12/10/2015 LOGGED IN

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PMAM1534442121

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

				
THI	S CHECKLI	ST IS MAN	NDATORY FOR ALL ADMINISTRATIVE APPLICATION WHICH REQUIRE PROCESSING AT	ATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS THE DIVISION LEVEL IN SANTA FE
Applic	ation Acı	_		
	_		,	Proration Unit [SD-Simultaneous Dedication]
	_		hole Commingling] [CTB-Lease Colling	U U U
	•		——————————————————————————————————————	-Pressure Maintenance Expansion)
			[SWD-Salt Water Disposal] [IP	
	[EO	R-Qualit	fied Enhanced Oil Recovery Certific	ation] [PPR-Positive Production Response]
[1]	TYPE (OF API	PLICATION - Check Those Which	Apply for [A]
		[A]	Location - Spacing Unit - Simultane	ous Dedication -OWISWID OP EVATING, CCC
			☐ NSL ☐ NSP ☐ SD	ous Dedication -OWISWD openAtingue 308339
		Check	One Only for [B] or [C]	Well
		[B]	Commingling - Storage - Measurem	ent - Collins os copy Fen #1
			☐ DHC ☐ CTB ☐ PLC	☐ PC ☐ OLS ☐ OLM 30-015-33758
				ase - Enhanced Oil Recovery
		[C]	Injection - Disposal - Pressure Incre	ase - Enhanced Oil Recovery
			☐ WFX ☐ PMX 🔀 SWD	☐ IPI ☐ EOR ☐ PPR ☐ ☐
		[D]	Other: Specify	L A
			•	
[2]	NOTIF	ICATI	ON REQUIRED TO: - Check Those	e Which Apply, or □ Does Not Apply □
		[A]	Working, Royalty or Overriding	g Royalty Interest Owners
		[B]	M Offset Operators, Leaseholders	F
				Nirror Dublished Local Notice Poul
		[C]	Application is One Which Requ	ires Published Legal Notice
		[D]	■ Notification and/or Concurrent	Approval by BLM or SLO -Sus, Delaware
		[2]	U.S. Bureau of Land Management - Commission	er of Public Lands, State Land Office
		[E]	For all of the above, Proof of N	ر 76/0 otification or Publication is Attached, and/or,
		[F]	☐ Waivers are Attached	
[3]	SUBMI	T ACC	CURATE AND COMPLETE INFO	RMATION REQUIRED TO PROCESS THE TYPE
			TION INDICATED ABOVE.	(
f 4 1	CEDTI	TICAT	MONE I have been added to the total of the	
[4]				nation submitted with this application for administrative dge. I also understand that no action will be taken on this
			uired information and notifications a	
11		-		
		HULE. 3	Statement must be completed by an individu	ual with managerial and/or supervisory capacity.
	Stone		Sen Xun	Agent for Owl SWD Operating, LLC 12/02/15
Print or	Type Nan	ne	Signatule	Title Date ben@sosconsulting.us
				e-mail Address



©|तःभेदानभेदरमारामानुबन्धाः । तस्यादाराज्यभेगस्यस्य महत्त्वराष्ट्रसम्बद्धाः । विशेषाः । विशेषाः । विशेषाः । विशेषाः ।

December 2, 2015

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

Attn: Mr. David Catanach, Director

Re: Application of Owl SWD Operating, LLC to permit for salt water disposal its Collinsoscopy Federal No.1 well, located in Section 7, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico.

Dear Mr. Catanach,

Please find enclosed form C-108 Application for Authority to Inject, supporting the above-referenced request to for disposal in the Collinsoscopy Federal Well No.1.

Owl SWD Operating seeks to create additional solutions for disposal in various locations in southeast New Mexico. Approval of this application is consistent with that goal as well as the NMOCD's mission of preventing waste and protection of correlative rights.

Published legal notice ran in the November 24, 2015 edition of the Artesia Daily Press and all offset operators and other interested parties have been notified individually. The legal notice affidavit is included in this application. The application also includes wellbore schematics, area of review maps, leaseholder plats and other required information for a complete Form C-108. The well is located on federal land and minerals; the BLM form 3160-3 APD is in process at the Carlsbad Field Office of BLM.

respectfully request that the approval of this salt water disposal well proceed swiftly and if you or your staff requires additional information or has any questions, please do not hesitate to call or email me.

Best regards,

Ben Stone, Partner SOS Consulting, LLC

Agent for Owl SWD Operating, LLC

Cc: Application attachment and file

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

FORM C-108 Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE:

Salt Water Disposal and the application QUALIFIES for administrative approval.

II. OPERATOR:

Owl SWD Operating, LLC

ADDRESS:

8214 Westchester Dr., Ste.850, Dallas, TX 75255

CONTACT PARTY: Agent: SOS Consulting, LLC - Ben Stone (903) 488-9850

- III. WELL DATA: Active GAS Well Convert to SWD. All well data and applicable wellbore diagrams are ATTACHED.
- IV. This is not an expansion of an existing project.
- V. A map is attached 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. A tabulation is attached of data on all wells of public record within the area of review which penetrate the proposed injection zone. There are 4 Wells in the subject AOR. The data includes a description of each well's type, construction, date drilled, location, depth, and a schematic of any plugged well illustrating all plugging detail. NO P&A Wells.
- VII. The following data is ATTACHED on the proposed operation, including:
 - Proposed average and maximum daily rate and volume of fluids to be injected;
 - 2. Whether the system is open or closed;
 - 3. Proposed average and maximum injection pressure;
 - 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 - 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Appropriate geologic data on the injection zone is ATTACHED 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. Stimulation program a conventional acid job may be performed to open new injection perfs and formation.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted). 4 Well Logs are on File with OCD and available through OCD Online.
- *XI. There are 2 domestic water wells within one mile of the proposed salt water disposal well. Analyses will be forwarded upon receipt. Water well locations are indicated on the 2 Mile AOR Map.
- XII. An affirmative statement is ATTACHED that available geologic and engineering data has been examined and no evidence was found of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. "Proof of Notice" section on the next page of this form has been completed and ATTACHED. There are 6 offset lessees and/or operators within ½ mile and BLM & State minerals all have been noticed.
- 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: Ben Stone TITLE: SOS Consulting, LLC agent for Owl SWD Operating, LLC

SIGNATURE: DATE: 12/02/2015

E-MAIL ADDRESS: ben@sosconsulting.us

^{*} 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:

FORM C-108 - APPLICATION FOR AUTHORIZATION TO INJECT (cont.)

III. WELL DATA - The following information and data is included (See ATTACHED Wellbore Schematic):

- 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.

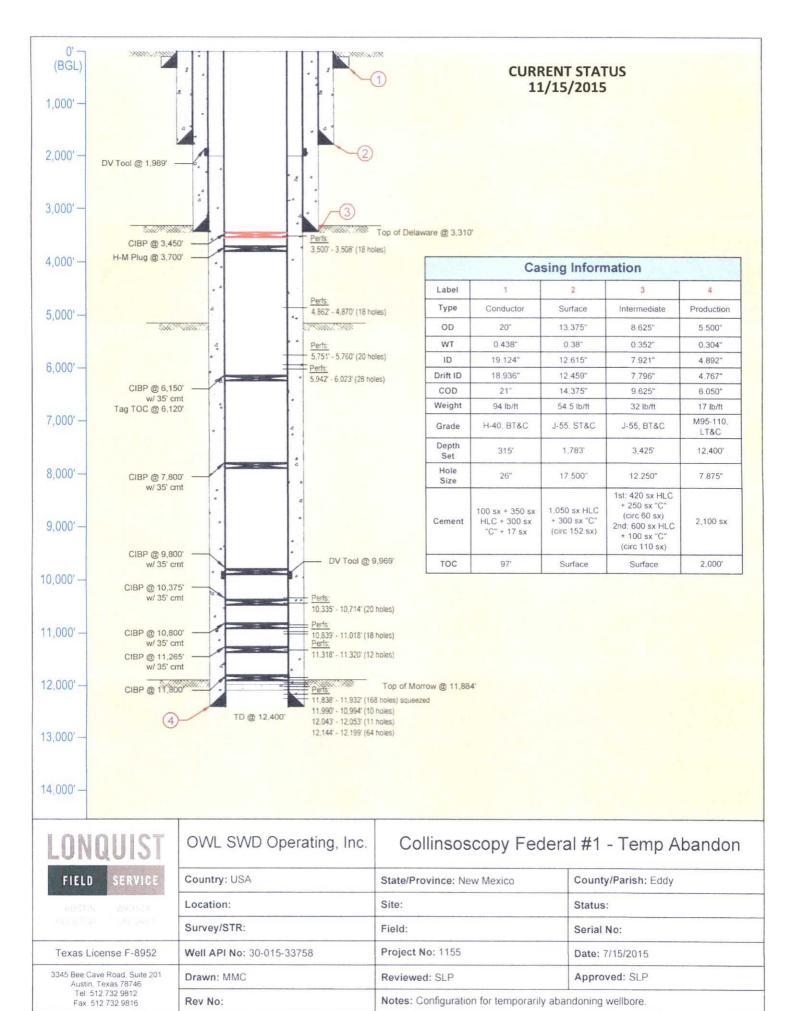
- B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.
 - (1) The name of the injection formation 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 pursuant to the following criteria is ATTACHED.

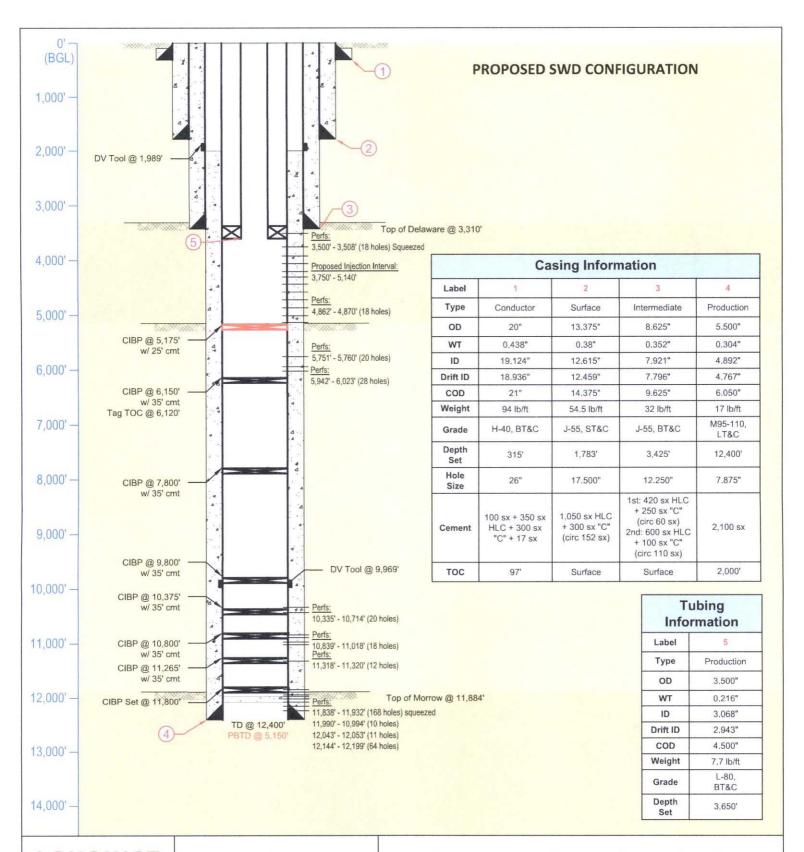
All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

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.

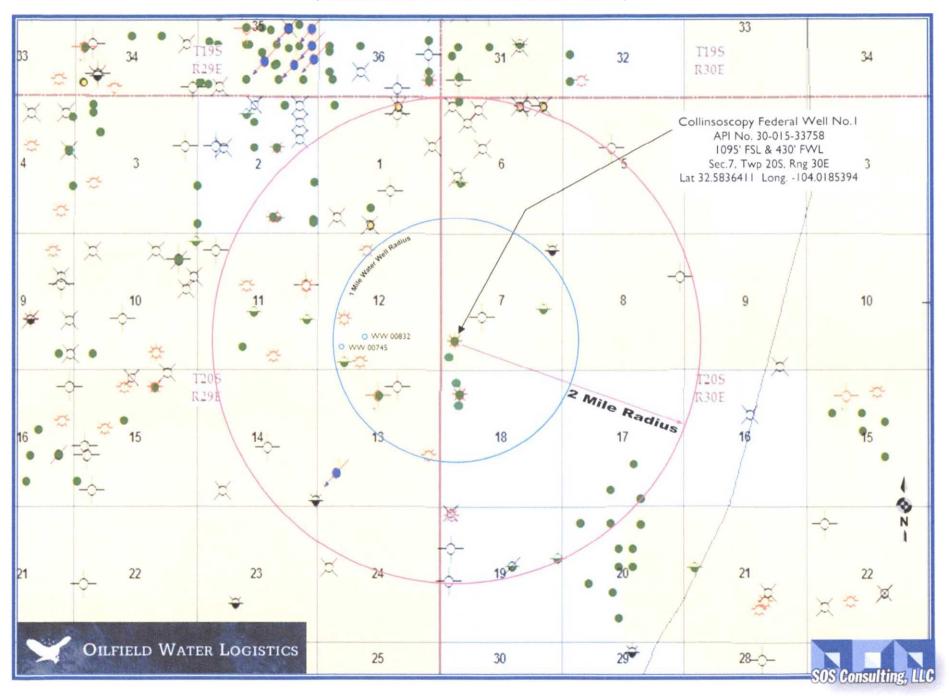




LONQUIST	OWL SWD Operating, Inc.	Collinsoscopy F	Federal #1 - Proposed
FIELD SERVICE	Country: USA	State/Province: New Mexico	County/Parish: Eddy
AUSTIN WICHITA	Location:	Site:	Status:
	Survey/STR:	Field:	Serial No:
Texas License F-8952	Well API No: 30-015-33758	Project No: 1155	Date: 10/1/2015
3345 Bee Cave Road, Suite 201 Austin, Texas 78746	Drawn: MMC	Reviewed: RSC	Approved: SLP
Tel: 512.732.9812 Fax: 512.732.9816	Rev No:	Notes: Proposed configuration. Wel	I being converted to SWD.

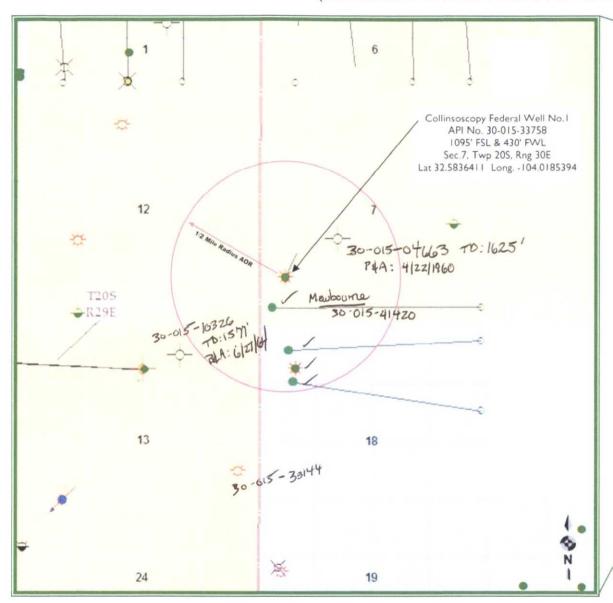
Collinsoscopy Federal Well No.1 - Area of Review / 2 Miles

(Attachment to NMOCD Form C-108 - Item V)



Collinsoscopy Federal Well No.1 - Area of Review / Overview Map =

(Attachment to NMOCD Form C-108 - Item V)

