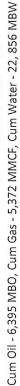
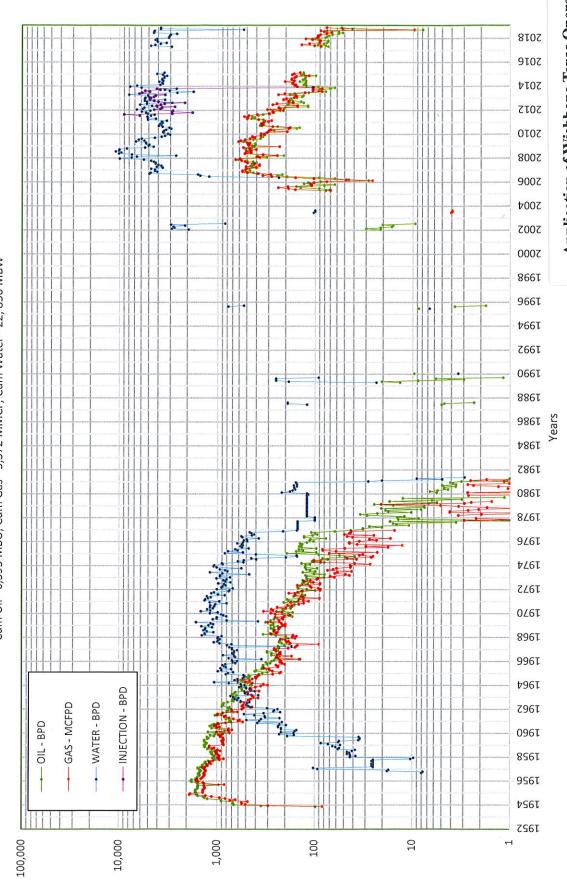
		WISHE	30NE 1	EXAS (	<b>DPERAT</b>	WISHBONE TEXAS OPERATING COMPANY - DENTON DEVONIAN FIELD	J - YNY	DENTOR	N DEVC	NIAN	=IELD			
		Dev	onian	Devonian Waterflood	lood Pil	Pilot Project - Well Performance Evaluation	Well F	Perform	ance E	valuati	on	***************************************		
				- % **** • *****************************	a na mana									
							DEC 2018	DEC 2018 PRODUCTION RATES	N RATES	CUIV	<b>CUM PRODUCTION</b>	NOI	RES	RESERVES
	PERATOR	OPERATOR API NUMBER	SECTION	D&C DATE WELL ST		ATUS PROD FORMATION	BOPD	MCF/D		OIL (Mbo) G	as (mmcf) V	Vater (Mbw)	00IP (mbo) (	OIL (Mbo) Gas (mmcf) Water (Mbw) OOIP (mbo) CUM REC FACTOR
Buckley 25 "A" #1	Wishbone	Wishbone 30-025-05118-00-00	25	Oct-53	Active	Devonian	11	14	1470	1104.3	878.7	4205.1	2130.7	51.8%
	Wishbone	Wishbone 30-025-05122-00-00	25	Apr-54	Inactive	Devonian	0	0	0	911.5	867.3	6752.2	1614.3	56.5%
TD Pope 36-5	Wishbone	30-025-05213-00-00	36	Apr-54	Active	Devonian	15	21	086	798.4	723.5	3656.6	1753.5	45.5%
	Wishbone	Wishbone 30-025-05214-00-00		Sep-53	Active	Devonian	14	23	1570	811.4	717.1	2993.0	2296.0	35.3%
TD Pope 36-8	Wishbone	30-025-05216-00-00	36	Dec-53	Active	Devonian	33	42	650	817.3	779.9	2422.2	2357.6	34.7%
	Wishbone	30-025-05217-00-00		Jun-54	Inactive	Devonian	0	0	0	1190.6	598.7	2659.2	1828.6	65.1%
11/17 EACON A 2	4	Wirkham 20 02 05204 00 00	76		194110	1.				0 037	7 000	000	11.46.9	701 01
	TIOO ISLAN	20-02-0250-05	İ	to line	Ze i	DavOlliati	The second secon			100	1.070	3	2.7	9/1:01
WT Mann A-3	•	30-025-05205-00-00	36	Aug-54	P&A	Devonian				298.0	77.5	108.0	981.9	30.3%
							ç	Ç	000	0 0000	17777	0.00000	7 000	/00 14
TOTALS						management in management of an individual state of the contract of the state of the	/3	100	46/0	6394.8	23/7.1	77,856.3	14,109.4	45.3%
REMAINING PRIMARY									A CONTRACTOR OF THE PROPERTY O	124.1				
PRIMARY RECY EUR										6218.9				46.2%
SECONDARY EUR										164.7				1.2%
TOTAL EUR										6683.6				47.4%
										7,000				
			Initial Nun	Initial Number of Producers	ucers	4								
			Initial Nur	Initial Number of Injectors	tors	2	Annual A SASSAGA A A SASSAGA A SASSA							
			Additional	Additional Wellbores Available	vailable	2							***************************************	
			Type of Ini	Type of Injected Fluid		Produced Water		***************************************						
			Anticipate	Anticipated Injection Volumes	olumes,	5000 BWPD								
			ECONOMIC	S (at curren	<b>ECONOMICS</b> (at current crude pricing	_								
			2011 Capital Work	al Work		\$4,300,000	(Drid Pope	(Drid Pope 36-10 & converted Mann A-2)	erted Mann	A-2)				
			2018-19 FL	2018-19 Future Capital Work	Work	\$100,000								
			Increment	Incremental Operating Costs	Costs	\$7500/month						1000		200
			First Wate	First Waterflood Pilot Respons	Response	2 years								
			Gross Incr	Gross Incremental Reserves	erves	164.7 MBO								
			Net Preser	Net Present Value @10%	%(	\$2,265,690								

Application of Wishbone Texas Operating
Company, LLC
Case No. 20406
Pilot Project Performance Evaluation
EXHIBIT #8

Wishbone Texas Operating Co. LLC **Denton Devonian Field Waterflood Pilot** 





Application of Wishbone Texas Operating Company, LLC Case No. 20406 Production History EXHIBIT #9

#### STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

NMOCD - ACOI- 369

IN THE MATTER OF WISHBONE TEXAS OPERATING COMPANY, LLC

Respondent.

