

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2		5. Lease Serial No. NMNM112273
		6. If Indian, Allottee or Tribe Name
		7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. COLLINSOSCOPY FEDERAL 1
2. Name of Operator OWL SWD OPERATING LLC Contact: MATT THIEL E-Mail: mthiel@owlinv.com		9. API Well No. 30-015-33758-00-S1
3a. Address 8214 WESTCHESTER DRIVE SUITE 850 DALLAS, TX 75255	3b. Phone No. (include area code) Ph: 214-292-2011	10. Field and Pool or Exploratory Area BURTON FLAT DELAWARE
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 7 T20S R30E Lot 4 1095FSL 430FWL		11. County or Parish, State EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input checked="" type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Well Plugged back to 5175', Perforated Gross Interval:
3752' - 5140', 4 spf, 0.42", 1920 holes and Acidized w/238 bbls 15% HCl.
See attached for Detailed Cement, Perforations, Acid & Step Rate Test Reports and Workover Summary & WB Diagrams.

RECEIVED

Gc 11-8-18
Accepted for record - NMOCD

NOV 06 2018
DISTRICT II-ARTESIA O.C.D.

Carlsbad Field Office
OCD Artesia

14. I hereby certify that the foregoing is true and correct. Electronic Submission #440306 verified by the BLM Well Information System For OWL SWD OPERATING LLC, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 10/18/2018 (19PP0163SE)	
Name (Printed/Typed) MATT THIEL	Title CORPORATE DEVELOPEMENT
Signature (Electronic Submission)	Date 10/18/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	ZOTA STEVENS Title PETROLEUM ENGINEER	Date 11/02/2018
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office Carlsbad

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to 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)

12-11-2018 ** BLM REVISED **
Note: Incorrect info - asked Owl's consulting firm to re-casue paperwork with correct info. - J. OES.

OWL

Collinsoscopy Federal #1

Acidizing Summary:

Acidize Well: Pump 238 bbl acid @ 12 bbl/min 2280 psi, Pump Gel Water 50 bbl @ 12 bbl/min 2275 psi, Pump 238 bbl acid @ 12 bbl/min 2282 psi, Pump Gel water 50bbl @ 12 bbl/min 2278psi, Pump acid 238 bbl @ 12 bbl/min 2270 psi, Pump Gel Water 50 bbl @ 12 bbl/min 2280 psi, Pump Acid 238 bbl @ 2 bbl/min 2276 psi.

Pump 500 bbl flush @ 12 bbl/min Startup 1645 psi End 1915 psi, ISIP 743 psi, 5min 741 psi, 10min 737 psi

Step rate test results.

5-Minute Recorded Wellhead Pressures for Each SRT Pump Rate							
Rate (bbl/min)	Time (minutes)						
	0	5	10	15	20	25	30
0.5	716	713	712	711	711	710	709
0.75	713	712	712	711	709	708	706
1.11	715	713	712	713	713	712	713
2.22	745	752	755	757	760	761	763
3.33	820	824	826	828	839	836	839
4.44	919	922	924	929	934	930	936
5.56	1045	1036	1046	1046	1015	1004	997

COLLINSOSCOPY FED SWD #1**Perforations Shot**

Interval	Top Dept	Btm Dep	Net Pay
1	5,136'	5,140'	4'
2	5,116'	5,126'	10'
3	5,088'	5,093'	5'
4	5,066'	5,076'	10'
5	5,040'	5,050'	10'
6	5,016'	5,026'	10'
7	4,998'	5,008'	10'
8	4,986'	4,992'	6'
9	4,962'	4,972'	10'
10	4,942'	4,948'	6'
11	4,900'	4,920'	20'
12	4,888'	4,892'	4'
13	4,880'	4,886'	6'
14	4,872'	4,876'	4'
15	4,860'	4,870'	10'
16	4,836'	4,856'	20'
17	4,822'	4,830'	8'
18	4,812'	4,814'	2'
19	4,788'	4,798'	10'
20	4,775'	4,780'	5'
21	4,678'	4,688'	10'
22	4,638'	4,646'	8'
23	4,604'	4,612'	8'
24	4,590'	4,598'	8'
25	4,544'	4,564'	20'
26	4,490'	4,510'	20'
27	4,452'	4,472'	20'
28	4,410'	4,430'	20'
29	4,390'	4,398'	8'
30	4,354'	4,364'	10'
31	4,318'	4,328'	10'
32	4,280'	4,300'	20'
33	4,243'	4,247'	4'
34	4,222'	4,232'	10'
35	4,204'	4,214'	10'
36	4,168'	4,172'	4'
37	4,102'	4,116'	14'
38	4,088'	4,098'	10'
39	4,063'	4,068'	5'
40	4,024'	4,034'	10'
41	4,005'	4,008'	3'
42	3,990'	4,000'	10'
43	3,956'	3,960'	4'
44	3,936'	3,944'	8'
45	3,920'	3,924'	4'
46	3,888'	3,892'	4'
47	3,860'	3,870'	10'
48	3,836'	3,846'	10'
49	3,818'	3,826'	8'
50	3,768'	3,788'	20'
51	3,752'	3,762'	10'

