

BW – 035

**PERMIT
APPLICATIONS,
RENEWALS,
& MODS (2 of 5)**

2016

Pueblo West Resources, LLC
125 Greathouse Village
Decatur, Texas 76234
432-934-7680

April 28, 2016

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

Llano Disposal, LLC, P. O. Box 190, Lovington, NM 88260 has filed form C108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to convert the Siringo ACS State #1, API 30-025-30701, 660 FNL x 660 FWL, Unit Letter "D", Section 26, T17S, R36E, Lea County, New Mexico to a commercial brine production well. The proposed production interval would be the Salado formation through open hole completion between 2043' – 3253'. Injection fluid will be fresh water from nearby water wells. Anticipated average daily injection volume is 1550 BWPD with a maximum daily injection volume of 1900 BWPD. Anticipated average injection pressure is 250 psi with a maximum injection pressure of 408 psi. The well is located approximately 8.6 miles south of Lovington, New Mexico.

No notices of this C108 application were made since WQCC rules concerning the notifications required for the Discharge Permit Application will apply.

Sincerely,



Danny J. Holcomb
Agent for Llano Disposal, LLC
Email: danny@pwllc.net



www.pwllc.net

Llano Disposal, L.L.C.
Siringo ACS State #1
API # 30-025-30701
660 FNL x 660 FWL
Unit Letter 'D', Section 26, T17S, R36E
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 Siringo ACS State #1 from a plugged and abandoned well to a commercial brine production well.

II.

Operator: Llano Disposal, L.L.C. OGRID: 370661
Address: P. O. Box 190 (783 Highway 483), Lovington, NM 88260
Contact Party: Marvin Burrows 575-361-8067 email: burrowsmarvin@gmail.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 6 P&A wells identified within the 1 mile Area of Review that penetrate the proposed injection interval. There is also 1 new drill permitted, but not yet drilled. Please see Exhibit "C" for offset well data and wellbore diagrams.

VII.

1. Anticipated daily injection volume of 1,550 BWPD with a maximum daily injection volume of 1,900 BWPD.
2. System will be closed. It will include a fresh water supply well, fresh water pipeline, brine pipeline and a brine station. Fresh water will be produced from the supply well and pumped into the injection well for salt solution mining. Brine water will be produced from the injection well and transported to the brine station via a brine pipeline. Brine will be commercially sold from the brine station.
3. Anticipated injection pressure: Average 250 psig, Maximum 408 psig.
4. Please see Exhibit "D" for analysis of fresh water injected for brine production.

VIII.

Formation	Anticipated Depth (ft)
T. Rustler	2052
T. Salt	2043
B. Salt	3034
T. Yates	3353
T. Grayburg	4614
Proposed injection zone	2043 – 3253

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



Llano Disposal, L.L.C.
Siringo ACS State #1
API # 30-025-30701
660 FNL x 660 FWL
Unit Letter 'D', Section 26, T17S, R36E
Lea County, New Mexico
C108 Application for Authorization to Inject

IX.

After drilling out cement plug #5 and the top 67' of plug #4, the hole will be circulated clean and a cement bond log obtained. If good cement is found behind casing, discharge permit application will be submitted. Upon approval, the remaining portion of plug #4 would be drilled out and wellbore cleaned out to top of plug #3 at 3253'. No additional completion work is planned.

X.

Any additional logs performed will be submitted after completion.

XI.

NM OSE records indicate there are 6 fresh water wells within the 1 mile Area of Review and 10 fresh water wells identified in the 9 square line area of review. Fresh water is contained in the Alluvial fill to top of the Red Beds.

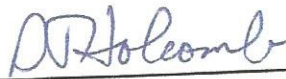
XII.

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

XIII.

No notice of this C108 application will be made since WQCC rules provide for required notifications of the Discharge Plan. See Exhibit "F" for a map indicating mineral owners and lessees.

Danny J. Holcomb
Agent for Llano Disposal, LLC



Date: 4/27/2016



www.pwllc.net

Page 2 of 2

Llano Disposal, L.L.C.
Siringo State ~~EW~~ # 1
Originally Siringo ACS State # 1
API # 30-025-30701
660 FNL X 660 FWL
Unit Letter "D", Section 26, T17S, R36E
Lea County, New Mexico
C108(Application for Authorization to Inject)

Well Data

Data obtained from records maintained by the NMOCD

Spudded 10/27/1989 as test of San Andres formation

20" casing was set in 26" hole at 40ft. Cemented with Redi-Mix to surface

8 5/8" 24# casing was set in 12 1/4" hole at 2043ft. Cemented with 1100 sks as follows;

900 sks Pacesetter Lite with 5 #/sks Hyseal, 1/2 # Celloseal & 3% CaCL

200 sks Class "C" with 2% CaCL

Cement circulated to surface.

7 7/8" hole drilled to TD 5450ft.

Plugged and abandoned 11/16/1989

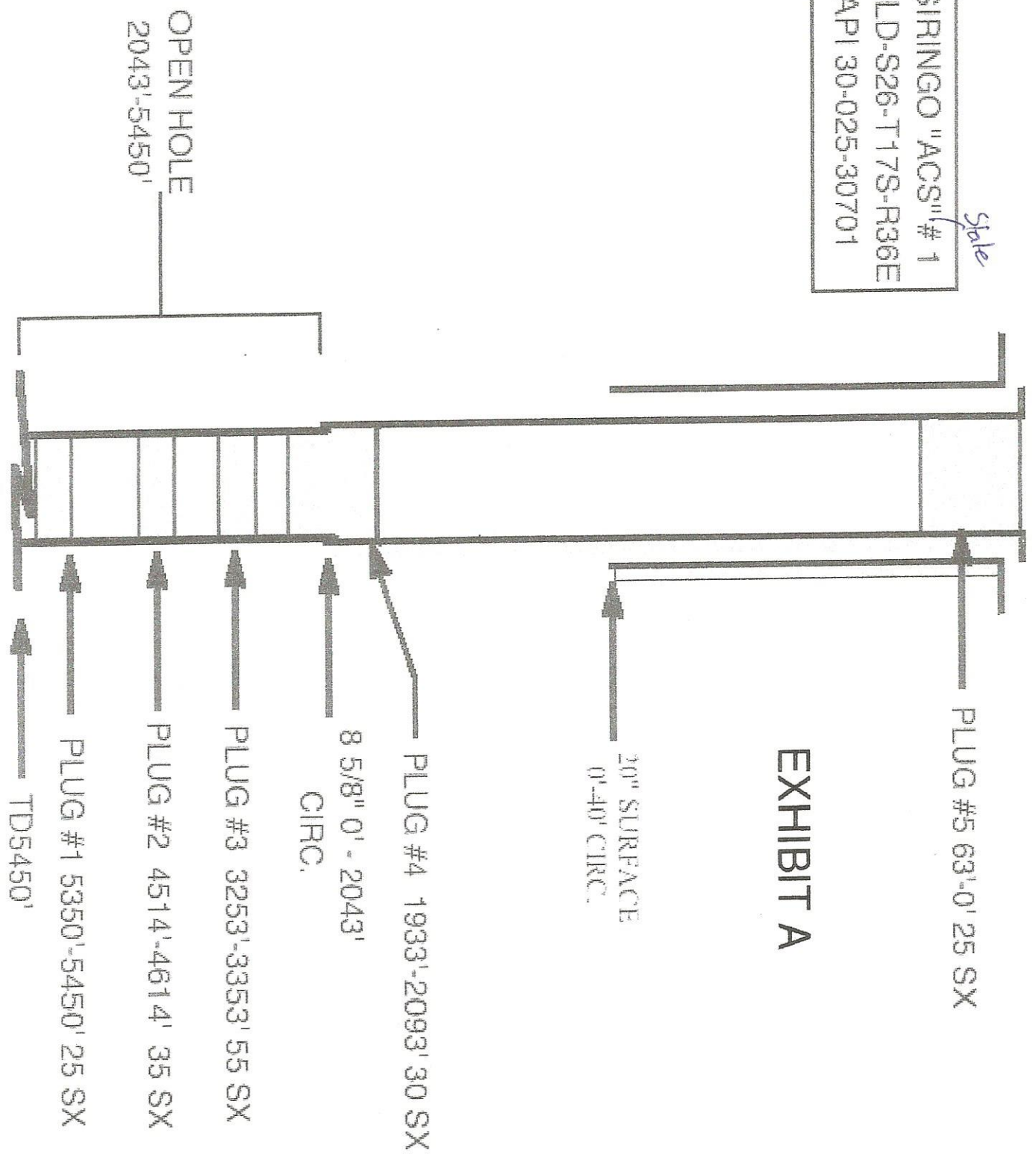
Plug #1	5350-5450'	w/25	sx	Class C	Neat
#2	4514-4614'	w/35	sx	Class C	Neat
#3	3253-3353'	w/55	sx	Class C	Neat
#4	1933-2093'	w/30	sx	Class C	Neat
#5	Surface-63'	w/25	sx	Class C	Neat

