

Additional Information

Date: 05/18/2020

Rose-Coss, Dylan H, EMNRD

From: Rose-Coss, Dylan H, EMNRD
Sent: Monday, May 18, 2020 1:22 PM
To: 'Blake Morphew'
Cc: 'Brian Wood'
Subject: RE: [EXT] Linley State SWD #1-Log & Map Exhibits

Mr. Morphew,

Thanks for submitting the supplemental materials. I will incorporate the additional information into the review and will reach out if I need require anything further.

Regards,

Dylan Rose-Coss

Petroleum Specialist
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

O: (505) 476-3477



From: Blake Morphew <blake@bampermian.com>
Sent: Friday, May 15, 2020 2:27 PM
To: Rose-Coss, Dylan H, EMNRD <DylanH.Rose-Coss@state.nm.us>
Cc: Brian Wood <brian@permitswest.com>
Subject: Re: [EXT] Linley State SWD #1-Log & Map Exhibits

Good Afternoon Dylan,

Thank you for taking time to speak with us today regarding the Linley State SWD #1 permit. As we all discussed, I am attaching supplemental information regarding the proposed injection interval and formation tops for the Glorietta and Yeso/Paddock.

We checked all of the well records in the area of review for common formation top picks and found one well where the Yeso/Paddock top was shown. All of the other records just showed a Glorietta top and then a Tubb top, which is why we initially included the interval down to the top of the Tubb, believing this was all Glorietta. This is also consistent with the Yeso development in to the South, with the closest productive well being 8+ miles away. There have been no tests, shows, log characteristics or other data to indicate hydrocarbon productivity from the Glorietta or Yeso in the area of our SWD application.

We propose to revise the injection interval depth to 3750-4060' (down to base of the Glorietta) instead of 3750-5200' as a condition of approval. At the end of the day, we believe the most important injection interval for approval is the base of San Andres porosity (3750-4000') and if including the San Andres and Glorietta into a single injection interval continues to be a sticking point for approval, we could also drop the Glorietta off and make it a lower San Andres only injection interval.

Please let us know your thoughts and if you need anything else.

Blake Morphew

On Fri, May 15, 2020 at 9:17 AM Rose-Coss, Dylan H, EMNRD <DylanH.Rose-Coss@state.nm.us> wrote:

No,

Use 505-670-5891.

Thanks for checking

From: Brian Wood <brian@permitswest.com>
Sent: Friday, May 15, 2020 8:13 AM
To: Blake Morphew <blake@bampermian.com>
Cc: Rose-Coss, Dylan H, EMNRD <DylanH.Rose-Coss@state.nm.us>
Subject: Re: [EXT] Linley State SWD #1-Log & Map Exhibits

Is 505 476 3477 the correct # to call?

On May 14, 2020, at 6:45 AM, Blake Morphew <blake@bampermian.com> wrote:

9am tomorrow works for me. I do not have a conference call platform so I'll just call your cell in the morning.

Blake

Sent from my iPhone

On May 13, 2020, at 5:27 PM, Rose-Coss, Dylan H, EMNRD <DylanH.Rose-Coss@state.nm.us> wrote:

Okay,

Great. How about 9:00 a.m. MST on Friday 5/14/20? I'm pretty sure I can make my cell phone do a conference call; unless one of you happen to have a zoom or some other medium to hold the meeting on?

Regards,

Dylan Rose-Coss

Petroleum Specialist

Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, New Mexico 87505

O: (505) 476-3477

<image002.jpg>

From: Blake Morphey <blake@bampermian.com>
Sent: Wednesday, May 13, 2020 4:19 PM
To: Rose-Coss, Dylan H, EMNRD <DylanH.Rose-Coss@state.nm.us>
Cc: Brian Wood <brian@permitswest.com>
Subject: Re: [EXT] Linley State SWD #1-Log & Map Exhibits

Thank you Dylan, any of those work for me as well so just let Brian and I know and we'll get a call in.