TOTAL NET PAY - 480'**TOTAL PERFS (4 SPF)- 1,920**



Midland Yard #1721 - Phone 432-687-1994 - P.O. Box 10451
Midland, Texas 79702

Job Log

Customer:	OWL SWD	Cement Pump No.:	33666	Operator TRK No.:	96691
Address:		Ticket #:	1721-46266A	Bulk TRK No.:	37728
City, State, Zip:		Job Type:	PLUGBACK		
Service District:	MIDLAND	Well Type:	OIL		

Well Name and No.: COLLINSOSCOPY FED 001 #2 Well Location: County: EDDY State: NEW MEXICO

Type of Cmt	Sacks	Additives	Truck Loaded On		
CLASS C	50	NEAT	33666	Front	Back
			96691	Front	Back
			37728	Front	Back

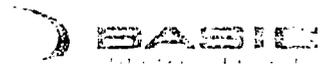
Lead/Tail:	Weight #1 Gal.	Yield	Water Requirements	CU. FT.	Man Hours / Personnel
Lead:	14.8	1.32	6.31	66	Man Hours:
Tail:					# of Men on Job:

Time (am/pm)	(BPM)	Volume (BBLS)	Pumps		Pressure(PSI)		Description of Operation and Materials
			T	C	Tubing	Casing	
2:30PM							ARRIVE TO LOCATION
							TEST WATER
							JSA
							RIG UP EQUIPMENT
3:30PM					1000		PRESSURE TEST LINES
3:32PM	2	7			100		PUMP F/WATER SPACER
3:35PM	2.5	5.8			50		MIX & PUMP CMT @ 14.8 (25 SKS)
3:42PM	1.5	34			20-600		DISPLACEMENT
4:01PM					600		SHUT DOWN, RIG CREW P.O.O.H.
							REVERSE UNIT, REVERSED OUT
							WAIT ON CMT TO TAG
8:28PM	1.5	5			600		PUMP F/WATER SPACER
8:42PM	1.5	5.8			600		MIX & PUMP CMT @ 14.8 (25 SKS)
8:52PM	1	29			600-1200		DISPLACEMENT
9:22PM					1200		SHUT DOWN, RIG CREW P.O.O.H.
							REVERSE UNIT, REVERSED OUT
							RIG DOWN AND MOVE OUT

Size Hole		Depth			TYPE	
Size & Wt. Csg.	5 1/2 17#	Depth		New / Used	Packer	Depth
tbg.	2 7/8	Depth	6037	5175	Retainer	Depth
Top Plugs		Type			Perfs	CIBP 6037

Customer Signature:	Basic Representative:	GABRIEL ESCALERA
	Basic Signature:	<i>[Signature]</i>
	Date of Service:	8/20/2018

