BW-031

ANNUAL REPORT

2020

ADDENDUM TO
2020 ANNUAL CLASS III WELL REPORT
-ANNUAL CERTIFICATION-

H.R.C. INC.

Schubert 7 Well # 1 (BW-031)

API 30-025-36781

ANNUAL CERTIFICATION

H.R.C. Inc. certifies that continued salt solution mining of the Schubert 7 Well #1 (BW-31) will not cause cavern collapse, surface subsidence, property damage, or otherwise threaten public health and the environment, based on geologic and engineering data.

Signature _____ for H.R.C., Inc. Date 5/5/22

Name GARY M. SCHUBERT Title PRES.

HRC, Inc.
P.O. Box 1606
Hobbs, NM 88241-6056
(575) 393-6662 (575) 393-6662 Fax

February 24, 2021

Jim Griswold
Senior Hydrologist
ENMRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Ref: 2020 Annual Report
B-31 Schubert 7 – Well #1

Dear Mr. Griswold,

Attached please find the Annual Report of Operations for the Hobbs Facility for the year of 2020. Please review and report back any questions or comments.

Thank you.

Sincerely,

Gary M. Schubert
GMS/br

Attachments

ANNUAL CLASS III WELL REPORT

H.R.C., INC.

YEARLY REPORT (BW-031)

API 30-025-36781

February 25, 2020

DAVID ALVARADO

(ACTING AGENT FOR H.R.C., INC.)

20.6.2.3107 NMAC MONITORING, REPORTING, AND OTHER REQUIERMENTS

SUMMARY OF CLASS III OPERATIONS 2019

Schubert 7 Well # 1 was impacted by the Pandemic outbreak of 2020 where the historical yearly total was 46.72% less than 2019 a decrease of 151,772 bbl. No leaks occurred nor did the fresh water freeze all meters and valves were and still are in good working conditions.

A preventive maintenance scheduled plan is in place to replace any connections or valves showing wear. This will continue as a safe operating condition and it will continue in 2021. Connections are changed out when the first sign of salt is seen behind the threaded end.

During 2020 the transfer pump that transports brine to the sales tanks had the mechanical seals replaced in the month of June due to the abrasion of the 9.98 PPG brine. In replacing the seals fresh water was used to clean out the lines and valves were shut in allowing the connecting unions to be broken to prevent any impact to the ground within the pump shop where the pump resides.

Daily inspections of all lines and connections are visually looked at during a walk around of the facility tanks. All lines are each walked and visually inspected that lead to the pump house. Readings on pressure gauges are recorded with the reading of the brine output meter and the injection of fresh water also are recorded on the day to month logs. Safety shut off mechanisms are tested to insure if high or low pressures were to occur all systems would shut down.

A total of 133,110 bbl. brine was extracted and weighed at an average of 9.89 PPG.

H.R.C., Inc. plans on replacing the triplex pump with a VFD pump in doing so, the pump will run with a smoother injection rate without the harmonics that the triplex pump emits.

H.R.C., Inc. at the end of the year elected to proceed with the workover that was approved by District I and Santa Fe Intent C-103 on file. H.R.C., Inc. followed the States DOH and Federal CDC requirement guidelines for the H.R.C., Inc. team this included office personal. Subcontractors that worked on the location followed their own protocol guidelines to create a safe environment.

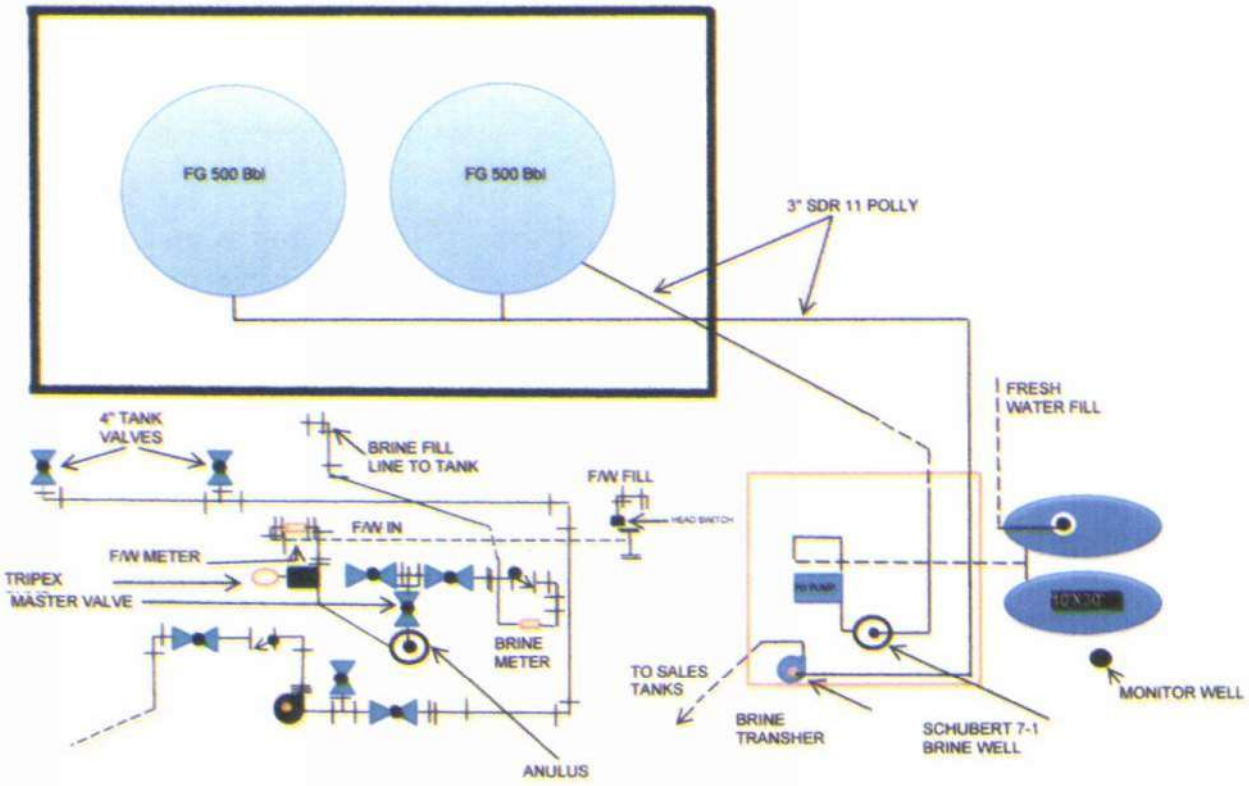
After the removal of lines and the electrical system disconnect at the power transformers rendering zero power status the building was skidded backward to receive the service unit rig. A 4 ½" liner was placed 100 foot below the top of the Salado formation as per the request of OCD Santa Fe.

MIT was conducted on the liner showing good continuity. The wellbore was extended downward into the Salado formation with the bottom hole assembly point set at 2609' starting a new Halite mining cavern below the old cavern of 2412' and the bottom of the new hole at 2649' adding 237' of net pay to mine.

H.R.C., Inc. has included in this report the C-103 Subsequent Report, MIT Chart with Meter Certification, C-103 Subsequent Bradenhead Report and the C-105 Report for the liner set and new OH bore depth with wellbore schematic for your viewing all of the above has been sent for approval.

Please find on page 4 a schematic of the facility operations of equipment on the BW-31

H.R.C., INC
SHUBERT 7 WELL No. 1
NW/4,SE/4-SEC.7-T19S-R39E
LEA COUNTY, NM
API 30-025-36781
LAT:32.6738815
LONG:-103.0835953



2020 FLUID BRINE PRODUCTION & INJECTION VOLUME

MONTH	BRIINE	FRESH WATER	
JANUARY	10,966	10,719	
FEBRUARY	28,034	27,840	
MARCH	24,919	24,764	
APRIL	11,426	11,319	
MAY	3,492	3,435	
JUNE	13,257	13,140	
JULY	7,624	7,526	
AUGUST	7,645	7,538	
SEPTEMBER	8,933	8,795	
OCTOBER	5,349	5,286	
NOVEMBER	7,213	7,086	
DECEMBER	4,252	4,196	
YEAR TOTAL	**133,110**	**131,644**	

HISTORICAL YEARLY TOTALS BRINE & FRESH

YEAR	BRINE	FRESH		
2006	42,950	44,800		
2007	312,800	315,000		
2008	305,990	316,100		
2009	212,779	226058		
2010	341,134	350,887		
2011	396,278	408,437		
2012	435,040	442,427		
2013	304,136	306,265		
2014	310,568	316,007		
2015	291,205	289,656		
2016	283,741	276,593		
2017	303,502	282,445		
2018	241,010	238,627		
2019	284,882	278,960		
2020	133,110	131,644		
TOTAL	**4,199,125**	**4,223,906**		

Semi-Annual Monitor Well Analytical Data Results

Monitor well for the BW-31 for 2019 is on record with OCD, Cardinal Laboratories performed and sampled water from the monitor well on December 20, 2019 for your review.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-20-13.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2 Total Haloacetic Acids (HAA-5)
Method EPA 524.2 Total Trihalomethanes (TTHM)
Method EPA 524.4 Regulated VOCs (V1, V2, V3)

Cardinal Laboratories is accredited through the State of New Mexico Environment Department for:

Method SM 9223-B Total Coliform and E. coli (Colilert MMO-MUG)
Method EPA 524.2 Regulated VOCs and Total Trihalomethanes (TTHM)
Method EPA 552.2 Total Haloacetic Acids (HAA-5)

Please find the Table below comparison of the June, 2020 sample and December, 2020 sample for Inorganic Compounds and Total Recovery Metals by ICP (E200.7) full detail of the Analytical results are attached at the end of this report for your viewing.

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method

F/W MONITOR INORGANIC COMPOUNDS JUNE 2020

Alkalinity, Bicarbonate	215		5.0	mg/L	6-05-20	310.1
Alkalinity Carbonate	<1.00		1.00	mg/L	6-05-20	310.1
Chloride	56.0		4.0	mg/L	6-05-20	4500-C1-B
Conductivity	651		1.00	uS/cm	6-05-20	120.1
pH	7.86		0.100	pH Units	6-05-20	150.1
Sulfate	64.8		10.0	mg/L	6-11-20	375.4

TDS	433		5.0	mg/L	6-08-20	160.1
Alkalinity Total	176		4.00	mg/L	6-05-20	310.1

TOTAL RECOVERABLE METALS by ICP (E220.7)

Continued Report for June 2020

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method
Calcium	47		0.500	mg/L	6-10-20	EPA200.7
Magnesium	15.1		0.500	mg/L	6-10-20	EPA200.7
Potassium	2.26	0.758	5.00	mg/L	6-10-20	EPA200.7
Sodium	63.8		5.00	mg/L	6-10-20	EPA200.7

FW MONITOR DECEMBER 2020

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method

INORGANIC COMPOUNDS

Alkalinity, Bicarbonate	210		5.0	mg/L	12-07-20	310.1
Alkalinity Carbonate	<1.00		1.00	mg/L	12-07-20	310.1
Chloride	60.0		4.0	mg/L	12-07-20	4500-C1-B
Conductivity	651		1.00	uS/cm	12-07-20	120.1
pH	7.76		0.100	pH Units	12-07-20	150.1
Sulfate	60.1		10.0	mg/L	12-10-20	375.4
TDS	262		5.00	mg/L	12-11-20	160.1
Alkalinity Total	172		4.0	mg/L	12-07-20	310.1

F/W MONITOR TOTAL RECOVERABLE METALS by ICP (E220.7)

Calcium	50.0		0.500	mg/L	12-11-20	EPA200.7
Magnesium	16.0		0.500	mg/L	12-11-20	EPA200.7

Potassium	2.20	0.758	5.00	mg/L	12-11-20	EPA200.7
Sodium	54.9		5.0	mg/L	12-11-20	EPA200.7

TDS comparison from June 2020 to December 2020 the Quality of the Monitor water has improved showing a total of 61.93% reduction in December with a PH level of 7.76 pH units. Total Recoverable Metals from the June and December testing shows 3PPM increase of Calcium in December with a slight reduction of 8.9 PPM of Sodium overall water is within the EPA standards.

INJECTION PRESSURE

Injection pressure still runs the same the annulus average is 200 PSIG and the tubing average is at 25 PSIG. The lease operator checks the pressure daily and records it on his daily logs.

PIPE LINE HYDROSTATIC TEST RESULTS

Lines that lead to the storage tanks from the wellhead have a hydrostatic pressure of 8.3 pounds of pressure at the base of the line at the fill tank when idle. The operating static pressure average is 17 psi respectively. The operating pressure is at around 25 psig. Discharge line is of 4" SDR 11 with a max operating pressure of 160 PSI.

Brine Water transfer line from storage tanks at the Schubert 7 well # 1 facility to the sales point at the ANITZ sales facility located 0.8 miles east of WHY 18 on Nadine Rd. (P-26-19S-38E) is constructed of 4" SDR 11 Polyethylene Line with a max pressure of 160 psi the line enters into the west 16' tank holding tank at the top and has a hydrostatic pressure at the base of the line of 8.3 pounds of pressure at the base of the line. In operation transferring fluid from the BW-31 it takes 140 pounds to move 175 GPM through the 4" line. The line is tested periodically by closing the valve at the sales holding tank and line is then pressured at the transfer pump to 150 psi and held for 15 min with the valve closed at the pump. Line has shown no leaks showing good continuity.

Visual Leak Inspections Monitoring

H.R.C., Inc. Operation personnel walks each line that is above ground and inspects all connecting points for any sign of leaks or sweating of threads on connections daily.

The Lease Operator drives out the lines that are underground and below frost level for any signs of compromised line integrity. This is done up to twice a day.

Quarterly Chemical Analyses

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-20-13.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Total Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Cardinal Laboratories is accredited through the State of New Mexico Environment Department for:

Method SM 9223-B	Total Coliform and E. coli (Colilert MMO-MUG)
Method EPA 524.2	Regulated VOCs and Total Trihalomethanes (TTHM)
Method EPA 552.2	Total Haloacetic Acids (HAA-5)

Depicted below is Cardinals Analytical Results for Brine and Fresh water at the BW-31.

With this reports is attached the Cardinals results for your viewing.