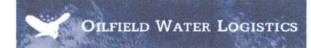


~19.7 miles Northeast of Carlsbad, NM





Eddy County, New Mexico





Form C-108 Item VI - Tabulation of AOR Wells

	Top of Proposed DELAWARE Interval 37	50'			ALL	Wells Penetr	ate Subject Form	nation.	
API Number	Current Operator	Well Name	Well No.	Туре	Lease	Status	ULSTR	Depth	Note
Subject Well									
30-015-33758	[308339] OWL SWD OPERATING, LLC	COLLINSOSCOPY FEDERAL	#001	Gas	Federal	Active	4-7-20S-30E	12,400'	3450' PBTD
		TA'd DELAWARE (Orig: STRAWN G	as) ; 20.0" (26.0" l	nole) @ 315	i' w/ 767 sx -	Circ.; 13.75"	(17.5" hole) @ 1	783' w/ 1350	sx - Circ. 152 sx;
		8.625" (12.	25" hole) @ 3425	w/ 1370sx	- Circ. 110 sx	; 5.5" (8.75"	hole) @ 12,400' i	w/ 2100 sx - T	OC @ DV 1969'.
Section 7 Wells									
30-015-41420	[14744] MEWBOURNE OIL CO	TWO MESAS 7 MP FEDERAL	#001H	Oii	Federal	Active	4-7-205-30E	12,770' MD	
	HZNTL Bone Spring Perfs: 8	850' - 12,725' (Lateral TVD ~8400'+/-) ;	20.0" (26.0" hole)	@ 285' w/	854 sx - Circ.	; 13.75" (17.5	5" hole) @ 1764'	w/ 1300 sx - 0	ا ئز:irc. 94 sx to pit
		5" hole) @ 3450' w/ 1330sx - Circ.; 7.0" (
				_					
Section 18 Wells									
Section 18 Wells 30-015-32958	[229137] COG OPERATING LLC	COINFLIP STATE	#001	Oil	State	Active	1-18-205-30E	9365' PBTD	
30-015-32958				-					i.
30-015-32958	[229137] COG OPERATING LLC IG Perfs: 6602' - 6943'; 20.0" (26.0" hole) @ 3		" hale) @ 1439' w	/ 1100 sx -	circ. 170 sx to	pit; 8.625"	(12.25" hole) @ 3	3684' w/ 2750	sx - Circ. 100 sx;
80-015-32958 BONE SPRIM	[229137] COG OPERATING LLC IG Perfs: 6602' - 6943'; 20.0" (26.0" hole) @ 3	900' w/ 650 sx - Circ. 166 sx; 13.75" (17.5	" hale) @ 1439' w	/ 1100 sx -	circ. 170 sx to	pit; 8.625"	(12.25" hole) @ 3	3684' w/ 2750 25' w/ 35' cmt	sx - Circ. 100 sx; cap (PZ Atoka).
80-015-32958 BONE SPRIM	[229137] COG OPERATING LLC IG Perfs: 6602' - 6943'; 20.0" (26.0" hole) @ 3 5.5" (7.875" hole) ([229137] COG OPERATING LLC	i00' w/ 650 sx - Circ. 166 sx; 13.75" (17.5 @ 12280' w/ 2350 sx - Circ. 25 sx; FCBP @	" hale) @ 1439' w 2 7400' (PZ Lwr BS #002H	/ 1100 sx - 6 6); CIBP @ 9 Oil	circ. 170 sx to 400' W/ 35' State	o pit; 8.625" cap (PZ Strav Active	(12.25" hole) @ 3 vn); CIBP @ 11,22 1-18-205-30E	3684' w/ 2750 25' w/ 35' cmt 12,343' MD	sx - Circ. 100 sx; cap (PZ Atoka).
30-015-32958	[229137] COG OPERATING LLC IG Perfs: 6602' - 6943'; 20.0" (26.0" hole) @ 3 5.5" (7.875" hole) ([229137] COG OPERATING LLC	00' w/ 650 sx - Circ. 166 sx; 13.75" (17.5 2 12280' w/ 2350 sx - Circ. 25 sx; FCBP @ COINFLIP STATE COM	" hole) @ 1439' w 2 7400' (PZ Lwr BS #002H 13.75" (17.5" hole	/ 1100 sx - 6 5); CIBP @ 9 Oil e) @ 1535' v	circ. 170 sx to 400' W/ 35' State w/ 1300 sx -	o pit; 8.625" cap (PZ Strav Active Circ.; 9.625"	(12.25" hole) @ 3 vn); CIBP @ 11,2 1-18-20S-30E (12.25" hole) @ 3	3684' w/ 2750 25' w/ 35' cmt 12,343' MD 3402' w/ 2050	sx - Circ. 100 sx; cap (PZ Atoka). sx - Circ. 147 sx;
80-015-32958 BONE SPRIM	[229137] COG OPERATING LLC IG Perfs: 6602' - 6943'; 20.0" (26.0" hole) @ 3 5.5" (7.875" hole) ([229137] COG OPERATING LLC	100' w/ 650 sx - Circ. 166 sx; 13.75" (17.5 20 12280' w/ 2350 sx - Circ. 25 sx; FCBP 6 COINFLIP STATE COM 1624' - 12,243' (Lateral TVD ~8450'+/-);	" hole) @ 1439' w 2 7400' (PZ Lwr BS #002H 13.75" (17.5" hole	/ 1100 sx - 6 5); CIBP @ 9 Oil e) @ 1535' v	circ. 170 sx to 400' W/ 35' State w/ 1300 sx -	o pit; 8.625" cap (PZ Strav Active Circ.; 9.625"	(12.25" hole) @ 3 vn); CIBP @ 11,2 1-18-20S-30E (12.25" hole) @ 3	3684' w/ 2750 25' w/ 35' cmt 12,343' MD 3402' w/ 2050 5qz w/ 600 sx.	sx - Circ. 100 sx; cap (PZ Atoka). sx - Circ. 147 sx; Drill out to TD.
30-015-32958 BONE SPRIM 30-015-41937	[229137] COG OPERATING LLC IG Perfs: 6602' - 6943'; 20.0" (26.0" hole) @ 3 5.5" (7.875" hole) ([229137] COG OPERATING LLC HZNTL Bone Spring Perfs: 8	900' w/ 650 sx - Circ. 166 sx; 13.75" (17.5 <u>@ 12280' w/ 2350 sx - Circ. 25 sx; FCBP @</u> COINFLIP STATE COM 8624' - 12,243' (Lateral TVD ~8450'+/-); 5.5" w/XO @ 7813' 8	" hale) @ 1439' w 2 7400' (PZ Lwr B #002H 13.75" (17.5" hale 4 7.0" (8.75" hale) #003H	/ 1100 sx - 6 5); CIBP @ 9 Oil e) @ 1535' v @ 12,338'	State w/ 1300 sx w/ 2550 sx State	cap (PZ Strav Active Circ.; 9.625" Circ. 240 sx.; Active	(12.25" hole) @ 3 vn); CIBP @ 11,2 1-18-20S-30E (12.25" hole) @ 3 Perf @ 7710' & S 1-18-20S-30E	3684' w/ 2750 25' w/ 35' cmt 12,343' MD 3402' w/ 2050 5qz w/ 600 sx. 12,607' MD	sx - Circ. 100 sx; cap (PZ Atoka). sx - Circ. 147 sx; Drill out to TD.

SUMMARY: 4 wells penetrate proposed disposal interval. 0 P&A.



C-108 ITEM VII – PROPOSED OPERATION

Collinsoscopy Federal SWD Well No.1

Commercial SWD Facility

Upon approval of all permits for SWD, operations would begin within 30 days. Completion of the well operations will take six to seven weeks. Facility construction including installation of the tank battery, berms, plumbing and other and associated equipment would be occurring during the same interval but at a different location from the well. In any event, it is not expected for the construction phase of the project to last more than 60 days, depending on availability of contractors and equipment. At the time of this submittal, and subject to the availability of the drilling contractor, the anticipated start date is February 1, 2016.

Configure for Salt Water Disposal

Prior to commencing any work, an NOI sundry(ies) will be submitted to BLM to configure the well for SWD and will detail the completion workover including all work otherwise described above, any change to the procedure noted herein and to perform mechanical integrity pressure test per OCD test procedures. (Notify BLM/NMOCD 24 hours prior.) The casing/tubing annulus will be monitored for communication with injection fluid or loss of casing integrity.

Operational Summary

The SWD facility will be fenced with only the offloading station located outside so that trucks may access for load disposal 24/7.

The well and injection equipment will be a closed system and equipped with pressure limiting devices and volume meters. The annulus, loaded with an inert, anti-corrosion packer fluid, will be monitored for pressure.

The tanks will be equipped with telemetry devices and visual alarms to alert the operator and customers of full tanks or an overflow situation.

Anticipated daily maximum volume is 8,000 bpd and an average of 7,000 bpd at a maximum surface injection pressure of 750 psi (.2 psi/ft gradient) with an average pressure of approximately 577 psi.

Potential releases will be contained and cleaned up immediately. The operator shall repair or otherwise correct the situation within 48 hours before resuming operations. OCD will be notified within 24 hours of any release greater than 5 bbls. If required, remediation will start as soon as practicable. Operator shall comply with 19.15.29 NMAC and 19.15.30 NMAC and applicable BLM rules, as necessary and appropriate.

C-108 - Item VII.4

Water Analysis - Disposal Zone - DELAWARE

(Representative of Delaware Formation Water in Area)

WATER ANALYSIS REPORT

Date : 10-22-90

idress : ARTESIA Date Sampled : 10-19-90

Lease : MEDANO RA VA Analysis No. : 1

Vel1 : 1

Sample Pt. : WELLHEAD

	ANALYSIS			mg/L		* meq/L
1.	गिव	7.1				
2.	H2S	POS				
3.	Specific Gravity	1.085				
4.	Total Dissolved Solid	S		115832.4		
5.	Suspended Solids			NR		
6.				NR		
7.	Dissolved CO2			NR		
8.	Oil In Vater			NR		
9.	Phenolphthalein Alkal	inity (Ca	CO3)			
10.	Methyl Orange Alkalin	ity (CaC(23)			
11.	Bicarbonate	•	HCO3	207.0	HCO3	3.4
12.	Chloride		Cl	68799.0	Cl	1940.7
13.	Sulfate		SO4	1750.0	SO4	36.4
14.	Calcium		Ca	1480.0	Ca	73.0
15.	Magnesium		Mg	268.2	Мg	22.1
16	Sodium (calculated)		Na	43328.2	Na	1884.7
17.	Iron		Fe	0.0		
18.	Barium		Ba	0.0		
19.	Strontium	•	ರ್ವ	0.0		
20.	Total Hardness (CaCO3	>		4800.0		

PROBABLE MINERAL COMPOSITION

*milli equivalents per Lit	er	Compound	Equiv wt	X meq/L	= mg/L
++	++				
: 74: *Ca < *HCO3	; 3;	Ca (IICO3)2	81.0	3.4	275
;; />	(:	Ca SO4	68.1	36.4	2480
: 22: *Mg> *SO4	: 36:	CaC12	55.5	34.0	1898
(/	::	Mg (HCO3)2	73.2		
: 1885: *Na> *C1	: 1941:	MgSO4	60.2		`
++	++	MgC12	47.0	22.1	1050
Saturation Values Dist. Va	ter 20 C	Na HCO3	84.0		•
CaCO3 13	mg/L	Na2SQ4	71.0		
CaSO4 * 2H2O 2090	mg/L	NaC1	58.4	1894.7	110139
	mg/L				

REMARKS:

Petrolite Oilfield Chemicals Group

Respectfully submitted, L MALLETT

C-108 - Item VII.4

Water Analysis - Source Water - BONE SPRING



Laboratory Analysis Endurance

Sample Date: 1/31/2014

Requested by:

T. Ratliff

Jazzmaster 17 State #4H

Lea Co. NM

		Water An	alysis Measurements	Cations (+)	mg/L	Anions (-)	mg/L
Oxygen (mg/L)	1 00	Oil in Water (ppm)	n/a	Barium (Ba)	0	Carbonate (CO ₃)	0
Carbon Dioxide (mg/L)	699 16	Specific Gravity	1 150	Calcium (Ca)	15,440	Bicarbonate (HCO ₃)	36 60
Hydrogen Sulfide (mg/L)	0.0	Total Dissolved Solids (TDS)		Magnesium (Mg)	380	Chloride (mg/L)	118,520
pH	5.7	(mg/L) _{Cair}	189,969	Sodium (Na)	54.270	Sulfate (SO ₄)	319
Temperature °F	73	Total Hardness (mg/L)	18.000	Iron (Fe)	3 00		
				Manganese (Mn)	0.00		

Scaling Potential Stiff Davis Scale Indicator (SDI)

	1/31/2014					
80° F 120° F 200° F	0.1					
120° F	85					
200° F						

Negative SDI = no scaling potential

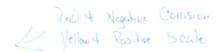
Positive SDI = scaling potential (scale can form and precipitate)

SDI close to zero = borderline scaling potential

Corrosion Potential: ORP Analysis (mV)

ſ	1/31/2014					
	224 1					

Negative numbers indicate the potential for severe corrosion.



C-108 – Item VIII

Geologic Information

The Delaware Mountain Group (DMG) of the Delaware Basin comprises of Guadalupianage arkosic to subarkosic sandstone, siltstone, and detrital limestone that was deposited in deep water, mainly during lowstand and early transgressive sea-level stages. The basin succession is formally divided into the Brushy Canyon, Cherry Canyon, and Bell Canyon Formations (descending order). Stratigraphic divisions within the Delaware Mountain Group are somewhat uncertain due to lithologic similarity and thus a lack of clear boundaries between the major formational intervals.

The Delaware Basin during deposition of the Delaware Mountain Group was a deepwater basin bounded by carbonate-ramp (San Andres and Grayburg) and carbonate-rim (Goat Seep and Capitan) margins that developed on the western edge of the Central Basin Platform, the Northwest Shelf, and the Diablo Platform. The top of the interval is designated by another carbonate, the Lamar limestone included in the Bell Canyon Formation.

The Bell Canyon contains carbonaceous silty sandstone along with clean, fine grained, massive friable sand. The Brushy Canyon and Cherry Canyon intervals consist of the following: (1) very fine to fine-grained arkosic to subarkosic sandstones, mostly massive in character, (2) very fine grained sandstones microlaminated with siltstones, (3) dark-colored organic siltstones (lutites), (4) carbonate beds (limestone or dolomite) more prevalent near shelf margins, and (5) black to dark gray, calcareous shales. Shale is notably rare in the section and is virtually absent from the Brushy Canyon Formation.

Carbonate units (mainly limestone) are present in the upper Cherry Canyon and, especially, Bell Canyon intervals. Porosities and permeabilities in productive intervals range from 12–25% and 1–5 md, respectively, but occasional "streaks" of permeability of up to 200 md are sometimes present. These good porosities indicate a rock that is capable of taking water injection.

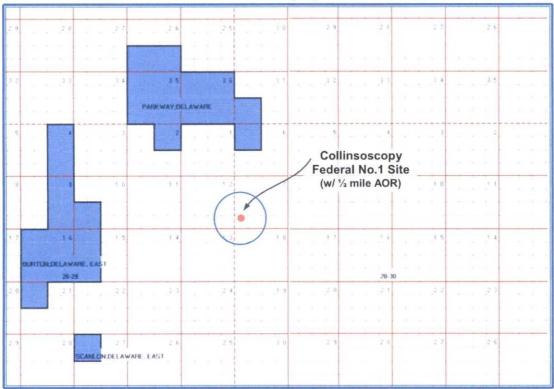
Fresh water in the area is generally available from the Santa Rosa formation. State Engineer's records show water wells in the area to have an average depth of 100 feet.

There are two (2) water wells located within one mile of the proposed SWD. Analyses will be forward as soon as available.

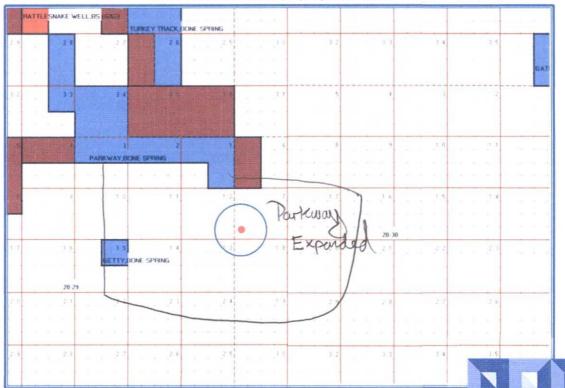
Collinsoscopy Federal Well No.1 - Pool Maps

(Attachment to NMOCD Form C-108, Application for Authority to Inject.)

DELAWARE Pools near proposed SWD.



BONE SPRING Pools near proposed SWD.



C-108 ITEM X - LOGS and AVAILABLE TEST DATA

A log strip from subject well is attached.

