

5/09/2014 DATE IN	SUSPENSE	PRG ENGINEER	5/12/2014 LOGGED IN	SWD TYPE	PMA 1413232831 APP NO.
----------------------	----------	-----------------	------------------------	-------------	---------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

no violations
- inactive wells

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

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

Application Acronyms:

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

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

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

Check One Only for [B] or [C]

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

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

[D] Other: Specify _____

- SWD
- BC operating

Potential notification - edge of resources
NMSLO & BLM provided copies
no lease

BC Operating, Inc. holds
Berry SWD 1 within 1/2 mile
30-025-41703

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

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☒ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

+ Pool
Cherry Canyon only

2014 MAY - 9 PM 30
RECEIVED OGD

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

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

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

Brian Wood

Print or Type Name

Signature

Consultant

Title

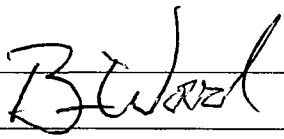
brian@permitswest.com

e-mail Address

5-9-13

Date

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance XXX Disposal Storage
Application qualifies for administrative approval? Yes No
- II. OPERATOR: BC OPERATING, INC.
ADDRESS: P. O. BOX 50820, MIDLAND TX 79710
CONTACT PARTY: BRIAN WOOD (PERMITS WEST, INC.) PHONE: 505 466-8120
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? Yes XXX No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
Berry SWD 1
30-025-41703
SWD; Cherry Canyon
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- ~~XIII. Applicants must complete the "Proof-of-Notice" section on the reverse side of this form.~~
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: BRIAN WOOD  TITLE: CONSULTANT
SIGNATURE: _____ DATE: SEPT. 18, 2014
E-MAIL ADDRESS: brian@permitswest.com
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and;
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

INJECTION WELL DATA SHEET

OPERATOR: BC OPERATING, INC.WELL NAME & NUMBER: BERRY SWD 1WELL LOCATION: 1620 FSL & 304 FEL

FOOTAGE LOCATION

I

UNIT LETTER

35

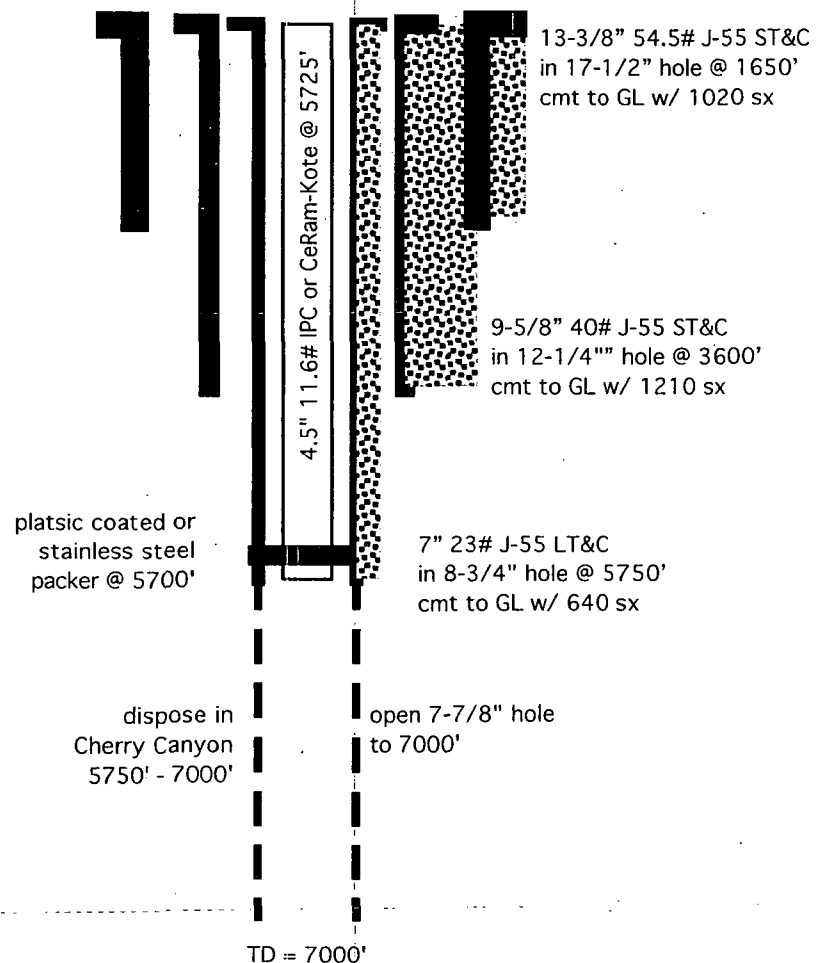
SECTION

20 S

TOWNSHIP

34 E

RANGE

WELLBORE SCHEMATIC

(not to scale)

WELL CONSTRUCTION DATASurface Casing

Hole Size: 17-1/2" Casing Size: 13-3/8"
 Cemented with: 1020 sx. *or* 1514 ft³
 Top of Cement: SURFACE Method Determined: CIRCULATE

Intermediate Casing

Hole Size: 12-1/4" Casing Size: 9-5/8"
 Cemented with: 1,210 sx. *or* 1831 ft³
 Top of Cement: SURFACE Method Determined: CIRCULATE

Production Casing

Hole Size: 8-3/4" Casing Size: 7"
 Cemented with: 640 sx. *or* 1022 ft³
 Top of Cement: SURFACE Method Determined: CIRCULATE
 Total Depth: 7,000'

Injection Interval (OPEN HOLE)5,750' feet to 7,000'(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 4-1/2" Lining Material: IPC OR CERAM-KOTE

Type of Packer: IPC OR STAINLESS STEEL

Packer Setting Depth: ≈5,700'

Other Type of Tubing/Casing Seal (if applicable):

Additional Data

1. Is this a new well drilled for injection? XXX Yes No

If no, for what purpose was the well originally drilled?

2. Name of the Injection Formation: CHERRY CANYON

3. Name of Field or Pool (if applicable): SWD; CHERRY CANYON (97003)

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. N/A

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

OVER: YATES (3,680')

UNDER: BONE SPRING (>8,615')

BC OPERATING, INC.

PAGE 1

BERRY SWD #1

1620' FSL & 304' FEL SEC. 35, T. 20 S., R. 34 E.

LEA COUNTY, NEW MEXICO

30-025-41703

I. Goal is to drill a 7,000' deep commercial saltwater disposal well. Proposed disposal interval will be 5,750' - 7,000' in the Cherry Canyon sand. Pool is the SWD; Cherry Canyon (97003).

II. Operator: BC Operating, Inc. (OGRID 160825)
Operator phone number: (432) 684-9696
Operator address: P. O. Box 50820, Midland TX 79710
Contact for Application: Brian Wood (Permits West, Inc.)
Phone: (505) 466-8120

III. A. (1) Lease: fee
Lease Size: 320 acres (see Exhibit A for map and C-102)
Closest Lease Line: 304'
Lease Area: E2 Section 35, T. 20 S., R. 34 E.

A. (2) Surface casing (13-3/8", 54.5#, J-55, STC) will be set at 1,650' in a 16" hole and cemented to the surface with 1,020 sacks.

Intermediate casing (9-5/8", 40#, J-55, STC) will be set at 3,600' in a 12-1/4" hole and cemented with 1,275 sacks to the surface.

Production casing (7", 23#, J-55, LTC) will be set at 5,750' in 8-3/4" hole and cemented to the surface with 640 sacks.

A 6-1/8" hole will be drilled to a TD of 7,000'. Well will be completed open hole in the Cherry Canyon. TD will be 270' above the Brushy Canyon.

A. (3) Tubing will be 4.5", 11.6#, J-55, IPC, perhaps CeRam-Kote. Setting depth will be \approx 5,725'. (Disposal interval will be 5,750' to 7,000').

A. (4) A plastic coated or stainless packer will be set at \approx 5,700' (\approx 50' above the highest proposed perforation of 5,750').

BERRY SWD #1

1620' FSL & 304' FEL SEC. 35, T. 20 S., R. 34 E.

LEA COUNTY, NEW MEXICO

30-025-41703

- B. (1) Disposal zone will be the SWD; Cherry Canyon (97003).
- B. (2) Disposal interval will be 5,750' - 7,000' in the Cherry Canyon sand.
- B. (3) Well has not yet been drilled. Goal is to complete it as a disposal well.
- B. (4) Well will be completed open hole.
- B. (5) Closest Delaware production is 7,639' northeast. Closest Delaware pool (Laguna Valley; Delaware (96694)) is 6,307' northeast. The only producing zone in the area of review and above the Cherry Canyon is the Yates at a depth of 3,672'. The only production below the Cherry Canyon in the area of review is the 1st Bone Spring at a depth of 9,682'. Morrow production was found at a depth of 13,671' in a well ¼ mile outside the area of review.

IV. This is not an expansion of an existing injection project. It is disposal only.

V. Exhibit B shows the 7 existing wells (4 oil and 3 P & A) within a half-mile radius. Exhibit C shows all 134 existing wells (50 oil or gas wells + 66 P & A wells 5 disposal or injection wells + 13 water wells or windmills) within a two-mile radius.

Exhibit D shows all leases and lessors (BLM, fee, and State) within a half-mile radius. Exhibit E shows all leases and lessors (BLM, fee, and State) within a two-mile radius. Details on the leases within a half-mile radius are:

<u>T. 20 S., R. 34 E.</u>	<u>Lessor</u>	<u>Lease Number</u>	<u>Lessee(s)</u>
E2 Sec. 35	fee	fee	Sundown & ConocoPhillips
SESW & NESW Sec. 35	BLM	NMNM-002127A	Black & Dechicchis
SESW Sec. 35	BLM	NMNM-129266	Cimarex
W2NW4 Sec. 36	NMSLO	VO34740000	BTA
SESW Sec. 36	NMSLO	BO22870003	Kerr-McGee
SW4 Sec. 36	NMSLO	VB13900001	COG
<u>T. 21 S., R. 33 E.</u>	<u>Lessor</u>	<u>Lease Number</u>	<u>Lessee(s)</u>
Lots 1-3 Sec. 1	NMSLO	VB13820001	Concho & COG

BC OPERATING, INC.

PAGE 3

BERRY SWD #1

1620' FSL & 304' FEL SEC. 35, T. 20 S., R. 34 E.

LEA COUNTY, NEW MEXICO

30-025-41703

T. 21 S., R. 34 E.

Lot 4 Sec. 6

Lessor

NMSLO

Lease Number

VB13840001

Lessee(s)

GM

VI. Seven existing wells are within a 2,640' radius. Three of the seven wells penetrated the Cherry Canyon. BC will dispose in the Cherry Canyon. A summary of the penetrators is attached as Exhibit F. Wells in or near the area of review are:

OPERATOR	WELL	API #	LOCATION	ZONE(S)	STATUS	TVD	DISTANCE (FT)
Cimarex	Lynch 35 1H	3002540825	A-35-20s-34e	Bone Spring	Oil	11293	380
COG	Stratosphere 36 State 1H	3002540618	I-36-20s-34e	Bone Spring	Oil	11690	693'
Phillips	Neal 2 (A)	3002502512	I-35-20s-34e	Yates - Seven Rivers	P & A	3825	939
Cimarex	Lynch 35 2H	3002540750	B-35-20s-34e	Bone Spring	Oil	11316	1333
Getty Oil	Lynch 36 State 1	3002527496	E-36-20s-34e	Yates - Seven Rivers	P & A	3878	1936
Phillips	Neal 1	3002502511	J-35-20s-34e	Yates - Seven Rivers	P & A	3775	2006
Burk	Neal 4	3002502502	H-35-20s-34e	Yates - Seven Rivers	Oil	3820	2096
Burk	Neal 2 (B)	3002502500	G-35-20s-34e	Yates - Seven Rivers	P & A	3819	2843

- VII. 1. Average injection rate will be $\approx 15,000$ bwpd.
Maximum injection rate will be 20,000 bwpd.
2. System will be open. Water will be trucked to the well.
3. Average injection pressure will be $\approx 1,100$ psi. Maximum injection pressure will be 1,150 psi ($= 0.2$ psi/foot $\times 5,750'$ (top of open hole)).
4. There have been no reports of problems disposing into the two closest active Cherry Canyon SWD wells. At least 253,194 barrels have been disposed at the Lightning 1 State SWD 1 (30-025-40917) that is

SWD-1373: COG
perfo 5550 to 7450

PERMITS WEST INC.
PROVIDING PERMITS for LAND USERS

BC OPERATING, INC.

BERRY SWD #1

1620' FSL & 304' FEL SEC. 35, T. 20 S., R. 34 E.

LEA COUNTY, NEW MEXICO

PAGE 4

30-025-41703

SWD-1374
COG
perforations
5550-7175

15,925' south. At least 450,271 barrels have been disposed at the Corazon 4 State SWD 1 (30-025-40944) that is 17,436' southwest. Both wells dispose into the Brushy Canyon ~~foo~~2

Main source of the disposal water will be produced water from Bone Spring wells. However, BC will accept produced water from other zones too. A summary of nearby water analyses (Exhibit G) follows.

Well	Neal 1	Ling Federal 1	not specified*	not specified**	Ling Federal 4	Ling Federal 2
API #	3002502499	3002528064	ditto*	ditto**	3002538748	3002530336
Location	B-35-20s-34e	G-31-19s-34e	ditto*	ditto**	J-31-19s-34e	L-31-19s-34e
Formation	Yates	Delaware	Delaware	Bone Spring	Wolfcamp	Morrow
Parameter mg/l						
barium				0	0	
bicarbonate	244	120	134	153	49	80
calcium	1760	3200	15900	5727	5176	1800
carbonate					0	
chloride	46000	25000	139500	89000	46550	9000
iron	97.6	nil	light	17	21	nil
H2S						
magnesium	1458	150	9300	1093	59	nil
pH	6.4	7.9	6.2	6.37	6.47	6.6
sodium				44933	24127	
specific gravity	1.055	1.035	1.17	1.0961	1.076	1.01
strontium						
sulfate	7268	3300	light	275	96	light
sulfide					0	
TDS	85317		164700	137770	76078	
total hardness	10400				5272	

BC OPERATING, INC.

BERRY SWD #1

1620' FSL & 304' FEL SEC. 35, T. 20 S., R. 34 E.

LEA COUNTY, NEW MEXICO

PAGE 5

30-025-41703

			*from Hamon Federal 1 3002530848 B-7-20s-34e SWD-1468 application	**from Quail State 16 #2 3002539340 N-16-20s- 34e SWD- 1453 application		
--	--	--	---	--	--	--

5. Closest Delaware production is 7,639' northeast in Nearburg's Federal L 1 (30-025-20811). Cumulative production from 2004-2013 is 5,559 barrels of oil and 2,793 MCF of gas. Production in 2013 averaged 0.59 bopd and 1.67 Mcfd. Closest Delaware pool (Laguna Valley; Delaware (96694)) is 6,307' northeast.

VIII. The Cherry Canyon sand, based on an evaluation of the Federal C 1 well in NENW 35-20s-34e, is $\approx 750'$ thick and has very good porosity. It tested 100% water during a drill stem test. The 15,080' deep Federal C 1 (30-025-23578) is 4,239' northwest.

