

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

**APPLICATION OF CROWNQUEST OPERATING, LLC  
TO REINSTATE THE INJECTION AUTHORIZED  
BY ORDER No R-4007, ~~LEA~~ LEA COUNTY, NEW MEXICO**

Case No 15766

**APPLICATION**

CrownQuest Operating, LLC ("CrownQuest ") by and through its undersigned attorneys, seeks an order reinstating the injection authorized by Order No R-4007 In support of this application, CrownQuest states

1 CrownQuest Operating, LLC (OGRID 213190) is the lessee of a state lease underlying the SE/4 SE/4 (Unit P) of Section 27, Township 14 South, Range 32 East in Lea County, New Mexico

2 In 1970, the Oil Conservation Commission issued Order R-4007, authorizing the injection of produced water into the Upper Pennsylvanian formation from approximately 9,789 feet to 9,924 feet through the State "27" Well No 2 (API No 30 025-22932) disposal well

3 Inflow Petroleum Resources, LP operated the well operated the State "27" Well No 2 injection well pursuant to this authority for until 2008 at which time a Change of Operator form was approved by the Division, authorizing CrownQuest Operating, LLC to take over injection CrownQuest operating the State "27" Well No 2 until 2015

4 On June 30 2016, the Division notified CrownQuest that Order No R-4007 had expired due to CrownQuest's failure to continually inject over a one year period of time, pursuant to NMAC 19 15 26 12 C

5 CrownQuest s initially ceased injection due to a shut in order from the Division on July 14, 2015, related to the State "27" Well No 2's failure of a mechanical integrity test See Exhibit A The failure was due to a problem with test procedure not a mechanical problem with the well See Exhibit A A retest was scheduled and the State "27" Well No 2 passed the mechanical integrity test on December 21 2015 The State "27" Well No 2 also passed mechanical integrity tests in April of 2016 and March of 2017


6 In accordance with the Division s notification, CrownQuest submitted a Form C-108 for authority to reinstate permit Order No R-4007 Included with this application is fully completed Form C-108 Exhibit B

7 The granting of this application will prevent waste and protect correlative rights

WHEREFORE CrownQuest Operating, LLC requests that the Division set this matter for hearing before an Examiner of the Oil Conservation Division on July 20, 2017, and that after notice and hearing enter an order reinstating the injection authority authorized by Order No R-4007

Respectfully submitted,

HOLLAND & HART LLP

By   
\_\_\_\_\_  
Michael H. Feldewert  
Jordan L. Kessler  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile  
mfeldewert@hollandhart.com  
jlkessler@hollandhart.com

ATTORNEYS FOR CROWNQUEST OPERATING, LLC

Case No 15766 **Application Of CrownQuest Operating, LLC To Reinstate The Injection Authorized By Order No R-4007, Lea County, New Mexico**  
Applicant seeks an order re approving injection authority pursuant to Order No R 4007 issued in 1970 Order No R-4007 authorized the disposal of produced water into the Upper Pennsylvanian formation from approximately ~~Upper Pennsylvanian formation from approximately~~ 9,789 feet to 9,924 feet through the State "27" Well No 2 (API No 30-025 22932) located in the SE/4 SE/4 (Unit P) of Section 27, Township 14 South, Range 32 East, in Lea County, New Mexico That authority expired on June 30, 2016, due to inactivity associated with a requirement to re-perform a mechanical integrity test, which is now completed Said well is located approximately 7 5 miles northwest of Lovington, New Mexico

State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

David Martin  
Cabinet Secretary

Brett F Woods Ph D  
Deputy Cabinet Secretary

David Catanach, Director  
Oil Conservation Division



**Response Required    Deadline Enclosed**

*Underground Injection Control Program  
Protection of Under and Surface of Drinking Water*

14 Jul 15

CROWNQUEST OPERATING LLC  
P O BOX 53310  
MIDLAND TX 79710

**LETTER OF VIOLATION and SHUT IN DIRECTIVE  
Failed Mechanical Integrity Test**

Dear Operator

The following test(s) were performed on the listed dates on the following well(s) shown below in the test detail section

The test(s) indicates that the well or wells failed to meet mechanical integrity standards of the New Mexico Oil Conservation Division. To comply with guidelines established by the U S Environmental Protection Agency the well(s) must be shut in immediately until it is successfully repaired. The test detail section which follows indicates preliminary findings and/or probable causes of the failure. This determination is based on a test of your well or facility by an inspector employed by the Oil Conservation Division. Additional testing during the repair operation may be necessary to properly identify the nature of the well failure.

Please notify the proper district office of the Division at least 48 hours prior to the date and time that the well(s) will be retested so the test may be witnessed by a field representative.

**MECHANICAL INTEGRITY TEST DETAIL SECTION**

STATE 27 No 002

30 025 22932 00 00  
P 27 14S 32E

		Active Salt Water Disposal Well	
Test Date	7/13/2015	Permitted Injection ISI	Actual PSI
Test Reason	Annual IMIT	Test Result	F
Test Type	Bradenhead Test	FAIL TYPE Equipment	Specify in Co
Comments on MIT	All bradenhead valves were open at test time. Test procedure requires valves to be shut in for a 24 hour period prior to conducting BHT. Well should be shut in until a retest can be scheduled.		

JUL 15 2015

In the event that a satisfactory response is not received to this letter of direction by the Repair Due date shown above or if the well(s) are not immediately shut in further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

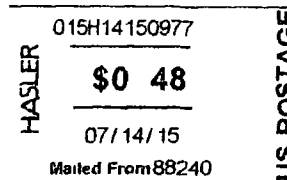
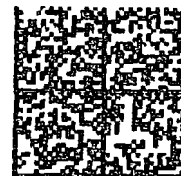
Sincerely,

*Mark Whitaker*  
Compliance Officer

Hobbs OCD District Office

Note: Pressure Tests are performed prior to initial injection, after repairs and otherwise every 5 years. Breakhead Tests are performed annually. Information in Detail Section comes directly from field inspector data entries; not all blanks will contain data. Failure Type and Failure Cause and any Comments are not to be interpreted as a diagnosis of the condition of the wellbore. Additional testing should be conducted by the operator to accurately determine the nature of the actual failure. \* Significant Non Compliance events are reported directly to the EPA Region VI, Dallas, Texas.

