BW – 036

PERMIT APPLICATIONS, RENEWALS, & MODS

2016

BW-36 September 30, 2016

20.6.2.5299 NMAC) for Class III wells are met. Pursuant to 20.6.2.5003B NMAC, the Permittee shall comply with 20.6.2.1 through 20.6.2.5299 NMAC.

The Permittee shall not allow or cause water pollution, discharge, or release of any water contaminant that exceeds the Water Quality Control Commission (WQCC) standards specified at 20.6.2.3101 NMAC and 20.6.2.3103 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams). Pursuant to 20.6.2.5101A NMAC, the Permittee shall not inject non-hazardous fluids into ground water having 10,000 mg/l or less total dissolved solids (TDS).

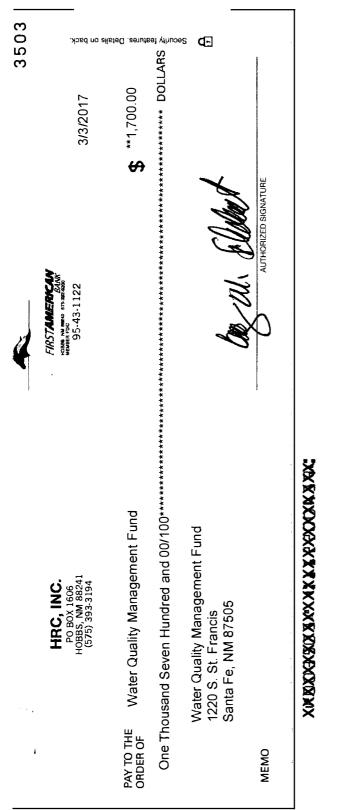
The issuance of this permit does not relieve the Permittee from the responsibility of complying with the provisions of the Water Quality Act, any applicable regulations or water quality standards of the WQCC, or any applicable federal laws, regulations or standards (See Section 74-6-5 NMSA 1978).

1.C. DISCHARGE PERMIT: This Discharge Permit is a new permit application. Future replacement of a prior permit does not relieve the Permittee of its responsibility to comply with the terms of that prior permit while that permit was in effect.

1.D. DEFINITIONS: Terms not specifically defined in this Discharge Permit shall have the same meanings as those in the Water Quality Act or the rules adopted pursuant to the Act, as the context requires.

1.E. FILING FEES AND PERMIT FEES: Pursuant to 20.6.2.3114 NMAC, every facility that submits a Discharge Permit application for initial approval or renewal shall pay the permit fees specified in Table 1 and the filing fee specified in Table 2 of 20.6.2.3114 NMAC. OCD has already received the required \$100.00 filing fee. The Permittee is now required to submit the \$1,700.00 permit fee for a Class III well. Please remit payment made payable to the "Water Quality Management Fund" in care of OCD at 1220 South St. Francis Drive in Santa Fe, New Mexico 87505.

F.F. EFFECTIVE DATE, EXPIRATION, RENEWAL CONDITIONS, AND PENALTIES FOR OPERATING



HRC, INC.

3/3/2017	Discount	Check Amount
	Balance Due 1.700.00	
	Original Amt. 1.700.00	
Nater Quality Management Fund	Type Reference Bill	
Water	Date 3/6/2017	

3503

Payment 1,700.00 1,700.00 2011 XAY 31 A 8 3

First National Bank

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary



FEBRUARY 17, 2016

CERTIFIED MAIL RETURN RECEIPT NO: 7923 1312

Mr. Gary M. Schubert H.R.C., Inc. P.O. Box 5102 Hobbs, NM 88241

Re: Discharge Plan Permit (BW-036), H.R.C. Inc., UIC Class III Brine Well Schubert Farms Brine Well No. 1, API No. 30-025-37548, UL: B, Section 25, Township 19 South, Range 38 East, 330 FNL, 1650 FEL, Lat. 32.63759, Long. 103.09880, NMPM, Lea County, New Mexico

Dear Mr. Schubert,

The discharge permit (BW-036) for H.R.C. Inc. (HRC) Class III Brine Well "Schubert Farms Brine Well No. 1" located 330 FNL, 1650 FEL Unit Letter "B", Section 25, Township 19 South Range 38 East, Lea County, New Mexico, is hereby approved under the terms and conditions specified in the enclosed discharge permit.

The New Mexico Oil Conservation Division (OCD) hereby approves this discharge permit renewal pursuant to 20.6.2.3109A NMAC. Please note 20.6.2.31090 NMAC, which provides for possible future amendment of the permit. Please be advised that approval of this discharge permit does not relieve Llano of liability if operations result in pollution of surface water, groundwater, or the environment.

Please note that 20.6.2.3104 NMAC specifies "When a permit has been issued, discharges must be consistent with the terms and conditions of the permit." Pursuant to 20.6.2.3107C NMAC, Llano is required to notify the Director of any increase in the injection volume or injection pressure, or process modification that would result in any change in the water quality or volume of the discharge.

This discharge permit will expire on September 30, 2021, and HRC should submit a discharge permit renewal application in ample time before this date. Note that under 20.6.2.3106F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved discharge permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved.

The discharge permit renewal application for the Schubert Farms Class III Brine Well is subject to 20.6.2.3114 NMAC. Every billable facility submitting a discharge permit renewal application is assessed a non-refundable filing fee of \$100.00. OCD has already received the required \$100.00 filing fee and the \$1,700.00 permit fee for a Class III Brine Well is now required by check made payable by HRC to the "Water Quality Management Fund."

February 17, 2017 Page 2

If you have any questions, please contact Carl Chavez of my staff at (505-476-3490) or email: CarlJ.Chavez@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

David R. Catanach

OCD Director

DRC/cc

Enclosure

cc: Hobbs District Office

DISCHARGE PERMIT APPROVAL CONDITIONS

All discharge permits are subject to Water Quality Control Commission regulations.

1. GENERAL PROVISIONS:

1.A. PERMITTEE AND PERMITTED FACILITY: The Director of the Oil Conservation Division (OCD) of the Energy, Minerals and Natural Resources Department issues a Discharge Permit BW-36 to H.R.C., Inc. (Permittee) to operate a Underground Injection Control (UIC) Class III Well for the solution mining of salt (Schubert Farms Brine Well No. 1 API # 30-025-37548) is located 330 FNL, and 1650 FEL, Unit Letter B (NW/4 NE/4) of Section 25, Township 19S Range 38E, Lat. 32.63759°, Long. -103.09880°, NMPM, Lea County, New Mexico. This brine well is located approximately 1 mile north of Nadine Road and 1.7 miles east of NM-18. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. Produced brine is metered at surface and transported approximately 2 miles via a buried 3- inch polyethylene pipeline to the brine station for sale. The brine station is permitted with the same operator under OCD Permit BW-31.

The Permittee is permitted to inject water into the subsurface salt layers and produce brine for use in the oil and gas industry. Ground water that may be affected by a spill, leak, or accidental discharge of brine occurs at a depth of approximately 50 - 70 feet below ground surface and has a total dissolved solids (TDS) concentration of approximately 700 mg/L.

1.B. SCOPE OF PERMIT: OCD has been granted the authority by statute and by delegation from the Water Quality Control Commission (WQCC) to administer the Water Quality Act (Chapter 74, Article 6 NMSA 1978) as it applies to Class III wells associated with the oil and gas industry (See Section 74-6-4, 74-6-5 NMSA 1978).

The Water Quality Act and the rules promulgated pursuant to the Act protect ground water and surface water of the State of New Mexico by providing that, unless otherwise allowed by 20.6.2 NMAC, no person shall cause or allow effluent or leachate to discharge so that it may move directly or indirectly into ground water unless such discharge is pursuant to an approved discharge plan (See 20.6.2.3104 NMAC, 20.6.2.3106 NMAC, and 20.6.2.5000 through 20.6.2.5299 NMAC).

This Discharge Permit for a Class III Brine Well is issued pursuant to the Water Quality Act and WQCC rules, 20.6.2 NMAC. This Discharge Permit does not authorize any treatment of, or on-site disposal of, any materials, product, by-product, or oil-field waste.

Pursuant to 20.6.2.5004A NMAC, the following underground injection activities are prohibited:

- 1. The injection of fluids into a motor vehicle waste disposal well is prohibited.
- 2. The injection of fluids into a large capacity cesspool is prohibited.
- 3. The injection of any hazardous or radioactive waste into a well is prohibited except as provided by 20.6.2.5004A(3) NMAC.
- 4. Class IV wells are prohibited, except for wells re-injecting treated ground water into the same formation from which it was drawn as part of a removal or remedial action.
- 5. Barrier wells, drainage wells, recharge wells, return flow wells, and motor vehicle waste disposal wells are prohibited.

This Discharge Permit does not convey any property rights of any sort nor any exclusive privilege, and does not authorize any injury to persons or property, any invasion of other private rights, or any infringement of state, federal, or local laws, rules or regulations.

The Permittee shall operate in accordance with the terms and conditions specified in this Discharge Permit to comply with the Water Quality Act and the rules issued pursuant to that Act, so that neither a hazard to public health nor undue risk to property will result (see 20.6.2.3109C NMAC); so that no discharge will cause or may cause any stream standard to be violated (see 20.6.2.3109H(2) NMAC); so that no discharge of any water contaminant will result in a hazard to public health, (see 20.6.2.3109H(3) NMAC); so that the numerical standards specified of 20.6.2.3103 NMAC are not exceeded; and, so that the technical criteria and performance standards (see 20.6.2.5000 through

20.6.2.5299 NMAC) for Class III wells are met. Pursuant to 20.6.2.5003B NMAC, the Permittee shall comply with 20.6.2.1 through 20.6.2.5299 NMAC.

The Permittee shall not allow or cause water pollution, discharge, or release of any water contaminant that exceeds the Water Quality Control Commission (WQCC) standards specified at 20.6.2.3101 NMAC and 20.6.2.3103 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams). Pursuant to 20.6.2.5101A NMAC, the Permittee shall not inject non-hazardous fluids into ground water having 10,000 mg/l or less total dissolved solids (TDS).

The issuance of this permit does not relieve the Permittee from the responsibility of complying with the provisions of the Water Quality Act, any applicable regulations or water quality standards of the WQCC, or any applicable federal laws, regulations or standards (See Section 74-6-5 NMSA 1978).

1.C. DISCHARGE PERMIT: This Discharge Permit is a new permit application. Future replacement of a prior permit does not relieve the Permittee of its responsibility to comply with the terms of that prior permit while that permit was in effect.

1.D. DEFINITIONS: Terms not specifically defined in this Discharge Permit shall have the same meanings as those in the Water Quality Act or the rules adopted pursuant to the Act, as the context requires.

1.E. FILING FEES AND PERMIT FEES: Pursuant to 20.6.2.3114 NMAC, every facility that submits a Discharge Permit application for initial approval or renewal shall pay the permit fees specified in Table 1 and the filing fee specified in Table 2 of 20.6.2.3114 NMAC. OCD has already received the required \$100.00 filing fee. The Permittee is now required to submit the \$1,700.00 permit fee for a Class III well. Please remit payment made payable to the "Water Quality Management Fund" in care of OCD at 1220 South St. Francis Drive in Santa Fe, New Mexico 87505.

1.F. EFFECTIVE DATE, EXPIRATION, RENEWAL CONDITIONS, AND PENALTIES FOR OPERATING WITHOUT A DISCHARGE PERMIT: This Discharge Permit becomes effective immediately from the date that the Permittee receives this discharge permit or until the permit is terminated or expires. This Discharge Permit will expire on September 30, 2021. The Permittee shall submit an application for renewal no later than 120 days before that expiration date, pursuant to 20.6.2.5101F NMAC. If a Permittee submits a renewal application at least 120 days before the Discharge Permit expires and is in compliance with the approved Discharge Permit, then the existing Discharge Permit will not expire until OCD has approved or disapproved the renewal application. A discharge permit continued under this provision remains fully effective and enforceable. Operating with an expired Discharge Permit may subject the Permittee to civil and/or criminal penalties (See Section 74-6-10.1 NMSA 1978 and Section 74-6-10.2 NMSA 1978).

1.G. MODIFICATIONS AND TERMINATIONS: The Permittee shall notify the OCD Director and OCD's Environmental Bureau of any Facility expansion or process modification (See 20.6.2.3107C NMAC). The OCD Director may require the Permittee to submit a Discharge Permit modification application pursuant to 20.6.2.3109E NMAC and may modify or terminate a Discharge Permit pursuant to Sections 74-6-5(M) through (N) NMSA 1978.

- 1. If data submitted pursuant to any monitoring requirements specified in this Discharge Permit or other information available to the OCD Director indicate that 20.6.2 NMAC is being or may be violated, then the OCD Director may require modification or, if it is determined by the OCD Director that the modification may not be adequate, may terminate this Discharge Permit for a Class III well that was approved pursuant to the requirements of 20.6.2.5000 through 20.6.2.5299 NMAC for the following causes:
 - a. Noncompliance by Permittee with any condition of this Discharge Permit; or,
 - b. The Permittee's failure in the discharge permit application or during the discharge permit review process to disclose fully all relevant facts, or Permittee's misrepresentation of any relevant facts at any time; or,
 - c. A determination that the permitted activity may cause a hazard to public health or undue risk to property and can only be regulated to acceptable levels by discharge permit modification or termination (See Section 75-6-6 NMSA 1978; 20.6.2.51011 NMAC; and, 20.6.2.3109E NMAC).
- 2. This Discharge Permit may also be modified or terminated for any of the following causes:

- Violation of any provisions of the Water Quality Act or any applicable regulations, standard of performance or water quality standards;
- b. Violation of any applicable state or federal effluent regulations or limitations; or
- c. Change in any condition that requires either a temporary or permanent reduction or elimination of the permitted discharge (See Section 75-6-5M NMSA 1978).

1.H. TRANSFER OF CLASS III WELL DISCHARGE PERMIT:

- 1. The transfer provisions of 20.6.2.3111 NMAC do not apply to a discharge permit for a Class III well.
- 2. Pursuant to 20.6.2.5101H NMAC, the Permittee may request to transfer its Class III well discharge permit if:
 - a. The OCD Director receives written notice 30 days prior to the transfer date; and
 - b. The OCD Director does not object prior to the proposed transfer date. OCD may require modifications to the discharge permit as a condition of transfer, and may require demonstration of adequate financial responsibility.
- 3. The written notice required in accordance with Permit Condition 1.H.2.a shall:
 - a. Have been signed by the Permittee and the succeeding Permittee, and shall include an acknowledgement that the succeeding Permittee shall be responsible for compliance with the Class III well discharge permit upon taking possession of the facility; and
 - b. Set a specific date for transfer of the discharge permit responsibility, coverage and liability; and
 - c. Include information relating to the succeeding Permittee's financial responsibility required by 20.6.2.5210B(17) NMAC.

1.I. COMPLIANCE AND ENFORCEMENT: If the Permittee violates or is violating a condition of this Discharge Permit, OCD may issue a compliance order that requires compliance immediately or within a specified time period, or assess a civil penalty, or both (See Section 74-6-10 NMSA 1978). The compliance order may also include a suspension or termination of this Discharge Permit. OCD may also commence a civil action in district court for appropriate relief, including injunctive relief (See Section 74-6-10(A)(2) NMSA 1978). The Permittee may be subject to criminal penalties for discharging a water contaminant without a discharge permit or in violation of a condition of a discharge permit; making any false material statement, representation, certification or omission of material fact in a renewal application, record, report, plan or other document filed, submitted or required to be maintained under the Water Quality Act; falsifying, tampering with or rendering inaccurate any monitoring device, method or record required to be maintained under the Water Quality Act; or failing to monitor, sample or report as required by a Discharge Permit issued pursuant to a state or federal law or regulation (See Section 74-6-10.2 NMSA 1978).

2. GENERAL FACILITY OPERATIONS:

2.A. QUARTERLY MONITORING REQUIREMENTS FOR CLASS III WELLS: The Permittee may use either or both fresh water or water from otherwise non-potable sources. Pursuant to 20.6.2.5207C, the Permittee shall provide analysis of the injected fluids and brine at least quarterly to yield data representative of their characteristics. The Permittee shall analyze both the injected fluids and brine for the following characteristics: pH; density, concentration of total dissolved solids (TDS); chloride concentration; and sodium concentration (for brine only).

- 1. Monitor Well: In advance of start-up of brine well operations, the Permittee shall install a downgradient monitor well within 50 feet of the brine well into the water table aquifer and collect a background groundwater sample for general chemistry and WQCC 20.6.2.3103 NMAC groundwater constituents. Groundwater quality data shall comply with EPA Quality Assurance/Quality Control (QA/QC) and Data Quality Objectives (DQOs) and be submitted to OCD for approval before start-up of brine production. The monitor well construction shall comply with EPA Standards and be required to be sampled and monitored semi-annually thereafter for the following characteristics:
 - pH (Method 9040);

BW-36 September 30, 2016

- Eh;
- Specific conductance;
- Specific gravity;
- Temperature; and
- General ground water quality parameters (general chemistry/cations and anions, including: fluoride, calcium, potassium, magnesium, sodium bicarbonate, carbonate, chloride, sulfate, total dissolved solids, cation/anion balance, pH, and bromide using the methods specified in 40 CFR 136.3).

The environmental data results shall be reported in the Annual Report (Section 2.J).

2.B. SOLUTION CAVERN MONITORING PROGRAM:

1. Surface Subsidence Monitoring Plan: The Permittee shall submit a Surface Subsidence Monitoring Plan to OCD within 180 days of the effective date of this permit. The Surface Subsidence Monitoring Plan shall specify that the Permittee will install at least three survey monuments and shall include a proposal to monitor the elevation of the monuments and top of well casing at least semi-annually.

The Permittee shall survey each survey monument and top of well casing at least semiannually to monitor for possible surface subsidence and shall tie each survey to the nearest USGS geodetic benchmark. The Permittee shall employ a licensed professional surveyor to conduct the subsidence monitoring program with proper instrument accuracy assessment at the conclusion of each survey. The Permittee shall submit the results of all subsidence surveys with summary of results and any recommendations to OCD within 15 days of survey completion. If the monitored surface subsidence survey at any measuring point deviates 0.10 ft. or more compared to its baseline elevation, then the Permittee shall notify OCD within 30 days of survey completion for further instructions. If survey results continue to demonstrate subsidence over time, and the Permittee cannot demonstrate the integrity of the cavern and well to the satisfaction of OCD, then it shall cease all brine production and submit a corrective action plan to mitigate the subsidence.

The Permittee shall include the above information in the Annual Report (Section 2.J).

- 2. Solution Cavern Characterization Program: The Permittee shall submit a Solution Cavern Characterization Plan to characterize the size and shape of the solution cavern using geophysical methods within 180 days of the effective date of this permit. The Permittee shall characterize the size and shape of the solution cavern using a geophysical methods approved by OCD at least once before the expiration date of the permit. The Permittee shall demonstrate that at least 90% of the calculated volume of salt removed based upon injection and production volumes has been accounted for by the approved geophysical method(s) for such testing to be considered truly representative.
 - a. The Permittee shall provide an estimate of the size and shape of the solution cavern at least annually in the Annual Report (Section 2.J), based on fluid injection and brine production data.
 - b. The Permit shall compare the ratio of the volume of injected fluids to the volume of produced brine monthly. If the average ratio of injected fluid to produced brine varies is less than 90% or greater than 110%, the Permittee shall report this to OCD and cease injection and production operations of its Class III well within 24 hours. The Permittee shall begin an investigation to determine the cause of this abnormal ratio within 72 hours. The Permittee shall submit to OCD a report of its investigation within 15 days of cessation of injection and production operations of its Class III well for further instructions.
- 3. Annual Certification: The Permittee shall certify annually in the Annual Report (Section 2.J) that continued salt solution mining will not cause cavern collapse, surface subsidence, property damage, or otherwise threaten public health and the environment, based on geologic and engineering data.

If the solution cavern is determined by either OCD or the Permittee to be potentially unstable by either direct or indirect means, then the Permittee shall cease all fluid injection and brine production within 24 hours. If the Permittee ceases operations because it or OCD has determined that the solution cavern is unstable, then it shall submit a plan to stabilize the solution cavern within 30 days. OCD may require the Permittee to implement additional subsidence monitoring and to conduct additional corrective action.

2.C. CONTINGENCY PLANS: The Permittee shall implement its proposed contingency plan(s) included in its Permit Application to cope with failure of a system(s) in the Discharge Permit.

2.D. CLOSURE: The Permittee shall submit as a condition of C-103 Sundry approval, and for OCD approval, a facility closure plan with third-party cost estimate for its well pursuant to 20.6.2.5209 NMAC and as specified in Permit Conditions 2.I and 5.B to address: well plug and abandonment, land surface restoration; environmental groundwater monitoring (if applicable); pipeline abandonment; and five years of surface subsidence monitoring.

1. **Pre-Closure Notification:** Pursuant to 20.6.2.5005A NMAC, the Permittee shall submit a pre-closure notification to OCD's Environmental Bureau at least 30 days prior to the date that it proposes to close or to discontinue operation of its Class III well. Pursuant to 20.6.2.5005B NMAC, OCD's Environmental Bureau must approve all proposed well closure activities before Permittee may implement its proposed closure plan.

2. Required Information: The Permittee shall provide OCD's Environmental Bureau with the following information:

- Name of facility;
- Address of facility;
- Name of Permittee (and owner or operator, if appropriate);
- Address of Permittee (and owner or operator, if appropriate);
- Contact person;
- Phone number;
- Number and type of well(s);
- Year of well construction;
- Well construction details;
- Type of discharge;
- Average flow (gallons per day);
- Proposed well closure activities (e.g., sample fluids/sediment, appropriate disposal of remaining fluids/sediments, remove well and any contaminated soil, clean out well, install permanent plug, conversion to other type of well, ground water and vadose zone investigation, other);
- Proposed date of well closure;
- Proposed method and date of surface restoration;
- Proposed method and date of pipeline abandonment;
- Name of preparer; and
- Date.

2.E. PLUGGING AND ABANDONMENT PLAN: Pursuant to 20.6.2.5209A NMAC, when the Permittee proposes to plug and abandon its Class III well, it shall submit to OCD a plugging and abandonment plan that meets the requirements of 20.6.2.3109C NMAC, 20.6.2.5101C NMAC, and 20.6.2.5005 NMAC for protection of ground water. If requested by OCD, Permittee shall submit for approval prior to closure, a revised or updated plugging and abandonment plan. The obligation to implement the plugging and abandonment plan as well as the requirements of the plan survives the termination or expiration of this Discharge Permit. The Permittee shall comply with 20.6.2.5209 NMAC.

2.F RECORD KEEPING: The Permittee shall maintain records of all inspections, surveys, investigations, etc., required by this Discharge Permit at its Facility office for a minimum of five years and shall make those records available for inspection at the request of an OCD Representative.

2.G. RELEASE REPORTING: The Permittee shall comply with the following; permit conditions, pursuant to 20.6.2.1203 NMAC, if it determines that a release of oil or other water contaminant, in such quantity as may with reasonable probability injure or be detrimental to human health, animal or plant life, or property, or unreasonably interfere with the public welfare or the use of property, has occurred. The Permittee shall report unauthorized releases of water contaminants in accordance with any additional commitments made in its approved Contingency Plan. If the Permittee determines that any constituent exceeds the standards specified at 20.6.2.3103 NMAC, then it shall report a release to OCD's Environmental Bureau.

- 1. Oral Notification: As soon as possible after learning of such a discharge, but in no event more than twentyfour (24) hours thereafter, the Permittee shall notify OCD's Environmental Bureau. The Permittee shall provide the following:
 - The name, address, and telephone number of the person or persons in charge of the facility, as well as of the owner and/or operator of the facility;
 - The name and location of the facility;
 - The date, time, location, and duration of the discharge;
 - The source and cause of discharge;
 - A description of the discharge, including its chemical composition;
 - The estimated volume of the discharge; and,
 - Any corrective or abatement actions taken to mitigate immediate damage from the discharge.
- 2. Written Notification: Within one week after the Permittee has discovered a discharge, the Permittee shall send written notification (may use form C-141 with attachments) to OCD's Environmental Bureau verifying the prior oral notification as to each of the foregoing items and providing any appropriate additions or corrections to the information contained in the prior oral notification.

The Permittee shall provide subsequent corrective actions and written reports as required by OCD's Environmental Bureau.

2.H. OTHER REQUIREMENTS:

- 1. Inspection and Entry: Pursuant to Section 74-6-9 NMSA 1978 and 20.6.2.3107A NMAC, the Permittee shall allow any authorized representative of the OCD Director, to:
 - Upon the presentation of proper credentials, enter the premises at reasonable times;
 - Inspect and copy records required by this Discharge Permit;
 - Inspect any treatment works, monitoring, and analytical equipment;
 - Sample any injection fluid or produced brine;
 - Conduct various types environmental media sampling, and
 - Use the Permittee's monitoring systems and wells in order to collect groundwater samples.
- 2. Advance Notice: The Permittee shall provide OCD's Environmental Bureau and Hobbs District Office with at least five (5) working days advance notice of any environmental sampling to be performed pursuant to this Discharge Permit, or any well plugging, abandonment or decommissioning of any equipment associated with its Class III well.
- 3. Environmental Monitoring: The Permittee shall ensure that any environmental sampling and analytical laboratory data collected meets the standards specified in 20.6.2.3107B NMAC or EPA QA/QC Standards. The Permittee shall ensure that all environmental samples are analyzed by an accredited "National Environmental Laboratory Accreditation Conference" (NELAC) Laboratory. The Permittee shall submit environmental sampling data summary tables, all raw analytical data, and laboratory QA/QC.
 - a. A monitor well shall be installed hydrogeologically downgradient from the Brine Well and sampled in accordance with Section 2.A.1.

2.I. BONDING OR FINANCIAL ASSURANCE: Pursuant to 20.6.2.5210B(17) NMAC, the Permittee shall maintain at a minimum, a single well plugging bond in the amount that it shall determine, in accordance with Permit Conditions 2.D and 5.B, to cover potential costs associated with plugging and abandonment of the Class III well, surface restoration, environmental ground water monitoring (if applicable), pipeline abandonment, along with five years of surface subsidence monitoring thereafter. OCD may require additional financial assurance to ensure adequate funding is available to plug and abandon the well and/or for any required environmental related corrective actions.

Methods by which the Permittee shall demonstrate the ability to undertake these measures shall include submission of a surety bond or other adequate assurances, such as financial statements or other materials acceptable to the OCD Director, such as: (1) a surety bond; (2) a trust fund with a New Mexico bank in the name of the State of New Mexico, with the State as Beneficiary; (3) a non-renewable letter of credit made out to the State of New Mexico; (4) liability insurance specifically covering the contingencies listed in this paragraph; or (5) a performance bond, generally in conjunction with another type of financial assurance. If an adequate bond is posted by the Permittee to a federal or another state agency, and this bond covers all of the measures specified above, the OCD Director shall consider this bond as satisfying the bonding requirements of Sections 20.6.2.5000 through 20.6.2.5299 NMAC wholly or in part, depending upon the extent to which such bond is adequate to ensure that the Permittee will fully perform the measures required hereinabove.

2.J. ANNUAL REPORT: The Permittee shall submit its annual report pursuant to 20.6.2.3107 NMAC to OCD's Environmental Bureau by June 1st of the following year. The annual report shall include the following:

- Cover sheet marked as "Annual Class III Well Report, Name of Permittee, Discharge Permit Number, API number of well(s), date of report, and person submitting report;
- Summary of Class III well operations for the year including a description and reason for any remedial or major work on the well with a copy of form C-103;
- Monthly fluid injection and brine production volume, including the cumulative total carried over each year;
- Semi-annual monitor well analytical data results;
- Injection pressure data;
- Pipeline hydrostatic test results;
- Pipeline visual leak inspection monitoring results at joints;
- A copy of the quarterly chemical analyses shall be included with data summary and all QA/QC information;
- · Copy of any mechanical integrity test chart, including the type of test, i.e., duration, gauge pressure, etc.;
- Brief explanation describing deviations from the normal operations;
- Results of any leaks and spill corrective action reports;
- An Area of Review (AOR) update summary;
- A summary with interpretation of MITs, surface subsidence surveys, estimated cavern size and shape, cavern volume and geometry measurements with conclusion(s) and recommendation(s);
- A summary of the ratio of the monthly volume of injected fluids to the volume of produced brine;
- A summary of all major Facility activities or events, which occurred during the year with any conclusions and recommendations;
- Annual Surface Subsidence Monitoring Plan data results in accordance with Permit Condition 2.B.1;
- Annual Solution Cavern Characterization data results in accordance with Permit Condition 2.B.2; and
- The Permittee shall file its Annual Report in an electronic format with a hard copy submittal to OCD's Environmental Bureau.

3. CLASS III WELL OPERATIONS:

3. Owner/Operator Commitments. Once a permit is issued, the owner/operator must ensure all operations are consistent with the terms and conditions of the permit and in conformance with all pertinent rules and regulations under both the Water Quality Act. The owner/operator shall abide by all commitments submitted in its discharge permit application including any attachments and/or amendments along with these approval conditions. Applications which reference previously approved plans on file with the OCD shall be incorporated into this permit and the owner/operator shall abide by all commitments of such plans.

3.A. OPERATING REQUIREMENTS: The Permittee shall comply with the operating requirements specified in 20.6.2.5206A NMAC and 20.6.2.5206A NMAC to ensure that:

1. Brine Production Method: During the cavern development process and daily brine production, a normal flow configuration consisting of fresh water injection shall occur through the innermost tubing string with brine production through the casing string backed by cement to surface to promote proper cavern development with depth; and to prevent cavern ceiling collapse. Injection and production flow may temporarily be reversed as required periodically to clean the tubing and annulus. However, a normal flow

regime is required during daily injection and production must only occur in the intended solution mining interval.

- 2. Injection Out of Zone: Injection between the outermost casing and the well bore is prohibited in a zone other than the authorized injection zone. If the Permittee determines that its Class III well is discharging or suspects that it is discharging fluids into a zone or zones other than the permitted injection zone specified in Permit Condition 3.B.1., then the Permittee shall within 24 hours notify OCD's Environmental Bureau and Hobbs District Office of the circumstances and action(s) taken. The Permittee shall cease operations until proper repairs are made and it has received approval from OCD to re-start injection operations.
- 3. Pipeline: Initial hydrostatic testing of pipeline is required for any pressure loss, leakage, etc. at joints. The hydrostatic test report with "as-built" pipeline transect and associated construction information shall be submitted to OCD for approval before pipeline activation. Mandatory Hydrostatic Testing of the pipeline is required after leakage and/or before the expiration date of the Permit. The pipeline shall be constructed with an Emergency Shut-Down Device with block off locations for pipeline isolation, access, cleaning, testing, etc. Daily pipeline inspection and monitoring is required at a minimum for the first week and each time the pipeline is brought back into service after shut-down, service work, etc. The pipeline shall be inspected within 8-hours of pipeline pressure loss, upset, etc. Weekly inspection and monitoring at a minimum is required thereafter. Inspection record keeping is required and shall include the date and time of each inspection, inspectors name and contact information, weather conditions with inspection summary, any conclusion on pipeline condition with any recommendations. Spills or release locations shall include GPS Coordinates and be handled in accordance with Condition 2.G Release Reporting herein.

3.B. INJECTION OPERATIONS:

- 1. Well Injection Pressure Limit: The Permittee shall ensure that the maximum wellhead or surface injection pressure on its Class III well shall not exceed the fracture pressure of the injection salt formation and will not cause new fractures or propagate any existing fractures of cause damage to the system and underground source of drinking water.
- 2. Pressure Limiting Device: The Permittee shall equip and operate its Class III well or system with a pressure limiting device which shall, at all times, limit surface injection pressure to the maximum allowable pressure for its Class III well. The Permittee shall monitor the pressure-limiting device daily and shall report all pressure exceedances within 24 hours of detecting an exceedance to OCD's Environmental Bureau.

The Permittee shall take all steps necessary to ensure that the injected fluids enter only the proposed injection interval and is not permitted to escape to other formations, fresh water zones, or onto the ground surface. The Permittee shall report to OCD's Environmental Bureau within 24 hours of discovery any indication that new fractures or existing fractures have been propagated, or that damage to the well, the injection zone, or formation has occurred.

3.C. CONTINUOUS MONITORING DEVICES: The Permittee shall use continuous monitoring devices to provide a record of injection pressure, flow rate, flow volume, and pressure on the annulus between the tubing and the long string of casing.

3.D. MECHANICAL INTEGRITY FOR CLASS III WELLS:

1. Pursuant to 20.6.2.5204 NMAC, the Permittee shall demonstrate mechanical integrity for its Class III well at least once every two years or more frequently as the OCD Director may require for good cause during the life of the well. The Permittee shall demonstrate mechanical integrity for its Class III well every time it performs a well workover, including when it pulls the tubing. A Class III well has mechanical integrity if there is no detectable leak in the casing or tubing which OCD considers to be significant at maximum operating temperature and pressure; and no detectable conduit for fluid movement out of the injection zone through the well bore or vertical channels adjacent to the well bore which the OCD Director considers to be significant. The Permittee shall conduct a casing Mechanical Integrity Test (MIT) from the surface to the approved injection depth to assess casing integrity. The MIT shall consist of a 30-minute test at a minimum

pressure of 500 psig measured at the surface when tubing is removed and a plug is installed within 20 ft. of the casing shoe depth. Alternatively, the MIT may consist of a casing/cavern 4-hr. test at a minimum pressure of 300 psig measured at the surface when the cavern and casing are full and tubing remains in the well. More work is required in the "casing/cavern" test in the event of failure to determine the actual cause.

The Permittee shall notify OCD's Environmental Bureau and Hobbs District Office at least 5 days prior to conducting any MIT to allow OCD Hobbs the opportunity to witness the MIT.

- 2. The following criteria will determine if the Class III well has passed the MIT:
 - a. Passes MIT if zero bleed-off during the test;
 - Passes casing MIT if final test pressure is within +/- 10% of starting pressure, if approved by OCD (Note: Passes +/- 1% of starting pressure for casing/cavern test due to the massive volume of fluid required in the cavern and casing during this test);
 - c. When the MIT is not witnessed by OCD and fails, the Permittee shall notify OCD within 24 hours of the failure of the MIT.
 - d. All chart recorder information, charts containing appropriate information, calibration sheets, etc. shall be provided to OCD within 5 working days of completing an MIT.
- 3. Pursuant to 20.6.2.5204C NMAC, the OCD Director may consider the use by the Permittee of equivalent alternative test methods to determine mechanical integrity. The Permittee shall submit information on the proposed test and all technical data supporting its use. The OCD Director may approve the Permittee's request if it will reliably demonstrate the mechanical integrity of the well for which its use is proposed.
- 4. Pursuant to 20.6.2.5204D NMAC, when conducting and evaluating the MIT(s), the Permittee shall apply methods and standards generally accepted in the oil and gas industry. When the Permittee reports the results of all MIT(s) to the OCD Director, it shall include a description of the test(s), the method(s) used, and the test results.
- **3.E. WELL WORKOVER OPERATIONS:** Pursuant to 20.6.2.5205A(5) NMAC, the Permittee shall provide notice to and shall obtain approval from OCD's District Office in Hobbs and the Environmental Bureau in Santa Fe prior to commencement of any remedial work or any other workover operations to allow OCD the opportunity to witness the operation. The Permittee shall request approval using form C-103 (Sundry Notices and Reports on Wells) with copies sent to OCD's Environmental Bureau and Hobbs District Office. Properly completed Forms C-103 and/or C-105 must be filed with OCD upon completion of workover activities and copies included in that year's Annual Report.
- **3.F. FLUIDS INJECTION AND BRINE PRODUCTION VOLUMES AND PRESSURES:** The Permittee shall continuously monitor the volumes of water injected and brine production. The Permittee shall submit monthly reports of its injection and production volumes on or before the 10th day of the following month. The Permittee shall suspend injection if the monthly injection volume is less than 110% or greater than 120% of associated brine production. If such an event occurs, the Permittee shall notify OCD within 24 hours.
- 3.G. AREA OF REVIEW (AOR): The Permittee shall report within 72 hours of discovery any new wells, conduits, or any other device that penetrates or may penetrate the injection zone within a 1-mile radius from its Class III well. OCD shall be notified within 24 hours of having knowledge of any wells lacking cement within the cavern interval within a ½-mile radius from the Class III well.