Exhibit "A"

SIRINGO "ACS" # 1
ULD-S26-T17S-R36E
API 30-025-30701

State

EXHIBIT A



NOT TO SCALE

Llano Disposal, L.L.C.
Siringo State ~~BW~~ # 1
API 30-025-30701
Unit Letter "D", Section 26, T17S, R36E
Lea County, New Mexico

660 FNL X 660 FWL



WWW.PWLLC.NET

20" Casing set 40 feet
Cemented to surface

8 5/8" 24# CSA 2043' in 12 1/4" hole
Cmt w/ 1100 sks Cmt
Cement circulated to surface

2043' x 0.2 = 408.6
Max Pressure

TLA 3100'

7 7/8" Open Hole

Salt & Anhy

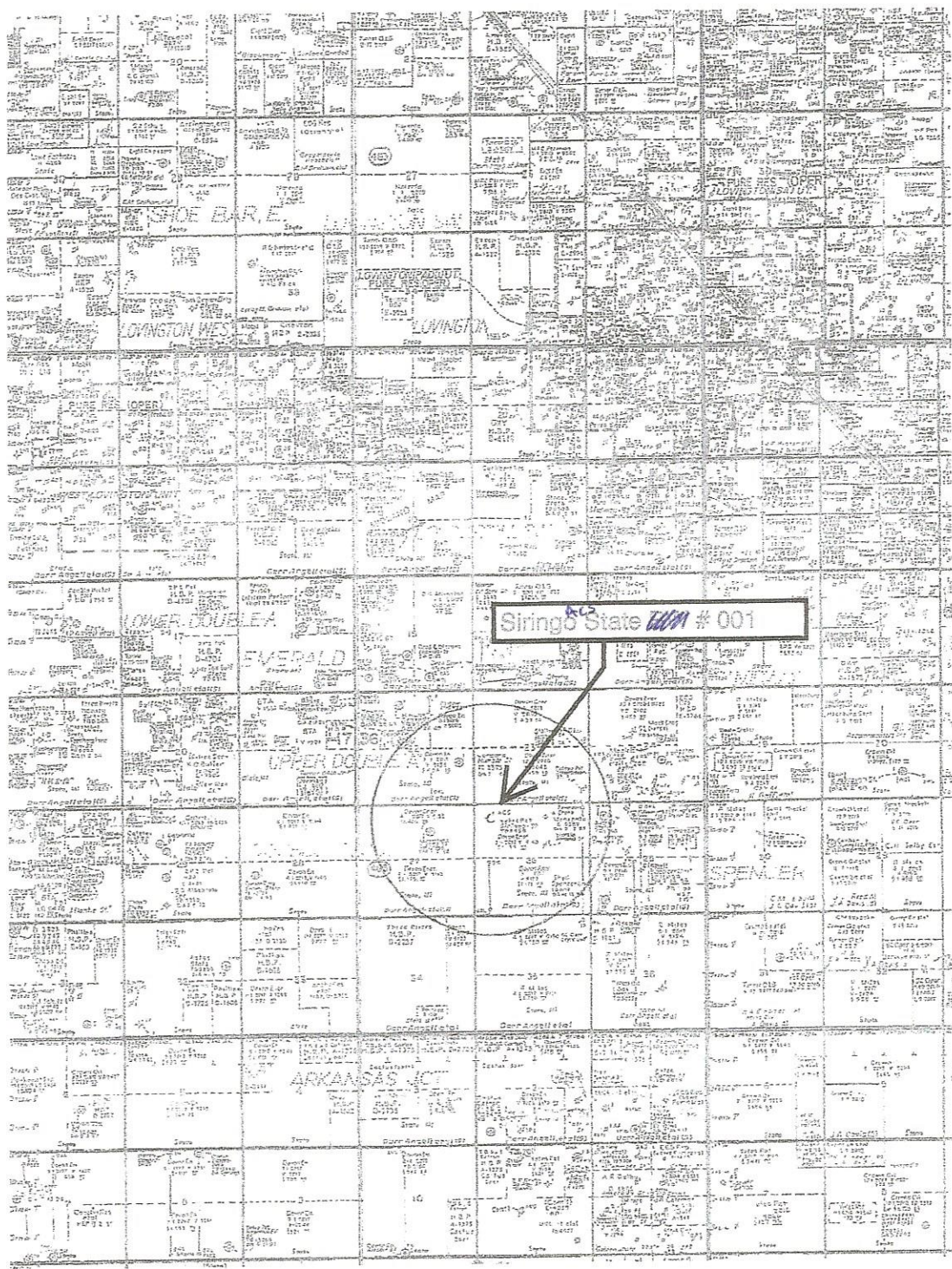
55 sks Plug 3253-3353'

35 sks Plug 4514-4614'

25 sks Plug 5350-5450'