Field Ticket



Midland Yard #1721 - Phone 432.687.1994 - P.O. Box 10451 Midland, Texas 79702

Customer:	OWL	Pump TRK No.:	82309	Operator TRK No.	86644			
Address:		Ticket No.:	1721-46108A	Rate TRK No.	73766			
City, State, Zip:		Job Type:	SQUEEZE					
Service District:	MIDLAND 1721	Well Type:	OIL & GAS					
Well Name and No.:	COLLINSOSCOPY FEDERAL 001 #2	Well Location:	CARLSBAD	County:	EDDY			
				State:	NM			
Product Code	Description	Unit of Measure	Quantity	List Price Unit	Item Discount	Discounted List Price	Gross Amount	Net Amount
	Cement, Class C	sk	1	\$ 20.00		\$ 12.0000	\$ 1,000.00	\$ 600.00
	C-15 <i>10%</i>	lb		\$ 12.50		\$ 7.5000	\$ 187.50	\$ 112.50
	Heavy Equipment Mileage	mi		\$ 7.00		\$ 4.2000	\$ 1,050.00	\$ 630.00
	Blending & Mixing Service Charge	sk		\$ 1.40		\$ 0.8400	\$ 70.00	\$ 42.00
	Proppant and Bulk Delivery Charges, per ton mile	tm		\$ 1.60		\$ 0.9600	\$ 564.80	\$ 338.88
	Depth Charge; 3001-4000'	4hrs		\$ 2,160.00		\$ 1,296.0000	\$ 2,160.00	\$ 1,296.00
	Unit Mileage Charge-Pickups, Small Vans & Cars (one	mi		\$ 4.25		\$ 2.5500	\$ 637.50	\$ 382.50
	Environmental Surcharge	Job		\$ 100.00		\$ 60.0000	\$ 100.00	\$ 60.00
	DOT or Overweight Permit Charge	Unit		\$ 50.00		\$ 30.0000	\$ 150.00	\$ 90.00
	Senior Supervisor	day		\$ 350.00		\$ 210.0000	\$ 350.00	\$ 210.00
	Equipment Operator, first 8 hrs on loc.	ea		\$ 60.00		\$ 36.0000	\$ 180.00	\$ 108.00
	Cement Densimeter, with chart recorder	ea		\$ 350.00		\$ 210.0000	\$ 350.00	\$ 210.00
							GRGSS TOTAL	\$ 6,799.80
							NET TOTAL:	\$ 4,079.88
<p><small>TERMS AND CONDITIONS: Cash in advance unless Basic Energy Contract (BEC) has been made prior to date. Credit term of 30 days for agencies. Customers are billed within 30 days of the date of invoice. Payment due as shown. Payment may be interest on the balance remaining at the rate of 1% per month or the maximum allowable by applicable state or federal laws if such laws have not been reduced to a lesser amount. In the event it is necessary to employ an agency and/or attorney to collect the collection of such account, Customer hereby agrees to pay all fees and charges incurred for such collection. In the event that Customer's account with BEC becomes delinquent, BEC has the right to revoke any and all discounts previously applied in arriving at net service price. Upon revocation, the full invoice price without discounts will become immediately due and owing and subject to collection.</small></p>		<p>Field Representative</p> <p>ZUCOREY LINSTER</p> <p>Date of Service</p> <p>8/17/18</p>		<p>SERVICE ORDER: AUTHORIZE WORK TO BEGIN PER SERVICE INSTRUCTIONS IN ACCORDANCE WITH TERMS AND CONDITIONS (INCLUDING INDEMNIFICATION OBLIGATIONS) LISTED HERE OR IN THE CUSTOMER CONTRACT FORM AND REPRESENT THAT I HAVE AUTHORITY TO ACCEPT AND SIGN THIS ORDER</p>				
<p>CUSTOMER AUTHORIZED AGENT</p>		<p>Customer Comments or Concerns:</p>						

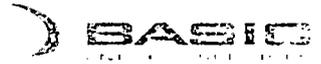


Midland Yard #1721 - Phone 432-687-1994 - P.O. Box 10451
Midland, Texas 79702

Job Log

Customer:	OWL		Cement Pump No.:	82309		Operator TRK No.:	86644	
Address:			Ticket #:	1721-46108A		Bulk TRK No.:	73766	
City, State, Zip:			Job Type:	SQUEEZE				
Service District:	MIDLAND 1721		Well Type:	OIL & GAS				
Well Name and No.:	COLLINSOSCOPY FEDERAL 001 #2		Well Location:	CARLSBAD	County:	EDDY	State:	NM
Type of Cmt		Sacks	Additives		Truck Loaded On			
C		50	3/10%C-15		82309	Front	Back	
					86644	Front	Back	
					73766	Front	Back	
Lead/Tail:		Weight #1 Gal.	Yield	Water Requirements		CU. FT.	Man Hours / Personnel	
Lead:		14.8	1.32	6.31		66	Man Hours:	24
Tail:							# of Men on Job	3
Time (am/pm)	(BPM)	Volume (BBLs)	Pumps		Pressure(PSI)		Description of Operation and Materials	
			T	C	Tubing	Casing		
3:00PM							(TX TIME)ARRIVED ON LOCATION	
3:10PM							JSA/RIG UP	
3:45PM							INJECTION RATE	
3:50PM							PRESSURE TEST	
3:57PM	1	11.7			700-1900		CEMENT	
4:10PM	1.0-5	15			1900-2200		DISPLACEMENT	
4:31PM					2200-500		HESITATE	
4:40PM	.3-1	1.5			500-2700		SQUEEZE	
4:50PM					2700-1500		HESITATE	
5:15PM					1500		STING OUT	
5:20PM							RIG DOWN	
6:30PM							LEAVE LOCATION	
Size Hole		Depth			TYPE			
Size & Wt. Csg.	5 1/2	Depth	4809	New / Used	Packer		Depth	
tbg.	2 7/8	Depth	3444		Retainer	YES	Depth	3444
Top Plugs	NA	Type			Perfs		CIBP	4809
Customer Signature:					Basic Representative:		ZUCOREY LINSTER	
					Basic Signature:		<i>[Signature]</i>	
					Date of Service:		8/17/2018	