4. CLASS V WELLS: Pursuant to 20.6.2.5002B NMAC, leach fields and other waste fluids disposal systems that inject non-hazardous fluid into or above an underground source of drinking water are UIC Class V injection wells. This Discharge Permit does not authorize the use of a Class V injection well for the disposal of industrial waste. Pursuant to 20.6.2.5005 NMAC, the Permittee shall close any Class V industrial waste injection well that injects non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes (e.g., septic systems, leach fields, dry wells, etc.) within 90 calendar days of the issuance of this Discharge Permit. The Permittee shall document the closure of any Class V wells used for the disposal of non-hazardous industrial wastes or a mixture of industrial wastes.

and domestic wastes other than contaminated ground water in its Annual Report. Other Class V wells, including wells used only for the injection of domestic wastes, shall be permitted by the New Mexico Environment Department.

5. SCHEDULE OF COMPLIANCE:

5.A. ANNUAL REPORT: The Permittee shall submit its annual report to OCD by June 1st of each year.

5.B. BONDING OR FINANCIAL ASSURANCE: The Permittee shall submit an estimate of the minimum cost to properly close, plug and abandon its UIC Class III well, conduct ground water restoration if applicable, and any post-operational monitoring as may be needed (see 20.6.2.5210B(17) NMAC) within 90 days of permit issuance (See 20.6.2.5210B(17) NMAC), and/or the Closure Plan addresses this requirement and is approved by OCD. The Permittee's cost estimate shall be based on third person estimates and included in the Closure Plan with the application. OCD will require the Permittee to submit a single well plugging bond based on the approved third person cost estimate for OCD approval before OCD may issue approval to drill and construct the well (also see Permit Conditions 2.D and 2.I).

5.C. SURFACE SUBSIDENCE MONITORING PLAN: The Permittee shall submit the Surface Subsidence Monitoring Plan required in accordance with Permit Condition 2.B.1 within 180 days of permit issuance for OCD approval.

5.D. SOLUTION CAVERN CHARACTERIZATION PLAN: The Permittee shall submit the Solution Cavern Characterization Plan required in accordance with Permit Condition 2.B.2 within 180 days of permit issuance for OCD approval.

HRC, Inc. Schubert Farms No. 1 (BW-36) Public Notice Exhibits

Proof of Notice Exhibits

Exhibit A.1 – Affidavit of Onsite Public Notice Sign Installation Exhibit A.2 – Photos of Onsite Public Notice Sign Exhibit A.3 – Wording of Onsite Public Notice Sign (English) Exhibit A.4 – Wording of Onsite Public Notice Sign (Spanish)

Offsite Public Notice Posting

Exhibit B.1 – Affidavit of Offsite Public Notice Posting at Hobbs Library Exhibit B.2 – Photos of Offsite Public Notice Posting at Hobbs Library Exhibit B.3 – Wording of Offsite Public Notice Posting at Hobbs Library Exhibit B.4 – Wording of Offsite Public Notice Posting at Hobbs Library

Notice Letters to Adjoining Property Owners, Mineral Owner and Mineral Lessee

Exhibit C.1 – List of Letter Notices

Exhibit C.2 – Copies of Letters to Notices and Certified Mail Receipts

Public Notice in Local Newspaper Display Ad

Exhibit D.1 – Affidavit of Publication for Newspaper Display Ad in Hobbs News-Sun (English Ad) Exhibit D.2 – Affidavit of Publication for Newspaper Display Ad in Hobbs News-Sun (Spanish Ad)

Affidavit of Onsite Public Notice Posting

AFFIDAVIT OF PUBLIC NOTICE

State of New Mexico

City of Hobbs

I, Gary M. Schubert, President of H.R.C., Inc., an applicant to the NMOCD for a UIC Class III brine well permit, solemnly swear that the required public notice by signage (2' x 3' minimum size) was posted conspicuous place at the location of the brine station approximately 1.5 miles southwest of the brine well.

Additionally, I solemnly swear that the sign remained posted and maintained legible for a minimum of 30 days.

Gary M. Schubert H. R. C. Inc.

Sworn and subscribed to before me this 1st day of September, 2016

JAN

16,2017 My commission expires (Seal)





PUBLIC NOTICE

HRC, Inc., P. O. Box 5102, Hobbs, NM 88241 Mr. Gary Schubert has filed an application with the New Mexico Oil Conservation Division (OCD) to install and operate a Class III Brine well and brine station.

The brine well will be located approximately 1.5 miles northeast of this sign. The brine station will be located at the site of this sign. A detailed description and map of the proposed facilities are hereby attached below.

Brine wells are wells completed into salt formations for the purpose of solution mining the salt to create brine water. Fresh water is pumped into deep salt zones thereby producing concentrated salt water called "brine water". This brine water is used in the oilfield primarily for drilling and completion operations. It is anticipated that brine water will be produced at a rate of less that 1800 barrels per day with a total dissolved concentration of 320,000 mg/l (primarily NaCl). Groundwater in this area is present at depths of approximately 50-70 feet. The concentration on total dissolved solids in this groundwater is generally 700 mg/l. The permit requires that the brine well and associated operations must be constructed and operated in a manner that will not adversely affect groundwater quality.

The New Mexico Oil Conservation Division (OCD) will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Interested persons may contact:

> Environmental Bureau Chief Oil Conservation Division (OCD) 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

Aviso Público

A-4

HRC, Inc., P. O. Box 5102, Hobbs, NM 88241 El Sr. Gary Schubert ha presentado una solicitad con la División de Conservación del Petróleo en Nuevo México (OCD) para instalar y operar un Pozo Clase III y estación de salmuera.

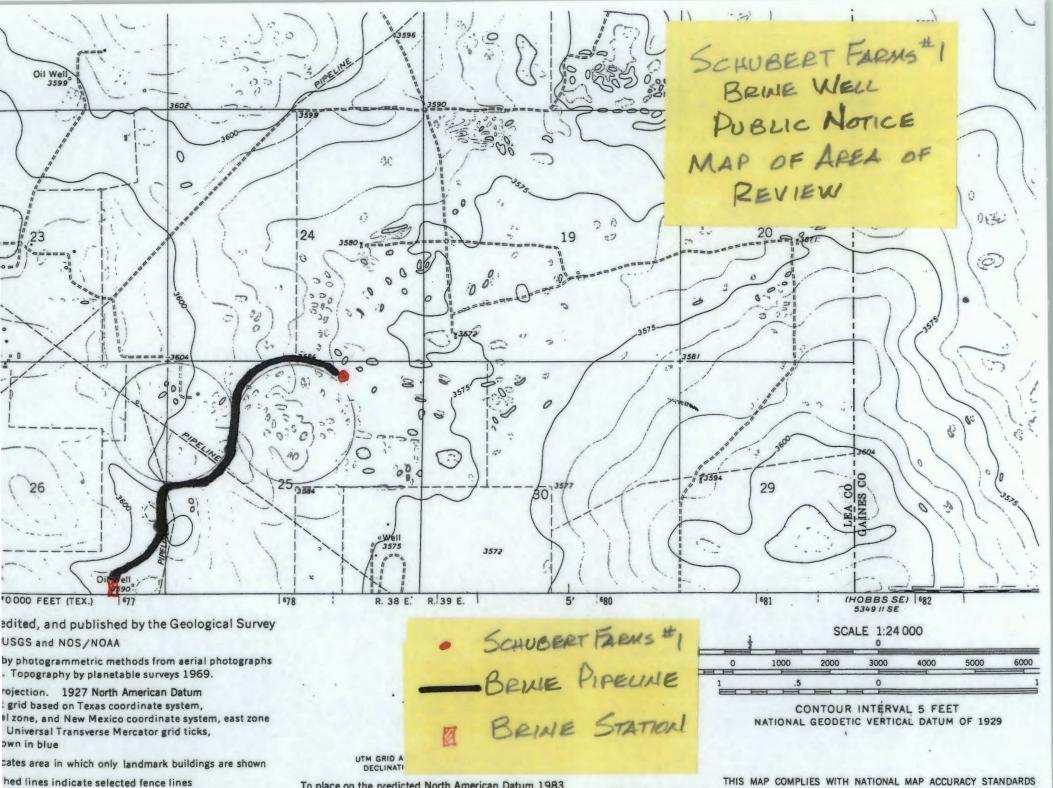
Le Salmuera se encuentra localizada aproximadamente a 1.5 millas al noreste de este anuncio. Una descripción detallada y un mapa de las instalaciones propuestas se adjuntan a continuación.

Los pozos de Salmuera son pozos terminados en formaciones de sal con el propósito de solución de minería de la sal, para crear el agua de salmuera.

El agua dulce es bombeada a profundas zonas de sal produciendo agua salada concentrada llamada "salmuera del agua". Esta salmuera se utiliza agua en el campo petrolífero, principalmente para operaciones de perforación y finalización. Se prevé que la salmuera del agua será producida a un ritmo de menos de 1800 barriles por día con una concentración disueltos totales de 320.000 mg/l (principalmente de nacl). Las aguas subterráneas en esta zona están presentes a profundidades de unos 50-70 metros. La concentración total de disolver sólidos en estas aguas subterráneas suele ser de 700 mg/l. El permiso requiere que la salmuera y operaciones asociadas, deberán estar construidos y operados en una manera que no afecten negativamente a la calidad de las aguas subterráneas

La nueva División de Conservación de petróleo del Nuevo México (OCD) aceptará comentarios y declaraciones de interés respecto a esta aplicación y creará una lista de instalaciones específicas para las personas que deseen recibir futuras comunicaciones. Las personas interesadas pueden ponerse en contacto con:

> Environmental Bureau Chief Oil Conservation Division (OCD) 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telefono: 505-476-3440



To place on the predicted North American Datum 1983 move the projection lines 9 meters south and

THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS FOR SALE BY U. S. GEOLOGICAL SURVEY, DENVER, COLORADO 80225. OR RES'

OWN in numle compiled from serial photographe

205-0125-01市住.

Affidavit of Offsite Public Notice Posting at Hobbs, N.M. Library

AFFIDAVIT OF PUBLIC NOTICE

State of New Mexico

City of Hobbs

I, Gary M. Schubert, President of H.R.C., Inc., an applicant to the NMOCD for a UIC Class III brine well permit, solemnly swear that the required public notice by posting in a conspicuous place off the proposed discharge site was posted on a public bulletin board at the City of Hobbs Library by me with staff assistance and permission on September 1, 2016. The posting is remained posted for a minimum of 30 days.

Gary M. Schubert H. R. C. Inc.

Sworn and subscribed to before me this 1st day of September, 2016

My commission expires (Seal)

Affidavit of Offsite Public Notice Posting at Hobbs, N.M. Library

AFFIDAVIT OF PUBLIC NOTICE

State of New Mexico

City of Hobbs

OF WAS

I, Gary M. Schubert, President of H.R.C., Inc., an applicant to the NMOCD for a UIC Class III brine well permit, solemnly swear that the required public notice by posting in a conspicuous place off the proposed discharge site was posted on a public bulletin board at the City of Hobbs Library by me with staff assistance and permission on September 1, 2016. The posting is scheduled to be posted for a minimum of 30 days.

Gary M. Schubert H. R. C. Inc.

Sworn and subscribed to before me this 1st day of September, 2016

rlasa Rind

My commission expires <u>July 14</u>8017 (Seal)

Affidavit of Offsite Public Notice Posting at Hobbs, N.M. Library

AFFIDAVIT OF PUBLIC NOTICE

State of New Mexico

City of Hobbs

I, Gary M. Schubert, President of H.R.C., Inc., an applicant to the NMOCD for a UIC Class III brine well permit, solemnly swear that the required public notice by posting in a conspicuous place off the proposed discharge site was posted on a public on a public bulletin board at the City of Hobbs Library by me with staff assistance and permission on September 1, 2016. The posting is scheduled to be posted for a minimum of 30 days.

Gary M_Schubert H. R. C. Inc.

Sworn and subscribed to before me this 1st day of September, 2016

Dara Kind

My commission expires July 16,2017

(Seal)



Public Notice

etal notification for offsite Public Notice per Water Quality Control Commission Regulations 20,6,2 3108.6,1 NMAC

a is hereby driven that pursuant to New Mexico Water Curitty Control Commission lettons (20.5.2.5106 NMAC), the following discharge permit application has breat that to the Director of the New Mexico Off Conservation Division ("OCO", 1220 6. Franke Drive, Santa Fe, New Mexico 87605, Telophone (505) 476-0440

Initial to the Director of the New Nextor Cli Conservation Division (COC), 1220 5 int Francis Drive, Gants Fa., New Nextor Cli Conservation Division (COC), 476-0440
N-as) HRC, Inc., Gary Schubert, Owner, P.O. Box 5102, Hohbs, NM 58241, ner conservation for a new Underground injection Control (UAC) Class. I have the Markov S7505, Telophone (SOI), 476-0440
N-as) HRC, Inc., Gary Schubert, Owner, P.O. Box 5102, Hohbs, NM 58241, ner conservation for a new Underground injection Control (UAC) Class. I have the Markov S7505, Telophone (SOI), 476-0440
N-as) HRC, Inc., Gary Schubert, Owner, P.O. Box 5102, Hohbs, NM 58241, ner conservation for a new Underground injection Control (UAC) Class. I have the Markov S7505, Nather Markov, Andrew Markov, Telophon Harbor, The Interction well is located approximately 1.3 miles E NE of Harbor Harborth (SOI) 1476-158. String the South String String String, Lea County in String Tide Markov, The Dirice String of Nath 158. String Key Markov, Lea County 169, String Tide Markov, String Strin

CD determined the application was scininistratively complete on August 10, 2016 has prepared a draft permit. The OCD will accept comments and atstaments of at reparting this application and will create a facility-specific malling last for persons which to receive future notices. Persons interested in obtaining further information, filling commands or requesting to be on a facility-specific malling last for persons memory and the specific state of the accept comments and atstaments or of a first source access between 9500 a.m. and 400 p.m. Monday through Pricey, or OCD web site <u>the Aways and states and used of the access given above</u>. The permit may be of the application and draft permit may contact the OCD at the sciences given above. Is ruling on the proposed permit, the Director shall allow a period of at least fuely (30) after the date of publication of this notice, during which interested persons naised in command or request that OCD had a public hearing. Requests for a hearing small the the sestens wing a hearing should be heid. A hearing will be held if the Director mines there is significant public therest.

Inglis held, the Diractor will approve the proposed permit based on infor industing all commenter received. It a public hearing is not, the direc received the proposed pormit based on information in the permit app matter approximated at the hearing.

GIVEN under the Beel of New Maxico Oil Conservation Commission at Santa Fe, New Mixion, of this 26th day of August 2018.

BEAL

STATE OF NEW MEXICO David R. Catanach, Director

Aviso Público

Legal notificación para fuera del sitio aviao publico por Reglamento de Comisión de Control de Calidad de Agua 20.6.2.3108.B.1 NMAC

da notisicación que de acuerdu con las Regulaciones de la Com dicad del Agua de Nuevo Mexico (20.6.2.3106 NMAC), la sigu socho se a sometido al Director de La Division de Censervación actico ("CCD"), 1220 S. Saint Francis Drive, Santa Fe, Nuevo Me 35) 476-3440:

destricto se a sometido al Dinactor de La Division de Conservación de Aceite de México (*OCD*). 1220 S. Saint Prancie Drive, Santa Fe, Nuevo Medica 87/805, T. 15W-36) NRC, Inc., Gary Schubert, Propletario, P.O. Box 5102, Nobels, T. 15W-36) NRC, Inc., Gary Schubert, Propletario, P.O. Box 5102, Nobels, NR 8 and State Fermis Brine Well No. 1* (APIs 2006) Sector 2006, Sector 2007, 1220 Se

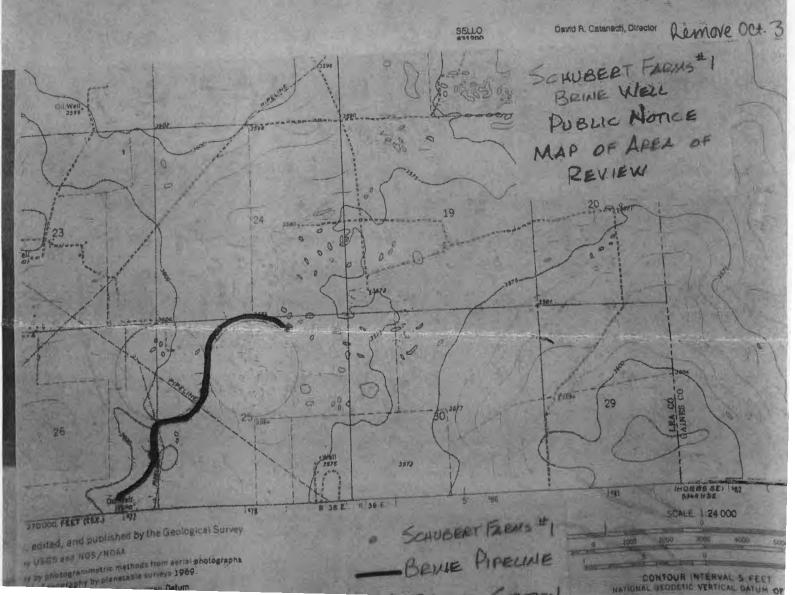
accidentales. Le O CD determino que la eplicación fue administrativamenta completada en si 2016 y ha preparado una copia del permiso. Le OCD aceptara com geolaráciones de interés respecto a esta aplicación y creare una tecilidat especifica para personas que quieren recibir notificaciones futuras. Personas en obtener rinas intormeción pueden someter comentarios o pedir ser puesto de correo pueden contactar al Jefa Dal Bureau del Medioambiente de el cirección de atriba. El permiso puede ser visto en la dirección de atriba entre el al el al de a pleador y la copia del per-de ano tener en la interés case o en el allo veb del OCD http://www.annut.state Personas interesarias en obtener una copia de la aplicación y la copia del per-diroctor tendrá que dar el tiempo de por lo menos treints (30) días de publicación del permiso podir que el OCD tenga una audiencia publica para la audiencia deben de decir porque la audiencia as tendrá que livea director determina que tray sudiciente interés publico as ellovar acabia la segueradoria de alterneta de alterna a copia de la per-para la deben de decir porque la audiencia as tendrá que livea director determina que tray sudiciente interés publico as lovarsa acabia la segueradoria de publica-para la audiencia deben de decir porque la audiencia se tendrá que livear director determina que tray sudiciente interés publico se lovara acabia la segueradoria de la tendra de la tend

s lleva acabo un audiencia, el Diractor apretera al parmace procues ción diaponiblé, incluyendo txdos los obmenistrios resultos. Si se i cia, el director aprobara o no aprobare el permiso propuesto ción del permiso y información entregada en la audiencia.

un obtener más información sobre esta solicitud en español, alivasé comunica vor New México Energy, Minerals and Natural Resources Orpartment (Der tergla, Minerals y Recursos Naturales de Nuevo Master). Oli Conservation replo. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New contacto: Laura Tulk, 575-748-1283).

DADO baja el Sello de Comisión de Conservación de Aceita de Nuevo México O Conservation Comisión en Santa Fe, Nuevo México, en esté 28 de agosto 2016,

ESTADO DE NUEVO MEXICO DIVISION DE CONSERVACIÓN DE ACEITE



LEGAL NOTICE September 4, 2016

NOTICE OF PUBLICATION

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

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3108 NMAC), the following discharge permit application has been submitted to the Director of the New Mexico Oil Conservation Division ("OCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(BW-36) HRC, Inc., Gary Schubert, Owner, P.O. Box 5102, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API# 30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy-56. Brine fluid will be produced up the 5 ½ in. well casing backed by cement to surface, metered, and piped 2 miles thru subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW-31" using a separate brine well. This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Formation irrigation well. The existing 5 ½ in. well production casing extends to 5,506 ft. bgl with bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl and though a constructed breach in the casing at a depth of about 2,600 ft. bgl with ubing positioned laterally away from the well casing. Fresh water will be injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection

The O CD determined the application was administratively complete on August 10, 2016 and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given above. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site http://www.emnrd.state.nm.us/ocd/. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address given above. Prior to ruling on the proposed permit, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that OCD hold a public hearing. Requests for a hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no hearing is held, the Director will approve the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 28th day of August 2016.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

SEAL #31198 David R. Catanach, Director

LEGAL NOTICE September 4, 2016

NOTICIA DE PUBLICACION

ESTADO DE NUEVO MEXICO DEPARTAMENTO DE ENERGIA, MINERALES Y RECURSOS NATURALES DIVISION DE CONSERVACION DE ACEITE

Se da notificación que de acuerdo con las Regulaciones de la Comisión de Control de Calidad del Agua de Nuevo México (20.6.2.3108 NMAC), la siguiente aplicación de desecho se a sometido al Director de La División de Conservación de Aceite de Nuevo México ("OCD"), 1220 S. Saint Francis Drive, Santa Fe. Nuevo México 87505, Teléfono (505) 476-3440:

(BW-36) HRC, Inc., Gary Schubert, Propietario, P.O. Box 5102, Hobbs, NM 88241, a sometido una aplicación para un permiso Nuevo de Control de Inyección Bajo Tierra (UIC por sus siglas en ingles) Clase III Deshecho de Agua Salada de noria para "Schubert Farms Brine Well No. 1" (API# 30-025-37548), localizado 330 FNL y 1650 FEL (NW/4, NE/4) en Sección 25, Township 19 South, Rango 38 Este (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Condado de Lea, Nuevo México. La noria de inyección esta localizado aproximadamente 1.9 millas E-NE de Nadine, NM 0.1.7 inyección esta localizado aproximadamente 1.9 millas E-NE de Nadine, NM o 1.7 miles E de la intersección de Hwy- 18 (S. Eunice Hwy.) y 0.95 millas N de Hwy- 56. Fluido salado será producido arriba de las 5 ½ pulgadas. Reforzada con varilla y cemento hasta la superficie, medida, y entubada 2 millas hasta el sub-superficie con plpa de polietileno hasta la estación de agua salada para venta. La estación de agua salado o terminal de ventas esta localizada aproximadamente 1.1 millas Sur Oeste de la noria de agua salada en 1914 East Nadine Rd., Hobbs, NM 88240. La estación de agua salada ya tiene permiso del solicitante bajo "BW-31" usando otra noria de agua salada separada. Esta rutina de flujo de fluido se Ilama "flujo normal" noria de agua salada separada, esta rutina de hujo de indico se inalita indicio formai es requerido por OCD para mantener la configuración estructural de la caverna de sal o maximizar el desarrollo de estabilidad al pasar el tiempo. Agua fresca y/o reciclada de una facilidad de purificación localizada al Noreste de la estación de agua salada es transportada via dos pipas de 3 pulgadas a la noria de agua salada para ser inyectada a salado Salt Formation en la inyección intervalo de 2,600 ples a 2,800 pies bgl (bajo nivel de la superficie). Otra fuente de agua fresca es derivada de la noria de riego cercana de la formación Ogallala. La caja existente de 5 ½ pulgadas de la noria de producción se extiende a 5,506 pies bgl con plogas de Puente puestas a 5,460 pies, 5,260 pies, 5,150 pies, y 3,580 pies bgl. Una ploga de Puente será puesta a 2,800 pies bgl cerca del Puente de la formación evaporativa Tansill con una puesta a 2,800 pies bgl cerca del Puente de la formación evaporativa Tansill con una capa de 200 pies de cemento puesta arriba. La línea de suministro esta conectada al lado de succión de la pipa, la cual la pompa recicla y/o agua fresca abajo de la pipa de 2 7/8 pulgadas dentro de 5 ½ pulgadas de caja de producción de la noria y entra una brecha construida en la caja a unos 2,600 pies de profundo con varilla posicionada lateralmente lejos de la caja de la noria. Agua fresca será inyectada a una velocidad de aproximadamente 15 - 45 gpm a presión normal de operación 210 a 250 psi. La inyección de la superficie máxima de presión permitida es 333 psig. Agua salada (313,000 ppm Sólidos Disueltos Totales- TDS) es producida por arriba del anillo de la noria entre el tubo de inyección y la caja de la noria. El agua subterránea seria afectada por un derrame, fuga, o deshecho accidental esta a una profundidad aproximadamente de 50 - 70 pies bgl con una concentración de 700 ppm de TDS. El permiso de deshecho se dirije a la construcción, operación, monitoreo, hundimiento de la tierra, facilidades asociadas de la superficie, aseguranza financiera, y provee un plan de contingencia en el evento de deshechos accidentales. accidentales.

La O CD determino que la aplicación fue administrativamente completada en 10 de agosto 2016 y ha preparado una copia del permiso. La OCD aceptara comentarios y declaraciones de interés respecto a esta aplicación y creara una facilidad de correo especifica para personas que quieren recibir notificaciones futuras. Personas interesadas en obtener mas información pueden someter comentarios o pedir ser puestos en la lista de correo pueden contactar al Jefe Del Bureau del Medioambiente de el OCD en de discusito de arriba e cuerto pueden someter comentarios o pedir ser puestos en la lista de correo pueden contactar al Jefe Del Bureau del Medioambiente de el OCD en de discusito de arriba esta puesto pueden someter comentarios o pedir ser puestos en la lista de correo pueden contactar al Jefe Del Bureau del Medioambiente de el OCD en de discusito de arriba esta puesto puesto puesto por puesto puesto por puesto de correo pueden contactar al Jefe Del Bureau del Medioambiente de el OCD en de dirección de arriba. El permiso puede ser visto en la dirección de arriba entre las 8:00 a.m., y 4:00 p.m., lunes a viernes, o en el sitio web del OCD http://www.emnrd.state.nm.us/ocd/. Personas interesadas en obtener una copia de la aplicación y la copia del permiso pueden contactar el OCD en la dirección de arriba. Antes de la decisión en el permiso premitido, el director tendrá que dar el tiempo de por lo menos treinta (30) días después de la publicación del permiso propuesto, durante este tiempo las personas interesadas pueden entregar sus comentarios o pedir que el OCD tenga una audiencia publica. Propuestas para la audiencia deben de decir porque la audiencia se tendrá que llevar acabo. Si el director determina que hay suficiente interés publico se llevara acaba la audiencia

Si no se lleva acabo un audiencia, el Director aprobara el permiso propuesto basado en la información disponible, incluyendo todos los comentarios recibidos. Si se lleva acabo una audiencia, el director aprobara o no aprobara el permiso propuesto basado en la aplicación del permiso y información entregada en la audiencia.

Para obtener más información sobre esta solicitud en español, sírvase comunicarse por favor: New México Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México). Oil Conservation División (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Laura Tulk, 575-748-1283).

DADO bajo el Sello de Comisión de Conservación de Aceite de Nuevo México Oil Conservation Comisión en Santa Fe, Nuevo México, en este 28 de agosto 2016.

ESTADO DE NUEVO MEXICO DIVISION DE CONSERVACION DE ACEITE

David R. Catanach, Director

SCHUBERT FARMS #1 BRINE WELL

NOTIFICATION LIST - ADJOINING PROPERTY OWNERS

No.	NAME	ADDRESS	CITY, STATE ZIP	ТҮРЕ
1	Vernon L. Stevens	3714 E. Nadine Road	Hobbs, NM 88240	Adjoining Property Owner
2	Coil Chem LLC	3103 E. Ladd Road	Washington, OK 73093	Adjoining Property Owner
3	Pyote SWD II LLC	400 W. Illinois Suite 950	Midland, TX 79701	Adjoining Property Owner
4	Sherrill V Cain Tabing Et Al	6421 S. Bronco	Hobbs, NM 88240	Adjoining Property Owner
5	Sherrill V Cain Tabing Et Al	P. O. Box 1092	Hobbs, NM 88240	Adjoining Property Owner
6	Gary M. Schubert	P. O. Box 5102	Hobbs, NM 88241	Adjoining Property Owner
7	Jeanne Eubank Rocco Et Al	23103 Holly Hollow	Tomball, TX 77377	Adjoining Property Owner
8	Annella L. Compary	2900 E. Nadine Road	Hobbs, NM 8824	Adjoining Property Owner
9	Millard Deck Estate #4193	3903 Bellaire Blvd	Houston, TX 77025	Adjoining Property Owner
10	WFM Ranch	P. O. Box 21116	Billings, MT 59104	Adjoining Property Owner
11	Dos Amigos Properties LLC	1414 E. Nadine Road	Hobbs, NM 88240	Adjoining Property Owner
12	Grimes Land Co. Ltd. Co	P. O. Box 5102	Hobbs, NM 88240	Adjoining Property Owner
13	Lindsay Schubert Faulkner	P. O. Box 5102	Hobbs, NM 88241	Adjoining Property Owner
14	Longhorn Enterprises, LLC	P. O. Box 1234	Hobbs, NM 88241	Adjoining Property Owner
15	Andy R Compary III	2900 E. Nadine Road	Hobbs, NM 88240	Adjoining Property Owner
16	David J. Walker	5894 N. Moss #4	Odessa, TX 79764	Adjoining Property Owner
17	Chaparral Racing Farm	432 W. Coal Avenue	Hobbs, NM 88240	Adjoining Property Owner
18	S & H Enterprises Inc.	P. O. Box 1606	Hobbs, NM 88241	Adjoining Property Owner
•				

10

WATERNEX, LLC c/o H. R. C., INC. P. O. Box 5011 HOBBS, NM 88241

Certified Mail

. .

August 12, 2016

Property Owner of Record

Name:Vernon L. StevensAddress:3714 E. Nadine RoadCity/State:Hobbs, NM 88240

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 1/2 in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 1/2 in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansili evaporate formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the $5\frac{1}{2}$ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing -10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

The owner and operator of the facility will be:

×

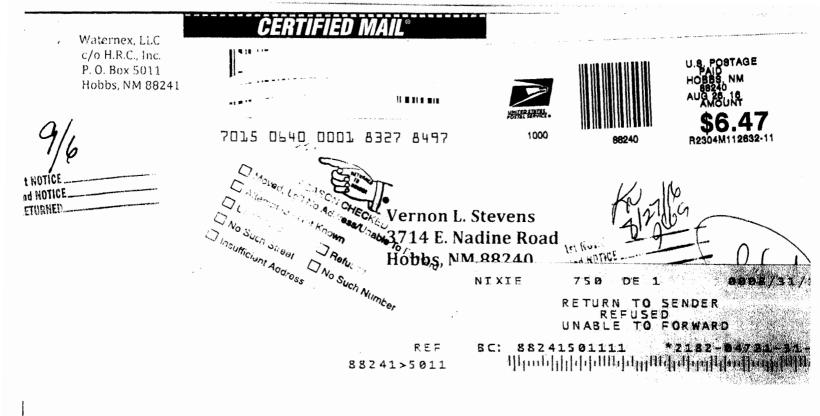
H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at <u>tony@waternex.com</u>. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facilityspecific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

> Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

Sincerely Tony Taylor Agent for H. R. C., Inc.



8497	U.S. Postal Service [™] CERTIFIED MAIL [®] RECEIPT Domestic Mail Only			
	For delivery information, visit our website	Maria and a stress		
8327	Certified Mail Fee \$3.30	0640		
1000	Extra Services & Fees (check box, add fee & portoplate) Return Receipt (hardcopy) Return Receipt (electronic) Cartifled Mail Restricted Delivery Catult Signeture Required Adult Signeture Required Adult Signeture Restricted Delivery	Postmark Here D		
0 4 9 0	Postage \$0.47 5 fotal Postage and Fees \$6.47	08/26/2016		
2015				

WATERNEX, LLC c/o H. R. C., INC. P. O. Box 5011 HOBBS, NM 88241

Certified Mail

August 12, 2016

Property Owner of Record

Name:Coil Chem LLCAddress:3103 E. Ladd RoadCity/State:Washington, OK 73093

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 $\frac{1}{2}$ in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 ½ in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3.580 ft. bgl. A bridge plug will be set at 2.800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the 5 1/2 in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing -10 ft. out. Fresh water is injected at a rate of approximately 15 – 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

The owner and operator of the facility will be:

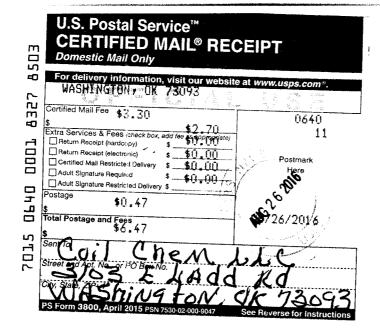
H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at <u>tony@waternex.com</u>. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

Sincerely Tony Taylor Agent for H. R. C., Inc.



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailplece, or on the front if space permits. Article Addressed to: Coil Chem LLC Goil Chem LLC Goil Chem LLC 	A. Signature X Addressee B. Received by (Printed Name) C. Date of Delivery B. Hie Watters C. Date of Delivery 8/30/16 D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
WAShington, OK 73093	3. Service Type Certified Mail [®] Priority Mail Express [®] Registered Return Receipt for Merchandise Insured Mail Ci Collect on Delivery
	4. Restricted Delivery? (Extra Fee)
2. Article Number 701,50640 (Transfer from service label)	0001 8327 8503
PS Form 3811, July 2013 Domestic Re	ntum Receipt

WATERNEX, LLC c/o H. R. C., INC. P. O. Box 5011 HOBBS, NM 88241

Certified Mail

1.

August 12, 2016

Property Owner of Record

Name:Pyote SWD II LLCAddress:400 W. Illinois Suite 950City/State:Midland, TX 79701

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 1/2 in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 1/2 in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the $5 \frac{1}{2}$ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing -10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

1

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at <u>tony@waternex.com</u>. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mallplece, or on the front if space permits. Article Addressed to: PYOTE SwD11, LLC Aboow.JIIINOIS Ste950 	A. Signature X AVI MUM Agent Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from Item 1? Yes If YES, enter delivery address below: No
Midland, TX 79701	3. Service Type
2. Article Number (Transfer from service label) 701.50	640 0001 8327 8534
PS Form 3811, July 2013 Domestic Ret	turn Receipt

Certified Mail

August 12, 2016

Property Owner of Record

Name:Sherrill V Cain Tabing Et AlAddress:6421 S. BroncoCity/State:Hobbs, NM 88240

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 $\frac{1}{2}$ in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 1/2 in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the $5\frac{1}{2}$ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing - 10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at <u>tony@waternex.com</u>. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

854l	U.S. Postal Service [™] CERTIFIED MAIL [®] RECEIPT Domestic Mail Only
-	For delivery information, visit our website at www.usps.com ³ .
~	HOBES, NE EE240
Ē	Certified Mail Fee \$3.30 0640
=0	\$ \$7.70 11
1000	Extr:(SenAlces & Fees (check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate box, add fee as appropriate) Image: Check box, add fee as appropriate) Image: Check box, add fee as appropriate box, add f
0490	Detail Postage and Fees
S	S S S S S S S S S S S S S S S S S S S
2102	Sirie Value Apr. No., 51 = 0 Box No. Sirie Value Apr. No., 51 = 0 Box No. G 4 = 1 Sirie Jaho Apr. No., 51 = 0 Box No. G 4 = 1 Sirie Jaho Apr. No., 51 = 0 Box No. G 4 = 1 Sirie Value Apr. No., 51 = 0 Box No. Sirie Value Apr. No.

