

DATE IN 8/01/2016	SUSPENSE	ENGINEER MAM	LOGGED IN 8/01/2016	TYPE SWD	APP NO. pma16 21457987
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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**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

- SWD 1651  
- Nemo Fund I, LLC  
310809  
Well  
- Lewis Feet #1  
30-025-34236  
Pool  
- SWD, Devonian  
96101

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners  
[B] ☐ Offset Operators, Leaseholders or Surface Owner  
[C] ☐ Application is One Which Requires Published Legal Notice  
[D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,  
Newspaper Affidavit of Publication will be submitted to Santa Fe upon receipt.  
[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Danny J. Holcomb

Print or Type Name

DJ Holcomb  
Signature

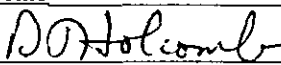
Agent for NEMO Fund I, LLC

Title

7/28/2016  
Date

danny@pwllc.net  
e-mail Address

**APPLICATION FOR AUTHORIZATION TO INJECT**

- I. PURPOSE: Secondary Recovery Pressure Maintenance ☒ Disposal Storage  
Application qualifies for administrative approval? ☒ Yes ☐ No
- II. OPERATOR: Nemo Fund I, LLC OGRID 310809  
ADDRESS: 901 W. Missouri Ave, Midland, TX 79701  
CONTACT PARTY: Richard Wright PHONE: 432-288-5874
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.  
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? ☐ Yes ☒ No  
If yes, give the Division order number authorizing the project: \_\_\_\_\_
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. 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. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- \*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- \*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: Danny J. Holcomb TITLE: Agent for Nemo Fund I, LLC  
SIGNATURE:  DATE: 7/28/2016  
E-MAIL ADDRESS: danny@pwllic.net
- \* 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: \_\_\_\_\_

Pueblo West Resources, LLC  
125 Greathouse Village  
Decatur, Texas 76234

July 28, 2016

Per the rules and regulations of the New Mexico Oil Conservation Division, please find enclosed a copy of NMOCD form C108.

Nemo Fund I, LLC, 901 W. Missouri Ave, Midland, TX 79701 has filed form C108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to convert the Lewis Fee #1, API 30-025-34236, 1130 FSL x 2544 FWL, Unit Letter "N", Section 31, T9S, R37E, Lea County, New Mexico from a temporary abandoned well to a commercial salt water disposal well. The proposed disposal interval would be the Devonian formation through open hole completion between 12,460' – 12,705'. Disposal fluid will be produced water from producing oil and gas wells in the area. Anticipated average disposal volume is 4000 BWPD with a maximum anticipated volume of 8000 BWPD. Anticipated disposal pressure is 0 (zero) psi with a maximum disposal pressure of 2492 psi. The well is located approximately 8.7 miles east-south-east of Crossroads, New Mexico.

All interested parties opposing the aforementioned must file objections with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505 within 15 days. Additional information can be obtained by contacting Danny Holcomb at 806-471-5628.

Sincerely,



Danny J. Holcomb  
Agent for Nemo Fund I, LLC  
Email: [danny@pwillc.net](mailto:danny@pwillc.net)  
Fax 940-627-5449



[www.pwillc.net](http://www.pwillc.net)

**Nemo Fund I, LLC  
Lewis Fee SWD #1  
API # 30-025-34236  
1130 FSL x 2544 FWL  
Unit Letter 'N', Section 31, T9S, R37E  
Lea County, New Mexico  
C108 Application for Authorization to Inject**

I.

The purpose of this application is seeking administrative approval for the conversion of the Lewis Fee #1 from a temporary abandoned well to a commercial Devonian salt water disposal well.

II.

Operator: Nemo Fund I, LLC    OGRID: 310809  
Address: 901 W. Missouri Ave, Midland, Tx 79701  
Contact Party: Richard Wright 432-288-5874 email: [rwright@carreraenergy.com](mailto:rwright@carreraenergy.com)

III.

Please see Exhibit "A" for proposed well data.

IV.

This is not an expansion of an existing project.

V.

Please see Exhibit "B" of lease map.

VI.

There are no offset wells located within the 0.5 mile Area of Review. See AOR map in Exhibit "C".

VII.

1. Anticipated disposal volume – 4000 BWPD with a maximum of 8000 BWPD.
2. System will be closed. It will include a central tank battery and pump. Water will be trucked in.
3. Anticipated disposal pressure: Minimum 0 (zero) psig, Maximum 2492 psig.
4. Disposed fluid will be trucked in from producing wells in the immediate area. Please see Exhibit "D" for fluid analysis from area wells.
5. Please see Exhibit "D" for disposal zone fluid analysis.

VIII.

Formation	Anticipated Depth (ft)
T. Yates	2875
T. San Andres	4215
T. Wolfcamp	9020
T. Penn	9785
T. Strawn	10645
T. Atoka	11230
T. Miss	11860
T. Devonian	12240
Proposed disposal zone	12460 - 12705

The proposed well is not located within the Capitan Reef Area.



**Nemo Fund I, LLC  
Lewis Fee SWD #1  
API # 30-025-34236  
1130 FSL x 2544 FWL  
Unit Letter 'N', Section 31, T9S, R37E  
Lea County, New Mexico  
C108 Application for Authorization to Inject**

**IX.**

A 4-3/4" bit will be run to drill out the CIBP at 12,410' and deepen the well 200' to a new TD of 12,705'. The hole will be circulated clean. A pump-in test will be performed to establish initial injection rate. If pump-in test results are favorable, no initial stimulation is planned. 2-7/8" internally plastic coated injection tubing and packer will be run. Packer will be set a maximum of 100' above the 5-1/2" casing shoe.

**X.**

Any additional logs performed will be submitted after completion.

**XI.**

NM OSE records indicate there are no fresh water wells within the 1 mile Area of Review. See Exhibit "E" for copies of OSE data base queries and a map of the area.

**XII.**

Available geological and engineering data have been examined and no evidence of open faults or hydrological connection between the Devonian disposal zone and any underground sources of drinking water has been found.

**XIII.**

Please see Exhibit "F" for Proof of Notice. The original affidavit of publication will be submitted to the Engineering Bureau as soon as it is received.

Danny J. Holcomb  
Agent for Nemo Fund I, LLC



Date: 7/28/2016



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Page 2 of 2

DJH

**Nemo Fund I, L.L.C.  
Lewis Lee SWD #1  
API # 30-025-34236  
1130 FSL x 2544 FWL  
Unit Letter 'N', Section 31, T9S, R37E  
Lea County, New Mexico**

**Current Well Data**

Spud February 25, 1998 as an exploration well in the Devonian formation.

13-3/8" 48# casing set at 475' in 17-1/2" hole, cemented with 500 sacks cement. Circulated 200 sacks cement to surface. Pressure tested to 600 psi for 20 minutes, held ok.

8-5/8" 28#/32# casing set at 4172' in 12-1/4" hole, cemented with 1500 sacks cement. Circulated 248 sacks cement to surface. No documentation of casing pressure test.

Drilled 7-7/8" hole to TD at 12505', ran 5-1/2" 17# casing set at 12460' in 7-7/8" hole, cemented in 2 stages with 2180 sacks cement, DV tool at 10831'. TOC at 4190' (confirmed by TS). Pressure tested to 1800 psi for 30 minutes, held ok.

Produced from Devonian formation open hole completion between 12460' – 12505'. By 2006, production had declined significantly. In 2007, well status was changed to TA, tubing and rods were removed and a CIBP was set at 12410', 2% KCL packer fluid was circulated in casing and pressure tested to 520# for 30 minutes. The well has remained TA since 2007.