LOG STRIP FOLLOWS

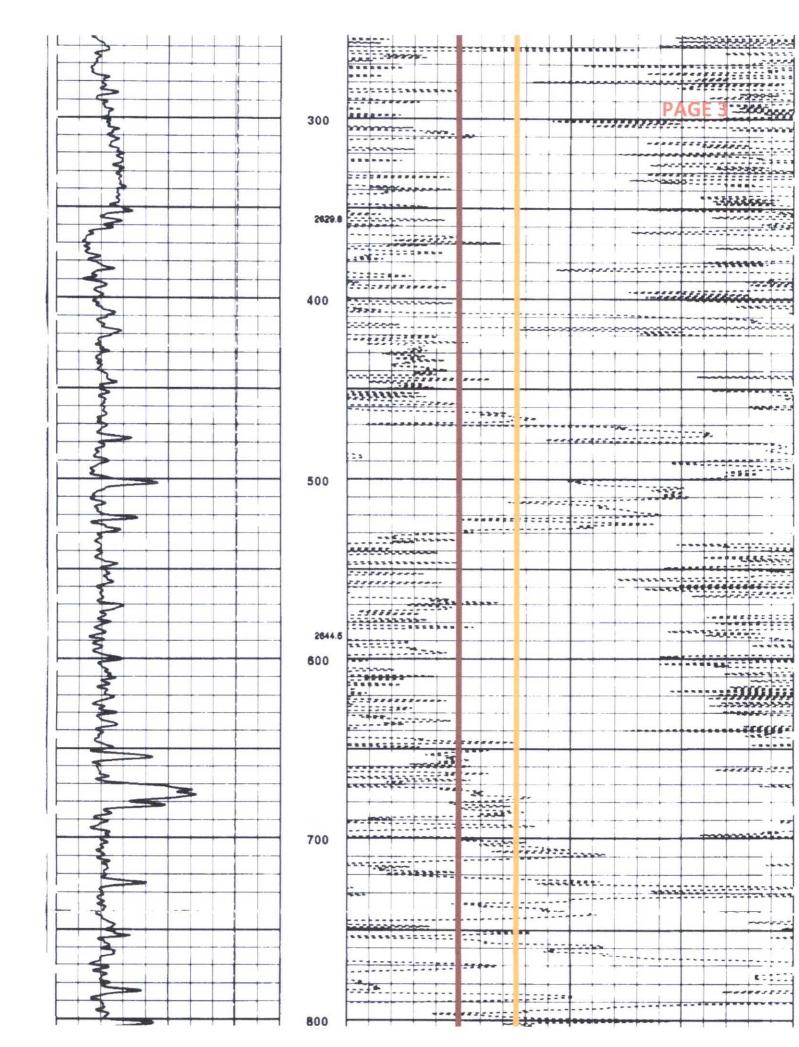
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CORPORATION FEDERAL NO.1 VORROW EAST		MARBOB ENERGY (CHANGES	Dig.					ACNT DATA
VARBOB ENERGY CORPORATION COLLINSOSCOPY FEDERAL NO.1 BURTON FLAT; VORROW EAST EDDY STATE NV	FIELDE	BURTON FLAT; NO	RROW EASTSTATE	E_NM		PGM Version: RESISTIVITY SCALE CHANGES	Scale Up Hole					TVENT FOLIPMENT
ANA T	API No 30-015- Location 1095 FS		Other Sen DLL/MGR			PGM	E C					BEGISTIVITY
Permanenti Datum	GROUND LEVEL		Elev.:	K.B. 3328 D.F. 3327		30-016-33756	Type Log					
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Depth - Logger	12386		MAY 1 9 2005		1	흳			П		- 1	1
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Top - Logged Interval	200				1	F 2				. I	-	
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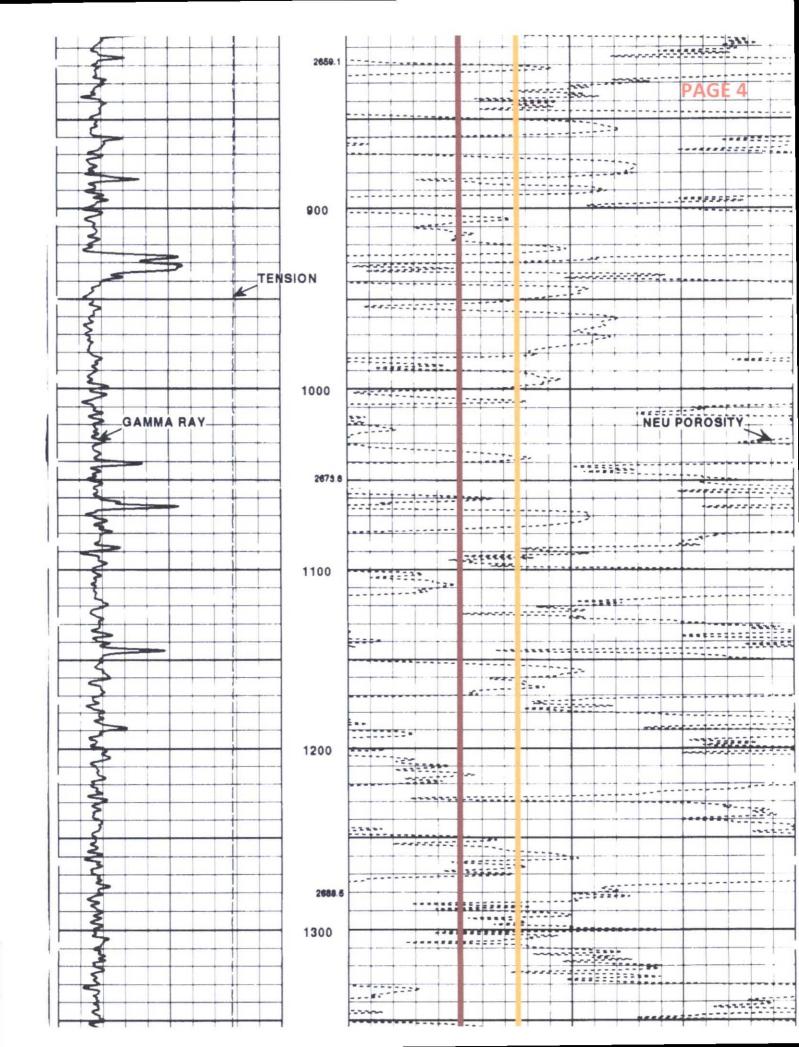
Officer

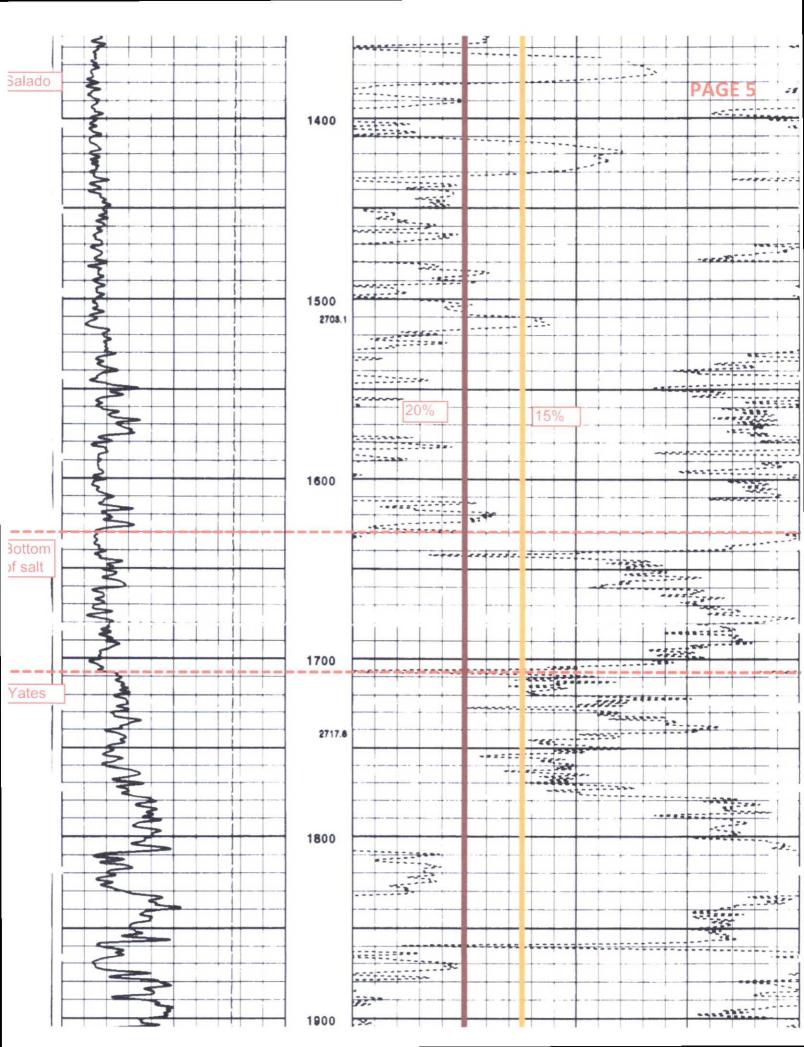
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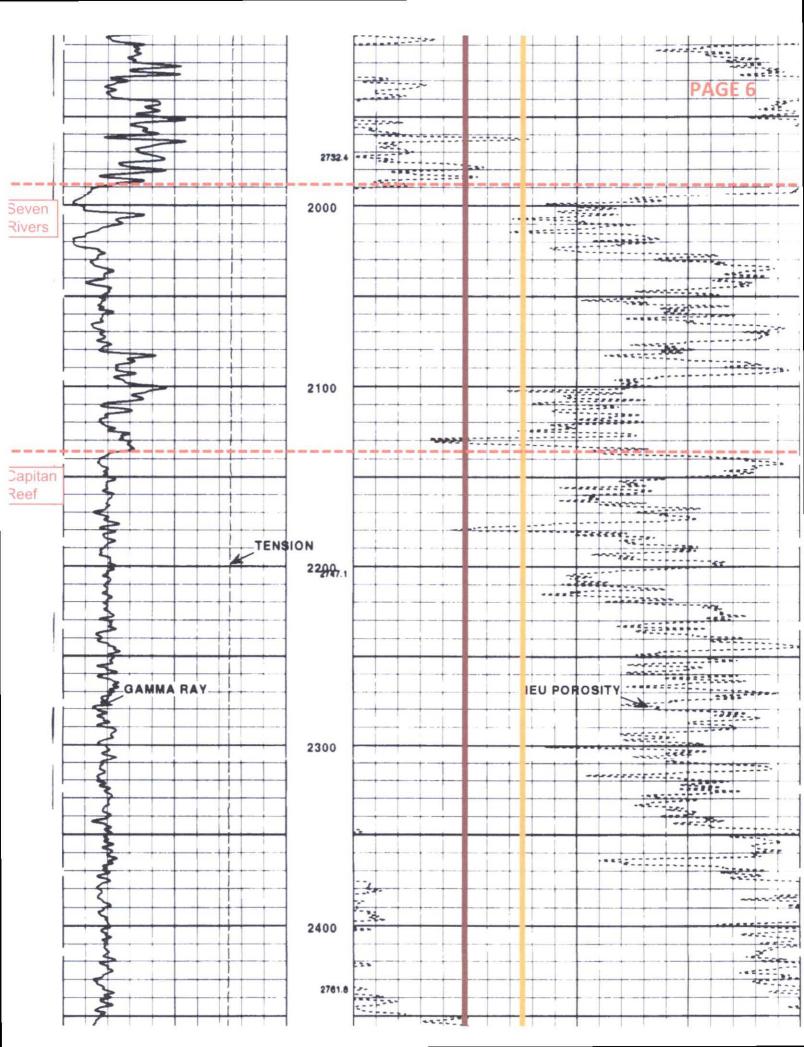
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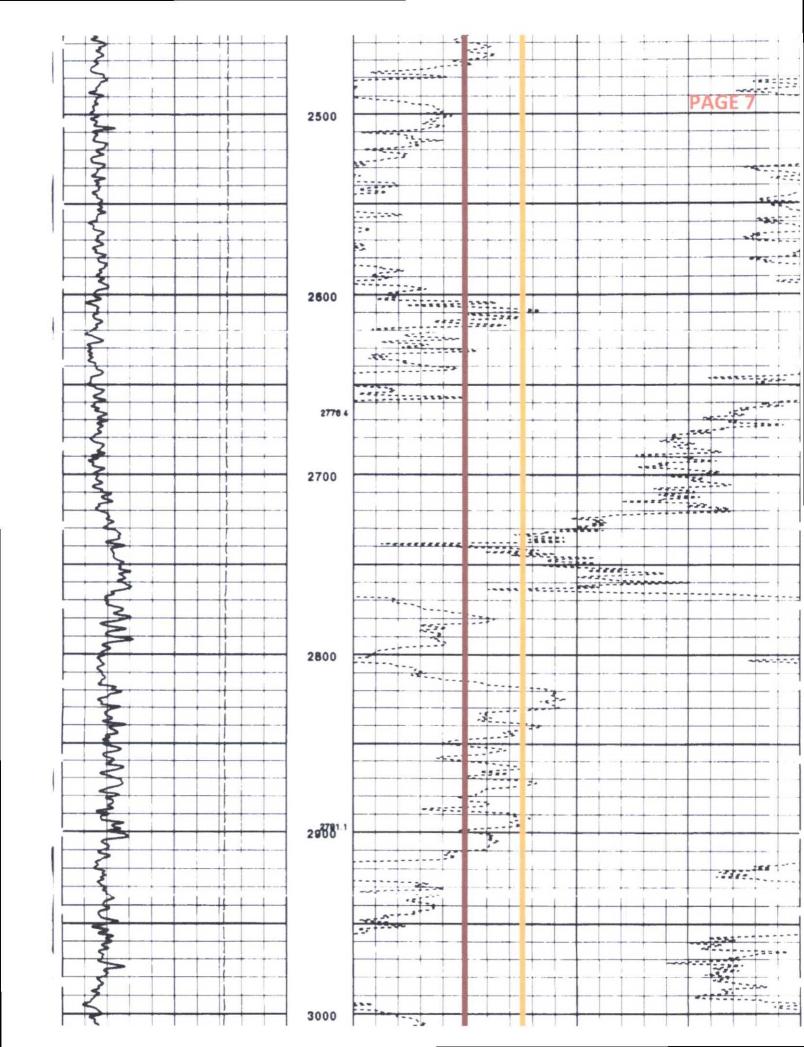
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Run		pth	Speed	Scale		Scale			Scale		+	Scale	
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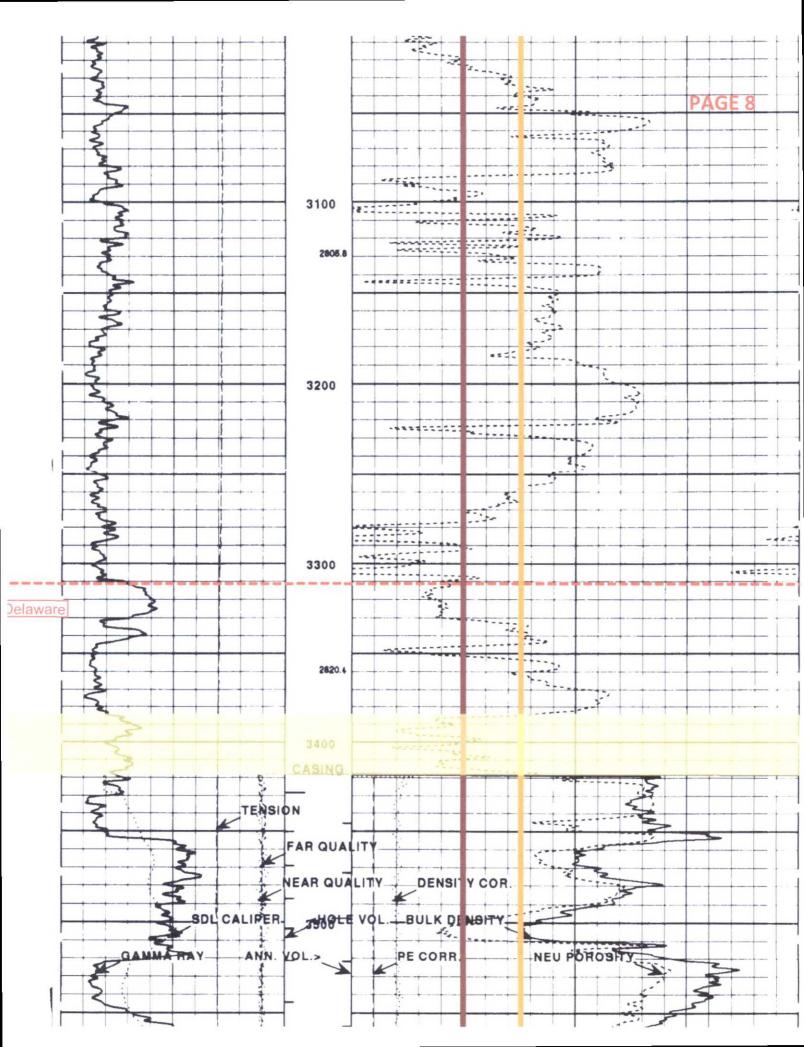