×.

CERT 3131

Waternex, LLC POSTAGE U.S. c/o H.R.C., Inc. NM P. O. Box 5011 OFTAL SERVICE Hobbs, NM 88241 1000 7015 \$6.47 0001 8327 8541 0. 88240 R2304M112632-11 CHECKED 2.40 Refuence Sherrill V Cain Tabing Et Al KOOMO Insul Lunt Adaress D Refused No Such Number Isi Swill ad HDTOCE Hobbs, NM 88241 . HIRALD **RETURN RECEIPT**

REQUESTED

Certified Mail

÷

August 12, 2016

Property Owner of Record

Name:Sherrill V Cain Tabing Et AlAddress:P. O. Box 1092City/State:Hobbs, NM 88241

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 1/2 in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 1/2 in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the $5\frac{1}{2}$ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing - 10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

.

÷

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at <u>tony@waternex.com</u>. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

	U.S. Postal Service [™] CERTIFIED MAIL [®] RECEIPT
0 0001 8327 8527	Domestic Mail Only For delivery information, visit our website at www.usps.com H0B83 NM 83211 Cortified Mail Fee \$3.30 Cortified Mail Fee \$3.30 S 11 Extra Services & Fees (check box, add fee \$200000000000000000000000000000000000
70,15 0640	Series \$0.47 \$12.47 Total Postage and Fees \$6.47 \$12.26/2016 Series and Apt. Do., or Fo Box No. \$11 CA:N TAD: N9 Series and Apt. Do., or Fo Box No. \$10 \$11 CA:N TAD: N9 State ZIP-16 \$10 \$10 \$10 \$10 \$10 State Torne & R i II \$10

.

•

1

and the second	
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature X Junior Hill Agent B. Received by (Printed Name) Li SA JD MAN 21/1 D. Is delivery address different from item 12 Yes
1. Article Addressed to: Sherrill CA: NTABING ETAL PO. BOX 1092	If YES, enter delivery address below: 🖸 No
HOBBS, NM	3. Service Type Carcified Mall [®] Priority Mall Express [®] Registered Return Receipt for Merchandise Insured Mail Cl Collect on Delivery
<u>80541</u>	4. Restricted Delivery? (Extra Fee)
2. Article Number (Transfer from service label) 701506	40 0001 8327 8527
PS Form 3811, July 2013 Domestic Re	turn Receipt

e.

Certified Mail

÷.

August 12, 2016

Property Owner of Record

Name:Gary M. SchubertAddress:P. O. Box 5102City/State:Hobbs, NM 88241

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 $\frac{1}{2}$ in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brinc station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 1/2 in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the 5 1/2 in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing -10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at tony@waternex.com. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440



			A Carlo C
SENDER: COMPLETE THIS SE	CTION	COMPLETE THIS SECTION ON DELI	/ERY
 item 4 if Restricted Delivery is 6 Print your name and address of so that we can return the card Attach this card to the back of or on the front if space permits 1. Article Addressed to: 	Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.		Agent Addressee C. Date of Delivery C. Date of Delivery A - 30 11? I Yes C. Date of Delivery
1000000, 1	8341	3. Service Type Certified Mail [®] Priority Mail Registered Return Rece Insured Mail Collect on D 4. Restricted Delivery? (Extra Fee)	lpt for Merchandise elivery
		4. Hostiniou Deliveryr (CXUA Fee)	☐ Yes
2. Article Number (Transfer from service label)	7015 OL	40 0001 8327 8565	
PS Form 3811, July 2013	Domestic Re	turn Receipt	
and the second		All of Million and a	a - we we we are a construction of

Certified Mail

August 12, 2016

Property Owner of Record

Name:Jeanne Eubank Rocco Et AlAddress:23103 Holly HollowCity/State:Tomball, TX 77377

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 $\frac{1}{2}$ in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 1/2 in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft, of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the $5\frac{1}{2}$ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing - 10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at <u>tony@waternex.com</u>. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440



SENDER: COMPLETE THIS SE	CTION	COMPLETE THIS SECTION	N ON DELIVERY
 Complete items 1, 2, and 3. A item 4 if Restricted Delivery is Print your name and address so that we can return the carc so that we can return the carc Attach this card to the back o or on the front if space permit 	desired. on the reverse I to you. f the mailplece,	A. Signature	
1. Article Addressed to: SEANNICEUDA 23. JU 3 Jack TUMBALL, TX	ET AI ET AI	D. Is delivery address differe If YES, enter delivery ad	
TUMBAIL, TX	27377		Priority Mail Express" leturn Receipt for Merchandise Collect on Delivery
		4. Restricted Delivery? (Ex	tra Fee) 🖸 Yes
2. Article Number (Transfer from service label)	7015 OG	40 0001 8327 8	558
PS Form 3811, July 2013	Domestic B	eturn Receipt	

Certified Mail

. *

August 12, 2016

Property Owner of Record

Name:Annella L. ComparyAddress:2900 E. Nadine RoadCity/State:Hobbs, NM 88240

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 ½ in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 1/2 in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the $5\frac{1}{2}$ in, well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing - 10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at <u>tony@waternex.com</u>. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

8572	U.S. Postal Service [™] CERTIFIED MAIL [®] REC Domestic Mail Only	
40	For delivery information, visit our website	
r -	HOBES MI 83240 A	
л Ш	Certified Mail Fee \$3.30	0640
=0	\$ \$2.70	11
1000	Extra Services & Fees (check box, add fee (\$ populate) Return Receipt (hardcopy) Beturn Receipt (electronic) Certified Mail Restricted Delivery Adult Signature Required Adult Signature Restricted Delivery	Postmark hus 26 201
0490	Postage \$0.47	we had
"П	5	68/26/2918
	Total Postage and Fees \$6.47	1332
701.5	Singland Ling of the Mark	ompary
	City, Blaid, Zilfer BBS, March March 12015 BSN 7530,023000-9047	See Reverse for Instructions

~

•

and the state of the second	and the second secon
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: MMEJIA H. Company AG DO & MAD INE RE INOBBS, MM SES3400 	A. Signature X/Muella (Mame) Agent A. Addressee B. Received by (Printed Name) C. Date of Delivery A. Lompany 9-6-14 D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No 3. Service Type Certified Mail® Priority Mail Express" Registered Return Receipt for Merchandise Insured Mail Collect on Delivery
	4. Restricted Delivery? (Extra Fee)
2. Article Number 7015064 (Transfer from service label)	0 0001 8327 8572
PS Form 3811, July 2013 Domestic Re	eturn Receipt

Certified Mail

August 12, 2016

Property Owner of Record

Name:Millard Deck Estate # 4193Address:3903 Bellaire BlvdCity/State:Houston, TX 77025

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (AP1#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 1/2 in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 1/2 in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3.580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft, of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the 5 ½ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing -10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at <u>tony@waternex.com</u>. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.statc.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

8589	U.S. Postal Service [™] CERTIFIED MAIL [®] REC Domestic Mail Only For delivery information, visit our website	
327	HOUSTON: TX 77025	
8	\$ \$3.30	0640
7 TOOO	Extra Services & Fees (check box, add fee s appropriate) Return Receipt (hardcopy) Return Receipt (electronic) Certified Mail Restricted Delivery Adult Signature Required Adult Signature Restricted Delivery	11 Postmark Here
0490	Postage \$Ü.47	08/2692016
	Total Postage and Fees \$6,47	08/20/2018
2015	Store 1 September 2000 No or PERES No Deck Strangenturing No or PERES No Deck Strangenturing No or PERES No Deck Strangenturing No of PERES No Deck PS Form 3800, April 2015 PSN 7530-022-000-9047	BS-FAFE BSUA 27825 See Reverse for Instructions

1				n an		
SENDER: COMPLETE THIS SECTION		COMPLE	ETE TH S SI	ECTION OF	N DELIVE	ERY
 Complete items 1, 2, and 3, Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reso that we can return the card to you. Attach this card to the back of the major on the front if space permits. 	verse		R-fr	ANK		Agent Addressee Addressee
1. Article Addressed to: Millard Deck Est	Ate		ivery address , enter deliv			17 🖾 Yes 🖾 No
3903 BellAi NOUSTON, TX-	Ке. ДУ193		ertified Mali ^e gistered sured Mali	Collection	n Receip ct on Del	t for Merchandise
NOUSJON,/X-	702	4. Restri	icted Deliver	ry? (Extra Fe	90)	Yes
2. Article Number (Transfer from service label)	7015	0640	0001	8327	858	7
PS Form 3811, July 2013	Domestic Re	turn Receip	t			

ŧ

Certified Mail

August 12, 2016

Property Owner of Record

Name: WFM Ranch Address: P. O. Box 21116 City/State: Billings, MT 59104

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the $5\frac{1}{2}$ in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 1/2 in, well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft, of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the 5 ½ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing - 10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at <u>tony@waternex.com</u>. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440



I

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: WFM RANCH POBOXAIII6 	A. Signature A. Signature B. Received by (Printed Name) JO HAN MC Ne D. Is delivery address differention item item item If YES, enter delivery address below: 30 No 20 If YES, enter delivery address below: 30 No 20
Billings MT 59104	3. Service Type Certified Mail* Priority Mail Express** Registered Return Receipt for Merchandise Insured Mail Collect on Delivery 4. Restricted Delivery? (Extra Fee) Yes
2. Article Number (Transfer from service label) 701.501	640 0001 8327 8596
PS Form 3811, July 2013 Domestic I	Return Receipt

Certified Mail

.

August 12, 2016

Property Owner of Record

Name:Dos Amigos Properties LLCAddress:1414 E. Nadine RoadCity/State:Hobbs, NM 88240

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 ½ in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 ½ in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the $5 \frac{1}{2}$ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing - 10 ft. out. Fresh water is injected at a rate of approximately 15-45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at tony@waternex.com. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

8602	Lion websi	
8327	Certified Mail Fee \$3.30	
-0		0640
-7	Extra Services & Fees (check box, add fee as eppropriate)	11
1000	Certified Mail Restricted Dations	Postmark
	Adult Signature Required	Hera
모	Adult Signature Restricted Delivery \$	K. N
0490	\$Ŭ.47	AUG 2 6 2016
	Total Postage and Fees \$6.47	08/26/2016
ហ្វ	Semito	and the second s
HL	IJOJ HMIGOPS HA	DertiesLLC
· 1	1414 F NALINO	
ſ	City, Stap, 11-48 BS	884110
8	PS Form 3800, April 2015 PSN 7530-02-000-9047	See Reverse for Instructions

-

Ą.

.

and the second second second second		i i i i i i i i i i i i i i i i i i i	1. (1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	And the second second
SENDER: COMPLETE THIS	S SECTION	COMPLETE THIS SE	CTION ON DELI	IVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailplece, or on the front if space permits. Article Addressed to: DOS AMG 9085 PROPERTIESAUC 		A. Signature X Juisku Addressee B. Received by (Printed Name) D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No		
NOBBS,	NM 88340	3. Service Type Certified Mail ^e Registered Insured Mail 4. Restricted Delivery	Collection D	elpt for Merchandise
2. Article Number (Transfer from service label)	7015 064	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	9PD5	
PS Form 3811, July 2013	Domestic Ret	urn Receipt		• · · · · · · · · · · · · · · · · · · ·

Certified Mail

August 12, 2016

Property Owner of Record

Name:Grimes Land Co. Ltd. Co.Address:P. O. Box 5102City/State:Hobbs, NM 88241

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 ½ in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW-31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 ½ in, well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the $5\frac{1}{2}$ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing -10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

٠,

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at <u>tony@waternex.com</u>. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

Doi For		<i>I Only</i> prmation, vis	it our we	bsite at n	ww.usps.c	com ®.
-	BRS NI	88241 C	1A	. Farm	09	gianne Sianne Stanne
1 5		3.30	* 0 70			40
Extra S	irn Receipt (hardo		e as appropr	iate)	SMM 3	11
C Oert	im Receipt (electe ifled Mail Restrict	ed Delivery \$	\$0.00 \$0.00		Postma	
Adul	t Signature Requi t Signature Restri		\$0.00		1G 2 6 20	
Postage \$ Total Po	\$	0.47		A -	GZOL	3
Total Po	stage and Fe			- 8	8/26/20	16
\$ Sent To	¥:	6.47			USP	and the second s

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: CALLINESWANDCO ATTA Co DO BOX STO2 	A. Stenature A. Stenature A. Stenature A. Stenature Addressee A. Agent Addressee A. Agent A. Agent A. Agent A. Addressee A. Addressee A. Stenature A. Stenature A. Agent A. Addressee A. Stenature A. Stenature A. Addressee A. Stenature A. Stenature
NoBBS, NIM 88241	3. Service Type Certified Mail* Priority Mail Express** Registered Return Receipt for Merchandise Insured Mail Collect on Delivery 4. Restricted Delivery? (Extra Fee) Yes
2. Article Number 7015 064 (Transfer from service label)	0 0001 8327 8619
PS Form 3811, July 2013 Domestic Ret	

Certified Mail

¥

August 12, 2016

Property Owner of Record

Name:Lindsay Schubert FaulknerAddress:P. O. Box 5102City/State:Hobbs, NM 88241

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 ½ in. well casing backed by cement to surface; through metering, and via ~2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 1/2 in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the 5 ½ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing - 10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

ŝ

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at <u>tony@waternex.com</u>. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

8626	U.S. Postal Service [™] CERTIFIED MAIL [®] REC Domestic Mail Only For delivery information, visit our website	
~	HOBES NIT 83241 C	the the sector attracted
ш М	\$3.30	0640
-0	Extra Services & Fees (check box, add fee as appropriate)	11
1000	Return Receipt (hardcopy) \$ \$11.010	
	Certified Mail Restricted Delivery \$	Postmärk Here
	Adult Signature Required \$	
	Adult Signature Restricted Delivery \$	AUG 2 6 2016 08/26/2016
0640	Postage \$0.47	2016 × 5 2016
2	S Total Postage and Fees	\08/26/2016
	\$6.47	$\langle \rangle \sim -$
7015	South A COULS IN 100	at 12 al 10 1
Ξ(Street and Apt. No. of POLY NO.	at Huckner
ر س	Street and Apt. No., or PO Lot No X S/6	1
	City, State ZP+4 RAS 11/ 00	8-21/1
	PS Form 3800, April 2015 PSN 7530-02-000-9047	See Reverse for Instructions

a second s		e a ser a	an a
SENDER: COMPLETE THIS	SECTION	COMPLETE THIS SECTION ON DELIV	/ERY
 Complete items 1, 2, and 3. item 4 if Restricted Delivery Print your name and address so that we can return the ca Attach this card to the back or on the front if space perm Article Addressed to: LINDSAY Schutter CONTECT 	is desired. s on the reverse rd to you. of the mailplece, hits. beat Faul Kwe 0 2	D. Is delivery address different from item	and a second sec
NOBBS, N	NCOOAI -	3. Service Type Certified Mail ^e Priority Mail Registered Return Recei Insured Mail Collect on Dr	pt for Merchandise
		4. Restricted Delivery? (Extra Fee)	🖸 Yes
2. Article Number (Transfer from service label)	7015 064	7279 SEG 1000 0	
PS Form 3811, July 2013	Domestic Ret	um Receipt	

Certified Mail

August 12, 2016

Property Owner of Record

Name:Longhorn Enterprises, LLCAddress:P. O. Box 1234City/State:Hobbs, NM 88241

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.; W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 ½ in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW-31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 1/2 in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the 5 ½ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing -10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at <u>tony@waternex.com</u>. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440



OCT 1 8 2016

as of this date, the past office has not "returned to sender" notice as "un claimed". Still pending.

Certified Mail

August 12, 2016

Property Owner of Record

Name:Andy R Compary IIIAddress:2900 E. Nadine RoadCity/State:Hobbs, NM 88240

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 ½ in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 1/2 in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft, of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the 5 ½ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing -10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

The owner and operator of the facility will be:

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

.

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at tony@waternex.com. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.ennrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

Sincerely Tony Taylor Agent for H. R. C., Inc.



and the second	
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: Article Addressed to: Article Addressed to: AND Y K. Co MARY III APOD B. NAD i W& RD NABS, MM 888340 	A Signature X (Annella (My)ay Addressee B. Received by (Printed Name) (C, Date of Delivery A COM pan y D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
HOBBS, NM 88240	3. Service Type I Certified Mail* Priority Mail Express" I Registered Return Receipt for Merchandise I Insured Mail Collect on Delivery
(Transfer from service label)	4. Restricted Delivery? (Extra Foo)
PS Form 3811, July 2013 Domestic Re	turn Receipt

WATERNEX, LLC c/o H. R. C., INC. P. O. Box 5011 HOBBS, NM 88241

Certified Mail

August 12, 2016

Property Owner of Record

Name:David J. WalkerAddress:5894 N. Moss #4City/State:Odessa, TX 79764

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 ½ in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 1/2 in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the 5 ½ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing -10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

The owner and operator of the facility will be:

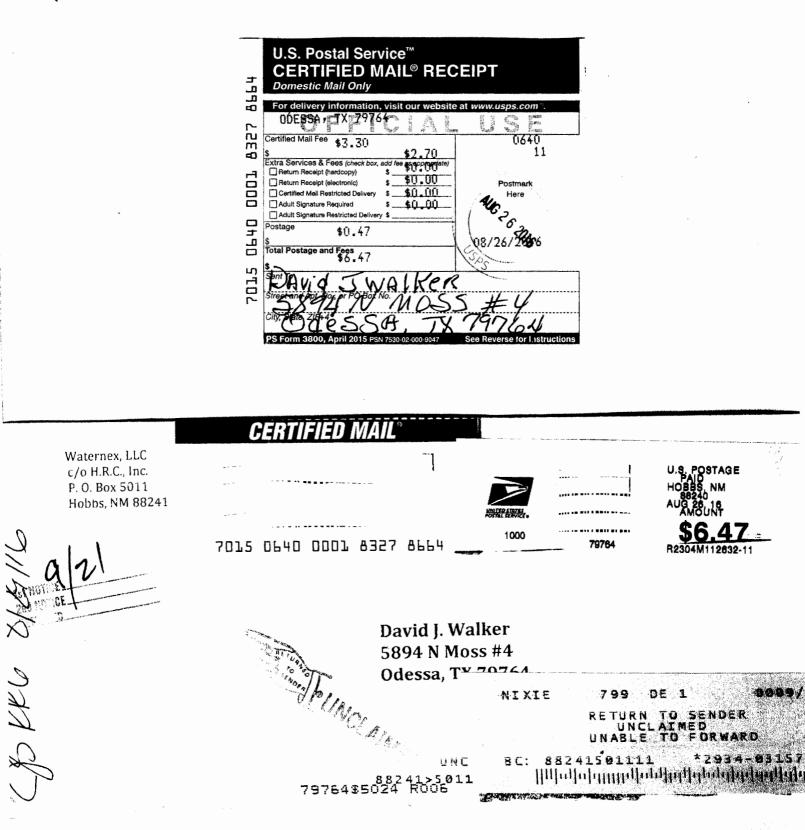
H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at tony@waternex.com. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facilityspecific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

> Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

Sincerely Tony Taylor Agent for H. R. C., Inc.



WATERNEX, LLC c/o H. R. C., INC. P. O. Box 5011 HOBBS, NM 88241

Certified Mail

August 12, 2016

Property Owner of Record

Name:Chaparral Racing FarmAddress:432 W. Coal AvenueCity/State:Hobbs, NM 88240

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 ½ in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 ½ in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in, tubing within the 5 ½ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing -10 ft. out. Fresh water is injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

The owner and operator of the facility will be:

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at tony@waternex.com. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facilityspecific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

> Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

Sincerely Tony Taylor Agent for H. R. C., Inc.



ŧ

and the second		a second a s	A
SENDER: COMPLETE THIS SEC	TION	COMPLETE THIS SECTION ON DE	LIVERY
 Complete items 1, 2, and 3. Also item 4 if Restricted Delivery is de Print your name and address on so that we can return the card to Attach this card to the back of the or on the front if space permits. Article Addressed to: Chapakora KRAII ABA W. CoA A oBAS, SO 	esired. the reverse you. he mailplece,	A. Signature X. Constant of the second seco	
HOBBS, 87	M 83,40	3. Service Type Certified Mail* Registered Registered Insured Mail Collect on 4. Restricted Delivery? (Extra Fee)	celpt for Merchandise
2. Article Number (Transfer from service label)	7015 064	0 0001 8355 8671	
PS Form 3811 , July 2013	Domestic Re	turn Receipt	

WATERNEX, LLC c/o H. R. C., INC. P. O. Box 5011 HOBBS, NM 88241

Certified Mail

A.

August 12, 2016

Property Owner of Record

Name:S & H Enterprises Inc.Address:P. O. Box 1606City/State:Hobbs, NM 88241

Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108. B.2 NMAC to property owner (s) of record that adjoin the property owned by the applicant.

(BW-36) HRC, Inc. Gary Schubert, Owner, P. O. Box 5011, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API#30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid is produced up the 5 ½ in. well casing backed by cement to surface; through metering, and via ~ 2 miles of subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well or at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW- 31". This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. to 2,800 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogallala Fm. Irrigation well. The existing 5 1/2 in. well production casing extends to 5,506 ft. bgl with existing bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporate formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the 5 ½ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgl with tubing positioned laterally away from the well casing - 10 ft. out. Fresh water is injected at a rate of approximately 15 – 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Dissolution brine fluid (~ 313,000 ppm Total Dissolved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

The owner and operator of the facility will be:

~,

• •

H.R.C., Inc. P. O. Box 5011 Hobbs, NM 88241

Comments or inquiries about this application may be directed to H. R. C., Inc. % Mr. Tony Taylor (575-393-6662) at <u>tony@waternex.com</u>. Mr. Taylor is a consultant to H. R. C., Inc. providing assistance obtaining the regulatory permits with this project.

The OCD has determined the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given below. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emnrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address below.

Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

Sincerely Tony Taylor Agent for H. R. C., Inc.

U.S. Postal Service [™] CERTIFIED MAIL [®] RECEIPT Domestic Mail Only For delivery information, visit our website at www.usps.com [™] .	
CERTIFIED MAIL [®] RECEIPT Domestic Mail Only For delivery information, visit our website at www.usps.com	
Domestic Mail Only For delivery information, visit our website at www.usps.com	
For delivery information, visit our website at www.usps.com	
HOB83, NM 88241	
- HUBES, MI 83241	
Certified Mail Fee	
m 3.30 -0429	1
52.70 Sandara 10.	ή.
Return Receipt (hardcopy) S	1
Return Receipt (electronic) s <u>\$U. (ii)</u> Postmark	51
Certified Mail Restricted Delivery \$ \$1.10	1
	/
Adult Signature Restricted Delivery S	
Postage \$0.47 Total Postage and Fees	
\$	
Total Postage and Fees 08/26/2016	
\$6.47	
Sent Sent ALL ENLLOOF	
E STOOT A ENTER PRISES INC	
Street normal No. 000 Box No. City, State, 214-14 DBBS, N/M88241	

~

ņ

and the second of the second	an anton barrana.		
SENDER: COMPLETE THIS	SECTION	COMPLETE THIS SECTION ON DELI	VERY
 Complete items 1, 2, and 3, item 4 if Restricted Delivery Print your name and address so that we can return the ca Attach this card to the back or on the front if space perr Article Addressed to: 	is desired. so on the reverse and to you. to of the mailplece, mits. SPRISES INC	A. Signature X July Outor Rund B. Received by (Printed Name) BARBARA KIN D. Is delivery address different from iter If YES, enter delivery address below	C. Date of Delivery
NOBBS, 4	Leole 1811 88241	3. Service Type Certified Mail Priority Mail Registered Return Rece Insured Mail Collect on D A. Restricted Delivery? (Extra Fee)	opt for Merchandise
2. Article Number (Transfer from service label)	7015 0640	0001 8327 8688	-
PS Form 3811, July 2013	Domestic Re	turn Receipt	

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated September 07, 2016 and ending with the issue dated September 07, 2016.

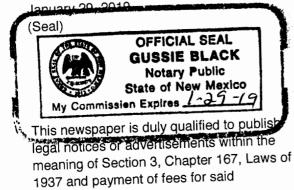
hut hisell

Publisher

Sworn and subscribed to before me this 7th day of September 2016.

Business Manager

My commission expires



LEGAL NOTICE September 7, 2016

NOTICE OF PUBLICATION

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

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3108 NMAC), the following discharge permit application has been submitted to the Director of the New Mexico Oil Conservation Division ("OCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

supmitted to me Director or the New Mexico OII Conservation Division ("OCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440: (BW-36) HRC, Inc., Gary Schubert, Owner, P.O. Box 5102, Hobbs, NM 88241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API# 30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long: W 103.09860°), NMPM, Lea County, New Mexico. The injection well is located appreximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the Intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of Hwy- 56. Brine fluid will be produced up the 5 ½ in. well casing backed by cement to surface, metered, and piped 2 miles thru subsurface polyathylene pipeline to the brine station for sele. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well at 1914 East Naclae Rd., Hobbs, NM 85240. The brine station is already permitted by the applicant under "BW-31" using a separate brine well. This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper aalt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. bgl (below ground level). Another fresh water source is derived from the nearby Ogaliaia Formation irrigation well. The existing 5 ½ in. well production casing extends to 5,506 ft. bgl with bridge pluga set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl mear the lower houndary of the Tamili evaporite formation with 200 ft. or cement placed on top. The water supply line is contracted to the suction side of a pump

The O CD determined the application was administratively complete on August 10, 2016 and has prepared a dratt permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given above. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emmrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address given above. Prior to ruling on the proposed permit, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that OCD hold a public hearing. Requests for a hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no hearing is held, the Director will approve the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 28th day of August 2016.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

David R. Catanach, Director

SEAL #31198

67104868

00180666

GARY SCHUBERT SCHUBERT CONSTRUCTION PO BOX 6056 HOBBS, NM 88241

NOTICIA DE PUBLICACION

ESTADO DE NUEVO MEXICO DEPARTAMENTO DE ENERGIA, MINERALES Y RECURSOS NATURALES DIVISION DE CONSERVACION DE ACEITE

Se da notificación que de acuerdo con las Regulaciones de la Comisión de Control de Calidad del Agua de Nuevo México (20.6.2.3108 NMAC), la siguiente aplicación de desecho se a sometido al Director de La División de Conservación de Aceite de Nuevo México ("OCD"), 1220 S. Saint Francis Drive, Santa Fe, Nuevo México 87505, Teléfono (505) 476-3440:

(BW-36) HRC, Inc., Gary Schubert, Propietario, P.O. Box 5102, Hobbs, NM 88241, a sometido una aplicación para un permiso Nuevo de Control de Inyección Bajo Tierra (UIC por sus siglas en ingles) Clase III Deshecho de Agua Salada de noria para "Schubert Farms Brine Well No. 1" (API# 30-025-37548), localizado 330 FNL y 1650 FEL (NW/4, NE/4) en Sección 25, Township 19 South, Rango 38 Este (Lat. N 32.63759°, Long.: W 103.09680°), NMPM, Condado de Lea, Nuevo México. La noria de inyección esta localizado aproximadamente 1.9 millas E-NE de Nadine, NM o 1.7 miles E de la intersección de Hwy- 18 (S. Eunice Hwy.) y 0.95 millas N de Hwy-56. Fluido salado será producido arriba de las 5 ½ pulgadas. Reforzada con varilla y cemento hasta la superficie, medida, y entubada 2 millas hasta el sub-superficie con pipa de polietileno hasta la estación de agua salada para venta. La estación de agua salada o terminal de ventas esta localizada aproximadamente 1.1 millas Sur Oeste de la noria de agua salada en 1914 East Nadine Rd., Hobbs, NM 88240. La estación de agua salada separada. Esta rutina de flujo de fluido se llama "flujo normal" es requerido por OCD para mantener 1 a configuración estructural de la caverna de sal o maximizar el desarrollo de estabilidad al pasar el tiempo. Agua fresca y/o reciclada de una facilidad de purificación localizada al Noreste de la estación de agua salado Satt Formation en la invección intervalo de 2,600 pies a 2,800 pies bgl (bajo nivel de la superficie). Otra tuente de agua fresca es derivada de la noria de riego cercana de la formación Ogallala. La caja existente de 5 ½ pulgadas de transido nu acapa de 200 pies de cemento puesta arriba. La línea de suministro esta concetada al lado de succión de la pipa, la cual la pompa recicla y/o agua fresca aes derivada de a noria de nies je cerca del Puente de aja de la noria de apua salada para reita. La úna a proma consi de agua salada para ser inyectada a superficie) otra tuente de agua fresca es derivada de la noria de ela pipa, la cual la pompa recicla

La O CD determino que la aplicación fue administrativamente completada en 10 de agosto 2016 y ha preparado una copia del permiso. La OCD aceptara comentarios y declaraciones de interés respecto a esta aplicación y creara una facilidad de correo especifica para personas que quieren recibir notificaciones futuras. Personas interesadas en obtener mas información pueden someter comentarios o pedir ser puestos en la lista de correo pueden contactar al Jefe Del Bureau del Medioambiente de el OCD en de dirección de arriba. El permiso puede ser visto en la dirección de arriba entre las 8:00 a.m. y 4:00 p.m., lunes a viernes, o en el sitio web del OCD <u>http://www.emnrd.state.mm.us/ocd/</u>. Personas interesadas en obtener una copia de la aplicación y la copia del permiso pueden contactar el OCD en la dirección de arriba. Antes de la decisión en el permiso permitido, el dirección del permiso propuesto, durante este tiempo las personas interesadas pueden entregar sus comentarios o pedir que el OCD tenga una audiencia publica. Propuestas para la audiencia deben de decir porque la audiencia sub llevara acaba la audiencia

Si no se lleva acabo un audiencia, el Director aprobara el permiso propuesto basado en la información disponible, incluyendo todos los comentarios recibidos. Si se lleva acabo una audiencia, el director aprobara o no aprobara el permiso propuesto basado en la aplicación del permiso y información entregada en la audiencia.

Para obtener más información sobre esta solicitud en español, sirvase comunicarse por favor: New México Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México), Oil Conservation División (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Laura Tulk, 575-748-1283).

DADO bajo el Sello de Comisión de Conservación de Aceite de Nuevo México Oil Conservation Comisión en Santa Fe, Nuevo México, en este 28 de agosto 2016.

> ESTADO DE NUEVO MEXICO DIVISION DE CONSERVACION DE ACEITE

SELLO #31200 David R. Catanach, Director

67104868

00180669

GARY SCHUBERT SCHUBERT CONSTRUCTION PO BOX 6056 HOBBS, NM 88241

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

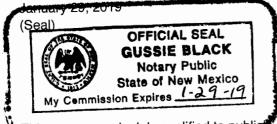
> Beginning with the issue dated September 07, 2016 and ending with the issue dated September 07, 2016.

un Ross ublishe

Sworn and subscribed to before me this 7th day of September 2016.

Business Manager

My commission expires



This newspaper is duly qualified to public legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

AFFIDAVIT OF PUBLICATION

SS

Vew M	wico Energy, Mineral and
Natura	Resources Department

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

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3108 NMAC), the foilowing discharge permit application has been submitted to the Director of the New Mexico Otl Conservation Division ("OCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(BW-36) HRC, Inc., Gary Schubert, Owner, P.O. Box 5102, Hobbs, NM 88241, has submitted an application for a new Under-ground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API# 30-025-37548), located 330 FNL and 1650 FEL (NW/4, NEVA in Section 25, Town-ship 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103, 09880°), NMPM, Lea County, New Mexico. The injection well is locat-ed approximately 1.9 miles E-NE of Nacine, NM or 17 miles E-NE ed approximately 1.9 miles E-NE of Nacine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eu-nice Hwy.) and 0.95 mile N of H-wy- 56. Brine fluid will be pro-duced up the 5 ½ in. well casing backed by cement to surface, me-tered, and piped - 2 miles thru sufficience provide the surface. subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is lo-cated approximately 1.1 miles SW of the brine well at 1914 East Naof the onne well at 1914 East Na-dine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW31" using a separate brine well. This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cav-ern structural configuration or de-velopment for maximum stability velopment for maximum stability over time. Fresh and/or recycled water from a produced water puri-fication facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the Injection interval from 2,600 ft. to 2,800 ft. bgl (be-low ground level). Another fresh water service is derived from the water source is derived from the nearby Ogallala Formation irriga-tion well. The existing 5 ½ in. well tion well. The existing 5 ½ In. well production casing extends to 5,506 ft. bgl with bridge plugs set at 5,460 ft., 5,260 ft., 5,150 ft., and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporite formation with 200 ft. of cement elected on the The Marker surphy placed on top. The water supply line is connected to the suction side of a pump, which pumps recy-cled and/or fresh water down the 2 7/8 in. tubing within the 5 ½ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bg with tubing positioned laterally away from the well casing. Fresh away from the well casing. Fresh water will be injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Brine (- 313,000 ppm Total Dis-solved Solids- TDS) is produced un the well annulus between the up the well annulus between the injection tubing and well casing. Groundwater most likely to be afected by a spill, leak or accidental discharge is at a depth of approxi-

STATE OF NEW MEXICO County of Bernalillo

Sharon Friedes, being duly sworn, declares and says that she is Advertising Director of **The Albuquerque Journal**, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made of assessed as court cost; that the notice, copy of which is hereto attached, was published in said paper in the regular daily edition, for 29, 2016

Sworn and subscribed before me, a Notary Public, in and

for the County of Bernalillo and State of New Mexico this 29 day of august of 20/6.

PRICE

Statement to come at end of month.