**Estimated Formation Tops**

Yates – 2875'  
San Andres – 4215'  
Glorieta – 5610'  
Tubb – 7000'  
Abo – 7735'  
Wolfcamp – 9020'  
Penn – 9785'  
Strawn – 10645'  
Atoka – 11230'  
Miss – 11860'  
Devonian – 12420'



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**EXHIBIT "A"**

# CURRENT WELLBORE

## TA Well

Nemo Fund I, LLC

Lewis Fee #1

API # 30-025-34236

1230' FSL x 2544' FWL, UL 'L' Sec 31, T9S, R37E, Lea County, NM

All Depths KB

KB 4005'

GL 3989'

17-1/2" Hole

13-3/8" 48# J-55

**Set @ 475'**

Cement to surface: yes

T. Yates 2875'

12-1/4" Hole

8-5/8" 28/32# K55

**Set @ 4172'**

Cement to surface: yes

**T. San Andres 4215'**

T. Glorieta 5610'

T. Wolfcamp 9020'

T. Penn 9785'

T. Strawn 10645'

T. Atoka 11230'

T. Miss 11860'

T. Devonian 12420'

7-7/8" Hole

5-1/2" 17# J55

**Set @ 12460'**

Cement to surface: no

TOC @ 4190' (TS)

7-7/8" Open Hole  
12460' - 12505'

TD @ 12505'

B1 Flange

TOC @ 4190' (TS)

2% KCL Pkr Fluid  
in Annulus

CIBP set @ 12410'

*S.A. pay ~ 4600'  
offset pay 4600-4954*



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DJH

Drawing Not to Scale

**EXHIBIT "A"**

# PROPOSED WELLBORE

Configured for SWD Service

Nemo Fund I, LLC

Lewis Fee SWD #1

API # 30-025-34236

1230' FSL x 2544' FWL, UL 'L' Sec 31, T9S, R37E, Lea County, NM

All Depths KB

KB 4005'

GL 3989'

17-1/2" Hole

13-3/8" 48# J-55

**Set @ 475'**

Cement to surface: yes

T. Yates 2875'

12-1/4" Hole

8-5/8" 28/32# K55

**Set @ 4172'**

Cement to surface: yes

T. San Andres 4215'

T. Glorieta 5610'

T. Wolfcamp 9020'

T. Penn 9785'

T. Strawn 10645'

T. Atoka 11230'

T. Miss 11860'

T. Devonian 12420'

7-7/8" Hole

5-1/2" 17# J55

**Set @ 12460'**

Cement to surface: no

TOC @ 4190' (TS)

B1 Slip Type Flange

2-7/8" 6.5# IPC Tbg

TOC @ 4190' (TS)

Pkr Fluid in Annulus

Inj Pkr set below 12,360'

7-7/8" Open Hole  
12460' - 12505'

4-3/4" Open Hole  
12505' - 12705'

TD @ 12705'

Drawing Not to Scale

**EXHIBIT "A"**

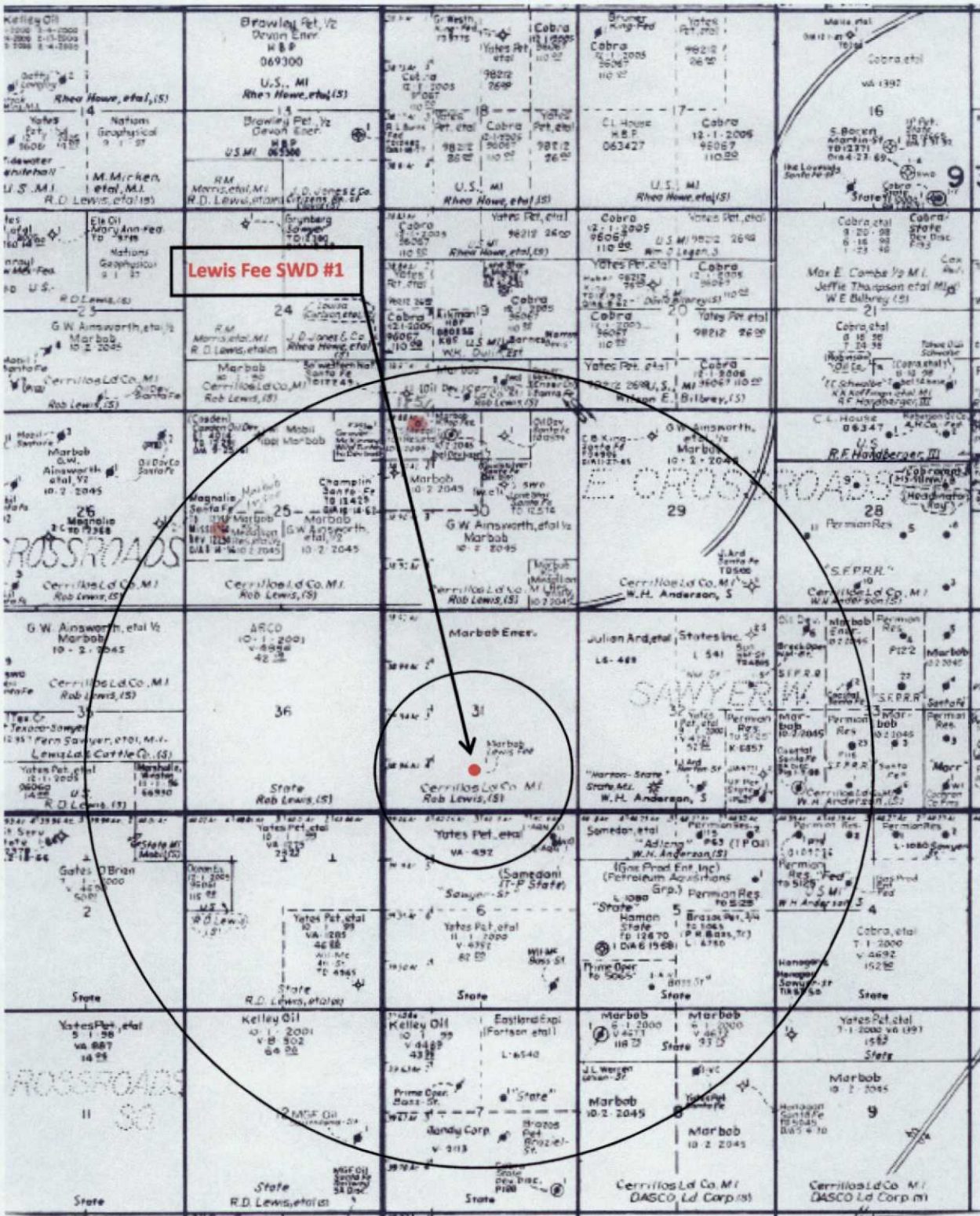


[www.pwllc.net](http://www.pwllc.net)

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Nemo Fund I, LLC  
Lewis Fee SWD #1  
API # 30-025-34236  
1130 FSL X 2544 FWL  
UL 'N', Sec 31, T9S, R37E  
Lea County, New Mexico



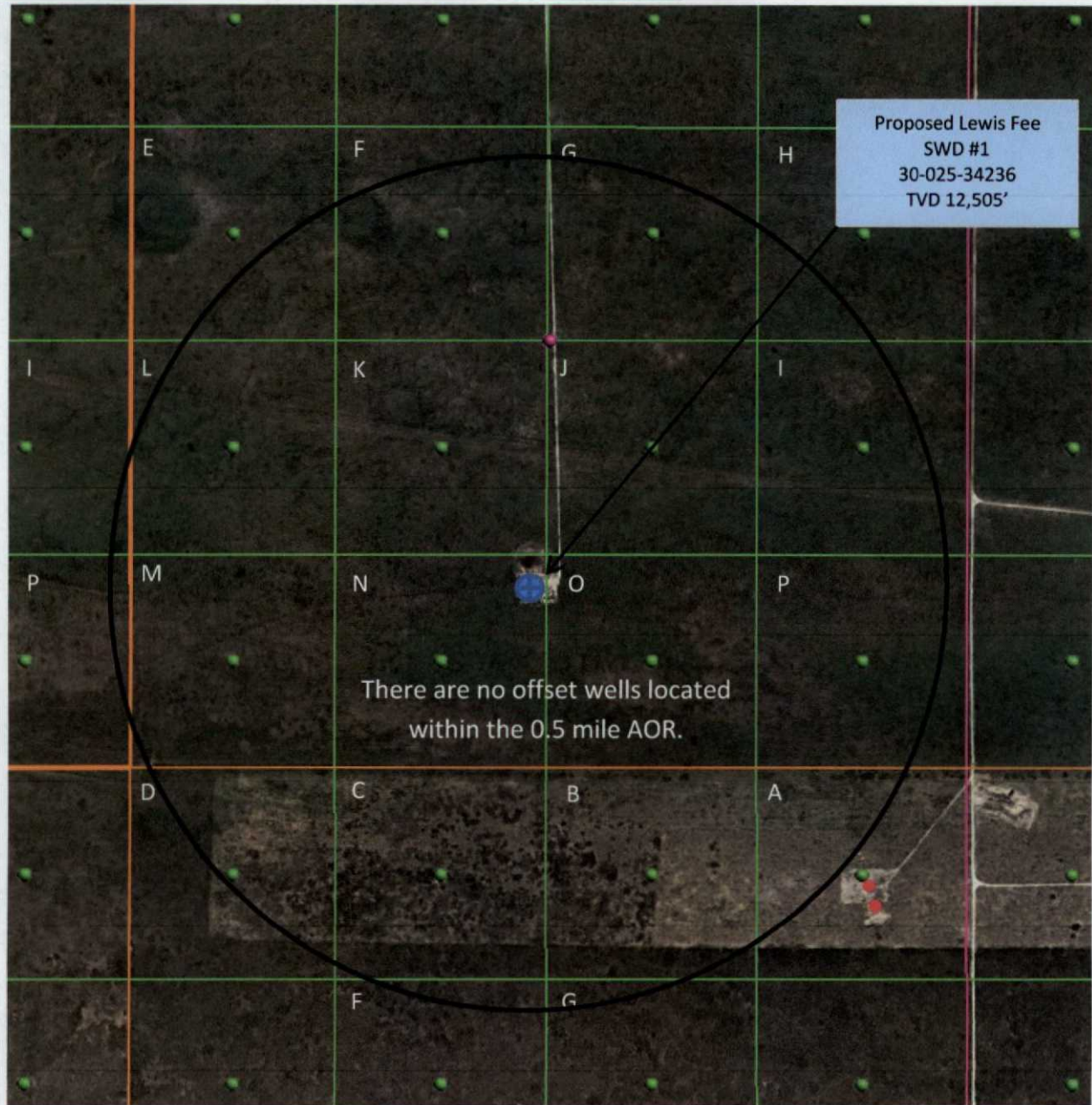
**EXHIBIT "B"**



Nemo Fund I, LLC  
Lewis Fee SWD #1  
API # 30-025-34236  
0.5 Mile AOR

Sec 36,  
T9S, R36E

Sec 31, T9S, R37E



Sec 1,  
T10S, R36E

Sec 6, T10S, R37E

This location 1130 FSL x 2544 FWL, UL 'N',  
Section 31, T9S, R37E, Lea County, NM  
Drawing Not to Scale