### INACTIVE WELL AGREED COMPLIANCE ORDER

Pursuant to the New Mexico Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38, as amended ("Act") and OCD Rule 19.15.5.10(E) NMAC, the Director of the Oil Conservation Division ("OCD") and *Wishbone Texas Operating Company*, *LLC* ("Operator") enter into this Inactive Well Agreed Compliance Order ("Order" or "ACOI"). Operator agrees to plug, place on approved temporary abandonment status, or restore to production or other beneficial use the wells identified herein in accordance with the following agreed schedule and procedures, or face the possibility of no further agreed compliance orders. See 19.15.25.8 NMAC

#### **FINDINGS**

- 1. The OCD is the state division charged with administration and enforcement of the Act, and rules and orders adopted pursuant to the Act.
- 2. Operator is a Company doing business in the state of New Mexico.
- 3. Operator is the operator of record under OGRID 370256 for the wells identified in Exhibit "A," attached.
- 4. OCD Rule 19.15.25.8 NMAC states, in relevant part:
  - "A. The operator of wells drilled for oil or gas or services wells including seismic, core, exploration or injection wells, whether cased or uncased, shall plug the wells as Subsection B of 19.15.25.8 NMAC requires.
  - B. The operator shall either properly plug and abandon a well or place the well in approved temporary abandonment in accordance with 19.15.25 NMAC within 90 days after:
  - (3) a period of one year in which a well has been continuously inactive."
- 5. The wells identified in Exhibit "A"

. . . .

**ACOI** 

Application of Wishbone Texas Operating Company, LLC Case No. 20406 2019 ACOI-369 EXHIBIT #10

- (a) have been continuously inactive for a period of one year plus 90 days;
- (b) are not plugged or abandoned in accordance with OCD Rule 19.15.25.9 NMAC through 19.15.25.11 NMAC; and
- (c) are not on approved temporary abandonment status in accordance with OCD Rule 19.15.25.12 NMAC through 19.15.25.14 NMAC.
- 6. An operator faces sanctions if it is out of compliance with OCD Rule 19.15.5.9 NMAC. Sanctions include possible denial of registration by operator or certain related entities (OCD Rule 19.15.9.8B NMAC), possible denial of change of operator that would transfer wells to the noncompliant operator (OCD Rule 19.15.9.9C.1 NMAC), mandatory denial of injection permits (OCD Rule 19.15.26.8A NMAC), possible revocation of injection permits after notice and hearing (OCD Rule 19.15.26.8A NMAC), possible denial of applications for a drilling permit (OCD Rule 19.15.14.10A NMAC), and mandatory denial of allowable and authorization to transport (OCD Rule 19.15.16.19A NMAC).
- 7. Operator is currently out of compliance with OCD Rule 19.15.5.9.A(4) NMAC because it has too many wells out of compliance with OCD Rule 19.15.25.8 NMAC (the inactive well rule) that are not subject to an agreed compliance order setting a schedule for bringing the wells into compliance with the inactive well rule and imposing sanctions if the schedule is not met. See OCD Rule 19.15.5.9(A)(4) NMAC.
- 8. As the operator of record of 49 wells, to be in compliance with OCD Rule 19.15.5.9.A(4) NMAC, Operator may have no more than 2 wells out of compliance with OCD Rule 19.15.25.8 NMAC (inactive well rule). See OCD Rule 19.15.5.9A(4)(b) NMAC. According to the inactive well list kept pursuant to OCD Rule 19.15.5.9(F) NMAC, Operator has 2 wells out of compliance as of January 29, 2019. The Operator's inactive well list, dated January 29, 2019 is attached as Exhibit "A." Operator faces sanctions for being out of compliance with OCD Rule 19.15.5.9 NMAC.
- Operator intends to seek privileges from the OCD that would be subject to sanction due to Operator being out of compliance with OCD Rule 19.15.5.9 NMAC. By placing the wells identified in Exhibit "A" under this Order, Operator will not face sanctions for being out of compliance with OCD Rule 19.15.5.9 NMAC.

#### **CONCLUSIONS**

1. The OCD has jurisdiction over the parties and subject matter in this proceeding.

**ACOI** 

- 2. The wells identified in Exhibit "A" are out of compliance or will be out of compliance with OCD Rule 19.15.25.8 NMAC.
- 3. As operator of the wells identified in Exhibit "A," Operator is responsible for bringing those wells into compliance with OCD Rule 19.15.25.8 NMAC.
- 4. The OCD and Operator enter into this Order to remove the wells identified in Exhibit "A" from the inactive well list kept pursuant to OCD Rule 19.15.5.9(F) NMAC and consideration of Operator's compliance with the inactive well rule for purposes of Operator's compliance with OCD Rule 19.15.5.9 NMAC. Operator remains subject to sanctions for being out of compliance with OCD Rule 19.15.5.9 NMAC IF Operator becomes out of compliance with OCD Rule 19.15.5.9 NMAC for any reason other than the inactive wells identified in Exhibit "A."

#### ORDER

- 1. Operator agrees to bring 5 wells identified in Exhibit "A" into compliance with OCD Rule 19.15.25.8 NMAC by August 1, 2019 via
  - (a) restoring the well to production or other OCD-approved beneficial use <u>and filing a C-115 documenting such production or use</u>;
  - (b) causing the wellbore to be plugged in accordance with OCD Rule 19.15.25.10(B) NMAC and filing a C-103 describing the completed work; or
  - (c) placing the well on approved temporary abandonment status in accordance with OCD Rule 19.15.25.12 NMAC through 19.15.25.14 NMAC.
- 2. Prior to completing the term of this agreement, the operator agrees to provide a comprehensive plan, acceptable to the division, as to how it will address the remaining inactive wells on Exhibit "A". Failure to provide such a plan may result in the division denying future amendments to this agreement. Oil and gas produced during swabbing does not count as production for purposes of this Order.
- 3. Operator shall file a monthly compliance report, due on the last day of each month, identifying each well returned to compliance, stating the date it was returned to compliance and describing how the well was returned to compliance (restored to production or other approved beneficial use, plugged wellbore, approved temporary abandonment status.) Transfer of a well identified on Exhibit "A" to another operator does not count towards Operator's obligation to return wells to compliance under the terms of this Order, but does reduce the total number of wells for which Operator is responsible under the terms of this Order. The final written compliance report must be mailed or e-mailed to the OCD's Enforcement and Compliance Manager and to the OCD attorney in charge of inactive well agreed

**ACOI** 

compliance orders so that it is <u>received by</u> the compliance deadline of August 1, 2019. The total length of this Agreed Compliance Order is six months.