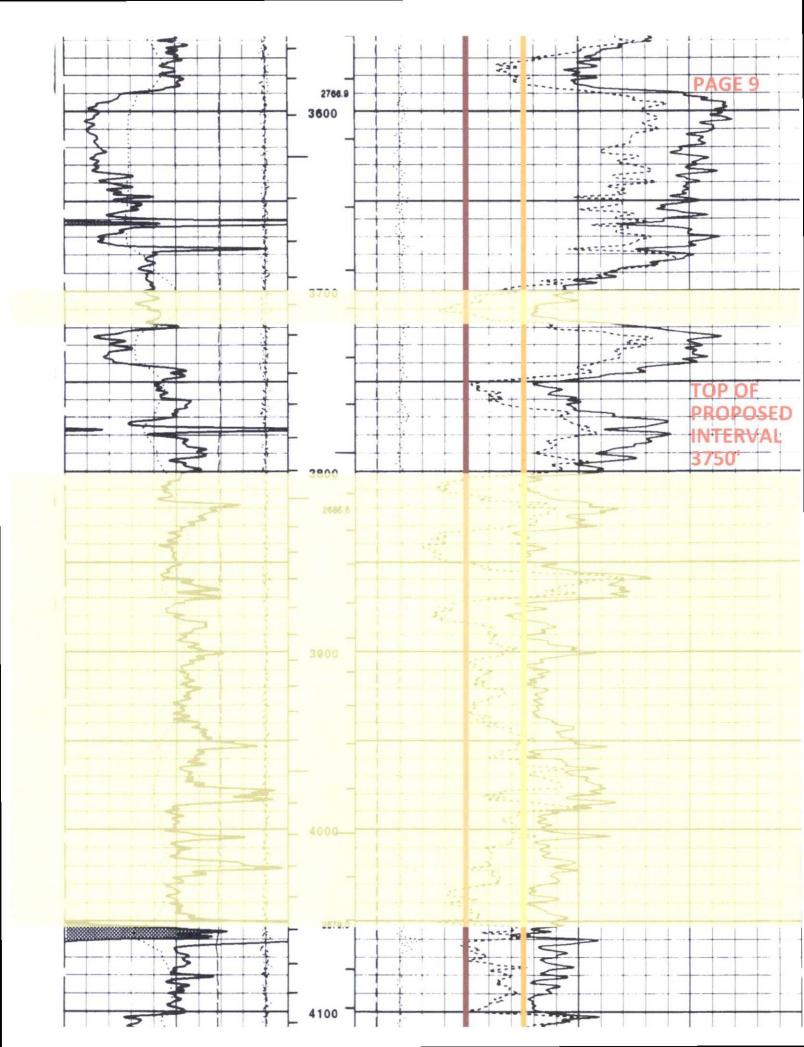


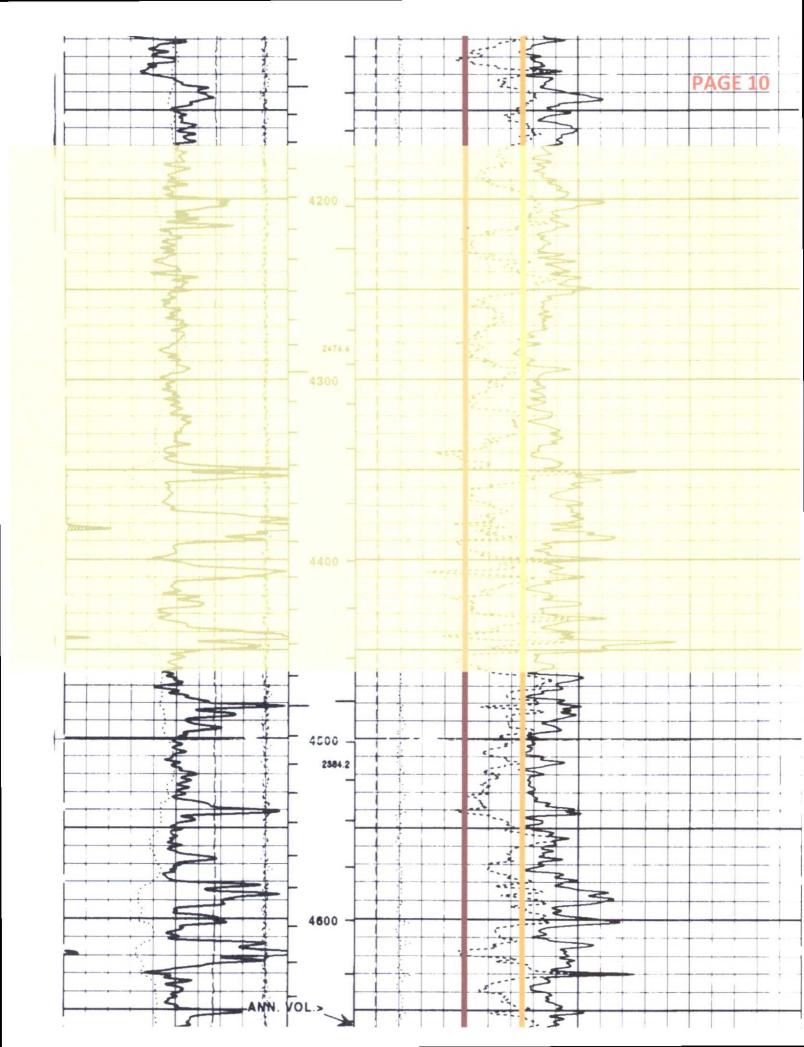


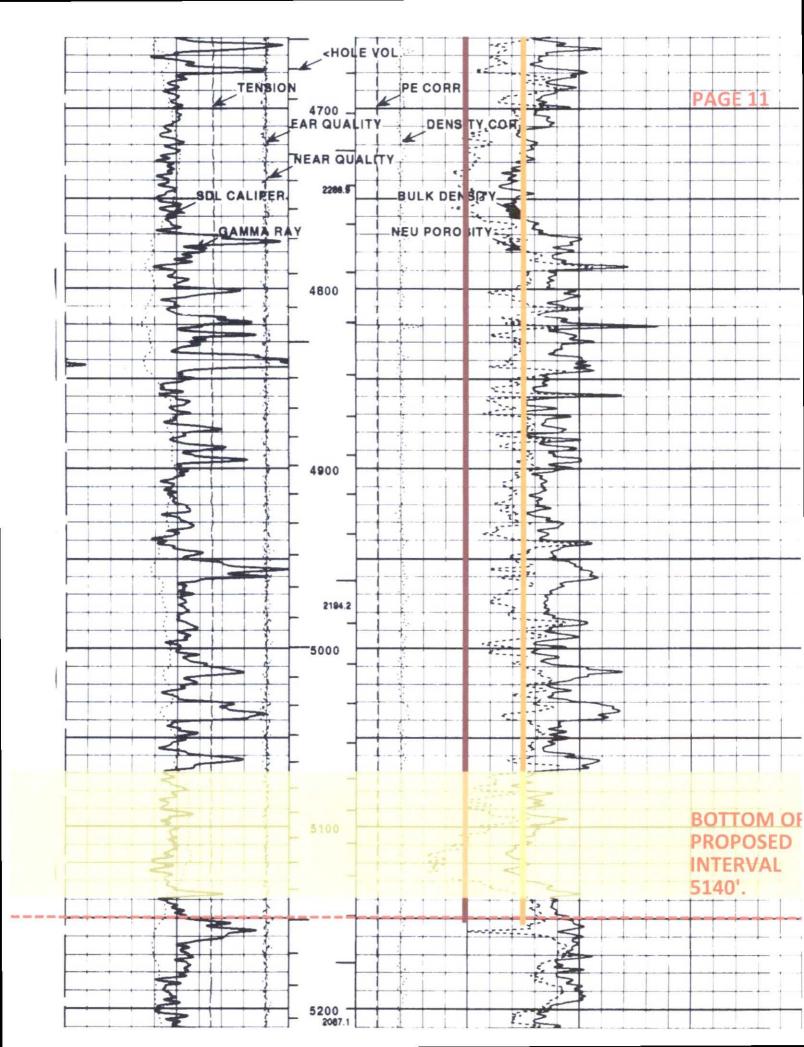


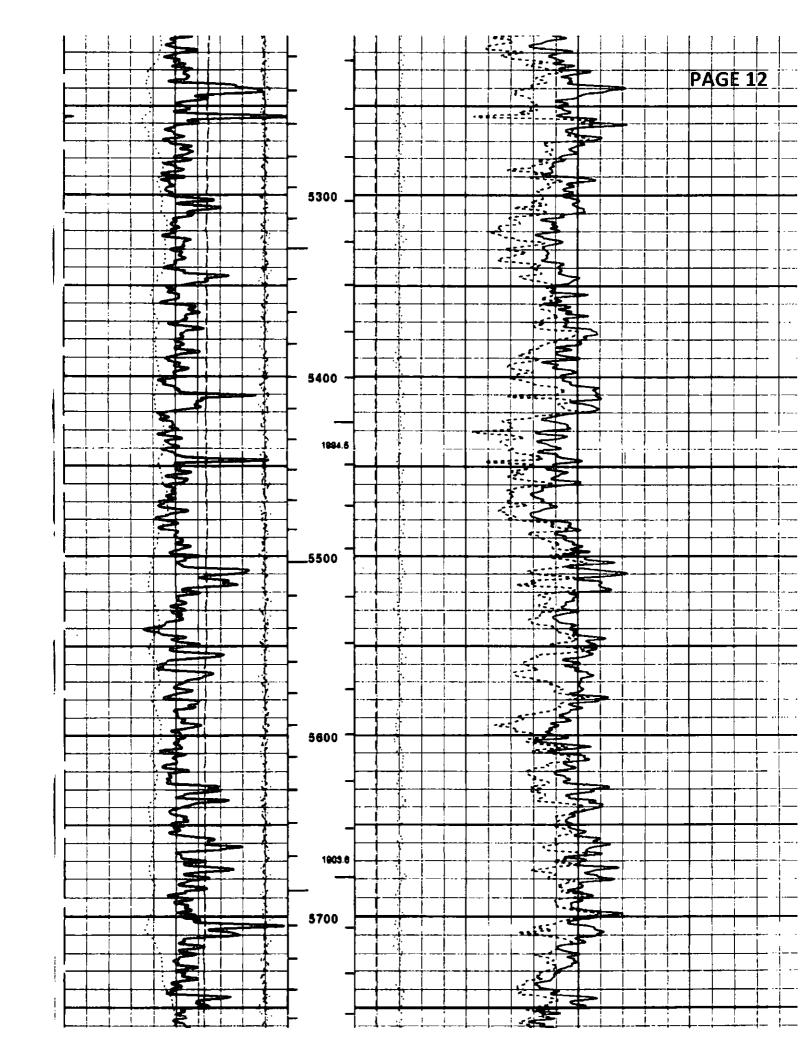












C-108 ITEM XII – GEOLOGIC AFFIRMATION

We have examined available geologic and engineering data and have found no evidence of open faults or other hydrologic connection between the disposal interval and any underground sources of drinking water.

Ben Stone, Partner SOS Consulting, LLC

Project: Owl SWD Operating, LLC

Collinsoscopy Federal No.1 Reviewed 11/23/2015

C-108 ITEM XI - WATER WELLS IN AOR

A search of the State Engineer's database indicates there are 2 water wells within one mile of the proposed salt water disposal well. The well locations are indicated on the 2 Mile AOR Map.

Samples will be taken and the analysis will be forwarded to OCD upon receipt.

(Red rectangle indicates wells located within one mile of subject well.)



New Mexico Office of the State Engineer

Active & Inactive Points of Diversion

(with	Ownership Information)	
	(R=POD has been replaced	_

				and no longer serves this file.	. (quarters are 1=M	W 2=NE 3=SW	4≈SE)		
	(acre f	t per annum)		C=the file is closed) (quarters are smallest to largest) (NAD83 UTM in					
	Sub				9 9 9				
WR Flie Nbr	başin üse Div	rension Owner	County POD Number	Code Grant	Source 6416 4 S	ec Twa Rng	×	Y	
CP 00740	PRO	3 YATES PETROLEUM CORP.	ED <u>CP 00740</u>		233	12 20S 29E	590669	3605509* 😜	
CP 00745	PRO	0 YATES PETROLEUM	ED <u>CP 00745</u>		Shallow 4 1 3	12 20S 29E	590653	3605782	
CP 00832	PLS	3 SNYDER RANCHES	LE <u>CP 00832</u>		Shallow 2.3	12 20S 29E	590971	3605815* 😜	
CP 01111	PRO	0 CONCHO DIL AND GAS	ED CP 00745		Shallow 4 t 3	12 20S 29E	590653	3605782	
CP 01112	PRO	0 CONCHO OIL & GAS	ED CP 00745		Shallow 4 1 3	12 20S 29E	590653	3605782 😱	
CP 01113	PRO	0 BUREAU OF LAND MANAGEMENT	ED <u>CP 00745</u>		Shattow 4 1 3	12 20\$ 29E	590653	3805782 😜	

Record Count: 6

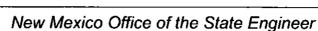
PLSS Search:

Section(s): 12, 13
Sorted by: File Number

Township: 20S

Range: 29E





Active & Inactive Points of Diversion

(with Ownership Information)

(acre ft per annum)

Sub basin Usa Di

Use Diversion Corner
PLS 3 SNYDER RANCHES

County POD Num CHES LE CP 00834 C=the file is closed)

(R=POD has been replaced

qqq Source 6416.4 Sec Twa Ring Shallow 2.3 06 208 306

and no longer serves this file. (quarters are 1=NW 2=NE 3=SW 4=SE)

ж у 592566 3607436° 🖎

(quarters are smallest to largest). (NAD83 UTM in meters)

Record Count:

WR File No

CP 00834

PLSS Search:

Section(s): 6, 7, 8, 18
Sorted by: File Number

Township: 20S

20S I

Renge: 30E

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data

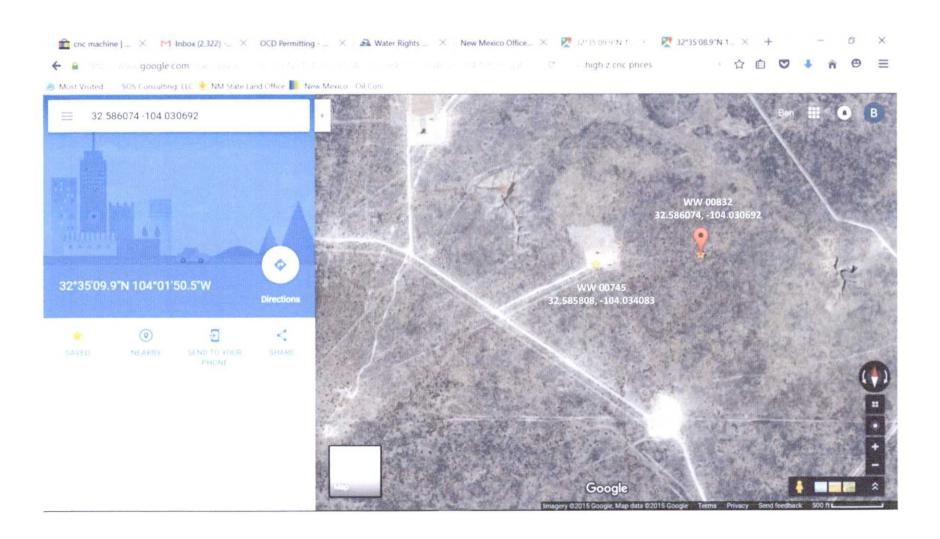
10/15/15 2:45 PM

Page 1 of 1

ACTIVE & INACTIVE POINTS OF DIVERSION

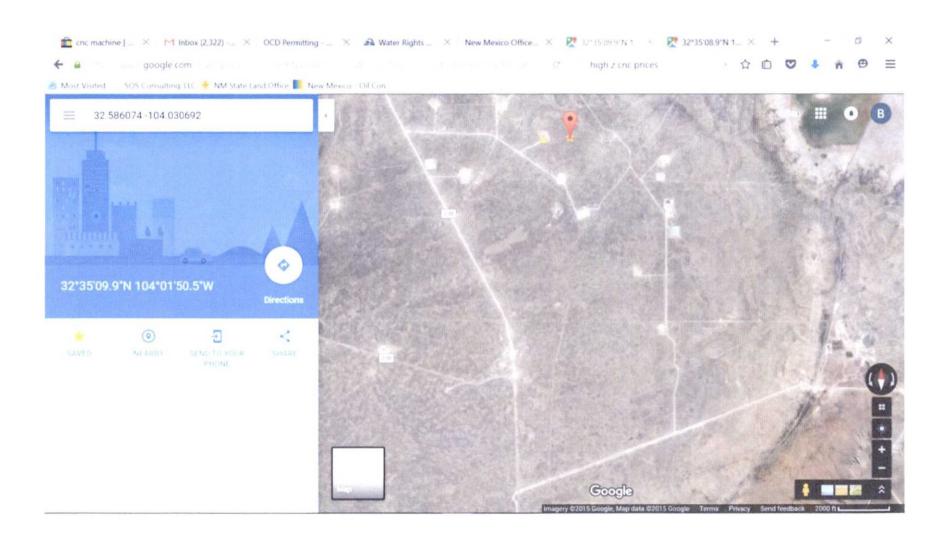
C-108 ITEM XI – WATER WELLS IN AOR

COLLINSOSCOPY FEDERAL NO.1 - WATER WELLS WITHIN ONE MILE



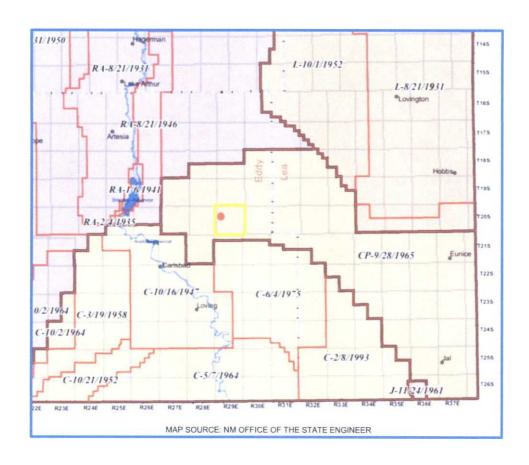
C-108 ITEM XI - WATER WELLS IN AOR

COLLINSOSCOPY FEDERAL NO.1 - LOCATION & ACCESS ROUTES TO WATER WELLS



C-108 - Item XI

Groundwater Basins - Water Column / Depth to Groundwater



The subject well is located within the Capitan Basin, 1-1/2 townships north of the Carlsbad Basin.

Fresh water in the area is generally available from the Santa Rosa formation. State Engineer's records show water wells in 12-20S-29E with an average depth to water at 80 feet.

There are two (2) water wells located within one mile of the proposed SWD. Analyses will be forwarded as soon as available.