[www.pwllc.net](http://www.pwllc.net)

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EXHIBIT "C"

**Nemo Fund I, LLC  
Lewis Fee SWD #1  
API # 30-025-34236  
1130 FSL x 2544 FWL  
Unit Letter 'N', Section 31, T9S, R37E  
Lea County, New Mexico**

**Exhibit "D"**

Formation Water			
<u>API Number</u>	<u>Formation</u>	<u>TDS</u>	<u>Chlorides</u>
30-025-04971	Dev	62,818	38,030

Possible Disposed Fluid			
<u>API Number</u>	<u>Formation</u>	<u>TDS</u>	<u>Chlorides</u>
30-025-04945	Penn	115,713	71,000
30-025-23175	SA	130,973	79,829
30-025-03622	Dev	92,794	55,910
30-025-03606	Sil/Dev	58,264	34,000

Data obtained from GO-Tech.



[www.pwllc.net](http://www.pwllc.net)

DJH

San Andres Produced Water Sample Results  
State 7 #1  
30-025-27511  
East Crossroads San Andres Field



**Martin Water Laboratories, Inc.**

*Analysts & Consultants since 1953*  
Bacterial & Chemical Analysis

TO: Richard Wright  
ADDRESS: 5826 New Territory Blvd. Box 412, Sugarland, TX  
COMPANY: Nemo Fund I, LLC  
LEASE: State 7 Well #1  
FORMATION:

LABORATORY NO. 16-04-309  
SAMPLE RECEIVED: 4/27/16  
RESULTS REPORTED: 5/9/16  
COUNTY, STATE:  
FIELD OR POOL:

DESCRIPTION OF SAMPLES				
No. 1	Submitted water sample - taken 4/15/16 from State 7 Well #1.			
No. 2				
No. 3				
No. 4				
Chemical and Physical Properties (milligrams per liter)	No. 1	No. 2	No. 3	No. 4
Specific Gravity @ 60°F.	1.1410			
pH When Received	6.10			
Bicarbonate as HCO <sub>3</sub>	622			
Total Hardness, as CaCO <sub>3</sub>	19,400			
Calcium, as Ca	5,200			
Magnesium, as Mg	1,555			
Sodium and/or Potassium	75,851			
Sulfate, as SO <sub>4</sub>	1,522			
Chloride, as Cl	129,220			
Iron, as Fe	1.7			
Barium, as Ba	0			
Total Dissolved Solids, Calculated	213,970			
Hydrogen Sulfide	95			
Resistivity, ohms/m @ 77°F.	0.055			
REMARKS: The undersigned certifies the above to be true and correct to the best of his knowledge and belief.				

  
By: Greg Ogden, B.S.

# Historical San Andres Water Samples Obtained from GO-Tech NM WAIDS Data Base

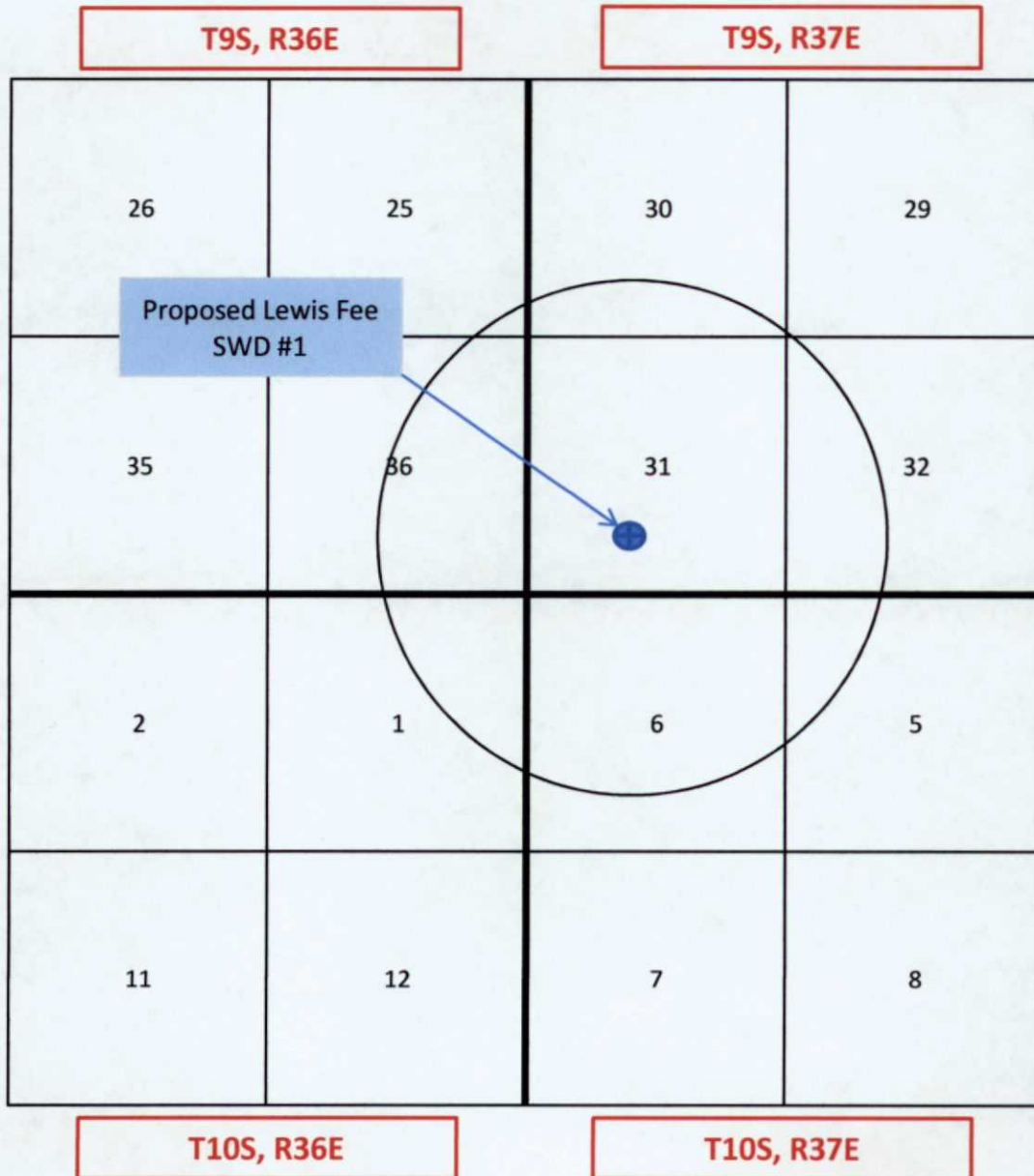
General Information About: Sample 6806			
NEW MEXICO S			
API	3002523175	Sample Number	
Unit/Section/ Township/Range	H / 32 / 09S / 37E	Field	SAWYER WEST
County	LEA	Formation	SAN ANDRES
State	NM	Depth	
Lat/Long	33.4924812001 , -103.1068365	Sample Source	HEATER TREATER
TDS (mg/L)	130973	Water Type	
Sample Date(MM/DD/YYYY)	11/5/1989 12:00:00 AM	Analysis Date(MM/DD/YYYY)	
Remarks/Description			
Cation Information (mg/L)		Anion Information (mg/L)	
Potassium (K)		Sulfate (SO)	1750
Sodium (Na)		Chloride (Cl)	79829
Calcium (Ca)		Carbonate (CO <sub>3</sub> )	
Magnesium (Mg)		Bicarbonate (HCO <sub>3</sub> )	508
Barium (Ba)		Hydroxide (OH)	
Manganese (Mn)		Hydrogen Sulfide (H <sub>2</sub> S)	
Strontium (Sr)		Carbon Dioxide (CO <sub>2</sub> )	
Iron (Fe)		Oxygen (O)	