Blake

Sent from my iPhone

On May 13, 2020, at 4:21 PM, Rose-Coss, Dylan H, EMNRD
<DylanH.Rose-Coss@state.nm.us> wrote:

Blake,

Thanks for reaching out. I hope you and your family are also doing well through all this mess. So things have been more of a challenge on our end, but I have not forgotten about the Linley State SWD. I actually did have few more questions about the application I was hoping to speak with you about. Would you or you and Brian happen to have any time tomorrow around 1:30 NM time? If not then maybe early Friday, or this subsequent Monday afternoon?

Anyway, just let me know if something in those time frames works and we can narrow in on a plan.

My cell is 505-670-5891

Regards,

Dylan Rose-Coss

Petroleum Specialist

Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, New Mexico 87505

O: (505) 476-3477

<image003.jpg>

From: Blake Morphew <blake@bampermian.com>
Sent: Wednesday, May 13, 2020 1:32 PM
To: Brian Wood <brian@permitswest.com>
Cc: Rose-Coss, Dylan H, EMNRD <DylanH.Rose-Coss@state.nm.us>
Subject: Re: [EXT] Linley State SWD #1-Log & Map Exhibits

Good Afternoon Dylan,

I hope you are doing as well as possible through all of this Covid mess and have remained safe and healthy. I'm sure it's been equally as challenging for you all on the regulatory side as it has been for us in operations. It's been a few months since we last had any correspondence with you regarding this Linley State SWD and just wanted to see if there is any kind of update or status change since Brian sent the requested documents back in March. Please let us know if anything else is needed, stay safe and we look forward to hearing from you soon.

Blake Morphew

On Thu, Mar 12, 2020 at 6:44 PM Brian Wood
<brian@permitswest.com> wrote:

Hi Dylan,

Attached is the revised C-108 package.

1. M&M State 1 has been added to Exhibit F (pdf. page 19)

P&A diagram has been added (pdf. page 21).

2. Marathon is an auto fill mistake.

MEC has operating rights in a BLM lease.

Mack operates 30-005-64310.

While the well is not within the area of review, its lease is within the AOR.

pdf. page 10 described MEC and Mack's involvement.

Chalfant was notified in September.

See pdf. pages 39 and 40.

On Mar 10, 2020, at 2:04 PM, Rose-Coss, Dylan H,
EMNRD <DylanH.Rose-Coss@state.nm.us> wrote:

Blake,

I finally found the time to complete a technical review of the Linley State SWD #1 application, so now I can give a better status update. After the review the additional information the Division will need to make a determination are:

- Plugging details for the M&M St 001 well (API: 3000560522), along with the construction information, and date drilled, for the other AOR wells.
- Clarification on Notice:
 - I see that Marathon, MEC Petroleum, and MAC were noticed, but the information provided does not indicate that those parties needed to be noticed
 - Chalfant was listed as a lessee in the AOR, but was not noticed

Please provide information to clarify these two issues and the Division will be able to proceed with the application.

Regards,

Dylan Rose-Coss

Petroleum Specialist

Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, New Mexico 87505

(505) 476-3477

<image002.jpg>

From: Blake Morphew <blake@bampermian.com>
Sent: Thursday, March 5, 2020 8:04 AM
To: Rose-Coss, Dylan H, EMNRD <DylanH.Rose-Coss@state.nm.us>
Subject: Re: [EXT] Linley State SWD #1-Log & Map Exhibits

Good Morning Dylan,

I was just wanting to check in on this Linley State SWD #1 permit application and see if there is any kind of status update you might be able to provide. We are just trying to get a general feel on when we may be able to drill this well and the accompanying horizontal producer for our budget and yearly plan. Please let me know if there is anything you can share.

Thank you,

Blake Morphew

On Tue, Dec 31, 2019 at 9:08 AM Rose-Coss, Dylan H, EMNRD <DylanH.Rose-Coss@state.nm.us> wrote:

Good morning Blake,

Thanks for sending along this information. I will add the documents to the record and incorporate the information into the technical review. I'll be sure to reach out if any additional questions arise.