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,

closed)

(quarters are 1=NW 2=NE 3=SW 4=SE) C=the file is

(quarters are smallest to largest) (NAD83 UTM in meters)

(In feet)

		POD Sub-	,	Q	Q	Q						Depth	Depth	Water
	POD Number	Code basin	County	64	16	4	Sec	Tws	Ring	X_	Y	Well	Water	Column
	C 03265 POD1	CUB	ED	1	1	3	20	20\$	29E	584052	3602648*	89	52	37
V	CP 00698		ED	2	3	1	03	208	29E	587445	3608005 🍪			
	CP-00698	С	ED	2	3	1	03	208	29E	587445	3608005 🚱			
	<u>CP 00740</u> — Youes	3k.F	ED	2	3	3	12	208	29E	590669	3605509* 🚱	150		
	CP 00743 POD1	Tro	ED		2	4	05	20S	29E	585319	3607382* 😝	160		
	CP 00745		ED	4	1	3	12	20S	29E	590653	3605782 🌍	232		
	CP 00759		ED		4	2	28	208	29E	586984	3601360* 🚱	205	90	115
V	<u>CP 00830</u>		LE		2	1	04	20S	29E	586118	3608193* 🍪	120		
	CP 00831		LE		2	2	10	20\$	29E	588548	3606605* 🌍	100		
	<u>CP 00832</u> - Snyder Ra CP 00833	nches	LE		2	3	12	20S	29E	590971	3605815* 🍪	200		
	<u>CP 00833</u>	3Ac.te	LE		1	2	16	20S	29E	586548	3604978* 🚱	100		
	CP 00936 POD1	PLS	ED	3	4	2	30	20S	29E	583661	3601238* 🍪	70	52	18
	CP 01201 POD1		ED	2	2	1	18	208	29E	582983	3605121 🚱	119	49	70
	CP 01202 POD1		ED	4	4	3	26	208	29E	589577	3600494 🚱	173	158	15

Average Depth to Water:

80 feet

Minimum Depth:

49 feet

Maximum Depth: 158 feet

Record Count: 14

PLSS Search:

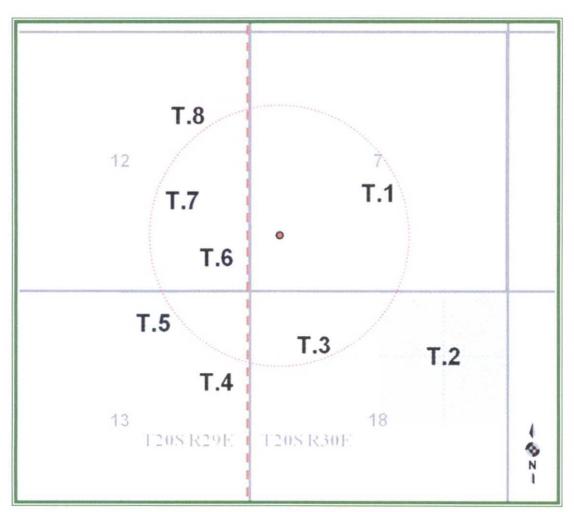
Township: 20S

Range: 29E

*UTM location was derived from PLSS - see Help

Collinsoscopy Federal No.1 - Leasehold Plat •

(Attachment to NMOCD Form C-108, Application for Authority to Inject.)





LEGEND -

- T.1 NMNM-112273 COG Operating, LLC
- T.2 V0-8444-0000 VF Petroleum
- T.3 V0-5391-0003 COG Operating, LLC
- T.4 NMNM-110350 COG Operating, LLC
- T.5 NMNM-0555546 Occidental Permian, LP
- T.6 NMNM-0313550 Occidental Permian, LP
- T.7 NMNM-0120863 Occidental Permian, LP
- T.8 NMNM-015882 Marigold, LLLP



C-108 ITEM XIII – PROOF OF NOTIFICATION INTERESTED PARTIES LIST

SURFACE OWNER

U.S. DEPARTMENT OF INTERIOR (FedEx'ed Copy)
Bureau of Land Management
Oil & Gas Division
620 E. Greene St.
Carlsbad, NM 88220

OFFSET MINERALS LESSEES and OPERATORS (All Notified via USPS Certified Mail)

BLM Leases NMNM-112273; NMNM-110350; State Lease V0-5391-0003

(T.1, T.3 and T.4 on attached plat.)

Lessee/Operator

1 COG OPERATING, LLC Attn: Jim Bob Burnett 2208 W. Main St. Artesia, NM 88210

Operator

2 MEWBOURNE OIL COMPANY P.O. Box 5270 Hobbs, NM 88241

State Lease V0-8444-0000

(T.2 on attached plat.)

Lessee

3 V-F PETROLEUM CORPORATION P.O. Box 1889 Midland, TX 79702-1889

BLM Leases NMNM-0555546; NMNM-0313550; NMNM-0120863

(T.5, T.6 and T.7 on attached plat.)

Lessee

4 OCCIDENTAL PERMIAN, LTD P.O. Box 4294 Houston, TX 77210

BLM Lease NMNM-012211

(T.8 on attached plat.)

Lessee

5 MARIGOLD, LLLP 105 S. 4th Street Artesia, NM 88210

C-108 ITEM XIII - PROOF OF NOTIFICATION INTERESTED PARTIES LIST (cont.)

OFFSET MINERALS OWNERS (All Notified via USPS Certified Mail)

NEW MEXICO STATE LAND OFFICE Commissioner of Public Lands 310 Old Santa Fe Trail Santa Fe, NM

U.S. DEPARTMENT OF INTERIOR
 Bureau of Land Management
 Oil & Gas Division
 620 E. Greene St.
 Carlsbad, NM 88220

REGULATORY

NEW MEXICO OIL CONSERVATION DIVISION (FedEx'ed original and copy) 1220 S. St. Francis Dr. Santa Fe, NM 87505

NEW MEXICO OIL CONSERVATION DIVISION (FedEx'ed copy) 811 S. First St. Artesia, NM 88210

NEW MEXICO STATE LAND OFFICE (FedEx'ed copy) Commissioner of Public Lands 310 Old Santa Fe Trail Santa Fe, NM



November 30, 2015

NOTIFICATION TO INTERESTED PARTIES

via U.S. Certified Mail

To Whom It May Concern:

Owl SWD Operating, LLC, Dallas, Texas, has made application to the New Mexico Oil Conservation Division to reconfigure and complete for salt water disposal the Collinsoscopy Federal Well No.1. The proposed SWD will be for commercial use. As indicated in the notice below, the well will be located in Section 7, Township 20 South, Range 30 East in Eddy County, New Mexico.

The disposal interval will be through perforations between a maximum of 3750 feet to 5140 feet in the Delaware formation.

Following is the legal notice published in the Artesia Daily Press, Artesia, New Mexico on or about November 24, 2015.

LEGAL NOTICE

Owl SWD Operating, LLC, 8214 Westchester Dr., Ste.850, Dallas, TX 75255 is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division for administrative approval to [reenter, plug back and] permit for salt water disposal its Collinsoscopy Federal Well No.1. The well is located 1095' FSL & 430' FWL in Section 7, Township 20 South, Range 30 East in Eddy County, New Mexico. Produced water from area production will be commercially disposed into the Delaware formation through selectively perforated intervals between a maximum applied for top of 3750 feet to maximum depth of 5140 feet based on log analysis. The maximum injection pressure will be 750 psi surface (0.2 psi/ft gradient) and a maximum rate limited only by such pressure. The well may be step-rate tested upon completion to determine if higher pressures are warranted.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87505, (505)476-3460 within 15 days of the date of this notice. Additional information may be obtained from the applicant's agent, SOS Consulting, LLC, (903)488-9850 or, email info@sosconsulting.us.

You have been identified as a party who may be interested as an offset lessee or operator.

You are entitled to a full copy of the application. A full copy in PDF format on a mini-CD will be arriving within a few days of this notice. If you do not receive it, please call or email SOS Consulting, LLC at 903-488-9850, info@sosconsulting.us, and a copy will be expedited to you and may also be sent via email if preferred.

Thank you for your attention in this matter.

Best regards,

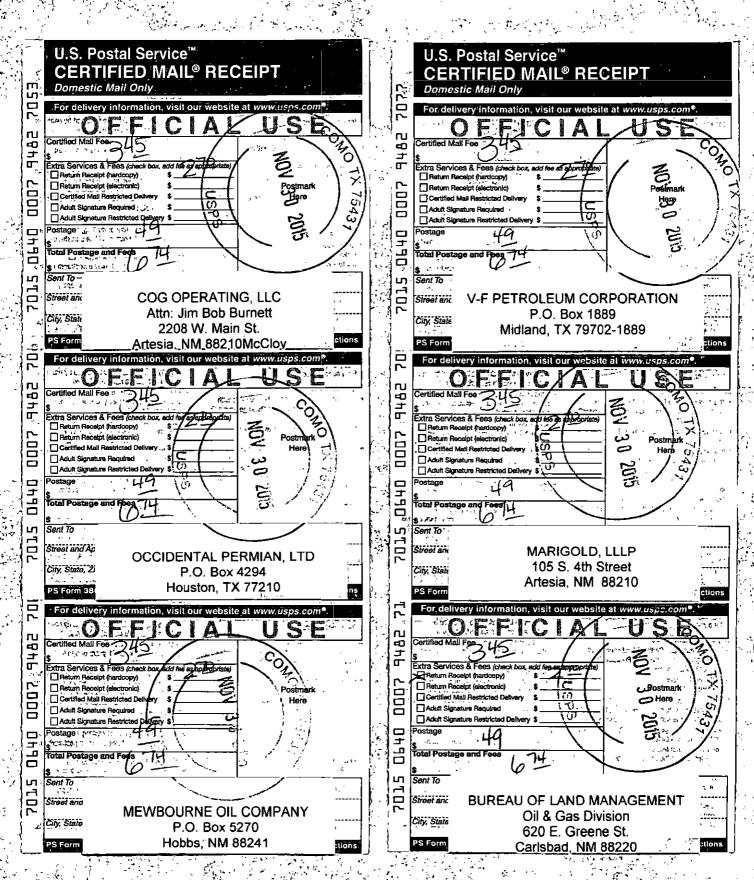
Ben Stone, SOS Consulting, LLC

Agent for Owl SWD Operating, LLC

Cc: Application File

C-108 - Item XIV

Proof of Notice (Certified Mail Receipts)



C-108 ITEM XIII – PROOF OF NOTIFICATION Regulatory Filings

Owl SWD Operating, LLC

Collinsoscopy Federal No.1

C-108 sent 12/03/15

FedEx Tracking Nos.

OCD SF - 7751 1229 7745

OCD Artesia - 7751 1231 6295

BLM - 7751 1226 5794

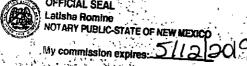
I hereby certify that a full copy of the subject C-108 application was sent to the applicable regulatory agencies as indicated above.

Ben Stone, Partner SOS Consulting, LLC

Agent for Owl SWD Operating, LLC

Affidavit of Publication

State of New Mexico County of Eddy Danny Scott being duly s sworn sayes that she is the Publisher : of the Artesia Daily Press, a daily newspaper of General circulation, published in English at Artesia, said county and state, and that the hereto attached Legal Ad was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for Consecutive weeks/day on the same day as follows First Publication November 24, 2015 Second Publication Third Publication Fourth Publication Fifth Publication Sixth Publication Subscribed and sworn before me this. 2015 OFFICIAL SEAL Latisha Romine NOTARY PUBLIC-STATE OF NEW MEXICO



Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication

Owl SWD Operating, LLC, 8214 Westchester Dr., Ste.850, Dallas, TX 75255 is filling Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division for administrative approval to [reenter, plug back and] permit for salt water disposal its Collinsoscopy Federal Well No.1. The well is located 1095' FSL & 430' FWL in Section 7, Township 20 South, Range 30 East in Eddy County, New Mexico. Produced water from area production will be commercially disposed into the Delaware formation through selectively permitted to the produced water from a control of the produced water from the commercially disposed into the Delaware formation through selectively permitted for the produced water from the control of the produced water from the produced w forated intervals between a maximum applied for top of 3750 feet to maximum depth of 5140 feet based on log analysis. The maximum injection pressure will be 750 psi surface (0.2 psi/ft gradient) and a maximum rate limited only by such pressure. The well may be step-rate tested upon completion to determine if higher pressures are warranted.

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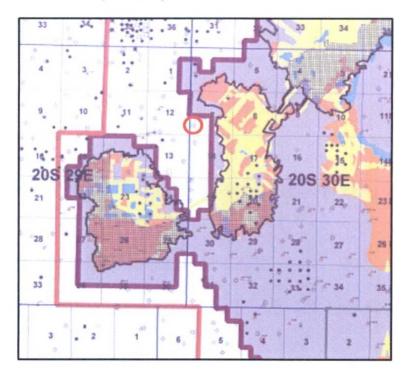
Published In the Artesia Daily Press, Artesia, N.M., Nov. 24, 2015 Legal No.

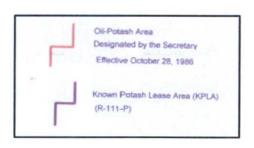
C-108 Review Checklist:	Received 12/10/15Add. Reque	st:	Reply Date: 7/8/16	\$\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	[Ver 16]
ORDER TYPE: WFX / PMX SWD		Date:	Legacy Permits	tone /Orders:	
Well No Well Name(s):ColtinSo	scopy Federal	Penian F	7-111-P - DM	G assessment	
ic 00-0	, , , , ,	Vew or Old:	Mb) (UIC Class II I	Primacy 03/07/1982)	
Footages 1095 FSL / 430 FWL Co	Thorium M Sec 7	_Tsp20	_	County Eddy	
General Location: Claudon Basin: 41/2 m nort	Burto	offat;	Burton Flotz Su	Delawase Pool Na.:	
BLM 100K Map: Hobbs Arts Sperator: OU	10 Miles E of Carlston) /	3/8379	Delaura,	 nsultina
			1	les in	77/6
COMPLIANCE RULE 5.9: Total Wells: 20 Inac	ctive: 2 Fincl Assur: 16	CS Compl.	is not 10%	.9 OK? 165 Date: 00/2	m/ Drevious
WELL FILE REVIEWED O Current Status: Active	wells Morrow -> S	train -	- Delaware,	MODUCE OPERAT	<u> ۲۰۵۲</u>
WELL DIAGRAMS: NEW: Proposed O or RE-ENTE			ogs in Imaging:	ep form.logs sk	ماسم
Planned Rehab Work to Well: Drill out shallow	olugs; squeeze perf	s 3500'-	3508; Finstall CIE	5P@5175; new p	one const
Well Construction Details Sizes (in) Borehole / Plot	Setting Depths (ft)		Cement Sx or Cf	Cement Top and Determination Method	
Planned _or Existing Surface 26 20	0 60 315	Stage Tool	750 + 100/ RM	-notion. 56 after	- RM
Planned or Existing Interny Prod 171/2 123	18 O to 1783	None	1350	cir. to surface	
Planned_or Existinginterm/Prod 121/4/85/	3 0 to 3425 _	DV 1989'	1400	cir, to surface	
Planned_or Existing Produiner 75/e/51/2	O to 12400	DV 9969'	2100	-15 1600 BC	35_
Planned_or Existing _ Liner Preas				·	
Planned or Existing OH / PERF)	Planned: 3750'-5140'	Ini Length 1390	<u>Completion</u>	/Operation Details:	
Injection Lithostratigraphic Units: Ceptins (ft)	Unjection or Confining	Tops	Drilled TD 12400	РВТD <u>5,150</u>	
Adjacent Unit: Litho. Struc. Por.	Capitan Rept	2136	NEW TD	_ NEW РВТО \$5175	cnt
Confining Unit: Lither Struc. 19. +440	Delaware [3310	NEW Open Hole	. /	
Proposed Inj Interval TOP: 3750	Cherry Conyon			in. Inter Coated? <u>Ye</u>	<u>5</u>
Proposed Inj Interval BOTTOM: 5140	Brushow Contin		Proposed Packer D	TALE OF THE ALL SOUR) 35 08
Confining Unit: Litho. Struc. Por. +1,155	Boner Spring	6295	Min. Packer Depth _		
Adjacent Unit: Litho. Struc. Por.	Wolfcomp)	14789		ace Press. <u>750</u> p	
AOR: Hydrologic and Geologic			Admin. Inj. Press		
POTASH: R-111-P No Noticed? BLM Sec	/ //		,	,	_
FRESH WATER: Aquifer Shallow SR Cup	Max Depth 300	33HYDRO	AFFIRM STATEME	NT <u>By Qualified Perso</u>	<u>>n</u> 🏈 📗
NMOSE Basin: Capital CAPITAN REEK:	nu <u> </u>	lo. GW Well	s in 1-Mile Radius?	FW Analysis?	No
Disposal Fluid: Formation Source(s)	oring Delawareanalysis	? Yes	On Lease Operate	or Only O or Commerc	ial 🕜
Disposal Interval: Inject Rate (Avg/Max BWPD):	Protectable V	Vaters? 1/0	_Source: Sample	_ System: Closed or C	Open
HC Potential: Producing Interval? No Formerly	Producing? LesMethod.	DST/P	&Alother production	#3-Mile Radius Pool M	ар
AOR Wells: 1/2-M Radius Map?	t? <u>es</u> Total No. Wells P	enetrating Ig	Hartzwan BS	Horizontals? 3	_
Penetrating Wells: No. Active WellsNum Rep	airs? on which well(s)?_	1.	Harteway 85	Plansiagrams? No	
Penetrating Wells: No. P&A WellsNum Repai	rs?on which well(s)?	NA		Diagrams?) —
NOTICE: Newspaper Date 01.24, 2015 Mine		_ Surface C			o√30,20i5
RULE 26.7(A): Identified Tracts? \(\frac{165}{26} \) Affected F	Persons: Maubourne C	OG/ Occid	lental/V-F Petrole	way Manage Date No	130,2015
Order Conditions: Issues: Pressure in	. J		tion rate		_
Add Order Cond: Set MSIP with SR	i injection surve	4			