General Information About: Sample 2653			
SANTA FE D			
API	3002503814	Sample Number	
Unit/Section/ Township/Range	C / 28 / 09S / 36E	Field	CROSSROADS
County	LEA	Formation	SAN ANDRES
State	NM	Depth	
Lat/Long	33.5106992666 , -103.2813034	Sample Source	DST
TDS (mg/L)	184578	Water Type	
Sample Date(MM/DD/YYYY)	4/10/1950 12:00:00 AM	Analysis Date(MM/DD/YYYY)	
Remarks/Description			
Cation Information (mg/L)		Anion Information (mg/L)	
Potassium (K)		Sulfate (SO)	700
Sodium (Na)		Chloride (Cl)	109676
Calcium (Ca)		Carbonate (CO <sub>3</sub> )	
Magnesium (Mg)		Bicarbonate (HCO <sub>3</sub> )	159
Barium (Ba)		Hydroxide (OH)	
Manganese (Mn)		Hydrogen Sulfide (H <sub>2</sub> S)	
Strontium (Sr)		Carbon Dioxide (CO <sub>2</sub> )	
Iron (Fe)		Oxygen (O)	

General Information About: Sample 5785			
CATO SAN ANDRES UNIT			
API	3000520045	Sample Number	
Unit/Section/ Township/Range	D / 23 / 08S / 30E	Field	CATO
County	CHAVES	Formation	SAN ANDRES
State	NM	Depth	
Lat/Long	33.6107445004 , -103.8569946	Sample Source	WELLHEAD
TDS (mg/L)	257780	Water Type	
Sample Date(MM/DD/YYYY)	8/14/1967 12:00:00 AM	Analysis Date(MM/DD/YYYY)	
Remarks/Description			
Cation Information (mg/L)		Anion Information (mg/L)	
Potassium (K)		Sulfate (SO)	430
Sodium (Na)		Chloride (Cl)	164000
Calcium (Ca)		Carbonate (CO <sub>3</sub> )	
Magnesium (Mg)		Bicarbonate (HCO <sub>3</sub> )	354
Barium (Ba)		Hydroxide (OH)	
Manganese (Mn)		Hydrogen Sulfide (H <sub>2</sub> S)	
Strontium (Sr)		Carbon Dioxide (CO <sub>2</sub> )	
Iron (Fe)		Oxygen (O)	

Nemo Fund I, LLC  
Lewis Fee SWD #1  
1 Mile AOR for Water Wells

According to OSE records, there are no ground water wells located within the 1 mile AOR.







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

No records found.

**PLSS Search:**

**Section(s):** 25, 36

**Township:** 09S

**Range:** 36E

**EXHIBIT "E"**

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.

7/26/16 10:41 AM

Page 1 of 1

WATER COLUMN/ AVERAGE  
DEPTH TO WATER



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

No records found.

**PLSS Search:**

**Section(s):** 29, 30, 31, 32    **Township:** 09S    **Range:** 37E

**EXHIBIT "E"**

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.

7/26/16 10:40 AM

Page 1 of 1

WATER COLUMN/ AVERAGE  
DEPTH TO WATER





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

No records found.

**PLSS Search:**

**Section(s):** 1

**Township:** 10S

**Range:** 36E

**EXHIBIT "E"**



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

No records found.

**PLSS Search:**

**Section(s):** 5, 6

**Township:** 10S

**Range:** 37E

**EXHIBIT "E"**

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.

7/26/16 10:42 AM

Page 1 of 1

WATER COLUMN/ AVERAGE  
DEPTH TO WATER

## **Legal Notice**

Nemo Fund I, L.L.C., 901 W. Missouri Ave, Midland, TX 79701 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to convert the Lewis Fee #1, API 30-025-34236, 1130 FSL x 2544 FWL, Unit Letter "N", Section 31, T9S, R37E, Lea County, New Mexico from a temporary abandoned well to a commercial salt water disposal well. The proposed disposal interval is the Devonian formation through open hole completion between 12,460' – 12,705'. Disposal fluid would be produced water from producing oil and gas wells in the area. Anticipated average disposal volume is 4000 BWPD with a maximum anticipated volume of 8000 BWPD. Anticipated disposal pressure is 0 (zero) psi with a maximum disposal pressure of 2492 psi. The well is located approximately 8.7 miles east-south-east of Crossroads, New Mexico.

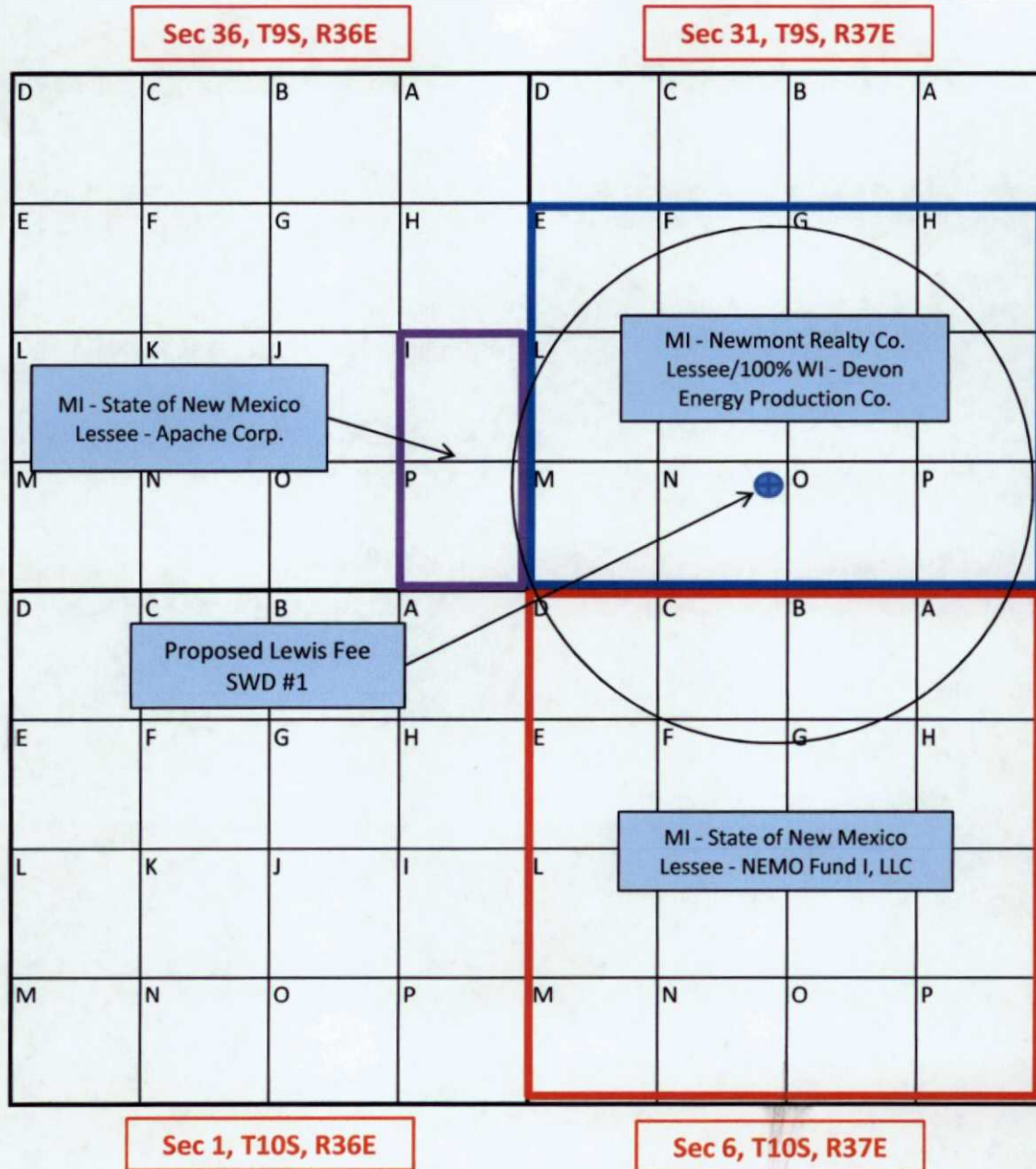
All interested parties opposing the aforementioned must file objections with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505 within 15 days. Additional information can be obtained by contacting Danny Holcomb at 806-471-5628.