BRINE ANALYTICAL RESULTS: JUNE 2020

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method
INORGANIC COMPOUNDS						
Alkalinity, Bicarbonate	83.0		5.0	mg/L	6-05-20	310.1
Alkalinity Carbonate	<1.00		1.00	mg/L	6-05-20	310.1

Chloride	194,000		4.00	mg/L	6-05-20	4500-C1-B
Conductivity	276,000		1.00	uS/cm	6-05-20	120.1
pH	6.99		0.100	pH Units	6-05-20	150.1
Sulfate	4,010		1250	mg/L	6-11-20	375.4
TDS	323,000		5.00	mg/L	6-08-20	160.1
Alkalinity Total	68.00		4.0	mg/L	6-05-20	310.1

TOTAL RECOVERABLE METALS by ICP (E220.7)

Continued Brine Report for June 2020

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method
Calcium	1360		50.0	mg/L	6-10-20	EPA200.7
Magnesium	384		50.0	mg/L	6-10-20	EPA200.7
Potassium	102	75.8	500	mg/L	6-10-20	EPA200.7
Sodium	113000		500	mg/L	6-10-20	EPA200.7

BRINE ANALYTICAL RESULTS: DECEMBER 2020

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method

INORGANIC COMPOUNDS

Alkalinity, Bicarbonate	83.0		5.0	mg/L	12-07-20	310.1
Alkalinity Carbonate	<1.00		1.00	mg/L	12-07-20	310.1
Chloride	188,000		4.00	mg/L	12-07-20	4500-C1-B
Conductivity	277,000		1.00	uS/cm	12-07-20	120.1
pH	7.02		0.100	pH Units	12-07-20	150.1
Sulfate	3,830		833	mg/L	12-10-20	375.4
TDS	318,000		5.00	mg/L	12-11-20	160.1

Alkalinity Total	68.0		4.0	mg/L	12-07-20	310.1

TOTAL RECOVERABLE METALS by ICP (E220.7)

Continued Brine Report for December 2020

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method
Calcium	1,300		50.0	mg/L	12-11-20	EPA200.7
Magnesium	504		50.0	mg/L	12-11-20	EPA200.7
Potassium	153	75.8	500	mg/L	12-11-20	EPA200.7
Sodium	110,000		500	mg/L	12-11-20	EPA200.7

FRESH WATER ANALYTICAL RESULTS: JUNE 2020

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method

INORGANIC COMPOUNDS

Alkalinity, Bicarbonate	293		5.00	mg/L	6-05-20	310.1
Alkalinity Carbonate	<1.00		1.00	mg/L	6-05-20	310.1
Chloride	288		4.00	mg/L	6-05-20	4500-C1-B
Conductivity	1730		1.00	uS/cm	6-05-20	120.1
pH	7.68		.100	pH Units	6-05-20	150.1

Sulfate	205		205	mg/L	6-11-20	375.4
TDS	1,080		1080	mg/L	6-08-20	160.1
Alkalinity Total	240		240	mg/L	6-05-20	310.1

TOTAL RECOVERABLE METALS by ICP (E220.7)

Continued F/W Report for June 2020

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method
Calcium	133		0.500	mg/L	6-10-20	EPA200.7
Magnesium	32.3		0.500	mg/L	6-10-20	EPA200.7
Potassium	14.7	0.758	5.00	mg/L	6-10-20	EPA200.7
Sodium	162		5.00	mg/L	6-10-20	EPA200.7

FRESH WATER ANALYTICAL RESULTS: DECEMBER 2020

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method

INORGANIC COMPOUNDS

Alkalinity, Bicarbonate	224		5.00	mg/L	12-07-20	310.1
Alkalinity Carbonate	<1.00		1.00	mg/L	12-07-20	310.1
Chloride	244		4.00	mg/L	12-07-20	4500-C1-B
Conductivity	1,620		1.00	uS/cm	12-07-20	120.1
pH	7.87		0.100	pH Units	12-07-20	150.1

Sulfate	242		50.0	mg/L	12-10-20	375.4
TDS	978		5.00	mg/L	12-11-20	160.1
Alkalinity Total	184		4.00	mg/L	12-07-20	310.1

TOTAL RECOVERABLE METALS by ICP (E220.7)

Continued F/W Report for December 2020

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method
Calcium	134		0.500	mg/L	12-11-20	EPA200.7
Magnesium	36.7		0.500	mg/L	12-11-20	EPA200.7
Potassium	3.89	0.758	5.00	mg/L	12-11-20	EPA200.7
Sodium	120		5.00	mg/L	12-11-20	EPA200.7

MECHANICAL INTEGRITY TEST CHART

On December 14, 2020 H.R.C., Inc. implemented their workover plan on the Schubert 7 Well No. 1 where a 4 ½" 11.35# J-55 liner was set into the 5 ½ Intermediate and 8 5/8" Surface casing. The anchor point of the 4 ½" was set at 1993'. This was done to extend the production casing 100' below the top of the Salado formation as per the request of OCD Santa Fe. A C-103 Intent was filed and received approval of both OCD District 1 and OCD Santa Fe.

H.R.C., Inc. delayed the work in 2019 because of pipe availability at the time. With the World Pandemic unfolding in the beginning of 2020 H.R.C., Inc. waited to do this work. H.R.C., Inc. did not want to expose risk to those that were going to be on location and also to H.R.C., Inc. Personal.

With the guidelines given from CDC and the NM DOH as to how to protect and establish safe environment procedures for all to follow H.R.C., Inc. initiated the plan frontward with the workover. After the liner was set H.R.C., Inc. elected to deepen the well bore into the new horizons of Halite below the existing cavern to a depth of 2,649' and set the tubing point at 2,609'.

An MIT was conducted on 12/18/20 where the 4 ½" casing was pressured up to 730 PSI and a Chart was run for 40 min. Please find below the C-103 Subsequent report on pages 17,18 and 19, Casing MIT on page 20, Recorder Certification on page 21 and the wellbore diagram on page 22 the MIT was witnessed by Gary Schubert and was in communication with OCD Kerry Fortner.

District I Kerry Fortner requested that a Bradenhead test be done so, on January 4, 2021 H.R.C., Inc. recorded the test where it was witnessed by Ben Donahue and David Aaron please find on page 23 C-103 Subsequent Bradenhead Report and Bradenhead Test done at the Schubert 7 Well No. 1 on page24. It was approved by Mr. Fortner and is on record. A C-105 Subsequent of the work done to the wellbore and liner was made it can be viewed on pages 25, 26, 27 and 28. All of the above were sent via OCDs paperless program for record and approval.

A formation mechanical test was performed on 11/20/16 on the BW-31. Formation Salado was pressured up to 300 psi and was witnessed the chart recorder was started by Mark Whitaker at 8:15 AM for a duration of 4 hours test ended at 12:15PM where the casing valve was closed in it was witnessed by George Bowen. Formation Salado held 300 psi for the duration of the test.

Recorder was removed and well was bled back to tanks. Nipple up connections and placed the well back into operation producing brine at 200 psi. Please find the subsequent report C-103 and the Chart below for your viewing.

Next formation integrity test will be November 2021.

Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised July 18, 2013

WELL API NO. 30-025-36781
5. Indicate Type of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name: SCHUBERT 7
1. Type of Well: Oil Well ☐ Gas Well ☒ Other (Brine Supply)
8. Well Number 1
2. Name of Operator: H.R.C., Inc.
9. OGRID Number: 131652
3. Address of Operator: P. O. Box 5102, Hobbs, NM 88241
10. Pool name or Wildcat: BSW-Saldo
4. Well Location
Unit Letter J : 2313 feet from the South line and 2313 feet from the East line
Section 7 Township 19S Range 39E NMPM County Lea
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3585 GL

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
CLOSED-LOOP SYSTEM	☐						
OTHER: MIT TEST	☒			OTHER: MIT TEST	☒		

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

11/20/16 PRESSURE FORMATION TO 300 PSI -- SHUT IN 8 P.M.
11/21/16 SHUT IN
11/22/16 RIG UP CHART RECORDER; OPEN CSG. TO CHART RECORDER @ 300 PSI @ 8:15 AM; WITNESS: MARK WHITAKER; 4 HR. TEST CLOSE CSG. @ 12:15 PM WITNESS GEORGE BOWEN -- HELD @ 300 PSI.
1:00 PM - OPEN WELL TO TANKS -- BLEED PRESSURE TO 200 PSI
7:00 PM - PRODUCE BRINE @ 200 PSI

Spud Date: Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

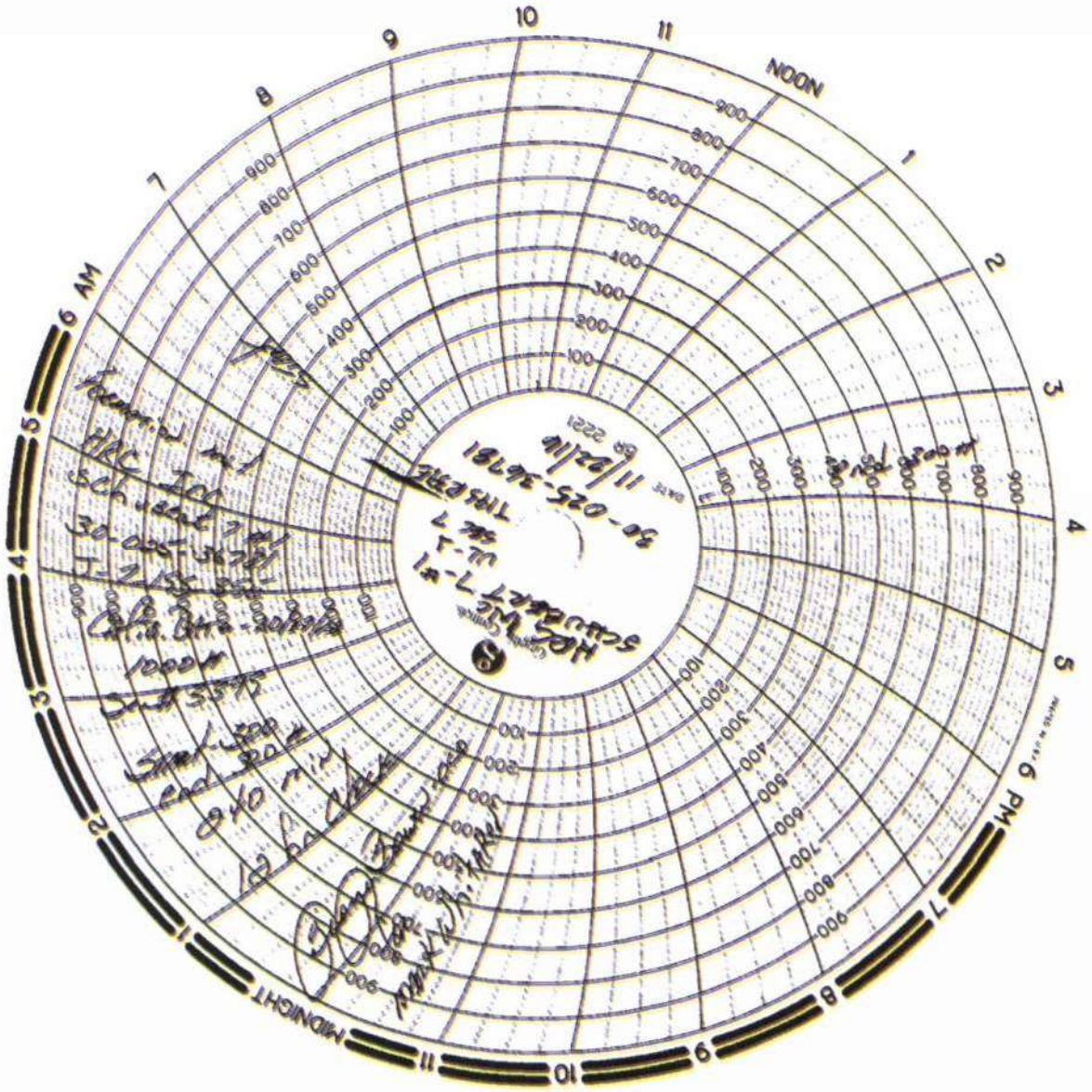
SIGNATURE Gary M. Schubert TITLE President DATE 11-16-2016

Type or print name Gary M. Schubert E-mail address: garymschubert@gmail.com PHONE: 575-393-3194

For State Use Only

APPROVED BY: TITLE Senior Engineer DATE 12/1/2016
Conditions of Approval (if any):

MIT BW-31 CHART 11-20-16



H.R.C., Inc.

Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised July 18, 2013

WELL API NO.
30-025-36781

5. Indicate Type of Lease
STATE ☐ FEE ■

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name
Shubert 7

1. Type of Well: Oil Well ☐ Gas Well ■ Other Brine

8. Well Number 1 BW-031

2. Name of Operator
H.R.C., INC.

9. OGRID Number
131652

3. Address of Operator
P.O. Box 5102 Hobbs, New Mexico

10. Pool name or Wildcat
BSW - Salado

4. Well Location
Unit Letter J : 2313 feet from the South line and 2313 feet from the East line
Section 7 Township 19S Range 39E NMPM Lea County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3585 GL

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	■
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
CLOSED-LOOP SYSTEM	☐						
OTHER:	☐			OTHER: Re set tubing depth deeper	■		

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Please see the attached report with this C- 103 of work completed on the Shubert 7 Well # 1 BW-031.