Regards,

Dylan Rose-Coss

Petroleum Specialist

Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, New Mexico 87505

(505) 476-3477

<image003.jpg>

From: Blake Morpew <blake@bampermian.com>

Sent: Tuesday, December 31, 2019 7:00 AM

To: Rose-Coss, Dylan H, EMNRD <DylanH.Rose-Coss@state.nm.us>

Cc: Brian Wood <brian@permitswest.com>

Subject: [EXT] Linley State SWD #1-Log & Map Exhibits

Good Morning Dylan,

Brian asked me to send the exhibits over that we discussed in our meeting with the NMSLO. The main thing that was discussed in this meeting was the distance and rock quality between the proposed injection interval and the landing zone/pay for horizontal development. There is +/- 600' vertical distance between these two points with several hundred feet of extremely tight dolomite that will provide a sufficient barrier to prevent contamination of a productive zone. Also of note is that there has been no commercial hydrocarbon production in this area to date in the proposed injection interval. Our geology indicates that for our development acreage, any San Andres zone below the very top of P-3 will produce extremely high volumes of water so we do not consider these lower SA zones to ever be a target. Please let me know if you have any questions or would like to see anything else.

Thank you,

Blake Morpew

--

BAM Permian Operating, LLC

4416 Briarwood Ave. Suite 110 PMB #53

Midland, TX 79707

(O): 432-242-8851

(C): 432-413-9289

(F): 432-242-2946

(E): blake@bampermian.com

--

BAM Permian Operating, LLC

4416 Briarwood Ave. Suite 110 PMB #53

Midland, TX 79707

(O): 432-242-8851

(C): 432-413-9289

(F): 432-242-2946

(E): blake@bampermian.com

Brian Wood

Permits West, Inc.
37 Verano Loop, Santa Fe, NM 87508
Phone: 505 466-8120
Mobile: 505 699-2276

--

BAM Permian Operating, LLC

4416 Briarwood Ave. Suite 110 PMB #53

Midland, TX 79707

(O): 432-242-8851

(C): 432-413-9289

(F): 432-242-2946

(E): blake@bampermian.com

Brian Wood
Permits West, Inc.
37 Verano Loop, Santa Fe, NM 87508
Phone: 505 466-8120
Mobile: 505 699-2276

