

McMillan, Michael, EMNRD

From: danny@pwllc.net
Sent: Wednesday, July 12, 2017 9:24 AM
To: McMillan, Michael, EMNRD
Cc: Bill Prichard
Subject: RE: SWD-1594-B Raz Oil & Gas, LLC's YO State SWD #1 (30-025-38162)

Will you be issuing a new order SWD-1594-C?

Danny J. Holcomb
Pueblo West, LLC
Cell: 806-471-5628
Email: danny@pwllc.net

----- Original Message -----

Subject: RE: SWD-1594-B Raz Oil & Gas, LLC's YO State SWD #1 (30-025-38162)
From: "McMillan, Michael, EMNRD" <Michael.McMillan@state.nm.us>
Date: Wed, July 12, 2017 9:34 am
To: "danny@pwllc.net" <danny@pwllc.net>
Cc: Bill Prichard <billy@pwllc.net>

I believe it was approved
Mike

From: danny@pwllc.net [<mailto:danny@pwllc.net>]
Sent: Wednesday, July 12, 2017 8:32 AM
To: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Cc: Bill Prichard <billy@pwllc.net>
Subject: RE: SWD-1594-B Raz Oil & Gas, LLC's YO State SWD #1 (30-025-38162)

Michael,
Raz Oil and Gas, LLC asked me to check on the status of the amended SWD order. They are ready to begin injection upon approval of the amended order.
Thank you,
Danny J. Holcomb
Pueblo West, LLC
Cell: 806-471-5628
Email: danny@pwllc.net

----- Original Message -----

Subject: RE: SWD-1594-B Raz Oil & Gas, LLC's YO State SWD #1 (30-025-38162)
From: "McMillan, Michael, EMNRD" <Michael.McMillan@state.nm.us>
Date: Wed, July 05, 2017 2:41 pm
To: "danny@pwllc.net" <danny@pwllc.net>, "Kautz, Paul, EMNRD"

<paul.kautz@state.nm.us>
Cc: Bill Prichard <billy@pwllc.net>

Danny:

Thanks for the update, and all of the information is in the Well logs.
The Engineering Bureau believes that applicant has met all of the requirements for SWD approval

Mike

From: danny@pwllc.net [<mailto:danny@pwllc.net>]
Sent: Wednesday, July 5, 2017 1:37 PM
To: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>; Kautz, Paul, EMNRD <paul.kautz@state.nm.us>
Cc: Bill Prichard <billy@pwllc.net>
Subject: RE: SWD-1594-B Raz Oil & Gas, LLC's YO State SWD #1 (30-025-38162)

Michael and Paul,
Raz Oil & Gas, LLC hand delivered the hard copy NGR log and mud log to the Hobbs office on Monday (7/3). Both are now visible on the OCD's log file system. A subsequent notice C-103 reporting deepening activities was mailed to Hobbs on Wednesday (6/28). If any additional information is needed in order to obtain the amended SWD administrative order, please let me know.

Thank you,
Danny J. Holcomb
Pueblo West, LLC
Cell: 806-471-5628
Email: danny@pwllc.net

----- Original Message -----

Subject: RE: SWD-1594-B Raz Oil & Gas, LLC's YO State SWD #1 (30-025-38162)
From: "McMillan, Michael, EMNRD" <Michael.McMillan@state.nm.us>
Date: Wed, June 28, 2017 4:53 pm
To: "danny@pwllc.net" <danny@pwllc.net>, "Kautz, Paul, EMNRD" <paul.kautz@state.nm.us>
Cc: Bill Prichard <billy@pwllc.net>

The Engineering Bureau is OK with information it has received so far. The pdf files will be placed in the administrative application. However it will not grant approval until Hobbs District Office received its required information.

Mike

From: danny@pwllc.net [<mailto:danny@pwllc.net>]
Sent: Wednesday, June 28, 2017 3:46 PM
To: Kautz, Paul, EMNRD <paul.kautz@state.nm.us>; McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Cc: Bill Prichard <billy@pwllc.net>

Subject: RE: SWD-1594-B Raz Oil & Gas, LLC's YO State SWD #1
(30-025-38162)

Paul,

Yes sir. I submitted the pdf version for your two information. The operator plans to stop by the district office and drop off hard copy versions for the official submission. Sorry I didn't say that in the email.