Potash Resource Area Evaluation

C-108 Application; OWL SWD Operating LLC Collinsoscopy Fed No. 1 (30-015-33758)

Proposed Disposal Interval: 3750' to 5140'







30-015-33758-00-00

COLLINSOSCOPY FEDERAL No. 001

Company Name: MARBOB ENERGY CORP

Location: Sec: 7 T: 20S R: 30E Spot:

Lat: 32.583648244872 Long: -104.018535248961

Property Name: COLLINSOSCOPY FEDERAL

County Name: Eddy

String Information

Cement Information

Perforation Information

Тор	Bottom			
(ft sub)	(ft sub)	Shts/Ft	No Shts	Dt Sqz
0	0			

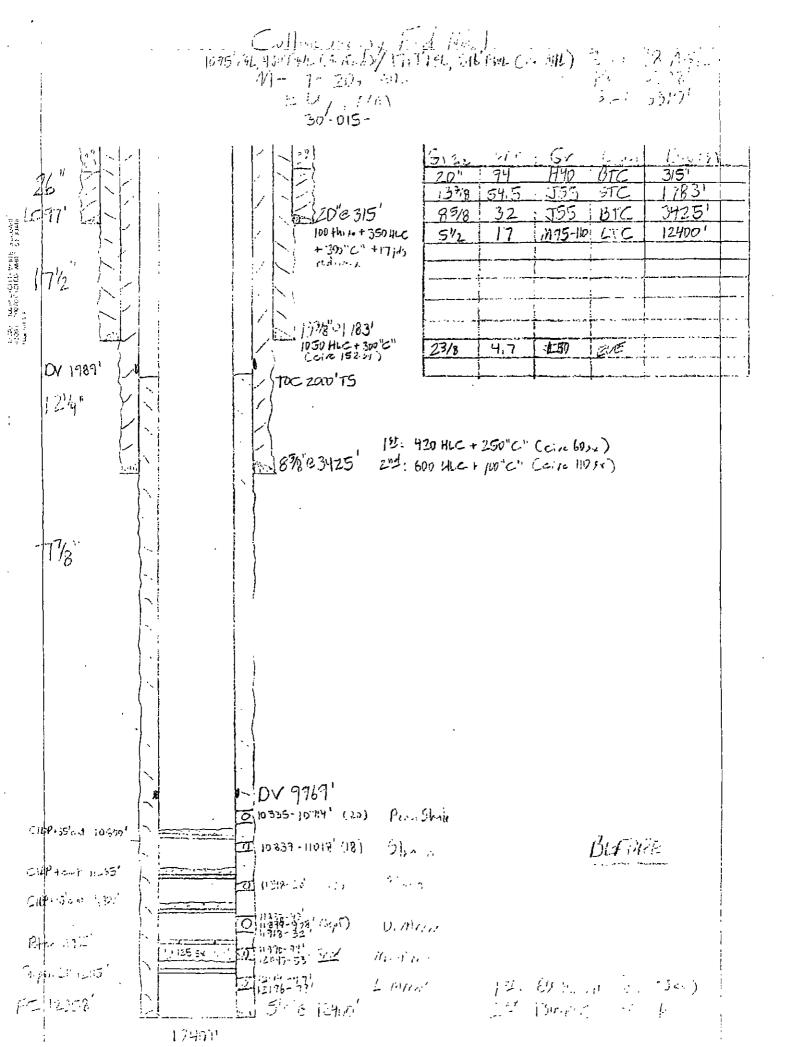
Formation	n Information	
St Code	Formation	Depth
Psal	Salado	682
Pbslt	Base of Salt	1630 (Two Mesos 7 MP Fed
Pyts	Yates	1708 (700) 80-015-41420
Psr	Seven Rivers	1988
Preef	Capitan Reef	1988 2136 M-7-205-30E
Pdel	Delaware	3309 - 3729
Pbs	Bone Spring	6295 -6212
Pwc	Wolfcamp	9789
PPst	Strawn	10818
Ppat	Atoka	11100
Ppmorc	Morrow Clastics	11884

Hole: Unknown

TD:

TVD: 0

PBTD:



Form 3160-5 (April 2004)



UNITED STATES CCI DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED OM B No. 1004-0137 Expires: March 31, 200

	Expires: March 31, 2
5.	Lease Senal No.

6.

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

NMNM112273	
If Indian, Allottee or Tribe Name	

abandoned w	ell. Use Form 3160-3 (,	APD) for such p	roposals.	1			
SUBMIT IN TR	IPLICATE- Other insti	ructions on rev	erse side.	7. If Unit	or CA/Agreem	ent, Name and/or No	J.
1. Type of Well Oil Well	Gas Well Other	OCT 3	1 2007	_	ame and No.		
2. Name of Operator Marbob Ene	rgy Corporation		- •	9. API V	soscopy Fede Vell No	eral#1	
3a Address		OCD-Ai 3b. Phone No. (inch	(de area code)		5-33758		
PO Box 227, Artesia, NM 882	11-0227	575-748-3303	<u> </u>		nd Pool, or Ex		
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description)			ļ	n Flat; Delav		
1095 FSL 430 FWL, Sec. 7-T2	DS-R30E, Lot 4			- [y or Parish, Sta Co., NM	110	
12. CHECK A	PPROPRIATE BOX(ES) TO	INDICATE NATI	JRE OF NOTICE,	REPORT, C	R OTHER I	DATA	
TYPE OF SUBMISSION		T	YPE OF ACTION				
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandor Plug Back	<u> </u>	Abandon	Water S Well In	Shut-Off tegrity	
determined that the site is ready Recompleted in the Delaw 8/27/07 - Set CIBP + 35' c 8/28/07 - Acdz w/ 5000 gal	rare 1 zone as follows: mt @ 10815; Perfethe Upper NE Fe 7 1/2% HCl acid. mt @ 10375'. Set CIBP + 35'	Сепп (இ 10400' - 107	43' (20 shots).) of the second		والمستعدد والمستعد والمستعدد والمستع	
9/14/07 - Frac Delaware I	perfs w/ 80K# sand. AlR 26 I	BPM. AIP 1500#. I:	SIP 1200#.		OCT	2 3 2007 3 BABYAK EUM ENGINEE	
14. Thereby certify that the fore Name (Printed/Typed)	going is true and correct			-			
Diana J. Briggs	\(\sigma\)	Title	Production Analyst			•	
Signature	Dung	Date		10/15/2007			
	THIS SPACE FOR	FEDERAL OR	STATE OFFICE	EUSE			
Approved by Conditions of approval, if any, are certify that the applicant holds lega which would entitle the applicant to	or equitable title to those rights in		Title Office		Date		
Title 18 U.S.C. Section 1001 and Title States any false, fictitious or fraudul	43 U.S.C. Section 1212, make it a	erime for any person as to any matter within	knowingly and willfully	y lo make to a	y department	or agency of the Ur	nted

NDRA/AMRIOVIA/RTESIA

Lorm 3160- 5 $t \cdot \Lambda$

UNITED STATES

(August 2007)	BUREAU OF LAN	F THE INTERIOR D MANAGEMENT	_ <u>-</u>	Expues July 31, 2010					
SU	NDRY NOTICES AND) REPORTS ON W	ELLS		NMNM112273				
	Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.								
	TRIPLICATE - Other in	structions on page 2		7 If Unit or C/	A Agreement Name and/or No				
I Type of Well X Oil Welt Gas Well	Other			8 Well Name	and No				
2 Name of Operator					insoscopy Federal #1				
	Marbob Energy Corpo			9 API Well No					
3a Address		3b Phone No Inch	ule area codej		20.016.22260				
	Box 227	(575) 7	48-3303	tO Emiliand D	30-015-33758				
1 Tocation of Well (Linding) Nec.	1 88211-0227 T. R. M. at Survey Descriptions	<u> </u>	 -	10. Field and Pool, or Exploratory Area Burton Flat; Delaware					
••	·			II County or I					
109	5 430 FWL, Sec. 7-T20:	S-R30E, Lot 4			Eddy Co., NM				
12 CHECK APPRO	PRIATE BOX(S) TO INC	ICATE NATURE OF	NOTICE, REPOR	T, OR OTHE	ER DATA				
TYPE OF SUBMISSION	·	TY	PE OF ACTION						
Notice of Intent	Acidize	Deepen	Production (S	art/ Resume)	Water Shut-off				
	Altering Casing	Fracture Treat	Reclamation		Well Integrity				
X Subsequent Report	Casing Repair	New Construction	X Recomplete		Other				
	Change Plans	Plug and Abandon	Temporanly A	bandon					
Final Abandonment Notice	Final Abandonment Notice Convert to Injection X Plug Back Water Dispose								
It the proposal is to deepen di Attach the Bond under which the following completion of the inv	rectionally or recomplete horizon the work will performed or providual plyed operations. If the operation tal Abandonment Notice shall be	tally, give subsurface location to the Bond No on file with results in a multiple completion.	ns and measured and the BLM/ BIA Requition or recompletion is	inie vertical dep pred subsequent n a new interval	rk and approximate duration thereof oths or pertinent markers and sands reports shall be filed within 30 days a form 3160-4 shall be filed once ten completed, and the operator has				

Plugged back to the Dolaware 5 zone as follows:

2/16/10 - MIRU. POOH w/ pump & rods.

2/17/10 - POOH w/ tbg. Set 5 1/2" H-M plug @ 3700'. Test OK to 2000#. RIH w/ 111 jts 2 3/8" L80 tbg. Set @ 3596'. RIH w/ pump & rods.

2/18/10 - Hang well on pump. RDMO.

Producing Interval: Delaware 5 @ 3500' - 3508'

14. Thereby certify that the foregoing is true and connect					
Name (Printede Typed)	1				
	Tule				
Riana J. Briggs		Production	n-Manager—		
Signatura MARA DURAD	Date	ACC March	FPJED 2, 2010	FOR RE	CORD
THIS SPACE FOR FED	ERAL OR STATE OFFICE	USE			T
			i i		'
Approved by	Title	İ	DatMAR	6 2010	1 1
Conditions of approval, if any are attached. Approval of this notice does not warra	nt or		1	2	
certify that the applicant holds legal or equitable title to those rights in the subject		ľ	1.1/2	-	1 1
which would entitle the applicant to conduct operations the	1000		1-1-000	<u> </u>	-'
Title 18 U.S.C. Scenon 1001 AND Fitle 43 U.S.C. Section 1212, make it a critical	ne for any person knowingly and will	Digital value	Pox Aldo Aktordo	AND ANALAS COM	AAFANI
States any talse, fictuous or fraudulent statements or representations as to any matter	within its musdiction			FIELD VEELU	
			CHELDEN.	╚┋┋┋	-
•				3-1.	६-(७) -

OCD-ARTESIÁ

Form 3160-5 (August, 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB No 1004-0137