ACCOUNT NUMBER 1009556

OFFICIAL SEAL RBT Sandra B. Gutierrez NOTARY PUBLIC STATE OF NEW MEXICO -18-1 My Commission Expires:

wy- 56. Brine fluid wir de pro-duced up the 5 ½ in. well casing backed by cement to surface, me-tered, and piped ~ 2 miles thru subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is lo-cated approximately 1.1 miles SW of the brine well at 1914 East Na-dine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW-31" using a separate brine well. This routine fluid flow process is lermed "normal flow" and is required by OCD to maintain proper salt cav-ern structural configuration or de-velopment for maximum stability over time. Fresh and/or recycled water form a produced water pun-fication facility located NE_of the over time. Frash and/or recycled water from a produced water puri-fication facility located NE of the Brine Station is transported via two 3 inch polytines to the brine well for injection into the Salado Salt Immation in the injection interval Mark 2,600 ft. bg (be-Day ground level) — Another fresh with 2,000 ft. to 2,800 ft. bgl (be-low ground level). Another fresh water source is derived from the nearby Ogallala Formation irriga-tion well. The existing 5 ½ in, well reduction casing extends to oduction casing extends to 506 ft. bol with bridge plugs set 5,460 ft., 5,260 ft., 5,150 ft., and run 5,460 ft. 5,260 ft. 5,150 ft. and 3,580 ft. bgl. A bridge plug will be set at 2,800 ft. bgl near the lower boundary of the Tansill evaporite formation with 200 ft. of cement boundary of the Tansill evaporite formation with 200 ft. of cement placed on top. The water supply line is connected to the suction side of a pump, which pumps recy-cled and/or fresh water down the 2. 7/8 in. tubing within the 5 ½ in. well production casing and through a constructed breach in the casing at a depth of about 2,600 ft. bgi with tubing positioned laterally away from the well casing. Fresh water will be injected at a rate of approximately 15 - 45 gpm at a normal operating surface injection pressure range of 210 to 250 psi. The maximum surface injection pressure allowed is 333 psig. Brine (~ 313,000 ppm Total Dis-solved Solids- TDS) is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be af-fected by a spitl, leak or accidentar-discharge is at a depth of approxi-mately 50 - 70 ft. bgl with a TDS 700 ppm. The discharge permit mately 50 - 70 ft. Ggi with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, oper-ation, monitoring, ground subsi-dence, associated surface facili-ties, financial assurance, and pro-vides a contingency plan in the event of accidental discharges. The O CD determined the applica-tion was administratively complete on August 10, 2016 and has pre-pared a draft permit. The OCD will accept comments and statements accept continues and submittee of interest regarding this applica-tion and will create a facility-specif-ic mailing list for persons who wish to receive future notices. Persons interested in obtaining further ininterested in obtaining turther in-formation, submitting comments or requesting to be on a facility-spe-cific mailing list may contact the Environmental Bureau Chief of the OCD at the address given above. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site http ://www.emprd.state.nm.us/ocd/ ://www.emnrd.state.nm.us/ocd/. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address given above. Prior to ruling on the proposed permit, the Di-rector shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may sub-mit comments or request that OCD hold a public hearing.

quests for a hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no hearing is held, the Director will approve the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the propared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given above. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site http: ://www.emnrd.state.nm.us/ocd/. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address given above. Prior to nuling on the proposed permit, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that OCD hold a public hearing.

quests for a hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no hearing is held, the Director will approve the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en español, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Laura Tulk, 575-748-1283).

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 28th day of August 2016.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

SEAL David R. Catanach, Director Journal: August 29, 2016

Chavez, Carl J, EMNRD

From:	Chavez, Carl J, EMNRD
Sent:	Wednesday, September 7, 2016 12:01 PM
То:	'Gary Schubert'; 'tony@waternex.com'
Cc:	Estes, Bob, DCA; Griswold, Jim, EMNRD
Subject:	FW: BW 036 Schubert Farms Brine Well No. 1
Attachments:	Scanned from a Xerox Multifunction Device.pdf

Gary, et al.:

Please find attached the public comments received from Mr. Bob Estes (DCA).

OCD encourages communication with public commenters.

Thank you.

-----Original Message-----From: Estes, Bob, DCA Sent: Wednesday, September 7, 2016 11:11 AM To: Chavez, Carl J, EMNRD <Carl J.Chavez@state.nm.us> Subject: BW 036

Mornin' Carl,

Here is another for you.

The permit didn't show the location of the storage facility or the path of the proposed pipeline. I think I figured it out anyway, which prompted the request for the site updates. As usual, the updates are not required.

Have a great day,

BE

-----Original Message-----From: HPDXerox@state.nm.us [mailto:HPDXerox@state.nm.us] Sent: Tuesday, September 06, 2016 10:24 AM To: Estes, Bob, DCA Subject: Scanned from a Xerox Multifunction Device

Please open the attached document. It was scanned and sent to you using a Xerox Multifunction Device.

Attachment File Type: pdf, Multi-Page

Multifunction Device Location: machine location not set Device Name: HPD_Xerox_WorkCentre_5945



Governor

STATE OF NEW MEXICO DEPARTMENT OF CULTURAL AFFAIRS HISTORIC PRESERVATION DIVISION

BATAAN MEMORIAL BUILDING 407 GALISTEO STREET, SUITE 236 SANTA FE, NEW MEXICO 87501 PHONE (505) 827-6320 FAX (505) 827-6338

September 7, 2016

Carl Chavez Environmental Engineer Oil Conservation Bureau-Environmental Bureau Mining and Minerals Division 1220 South St. Francis Drive Santa Fe, NM 87505

Re: Discharge permit (BW-036) HRC Inc., Schubert Farms Brine Well No. 1. (HPD Log:104138)

Dear Mr. Chavez:

This letter is in response to the above referenced discharge permit application received at the Historic Preservation Division (HPD) on August 15, 2016. According to the application, the proposed project is within Township 19 South, Range 38 East, and portions of Sections 25. The location of the proposed pipeline to the Nadine Rd. storage facility is not indicated on the maps, nor in the permit descriptions.

I reviewed our records to determine if cemeteries, burial grounds or cultural resources listed on the State Register of Cultural Properties or the National Register of Historic Places exist within or near the permit area. Our records show that there are no cultural resources listed on the National Register or State Register within or near the proposed permit area and no known cemeteries or burial grounds.

Although there are no cultural resources listed on the State or National Register, our records show that the area has been partially surveyed for cultural resources and there are at least two previously recorded archaeological sites near the project area of potential effect.

The application states that the surface estate is privately owned. Although a cultural resources survey is not required for permits on private land, HPD recommends that a qualified archaeologist update to current standards the previously recorded archaeological sites, and to ensure that they not inadvertently damaged by construction of the pipeline. A list of archaeological consultants can be obtained from our website at www.nmhistoricpreservation.org.

Please do not hesitate to contact me if you have any questions regarding these comments. I can be reached by telephone at (505) 827-4225 or by email at <u>bob.estes@state.nm.us</u>.

Sincerely,

But Estes

Bob Estes Ph.D. Archaeologist

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated August 28, 2016 and ending with the issue dated August 28, 2016.

Publisher

Sworn and subscribed to before me this 28th day of August 2016.

la sig B

Business Manager



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said LEGAL NOTICE

LEGAL

August 28, 2016

LEGAL

LEGAL

NOTICE OF PUBLICATION

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

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3108 NMAC), the following discharge permit application has been submitted to the Director of the New Mexico Oil Conservation Division ("OCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440: (BW-36) HRC, Inc., Gary Schubert, Owner, P.O. Box 5102, Hobbs, NM &8241, has submitted an application for a new Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API# 30-025-37548), located 330 FNL and 1650 FEL (NW/4, NE/4) in Section 25, Township 19 South, Range 38 East (Lat. N 32.63759°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95 mile N of surface, metered, and piped 2 miles thru subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW-31" using a separate brine well. This routine fluid flow process is termed "normal flow" and is required by OCD to maintain proper salt cavern structural configuration or development for maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3 inch polylines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,600 ft. bgl (below ground level). Another fresh water source is derived production casing extends to 5,506 ft. bgl will bridge plugs set at 2,800 ft. bgl mear the lower boundary of the Tansil evaporite formation with 200 ft. dell production casing and through a constructed to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing will be set at 2,800 ft. bgl with a rate of approximately 15 - 45 gpm at a normal operating surface injection reasing and thorugh a constructed to thread Dissolved Solids- TDS) is produced up the well and/or fresh water down the 2 7/8 in. tubing wit

The O CD determined the application was administratively complete on August 10, 2016 and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given above. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <u>http://www.emrrd.state.nm.us/ocd/</u>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address given above. Prior to ruling on the proposed permit, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that OCD hold a public hearing. Requests for a hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no hearing is held, the Director will approve the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en español, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Laura Tulk, 575-748-1283).

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 28th day of August 2016.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

David R. Catanach, Director

01101546

SEAL #31193

00180315

LEONARD LOWE NEW MEXICO OIL CONSERVATION DIVISION, EMNRD 1220 S. SAINT FRANCIS DR. SANTA FE, NM 87505

Chavez, Carl J, EMNRD

From: Sent:	Chavez, Carl J, EMNRD Wednesday, August 10, 2016 12:08 PM
То:	'Gary Schubert'
Cc:	Griswold, Jim, EMNRD
Subject:	HRC, Inc. Schubert Farms Brine Well No. 1 (BW-36) Administratively Complete Letter
Attachments:	GW-36 AC 8-10-2016.pdf

Mr. Schubert:

Please find attached the above subject letter from the New Mexico Oil Conservation Division (OCD).

A hardcopy of the letter was sent by U.S. Mail today.

Please contact me if you have questions. Thank you.

Carl J. Chavez, CHMM Environmental Engineer Oil Conservation Division- Environmental Bureau 1220 South St. Francis Drive Santa Fe, New Mexico 87505 Phone: (505) 476-3490 Main Phone: (505) 476-3440 Fax: (505) 476-3462 E-mail: <u>Carl J. Chavez@state.nm.us</u> Website: <u>www.emnrd.state.nm.us/ocd</u> Why not prevent pollution, minimize waste, reduce op

Why not prevent pollution, minimize waste, reduce operation costs, and move forward with the rest of the Nation? To see how, go to "Publications" and "Pollution Prevention" on the OCD Website.

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Tony Delfin Acting Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



AUGUST 10, 2016

CERTIFIED MAIL RETURN RECEIPT NO: 3771 5954

Mr. Gary M. Schubert H.R.C. Inc. P.O. Box 5102 Hobbs, NM 88241

Re: Discharge Permit (BW-036) H.R.C. Inc. UIC Class III Brine Well "Schubert Farms Brine Well No. 1" (API No. 30-025-37548) UL: B Section 25 Township 19 South, Range 39 East, 330 FNL, 1650 FEL, Lat. 32.63759°, Long. 103.09880°, NMPM, Lea County, New Mexico

Dear Mr. Schubert,

The New Mexico Oil Conservation Division (OCD) is in receipt of H.R.C. Inc.'s (HRC) application dated September 2, 2015, received on September 4, 2015, regarding the conversion of the existing Schubert Farms Brine Well No. 1 oil well into a brine well at the above referenced well location.

HRC opted to conduct a Cement Bond Log (CBL) on the well before determining with OCD on July 20, 2016 to proceed with the application process. After review of the CBL and application, the OCD has determined HRC's application is *"administratively complete"* per New Mexico Water Quality Control Commission regulations (20.6.2.3108 NMAC).

HRC obligations to provide public notice should commence and be demonstrated to the OCD in a timely manner. The OCD will also provide notice to various governmental groups. Depending upon the level of public interest, a hearing may be scheduled on this matter. Regardless, the OCD will continue review of the application and may request additional information.

If you have any questions, please do not hesitate to contact me by phone at (505) 476-3490, U.S. Mail at the address below, or e-mail at <u>carlj.chavez@state.nm.us</u>. On behalf of the OCD, I wish to thank you and your staff for your continued cooperation in this process.

Sincerely,

Cul g. Ch

Carl J. Chavez Environmental Engineer

xc: OCD Hobbs District Office



Gary Schubert <garymschubert@gmail.com>

Schubert No. 1 Well Possible Conversion to Brine Well 1 message (BW-036)

Chavez, Carl J, EMNRD <CarlJ.Chavez@state.nm.us> Wed, Feb 17, 2016 at 8:48 AM To: Tony <tony@waternex.com>, "GaryMSchubert@gmail.com" <GaryMSchubert@gmail.com> Cc: "Griswold, Jim, EMNRD" <Jim.Griswold@state.nm.us>

Tony and Gary:

FYI:

Carl on 2/17 contacted Tony Taylor at (512) 968-4312 with OCD recommendation to run a CBL (~ 3,000 ft. to surface) on the well first by submitting a C-103 Form to the Hobbs DO and OCD SF for approval. OCD prefers that the CBL (radial) be performed without any pressure on the well for accuracy. Once the results of the CBL is reviewed by OCD, HRC can decide whether to proceed to submit C-101, C-102 (signed by company representative) and C-103 Forms (outline well conversion to brine well details) to OCD (Hobbs and SF) for OCD approval. OCD currently has several of the application and components of the WQCC application in hand. OCD notices that the operator is planning to exit the window in the 5.5" casing at ~ 2,600 ft., which is adequately below the rock-salt formations geologic contact. Under WQCC Regs., there is a \$100 Filing Fee check made payable to the "Water Quality Management Fund" and a \$1,700 Permit Fee when or if a WQCC Discharge Permit for the brine well is issued.

Thank you.

Carl J. Chavez, CHMM Environmental Engineer Oil Conservation Division- Environmental Bureau 1220 South St. Francis Drive Santa Fe, New Mexico 87505 Phone: (505) 476-3490 Main Phone: (505) 476-3440 Fax: (505) 476-3462 E-mail: CarlJ.Chavez@state.nm.us Website: www.emnrd.state.nm.us/ocd

RECEIVED OCD

PAY TO THE	HRC, INC. P.O. BOX 1606 HOBBS, NM 88241 (575) 393-3194 Water Quality Management Fund	322 FIRST AMERICAN BANK ARTESIA, NM 88211 575-746-8000 MEMBER FDIC 95-43-1122 6-02-2016 \$ 100.00	Details on back.
ORDER OF	One Hundred and 00/100*********************************	DOLLARS DOLLARS AUTHORIZED SIGNATURE	ED Security leatures
		415x2253 920-5	

HRC, INC.

Filing Fee for Schubert Farm No. 1

06-02-2016 \$100.00 3225

Cash Remittance Report (CRR)

Ener		al Resources Departi CE REPORT (CRR)	ment
L	_ocation Name 1	Location Co	ode 📀
000-	ENVIRONMENT		
Today's Date:O7	28 H DAY 3) 20/6 	
Collection Period:	// thro	ugh/////////_	<u> </u>
Cost Center 5 0740	Revenue Code 5	Receipt Amount	Collected Amount ⁽⁸⁾
			·····
Total		\$ 100.00 (9)	\$ (10)
Over/Short Amount	\$	(11)	
CRR Deposit Amou	nt	\$	(12)
Print Name: Lorraine		Signature: Lomine	\bigcirc
	py to Accounts Receivable-ASD, t CRR submitting location.	Signature:	(13)
Official Use Only Completed by the Account	ts Receivable	Date Receive	d:1
Notes:		•	
		Amount Rece	ived: 3
State Treasurer Deposit Num	ber:	4 Verified by:	6
Deposit Date:	6		

~

1

,	HRC, INC. P.O. BOX 1606 HOBBS, NM 88241 (575) 393-3194	FIRST AMERICAN BANK ARTESIA, NM 88211 575-746-8000 MEMBER FDIC 95-43-1122		6-02-2016	Pack.
PAY TO THE ORDER OF	Water Quality Management Fund		\$	100.00	D D features. Details on
мемо	One Hundred and 00/100*********************************	authorized	h		

HRC, INC.

3225

Filing Fee for Schubert Farm No. 1

92 41 ± 03 %: 407

06-02-2016 \$100.00



Gary Schubert <garymschubert@gmail.com>

Schubert No. 1 Well Possible Conversion to Brine Well (Bw-036) 1 message

Chavez, Carl J, EMNRD <CarlJ.Chavez@state.nm.us> Wed, Feb 17, 2016 at 8:48 AM To: Tony <tony@waternex.com>, "GaryMSchubert@gmail.com" <GaryMSchubert@gmail.com> Cc: "Griswold, Jim, EMNRD" <Jim.Griswold@state.nm.us>

Tony and Gary:

FYI:

Carl on 2/17 contacted Tony Taylor at (512) 968-4312 with OCD recommendation to run a CBL (~ 3,000 ft. to surface) on the well first by submitting a C-103 Form to the Hobbs DO and OCD SF for approval. OCD prefers that the CBL (radial) be performed without any pressure on the well for accuracy. Once the results of the CBL is reviewed by OCD, HRC can decide whether to proceed to submit C-101, C-102 (signed by company representative) and C-103 Forms (outline well conversion to brine well details) to OCD (Hobbs and SF) for OCD approval. OCD currently has several of the application and components of the WQCC application in hand. OCD notices that the operator is planning to exit the window in the 5.5" casing at ~ 2,600 ft., which is adequately below the rock-salt formations geologic contact. Under WQCC Regs., there is a \$100 Filing Fee check made payable to the "Water Quality Management Fund" and a \$1,700 Permit Fee when or if a WQCC Discharge Permit for the brine well is issued.

Thank you.

Carl J. Chavez, CHMM Environmental Engineer Oil Conservation Division- Environmental Bureau 1220 South St. Francis Drive Santa Fe, New Mexico 87505 Phone: (505) 476-3490 Main Phone: (505) 476-3440 Fax: (505) 476-3462 E-mail: CarlJ.Chavez@state.nm.us Website: www.emnrd.state.nm.us/ocd

BESS V L-NN NN BEOENFD COD

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of Check No.	dated 06/02/2016
or cash received on <u>07/28/2016</u>	in the amount of $ \frac{100.00}{2} $
from HRC, Inc.	
forWQ F	
Submitted by: <u>Carl Chavez</u>	Date: 07/28/2016
Submitted to ASD by: Lorraine DeVar	Jas_ Date: 07/28/2016
Received in ASD by:	Date:
Filing Fee New Facil	ty: Renewal:
Modification Other	
Organization Code 521.07 Ap	plicable FY
To be deposited in the Water Quality Manageme	ent Fund.
Full Payment or	Annual Increment

.

NEW MEXICO ENVIRONMENT DEPARTMENT - ALBUQUERQUE FIELD OFFICE DAILY CHECK RECEIPT LOG

DATE WALK-RECEIVED IN MAIL NAME ON CHECK CHECK (

OTHER

PROGRAM	
CK/MONEY ACCOUNT	AMOUNT
The and the state of the local state of the	
DRDER#,***CODE	OF CHECK DATE DEPOSITED DEPOSITED B

2329029000

٠,

Image: State in the second	1/28/16		HRC, Inc	6/2/16	فيصالعن بالمروف البرجيبين المترج بمناجع والمترج والمترجين		.100.00		
Image: Second								·	
Image: Second									
Image: Second									
Image: Second									
Image: Second secon									
Image: Second secon							-		
Image: Second secon									
Image: Second secon									
Liquid Waste 34000 Z3200 496402 Water Recreation Facilities 40000 Z8501 496402			4						
Liquid Waste 34000 Z3200 496402 Water Recreation Facilities 40000 Z8501 496402			*	· · · · · · · · · · · · · · · · · · ·					
Liquid Waste 34000 Z3200 496402 Water Recreation Facilities 40000 Z8501 496402									
REVENUE TRANSMITTAL SHEETDescriptionFundDept.Share AcctSub AcctAmountLiquid Waste34000Z3200496402Water Recreation Facilities40000Z8501496402					· ·		_		
REVENUE TRANSMITTAL SHEETDescriptionFundDept.Share AcctSub AcctAmountLiquid Waste34000Z3200496402Water Recreation Facilities40000Z8501496402					-				
REVENUE TRANSMITTAL SHEETDescriptionFundDept.Share AcctSub AcctAmountLiquid Waste34000Z3200496402Water Recreation Facilities40000Z8501496402									
REVENUE TRANSMITTAL SHEETDescriptionFundDept.Share AcctSub AcctAmountLiquid Waste34000Z3200496402Water Recreation Facilities40000Z8501496402									
REVENUE TRANSMITTAL SHEETDescriptionFundDept.Share AcctSub AcctAmountLiquid Waste34000Z3200496402Water Recreation Facilities40000Z8501496402									
REVENUE TRANSMITTAL SHEETDescriptionFundDept.Share AcctSub AcctAmountLiquid Waste34000Z3200496402Water Recreation Facilities40000Z8501496402									
REVENUE TRANSMITTAL SHEETDescriptionFundDept.Share AcctSub AcctAmountLiquid Waste34000Z3200496402Water Recreation Facilities40000Z8501496402	TOTAL				•		10000		
DescriptionFundDept.Share AcctSub AcctAmountLiquid Waste34000Z3200496402Water Recreation Facilities40000Z8501496402		<u>_</u>		REVEN	IF TRANSMI	TTAL SHEET			
Liquid Waste 34000 Z3200 496402 Water Recreation Facilities 40000 Z8501 496402			Description				Sub Acct	Amount	
Water Recreation Facilities 40000 Z8501 496402					the second s	the second s	-		
			Water Recreation Facilities						
Food Permit Fees 99100 22600 496402			Food Permit Fees	99100	Z2600	496402			

34100

232900



Gary Schubert <garymschubert@gmail.com>

Schubert No. 1 Well Possible Conversion to Brine Well 1 message (BW-036)

Chavez, Carl J, EMNRD <CarlJ.Chavez@state.nm.us> Wed, Feb 17, 2016 at 8:48 AM To: Tony <tony@waternex.com>, "GaryMSchubert@gmail.com" <GaryMSchubert@gmail.com> Cc: "Griswold, Jim, EMNRD" <Jim.Griswold@state.nm.us>

Tony and Gary:

FYI:

Carl on 2/17 contacted Tony Taylor at (512) 968-4312 with OCD recommendation to run a CBL (~ 3,000 ft. to surface) on the well first by submitting a C-103 Form to the Hobbs DO and OCD SF for approval. OCD prefers that the CBL (radial) be performed without any pressure on the well for accuracy. Once the results of the CBL is reviewed by OCD, HRC can decide whether to proceed to submit C-101, C-102 (signed by company representative) and C-103 Forms (outline well conversion to brine well details) to OCD (Hobbs and SF) for OCD approval. OCD currently has several of the application and components of the WQCC application in hand. OCD notices that the operator is planning to exit the window in the 5.5" casing at ~ 2,600 ft., which is adequately below the rock-salt formations geologic contact. Under WQCC Regs., there is a \$100 Filing Fee check made payable to the "Water Quality Management Fund" and a \$1,700 Permit Fee when or if a WQCC Discharge Permit for the brine well is issued.

Thank you.

Carl J. Chavez, CHMM Environmental Engineer Oil Conservation Division- Environmental Bureau 1220 South St. Francis Drive Santa Fe, New Mexico 87505 Phone: (505) 476-3490 Main Phone: (505) 476-3440 Fax: (505) 476-3462 E-mail: CarlJ.Chavez@state.nm.us Website: www.emnrd.state.nm.us/ocd

RECEIVED OCD

PAY TO THE	HRC, INC. P.O. BOX 1606 HOBBS, NM 88241 (575) 393-3194 Water Quality Management Fund	32 FIRST AMERICAN BANK ARTESIA, NM 88211 575-746-8000 MEMBER FDIC 95-43-1122 6-02-2016 \$ 100.00	Details on back.
ORDER OF	One Hundred and 00/100*********************************	DOLLARS	ED Security leatures.
	APE (49045344 (4 9845 E 600)	415x22339264	and the state

HRC, INC.

Filing Fee for Schubert Farm No. 1

06-02-2016 \$100.00 3225



H.R.C. Inc. P. O. Box 5102 Hobbs, NM 88241-5102 Phone # (575) 393-6662 Fax # (575) 393-6662

RECEIVED OCD 2015 SEP - 4 P 1: 28

September 03, 2015

Jim Griswold Senior Hydrologist ENMRD/Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Ref: H.R.C. Brine Facility-Schubert Farm #001 Applications for Brine Supply Wells

Dear Jim,

Please see applications attached for the bine supply wells we have been discussing. Tony Taylor and I prepared. On the Administrative Application checklist we were uncertain as to the timing of publishing the notices—I felt that you would need to receive the application first. If we need to go ahead with the publications please let me know.

Thanks for all your help and please let me know if you need anything further.

Sincerely,

Garv M. Schubert GMS/br

		1			
DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

т	HIS CHECKLIST IS M	ANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE
Appli	cation Acronym	
	[DHC-Down [PC-Poo	dard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] hole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] of Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] ified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]
[1]	-	PLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD
	Check [B]	One Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD IPI EOR PPR
	[D]	Other: Specify Brine Will
[2]	NOTIFICATI [A]	ON REQUIRED TO: - Check Those Which Apply, or Does Not Apply
	[B]	 Offset Operators, Leaseholders or Surface Owner Application is One Which Requires Published Legal Notice Notification and/or Concurrent Approval by BLM or SLO Notification and/or Concurrent Approval by BLM or SLO
	[C]	Application is One Which Requires Published Legal Notice
	[D]	Notification and/or Concurrent Approval by BLM or SLO Image: Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office Image: Concurrent Approval by BLM or SLO
	[E]	For all of the above, Proof of Notification or Publication is Attached, and/or,
	[F]	Waivers are Attached

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

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

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

CHUBERT Signaty Print or Type Name

GARYMSCHUBERT CGMAIL, CON e-mail Address

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit Original Plus 1 Copy to Santa Fe 1 Copy to Appropriate District Office

DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITES

(Refer to the OCD Guidelines for assistance in completing the application)

\ge	New		Renewal
-------	-----	--	---------

I. Facility Name: H.R.C. Brine Facility – Schubert Farms #001 API: 30-025-37548

II. Operator: H.R.C., Inc.

Address: P.O. Box 5102, Hobbs, NM 88241

Contact Person: Gary M. Schubert Phone: (505) 393-3194

III.Location:Section 25Township 19SRange 39ELatitude:32.6375999,Longitude:-103.0988007NAD83

IV. Attach the name and address of the landowner of the facility site.

S & H Enterprises P.O. Box 1606 Hobbs, NM 88241 Lea County tax and ownership records attached

V. Attach a description of the types and quantities of fluids at the facility.

This facility will pump brine water produced from underground formations from the site. No fluids will be stored at the facility. Salt brine will be recovered up the tubing from the Phillips #1 well and piped to the H.R.C. Brine Facility located on Nadine Rd and stored in above ground tanks presently at that location. Piping will be above ground on site and below plow depth between sites.

VI. Attach a description of all fluid transfer and storage and fluid and solid disposal facilities.

Fresh or recycled water will be received at the brine well for injection from the fresh, effluent, and recycled water supply system via polyethylene pipe. The water supply line will be connected to the suction side of a pump which will pump water down the annulus of the well casing at a rate of approximately 60 barrels per hour and a normal operating pressure of 200 to 250 psi. Brine water will be produced up the well and through the tubing and delivered to the suction of the product pump. The product pump will pump the brine through a meter and then on to the Nadine road storage facility for a distance of approximately 1.1 mile.

No fluid will be stored on site and no liquid or solid wastes should be created. If any wastes are created then they will be disposed of at the appropriate disposal facilities in accordance with New Mexico laws and regulations.

VII. Attach a description of underground facilities (i.e. brine extraction well).

The only underground facilities will be a brine well and its piping construction. Enclosed is a schematic of proposed completion and a schematic of existing status.

The proposed construction will be:

Existing 8 5/8" J-55 grade surface casing set at 1645' cemented with 700 sacks of Class C Cement. Existing 5 1/2" N-80 production casing extends to 5506'. Existing bridge plugs are set at 5460', 5260', 5150', and 3580'.

A bridge plug will be set at 2800' near the lower boundary of the Tansill evaporite formation and 200' of cement placed on top. The production casing will be drilled through at an approximate depth of 2600' to enter the formation and production tubing will be placed in the horizontal section external to the production casing.

General operation is to pump fresh, recycled or effluent water down the annulus between 2 7/8" tubing and the 5 1/2" production casing and produce brine water up the 2 7/8" tubing. Once a month, the flow is reversed for 24 hours to dissolve any buildup in the tubing.

Mechanical integrity tests will be conducted on the well and salt dome formation as OCD designates. The well and formation will be pressured up to 1.5 times the normal operating pressure and shut in for for hours with pressure recorded on a pressure chart. H.R.C. will notify OCD of the date and time for testing so it can be witnessed.

Cavity configuration tests will be conducted as required by OCD to determine size and configuration of the mined cavity.

The OCD office will be notified for approval prior to any drilling, deepening or plug back operations using the appropriate forms and notifications. The OCD will also be notified before any remedial work, plugging or altering of well has started and after approval.

VIII. Attach a contingency plan for reporting and clean-up of spills or releases.

All above ground piping and tanks will be visually inspected for leaks by company personnel during each site visit. Any problems such as leaks, spills or well abnormality will be taken to the attention of H.R.C. supervisor immediately. Supervisor will assess the problem and proceed with proper notification and repairs as OCD rule 116 requires.

IX. Attach geological/hydrological evidence demonstrating that brine extraction operations will not adversely impact fresh water.

The proposed site is located southeast of Hobbs, NM approximately 1.25 miles east of the end of McNeil street. The area is relatively flat with very little elevation differences. There is no surface water in close proximity to the proposed site. The average rainfall for this area is 12-15 inches annually. The last recored 100 year flood was in 1990, where 10 inches of rain was recorded in a 24 hour period. In normal conditions, rain soaks in and is absorbed into the soil as fast as it comes down. With the present facility design, it is highly unlikely any run off or run on of the property would occur. If, in the future, some problems were to occur, revisions to the discharge plan for this facility would be incorporated.

Hydrology:

Underground aquifers in this area are the Ogallala and Quaternary Alluvium formations. The groundwater in these formations is unconfined where the underlying red beds are relatively impermeable. This underlying layer presents further downward or upward movement. From information reviewed, the groundwater flow from the Ogallala formation flows to the south southeast, the water level for this area ranges from 50' to 70' below ground level and the average depth of the wells are 150'. Find within the list of water wells in the general area and analytical from one of the wells.

Geology:

The proposed site is located on the Central Basin Platform of the Permian Basin. The sub-surface formations are in a transitional area between Delaware Basins back reef or shelf area and the platform. The brine product is from the is from the Salado formation of the Ochoa series. The series of of upper Permian Age, and extends across the the Delaware Basin, Central Basin Platforms, thins and pinches out on the eastern shelf. This series of layers are predominately evaporates which contains strings of dolomite, shale, siltstone, and sandstone. The thickness of this salt section averages about 1000'. The Triassic rock overlaying the Permian formation is the Dockem group, and is divisible into the Santa Rosa sandstone and the Chinle formation. The Teriary rocks are represented by the Ogallala formation. This formation ranges in thickness from 0' to 300'. It is chiefly calcareous, unconsolidated sand, clay, silt, and gravel. This is the formation from which most of Lea County obtains its drinking water.

- X. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
- H.R.C., Inc. will comply with any rule, regulation or order which the OCD currently has or any new rule and regulation that pertains to this type of facility that the OCD may initiate in the future.

For Class III wells only, address the methods or techniques to be used to restore ground water so that upon final termination of operations including restoration efforts, ground water at any place of withdrawal for present or reasonably foreseeable future use will not contain either concentrations in excess of the standards of Section 20.6.2.3103 NMAC or any toxic pollutant. Issuance of a discharge permit or project discharge permit for Class III wells that provides for restoration of ground water in accordance with the requirements of this Subsection shall substitute for the aquifer designation provisions of Section 20.6.2.5103 NMAC. The approval shall constitute a temporary aquifer designation for a mineral bearing or producing aquifer, or portion thereof, to allow injection as provided for in the discharge permit. Such temporary designation shall expire upon final termination of operations including restoration efforts.

XI. CERTIFICATION:

I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.

Name: __Gary M. Schubert

Car al. Selalut Signature: ____

E-mail Address: garymschubert@gmail.com

Title:

Date: 9/2/15

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

APPLICATION FOR AUTHORIZATION TO INJECT

I.	PURPOSE: Secondary Recovery Pressure Maintenance Disposal Storage Application qualifies for administrative approval? X Yes No
II.	OPERATOR: H.R.C. Inc
	ADDRESS: P.O. Box 5102, Hobbs, NM 88241
	CONTACT PARTY: Gary M. Schubert Phone: (505) 393-3194
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.

See attached

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.

See attached

- 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.).

See attached

- *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.

None

- *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: GARY M. SCHUBERT	TITLE: PEES
SIGNATURE: (agell, Eldert	DATE: 9/2/15
E-MAIL ADDRESS:	

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:

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

*

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.

Application for Authorization to Inject Form C-108

- I. Purpose: Brine Production Application does qualify for administrative approval.
- II. Operator: H.R.C. Inc Address: P.O. Box 5102, Hobbs, NM 88241 Contact: Gary M. Schubert, Phone: (505) 393-3194
- III. Well Data: See Attached
- IV. This is <u>not</u> an expansion of an existing project.
- V. Map of Area of Review: See Attached
- VI. Table of Data on All Wells in Area of Review: See Attached
- VII. Proposed operation:
 - 1. Average Rate: 500 barrels per day Maximum Rate: 1500 barrels per day
 - 2. The system will be a closed drilling.
 - 3. Average injection pressure: 210 psi Maximum injection pressure: 250 psi
 - 4. Sources and analysis of water: Fresh, effluent, or recycled produced water All water sources will be unsaturated which will dissolve salt from the formation and return as fully saturated brine.
 - 5. Injection is not for disposal.

VIII. Geologic Data: See Attached

- IX. No stimulation program is proposed.
- X. Logging and test data will be supplied once the well has been recompleted.
- XI. Chemical analysis of fresh water wells: See Attached

XII. This is not a disposal well. However, we have examined the available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the zone of injection and any underground sources of driniking water.

XIII. Proof of Notice: See Attached Proposed Publication Landowner Leaseholder operators within ½ mile

III. Well Data

A(1) Lease Name: Schubert Farms

Well No.: Schubert Farms #001, API# 30-025-37548 Location: Unit B Section 25 Township 19S Range 38E, 330' FNL, 1650' FEL

A (2) Casing string

Surface casing

Size: 8 5/8" Setting Depth: 1600' Sacks of cement: 325 Hole size: 12 1/4" Top of cement: Surface How top determined: Circulated to surface

Production casing Size: 5 1/2" Setting Depth: 8000' Sacks of cement: TBD Hole size: 7 7/8" Top of cement: Surface How top determined: Circulated to surface

A(3) Tubing

Size: 2 7/8" Lining Material: Plastic lined interior coated Setting depth: 2700'

A(4) Packer

Name: None Model: N/A Setting Depth: N/A

See attached schematic.