--

BAM Permian Operating, LLC

4416 Briarwood Ave. Suite 110 PMB #53

Midland, TX 79707

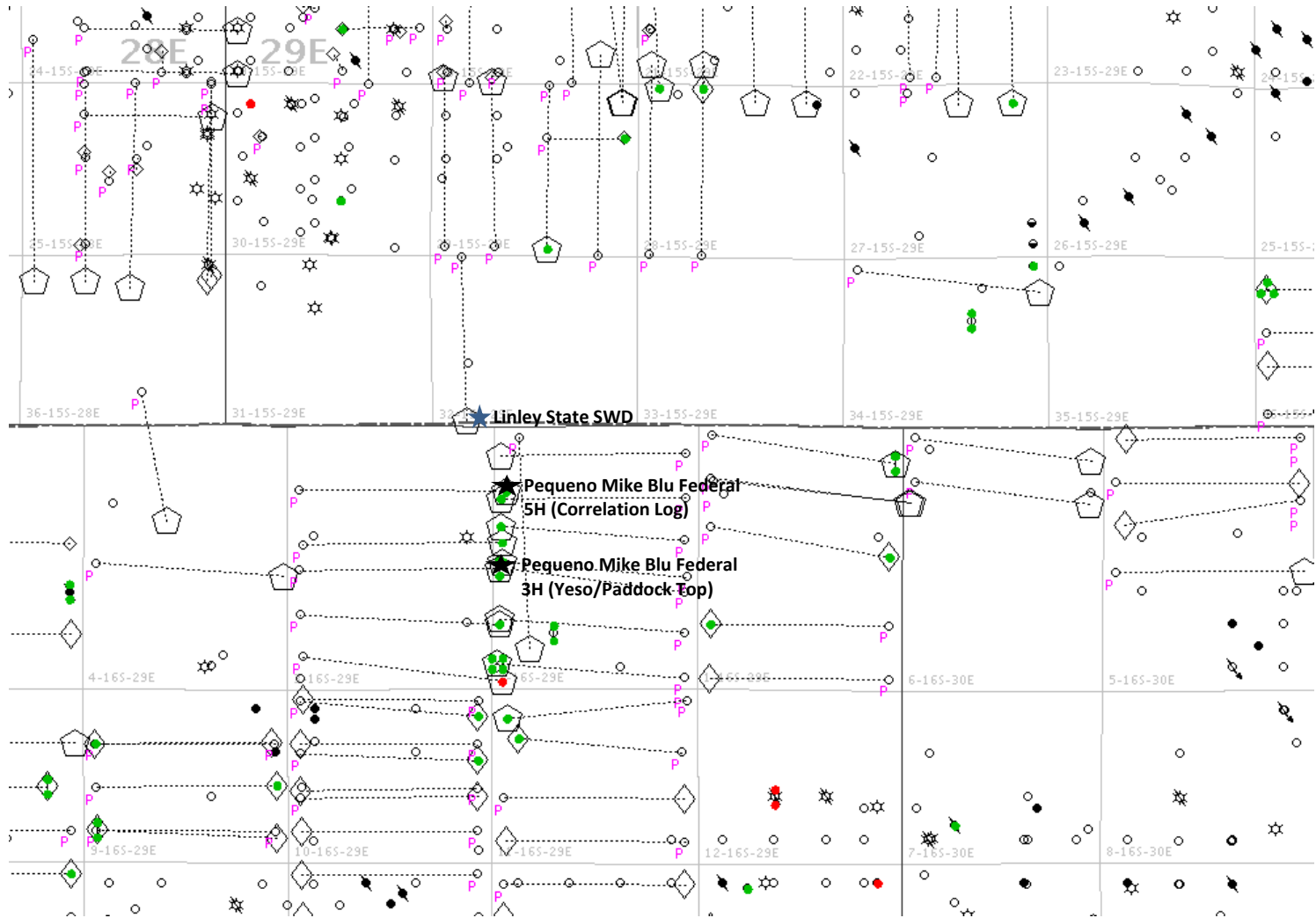
(O): 432-242-8851

(C): 432-413-9289

(F): 432-242-2946

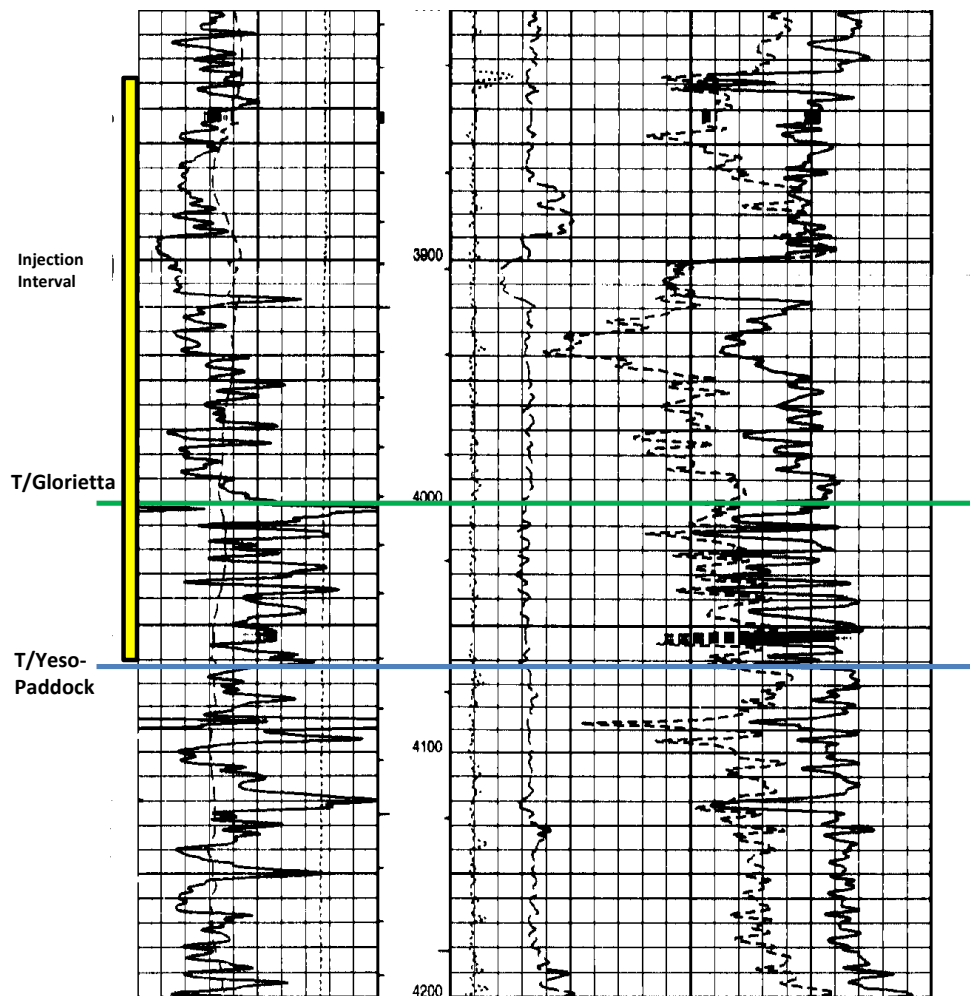