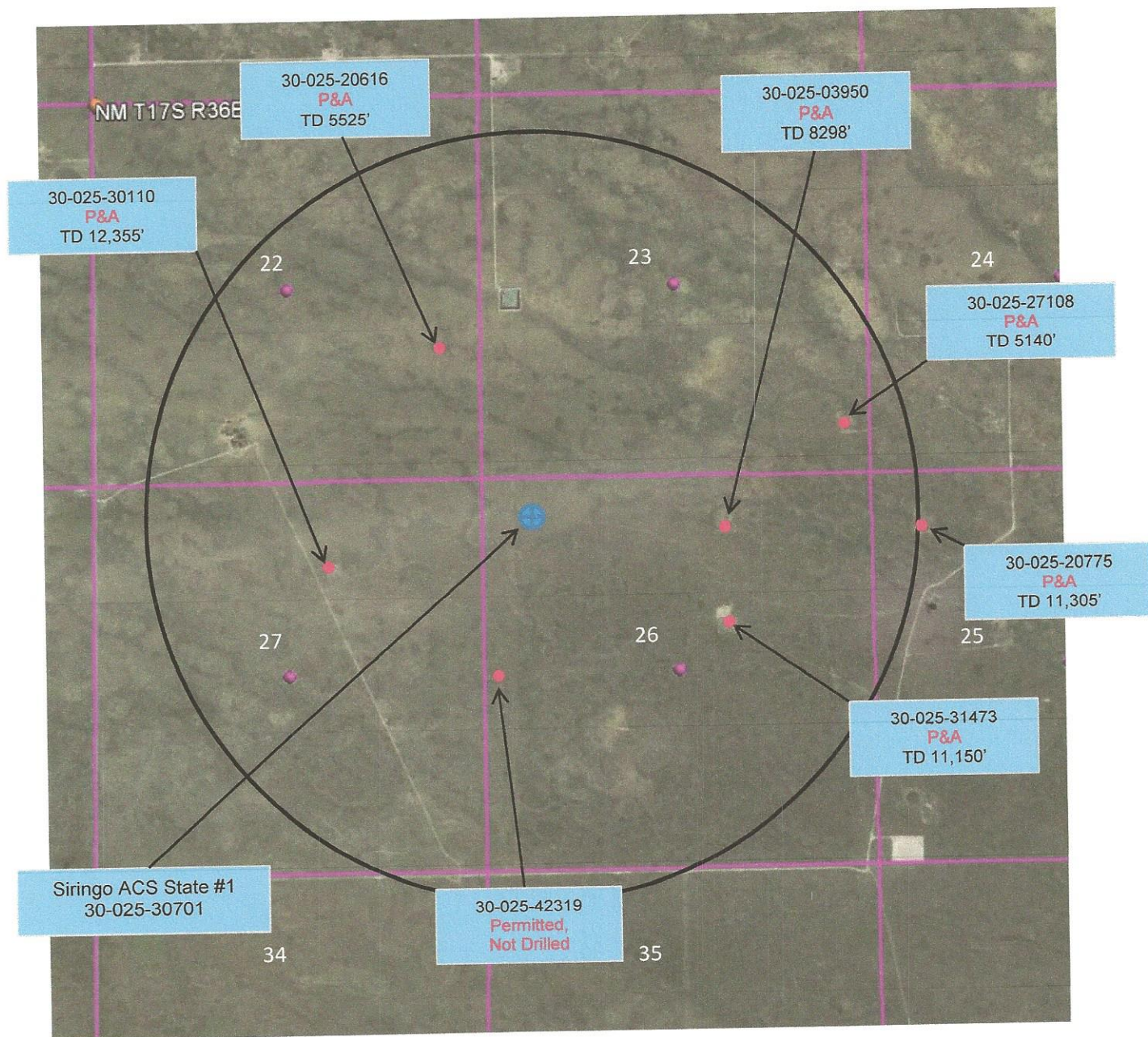
BEP

EXHIBIT A



Llano Disposai, L.L.C.
Siringo State # 1
API 30-025-30701
660 FNL X 660 FWL
Unit Letter "D", Section 26, T17S, R38E
Lea County, New Mexico
Exhibit "B"

Llano Disposal, LLC
Siringo ACS State #1
API # 30-025-30701
1 Mile AOR



T17S, R36E

This location 660 FNL x 660 FWL, UL 'D',
Section 26, T17S, R36E, Lea County, NM
Drawing Not to Scale

Llano Disposal, LLC
 Siringo State ~~BW~~ # 1
 30-025-30701
 660 FNL X 660 FWL
 UL"D", Sec 26, T17S, R36E
 Lea County, NM
 Wells in 1 mile AOR

API	Well Name	Well#	Type	Lease	Status	UL	Sec	TS	RG	TD	Current Operator
1 30-025-42319	HEFEWEIZEN 26.35 STATE COM	#003H	Oil	State	New	1	26	17S	36E		DEVON ENERGY PRODUCTION
2 30-025-31473	PERSEUS 26 STATE	#001	Oil	State	PA	G	26	17S	36E	11150	MARALO LLC
3 30-025-03950	PRE-ONGARD WELL	#001	Oil	State	PA	B	26	17S	36E	8298	PRE-ONGARD WELL OPERATOR
4 30-025-00701	PRE-ONGARD WELL	#001	Oil	State	PA	B	26	17S	36E		PRE-ONGARD WELL OPERATOR
5 30-025-20616	PRE-ONGARD WELL	#001	Oil	State	PA	I	22	17S	36E	5325	PRE-ONGARD WELL OPERATOR
6 30-025-27108	PRE-ONGARD WELL	#001	Oil	State	PA	P	23	17S	36E	5140	PRE-ONGARD WELL OPERATOR
7 30-025-20775	PRE-ONGARD WELL	#001	Oil	State	PA	D	25	17S	36E	11305	PRE-ONGARD WELL OPERATOR
8 30-025-30110	PRE-ONGARD WELL	#001	Oil	State	PA	B	27	17S	36E	12,355	PRE-ONGARD WELL OPERATOR
Not drilled											
Proposed BW											

Exhibit "C"