Please find with this report the MIT chart that was conducted on 12/18/2020

Spud Date: Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE *David H. Alvarado* TITLE Acting Agent for H.R.C., INC DATE 2/5/2021

Type or print name David H. Alvarado E-mail address: davidal00136@gmail.com PHONE: 575 513 1238

For State Use Only

APPROVED BY: TITLE DATE

Conditions of Approval (if any):

C-103 SUBSEQUENT REPORT

SHUBERT 7 WELL No. 1

API 30-025-36781 BW-031

12/14/2020 Performed JSA's, MI & RU workover unit and drilling reverse unit, ND wellhead tree and lift on 2 7/8 J-55 tbg. to 20K tbg. stuck worked tbg. to 30K tbg. started moving, removed tbg. hanger. NU BOP prepare for tubing extraction lay down total 71- 2 7/8 J 55 jts. and one parted jt. 23 foot long. Left in hole 8 foot of 2 7/8 J-55, bit sub w/ 4 ¾" bit. Tallied extracted pipe @ 2307' left in hole from 2307'-2312' closed BOP SDFN

12/15/2020 MI 86 jts. 2 3/8" EUE 4.7# J-55 tbg. and 50 jts. 4 ½" 11.35 # J-55 Csg. w/ID 4". RIH w/new 4 ¾" skirted Varel cone bit w/ bit sub and 6- 3 ½" OD d/c's on top of bit sub. RIH w/tbg. tag top of fish @ 1820' rolled of top of fish continue to RIH to 1826' RU Swivel rotate from 1826' to 1844' continued to drill and wash out bore to 1985', pulled bit up into 8 5/8 csg. To 1702 shut in BOP SDFN

12/16/2020 Open up BOP continued to RIH with Bit, Bit sub, D/C and tubing rolling off of TOF @ 1856' continued to drill and wash 1985' to 2020' hard drilling from 2020'-2034' fall out washing to 2044' circulate hole 60 minutes, POH LD 3 ½" d/c w/BHA shut in BOP SDFN

12/17/2020 Open BOP installed 4 ½ rams MI Lewis Casing Crew, P/U 1- 4 1/2 muleshoed jt., TIH with 47 jts. 4 /12" 11.35# J-55 LTC casing total 48 joints landed casing w/ 4 ½ " X 3.85' LTC Pin X 4 ½" LTC Box 11.35# J-55 in Box liner w/22k string weight. Casing well head hanger(double grove O ring seal) tighten hanger retaining pins. 4 ½" 11.35# Liner Casing set at 1993' closed well in. SDFN

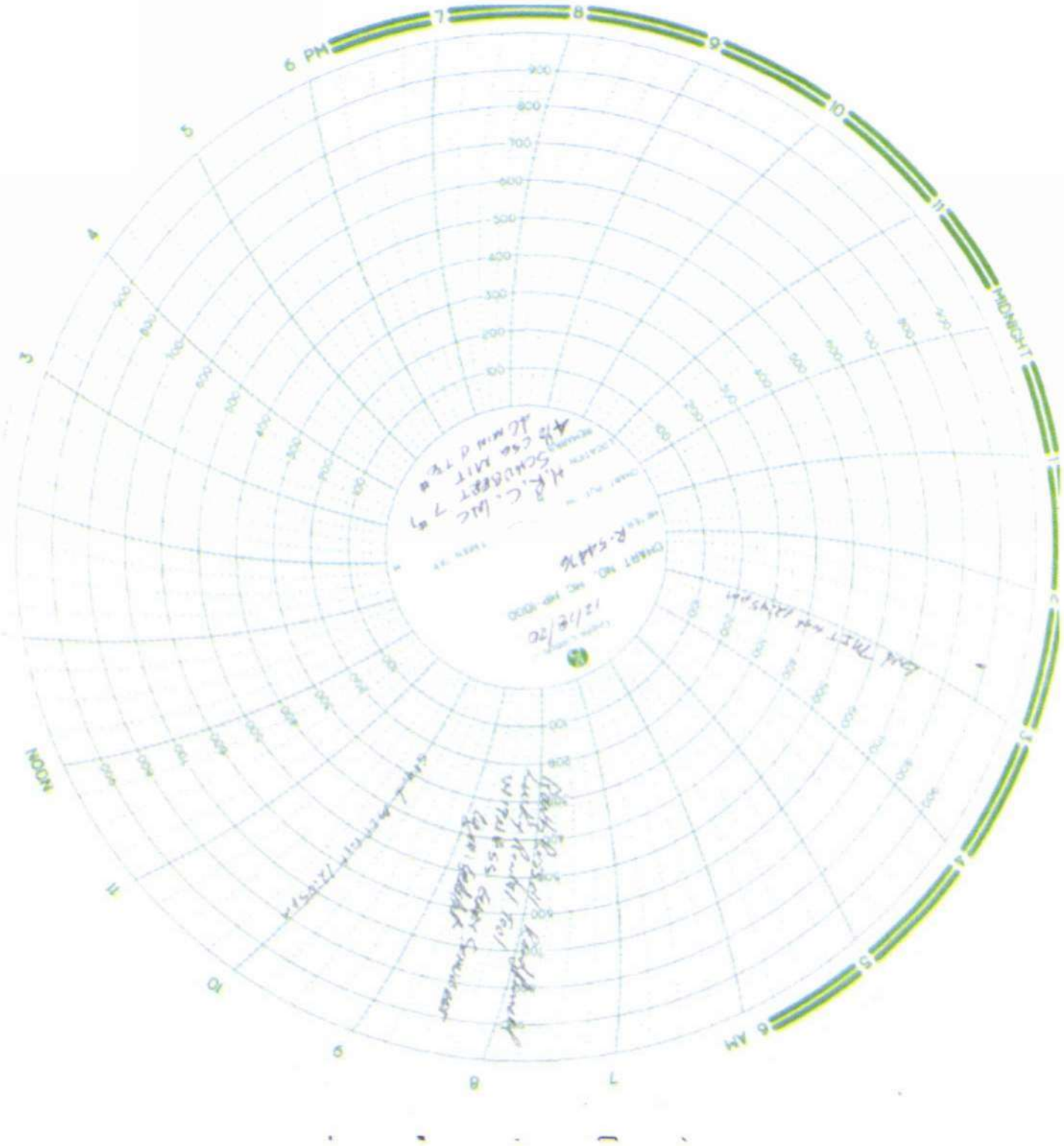
12/18/2020 Open well and BOP removed landing sub R/D Lewis Casing Crew. N/D BOP installed 7 1/16" 3M x 7 1/16" 3M tbg. spool w/ 6 3/8" bore TC Profile with 2" API pipe outlets, installed to 5 ½" csg. Wellhead section 7 1/16" 3M flange top over 4 ½" csg. hanger. Tested wellhead for 10 minutes @ 2200 psi no leak off, NU BOP & installed 2 3/8" rams. RIH w/ AD1 Pkr. Set @ 1960', tested 4 ½" annulus to 730 Psi for 40 minutes tested good no leak off. TOH with AD1 Pkr. RIH with new 3 7/8" skirted mill tooth bit, 2 3/8"eubx X 2 3/8" rgbx bit sub below 2 3/8" J-55 tbg. tag @2048' Pulled bit up into 4 ½" casing at 1864 closed well in and BOP SDFN.

12/19/2020 Open well RIH with Bit to 2048' drilled to 2051', fell out ran to 2074' drill from 2074 – 2076 ran to 2079' continued drilling 2079' – 2081' ran to to 2102', continued drilling from 2102' -2105' fell out continued washing to 2163' got stuck, worked pipe free, could not return back to 2163' Pipe stacking out after lifting. Re moved swivel POH w/ tbg. Tubing was

bent on joint number two above bit sub, and sheared cut on jt. # 1 above bit sub and bit left 1-16' 2 3/8" tbg. piece and a bit sub w/ 3 7/8" bit in hole. 18'fish est. depth of TOF #2 @2145'-2163" shut in SDFN.

12/21/20 Open up well P/U & RIH w/ 3 7/8" bear claw bit, bit sub, 4- 3 1/8" OD drill collars, & 2 3/8" tubing to 2012' attached swivel w/ 2 ¼ md connection on top joint, drilled from 2012'-2014' then ran to drill 2018'-2021' ran to 2025'-2026' then ran to 2162'- 2166' fell out 2182' ran to drill 2188' – 2190' ran to 2194' – 2231' fell out 2231' ran to drill 2231' – 2236' fell out to drll 2240' – 2265' TUH w/ bit into 4 ½" casing @ 1865' closed well in SDFN

12/22/2020 Open well up ran bit back to drill 2265' – 2267' fell out and ran to tag 2649' pulled bit to land @2609' RD swivel, ND stripper head & BOP, install tbg. hanger flange and N/U well head connections pumped on well 6 hrs. shut down & connect to facility surface injection pump, RD rig & reverse unit then released all workover equipment.


6 PM
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MIDNIGHT
1
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3
4
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6 AM
NOON

American Valve & Meter, Inc.

1113 W. BROADWAY

P.O. BOX 166 HOBBS, NM 88240

T0:Lucky Rental DATE: 12/1/20

This is to certify that:

I, Stephen Waskas , Technician for American Valve & Meter Inc. Has checked the calibration of the following instrument.

12"_Pressure recorder Ser# R-54476

at these points.

Pressure #			Temperature *or Pressure #		
Test	Found	Left	Test	Found	Left
- 0	-	- 0	-	-	-
- 500	-	- 500	-	-	-
- 700	-	- 700	-	-	-
- 1000	-	- 1000	-	-	-
- 200	-	- 200	-	-	-
- 0	-	- 0			

Remarks:

Signature:

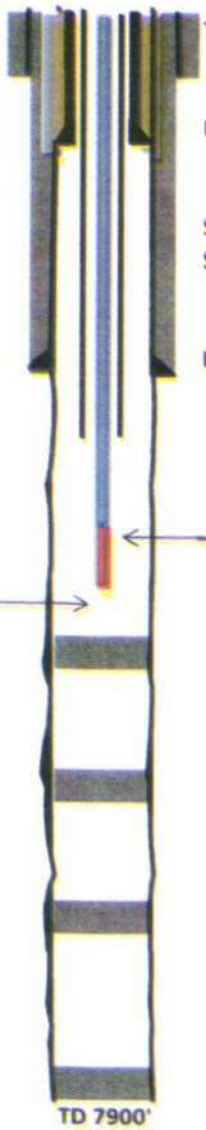
H.R.C., Inc.

SCHUBERT 7 WELL NO. 1
API 30-025-36781
2313 FSL, 2313 FEL
J - SEC 7 - T19S - R39E
LAT: 32.6738815 LONG: -103.0835953

Current
12/22/2020

Lithology Record (C-105)

From	To	Thick / ft.	Lithology
212'	1151'	939'	Redbed
1151'	1455'	304'	RB / Shale
1455'	1775'	320'	Shale
1775'	1880'	105'	Anhydrite
1880'	2900'	1020'	Salt,Redbed,Shale
2900'	3130'	230'	Anhy,Salt, Shale
3130'	4080'	950'	Anhy.,Dolomite
4080'	4430'	350'	Dolomite, Anhydrite
4430'	7500'	3070'	Dolomite, Limestone
7500'	7900'	400'	Dolomite



TREE — Hung with 3M head
79 jts. 2 3/8" 4.7# J-55
Bit SET @ 2609'

INTER. — 5 1/2" 15.5# Drift 4.825"
Set @ 404' 200 sx cir surf

SURFACE SET AT — 8 5/8" 24# ST&C
1865' w/900SX
CIR. SURFACE

Liner — 4 1/2 " 11.35# J55 liner Csg.
set @ 1993'
3% KCL Surface to 1865'

OH HOLE SIZE 7 7/8"

BHA point @ 2609' W/...
3 1/8" OD X 1 1/2" ID xo
4 - 3 1/8" OD x 1 1/2" ID D/C
3 1/8" x 1 3/4" ID xo
Bit 3 7/8" Bear Claw Bit

DRILL OH TO 2649'

Yates @2930'

PLUG # 4 — 100sx @ 2947'
est. TOC @ 2,557' 390'

PLUG # 3 — 40sx @ 4089'
est. TOC @ 3,933' 156'

PLUG # 2 — 35sx @ 5710'
est. TOC @ 5,573' 137'

PLUG # 1 — 30sx @ 7900'
est. TOC @ 7,783' 117'

TD 7900'

Formation Top (C-105)

T. Anhy	1775'
T. Salt	1880'
B. Salt	2900'
T. Yates	2930'
T. 7 Rivers	3160'
T. Queen	3710'
T. Grayburg	4080'
T. San Andres	4396'
T. Glorieta	5715'
T. Paddock	5858'
T. Blinebry	6260'
T. Tubb	6820'
T. Drinkard	7050'
T. Abo	7464'

H.R.C. Inc

Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised July 18, 2013

WELL API NO.
30-025-36781

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name
Shubert 7

1. Type of Well: Oil Well ☐ Gas Well ☒ Other Brine

8. Well Number 1 BW-31

2. Name of Operator
H.R.C., INC.

9. OGRID Number
131652

3. Address of Operator
P.O. Box 5102 Hobbs, New Mexico

10. Pool name or Wildcat
BSW - Salado

4. Well Location
Unit Letter J : 2313 feet from the South line and 2313 feet from the East line
Section 7 Township 19S Range 39E NMPM Lea County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3585 GL

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
CLOSED-LOOP SYSTEM	☐			OTHER: Bradenhead Test Report			☒
OTHER:	☐						

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Please find with this report the Bradenhead Test Report conducted 1/4/2021 as per request of OCD District I Kerry Fortner.

Spud Date: Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE David H. Alvarado TITLE Acting Agent for H.R.C., INC DATE 2/5/2021

Type or print name David H. Alvarado E-mail address: davidal00136@gmail.com PHONE: 575 513 1238

For State Use Only

APPROVED BY: TITLE DATE

Conditions of Approval (if any):

NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6178 FAX: (505) 334-6170
http://emnrd.state.nm.us/ocd/District III/3district.htm

BRADENHEAD TEST REPORT

(submit 1 copy to above address)

Date of Test 1/4/2021 Operator H.R.C. INC. API #30-0 25-36781

Property Name SCHUBERT 7 Well No. 1 Location: Unit J Section 7 Township 19S Range 37E

Well Status(Shut-In or Producing) Initial PSI: Tubing 2 3/8 Intermediate 5 1/2 Casing 4 1/2 Bradenhead 8 5/8

OPEN BRADENHEAD AND INTERMEDIATE TO ATMOSPHERE INDIVIDUALLY FOR 15 MINUTES EACH

PRESSURE

Testing	Bradenhead			INTERM	
	BH	Int	Csg	Int	Csg
TIME 5 min	0	0	230	0	230
10 min	0	0	230	0	230
15 min	0	0	230	0	230
20 min					
25 min					
30 min					

FLOW CHARACTERISTICS

	BRADENHEAD	INTERMEDIATE
Steady Flow		
Surges		
Down to Nothing		
Nothing	✓	
Gas		
Gas & Water		
Water		

If bradenhead flowed water, check all of the descriptions that apply below:

CLEAR ____ FRESH ____ SALTY ____ SULFUR ____ BLACK ____

5 MINUTE SHUT-IN PRESSURE BRADENHEAD 0 INTERMEDIATE 230

REMARKS

By GARY M. SCHUBERT Witness BEN DONAHUE / DAVID AARON

MGR
(Position)

E-mail address GARYMSCHUBERT @ GMAIL. COM

Submit To Appropriate District Office
Two Copies
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-105
Revised April 3, 2017

1. WELL API NO. 30-025-36781
2. Type of Lease ☐ STATE ☒ FEE ☐ FED/INDIAN
3. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

4. Reason for filing:

☒ **COMPLETION REPORT** (Fill in boxes #1 through #31 for State and Fee wells only)

☐ **C-144 CLOSURE ATTACHMENT** (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)

5. Lease Name or Unit Agreement Name: SHUBERT 7
6. Well Number: No.1 BW-031

7. Type of Completion: ☐ NEW WELL ☐ WORKOVER ☒ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☒ OTHER set liner 100' below surface csg.