The Federal C 1 Completion Report listed "salty sulf wtr" in the Yates and Seven Rivers, "salty sulf wtr" in the Capitan reef, "salty wtr (157,000 ppm)" in the Bell Canyon, and "salty wtr (95,000 ppm)" in the Brushy Canyon. There is a 3,000' interval of multiple salt and anhydrite above the top perforation.

Closest possible underground sources of drinking water above the proposed disposal interval are the Quaternary and red beds at and near the surface. Water sands were reported at 60' and at 775' in oil wells the NW4 of Section 35. No water well is within a 1,610-meter (5,280') radius according to the Office of the State Engineer (Exhibit H) and a November 19, 2013 field inspection. Closest water well is $\approx 6,130'$ southeast. No underground source of drinking water is below the proposed disposal interval.

Formation tops are:

Capitan
protectable

Quaternary = 0'

Rustler = 1,710'

Salado = 2,140'

bottom of potash ore zone = 3,240'*

(*closest potash lease is >9 miles west or northwest)

Santa Rosa ss ~ 1150'

four artesian in area

BC OPERATING, INC.

BERRY SWD #1

1620' FSL & 304' FEL SEC. 35, T. 20 S., R. 34 E.

LEA COUNTY, NEW MEXICO

PAGE 6

30-025-41703

bottom of salt = 3,490'

Tansill = 3,540'

Yates = 3,680'

[Capitan = 3,850' < 10,000 mg/L

Delaware = 5,580'

Cherry Canyon = 5,750'

TD = 7,000'

Brushy Canyon = 7,170'

There will be $\approx 5,000'$ of vertical separation and the salt and anhydrite interval between the bottom of the only likely underground water source (Quaternary and red beds) and the top of the Cherry Canyon. The Ogallala is not present. It is more than 7 miles northeast (Exhibit H).

A minimum of 703,465 barrels of produced water have been disposed into the Cherry and Brushy Canyon zones at two saltwater disposal wells within a 3.3 mile radius in less than 1 year.

IX. The well will be stimulated with acid to clean out scale or fill.

X. Compensated neutron density and resistivity logs will be run.

XI. Based on a November 19, 2013 field inspection and a review of the State Engineer's records, no water well is within a one-mile radius. A water well that is 1-1/4 mile southwest was sampled and the analysis is in Exhibit H.

Endorsed by Jason Wacker, P.E. BC Operating/Midland 432-684-9696

XII. BC Operating, Inc. is not aware of any geologic or engineering data which may indicate the Cherry Canyon is in hydrologic connection with any underground sources of water. There are 12 Cherry Canyon saltwater disposal wells active in New Mexico. Closest fault (Guadalupe) is more than 90 miles southwest (Exhibit I).

Confirmed in phone conversation regarding

BC OPERATING, INC.

BERRY SWD #1

1620' FSL & 304' FEL SEC. 35, T. 20 S., R. 34 E.

LEA COUNTY, NEW MEXICO

PAGE 7

30-025-41703

XIII. A legal ad (see Exhibit J) was published on April 24, 2014. Notice (this application) has been sent (Exhibit K) to the surface owner (Daniel C. Berry III) and all leasehold operators or other affected persons (Black, BLM, BTA, Burk, Cimarex, COG Concho, ConocoPhillips, Dechicchis, GMT, Kerr-McGee, Magnum Hunter, NM State Land Office, & Sundown) within a half-mile.

DISTRICT I
1625 N. French Dr., Hattiesburg, MS 39400

DISTRICT II
1301 W. Grand Avenue, Astoria, NH 03210

DISTRICT III
1000 REP. HOUSE, R.F. AUSTIN, SM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87503

State of New Mexico
Energy, Minerals & Natural Resources Department

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

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

(Brushy Canyon deleted)

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-41703	Pool Code 97003	Pool Name SWD; Cherry Canyon
Property Code 40429	Property Name BERRY SWD	Well Number #1
OGUID No. 160825	Operator Name BC OPERATING, INC.	Elevation 3782'

Surface Location

Oil or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	35	20-S	34-E		1620	SOUTH	304	EAST	LEA

Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Areas	Joint or Infill	Consolidation Code		Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div style="border: 1px solid black; width: 100%; height: 100%; position: relative;"> <!-- Grid representation --> <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%);"> <p>Plane Coordinate X = 749,807.9 Y = 556,263.1</p> </div> <div style="position: absolute; bottom: 50px; right: 50px; text-align: center;"> <p>3767.3' 3777.3' 3784.2' 3784.3' 1620'</p> </div> </div>	<div style="border: 1px solid black; padding: 5px;"> <p align="center">OPERATOR CERTIFICATION</p> <p><small>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief and that this operation either owns a working interest or unless mineral interest in the land including the proposed before hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</small></p> <div style="display: flex; justify-content: space-between;"> <div style="flex: 1;"> </div> <div style="flex: 1; text-align: right;"> <p>5-9-14</p> </div> </div> <hr/> <div style="display: flex; justify-content: space-between;"> <p>Signature</p> <p>Date</p> </div> <hr/> <p>Brian Wood brian@permitswest.com</p> </div> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p align="center">SURVEYOR CERTIFICATION</p> <p><small>I hereby certify that the well location shown on this plat and notes of actual survey under my supervision and that the same is true and correct to the best of my belief.</small></p> <div style="text-align: center; border: 2px solid black; border-radius: 50%; padding: 10px; margin: 10px auto; width: 100px;"> EXHIBIT A </div> <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="flex: 1;"> <p align="center">October 24, 2013</p> <p><small>Date of Survey</small></p> </div> <div style="flex: 1; text-align: right;"> <p>SJA</p> <p><small>Signature & Seal of Professional Surveyor</small></p> </div> </div> <div style="text-align: center; margin-top: 20px;"> </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 10px;"> <div style="flex: 1;"> <p>W.C. Num. 2013-1640</p> </div> <div style="flex: 1; text-align: right;"> <p>Certificate No. 12185</p> </div> </div> </div>
---	---

NOTE:

1) Plane Coordinates shown hereon are Transverse Mercator Grid and Conform to the "New Mexico Coordinate System", New Mexico East Zone, North American Datum of 1927. Distances shown hereon are mean horizontal surface values.

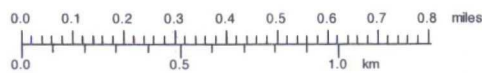
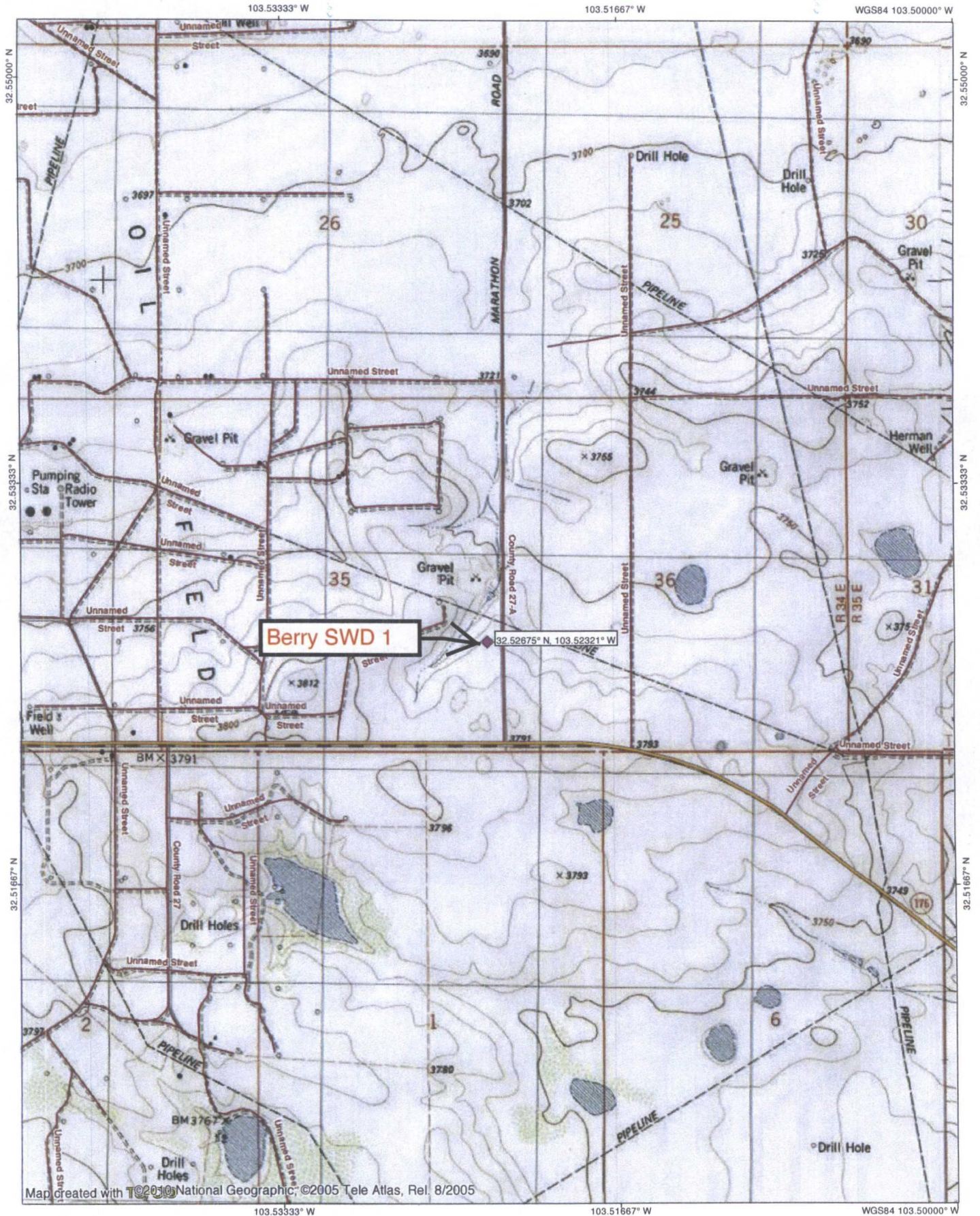


EXHIBIT A

TN MN
7°
03/30/14

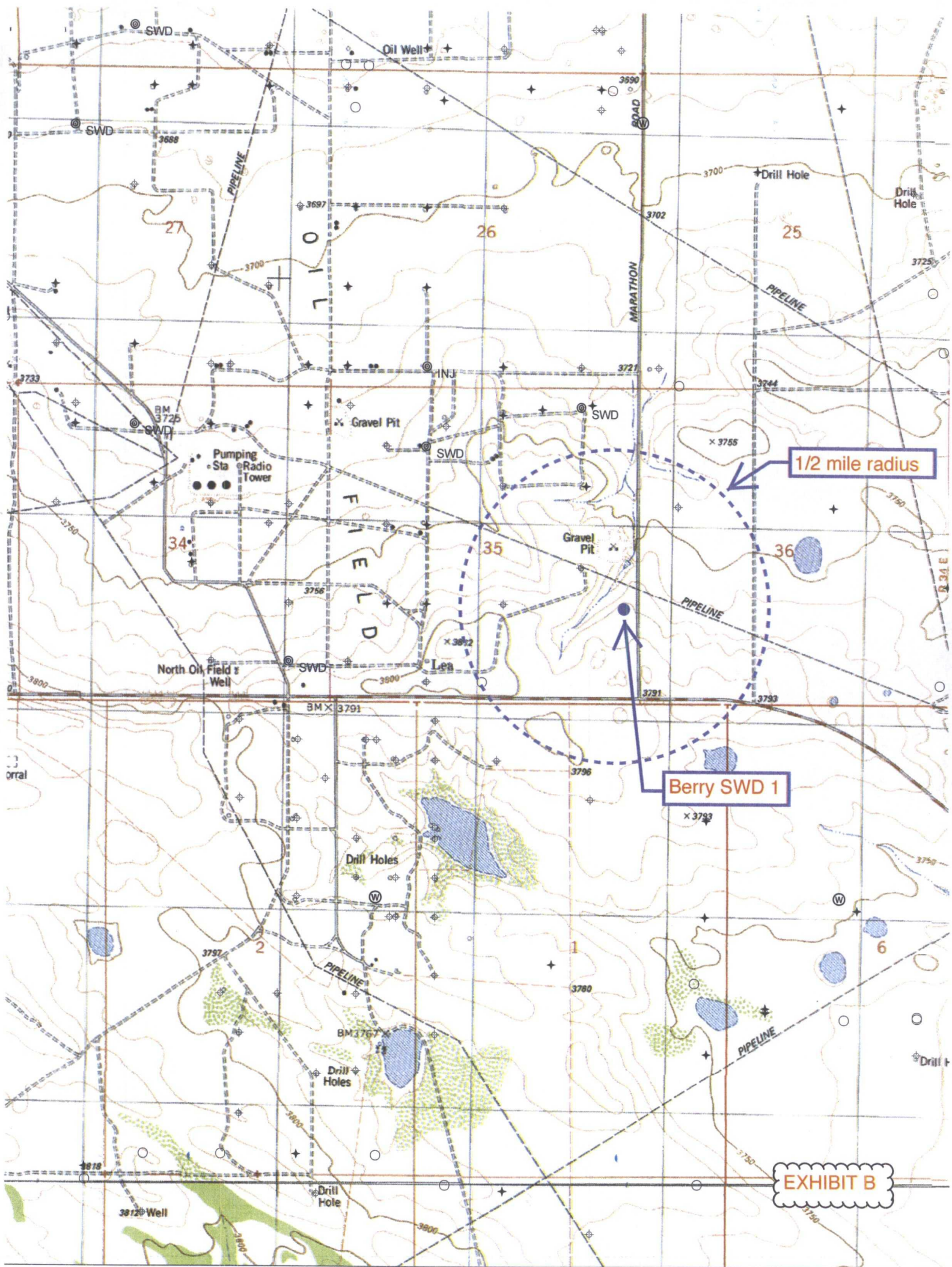
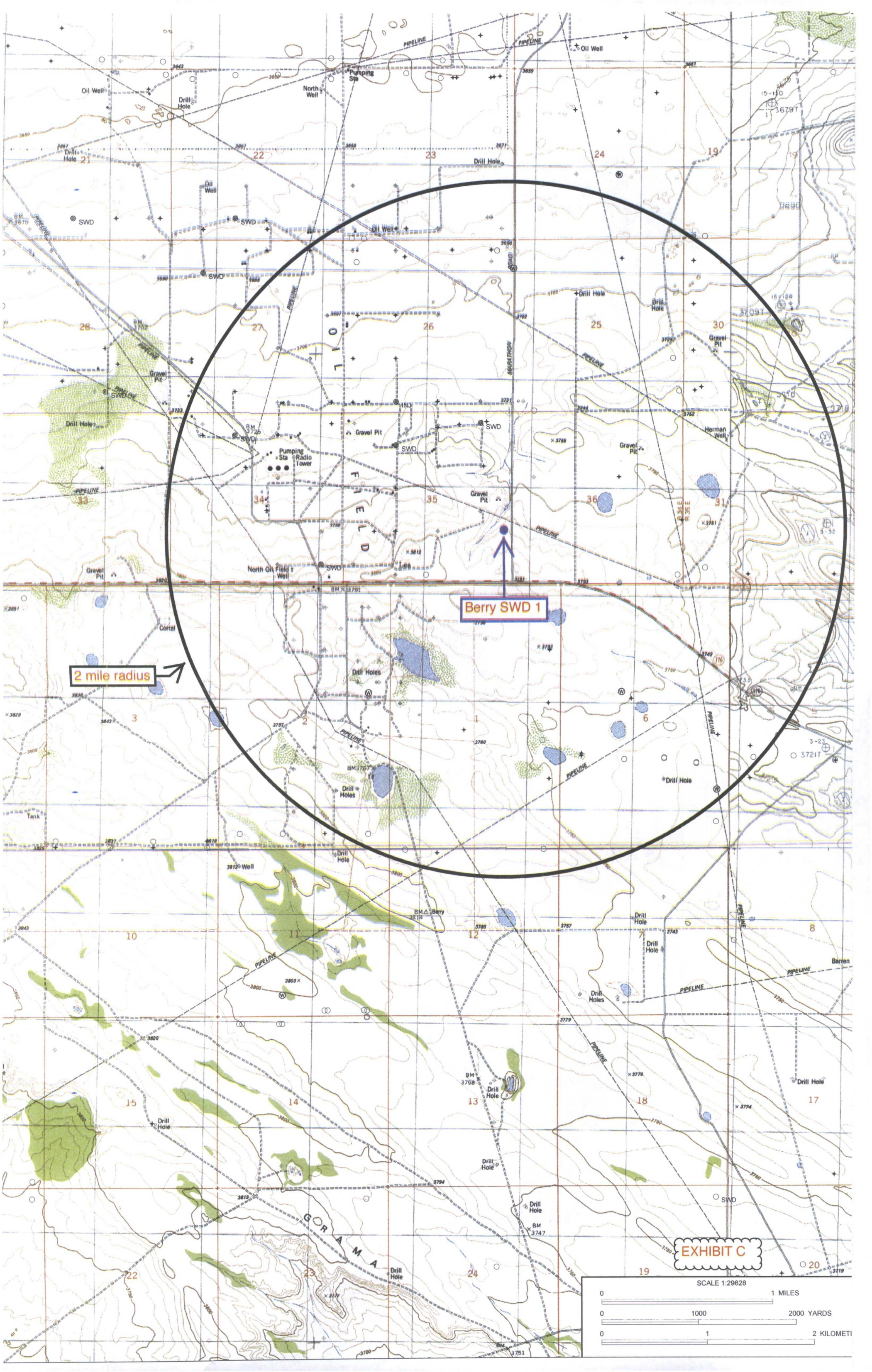