**The above legal notice is scheduled to be printed in the Lovington Leader newspaper on July 28, 2016. The original affidavit of publication will be forwarded to the NMOCD - Santa Fe upon its receipt.**

**Exhibit "F"**



Nemo Fund I, LLC  
Lewis Fee SWD #1  
API # 30-025-34236  
0.5 Mile AOR



This location 1130 FSL X 2544 FWL  
Surface Owner - Joe Edd Williams, et al  
P. O. Box 1172, Seagraves, TX 79359  
Drawing not to scale

Exhibit "F"

Nemo Fund I, LLC  
Lewis Fee SWD #1  
API #30-025-34236

**EXHIBIT 'F' - NOTIFICATION LIST**

#	NAME	ADDRESS	CITY STATE ZIP	TYPE
1	Joe Edd Williams, et al	P. O. Box 1172	Seagraves, TX 79359	Surface Owner

**Section 36, T9S, R36E, NMPM (ULs I, P)**

#	NAME	ADDRESS	CITY STATE ZIP	TYPE
1	State of New Mexico Commissioner of Public Land	P. O. Box 1148	Santa Fe, NM 87504	Mineral Owner
2	Apache Corporation	2000 Post Oak Blvd, Suite 100	Houston, TX 77056-4400	Lessee

**Section 31, T9S, R37E, NMPM (ULs E, F, G, H, I, J, K, L, M, N, O, P)**

#	NAME	ADDRESS	CITY STATE ZIP	TYPE
1	Newmont Realty Company	1700 Lincoln Street	Denver, CO 80203	Mineral Owner
2	Devon Energy Production Co., LP	20 North Broadway	Oklahoma City, OK 73102	Lessee

**Section 6, T10S, R37E, NMPM (All ULs)**

#	NAME	ADDRESS	CITY STATE ZIP	TYPE
1	State of New Mexico Commissioner of Public Land	P. O. Box 1148	Santa Fe, NM 87504	Mineral Owner
2	NEMO Fund I, LLC	901 W. Missouri Ave.	Midland, TX 79701	Lessee

**NMOCD Noticees**

#	NAME	ADDRESS	CITY STATE ZIP
1	State of New Mexico NMOCD Engineering Bureau	1220 South St. Francis Drive	Santa Fe, NM 87505
2	State of New Mexico NMOCD District 1	1625 N. French Drive	Hobbs, NM 88240

7015 0640 0000 3691 8181

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SEAGRAVES, TX 79359

Certified Mail Fee \$3.30

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$2.70

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

Postage \$1.36

Total Postage and Fees \$7.36

Sent To Joe Edd Williams, et al

Street and Apt. No., P. O. Box 1172

City, State, ZIP+4® Seagraves, TX 79359

PS Form 3800, Apr.



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DENVER, CO 80203

Certified Mail Fee \$3.30

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$2.70

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

Postage \$1.36

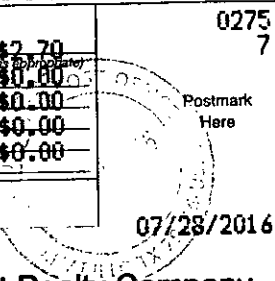
Total Postage and Fees \$7.36

Sent To Newmont Realty Company

Street and Apt. No., 1700 Lincoln Street

City, State, ZIP+4® Denver, CO 80203

PS Form 3800, Apr.



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HOUSTON, TX 77056

Certified Mail Fee \$3.30

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$2.70

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

Postage \$1.36

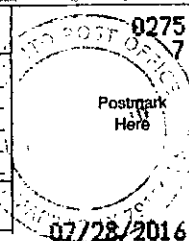
Total Postage and Fees \$7.36

Sent To Apache Corporation

Street and Apt. No., 2000 Post Oak Blvd, Suite 100

City, State, ZIP+4® Houston, TX 77056-4400

PS Form 3800, Apr.



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SANTA FE, NM 87504

Certified Mail Fee \$3.30

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$2.70

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

Postage \$1.57

Total Postage and Fees \$7.57

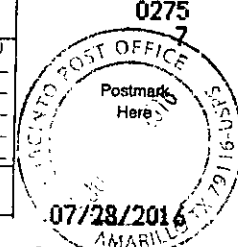
Sent To State of New Mexico

Street and Apt. No., Commissioner of Public Land

City, State, ZIP+4® P. O. Box 1148

Santa Fe, NM 87504

PS Form 3800, Apr.



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OKLAHOMA CITY, OK 73102

Certified Mail Fee \$3.30

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$2.70

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

Postage \$1.36

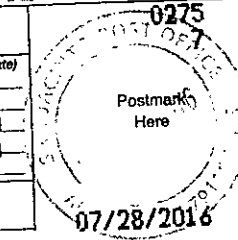
Total Postage and Fees \$7.36

Sent To Devon Energy Production Co, LP

Street and Apt. No., 20 N. Broadway

City, State, ZIP+4® Oklahoma City, OK 73102

PS Form 3800, Apr.



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HOBBS, NM 88240

Certified Mail Fee \$3.30

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$2.70

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00

☐ Adult Signature Required \$0.00

☐ Adult Signature Restricted Delivery \$0.00

Postage \$1.57

Total Postage and Fees \$7.57

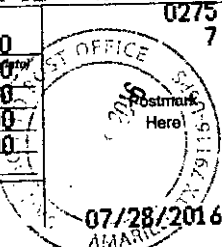
Sent To State of New Mexico

Street and Apt. No., NMOCD District 1

City, State, ZIP+4® 1625 N. French Drive

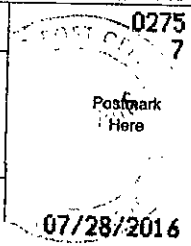
Hobbs, NM 88240

PS Form 3800, Apr.



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For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a> ®.	
MIDLAND, TX 79701	
OFFICIAL USE	
Certified Mail Fee	\$3.30
\$	\$2.70
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$1.57
\$	
Total Postage and Fee	\$7.57
Sent To	NEMO Fund I, LLC
Street and Apt. No.	901 W. Missouri Ave.
City, State, ZIP+4®	Midland, TX 79701
PS Form 3800, Apr. 2015	



To: "danny@pwllc.net" <danny@pwllc.net>  
Cc: "Goetze, Phillip, EMNRD" <Phillip.Goetze@state.nm.us>, "Jones, William V, EMNRD" <WilliamV.Jones@state.nm.us>, "Lowe, Leonard, EMNRD" <Leonard.Lowe@state.nm.us>

Danny:

I received your administrative application for the Bobby Fee SWD Well No. 1 on August 1, 2016

Your application has been placed in suspense until the following information is received:

- Affidavit of publication
- Return receipt for affected parties including surface owner, and lessees within ½ mile AOR
- Water sample from the San Andres formation-the Chaveroo, Sawyer, and Cato fields are in the vicinity.

Thank You

**Michael A. McMillan**

Engineering Bureau, Oil Conservation Division  
1220 South St. Francis Dr., Santa Fe NM 87505  
O: 505.476.3448 F: 505.476.3462  
Michael.mcmillan@state.nm.us



**Affidavit of Publication**

STATE OF NEW MEXICO    )  
                                  ) ss.  
COUNTY OF LEA            )

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Manager of THE LOVINGTON LEADER, a thrice a week newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled Legal Notice was published in a regular and entire issue of THE LOVINGTON LEADER and not in any supplement thereof, for one (1) day(s), beginning with the issue of July 28 , 2016 and ending with the issue of July 28 , 2016.

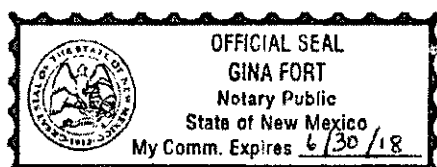
And that the cost of publishing said notice is the sum of \$ 34.46 which sum has been (Paid) as Court Costs.



Joyce Clemens, Advertising Manager  
Subscribed and sworn to before me this 2nd day of August , 2016.



Gina Fort  
Notary Public, Lea County, New Mexico  
My Commission Expires June 30, 2018



**Legal Notice**

Nemo Fund II, L.L.C., 901 W. Missouri Ave, Midland, TX 79701 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to convert the Lewis Fee #1, API 30-025-34236, 1130 FSL x 2544 FWL, Unit Letter "N", Section 31, T9S, R37E, Lea County, New Mexico from a temporary abandoned well to a commercial salt water disposal well. The proposed disposal interval is the Devonian formation through open hole completion between 12,460' - 12,705'. Disposal fluid would be produced water from producing oil and gas wells in the area. Anticipated average disposal volume is 4000 BWPD with a maximum anticipated volume of 8000 BWPD. Anticipated disposal pressure is 0 (zero) psi with a maximum disposal pressure of 2482 psi. The well is located approximately 8.7 miles east-south-east of Crossroads, New Mexico. All interested parties opposing the aforementioned, must file objections with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505 within 15 days. Additional information can be obtained by contacting Danny Holcomb at 806-471-5628.