8. Name of Operator: H.R.C., INC.
9. OGRID: 131652
10. Address of Operator: P.O. Box 5102 Hobbs, NM 88241
11. Pool name or Wildcat: BSW SALADO

12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
Surface:	J	7	19S	39E		2313	SOUTH	2313	EAST	LEA
BH:										

13. Date Spudded	14. Date T.D. Reached	15. Date Rig Released	16. Date Completed (Ready to Produce)	17. Elevations (DF and RKB, RT, GR, etc.)
9-22-04	10-7-04	SERVICE UNIT RELEASED 12/22/2020	12/22/2020	3585 GL

18. Total Measured Depth of Well	19. Plug Back Measured Depth	20. Was Directional Survey Made?	21. Type Electric and Other Logs Run
7900'		NO	EXISTING ON FILE

22. Producing Interval(s), of this completion – Top, Bottom, Name: 1865' -2649' SALADO

23. **CASING RECORD** (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	1865'	12 ¼"	900 SX CIR. SURFACE	
Intermediate	15.5 #	404'	8 5/8"	200 SX CIR. SURFACE	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN
4.5" 11.35# J-55	SURFACE	1993'	3% PKR. FLUID	

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2 3/8" J-55	2609'	

26. Perforation record (interval, size, and number): 7 7/8" OH 1865'- 2609'

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED

28. **PRODUCTION**

Date First Production	Production Method (Flowing, gas lift, pumping - Size and type pump)	Well Status (Prod. or Shut-in)
12/22/2020	PUMPING - TA3	PRODUCING

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl	Gas - Oil Ratio
1/15/2021	24					860-1000 10# BRINE	

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)
260 PSI	45					

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
30. Test Witnessed By: BEN DONAHUE

31. List Attachments: WELL BORE SHEMATIC

32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.
SERVICE UNIT RELEASED 12/22/2020

33. Rig Release Date:

34. If an on-site burial was used at the well, report the exact location of the on-site burial:

Latitude Longitude NAD83

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature *David M. Alvarado* Printed Name DAVID ALVARADO Title ACTING AGENT FOR H.R.C., INC. Date: 2/5/2021

E-mail Address davidal00136@gmail.com

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico				Northwestern New Mexico			
T. Anhy	1775	T. Canyon		T. Ojo Alamo		T. Penn A"	
T. Salt	1880	T. Strawn		T. Kirtland		T. Penn. "B"	
B. Salt	2900	T. Atoka		T. Fruitland		T. Penn. "C"	
T. Yates	2930	T. Miss		T. Pictured Cliffs		T. Penn. "D"	
T. 7 Rivers	3160	T. Devonian		T. Cliff House		T. Leadville	
T. Queen	3710	T. Silurian		T. Menefee		T. Madison	
pT. Grayburg	4080	T. Montoya		T. Point Lookout		T. Elbert	
T. San Andres	4396	T. Simpson		T. Mancos		T. McCracken	
T. Glorieta	5715	T. McKee		T. Gallup		T. Ignacio Otzte	
T. Paddock	5858	T. Ellenburger		Base Greenhorn		T.Granite	
T. Blinebry	6260	T. Gr. Wash		T. Dakota			
T.Tubb	6820	T. Delaware Sand		T. Morrison			
T. Drinkard	7050	T. Bone Springs		T.Todilto			
T. Abo	7464	T.		T. Entrada			
T. Wolfcamp		T.		T. Wingate			
T. Penn		T.		T. Chinle			
T. Cisco (Bough C)		T.		T. Permian			

OIL OR GAS SANDS OR ZONES

No. 1, from.....to..... No. 3, from.....to.....

No. 2, from.....to..... No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....

No. 2, from.....to.....feet.....

No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology		From	To	Thickness In Feet	Lithology

212	1151	939	REDBED					
1151	1455	304	RB /SHALE					
1455	1775	320	SHALE					
1775	1880	105	ANHYDRITE					
1880	2900	1020	SALT, RB,SHALE					
2900	3130	230	ANHY., SALT,SHALE					
3130	4080	950	ANHY., DOLOMITE					
4080	4430	350	DOLOMITE, ANHY.					
4430	7500	3070	DOLOMITE, LIMESTONE					
7500	7900	400	DOLOMITE					

SCHUBERT 7 WELL NO. 1
API 30-025-36781
2313 FSL, 2313 FEL
J - SEC 7 - T19S - R39E
LAT: 32.6738815 LONG: -103.0835953

Current
12/22/2020

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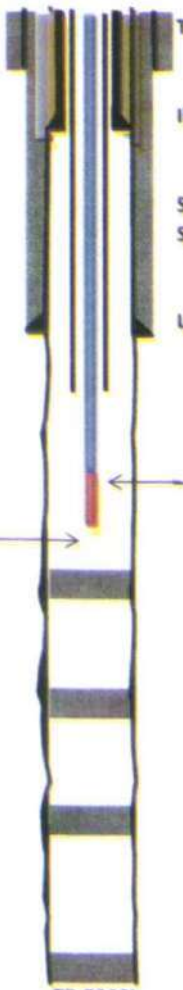

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T. Blinebry	6260'
T. Tubb	6820'
T. Drinkard	7050'
T. Abo	7464'

DEVIATIONS FROM THE NORMAL OPERATIONS

No deviations occurred in 2020 from the normal operations at the Schubert 7 Well # 1 BW-31 until the end of the year during the remedial work performed in December. All lines were cleaned out with fresh water and disconnected from the well head. Power was shut off and building was skidded back to work on the well once work was finished the system was placed back into operation.

LEAKS, SPILL CORRECTIVE ACTION REPORTS

No leaks or spills occurred in 2020 for the Schubert 7 Well # 1 and facility.

AREA OF REVIEW UPDATE SUMMARY

H.R.C., Inc. has updated the AOR for the Schubert 7 Well # 1 (BW-31) showing no new permits have been plotted on the NM OCD GIS program. H.R.C., Inc. will give notice to the Department if any future staking transpires within the AOR.

Please find on page 30 a half mile AOR review showing no new permits nor has there been any new wells drilled at this point.

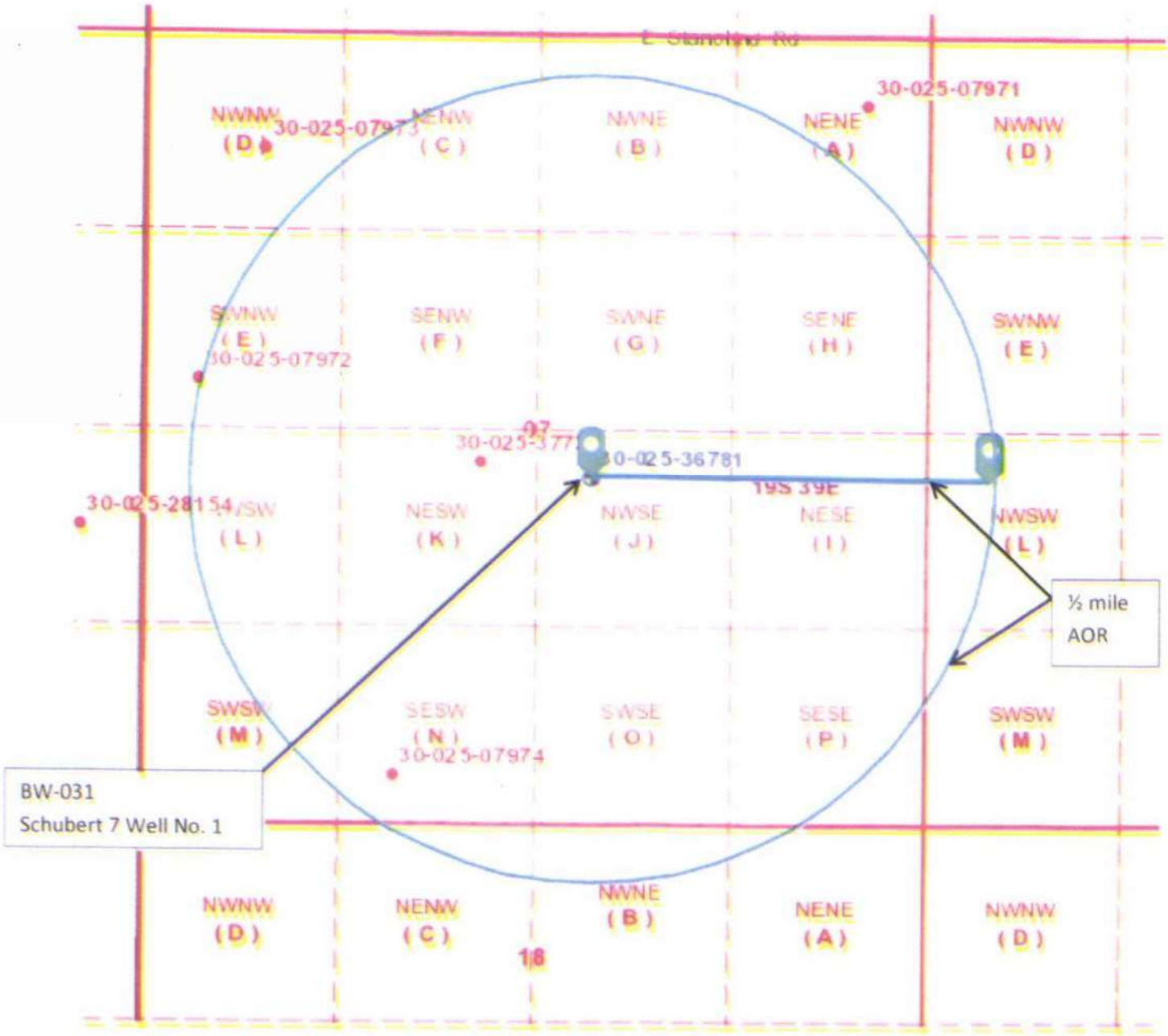
Please find on page 31 a two mile AOR review showing no new permits nor has there been any new wells drilled at this point.

Schubert 7 Well No. 1

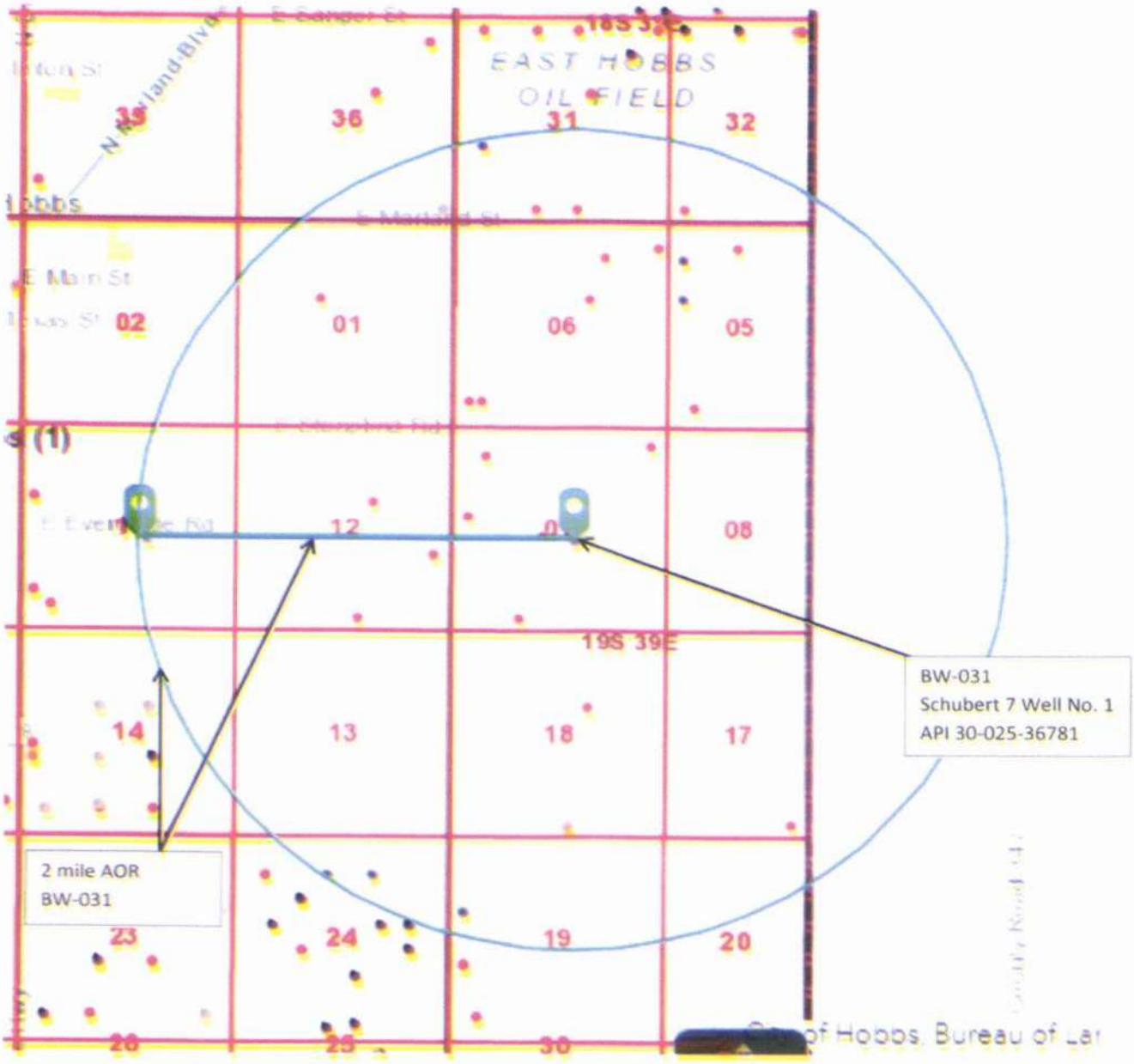
BW-031

API 30-025-36781

½ Mile AOR 2020



BW-031
Schubert 7 Well No. 1
2 Mile AOR 2020



MITs, SURFACE SUBSIDENCE SURVEYS, CAVERN SIZE AND SHAPE AND VOLUME

Please see page 15 & 16 for last Cavern MIT conducted on 11-20-16 held 300 psi and passed with OCD witnesses. Please see on page 20 the chart for the new 4 ½" liner that held 730 PSI for 40 minutes on 12/18/2020.

Surface Subsidence Surveys were conducted by Basin Surveys certified by Gary L. Jones. Four Elevation markers are in place. Please find below where the EM markers are located for BW-31.