- 4. Operator understands that if it fails to meet the terms of this Order, the OCD may decide not to enter into any further agreed compliance orders with Operator. If any more wells become inactive during the duration of this ACOI or the operator is in any other way in violation of OCD Rule 19.15.5.9 NMAC, this ACOI may terminate, at the sole discretion of the Division.
- 5. This Order shall expire on **September 1, 2019**. At that time, any wells on Exhibit "A" not in compliance with OCD Rule 19.15.25.8 NMAC will appear on the inactive well list kept pursuant to OCD Rule 19.15.5.9(F) NMAC, and will be considered when determining Operator's compliance with OCD Rule 19.15.5.9 NMAC.
- 6. By signing this Order, Operator expressly:
  - (a) acknowledges the correctness of the Findings and Conclusions set forth in this Order;
  - (b) agrees to return to compliance 5 wells identified in Exhibit "A" by August 1, 2019;
  - (c) agrees to submit a compliance report as required in Ordering Paragraph 3 by the **August 1, 2019** compliance deadline set by this Order;
  - (d) waives any right, pursuant to the Oil and Gas Act or otherwise, to an appeal from this Order, or to a hearing either prior to or subsequent to the entry of this Order other than a hearing on a request for waiver; and
  - (e) agrees that the Order may be enforced by OCD or Oil Conservation Commission Order, by suit or otherwise to the same extent and with the same effect as a final Order of the OCD or Oil Conservation Commission entered after notice and hearing in accordance with all terms and provisions of the Oil and Gas Act.
- 7. This Order applies only to the enforcement of OCD Rule 19.15.25.8 NMAC against those wells identified in Exhibit "A." Other wells operated by Operator out of compliance with OCD Rule 19.15.25.8 NMAC may be subject to immediate enforcement action under the Oil and Gas Act and OCD Rules. Wells identified in Exhibit "A" that are out of compliance with the Oil and Gas Act or OCD Rules other than OCD Rule 19.15.25.8 NMAC may be subject to immediate enforcement action under the Oil and Gas Act and OCD Rules.
- 8. The OCD reserves the right to file an application for hearing to obtain authority to plug any well identified in Exhibit "A" and forfeit the applicable financial assurance if the well poses an immediate environmental threat.

**ACOI** 

Done at Santa Fe, New Mexico this
ACCEPTANCE
Wishbone Texas Operating Company, LLC hereby accepts the foregoing Order and agrees to all of the terms and provisions set forth in that Order.
By: (Please print name)  H CALLS CVARK  Title: Date:  2/11/19

ACOI

Page 5 of 7

### Exhibit "A" to Agreed Compliance Order for Wishbone Texas Operating Company, <u>LLC</u>

Total Well Count: 49 Inactive Well Count: 9 Printed On: Tuesday, January 29 2019

District	API	Well	ULSTR	OCD Unit	Ogrid	Operator	Lease Type	Well Type	Last Production	Formation/Notes	Status	TA Exp Date
1	30-025-05122	BUCKLEY A #004	N-25-14S-37E	N	370256	WISHBONE TEXAS OPERATING COMPANY LLC		0	01/2014	DEVONIAN	Т	11/16/2018
1	30-025-05127	BUCKLEY B #004	F-25-14S-37E	F	370256	WISHBONE TEXAS OPERATING COMPANY LLC		0	06/2017	PENN RETURN TO PROD 11/07/2007		
1	30-025-07303	J G COX SWD #001	C-13-17S-38E	С	370256	WISHBONE TEXAS OPERATING COMPANY LLC		S	08/2016	SAN ANDRES/BONE SPRING		
1	30-025-09863	PRIEST #003	3-01-15S-37E	С	370256	WISHBONE TEXAS OPERATING COMPANY LLC		0	07/2012		T	9/19/2017
1	30-025-05133	SHELTON #006	D-26-14S-37E	D	370256	WISHBONE TEXAS OPERATING COMPANY LLC		0	05/2008		T	1/28/2018
1	30-025-05229	State T Devonian #004	M-02-15S-37E	М	370256	WISHBONE TEXAS OPERATING COMPANY LLC		0	08/2011		T	9/8/2018
1	30-025-25570	State T Devonian #009	N-02-15S-37E	N	370256	WISHBONE TEXAS OPERATING COMPANY LLC		0	05/2006	DEVONIAN TA 01/08/09 TA EXP 01/14/2016	T	3/28/2018
1	30-025-37175	T D POPE 35 #003H	G-35-14S-37E	G	370256	WISHBONE TEXAS OPERATING COMPANY LLC		0	08/2012	DEVONIAN / DIRECTIONAL DRILL		
1	30-025-39999	T D POPE 36 #010	D-36-14S-37E	D	370256	WISHBONE TEXAS OPERATING COMPANY LLC		I	10/2012	DEVONIAN CONVERT TO INJ 12/29/2011		

WHERE Operator:370256, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15, Excludes Well Under ACOI, Excludes Wells in Approved TA Period