EXHIBIT B

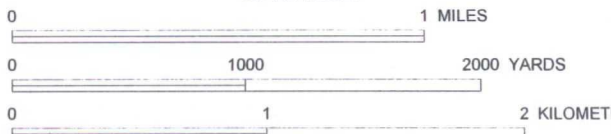


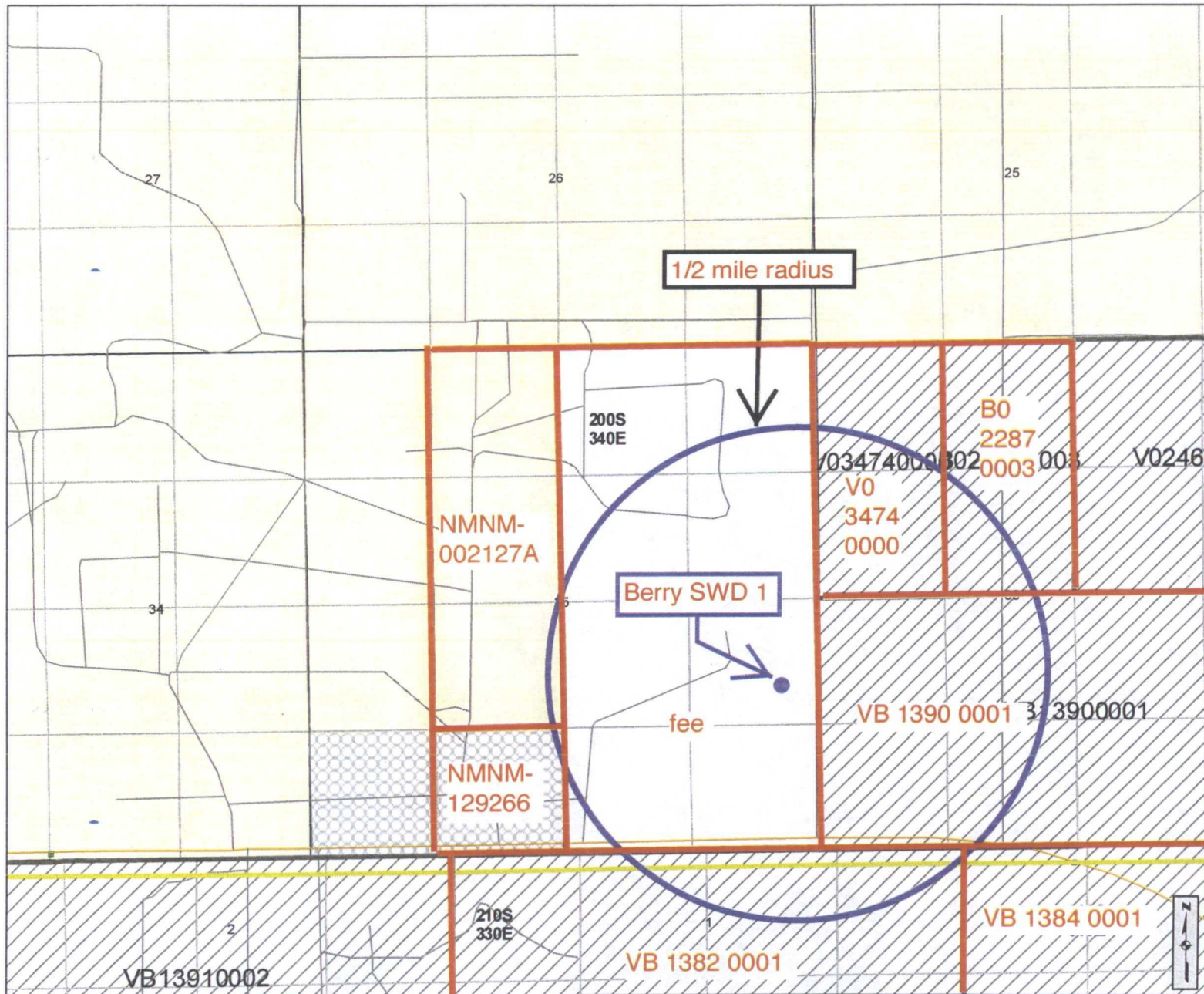
Berry SWD 1

2 mile radius

EXHIBIT C

SCALE 1:29628





Cartographic Features

- County Boundaries
- County Seats
- City, Town or Village
- SLO District Offices
- SLO District Boundary
- Hwy Mileposts
- Interstate
- US Hwy
- NM Hwy
- Local Road
- Continental Divide

Federal Minerals Ownership

- All Minerals
- Coal Only
- Oil and Gas Only
- Oil, Gas and Coal Only
- Other Minerals

State Trust Lands

- Surface Estate
- Subsurface Estate
- Surface and Subsurface Estate

State Leases

- Oil and Gas Leases
- Agricultural Leases
- Commercial Leases
- Minerals Leases
- Not Available for Oil and Gas Leasing
- Oil and Gas Leasing Influenced by Restriction

Oil and Gas Related Features

- Oil and Gas Unit Boundary
- Participating Areas in Units
- Geologic Regions
- Volcanic Vents
- NMOCD Order R-11 I-P Potash Enclave Outline

NMOCD Oil and Gas Wells

- CO₂
- Injection
- Oil
- Water
- Gas
- Miscellaneous
- Salt Water Disposal
- DA or PA

New Mexico State Land Office Oil, Gas and Minerals

0 0.04 0.09 0.18 0.27 0.36
Miles

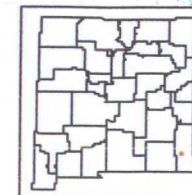
Universal Transverse Mercator Projection, Zone 13
1983 North American Datum

EXHIBIT D

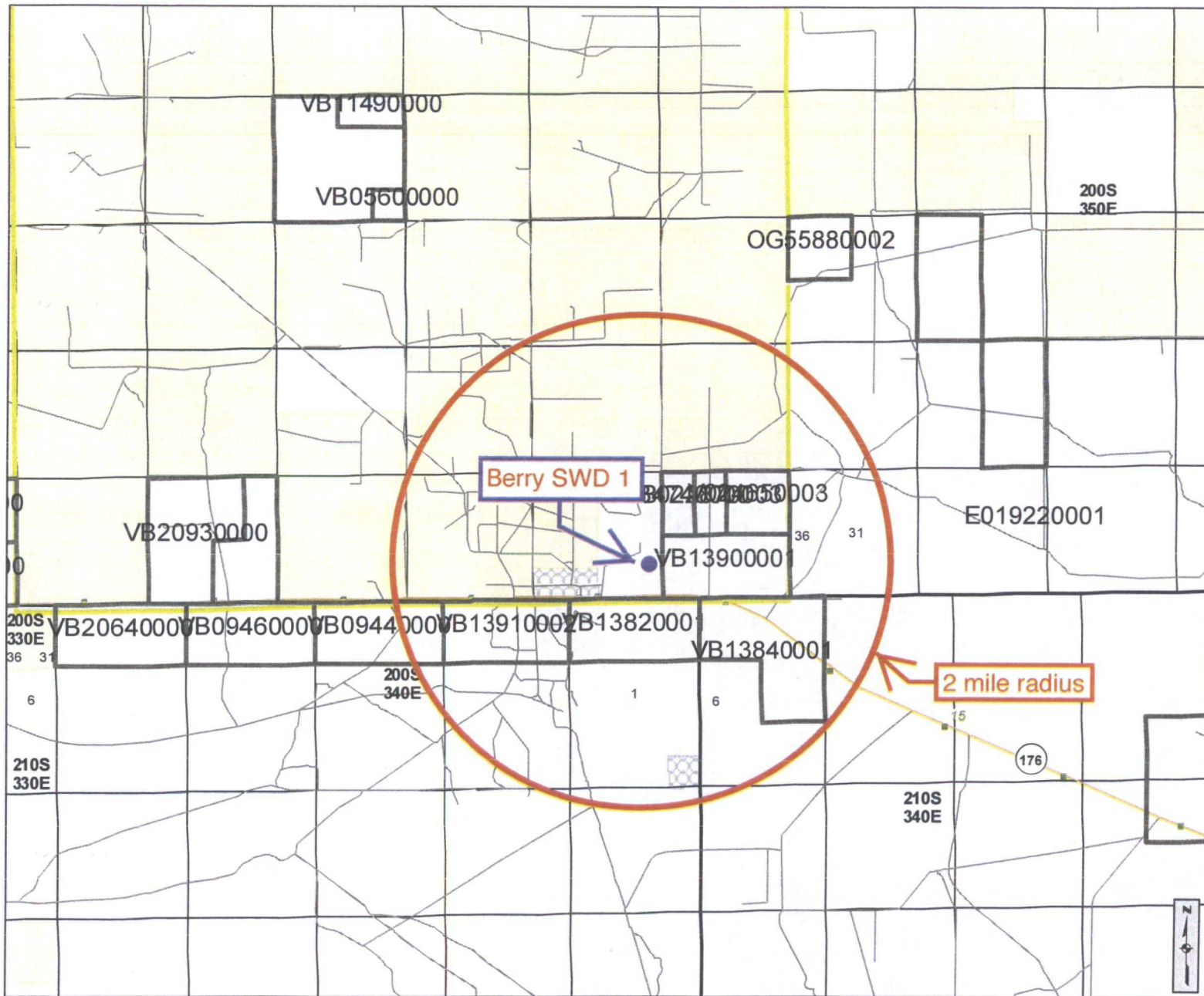
The New Mexico State Land Office assumes no responsibility or liability for, or in connection with, the accuracy, reliability or use of the information provided here, in State Land Office data layers or any other data layer.

Land Office Geographic Information Center
logic@slo.state.nm.us

Created On: 2/19/2014 6:46:20 PM



www.nmstatelands.org



Cartographic Features

- County Boundaries
- County Seats
- City, Town or Village
- SLO District Offices
- SLO District Boundary
- Hwy Mileposts
- Interstate
- US Hwy
- NM Hwy
- Local Road
- Continental Divide

Federal Minerals Ownership

- All Minerals
- Coal Only
- Oil and Gas Only
- Oil, Gas and Coal Only
- Other Minerals

State Trust Lands

- Surface Estate
- Subsurface Estate
- Surface and Subsurface Estate

State Leases

- Oil and Gas Leases
- Agricultural Leases
- Commercial Leases
- Minerals Leases
- Not Available for Oil and Gas Leasing
- Oil and Gas Leasing Influenced by Restriction

Oil and Gas Related Features

- Oil and Gas Unit Boundary
- Participating Areas in Units
- Geologic Regions
- Volcanic Vents
- NMOCD Order R-111-P
- Potash Enclave Outline

NMOCD Oil and Gas Wells

- CO₂
- Injection
- Oil
- Water
- Gas
- Miscellaneous
- Salt Water Disposal
- DA or PA

New Mexico State Land Office

Oil, Gas and Minerals

0 0.2 0.4 0.8 1.2 1.6 Miles

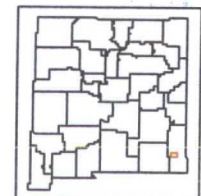
Universal Transverse Mercator Projection, Zone 13
1983 North American Datum

EXHIBIT E

The New Mexico State Land Office assumes no responsibility or liability for, or in connection with, the accuracy, reliability or use of the information provided here, in State Land Office data layers or any other data layer.