Thank you,

Danny J. Holcomb
Pueblo West, LLC
Cell: 806-471-5628
Email: danny@pwllc.net

----- Original Message -----

Subject: RE: SWD-1594-B Raz Oil & Gas, LLC's YO State SWD #1
(30-025-38162)

From: "Kautz, Paul, EMNRD" <paul.kautz@state.nm.us>

Date: Wed, June 28, 2017 4:42 pm

To: "danny@pwllc.net" <danny@pwllc.net>, "McMillan, Michael, EMNRD" <Michael.McMillan@state.nm.us>

Cc: Bill Prichard <billy@pwllc.net>

The logs submit are not compatible with our system. Please submit either a continuous paper copy of the logs or an electronic copy in a TIF file format

Paul Kautz
Hobbs District Geologist
Energy Minerals Natural Resources Dept.
Oil Conservation Division
1625 N. French Dr.
Hobbs, NM 88240
575-393-6161 ext. 104

From: danny@pwllc.net [<mailto:danny@pwllc.net>]

Sent: Wednesday, June 28, 2017 3:33 PM

To: McMillan, Michael, EMNRD

<Michael.McMillan@state.nm.us>; Kautz, Paul, EMNRD
<paul.kautz@state.nm.us>

Cc: Bill Prichard <billy@pwllc.net>

Subject: RE: SWD-1594-B Raz Oil & Gas, LLC's YO State
SWD #1 (30-025-38162)

Michael and Paul,

Based on Michael's email below and a C-103 NOI approved by Paul Kautz on 6/9/17, Raz Oil and Gas, LLC has now deepened this well to 14347'. A C-103 SN report covering this work is being mailed to the

Hobbs District Office today. An MIT was performed on 6/23/17 and witnessed by Gary Robinson (OCD-Hobbs). Copies of the MIT chart and a new WBD are included with the C-103 SN. If you desire emailed copies of this report and attachments, please let me know.

* Per your first bullet point below, attached to this email are pdf copies of the mudlog and e-log performed during this work.

* Per your 2nd and 3rd bullet points below, based on the mudlog and e-log, Raz believes the entire open hole interval is within the Devonian formation. Therefore, the Montoya formation was not penetrated and remains below the open hole interval.

Also attached to this email is a copy of the step rate test performed on 6/20/17.

Raz Oil and Gas, LLC respectfully requests an amendment to SWD-1594-B for the following changes:

- * proposed injection interval changed from 13490' - 13968' to 13490' - 14347'

- * proposed completion changed from through perforations to a combination of perforations and open hole

If you have any questions or need any additional information, please let me know. Raz understands that this has been a long process on this SWD well and they very much appreciate both of your assistance the past few months. They believe they have finally made a good quality SWD well at this location. They will be ready to initiate injection upon your approval.

Thank you,
Danny J. Holcomb
Pueblo West, LLC
Agent for Raz Oil and Gas, LLC
Cell: 806-471-5628
Email: danny@pwillc.net

----- Original Message -----

Subject: RE: SWD-1594-B Raz Oil & Gas, LLC's YO State SWD

#1

(30-025-38162)

From: "McMillan, Michael, EMNRD"

<Michael.McMillan@state.nm.us>

Date: Wed, May 31, 2017 11:32 am

To: "Kautz, Paul, EMNRD" <paul.kautz@state.nm.us> ,

"danny@pwillc.net"

<danny@pwillc.net>

Cc: Bill Prichard <billy@pwillc.net> , "Jones, William V, EMNRD"

<WilliamV.Jones@state.nm.us> , "Goetze, Phillip, EMNRD"

<Phillip.Goetze@state.nm.us>

Danny:

The Engineering Bureau will approve the change in injection interval and completion with the following stipulations.

- Before injection, the OCD Engineering Bureau and Hobbs District Office must receive a mudlog ,summary description of log tops, and well logs (if ran).
- The approved administrative order only allows injection into the Devonian formation only. Therefore, injection into the Montoya formation is prohibited.
- If the well penetrates the Montoya formation, it must be plugged back.