EMNRD  
OIL CONSERVATION DIVISION  
1625 N FRENCH DRIVE  
HOBBS NM 88240



CROWNQUEST OPERATING, LLC  
BO BOX 53310  
MIDLAND, TX 79710

CrownQuest Operating LLC  
OGRID# 213190  
P O Box 53310  
Midland, Texas 79710

**Re Application for Authorization to Inject**

Oil Conservation Division Engineers

Please see attached the application for authorization to inject for **CrownQuest Operating LLC's State "27" #2 SWD (API#30 025 22932)** This application has already been submitted and approved under Case #4389 and Hearing #R 4007, but is being filed for renewal upon the OCD s request There was a lapse in use of this well in 2016 at which time the OCD terminated the use of this well and has asked that this be renewed with a new C 108 filing

Included in this application are the following

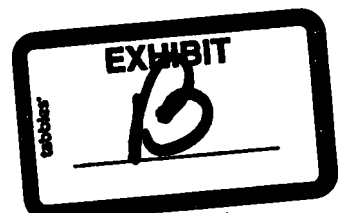
- 1 C 108 Front and Back
- 2 ½ Mile Radius Map identifying the AOR
- 3 Spreadsheet showing wells within ½ mile radius and list of form provided for OCD s review
- 4 Supplemental data listing current operation
- 5 Geologic Data
- 6 Log has been previously filed with the Division
- 7 Chemical Analysis of fresh water from surrounding water wells
- 8 Statement of Examination
- 9 Proof of Notice

Please let me know if you have any questions or need additional information in order to complete a review of this application

Sincerely

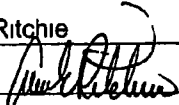
*Ann Ritchie* 5-19-17

Ann Ritchie  
CrownQuest Operating LLC  
ann wtor@gmail.com  
432 684 6381 office  
432 682 1458 fax



Case 15766

**APPLICATION FOR AUTHORIZATION TO INJECT**

- I PURPOSE X Secondary Recovery          Pressure Maintenance          Disposal          Storage  
Application qualifies for administrative approval? X Yes          No
- II OPERATOR CrownQuest Operating, LLC (213190) ✓  
ADDRESS P O Box 53310 Midland Texas 79710  
CONTACT PARTY Ann E Ritchie Regulatory PHONE 432-684 6381
- 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 X 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
- 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 Ann E Ritchie TITLE Regulatory  
SIGNATURE  DATE 5/19/17  
E MAIL ADDRESS ann wtor@gmail.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



Side 2

### 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.

Side 1

# INJECTION WELL DATA SHEET

OPERATOR CrownQuest Operating LLC (213190)

WELL NAME & NUMBER State 27' #2 SWD

WELL LOCATION 660 FSL & 660 FEL  
FOOTAGE LOCATION

P  
UNIT LETTER

27  
SECTION

14S  
TOWNSHIP

32E  
RANGE

## WELLBORE SCHEMATIC

## WELL CONSTRUCTION DATA

### Surface Casing

Hole Size 17 1/2 Casing Size 13-3/8

Cemented with 400 sx or                      ft<sup>3</sup>

Top of Cement 0 Method Determined circulation

### Intermediate Casing

Hole Size 11 Casing Size 8-5/8

Cemented with 300 sx or                      ft<sup>3</sup>

Top of Cement 2300 Method Determined calculation

### Production Casing

Hole Size 7 7/8 Casing Size 5-1/2

Cemented with 200 sx or                      ft<sup>3</sup>

Top of Cement 8020 Method Determined CBL

Total Depth 10,009

### Injection Interval

9789 feet to 9970 perforated

(Perforated or Open Hole indicate which)

### INJECTION WELL DATA SHEET

Tubing Size 2 7/8" Lining Material \_\_\_\_\_

Type of Packer Lock-Set Packer

Packer Setting Depth 9 699

Other Type of Tubing/Casing Seal (if applicable) \_\_\_\_\_

#### Additional Data

- 1 Is this a new well drilled for injection? \_\_\_\_\_ Yes X No  
 If no for what purpose was the well originally drilled? injection
- 2 Name of the Injection Formation Penn
- 3 Name of Field or Pool (if applicable) SWD,PENN (96113)
- 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 No
- 5 Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area \_\_\_\_\_

Date Spudded 01/01/69  
4313 5 KB 4302 GL

**Post-WKO Wellbore Diagram**  
**CrownQuest Operating, LLC**  
State "27" #2 SWD

660 FSL 660 FEL Sec 27 T 14-S R 32 E  
Lea County NM API #30-026 22932

13 7/8 48# J 55 csg @ 382  
Cmt w/400 sx circ to surface

TOC ± 2300 by calc

8 5/8" 24# & 32# J 55 casing @  
4050 Cmt d w/300 sx Did not  
circ

TOC ± 8500 by calc

5 1/2 Lock-Set Packer with on/off  
@ 9 699 (set w/12k)

Bough A & B Perfs  
9789 9798 9806 9812 9840 9847  
9870 9880 9880 9892

Bough "C" Perfs  
9904 9910 9920 9924

Bough C Perfs 9960 9970

TD 10 009  
PBTD 9950

WORK SUMMARY

**Tubing Record (10/29/12)**

306 joints tubing  
25 jts 2 7/8 IPC  
50 jts 2 7/8 J55  
57 jts Salta 2 7/8  
72 jts IPC 2-3/8  
102 Salta 2 3/8  
1 5 1/2 Lock -Set Pkr w/ on off tool 4 78  
Bottom of Tubing 9694 22

5 1/2" 15 5 & 17# N 80 & K 55 csg @ 10 009  
Cmt d w/200 sx Cmt did not circ TOC  
8020 by CBL

Submit 3 Copies To Appropriate District Office

State of New Mexico

Form C 103

District I

RECEIVED

Energy Minerals and Natural Resources

May 27, 2004

1625 N French Dr Hobbs NM 88240

District II

1301 W Grand Ave Artesia NM 88210

District III

1000 Rio Brazos Rd Aztec NM 87410

District IV

1220 S St Francis Santa Fe NM 87505

OIL CONSERVATION DIVISION

1220 South St Francis Dr  
Santa Fe NM 87505

WELL API NO

30-025-22932

5 Indicate Type of Lease

STATE ☒ FEE ☐

6 State Oil & Gas Lease No

L-522

7 Lease Name or Unit Agreement Name

State "27"

8 Well Number 2-SWD

9 OGRID Number

213190

10 Pool name or Wildcat

Tulk (Penn) SWD, Penn

SUNDY 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)

1 Type of Well Oil Well ☐ Gas Well ☐ Other SWD Well ☒

2 Name of Operator

CrownQuest Operating, LLC

3 Address of Operator

303 Veterans Arprk Ln Ste 5100 Midland TX 79710

4 Well Location

Unit Letter P 660' feet from the South line and 660' feet from the East line  
Section 27 Township 14S Range 32E NMPM County Lea

11 Elevation (Show whether DR RKB RI GR etc)

4302' GR 4313 5' KB

Pit or Below grade Tank Application ☐ or Closure ☐

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness \_\_\_\_\_ mul Below Grade Tank Volume \_\_\_\_\_ bbls, Construction Material \_\_\_\_\_

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

NOTICE OF INTENTION TO

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER ☐

SUBSEQUENT REPORT OF

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER Replace Tbg & Pkr, Acidize ☒

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 1103 For Multiple Completions Attach wellbore diagram of proposed completion or recompletion

8/20/08 to 8/26/08 - POH w/in action tbg & pkr

8/27/08 - RIH w/4 1/4" bit & scraper to 9835' top of junk previously left in hole (old inj pkr) POH RIH w/4 1/4" shoe and 60' wash pipe

8/28/08 to 8/29/08 - Wash over junk & fill from 9835' to top of CIBP @ 9950' Circ hole clean POH w/BHA and LD old injection pkr

9/5/08 - RIH w/treating pkr & workstring Set pkr @ 9687' Treat berfs @ 9879-9924' with 500 gals xylene & 5000 gals 20% NeFe acid @ 8-10 BPM 4400' ISIP 800# 15 min 270#

9/8/08 - Well on vacuum Release pkr and POH w/pkr and workstring

9/9/08 to 9/10/08 - RIH w/new 5 1/2" Lock-Set in action pkr 2 1/2" & 2 1/2" IPC tbg Circ pkr fluid and set pkr @ 9712' w/12K version