EP -9 2008	BUREAU OF LAN				
SI	5 Lease Senal	NMNM112273			
D-ARTESIA DO	not use this form for prop ndoned well. Use Form 31	oosals to drill or to re-	enter an	6 It Indian, A	Hottee, or Tribe Name
SUBMIT II	N TRIPLICATE - Other Ir	nstructions on page 2	2.	7 If Unit or Ca	A Agreement Name and/or No
Type of Well Oil Well Gas We	II Other			8 Well Name	and No
	Other				
Name of Operator	Marbob Energy Corp	oration		9 API Well N	linsoscopy Federal #1
3a Address	Wallood Ellergy Corp	3b Phone No (mc)	lude area code)		
	Box 227	(575)	748-3303		30-015-33758
	M 88211-0227 T. R. M. or Survey Description)				Pool, or Exploratory Area on Flat; Strawn, East
				11 County or	
10	95 430 FWL, Sec. 7-T20	S-R30E, Lot 4			Eddy Co., NM
12. CHECK APPR	OPRIATE BOX(S) TO IND	DICATE NATURE OF	NOTICE, REPO	RT, OR OTH	ER DATA
TYPE OF SUBMISSION		T	YPE OF ACTION		
Notice of Intent	Acidize	Deepen	Production (Start/ Resume)	Water Shut-off
Traine or milen		Fracture Treat			
	Altering Casing		Reclamation		Well Integrity
Subsequent Report	Casing Repair	New Construction	X Recomplete		Other
	Change Plans	Plug and Abandon	Temporarily	Abandon	
Final Abandonment Notice	Convert to Injection	X Plug Back	Water Dispo	sal	
If the proposal is to deepen of Attach the Bond under which following completion of the intesting has been completed. Federmined that the site is ready	ded Operation (clearly state all per irrectionally or recomplete horizon the work will performed or provide volved operations. If the operation and Abandonment Notice shall be for final inspection.)	rtinent details including esti- ntally, give subsurface locati- de the Bond No on file with n results in a multiple comp	nated starting date of ons and measured an h the BLM/ BIA Re- letion or recompletion	d true vertical de quired subsequent i in a new interva	epths or pertinent markers and sand t reports shall be filed within 30 day al, a Form 3160-4 shall be filed once
If the proposal is to deepen of Attach the Bond under which following completion of the in testing has been completed. Federmined that the site is ready Recompleted in the Do 7/17/08 - Set CIBP + 3. 7/22/08 - Frac the Del 7/25/08 - Set CBP @ 3. 7/30/08 - Set CBP @ 3. 7/31/08 - Acdz w/ 500 8/1/08 - Set CBP @ 48 8/4/08 - Acdz w/ 500	ed Operation (clearly state all per intectionally or recomplete horizon the work will performed or provide operations. If the operation and Abandonment Notice shall be for final inspection.) elaware Sand as follows: 5' cmt @ 6150'. Perf the Eaware 2 w/ 29784# sand 5912'. Perf the Delaware 1 gal NE Fe 7 1/2% HCl. 5700'. Perf the Delaware 2 gal NE Fe 7 1/2% HCl. 310'. Perf the Delaware 3 gal NE Fe 7 1/2% HCl.	rtinent details including estirintally, give subsurface location details in a multiple complete filed only after all requires a 30736 gal fluid. 2 3 @ 5751' - 5760' (2 4 @ 4862' - 4870' (5 @ 3500' - 3508' (1))	nated starting date of ons and measured an the BLM/ BIA Reletion or recompletion ements, including reclamation (28 shots). AIR 14.4 BPM—20 shots). 18 shots).	d true vertical de quired subsequent in a new intervalamention, have be Acdz w/ 150 ACCEPT	epths or pertinent markers and sands reports shall be filed within 30 day al, a Form 3160-4 shall be filed one completed, and the operator has 00 gal NE Fe 7 1/2% HCI. SEP 6 6000
Recompleted in the Delay 1/25/08 - Set CBP @ 5/28/08 - Set CBP @ 5/23/08 - Set CBP @ 5/28/08 - Set CBP @ 5	ed Operation (clearly state all per intectionally or recomplete horizon the work will performed or provide volved operations. If the operation and Abandonment Notice shall be for final inspection.) elaware Sand as follows: 5' cmt @ 6150'. Perf the Elaware 2 w/ 29784# sand 5912'. Perf the Delaware 1 gal NE Fe 7 1/2% HCI. 5700'. Perf the Delaware 2 gal NE Fe 7 1/2% HCI. 810'. Perf the Delaware 3 gal NE Fe 7 1/2% HCI.	rtinent details including estirinatally, give subsurface location details metally, give subsurface location details in a multiple complete filed only after all requires a subsurface 2 @ 5942' - & 30736 gal fluid. A subsurface 3 @ 5751' - 5760' (1964 @ 4862' - 4870' (1965 @ 3500' - 3508' (1964 & 11437 gal fluid. A	nated starting date of ons and measured an the BLM/ BIA Reletion or recompletion ements, including recomments, including recomments.	d true vertical de quired subsequent in a new intervalamention, have be Acdz w/ 150 ACCEPT	epths or pertinent markers and sand to reports shall be filed within 30 day al, a Form 3160-4 shall be filed one completed, and the operator has a possible of the completed of the completed of the completed of the complete
Recompleted in the Delamondon Set CBP @ 57/31/08 - Set CBP @ 48/4/08 - Acdz w/ 500 8/7/08 - Frac the Delamondon Set CBP @ 48/4/08 - Acdz w/ 500 8/1/08 - Frac the Delamondon Set CBP @ 48/4/08 - Acdz w/ 500 8/1/08 - Frac the Delamondon Set CBP @ 48/4/08 - Acdz w/ 500 8/1/08 - Acd	ed Operation (clearly state all per irrectionally or recomplete horizon the work will performed or provided operations. If the operation and Abandonment Notice shall be for final inspection.) elaware Sand as follows: 5' cmt @ 6150'. Perf the Elaware 2 w/ 29784# sand 5912'. Perf the Delaware 1 gal NE Fe 7 1/2% HCl. 7700'. Perf the Delaware 2 gal NE Fe 7 1/2% HCl. 810'. Perf the Delaware 3 gal NE Fe 7 1/2% HCl. 810'. Perf the Delaware 3 gal NE Fe 7 1/2% HCl. 830'. Perf the Delaware 3 gal NE Fe 7 1/2% HCl. 840'. Ware 5 w/ 11844# sand &	rtinent details including estirinally, give subsurface location details in a multiple complete filed only after all requires a 30736 gal fluid. A 30736 gal fluid. A 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	nated starting date of ons and measured an the BLM/ BIA Reletion or recompletion ements, including reclamation (28 shots). AIR 14.4 BPM—20 shots). 18 shots). IR 9.9 BPM. A.	d true vertical de quired subsequent in a new intervalamention, have be ACCEPT ACCEPT IP 2349#IS BUREAL	epths or pertinent markers and sand to reports shall be filed within 30 day al, a Form 3160-4 shall be filed one completed, and the operator has a possible of the completed of the completed of the completed of the complete
If the proposal is to deepen of Attach the Bond under which following completion of the in testing has been completed. Feeting has been completed in the Do 7/17/08 - Set CIBP + 3. 7/22/08 - Frac the Del 7/28/08 - Acdz w/ 750 7/30/08 - Set CIBP @ 3. 7/31/08 - Acdz w/ 500 8/1/08 - Set CIBP @ 48/4/08 - Acdz w/ 500 8/7/08 - Frac the Delar 8/8/08 - Drill out CIBP 14. I hereby certify that the foregoin	red Operation (clearly state all per irrectionally or recomplete horizon the work will performed or provided operations. If the operation and Abandonment Notice shall be for final inspection.) The laware Sand as follows: The control of the Delaware of	rtinent details including estirinally, give subsurface location details in a multiple complete filed only after all requires a 30736 gal fluid. A 30736 gal fluid. A 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	nated starting date of ons and measured an the BLM/ BIA Reletion or recompletion ements, including recomments, including recomments.	d true vertical de quired subsequent in a new intervalamention, have be ACCEPT ACCEPT IP 2349#IS BUREAL	epths or pertinent markers and sands reports shall be filed within 30 day al, a Form 3160-4 shall be filed one neen completed, and the operator has also peen some peen completed. The property of the pertinent markers and sands to report the sands are perfectly as a small peen completed. The property of the perfectly and the operator has a small peen completed. The property of the perfectly of
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If the proposal is to deepen of Attach the Bond under which following completion of the in testing has been completed. Federmined that the site is ready Recompleted in the Do 7/17/08 - Set CIBP + 3. 7/22/08 - Frac the Del 7/25/08 - Set CBP @ 57/28/08 - Acdz w/ 750. 7/30/08 - Set CBP @ 57/31/08 - Acdz w/ 500. 8/1/08 - Set CBP @ 48/4/08 - Acdz w/ 500. 8/1/08 - Frac the Dela 8/8/08 - Drill out CBP	red Operation (clearly state all per irrectionally or recomplete horizon the work will performed or provided operations. If the operation in all Abandonment Notice shall be for final inspection.) Pelaware Sand as follows: 5' cmt @ 6150'. Perf the Elaware 2 w/ 29784# sand 5912'. Perf the Delaware igal NE Fe 7 1/2% HCl. 700'. Perf the Delaware igal NE Fe 7 1/2% HCl. 810'. Perf the Delaware igal NE Fe 7 1/2% HCl. 810'. Perf the Delaware igal NE Fe 7 1/2% HCl. 823 NE Fe 7 1/2% HCl. 830's @ 5912', 5700' & 4810's @ 5912', 5700' & 4810's @ 5912'.	rtinent details including estinatally, give subsurface located the Bond No on file with results in a multiple competited only after all required as 3 @ 5751' - 5760' (2000) and the subsurface of the subsurface	nated starting date of ons and measured and the BLM/ BIA Reletion or recompletion ements, including recletion of the start	d true vertical de quired subsequent in a new interval amantion, have be ACCEPT ACCEPT ACCEPT IP 2349#ISBUREAL BUREAL CORD Production A	peths or pertinent markers and sands reports shall be filed within 30 day at, a Form 3160-4 shall be filed one of the completed, and the operator has seen completed, and the operator has seen completed. The property of the complete of th
If the proposal is to deepen of Attach the Bond under which following completion of the in testing has been completed. Federmined that the site is ready Recompleted in the Do 7/17/08 - Set CIBP + 3. 7/22/08 - Frac the Del 7/25/08 - Set CBP @ 57/28/08 - Acdz w/ 750. 7/30/08 - Set CBP @ 57/31/08 - Acdz w/ 500. 8/1/08 - Set CBP @ 48/4/08 - Acdz w/ 500. 8/1/08 - Frac the Dela 8/8/08 - Drill out CBP	red Operation (clearly state all per irrectionally or recomplete horizon the work will performed or provided operations. If the operation in all Abandonment Notice shall be for final inspection.) Pelaware Sand as follows: 5' cmt @ 6150'. Perf the Elaware 2 w/ 29784# sand 5912'. Perf the Delaware igal NE Fe 7 1/2% HCl. 700'. Perf the Delaware igal NE Fe 7 1/2% HCl. 810'. Perf the Delaware igal NE Fe 7 1/2% HCl. 810'. Perf the Delaware igal NE Fe 7 1/2% HCl. 823 NE Fe 7 1/2% HCl. 830's @ 5912', 5700' & 4810's @ 5912', 5700' & 4810's @ 5912'.	rtinent details including estinated by give subsurface located the Bond No on file with results in a multiple complete filed only after all required as 3 @ 5751' - 5760' (2004) 2004	nated starting date of ons and measured and the BLM/ BIA Reletion or recompletion ements, including recletion of the start	d true vertical de quired subsequent in a new interval amantion, have be ACCEPT ACCEPT ACCEPT IP 2349#ISBUREAL BUREAL CORD Production A	SEP 6 2005 SEP 8 2005
If the proposal is to deepen of Attach the Bond under which following completion of the in testing has been completed. Feeting has been completed. Feeting has been completed. Feeting has been completed. Feeting has been completed in the Do 7/17/08 - Set CIBP + 3. 7/22/08 - Frac the Del 7/25/08 - Set CBP @ 57/28/08 - Acdz w/ 750. 7/30/08 - Set CBP @ 57/31/08 - Acdz w/ 500. 8/1/08 - Set CBP @ 48/4/08 - Acdz w/ 500. 8/1/08 - Frac the Dela 8/8/08 - Drill out CBP	red Operation (clearly state all per irrectionally or recomplete horizon the work will performed or provided operations. If the operation in all Abandonment Notice shall be for final inspection.) Pelaware Sand as follows: 5' cmt @ 6150'. Perf the Elaware 2 w/ 29784# sand 5912'. Perf the Delaware igal NE Fe 7 1/2% HCl. 700'. Perf the Delaware igal NE Fe 7 1/2% HCl. 810'. Perf the Delaware igal NE Fe 7 1/2% HCl. 810'. Perf the Delaware igal NE Fe 7 1/2% HCl. 823 NE Fe 7 1/2% HCl. 830's @ 5912', 5700' & 4810's @ 5912', 5700' & 4810's @ 5912'.	rtinent details including estinatally, give subsurface located the Bond No on file with results in a multiple competited only after all required as 3 @ 5751' - 5760' (2000) and the subsurface of the subsurface	nated starting date of ons and measured and the BLM/ BIA Reletion or recompletion ements, including recletion of the start	d true vertical de quired subsequent in a new interval amantion, have be ACCEPT ACCEPT ACCEPT IP 2349#ISBUREAL BUREAL CORD Production A	peths or pertinent markers and sands to reports shall be filed within 30 day at a Form 3160-4 shall be filed one of the completed, and the operator has seen completed, and the operator has seen completed. The property of the complete of

Title 18 U.S.C. Section 1001 AND Fitle 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

OCD Artesia

Form 3160-4

Form 3160 (April 201)A)	LL CC		UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT ETION OR RECOMPLETION REPORT AND LOG									<u> </u>	OMBNO. Expires: Ma	PPROVED 1004-0137 arch 31, 200 NMNM112	
(Clarker Milere et Trib News																
b. Type of Completion: X New Well Work Over Deepen Plug Back Diff. Resvr, .																
Other 7 Unit or CA Agreement Name an												and No.				
	Name of Operator 8. Lease Name and Well No. Two Mesas 7 MP Fed #1H															
	ss PO E							3a Pho	one No.	(include i	area code		1 <u>wo Mi</u> 9. AFI V		' FCG # I FI	
		s, NM							93-590	5		<u> </u>		15-41420	0 r Exploratory	
4. Locat	ion of Well	(Report	t location (clearly am	l in acc	cordance with	h Federai	1-requiremen	its) *						r Exploratory ing 49622	
• • • • • • • • • • • • • • • • • • • •	rface 405° prod. inte					, R30E - Lo 310' FWL	ι 4						1. Sec.,	Γ., R., M., o	on Block and Sec 7, T20S.	
_	-						• Lady D						2 Count	y or Parish	II State	e
14. Date 5	•	152, L21		Date T.D.		20S, R30E acd	Una r	16. Date C	omojete	d 01/02	//4			tions (DF, I	RKB, RT, GL])•
10/31				11/29/13				D &		X Read		1 '	3314' (
I8. Total	•	MD 12 IVD 84			19, PI	lug Back T.D.		12725' 8436'		20. Do	epth Brid	lge Plug Se	t: MD TVI	NA	,	
21. Type	Electric &	Other	Mechanic	al Logs R	un (Su	bmit capy of	'each)		-		as well c		No L		mit analysis)	1
CCL, (GR, CNL	& CB	Ł							,	'as DST r irectional	un? X Survey?	No [No	- '	mit report) Submit copy)	i
23 Casin	g and Lin	er Reco	ord (Repo	ort all str	ings se	ct in well)								<u> </u>		
Hole Size	Size/Gra	ade V	VI. (#/fi.)	Top (A	(D)	Bottom (MI	IN 1 ~	e Cementer Depih		of Sks. & of Cemen		rry Vol. (BBL)	Cement	Top*	Amount F	'ulled
26"	20" 15:	5 !	94#	0		285'			85	4	21	04	Surfa	ice	NA	
17 1/2"	3 3/8" J		4.5 & 48#	 		1764'				00		78	Surfa		NA	
12 1/4"	9 5/8" J		36#	0	<u></u>	3450'				30		69	Surfa		NA	
8 3/4"	7" P110		26#	0		8788'	\bot			000		31	Surfa	ace	NA.	
6 1/8"	4 1/2" F	110	13.5#	8514	· '	12738'			Li	пег	N	Α	NA		NA.	
24 Tubin	- Record	i_										[
Size	- ,	Set (MI	D) Packe	er Depth (1	MD)	Size	Dept	th Set (MD)	Packer	Depth (M	ID)	Size	Depth	Set (MD)	Packer De	pth (MD)
2 7/8"	7840														<u> </u>	
25. Produc							26.			<u> </u>		-				
	Formation	ח		Top	_	Boltom	1005	Perforated I			Size	No. 1	loles		Perf. Status	
	Spring		 ∤	6212		12770'	\rightarrow	0' - 12725'		-		+			Орел	
B) C)			+				000	16' - 8436'	עעו			· ·				
D)							\dashv			_		1		. —		
27. Acid, I	Fracture, Tr	reatment.	Cement S	Squeeze, e	ıc.											
	Depth Inter	vat								nd Type o						
<u>8850' - 1</u>	<u>2725'</u>					3 gals SW. 740 white s						gals 20#	ł XL gel	I R		100 Mesh.
														1 118		
28. Produ	ction - Inte	rval A						Mar.						 	EB 25	; 2014
Date First	Test Date	Hours Tested	Test Produc	Oil BB1		Gas MCF	Water BBL	O:l Gravi Corr. AP	ity	Gas Gravi	-in	Production	Method	1		
Produced 01/02/14	02/20/14			2		816	1499	43.4		0.8		Pumping	g	MM	DCD A	RTESIA
Choke	Thg. Press	Csg.	24 Hr.	Oil BB		Gas AICF	Water DBU	Ga (Qil Ratio		Well S	ilanıs	1	~ ~ ~ .			
Size NA	Flwg St 370	Press 220	Rate	23		618	1499	2585		Pro	ducing	i ACT)FP	[ED E	INR R	FUNRU
28a. Prodi	sction - Inte					·									- V : 1 : 1	たしし いし
Date First Produced	Test Date	Hours Tested	Test Producti	ion BBI			Water BBL	Oit Gravi Cort. API		Gas Gravity	,	Production	Method	1	2	
Choke	Tbg. Press.	Csh	24 Hc.	Oil BBI			Water BBL	Gas-Oil Ratio		Well St	atus	İ	1 1	<u> [] - </u>	2 2014	
Size	Flwg. Sl	Press.	Rate			MCf	Opi,	Ratio				ł	10	Pina	~	
*(See inst	tructions at	nd space	s for uddi	tional dan	a on pa	ige 2)						1	IDEALL	OF LAU	D 1865116	
											1	100	CIDE	OF CAPE	D MANAC	JEIMEN I

1										
	uction - Inte	erval C								
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Cort. API	Gas Gravity	Production Method	
Choke Size	Tbg. Press. Flwg. S1	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status		
THE PARTY OF THE P	luction - Int									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method .	
Choke Size	Thg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status		
29. Disp	position of (Gas (Sold,	used for fuel,	vented, et	c.)			1	NAME	\$11
Shov	w all impor	tant zones	s (Include Aq s of porosity : rval tested, cu	and conter	nts thereof: I, time tool o	Cored intervipen, flowing	als and all drill-stem and shut-in pressures		tion (Log) Markers	
Forr	nation	Тор	Bottom		Desc	riptions, Cont	ents, etc.		Name	Top Meas. Depth
									T. Salt B. Salt Yates Capitan Delaware Bone Spring	400' 1558' 1760' 2064' 3729' 6212'
32. Addi	tional remar	rks (includ	e plugging pr	ocedure):				3		9
X Ele	ectrical/Med	chanical L	oeen attached ogs (1 full set ing and ceme	req'd.)	G	the appropria cologic Repor ore Analysis	DST Report		nal Survey Rpt, C104, Gyro, Final C102,	C144 Clcz, pkr port
34. There	by certify th	nat the fore	egoing and att	ached info	rmation is co	omplete and c	correct as determined	from all availa	able records (see attached instructi	ons)*
Name	(please prin	it) Jacki	Lathan				Title Hobbs R	Regulatory		
Signa	tur	pac	Lie	La	tha	n	Date 01/10/1	4		
Title 18 U	J.S.C Section false, ficti	on 1001 ar	nd Title 43 U audulent stat	.S.C Sect	ion 1212, m r representa	ake it a crime tions as to ar	for any person know ny matter within its j	ingly and will urisdiction.	Ifully to make to any department	or agency of the Unite

(Form 3160-4, page 2)

Form 3160-4 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No 1004-0137 Expires, July 31, 2010

			LETION C					XT ARIDA	rob.				29		
Ia. Type of	_		☐ Gas			Other					6 1	Indian, Al	lottee or	Tribe Na	пе
b. Type of	f Completion		New Well er	□ Work		Deepe	n 🗆 P	lug Back	□ Diff	Resvr		Init or CA NMNM128		nt Name a	ınd No.
2 Name of YATES	Operator PETROLE	UM COR	RPORATIO	- 	Contact h@yates	t TINA petroleu	HUERTA m.com	ı		·		case Name ZIA AHZ F			
3. Address	105 SOU ARTESIA		RTH STREE 210	Т				No, (inclu 748-4168	de area coo	lc)	9. A	Pl Well No		5-40404-	00-S1
4 Location	Sec 13	3 T20S F	R29E Mer NI	id in accor	dance with	Federal	requireme	nts)*	-			Field and F SETTY	ool, or E	xplorator	у
At surfa			L 2490FWL Sec Jelow NEN	13 T20S								Sec., T., R. or Area Se			
At total	Sec	: 14 T209	S R29E Mer NL 2279FE	NMP								County or I	Parish	13 St	
	14. Date Spudded 06/13/2012 15 Date T.D. Reached 07/10/2012 16. Date Completed D & A Ready to Prod. 08/07/2012												(DF, KB 126 GL	, kt, gl)	•
18. Total D	epth.	MD TVD	12900	- 	9. Plug B	ack T.D.:	MD TV(2760	20. De	oth Br	idge Plug S	7	VD VD	
21. Type E CNL HI	lectric & Oth I-RESLATE	er Mecha ROLOG	nical Logs R CBL	un (Submi	t copy of t	ach)		-	Wa	s well cored s DST run? ectional Su	i? rvev?	No No No	⊢ Yes (Submit a (Submit a (Submit a	nalysis)
23. Casing a	nd Liner Rec	ord (Repe	ort all strings	set in wel	7)				.l				<u> </u>		
Hole Size	Size/G	rade	Wi. (#/ft)	Top (MD)	Bott (Mi		ige Cemen Depth		of Sks. & of Cement	Slurry BB		Cement	Top*	Amoun	t Pulled
36,000	 				0	40				27			0		
26.000	+	000 J-55	94.0		0	300		<u> </u>		40			0		
17.500	+	75 H-40	48.0			1498			110		0				
12 250	_	325 J-55	36.0			3600 1045		_+		 	이				
8.750	5.50	0 P-110	17.0		0 1	2801		+	130	50					
24 Tubing	Record		l	L								<u> </u>			
	Depth Set (M		acker Depth	(MD)	Size	Depth Se	t (MD)	Packer D	epth (MD)	Size	De	pth Set (M	ID) P	acker Dep	oth (MD)
2.875 25. Produci		7885				26. Per	foration R	ecord]				_	
Fo	rmation		Тор		Bottom		Perforat	ed Interval		Size		No. Holes		Perf, Stat	lus
A)	BONE SP	RING	-	8610	12775			9925 T	O 12775		Ť		19 por	ts, open	
В)															
C)						<u> </u>			[
D)	racture Trans	ment Co	ment Squeeze	<u> </u>		1							<u> </u>		
	Depth Interva		litent Squeeze	o, Etc.				Amount at	nd Type of	Material			-		
	•		449 bbls 20#	Borate X-I	_ink, 99800	# 20/40 J	ordan, 219				4 HCL	acid			
	1260	2 TO 12	602 bbls 20#	Borate X-I	_ing, 99800	# 20/40 J	ordan, 219	00# 20/40 \$	Super LC, 1	000 gal 7.5°	% HCL	acid	1 E A TA	# ATTT	
	1277	5 TO 12	775 bbls 20#	Borate X-I	.ink, 99800	# 20/40 J	ordan, 219	00# 20/40 9	Super LC			REC	LAN	AATI	ION
28. Product	ion - Interval	A			_							DUE		7 -	<u></u>
Date First	Tesi	Hours	Test	Oil	Gas	Weter		Gravity	Gas		Product	ion Method			
Produced 08/08/2012	Date 08/13/2012	Tested 24	Production	BBL 239 0	MCF 0.0	BBL	74 0	π API	Grav	ity		ELECTRIC	DUMD.C	un.cupe	AGE
Choke	Tbg. Press	Csg	21 Hr	Oil	Gas	Water		s Oil	Well	Státusa O		17-17-17	F'/ 1 1 1	T)(/ \	TOE TOE
Size	Flwg 340 SI		Rate	BBL 2 39	MCF 0	BBL 1	874 Ra	lio			itt	IEU	FUK	KEU	עאט
28a Produc	tion - Interva	IΒ	•												
Date First Produced	Tesi Daie	Hours Tested	Tesi Production	ÐBL BBL	Gas MCF	Water BBL		Gravily nr AP1	Gas Grav		Product	on Method SEP	2 2	012	
Choke Size	Tog. Press Flwg	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Ga Rai	s Oil lia	Well	Stalus		1.6	land		
(See Instructi	SI and spec	not for ad	ditional data	ON FORGE	L side	Л				 3		ÂÇ DE FV			
ELECTRON	AC SUBMIS	SSION #1	145924 VER	IFIED BY	THE BL	M WEL	L INFOR	MATION	SYSTEM	(. C	RLSBAD	FIELD	OFFICE	
	** BL	.W RE\	/ISED ** (BLM RE	:VISED	"" BLI	VI REVIS	SED ** E	3LM RE	VI SED`	~B L	M-REVI	3ED-*		