*Water 7661
16.5 DISQ 1.5 cmt on
Fetcover*



Field Ticket

Midland Yard #1721 - Phone 432.687.1994 - P.O. Box 10451 Midland, Texas 79702

Customer:	OWL		Pump TRK No.:	82309		Operator TRK No.:	86644	
Address:			Ticket No.:	1721-46106A		Sub TRK No.:	73766	
City, State, Zip:			Job Type:	SQUEEZE				
Service District:	MIDLAND 1721		Well Type:	OIL & GAS				
Well Name and No.:	COLLINSOSCOPY FEDERAL 001		Well Location:	CARLSBAD	County:	LEA	State:	NM
Product Code	Description	Unit of Measure	Quantity	List Price/Unit	Item Discount	Discounted List Price	Gross Amount	Net Amount
	Cement, Class C	sk		\$ 20.00		\$ 12.0000	\$ 1,000.00	\$ 600.00
	Heavy Equipment Mileage	mi		\$ 7.00		\$ 4.2000	\$ 1,050.00	\$ 630.00
	Proppant and Bulk Delivery Charges, per ton mile	tm		\$ 1.60		\$ 0.9600	\$ 564.80	\$ 338.88
	Blending & Mixing Service Charge	sk		\$ 1.40		\$ 0.8400	\$ 70.00	\$ 42.00
	Depth Charge; 3001-4000'	4hrs		\$ 2,160.00		\$ 1,296.0000	\$ 2,160.00	\$ 1,296.00
	Unit Mileage Charge-Pickups, Small Vans & Cars (one	mi		\$ 4.25		\$ 2.5500	\$ 637.50	\$ 382.50
	Environmental Surcharge	Job		\$ 100.00		\$ 60.0000	\$ 100.00	\$ 60.00
	DOT or Overweight Permit Charge	Unit		\$ 50.00		\$ 30.0000	\$ 150.00	\$ 90.00
	Senior Supervisor	day		\$ 350.00		\$ 210.0000	\$ 350.00	\$ 210.00
	Equipment Operator, first 8 hrs on loc.	ea		\$ 60.00		\$ 36.0000	\$ 180.00	\$ 108.00
	Cement Densimeter, with chart recorder	ea		\$ 350.00		\$ 210.0000	\$ 350.00	\$ 210.00
							GROSS TOTAL:	\$ 6,612.30
							NET TOTAL:	\$ 3,967.38
<p><small>TERMS AND CONDITIONS: Cash in advance unless Davis Energy Services (DES) has approved credit down to sale. Credit terms of sale for approved accounts are 30 days net or before the 35th day from the date of invoice. Past due accounts may pay interest on the balance paid due at the rate of 1 1/4% per month or the maximum allowable by applicable state or federal laws if such laws limit interest to a lesser amount. In the event it is necessary to employ an agency and/or attorney to effect the collection of said account, Customer hereby agrees to pay all fees, directly or indirectly incurred for such collection. In the event that Customer's account with DES becomes delinquent, DES has the right to revoke any and all discounts previously applied in arriving at net invoice price. Upon revocation, the full invoice price without discount will become immediately due and owing and subject to collection.</small></p>			<p>Desk Representative: ZUCOREY LINSTER</p> <p>Desk Signature: </p> <p>Date of Service: 8/15/18</p>					
<p>CUSTOMER AUTHORIZED AGENT</p>			<p>SERVICE ORDER: I AUTHORIZE WORK TO BEGIN PER SERVICE INSTRUCTIONS IN ACCORDANCE WITH TERMS AND CONDITIONS (INCLUDING INDEMNIFICATION OBLIGATIONS) LISTED HERE OR IN THE CUSTOMER CONTRACT FORM AND REPRESENT THAT I HAVE AUTHORITY TO ACCEPT AND SIGN THIS ORDER</p>					
<p>Customer Comments or Concerns:</p>								