NEW MEXICO STATE PLANE COORDINATES (NAD83)

WELL	NORTHING	EASTING	LATITUDE	LONGITUDE	ELEVATION
EM-1	611304.81	925484.92	32°40'27.52"	103°05'05.71"	3591.65
EM-2	611100.65	925800.11	32°40'25.46"	103°04'59.79"	3586.37
EM-3	611248.41	925991.42	32°40'26.90"	103°05'04.86"	3586.23
EM-4	610926.15	925561.84	32°40'23.76"	103°05'04.86"	3586.94

Three Surveys were conducted by Basin Surveys during the 2020 period with the description where no change in elevations has occurred. H.R.C., Inc. has depicted the 2020 reports of the surveys for your review below. Please find the plats of the Surveys at the end of this report for your viewing.

REVISION #	DATE	DESCRIPTION
12	January 15,2019	Resurvey-No Change in Elevations
13	May 7, 2019	Resurvey-No Change in Elevations
14	October 14, 2019	Resurvey-No Change in Elevations
15	January 31, 2020	Resurvey-No Change in Elevations
16	May 12, 2020	Resurvey- No Change in Elevations
17	September 9, 2020	Resurvey-No Change in Elevations

Cavern Characterization

BW-31 has extracted an estimated total of 6,410,804.1375 ft.^{3} of Halite from the Salado formation from 2006 to December 31, 2020. This calculates to 512,864,331 lbs. of Halite that has produced 4,199,125 Bbl. of brine within this period stated above.

The Sonic log shown on page 34 has approximately 252' of good Halite net pay less than 5 API units on the Gama ray side of the log.

Without a true means of running a log that would allow us to see a true picture behind the anhydrite rock would be questionable. The characterization of the cavern can be mathematically calculated using $V=\prod R^2h/3$ where [V= (3.14159*155.86258^2) * (252') / 3]

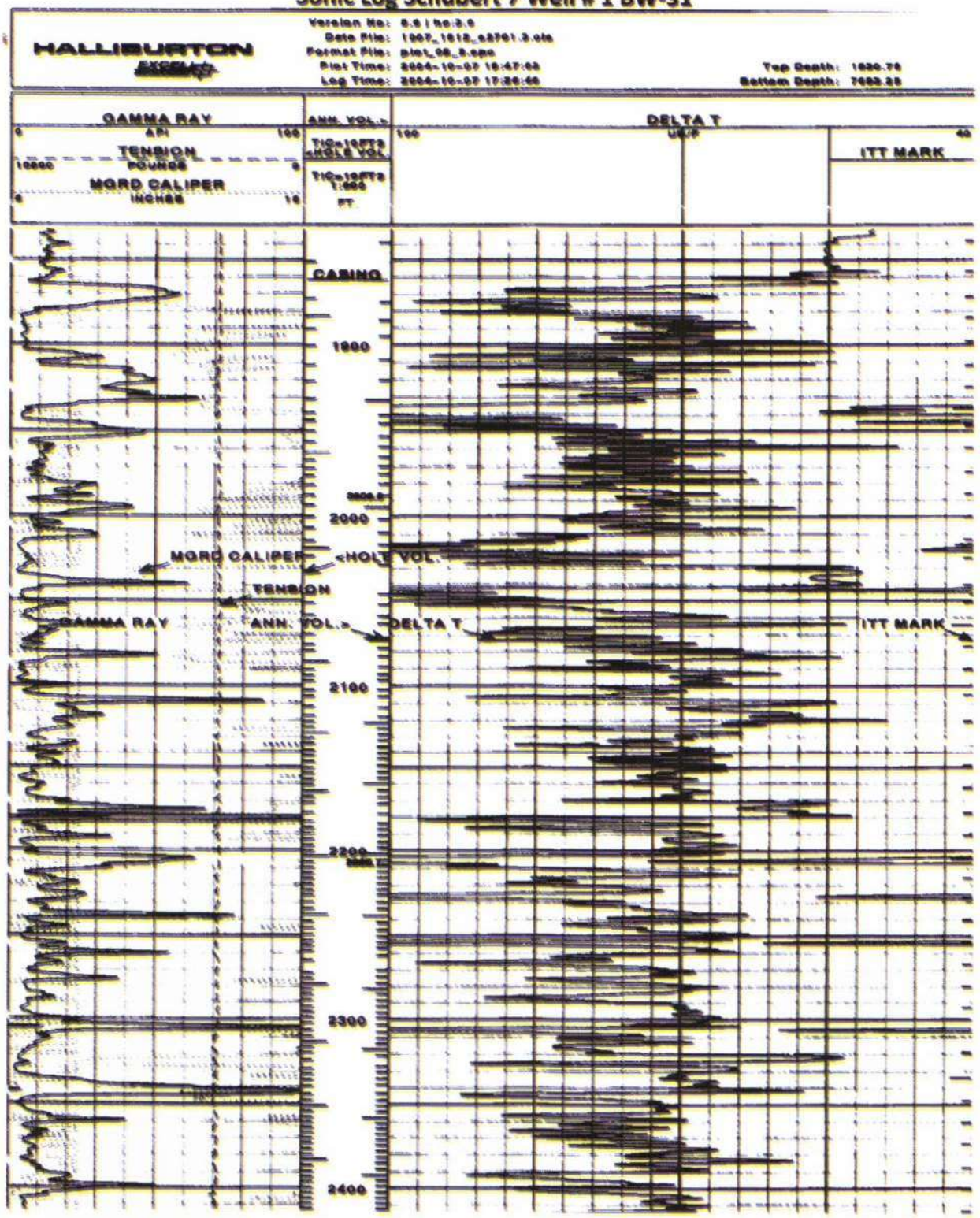
V = 6,410,804 ft.^{3} of Halite has been extracted to date. This amount of volume calculated correlates with the total of brine produced from 2006 through December 31, 2020 of 4,199,125 Bbl.

It takes 122.136 Lbs. of salt to produce one barrel of quality brine yielding a Specific Gravity of 1.1959. Multiplying salt ratio to total fluid bbl. total of 4,199,125 (extracted fluid bbl.) equals 512,864,331 Lbs. of salt mined from 2006 to the end of December 31, 2020.

Taking the amount of Halite mined of 512,864,331 Lbs. and dividing the amount by 80 (Lbs. salt per ft.^{3}) will equal 6,410,804.1375 ft.^{3}. In respect to the cavern safety factor of 0.45 % the Schubert 7 Well No. 1 (BW-31) has a factor value of (311.72516' W / 1865 H) = 0.167145 well below the States warning factor. New horizons below 2312' will yield greater opportunities.

BW-31 has a lot of life to continue mining for Halite that is used throughout our needs for the oil industry in Southeastern New Mexico.

Sonic Log Schubert 7 Well # 1 BW-31



SUMMARY RATIO INJECTION VS. EXTRACTION

2020 BRINE PRODUCTION & WATER INJECTION VOLUME RATIO %

MONTH	BRIINE	PSI	FRESH WATER	PSI	RATIO	RATIO %
JANUARY	10,966	195-200	10,719	25-30	10966:10719	1.023043
FEBRUARY	28,034	195-200	27,840	25-30	14017:13920	1.006968
MARCH	24,919	195-200	24,764	25-30	24919:24764	1.006259
APRIL	11,426	195-200	11,319	25-30	11426:11319	1.009453
MAY	3,492	195-200	3,435	25-30	1164:1145	1.016594
JUNE	13,257	195-200	13,140	25-30	1473:1460	1.008904
JULY	7,624	195-200	7,526	25-30	3812:3763	1.013022
AUGUST	7,645	195-200	7,538	25-30	7645:7538	1.014195
SEPTEMBER	8,933	195-200	8,795	25-30	8933:8795	1.015691
OCTOBER	5,349	195-200	5,286	25-30	1783:1762	1.011918
NOVEMBER	7,213	195-200	7,086	25-30	7213:7086	1.017923
DECEMBER	4,252	195-200	4,196	25-30	1063:1049	1.013346

MAJOR FACILITY ACTIVITY OR EVENTS

Some major activities and events have taken place during 2020 at the end of 2020 in December all lines were flushed out with fresh water and disconnected from wellhead and triplex pump. The building was skidded back after electrical power was disconnected. For the other months before December no major activities or events took place. The well was worked on as the approved C-103 Intent on file.

H.R.C., Inc. completed the 180 day report after permit was renewed in 2019.

SURFACE SUBSIDENCE MONITORING PLAN

Surface Subsidence Surveys were conducted by Basin Surveys certified by Gary L. Jones. Four Elevation markers are in place. Please find below where the EM markers are located for BW-31.

NEW MEXICO STATE PLANE COORDINATES (NAD83)

WELL	NORTHING	EASTING	LATITUDE	LONGITUDE	ELEVATION
EM-1	611304.81	925484.92	32°40'27.52"	103°05'05.71"	3591.65
EM-2	611100.65	925800.11	32°40'25.46"	103°04'59.79"	3586.37
EM-3	611248.41	925991.42	32°40'26.90"	103°05'04.86"	3586.23
EM-4	610926.15	925561.84	32°40'23.76"	103°05'04.86"	3586.94

Three Surveys were conducted by Basin Surveys during the 2020 period with the description stating that no change in elevations had occurred. H.R.C., Inc. has depicted the 2020 reports of the surveys for your review below. Please find the plats of the Surveys at the end of this report for your viewing.

REVISION #	DATE	DESCRIPTION
12	January 15,2019	Resurvey-No Change in Elevations
13	May 7, 2019	Resurvey-No Change in Elevations
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17	September 9, 2020	Resurvey-No Change in Elevations

CAVERN CHARACTERIZATION DATA RESULTS.

Please refer to page 33 and page 34 for data results.

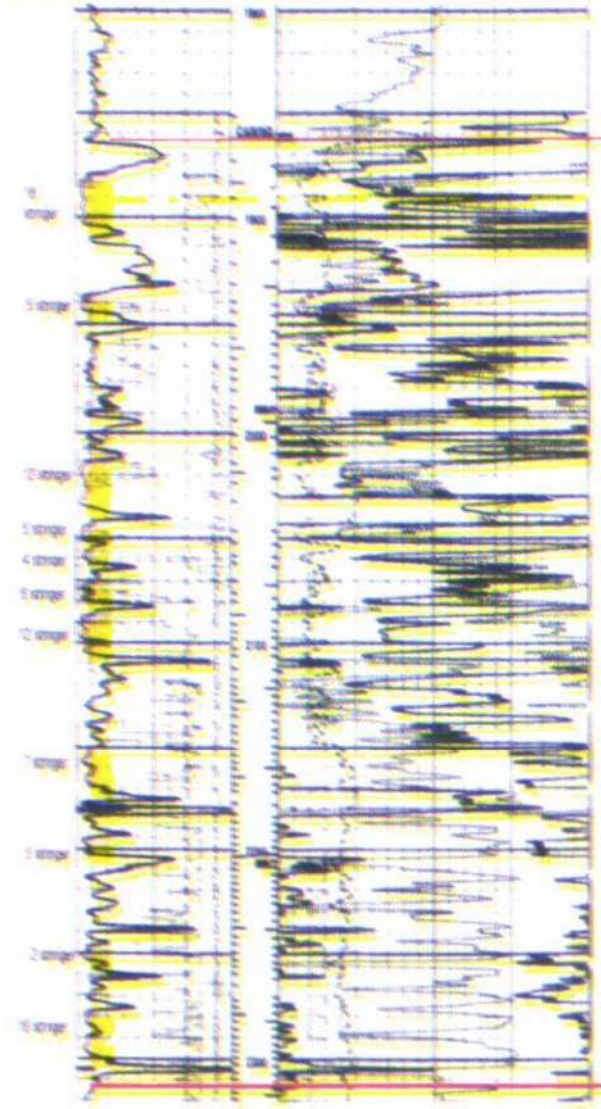
Please find the characterization of the Schubert 7 Well No. 1 (BW-31) on Page 38

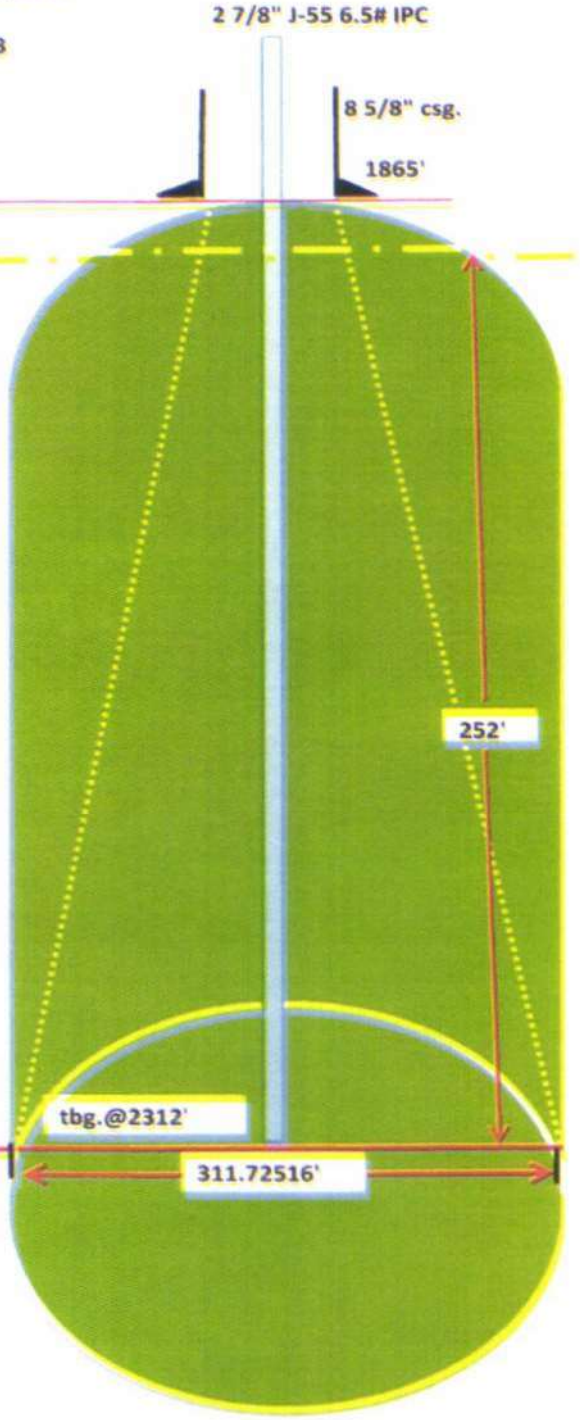
We have attached a copy for your viewing at the end of this yearly report.