B(1) Injection formation: Salado formation of the Ochoa series

- B(2) Depth and perforated or open-hole: Open hole terminating at approximately 2850'
- B(3) Well originally drilled for oil production.
- B(4) Existing plugging detail:

CIBP at 3580' CIBP at 5150' CIBP at 5260' CIBP at 5460'

Proposed plugging detail:

CIBP at 2800' then 200' of cement for a top of cement depth of 2600' Drill through and exit the production casing at 2600' and enter the salt formation B(5) Depth to and name of next higher and lower oil or gas zone Higher oil or gas zone: None Lower oil or gas zone: 7012' to Drinkard State of New Mexico Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

APPLICATION FOR F	ERMIT TO DRILL, RE-ENTER, DEEPEN	, PLUGBACK, OR ADD A ZONE
1. 0	perator Name and Address	2. OGRID Number
TRIL	DGY OPERATING INC	21602
h	PO Box 7606 Aidland , TX 79708	3. API Number
1	Malana, 1X 79708	30-025-37548
4. Property Code	5. Property Name	6. Well No.
35216	SCHUBERT FARMS	001

				1.5	urrace Loca	ation			
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
В	25	19S	38E	В	330	N	1650	Е	LEA

8. Pool Information

NADINE;DRINKARD-ABO

47510

			Additional Well Information	tion	
9. Work Type New Well	10. We O		11. Cable/Rotary	12. Lease Type Private	 Ground Level Elevation 3580
14. Multiple	15. Prop	osed Depth	16. Formation	17. Contractor	18. Spud Date
N	8	000	Abo		11/22/2005
Depth to Ground v	7ster	-	Distance from nearest fresh water w	-U	Distance to nearest surface water
45			> 1000		> 1000
Pit: Liner: Synthetic 🗙 Closed Loop System		mils thick		rilling Method: resh Water 🗙 Brine 🗌	Diesel/Oil-based Gas/Air

		19	9. Proposed Casing	and Cement Pro	gram	
Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	1600	325	0
Prod	7.875	5.5	17	8000	625	0

A Contract of Comment D

Casing/Cement Program: Additional Comments

Cement will be circulated to surface on both surface and production casing strings

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Shaffer

of my knowledge and belief. I fu	n given above is true and complete to the best ther certify that the drilling pit will be	OIL CONSERV	ATION DIVISION
constructed according to NMOC an (attached) alternative OCD-ap	D guidelines 🗙, a general permit 🗌, or pproved plan 🗍.	Approved By: Paul Kautz	
Printed Name: Electronically	filed by Michael Mooney	Title: Geologist	
Title: Vice-President		Approved Date: 11/14/2005	Expiration Date: 11/14/2006
Email Address: riograndeene	rgy@cox.net		
Date: 11/7/2005	Phone: 432-686-2027	Conditions of Approval Attac	hed

INJECTION WELL DATA	
WELL DATA	INJE
DATA	\$
SH	L DATA SHEET

													SEC MINUTER	(a Attached	WELLBORE SCHEMATIC	WELL LOCATION: <u>330'FNL, 1650' FEL</u> FOOTAGE LOCATION	WELL NAME & NUMBER: Schubert Farm; # 001	OPERATOR: HRC Inc
			Total Depth:	Top of Cement:	Cemented with:	Hole Size: 7		Top of Cement:	Cemented with:	Hole Size:		Top of Cement:	Cemented with:	Hole Size:		\mathcal{B} UNIT LETTER	1 APE 30-025-	
(Perforated or Open Hole; indicate which)	feet to	Injection Interval	1000'	Suctave	625 sx.	<i>%</i> "	Production Casing		SX.		Intermediate Casing	Suchce	325 sx.	玩 12 %	WELL CONSTR Surface Casing	25 SECTION	25-37548	
ole; indicate which)	to	nterval		Method Determined:	or	Casing Size: 5	Casing	Method Determined:	or	Casing Size:	e Casing	Method Determined:	or	Casing Size:	WELL CONSTRUCTION DATA Surface Casing	IN TOWNSHIP		
					ft ³	"/"			ft ³			d:	ft^3	<i>, 15</i> 8	Z	38E RANGE		

Side 1

INJECTION WELL DATA S	
Б	
Ż	
≶	
ELL	
D	
AT	
₽	
SHEET	

See Attacks	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. <u>Yes</u> , see Atheorem	.4
	Name of Field or Pool (if applicable): ///	$\boldsymbol{\dot{\omega}}$
	Name of the Injection Formation: Salado	2.
	If no, for what purpose was the well originally drilled? Oil production	
	Is this a new well drilled for injection? Yes <u>X</u> No	:-
	Additional Data	
	Other Type of Tubing/Casing Seal (if applicable):	Q
	Packer Setting Depth: ///	Pa
	Type of Packer: NA	Ţ
	Tubing Size: 278 Lining Material: Physic	Tu

<u>ب</u> Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: XI. Chemical Analysis of Fresh Water Wells:

Location of Sample: <u>32.637300, -103.089655</u>

Well details: S&H Farms Monitoring Well #6

Water Chlorides: 335 mg/L

Water Total Dissolved Solids: 290 mg/L



City of Hobbs Laboratory

S & H Farms

Analysis By: City of Hobbs Laboratory / Trace Analysis (15011502)

Samples Received:

Camala Cita	Date	Time /	Collected	Nitrate	TKN	Chloride	TDS	Conductivity
oanipie one	Sampled	Sampled	Ву	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(Srl)
S & H Well 1								
S & H Well 2								
S & H Well 3								
S & H Well 4	1/14/2015	10:00	Tivo	1.27	0.36	170	380	601
S & H Well 5								
S & H Well 6	1/14/2015	10:15	Tivo	0.0139	0.36	335	290	1185

ND - Not Detected

XIII. Public Notice to be published in the Hobbs News-Sun paper, a paper of general circulation in Lea county, NM.

Landowner Notification:

Landowner is the same as the operator

Leasehold operators within ½ mile:

Leasehold operators within will be notified via certified mail.

To whom it may concern,

This letter has been sent to you pursuant to 20.6.1.3108 NMAC, Public Notice and Participation requirements.

H.R.C. Inc. with an address at P.O. Box 5102, Hobbs, NM 88241 has proposed to convert the well known as Schubert Farms #001 (API: 30-025-37548) into a brine production well. This site is located in Lea County New Mexico in Section 25, Township 19S Range 39E at Latitude: 32.6375999, Longitude: -103.0988007 which is approximately 1 mile north of Nadine Road and 1.7 miles east of NM 18.

The well will be plugged and recompleted to access salt formations at a depth of approximately 2600 feet below grade but above the oil producing zones. Recycled or fresh water will then be injected into the formation and saturated brine withdrawn through the existing wellbore. Injection and withdrawal will both equal approximately one barrel per minute.

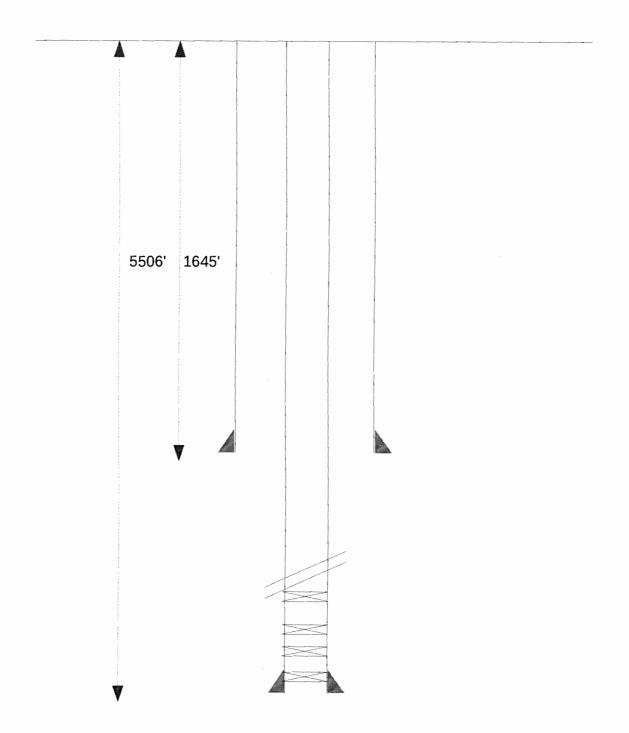
No surface water is within one mile of the site and ground water exists below fifty feet with a total dissolved solids concentration of less than 10,000 ppm.

Interested persons may obtain information, submit comments, and request to be placed on a facilityspecific mailing list for future notice by contacting the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, Attn: Jim Griswold, 1220 South St. Francis Drive, Santa Fe, NM 87505, phone (505) 476-3490

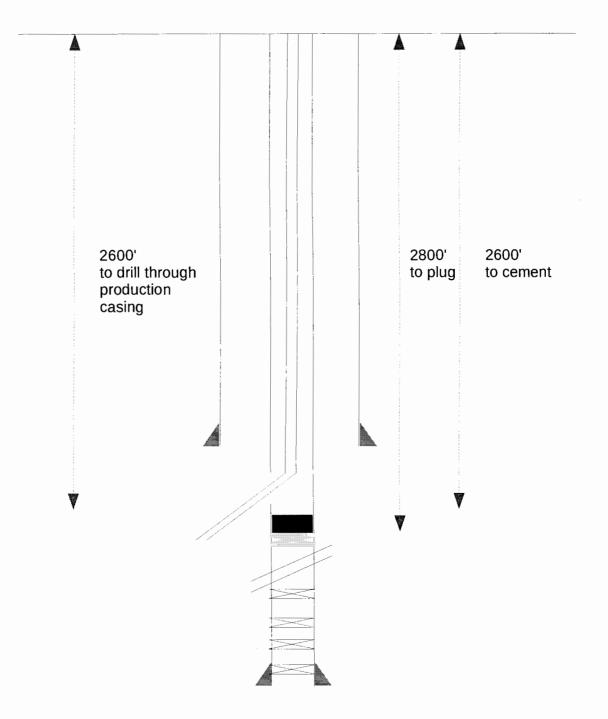
The department will accept comments and statements of interest regarding the application and will create a facility-specific mailing list for persons who wish to receive future notices.

Submit 1 Copy To Appropriate District Office	State of New Mexico	Form C-103
District I - (575) 393-6161	Energy, Minerals and Natural Resources	Revised July 18, 2013 WELL API NO.
1625 N. French Dr., Hobbs, NM 88240 District II – (575) 748-1283		30-025-37548
<u>District III</u> – (515) 748-1283 811 S. First St., Artesia, NM 88210 <u>District III</u> – (505) 334-6178	OIL CONSERVATION DIVISION 1220 South St. Francis Dr.	5. Indicate Type of Lease
1000 Rio Brazos Rd., Aztec, NM 87410		STATE FEE
<u>District IV</u> – (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM 87505	Santa Fe, NM 87505	6. State Oil & Gas Lease No. N/A
(DO NOT USE THIS FORM FOR PROPO	ICES AND REPORTS ON WELLS SALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A	7. Lease Name or Unit Agreement Name
DIFFERENT RESERVOIR. USE "APPLIC PROPOSALS.)	CATION FOR PERMIT" (FORM C-101) FOR SUCH	Schubert Farms
1. Type of Well: Oil Well	Gas Well 🛛 Other	8. Well Number 001
2. Name of Operator H.R.C. Inc.		9. OGRID Number
3. Address of Operator		10. Pool name or Wildcat
P.O. Box 5102, Hobbs, N	M 88241	NADINE; DRINKARD-ABO
4. Well Location		
Unit Letter B	330feet from the _North line and16	
Section 25	Township 19S Range 38E	NMPM County: Lea
	11. Elevation (Show whether DR, RKB, RT, GR, etc., 3575 GR	
12. Check	Appropriate Box to Indicate Nature of Notice,	Report or Other Data
	ITENTION TO: SUE	SEQUENT REPORT OF:
	PLUG AND ABANDON REMEDIAL WOR	
	CHANGE PLANS COMMENCE DR	
PULL OR ALTER CASING	MULTIPLE COMPL	ІТ ЈОВ
CLOSED-LOOP SYSTEM	oduction 🖂 OTHER:	
OTHER: Convert to brine pro	bleted operations. (Clearly state all pertinent details, ar	ad give pertinent dates including estimated date
	ork). SEE RULE 19.15.7.14 NMAC. For Multiple Co	
Plan to plug with a cast iron bridge	plug at 2800' and then cement to 2600' . Run in hole w ole and 20' outside of window into salt formation. Beg	ith directional tool to cut window in side of yin circulation and production
casing. Kun production tuoing in n	of and 20 outside of whildow into sait formation. Deg	an enculation and production.
		,
Saved Datas	Rig Balages Data	
Spud Date:	Rig Release Date:	
I hereby certify that the information	above is true and complete to the best of my knowled	ge and belief.
SIGNATURE ON 111 M	What TITLE DOEL	DATE 9/1/15
SIGNATURE CALL		DATE
Type or print name GARY	M. SCHUBERE-mail address: _garymschubert	@gmail.com PHONE: <u>575-393-666</u>
ror State Use Unly		
APPROVED BY:		DATE
Conditions of Approval (if any):		

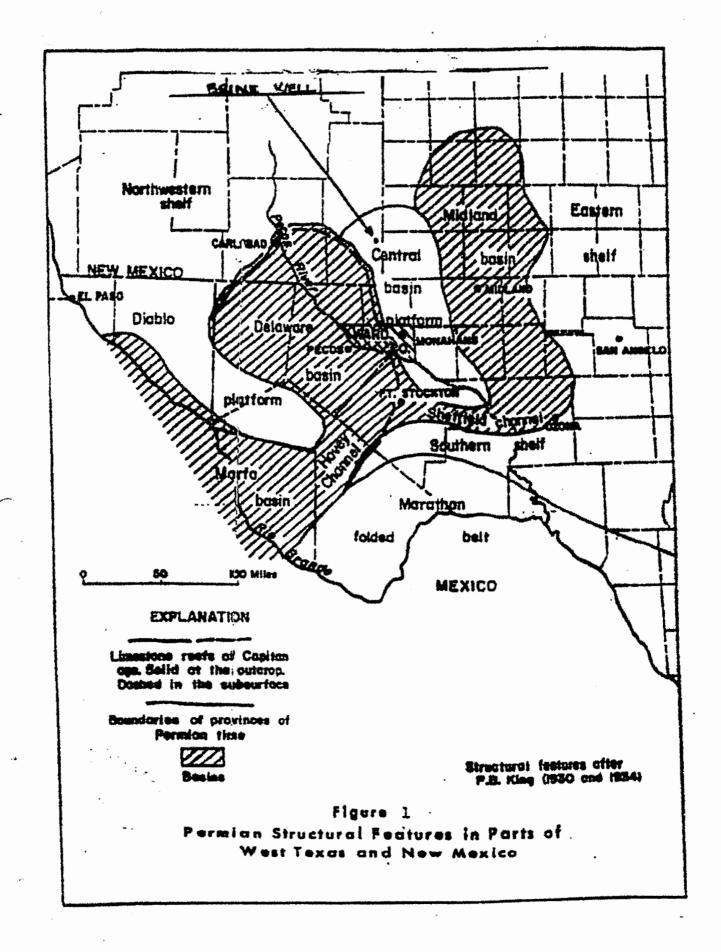
Current Configuration of Schubert Farms #001

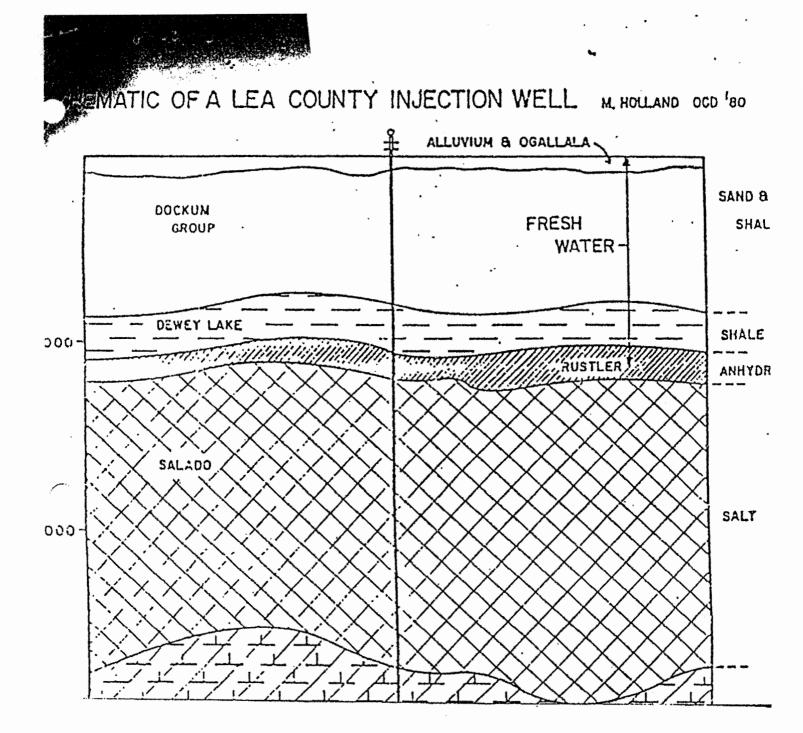


Proposed Configuration of Schubert Farms #001



TERTIARY OBALLALA OCALLALA OCALLALA OCALLALA INTRAEEOUS INTRAEEOUS INTRAE OCALLALA OCALLALA OCALLALA INTRAEEOUS INTRAE OCALLALA OCALLALA OCALLALA OCALLALA INTRAEEOUS INTRAE INTRAE OCALLALA OCALLALA OCALLALA INTRAEEOUS INTRAE INTRAE INTRAE INTRAE INTRAE INTRAEEOUS INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE INTRAE IN	P	LATFOR	RM - SHI	ELF	DE	EL	AWARE	BASIN		
NETRENARY A LANIAGE OBALLALA OBALLALA OBALLALA OBALLALA OBALLALA OBALLALA TERTIARY TERTARY IMAGE & A TANIT OBALLALA OBALLALA OBALLALA OBALLALA TERTIARY TERTARY IMAGE & A TANIT OBALLALA OBALLALA OBALLALA OBALLALA TERTIARY TERTARY IMAGE & A TANIT OBALLALA OBALLALA OBALLALA OBALLALA TERTIARY TRIASSIC DOCRUM DOCRUM IMAGE & A TANIT IMAGE & A TANIT OBALLADO TRIASSIC TRIASSIC DOCRUM DOCRUM SALADO Image & TANIT Image & DOCRUM DOCRUM TRIASSIC OCHOAN SALADO Image & TANIT Image & DOCRUM DOCRUM TRIASSIC CASTILE DOCRUM TRIASSIC IMAGE & SALADO Image & TANIT Image & TANIT Image & DOCRUM Image & DOCRUM Image & DOCRUM TRIASSIC IMAGE & SALADO Image & TANIT Image & DOCRUM	SYSTEM	SERIES	GROUP	FORMATION		T	GROUP	SERIES	SYSTEM	
NUMBER NUMBER DESCRIPTION DESCRIPTION <thdescription< th=""> <thdescr< td=""><td>NATERNARY</td><td></td><td>11000</td><td>"Bolson, Celichs & Alierlam"</td><td></td><td></td><td></td><td></td><td>QUATERNARY</td></thdescr<></thdescription<>	NATERNARY		11000	"Bolson, Celichs & Alierlam"					QUATERNARY	
TRIASSIC DOCRUM CHINE I CHINE I <thchine i<="" th=""> <th< td=""><td>TERTIARY</td><td>777777</td><td></td><td>OGALLALA</td><td>OGALLALA</td><td>Τ</td><td>- W</td><td></td><td>TERTIARY</td></th<></thchine>	TERTIARY	777777		OGALLALA	OGALLALA	Τ	- W		TERTIARY	
TRIASSIC DOCRUM DOCRUM <thdocrum< th=""> <thdocrum< th=""> <thdocrum< <="" td=""><td>RETACEOUS</td><td>(Wedge o</td><td>Shalf)</td><td></td><td></td><td>7</td><td>¥</td><td></td><td></td></thdocrum<></thdocrum<></thdocrum<>	RETACEOUS	(Wedge o	Shalf)			7	¥			
NO SALADO SALADO SALADO 1 SALADO 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 <t< td=""><td>TRIASSIC</td><td>DOGNUM</td><td>роским</td><td>2</td><td></td><td>V 816 816</td><td>Воским</td><td>роском</td><td>TRIASSIC</td></t<>	TRIASSIC	DOGNUM	роским	2		V 816 816	Воским	роском	TRIASSIC	
NO SALADO SALADO SALADO 1 SALADO 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 <t< td=""><td></td><td></td><td></td><td></td><td></td><td>JI</td><td></td><td>- WA</td><td></td></t<>						JI		- WA		
NUM SALADO Testit	<u>- N:</u>					K	541 400	¥	Manaran Malaishen an Indonesia	
NUMBER NUMBER NATES BELL CANYON NUMBER NUMBER SEVEN RIVERS BELL CANYON NUMBER SEVEN RIVERS SEVEN RIVERS CHERRY CANYON NUMBER NUMER REAL GRATOURS CHERRY CANYON NUMBER NO NO GRATOURS CHERRY CANYON NUMBER NO NO CLORETA BUSHY CANYON NUMBER NO NO FRADOCA BUSHY CANYON NUMBER NO NO BUSHY CANYON NUMBER NUMBER NO NO ADO FRADOCA NUMBER NO NO ADO NUMBER NUMER NO NO ADO NUMER NUMER NO NO ADO NUMER NUMER NO NO NO NUMER NUMER NO NO <	1	OGHOAN	SAL ADO	"Seit"	Seil 6	>		OCHOAN		
NUMBER N.D. SAN ANDRES BUSHY CANYON N.D. N.D. N.D. SAN ANDRES BUSHY CANYON N.D. N.D. N.D. GLORIETA N.D. GLORIETA N.D. N.D. N.D. GLORIETA N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. C.ISCO N.D. N.D. N.D. STRAWN N.D. N.D. N.D. N.D. STRAWN N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. N.D. <t< td=""><td></td><td></td><td>9.1</td><td>TANSILL</td><td> Lang_ Lu</td><td></td><td>**************************************</td><td></td><td></td></t<>			9.1	TANSILL	Lang_ Lu		**************************************			
NUMBER N.D. SAN ANDRES BUSAY CANYON N.D. N.D. N.D. SAN ANDRES BUSAY CANYON N.D. N.D. N.D. GLORIETA S.D. S.D. N.D. N.D. GLORIETA S.D. S.D. N.D. N.D. GLORIETA S.D. S.D. S.D. N.D. NOLF- N.D. GLORIETA S.D. S.D. N.D. NOLF- NUECO- DORINKARD N.D. N.D. NOLF- NUECO- NUECO- NUECO- NOLF- S.D. N.D. NURCLE NUECO- NUECO- NOLF- CAMP NURCLE NUECO- NUECO- NOLF- CAMP NURCLE S.D. M.D. S.D. N.D. NURCLE S.D. S.D. S.D. N.D. NURCLE S.D. S.D. M.D. NOLF- NURCLE S.D. S.D. M.D. NOLF- N		2	A BLUF		BELL CANYON	r	JNFRIN	~		
NO. GLORIETA GLORIETA GLORIETA NO. GLORIETA Subtrance Subtrance Subtrance NO. Subtrance Subtrance Subtrance Subtrance NO. Subtrance Subtra Subtra Subtr		DALUPIA	ARTES CHAL	GRAYOURG	CHERRY GANYO	MARE MO	DALUPIA	~		
N.D. GLORIETA PADOGOR UPPEN PADOGOR PADOGOR UPPEN BLINEBRY FUBB UPPEN BLINEBRY FUBB UPPEN DRINKARD FUBB UPPEN NULCO FUBB UPPEN NULCO FUBB UNGLF- NULCO FUBB WOLF- FUBB FUBB BUIMIL FUBB FUBB WOLF- FUBB FUBB SILURIAN FUBB MORROW	ERMIAN	GUA	NO.	SAN ANDRES	BUSHY CANYON	*	##730	GUA	PERMIA	
NUMBER NUMER NUMBER NUMBER NUMBER <td>· •</td> <td> </td> <td>N.D.</td> <td>GLORIETA E</td> <td>Guiall Shels</td> <td>-</td> <td></td> <td></td> <td>L</td>	· •		N.D.	GLORIETA E	Guiall Shels	-			L	
NUMBER DRINKARD DRINKARD ABD ABD ABD BULLED BULLED WOLF- GAMP WULF- WOLFCAMP WULF- CAMP WULF- WULFCAMP WULF- CAMP WOLF- GAMP WULF- WULFCAMP WULF- CAMP WULF- CAMP WULF- CAMP WIRGIL CISCO CISCO VIRGIL MUSSIS- SIPPIAN STRAWN DES ATOKA STRAWN DES ATOKA MISSIS- SIPPIAN CHESTER BULALL BULALL BULALL DEVON- IAN ND ND MISSIS- SIPPIAN MUSSIS- SIPPIAN MUSSIS- SIPPIAN DEVON- IAN ND ND DEVONIAN DEVONIAN ND SILURIAN MADARAW FUSSELMAN MADARAW SILURIAN OR DO- VICIAN UPPER ND MONTOTA MONTOTA ND OR DO- VICIAN SILURIAN SILURIAN SILURIAN MADARAW SILURIAN		NAN			CIMEIS	SONI	IINGS	VAN	•	
ABO ABO ABO ABO WOLF- CAMP WOLF- WOLFCAMP WOLF- WOLFCAMP WOLF- CAMP WOLF- CAMP WOLF- WOLFCAMP WOLF- CAMP WOLF- CAMP CISCO WOLF- CAMP WIRGIL CISCO CISCO WIRGIL CISCO CISCO WIRGIN CISCO CISCO WIRGINES STRAWN S MOINES STRAWN S MISSIS- SIPPIAN MORROW MORROW MISSIS- SIPPIAN MORROW MISSIS- CHESTER MISSIS- SIPPIAN MORROW MORROW OEVON- IAN N.D. MISSIS- CHESTER DEVON- IAN N.D. DEVONIAN N.D. DEVONIAN N.D. SILURIAN MAGARAM FUSSELMAN FUSSELMAN OR DO- VICIAN SILURIAN MIDOLE SINPSON WADDELL COMMELL JONS SINPSON		EONARI			-1419/11>			EONARD	÷	
WOLF- CAMP WUEGO WOLFCAMP WOLFCAMP WOLFCAMP WOLFCAMP VIRGIL CISCO STRAWN STRAWN CISCO VIRGIL Z MUNATION STRAWN STRA	;	7	A80	A80		0. 9	10	L,		
NUMAN VIRGIL CISCO CISCO VIRGIL NUMA MUNAN CANYON J CANYON MISSIS- OURI CANYON MISSIS- OURI NUMAN MORES STRANN J STRANN STRANN STRANN OES MOINES NUMAN ATOKA ATOKA ATOKA ATOKA ATOKA ATOKA ATOKA MORROW MORROW MORROW MORROW MORROW MORROW MISSIS- SIPPIAN CHESTER BRIANIL 3h BRIANLI 3h Relanil 3h Relanil 3h MISSIS- SIPPIAN MERAMEG N.D. MISS, LS. MISS. LS. NISSIS- SIPPIAN DEVON- IAN N.D. DEVONIAN DEVONIAN N.D. N.D. DEVON- IAN SILURIAN MAGARAN FUSSELMAN FUSSELMAN NAGARAN SILURIAN OR DO- VICIAN MIDOLE SIMPSON MCKEE MONTOYA N.D. ORDO- VICIAN	:•					WOL				
MORROW MORROW MORROW MORROW MORROW MORROW MISSIS- SIPPIAN CHESTER BUIALL 3A BUIALL 3A BUIALL 3A CHESTER MISSIS- SIPPIAN MERAMEC N.D. MISS. LS. MISS. LS. NO MERAMEC OSAGE OSAGE OSAGE OSAGE OSAGE OSAGE DEVON- IAN N.D. N.D. DEVONIAN DEVONIAN N.D. SILURIAN MAGARAW FUSSELMAN FUSSELMAN NAGARAW SILURIAN OR DO- VICIAN MIDOLE SIMPSON MORTOYA N.D. UPPER MIDOLE SIMPSON MORTOYA MORTOYA N.D. ORDO- VICIAN MIDOLE SIMPSON MORTOYA N.D. ORDO- VICIAN MIDOLE SIMPSON MORTOYA N.D. VICIAN	AN	VIRGIL	cisco	\$ CISCO			c1500	VIRGIL	AN	
MORROW MORROW MORROW MORROW MORROW MORROW MISSIS- SIPPIAN CHESTER BUIALL 3A BUIALL 3A BUIALL 3A CHESTER MISSIS- SIPPIAN MERAMEC N.D. MISS. LS. MISS. LS. NO MERAMEC OSAGE OSAGE OSAGE OSAGE OSAGE OSAGE DEVON- IAN N.D. N.D. DEVONIAN DEVONIAN N.D. SILURIAN MAGARAW FUSSELMAN FUSSELMAN NAGARAW SILURIAN OR DO- VICIAN MIDOLE SIMPSON MORTOYA N.D. UPPER MIDOLE SIMPSON MORTOYA MORTOYA N.D. ORDO- VICIAN MIDOLE SIMPSON MORTOYA N.D. ORDO- VICIAN MIDOLE SIMPSON MORTOYA N.D. VICIAN	ANI	durs-	CANYON	0 / 0	EFINE		CANYON	NISS- OURI	ANI	
MORROW MORROW MORROW MORROW MORROW MORROW MISSIS- SIPPIAN CHESTER BUIALL 3A BUIALL 3A BUIALL 3A CHESTER MISSIS- SIPPIAN MERAMEC N.D. MISS. LS. MISS. LS. NO MERAMEC OSAGE OSAGE OSAGE OSAGE OSAGE OSAGE DEVON- IAN N.D. N.D. DEVONIAN DEVONIAN N.D. SILURIAN MAGARAW FUSSELMAN FUSSELMAN NAGARAW SILURIAN OR DO- VICIAN MIDOLE SIMPSON MORTOYA N.D. UPPER MIDOLE SIMPSON MORTOYA MORTOYA N.D. ORDO- VICIAN MIDOLE SIMPSON MORTOYA N.D. ORDO- VICIAN MIDOLE SIMPSON MORTOYA N.D. VICIAN	SYLV	DES MOINES	STRAWN	NIJ JON		208 Martin ay	STRAWN		SYLV	
MORROW MORROW MORROW MORROW MISSIS- SIPPIAN CHESTER BUIALL 3A BUIALL 3A BUIALL 3A CHESTER MISSIS- SIPPIAN MERAMEC N.D. MISS. LS. MISS. LS. NORROW MISSIS- SIPPIAN OBAGE OSAGE OSAGE OSAGE OSAGE OSAGE NIDERMOOR DEVON- IAN N.D. N.D. DEVONIAN DEVONIAN N.D. N.D. SILURIAN MAGARAW FUSSELMAN FUSSELMAN NAGARAM SILURIAN OR DO- VICIAN MIDOLE SIMPSON MORTOYA N.D. UPPER MIDOLE SIMPSON MORTOYA MONTOYA N.D. ORDO- VICIAN MIDOLE SIMPSON MADELL ORDO- VICIAN	ENN	ATOKA	ATOKA				ATOXA	ATOKA	ENN	
MISSIS- SIPPIAN MERAMEC N.D. MISS, LS. MISS. LS. MO MERAMEC MISSIS- SIPPIAN OSAGE WOODTON SAGE WOODTON SAGE WISSIS- SIPPIAN OSAGE OSAGE OSAGE WISSIS- SIPPIAN OSAGE WISSIS- SIPPIAN OSAGE WISSIS- SIPPIAN OSAGE WISSIS- SIPPIAN OSAGE	۵.						MORROW		<u>م</u>	
OSAGE OSAGE WORTHOON Percha Worthord Sh. DEVON- MINDERNOON IAN N.D. DEVONIAN DEVONIAN N.D. SILURIAN MAGARAN FUSSELMAN PUSSELMAN N.D. OR DO- VICIAN WOOLE SIMPSON MONTOYA N.D. UPPER NICHELL OR DO- VICIAN MINDLE SIMPSON MONTOYA N.D. OR DO- VICIAN							 NO.	1		
DEVON- IAN N.D. DEVONIAN DEVONIAN DEVONIAN N.D. N.D. DEVON- IAN SILURIAN MAGARAN FUSSELMAN FUSSELMAN MUSSELMAN MAGARAN SILURIAN OR DO- VICIAN UPPER N.D. MONTOYA M.D. MAGARAN SILURIAN NOR DO- VICIAN MIODLE SINPSON MADELL MADOELL SINPSON ORDO- VICIAN				Wandford at				OSAGE		
IAN N.D. N.D. N.D. IAN SILURIAN MAGARAN FUSSELMAN FUSSELMAN NAGARAN SILURIAN ORDO- UPPER N.D. MONTOYA MONTOYA N.D. UPPER VICIAN MIDDLE SIMPSON WADDELL MADDELL SIMPSON MIDDLE VICIAN MIDDLE SIMPSON WADDELL SIMPSON MIDDLE VICIAN		Concernor	rareka	TOOTION SA.	weestard Sh.		Percha	TINDEAHOOR		
ORDO- VICIAN MIDDLE SIMPSON MADDELL MADDELL SIMPSON MIDDLE VICIAN		N.Q	N.D.	DEVONIAN	DEVONIAN		N.D.	N.O.	1	
ORDO- VICIAN MIDDLE SINPSON MADDELL MADDELL SIMPSON MIDDLE VIGIAN GONNELL GONNELL JOINS JOINS	SILURIAN	MAGARAN	FUS	SELMAN	russ	SEL	NAN	MAGARAN	SILURIAN	
VICIAN MIDDLE SIMPSON WADDELL WADDELL SIMPSON MIDDLE VIGIAN GONNELL GONNELL JOINS JOINS	ORDO-	UPPER	N.D.				Na	UPPER	ORDO-	
		MIDDLE	SINPSON	WADDELL	WADDELL		SIMPSON	MIDDLE	1	
LOWER ELLENBURGER ELLENBURGER LOWER		LOWER	EL		and the second sec	URG	ER	LOWER	-	