9/11/08 - Test annulus @ 500 psi for 30 min Tested good

(see attached pressure chart before & after WKO wellbore diagrams)

I hereby certify that the information above is true and complete to the best of my knowledge and belief I further certify that any pit or below grade tank has been/will be constructed or closed according to NMOC guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE

Don Rogers

TITLE Mgr Special Projects DATE 9/12/08

drogers@crowquest.com

(432) 8-8-0307

Type or print name

E mail address

Telephone No

For State Use Only

OC FIELD REPRESENTATIVE / STAFF MANAGER

SEP 23 2008

APPROVED BY

TITLE

DATE

Conditions of Approval (if any)

Form C 108

Affirmative Statement

CrownQuest Operating LLC State 27" #2 SWD  
660 FSL & 660 FEL Section 27 T14S R32E  
Lea County, New Mexico

New Mexico Oil Conservation Division

Available geologic and engineering data have been examined and reviewed with geologist and no evidence of open faults or hydrological connection between the disposal zone and any underground sources of drinking water has been found



Date 5-18-17

Ann Ritchie Regulatory  
CrownQuest Operating LLC  
P O Box 53310  
Midland TX 79710

Saul Leyva Engineering  
CrownQuest Operating LLC

LEGAL NOTICE

CrownQuest Operating, LLC c/o Box 953 Midland TX 79702 has filed a Form C 108 (Application for Authorization to Inject) with the Oil conservation Division seeking renewal administrative approval to permit the following described well to water Injection for lease Injection/disposal into the SWD, Penn field, Lea County New Mexico

State 27' 2 SWD API#30 025 22932 660 FSL & 660 FEL Section 27 T14S R32E Injection interval 9789 9924 (Penn)

The average and maximum injection rates will be 100 and 200 average and maximum pressures will be 2200 and 3500 psi

Interested parties must file objections with the New Mexico Oil Conservation Division, 120 S St Francis Dr Santa Fe NM 87505 within 15 days of this publication

Additional information can be obtained by contacting Ann Ritchie Regulatory CrownQuest Operating LLC 432) 484 6381

Published in the Hobbs News Sun Hobbs NM \_\_\_\_\_



March 31 2017

To CrownQuest Operating

From Endura Technical Department

Subject SWD

CrownQuest personnel have recently requested estimated costs for treatment of a proposed new SWD Disposal volumes are proposed to be 100 barrels of water per day

The three treatment scenarios requested are for scale (SI-180 scale inhibitor, SCI 8260 scale/corrosion inhibitor) iron sulfide (SCAV 20 iron sulfide scavenger/surfactant) and biocide (NOVACIDE 1125 / ENVIRO BROM G registered biocide liquid / stick) treatment Scale/corrosion and iron sulfide are generally treated continuously Bacteria are normally controlled by batch treatments as necessary

Once the well is in production we would evaluate the system with water analyses millipore filters, visual samples and bacteria cultures Additional recommendations would be based on these samples

#### Cost Considerations

##### Scale Inhibition

Product	Gallons/Month	Cost/Gallon	Total/Month
SI 180	35	\$9.87	\$34.55
Total			\$34.55



**Scale/Corrosion Inhibition**

Product	Gallons/Month	Cost/Gallon	Total/Month
SCI 8260	7	\$14 53	\$101 71
Total			\$101 71

**Iron Sulfide Control**

Product	Gallons/Month	Cost/Gallon	Total/Month
SCAV 20	7	15 80	\$110 60
Total			\$110 60

**Biocide Treatment**

Product	Cost/Gallon/Stick
NOVACIDE 1125	\$28 79
ENVIRO BROM G	\$20 75

Your local ENDURA representative Michael McNeil, will answer any questions concerning this report. At ENDURA we are committed to resolving our customer's production problems with quality products and experienced service. We appreciate the opportunity to provide these analyses and recommendations.

3 31 17 KW



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

### Water Analysis

Code	194809		
Client Information		Sample Information	
CrownQuest Operating LLC		Lease/Well	State 22/2
County	Lea	Sample Point	Well Head
Rep	Michael McNeil	Date Sampled	04/03/2017
		Date Reported	04/03/2017

### Results

#### Cations

Ion	Concentration(mg/L)
Barium (as Ba)	0
Calcium (as Ca)	2172
Iron (as Fe)	0
Sodium (as Na)	26610
Magnesium (as Mg)	403

#### Other Measurements

Measurement	Value
pH	7.14
SG	1.0575
Turbidity	350
CO <sub>2</sub>	
Total Dissolved Solids	85188.000

#### Anions

Ion	Concentration(mg/L)
Chlorides (as Cl)	52900
Sulfate (as SO <sub>4</sub> )	2550
Carbonate (as CO <sub>3</sub> )	0
Bicarbonates (as HCO <sub>3</sub> )	537
Sulfide (as S <sub>2</sub> )	16

### Scaling Indices

Temp(F)	CaCO <sub>3</sub>	CaSO <sub>4</sub> 2H <sub>2</sub> O	CaSO <sub>4</sub>	BaSO <sub>4</sub>
80	0.3483	0.0000	0.0000	28.9177
120	0.9501	0.0000	0.0000	29.1518
160	1.6191	0.0000	0.0000	29.3610
200	2.3157	0.0000	0.0000	29.5362
250	3.0452	0.0000	0.0000	29.6237

Low = < 0.200 Moderate = 0.200 - 0.999 High = > 1.00

### Comments



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

### Water Analysis

Code 194808

#### Client Information

CrownQuest Operating LLC  
County Lea

Rep Michael McNeil

#### Sample Information

Lease/Well North Line/1

Sample Point Well Head

Date Sampled 04/03/2017

Date Reported 04/03/2017

### Results

#### Cations

Ion	Concentration(mg/L)
Barium (as Ba)	0
Calcium (as Ca)	66
Iron (as Fe)	0
Sodium (as Na)	12
Magnesium (as Mg)	1

#### Other Measurements

Measurement	Value
pH	8.34
SG	1.0000
Turbidity	3
CO <sub>2</sub>	
Total Dissolved Solids	405.000

#### Anions

Ion	Concentration(mg/L)
Chlorides (as Cl)	64
Sulfate (as SO <sub>4</sub> )	30
Carbonate (as CO <sub>3</sub> )	0
Bicarbonates (as HCO <sub>3</sub> )	232
Sulfide (as S <sub>2</sub> )	0

### Scaling Indices

Temp(F)	CaCO <sub>3</sub>	CaSO <sub>4</sub> 2H <sub>2</sub> O	CaSO <sub>4</sub>	BaSO <sub>4</sub>
80	1.1500	0.0000	0.0000	27.4449
120	1.4510	0.0000	0.0000	27.6506
160	1.7727	0.0000	0.0000	27.7556
200	2.0645	0.0000	0.0000	27.8006
250	2.3395	0.0000	0.0000	27.8310

Low = < 0.200 Moderate = 0.200-0.999 High = > 1.00

### Comments



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

#### Water Analysis

Code	194810		
Client Information		Sample Information	
CrownQuest Operating, LLC		Lease/Well	Windmill/1
County	Lea	Sample Point	Well Head
Rep	Michael McNeil	Date Sampled	04/03/2017
		Date Reported	04/03/2017

#### Results

##### Cations

Ion	Concentration(mg/L)
Barium (as Ba)	0
Calcium (as Ca)	77
Iron (as Fe)	0
Sodium (as Na)	15
Magnesium (as Mg)	6