Schubert 7 Well No1
API 30-025-36781
J SEC7 T19S R39E

December 31,2020

LAT: 32.6738815 LONG:-103.0835953





PPG 9.97 brine
PPG 8.34 fresh
SG 1.1951
2006 to December 31, 2020 Total Brine 4,199,125 bbl.
122.136 LBS / BBL = 512,864,331 LBS HALITE
(512,864,331 LBS) / (80BLS per ft³) = 6,410,804.1375 ft³

$V = \pi R^2 h / 3$
$V = (3.14159 * 155.86258^2) * (252') / 3$
$V = 6,410,804$ ft.³

Est. hight is 252'
Est. cavern floor diameter is 311.72516'
311.72516 / 1865 = 0.167145 factor value

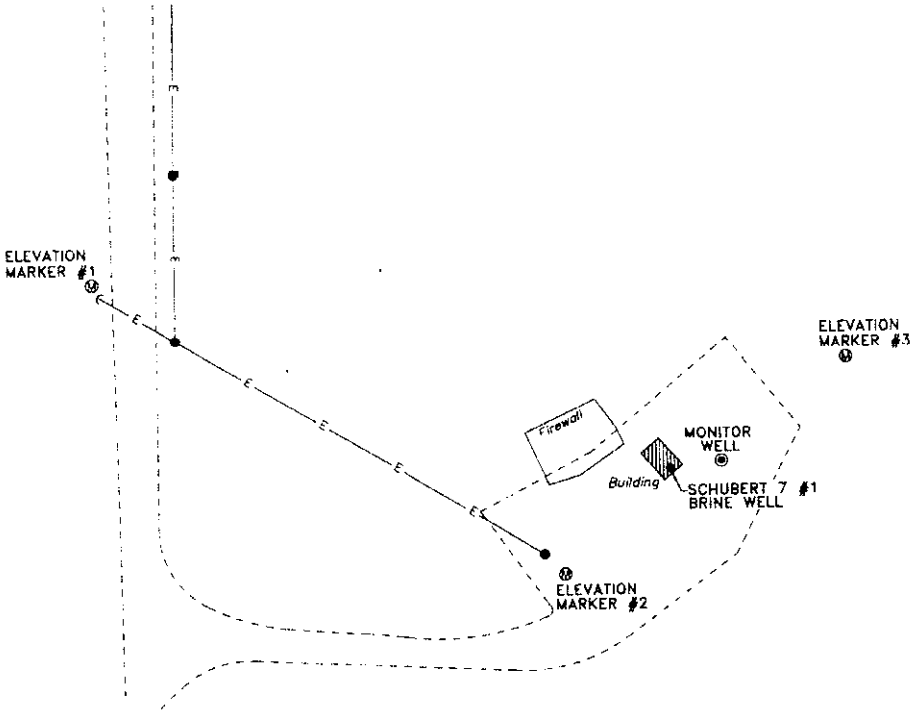
BW - 31

SCHUBERT 7 – WELL # 1

Year 2020

MONTH	BRINE PRODUCTION (BY Meter)	FRESH WATER INJECTED (By Meter)
January	10,966	10,719
February	28,034	27,840
March	24,919	24,764
April	11,426	11,319
May	3,492	3,435
June	13,257	13,140
July	7,624	7,526
August	7,645	7,538
September	8,933	8,795
October	5,349	5,286
November	7,213	7,086
December	4,252	4,196

SECTION 7, TOWNSHIP 19 SOUTH, RANGE 39 EAST, N.M.P.M., NEW MEXICO.
LEA COUNTY,



NOTE:
ELEVATIONS ARE ON BLACK MARK ON NORTH SIDE OF PVC CASING.

NEW MEXICO STATE PLANE COORDINATES (NAD83)

WELL	NORTHING	EASTING	LATITUDE	LONGITUDE	ELEVATION
EM-1	611304.81	925484.92	32°40'27.52"	103°05'05.71"	3591.65
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EM-3	611248.41	925991.42	32°40'26.90"	103°04'59.79"	3586.23
EM-4	610926.15	925561.84	32°40'23.76"	103°05'04.86"	3586.94

REVISION #	DATE	DESCRIPTION
1	SEPT. 9, 2015	ORIGINAL SURVEY
2	DEC. 15, 2015	RESURVEY–NO CHANGE IN ELEVATIONS
3	APRIL 12, 2016	RESURVEY–NO CHANGE IN ELEVATIONS
4	JULY 26, 2016	RESURVEY–NO CHANGE IN ELEVATIONS
5	OCTOBER 27, 2016	RESURVEY–NO CHANGE IN ELEVATIONS
6	February 6, 2017	RESURVEY–NO CHANGE IN ELEVATIONS
7	May 11, 2017	RESURVEY–NO CHANGE IN ELEVATIONS
8	AUGUST 30, 2017	RESURVEY–NO CHANGE IN ELEVATIONS
9	JANUARY 10, 2018	RESURVEY–NO CHANGE IN ELEVATIONS
10	MAY 1, 2018	RESURVEY–NO CHANGE IN ELEVATIONS
11	SEPTEMBER 5, 2018	RESURVEY–NO CHANGE IN ELEVATIONS
12	JANUARY 15, 2019	RESURVEY–NO CHANGE IN ELEVATIONS
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16	MAY 12, 2020	RESURVEY–NO CHANGE IN ELEVATIONS

100 0 100 200 FEET

SCALE: 1" = 100'

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

GARY L. JONES
NEW MEXICO
7977
REGISTERED PROFESSIONAL LAND SURVEYOR

No. 7977
No. 5074

BASIN SURVEYS P.O. BOX 1786 – HOBBS, NEW MEXICO

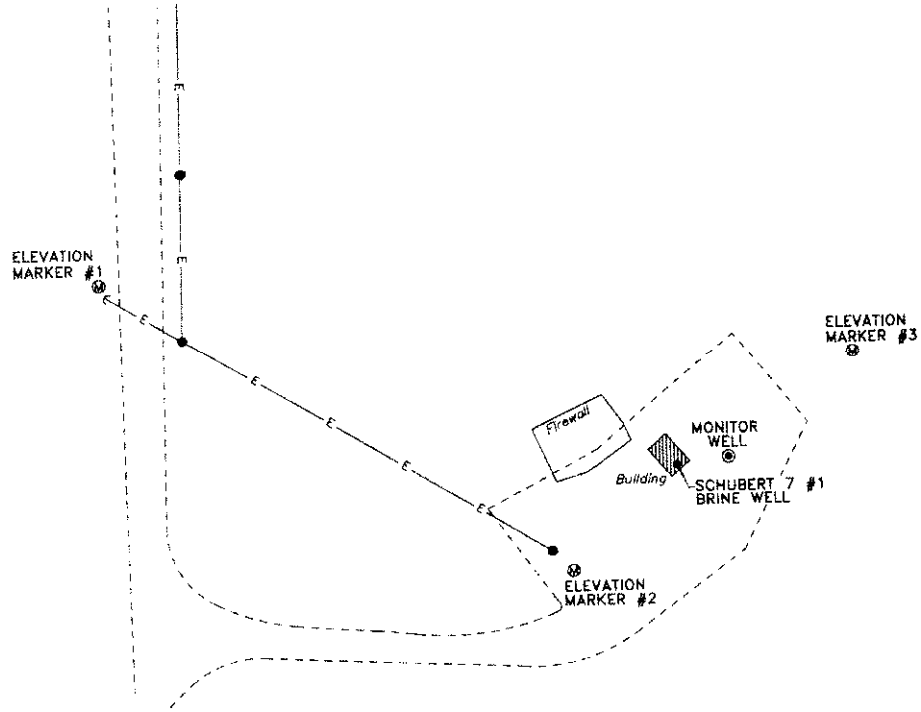
H.R.C. INC.

REF: ELEVATION MARKERS

ELEVATION MARKERS LOCATED IN
SECTION 7, TOWNSHIP 19 SOUTH, RANGE 39 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

W.O. Number: 35104	Drawn By: K. GOAD	Survey Date: 05-12-2020	Sheet 1 of 1 Sheets
Date: 05-12-2020	Disk: KJG – SCHUBERT MW 35104		

SECTION 7, TOWNSHIP 19 SOUTH, RANGE 39 EAST, N.M.P.M., NEW MEXICO.
LEA COUNTY,



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SCALE: 1" = 100'

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GARY L. JONES No. 7977
No. 5074

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

H.R.C. INC.

REF: ELEVATION MARKERS

ELEVATION MARKERS LOCATED IN

SECTION 7, TOWNSHIP 19 SOUTH, RANGE 39 EAST,

N.M.P.M., LEA COUNTY, NEW MEXICO.

W.O. Number: 35187	Drawn By: K. GOAD		
Date: 09-09-2020	Disk: KJG - SCHUBERT MW 35187	Survey Date: 09-09-2020	Sheet 1 of 1 Sheets

CARDINAL Laboratories

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

June 15, 2020

BEN DONAHUE

ETZ WATER STATION

PO BOX 6056

HOBBS, NM 88241

RE: SCHUBERT

Enclosed are the results of analyses for samples received by the laboratory on 06/04/20 10:25.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-20-13. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accreditated through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Total Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Cardinal Laboratories is accredited through the State of New Mexico Environment Department for:

Method SM 9223-B	Total Coliform and E. coli (Colilert MMO-MUG)
Method EPA 524.2	Regulated VOCs and Total Trihalomethanes (TTHM)
Method EPA 552.2	Total Haloacetic Acids (HAA-5)

Accreditation applies to public drinking water matrices for State of Colorado and New Mexico.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SHUBERT #7 WATER SAMPLES Project Manager: BEN DONAHUE Fax To:	Reported: 15-Jun-20 14:49

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
BRINE WATER	H001511-01	Water	03-Jun-20 15:17	04-Jun-20 10:25
FRESH WATER	H001511-02	Water	03-Jun-20 15:20	04-Jun-20 10:25
MONITOR WELL	H001511-03	Water	03-Jun-20 15:15	04-Jun-20 10:25

Cardinal Laboratories

*=Accredited Analyte

CARDINAL Laboratories

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

Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SHUBERT #7 WATER SAMPLES Project Manager: BEN DONAHUE Fax To:	Reported: 15-Jun-20 14:49

BRINE WATER

H001511-01 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
				Cardinal Laboratories						
Inorganic Compounds										
Alkalinity, Bicarbonate	**83.0**		5.00	mg/L	1	0043006	AC	05-Jun-20	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	0043006	AC	05-Jun-20	310.1	
Chloride*	**194000**		4.00	mg/L	1	0052602	GM	05-Jun-20	4500-Cl-B	
Conductivity*	**276000**		1.00	uS/cm	1	0060503	AC	05-Jun-20	120.1	
pH*	**6.99**		0.100	pH Units	1	0060503	AC	05-Jun-20	150.1	
Sulfate*	**4010**		1250	mg/L	125	0061104	AC	11-Jun-20	375.4	
TDS*	**323000**		5.00	mg/L	1	0060211	GM	08-Jun-20	160.1	
Alkalinity, Total*	**68.0**		4.00	mg/L		0043006	AC	05-Jun-20	310.1	
				Green Analytical Laboratories						
Total Recoverable Metals by ICP (E200.7)										
Calcium*	**1360**		50.0	mg/L	500	B200973	AES	10-Jun-20	EPA200.7	
Magnesium*	**384**		50.0	mg/L	500	B200973	AES	10-Jun-20	EPA200.7	
Potassium*	**102**	75.8	500	mg/L	500	B200973	AES	10-Jun-20	EPA200.7	J
Sodium*	**113000**		500	mg/L	500	B200973	AES	10-Jun-20	EPA200.7	

Cardinal Laboratories

*=Accredited Analyte

Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SHUBERT #7 WATER SAMPLES Project Manager: BEN DONAHUE Fax To:	Reported: 15-Jun-20 14:49

FRESH WATER

H001511-02 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
Cardinal Laboratories										
Inorganic Compounds										
Alkalinity, Bicarbonate	**293**		5.00	mg/L	1	0060508	AC	05-Jun-20	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	0060508	AC	05-Jun-20	310.1	
Chloride*	**288**		4.00	mg/L	1	0052602	GM	05-Jun-20	4500-Cl-B	
Conductivity*	**1730**		1.00	uS/cm	1	0060503	AC	05-Jun-20	120.1	
pH*	**7.68**		0.100	pH Units	1	0060503	AC	05-Jun-20	150.1	
Sulfate*	**205**		50.0	mg/L	5	0061106	AC	11-Jun-20	375.4	
TDS*	**1080**		5.00	mg/L	1	0060211	GM	08-Jun-20	160.1	
Alkalinity, Total*	**240**		4.00	mg/L	1	0060508	AC	05-Jun-20	310.1	
Green Analytical Laboratories										
Total Recoverable Metals by ICP (E200.7)										
Calcium*	**133**		0.500	mg/L	5	B200973	AES	10-Jun-20	EPA200.7	
Magnesium*	**32.1**		0.500	mg/L	5	B200973	AES	10-Jun-20	EPA200.7	
Potassium*	**14.7**	0.458	5.00	mg/L	5	B200973	AES	10-Jun-20	EPA200.7	
Sodium*	**162**		5.00	mg/L	5	B200973	AES	10-Jun-20	EPA200.7	

Cardinal Laboratories

*=Accredited Analyte

Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SHUBERT #7 WATER SAMPLES Project Manager: BEN DONAHUE Fax To:	Reported: 15-Jun-20 14:49

MONITOR WELL

H001511-03 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
Cardinal Laboratories										
Inorganic Compounds										
Alkalinity, Bicarbonate	215		5.00	mg/L	1	0060508	AC	05-Jun-20	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	0060508	AC	05-Jun-20	310.1	
Chloride*	56.0		4.00	mg/L	1	0052602	GM	05-Jun-20	4500-Cl-B	
Conductivity*	651		1.00	uS/cm	1	0060503	AC	05-Jun-20	120.1	
pH*	7.86		0.100	pH Units	1	0060503	AC	05-Jun-20	150.1	
Sulfate*	64.8		10.0	mg/L	1	0061104	AC	11-Jun-20	375.4	
TDS*	433		5.00	mg/L	1	0060211	GM	08-Jun-20	160.1	
Alkalinity, Total*	176		4.00	mg/L	1	0060508	AC	05-Jun-20	310.1	
Green Analytical Laboratories										
Total Recoverable Metals by ICP (E200.7)										
Calcium*	47.0		0.500	mg/L	5	B200973	AES	10-Jun-20	EPA200.7	
Magnesium*	15.1		0.500	mg/L	5	B200973	AES	10-Jun-20	EPA200.7	
Potassium*	2.26	0.758	5.00	mg/L	5	B200973	AES	10-Jun-20	EPA200.7	J
Sodium*	63.8		5.00	mg/L	5	B200973	AES	10-Jun-20	EPA200.7	