. N

Submit to Appropriate District Office	Ener	Sta gy, Minerals	ate of New and Natura		-	nent			Form C-105 Revised 1-1-89
State Lease - 6 copies Fee Lease - 5 copies DISTRICT I	OI	L CONSI	ERVAT	ION	DIVISI		ELL API NO		
P.O. Box 1980, Hobbs, N	M 88240		P.O. Box				30 025 5. Indicate Ty		
DISTRICT II P.O. Drawer DD, Artesia,	NM 88210	Santa Fe, I	New Mex	ico 87:	504-2088	L		STA	
DISTRICT III 1000 Rio Brazos Rd., Azi	ec, NM 87410					1	5. State Oil &	Gas Lease No	
WELL CO	MPLETION OR R	ECOMPLET	TION REF	PORT A	ND LOG				
Ia. Type of Well: OIL WELL X	GAS WELL		OTHER				7. Lease Nam	e or Unit Agre	ement Name
OIL WELL			OTHER				Nađir	ne "25"	
b. Type of Completion:									
WELL X OVER	DEEPEN BAC						8. Well No.		· · · · · · · · · · · · · · · · · · ·
	Reserves Oi	1 Compa	ny Inc				1		
3. Address of Operator							9. Pool name	or Wildcat	
P. O. Bo	x 993, Midl	and, Tx	79702				Nadir	e Drin	kard_Abo
	<u>K : 1980</u> Fe	et From The	SOUTH		Line and	1000	Foot F	rom The Tat	est Line
Unit Letter	<u></u>	er From The	SOUT	·		1980	reet P		
Section 25	To To	waship 19	south	Range	38 eas	t. NN	IPM Le	a	County
	1. Date T.D. Reached	12. Date Con	npl. (Ready s	o Prod.)			& RKB, RT, G	R, etc.) 1	4. Elev. Casinghead
2-24-91	4-01-91 16. Plug Back T.D.	5-20	-91 7. If Multiple	Correl		597'			3581 '
15. Total Depth 9850	7671	· ·	Many Zon		10 10	. Intervals Drilled By	X		
19. Producing Interval(s),		Bottom, Name			I			20. Was Direct	tional Survey Made
7062-7070	(Drinkard),	7324-7	<u>636 (A</u>	bo)				Yes	
21. Type Electric and Othe							22. Was W	ell Cored	
Litho Dens	ity/Neutron						L No		
	the second s	ASING RE							
CASING SIZE	WEIGHT LB/FT.		I SET		LE SIZE		MENTING R	ECORD	AMOUNT PULLED
<u>13 3/8</u> 8 5/8	54.50	445		17	•		_sks 10_sks_	· · · · · · · · · · · · · · · · · · ·	0
5 1/2	17 & 15.5				7/8	1 1	= I: 42		0
					.,		001 @ 6		•
		UTD DECOT					<u>11:7</u>		
24. SIZE		NER RECOR	SACKS CE	MENT	SCREEN	25.	SIZE	BING REC	
			SACKS CE	11111	JCREAT	2	7/8	7663	NA
26. Perforation recon	•				the second s				T, SQUEEZE, ETC.
	, 0.4", 9 h				DEPTH IN				15% HC1
/324-/636	5, 0.4", 89	noles			7062 - 7		,	.	15%_HC1
28. Date First Production	Dender	tion Method (F	PRODU			De Dumai		Well Stat	us (Prod. or Shut-in)
5-21-91		ng - 1%				pe pany)		PROD	
Date of Test 5-26-91	Hours Tested	Choke Size	Prod'a Fo Test Peri	or (Dil - Bbl. 33	Gas - M		Water - Bbl. 20	Gas - Oil Ratio 1879:1
Flow Tubing Press.	Casing Pressure	Calculated 24- Hour Rate	Oil - Bbl		Gas - MCF		ater - Bbl.		rity - API - (Corr.)
NA .	22 PSI	33		62	:	20		.2 @ 60 DEG F	
29. Disposition of Gas (So PRESENTLY VE	id, used for fuel, vented, NTED. WILL BI	e SOLD TO	PHILLI	PS 66				Vitnessed By RY GUY	
30. List Attachments DEVIATION SU	RVEY, OPEN HO	LE LOGS,	BOTTOM	HOLE	PRESSURE	BUILD	UP		
31. I hereby certify that								ledge and bel	lief
1									

i

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run 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, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, 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. Anhy $_1045$ T	. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt1758 T	. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
		T. Pictured Cliffs	
T. Yates 2890 T	. Miss	T. Cliff House	T. Leadville
T. 7 Rivers T	. Devonian	T. Menefee	T. Madison
T. Queen T		T. Point Lookout	T. Elbert
T. Grayburg T	. Montoya	T. Mancos	T. McCracken
T. San Andres 4358 T	Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta <u>5572</u> T	. McKee 9800	Base Greenhorn	
T. Paddock T	. Ellenburger	T. Dakota	Т
T. Blinebry T	. Gr. Wash	T. Morrison	Т
T. Tubb <u>6566</u> T	. Delaware Sand	T. Todilto	
T. Drinkard 6712 T	. Bone Springs	T. Entrada	
		T. Wingate	
T. Wolfcamp T		T. Chinle	
		T. Permain	
T. Cisco (Bough C) T		T. Penn "A"	
	OIL OR GAS SA	NDS OR ZONES	

No. 1, fromto	No. 3, fromto							
	No. 4, fromtoto							
INDODIANIT WATER CANDO								

IMPORTANT WATER SANDS . . .

include data on rate of	of water inflow and elevation to which water ros	e in hole.	
No. 1, from	to	feet	
		•••••••••••••••••••••••••••••••••••••••	• • • • • • • • • • • • • • • • • • •

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	То	Thickness in Feet	Lithology	From	То	Thickness in Feet	Lithology
1645 2890 4358 5572 6566 6712 7160	4358 5572 6566 6712	1645 1245 1468 1214 995 146 448 2640	Surf rock, red beds Anhydrite, salt Sandstone, anhy, dol Limestone, dol Dol, Trs SS & Cht Dol, Trs SS Dol, LS Dol, LS, Sh Sandstone				Recard
							OCU OCU HOSES OCTOR

Flow Tubing Press 750 29. Disposition of Gas (Sold - Dynegy Mi 30. List Attachments Deviation Report 31. I hereby certify that	Sold. used for dstream Se s , Electric k	ervices ogs		form is true and co	mplete to the l	best of my	knowledge	Roy F	tnessed By Peugh	
750 29. Disposition of Gas (Sold - Dynegy Mi 30. List Attachments	Sold. used for dstream Se	ervices	etc.)							
750 29. Disposition of Gas (Sold - Dynegy M	Sold. used for		etc.)							
750 29. Disposition of Gas (Sold. used for		etc.)	·····						
750										
•		2	Hour Rate	102		898		12		46.8
06/17/00	Casing Pr		28 Calculated 24)2 Is - MCF	898 Wate	r - BbL.	12 Oil Gravity	- API - (Corr.)
Date of Test	Hours Tes	sted	Choke Size	Prod'n For Test Period	Oil - BbL		Gas - MC		Vater - BbL.	Gas - Oil Ratio
Date First Production 06/15/00		Prod Flowing	uction Method (Flowing, gas lift, pu	mping - Size a	and type p	ump)		Well Statu	is (Prod. or Shut-ii Prod
28.				PRODUCT						
										XE w/ 20% Dies
7268' - 7501' - se Total 48 holes - (TH INTE 7268-75				ATERIAL USED FE - Breakdowr
26. Perforation record	•		ber)							SQUEEZE, E
								27/8	7250	7250
SIZE	ТОР		BOTTOM	SACKS CEME	NT SCI	REEN		SIZE	DEPTH SE	
24.		11	NER RECC	DRD			25.	ווד	BING RECO	
			_							
5 1/2		17	7	900	7 7/8		10	610 sx class	s "h"	
8 5/8		24		643	12 1/4			25 sx class	_	
CASING SIZE	WEIG	HT LB/FT.	DEPT	HSET	HOLE SIZ	E	CEN	ENTING RE	ECORD	AMOUNT PULL
23.		C	ASING R	ECORD (R	eport all s	strings	set in w	/ell)	· · · · · · · · · · · · · · · · · · ·	
DLL & CNL w/ Li	ho Density								No)
21. Type Electric and O								22. Was Wel	Cored	
7268' - 7501' - A	•	eavir- rup. E	Nation, None					4		ional Survey Made Yes
7900 19. Producing Interval(s	of this come!	7863			' N/A					ional Survey Made
15. Total Depth	16. P	lug Back T.D.		17. If Multiple Cor Many Zones?		ntervals rilled By	Rotary Tools		able Tools	
04/11/00	04/24/0	00	06/1	5/00		358 1 G	R			3581
10. Date Spudded	11. Date T.D.	Reached	12. Date C	ompl. (Ready to Pr	·			RKB. RT. GR.	etc.) 14.	Elev. Casinghead
Section	24	Тс	wnship	19S Ran	ge 31	8E	NMPI	v		Lea Cour
Unar Letter	·	P	Section The		Lin			, cerri		
	J:	1650	eet From The	South	Lin	e and	2310	Feet Fr	om The	East
4. Well Location		AGO (3/UC	, 						Urin	kard flb
3. Address of Operator P.O. Box 7606, N	lidland To	vas 70700	4				ļ	°ool name or \ ∕ildcat - Abc	- Ling	aine or
Trilogy Operating	Inc					<u> </u>	1)		
2. Name of Operator								Vell No.		
WELL OVER	DEEPEI	N BA	СК 🗌 🛛 R							
NEW MORK	_		ue pu	IFF			E	merald		
b. Type of Completion:	GA					ا ماند با است.				
1a. Type of Well: OIL WELL							7.	Lease Name o	r Unit Agreemer	nt Name
WELL CO	OMPLETIC	ON OR RE	COMPLET	TION REPOR	T AND LO	G	<u></u>		é de la composition de	5 d
1000 Rio Brazos Rd, A	ztec, NM 8741	0	· ·			<u></u>	N			
DISTRICT III							6.	State Oil & O	Gas Lease No.	
DISTRICT II P.O. Drawer DD, Artesi	a, NM 88210				A 87505		5.	Indicate Type	e of Lease STATE	E FEE
P.O. Box 1980, Hobbs,	NM 88240			40 Pacheco		300	- 30	-025-3426	-	1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.
Fee Lease - 5 copies DISTRICT I			CONS	ERVATIO			WE	LL API NO.		
State Lease - 6 copies		Ener	gy, Minerals	and Natural Re	sources De	epartmer	nt			Revised 1-1-89
Submit to Appropriate District Office		5		itate of New Me						Form C-105 Revised 1-1-89

Submit to Appropriate District Office Stat / ease - 6 copies		Ε	inerg		ate of New Ind Natural			artment	-			Form (Revise	C-105 ed 1-1-89
Fee Lease - 5 copies <u>DISTRICT I</u> P.O. Box 1980, Hobbs, N	M 88240	(OIL	CONSI			DIVIS	SION		LL API NO.			
DISTRICT II					40 Pachec nta Fe.		37505		5.1	ndicate Typ		[]	N N
P.O. Drawer DD, Artesia,	NM 88210			04	na ro,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,						FEE 🛛
DISTRICT III 1000 Rio Brazos Rd, Azt	tec, NM 8741	0							N/	A	Gas Lease 1		
WELL CO	MPLETIC	ON OR	REC	OMPLET	ON REPO	ORT AN	ND LOG	; ;		a in public fifth	and the formation	K hesh	
1a. Type of Well: OIL WELL	GAS	SWELL			OTHER				7.1	ease Name	or Unit Agree	ment Nam	e
b. Type of Completion:	0,1	5 11222							٦_				
		N 🗌	PLUG BACK		SVR OTH	ER				nerald			
2. Name of Operator										Vell No.			
Trilogy Operating, 3. Address of Operator	Inc								2	Pool name of	Mildeat	-	
P.O. Box 7606 , M	idland Te	xas 7	9708								kard - Abo)	
4. Well Location													
Unit Letter	0 :	400	Fee	t From The _	Sou	th	Line	and2	310	Feet f	rom The	Ea	st Line
Section	24		Town	iship 1	95	Range	38	Ę	NMP	N		Lea	County
10. Date Spudded	11. Date T.D.	Reache	юd		mpl. (Ready t	o Prod.)	13	. Elevations	(DF &	RKB. RT. GF	etc.)	14. Elev	Casinghead
11/11/00	11/23/	3/00 12/15/00 3580 GR											3581
15. Total Depth 7950	16. P	lug Back 7	(T.D. 7863		17. If Multiple Many Zor		ow N/A	18. Interv Drilled		Rotary Too	k K	Cable To	pols
9. Producing Interval(s), of this completion - Top, Bottom, Name												rectional	Survey Made
7290' - 7536'												Yes	
21. Type Electric and Oth DLL & CNL w/ Lit	-									22. Was We	Il Cored	No	
23,			CAS	SING RE	CORD	(Repor	rt all st	rings set	t in w	vell)			
CASING SIZE	WEIG	HT LB		1	H SET		LE SIZE				ECORD	AN	OUNT PULLED
8 5/8		24			'00		12 1/4			00 sx clas			
5 1/2		17		79	44		7 7/8		1	800 sx clas	ss "h"		
				<u> </u>									
24.			LINE	R RECO	RD	4			25.	TI	JBING RE	CORD)
SIZE	тор		BC	MOTTOM	SACKS CE	MENT	SCR	EEN		SIZE	DEPTH	I SET	PACKER SET
										27/8	72	50	7250
26. Perforation record	(interval ci	70. 200	numbe	.r)					TER				
7290' - 7536' - sel	•			, ,				HINTERVA	_				JEEZE, ETC.
Total 113 holes -								290'-7536					Breakdown
										18,00	0 gals 20%	6 SXE W	// 20% Diesel
					00001	07101				L			
28. Date First Production		1 I		ion Method (F	PRODU			d type pump	}		Well S	•	od. or Shut-in) Prod
12/15/00 Date of Test	Hours Te	Flow	<u> </u>	Choke Size	Prod'n F	or	Oil - BbL	G	as - MC	CF	Water - BbL		Gas - Oil Ratio
12/23/00	:	24		40	Test Per	iod	557	<u> </u>	880		10		1580
Flow Tubing Press. 500	Casing P	ressure D		Calculated 24 Hour Rate	Oil - Bb			- мсғ 880	Wate	r - BbL. 10	Qil Gra	wity - API	- (Corr.) 38.9
29. Disposition of Gas (S Sold - Dynegy Mit				.)							vitnessed By s Edgett		
30. List Attachments	_												
Deviation Reports 31. I hereby certify that			on both	sides of this	form is true an	d complet	te to the be	est of my kno	wiedge	and belief			
Un.	Ne had	2	m	man	Printed M	lichael (G. Moon	ev		. Consul	ting Engine	- 196	ate 12/24/00
Signature	pung	20	\neq	vivi	Name		. 1410011	.,	T/			D	ate
7			,	,									6

Test Lesse: Status OIL CONSERVATION DIVISION WELL API NO 30.225.35448 70. Box 1900, Hobbs, NB 8210 Santa Fe, NM 87505 Sinta Fe, NM 87505 Sinta Fe, NM 87505 70. Diver Voltage Santa Fe, NM 87505 Sinta Fe, NM 87505 Sinta Fe, Sinta Fe, NM 87505 70. Diver Voltage Adde, MA 8740 State OR & Santa Fe, NM 87505 Sinta Fe, NM 87505 70. Diver Voltage Grade State State OR & Santa Fe, NM 87505 Sinta Fe, NM 8710 Sinta Fe, NM 8710 Well CoMPLETION OR RECOMPLETION REPORT AND LOG 1a. Type of Completion: Order State Order State St	Submit to Appropriate District Office State Lease - 6 copies		Energ	_ Sta inerals an	te of New Id Natural			artme	nt	••				C-105 ed 1-1-89
BARDELIZ Santa Fe, NM 87505 5. Indicisi type of Leases - rec X BETRICT III State 76, NM 87400 E. State 07 8 Gases A, Atabe, NM 87410 E. State 07 8 Gases No. WELL COMPLETION OR RECOMPLETION REPORT AND LOG Precision 10, 2000 00 mixes Precision 10, 2000 00 mixes Enternal Internet Well Gases Network Precision 10, 2000 00 mixes Precision 10, 2000 00 mixes Enternal Network Operator State 07 8 Gases Network D. Post State 07 8 Gases Network Name Operator State 07 8 Gases Network D. Post State 07 8 Gases Network D. Post State 07 8 Gases Network D. Post State 07 8 Gases Network Undue tater	Fee Lease - 5 copies DISTRICT I	M 88240	OIL				DIVIS	5101				}		
Country Construction Image: Construction	DISTRICT II						87505		Ţ	5. Indica	te Type		 	
1000 Bit Stress Rd, Adas, MB 9740 WELL COMPLETION OR RECOMPLETION REPORT AND LOG 1. Leven Mane or Unit Agreement Name COMPLETION OR RECOMPLETION REPORT AND LOG The gree diverging on the second of		NM 88210		C L III		••••	0.000		H	6 State				FEE 👗
In Type of Competition: Ott Wet! QL Wet! DRY OTHER The of Competition: New of Competition: New of Competition: DRY DRY Ott Wet: Emerald New of Competition: New of Competition: 3 Emerald Emerald New of Competition: 3 P.O. Box 7606, Micliand, Texas 79708 3. New New of Competition: 3. New New Of Competition: P.O. Box 7606, Micliand, Texas 79708 110 Date Specified 11. Date 10. Resourced 19. Resnow of Competition: 14. Elsex Leag County 10. Date Specified 11. Date 10. Resourced 19. Dots Specified 13. Elsewation: 07. Rev. RP., RP., Rev., PT. CR., etc.) 14. Elsex. Castinghead 0.004 Specified 11. Date 10. Resourced 11. Date 10. Resourced 11. Date 10. Resourced 11. Date 10. Resourced 12. Date County 13. Elsewation: 07. Rev., RT., CR., etc.) 14. Elsex. Castinghead 0.004 Specified 11. Date 10. Resourced Units Log Resourced Vision Rev NA 13. Elsewation: 14. Elsex. Castinghead 0.015 State 11. Rev To Resourced Vision Rev NA 13. Elsewation: NA 20. Wes Directional Survey Made 0.02680: 7005: 01. Rev Trev <td></td> <td>ec, NM 87410</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>U. SLAID</td> <td></td> <td>as Lease r</td> <td>NO.</td> <td></td>		ec, NM 87410								U. SLAID		as Lease r	NO .	
Ia. Type & Wet: of L. Wet: OL Wet: Days of Completion: MALL & Work: Days of Completion: Thogy Operating, Inc. 3. Summary of Days of Completion: Thogy Operating, Inc. 3. Summary of Days of Completion: Thogy Operating, Inc. 3. Summary of Days of Completion: 1. Summary of Comple	WELL CO	MPLETION O	R REC	OMPLETIC	ON REPO	DRTA	ND LOO	3		1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -		يع بجان ديني م		
NEX. VOXX DEF Def OTHER Emeral Emeral 1. Non 40 Operators 1. Word 40 Operators 1. Word 40 Operators 1. Word 40 Operators 1. Pool name or Wildoxt 1. Pool name or Wildoxt 1. Address of Operator 1. Pool name or Wildoxt 1. Pool name or Wildoxt Nadne: Drinkard Abo 1. Word 40 Operator 1. Address of Operator 1. Status 1. Pool name or Wildoxt Nadne: Drinkard Abo 1. Word Kottin 10. Date Spudded 11. Date T.D. Reached 2. Date Compl. (Pheng to Prod.) 3. Bernstown Leas County 10. Date Spudded 11. Date T.D. Reached 12. Date Compl. (Pheng to Prod.) 3. Bernstown Not All Interview Cable Tools 3. Status 8. Producting Interview, of the to completion and production of the Pug Back T.D. 17. If Wildige Compl. Phany Tools Cable Tools 3. Status Yes 9. Once and the togs Run 20. Was Directional Survey Made 7950 Made Yes Yes 9. Type Electric and Other Logs Run 20. Was Directional Survey Made Yes Yes Yes Yes 9. CASING RECORD 2. The Word Cored	1a. Type of Well: OIL WELL	GAS WELL			THER									ne
WELL KQL WERE DEEPAN	b. Type of Completion:								1	Emera	ld			
ThOgy Operating, Inc. 3 Advens of Operator 9. Pointame or Wildoit P. D. Box 7608, Midland , Texas 78708 Nadine: Drinkard-Abo Well Leatur 1 2310 Four From The South Unit Letter 1 2310 Four From The South Like and 90 10. Date Spudded 11. Date T.D. Reached 12. Date Compt. (Ready to Proc.) 3380 Four From The Cash Tools 30. Total Datio 90. TD: 8000 75. Four Dation Four From The Cash Tools 30. Total Datio 90. TD: 90. TO: 80.00 3580 Cash Tools 30.000 97.500 11. Mater 20.000 10. Environt Tools Gash Tools 9. Producing Intervention 70.50 14. Eleviront Cash Tools 70.000 11. Step Eleviro and Other Longe Run 20. Was Directional Survey Made Yes Yes 31. L, CNL w/ With D Ensity Add Eleviro Mol Coved No No 32. CASING RECORD 77.78 1940 sxr C & H ⁺⁻ 0 0 51/2 17 80000 77.78 1940 sxr C & K H ⁺⁻ 0	WELL OVER	DEEPEN []	PLUG BACK		VR 🗌 отн	er						•		
A Advess of Openaior P. Pol. Box 7606 , Midland , Texas 75708 P. O. Box 7606 , Midland , Texas 75708 P. O. Box 7606 , Midland , Texas 75708 Nachine : Drinkard-Abo Virel Leation Unal Letter 1 :	•								- I ·		0.			
UN Lester	3. Address of Operator			ame or V	Viidcat									
Unil Letter 2310 Feet From The South Line and 990 Feet From The East Line Section 24 Township 19S Range 38E NatFat Lea County 10. Date 5D. Reached 12. Date County 132. Elevations (DF & EVER, R7, GR, etc.) 14. Elev. Casinghead 35807 5 10. Date 7D. Reached 04/05/01 35807 GR 25807 5 14. Elev. Casinghead 35807 5 7 6 6 35807 GR 35807 GR 35807 5 7 6 7 17. If Matghe Compt. Prov. Math Zoone? N/A 18 Intervals Placetry Travels 2 2 2 2 2 2 2 2 0	•	dland , Texas 79	708							Nadine	: Drinl	kard-Abo		
Section 24 Township 19S Range 38E NANPM Lea County 10. Date Spedded 11. Date T.D. Reached 12. Date Compl. (Reacy to Proc.) 13. Elevrations (DF & RV2), RT, GR, etc.) 14. Elev. Castinghead 3580' 5. Total Depth 16. Phys Base T.D. 76 (FMultiple Compl. From 3580' 15. Castinghead 3580' 8. Total Depth 16. Phys Base T.D. 7950 17. If Multiple Compl. From 18. Intervant Castin Tools 3580' 9. Producing Interval(s), of this completion - Top, Bottom, Name 20. Was Directional Survey Made Yes Yes 9. Producing Interval(s), of this completion - Top, Bottom, Name 20. Was Directional Survey Made Yes 9. Producing Interval(s), of this completion - Top, Bottom, Name 20. Was Directional Survey Made Yes 9. Producing Interval(s), of this completion - Top, Saton Name 20. Was Directional Survey Made Yes 11. Type Elevric and Other Logs Run DLL , CNL w/ (Itho Density 22. Was Well Cond No 22. Was Well Cond 0 CASING RECORD 24 1703 12 1/4 750 ax 'C' - circulafted 0 0 0 0 0 0 0<	4. Well Location													*****
ID. Date Spudied 11. Date TD. Reached 12. Date Compl. (Ready to Prod.) Use: Marking the Prod. Use: Marking the Prod	Unit Letter	l : 2310) Feel	t From The	Sout	th	Line	and	990) 	Feel Fr	om The	E	ast Line
03/12/01 03/25/01 04/05/01 3580* - GR 3580* - GR 5. Total Depth 16. Plug Back T.D. 7950 17. If Multiple Compl. How Many Zoney? 16. Intervals, Rolary Tools Cable Tools 9. Podde: rotes 7950 79.50 17. If Multiple Compl. How Many Zoney? 16. Intervals, Rolary Tools Cable Tools 9. Podde: rotes 79.50 79.50 17. If Multiple Compl. How Many Zoney? 16. Intervals, Rolary Tools Cable Tools 9. Podde: rotes 70.65 Drinkard J, 73.41* - 75.42* Abo 20. Was Directional Survey Made Yes Yes 1. Type Electric and Other Logs Run DLL, CNL w/ liftho Density Z. Was Weil Cond No 3. CASING RECORD (Report all strings set in well) Casino Size Amount Pulled CASING Size WEIGHT LB/FT. DEPTH SET Hole Size CEMENTING RECORD Amount Pulled 8. 5/8 24 1703 12.1/4 750 sx "C" - circulated 0 4. LINER RECORD 25. TUBING RECORD No 5. Size TOP BOTTOM SACKS CEMENT SCREEN Size DEPTH SET PACKER SET 5. Size TOP BOTTOM SACKS CEMENT SCREEN Size DEPTH SET PACKER SET 5. Size TOP BOTTOM	Section	24	Town	ship 19	s i	Range	38	E		APM			Le	B County
8000 7950 Many Zones? N/A Diled By 9. Producing Interval(s), of this completion - Top, Bottom, Name 20. Was Directional Survey Made 9. Producing Interval(s), of this completion - Top, Bottom, Name 20. Was Directional Survey Made 9. Producing Interval(s), of this completion - Top, Bottom, Name 22. Was Directional Survey Made 9. Producing Interval(s), of this completion - Top, Bottom, Name 22. Was Directional Survey Made 9. Producing Interval(s), of this completion - Top, Bottom, Name 22. Was Directional Survey Made 9. Producing Interval(s), of this completion - Top, Bottom, Name 22. Was Directional Survey Made 9. Producing Interval(s), of this completion - Top, Bottom, Name 22. Was Well Corod 10. CASING SIZE DEPTH SET HOLE SIZE 0 24 1703 12 1/4 750 Str. 12 1/4 750 sx "C" - dirculated 0 5 1/2 17 8000 7 7/8 1940 sx "C & H" 0 4. LINER RECORD 25. TUBING RECORD Sc. TUBING RECORD SIZE TOP BOTTOM SACKS CEMENT SCREEN SIZE DEPTH SET PACKER SET 58. Perforation record (interval, size, and number) 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. 6968'- 7065' 3000 gals 20% NFEF & 20,000 gals SXE 7341' - 7542' <td>•</td> <td></td> <td>bd</td> <td colspan="6"></td> <td>& RKB, I</td> <td>RT, GR,</td> <td>etc.)</td> <td>14. Elev</td> <td>-</td>	•		bd							& RKB, I	RT, GR,	etc.)	14. Elev	-
	15. Total Depth 8000	-								Rota	ry Tools	•	Cable T	ools
6968' - 7065' Drinkard, 7341' - 7542' Abo Yes 1'. Type Electric and Other Logs Run 22. Was Well Corod DLL, CNL w/ litho Density No 3' CASING RECORD (Report all strings set in well) CASING SIZE WEIGHT LB/FT. 0 5.78 24 1703 12 17 8.578 24 12 17 8.000 7.78 1940 sx "C & H" 0 - - 4. LINER RECORD 25. TUBING RECORD SIZE TOP BOTTOM SACKS CEMENT SCREEN SIZE 12 17 8.000 7.78 127. 7600 None 27.78 5.765' - 127 holes , 0.42" 7341' - 7542' - 136 holes , 0.42" 7565' - 127								1			-12	Was Din	ectional	Survey Made
DLL, CNL w/ litho Density No 3. CASING RECORD (Report all strings set in well) CASING SIZE WEIGHT LB/FT. DEPTH SET HOLE SIZE CEMENTING RECORD AMOUNT PULLED 8 5/8 24 1703 12 1/4 750 sx °C ° circulated 0 5 1/2 17 8000 7 /8 1940 sx °C & H* 0 4. LINER RECORD 25. TUBING RECORD size TOP BOTTOM SACKS CEMENT SCREEN Size DEPTH SET PACKER SET 9698'-7065' 127 /16 7600 None None SCREENT, SCREEN SIZE DEPTH SET PACKER SET 6968'-7065' 127 holes, 0.42" Choine S.0.42" Zr. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. 6968'-7065' 3000 gats 20% NEFE & 20,000 gats SXE 7341'- 7542' 136 holes, 0.42" Production Method (Prowing, gas RL, pumping': Size and type pump) Well Status (Prod. or Shut-In) Odd/Sto1 Production Method (Prowing, gas RL, pumping': Size and type pump) Well Status (Prod. or Shut-In) Odd/Sto1 Production Method (Prowing, gas RL, pumping': Size and type pump) Well Status (Prod. or Shut-In) Odd/Sto1 </td <td>• •</td> <td>•</td> <td>• •</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	• •	•	• •											
CASING RECORD (Report all strings set in well) CASING SIZE WEIGHT LB/FT DEPTH SET HOLE SIZE CEMENTING RECORD AMOUNT PULLED 85/8 24 1703 12 1/4 750 sx "C" - circulated 0 51/2 17 8000 7 7/8 1940 sx "C & H" 0 4. LINER RECORD 25. TUBING RECORD 1 4. LINER RECORD 25. TUBING RECORD SIZE TOP BOTTOM SACKS CEMENT SCREEN SIZE DEPTH SET PACKER SET SIZE TOP BOTTOM SACKS CEMENT SCREEN SIZE DEPTH SET PACKER SET SIZE TOP BOTTOM SACKS CEMENT SCREEN SIZE DEPTH SET PACKER SET SIZE TOP BOTTOM SACKS CEMENT SCREEN SIZE DEPTH SET PACKER SET SIZE TOP BOTTOM SACKS CEMENT SCREEN SIZE DEPTH SET PACKER SET SIZE TOP BOTTOM SACKS CEMENT SCREEN SIZE DEPTH SET PACKER SET <t< td=""><td></td><td>•</td><td></td><td></td><td>22. W</td><td>as Well</td><td></td><td>No</td><td></td></t<>		•			22. W	as Well		No						
CASING SIZE WEIGHT LB/FT. DEPTH SET HOLE SIZE CEMENTING RECORD AMOUNT PULLED 8 5/8 24 1703 12 1/4 750 sx "C" - circulated 0 5 1/2 17 8000 7 7/8 1940 sx "C & H" 0 5 1/2 17 8000 7 7/8 1940 sx "C & H" 0 4. LINER RECORD 25. TUBING RECORD 1 1 4. LINER RECORD 25. TUBING RECORD 1 1 5.06 TOP BOTTOM SACKS CEMENT SCREEN SIZE DEPTH SET PACKER SET 6968' - 7065' 127 holes , 0.42" 27.8 7600 None 7341' - 7542' 136 holes , 0.42" 27.4CID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 6968'-7065' 3000 gals 20% NEFE & 20,000 gals SXE 7341''- 7542'' 3500 gals 20% NEFE & 20,000 gals SXE 7341'' - 7542'' 3500 gals 20% NEFE & 18,000 gals SXE 7341'' - 7542'' 3500 gals 20% NEFE & 18,000 gals SXE 127 x 20'' RHBC N/A 127 x 20'' RHBC 128 and type p	23.		CAS	SING RE	CORD	Repo	ort all st	rinas	set in	weil)				
8 5/8 24 1703 12 1/4 750 sx *C" - circulated 0 5 1/2 17 8000 7.78 1940 sx *C & H" 0 4. LINER RECORD 25. TUBING RECORD												CORD		
4. LINER RECORD 25. TUBING RECORD SIZE TOP BOTTOM SACKS CEMENT SCREEN SIZE DEPTH SET PACKER SET 96. Perforation record (interval, size, and number) 27.68 7600 None 95. Perforation record (interval, size, and number) 27.4CID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. 10.000 DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 9668' - 7065' - 127 holes , 0.42" DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 7341' - 7542' - 136 holes , 0.42" DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 9668'-7065' 3000 gals 20% NEFE & 20,000 gals SXE 7341' - 7542' 35000 gals 20% NEFE & 18,000 gals SXE 7341' - 7542' 136 holes , 0.42" PRODUCTION Production Method (Powing, gas III, pumping - Size and type pump) Weil Status (Prod. or Shut-in) 04/05/01 Pumping - 2 1/2' x 1 1/2' x 20' RHBC Gas - MCF Water - BbL Gas - OI Ratio 06/21/01 24 N/A Test Previod 85 396 14 4659 10. Using Press. Casing Pressure Calculated 24 - Cil - BbL Gas - MCF Water - BbL Gas - OI Ratio 10. Using Press.														
SIZE TOP BOTTOM SACKS CEMENT SCREEN SIZE DEPTH SET PACKER SET 27/8 7600 None 6968' - 7065' - 127 holes , 0.42" 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 6968'-7065' 3500 gals 20% NEFE & 18,000 gals SXE 7341' - 7542' 3500 gals 20% NEFE & 18,000 gals SXE 7341' - 7542' -136 holes , 0.42" Production Method (Fiowing, gas M, pumping - Size and type pump) Well Status (Prod. or Shut-in) Pumping - 2 1/2' x 1 1/2' x 20' RHBC Gas - MCF Water - BbL Gas - Oil Ratio 06/21/01 24 N/A Prod Pasiod 85 396 14 42.2 29. Disposition of Gas (Sold, used for floal, venised, etc.)	5 1/2	17		800	0		7 7 <i>1</i> 8			1940 :	sx "C &	H"		0
SIZE TOP BOTTOM SACKS CEMENT SCREEN SIZE DEPTH SET PACKER SET 27/8 7600 None 6968' - 7065' - 127 holes , 0.42" 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 6968'-7065' 3500 gals 20% NEFE & 20,000 gals SXE 7341' - 7542' 3500 gals 20% NEFE & 18,000 gals SXE 7341' - 7542' -136 holes , 0.42" Production Production Method (Fiowing, gas M, pumping - Size and type pump) Well Status (Prod. or Shut-in) Pumping - 2 1/2' x 1 1/2' x 20' RHBC Production Production Production 04/05/01 Pumping - 2 1/2' x 1 1/2' x 20' RHBC Gas - MCF Water - BbL Gas - Oil Ratio 06/21/01 24 N/A <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>·</td><td></td><td></td><td></td><td></td><td></td></t<>									·					
SIZE TOP BOTTOM SACKS CEMENT SCREEN SIZE DEPTH SET PACKER SET 27/8 7600 None 6968' -7065' - 127 holes , 0.42" DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 6968'-7065' 3000 gals 20% NEFE & 20,000 gals SXE 6968'-7065' 7341' - 7542' -136 holes , 0.42" DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 8. PRODUCTION Production Method (Flowing, gas #R, pumping - Size and type pump) Well Status (Prod. or Shut-in) Pumping - 2 1/2' x 1 1/2' x 20' RHBC Prod n For Cil - BbL Gas - MCF 04/05/01 Pumping - 2 1/2' x 1 1/2' x 20' RHBC Gas - MCF Water - BbL Gil Gravity - API - (Carr.) N/A 35 N/A Prod n For												<u></u>		
27/8 7600 None 25. Perforation record (interval, size, and number) 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. 6968' - 7065' - 127 holes, 0.42" 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. 7341' - 7542' - 136 holes, 0.42" 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. 7341' - 7542' - 136 holes, 0.42" 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. 06968'-7065' 3000 gals 20% NEFE & 20,000 gals SXE 7341' - 7542' 3500 gals 20% NEFE & 18,000 gals SXE 7341' - 7542' 3500 gals 20% NEFE & 18,000 gals SXE 7341' - 7542' 3500 gals 20% NEFE & 18,000 gals SXE 7341' - 7542' 3500 gals 20% NEFE & 18,000 gals SXE 7341' - 7542' 3500 gals 20% NEFE & 18,000 gals SXE 7341' - 7542' 3500 gals 20% NEFE & 18,000 gals SXE 7341' - 7542' 3500 gals 20% NEFE & 18,000 gals SXE 7341' - 7542' 1/2" X 20' RHBC Date of Test Hours Tested Choke Size 06/21/01 24 N/A 735 Yat Period 85 7396 14 42.2 72 State of the form faste 85 7396 14 42.2 720	24.		LINE						25.		TUI	BING RE	COR)
x8. Perforation record (interval, size, and number) 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. 6968' - 7065' - 127 holes, 0.42" 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. 7341' - 7542' - 136 holes, 0.42" DepTH INTERVAL AMOUNT AND KIND MATERIAL USED 6968'-7065' - 3000 gals 20% NEFFE & 20,000 gals SXE 6968'-7065' 3000 gals 20% NEFFE & 20,000 gals SXE 7341' - 7542' - 136 holes, 0.42" Production Method (Flowing, gas III, pumping - Size and type pump) Weil Status (Prod. or Shut-in) Pate First Production Production Method (Flowing, gas III, pumping - Size and type pump) Weil Status (Prod. or Shut-in) Date of Test Hours Tested Choles Size Profin For Oil - BbL Gas - MCF Water - BbL Gas - Oil Ratio 06/21/01 24 N/A Test Period 85 396 14 4659 Flow Tubing Press. Casing Pressure Calculated 24- Oil - BbL Ges - MCF Water - BbL Oil Gravity - API - (Corr.) A2.2 Sold - Dynegey 35 396 14 42.2 2 2 2 90. List Attachments Logs , deviation surveys , C-104 31. (hereby certify that the information shown on both sides of this form is true and complete to the best of my know	SIZE	TOP	BO	TTOM S	SACKS CE	MENT	SCR	EEN				DEPTH SET		PACKER SET
Before interval Control interval Contreation interval <td></td> <td></td> <td> </td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>2 7/8</td> <td>1</td> <td>760</td> <td>00</td> <td>None</td>										2 7/8	1	760	00	None
Before interval Control interval Contreation interval <td>26. Perforation record (</td> <td>interval size and</td> <td>number</td> <td>.<u></u>1. 1</td> <td></td> <td>l</td> <td></td> <td></td> <td></td> <td>DACT</td> <td></td> <td>CEMEN</td> <td></td> <td></td>	26. Perforation record (interval size and	number	. <u></u> 1. 1		l				DACT		CEMEN		
7341' - 7542' - 136 holes , 0.42" 6968'-7065' 3000 gals 20% NEFE & 20,000 gals SXE 7341' - 7542' 3500 gals 20% NEFE & 18,000 gals SXE 7341' - 7542' 7341' - 7542' 7341' - 7542' 8. PRODUCTION Odd colspan="2">Well Status (Prod. or Shut-In) 04/05/01 Production Method (Flowing, gas IR, pumping - Size and type pump) Well Status (Prod. or Shut-In) Production Method (Flowing, gas IR, pumping - Size and type pump) Well Status (Prod. or Shut-In) Prod. Date of Test 04/05/01 Prod Choke Size Proof For Oil - BbL. Oil Ratio 06/21/01 24 N/A N/A Gas: MCF Water - BbL. Oil Gravity - API - (Corr.) N/A 35 396 14 42.2 Sold - Dynegey Oil position surveys , C-104 <td></td> <td></td> <td></td> <td>,</td> <td></td>				,										
PRODUCTION Odd 05/01 Production Method (Flowing, gas IB, pumping - Size and type pump) Well Status (Prod. or Shut-in) Od/05/01 Pumping - 2 1/2" x 1 1/2" x 20' RHBC Prod. Date of Test Hours Tested Choice Size Prod n For O6/21/01 24 N/A Test Period 85 O6/21/01 24 N/A Test Period 85 Prow Tubing Press. Casing Pressure Calculated 24- Oil - BbL. Ges - MCF N/A 35 Hour Rate 85 396 14 4659 29. Disposition of Gas (Sold, used for fuel, vented, etc.) Test Witnessed By MeNin Harper 30. List Attachments Logs , deviation surveys , C-104 51 form is true and complete to the best of my knowledge and ballef	70441 75401 400									30	00 gals	20% NE	FE & 2	0,000 gals SXE
Date First Production Production Method (Flowing, gas HI, pumping - Size and type pump) Well Status (Prod. or Shut-in) Prod. 04/05/01 Pumping - 2 1/2" x 1 1/2" x 20' RHBC Prod. Prod. Date of Test Hours Tested Choice Size Prodin For Cil - BbL. Gas - MCF Water - BbL. Gas - Oil Ratio 06/21/01 24 N/A Test Period 85 396 14 4659 Flow Tubing Press. Casing Pressure Calculated 24- Oil - BbL. Gas - MCF Water - BbL. Oil Gravity - API - (Corr.) N/A 35 Hour Rate 85 396 14 42.2 29. Disposition of Gas (Sold, used for fuel, vented, etc.) Test Witnessed By Sold - Dynegey Melvin Harper 30. List Attachments Logs , deviation surveys , C-104 31. I hereby certily that the information shown on both sides of this form is true and complete to the best of my knowledge and ballef	7341 - 7342 - 130	5 noies , 0.42					73	41'-7	542'	35	00 gals	20% NE	FE & 1	8,000 gals SXE
Date First Production Production Method (Flowing, gas HI, pumping - Size and type pump) Well Status (Prod. or Shut-in) Prod. 04/05/01 Pumping - 2 1/2" x 1 1/2" x 20' RHBC Prod Date of Test Hours Tested Choice Size Prod 06/21/01 24 N/A Test Period 85 396 14 4659 Flow Tubing Press. Casing Pressure Calculated 24- Oil - BbL. Gas - MCF Water - BbL. Oil Gravity - API - (Corr.) N/A 35 Hour Rate 85 396 14 42.2 29. Disposition of Gas (Sold, used for fuel, vented, etc.) Test Witnessed By Sold - Dynegey Melvin Harper 30. List Attachments Logs , deviation surveys , C-104 31. I hereby certily that the information shown on both sides of this form is true and complete to the best of my knowledge and bellef	28.	<u> </u>		0							• • • • •			-
Date of Test Hours Tested Choice Size Proof n For Test Period Cil - BbL. Ges - MCF Water - BbL. Ges - Oil Ratio 06/21/01 24 N/A Test Period 85 396 14 4659 Flow Tubing Press. Casing Pressure Calculated 24- Hour Rate Oil - BbL. Ges - MCF Water - BbL. Oil Gravity - API - (Corr.) N/A 35 Hour Rate 85 396 14 42.2 42.2 29. Disposition of Ges (Sold, used for fuel, vented, etc.) Test Witnessed By Sold - Dynegey Melvin Harper 30. List Attachments Logs , deviation surveys , C-104 31. I hereby certily that the information shown on both sides of this form is true and complete to the best of my knowledge and ballef	Date First Production	Pum		on Method (Flor	wing, gas lift,	pumpin		d type p	ump)			Well S		
Coll (101) 24 14/2 Flow Tubing Press. Calculated 24 Oil - Bibl. Ges - MCF Water - Bibl. Oil Gravity - API - (Corr.) N/A 35 Hour Rate 85 396 14 42.2 29. Disposition of Gas (Sold, used for fuel, vented, etc.) Test Witnessed By 42.2 Sold - Dynegey Melvin Harper 30. List Attachments Logs , deviation surveys , C-104 31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and bellef	Date of Test	Hours Tested		hoke Size	Prod'n Fo	x		 1			W			Gas - Oil Ratio
14/A 35 35 390 14 42.2 29. Disposition of Gas (Sold, used for fuel, vented, etc.) Test Witnessed By Melvin Harper Sold - Dynegey Melvin Harper 30. List Attachments Logs , deviation surveys , C-104 31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and bellef	Flow Tubing Press.	Casing Pressure		Calculated 24-	Cii - Bbl	-		- MCF		ater - Bbl			vity - API	
Sold - Dynegey Melvin Harper 30. List Attachments Logs , deviation surveys , C-104 31. 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					85	5		396				<u> </u>		42.2
Logs, deviation surveys, C-104 31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and ballef		dia, used for fuel, ve	1789CI, OİC.) 								•		
31. I hereby certily that the information shown on both sides of this form is true and complete to the best of my knowledge and belief	30. List Attachments													
			on both	sides of this for	m is true and	i compie	te to the b	est of m	r knowled	lge and b	ellef			<u></u>
Signeture UV from 1 1 V 1000 Name Michael G. Mooney The Engineer Date 06/23/01										-				
	Signature ///	mm J	rvj0	m	Name Mi	cnael (J. MOON	ey			gineer		D	u6/23/01
	/		1	/										a