www.dwl.com

MMARALO PERSEUS 28 STATE #1
ULG-S26-T17S, R36E
API 30-025-31473

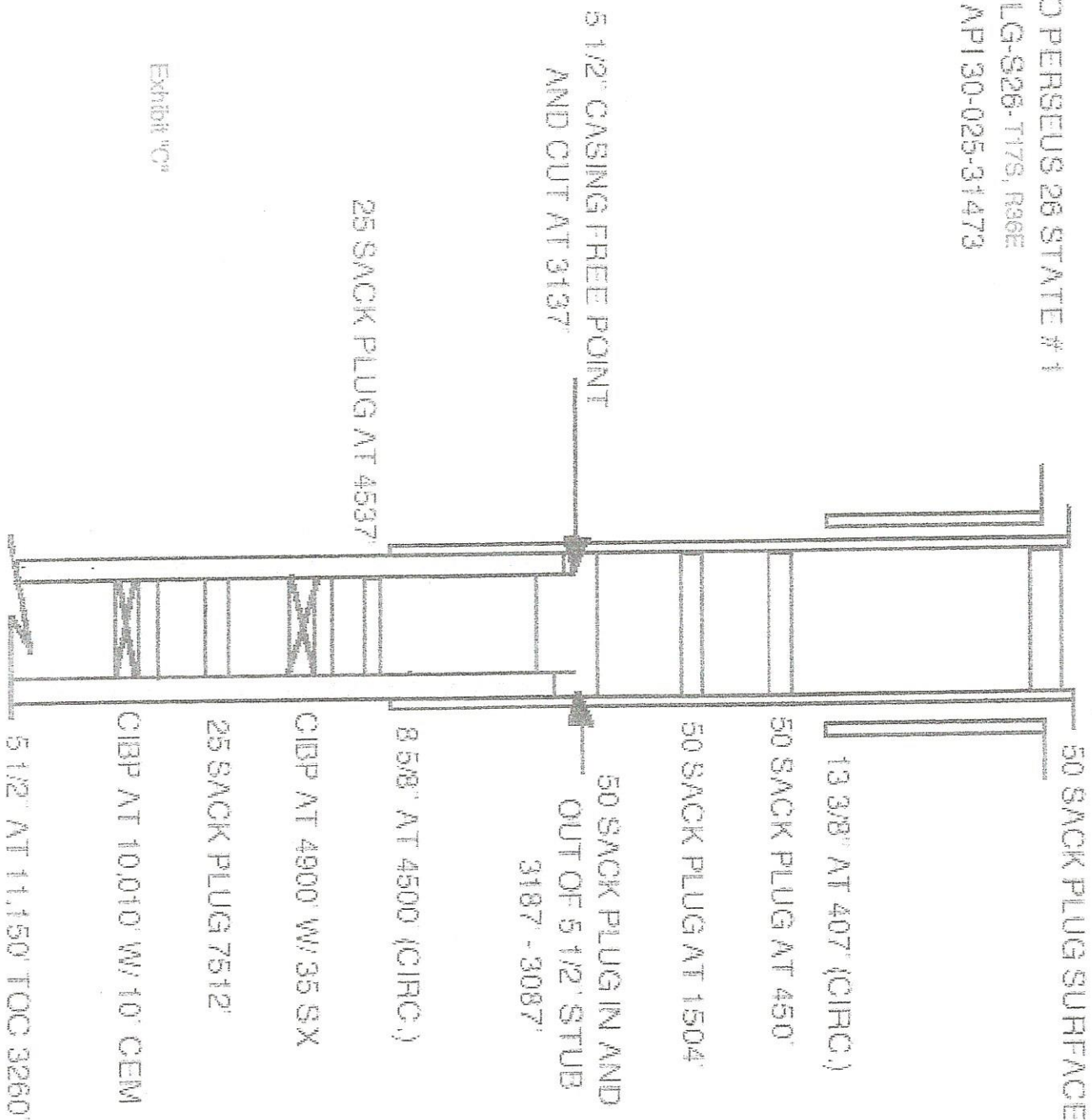


Exhibit "C"