##### Other Measurements

Measurement	Value
pH	8.38
SG	1.0003
Turbidity	0
CO <sub>2</sub>	
Total Dissolved Solids	455.000

##### Anions

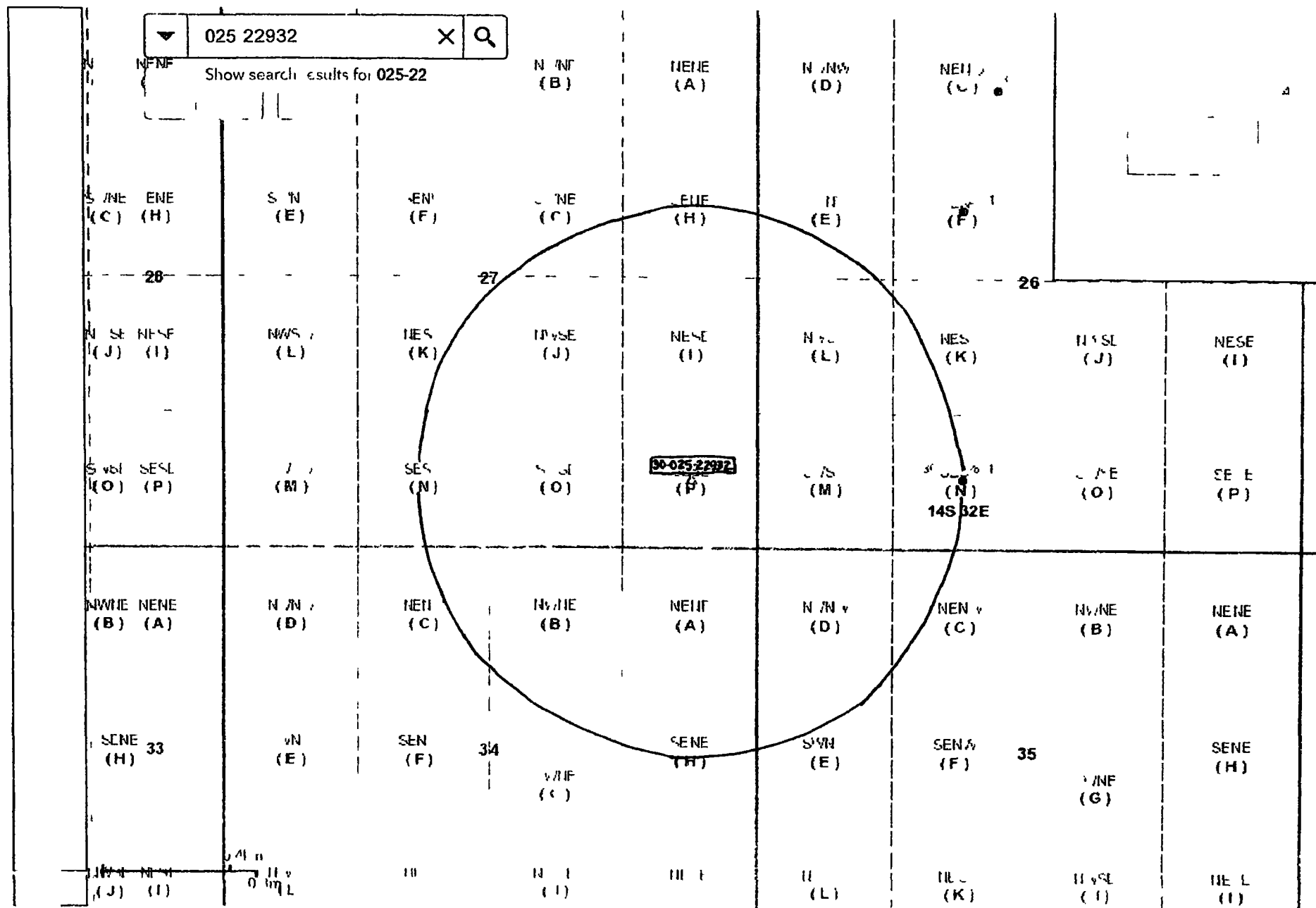
Ion	Concentration(mg/L)
Chlorides (as Cl)	90
Sulfate (as SO <sub>4</sub> )	60
Carbonate (as CO <sub>3</sub> )	0
Bicarbonates (as HCO <sub>3</sub> )	207
Sulfide (as S <sub>2</sub> )	0

#### Scaling Indices

Temp(F)	CaCO <sub>3</sub>	CaSO <sub>4</sub> 2H <sub>2</sub> O	CaSO <sub>4</sub>	BaSO <sub>4</sub>
80	1.2007	0.0000	0.0000	27.4933
120	1.5029	0.0000	0.0000	27.6989
160	1.8271	0.0000	0.0000	27.8045
200	2.1212	0.0000	0.0000	27.8485
250	2.3978	0.0000	0.0000	27.8709

Low = < 0.200 Moderate = 0.200 - 0.999 High = > 1.00

#### Comments



All Right Reserved

**CrownQuest Operating, LLC (213190)****State "27" #2 - AOR Listing**

<u>API#</u>	<u>Well Name &amp; #</u>	<u>Well Type</u>	<u>Date Drilled</u>	<u>Location</u>	<u>TD</u>	<u>Form Provided</u>
30-025 28612	CrownQuest State 26 #5	Oil Well	5/20/2008	U I N Sec 26 14S 32E 660 FSL & 1980 FWL Lea County	10000	C 103 C 104 C 105

STATE OF NEW MEXICO

Form C 105

Revised 10/1/78

## ENERGY AND MINERALS DEPARTMENT

## OIL CONSERVATION DIVISION

P O BOX 2088

SANTA FE NEW MEXICO 87501

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a Indicate Type of Lease
State <input checked="" type="checkbox"/> F <input type="checkbox"/>
5 State Oil & Gas Lease N
L-521

6	EE 10
DISTRIBUTION	
SANTA FE	
FILE	
USGS	
LAND OFFICE	
OPERATOR	

7 - Agreement Name
8 Farm or Lease Name
State "26" Com
9 Well No
5
10 Field and Pool or W/dren
Tulk (Penn)
12 County
Lea

1a TYPE OF WELL	WE <input checked="" type="checkbox"/> WE <input type="checkbox"/> O <input type="checkbox"/>
b TYPE OF COMPLETION	EW <input checked="" type="checkbox"/> WE <input type="checkbox"/> CEP <input type="checkbox"/> O <input type="checkbox"/>

2 Name of Operator  
Coastal Oil and Gas Corporation3 Address of Operator  
P O Box 235, Midland, Texas 797024 Location of Well  
IT LE TE \ C EE 660 EE M south E D 1980 EE OM

E West E o sec 26 wp 14-S sec 32-E M M

15 Date Spudded	16 Date TD Reached	17 Date Comp (Ready to Prod)	18 Elevations (DF RKB RT GR etc)	19 El C h/ghead
3-14-84	4-9-84	4-26-84	4282 8' GR	4282 8'

20 Casing Depth	21 Plug Back TD	22 If M h/pt C m/pt H w	23 If M h/pt C m/pt H w	24 If M h/pt C m/pt H w
10 000'	9855'			

24 Producing Interval(s) of (in) Completion - Top Bottom N m  
9806-81', Penn25 Type of Casing and Log  
GR/CBL, SAP/GR, DIL26 Was Well Cased  
O