Thank You

MICHAEL A. MCMILLAN

Engineering Bureau, Oil Conservation Division
1220 south St. Francis Dr., Santa Fe NM 87505
O: 505.476.3448
Michael.McMillan@state.nm.us

From: Kautz, Paul, EMNRD
Sent: Wednesday, May 31, 2017 10:20 AM
To: danny@pwillc.net; McMillan, Michael, EMNRD
<Michael.McMillan@state.nm.us>
Cc: Bill Prichard <billy@pwillc.net>
Subject: RE: SWD-1594-B Raz Oil & Gas, LLC's YO State SWD #1 (30-025-38162)

Danny,

I can conditionally approve a C-103 to depend the well. The conditions of approval will be conditional on Santa Fe approving a change in your injection interval.

Paul Kautz
Hobbs District Geologist
Energy Minerals Natural Resources Dept.
Oil Conservation Division
1625 N. French Dr.
Hobbs, NM 88240
575-393-6161 ext. 104

From: danny@pwillc.net [mailto:danny@pwillc.net]
Sent: Tuesday, May 30, 2017 2:27 PM
To: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>; Kautz, Paul, EMNRD <paul.kautz@state.nm.us>
Cc: Bill Prichard <billy@pwillc.net>
Subject: SWD-1594-B Raz Oil & Gas, LLC's YO State SWD #1 (30-025-38162)

Michael and Paul,
Raz Oil and Gas, LLC requests approval to deepen the injection interval on the referenced well. They propose to deepen the well an additional 522' from the current TD of 13968' to a new TD of 14490'. That would change the injection interval from 13490' - 13968' to 13490' - 14490'. The base of the Devonian is expected to be around 14700'. The resulting completion would be a combination of perforations in cased hole and open hole below. This proposed new completion would still be several hundred feet above the Ellenburger formation. Attached is a new proposed wellbore diagram reflecting this request.

This request is necessary as the completion of the permitted interval (13490' - 13968') found decent porosity, but would not take water. Raz has acidized the interval twice with no improvement. As a result, they request to deepen the well in search of better Devonian porosity.

There would be no change to the top of the injection interval. There would also be no change in the list of affected parties. Michael, upon approval of SWD order amendment, Raz will file Notice of Intent with the District Office to deepen the well.

If you have any questions, please let me know.
Thank you,
Danny J. Holcomb
Pueblo West, LLC
Cell: 806-471-5628
Email: danny@pwillc.net

CURRENT WELLBORE

Well Configured for SWD Service

Raz Oil and Gas L.L.C.

YO State SWD #1

API# 30-025-38162

660' FNL X 840' FWL, UL 'D' Sec 15, T21S, R35E, Lea County, NM

All Depths KB
KB 3603'
GL 3587'

17-1/2" Hole
13-3/8" 48# H40 Csg
Set @ 850'
Cement to surface: yes

T. Anhydrite 1850'
T. Salt 1945'

Base Salt 3490'

T. San Andres 4200'

12-1/4" Hole
9 5/8" 40# HCK55 Csg
Set @ 5420'
Cement to surface: yes

T. Del Sand 5530'

T. Bone Spring 7578'

T. Wolfcamp 10156'

T. Barnett Shale 12510'
8-3/4" Hole
7" 26# J55/HCL80 Csg
Set @ 12536'
Cement to surface: yes

T. Mississippi 12740'

T. Woodford Shale 13285'

T. Devonian 13490'

6-1/8" Hole
5" 15# L80 Liner
Hung @ 12273'
Set @ 13962'
Cement to TOL: no

14181'

4-1/8" Open Hole

3-7/8" OH

TD @ 14347'

DV Tool @ 4166'
ECP @ 4169'

DV Tool @ 5335'
ECP @ 5340'

Pkr Fluid in Annulus

DV Tool @ 9797'
ECP @ 10002'

Tapered Injection Tubing
4-1/2" x 2-7/8" IPC/IPL
Changeover @ 12244'

TOC @ 12662' (4/19/17 CBL)

Injection Packer - Arrowset 1-X
5" x 2-3/8" Nickel Plated
Set @ 13495' ✓

Perfs - 13518'-58' (2SPF)
Perfs - 13558'-658' (4SPF)
Perfs - 13658'-718' (2SPF)

Proposed Injection Interval
13490' - 14347'
SWD-1594



Drawing Not to Scale