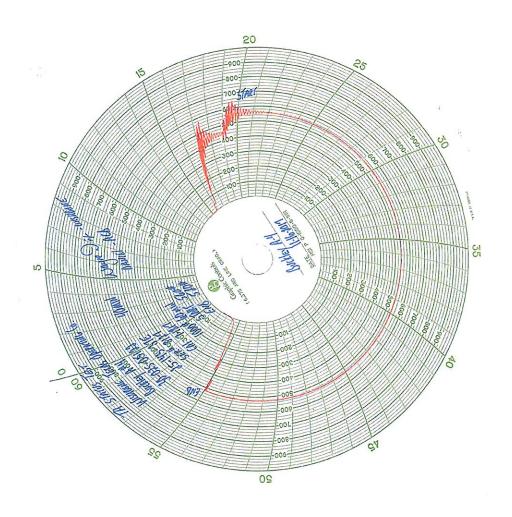
	11 61 61611
By:	Hilly Clif
Title:	CED

**ACOI** 

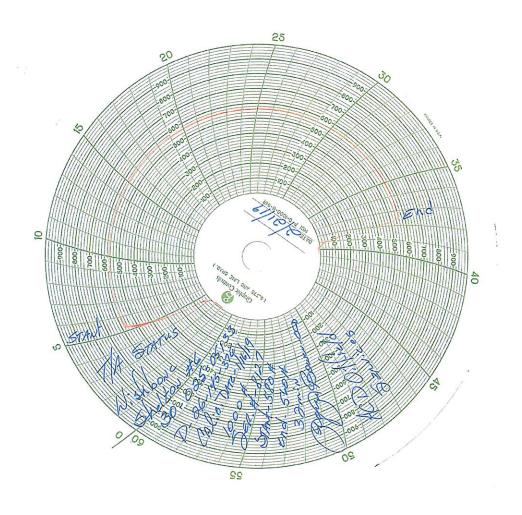
Page 6 of 7

WELL APPINO.	Submit I Copy To Appropriate District Office District I = (575) 303-6161	State of New Mexico Energy, Minerals and Natural Resources	Form C-103 Revised July 18, 2013
Sample   Comparison   Compari	5) 273-5101 1 Dr., Hobbs, NM 882-10 5) 748-1283	OIL COMETBUATION DIVISION	o.
SURINRY VOID CERTAIN PREPORTS ON WELLS.  SURINRY ADMILISTRATION PROPERTY OF SOUTH IN THE WELL ADMILISTRATION PROPERTY OF SOUTH IN THE WELL ADMINISTRATION PROPERTY OF SOUTH IN THE WELL ADMINISTRATION PROPERTY OF SOUTH IN THE WELL ADMINISTRATION PROPERTY OF SURING SURIN	Artesia, NM 88210 35) 334-6178 8 Rd., Aztec, NM 87410	OLL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe. NM 87505	pe of Lease
STATION NOTICES AND REPORTS ON WELLS   Community of the property of the proposed very consist of the proposed or complete looper   Community of the proposed or complete looper   Community of the proposed or complete looper looper   Community of the proposed or complete looper loo	reis Dr., Santa Fe, NM		o. State Oil & Gas Lease No.
Well Number   4   Poleston   1   Poleston   2   Poleston   1   Poleston   2   P	SUNDRY NOTICES THIS FORM FOR PROPOSALS ESERVOIR. USE "APPLICATION"	AND REPORTS ON WELLS TO DRILL OR TO DEEPEN OR PLUG BACK TO A IN FOR PERMIT" (FORM C-101) FOR SUCH	7. Lease Name or Unit Agreement Name Buckley A
Progression Company LLC  10. Peorl annue or Wideat  11. Elevation (Show wheeling 145)  12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  13. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  14. Takanyon Communication (Show wheeling DR, RKB, RT, GR, etc.)  15. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  16. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  17. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  18. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  18. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  19. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  19. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  19. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  19. Check Nature Completed operations (Clearly state all perturent details, and give pertinent data  19. Check Nature Completed operations (Clearly state all perturent details, and give pertinent data  19. Check Nature Completed operations (Clearly state all perturent details, and give pertinent data  19. Check Nature Check Appropriate Box to Nature Nature.  19. Or SYSTEM  19	$\boxtimes$		
Tester in Measure Pkwy N 1440, Houston, Texas, 77064  In Houston Pkwy N 1440, Houston, Texas, 77064  In Houston Pkwy N 1440, Houston, Texas, 77064  It have been been been been been been been be	Operator exas Operating Company Ll	27	
Integer   Name   1.1   South   1.2   South   1.2   South   1.2   South   1.2   South   1.3   South   1.2   South   1.3   South	of Operator im Houston Pkwy N #400, I	Houston, Texas, 77064	
11. Elevation (Shorw whether DR, RKB, RT, GR, etc.)   11. Elevation (Shorw whether DR, RKB, RT, GR, etc.)   13807*   1	t	feet from the	1650
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  NOTICE OF INTENTION TO:  SUBSEQUENT REPORT OF:  YAMBADON SI CHANGE PLAND  OTHER  OTHER  OTHER  SUBSEQUENT REPORT OF:  REMEDIAL WORK  COMMINISE  OTHER  OTHER  OTHER  SUBSEQUENT REPORT OF:  COMMINISE  OTHER  OTHER  OTHER  SET CASING  COMMINISE  OTHER  OTHER  Set completed operations. (Clearly state all pertinent dates), including estimated date date of some proposed work). SEE RUJE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of set completion or recompletion.  NRIU Pulling Unit  NRU WL, THI W 75 12" CIBP. Set @ 12.200° Cap w/ 35" Cement. RD WL.  NRIU Pulling Unit  NRU WL, THI W 75 12" CIBP. Set @ 12.200° Cap w/ 35" Cement. RD WL.  NRIU Pulling Unit  NRU WL, THI W 75 12" CIBP. Set @ 12.200° Cap w/ 35" Cement. RD WL.  Pressure Test the casing to 300# (with chart recorder) for 30 minutes.  Breaklaste for disposal well.  Wighter Action  TITLE Reported of my knowledge and belief.  TITLE Reported of my knowledge and belief.  TITLE Breaklaste for disposal well.  Figure Action  TITLE Breaklaste for disposal well.  TITLE Pulling Action  TITLE Action Date  TITLE Pulling Action  TITLE Action Date  Date  Date  Date  TITLE Pulling Action  TITLE Action Date  Date  TITLE Pulling Action  TITLE Action Date  Date  TITLE Action Date  Date  TITLE Action Date  Date  TITLE Action Date  Date  Date  Date  TITLE Action Date  Date  TITLE Action Date  Date  Date  TITLE Action Date  Date  TITLE Action Date  Date  Date  TITLE Action Date  Date  TITLE Action Date  Date  Date  Date  TITLE Action Date  Date  TITLE Action Date  Da	25	Township 14S Range 37 Elevation (Show whether DR, RKB, RT, GR, et	NMPM
NOTICE OF INTENTION TO:  SUBSEQUENT REPORT OF:  EMEDIAL WORK   PLUG AND ABANDON   REMEDIAL WORK   ALTERING CASING    TEX ABANDON   CASING   AND ABANDON   CASING   ALTERING CASING    OTHER:   OTHER:   AND ABANDON   CASING   AND ABANDON   CASING CEMENT JOB   OTHER:   OTHE	12. Check Appr	opriate Box to Indicate Nature of Notice	, Report or Other Data
The proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date riting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of seed completion or recompletion.  NMRU Pulling Unit  NU WL, THH w/ 15g. CIBP. Set @ 12,200° Cap w/ 35° Cement. RD WL.  PU & THH w/ Tbg. Displace hole w/ corrosion inhibitor and fresh water.  Pressure Test the casing threggity test.  Pressure Test the casing to 500# (with chart recorder) for 30 minutes.  Rig Release Date:    Rig Release Date:   Right/Critical Footcantal   DATE   PAPUE	5	NDON REMEDIAL COMMENCE PL CASING/GE	EPORT OF: ALTERING CASING P AND A
DATE PHONE:	ibe proposed or completed ring any proposed work).	OTHER: operations. (Clearly state all pertinent details, a SEE RULE 19.15.7.14 NMAC. For Multiple C	nd give pertinent dates, including estimated date ompletions: Attach wellbore diagram of
DATE PHONE:	MIRU Pulling Unit ) RU WL, THW MS 24" CIB ) NOIffy NMOCD of cassing ) PU & TH W/ Tbg. Displa ) PU & TH W/ Tbg will push ) Pressure Test the cusing to ) Evaluate for disposal well.	P. Set @ 12,200' Cap w/ 35' Cement. RD WL. Integrity test. ce hole w/ corrosion inhibitor and fresh water. 500# (with chart recorder) for 30 minutes.	
DATE PHONE;		Rig Relense Date:	
Wayse Ty TITLE New Tools of Days of Days of Days DATE Tools of Days	y that the information above	is true and complete to the best of my knowled	ge and belief.
E-mail address: Waysal of mustangesp. com. PHONE; TITLE DATE	Wayre J.	Production	DATE
roval (if any):	77	E-mail address: Whyar (a) mus	
	Y: Approval (if any):	TITLE	DATE