5 1-89 FEE
<u></u>
<u> </u>
····
Line
County
singhead 585
vey Made
NT PULLED
0
ACKER SET
none
EZE, ETC.
USED
USED E E
USED E
USED E E
USED E E 2 - 20% or Shut-in)
USED E E a - 20% or Shut-in)
USED E E 21 - 20% ar Shut-in) - Cil Rutio
USED E E ar Shut-in) - Cil Ratio 2442
USED E E ar Shut-in) CR Ratio 2442 prr.)

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific 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, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, 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. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"	
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"	
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"	
T. Yates	T. Atoka 2827.0 T. Miss	T. Cliff House	T. Leadville	
T. 7 Rivers	3058.0 T. Devonian	T. Menefee	T. Madison	
T. Queen	<u>3784.0</u> T. Silurian	T. Point Lookout	T. Elbert	
T. Grayburg	<u>4008.0</u> T. Montoya	T. Mancos	T. McCracken	
T. San Andres	4330.0 T. Simpson	T. Gallup	T. Ignacio Otzte	
T. Glorieta	<u>5577.0</u> T. McKee	Base Greenhorn	T. Granite	
T. Paddock	5880.0 T. Ellenburger	T. Dakota	Т.	
T. Blinebry	6046.0 T. Gr. Wash	T. Morrison	Т.	
T. Tubb	6578.0 T. Delaware Sand 6650.0 T. Bone Springs	T. Todiłto	Т.	
T. Drinkard	6650.0 T. Bone Springs	T. Entrada	Т.	
T. Abo	7184.0 T.	T. Wingate	T	
T. Wolfcamp	T	T. Chinle	Т.	
T. Penn	Т	T. Permain	Т.	
T. Cisco (Bough C) _	Т	T. Penn. "A"	Т	
	OIL OR GAS	SANDS OR ZONES		
No. 1, from 6850	to 7067		to 4550	
No. 2, from 7296	to 7564	No. 4, from	to	
		ANT WATER SANDS		
Include data on rate	e of water inflow and elevatio			
	to			
No. 2, from	to	feet		
No. 3, from	to	feet		

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	То	Thickness in Feet	Lithology	From	То	Thickness in Feet	Lithology
0.0	2827.0	2827.0	Salt & anhydrite				
2828.0	6650.0	3822.0	sand & dolomite				
6651.0	7800.0	1149.0	Dolomite & Limestone				
						1	
					1		

tate Lease - 6 copies ee Lease - 5 copies	t Office	Ene	State of New Mexico Energy, Minerals and Natural Resources					Form C-105 Revised March 25, 1999			
District I 625 N. French Dr., Hobbs, NM	M 88240					WEL	L API I			FF(0	
<u>District II</u> 301 W. Grand Avenue, Artesi	ia, NM 88210		Oil Conserv			5 Inc	dicate T	<u>- 30 -</u> Type of Le	025-3	5568	
District III 000 Rio Brazos Rd., Aztec, N	IM 87410		1220 South				STAT	E	FEE	X	
District IV 220 S. St. Francis Dr., Santa I			Santa Fe,	NM 8750)5	State	Oil & (Gas Lease	No.		
WELL COMPI	LETION	OR RECO	MPLETION R	EPORT A	ND LOG						
a. Type of Well:			OTHER			7. Leas	se Name	or Unit Agr	ernent Na	me	
b. Typc of Completion: NEW 🖾 WORK WELL OVER	DEEPE	EN 🗌 PLUG BACE		OTHER		Sa	apphi	re			
. Name of Operator			<u> </u>			8. Wel	1 No.				
Trilogy Operation	ating,	Inc.				· ·	1				
. Address of Operator								Wildcat			
P.O. Box 760	6, Midl	Land, TX	79708			Nac	dine:	Drin	kard-	Abo	
Well Location	0-23	0 Fect From	n The_ North_		Line and	620-16	50 Fee	t From The	Eas	tLine	
<u> </u>			19-South					Lea		County	
Section 24 0. Date Spudded 11. Da	ate T.D. Read	ched 12. D	ate Compl. (Ready to	o Prod.)	13. Elevations (DF& RKB,	RT, GR,	ctc.)	14. Elev. (Casinghead	
6/14/01 7					35831	–GR			35	831	
	16. Plug Bac	ck T.D.	17. If Multiple Com		18. Interv	als Rotar	y Tools		Cable T	ools	
80001	7650	0'	Zoncs? N/	Α	Drilled B	У	X				
9. Producing Interval(s), o	of this comple	ction - Top, Bot	tom, Name				20	0. Was Dire	ctional Su	rvey Made	
7298' - 760								Yes	3		
21. Type Electric and Othe						22. W	as Weil				
DLL, CNL w/	litho	Density						No			
23.			CASING RE			strings se	t in w	ell)			
CASING SIZE		IT LB./FT.	DEPTH SET		HOLE SIZE			RECORD		NOUNT PULLED	
<u>8 5/8</u> 5 1/2	<u>23</u> 17		8000		12 1/4			<u>c "C' (</u> c C & F		0	
	l						00		1		
	L		LDED DECOD			126	T		COPD		
14		BOTTOM	LINER RECOR		REEN	25. SIZE	1	UBING RE DEPTH S		PACKER SET	
24. SIZE TOP			Diterio et			2 7/	8	7600		None	
SIZE TOP		BOILOM						1 (202			
SIZE TOP						1					
	nterval, size.				ACID, SHOT	, FRACTU	RE, CE	MENT, SC			
SIZE TOP	nterval, size.				ACID, SHOT	, FRACTU	RE, CE	MENT, SC	ATERIA		
SIZE TOP	-	and number)	0.42"	DE		, FRACTU	RE, CE DUNT AI	MENT, SC	ATERIA		
26. Perforation record (in	-	and number)	0.42"	DE 72	PTH INTERVAL 98-7515	, FRACTU	RE, CE DUNT AI	MENT, SO	ATERIA		
26. Perforation record (ii 72981 - 751 28	15' - 8'	and number) 9 1 2 2 9 7 holes,		PRODU	PTH INTERVAL 98-7515 UCTION	FRACTU AMC	RE, CE DUNT AI	MENT, SO ND KIND M 2011 1s 2016	NEFE		
26. Perforation record (in 72981 - 751 28. Date First Production	15' - 8'	and number) 7 holes, Production Met	hod (Flowing, gas lif	PRODU	PTH INTERVAL 98-7515 UCTION	p) We	RE, CE DUNT AI DO ga	MENT, SQ ND KIND N S ST 1 s 20%	NEFE		
26. Perforation record (in 72981 - 751 28 Date First Production 8/30/01	15' - 8'	and number) 7 holes, Production Met Flowing	hod <i>(Flowing, gas lif</i>	PRODU	PTH INTERVAL 98-7515 UCTION ize and type pumj	p) We	RE, CE DUNT AI DO ga DO ga ell Status	MENT, SC ND KIND M 1s 20% (Prod. or Si cing	NEFE	L USED	
SIZE TOP 26. Perforation record (in 72981 - 751 28 Date First Production 8/30/01 Date of Test Hour	15' 8'	and number) 7 holes, Production Met Flowing Choke Size	hod <i>(Flowing, gas lif</i>	PRODU	PTH INTERVAI 98-7515 UCTION ize and type pumj - Bbl	p) We Gas - MCI	RE, CE DUNT AI DO ga DO ga ell Status	MENT, SC ND KIND M 1s 20% (Prod. or Si cing Water - F	NEFE	L USED	
SIZE TOP 26. Perforation record (in 72981 - 751 28 Date First Production 8/30/01 Date of Test Hour 8/30/01	151 - 81 rs Tested 24	and number) 7 holes, 7 holes, Production Met Flowing Choke Size 20	hod <i>(Flowing, gas lif</i> Prod'n For Test Period	PRODU	PTH INTERVAI 98-7515 UCTION ize and type pumj 1- Bbl 60	, FRACTU , FRACTU , 500 , 5	RE, CE DUNT AI DO ga SII Status Produ	MENT, SC ND KIND M 1s 20% (Prod. or Si cing Water - F 20	NEFE	Gas - Oil Ratio 6833	
SIZE TOP 26. Perforation record (in 72981 - 751 28 Date First Production 8/30/01 Date of Test Hour 8/30/01	15' 8'	and number) 7 holes, Production Met Flowing Choke Size	hod <i>(Flowing, gas lif</i> Prod'n For Test Period	PRODU	PTH INTERVAI 98-7515 UCTION ize and type pumj - Bbl	p) We Gas - MCI	RE, CE DUNT AI DO ga SII Status Produ	MENT, SC ND KIND M 1s 20% (Prod. or Si cing Water - F 20	NEFE	L USED	
SIZE TOP 26. Perforation record (in 72981 - 751 28 Date First Production 8/30/01 Date of Test Hour 8/30/01 Flow Tubing Casin	151 - 81 rs Tested 24	and number) 7 holes, 7 holes, Production Met Flowing Choke Size 20 Calculated	hod <i>(Flowing, gas lif</i> Prod'n For Test Period	PRODU	PTH INTERVAI 98-7515 UCTION ize and type pumj 1- Bbl 60	, FRACTU , FRACTU , 500 , 5	RE, CE DUNT AI DO ga SII Status Produ	MENT, SC ND KIND M 1s 20% (Prod. or Si cing Water - F 20	ATERIA NEFE hut-in) 3bl. Gravity - A	Gas - Oil Ratio 6833 API - (Corr.)	
SIZE TOP 26. Perforation record (in 72981 - 751 28 Date First Production 8/30/01 Date of Test Hour 8/30/01 Flow Tubing Casir Press.	15' - 8' rs Tested 24 ng Pressure 400	and number) 7 holes, 7 holes, Production Met Flowing Choke Size 20 Calculated Hour Rate	hod (Flowing, gas lif Prod'n For Test Period 24- Oil - Bbl. 60	PRODU	PTH INTERVAI 98-7515 UCTION ize and type pumj 1- Bbl 60 Gas - MCF	, FRACTU , FRACTU , 500 , 5	RE, CE DUNT AI D ga ill Status ² rodu F Bbl.	MENT, SC ND KIND M Soft 1s 20% (Prod. or Si cing Water - F 20 Oil f	ATERIA NEFE hut-in) Bbl. Gravity - A 42 sscd By	Gas - Oil Ratio 6833 API - (Corr.)	
SIZE TOP 26. Perforation record (in 72981 - 751 28 Date First Production 8/30/01 Date of Test Hour 8/30/01 Flow Tubing Casir Press. 200 29. Disposition of Gas (So Sold - Dynes	15' - 8' rs Tested 24 ng Pressure 400	and number) 7 holes, 7 holes, Production Met Flowing Choke Size 20 Calculated Hour Rate	hod (Flowing, gas lif Prod'n For Test Period 24- Oil - Bbl. 60	PRODU	PTH INTERVAI 98-7515 UCTION ize and type pumj 1- Bbl 60 Gas - MCF	, FRACTU , FRACTU , 500 , 5	RE, CE DUNT AI D ga ill Status ² rodu F Bbl.	MENT, SC ND KIND M Seff 1s 20% (Prod. or Si cing Water - F 20 Oil	ATERIA NEFE hut-in) Bbl. Gravity - A 42 sscd By	Gas - Oil Ratio 6833 API - (Corr.)	
SIZE TOP 26. Perforation record (in 72981 - 751 28 Date First Production 8/30/01 Date of Test Hour 8/30/01 Casin Press. 200 29. Disposition of Gas (So Sold - Dynes 30. List Attachments	15' - 8' rs Tested 24 ng Pressure 400 old, used for J	and number) 7 holes, 7 holes, Production Met Flowing Choke Size 20 Calculated Hour Rate 5 fuel, vented, etc.	hod (Flowing, gas lif Prod'n For Test Period 24- Oil - Bbl. 60	PRODU	PTH INTERVAI 98-7515 UCTION ize and type pumj 1- Bbl 60 Gas - MCF	, FRACTU , FRACTU , 500 , 5	RE, CE DUNT AI D ga ill Status ² rodu F Bbl.	MENT, SC ND KIND M Soft 1s 20% (Prod. or Si cing Water - F 20 Oil f	ATERIA NEFE hut-in) Bbl. Gravity - A 42 sscd By	Gas - Oil Ratio 6833 API - (Corr.)	
SIZE TOP SIZE TOP 26. Perforation record (in 72981 - 751 28 Date First Production 8/30/01 Date of Test Hour 8/30/01 Flow Tubing Casir Press. 200 29. Disposition of Gas (So Sold - Dynes 30. List Attachments	15 ¹ - 8 ¹ rs Tested 24 ng Pressure 400 old. used for f	and number) 7 holes, 7 holes, 8 holes, 7 holes, 8 h	hod (Flowing, gas lif Prod'n For Test Period 24- Oil - Bbl. 60	PRODU (7, pumping - Si 0il	PTH INTERVAI 98-7515 UCTION ize and type pump 1 - Bbl 60 Gas - MCF 410	p) We Gas - MCI 2410 Water -	RE, CE DUNT AI DO ga IO ga II Status ^o rodu F Bbl. 20	MENT, SC ND KIND M Soft Is 20% (Prod. or Si cing Water - F 20 Oil (Doil (Test Witne Melvi	NEFE hut-in) Bbl. Gravity - A 42 sseed By n Har	Gas - Oil Ratio 6833 API - (Corr.)	
SIZE TOP 26. Perforation record (in 72981 - 751 28 Date First Production 8/30/01 Date of Test Hour 8/30/01 Casin Press. 200 29. Disposition of Gas (So Sold - Dynes 30. List Attachments	15 ¹ - 8 ¹ rs Tested 24 ng Pressure 400 old. used for f	and number) 7 holes, 7 holes, 8 holes, 7 holes, 8 h	hod (Flowing, gas life Prod'n For Test Period 24- Oil - Bbl. 60)	PRODU (7, pumping - Si 0il	PTH INTERVAI 98-7515 UCTION ize and type pump 1 - Bbl 60 Gas - MCF 410	p) We Gas - MCI 2410 Water -	RE, CE DUNT AI DO ga IO ga II Status ^o rodu F Bbl. 20	MENT, SC ND KIND M Soft Is 20% (Prod. or Si cing Water - F 20 Oil (Doil (Test Witne Melvi	NEFE hut-in) Bbl. Gravity - A 42 sseed By n Har	Gas - Oil Ratio 6833 API - (Corr.)	
SIZE TOP SIZE TOP 26. Perforation record (in 72981 - 751 28 Date First Production 8/30/01 Date of Test Hour 8/30/01 Flow Tubing Casir Press. 200 29. Disposition of Gas (So Sold - Dynes 30. List Attachments	15 ¹ - 8 ¹ rs Tested 24 ng Pressure 400 old. used for f	and number) 7 holes, 7 holes, 8 holes, 7 holes, 8 h	hod (Flowing, gas lif Prod'n For Test Period 24- Oil - Bbl. 60	T2 72 PRODU (1, pumping - Si 0(1)	PTH INTERVAI 98-7515 UCTION ize and type pump 1 - Bbl 60 Gas - MCF 410	p) We Gas - MCI 2410 Water -	RE, CE DUNT AI 10 ga 30 ga 31 Status 20 7 rodu 5 Bbl. 20	MENT, SC ND KIND M Seff 1s 20% (Prod. or St cing Water - F 20 Oil Oil Test Witne Melvi	NEFE hut-in) Bbl. Gravity - A 42 sseed By n Har	Gas - Oil Ratio 6833 API - (Corr.)	

lo Appropriate Office .ease - 6 copies .ease - 5 copies	State of New Mexico Energy, Minerals and Natural Resources Departmen										C-105 ed 1-1-89
<u>dICT </u> Box 1980, Hobbs, I	NM 88240	Oli	CONSE	RVATIO	ON DIV	ISION		ELL API NO			
RICT II				0 Pacheco					pe of Lease		
Drawer DD, Artesia	, NM 88210		San	ta Fe, NI	M 87505	,			-		FEE 🗙
TRICT III 10 Rio Brazos Rd, Az	tec, NM 8741	0									
	MPLETIC	ON OR RE	COMPLETIC	ON REPOR	RT AND L	OG					
A. Type of Well: OIL WELL	GAS	S WELL		OTHER			7.	Lease Name	e or Unit Agre	ement Nam	16
NEW WORK WELL OVER	Deere		JG DIFF CX C RES	VR 🗌 OTHER			R	uby			
. Name of Operator								Well No.			
Trilogy Operating, I Address of Operator	nc			· <u> </u>			2	Pool name o	r \Afildeat		
P.O. Box 7606, Mil	dland. Texa	is 79708							inkard-Abo	C	
I. Well Location Unit Letter	<u>к</u> :		eet From The		L		1650	Feet	From The _	We	
Section	24		wnship 19	-	nge	38	NMP			Lea	
10. Date Spudded 03/04/02	11. Date T.D. 03/31/0		12. Date Com 04/11/	ipl. (Ready to P) 02	rod.)	13. Elevati 3587 GI	•	RKB, RT, G	R, 04C.)	14. Elev	. Casinghead 3587
5. Total Depth 7800	16. P	lug Back T.D. 7150		7. If Multiple Co Many Zones			ntervals rilled By	Rotary To	×	Cable To	polis
9. Producing Interval(s), 7080'-7092', 709	•	•							20. Was D	irectional Yes	Survey Made
1. Type Electric and Oth		104-7140	Dilikard		<u></u>			22. Was W			
DLL, FMI, CNL	_									Yes	
3.		C/	ASING REC	CORD (R	eport all	strings	set in v	vell)			
CASING SIZE 8 5/8	WEIG	HT LB/FT. 24	DEPTH 172	the second s	HOLE SI	the second se	and the second se	MENTING 1	the second s	AN	OUNT PULLE
5 1/2		17	780		7 7/8			sx Class			0
4.		LI	VER RECOR	D			25.	Τ	UBING R	FCORD	
SIZE	TOP			SACKS CEME	NT SC	REEN		SIZE	DEPT		PACKER SE
								2 3/8	71	45	N/A
6. Perforation record	(internal cit							ACTUD	E CENE		L JEEZE, ETC
7428' - 7585' - At	•					PTH INTE		the second s	E, CEMEI		
7080' - 7140' - Dr			es			7428-75	85	/	9000 gals :	20% NE	E - PPI
						7080' - 7	140'		3 4000 ga		
			Ď	RODUCT				1 00,0		9 T 00,0	99 gals Xlink
Date First Production 04/11/02		Produ Flowing	iction Method (Fib			and type p	ump)		₩ell :		od. or Shut-In) rod
Date of Test 06/24/02	Hours Tes	ted 4	Choke Size 40/64	Prod'n For Test Period	Oil - Bl	ы. 22	Gas - M 150		Water - BbL. 40		3as - Oil Ratio 68545
Flow Tubing Press.	Casing Pro	essure	Calculated 24- Hour Rate	Oil - BbL.		as - MCF		ər-BbL.		avity - API	(Corr.)
250 29. Disposition of Gas (S	60 Sold, used for			22		1508		40 Test \	Witnessed By		10.2
Sold - Dynegy 30. List Atlachments									ny Money		
Logs, Deviation S	urvey, C-10)4									
31. I hereby certify that t			oth sides of this for	m is true and co	omplete to the	best of my	knowledge	and belief			
Signature M	HU	lon	1	Printed Mich	ael G. Mo	oney	π	e Engine	er	D	ute06/27/02
/	/		/								

A

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific 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, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, 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. Anhy	ТТ	Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	Τ	. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	ТТ	. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	2820.0 T	. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	3050.0 T	. Devonian	T. Menefee	T. Madison
T. Queen	ΤΤ	. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	Τ	. Montoya	T. Mancos	T. McCracken
T. San Andres	4310.0 T	. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	5564.0 T	. McKee	Base Greenhorn	T. Granite
T. Paddock	Т	. Ellenburger	T. Dakota	Т
T. Blinebry	6058.0 T	. Gr. Wash	T. Morrison	Т
T. Tubb	6575.0 T	. Delaware Sand	T. Todilto T. Entrada	Т
T. Drinkard	6951.0 T	. Bone Springs	T. Entrada	Т
T. Abo	7194.0 T		T. Wingate	Т
T. Wolfcamp	Т		T. Chinle	Т.
T. Penn	T		T. Permain	Т
T. Cisco (Bough C)	ΤΤ	•	T. Penn. "A"	Т
		OIL OR GAS SAN		
No. 1, from 7428	te	0 7585	No. 3, from	to
No. 2, from 7080	te te	0 7140	No. 3, from No. 4, from	to
		IMPORTANT	WATER SANDS	
Include data on rate	e of wate	er inflow and elevation to	which water rose in hole.	
No. 1, from		to	feet	
			feet	
No. 3, from		to	feet	
			ach additional aboat if page	

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	То	Thickness in Feet	Lithology	From	То	Thickness in Feet	Lithology
0.0	1655.0	1655.0	Redbed , anhydrite				
1656.0	2820.0	1164.0	Salt, anhydrite				
2821.0	3050.0	179.0	Sand, anhydrite	1			
3051.0	6575.0	3524.0	sand & dolomite				9329
6576.0	7800.0	1224.0	Dolomite & Limestone	1		1 (***) 1 (**)	1, 120
							1
					1	ting 🔺	13.5
			}		1		·
			j l				
							1

Submit to Ap, "opriate District Office State Lease - 6 copies	Fn		ate of New Mexico nd Natural Resou		nt			Form C Revise	-105 d 1-1-89
ee Lease - 5 copies				-		ELL API NO.			
<u>DISTRICT I</u> P.O. Box 1980, Hobbs, N	M 88240 O		RVATION	DIVISION		0-025-3590			
DISTRICT II P.O. Drawer DD, Artesia,	NM 88210		0 Pacheco St. nta Fe, NM	87505	5.	Indicate Typ	e of Lease STA	TE	
DISTRICT III 000 Rio Brazos Rd, Azte	ec, NM 87410					State Oil & (Gas Lease No	D.	
WELL CO	MPLETION OR	RECOMPLETI	ON REPORT A	ND LOG					
la. Type of Well:					7.	Lease Name	or Unit Agreem	ent Name)
OIL WELL OIL WELL OIL WELL OIL WELL OIL WELL OIL OIL OIL OIL OIL OIL OIL OIL OIL O	GAS WELL		other		Т	opaz			
WELL OVER		BACK RE							
. Name of Operator Trilogy Operating, In					8.	Well No.			
Address of Operator		·····			· · · ·		Motor		
P.O. Box 7606 , Mic	lland Texas 7970	8			A	ladine : Blin	ebry	-	
I. Well Location									
Unit Letter	C : 400	Feet From The	North	Line and	2050	Feet F	rom The	We	St Line
Section	25	Township 1	9S Range	38E	NMF	м		Lea	County
	1. Date T.D. Reached		mpl. (Ready to Prod.)			 RKB, RT, GR	, etc.)		Casinghead
05/22/02	06/11/02	11/20	/02	3589 G	R				3585
15. Total Depth	16. Plug Back T		7. If Multiple Compl. I Many Zones?		Intervals Rotary Tools Cable Tools				
7791	620	I		no				ational C	unuu Mada
9. Producing Interval(s), (6046' - 6130' - Bli	• •	, boaom, neme				ľ	20. Was Dire	Yes	urvey made
1. Type Electric and Othe						22. Was We			
CNL & DLL							<u> </u>	10	
3.	(CASING RE	CORD (Repo	ort all strings	set in v	veil)			
CASING SIZE	WEIGHT LB/FT	. DEPTH	I SET HO	DLE SIZE	CE	MENTING R	ECORD	AMO	OUNT PULLED
8 5/8	24	17		12 1/4		75 sx class			
5 1/2	17	73	32	7 7/8	1100	sx "C" + 4(00 sx "H"	+	
4		LINER RECOR			25.		BING REC		
SIZE	ТОР	BOTTOM	SACKS CEMENT	SCREEN		SIZE	DEPTH S		PACKER SET
	·					27/8	6180	<u>'</u>	None
26. Perforation record (interval, size, and nu	imber)		27. ACID. SI	HOT. FF	ACTURE	CEMENT	SQU	EEZE, ETC.
6046' - 6062' - 2 s				DEPTH INTE	RVAL	AMOUNT	AND KIND	ATERI	AL USED
6127' - 6130' - 2 s	pf - 6 holes - 0.4	45"		6046'-6'	130'		idize 2000 ç		
						Frac W/	5,000 gais		52,000# sand
8.	•	F	RODUCTIO	N		·	<u> <u> </u></u>	2037	<u> </u>
Date First Production 11/20/02		oduction Method (Fil	owing, gas lift, pumple " x 20' RHBC ins	g - Size and type p	ump)		Well Sta		d. or Shut-in) od
Date of Test 11/23/02	Hours Tested 24	Choke Size N/A	Prod'n For Test Period	Ой - BbL. 85	Gas-MK 116	1.43	Vater - BbL 60	50	as - Oil Ratio 1365
Flow Tubing Press. N/A	Casing Pressure 35	Calculated 24- Hour Rate	Oil - BbL. 85	Gas-MCF 116	Wate	я - BbL	Oil Grayil	Keybo	(Corr.) 7.4
29. Disposition of Gas (So		ntenc)	65			\	knessed By		
Sold - Dynegy	,,,	-, ,				1 1	Money		
0. List Atlachments									
				·	•••••				
Directional survey,	e information shown on	both sides of this fo	rm is true and comple	te to the best of my	knowledge	and belief			
Directional survey, 31. I hereby certify that the									
31. I hereby certify that the		loun	Printed Michael (G. Mooney		_{ie} Enginee	r	Dat	11/24/02
31. I hereby certify that the	ful Any	lour	Printed Michael (G. Mooney		ie Enginee	r	Date	<u>11/24/02</u>

5.2

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific 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, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, 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. Anhy	T.	Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T.	Strawn	_ T. Ojo Alamo _ T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T.	Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T.	Miss	T. Cliff House	T. Leadville
T. 7 Rivers	3050.0 T.	Devonian	T. Menefee	T. Madison
T. Queen	T.	Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T.	Montoya	T. Mancos	T. McCracken
T. San Andres	4324.0 T.	Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	<u>5574.0</u> T.	МсКее	Base Greenhorn	_ T. Granite
T. Paddock	T.	Ellenburger	T. Dakota	Т
T. Blinebry	6046.0 T.	Gr. Wash	T. Morrison	_ T
T. Tubb	6551.0 T.	Delaware Sand	T. Todilto T. Entrada	Т.
T. Drinkard	6720.0 T.	Bone Springs	T. Entrada	_ T
T. Abo	<u>7188.0</u> T.		_ T. Wingate	_ T
T. Wolfcamp	T.		T. Chinle	Т.
T. Penn	T.		T. Permain	_ T
T. Cisco (Bough C) _	T.		T. Penn. "A"	_ T
		OIL OR GAS SA	NDS OR ZONES	
No. 1, from 6046	to			to
No. 2, from 7008	to	7092	No. 4, from	to
		IMPORTANT	WATER SANDS	
Include data on rate	e of water	inflow and elevation to	which water rose in hole.	
			feet	
No. 2, from		to	feet	
No. 3, from		to	feet	

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	То	Thickness in Feet	Lithology	From	То	Thickness in Feet	Lithology
0.0	1735.0	1735.0	Redbed , anhydrite				
1736.0	5574.0		Dolomite & Limestone				
5575.0	7791.0	2216.0	sand & dolomite	1			
						5128 29	30.37