MONSANTO OIL CO.
STATE G # 1
UL B' - S26 - T17S - R36E
AP130 025 03950

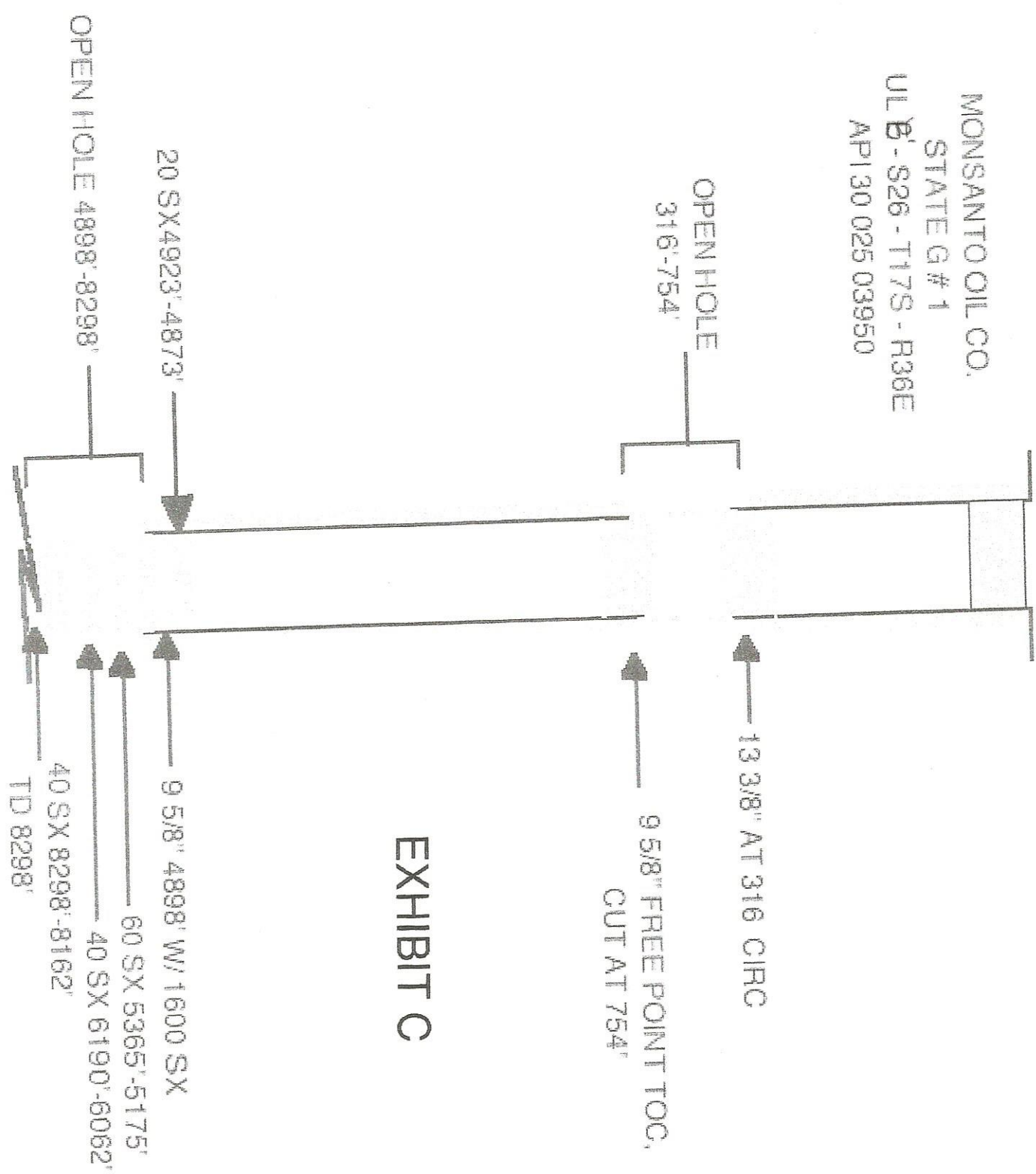


EXHIBIT C

CAMPANA PETROLEUM CO.
#1 HUMBLE STATE
ULI-S 22-T 17S-R 36 E
API 30-025-20616

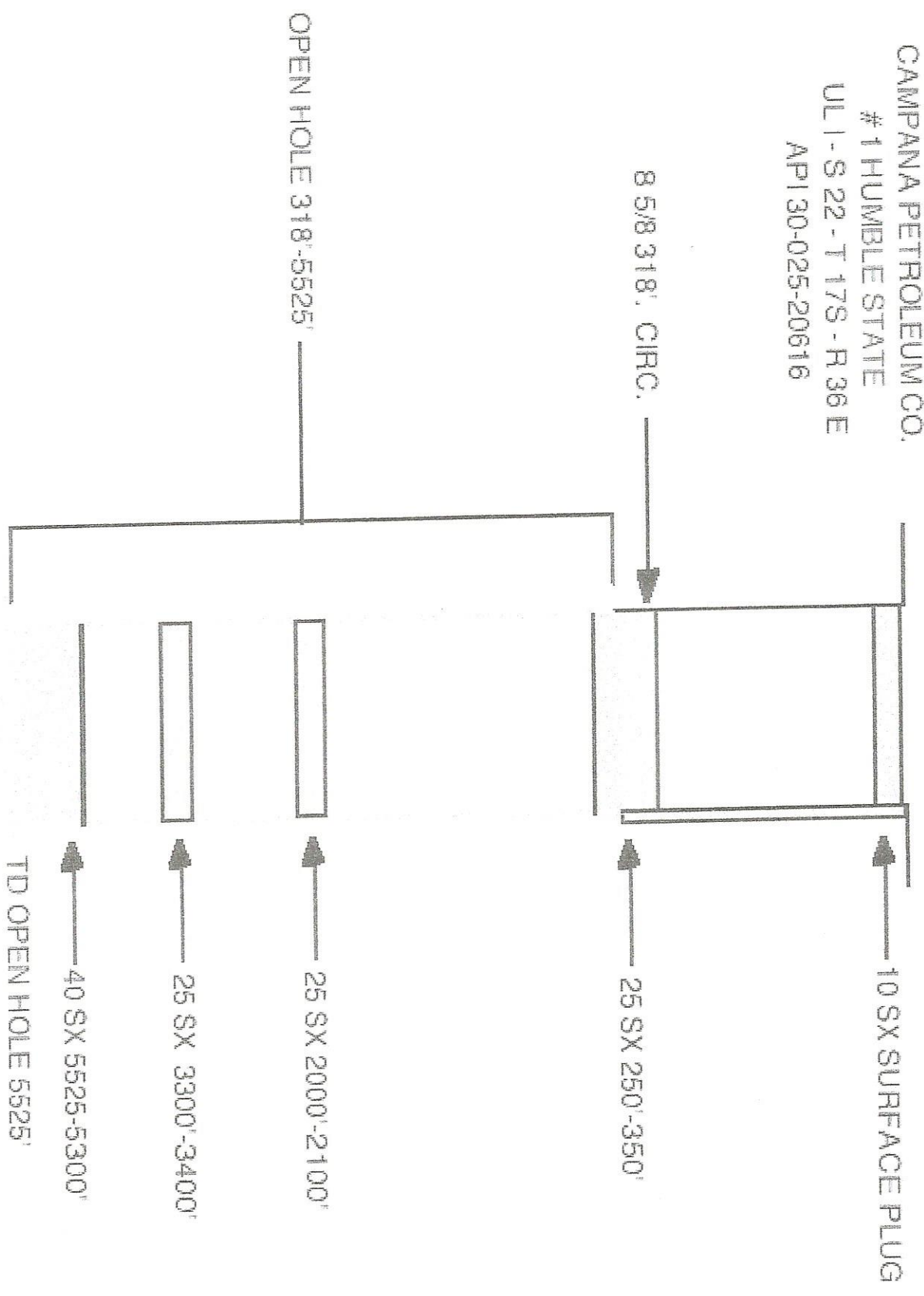


EXHIBIT C

10 SX SURFACE PLUG

8 5/8" AT 366' W/ 180
SX CIRC

20 SX 1900'-2000'

CIBP 3180'
W/ 5 SX

PERFS 3232.-3208'

5 1/2' CSG AT 5,140'
W/ 1270 SX CIRC

COTTON PET CO.
SCHARBAUER STATE # 1

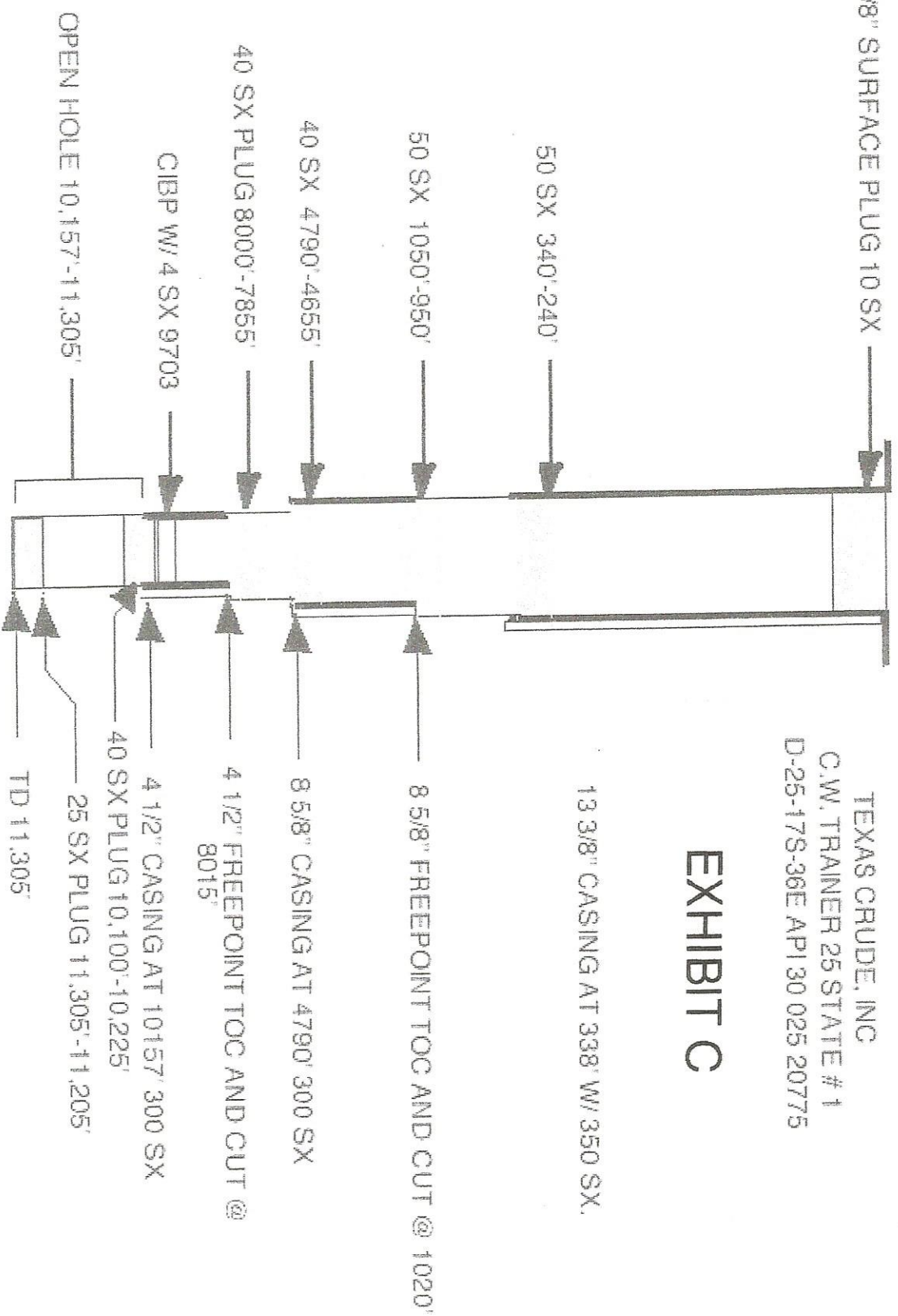
API 30-025-27108
ULP-S23-T17S-R36E

EXHIBIT C

CEM RETAINER 4965'

OLD PERFS 4975'-4965' SQ.