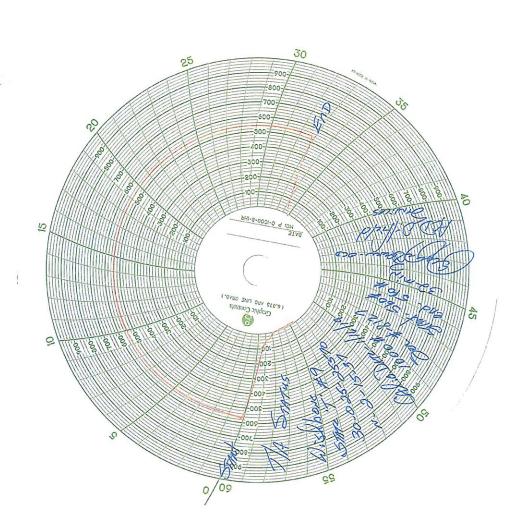
## Application of Wishbone Texas Operating Company, LLC Case No. 20406 C-103s EXHIBIT #11



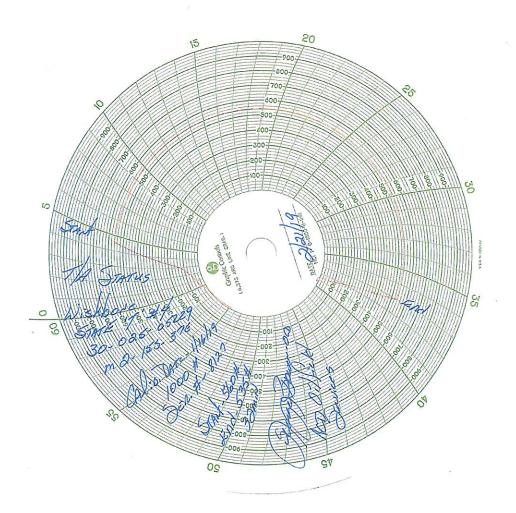
State of New Mexico	Form C-103 Revised July 18, 2013 WELL API NO. 30-025-05133 5. Indicate Type of Lease STATE  FEE   6. State Oil & Gas Lease No.
87305 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM.C-101) FOR SUCH PROPOSALS.  1. Type of Well: Oil Well S Gas Well Other 2. Name of Operation Commun. 11.0	7. Lease Name or Unit Agreement Name Shelton 8. Well Number 006 9. OGRID Number 370256
7 January Lean Operator 1970 Program 2 Address of Operator 10613 W. Sam Houston Pkvy N #400, Houston, Texas, 77064	10. Pool name or Wildcat Devonian
4. Well Location         990         feet from the North         In           Unit Letter         D         : 990         feet from the North         In           West         line         Township 14S         Range 37E           Section 26         11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3822.	line and660feet from the
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  NOTICE OF INTENTION TO:  PERFORM REMEDIAL WORK	ture of Notice, Report or Other Data  SUBSEQUENT REPORT OF:  REMEDIAL WORK  COMMENCE DEILLING OPINS.  CASING/CEMENT JOB  OTHER:  CAMMitche Commissione: A truch walling estimated date  From Multing Commissioner. A truch walling estimated date
MITTA Extension	iprenois. Augus Weiloofe Augusti of
Spud Date:  Rig Release Date:  I hereby certify that the information above is true and complete to the best of my knowledge and belief.	and belief.
SIGNATURE Whyle Differ Title Phyleman Type or print name Whyle Differ Differ Type or print name Whyle Differ Diffe	DATE_SOLP DATE_DATE_DATE



Submit I Copy To Appropriate District Office	State of New Mexico	Form C-103
District J - (575) 393-6161 1625 N. French Dr., Hobbs, NM 88240	Energy, Minerals and Natural Resources	WELL API NO.
District II - (575) 748-1283 811 S. First St., Artesia, NM 88210	OIL CONSERVATION DIVISION	30-025-25570 5. Indicate Type of Lease
1000 Rio Brazos Rd., Azalos District IV – (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM	Santa Fe, NM 87505	STATE N FEE 6. State Oil & Gas Lease No.
87505 SUNDRY NOTICE	SS AND REPORTS ON WELLS	7. Lease Name or Unit Agreement Name
(DO NOT USE THIS FORM FOR PROPOSAL DIFFERENT RESERVOIR, USE "APPLICAT PROPOSALS.	IOD NOTI 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 PROPORALS.	State T Devonian
Type of Well: Oil Well	Gas Well 🔲 Other	8. Well Number 9
<ol> <li>Name of Operator         Wishbone Texas Operating Company LLC     </li> </ol>	TLC	9. OGRID Number 370256
3. Address of Operator 10613 W. Sam Houston Pkwy N #400, Houston, Texas, 77064	, Houston, Texas, 77064	10. Pool name or Wildeat Devonian
4. Well Location Unit Letter N :	350 feet from the South lin	line and 1650 feet from the
West line Section 2	Township 15S Range 37E	NMPM
	GR	
12. Check App	Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	Report or Other Data
PORK N	REMEDIAL   COMMENC	SUBSEQUENT REPORT OF: WORK ALTERING CASING AND A EDRILLING OPINS, PAND A BMENT JOB
CLOSED-LOOP SYSTEM OTHER:	OTHER:	oive nortinent dates including setimated date
of starting any proposed comprete open proposed completion or recompletion.	2. Section proposed or comprove operations. Creatly state an perintent usuals, and give perintent usuals, incituting softmated usus of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.	give patinian ones, monaturis estimated one ppletions: Attach wellbore diagram of
MIT TA Extension		
IN EARCHSION		
Spud Date:	Rig Release Date:	
I hereby certify that the information abor	I hereby certify that the information above is true and complete to the best of my knowledge and belief	and belief.
SIGNATURE // Jagro a)	TITLE PRODUCTION FOREMAN	DATE 370-19
Type or print name Whyw Draw For State Use Only	E-mail address: Whitevile weathoresp.com	WEGD.com PHONE: 1/1556-5723
APPROVED BY: Conditions of Approval (if any):	TITLE	DATE