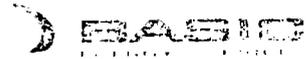


Midland Yard #1721 - Phone 432-687-1994 - P.O. Box 10451
Midland, Texas 79702

Job Log

Customer:	OWL		Cement Pump No.:	82309		Operator TRK No.:	86644		
Address:			Ticket #:	1721-46106A		Bulk TRK No.:	73766		
City, State, Zip:			Job Type:	SQUEEZE					
Service District:	MIDLAND 1721		Well Type:	OIL & GAS					
Well Name and No.:	COLLINSOSCOPY FEDERAL 001		Well Location:	CARLSBAD	County:	LEA	State:	NM	
Type of Cmt	Sacks	Additives			Truck Loaded On				
C	50	NEAT			82309	Front	Back		
					86644	Front	Back		
					73766	Front	Back		
Lead/Tail:	Weight #1 Gal.	Yield	Water Requirements		CU. FT.	Man Hours / Personnel			
Lead:	14.8	1.32	6.31		66	Man Hours:	48		
Tail:						# of Men on Job	4		
Time (am/pm)	(BPM)	Volume (BBLS)	Pumps		Pressure(PSI)		Description of Operation and Materials		
			T	C	Tubing	Casing			
3:30PM							(TX TIME)ARRIVED ON LOCATION		
3:35PM							JS/RIG UP		
4:02PM	1	5			2800-2700		INJECTION RATE		
4:08PM					4500		PRESSURE TEST		
4:12PM	1	11.5			2800		CEMENT		
4:24PM	1.0-.5	18			2300-3100		DISPLACEMENT		
4:42PM					880-770		HESITATE		
4:52PM	0.25	2			770-3200		SQUEEZE		
4:58PM					1300-1200		HESITATE		
5:08PM	0.3	1/2			1200-3500		SQUEEZE		
5:09PM					3200-800		SHUT DOWN		
5:15PM							REVERSE OUT		
5:45PM							RIG DOWN		
7:00PM							LEAVE LOCATION		
Size Hole		Depth			TYPE				
Size & Wt. Csg.		Depth	New / Used		Packer		Depth		
tbg.		Depth			Retainer		Depth		
Top Plugs	NA	Type			Perfs		CIBP		
Customer Signature:					Basic Representative:		ZUCOREY LINSTER		
					Basic Signature:				
					Date of Service:		8/15/2018		

Field Ticket



Midland Yard #1721 - Phone 432.687.1994 - P.O. Box 10451 Midland, Texas 79702

Customer:	OWL SWD	Pump TRK No.:	82309	Operator TRK No.:	86644
Address:		Ticket No.:	1721-46104A	Dash TRK No.:	33706
City, State, Zip:		Job Type:	SQUEEZE		
Service District:	MIDLAND 1721	Well Type:	OIL & GAS		
Well Name and No.:	COLLINSOSCOPY FEDERAL 001 #2	Well Location:	CARLSBAD	County:	LEA
				State:	NM

Product Code	Description	Unit of Measure	Quantity	List Price/Unit	Item Discount	Discounted List Price	Gross Amount	Net Amount
	Cement, Class C	sk		\$ 20.00		\$ 12.0000	\$ 4,000.00	\$ 2,400.00
	Depth Charge; 3001-4000'	4hrs		\$ 2,160.00		\$ 1,296.0000	\$ 2,160.00	\$ 1,296.00
	Heavy Equipment Mileage	mi		\$ 7.00		\$ 4.2000	\$ 1,050.00	\$ 630.00
	Blending & Mixing Service Charge	sk		\$ 1.40		\$ 0.8400	\$ 280.00	\$ 168.00
	Proppant and Bulk Delivery Charges, per ton mile	tm		\$ 1.60		\$ 0.9600	\$ 2,256.00	\$ 1,353.60
	Blending & Mixing Service Charge	sk		\$ 1.40		\$ 0.8400	\$ 1.40	\$ 0.84
	Unit Mileage Charge-Pickups, Small Vans & Cars (one	mi		\$ 4.25		\$ 2.5500	\$ 637.50	\$ 382.50
	Environmental Surcharge	Job		\$ 100.00		\$ 60.0000	\$ 100.00	\$ 60.00
	DOT or Overweight Permit Charge	Unit		\$ 50.00		\$ 30.0000	\$ 150.00	\$ 90.00
	Senior Supervisor	day		\$ 350.00		\$ 210.0000	\$ 350.00	\$ 210.00
	Equipment Operator, first 8 hrs on loc.	ea		\$ 60.00		\$ 36.0000	\$ 180.00	\$ 108.00
	Cement Densiometer, with chart recorder	ea		\$ 350.00		\$ 210.0000	\$ 350.00	\$ 210.00
							GROSS TOTAL:	\$ 11,514.90
							NET TOTAL:	\$ 6,908.94

TERMS AND CONDITIONS: Cash in advance unless Basic Energy Services, Inc. has approved credit prior to sale. Credit terms of 30 days approved accounts are total invoice due in full before the 30th day from the date of invoice. Past due accounts may pay interest on the balance until due at the rate of 1% per month or the maximum allowable by applicable state or federal law. If credit lines limit interest to a lesser amount in the event it is necessary to employ an agency and/or attorney to collect on said account. Customer hereby agrees to pay all fees, penalties or costs incurred in such collection. In the event that Customer's account with B.E.S. becomes delinquent, B.E.S. has the right to suspend service and all discounts previously applied in arriving at net invoice price. Upon revocation of the full invoice price without discount will become immediately due and owing and subject to collection.