13 3/8" SURFACE PLUG 10 SX

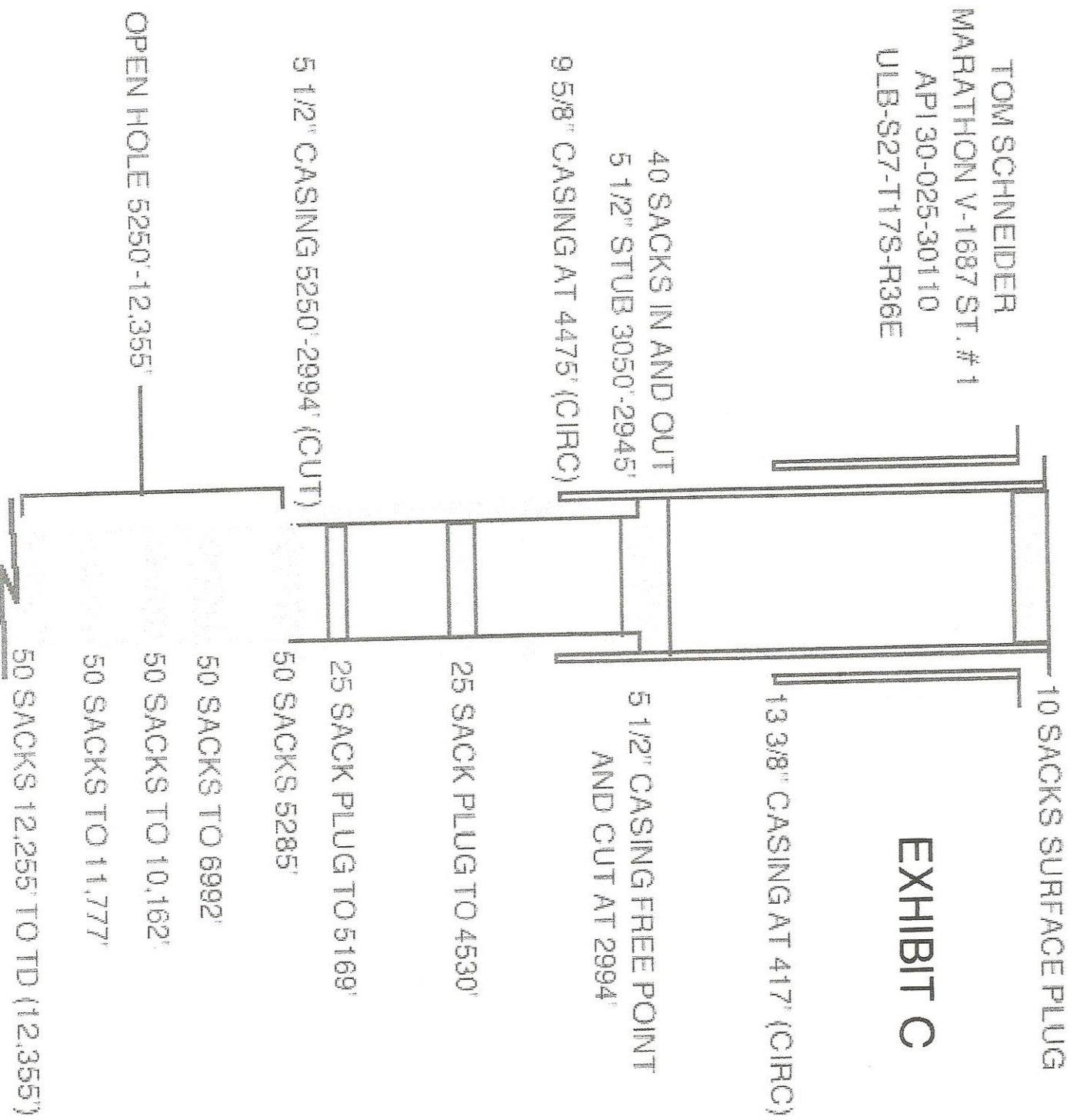


TEXAS CRUDE, INC
C.W. TRAINER 25 STATE # 1
D-25-17S-36E API 30 025 20775

EXHIBIT C

TOM SCHNEIDER
MARATHON V-1687 ST. # 1
API 30-025-30110
ULB-S27-T17S-R36E

EXHIBIT C





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 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Depth Well	Depth Water	Water Column
L 00374	L	LE		3	1	1	35	17S	36E	656116	3629884*	120		
L 00376	L	LE		1	3	3	34	17S	36E	654527	3628843*	90		
L 00377	L	LE		2	1	4	27	17S	36E	655498	3630879*	100		
L 00378	L	LE		1	3	1	27	17S	36E	654487	3631269*	100		
L 00308	L	LE		3	3	3	25	17S	36E	657723	3630314*	110	40	70
L 00306	L	LE		1	1	25	17S	36E	657804	3631628*	122	60	62	
L 00134	L	LE		4	3	25	17S	36E	658227	3630422*	120	40	80	
L 00377	L	LE					26	17S	36E	656813	3630992*	160	60	100
L 00301	L	LE		2	4	24	17S	36E	659002	3632453*	110	52	58	
L 12362 POD9	L	LE		1	4	4	25	17S	36E	658980	3630480	122	107	15

Average Depth to Water: 59 feet

Minimum Depth: 40 feet

Maximum Depth: 107 feet

Exhibit "D"

Record Count: 10

PLSS Search:

Section(s): 22, 23, 24, 25, 26, 27, 34, 35, 36
Township: 17S
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.

7/8/15 10:08 AM

Page 1 of 1

WATER COLUMN/ AVERAGE
DEPTH TO WATER

Analytical Results For:LLANO DISPOSAL, LLC
125 W. ST. ANNE
HOBBS NM, 88240Project: BRINE PROJECT
Project Number: NONE GIVEN
Project Manager: MARVIN BURROWS
Fax To: NONEReported:
30-Jun-14 12:02

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
WINDMILL	H401846-01	Water	18-Jun-14 12:00	18-Jun-14 12:50
HOUSE	H401846-02	Water	18-Jun-14 12:00	18-Jun-14 12:50

Exhibit "D"

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.