Form C-103	Revised July 18, 2013 ase FEE  ase No.	i Agreement Name	70256 Icat	feet from the	County Len		OORT OF: ALTERING CASING  P AND A	Juding estimated date			970.19 4555.5125	
	WELL API NO.   30-025-05229   5. Indicate Type of Lease   STATE     FEIF   EIT   FEIF   EIT   EIT		9. OGRID Number 370256	Devonian line and 660		Votice, Report or Other Data	SUBSEQUENT REPORT OF:  REMEDIAL WORK  COMMENCE DRILLING OPINS.  CASING/CEMENT JOB  OTHER	iple Completions: Attach wellbe		owledge and belief.	TITLE <i>flobuctan Fotental</i> E-mail address: <u>Willian fol</u> ununentes Com-PHONE:	DATE
State of New Mexico	DIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505	SUNDRY NOTICES AND REPORTS ON WELLS  CO NOT USE THIS FORM FOR PROPOSALS TO DRULL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR, USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.  Type of Well: Oil Well  Gas Well  Other	רכ	Houston, Texas, 77064 600 feet from the South	Township 15S ation (Show whether DI 3798"	12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	ENTION TO: PLUG AND ABANDON CHANGE PLANS COMMEN MULTIPLE COMPL CASING/	tions. (Clearly state all pr	Rig Release Date:	is frue and complete to the best of my kn	TITLE HOURTON FO	TITLE
Submit I Copy To Appropriate District Office	Datainel. 1 (-75) 393-616. Datainel. 1 (-75) 393-616. Datainel. 1 (-75) 748-738. St. 1 (-75) 748-738. St. 1 S. Frei St., Aresia NN 88210 District. III (-760) 334-6178. District. III (-760) 334-6178. District. III (-760) 334-6178. Datainel. 1 (-750) 470-4100. District. 1 (-750) 470-4100. Datainel. T720 5. St. Francis Dr., Smitt Fe, NM 87505.	SUNDRY NOTICES.  CO NOT USE THIS FORM FOR PROPOSALS: DIFFERENT RESERVOIR. USE "APPLICATION PROPOSALS.]  1. Type of Well: Gil Well Sis	Name of Operator     Wishbone Texas Operating Company LLC     Address of Operator	10613 W. Sam Houston Pkvy N #400, Houston, Texas, 77064  4. Well Location Unit Letter M : 660 feet from t		12. Check Appro	NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK   PLUG AND ABAN TEMPORARILY ABANDON   CHANGE PLANS PULL OR ALTER CASING   MULTIPLE COMI DOWNHOLE COMMINGLE   CLOSED-LOOP SYSTEM	Describe proposed or completed opera of starting any proposed work). SEE proposed completion or recompletion.  MIT TA Extension	Spud Date:	I nereby certify that the information above is true and complete to the best of my knowledge and belief.	SIGNATURE Mayor Of.  Type or print name Whyle Arbol.  For State Use Only	APPROVED BY:



District | 1625 N. French Dr., Hobbs, NM 88240 Plicone; (675) 393-6161 Fax: (676) 393-0720 District II 011 S. First St., Artesia, NM 88210 Phone; (676) 748-1263 Fax: (675) 748-8720 District III 000 Rio Brazos Rd., Aztec, NM 87410 Phone; (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. SI Frencis Dr., Santa Fe, NM 87505 Phone; (505) 476-3470 Fax: (505) 478-3482

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

Form C-145 Revised May 19, 2017 Permit 266642

#### Previous Operator Information

#### **New Operator Information**

		Effective Date:	Effective on the date of approval by the OCD
OGRID:	370256	OGRID:	19958
Name:	WISHBONE TEXAS OPERATING COMPANY LLC	Name:	STEPHENS & JOHNSON OP CO
Address:	10813 W Sam Houston Parkway N	_Address:	P.O. Box 2249
	Suite 400	<b>_</b>	
City, State, Zip:	Houston, TX 77084	City, State, Zip:	Wichita Falls, TX 76307

I hereby certify that the rules of the Oil Conservation Division ("OCD") have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, STEPHENS & JOHNSON OP CO certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected walls being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(I) NMAC.

#### STEPHENS & JOHNSON OP CO understands that the OCD's approval of this operator change:

- constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
- constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

Application of Wishbone Texas Operating Company, LLC Case No. 20406 C-145 for TD Pope 35-3 Well EXHIBIT #12

#### As the operator of record of wells in New Mexico, STEPHENS & JOHNSON OP CO agrees to the following statements:

1. Initials Lam responsible for ensuring that the wells and related facilities comply with applicable statutes and rules, and am responsible for all regulatory filings with the OCD. I am responsible for knowing all applicable statutes and rules, not just the rules referenced in this list. I understand that the OCD's rules are available on the OCD website under "Rules," and that the

Water Quality Control Commission rules are available on the OCD website on the "Publications" page.

2. Initials Commission rules are available on the OCD website on the "Publications" page.

2. Initials Commission rules are available on the OCD website on the "Publications" page.

3. Initials Commission rules are available on the OCD website on the "Publications" page.

4. Initials Commission rules are available on the OCD website on the "Publications" page.

5. Initials Commission rules are available on the OCD website on the "Publications" page.

6. Initials Commission rules are available on the OCD website on the "Publications" page.

7. Initials Commission rules are available on the OCD website on the "Publications" page.

8. Initials Commission rules are available on the OCD website on the "Publications" page.

9. Initials Commission rules are available on the OCD website on the "Publications" page.

9. Initials Commission rules are available on the OCD website on the "Publications" page.

1. Initials Commission rules are available on the OCD website on the "Publications" page.

1. Initials Commission rules are available on the OCD website on the "Publications" page.

1. Initials Commission rules are available on the OCD website on the "Publications" page.

1. Initials Commission rules are available on the OCD website on the "Publications" page.

1. Initials Commission rules are available on the OCD website on the "Publications" page.

1. Initials Commission rules are available on the OCD website on the "Publications" page.

1. Initials Commission rules are available on the OCD website on the "Publications" page.

1. Initials Commission rules are available on the OCD website on the "Publications" page.

1. Initials Commission rules are available on the "Publications" page.

1. Initials Commission rules are available on the "Publications" page.

1. Initials Commission rules are available on the "Publications" page.

1. Initials Commission rules are available on the "Publications" page.

1. Initials Commiss compliance order addressing inactive wells or environmental cleanup, before the OCD will approve the operator change it may require me to enter into an enforceable agreement to return those wells to compliance. See Paragraph (2) of Subsection C of

3. Initials DC I must file a monthly C-115 report showing production for each non-plugged well completion for which the OCD has approved an allowable and authorization to transport, and injection for each injection well. See 19.15.7.24 NMAC. I understand that the OCD may cancel my authority to transport from or inject into all the wells I operate if I fall to file C-115 reports. See Subsection C of 19.15.7.24 NMAC.

4. Initials Dc\_ I understand that New Mexico requires wells that have been inactive for certain time periods to be plugged or placed in approved temporary abandonment. See 19.15.25.8 NMAC. I understand the requirements for plugging and approved temporary abandonment in 19.15.25 NMAC. I understand that I can check my compliance with the basic requirements of 19.15.25.8 NMAC by using the "Inactive Well List" on OCD's website.