CASING RECORD (Report II string et i w II)					
CASING SIZE	WEIGHT LB FT	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8	68	410'	17 1/2"	425 SX CL 'C'	-
8 5/8	24' & 28'	4100	12 1/4	1600 SX CL 'C'	-
5 1/2	20' & 17'	10,000'	7 7/8"	1715 SX CL 'H'	-

LINER RECORD				TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET
					2 3/8	9748
						9748'

31 Port well N ora (Interval & nd number)	32 ACID SHOT FRACTURE CEMENT SQUEEZE ETC
9868-9881 (26 holes)	DEPTH INTERVAL
9806-31' (26 holes)	AMOUNT AND KIND MATERIAL USED
	9868-9881 2500 gal 15 NEFE
	9806-31 5000 gal 15/ NEFE

33								PRODUCTION							
Date First Production				Production Method (Flowing gas lift pump g - S z nd typ pump)						Well Status (Producing or Shut in)					
3-26-84				Pumping - 9A Hydraulic Jet Pump						Producing					
Date of Test		Hours Tested		Choke Size		Production For T at Period		Oil - Bbl		Gas - MCF		Water - Bbl		Gas - Oil Ratio	
3-29-84		24		-		→		223		185		249		825	
Flow Tubing Press		Casing Pressure		Calculated 24 Hour Rate		Oil - Bbl		Gas - MCF		Water - Bbl		Oil Gravity - API (Corrected)			
-		-		→		223		185		249		41.3			
34 Disposal of Gas (Sold used for fuel etc d t)														Wellhead	
Fuel & Sold														C. D. Tare	

Logs inclination survey &amp; C-104

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

SIGNED D. Campbell TITLE Sr Petroleum Engineer DATE 6/1/84

# INSTRUCTIONS

This form is to be filled with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled oil or gas well. It shall be completed by a copy of all electrical and radio-act logs on the well and a summary of all special tests conducted including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, 30 through 34 shall be reported for each zone. The form is to be filled in quadruplicate except on state lands where six copies are required. See Rule 1105.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

### Southeastern New Mexico

### Northwestern New Mexico

T Anth. 1507	T Canyon	T Ojo Alamo	T Penn. B
T Salt	T Sawn	T Kirtland Rustland	T Penn. C
T Salt	T Atoka	T Fractured Cliffs	T Penn. D
T Yates 25-8	T Voss	T Cliff House	T Leadville
T Rivers	T Devonian	T Menefee	T Madison
T Queen 34-3	T Silurian	T Point Lookout	T Elbert
T Greburg	T Montoya	T Mancos	T McCracken
T San Andres 40-3	T Simpson	T Gallup	T Ignacio Ortiz
T Glorieta	T McKee	T Base Greenhorn	T Granite
T Paddock	T Eilenburger	T Dakota	T
T Blinberry	T G Wash	T Morrison	T
T Tubbs 6002	T Granite	T Todilite	T
T Driskard	T Deawee Sand	T Entrada	T
T Abo 610	T Bone Springs	T Wingate	T
T Wolfcamp 5928	T	T Chinle	T
T Penn 9537	T	T Permian	T
T Cacao Bough C 95-9	T	T Penn. A	T

## OIL OR GAS SANDS OR ZONES

No 1 from _____ to _____	No 4 from _____ to _____
No 2 from _____ to _____	No 5 from _____ to _____
No 3 from _____ to _____	No 6 from _____ to _____

## IMPORTANT WATER SAIDS

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

No 1 from _____ to _____ feet
No 2 from _____ to _____ feet
No 3 from _____ to _____ feet
No 4 from _____ to _____ feet

## FORMATION RECORD At each additional string (if necessary)

From	To	Formation	From	To	Formation
0	400	400	Surface sand		
400	1507	1107	Red-beas shale		
1507	4073	2566	Sand colorless, white		
4073	6582	2909	Dolomite		
6582	7610	7281	Sand dolomite sand		
7610	8926	1313	Shale dolomite		
8926	9537	909	Shale lime		
9537	TD	63	Lime		

RECEIVED  
JUL 4 1984  
OCCD  
HUBBS OFFICE



District I  
1625 N French Dr Hobbs, NM 88240  
District II  
1301 W Grand Avenue, Artesa, NM 88210  
District III  
1000 R. Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr Santa Fe NM 87505

State of New Mexico  
Energy Minerals & Natural Resources

Form C 104  
Revised Feb 26 2007

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

Submit to Appropriate District Office  
5 Copies

L REQUEST FOR OIL AND GAS TRANSPORTATION AND AUTHORIZATION TO TRANSPORT

AMENDED REPORT

<sup>1</sup> Operator name and Address CrownQuest Operating, LLC P.O. Box 53310, Midland TX 79710		<sup>2</sup> OGRID Number 213190
<sup>4</sup> API Number 30 - 025 28612		<sup>3</sup> Reason for Filing Code/ Effective Date Back on Production. 5-20-08
<sup>5</sup> Pool Name Tulk (Penn)	<sup>6</sup> Pool Code 60380	<sup>7</sup> Well Number 5
<sup>8</sup> Property Code 302609	<sup>9</sup> Property Name State "26" Com	

II <sup>10</sup> Surface Location									
UL or lot no. N	Section 26	Township 14S	Range 32E	Lot Idn	Feet from the 660	North/South Line South	Feet from the 1980	East/West line West	County Lea

III Bottom Hole Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Lse Code P	<sup>13</sup> Product & Method Code P	<sup>14</sup> Gas Connection Date 5-20-08	<sup>15</sup> C 129 Permit Number	<sup>16</sup> C-129 Effective Date	<sup>17</sup> C-129 Expiration Date				

III. Oil and Gas Transporters		
<sup>18</sup> Transporter OGRID	<sup>19</sup> Transporter Name and Address	<sup>20</sup> O/G/W
024650	DCP Midstream, LP 10 Desta Dr Suite 400W Midland, TX 79705	G
188355	Sem Crude, LP 5809 Santa Fe St. Abilene, TX 79605	O

IV Well Completion Data					
<sup>21</sup> Spud Date	<sup>22</sup> Ready Date BOP- 5 20-08	<sup>23</sup> TD 10 000	<sup>24</sup> PBDT 9855	<sup>25</sup> Perforations 9806-81	<sup>26</sup> DHC MC
<sup>27</sup> Hole Size	<sup>28</sup> Casing & Tubing Size	<sup>29</sup> Depth Set	<sup>30</sup> Sacks Cement		
17 1/2	13 3/8	410	425 sx		
12 1/4	8 5/8	4100	1600 sx		
7 7/8	5 1/2	10 000	715 sx		

V Well Test Data					
<sup>31</sup> Date New Oil	<sup>32</sup> Gas Delivery Date	<sup>33</sup> Test Date 5-20-08	<sup>34</sup> Test Length 24	<sup>35</sup> Tbg. Pressure	<sup>36</sup> Csg. Pressure
<sup>37</sup> Choke Size	<sup>38</sup> Oil 8	<sup>39</sup> Water 3	<sup>40</sup> Gas 23	<sup>41</sup> Test Method	

<sup>42</sup> I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.  
Signature:

Printed name.  
Ann E. Ritchie  
Title  
Regulatory Agent  
E-mail Address  
ann.ritchie@wtor.net

Date  
06/13/08  
Phone:  
432 684-6381

OIL CONSERVATION DIVISION

Approved by

Chris Williams  
Title  
DISTRICT SUPERVISOR/GENERAL MANAGER

Approval Date.

