From:
 McClure, Dean, EMNRD on behalf of Engineer, OCD, EMNRD

 To:
 McClure, Dean, EMNRD

 Subject:
 FW: SWD applications for Owl SWD Operating, LLC

 Date:
 Tuesday, January 7, 2020 10:18:10 AM

 Attachments:
 Spackler Supplemental Transmission.pdf _Czervik SupplementalTransmittal.pdf

Dean McClure Petroleum Specialist New Mexico Energy, Minerals and Natural Resources Department 1220 South St. Francis Drive Santa Fe, New Mexico 87505 (505) 476-3471

From: Ramona Hovey <ramona@lonquist.com>
Sent: Tuesday, January 7, 2020 10:03 AM
To: Engineer, OCD, EMNRD <OCD.Engineer@state.nm.us>
Subject: [EXT] RE: SWD applications for Owl SWD Operating, LLC

Dean,

Please find our responses to questions/concerns listed below. If you have any further questions, please don't hesitate to contact me.

Regards,

Ramona Hovey

Sr. Petroleum Engineer

Office: 512-600-1777 Cell: 512-585-0654 12912 Hill Country Blvd., Suite F-200, Austin, Texas, 78738 ramona@longuist.com · www.longuist.com

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From: McClure, Dean, EMNRD <<u>Dean.McClure@state.nm.us</u>> On Behalf Of Engineer, OCD, EMNRD
Sent: Monday, January 6, 2020 5:58 PM
To: Ramona Hovey <<u>ramona@lonquist.com</u>>
Subject: SWD applications for Owl SWD Operating, LLC

Hello Ms. Hovey,

I am currently reviewing SWD applications for the Spackler SWD 1 and Czervik SWD 1 proposed wells; both operated by Owl SWD Operating, LLC.

I have the same questions and concerns for both of these proposed wells.

What is the proposed open hole diameter?

The injection interval is including some of the Montoya. I will need an updated well diagram which does not include the Montoya in the injection interval.

The application indicates that the TOC for the liner will be determined by calculation. I will need to see something that indicates that Owl plans to use a CBL to determine the TOC for the liner.

I need to see a discussion about both the upper and lower confining layers and confirmation that a qualified person believes the layers are suitable to confine the proposed injection. Typically most companies consider the Woodford and Montoya to be the confining layers, but I would like to see confirmation that Owl believes that to be the case for these wells.

I need to see a signed statement from a qualified person fulfilling requirement XII of form C-108.

Fresh water wells are mentioned within the applications. Was water able to be retrieved from these wells? If so, I will need to see the analysis of those samples.

I presume these wells are for commercial use as defined by the water being injected will be coming from wells not owned by Owl. Please confirm this.

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[External email]