Land Office Geographic Information Center
logc@slo.state.nm.us

Created On: 2/19/2014 6:42:20 PM



www.nmstatelands.org

Sorted by Distance from Berry SWD 1

WELL	SPUD	TVD	POOL	WELL TYPE	HOLE O.D.	CASING O.D.	SET @	CEMENT	TOC	HOW DETERMINED
Lynch 35 1H	6/6/13	11293	Berry; Bone Spring, North	O	17.5	13.375	1680	1570 sx	GL	690 sx circulated ✓
30-025-40825					12.25	9.625	<u>3760</u>	3297 sx	GL	467 sx circulated
A-35-20s-34e					8.5	5.5	15020	2205	4748	wireline ✓
Stratosphere 36 State 1H	12/12/12	11690	Berry; Bone Spring, North	O	17.5	13.375	<u>1850</u>	1090	GL	152 sx circulated
30-025-40618					12.25	9.625	<u>5797</u>	2500	3650	temperature survey
I-36-20s-34e					7.785	5.5	15534	2270	GL	circulated 93 sx
Lynch 35 2H	1/13/13	11316	Berry; Bone Spring, North	O	17.5	13.375	1682	1290	GL	53 bbl circulated
30-025-40750					12.25	9.625	<u>5592</u>	2765	GL	955 sx circulated
B-35-20s-34e					8.5	5.5	15616	2520	1975	not reported

Bottom of interval sealed

TRETOLITE DIVISION

389 Marshall Avenue / Saint Louis, Missouri 63119
(314) WD 1-2500 / TWX 910-760-1650 / Telex 44-2417

WATER ANALYSIS REPORT

COMPANY Burk Royalty Oil Co. ADDRESS Hobbs N.M. DATE 1-7-72
SOURCE Neal #1 (Lynch Field) DATE SAMPLED _____ ANALYSIS NO. 5692
Analysis _____ Mg/L _____ *Meq/L _____

1. PH 6.4
2. H₂S (Qualitative) Neg.
3. Specific Gravity 1.055
4. Dissolved Solids 85,317
5. Suspended Solids _____
6. Phenolphthalein Alkalinity (CaCO₃) 200
7. Methyl Orange Alkalinity (CaCO₃) _____
8. Bicarbonate (HCO₃) 244 ÷ 61 4.0 HCO₃
9. Chlorides (Cl) 16,000 ÷ 35.5 1,296 Cl
10. Sulfates (SO₄) 7,268 ÷ 48 151 SO₄
11. Calcium (Ca) 1,760 ÷ 20 88 Ca
12. Magnesium (Mg) 1,458 ÷ 12.2 120 Mg
13. Total Hardness (CaCO₃) 10,400
14. Total Iron (Fe) 97.6 ppm
15. Barium (Qualitative) _____
16. _____
*Milli equivalents per liter

Yates sample

PROBABLE MINERAL COMPOSITION

Compound	Equiv. Wt.	X	Meq/L	=	Mg/L
Ca					
Mg					
Na					
HCO ₃					
SO ₄					
Cl					
Ca (HCO ₃) ₂	81.04		4.0		324
Ca SO ₄	68.07		84		5,720
Ca Cl ₂	55.50				
Mg (HCO ₃) ₂	73.17				
Mg SO ₄	60.19		67		1,033
Mg Cl ₂	47.42		53		2,520
Na HCO ₃	84.00				
Na ₂ SO ₄	71.03				
Na Cl	58.46		1,243		72,720*

Saturation Values Distilled Water 20°C
Ca CO₃ 13 Mg/L
Ca SO₄ • 2H₂O 2,090 Mg/L
Mg CO₃ 103 Mg/L

REMARKS

Mr. Dan Berry

(1) Copy 800 Oil & Gas Bldg. Wichita Falls, Texas 76301

CC: Ligon, Worsham, Farish, File

Respectfully submitted
TRETOLITE COMPANY
Ray Shaffner

EXHIBIT G

HALLIBURTON DIVISION LABORATORY
HALLIBURTON SERVICES
MIDLAND DIVISION
HOBBS, NEW MEXICO 88240
LABORATORY WATER ANALYSIS

No. W83-078To David FaskenDate 1-20-83807 1st National Bank BuildingMidland, Texas

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by _____ Date Rec. 1-20-83Well No. Ling Federal #1 Depth 6,236' Formation DelawareCounty Lea Field W. Hobbs Source DST #1

	Sampler	Tool Top	Top of Fluid
Resistivity	0.167 @ 70°F.	0.168 @ 70°F.	0.220 @ 60°F.
Specific Gravity	1.035		
pH	7.9		
Calcium (Ca)	3,200		*MPL
Magnesium (Mg)	150		
Chlorides (Cl)	25,000	24,000	18,500
Sulfates (SO ₄)	3,300		
Bicarbonates (HCO ₃)	120		
Soluble Iron (Fe)	Nil		

Pit Sample - Res. @ 70°F. - 0.247 Chlorides, impl - 15,000

Remarks:

*Milligrams per liter

Respectfully submitted,

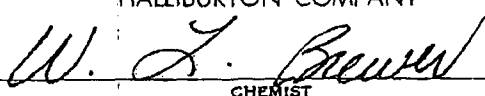
EXHIBIT G

Analyst: Brewer

HALLIBURTON COMPANY

cc:

By



CHEMIST

NOTICE

THIS REPORT IS LIMITED TO THE DESCRIBED SAMPLE TESTED. ANY USER OF THIS REPORT AGREES THAT HALLIBURTON SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE, WHETHER IT BE TO ACT OR OMISSION, RESULTING FROM SUCH REPORT OR ITS USE.

ATTACHMENT
QUAIL RIDGE (DELAWARE) WATER PRODUCED

Resistivity.....0.052 @ 60° F
Specific GR.....1.170✓
pH.....6.2
Calcium.....15900
 Ca
Magnesium.....9300
 Mg
Chlorides.....139500
 Cl
Sulfates.....light
 SO4
Bicarbonates.....134
 HCO3
Soluble Iron.....light
 Fe

} 164,700 mg/L

Pool Merge Regd. 2
11-2-25

From 50563
TO 37584

AP✓

EXHIBIT G



1004 S. Plainsman Road
Marlow, OK 73055
Ph.: 800- 256-4703
Fx.: (580)-658-3223

Test: FS-0032-0213
Date: 2/1/2013

Company: Cudd Pumping-Fasken Oil
Submitted By: Bill Ford
Depth:
Location: Leigh County, NM

Well Name:
Formation: Bonespring Shale
Source:
Date Taken:

THE SAMPLE CONTAINED:

WATER	% by Vol.
OIL	% by Vol.
SOLIDS	% by Vol.
EMULSION	% by Vol.

ANALYSIS OF OIL:

BS&W	% by Wt.
API Gr.	° @ 60 °F
PARAFFIN	% by Wt.
ASPHALTENES	% by Wt.
CLOUD POINT	°F
POUR POINT	°F

ANALYSIS OF SOLIDS:

ANALYSIS OF WATER

CALCIUM	5,727 mg/L
MAGNESIUM	1,093 mg/L
BARIUM	0 mg/L
IRON ²	17 mg/L
POTASSIUM	mg/L
CHLORIDES	89,000 mg/L
BICARBONATES	153 mg/L
CARBONATES	mg/L
HYDROXIDES	mg/L
SULFATES	275 mg/L
SODIUM (Calc.)	44,933 mg/L
TDS (Calc.)	137,770 mg/L
IODIDES (Qual.)	
pH	6.37
Sp. Gr.	1.0961
Rw	0.070 Ohm-Meters
TEMPERATURE	70 ° F

COMMENTS:

The sodium and TDS are calculated using the French Creek
DownHole SAT.

Respectfully submitted,

Name Sherry Gaskins
Title Chemist

EXHIBIT G

NOTICE: This report is for information only and the content is limited to the sample described. CESI Chemical makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees CESI Chemical shall not be liable for any loss or damage, regardless of cause, including any act or omission of CESI Chemical, resulting from the use thereof.

Endura Products Corporation

P.O. Box 3394, Midland, Texas 79702
Phone (432) 684-4233 Fax (432) 684-4277

WATER ANALYSIS

Date **10/7/2009** Endura Rep **Norman Smiley**
Sampling Point/Date **well head 9/29/2009**
Company **Fasken Oil and Ranch**
Formation **Lease Ling Federal**

Code **10114034**
State **New Mexico**
County **Lea**
Well #**4**
Wolfcamp Water

DISSOLVED SOLIDS

CATIONS

	mg/l	me/l
Sodium, Na+ (Calc.)	24,127	1,049
Total Hardness as Ca++	5,272	0
Calcium Ca++	5,176	259
Magnesium, Mg++	59	5
Barium, Ba++	0	0
Iron (Total) Fe+++*	21	1

ANIONS

Chlorides, Cl-	46,550	1,311
Sulfate, SO4-	96	2
Carbonate, CO3-	0	0
Bicarbonates, HCO3-	49	1
Sulfide, S-*	0	0
Total Dissolved Solid	76,078	

OTHER PROPERTIES

pH*	6.470
Specific Gravity, 60/60 F.	1.076
Turbidity	266

SCALING INDICIES

<u>TEMP. F</u>	<u>CA CO3</u>	<u>CASO4*2H2O</u>	<u>CA SO4</u>	<u>BA SO4</u>
80	-0.9152	-1.2275	-1.4135	-29.0795
120	-0.6052	-1.2350	-1.2405	-29.3083
160	-0.1294	-1.2274	-1.0602	-29.5321

PERFORATIONS

EXHIBIT G

HALLIBURTON DIVISION LABORATORY
 HALLIBURTON SERVICES
 MIDLAND DIVISION
 HOBBS, NEW MEXICO 88240
 LABORATORY WATER ANALYSIS

APR 10 1939

JWS
SFG

Water Analysis
 file

No. 062

To Barbara FaskenDate 4-4-89303 West Wall Ave Suite 1901Midland TX 79701

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by _____ Date Rec. 4-4-89Well No. _____ Depth _____ Formation Morrow

County _____ Field _____ Source _____

Use This Sample →

Ling Fed #1

Ling Fed #2

Resistivity	0.238 @ 70°	0.667 @ 70°	
Specific Gravity	1.050	1.010	
pH	4.1	6.6	
Calcium (Ca)	4,250	1,800	*MPL
Magnesium (Mg)	Nil	Nil	
Chlorides (Cl)	27,000	9,000	
Sulfates (SO ₄)	Light	Light	
Bicarbonates (HCO ₃)	Nil	80	
Soluble Iron (Fe)	Heavy	Nil	
	31,250	1,530	

Remarks:

*Milligrams per liter

Respectfully submitted,

EXHIBIT G

Analyst: Jay Bradford

HALLIBURTON COMPANY

cc:

By _____

CHEMIST

NOTICE

THIS REPORT IS LIMITED TO THE DESCRIBED SAMPLE TESTED. ANY USER OF THIS REPORT AGREES THAT HALLIBURTON SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE, WHETHER IT BE TO ACT OR OMISSION, RESULTING FROM SUCH REPORT OR ITS USE.



New Mexico Office of the State Engineer

Active & Inactive Points of Diversion

(with Ownership Information)

1615 meters
= 5,297 feet

(acre ft per annum)										(R=POD has been replaced and no longer serves this file, (quarters are 1=NW 2=NE 3=SW 4=SE) C=the file is closed) (quarters are smallest to largest) (NAD83 UTM in meters)									
WR File Nbr	Sub basin	Use	Diversion	Owner	County	POD Number	Code	Grant	Source	6416 4	Sec	Tws	Rng	X	Y	Distance			
CP 01288		EXP		0 ATKINS ENGR ASSOC INC	LE	CP 01288 POD1				4	4	2	34	20S	34E	1615			
CP 01289		EXP		0 BERRY RANCH	LE	CP 01289 POD1				4	4	2	34	20S	34E	1724			
CP 01290		EXP		0 ATKINS ENGR ASSOC INC	LE	CP 01290 POD1				2	3	1	02	21S	33E	1833			
CP 00611		PRO		0 DALE CROCKETT	LE	CP 00611			Shallow	2	1	06	21S	34E	1869				
CP 00579		DOL		3 BERRY RANCH	LE	CP 00579			Shallow	2	2	02	21S	33E	1968				
CP 00799		PLS		3 DANIEL C. BERRY	LE	CP 00799				4	3	4	34	20S	34E	2071			
CP 00803		PLS		3 DANIEL C. BERRY	LE	CP 00803			Artesian	3	2	2	02	21S	33E	2110			
CP 00804		PLS		3 DANIEL C. BERRY	LE	CP 00804				3	2	2	02	21S	33E	2110			
CP 00815		STK		3 DANIEL C BERRY	LE	CP 00815			Alluvial	3	2	2	26	20S	34E	2435			
CP 01204		EXP		0 CURTIS K SKEEN	LE	CP 01204 POD1			Shallow	3	1	1	25	20S	34E	2466			
CP 00796		PLS		3 DANIEL C. BERRY	LE	CP 00796				2	2	4	02	21S	33E	2499			
CP 00797		PDM		3 DANIEL C. BERRY	LE	CP 00797				1	2	4	02	21S	33E	2597			
CP 00802		PLS		3 DANIEL C. BERRY	LE	CP 00802			Artesian			02	21S	33E	2821				
CP 00791		SAN		3 ENRON GAS PROCESSING CO.	LE	CP 00791			Shallow	4	2	4	06	21S	34E	3141			
CP 00942		STK		3 DANIEL C BERRY	LE	CP 00942 POD1			Shallow	4	3	3	27	20S	34E	3215			

approved
March, 2014
not yet drilled

803
1929 well/artesian
1100 ft
Santa Rosa ss
804
1929 well/alluvium
170 ft
Alluvial (<120 ft)
1933 well/artesian
1150 ft
Santa Rosa

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

3/30/14 4:07 PM

EXHIBIT H

ACTIVE & INACTIVE POINTS OF DIVERSION

Record Count: 15

UTMNA83 Radius Search (in meters):

Easting (X): 638694

Northing (Y): 3599785

Radius: 3220

Sorted by: Distance

EXHIBIT H



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

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

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

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

(NAD83 UTM in meters)

(In feet)

1869 meters
= 6,130 feet

POD Number	POD Sub-Code	basin	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Distance	Depth Well	Depth Water	Water Column
CP 00611			LE	2	1	06	21S	34E		639838	3598306*	1869	118	112	6
CP 00579			LE	2	2	02	21S	33E		637438	3598269*	1968	125	100	25
CP 00799			LE	4	3	4	34	20S	34E	636666	3599364*	2071	100		
CP 00803			LE	3	2	2	02	21S	33E	637337	3598168*	2110	1100		
CP 00804			LE	3	2	2	02	21S	33E	637337	3598168*	2110	170		
CP 01204 POD1			LE	3	1	1	25	20S	34E	638755	3602250	2466	370		
CP 00796			LE	2	2	4	02	21S	33E	637548	3597564*	2499	102		
CP 00797			LE	1	2	4	02	21S	33E	637348	3597564*	2597	110		
CP 00802			LE				02	21S	33E	636850	3597650*	2821	1150		
CP 00791			LE	4	2	4	06	21S	34E	640754	3597413*	3141	85	55	30

Average Depth to Water: 89 feet

Minimum Depth: 55 feet

Maximum Depth: 112 feet

Record Count: 10

UTMNAD83 Radius Search (in meters):