Basic Energy Services: **ZUCOREY LINSTER**
 Date of Service: **8/14/18**
 SERVICE ORDER: I AUTHORIZE WORK TO BEGIN PER SERVICE INSTRUCTIONS IN ACCORDANCE WITH TERMS AND CONDITIONS (INCLUDING INDEMNIFICATION OBLIGATIONS) LISTED HERE OR IN THE CUSTOMER CONTRACT FORM AND REPRESENT THAT I HAVE AUTHORITY TO ACCEPT AND SIGN THIS ORDER

CUSTOMER AUTHORIZED AGENT: _____
Customer Comments or Concerns:

Basic Energy Services, Inc. 1721 Midland Yard, Midland, Texas 79702. Phone: 432.687.1994. Fax: 432.687.1995. Website: www.basicenergyservices.com

Workover Summary

Company: OWL SWD Operating
Well: Collinsoscopy Fed 1
Workover: Well Conversion to SWD
Work performed by: Integrated Petroleum Technologies

8/6/2018

Pull tested anchors on location (good test).

8/8/18

Spotted rig, frac tanks and equipment.

8/9/18

Spotted pump, tested & nipple up BOP's. Secured Well.

8/10/18

Ran in hole with retrieval tool and pulled out of hole with retrievable bridge plug (set at 2686'). Secured Well.

8/11/18

Made bit and scraper run (down to 3881') to CIBP but CIBP was not found in well. Ran in hole with test packer to 3550'. Annular held 900 psi, tubing pressured to 1500 psi then dropped to 0 psi. Made bit and scraper run to 5327' and tagged 3 times. Circulated 9.9# salt water to clean hole. Secured Well. Collected 40 bbl of oil back at surface at the end of the day.

8/13/18

Spoke with BLM who wanted to drill 50' past the tagged point at 5327' to see if there was good cement. Pulled out of hole with bit & scraper. Made up and ran in hole with bridge plug and packer.

Tested to 2000 psi between 4872' – 5000' (good test).

Moved packer to test between 4809' – 5000' and established injection rate of 4 BPM @ 1300 psi.

Released and pulled packer & bridge plug.

Tested to 2000 psi between 3540' – 4809' (good test). Release packer to test between 3446' – 4809' and established injection rate of 3 BPM @ 750 psi. Spotted sand on top of retrievable bridge plug, pulled packer and top off well. Secured Well.

8/14/18

Set cast iron cement retainer at 3446' and pressure tested casing to 1000 psi (good test). Stung into cement retainer and established injection rate of 2 BPM @ 800 psi. Pumped 200 sks of Class C neat cement @ 2.5 BPM and displace tubing with 20.5 bbls of fresh water. Reverse circulate tubing and secured well.

8/15/18

Stung into cement retainer and pressure tested to 1000 psi but pressure dropped to 600 psi in 10 minutes. Established injection rate of 1.0 BPM @ 3200 psi. Pumped 50 sks of Class C neat cement and hesitation squeezed last 5 bbls @ 1230 psi for 10 minutes. Cement successfully held 800 psi. Reverse circulated tubing. Secured well.

8/16/18

Pressure tested squeeze and noticed leak off at cement retainer. Pulled out of hole. Made up and ran in hole with collars and bit. Drilled off to perfs and did not find cement. Established injection rate of 1.0 BPM @ 2300 psi. Secured well.

8/17/18

Pulled out of hole with bit. Set cast iron cement retainer at 3444'. Pressure tested above retainer at 1000 psi (good test) and established injection rate through retainer at 1.0 BPM and 2300 psi. Squeezed perfs with 50 sks of Class C cement containing additive 10% C-15 for water loss. The last 3 bbls were staged to achieve a final squeeze pressure of 1520 psi. Circulated tubing and pulled out of hole. Made up bit and collar and ran in one joint. Secured well.

8/18/18

Ran in hole with bit and collars and tagged cement at 3436'. Pick up to 3431' and circulate. Drilled cement and shut down due to weather. Secured well.

8/19/18

Drilled retainer and cement down to top of bridge plug. Pressure tested casing to 1050 psi and observed 20 psi loss over 20 minutes (good test). Pulled out of hole with bit. Ran retrieval tool and washed over bridge plug to retrieve and pull out of hole. Ran in hole with bit and collars to ream out bridges from 5327' – 6037' (tagged retainer). Secured well.

8/20/18

Pulled out of hole with bit. Ran in hole with tubing and set balanced cement plug from 5800' – 6037'. Circulated tubing and pulled out of hole. Tagged top of cement @ 5801' and set a 25 sk balanced cement plug from 5175' – 5410'. Circulated and pulled tubing. Secured well.

8/21/18

Ran in and tag cement at 5175'. Pulled tubing out of hole. Rigged up wireline and ran in hole with CBL. Rigged up charges and ran in hole to perforate intervals between 4860' – 5140' shooting 4 spf. Secured well.

8/22/18

Perforated intervals between 3860' – 4688' shooting 4 spf. Ran in hole and set Permapack packer at 3725' and released wireline. Ran in hole with 3.5" internal coated tubing, spaced out, pumped packer fluid and tested backside. Nipped down BOP and nipped up wellhead and valve. Secured well.