Cardinal Laboratories

*=Accredited Analyte

Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SHUBERT #7 WATER SAMPLES Project Manager: BEN DONAHUE Fax To:	Reported: 15-Jun-20 14:49

Inorganic Compounds - Quality Control

Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 0043006 - General Prep - Wet Chem										
Blank (0043006-BLK1)				Prepared & Analyzed: 30-Apr-20						
Alkalinity, Carbonate	ND	1.00	mg/L							
Alkalinity, Bicarbonate	5.00	5.00	mg/L							
Alkalinity, Total	4.00	4.00	mg/L							
LCS (0043006-BS1)				Prepared & Analyzed: 30-Apr-20						
Alkalinity, Carbonate	ND	2.50	mg/L				80-120			
Alkalinity, Bicarbonate	292	12.5	mg/L				80-120			
Alkalinity, Total	240	10.0	mg/L	250		96.0	80-120			
LCS Dup (0043006-BSD1)				Prepared & Analyzed: 30-Apr-20						
Alkalinity, Carbonate	ND	2.50	mg/L				80-120		20	
Alkalinity, Bicarbonate	330	12.5	mg/L				80-120	12.0	20	
Alkalinity, Total	270	10.0	mg/L	250		108	80-120	11.8	20	
Batch 0052602 - General Prep - Wet Chem										
Blank (0052602-BLK1)				Prepared & Analyzed: 26-May-20						
Chloride	ND	4.00	mg/L							
LCS (0052602-BS1)				Prepared & Analyzed: 26-May-20						
Chloride	104	4.00	mg/L	100		104	80-120			
LCS Dup (0052602-BSD1)				Prepared & Analyzed: 26-May-20						
Chloride	104	4.00	mg/L	100		104	80-120	0.00	20	
Batch 0060211 - Filtration										
Blank (0060211-BLK1)				Prepared: 02-Jun-20 Analyzed: 03-Jun-20						
TDS	ND	5.00	mg/L							

Cardinal Laboratories

*=Accredited Analyte

Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SHUBERT #7 WATER SAMPLES Project Manager: BEN DONAHUE Fax To:	Reported: 15-Jun-20 14:49

Inorganic Compounds - Quality Control

Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 0060211 - Filtration										
LCS (0060211-BS1)				Prepared: 02-Jun-20 Analyzed: 03-Jun-20						
TDS	523		mg/L	500		105	80-120			
Duplicate (0060211-DUP1)		**Source: H001477-02**		Prepared: 02-Jun-20 Analyzed: 03-Jun-20						
TDS	721	5.00	mg/L		724			0.415	20	
Batch 0060503 - General Prep - Wet Chem										
LCS (0060503-BS1)				Prepared & Analyzed: 05-Jun-20						
pH	7.13		pH Units	7.00		102	90-110			
Conductivity	103000		uS/cm	100000		103	80-120			
Duplicate (0060503-DUP1)		**Source: H001511-01**		Prepared & Analyzed: 05-Jun-20						
pH	7.02	0.100	pH Units		6.99			0.428	20	
Conductivity	275000	1.00	uS/cm		276000			0.218	20	
Batch 0060508 - General Prep - Wet Chem										
Blank (0060508-BLK1)				Prepared & Analyzed: 05-Jun-20						
Alkalinity, Carbonate	ND	1.00	mg/L							
Alkalinity, Bicarbonate	5.00	5.00	mg/L							
Alkalinity, Total	4.00	4.00	mg/L							
LCS (0060508-BS1)				Prepared & Analyzed: 05-Jun-20						
Alkalinity, Carbonate	ND	2.50	mg/L				80-120			
Alkalinity, Bicarbonate	305	12.5	mg/L				80-120			
Alkalinity, Total	250	10.0	mg/L	250		100	80-120			

Cardinal Laboratories

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Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SHUBERT #7 WATER SAMPLES Project Manager: BEN DONAHUE Fax To:	Reported: 15-Jun-20 14:49

Inorganic Compounds - Quality Control

Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 0060508 - General Prep - Wet Chem										
LCS Dup (0060508-BSD1)				Prepared & Analyzed: 05-Jun-20						
Alkalinity, Carbonate	ND	2.50	mg/L				80-120		20	
Alkalinity, Bicarbonate	305	12.5	mg/L				80-120	0.00	20	
Alkalinity, Total	250	10.0	mg/L	250		100	80-120	0.00	20	
Batch 0061104 - General Prep - Wet Chem										
Blank (0061104-BLK1)				Prepared & Analyzed: 11-Jun-20						
Sulfate	ND	10.0	mg/L							
LCS (0061104-BS1)				Prepared & Analyzed: 11-Jun-20						
Sulfate	20.0	10.0	mg/L	20.0		100	80-120			
LCS Dup (0061104-BSD1)				Prepared & Analyzed: 11-Jun-20						
Sulfate	18.8	10.0	mg/L	20.0		94.0	80-120	6.34	20	

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Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SHUBERT #7 WATER SAMPLES Project Manager: BEN DONAHUE Fax To:	Reported: 15-Jun-20 14:49

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 B200973 - Total Rec. 200.7/200.8/200.2										
Blank (B200973-BLK1)				Prepared: 08-Jun-20 Analyzed: 10-Jun-20						
Potassium	ND	1.00	mg/L							
Sodium	ND	1.00	mg/L							
Calcium	ND	0.100	mg/L							
Magnesium	ND	0.100	mg/L							
LCS (B200973-BS1)				Prepared: 08-Jun-20 Analyzed: 10-Jun-20						
Sodium	3.35	1.00	mg/L	3.24		103	85-115			
Potassium	8.50	1.00	mg/L	8.06		106	85-115			
Magnesium	20.6	0.100	mg/L	20.0		103	85-115			
Calcium	4.05	0.100	mg/L	4.00		101	85-115			
LCS Dup (B200973-BSD1)				Prepared: 08-Jun-20 Analyzed: 10-Jun-20						
Magnesium	20.7	0.100	mg/L	20.0		104	85-115	0.312	20	
Potassium	8.30	1.00	mg/L	8.06		103	85-115	2.40	20	
Sodium	3.25	1.00	mg/L	3.24		100	85-115	3.04	20	
Calcium	3.95	0.100	mg/L	4.00		98.8	85-115	2.38	20	

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Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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Notes and Definitions

J	Estimated concentration. Analyte concentration between MDL and RL.
ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C
	Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name:	ETC Water Station
Project Manager:	Ben Donahue
Address:	P.O. Box 5102
City:	Hobbs
State:	NM
Zip:	88241
Phone #:	575 393 3194
Fax #:	
Project #:	
Project Owner:	Gary Schubert
Project Name:	Schubert #7 Water Samples
Project Location:	Schubert #7 Brine Well
Sampler Name:	Ben Donahue

BILL TO

P.O. #:	
Company:	
Attn:	
Address:	
City:	
State:	Zip:
Phone #:	
Fax #:	

ANALYSIS REQUEST: Cations / Anions

FOR LAB USE ONLY Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	MATRIX: GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	PRESERV: ACID/BASE	ICE / COOL	OTHER	SAMPLING DATE	TIME
H001511														
1	Brine Water		1	✓									6/3/20	3:17PM
2	Fresh Water		1	✓									6/3/20	5:20PM
3	Monitor Well		1	✓									6/3/20	3:15PM

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 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.

Relinquished By:	Date: 6/4/20	Received By:	Verbal Result: ☐ Yes ☐ No	Add'l Phone #:
Ben Donahue	Time: 10:25am		All Results are emailed. Please provide Email address:	
Relinquished By:	Date:	Received By:	REMARKS: email to gary.mschubert@gmail.com	
	Time:			
Delivered By: (Circle One)	Observed Temp. °C 21.6	Sample Condition: Cool ☑ Yes ☐ No; Intact ☑ Yes ☐ No	CHECKED BY: (Initials)	Turnaround Time: Standard ☑ Bacteria (only) Sample Condition: Cool ☐ Yes ☐ No; Intact ☐ Yes ☐ No; Observed Temp. °C
Sampler - UPS - Bus - Other:	Corrected Temp. °C	Thermometer ID #113; Correction Factor +0.4 °C		Corrected Temp. °C

† Cardinal cannot accept verbal changes. Please email changes to celey.keene@cardinallabsnm.com

CARDINAL Laboratories

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

December 15, 2020

BEN DONAHUE

ETZ WATER STATION

PO BOX 6056

HOBBS, NM 88241

RE: SCHUBERT

Enclosed are the results of analyses for samples received by the laboratory on 12/04/20 14:00.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-20-13. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accreditated through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Total Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Cardinal Laboratories is accredited through the State of New Mexico Environment Department for:

Method SM 9223-B	Total Coliform and E. coli (Colilert MMO-MUG)
Method EPA 524.2	Regulated VOCs and Total Trihalomethanes (TTHM)
Method EPA 552.2	Total Haloacetic Acids (HAA-5)

Accreditation applies to public drinking water matrices for State of Colorado and New Mexico.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Celey D. Keene

Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

ETZ WATER STATION	Project: SCHUBERT	Reported:
PO BOX 6056	Project Number: SCHUBERT #7	15-Dec-20 16:38
HOBBS NM, 88241	Project Manager: BEN DONAHUE	
	Fax To:	

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
BRINE WATER	H003188-01	Water	03-Dec-20 11:45	04-Dec-20 14:00
FRESH WATER	H003188-02	Water	03-Dec-20 11:48	04-Dec-20 14:00
MONITOR WELL	H003188-03	Water	03-Dec-20 11:47	04-Dec-20 14:00

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Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SCHUBERT #7 Project Manager: BEN DONAHUE Fax To:	Reported: 15-Dec-20 16:38

BRINE WATER

H003188-01 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Not
Cardinal Laboratories										
Inorganic Compounds										
Alkalinity, Bicarbonate	**83.0**		5.00	mg/L	1	0120709	GM	07-Dec-20	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	0120709	GM	07-Dec-20	310.1	
Chloride*	**188000**		4.00	mg/L	1	0111906	GM	07-Dec-20	4500-Cl-B	
Conductivity*	**277000**		1.00	umhos/cm @ 25°C	1	0120707	GM	07-Dec-20	120.1	
pH*	**7.02**		0.100	pH Units	1	0120707	GM	07-Dec-20	150.1	
Temperature °C	**23.0**			pH Units	1	0120707	GM	07-Dec-20	150.1	
Sulfate*	**3830**		833	mg/L	83.33	0120404	GM	10-Dec-20	375.4	
TDS*	**318000**		5.00	mg/L	1	0120812	GM	11-Dec-20	160.1	
Alkalinity, Total*	**68.0**		4.00	mg/L	1	0120709	GM	07-Dec-20	310.1	
Green Analytical Laboratories										
Total Recoverable Metals by ICP (E200.7)										
Calcium*	**1300**		50.0	mg/L	500	B202689	AES	11-Dec-20	EPA200.7	
Magnesium*	**504**		50.0	mg/L	500	B202689	AES	11-Dec-20	EPA200.7	
Potassium*	**153**	75.8	500	mg/L	500	B202689	AES	11-Dec-20	EPA200.7	
Sodium*	**110000**		500	mg/L	500	B202689	AES	11-Dec-20	EPA200.7	

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Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SCHUBERT #7 Project Manager: BEN DONAHUE Fax To:	Reported: 15-Dec-20 16:38

FRESH WATER

H003188-02 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Not
Cardinal Laboratories										
Inorganic Compounds										
Alkalinity, Bicarbonate	**224**		5.00	mg/L	1	0120709	GM	07-Dec-20	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	0120709	GM	07-Dec-20	310.1	
Chloride*	**244**		4.00	mg/L	1	0111906	GM	07-Dec-20	4500-Cl-B	
Conductivity*	**1620**		1.00	umhos/cm @ 25°C	1	0120707	GM	07-Dec-20	120.1	
pH*	**7.87**		0.100	pH Units	1	0120707	GM	07-Dec-20	150.1	
Temperature °C	**23.0**			pH Units	1	0120707	GM	07-Dec-20	150.1	
Sulfate*	**242**		50.0	mg/L	5	0120404	GM	10-Dec-20	375.4	
TDS*	**978**		5.00	mg/L	1	0120812	GM	11-Dec-20	160.1	
Alkalinity, Total*	**184**		4.00	mg/L	1	0120709	GM	07-Dec-20	310.1	
Green Analytical Laboratories										
Total Recoverable Metals by ICP (E200.7)										
Calcium*	**134**		0.500	mg/L	5	B202689	AES	11-Dec-20	EPA200.7	
Magnesium*	**36.7**		0.500	mg/L	5	B202689	AES	11-Dec-20	EPA200.7	
Potassium*	**3.89**	0.758	5.00	mg/L	5	B202689	AES	11-Dec-20	EPA200.7	
Sodium*	**120**		5.00	mg/L	5	B202689	AES	11-Dec-20	EPA200.7	

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Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SCHUBERT #7 Project Manager: BEN DONAHUE Fax To:	Reported: 15-Dec-20 16:38

MONITOR WELL

H003188-03 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Not
Cardinal Laboratories										
Inorganic Compounds										
Alkalinity, Bicarbonate	**210**		5.00	mg/L	1	0120709	GM	07-Dec-20	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	0120709	GM	07-Dec-20	310.1	
Chloride*	**60.0**		4.00	mg/L	1	0120708	GM	07-Dec-20	4500-Cl-B	
Conductivity*	**651**		1.00	umhos/cm @ 25°C	1	0120707	GM	07-Dec-20	120.1	
pH*	**7.76**		0.100	pH Units	1	0120707	GM	07-Dec-20	150.1	
Temperature °C	**23.1**			pH Units	1	0120707	GM	07-Dec-20	150.1	
Sulfate*	**60.1**		10.0	mg/L	1	0120404	GM	10-Dec-20	375.4	
TDS*	**262**		5.00	mg/L	1	0120812	GM	11-Dec-20	160.1	
Alkalinity, Total*	**172**		4.00	mg/L	1	0120709	GM	07-Dec-20	310.1	
Green Analytical Laboratories										
Total Recoverable Metals by ICP (E200.7)										
Calcium*	**50.0**		0.500	mg/L	5	B202689	AES	11-Dec-20	EPA200.7	
Magnesium*	**16.0**		0.500	mg/L	5	B202689	AES	11-Dec-20	EPA200.7	
Potassium*	**2.20**	0.758	5.00	mg/L	5	B202689	AES	11-Dec-20	EPA200.7	
Sodium*	**54.9**		5.00	mg/L	5	B202689	AES	11-Dec-20	EPA200.7	