Initials DC\_I must keep current with financial assurances for well plugging. I understand that New Mexico requires each state or fee well that has been inactive for more than two years and has not been plugged and released to be covered by a single-well financial assurance or a "blanket plugging financial assurance for wells in temporarily abandoned statues", even if the well is also covered by a blanket financial assurance and even if the well is on approved temporary abandonment status. See Subsection C of 19.15.8.9 NMAC. I understand that I can check my compliance with the financial assurance requirement by using the "Inactive Well Additional Financial Assurance Report" on the OCD's website.

Initials DC I am responsible for reporting and remediating releases pursuant to 19.15.29 NMAC. I understand the OCD will look to me as the operator of record to take corrective action for releases at my wells and related facilities, including releases that occurred before I became operator of record. I am responsible for conducting my own due diligence for any releases that have occurred prior to becoming operator of my wells and related facilities and am responsible for any open releases or unreported releases.

7. Initials DC I have read 19.15.5.9 NMAC, commonly known as "Part 5.9," and understand that to be in compliance with its requirements I must have the appropriate financial assurances in place, comply with orders requiring corrective action, pay penalties assessed by the courts or agreed to by me in a settlement agreement, and not have too many wells out of compliance with the inactive well rule (19.15.25.8 NMAC). If I am in violation of Part 5.9, I may not be allowed to drill, acquire or produce any additional wells, and will not be able to obtain any new injection permits. See 19.15.16.19 NMAC, 19.15.26.8 NMAC, 19.15.9.9 NMAC and 19.15.14.10 NMAC. If I am in violation of Part 5.9 the OCD may, after notice and hearing, revoke my existing injection permits and seek other relief. See 19.15.26.8 NMAC and 19.15.5.10 NMAC.

Initials DC For injection wells, I understand that I must report injection on my monthly C-115 report and must operate my wells in compliance with 19.15.26 NMAC and the terms of my injection permit. I understand that I must conduct mechanical integrity tests on my injection wells at least once every five years. See 19.15.26.11 NMAC. I understand that when there is a continuous one-year period of non-injection into all wells in an injection or storage project or into a saltwater disposal well or special purpose injection well, authority for that injection automatically terminates. See 19.15.26.12 NMAC. I understand that if I transfer operation of an injection well to another operator, the OCD must approve the transfer of authority to inject, and the OCD may require me to demonstrate the well's mechanical integrity prior to approving that transfer. See 19.15.26.15 NMAC.

9. Initials \_\_\_\_\_ I am responsible for providing the OCD with my current address of record and emergency contact information,

and I am responsible for updating that information when it changes. See Subsection C of 19.15.9.8 NMAC. I understand that I

can update that information on the OCD's website under "Electronic Permitting."

10. Initials \_\_\_\_\_\_ If I transfer well operations to another operator, the OCD must approve the change before the new operator can begin operations. See Subsection B of 19.15.9.9 NMAC. I remain responsible for the wells and related facilities and all related regulatory fillings until the OCD approves the operator change. I understand that the transfer will not relieve me of responsibility or liability for any act or omission which occurred while I operated the wells and related facilities.

No person with an interest exceeding 25% in the undersigned company is, or was within the last 5 years, an 11. Initials DC No person with an interest exceeding 25% in the undersigned company to, or translation officer, director, partner or person with a 25% or greater interest in another entity that is not currently in compliance with Subsection A of 19,15,5.9 NMAC.

NMOCD Rule Subsection E and F of 19.15.16.8 NMAC: An operator shall have 90 days from the effective date of an operator name change to change the operator name on the well sign unless the division grants an extension time, for good cause shown, along with a schedule for making the changes. Each sign shall show the (1) well number, (2) property name, (3) operator's name, (4) location by footage, quarter-quarter section, township and range (or unit letter can be substituted for the quarter-quarter section), and (5) API number.

I hereby certify I understand the above. The statements I have made are true and correct and a condition precedent to the Oil Conservation Division accepting this Change of Operator.

Provious O	perator // (1) (1)	New Oper	
Signature:	the Carlly	Signature:	Devire D. Crabb
Printed Name: Title:	H Chang Clarke	Printed Name: Title:	Devire D. Crabb Eng. aset.
Date:	4/1/19 Phone: (832)807-2210	Date:	4/2/2019 Phone: 940.716-5376
	/		Permit 265642

District 1
1825 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8101 Fax:(575) 393-0720
District II
811 S. First St., Artesla, NM 88210
Phone:(576) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Sante Fo, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