Celey D. Keene, Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:LLANO DISPOSAL, LLC
125 W. ST. ANNE
HOBBS NM, 88240Project: BRINE PROJECT
Project Number: NONE GIVEN
Project Manager: MARVIN BURROWS
Fax To: NONEReported:
30-Jun-14 12:02**WINDMILL
H401846-01 (Water)**

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
---------	--------	-----	--------------------	-------	----------	-------	---------	----------	--------	-------

Cardinal Laboratories**Inorganic Compounds**

Alkalinity, Bicarbonate	224		5.00	mg/L	1	4062305	AP	23-Jun-14	310.1	
Alkalinity, Carbonate	ND		0.00	mg/L	1	4062305	AP	23-Jun-14	310.1	
Chloride*	32.0		4.00	mg/L	1	4062003	HM	20-Jun-14	4500-Cl-B	
Conductivity*	495		1.00	uS/cm	1	4062609	AP	26-Jun-14	120.1	
pH*	7.84		0.100	pH Units	1	4062610	AP	19-Jun-14	150.1	
Sulfate*	73.3		10.0	mg/L	1	4062404	AP	25-Jun-14	375.4	
TDS*	348		5.00	mg/L	1	4062006	AP	23-Jun-14	160.1	
Alkalinity, Total*	184		4.00	mg/L	1	4062305	AP	23-Jun-14	310.1	

Green Analytical Laboratories**Total Recoverable Metals by ICP (E200.7)**

Calcium*	89.2		1.00	mg/L	1	B406205	JGS	25-Jun-14	EPA200.7	
Magnesium*	12.0		1.00	mg/L	1	B406205	JGS	25-Jun-14	EPA200.7	
Potassium*	2.45		1.00	mg/L	1	B406205	JGS	25-Jun-14	EPA200.7	
Sodium*	34.4		1.00	mg/L	1	B406205	JGS	25-Jun-14	EPA200.7	

Exhibit "D"

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Keene, Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:LLANO DISPOSAL, LLC
125 W. ST. ANNE
HOBBS NM, 88240Project: BRINE PROJECT
Project Number: NONE GIVEN
Project Manager: MARVIN BURROWS
Fax To: NONEReported:
30-Jun-14 12:02**HOUSE**
H401846-02 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
---------	--------	-----	-----------------	-------	----------	-------	---------	----------	--------	-------

Cardinal Laboratories**Inorganic Compounds**

Alkalinity, Bicarbonate	273		5.00	mg/L	1	4062305	AP	23-Jun-14	310.1	
Alkalinity, Carbonate	ND		0.00	mg/L	1	4062305	AP	23-Jun-14	310.1	
Chloride*	60.0		4.00	mg/L	1	4062003	HM	20-Jun-14	4500-Cl-B	
Conductivity*	862		1.00	uS/cm	1	4062609	AP	26-Jun-14	120.1	
pH*	7.45		0.100	pH Units	1	4062610	AP	19-Jun-14	150.1	
Sulfate*	144		25.0	mg/L	2.5	4062404	AP	25-Jun-14	375.4	
TDS*	620		5.00	mg/L	1	4062006	AP	23-Jun-14	160.1	
Alkalinity, Total*	224		4.00	mg/L	1	4062305	AP	23-Jun-14	310.1	

Green Analytical Laboratories**Total Recoverable Metals by ICP (E200.7)**

Calcium*	111		1.00	mg/L	1	B406205	JGS	25-Jun-14	EPA200.7	
Magnesium*	21.2		1.00	mg/L	1	B406205	JGS	25-Jun-14	EPA200.7	
Potassium*	2.54		1.00	mg/L	1	B406205	JGS	25-Jun-14	EPA200.7	
Sodium*	93.7		1.00	mg/L	1	B406205	JGS	25-Jun-14	EPA200.7	

Exhibit "D"

*=Accredited Analyte

Cardinal Laboratories

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

LLANO DISPOSAL, LLC
125 W. ST. ANNE
HOBBS NM, 88240

Project: BRINE PROJECT
Project Number: NONE GIVEN
Project Manager: MARVIN BURROWS
Fax To: NONE

Reported:
30-Jun-14 12:02

Inorganic Compounds - Quality Control Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 4062003 - General Prep - Wet Chem										
Blank (4062003-BLK1)				Prepared & Analyzed: 20-Jun-14						
Chloride	ND	4.00	mg/L							
LCS (4062003-BS1)				Prepared & Analyzed: 20-Jun-14						
Chloride	104	4.00	mg/L	100		104	80-120			
LCS Dup (4062003-BSD1)				Prepared & Analyzed: 20-Jun-14						
Chloride	100	4.00	mg/L	100		100	80-120	3.92	20	
Batch 4062006 - Filtration										
Blank (4062006-BLK1)				Prepared: 20-Jun-14 Analyzed: 23-Jun-14						
TDS	ND	5.00	mg/L							
LCS (4062006-BS1)				Prepared: 20-Jun-14 Analyzed: 23-Jun-14						
TDS	532	5.00	mg/L	527		101	80-120			
Duplicate (4062006-DUP1)				Source: H401810-01 Prepared: 20-Jun-14 Analyzed: 23-Jun-14						
TDS	12500	5.00	mg/L		12600			0.430	20	
Batch 4062305 - General Prep - Wet Chem										
Blank (4062305-BLK1)				Prepared & Analyzed: 23-Jun-14						
Alkalinity, Carbonate	ND	0.00	mg/L							
Alkalinity, Bicarbonate	ND	5.00	mg/L							
Alkalinity, Total	4.00	4.00	mg/L							

Exhibit "D"

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Keene

Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

LLANO DISPOSAL, LLC
125 W. ST. ANNE
HOBBS NM, 88240

Project: BRINE PROJECT
Project Number: NONE GIVEN
Project Manager: MARVIN BURROWS
Fax To: NONE

Reported:
30-Jun-14 12:02

Inorganic Compounds - Quality Control

Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 4062305 - General Prep - Wet Chem										
					Prepared & Analyzed: 23-Jun-14					
LCS (4062305-BS1)							80-120			
Alkalinity, Carbonate	ND	0.00	mg/L				80-120			
Alkalinity, Bicarbonate	126	5.00	mg/L				80-120			
Alkalinity, Total	104	4.00	mg/L	100		104	80-120			
					Prepared & Analyzed: 23-Jun-14					
LCS Dup (4062305-BSD1)							80-120		20	
Alkalinity, Carbonate	ND	0.00	mg/L				80-120	0.00	20	
Alkalinity, Bicarbonate	126	5.00	mg/L				80-120	0.00	20	
Alkalinity, Total	104	4.00	mg/L	100		104	80-120	0.00	20	
Batch 4062404 - General Prep - Wet Chem										
					Prepared: 24-Jun-14 Analyzed: 25-Jun-14					
Blank (4062404-BLK1)										
Sulfate	ND	10.0	mg/L							
					Prepared: 24-Jun-14 Analyzed: 25-Jun-14					
LCS (4062404-BS1)							80-120			
Sulfate	17.1	10.0	mg/L	20.0		85.6	80-120			
					Prepared: 24-Jun-14 Analyzed: 25-Jun-14					
LCS Dup (4062404-BSD1)							80-120	2.02	20	
Sulfate	17.5	10.0	mg/L	20.0		87.4	80-120	2.02	20	
Batch 4062609 - General Prep - Wet Chem										
					Prepared & Analyzed: 26-Jun-14					
LCS (4062609-BS1)							80-120			
Conductivity	494		uS/cm	500		98.8	80-120			
					Source: H401871-01 Prepared & Analyzed: 26-Jun-14					
Duplicate (4062609-DUP1)								5.86	20	
Conductivity	65000	1.00	uS/cm	61300				5.86	20	