Published in the Lovington Leader July 28, 2016

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4. Return Receipt by Certified Mail® \$0.00

5. Certified Mail Restricted Delivery \$0.00

6. Adult Signature Restricted Delivery \$0.00

7. Adult Signature Restricted Delivery \$0.00

Postage \$1.36

Total Postage and Fees \$7.36

Postmark Here

07/28/2016

0275

Joe Edd Williams, et al  
P. O. Box 1172  
Seagraves, TX 79359

U.S. Form 3811, April 2015 PSN 7530-02-000-9053

**SENDER: COMPLETE THIS SECTION**

1. Complete items 1, 2, and 3.  
2. Print your name and address on the reverse so that we can return the card to you.  
3. Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Joe Edd Williams, et al  
P. O. Box 1172  
Seagraves, TX 79359

2. Article Number (Transfer from service label)  
9590 9403 0102 5077 6030 10

3. Service Type

☐ Adult Signature  
☐ Adult Signature Restricted Delivery  
☐ Certified Mail  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery  
☐ Collect on Delivery Restricted Delivery  
☐ Insured Mail  
☐ Insured Mail Restricted Delivery over \$500

☐ Priority Mail Express®  
☐ Registered Mail™  
☐ Registered Mail Restricted Delivery  
☐ Return Receipt for Merchandise  
☐ Signature Confirmation™  
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

PS Form 3811, April 2015 PSN 7530-02-000-9053

7015 0640 0000 3691 8242

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3. Return Receipt by Registered Mail® \$0.00

4. Return Receipt by Certified Mail® \$0.00

5. Certified Mail Restricted Delivery \$0.00

6. Adult Signature Restricted Delivery \$0.00

7. Adult Signature Restricted Delivery \$0.00

Postage \$1.57

Total Postage and Fees \$7.57

Postmark Here

07/28/2016

0275

State of New Mexico  
Commissioner of Public Land  
P. O. Box 1148  
Santa Fe, NM 87504

U.S. Form 3811, April 2015 PSN 7530-02-000-9053

**SENDER: COMPLETE THIS SECTION**

1. Complete items 1, 2, and 3.  
2. Print your name and address on the reverse so that we can return the card to you.  
3. Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

State of New Mexico  
Commissioner of Public Land  
P. O. Box 1148  
Santa Fe, NM 87504

2. Article Number (Transfer from service label)  
9590 9403 0102 5077 6030 80

3. Service Type

☐ Adult Signature  
☐ Adult Signature Restricted Delivery  
☐ Certified Mail  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery  
☐ Collect on Delivery Restricted Delivery  
☐ Insured Mail  
☐ Insured Mail Restricted Delivery over \$500

☐ Priority Mail Express®  
☐ Registered Mail™  
☐ Registered Mail Restricted Delivery  
☐ Return Receipt for Merchandise  
☐ Signature Confirmation™  
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

PS Form 3811, April 2015 PSN 7530-02-000-9053

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
X

B. Received by (Printed Name)  
C. Date of Delivery  
AUG - 1 2016

D. Is delivery address different from item 1? ☐ Yes ☐ No  
If YES, enter delivery address below:

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HOUSTON, TX 77056

Certified Mail Fee \$3.30

Postage \$1.36

Total Package and Postage \$7.36

07/26/2016

Port of Origin: Houston, TX

0275

07/26/2016

Apache Corporation  
2000 Post Oak Blvd, Suite 100  
Houston, TX 77056-4400

PS Form 3811, April 2015 PSN 7530-02-000-0053

**SENDER: COMPLETE THIS SECTION**

1. Complete items 1, 2, and 3.  
2. Print your name and address on the reverse so that we can return the card to you.  
3. Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Apache Corporation  
2000 Post Oak Blvd, Suite 100  
Houston, TX 77056-4400

9590 9403 0102 5077 6031 27

2. Article Number (Transfer from service label)  
7015 0640 0000 3691 8235

PS Form 3811, April 2015 PSN 7530-02-000-0053

**ADDRESSEE: COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
X *[Signature]* ☐ Agent ☐ Addressee

B. Received by (Print Name)  
*[Signature]*

C. Date of Delivery  
8-1-16

D. Is delivery address different from item 1? ☐ Yes ☐ No  
If YES, enter delivery address below:

3. Service Type  
☐ Adult Signature ☐ Priority Mail Express®  
☐ Adult Signature Restricted Delivery ☐ Registered Mail™  
☐ Certified Mail® ☐ Registered Mail Restricted Delivery  
☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise  
☐ Collect on Delivery ☐ Signature Confirmation™  
☐ Certified on Delivery Restricted Delivery ☐ Signature Confirmation Restricted Delivery  
☐ Insured Mail ☐ Signature Confirmation Restricted Delivery  
☐ Insured Mail Restricted Delivery over \$500

Domestic Return Receipt

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ENCL 0000 400 8011

Certified Mail Fee \$3.30

Postage \$1.36

Total Package and Postage \$7.36

07/26/2016

Port of Origin: Houston, TX

0275

07/26/2016

Newmont Realty Company  
c/o Newmont Mining Corporation  
Attn: Land Department  
6363 South Fiddlers Green Dr  
Golden, CO 80111

PS Form 3811, April 2015 PSN 7530-02-000-0053

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Tracking Number: 7015064000036918235

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Product & Tracking Information

Available Actions

Product/Package	Product	Product Message
First-Class Mail®	Certified Mail™	See tracking for related items. ENCL0000 400 8011
Article 1 of 1	Delivered with Signature	
August 11, 2016, 4:29 pm		
August 11, 2016, 10:22 am	Business Center	ENCL0000 400 8011
August 11, 2016, 8:48 am	Accepted at USPS Destination Facility	DENVER, CO 80202
August 12, 2016, 8:19 pm	Arrived at USPS Destination Facility	DENVER, CO 80202
August 12, 2016, 8:42 pm	Accepted at USPS Facility	AMARILLO, TX 79102
August 12, 2016, 9:20 am	Arrived at USPS Origin Facility	AMARILLO, TX 79102
August 12, 2016, 8:14 am	Accepted at USPS Origin Facility	AMARILLO, TX 79102
August 12, 2016, 12:08 pm	Accepted at USPS Origin Facility	AMARILLO, TX 79102

Track Another Package

Intercept Incoming Packages

Tracking for ready number

Tracking for ready number

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OKLAHOMA CITY, OK 73102

Certified Mail Fee \$3.30

Extra Services & Fees (Add to Certified Mail Fee)

<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$1.36

Total Postage and Fees \$7.36

Sent to: Devon Energy Production Co, LP  
20 N. Broadway  
Oklahoma City, OK 73102

OKLAHOMA CITY, OK 73102

PS Form 3800, 7/06

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For delivery information, visit our website at [www.usps.com](http://www.usps.com)

MIDLAND, TX 79701

Certified Mail Fee \$3.30

Extra Services & Fees (Add to Certified Mail Fee)

<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$1.57

Total Postage and Fees \$7.57

Sent to: NEMO Fund I, LLC  
901 W. Missouri Ave.  
Midland, TX 79701

MIDLAND, TX 79701

PS Form 3800, 7/06

**SENDER: COMPLETE THIS SECTION**

■ Complete items 1, 2, and 3.  
■ Print your name and address on the reverse so that we can return the card to you.  
■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Devon Energy Production Co, LP  
20 N. Broadway  
Oklahoma City, OK 73102

2. Article Number (Transfer from service label)

7015 0640 0000 3691 8204

PS Form 3811, April 2015 PSN 7530-02-000-9053

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
☒ Signature of Addressee  
☐ Agent  
☐ Address

B. Received by (Printed Name)  
333 W Sheridan  
OKC OK 73102

C. Date of Delivery  
07/28/2016

D. Is delivery address different from item 1? ☒ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type  
☐ Adult Signature  
☐ Adult Signature Restricted Delivery  
☐ Certified Mail®  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery  
☐ Collect on Delivery Restricted Delivery  
☐ Insured Mail  
☐ Insured Mail Restricted Delivery (over \$500)

☐ Priority Mail Express®  
☐ Registered Mail™  
☐ Registered Mail Restricted Delivery  
☐ Return Receipt for Merchandise  
☐ Signature Confirmation™  
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

**SENDER: COMPLETE THIS SECTION**

■ Complete items 1, 2, and 3.  
■ Print your name and address on the reverse so that we can return the card to you.  
■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

NEMO Fund I, LLC  
901 W. Missouri Ave.  
Midland, TX 79701

2. Article Number (Transfer from service label)

7015 0640 0000 3691 8228

PS Form 3811, April 2015 PSN 7530-02-000-9053

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
☒ Signature of Addressee  
☐ Agent  
☐ Address

B. Received by (Printed Name)  
Jessica Gonzalez  
8-1-16

C. Date of Delivery  
07/28/2016

D. Is delivery address different from item 1? ☒ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type  
☐ Adult Signature  
☐ Adult Signature Restricted Delivery  
☐ Certified Mail®  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery  
☐ Collect on Delivery Restricted Delivery  
☐ Insured Mail  
☐ Insured Mail Restricted Delivery (over \$500)

☐ Priority Mail Express®  
☐ Registered Mail™  
☐ Registered Mail Restricted Delivery  
☐ Return Receipt for Merchandise  
☐ Signature Confirmation™  
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