Easting (X): 638694

Northing (Y): 3599785

Radius: 3220

3220 meters
= 10,560 feet
= 2 miles

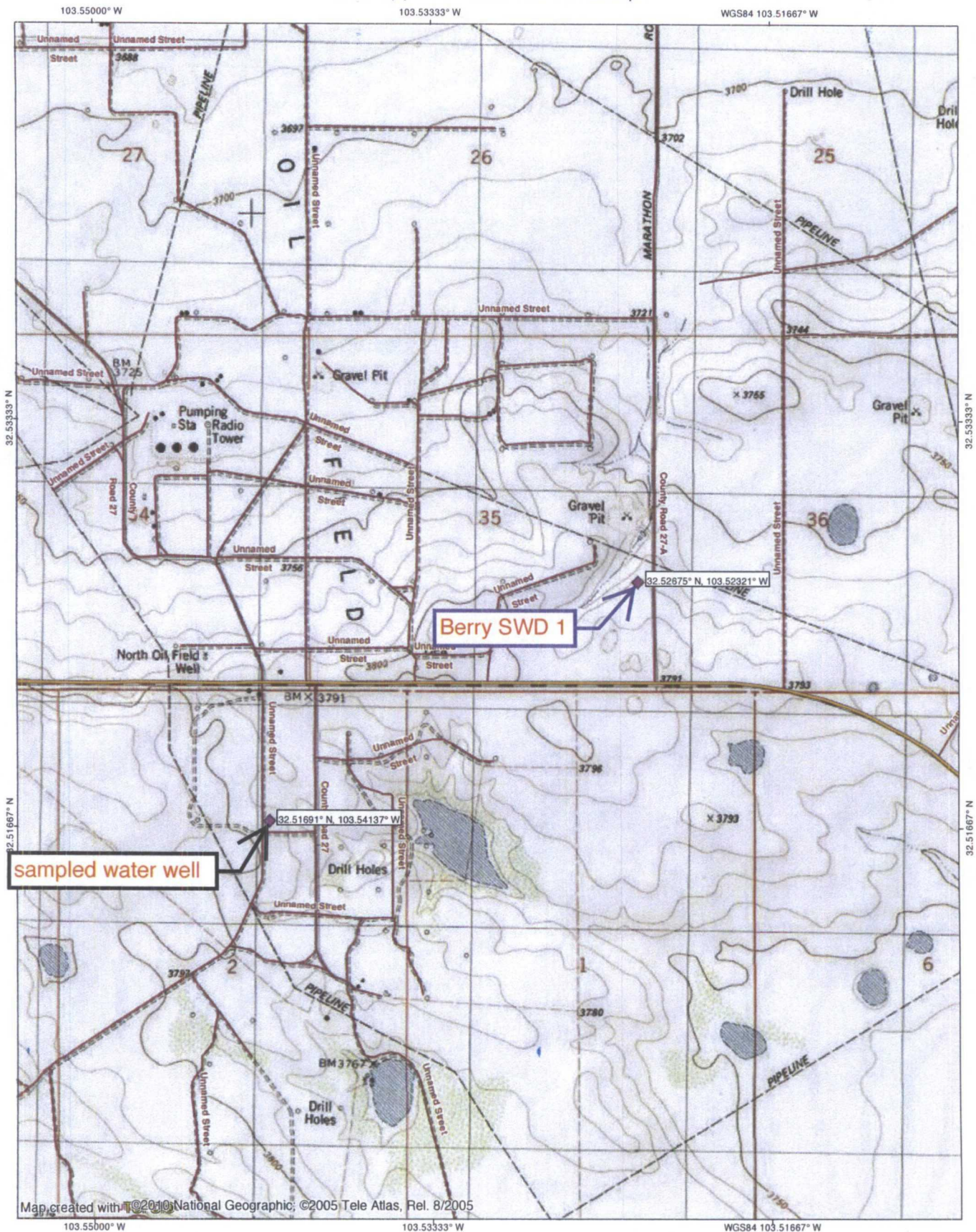
*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

3/30/14 4:06 PM

EXHIBIT H

WATER COLUMN/ AVERAGE
DEPTH TO WATER



Map created with ©2010 National Geographic; ©2005 Tele Atlas, Rel. 8/2005

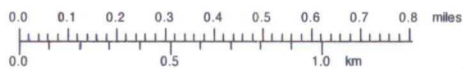


EXHIBIT H

TN-MN
7.5°
04/01/14

Analytical Report

Lab Order 1311981

Date Reported: 12/6/2013

Hall Environmental Analysis Laboratory, Inc.

CLIENT: Permits West

Client Sample ID: Orion Tank

Project: Berry #1 SWD

Collection Date: 11/19/2013 12:39:00 PM

Lab ID: 1311981-001

Matrix: AQUEOUS

Received Date: 11/21/2013 11:25:00 AM

Analyses	Result	RL	Qual	Units	DF	Date Analyzed	Batch
EPA METHOD 300.0: ANIONS							Analyst: JRR
Chloride	21	10		mg/L	20	11/22/2013 9:11:37 PM	R15036
EPA METHOD 1664A							Analyst: SMS
N-Hexane Extractable Material	ND	5.2		mg/L	1	11/27/2013	10504
SM2540C MOD: TOTAL DISSOLVED SOLIDS							Analyst: KS
Total Dissolved Solids	487	20.0		mg/L	1	11/28/2013 5:46:00 PM	10537

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- E Value above quantitation range
- J Analyte detected below quantitation limits
- O RSD is greater than RSDlimit
- R RPD outside accepted recovery limits
- S Spike Recovery outside accepted recovery limits

- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- P Sample pH greater than 2 for VOA and TOC only.
- RL Reporting Detection Limit

Page 1 of 7

EXHIBIT H

Hall Environmental Analysis Laboratory, Inc.

Analytical Report

Lab Order 1311981

Date Reported: 12/6/2013

CLIENT: Permits West

Client Sample ID: Berry Ranch Sources

Project: Berry #1 SWD

Collection Date: 11/19/2013 1:30:00 PM

Lab ID: 1311981-002

Matrix: AQUEOUS

Received Date: 11/21/2013 11:25:00 AM

Analyses	Result	RL	Qual	Units	DF	Date Analyzed	Batch
EPA METHOD 300.0: ANIONS							Analyst: JRR
Chloride	21	10		mg/L	20	11/22/2013 9:36:26 PM	R15036
EPA METHOD 1664A							Analyst: SMS
N-Hexane Extractable Material	ND	5.4		mg/L	1	11/27/2013	10504
SM2540C MOD: TOTAL DISSOLVED SOLIDS							Analyst: KS
Total Dissolved Solids	483	20.0		mg/L	1	11/28/2013 5:46:00 PM	10537

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- E Value above quantitation range
- J Analyte detected below quantitation limits
- O RSD is greater than RSDlimit
- R RPD outside accepted recovery limits
- S Spike Recovery outside accepted recovery limits

- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- P Sample pH greater than 2 for VOA and TOC only.
- RL Reporting Detection Limit

Page 2 of 7

EXHIBIT H

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1311981

06-Dec-13

Client: Permits West
Project: Berry #1 SWD

Sample ID	MB-10504	SampType:	MBLK	TestCode:	EPA Method 1664A					
Client ID:	PBW	Batch ID:	10504	RunNo:	15168					
Prep Date:	11/25/2013	Analysis Date:	11/27/2013	SeqNo:	437409	Units:	mg/L			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
N-Hexane Extractable Material	ND	5.0								

Sample ID	LCS-10504	SampType:	LCS	TestCode:	EPA Method 1664A					
Client ID:	LCSW	Batch ID:	10504	RunNo:	15168					
Prep Date:	11/25/2013	Analysis Date:	11/27/2013	SeqNo:	437410	Units:	mg/L			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
N-Hexane Extractable Material	34	5.0	40.00	0	84.2	78	114			

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- E Value above quantitation range
- J Analyte detected below quantitation limits
- O RSD is greater than RSDlimit
- R RPD outside accepted recovery limits
- S Spike Recovery outside accepted recovery limits

- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- P Sample pH greater than 2 for VOA and TOC only.
- RL Reporting Detection Limit

Page 3 of 7

EXHIBIT H

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1311981

06-Dec-13

Client: Permits West
Project: Berry #1 SWD

Sample ID	A5		SampType: CCV_5		TestCode: EPA Method 300.0: Anions					
Client ID:	BatchQC		Batch ID: R15036		RunNo: 15036					
Prep Date:			Analysis Date: 11/22/2013		SeqNo: 433965		Units: mg/L			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	7.7	0.50	8.000	0	96.8	90	110			

Sample ID	MB		SampType:	MBLK		TestCode:	EPA Method 300.0: Anions				
Client ID:	PBW		Batch ID:	R15036		RunNo:	15036				
Prep Date:			Analysis Date:	11/22/2013		SeqNo:	433967		Units: mg/L		
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual	
Chloride	ND	0.50									

Sample ID	LCS		SampType:	LCS		TestCode:	EPA Method 300.0: Anions				
Client ID:	LCSW		Batch ID:	R15036		RunNo:	15036				
Prep Date:			Analysis Date:	11/22/2013		SeqNo:	433968		Units: mg/L		
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual	
Chloride	4.8	0.50	5.000	0	96.7	90	110				

Sample ID	A6	SampType:	CCV_6	TestCode:	EPA Method 300.0: Anions					
Client ID:	BatchQC	Batch ID:	R15036	RunNo:	15036					
Prep Date:		Analysis Date:	11/22/2013	SeqNo:	433977	Units:	mg/L			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	12	0.50	12.00	0	101	90	110			

Sample ID	A4	SampType:	CCV_4	TestCode:	EPA Method 300.0: Anions					
Client ID:	BatchQC	Batch ID:	R15036	RunNo:	15036					
Prep Date:		Analysis Date:	11/22/2013	SeqNo:	433989	Units:	mg/L			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	4.6	0.50	5.000	0	93.0	90	110			

Sample ID	A5	SampType:	CCV_5	TestCode:	EPA Method 300.0: Anions					
Client ID:	BatchQC	Batch ID:	R15036	RunNo:	15036					
Prep Date:		Analysis Date:	11/22/2013	SeqNo:	434001	Units:	mg/L			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	7.7	0.50	8.000	0	96.7	90	110			

Qualifiers:

- | | |
|---|--|
| * Value exceeds Maximum Contaminant Level. | B Analyte detected in the associated Method Blank |
| E Value above quantitation range | H Holding times for preparation or analysis exceeded |
| J Analyte detected below quantitation limits | ND Not Detected at the Reporting Limit |
| O RSD is greater than RSDlimit | P Sample pH greater than 2 for VOA and TOC only. |
| R RPD outside accepted recovery limits | RL Reporting Detection Limit |
| S Spike Recovery outside accepted recovery limits | |

Page 4 of 7

EXHIBIT H

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 131198#

06-Dec-13

Client: Permits West
Project: Berry #1 SWD

Sample ID A6	SampType: CCV_6		TestCode: EPA Method 300.0: Anions							
Client ID: BatchQC	Batch ID: R15036		RunNo: 15036							
Prep Date:	Analysis Date: 11/22/2013		SeqNo: 434013		Units: mg/L					
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	12	0.50	12.00	0	101	90	110			

Sample ID MB	SampType: MBLK		TestCode: EPA Method 300.0: Anions							
Client ID: PBW	Batch ID: R15036		RunNo: 15036							
Prep Date:	Analysis Date: 11/22/2013		SeqNo: 434021		Units: mg/L					
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	ND	0.50								

Sample ID LCS	SampType: LCS		TestCode: EPA Method 300.0: Anions							
Client ID: LCSW	Batch ID: R15036		RunNo: 15036							
Prep Date:	Analysis Date: 11/22/2013		SeqNo: 434022		Units: mg/L					
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	5.0	0.50	5.000	0	100	90	110			

Sample ID A4	SampType: CCV_4		TestCode: EPA Method 300.0: Anions							
Client ID: BatchQC	Batch ID: R15036		RunNo: 15036							
Prep Date:	Analysis Date: 11/22/2013		SeqNo: 434025		Units: mg/L					
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	4.6	0.50	5.000	0	92.6	90	110			

Sample ID A5	SampType: CCV_5		TestCode: EPA Method 300.0: Anions							
Client ID: BatchQC	Batch ID: R15036		RunNo: 15036							
Prep Date:	Analysis Date: 11/23/2013		SeqNo: 434037		Units: mg/L					
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	7.7	0.50	8.000	0	96.8	90	110			

Sample ID A6	SampType: CCV_6		TestCode: EPA Method 300.0: Anions							
Client ID: BatchQC	Batch ID: R15036		RunNo: 15036							
Prep Date:	Analysis Date: 11/23/2013		SeqNo: 434049		Units: mg/L					
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	12	0.50	12.00	0	100	90	110			

Qualifiers:

- | | |
|---|--|
| * Value exceeds Maximum Contaminant Level. | B Analyte detected in the associated Method Blank |
| E Value above quantitation range | H Holding times for preparation or analysis exceeded |
| J Analyte detected below quantitation limits | ND Not Detected at the Reporting Limit |
| O RSD is greater than RSDlimit | P Sample pH greater than 2 for VOA and TOC only. |
| R RPD outside accepted recovery limits | RL Reporting Detection Limit |
| S Spike Recovery outside accepted recovery limits | |

Page 5 of 7

EXHIBIT H

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1311981

06-Dec-13

Client: Permits West

Project: Berry #1 SWD

Sample ID	A4	SampType:	CCV_4	TestCode:	EPA Method 300.0: Anions					
Client ID:	BatchQC	Batch ID:	R15036	RunNo:	15036					
Prep Date:		Analysis Date:	11/23/2013	SeqNo:	434058	Units:	mg/L			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	4.6	0.50	5.000	0	92.8	90	110			

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- E Value above quantitation range
- J Analyte detected below quantitation limits
- O RSD is greater than RSDlimit
- R RPD outside accepted recovery limits
- S Spike Recovery outside accepted recovery limits

- B Analyte detected in the associated Method Blank
- H Holding times for preparation of analysis exceeded
- ND Not Detected at the Reporting Limit
- P Sample pH greater than 2 for VOA and TOC only.
- RL Reporting Detection Limit

Page 6 of 7

EXHIBIT H

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1311981

06-Dec-13

Client: Permits West
Project: Berry #1 SWD

Sample ID	MB-10537	SampType:	MBLK	TestCode:	SM2540C MOD: Total Dissolved Solids					
Client ID:	PBW	Batch ID:	10537	RunNo:	15140					
Prep Date:	11/26/2013	Analysis Date:	11/28/2013	SeqNo:	436725	Units:	mg/L			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Total Dissolved Solids	ND	20.0								

Sample ID	LCS-10537	SampType:	LCS	TestCode:	SM2540C MOD: Total Dissolved Solids					
Client ID:	LCSW	Batch ID:	10537	RunNo:	15140					
Prep Date:	11/26/2013	Analysis Date:	11/28/2013	SeqNo:	436726	Units:	mg/L			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Total Dissolved Solids	1030	20.0	1000	0	103	80	120			

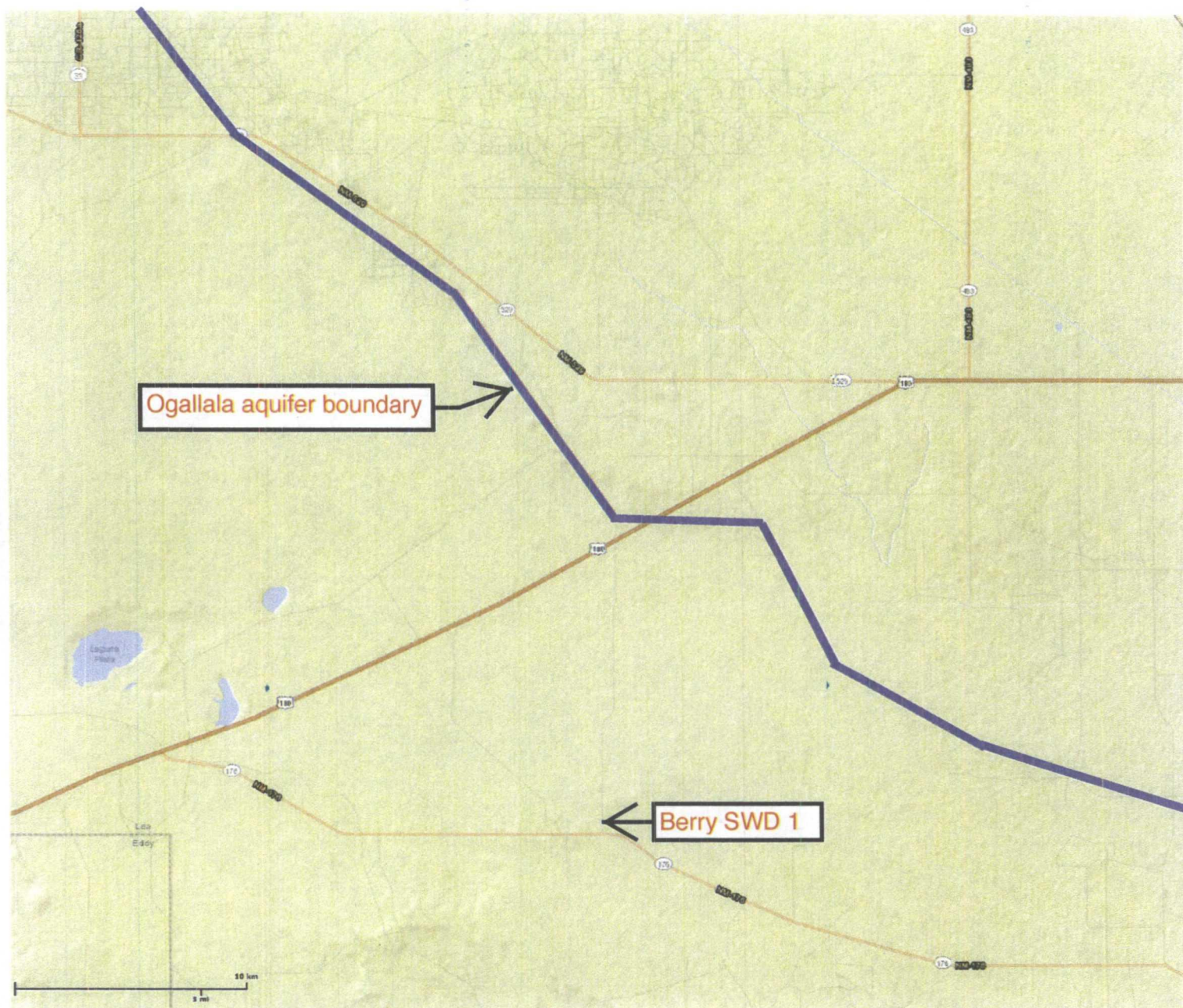
Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- E Value above quantitation range
- J Analyte detected below quantitation limits
- O RSD is greater than RSDlimit.
- R RPD outside accepted recovery limits
- S Spike Recovery outside accepted recovery limits

- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- P Sample pH greater than 2 for VOA and TOC only.
- RL Reporting Detection Limit

Page 7 of 7

EXHIBIT H



Copyright 2010 Esri. All rights reserved. Tue Apr 1 2014 11:12:21 AM.