JUL 15 2008

Submit 3 Copies To Appropriate District Office

District I  
1625 N French Dr Hobbs NM 88240  
District II  
1301 W Grand Ave Artesia NM 88210  
District III  
1000 Rio Brazos Rd. Aztec NM 87410  
District IV  
1220 S St. Francis Dr Santa Fe NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C 103  
May 27 2004

RECEIVED

SEP 16 2009

HOBBSD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr  
Santa Fe, NM 87505

WELL API NO 30-025-28612 ✓
5 Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> ✓
6 State Oil & Gas Lease No L-521
7 Lease Name or Unit Agreement Name State "26" Com ✓
8 Well Number 5 ✓
9 OGRID Number 213190 - ✓
10 Pool name or Wildcat Tulk (Penn) ✓

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)	
1 Type of Well Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/>	
2 Name of Operator CrownQuest Operating, LLC	
3 Address of Operator 303 Veterans Arprk Ln Ste 5100 Midland TX 79710	
4 Well Location Unit Letter N 660' feet from the South line and 1900' feet from the West line Section 26 Township 14S Range 32E NMPM County Lea ✓	
11 Elevation (Show whether DR RKB RT GR etc) 4282 8' GL	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness _____ mil	Below-Grade Tank Volume _____ bbls Construction Material _____

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 checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input 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"/>	
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 1103 For Multiple Completions Attach wellbore diagram of proposed completion or recompletion

3/17/08 Rigged up pulled rods & pump inspected rods  
3/18/08 Pulled 2-7/8" tubing  
3/19/08 RIH w/Arrowset pkr tight spot in csg POH w/pkr RIH w/4-3/4 bit and scraper to 9942  
3/24/08 RIH w/pkr to 9600' Acidize w/5000 gals 20% acid  
3/26/08 RIH w/pump and rods loaded tbq w/45 bbls to 500 psi  
3/27/08 RIH w/1-5/8" grapple and rods, caught fish POH w/rods & pump  
RIH w/pump & rods Loaded tbq spaced well out started pumping unit Well pumping and back on production

I hereby certify that the information above is true and complete to the best of my knowledge and belief I further certify that any pit or below grade tank has been/will be constructed or closed according to NMOC guidelines ☐ a general permit ☐ or an (attached) alternative OCD approved plan ☐

SIGNATURE Don Rogers TITLE Mgr, Special Projects DATE 9/1-/09  
Type or print name Don Rogers E mail address drogers@crownquest.com Telephone No (432) 818-0307  
For State Use Only

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE SEP 17 2009  
Conditions of Approval (if any)

District I  
1625 N French Dr Hobbs, NM 88240  
District II  
1301 W Grand Avenue Artesia NM 88210  
District III  
1000 Rio Brazos Road Aztec, NM 87410  
District IV  
1220 S St Francis Dr Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

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

Form C 141  
Revised October 10 2003

RECEIVED

MAY 19 2009

Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report Final Report

Name of Company	CrownQuest Operating, LLC	Contact	Kent Crabtree
Address	PO Box 53310 Midland, Texas 79710	Telephone No	432 556-0770
Facility Name	SWD 215, State 27 No 2 SWD	Facility Type	SWD

Surface Owner	State of New Mexico	Mineral Owner		Lease No	
---------------	---------------------	---------------	--	----------	--

LOCATION OF RELEASE

API #30 025-22932 00 00

Unit Letter P	Section 27	Township 14S	Range 32E	Feet from the	North/South Line	Feet from the	East/West Line	County Lea
------------------	---------------	-----------------	--------------	---------------	------------------	---------------	----------------	---------------

Latitude 33 04 12 12 North

Longitude 103 41 57 76 West

NATURE OF RELEASE

Type of Release	Produced Water/Crude Oil	Volume of Release	Unknown	Volume Recovered	Unknown
Source of Release	Daily Operations at Facility	Date and Hour of Occurrence	Unknown	Date and Hour of Discovery	Unknown
Was Immediate Notice Given?	Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required <input checked="" type="checkbox"/>	If YES To Whom?			
By Whom?		Date and Hour			
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES Volume Impacting the Watercourse			

If a Watercourse was Impacted Describe Fully \*

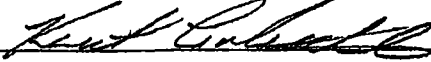
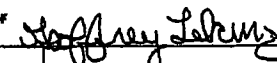
WATER @ 175'

Describe Cause of Problem and Remedial Action Taken Circulating pump has been repaired and location is being delineated

Describe Area Affected and Cleanup Action Taken Release impacted an area measuring approximately 135 feet by 45 feet

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment The acceptance of a C 141 report by the NMOCD marked as Final Report does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water surface water human health or the environment In addition NMOCD acceptance of a C 141 report does not relieve the operator of responsibility for compliance with any other federal state or local laws and/or regulations.

OIL CONSERVATION DIVISION

Signature		Approved by	ENV ENGR District Supervisor		
Printed Name	Kent Crabtree	Approval Date	05/19/09	Expiration Date	07/20/09
Title	Foreman	Conditions of Approval FINAL C-141BY			
E mail Address	kcrabtree@crowquest.com	IRP-09 5 2188			
Date	05/19/09	Phone	432 556 0770		

FGRL0914235385

SWD, PENN (94113)

Prop # 302610

RECEIVED

MAY 19 2009

HOBBSD

District I  
1625 N Trench Dr Hobbs, NM 88240  
District II  
1301 W Grand Avenue Artesia NM 88210  
District III  
1000 Rio Brizos Road Aztec NM 87410  
District IV  
1220 S St Francis Dr Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

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

Form C 141  
Revised October 10 2003

RECEIVED

MAY 19 2009

Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

Release Notification and Corrective Action

OPERATOR		<input checked="" type="checkbox"/> Initial Report	Final Report
Name of Company	CrownQuest Operating LLC	Contact	Kent Crabtree
Address	PO Box 53310 Midland Texas 79710	Telephone No	432 556 0770
Facility Name	SWD 215 State 27 No 2 SWD	Facility Type	SWD

Surface Owner	State of New Mexico	Mineral Owner		Lease No	
---------------	---------------------	---------------	--	----------	--

LOCATION OF RELEASE								API #30 025-22932 00 00
Unit Letter P	Section 27	Township 14S	Range 32E	Feet from the	North/South Line	Feet from the	East/West Line	County Lea

Latitude 33 04 12 12 North Longitude 103 41 57 76 West

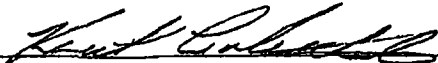
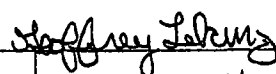
NATURE OF RELEASE	
Type of Release	Produced Water/Crude Oil
Source of Release	Daily Operations at Facility
Volume of Release	Unknown
Volume Recovered	Unknown
Date and Hour of Occurrence	Unknown
Date and Hour of Discovery	Unknown
Was Immediate Notice Given?	Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required <input checked="" type="checkbox"/>
If YES To Whom?	
By Whom?	Date and Hour
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If YES Volume Impacting the Watercourse.	