U.S. Postal Service  
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For delivery information, visit our website at [usps.com](http://usps.com)

Hobbs, NM 88240

Certified Mail Fee \$3.30 0275 7

Other Services & Fees (Check box and fee amount)

☐ Return Receipt (hardcopy) \$0.00

☐ Return Receipt (electronic) \$0.00

☐ Certified Mail Restricted Delivery \$0.00


☐ Adult Signature Restricted Delivery \$0.00

Postage \$1.57

Total Postage and Fees \$4.87

State of New Mexico  
 NMOCD District 1  
 1625 N. French Drive  
 Hobbs, NM 88240

07/28/2016

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>State of New Mexico            NMOCD District 1            1625 N. French Drive            Hobbs, NM 88240</p> <p>2. Article Number (Transfer from Service label)            7015 0640 0000 3691 8211</p>	<p>A. Signature  </p> <p>B. Received by (Printed Name)            [Signature]</p> <p>C. Date of Delivery            07-16</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes            If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p> <p><input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p>

PS Form 3811, April 2015 PSN 7530-02-000-9053 Domestic Return Receipt

## McMillan, Michael, EMNRD

---

**From:** McMillan, Michael, EMNRD  
**Sent:** Tuesday, August 02, 2016 9:41 AM  
**To:** 'danny@pwllic.net'  
**Subject:** RE: Nemo Fund I, LLC Bobby Fee SWD Well No. 1

Thanks for the water samples.

OCD will require return receipt for the affected parties including the lessees and surface owner, so when you receive them e-mail them to me when you get them.

Will have spoken to you about circulating the 5-/1/2 inch casing to surface, based on the fact that the I believe in Section 9 there is an approved open-hole San Andres SWD injection the Cobra re-entry will be required to circulate that casing to the surface.

The same requirement for the other well.

Thanks  
Mike

---

**From:** danny@pwllic.net [mailto:danny@pwllic.net]  
**Sent:** Tuesday, August 02, 2016 9:35 AM  
**To:** McMillan, Michael, EMNRD  
**Cc:** Goetze, Phillip, EMNRD; Jones, William V, EMNRD; Lowe, Leonard, EMNRD  
**Subject:** RE: Nemo Fund I, LLC Bobby Fee SWD Well No. 1

Michael,  
Good morning and thank you for the information. Concerning your request for information:

- We will mail you the original Affidavit of Publication upon its receipt from the newspaper. The notice was scheduled to run in the Lovington Leader on Thursday, July 28. We should receive the AOP soon.
- The certified mail receipts were included in the application on the very last page. If you are also wanting copies of the signed signature cards, we can scan and email those to you upon their receipt. The notices were mailed on Thursday, July 28. We should have all the signature cards by the end of this week. Please advise.
- Attached are copies of additional Crossroad area San Andres produced water sample results. These include both a recent sample result from a Nemo well plus historical sample results from the GO-Tech NMAIDS data base.

If you need any additional information, please let me know.

Thank you,  
Danny J. Holcomb  
Pueblo West, LLC  
Cell: 806-471-5628  
Email: [danny@pwllic.net](mailto:danny@pwllic.net)

----- Original Message -----

**Subject:** Nemo Fund I, LLC Bobby Fee SWD Well No. 1  
**From:** "McMillan, Michael, EMNRD" <[Michael.McMillan@state.nm.us](mailto:Michael.McMillan@state.nm.us)>  
**Date:** Mon, August 01, 2016 5:06 pm



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

(A CLW##### in the  
POD suffix indicates the  
POD has been replaced  
& no longer serves a  
water right file.)

(R=POD has  
been replaced,  
O=orphaned,  
C=the file is  
closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest)

(NAD83 UTM in meters)

(In feet)

POD Number	POD Sub-Code	basin	County	Q	Q	Q	Sec	Tws	Rng	X	Y	Depth Well	Depth Water	Water Column
L 01140 POD1	L	LE		1	23	09S	36E	664240	3710696*					70
L 14075 POD1	L	LE		4	2	2	24	09S	36E	666858	3710871		202	

Average Depth to Water: 70 feet

Minimum Depth: 70 feet

Maximum Depth: 70 feet

Record Count: 2

PLSS Search:

Section(s): 23-25

Township: 09S

Range: 36E

\*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.



C-108 Review Checklist: Received 8/01/2016 Add. Request: 8/01/2016 Reply Date: \_\_\_\_\_ Suspended: \_\_\_\_\_ [Ver 15]

ORDER TYPE: WFX / PMX (SWD) Number: \_\_\_\_\_ Order Date: \_\_\_\_\_ Legacy Permits/Orders: \_\_\_\_\_

Well No. 1 Well Name(s): LEWIS FEE SWD

API: 30-0 25-34236 Spud Date: 2/5/1998 New or Old: N (UIC Class II Primacy 03/07/1982)

Footages 1130 FSL 2544 RWL Lot: NE or Unit N Sec 31 Tsp 4S Rge 37E County LEA

General Location: 2.2 miles NE of Tatum Pool: SWD, DEVONIAN Pool No.: \_\_\_\_\_

BLM 100K Map: 5114 Operator: LLC OGRID: 310809 Contact: HOLCOMB, GARY

COMPLIANCE RULE 5.9: Total Wells: 16 Inactive: 1 Fincl Assur: X Compl. Order? NA IS 5.9 OK? Y Date: 8-1-2016

WELL FILE REVIEWED ☐ Current Status: T/A

WELL DIAGRAMS: NEW: Proposed ☐ or RE-ENTER: Before Conv. ☒ After Conv. ☒ Logs in Imaging: Y C-N-O-L D-L-L SONIC

Planned Rehab Work to Well: drill out plugs

Well Construction Details	Sizes (in) Borehole / Pipe	Setting Depths (ft)	Cement Sx or Cf	Cement Top and Determination Method
Planned ___ or Existing ___ Surface	<u>17 1/2 / 13 3/4</u>	<u>475</u>	<u>500</u>	<u>SURFACE / VISUAL</u>
Planned ___ or Existing ___ Interm/Prod	<u>12 1/4 / 8 7/8</u>	<u>4172</u>	<u>1500</u>	<u>SURFACE / VISUAL</u>
Planned ___ or Existing ___ Interm/Prod	<u>7 1/4 / 5 1/2</u>	<u>12460</u>	<u>2180</u>	<u>4150 / TS</u>
Planned ___ or Existing ___ Prod/Liner				
Planned ___ or Existing ___ Liner				
Planned ___ or Existing ___ OH / PERF	<u>12460 / 12705</u>			

Injection Lithostratigraphic Units:	Depths (ft)	Injection or Confining Units	Tops	Completion/Operation Details:
Adjacent Unit: Litho. Struc. Por.	<u>[Pattern]</u>	<u>DK</u>	<u>1242</u>	Drilled TD <u>12505</u> PBTD _____
Confining Unit: Litho. Struc. Por.		<u>hd</u>	<u>12304</u>	NEW TD <u>12705</u> NEW PBTD <u>12705</u>
Proposed Inj Interval TOP:				NEW Open Hole <input checked="" type="radio"/> or NEW Perfs <input type="radio"/>
Proposed Inj Interval BOTTOM:				Tubing Size <u>2 7/8</u> in. Inter Coated? <u>Y</u>
Confining Unit: Litho. Struc. Por.				Proposed Packer Depth <u>12360</u> ft
Adjacent Unit: Litho. Struc. Por.	<u>[Pattern]</u>			Min. Packer Depth <u>12360</u> (100-ft limit)
				Proposed Max. Surface Press. <u>2482</u> psi
				Admin. Inj. Press. <u>2492</u> (0.2 psi per ft)

### AOR: Hydrologic and Geologic Information

POTASH: R-111-P MA Noticed? ☐ BLM Sec Ord ☐ WIPP ☐ Noticed? ☐ Salt/Salado T: \_\_\_\_\_ B: \_\_\_\_\_ NW: Cliff House fm \_\_\_\_\_

FRESH WATER: Aquifer Quaternary Max Depth 70 HYDRO AFFIRM STATEMENT By Qualified Person ☒

NMOSE Basin: LEA CAPITAN REEF: thru adj NA No. Wells within 1-Mile Radius? 0 FW Analysis

Disposal Fluid: Formation Source(s) SA / Permian Dev Analysis? Y On Lease ☐ Operator Only ☐ or Commercial ☒

Disposal Int: Inject Rate (Avg/Max BWPD): 44/84 Protectable Waters? NA Source: \_\_\_\_\_ System: Closed or Open

HC Potential: Producing Interval? \_\_\_\_\_ Formerly Producing? Y Method: Logs/DST/P&A/Other \_\_\_\_\_ 2-Mile Radius Pool Map ☐

AOR Wells: 1/2-M Radius Map? Y Well List? MA Total No. Wells Penetrating Interval: 0 Horizontals? \_\_\_\_\_