Exhibit "D"

*=Accredited Analyte

Cardinal Laboratories

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celest D. Keene, Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:

LLANO DISPOSAL, LLC
125 W. ST. ANNE
HOBBS NM, 88240

Project: BRINE PROJECT
Project Number: NONE GIVEN
Project Manager: MARVIN BURROWS
Fax To: NONE

Reported:
30-Jun-14 12:02

Inorganic Compounds - Quality Control

Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC Limits	RPD	RPD Limit	Notes
Batch 4062610 - NO PREP									
LCS (4062610-BS1)					Prepared & Analyzed: 19-Jun-14				
pH	7.10		pH Units	7.00		101	90-110		
Duplicate (4062610-DUP1)					Prepared & Analyzed: 19-Jun-14				
		Source: H401810-01							
pH	9.87	0.100	pH Units		9.85		0.203	20	

Exhibit "D"

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

LLANO DISPOSAL, LLC
125 W. ST. ANNE
HOBBS NM, 88240

Project: BRINE PROJECT
Project Number: NONE GIVEN
Project Manager: MARVIN BURROWS
Fax To: NONE

Reported:
30-Jun-14 12:02

Total Recoverable Metals by ICP (E200.7) - Quality Control
Green Analytical Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch B406205 - Total Recoverable, Direct Analysis E200.7/E200.8										
Blank (B406205-BLK1)										
Prepared: 23-Jun-14 Analyzed: 24-Jun-14										
Magnesium	ND	1.00	mg/L							
Calcium	ND	1.00	mg/L							
Sodium	ND	1.00	mg/L							
Potassium	ND	1.00	mg/L							
LCS (B406205-BS1)										
Prepared: 23-Jun-14 Analyzed: 24-Jun-14										
Magnesium	23.4	1.00	mg/L	25.0		93.5	85-115			
Potassium	9.42	1.00	mg/L	10.0		94.2	85-115			
Sodium	7.38	1.00	mg/L	8.10		91.1	85-115			
Calcium	4.47	1.00	mg/L	5.00		89.4	85-115			
LCS Dup (B406205-BSD1)										
Prepared: 23-Jun-14 Analyzed: 24-Jun-14										
Magnesium	23.5	1.00	mg/L	25.0		94.2	85-115	0.640	20	
Potassium	9.14	1.00	mg/L	10.0		91.4	85-115	3.05	20	
Sodium	7.46	1.00	mg/L	8.10		92.0	85-115	1.08	20	
Calcium	4.49	1.00	mg/L	5.00		89.9	85-115	0.484	20	

Exhibit "D"

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

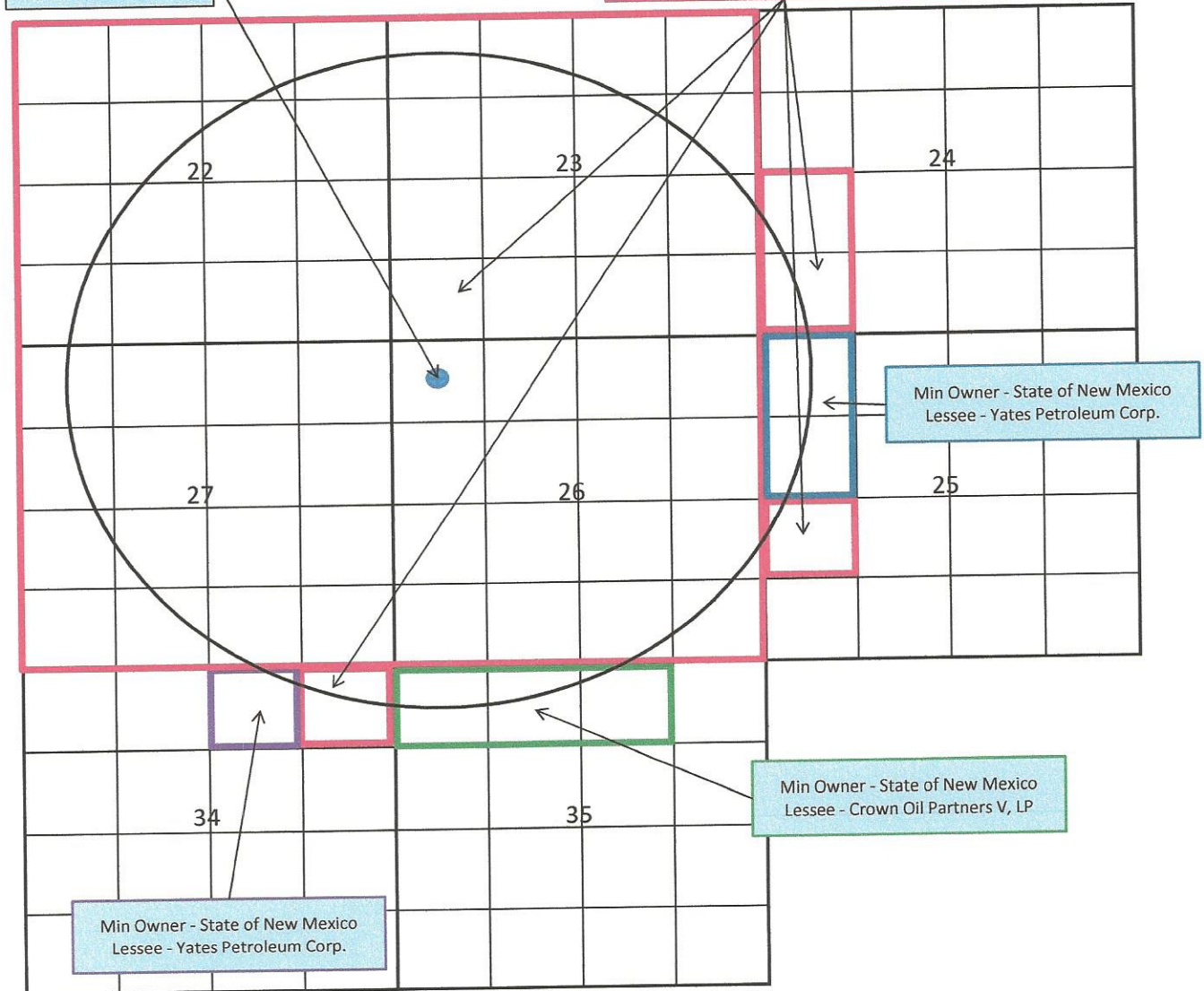


Celey D. Keene, Lab Director/Quality Manager

Llano Disposal, LLC
Siringo ACS State #1
API # 30-025-30701
1 Mile AOR

Proposed Siringo ACS
State #1

Min Owner - State of New Mexico
Lessee - Devon Energy Production Co. Ltd



T17S, R36E

This location 660 FNL X 660 FWL
Unit Letter D, Section 26, T17S, R36E
Surface Owner - Angell #2 Family Ltd Partnership, PO
BOX 190, Lovington, NM 88260
Drawing not to scale



Exhibit "F"