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Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SCHUBERT #7 Project Manager: BEN DONAHUE Fax To:	Reported: 15-Dec-20 16:38

Inorganic Compounds - Quality Control

Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 0111906 - General Prep - Wet Chem										
Blank (0111906-BLK1)				Prepared & Analyzed: 19-Nov-20						
Chloride	ND	4.00	mg/L							
LCS (0111906-BS1)				Prepared & Analyzed: 19-Nov-20						
Chloride	100	4.00	mg/L	100		100	80-120			
LCS Dup (0111906-BSD1)				Prepared & Analyzed: 19-Nov-20						
Chloride	100	4.00	mg/L	100		100	80-120	0.00	20	
Batch 0120404 - General Prep - Wet Chem										
Blank (0120404-BLK1)				Prepared: 04-Dec-20 Analyzed: 10-Dec-20						
Sulfate	ND	10.0	mg/L							
LCS (0120404-BS1)				Prepared: 04-Dec-20 Analyzed: 10-Dec-20						
Sulfate	21.0	10.0	mg/L	20.0		105	80-120			
LCS Dup (0120404-BSD1)				Prepared: 04-Dec-20 Analyzed: 10-Dec-20						
Sulfate	20.2	10.0	mg/L	20.0		101	80-120	3.94	20	
Batch 0120707 - General Prep - Wet Chem										
LCS (0120707-BS1)				Prepared & Analyzed: 07-Dec-20						
Conductivity	102000		uS/cm	100000		102	80-120			
pH	7.09		pH Units	7.00		101	90-110			
Duplicate (0120707-DUP1)	**Source: H003187-01**			Prepared & Analyzed: 07-Dec-20						
pH	7.00	0.100	pH Units		6.90			1.44	20	
Conductivity	262000	1.00	umhos/cm @ 25°C		262000			0.305	20	
Temperature °C	23.0		pH Units		23.0			0.00	200	

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Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SCHUBERT #7 Project Manager: BEN DONAHUE Fax To:	Reported: 15-Dec-20 16:38

Inorganic Compounds - Quality Control

Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 0120708 - General Prep - Wet Chem										
Blank (0120708-BLK1)				Prepared & Analyzed: 07-Dec-20						
Chloride	ND	4.00	mg/L							
LCS (0120708-BS1)				Prepared & Analyzed: 07-Dec-20						
Chloride	100	4.00	mg/L	100		100	80-120			
LCS Dup (0120708-BSD1)				Prepared & Analyzed: 07-Dec-20						
Chloride	104	4.00	mg/L	100		104	80-120	3.92	20	
Batch 0120709 - General Prep - Wet Chem										
Blank (0120709-BLK1)				Prepared & Analyzed: 07-Dec-20						
Alkalinity, Carbonate	ND	1.00	mg/L							
Alkalinity, Bicarbonate	5.00	5.00	mg/L							
Alkalinity, Total	4.00	4.00	mg/L							
LCS (0120709-BS1)				Prepared & Analyzed: 07-Dec-20						
Alkalinity, Carbonate	ND	2.50	mg/L				80-120			
Alkalinity, Bicarbonate	305	12.5	mg/L				80-120			
Alkalinity, Total	250	10.0	mg/L	250		100	80-120			
LCS Dup (0120709-BSD1)				Prepared & Analyzed: 07-Dec-20						
Alkalinity, Carbonate	ND	2.50	mg/L				80-120		20	
Alkalinity, Bicarbonate	318	12.5	mg/L				80-120	4.02	20	
Alkalinity, Total	260	10.0	mg/L	250		104	80-120	3.92	20	
Batch 0120812 - Filtration										
Blank (0120812-BLK1)				Prepared: 08-Dec-20 Analyzed: 11-Dec-20						
TDS	ND	5.00	mg/L							

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Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SCHUBERT #7 Project Manager: BEN DONAHUE Fax To:	Reported: 15-Dec-20 16:38

Inorganic Compounds - Quality Control

Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 0120812 - Filtration										
LCS (0120812-BS1)				Prepared: 08-Dec-20 Analyzed: 11-Dec-20						
TDS	532		mg/L	500		106	80-120			
Duplicate (0120812-DUP1)		**Source: H003187-03**		Prepared: 08-Dec-20 Analyzed: 11-Dec-20						
TDS	1090	5.00	mg/L		1160			5.88	20	

Cardinal Laboratories

*=Accredited Analy

Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SCHUBERT #7 Project Manager: BEN DONAHUE Fax To:	Reported: 15-Dec-20 16:38

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 B202689 - Total Rec. 200.7/200.8/200.2										
Blank (B202689-BLK1)				Prepared: 10-Dec-20 Analyzed: 11-Dec-20						
Magnesium	ND	0.100	mg/L							
Sodium	ND	1.00	mg/L							
Potassium	ND	1.00	mg/L							
Calcium	ND	0.100	mg/L							
LCS (B202689-BS1)				Prepared: 10-Dec-20 Analyzed: 11-Dec-20						
Calcium	3.93	0.100	mg/L	4.00		98.2	85-115			
Potassium	7.99	1.00	mg/L	8.00		99.9	85-115			
Sodium	3.32	1.00	mg/L	3.24		103	85-115			
Magnesium	20.4	0.100	mg/L	20.0		102	85-115			
LCS Dup (B202689-BSD1)				Prepared: 10-Dec-20 Analyzed: 11-Dec-20						
Magnesium	20.9	0.100	mg/L	20.0		104	85-115	2.36	20	
Calcium	4.02	0.100	mg/L	4.00		101	85-115	2.40	20	
Potassium	7.98	1.00	mg/L	8.00		99.8	85-115	0.164	20	
Sodium	3.37	1.00	mg/L	3.24		104	85-115	1.39	20	

Cardinal Laboratories

*=Accredited Anal

Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

Notes and Definitions

J	Estimated conentration. Analyte concentration between MDL and RL.
ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C
	Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Anal

Colby D. Keene, Lab Director/Quality Manager

Cardinal Laboratories

CHAIN-OF-CUSTODY

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

Company Name:	ETB Water Station
Project Manager:	
Address:	P.O. 5102
City:	Hobbs
State:	NM
Zip:	88241
Phone #:	575 393-3194
Fax #:	
Project #:	Schubert #7
Project Owner:	
Project Name:	Water Samples
Project Location:	Schubert #7 Brine Well
Sampler Name:	Ben Donahue

BILL TO

P.O. #:	
Company:	
Attn:	
Address:	
City:	
State:	Zip:
Phone #:	
Fax #:	

ANALYSIS REQUEST

Chlorides / Anions

FOR LAB USE ONLY Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP	# CONTAINERS	MATRIX: GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	PRESERV: ACID/BASE	ICE / COOL	OTHER	SAMPLING: DATE	TIME
H003193 1	Brine Water	G	1										12/3/20	11:45a
2	Fresh Water	G	1										12/3/20	11:48a
3	Monitor Well	G	1										12/3/20	11:47a

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 the client for the 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 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 services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.

Relinquished By:	Date: 12/4/20	Received By:	
Relinquished By:	Time: 2:00p	Received By:	
	Time:		

Verbal Result: ☐ Yes ☐ No Add'l Phone #:
All Results are emailed. Please provide Email address.
gar1mschubert@gmail.com
REMARKS:

Delivered By: (Circle One) Sampler - UPS - Bus - Other:
Observed Temp. °C 3
Corrected Temp. °C
Sample Condition: Cool ☑ Yes ☐ No; Intact ☑ Yes ☐ No
CHECKED BY: (Initials) T

Turnaround Time: Standard ☑
Thermometer ID #113
Correction Factor None
Bacteria (only) Sample Condition: Cool ☐ Yes ☐ No; Intact ☐ Yes ☐ No; Observed Temp. °C; Corrected Temp. °C

† Cardinal cannot accept verbal changes. Please email changes to celey.keene@cardinallabsnm.com

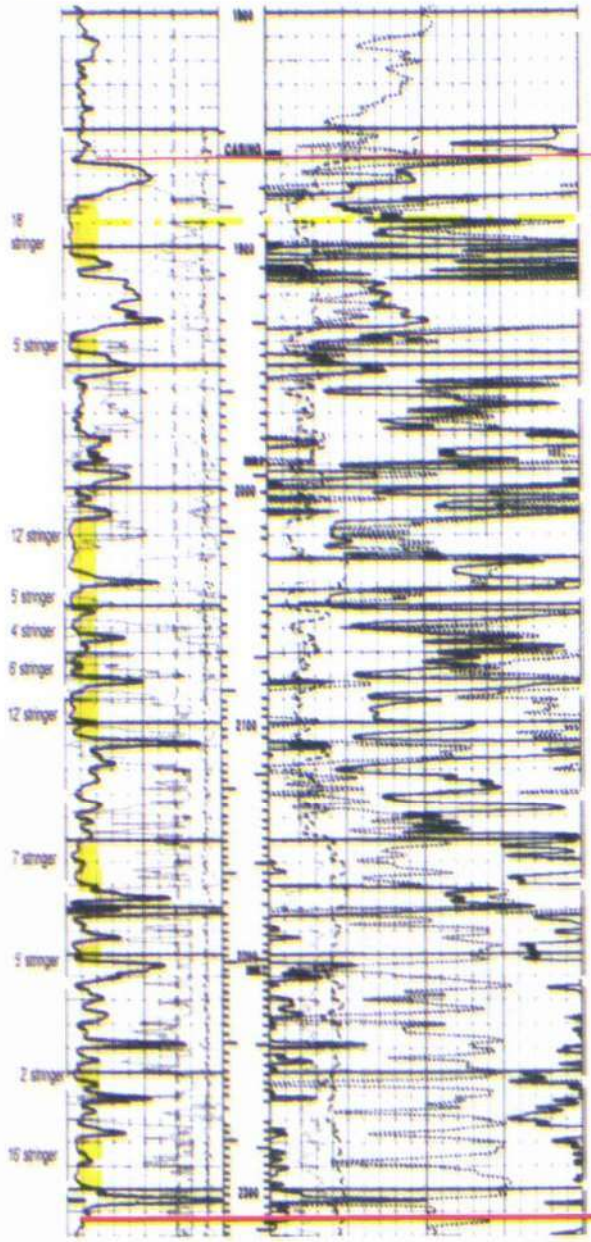
Schubert 7 Well No1

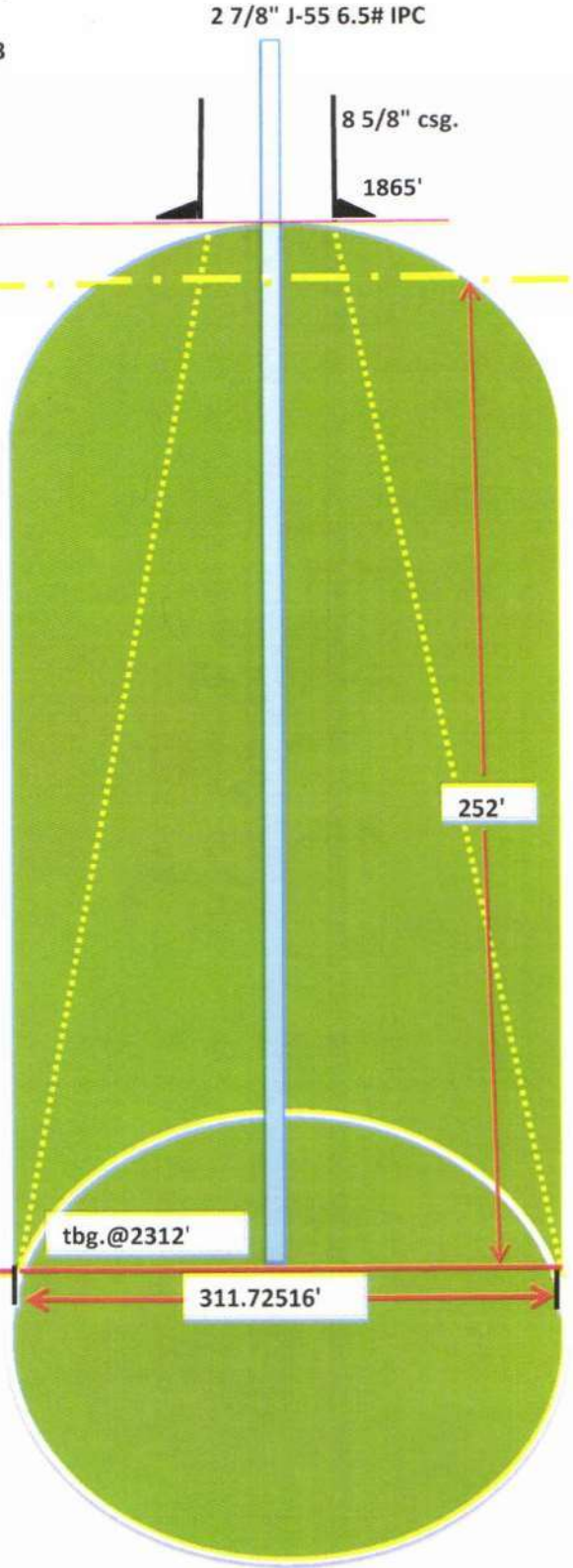
API 30-025-36781

J SEC7 T19S R39E

December 31,2020

LAT: 32.6738815 LONG:-103.0835953





PPG 9.97 brine

PPG 8.34 fresh

SG 1.1951

2006 to December 31, 2020 Total Brine 4,199,125 bbl.

122.136 LBS / BBL = 512,864,331 LBS HALITE

(512,864,331 LBS) / (80BLS per ft³) = 6,410,804.1375 ft³

$V = \pi r^2 h / 3$

$V = (3.14159 * 155.86258^2) * (252') / 3$

$V = 6,410,804 ft.^3$

Est. hight is 252'

Est. cavern floor diameter is 311.72516'

311.72516 / 1865 = 0.167145 factor value

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

COMMENTS

Action 106345

COMMENTS

Operator: HRC INC P.O. Box 5102 Hobbs, NM 88241	OGRID: 131652
	Action Number: 106345
	Action Type: [UF-DP] Discharge Permit (DISCHARGE PERMIT)

COMMENTS

Created By	Comment	Comment Date
cchavez	Annual Report 2020	7/6/2022

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CONDITIONS

Created By	Condition	Condition Date
cchavez	None	7/6/2022