If a Watercourse was Impacted Describe Fully \*

Describe Cause of Problem and Remedial Action Taken Circulating pump has been repaired and location is being delineated

Describe Area Affected and Cleanup Action Taken Release impacted an area measuring approximately 135 feet by 45 feet

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment The acceptance of a C 141 report by the NMOCD marked as Final Report does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water surface water human health or the environment In addition NMOCD acceptance of a C 141 report does not relieve the operator of responsibility for compliance with any other federal state, or local laws and/or regulations

OIL CONSERVATION DIVISION	
Signature	
Printed Name	Kent Crabtree
Approved by	ENV ENGR District Supervisor 
Title	Foreman
Approval Date	05/19/09
Expiration Date	07/20/09
E mail Address	kcrabtree@crowquest.com
Conditions of Approval	FINAL C-141BY
Date	05/19/09
Phone	432 556 0770
IRP-09 5 2188	

FGRL094235385

RECEIVED

MAY 19 2009

HOBBSD

30-025-22932 (SWD)  
State 27 # 2  
P-27-145-32E  
66015-6601E

HOBBS OCD

NOV 14 2013

**CrownQuest**  
DAILY OPERATIONS REPORT

RECEIVED

State 27 # 2

Printed Oct 31 2012 Page 1 of 4

State 27 # 2

Lea Co NM

Property# 200996 02

Zone 1 Field Tulk

Sep 20 2012 Thursday (Day 1)

MI RU PU from yard Lea County Packers released 5 1/2 Lock set packer TOH w/ 109 jts 2 7/8 IPC tubing and 200 jts 2 3/8 IPC tubing total 9729 packer was rebuilt and found to be in good condition and tubing look good CWIFN

Daily Cost

Cum Cost

Sep 21 2012 Friday (Day 2)

RU tubing testers tubing was dual lined J 55 IPC did not have tools to test dual lined tubing decided not to repair well due to cost and low amount of water injected lay down packer release tubing testers RIH w/ tubing and laid down 109 jts dual lined 2 7/8 IPC and 100 jts dual lined 2 3/8 tubing CWIFN

Daily Cost

Cum Cost

Sep 22 2012 Saturday (Day 3)

POOH w/ 80 jts 2 3/8 DL IPC tubing left 20 JIW for kill string roustabouts hauled 289 joints tubing and racks to CQ yard RD MO PU to Waddell #2301 Final Report

Daily Cost

Cum Cost

Sep 27 2012 Thursday (Day 4)

MI RU PU from Waddell 2301 Double R Pipe delivered 2 7/8 work string tallied tubing RIH w/ 5 1/2 rental compression packer from Lea County Packers and 65 jts 2 7/8 tubing CWIFN

Daily Cost

Cum Cost

Sep 28 2012 Friday (Day 5)

RIH w/ 235 joints 300 JIW at 9706 set packer loaded casing w/ 22 bbls pressured up to 500 psi casing pressure bled off from 500 psi to 100 psi in 7 minutes POOH w/ 3 jts packer at 9608 set packer loaded tubing w/ 20 bbls pressured up to 500 psi pressure bled off from 500 psi to 100 psi in 6 minutes released packer and shut down at 3 00 pm due to heavy rain

Daily Cost

Cum Cost

Oct 1 2012 Monday (Day 6)

Packer released sitting at 9608 w/ 297 JIW POOH w/ 31 jts 266 JIW and set packer at 8607 loaded casing w/ 18 bbls pressured to 500 psi pressure fell from 500 psi to 100 psi in 6 min released packer POOH w/ 20 jts 246 JIW set packer at 7962 pressure test failed POOH w/ 30 jts 216 JIW set packer at 6988 pressure test failed POOH w/ 30 jts 186 JIW set packer at 6028 loaded casing w/ 18 bbls pressured to 500 psi pressure held for 15 min RIH w/ 10 jts 196 JIW set packer at 6350 pressure test failed POOH w/ 6 jts 190 JIW set packer at 6156 pressure test failed POOH w/ 2 jts 188 JIW set packer at 6092 casing pressure tested good to 500 psi for 15 min RIH w/ 1 jt 189 JIW set packer at 6124 pressure test failed casing leak between 6092 and 6124 released packer and CWIFN

Daily Cost

Cum Cost

Oct 2 2012 Tuesday (Day 7)

POOH w/ 189 jts tubing and packer W/O orders from NM OCD

Daily Cost

Cum Cost

Oct 3 2012 Wednesday (Day 8)

Waiting on orders from NM OCD rig and crew on standby

Daily Cost

Cum Cost

Accepted for Record Only

NOV 14 2013

30025-22932 (SWO)  
State 27#2  
D-27-14532  
660/S-660/E

HOBBS OCD

NOV 14 2013

**CrownQuest**  
**DAILY OPERATIONS REPORT**

**State 27 # 2**

**RECEIVED**

Printed Oct 31 2012 Page 2 of 4

**State 27 # 2**

Lea Co NM

Property# 200996 02

Zone 1 Field Tulk

Oct 4 2012 Thursday (Day 9)

RIH w/ 292 jts tubing POOH and laid down 292 jts 2 7/8 work string RD MO to State 26 5

Daily Cost

Cum Cost

Oct 11 2012 Thursday (Day 10)

MI RU PU tallied tubing RIH w/ 5 1/2 RBP and 5 1/2 packer set RBP at 9706 POOH with 1 joint and set packer at 9674 RBP did not pressure test release RBP and set at 9690 set packer at 9674 pressure tested to 500# for 15 min pressure held POOH and set packer at 6219 pressure tested to 500# for 15 min pressure held POOH and set packer at 6051 pressure tested casing to 500 psi pressure held RU pump truck and pumped down tubing into casing leak at 1/2 bbl min pressure was 700 psi opened 8 5/8 intermediate valve no pressure or flow from intermediate RD pump truck and CWIFN

Daily Cost

Cum Cost

Oct 12 2012 Friday (Day 11)

RU pump truck packer set at 6051 loaded and pressure casing to 500 psi pumped down tubing into casing leak 1/2 bbl min at 2000 psi total of 10 bbls no flow out of intermediate released packer and RIH to 6124 spotted 350 gal 20% double inhibited HCL POOH w/ 4 jts reversed 12 bbls water set packer at 5989 pressured casing to 500 psi pumped 1/2 bbl min down tubing at 2140 psi max rate 0.8 bpm avg rate 6 bpm total of 16 bbls no flow out of intermediate shut pump down ISIP 1800 psi bled down to 0 psi in 3 min RD and release pump truck CWIFN

Daily Cost

Cum Cost

Oct 15 2012 Monday (Day 12)

Release packer 5989 and RIH to 6100 set packer pressure tested casing to 500 psi held pumped down tubing leaked RIH to 6114 pumped down casing leaked tubing pressure tested to 500 psi released packer and RIH to 9690 release RBP POOH w/ packer and RBP RIH w/ 5 1/2 CIBP tried to set at 6264 would not set POOH to 6225 set CIBP POOH w/ 16 stands CWIFN

Daily Cost

Cum Cost

Oct 16 2012 Tuesday (Day 13)

POOH w/ tubing RIH w/ packer to 6215 set packer and pressure tested CIBP to 500 psi for 15 min good test POOH and set packer at 5957 pressure tested casing to 500 psi and held pumped 15 bbls water down tubing into casing leak 0.5 BPM at 1800 psi broke circulation up 8 5/8 casing flowed back heavy black water into steel pit pumped 40 bbls fresh water returns were clean CWIFN Ordered wire line to perforate casing 10 17 12