206 Drod	uction - Interv	ial C													
Date First	Test	Hours	Test	Oil	Gas	Water	Oil Gravity	Ga		Production Method					
Produced	Date	Tested	Production	BBL	MCF	BBL	Corr APí		avity	Production Method					
Choke Size	The Press Flwg	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Waler BBL	Gas Oil Ratio	W	ell Status	talus					
28c. Prod	uction - Interv	/al D	1 T	L	1		I								
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gns MCF	Water BBL	Oil Gravity Corr API	Ga Gr	is ravity	Production Method					
Choke Size	Tby Press Flwg \$1	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	w	Well Status						
	sition of Gas/		for fuel, ven	ed, etc.)	 		<u> </u>								
30. Sumn Show tests,	nary of Porous all important	Zones (Inc	prosity and c	ontents ther		intervals and a n, flowing and	all drill-stem shut-in pressur	es	31. For	mation (Log) Ma	rkers				
	Formation		Тор	Bottom		Description	is, Contents, etc	c.		Name		Top Meas. Depth			
CON 44 A TOP- 1229 7-1/2 1213	ional remarks TINUED: CID, FRACT AMOUNT AI 3-2089BBLS % HCL ACIG 6-1995BBLS	TURE, TRI ND TYPE 20# BOR)	EATMENT, OF MATER ATE X-LIN	CEMENT RIAL K,99800LE	SQUEEZE 20/40 JO	RDAN,21900	DLB 20/40 SU		TAI YA' CA DE BO			268 1326 1425 1827 3742 6242			
	G 7-1/2% HO														
	ectrical/Mech		(I full set re	q'd)		2 Geologic i	Report		3. DST Rep	ont	4. Directio	nal Survey			
5. Su	indry Notice fo	or plugging	and cement	verification	1	6. Core Anal	ysis		7 Other:						
	by certify that		Electr Committed	onic Subm For YATE:	ission #149 S PETROI	5924 Verified LEUM CORP	by the BLM V ORATION, s ΓSIMMONS (Vell Info ent to th on 08/23/	ormation Sy le Corlsbad /2012 (12K)			ons):			
	, ,														
Signa	ture	(Electron	ic Submiss	оп)			Date 0	8/15/20	12						
Title 191		1001 and	Tile 43 II C	C Section	[7] 7 maka	it a crime for	any person bac	wingly's	and willfaller	to make to any o	anariment of	ngenovi			
of the Un	ited States any	y false, fict	itious or frad	ulent staten	nents or rep	resentations as	to any matter	within its	s jurisdiction	io make to any (repartition of	agency			

NM OIL CONSERVATION

Form 3160-4 (August 2007) UNITED STATES JAN 0 6 2016
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

ETION OR PECCANOL THE

FORM APPROVED

OMB No. 1004-0137 Expires: July 31, 2010

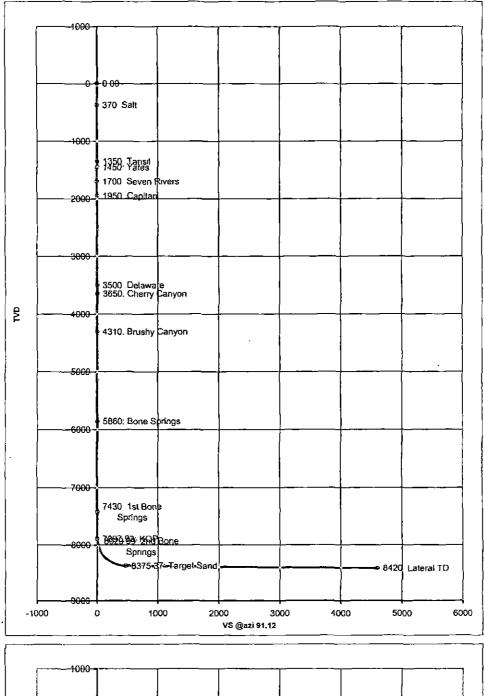
	WELL C	OMPL	ETION C	R REC	OMPLE	TION	REACT	BELVE	Dog			ease Serial I VMNM1588			_	
la. Type of	Well 💈	Oil Well	Gas '	Well [Dry	Other					6. I	f Indian, Alle	oftee or	Tribe Name		
b. Type of	Completion	⊠ N Othe	lew Well	□ Work (Over (Deeper	n 🗆 P1	lug Back	Diff.	Resvr.	7. L	Init or CA A	greeme	ent Name and	No.	
2. Name of COG OF	Operator PERATING	LLC	Ε	-Mail: sda			MI DAVIS	<u></u>				ease Name a				
3. Address	2208 W M ARTESIA.					Ţ	3a. Phone Ph: 575-7	No. (includ 48-6946	le area code	e)	9. A	Pl Well No.		30-015-427	735	
4. Location			ion clearly ar 29E Mer Ni		lance with	Federal	requiremen	its)*				Field and Po				
	At surface NENE 990FNL 550FEL 11. Sec., T., R., M., or Block and Surv													rvey or NIMD		
At top prod interval reported below Sec 7 T20S R30E Mer NMP At total depth NENE 408FNL 350FEL												12. County or Parish 13. State				
												EDDY Elevations (1	DE KE	NM RT GLV		
12/07/2014 01/04/2015 D& A P Ready to Prod. 04/10/2015									\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	326	6 GL	, K1, GL)				
18. Total De	epth:	MD TVD	13678 8424	3 19	Plug B	ack T.D.;	MD TVD		3678 424	20. De	pth Br	idge Plug Se		MD LAD		
21. Type Ele DSN, DI		er Mecha	nical Loge R	un (Submit	copy of c	ach)	,		Was	well core DST run	,	No No	☐ Yes ☐ Yes	(Submit anal (Submit anal (Submit anal	ysis) ysis)	
81 6-1	AT	- t (D							Dire	ctional Su	rvey?	□ No	Yes Yes	(Submit anal	ysis)	
23. Casing an	d Liner Reco	то (керс	eri ali strings) Bott	lc	A. Com	na Na	of Sks, &	Şlumy	. V=1	ı				
Hole Size	Size/Gr	rade	W1. (#/fl.)	W _L (#/fl_) Top (MD)		OIL 34 O)	ge Cement Depth		of Cement	(BE		Cement 1	Top* Amount i		ulled	
26.000		000 J55	94.0		0	292				3		.	0			
17.500		375 J55									<u> </u>	0				
12.250	_	625 J55	40.0		1	3210			-	0						
8.750		00 P110	29.0	****	_	7700	-	+-	245	·U		 	- 9			
8.750	5.50	00 P.110	17.0	770	101	3671				-		 	-			
24, Tubing	Record				L			ب ب		-		1		•		
Size I	Depth Set (M	(D) P	acker Depth	(MD)	Size	Depth Sc	t (MD)	Packer De	pth (MD)	Size	D	opth Set (MI	D)	Packer Depth	(MD)	
2.875		3586		7784									\Box _			
25. Producin	g Intervals					26. Per	foration Re	cord						'		
For	rmation		Тор	Bottom Perforated Interval Siz					Size							
<u>A)</u>	BONE SP	RING		9062	13475			9062 T	O 13475	0.4	30	540	OPEN	ł		
B) '									-		\dashv			 .		
<u>C)</u>						<u> </u>	•				-	 	-			
D) 27. Acid, Fra	acture Treat	ment Cer	ment Senteez	Ftc												
	Depth Interva		1	, Die.	-			Amount as	d Type of	Material						
			475 SEE IN	REMARKS		1			- 44							
						j										
		–				ļ <u>.</u>				!					<u> </u>	
28. Production	- [+								<u>.</u> .	+-	
	Tes	Hours	Test	Oil	Gas	Wag	Oi	Gravity	Gas	- A	æ	ERIEN	FO	R RECO	ìRn l	
Produced	Date	Tested	Production	BBL	MCF	BBL	Co	rr. API	Grav	ity	ľſ		GAS L			
04/11/2015 Choke	06/08/2015 The Press.	24 Csg.	24 Hr.	469.0 Oil	707.0	Weter	60.0	a Oil	W-ft	Status	4		GAS L	-	╟┯╁	
Size	Flwg. SI	Press.	Rate	BBL 469	исғ 707	BBL	560 Ra		m Well			DEC	3,1	2015		
28a. Product		IB	1 -	1	1	 	<u></u>	·-· ·		POW	┪	(). 1	V//	K.	┟┼┯╅	
	Tes	Hours	Test	Oil	Gus	Water		Gravity	Gas		BU	REALIMOF L	AND A	1ANAGEME	NT	
Produced	Dute	Tested	Production	B81.	MCF	BBL	ြင	rr. API	Grav	ity	ـــــــــا	CARLSBAI) FIEL	D OFFICE	1_	
	Tbg. Press.	Csg	24 Hr.	Oil	Gu	Weter		s:Oil	Well	Status					1	
Size	Flwg. SI	Press.	Rate	BÐL	MCF	BBL	Ra	tio					•		11/	
(See Instruction		es for ad-	ditional data	OR FEVERS	siđe)										Ж¥	

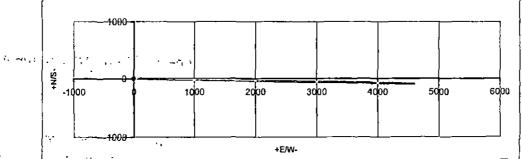
(See INSTRUCTIONS and Spaces for Garillondi Gala on reverse side)
ELECTRONIC SUBMISSION #305463 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

** Columnation: 12 /9 //5

28b. Proc	fuction - Inter-	val C											
Date First Produced	Test Date	Hours Tested	Test Production	Oii BBL	Gas MCF	Water BBL	Oil Gravi Corr. API		Gas Gravit	y	Production Method		***************************************
		1		•							<u> </u>	ON THE OWNER OF THE OWNER OWNER OF THE OWNER	
Choke Tbg. Press. Csg. 24 Hr. Size Fiwg. Press. Rate			Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio		Well S	tahis				
28c. Proc	luction - Interv	al D						***					
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Walcz BBL	Oil Gravi Corr. API		Gas Gravit	У	Production Method		
Choke Size	Tby. Press Flwg SI	Csg. Press.	24 Hr. Rate	Oil	Gas MCF	Water BBL	Gas Oil Ratio		Well S	tatus			
	osition of Gas(Sold, use	d for fuel, ven	ited, etc.)				WI					
SOL	nary of Porous	Tonge (nolude Aquif	arr):						31 For	mation (Log) Mark	arc	
Show tests,	all important including dep ecoveries.	zones of	porosity and	contents ther	cof: Core e tool ope	d intervals an en, flowing ar	d all drill-st nd shut-in pr	em ressures	#1	31.10	interior (ESE) mass		
	Formation		Тор	Bottom		Descript	ions, Conte	nts, etc.			Name		Top Meas. Depth
CHERRY	CANYON		3451	4554	+					DII	STLER		Meas, Depth
32. Addi Perf 13297 1237	CANYON PRING LM IE SPRING NE SPRING	Sand (# 4 45063 8 44974 6 44932 2 44995	4555 6146 7408 8144 8144 9 Plugging pro- 9 Fluid (gal) 5 361200 5 361200 2 382326 5 377850	6145 7407 8143 8448						TO BO YA SE CA CH	S		395 1605 1698 1921 2027 3451 4555
	72-11970 672 59-11670 604					34.							
33. Circl	e enclosed atta	chments:							Will Hills				
	lectrical/Mech			eq'd.)		2. Geolog	ic Report		3.	DST Re	port	4. Direction	nal Survey
5. St	undry Notice f	or pluggi	ng and cemen	t verification		6. Core A	nalysis		7	Other:			
34. I her	eby certify tha	t the fore	Elec	tronic Subm Fo	ission #3 r COG C	omplete and c 05463 Verifi PERATING for processin	ed by the B LLC, sen	LM Well t to the Ci	inform arlsbad	ation Sy		ned instruction	ons):
Nam	e (please print,	STORM	MI DAVIS			:\$	2 	Title REG	ULATO	ORY AN	ALYST		
Signa	iture	(Electro	onic Submis	sion)				Date <u>06/1</u>	8/2015				
		201	Severille Vo										•
	U.S.C. Section										to make to any dep	partment or a	gency





30-015-33790-00-00

FREEWAY FEDERAL No. 001

Company Name: CHI OPERATING INC

Location: Sec: 30 T: 19S R: 30E Spot:

Lat: 32.6332500656379 Long: -104.013370697723

Property Name: FREEWAY FEDERAL

County Name: Eddy

String Information

Cement Information

Perforation Information

Top Bottom
(ft sub) (ft sub) Shts/Ft No Shts Dt Sqz
0 0

Cleek GR 350.370 Salt

Depti

1750

1940

2209

Formation Information
St Code Formation
Pyts Yates
Psr Seven Rivers
Preef Capitan Reef

Pdel Delaware
Pbs Bone Spring
Pbs3sd 3rd Bone Spring Sand
Puge Welforms

Pwc Wolfcamp
Ppund Pennsylvanian
PPst Strawn
Poot Atoka

Ppat Atoka
Ppmort Morrow Limeston
Ppmorc Morrow Clastics

9020 9512 10314

Strawn Atoka Morrow Limestone 10550 10940 11487 11600

Hole: Unknown

TD:

TVD: 0

PBTD:

Goetze, Phillip, EMNRD

From:

Goetze, Phillip, EMNRD

Sent:

Friday, July 08, 2016 9:47 AM

To:

'ben@sosconsulting.us'

Cc:

McMillan, Michael, EMNRD; Jones, William V, EMNRD; Catanach, David, EMNRD

Subject:

RE: Owl's Collinsoscopy SWD C-108...

Ben:

OWL's proposed location is within an area identified by the NMBGMR as having a moderate potential for hydrocarbon development for the Brushy Canyon formation (Broadhead, 2010). Additionally, there is compiled information of adjacent DMG fracturing data (both SRT results and horizontal well completions to the west) suggesting a formation parting pressure of less than the administrative gradient of 0.2 psi/ft. Since this is a proposed commercial operation and the applicant has indicated an 8000 BPD rate, the application garners a little more review than the usually DMG application farther west in Lea County. It is in a collection of DMG applications that I am trying to resolve in the next 30 days, barring additional assignments requiring immediate response. PRG

Phillip R. Goetze, PG

Engineering Bureau Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department

1220 South St. Francis Drive Santa Fe, NM 87505 Direct: 505.476.3466

E-mail: phillip.goetze@state.nm.us



From: ben@sosconsulting.us [mailto:ben@sosconsulting.us]

Sent: Friday, July 08, 2016 8:44 AM

To: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>; Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>; Jones, William V, EMNRD <William V.Jones@state.nm.us>

Subject: Owl's Collinsoscopy SWD C-108...

Gentlemen:

Can I get a quick update on the status of this C-108... it's been in for 7 months.

Thanks,

Ben