8/23/18

Attempted multiple MIT pressure tests but annular failed to hold pressure. Pulled slips and pulled 40k into packer and slacked off 28k; repeated pull & slack twice and let set for 10 minutes. Pressured up to 2700 psi and established injection rate of 1.0 BPM. Notified office. Nipped down wellhead and nipped up and tested BOP. Released seal assembly and stood back tubing. Made up and ran in hole mechanical packer and pressure tested from 3486' – 3722' (good test). Secured well.

8/24/18

Pulled out of hole and laid down packer. Ran in and set retrievable bridge plug at 3547'. Ran in and set cement retainer at 3486'. Pressure tested lines, stung into cast iron cement retainer and squeezed perfs with 60 sks of Class C neat cement with 10% C-15 additive. Achieved 4000 psi squeeze and held pressure. Left 4000 psi on the squeeze, stung out, circulated tubing and pulled out of hole. Secured well.

8/25/18

Made up and ran in hole with bit and collars to tag cement at 3475'. Drilled cement and part of retainer when bit lost a cone. Pulled out of hole with bit. Made up and ran back in with mill and collars to mill cone and retainer. Circulated hole clean and pulled out of hole. Made up and ran in hole with new bit and collars. Only made 6". Secured well.

8/26/18

Pulled bit and collars, rigged up sand line and magnet. Made 3 runs and fished out small pieces of cone and large amount of cast iron until no more fish. Rigged down sand line and made up bit and collars and ran in hole. Drilled on cement retainer (only made 4"). Prepared for bit trip. Secured well.

8/27/18

Pulled out of hole with bit. Waited on new bit and stabilizers. Secured well.

8/28/18

Made up new bit and stabilized BHA. Drilled retainer and cement and pulled out of hole. Made up and ran in hole with packer to set at 3490' and test the perms between 3500' – 3508'. Both tubing and annulus test was good at 500 psi with no pressure bleed off. Tested casing from 3547' to surface at 560 psi; lost 20 psi over 30-minute test (good test). Bled off pressure and secured well.

8/29/18

Pulled packer out of the hole. Retrieved bridge plug. Made up and ran in hole with anchor seal assembly on 3.5" coated tubing and stung into packer. Circulate packer fluid, space out and land hanger. Nippled down BOP and nipped up wellhead. Pressured annulus to 550 psi. Secured well.