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

Wells Selected for Transfer

Permit 265842

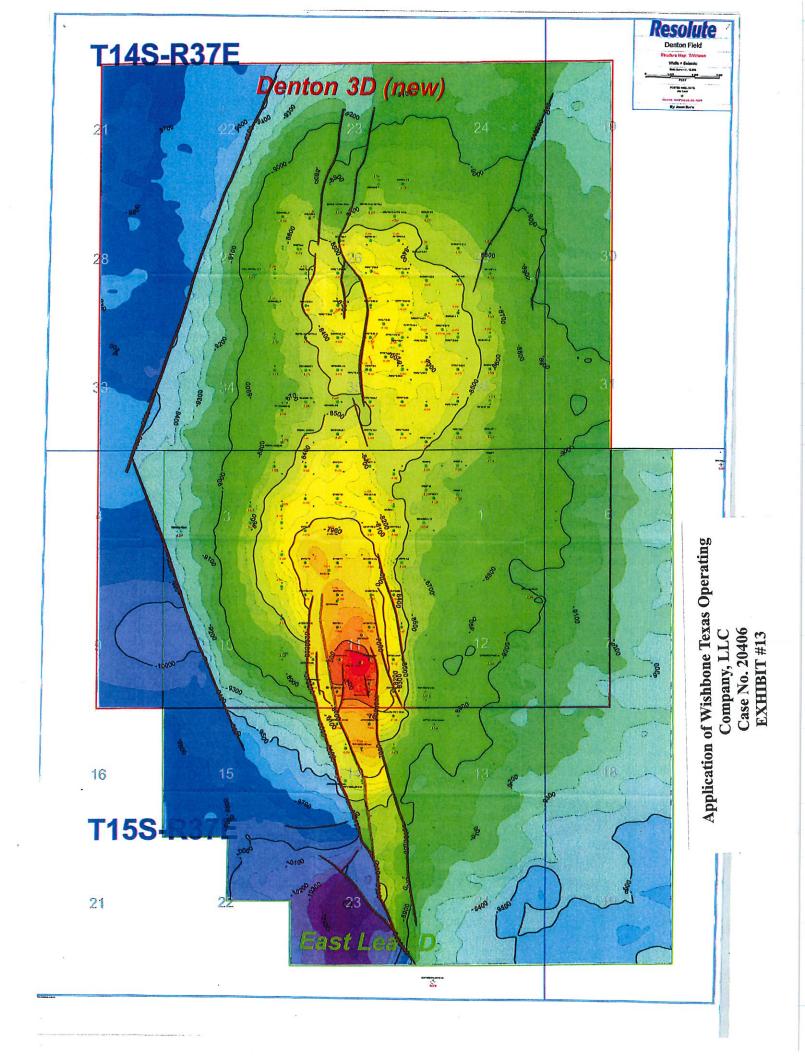
1 Well Selected for Transfer

From:	OGRID;
WISHBONE TEXAS OPERATING COMPANY LLC	370258
To:	OGRID:
STEPHENS & JOHNSON OP CO	19958

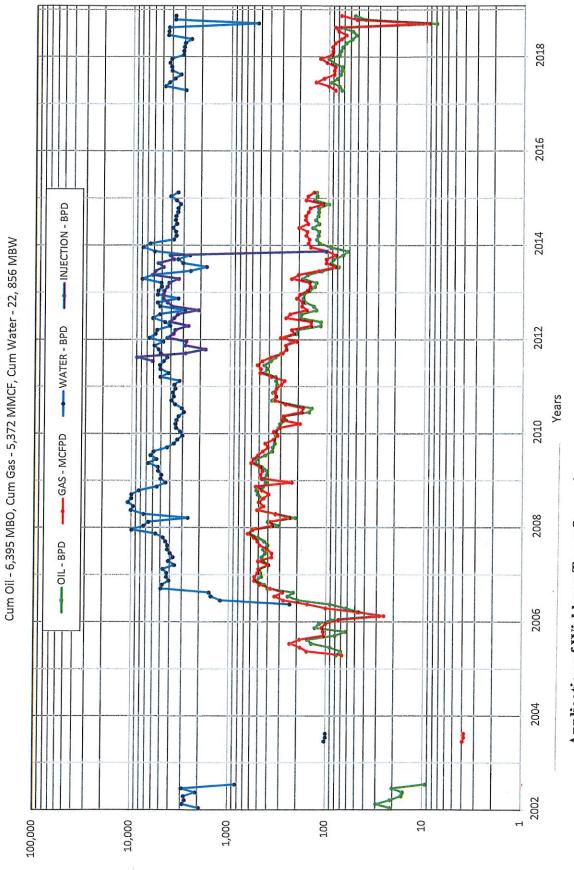
#### OCD District Hobbs (1 Well selected.)

Properly	Well	Lease Type	ULSTR	OCD Unit	API	Weil Type		Pool Name	Last Prod/inj	Single Well Bond Required for tractive Well
317490	T D POPE 35 #003H	P	G-35-14S-37E	G	30-025-37175	0	16910	DENTON; DEVONIAN	08/12	18951

	<del>,</del>	
Total of Single Well Bonds Required for Inactive Wells	18951	
Lordi of SiliNie Akali Dollina Laddii ad Int ji tiggaa Akalia	l i	
· · · · · · · · · · · · · · · · · · ·	! I	



Wishbone Texas Operating Co. LLC **Denton Devonian Field Waterflood Pilot** 



Application of Wishbone Texas Operating Company, LLC Case No. 20406 EXHIBIT #14

## Chem Tech Services WATER ANALYSIS REPORT

SAMP	<b>T.</b>	W W /**\ I	F17 741	IWELOID I	KEFOKI			
Oil Co.: Wishbone Date Sampled : 09 November 2049								
Leas Meli	Se : Boomer			Date Analyzed: 15-November-2018				
Well No.: 1H Location:			Lab ID Number: Nov1618.004- 6 Salesperson:					
Atter				File Name : N	Nov1618.004			
ANALY								
1.	Ph		4.	680				
2. 3,	Specific Gravity	/ 60/60 F.		113				
٥,	CACO3 Satura	tion index	@ 80F	-1.164	Negligible			
I	Dissolved Gasse	g.	@140F	-0.264 <u>M</u> G/L.	Negligible EQ. WT.	*MPAIL		
4.	Hydrogen Sulfi			Present	EW. WI.	*MEQ/L		
5,	Carbon Dioxide			Not Determined				
6.	Dissolved Oxyg	jen		Not Determined				
	Cations	em				•		
7. 8.	Calcium Magnesium	(Ca++)		5,800	/ 20.1 =	288.56		
9.	Sodium	(Mg++) (Na+)	(Calculated)	3,909	/ 12.2 =	320.41		
10.	Barlum	(Ba++)	(Calculateu)	46,855 Not Determined	/ 23.0 =	2,037.17		
A	Inlons	<b>\_</b> ,		Hot beteinings				
11.	Hydroxyl	(OH-)		0	/ 17.0 =	0.00		
12.	Carbonate	(CO3=)		Ō	/ 30.0 =	0.00		
13. 14.	Bicarbonate Sulfate	(HCO3-)		605	/ 61.1 =	9.90		
15.	Chloride	(SO4=) (CI-)		2,150	/ 48.8 =	44.06		
16.	Total Dissolved			91,979	/ 35.5 =	2,590.96		
17.	Total Iron	(Fe)		151,298 7.0	0 / 18.2 =	n on		
18.	Manganese	(Mn++)		Not Determined	7 10.2	0.38		
19.	Total Hardness :	as CaCO3		30,579				
20.	Resistivity @ 75	F. (Calculated	)	0.00	35 Ohm meters			
		IC WATER PAT	TTERN	PROBABLE MINERAL COMPOSITION				
Na	•	'meq / L.		COMPOU	ND *meq/L X	EQ. WT. $=$ mg/L.		
INE			CI	Ca(HCO3)		81.04 802		
Ca			<b>н</b> с	CaSO4 CaCl2	44.06	68.07 2,999		
	•	ŧ		Ma(HCO3)	234.60 2 0.00	55.50 <b>13,020</b> 73.17 <b>0</b>		
Mg	•		· SC	<sup>04</sup> MgSO4	0.00	60.19 <b>0</b>		
Fe	, s ,	1	CC	MgCl2	320,41	47.62 15,258		
	10000 toob 100 to		o 1000 topao	MALIONA	0.00	84.00 <b>0</b>		
	Calcium Sulf	ate Solubility F	rofile	NaSO4 NaCl .	0.00	71.03 0		
m	2652	: .		IVAQI .	2,035.95 * milllequivalents	58.46 119,022		
m g	2544 2536	• -			many delivered in	JOI LINE)		
i	2628 . 2520	;						
L	2512 2504 :		•	- 1	•			
	2496 2498	• .		( JA1	,			
	2480 Temp 4.50 70 90	 110 130	150 170	Tony Aberna	thy, Analyst	<del></del>		

Application of Wishbone Texas Operating Company, LLC Case No. 20406 EXHIBIT #15