Penetrating Wells: No. Active Wells 0 Num Repairs 0 on which well(s)? \_\_\_\_\_ Diagrams? \_\_\_\_\_

Penetrating Wells: No. P&A Wells 0 Num Repairs? \_\_\_\_\_ on which well(s)? \_\_\_\_\_ Diagrams? \_\_\_\_\_

NOTICE: Newspaper Date 8/01/2016 Mineral Owner Newmont Surface Owner Williams N. Date 8-01-2016

RULE 26.7(A): Identified Tracts? Y Affected Persons: Devon, A. P. LLC, NMSU N. Date 8-1-2016

Order Conditions: Issues: Copy of mudlog

Add Order Cond: require scrub test

XV -> this well



## Goetze, Phillip, EMNRD

---

**From:** Holm, Anchor <aholm@slo.state.nm.us>  
**Sent:** Friday, August 19, 2016 7:38 AM  
**To:** Goetze, Phillip, EMNRD  
**Cc:** Martin, Ed; Khalsa, Niranjana K.; Warnell, Terry G.  
**Subject:** Nemo Fund I, LLC - Lewis Fee #1 (30-025-34235) Conversion to SWD in Oil Zone  
**Attachments:** C-108 Cover+GIS ah SLO Notes.pdf

Phil,

After review of the application C-108 of the Nemo Fund I, LLC - Lewis Fee #1 (30-025-34235) Conversion to SWD in Oil Zone, the State Land Office has significant concerns regarding SWD operations into a known oil zone. This well was producing ~7 BOPD from the Devonian, when it was TA's in 2006. Converting this well to SWD including the producing oil zones will create waste, and likely will negatively affect State Trust minerals, which are only 1,130' to the south.

If the OCD were to permit such SWD operations, the State Land Office believes that the top of the SWD zone should not be shallower than 12, 805'. (See: attached)

Thanks for your assistance,

Anchor E. Holm  
Geoscientist/Petroleum Engineering Specialist  
Oil Gas & Minerals Division  
505.827.5759  
New Mexico State Land Office  
310 Old Santa Fe Trail  
P.O. Box 1148  
Santa Fe, NM 87504-1148  
aholm@slo.state.nm.us  
[nmstatelands.org](http://nmstatelands.org)



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## McMillan, Michael, EMNRD

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**From:** Holm, Anchor <aholm@slo.state.nm.us>  
**Sent:** Wednesday, September 28, 2016 11:34 AM  
**To:** Goetze, Phillip, EMNRD; McMillan, Michael, EMNRD; Jones, William V, EMNRD; Lowe, Leonard, EMNRD  
**Cc:** Gruebel, Marilyn; Martin, Ed; Warnell, Terry G.; Pruett, Jennifer; James Bruce; John Preston Bornman III (pbornman@nautilus-energy.com); Khalsa, Niranjana K.; Montoya, Kenda; Crosby, Faith; Padilla, Patrick  
**Subject:** RE: Nemo Fund/Proposed SWD well/Lewis Fee Well No. 1 (30-025-34236) Sec. 31-9S-37E

Gentlemen,

Jim Bruce, representing Nemo Fund regarding their proposed SWD well/Lewis Fee Well No. 1 (30-025-34236), Sec. 31-9S-37E and Preston Bornman, Geologist, Nemo Fund, attended a meeting with the Oil & Gas Division at the State Land Office. A detail discussion of the oil and gas productive Devonian structure in Section 31 and the apparent extension of the structure into Section 6, T10S, R37E. A map of the structure and a map of the porosity within the structure were presented and reviewed with respect to the oil and gas production history of the Lewis Fee #1 well.

Also, the mud log from this well was presented, which showed that the entire porosity zone was penetrated near the top of the Devonian. This porosity initially contained an estimated oil reserve potential of 100,000 BO, or more. Actual cumulative oil production from the Lewis Fee #1 totaled 72,620 BO, when the well 'watered out'. This demonstrates that the oil porosity being produced is smaller and could not have extended to the southern portion of the structure in Section 6. However, the aquifer portion of the Devonian porosity does extend beneath State Trust Lands. Disposal into this leg of the Devonian porosity should not affect any Trust minerals within the larger structure.

Therefore, the concerns of the State Land Office regarding the conversion of the Lewis Fee #1 well to salt water disposal in the same openhole zone are withdrawn.

We thank Nemo Fund for coming in to the State Land Office to discuss their SWD plan for the well, as well as the need for SWD by the proposed Units to be serviced by this well.

Anchor E. Holm  
*Geoscientist/Petroleum Engineering Specialist*  
*Oil Gas & Minerals Division*  
505.827.5759  
New Mexico State Land Office  
310 Old Santa Fe Trail  
P.O. Box 1148  
Santa Fe, NM 87504-1148  
aholm@slo.state.nm.us  
[nmstatelands.org](http://nmstatelands.org)



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## McMillan, Michael, EMNRD

---

**From:** Goetze, Phillip, EMNRD  
**Sent:** Friday, August 19, 2016 8:01 AM  
**To:** McMillan, Michael, EMNRD  
**Subject:** FW: Nemo Fund I, LLC - Lewis Fee #1 (30-025-34235) Conversion to SWD in Oil Zone  
**Attachments:** C-108 Cover+GIS ah SLO Notes.pdf

FYI. I will print out my copy for the case file. 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](mailto:phillip.goetze@state.nm.us)



---

**From:** Holm, Anchor [<mailto:aholm@slo.state.nm.us>]  
**Sent:** Friday, August 19, 2016 7:38 AM  
**To:** Goetze, Phillip, EMNRD <[Phillip.Goetze@state.nm.us](mailto:Phillip.Goetze@state.nm.us)>  
**Cc:** Martin, Ed <[emartin@slo.state.nm.us](mailto:emartin@slo.state.nm.us)>; Khalsa, Niranjana K. <[nkhalsa@slo.state.nm.us](mailto:nkhalsa@slo.state.nm.us)>; Warnell, Terry G. <[twarnell@slo.state.nm.us](mailto:twarnell@slo.state.nm.us)>  
**Subject:** Nemo Fund I, LLC - Lewis Fee #1 (30-025-34235) Conversion to SWD in Oil Zone

Phil,

After review of the application C-108 of the Nemo Fund I, LLC - Lewis Fee #1 (30-025-34235) Conversion to SWD in Oil Zone, the State Land Office has significant concerns regarding SWD operations into a known oil zone. This well was producing ~7 BOPD from the Devonian, when it was TA's in 2006. Converting this well to SWD including the producing oil zones will create waste, and likely will negatively affect State Trust minerals, which are only 1,130' to the south.

If the OCD were to permit such SWD operations, the State Land Office believes that the top of the SWD zone should not be shallower than 12,805'. (See: attached)

Thanks for your assistance,

Anchor E. Holm  
Geoscientist/Petroleum Engineering Specialist  
Oil Gas & Minerals Division  
505.827.5759  
New Mexico State Land Office



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P.O. Box 1148  
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**McMillan, Michael, EMNRD**

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**From:** McMillan, Michael, EMNRD  
**Sent:** Friday, August 26, 2016 10:35 AM  
**To:** 'danny@pwllc.net'  
**Cc:** Anchor, Holm; Goetze, Phillip, EMNRD; Lowe, Leonard, EMNRD; Jones, William V, EMNRD  
**Subject:** NEMO FUNDS I, LLC Lewis Fee SWD Well No. 1 SWD protested Administrative application

NEMO FUNDS I, LLC Lewis Fee SWD Well No. SWD Administrative application

OCD was notified that Anchor Holm Geologist with the New Mexico State Land Office is protesting these applications for approval for a Salt Water Disposal Well. This party is identified as an affected person for the proposed Salt-water disposal well..

Therefore, you are being notified that if NEMO Funds I, LLC wishes for this application to be considered, it must either go to hearing or may be reviewed administratively if the protest is withdrawn as a result of a negotiated resolution with this party. The application will be retained by OCD, but suspended from further administrative review.

Please contact OCD once you have made a decision regarding the application within the next 30 days. If the protest remains after 30 days, OCD will initiate the process for the application to be reviewed at hearing. Please call/e-mail me with any questions regarding this matter.

Contact Information:

Anchor E. Holm  
*Geoscientist/Petroleum Engineering Specialist*  
*Oil Gas & Minerals Division*  
505.827.5759  
New Mexico State Land Office  
310 Old Santa Fe Trail  
P.O. Box 1148  
Santa Fe, NM 87504-1148  
[aholm@slo.state.nm.us](mailto:aholm@slo.state.nm.us)  
[nmstatelands.org](http://nmstatelands.org)

Thank you.

**Michael A. McMillan**

Engineering Bureau, Oil Conservation Division  
1220 South St. Francis Dr., Santa Fe NM 87505  
O: 505.476.3448 F. 505.476.3462

Michael.mcmillan@state.nm.us