Daily Cost \$18 034

Cum Cost \$18 034

Oct 17 2012 Wednesday (Day 14)

RU Black Warrior wire line RIH w/ 1 x 1 9/16 casing punch gun to packer and correlated to packer depth w/ CCL (CCL and tally within 2) RIH to 6104 CCL kicked moved over spot three times CCL kicked on same spot indicating hole located in middle of joint set perf gun at 6104 5 and perforated casing w/ 4 shots POOH and RD wire line RU pump truck pump down tubing (packer set 5957 67) broke circulation with 8 bbls established rate of 3 BPM at 800 psi circulated 83 bbls fresh water release and POOH w/ packer RIH w/ CIBP and 184 jts tubing and set CIBP at 5957 67 pressure tested tubing to 2000 psi good test sting out and circulated tubing clean w/ 40 bbls sting in and establish rate of 2.25 BPM at 550 psi RD and release pump truck CWIFN

Daily Cost

Cum Cost \$18 034

**Accepted for Record Only**

30-025-22932 (SWO)

State 27 # 2

P-27-14-32

6601S - 6601E

HOBBS OCD

NOV 14 2013

CrownQuest  
DAILY OPERATIONS REPORT

State 27 # 2

Printed Oct 31 2012 Page 3 of 4

RECEIVED

State 27 # 2

Lea Co NM

Property# 200996 02

Zone 1 Field Tulk

Oct 18 2012 Thursday (Day 15)

RU Rising Start cementers held safety meeting pressure tested lines and manifold put 500 psi on 5 1/2 casing lost pressure due to leak in manifold pumped fresh water spacer and broke circulation with 15 bbls at rate of 3 BPM at 700 psi pumped 20 bbls treated water started lead cement 200 sax Class C 50/50/10 11 8# 3 BPM @ 700 psi pressure dropped at the end of lead cement to 4 BPM @ 200 psi started tail 100 sax Class C neat 14 8# 3 5 BPM @ 200 psi shut down to wash and flush lines to pit started 34 bbl displacement at 2 BPM @ 50 psi after 32 bbls displacement (1 BPM @ 300 psi) shut intermediate valve displaced 1 bbl (1 BPM @ 600 psi) shut down and sting out of CICR pulled 1 stand tubing leaving 1 bbl cement on retainer reversed out 45 bbls water and 1 bbl cement RD and release cementers POOH w/ 184 jts tubing and stinger shut BOP and CWIFN

Rising Star Services \$14 199 92

Lea County Packers \$2000

Choctaw #9 \$1834 00

Daily Cost

Cum Cost \$18 034

Oct 19 2012 Friday (Day 16)

RIH w/ 4 3/4 mill tooth bit bit sub 6 3 5 drill collars 177 jts tubing tagged cement at 5913 top of retainer at 5955 42 cement on retainer POOH w/ 2 stands RU stripping head and reverse unit CWIFN

Daily Cost

Cum Cost \$18 034

Oct 22 2012 Monday (Day 17)

RIH w/ 2 stands 177 JIW tagged at 5913 drilled out 42 cement to CICR at 5955 hydraulic filters plugged up on swivel replaced and drilled out retainer in 3 hours and 17 cement below retainer drilled out total of 59 cement CWIFN

Daily Cost

Cum Cost \$18 034

Oct 23 2012 Tuesday (Day 18)

RIH w/ 2 stands tagged at 5972 drilled out 138 cement to 6110 fell through and circulated clean to CIBP at 6225 pressure tested casing to 500 psi for 30 min pressure held RIH and tagged CIBP drilled out in 3 hrs RIH and tagged at 9807 143 fill above PBTD 85 fill above perfs POOH w/ 14 jts CWIFN

Daily Cost

Cum Cost \$18 034

Oct 24 2012 Wednesday (Day 19)

RIH w/ 14 jts drilled and circulated heavy scale out of well 9807 to 9924 26 from CIBP circulate clean rig broke down for 4 hours due to mechanical problems POOH w/ 20 jts started laying work string down CWIFN

Daily Cost

Cum Cost \$18 034

Oct 25 2012 Thursday (Day 20)

POOH and laid down 314 jts work string tubing moved off racks racked and tallied Salta IPC CWIFN

Daily Cost

Cum Cost \$18 034

Oct 26 2012 Friday (Day 21)

Pick up 5 1/2 lock set packer RU Monk Tubing testers RIH with 2 jts could not get cups to seal on hydro tester RD and release testers TIH w/ 127 jts 2 3/8 Salta lined tubing and 26 jts new 2 3/8 IPC off the rack laid down 71 jts 2 3/8 and 24 jts 2 7/8 Salta tubing with bad liner at the pins and couplings CWIFN

Daily Cost

Cum Cost \$18 034

Accepted for Record Only

30-025-22932 (SWD)  
State 27#2  
P 27-14s 32E  
6601S - 6601E

HOBBS OCD

NOV 14 2013

**CrownQuest**  
DAILY OPERATIONS REPORT

RECEIVED

State 27 # 2

Printed Oct 31 2012 Page 4 of 4

State 27 # 2

Lea Co NM

Property# 200996-02

Zone 1 Field Tulk

Oct 29 2012 Monday

(Day 22)

Double R Pipe delivered new IPC tubing TIH w/ 46 jts 2 3/8 IPC Salta xover 82 jts 2 7/8 Salta lined tubing and 26 jts 2 7/8 new IPC set packer at 9699 loaded casing w/ 13 bbl fresh water pressure tested to 500 psi tested good release on/off tool CWIFN

Daily Cost

Cum Cost \$18 034

Oct 30 2012 Tuesday

(Day 23)

RU pump truck to tubing treated water w/ packer fluid pumped and circulated 230 bbls water to steel pit latched on/off tool onto packer ND BOP NU WH set up chart recorder pressure tested casing to 530 psi held for 35 min good test replaced 2 7/8 injection valve pumped into tubing 1 5 BPM @ 100 psi 16 bbls in 1 5 BPM @ 1200 psi 42 bbls in RD and release pump truck RD MO PU to Fed 6 2J Final Report

Daily Cost

Cum Cost \$18 034

Accepted for Record Only



COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
USGS	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

L-522
State 27
2
Unders. Tulk Penn
Lea
10,000
Penn
Rotary
12/31/68

APPLICATION FOR PERMIT TO DRILL DEEPEN, OR PLUG BACK

1a Type of Work	DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>
b Type of Well	OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/>
2 Name of Operator	Coastal States Gas Producing Company
3 Address of Operator	c/o Oil Reports & Gas Services, Box 763, Hobbs, New Mexico
4 Location of Well	LETTER P DEED 660 FEED South
660	FEED FROM East 27 14 S 32 E
10,000	Penn
Rotary	12/31/68

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST TOP
17 1/2	13 3/8	49#	350	350	6100
11	8 5/8	24# & 32#	1100	300	3000
7 7/8	5 1/2	15.5# & 17#	10,000	200	9200

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM IN ORDER TO  
 BE ZONE GIVE A DOWOUT P EYE TE PROG M IF A Y

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

Signed H. L. Smith Title Agent Date 12/23/68

(This space for State Use)

APPROVED BY John A. Rangan TITLE \_\_\_\_\_ DATE DEL 24 1968

CONDITIONS OF APPROVAL IF ANY