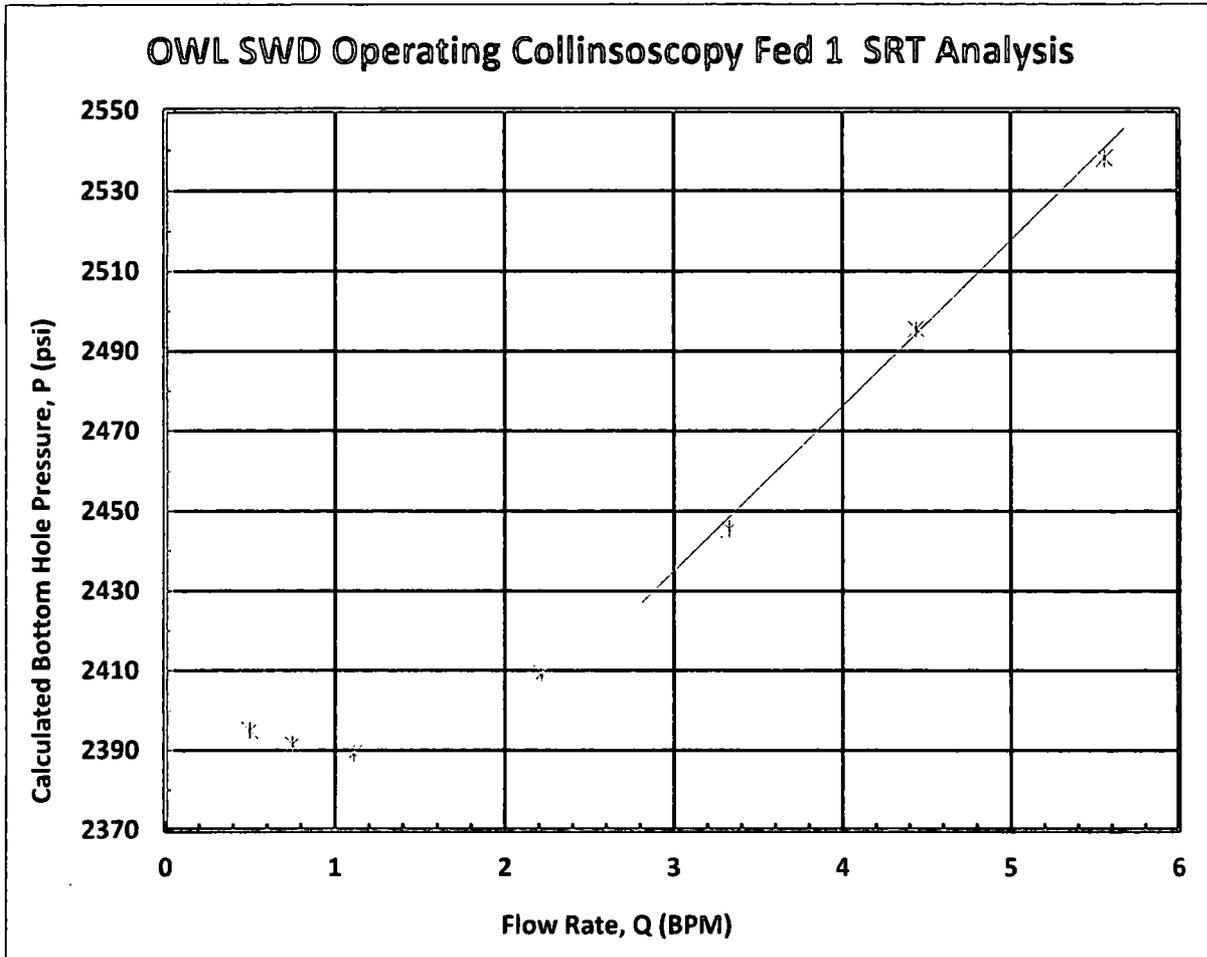
8/30/18

Performed MIT test at 590 psi, lost 15 psi over 30 minutes (good test). Witnessed by: Gilbert Cordero NMOCD Dist 2. Rigged down and demob. Spotted acid trucks and tested lines. Opened well and burst disk at 2507 psi. Acidized with 238 bbl acid at 12 BPM & 2280 psi.
Pumped 50 bbls of gel water at 12 BPM & 2275 psi.
Pumped acid with 238 bbl acid at 12 BPM & 2282 psi.
Pumped 50 bbls of gel water at 12 BPM & 2278 psi.
Pumped acid with 238 bbl acid at 12 BPM & 2270 psi.
Pumped 50 bbls of gel water at 12 BPM & 2280 psi.
Pumped acid with 238 bbl acid at 2 BPM & 2276 psi (decrease rate to bottom of tank).
Pumped 500 bbls of salt water to flush at 12 BPM with a startup pressure of 1645 psi and end pressure of 1915 psi, ISIP 743 psi, 5-minute 741 psi, 10-minute 737 psi. Conducted step rate test at 0.5, 0.75, 1.11, 2.22, 3.33, 4.44 & 5.56 BPM. ISIP: 726 psi, 5-minute 712 psi. Pumped remaining fluid, 521 bbls @ 17 BPM @ 3040 psi. Shut in and secured well.

8/31/18

Cleaned up location.

The 7-step Step Rate Test was performed after the acidizing job to identify fracture gradient. In this case however, the rates were not high enough to produce pressures above the fracture gradient and thus, a breakover point was not identified.



The wellhead pressures were recorded in 5-minute intervals throughout each 30-minute rate step. The following table was created to document the corresponding rates pumped and pressures identified.

5-Minute Recorded Wellhead Pressures for Each SRT Pump Rate							
Rate (bbl/min)	Time (minutes)						
	0	5	10	15	20	25	30
0.5	716	713	712	711	711	710	709
0.75	713	712	712	711	709	708	706
1.11	715	713	712	713	713	712	713
2.22	745	752	755	757	760	761	763
3.33	820	824	826	828	839	836	839
4.44	919	922	924	929	934	930	936
5.56	1045	1036	1046	1046	1015	1004	997

A cost analysis was performed to identify the variation in costs between the estimate (for AFE purposes) and the actual completion costs collected on location. The initial estimated cost to re-enter the P&A and re-complete for salt water disposal operations was \$594,535. This is compared to the actual re-completion cost of \$760,988; resulting in a cost difference of \$166,453 between the estimated and actual recompletion.

The reason for this cost difference is based on several factors. Initially, only one squeeze job was planned for this recompletion. This means that four additional squeeze jobs were performed to ensure wellbore integrity and satisfy regulatory parties on location. The additional squeeze jobs led to:

Increased

- Tool rental time
- Supervision
- Circulating fluid
- Trucking

Additional

- Rental tools
- Equipment purchases
- Surface rentals
(including acid tanks and transport)

Moreover, the step rate test was added to completion procedure after the cost estimate was submitted. After quoting the internally coated tubing, the initial manufacture identified manufacturing limitations and long lead times which led to using a more expensive internally coated tubing. Finally, the engineering cost was increased due to the engineer in the office quoting and prepping field services for deployment to location instead of the field supervisor.

Original Wellbore Diagram