(E): blake@bampermian.com

Offset Well Data Review Area

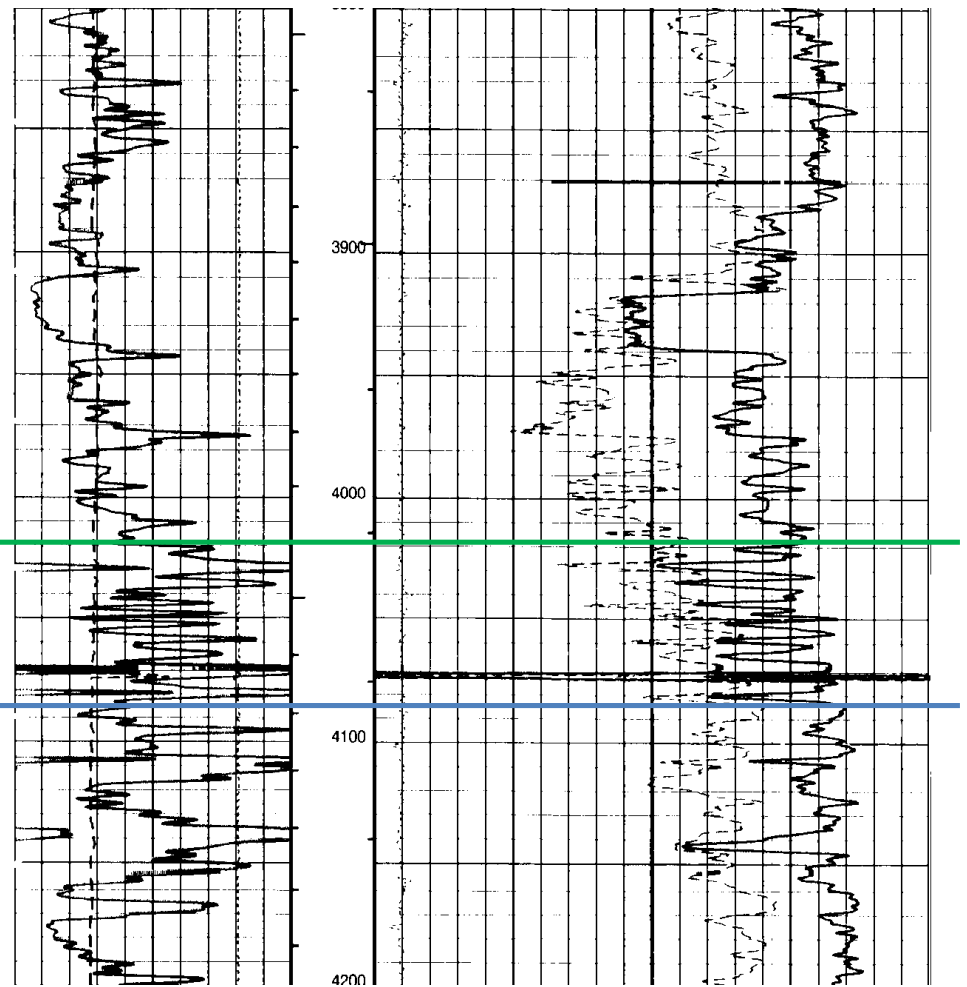


- Wells with MD greater than 4000'

Pequeno Mike Blu Federal 5H



Pequeno Mike Blu Federal 3H



Yeso/Paddock Productive Wells