EXHIBIT H



Geologic Hazards Science Center

EHP Quaternary Faults

Search for fault:

Select a state or region map:

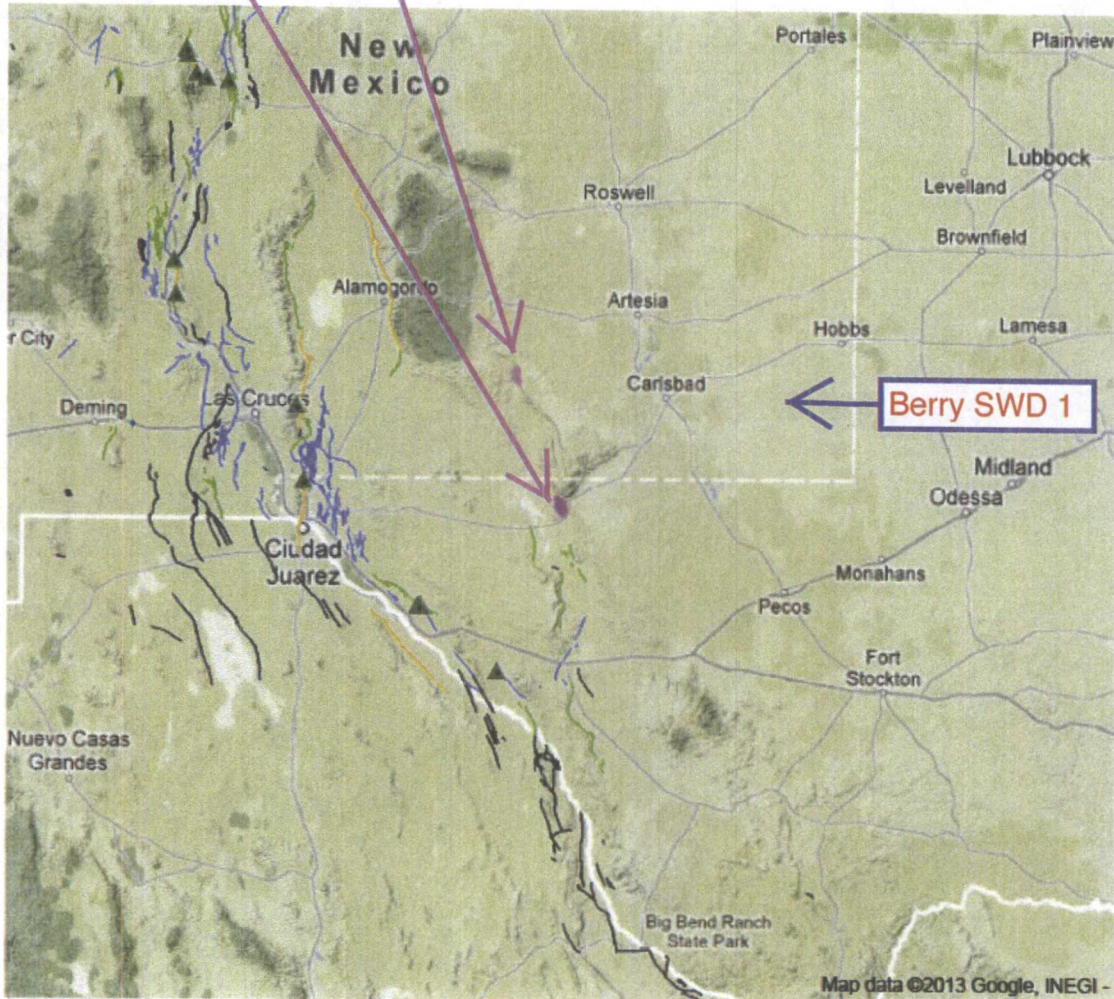


EXHIBIT I

Affidavit of Publication


State of New Mexico,
County of Lea.

I, DANIEL RUSSELL
PUBLISHER
of the Hobbs News-Sun, a
newspaper published at Hobbs, New
Mexico, do solemnly swear that the
clipping attached hereto was
published in the regular and entire
issue of said newspaper, and not a
supplement thereof for a period

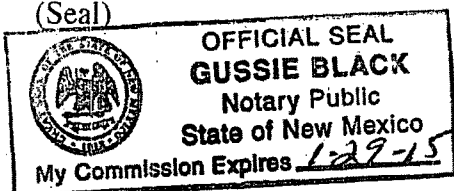
of 1 issue(s).
Beginning with the issue dated
April 24, 2014
and ending with the issue dated
April 24, 2014


PUBLISHER

Sworn and subscribed to before me
this 24th day of
April, 2014


Notary Public

My commission expires
January 29, 2015
(Seal)



This newspaper is duly qualified to
publish legal notices or
advertisements within the meaning of
Section 3, Chapter 167, Laws of
1937 and payment of fees for said
publication has been made.

LEGAL

LEGAL NOTICE
APRIL 24, 2014

BC Operating, Inc. is
applying to drill the Berry
SWD #1, as a saltwater
disposal well. Disposal will
be into the Cherry Canyon
sand (5750' - 7000'). The
well will be located 16 miles
southwest of Monument,
NM at 1620 FSL & 304 FEL
Sec. 35, T. 20 S., R. 34 E.,
Lea County. Maximum
disposal rate will be 20,000
bwpd. Maximum injection
pressure will be 1,150 psi.
Interested parties must file
objections or requests for
hearing with the NM Oil
Conservation Division, 1220
South Saint Francis Dr.,
Santa Fe, NM 87505 within
15 days. Additional
information can be obtained
by contacting Brian Wood,
Permits West, Inc., 37
Verano Loop, Santa Fe, NM
87508. Phone number is
(505) 466-8120.
#28956

02108485

00134797

BRIAN WOOD
PERMITS WEST
37 VERANO LOOP
SANTA FE, NM 87508

EXHIBIT J

May 9, 2014

Daniel C. Berry III
P. O. Box 160
Eunice, NM 88231

Dear Mr. Berry:

BC Operating, Inc. is applying (see attached application) to drill its Berry SWD 1 well as a saltwater disposal well. As required by NM Oil Conservation Division (NMOCD) Rules, I am notifying you of the following proposed saltwater disposal well in Lea County, NM. This letter is a notice only. No action is needed unless you have questions or objections.

Well Name: Berry SWD 1 (private lease) ID = 7,100'
Proposed Disposal Zone: Cherry Canyon (5,750' - 7,100')
Location: 1620' FSL & 304' FEL Sec. 35, T. 20 S., R. 34 E.
Approximate Location: 16 air miles southwest of Monument, NM
Applicant Name: BC Operating, Inc. (432) 684-9696, Ext. 738
Applicant's Address: P. O. Box 50820, Midland TX 79710

Submittal Information: Application for a saltwater disposal well will be filed with the NMOCD. If you have an objection, or wish to request a hearing, then it must be filed with the NMOCD within 15 days of receipt of this letter. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood

Brian Wood

U.S. Postal Service TM	
CERTIFIED MAIL [®] RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	RECOS NM
Certified Fee	
Return Receipt Fee (Endorsement Required)	MAY - 9 2014
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 87552
Sent To: D. Berry III	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4	

EXHIBIT K

May 9, 2014

BLM
620 E. Greene
Carlsbad NM 88220

BC Operating, Inc. is applying (see attached application) to drill its Berry SWD 1 well as a saltwater disposal well. As required by NM Oil Conservation Division (NMOCD) Rules, I am notifying you of the following proposed saltwater disposal well in Lea County, NM. This letter is a notice only. No action is needed unless you have questions or objections.

Well Name: Berry SWD 1 (private lease) ID = 7,100'
Proposed Disposal Zone: Cherry Canyon (5,750' - 7,100')
Location: 1620' FSL & 304' FEL Sec. 35, T. 20 S., R. 34 E.
Approximate Location: 16 air miles southwest of Monument, NM
Applicant Name: BC Operating, Inc. (432) 684-9696, Ext. 738
Applicant's Address: P. O. Box 50820, Midland TX 79710

Submittal Information: Application for a saltwater disposal well will be filed with the NMOCD. If you have an objection, or wish to request a hearing, then it must be filed with the NMOCD within 15 days of receipt of this letter. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood

Brian Wood

U.S. Postal Service TM	
CERTIFIED MAIL [®] RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	RECOS NM
Certified Fee	
Return Receipt Fee (Endorsement Required)	MAY - 9 2014
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 87552
Sent To: BLM	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4: Carlsbad	

May 9, 2014

Michael E. Black
710 N. Colorado, #115
Midland TX 79702

BC Operating, Inc. is applying (see attached application) to drill its Berry SWD 1 well as a saltwater disposal well. As required by NM Oil Conservation Division (NMOCD) Rules, I am notifying you of the following proposed saltwater disposal well in Lea County, NM. This letter is a notice only. No action is needed unless you have questions or objections.

Well Name: Berry SWD 1 (private lease) ID = 7,100'
Proposed Disposal Zone: Cherry Canyon (5,750' - 7,100')
Location: 1620' FSL & 304' FEL Sec. 35, T. 20 S., R. 34 E.
Approximate Location: 16 air miles southwest of Monument, NM
Applicant Name: BC Operating, Inc. (432) 684-9696, Ext. 738
Applicant's Address: P. O. Box 50820, Midland TX 79710

Submittal Information: Application for a saltwater disposal well will be filed with the NMOCD. If you have an objection, or wish to request a hearing, then it must be filed with the NMOCD within 15 days of receipt of this letter. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood

Brian Wood

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark: MAY -9 2014 87552

Sent To: *ME Black*
Street, Apt. No., or PO Box No.
City, State, Zip: *Midland, TX*

EXHIBIT K

May 9, 2014

BTA Oil Producers, LLC
104 S. Pecos
Midland TX 79701

BC Operating, Inc. is applying (see attached application) to drill its Berry SWD 1 well as a saltwater disposal well. As required by NM Oil Conservation Division (NMOCD) Rules, I am notifying you of the following proposed saltwater disposal well in Lea County, NM. This letter is a notice only. No action is needed unless you have questions or objections.

Well Name: Berry SWD 1 (private lease) ID = 7,100'
Proposed Disposal Zone: Cherry Canyon (5,750' - 7,100')
Location: 1620' FSL & 304' FEL Sec. 35, T. 20 S., R. 34 E.
Approximate Location: 16 air miles southwest of Monument, NM
Applicant Name: BC Operating, Inc. (432) 684-9696, Ext. 738
Applicant's Address: P. O. Box 50820, Midland TX 79710

Submittal Information: Application for a saltwater disposal well will be filed with the NMOCD. If you have an objection, or wish to request a hearing, then it must be filed with the NMOCD within 15 days of receipt of this letter. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood

Brian Wood

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark: MAY -9 2014 87552

Sent To: *BTA Oil*
Street, Apt. No., or PO Box No.
City, State, Zip: *Midland*

PS Form 3800, August 2006



May 9, 2014

Burk Royalty Co. Ltd.
P. O. Box 94903
Wichita Falls TX 76308

BC Operating, Inc. is applying (see attached application) to drill its Berry SWD 1 well as a saltwater disposal well. As required by NM Oil Conservation Division (NMOCD) Rules, I am notifying you of the following proposed saltwater disposal well in Lea County, NM. This letter is a notice only. No action is needed unless you have questions or objections.

Well Name: Berry SWD 1 (private lease) ID = 7,100'
Proposed Disposal Zone: Cherry Canyon (5,750' - 7,100')
Location: 1620' FSL & 304' FEL Sec. 35, T. 20 S., R. 34 E.
Approximate Location: 16 air miles southwest of Monument, NM
Applicant Name: BC Operating, Inc. (432) 684-9696, Ext. 738
Applicant's Address: P. O. Box 50820, Midland TX 79710

Submittal Information: Application for a saltwater disposal well will be filed with the NMOCD. If you have an objection, or wish to request a hearing, then it must be filed with the NMOCD within 15 days of receipt of this letter. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	\$
Return Receipt Fee (Endorsement Required)	\$
Restricted Delivery Fee (Endorsement Required)	\$
Total Postage & Fees	\$
Sent To: <u>Burk Royalty</u>	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4	

EXHIBIT K



May 9, 2014

Cimarex Energy Co.
600 N. Marienfeld St.
Midland TX 79701

BC Operating, Inc. is applying (see attached application) to drill its Berry SWD 1 well as a saltwater disposal well. As required by NM Oil Conservation Division (NMOCD) Rules, I am notifying you of the following proposed saltwater disposal well in Lea County, NM. This letter is a notice only. No action is needed unless you have questions or objections.

