BTC/LTC			
Hole Size	13.75″	8.75"	6.125″			
Depth Set	1,101'	8,150'	7,800'-9,600'			

b. Cementing Program

Cement Information						
Casing String	Conductor	Conductor Production				
Cement Type	-	-	Class H			
Lead Cement Volume	-	-	175 sx			
Total Volume	950 sks	1,320 sks	175 sks			
тос	Surface	Surface	7,800'			
Method	Circulate to Surface	Circulate to Surface	Logged			

3. Tubing Description

Tubing Information				
OD 3.5"				
WT 0.254"				
ID	2.992"			
Drift ID	2.867"			
COD	3.75″			
Weight	9.3 lb/ft			
Grade	L-80 Upset			
Depth Set	0-7,520'			

Tubing will be Internal Plastic Coated (IPC)

4. Packer Description

7" X 2-7/8" Non-permanent Nickle Plated Packer with 2-7/8" x 3.5" crossover at packer

B. Completion Information

- 1. Injection Formation: Cisco/Canyon
- 2. Gross Injection Interval: 7,620' 8,060'

Completion Type: Perforated interval

- 3. Originally drilled as an oil producer in Upper Pennsylvanian, North from 8/22/1996 9/8/1999. Re-entry into Morrow, gas production from 9/8/1999 Present
- 4. See the attached wellbore schematic.
- 5. Oil and Gas Bearing Zones within area of well:

Formation	Depth
Glorieta	2,345'
3 rd Bone Spring	5,835'
Wolfcamp	5,990'
Strawn	8,206'
Atoka	8,556'
Morrow	8,950'

VI. Area of Review

Two (2) wells within a 1-mile radius penetrate the proposed Cisco-Canyon injection zone. They are both active saltwater disposal wells. There are no plugged wells in the proposed injection zone within a 1-mile radius. According to the New Mexico Oil Conservation Division, currently active wells include:

- Dagger Draw SWD #001 (API: 30-015-25003)
- Osage Boyd 15 SWD #001 (API: 30-015-28992)

VII. Proposed Operation Data

1. Proposed Daily Rate of Fluids to be Injection:

Average Volume: 8,500 BPD

Maximum Volume: 10,000 BPD

- 2. Closed System
- 3. Anticipated Injection Pressure:

Average Injection Pressure: 1,143 PSI (surface pressure)

Maximum Injection Pressure: 1,524 PSI (surface pressure)

- 4. The injection fluid is to be locally produced water. It is expected that the source water will predominantly be from the Glorieta-Yeso, Bone Spring, Pennsylvanian, and Morrow formations. Attached are produced water sample analyses taken from offset wells that feature samples from the Artesia, Bone Spring, Cisco, Glorieta-Yeso, Grayburg/San Andreas, Morrow, Pennsylvanian, San Andreas/Yeso, and Wolfcamp formations.
- 5. The disposal interval is non-productive. No water samples are available from the surrounding area within a 1-mile AOR.

VIII. Geological Data

Cisco Formation Lithology

The Cisco Formation is an Upper Pennsylvanian (Virgilian) carbonate reservoir that occurs below the Wolfcamp and above the Strawn formation in the Northwest Shelf of the Permian Basin. Reservoirs formed in the Northwest Shelf were created in shallow-water ramp structures across North Eddy County. Sediments in the Cisco are dominated by carbonates and shales. The carbonate architecture on the Northwest shelf is represented by large-scale, asymmetric, sigmoidal clinoforms. The Northwest Shelf has been known to be much more dolomitized than the equivalent succession in the rest of the Permian Basin, several types of dolomite are potentially present in this specific region of the Northwest Shelf. Generalized distribution of this formation has included beach grainstones and lagoonal mudstones and packstones. With algal boundstone restricting migration, dolomitized fusulinid and crinoid wackestone-grainstone create reservoirs with optimal porosity and permeability. These characteristics allow for this formation to be a receptive saltwater disposal horizon.

Canyon Formation Lithology

The Canyon Formation is a Missourian carbonate deposited over preexisting shelfs and platforms around basin margins. On the Northwest Shelf, the Canyon sequence is characterized by aggradation and progradation as this region of the Permian Basin was known to form in a platform to ramp structure in shallow water. The Canyon formation rests beneath the Cisco formation in the northern region of Eddy County. The Strawn is the lower confining layer for the proposed Osage Boyd 15 SWD No. 2. Facies such as phylloid-algal-dominated bioherms and ooid grainstones create sound carbonate reservoirs in the Canyon formation. This carbonate reservoir provides an ideal horizon that is potentially prolific and compatible for disposal.

Formation	Depth
Glorieta	2,345'
3 rd Bone Spring	5,835'
Wolfcamp	5,990'
Canyon	7,645'
Strawn	8,206'
Atoka	8,556'
Morrow	8,950'
Mississippian Lime	9,350'

A. Injection Zone: Cisco-Canyon Formation

B. Underground Sources of Drinking Water

Three (3) water wells exist within one mile of the proposed well. Across the area, fresh water wells are usually drilled between 100' and 500' in depth. Water depths range from 42' - 310'. Surface casing has previously been set to protect against USDW at 1,101'.

IX. Proposed Stimulation Program

Percussion plans to perforate optimal intervals determined by log analysis and acidize the new perforations with 110 barrels of 15% NEFE acid.

X. Logging and Test Data on the Well

Within the Oil Conservation Division's online files, the OCD possesses the following logs:

- 1. Compressed neutron, Litho-Density, Gamma Ray
- 2. Laterolog-Micro CFL, Gamma Ray
- 3. Gamma Ray, Spectroscopy
- 4. Sonic, Gamma Ray
- 5. Azimuthal Laterolog, Micro-CFL/NGT

XI. Chemical Analysis of Fresh Water Wells

Attached is a map of three (3) water wells that exist within one mile of the well location. Samples from the well will be obtained and analysis results will be provided as soon as possible. A Water Right Summary from the New Mexico Office of the State Engineer is attached for water well RA-02909, RA-05450 and RA-05900.