Well Name: Berry SWD 1 (private lease) ID = 7,100'
Proposed Disposal Zone: Cherry Canyon (5,750' - 7,100')
Location: 1620' FSL & 304' FEL Sec. 35, T. 20 S., R. 34 E.
Approximate Location: 16 air miles southwest of Monument, NM
Applicant Name: BC Operating, Inc. (432) 684-9696, Ext. 738
Applicant's Address: P. O. Box 50820, Midland TX 79710

Submittal Information: Application for a saltwater disposal well will be filed with the NMOCD. If you have an objection, or wish to request a hearing, then it must be filed with the NMOCD within 15 days of receipt of this letter. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	\$
Return Receipt Fee (Endorsement Required)	\$
Restricted Delivery Fee (Endorsement Required)	\$
Total Postage & Fees	\$
Sent To: <u>Cimarex</u>	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4 <u>Midland</u>	

May 9, 2014

COG Operating LLC & Concho Resources
600 W. Illinois Ave.
Midland TX 79701

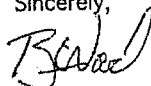
BC Operating, Inc. is applying (see attached application) to drill its Berry SWD 1 well as a saltwater disposal well. As required by NM Oil Conservation Division (NMOCD) Rules, I am notifying you of the following proposed saltwater disposal well in Lea County, NM. This letter is a notice only. No action is needed unless you have questions or objections.

Well Name: Berry SWD 1 (private lease) ID = 7,100'
Proposed Disposal Zone: Cherry Canyon (5,750' - 7,100')
Location: 1620' FSL & 304' FEL Sec. 35, T. 20 S., R. 34 E.
Approximate Location: 16 air miles southwest of Monument, NM
Applicant Name: BC Operating, Inc. (432) 684-9696, Ext. 738
Applicant's Address: P. O. Box 50820, Midland TX 79710

Submittal Information: Application for a saltwater disposal well will be filed with the NMOCD. If you have an objection, or wish to request a hearing, then it must be filed with the NMOCD within 15 days of receipt of this letter. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

U.S. Postal Service	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 87552
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 87552
Sent To COG	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4	

EXHIBIT K

May 9, 2014

ConocoPhillips
P. O. Box 2197
Houston TX 77252-2197

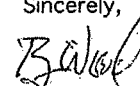
BC Operating, Inc. is applying (see attached application) to drill its Berry SWD 1 well as a saltwater disposal well. As required by NM Oil Conservation Division (NMOCD) Rules, I am notifying you of the following proposed saltwater disposal well in Lea County, NM. This letter is a notice only. No action is needed unless you have questions or objections.

Well Name: Berry SWD 1 (private lease) ID = 7,100'
Proposed Disposal Zone: Cherry Canyon (5,750' - 7,100')
Location: 1620' FSL & 304' FEL Sec. 35, T. 20 S., R. 34 E.
Approximate Location: 16 air miles southwest of Monument, NM
Applicant Name: BC Operating, Inc. (432) 684-9696, Ext. 738
Applicant's Address: P. O. Box 50820, Midland TX 79710

Submittal Information: Application for a saltwater disposal well will be filed with the NMOCD. If you have an objection, or wish to request a hearing, then it must be filed with the NMOCD within 15 days of receipt of this letter. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

U.S. Postal Service	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 182
Certified Fee	\$ 3.50
Return Receipt Fee (Endorsement Required)	\$ 2.78
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 7.82
Sent To Conoco-Phillips	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4 Houston	

May 9, 2014

Kerr-McGee c/o Anadarko
P. O. Box 1300
Houston TX 77251

BC Operating, Inc. is applying (see attached application) to drill its Berry SWD 1 well as a saltwater disposal well. As required by NM Oil Conservation Division (NMOCD) Rules, I am notifying you of the following proposed saltwater disposal well in Lea County, NM. This letter is a notice only. No action is needed unless you have questions or objections.

Well Name: Berry SWD 1 (private lease) ID = 7,100'
Proposed Disposal Zone: Cherry Canyon (5,750' - 7,100')
Location: 1620' FSL & 304' FEL Sec. 35, T. 20 S., R. 34 E.
Approximate Location: 16 air miles southwest of Monument, NM
Applicant Name: BC Operating, Inc. (432) 684-9696, Ext. 738
Applicant's Address: P. O. Box 50820, Midland TX 79710

Submittal Information: Application for a saltwater disposal well will be filed with the NMOCD. If you have an objection, or wish to request a hearing, then it must be filed with the NMOCD within 15 days of receipt of this letter. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood

Brian Wood



Postage	RECOS NM	
Certified Fee		
Return Receipt Fee (Endorsement Required)	MAY -9 2014	Postmark
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 87552	

Sent To *Kerr-McGee c/o Anadarko*
Street, Apt. No., or PO Box No.
City, State, ZIP+4 *Houston*

EXHIBIT K

May 9, 2014

Estate of R. Dechicchis
P. O. Box 1251
Midland TX 79702

BC Operating, Inc. is applying (see attached application) to drill its Berry SWD 1 well as a saltwater disposal well. As required by NM Oil Conservation Division (NMOCD) Rules, I am notifying you of the following proposed saltwater disposal well in Lea County, NM. This letter is a notice only. No action is needed unless you have questions or objections.

Well Name: Berry SWD 1 (private lease) ID = 7,100'
Proposed Disposal Zone: Cherry Canyon (5,750' - 7,100')
Location: 1620' FSL & 304' FEL Sec. 35, T. 20 S., R. 34 E.
Approximate Location: 16 air miles southwest of Monument, NM
Applicant Name: BC Operating, Inc. (432) 684-9696, Ext. 738
Applicant's Address: P. O. Box 50820, Midland TX 79710

Submittal Information: Application for a saltwater disposal well will be filed with the NMOCD. If you have an objection, or wish to request a hearing, then it must be filed with the NMOCD within 15 days of receipt of this letter. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood

Brian Wood

2984 9544 4656 4682

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only, No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 87552

Sent To *Est: R. Dechicchis*
Street, Apt. No., or PO Box No.
City, State, ZIP+4 *Midland*

See Reverse for Instructions

May 9, 2014

GMT Exploration Company LLC
 1560 Broadway, Suite 2000
 Denver CO 80202

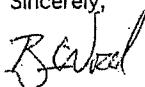
BC Operating, Inc. is applying (see attached application) to drill its Berry SWD 1 well as a saltwater disposal well. As required by NM Oil Conservation Division (NMOCD) Rules, I am notifying you of the following proposed saltwater disposal well in Lea County, NM. This letter is a notice only. No action is needed unless you have questions or objections.

Well Name: Berry SWD 1 (private lease) ID = 7,100'
Proposed Disposal Zone: Cherry Canyon (5,750' - 7,100')
Location: 1620' FSL & 304' FEL Sec. 35, T. 20 S., R. 34 E.
Approximate Location: 16 air miles southwest of Monument, NM
Applicant Name: BC Operating, Inc. (432) 684-9696, Ext. 738
Applicant's Address: P. O. Box 50820, Midland TX 79710

Submittal Information: Application for a saltwater disposal well will be filed with the NMOCD. If you have an objection, or wish to request a hearing, then it must be filed with the NMOCD within 15 days of receipt of this letter. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage \$	87552
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees \$	
Sent To GMT Epp	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4	

EXHIBIT K

May 9, 2014

Magnum Hunter Production Inc.
 5215 N. O'Conner Blvd., #1500
 Irving TX 75039

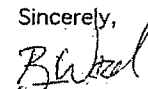
BC Operating, Inc. is applying (see attached application) to drill its Berry SWD 1 well as a saltwater disposal well. As required by NM Oil Conservation Division (NMOCD) Rules, I am notifying you of the following proposed saltwater disposal well in Lea County, NM. This letter is a notice only. No action is needed unless you have questions or objections.

Well Name: Berry SWD 1 (private lease) ID = 7,100'
Proposed Disposal Zone: Cherry Canyon (5,750' - 7,100')
Location: 1620' FSL & 304' FEL Sec. 35, T. 20 S., R. 34 E.
Approximate Location: 16 air miles southwest of Monument, NM
Applicant Name: BC Operating, Inc. (432) 684-9696, Ext. 738
Applicant's Address: P. O. Box 50820, Midland TX 79710

Submittal Information: Application for a saltwater disposal well will be filed with the NMOCD. If you have an objection, or wish to request a hearing, then it must be filed with the NMOCD within 15 days of receipt of this letter. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage \$	87552
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees \$	
Sent To Magnum Hunter	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4 Irving	

May 9, 2014

NM State Land Office
 P. O. Box 1148
 Santa Fe NM 87504

BC Operating, Inc. is applying (see attached application) to drill its Berry SWD 1 well as a saltwater disposal well. As required by NM Oil Conservation Division (NMOCD) Rules, I am notifying you of the following proposed saltwater disposal well in Lea County, NM. This letter is a notice only. No action is needed unless you have questions or objections.

Well Name: Berry SWD 1 (private lease) ID = 7,100'
Proposed Disposal Zone: Cherry Canyon (5,750' - 7,100')
Location: 1620' FSL & 304' FEL Sec. 35, T. 20 S., R. 34 E.
Approximate Location: 16 air miles southwest of Monument, NM
Applicant Name: BC Operating, Inc. (432) 684-9696, Ext. 738
Applicant's Address: P. O. Box 50820, Midland TX 79710

Submittal Information: Application for a saltwater disposal well will be filed with the NMOCD. If you have an objection, or wish to request a hearing, then it must be filed with the NMOCD within 15 days of receipt of this letter. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood

Brian Wood

U.S. Postal Service	
CERTIFIED MAIL RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	PECOS NM
Certified Fee	MAY - 9 2014
Return Receipt Fee (Endorsement Required)	Here
Restricted Delivery Fee (Endorsement Required)	87552
Total Postage & Fees	\$
Sent To NM SLO BC-Berry SWD1	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4	

EXHIBIT K

May 9, 2014

Sundown Energy LP &
 Sundown Production LLC
 13455 Noel Rd., Suite 200
 Dallas TX 75240

BC Operating, Inc. is applying (see attached application) to drill its Berry SWD 1 well as a saltwater disposal well. As required by NM Oil Conservation Division (NMOCD) Rules, I am notifying you of the following proposed saltwater disposal well in Lea County, NM. This letter is a notice only. No action is needed unless you have questions or objections.

Well Name: Berry SWD 1 (private lease) ID = 7,100'
Proposed Disposal Zone: Cherry Canyon (5,750' - 7,100')
Location: 1620' FSL & 304' FEL Sec. 35, T. 20 S., R. 34 E.
Approximate Location: 16 air miles southwest of Monument, NM
Applicant Name: BC Operating, Inc. (432) 684-9696, Ext. 738
Applicant's Address: P. O. Box 50820, Midland TX 79710

Submittal Information: Application for a saltwater disposal well will be filed with the NMOCD. If you have an objection, or wish to request a hearing, then it must be filed with the NMOCD within 15 days of receipt of this letter. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood

Brian Wood

U.S. Postal Service	
CERTIFIED MAIL RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	PECOS NM
Certified Fee	MAY - 9 2014
Return Receipt Fee (Endorsement Required)	Here
Restricted Delivery Fee (Endorsement Required)	87552
Total Postage & Fees	\$
Sent To Sundown Energy	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4 Dallas	

Goetze, Phillip, EMNRD

From: Goetze, Phillip, EMNRD
Sent: Tuesday, August 05, 2014 3:55 PM
To: Brian Wood (brian@permitswest.com)
Cc: Ezeanyim, Richard, EMNRD; McMillan, Michael, EMNRD
Subject: C-108 Application: Proposed Well Construction for Berry SWD No. 1

RE: Berry SWD No. 1; API 30-025-41703; application no. pMAM14133232831

Brian:

The review of the application for the proposed SWD well shows a construction of two strings of casing (surface and intermediate) with the injection interval in the Cherry Canyon formation to be open-hole. OCD will not administratively approve the open-hole completion for the injection interval as proposed. OCD is requesting a third string of casing with cement (circulated to surface) for the completion especially with this being a commercial disposal well within the boundaries of Division Order R-111-P. This change would not constitute major modification and would not require additional notification. Please contact your client and discuss this matter. Also, BC Operating does have the option to go to hearing to obtain the issuance of a Division order for the application with the current proposed design, if it so wishes.

Additionally, the published notification states an injection interval from 5750 ft to 7000 ft while the proposed well bore diagram states the bottom of the injection interval is a 7100 ft. As a result, the approved injection interval will be required to conform with the total depth published in the newspaper. Please contact me by e-mail or phone with any questions on this subject. PRG

Phillip R. Goetze, P.G.
Engineering and Geological Services Bureau, Oil Conservation Division
1220 South St. Francis Drive, Santa Fe, NM 87505
O: 505.476.3466 F: 505.476.3462
phillip.goetze@state.nm.us



C-108 Review Checklist: Received 5/12/14 Add. Request: R-111-P well const. Reply Date: 09/19/14 Suspended: NA [Ver 15]

ORDER TYPE: WFX / PMX / SWD Number: 1516 Permit Date: 01/09/15 Legacy Permits/Orders: NA

Well No. 1 Well Name(s): Berry SWD [Drilling Islands & Open-Hole]

API: 30-0 25-41703 Spud Date: 01/2015 New or Old: New (UIC Class II Primacy 03/07/1982)

Footages 1620 FSL / 364 FEL Lot — or Unit I Sec 35 Tsp 26S Rge 34E County Lea

General Location: near Lea / ~20mi SW of Hobbs Pool: SWD, Cherry Canyon Pool No.: 97003

BLM 100K Map: Hobbs Operator: BC Operating, Inc. OGRID: 160825 Contact: Brian Wood

COMPLIANCE RULE 5.9: Total Wells: 54 Inactive: 2 Fincl Assur: Yes Compl. Order? No IS 5.9 OK? Yes Date: 01/09/15

WELL FILE REVIEWED ☒ Current Status: APD on file - second application; Brushy removed from original int.

WELL DIAGRAMS: NEW: Proposed ☒ or RE-ENTER: Before Conv. ☐ After Conv. ☐ Logs in Imaging: —

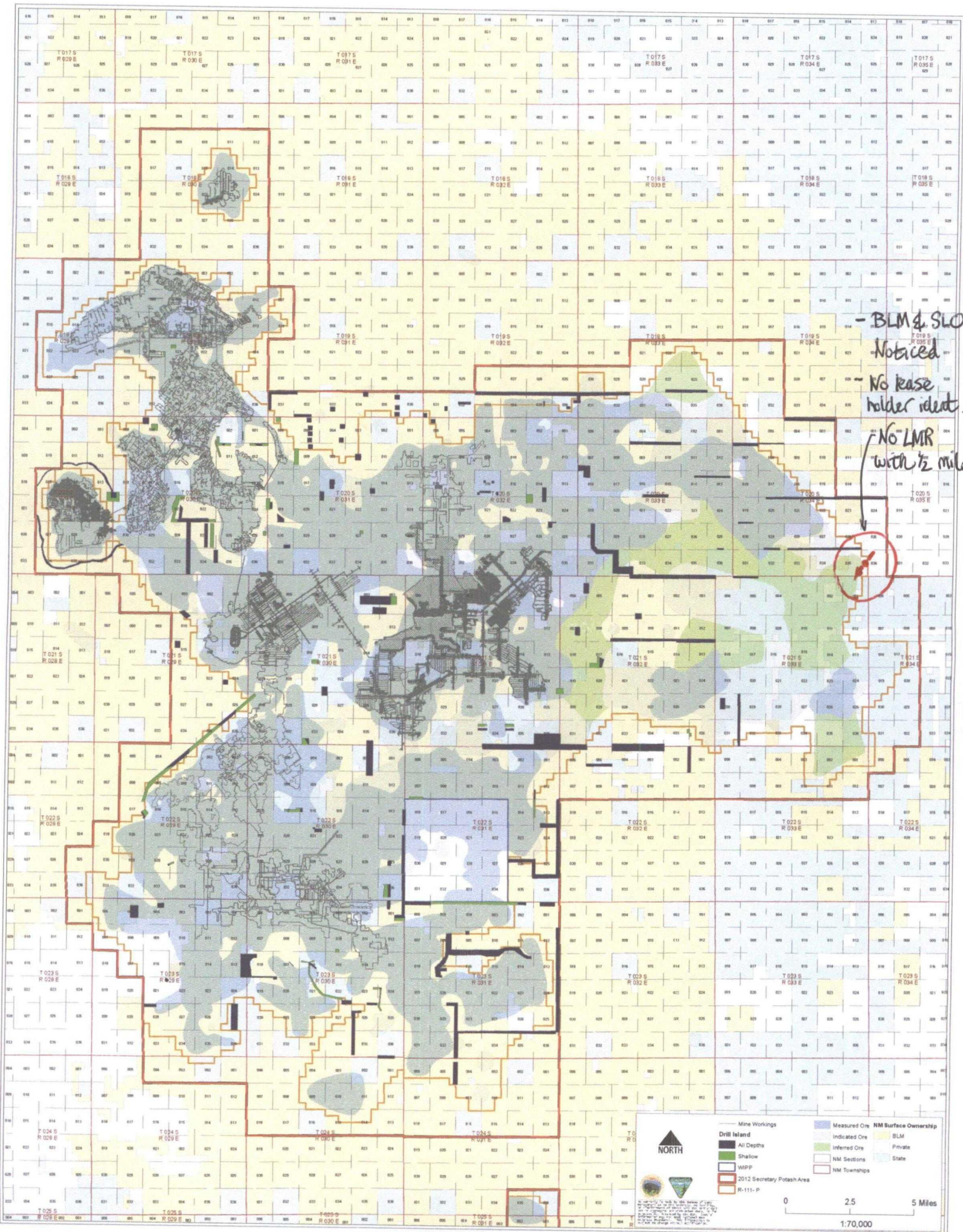
Planned Rehab Work to Well: NA

Well Construction Details		Sizes (in) Borehole / Pipe	Setting Depths (ft)	Cement (Sx or CI)	Cement Top and Determination Method
Planned <input checked="" type="checkbox"/> or Existing <u>Surface</u>		<u>16 / 13 3/8</u>	<u>0 to 1650</u>	<u>480+540/1020</u>	<u>Cir. to surface</u>
Planned <input checked="" type="checkbox"/> or Existing <u>Intern/Prod</u>		<u>12 1/4 / 9 5/8</u>	<u>0 to 3600</u>	<u>400+810/1210</u>	<u>Cir. to surface</u>
Planned <input checked="" type="checkbox"/> or Existing <u>Intern/Prod</u>		<u>8 3/4 / 7</u>	<u>0 to 5760</u>	<u>320+320/640</u>	<u>Cir. to surface</u>
Planned <input checked="" type="checkbox"/> or Existing <u>Prod/Liner</u>		<u>Add string or extend string</u>	<u>—</u>	<u>—</u>	<u>—</u>
Planned <input checked="" type="checkbox"/> or Existing <u>Liner</u>		<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Planned <input checked="" type="checkbox"/> or Existing <u>OH/PERF</u>		<u>6 1/8 / NC</u>	<u>5750 to 7000</u>	<u>Inj Length 1250</u>	
Injection Lithostratigraphic Units:		Depths (ft)	Injection or Confining Units	Completion/Operation Details:	
Adjacent Unit: Litho. Struc. Por.			<u>Capitan</u>	Drilled TD <u>—</u>	PBTD <u>—</u>
Confining Unit: Litho. Struc. Por.		<u>± 0</u>	<u>Capitan / erosion</u>	NEW TD <u>7600</u>	NEW PBTD <u>—</u>
Proposed Inj Interval TOP:		<u>5750</u>	<u>Cherry Canyon</u>	NEW Open Hole <input type="checkbox"/> or <u>NEW Perfs</u> <input checked="" type="checkbox"/>	
Proposed Inj Interval BOTTOM:		<u>7000</u>	<u>8</u>	Tubing Size <u>4 1/2</u> in. Inter-Coated? <u>Yes</u>	
Confining Unit: Litho. Struc. Por.		<u>+ 210</u>	<u>Brushy Canyon</u>	Proposed Packer Depth <u>5650</u> ft	
Adjacent Unit: Litho. Struc. Por.			<u>Bonespring</u>	Min. Packer Depth <u>5650</u> (100-ft limit) <input checked="" type="checkbox"/>	
AOR: Hydrologic and Geologic Information				Proposed Max. Surface Press. <u>1150</u> psi	
POTASH: <u>R-111-P</u> Noticed? <u>No</u> (BLM Sec Ord <input checked="" type="checkbox"/> WIPP <u>NA</u> Noticed? <u>NA</u>)	SALT/SALADO T: <u>—</u> B: <u>—</u> CLIFF HOUSE <u>NA</u>				
FRESH WATER: Aquifer <u>Capitan</u> / <u>alluvial</u> / <u>Santa Rosa</u>	HYDRO AFFIRM STATEMENT By Qualified Person <input checked="" type="checkbox"/>				
NMOSE Basin: <u>Capitan</u>	CAPITAN REEF: thru <input checked="" type="checkbox"/> adj <input type="checkbox"/> NA <input type="checkbox"/> No. Wells within 1-Mile Radius? <u>14</u>		FW Analysis <input checked="" type="checkbox"/>		
Disposal Fluid: Formation Source(s) <u>BS / WC / Delaware</u>	Analysis? <u>Yes</u>		On Lease <input type="checkbox"/> Operator Only <input type="checkbox"/> or Commercial <input checked="" type="checkbox"/>		
Disposal Int: Inject Rate (Avg/Max BWPD): <u>1500/2000</u>	Protectable Waters? <u>UNK</u>		Source: <u>—</u> System: Closed <input type="checkbox"/> or Open <input checked="" type="checkbox"/>		
HC Potential: Producing Interval? <u>No</u>	Formerly Producing? <u>UNK</u>		Method: Logs/DST/P&A <input checked="" type="checkbox"/> Other <u>claimed in area</u>		
AOR Wells: 1/2-M Radius Map? <u>Yes</u>	Well List? <u>Yes</u>		Total No. Wells Penetrating Interval: <u>3</u>		Horizontals? <u>Yes - all</u>
Penetrating Wells: No. Active Wells <u>3</u>	Num Repairs? <u>0</u> on which well(s)? <u>Intermediate casing on three well cased over inj. interval</u>		Diagrams? <u>No</u>		
Penetrating Wells: No. P&A Wells <u>0</u>	Num Repairs? <u>0</u> on which well(s)? <u>—</u>		Diagrams? <u>—</u>		
NOTICE: Newspaper Date <u>04/24/14</u> Mineral Owner <u>Fee</u> Surface Owner <u>Fee</u> N. Date <u>05/09/14</u>					
RULE 26.7(A): Identified Tracts? <u>Yes</u> Affected Persons: <u>BLM & NMSLO (CoG not.) IO-Companies / 1 - Trust Daniel Barry</u> N. Date <u>—</u>					

Order Conditions: Issues: Open hole / commercial injection; unknown HC potential (low); WQ of interval

Add Order Cond: Cements & casing for injection interval; HC potential - mudlog

R-111-P Notice: location not within a mile of Potash lease or LMR - both SLO & BLM notified



- BLM & SLO
Noticed
No base
holder ident.
No LMR
with 1/2 mile



0 2.5 5 Miles
1:70,000

September 19, 2014

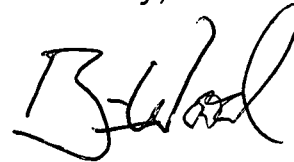
Phil Goetze
NM Oil Conservation Div.
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Dear Phil,

As requested, BC Operating has changed its Berry SWD 1 (30-025-41703) from 2 strings to 3 strings. The revised pages for the C-108 application package are attached. Also attached is a Sundry Notice to Hobbs OCD describing the casing change and cement specifications.

Please call me if you have any questions.

Sincerely,



Brian Wood

RECEIVED OCD
2014 SEP 19 A 11:23

cc: Durham

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

Form C-103
Revised July 18, 2013

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

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.)		WELL API NO. 30-025-41703
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator BC OPERATING, INC.		6. State Oil & Gas Lease No. N/A
3. Address of Operator P. O. BOX 50820, MIDLAND TX 79710		7. Lease Name or Unit Agreement Name BERRY SWD
4. Well Location Unit Letter: I 1620 feet from the SOUTH line and 304 feet from the EAST line Section 35 Township 20 SOUTH Range 34 EAST NMPM LEA County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,782' GL		9. OGRID Number 160825
		10. Pool name or Wildcat SWD; CHERRY CANYON

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

Will add 3rd string of casing. See attached revised well bore diagram.

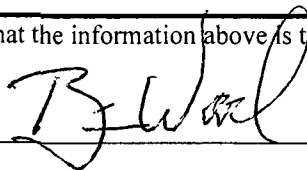
Cc: BC (Durham), NMOCD (Hobbs & Santa Fe)

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



TITLE CONSULTANT

DATE SEPTEMBER 18, 2014

Type or print name **BRIAN WOOD**
For State Use Only

E-mail address: **brian@permitswest.com**

PHONE: (505) 466-8120

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

DRILLING WELL DIAGRAM

WELL:
FIELD:
CATEGORY:
SHL:
UL:
COUNTY:
ELEVATION:

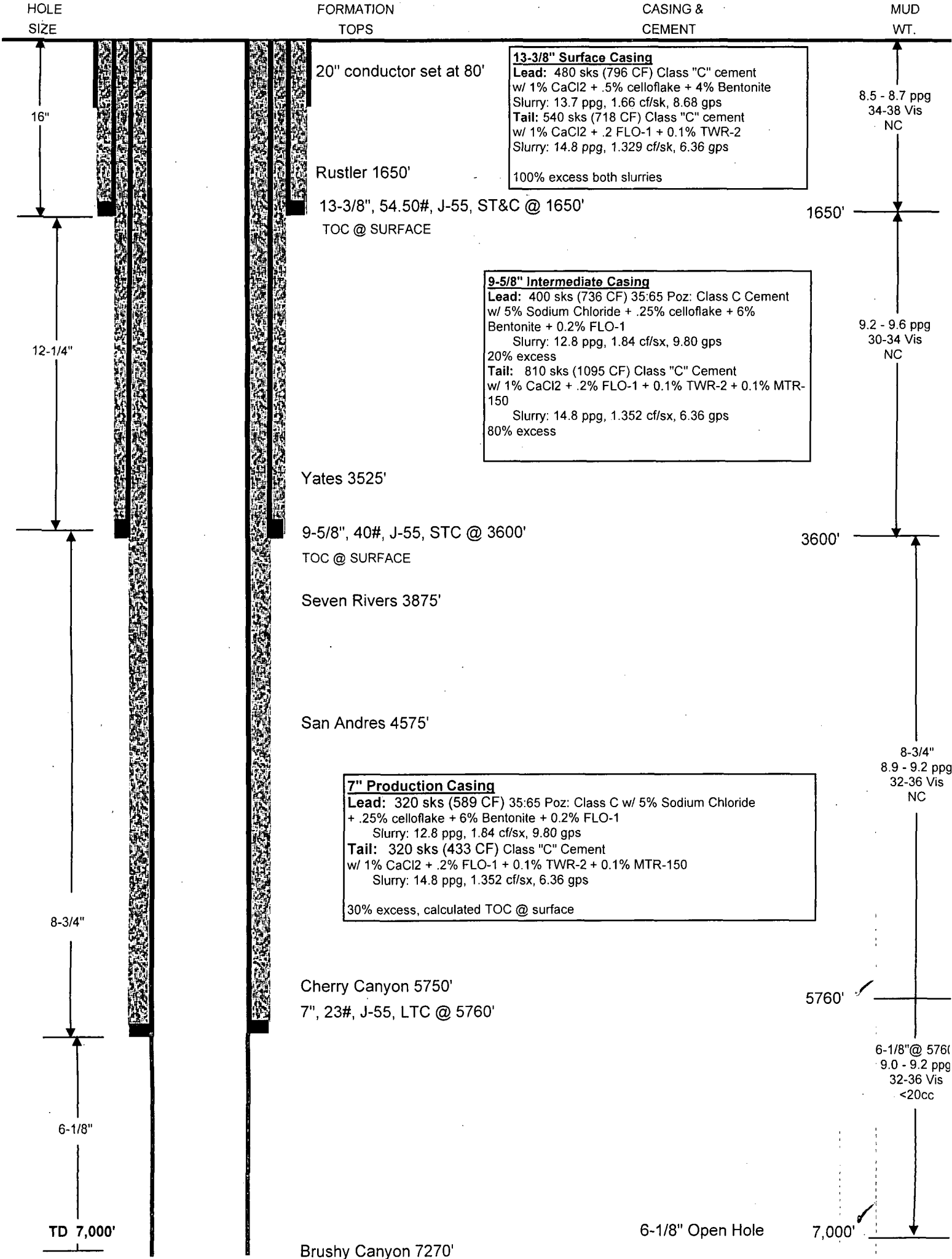
RIG :

Berry SWD #1
NA
Salt Water Disposal
1620' FSL & 304' FEL
I
Lea
3782' GL
3799' KB
17' KB

BOP: 2000# and 3000#

SEC 35-T20S-R34E

New Mexico
API NO.: 30-025-41703





New Mexico Office of the State Engineer

Active & Inactive Points of Diversion

(with Ownership Information)

(acre ft per annum)					(R=POD has been replaced and no longer serves this file, C=the file is closed)		(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are smallest to largest)		(NAD83 UTM in meters)								
WR File Nbr	Sub basin	Use	Diversion	Owner	County	POB Number	Code	Grant	Source	q	q	q	Sec	Tws	Rng	X	Y
CP 01334		COM	0	BERRY RANCH/GLENNS WW SERV INC	LE	CP 01334 POD1			Artesian	3	2	4	35	20S	34E	638402	3599879
CP 01335		COM	0	BERRY RANCH/GLENNS WW SERV INC	LE	CP 01335 POD1		NON	Artesian	4	1	4	35	20S	34E	638205	3599736
CP 01369		PRO	0	COG OPERATING	LE	CP 01334 POD1			Artesian	3	2	4	35	20S	34E	638402	3599879
CP 01370		PRO	0	COG OPERATING	LE	CP 01334 POD1			Artesian	3	2	4	35	20S	34E	638402	3599879
CP 01371		PRO	0	COG OPERATING	LE	CP 01334 POD1			Artesian	3	2	4	35	20S	34E	638402	3599879
CP 01375		PRO	0	COG OPERATING	LE	CP 01335 POD1		NON	Artesian	4	1	4	35	20S	34E	638205	3599736
CP 01376		PRO	0	COG OPERATING	LE	CP 01335 POD1		NON	Artesian	4	1	4	35	20S	34E	638205	3599736
CP 01377		PRO	0	COG OPERATING	LE	CP 01335 POD1		NON	Artesian	4	1	4	35	20S	34E	638205	3599736

Record Count: 8

POD Search:

POD Basin: Capitan

PLSS Search:

Section(s): 35

Township: 20S

Range: 34E

Sorted by: File Number

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

1/12/15 8:56 AM

Page 1 of 1

ACTIVE & INACTIVE POINTS OF DIVERSION