Suomit to Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies	I	Energy,	-	State of New and Natura		-	epartme	ent				n C-105 ised 1-1-89	
DISTRICT I P.O. Box 1980, Hobbs, N	M 88240	OIL	CONS	ERVAT	ION	DIV	ISIOI		ELL API N				
DISTRICT II	184 00040			040 Pacheo anta Fe.		87505				Type of Lease		1 52	
P.O. Drawer DD, Artesia, DISTRICT III								6	. State Oil	& Gas Lease	ATE	FEE 🗙	
1000 Rio Brazos Rd, Azt													
	MPLETION O	REC	OMPLET	TION REP	ORTA	ND LO)G						
1a. Type of Well: OIL WELL	GAS WELL		DRY	OTHER				′	'. Lease Nar	ne or Unit Agre	ement Na	me	
b. Type of Completion: NEW WORK WELL OVER	DEEPEN []	PLUG BACK		NFF RESVR 🗌 OTI	HFR				Diamond				
2. Name of Operator									. Well No.				
Trilogy Operating, I 3. Address of Operator	nc								1 . Pool name	or \Afildant		····	
P.O. Box 7606, Mid	lland Texas 797	08)rinkard-Abo			
4. Well Location		·····											
Unit Letter	F : 1650	Feet	From The	Nor	th	Li	ne and _	1650	Fee	el From The _	N	lest Line	
Section	24	Towns	ship	19S	Range	3	8E	NM	PM i	Lea		County	
10. Date Spudded 1	11. Date T.D. Reache	d	12. Date C	ompi. (Ready t	o Prod.)		13. Eleva	tions (DF	RKB, RT,	GR, etc.)	14. Ele	v. Casinghead	
08/10/02	08/29/02		10/2	0/02			3592 G	R				3590	
15. Total Depth 7750	16. Plug Bac 7	k T.D. 720		17. If Multiple Many Zor		łow no		Intervals Drilled By	Rotary T	×	Cable 1	l'ools	
19. Producing Interval(s), of this completion - Top, Bottom, Name 20. Was Directional Survey Made 7371' - 7472' - Abo Yes													
21. Type Electric and Other Logs Run 22. Was Well Cored													
Dual Laterolog , Compensated Neutron-Density No 23. CASING RECORD (Report all strings set in well)													
					· · · · ·							·····	
CASING SIZE 8 5/8	WEIGHT LB	/F1.		<u>H SET</u> 690		DLE SIZ 12 1/4			700 sx cl	RECORD		MOUNT PULLED	
5 1/2	17			750		7 7/8				c" & class"H		0	
24.		LINE	R RECO	RD				25.		TUBING R)	
SIZE	ТОР	BO	TTOM	SACKS CE	MENT	SC	REEN		SIZE	DEPTH		PACKER SET	
									2 7/8	75	48	None	
26. Perforation record (interval, size, and	number)	L		1 27 A						L UEEZE, ETC.	
7371'-7373' , 7380'				B', 7460' -74	62'		TH INTE			NT AND KINE			
7470'-7472' - total	136 holes , 2 spf	0.43"					7371'-74	172'		3500 gats			
									125			a frac sand +	
28.				PRODU	СПО	<u>і</u> N				75,000 g		ne gei	
Date First Production			on Method (F	lowing, gas lift	pumpin	g - Size a		ump)		Well S	tatus (Pi	rod. or Shut-in)	
10/20/02				/2" x 20' RH			· · · · · · · · · · · · · · · · · · ·				<u> </u>	Pród	
Date of Test 11/02/02	Hours Tested 24		hoke Size N/A	Test Per		Oil - Bbl 8	5	Gas - M 35		Water - BbL. 5		Gais - Oil Ratio 412	
Flow Tubing Press. N/A	Casing Pressure 40		aiculated 24 our Rate	- Oil-Bbi		Ga	as-MiCF 35	Wat	er-BbL. 5	Oil Gra	vity - AP1	- (Corr.) 37.4	
29. Disposition of Gas (So Sold - Dynegy	old, used for fuel, ver	ited, etc.)	}							Witnessed By	- /u		
30. List Attachments				<u> </u>					100	nny Money			
Deviation survey, o	pen hole logs, C	-104										1/	
31. I hereby certify that the					l complet	le to the l	best of my	knowledg	e and bollef			NZ	
Signature U/2MM MM Marne Michael G. Mooney Tile Engineer Date 11/08/02													

		>			
	1	1	•		
ļ	ļ				

State Lease - 6 copies Fee Lease - 5 copies		Energy,	Minerals an	te of New I nd Natural I		ces Dep	artment					C-105 ed 1-1-89
DISTRICT P.O. Box 1980, Hobbs	NM 68240	OIL	CONSE	RVAT	ION I	DIVIS	SION		ELL API NO D-025-359			
DISTRICT II P.O. Drawer DD, Artes				0 Pacheco ta Fe,	oSt. NM 8	7505				pe of Lease] FEE
DISTRICT III										Gas Lease	No.	
1000 Rio Brazos Rd, /								N	/A			
	OMPLETION O	R REC	OMPLET	ON REPC	RIAN	ID LOC	i	-+-	Loope Nor	or Unit Agree	amont Mar	
1a. Type of Well: OIL WELL	GAS WEL		DRY					-1"				
b. Type of Completion:	•			_				s	apphire			
WELL X OVER	DEEPEN	PLUG		F SVR 🗌 отни	ER _							
2. Name of Operator									Well No.			
Trilogy Operating								$\frac{1}{2}$	Pool name o	e \Afildant		
3. Address of Operator P.O. Box 7606, N		708						1		inkard-Abo)	
4. Well Location	nulling, reade re	100										
Unit Letter	<u>B</u> : 990	Fee	t From The	Nort	h	Line	and	1900	Feet	From The	Ea	ast
Section	24	Town	ehin 46	DS F	Range	38	-	NMP			Lea	a Co
10. Date Spudded	11. Date T.D. Reach			npl. (Ready to					RKB, RT, G	R. etc.)		. Casinghe
07/24/02	08/08/02		12/03		,		591 GR			, ,		3589
15. Total Depth	16. Plug Bax		1	7. If Multiple (Many Zon	Compl. Ho		18. inte	ivals of By	Rotary To	oks	Cable T	ools
7750		7720	L		es:	No	LATIN			X	<u> </u>	
19. Producing Interval(6838' - 7072' , D		Top, Botto	om, Name							20. Was Di	rectional Yes	•
21. Type Electric and C									22. Was W	feil Cored		
	Compensated De	nsity-Ne	eutron					_			No	
23.		CAS	SING RE	CORD (Repor	t all st	rings se	et in v	veli)			
CASING SIZE	WEIGHT LE	3/FT	DEPTH			LE SIZE			MENTING		A1	OUNT PU
8 5/8 5 1/2	24		16			12 1/4 7 7/8	<u> </u>		750 sx class			
0 112					·····	1 110		100	J 3X 01033	<u>c a n</u>		
		LINE	R RECOF	l								· · · · · · · · · · · · · · · · · · ·
24								25.	I	UBING RE)
24. SIZE	TOP	BO	TTOM		AENT	SCRI	FN			DEPTI		PACKER
24. SIZE	ТОР	BO	TTOM	SACKS CEN	MENT	SCR	EEN		SIZE 2 7/8	DEPTH 71	I SET	
SIZE					MENT				SIZE 2 7/8	71	1 SET 00	nor
SIZE 26. Perforation recor	d (interval, size, and	i number	r)	SACKS CEN	MENT	27. AC	ID, SHC	DT, FF	SIZE 27/8 ACTURI	71 E, CEMEN	1 SET 00 1T, SQL	DEEZE, B
SIZE 26. Perforation recor 6838'-6844' , 699		1 number 7064' , 7	r)	SACKS CEN	MENT	27. AC	ID, SHO	DT, FF	SIZE 27/8 ACTUR	71 E, CEMEN	I SET 00 NT, SQU	JEEZE, E
SIZE 26. Perforation recor 6838'-6844' , 699	d (interval, size, and 92'-7004' , 7059'-7	1 number 7064' , 7	r)	SACKS CEN	AENT	27. AC	ID, SHC	DT, FF	SIZE 27/8 ACTURI AMOUN AC	71 E, CEMEN T AND KIND idize w/ 250 71,000 gala	I SET 00 NT, SQU D MATER 00 gals 1 3 Borate 1	UEEZE, E RIAL USED 15% NEFE
SIZE 26. Perforation recor 6838'-6844' , 69 2 spf - total 60 ho	d (interval, size, and 92'-7004' , 7059'-7	1 number 7064' , 7	r) 7067'-7072'	SACKS CEN		27. AC DEPTI 68	ID, SHO	DT, FF	SIZE 27/8 ACTURI AMOUN AC Frac w/	71 E, CEMEN T AND KIND idize w/ 250 71,000 gala	VT, SQU D MATER 00 gals 1 Borate 4	NOT UEEZE, E RIAL USED 15% NEFE + 102,000#
SIZE 26. Perforation recor 6838'-6844' , 699	d (interval, size, and 92'-7004' , 7059'-7	1 number 7064* , 7 2e	r) 7067'-7072' P	SACKS CEN		27. AC DEPTI 68	ID, SHC H INTERV 338'-7072	DT, FF	SIZE 27/8 ACTURI AMOUN AC Frac w/	71 E, CEMEN T AND KINI idize w/ 250 71,000 gala	NT, SQU MATER D MATER Borate 4	NOT UEEZE, 1 NAL USED 15% NEFT + 102,000#
SIZE 26. Perforation recor 6838'-6844' , 69 2 spf - total 60 ho 28.	d (interval, size, and 92'-7004' , 7059'-1 oles 0.41" hole siz	1 number 7064°, 7 ze	r) 7067'-7072'	SACKS CEN PRODUC		27. AC DEPTI 68	ID, SHO H INTERV 338'-7072	DT, FF	SIZE 27/8 ACTURI AMOUN AC Frac w/	71 E, CEMEN T AND KINI idize w/ 250 71,000 gala	NT, SQL MATER MATER DO gals 1 Borate 4 1 26 Status (Pr	NOT UEEZE, 1 NAL USED 15% NEFT + 102,000#
SIZE 26. Perforation recort 6838'-6844', 69 2 spf - total 60 ho 28. Date First Production 12/03/02 Date of Test	d (interval, size, and 92'-7004', 7059'- oles 0.41" hole siz Purr Hours Tested	1 number 7064', 7 ze Producti nping - 2	r) 7067'-7072' F on Method (Fk 2 1/2'' x 1 1/, thoke Size	SACKS CEN PRODUC	CTION pumping IBC inse	27. AC DEPTI 68 - Size an ert pum Dil - BbL.	ID, SHO H INTERV 338'-7072 d type pump	DT, FF AL 2		TAND KINI idize w/ 250 71,000 gala 22324 Well S Water Bbl.	I SET 00 NT, SQU MATER 00 gals 1 Borate 4 29 Status (Pr	UEEZE, I RIAL USED 15% NEFF + 102,000# Prod. or Shut Prod Ges - Oil Rat
SIZE 26. Perforation recort 6838'-6844', 69 2 spf - total 60 ho 28. Date First Production 12/03/02	d (interval, size, and 92'-7004', 7059'-7 bles 0.41" hole siz	Producti pping - 2	r) 7067'-7072' P on Method (Fk 2 1/2'' x 1 1/, thoke Size N/A Calculated 24-	SACKS CEN PRODUC wing, gas lift, 2" x 20' RH Prod'n Fo	CTION pumping IBC inse	27. AC DEPT 68 - Stze an ert pum Dil - BbL. 60	ID, SHO H INTERV 338'-7072 d type pump	DT, FF AL 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	SIZE 2 7/8 2 7/8 ACTURI AMOUN AC Frac w/	TAND KINI idize w/ 250 71,000 gals 23.24 Well S Water - Bibl. 75	I SET 00 NT, SQL D MATER 00 gals 1 B Borate 1 Status (Pr	UEEZE, I NAL USED 15% NEFF + 102,000# Prod. or Shut Prod Ges - Oil Rat 1700
SIZE 26. Perforation recor 6838'-6844', 694 2 spf - total 60 ho 2 spf - total 60 ho 28. Date First Production 12/03/02 Date of Test 12/13/02 Flow Tubing Press. N/A	d (interval, size, and 92'-7004', 7059'- oles 0.41" hole siz Purr Hours Tested 24 Casing Pressure 35	Producti pping - 2	r) 7067'-7072' P on Method (Fic 2 1/2'' x 1 1/ thoke Size N/A Salcutated 24- tour Rate	SACKS CEN Wring, gas lift, 2" x 20' RH Prod'n Fo Test Perio	CTION pumping IBC inse or cod	27. AC DEPTI 68 - Stze an ert pum Dil - BbL 60 Gas	HID, SHC HINTERV 338'-7072 d type pump P	DT, FF AL 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3		TAND KINI idize w/ 250 71,000 gals 23.24 Well S Water - Bibl. 75	H SET 00 NT, SQL D MATER 00 gals Borate 4 Status (Pr F	UEEZE, E NAL USED 15% NEFE + 102,000# Prod. or Shut Prod Ges - Oil Rat 1700
SIZE 26. Perforation recor 6838'-6844', 694 2 spf - total 60 ho 2 spf - total 60 ho 28. Date First Production 12/03/02 Date of Test 12/13/02 Flow Tubing Press. N/A 29. Disposition of Gas	d (interval, size, and 92'-7004', 7059'- oles 0.41" hole siz Purr Hours Tested 24 Casing Pressure 35	Producti pping - 2	r) 7067'-7072' P on Method (Fic 2 1/2'' x 1 1/ thoke Size N/A Salcutated 24- tour Rate	PRODUC wing, gas lift, 2" x 20' RH Prod'n Fo Test Perik Oil - BbL	CTION pumping IBC inse or cod	27. AC DEPTI 68 - Stze an ert pum Dil - BbL 60 Gas	ID, SHO H INTERV 338'-7072 d type pump p - MCF	DT, FF AL 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	SIZE 2 7/8 2 7/8 ACTURI AMOUN Ac Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/	TAND KINI idize w/ 250 71,000 gals 23.24 Well S Water AbpL 76 Oil Gru Ninessed By	H SET 00 NT, SQL D MATER 00 gals Borate 4 Status (Pr F	NOT UEEZE, E RIAL USED 15% NEFE + 102,000# Prod. Ord. or. Shut Prod Gas - Oil Rat 1700 - (Corr.)
SIZE 26. Perforation recor 6838'-6844', 694 2 spf - total 60 ho 2 spf - total 60 ho 28. Date First Production 12/03/02 Date of Test 12/13/02 Flow Tubing Press. N/A	d (interval, size, and 92'-7004', 7059'- oles 0.41" hole siz Purr Hours Tested 24 Casing Pressure 35	Producti pping - 2	r) 7067'-7072' P on Method (Fic 2 1/2'' x 1 1/ thoke Size N/A Salcutated 24- tour Rate	PRODUC wing, gas lift, 2" x 20' RH Prod'n Fo Test Perik Oil - BbL	CTION pumping IBC inse or cod	27. AC DEPTI 68 - Stze an ert pum Dil - BbL 60 Gas	ID, SHO H INTERV 338'-7072 d type pump p - MCF	DT, FF AL 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	SIZE 2 7/8 2 7/8 ACTURI AMOUN Ac Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/	TAND KINI idize w/ 250 71,000 gals 23.24 Well S Water - Bibl. 75 Oil Gr.	H SET 00 NT, SQL D MATER 00 gals Borate 4 Status (Pr F	UEEZE, I NAL USED 15% NEFF + 102,000# Prod. Gas - Oil Rat 1700 - (Corr.)
SIZE 26. Perforation recor 6838'-6844', 694 2 spf - total 60 ho 2 spf - total 60 ho 28. Date First Production 12/03/02 Date of Test 12/13/02 Flow Tubing Press. N/A 29. Disposition of Gas Sold - Dynegy	d (interval, size, and 92'-7004', 7059'- oles 0.41" hole siz Purr Hours Tested 24 Casing Pressure 35 (Sold, used for fuel, ve	Producti pping - 2	r) 7067'-7072' P on Method (Fic 2 1/2'' x 1 1/ thoke Size N/A Salcutated 24- tour Rate	PRODUC wing, gas lift, 2" x 20' RH Prod'n Fo Test Perik Oil - BbL	CTION pumping IBC inse or cod	27. AC DEPTI 68 - Stze an ert pum Dil - BbL 60 Gas	ID, SHO H INTERV 338'-7072 d type pump p - MCF	DT, FF AL 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	SIZE 2 7/8 2 7/8 ACTURI AMOUN Ac Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/ Frac w/	TAND KINI idize w/ 250 71,000 gals 23.24 Well S Water AbpL 76 Oil Gru Ninessed By	H SET 00 NT, SQL D MATER 00 gals Borate 4 Status (Pr F	UEEZE, I NAL USED 15% NEFI + 102,000# Prod. Gas - Oil Rat 1700 - (Corr.)
SIZE 26. Perforation recor 6838'-6844', 694 2 spf - total 60 ho 2 spf - total 60 ho 28. Date First Production 12/03/02 Date of Test 12/13/02 Flow Tubing Press. N/A 29. Disposition of Gas Sold - Dynegy 30. List Attachments	d (Interval, size, and 92'-7004', 7059'- oles 0.41" hole siz Purr Hours Tested 24 Casing Pressure 35 (Sold, used for fuel, ve viation Surveys	1 number 7064', 7 2e Producti nping - 2 C C C F	r) 7067'-7072' Pon Method (Fic 2 1/2" x 1 1/. hoke Size N/A Salcutated 24- tour Rate	PRODUC wring, gas lift, 2" x 20' RH Prod'n Fo Test Perk Oil - BbL 60	CTION pumping IBC inse	27. AC DEPTI 68 - Size an ert pum Dil - BbL 60 Gas	ID, SHC H INTERV 338'-7072 d type pump p c l - MCF 102) T, FF AL 	SIZE 2 7/8 ACTURI AMOUN AC Frac with Control of the second	TAND KINI idize w/ 250 71,000 gals 23.24 Well S Water AbpL 76 Oil Gru Ninessed By	H SET 00 NT, SQL D MATER 00 gals Borate 4 Status (Pr F	RIAL USED 15% NEFE + 102,000# - 102,000# - 000 - 000 - (Corr.)



This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific 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, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, 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. Anhy	1600.0	T. Canyor		Τ.	. Ojo Alamo	Τ.	Penn. "B"
T. Salt	1755.0	T. Strawn		T.	Kirtland-Fruitland	Τ.	Penn. "C"
B. Salt	2900.0	T. Atoka		T	Pictured Cliffs	Τ.	Penn. "D"
T. Yates		T. Miss		T.	. Cliff House	Τ.	Leadville
T. 7 Rivers	3270.0	T. Devoni	an	— T .	. Menefee	Τ.	Madison
T. Queen		T. Siluriar		T.	. Point Lookout	_Τ.	Elbert
T. Grayburg		T. Montoy	a	_ T.	Mancos	_ Т.	McCracken
T. San Andres	4300.0	T. Simpso	n	_ Т.	. Gallup	_ T .	Ignacio Otzte
T. Glorieta	5520.0	T. McKee		_ B	ase Greenhorn	Τ.	Granite
T. Paddock		T. Ellenbu	rger	_ Т.	Dakota	Τ.	
T. Blinebry	5830.0	T. Gr. Wa	sh	_ Т.	Morrison	<u> </u>	
T. Tubb	6630.0	T. Delawa	re Sand	Τ.	Todilto	Τ.	
T. Drinkard	6838.0	T. Bone S	prinas	- Т.	Entrada	Τ.	
Т. Аво	7150.0	Т		_ T.	Wingate	Τ.	
T. Wolfcamp		Т.		T.	Chinle	Τ.	
T. Penn		Т		<u> </u>	Permain	Τ.	
T. Cisco (Bough C)		Т		_ T.	. Penn. "A"	Τ.	
		0	IL OR GAS SA	ND	S OR ZONES		
No. 1, from 5830							to
No. 2, from		to			No. 3, from No. 4, from		to
					ATER SANDS		
Include data on rat	e of wat	ter inflow a			ich water rose in hole.		
No. 1, from		to			feet		
No. 2, from		to			feet		•••••••
No. 3, from		to		·····	feet		
					h additional sheet if neo		

ITHOLOGY RECORD (Attach additional sheet if necessary)

From	То	Thickness in Feet	Lithology	From	То	Thickness in Feet	Lithology
0.0		1	sand & chert				
1601.0			anhydrite				
1756.0	2900.0	1144.0	Salt				
2901.0	3270.0	369.0	Sand, anhydrite				
3271.0	4300.0	1029.0	sand & dolomite	1		22232425	
4301.0	7750.0	3449.0	Dolomite & Limestone			222	122
						1000 1111110200	- 33

Submit to Appropriate District Office State Leafle - 6 copies Fee Lease - 5 copies		Energy	-	tate of New and Natural		-	epartme	ent			Form (Revise	C-105 Id 1-1-89			
Pee Lease - 5 copies <u>DISTRICT </u> P.O. Box 1980, Hobbs, N	M 88240	OIL CONSERVATION DIVISION						N [WELL API NO. 30-025-36091						
DISTRICT II P.O. Drawer DD, Artesia,	NM 88210	2040 Pacheco St. Santa Fe, NM 87505					5. Indicate Type of Lease STATE FEE X								
DISTRICT III 1000 Rio Brazos Rd, Azt								ŀ	6. State Oil	STA & Gas Lease No	_				
							2								
WELL COMPLETION OR RECOMPLETION REPORT AND LOG										7. Lease Name or Unit Agreement Name					
									-						
b. Type of Completion: NEW WELL X OVER DEEPEN PLUG DIFF RESVR OTHER Diamond															
2. Name of Operator 8. Well No.															
Trilogy Operating, In	nc								2 9. Pool name	- 185144					
3. Address of Operator P.O. Box 7606, Mid	lland Texas 797	08								inkard-Abo					
4. Well Location															
Unit Letter	N : 990	Fee	From The _	Nor	ħ	u	ne and	231) Fee	From The	We	st Line			
Section	24	Town	ahia d		_										
	24 1. Date T.D. React			i9S ompl. <i>(Ready</i> a	Range		13 Eleve		ERKB, RT, C	ea	4 Elau	County			
01/06/03	01/24/03		02/20		, -iou)		3592 G	-		17t, 04c.)	4. EIEV.	Casinghead 3590			
15. Total Depth	16. Plug Ba	* T.D.		17. If Multiple		How	18.	Intervals	Rotary To	jols 1	Cable To				
7750		7718		Many Zon	105? 	no		Drilled By		<u>× </u>					
6984' - 7070' - Dri	19. Producing Interval(s), of this completion - Top, Bottom, Name 20. Was Directional Survey Made 6984' - 7070' - Drinkard Yes														
21. Type Electric and Othe	-	utron-F	oncity						22. Was V		lo				
23.	Dual Laterolog , Compensated Neutron-Density No 23. CASING RECORD (Report all strings set in well)														
CASING SIZE	WEIGHT L									DEGODD	1 44				
8 5/8	24	<u> </u>				DLE SIZE			CEMENTING RECORD 750 sx class "c"			OUNT PULLED			
5 1/2	17		7750						00 sx Class"c" & class"H"			0			
						_						••••••••••••••••••••••••••••••••••••••			
24.	- A	LINE	R RECO	RD				25.	T	UBING REC	ORD				
SIZE	TOP	BO	BOTTOM SACKS CEMENT			SCREEN					SET PACKER SET				
									27/8	7548	8 None				
26. Perforation record (interval size and	1 I number	1	L					DAOTUD						
6984' - 7014' , 703	8'-7070'	- Hannber	,				TH INTE			E, CEMENT					
total 124 holes, 2	spf 0.43"					_	6984'-7			3000 gais 15					
									116	980 # 16/30 (
28.	•			PRODUC						64,000 gals	s Borat				
Date First Production		Producti	on Method (Fi	lowing, gas lift,	pumpin	g - Size a	and type p	ump)		Well Stat	Sus (Pm	d. or Shultin)			
02/20/03		ping - 2	1/2" x 1 1/	/2" x 20' RH	BC ins	sert pu	np				∡ Pr	od			
Date of Test 02/20/03	Hours Tested 24	°	hoke Size N/A	Prod'n Fo Test Peri		Oil - Bb		Ges-I		Water - BbL.	G	as - Oil Ratio			
Flow Tubing Press.	w Tubing Press. Casing Pressure Calculated 24- Oil - BbL.		_	-	85 179 Gas-MCF Water-Bb			r - BbL. Oil Gravity - AP1 - (Corr.)							
N/A	40		our Rate	85			179		24			7.4			
29. Disposition of Gas (So Sold - Dynegy	xid, used for fuel, ve	nted, etc.,)							Allnessed By					
30. List Attachments										iny Money					
Deviation survey, open hole logs, C-104															
31. 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															
Signature Muli Human Printed Michael G. Mooney Title Engineer Date 03/03/03															
	l										-				

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific 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, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

۰.

Northwestern New Mexico

I. Anny	1	Τ. (Canyon	T. Ojo /	Alamo	T.	Penn.	. "B"		
T. Salt		T. 9	Strawn	T. Kirtla	and-Frui	tland T.	Penn.	. "C"		
B. Salt		T. /	Atoka	T. Pictu	ured Clif	fs T.	Penn.	"D"		
T. Yate	S	2825.0 T.	Viiss	T. Cliff	House	T.	Penn. "B" Penn. "C" Penn. "D" Leadville Madison			
T. 7 Riv	/ers	3070.0 T.	Devonian	T. Men	efee	T.	Madis	son		
T. Que	en	T. 9	Silurian	T. Poin	t Looko	ut T.	Elber	t		
T. Gray	burg _	T. I	Montoya	T. Man	cos	T.	McCra	acken		
T. San	Andres	<u>4307.0</u> T. S	Simpson	T. Gall	up	T.	Ignac	io Otzte		
T. Glori	ieta	<u>5562.0</u> T.	ИсКее	Base G	Greenho	mT.	Grani	te		
T. Pado	lock _	T. I	Ellenburger	T. Dak	ota	T.				
T. Bline	ebry	<u> 6050.0</u> T. (Gr. Wash	T. Mor	rison	T.				
T. Tubb) (<u> 6607.0</u> T. I	Delaware Sand	T. Todi	lto	T.				
T. Drink	card	6720.0 T.	Bone Springs	T. Entr	ada	T.				
T. Abo		<u> </u>		T. Wing	gate	T.				
T. Wolf	camp _	T		T. Chin	le	T.		·····		
T. Penr	ו	T		T. Perr	nain	T.				
T. Cisc	0 (Bough	n C) T.		T. Pen	n. "A" 🔔	T.				
			OIL OR GAS	SANDS OF	ZONES	3				
No. 1, f	rom 672	20 to	7500				to			
No. 2, f	rom 430	o7 to	4600	No.	4. from		to			
	•••••							•••••••••••		
in clude			IMPORTA Inflow and elevation	NI WAIER	SANU) a in hala				
Include	nata o	n rate of water i								
No. 1, f	from		to		fe	eet				
No. 1, f No. 2, f	rom rom		to to		fe fe	et				
No. 1, f No. 2, f	rom rom		to		fe fe	et				
No. 1, f No. 2, f	rom rom		to to to		fe fe fe	et et et	•••••			
No. 1, f No. 2, f	rom rom	LITHOLO	to to		fe fe fe	eet eet eet heet if necessa	•••••			
No. 1, f No. 2, f	rom rom	LITHOLO	to to to		fe fe fe	eet eet heet if necessa Thickness	•••••			
No. 1, f No. 2, f No. 3, f From	from from from To	LITHOLO Thickness in Feet	to to to GY RECORD	(Attach add	itional s	eet eet eet heet if necessa	•••••	······································		
No. 1, f No. 2, f No. 3, f From 0.0	rom rom rom To 2825.0	LITHOLO Thickness in Feet 2825.0	to to to GY RECORD Lithology Redbed , anhydrite	(Attach add	itional s	eet eet heet if necessa Thickness	•••••	······································		
No. 1, f No. 2, f No. 3, f From 0.0 2826.0	To 2825.0 4100.0	LITHOLO Thickness in Feet 2825.0 1274.0	to to to GY RECORD Lithology Redbed , anhydrite sand & chert	(Attach add	itional s	eet eet heet if necessa Thickness	•••••	······································		
No. 1, f No. 2, f No. 3, f From 0.0	rom rom rom To 2825.0	LITHOLO Thickness in Feet 2825.0	to to to GY RECORD Lithology Redbed , anhydrite	(Attach add	itional s	eet eet heet if necessa Thickness	ary)	Lithology		
No. 1, f No. 2, f No. 3, f From 0.0 2826.0	To 2825.0 4100.0	LITHOLO Thickness in Feet 2825.0 1274.0	to to to GY RECORD Lithology Redbed , anhydrite sand & chert	(Attach add	itional s	eet eet heet if necessa Thickness	ary)	Lithology		
No. 1, f No. 2, f No. 3, f From 0.0 2826.0	To 2825.0 4100.0	LITHOLO Thickness in Feet 2825.0 1274.0	to to to GY RECORD Lithology Redbed , anhydrite sand & chert	(Attach add	itional s	eet eet heet if necessa Thickness	ary)	Lithology		
No. 1, f No. 2, f No. 3, f From 0.0 2826.0	To 2825.0 4100.0	LITHOLO Thickness in Feet 2825.0 1274.0	to to to GY RECORD Lithology Redbed , anhydrite sand & chert	(Attach add	itional s	eet eet heet if necessa Thickness	ary)	Lithology		
No. 1, f No. 2, f No. 3, f From 0.0 2826.0	To 2825.0 4100.0	LITHOLO Thickness in Feet 2825.0 1274.0	to to to GY RECORD Lithology Redbed , anhydrite sand & chert	(Attach add	itional s	eet eet heet if necessa Thickness	ary)	······································		
No. 1, f No. 2, f No. 3, f From 0.0 2826.0	To 2825.0 4100.0	LITHOLO Thickness in Feet 2825.0 1274.0	to to to GY RECORD Lithology Redbed , anhydrite sand & chert sand & dolomite	(Attach add	fe fe itional s	eet eet heet if necessa Thickness	ary)	Lithology		
No. 1, f No. 2, f No. 3, f From 0.0 2826.0	To 2825.0 4100.0	LITHOLO Thickness in Feet 2825.0 1274.0	to to to GY RECORD Lithology Redbed , anhydrite sand & chert sand & dolomite	(Attach add	tional s	eet eet heet if necessa Thickness in Feet	ary)	Lithology		
No. 1, f No. 2, f No. 3, f From 0.0 2826.0	To 2825.0 4100.0	LITHOLO Thickness in Feet 2825.0 1274.0	to to to GY RECORD Lithology Redbed , anhydrite sand & chert sand & dolomite	(Attach add	tional s	eet eet heet if necessa Thickness in Feet	ary)	Lithology		
No. 1, f No. 2, f No. 3, f From 0.0 2826.0	To 2825.0 4100.0	LITHOLO Thickness in Feet 2825.0 1274.0	to to to GY RECORD Lithology Redbed , anhydrite sand & chert sand & dolomite	(Attach add From	tional s	eet eet heet if necessa Thickness in Feet 23 DES NOT	ary)	Lithology		
No. 1, f No. 2, f No. 3, f From 0.0 2826.0	To 2825.0 4100.0	LITHOLO Thickness in Feet 2825.0 1274.0	to to to GY RECORD Lithology Redbed , anhydrite sand & chert sand & dolomite	(Attach add From Form BOVE D/ INDIC	tional s	eet eet heet if necessa Thickness in Feet 23 DES NOT HEN	ary)	Lithology		
No. 1, f No. 2, f No. 3, f From 0.0 2826.0	To 2825.0 4100.0	LITHOLO Thickness in Feet 2825.0 1274.0	to to to GY RECORD Lithology Redbed , anhydrite sand & chert sand & dolomite	(Attach add From Form BOVE D/ INDIC CONFID	tional s To 5/0 ATE DC ATE W ENTIAL	eet eet heet if necessa Thickness in Feet P3 DES NOT HEN LOGS	ary)	Lithology		
No. 1, f No. 2, f No. 3, f From 0.0 2826.0	To 2825.0 4100.0	LITHOLO Thickness in Feet 2825.0 1274.0	to to to GY RECORD Lithology Redbed , anhydrite sand & chert sand & dolomite	(Attach add From Form BOVE D/ INDIC	tional s To 5/0 ATE DC ATE W ENTIAL	eet eet heet if necessa Thickness in Feet P3 DES NOT HEN LOGS	ary)	Lithology		

1. b															
Submit to Appropriate District Office State Lease - 6 copies		Energy	-	tate of New and Natural		-	epartme	ent					C-105 ed 1-1-89		
Fee Lease - 5 copies <u>DISTRICT 1</u> P.O. Box 1980, Hobbs,	NM 88240	OIL		ERVAT		DIV	ISIO	N		L API NO. 025-3614	2				
DISTRICT II 2040 Pacheco St. P.O. Drawer DD, Artesia, NM 88210 Santa Fe, NM 87505										5. Indicate Type of Lease STATE FEE X					
<u>DISTRICT III</u> 1000 Rio Brazos Rd, A	ztec, NM 87410								6. SI N/A	tate Oil & G	as Lease	No.			
WELL C	OMPLETION	OR REC	OMPLET	10N REP	ORT A	ND LO	DG								
1a. Type of Well: OIL WELL	GAS W	u []		OTHER					7. Le	ase Name o	r Unit Agree	rnent Nar	ne		
b. Type of Completion: NEW WORK DEEPEN BACK DIFF SACK SACK SACK SACK SACK SACK SACK SACK															
2. Name of Operator Trilogy Operating,	Inc								8. W	ell No.					
3. Address of Operator P.O. Box 7606, N	idland Texas	79708								ol name or V dine : Drin					
4. Well Location		0100													
Unit Letter	<u>H</u> : <u>23</u>	10 Fee	et From The _	Nor	th	Li	ne and	99	0	Feet Fr	om The	Ea	ist Line		
Section	24	Town	nship 1	195	Range	3	38E	N	MPM			Lea	a County		
10. Date Spudded 02/27/03	11. Date T.D. Rea 03/16/03	ched	12. Date Co 04/1	ompl. <i>(Ready t</i> 1/03	lo Prod.)		13. Eleva 3580 G	•	XF & R)	KB, RT, GR,	otc.)	14. Elev	7. Casinghead 3580		
							Rotary Tools	<	Cable T	ools					
19. Producing Interval(s 6952' - 7062'	19. Producing Interval(s), of this completion - Top, Bottom, Name								20. Was Directional Survey Made Yes						
21. Type Electric and O CNL, DLL	ther Logs Run								2	2. Was Weil	Cored	No			
23.		CA	SING R	ECORD	(Repo	ort all	strinas	set i	n we	ell)					
CASING SIZE	WEIGHT		1	H SET	1	OLE SI		1			CORD	A	OUNT PULLED		
8 5/5	24		16	680		12 1/4			900 sx						
5 1/2	17		78	850		7 7/8			1600 sx						
													<u></u>		
											• • • • • • • • • • • • • • • • • • • •				
24.			ER RECO					2	25. TUBING RECORD						
SIZE	TOP	BC	TTOM	OM SACKS CEMENT			SCREEN				DEPTH 730	_	PACKER SET N/A		
				<u> </u>				-+-		110	/3(
26. Perforation record	•		•			27. F	CID, S	HOT,	FRA	CTURE,	CEMEN	IT, SQI	JEEZE, ETC.		
6952'-6968' , 697 2 spf = 80 holes	'4'-6980' , 7020	-7034',	7058'-7062	2'				NTERVAL AMOUNT AND KIND MATERIAL USED				the second se			
hole size = 0.42 "							6952'-7	062	2000 gals 15% NEFE 115,500# 16/30 Ottawa + 76,000 gals gel						
28.				PRODU											
Date First Production 04/11/03	the second s	mping -	2 1/2" x 1 1	Howing, gas III 1/2" x 20' - F	RHBC in	nsert p	ump		<u> </u>			F	od. or Shut-in) Prod		
Date of Test 04/22/03	Hours Tested 24		Choke Size N/A	Prod'n F Test Per	niod		NL. Geas-MCF 36 165		165	6 46		2500			
Flow Tubing Press. N/A	Casing Pressu 35		Calculated 24 Hour Rate	- Oil-Bbi 60		G	as - MCF 165	{	Water -	- BbL. 46	Oil Gra	vity - API	- (Corr.)		
29. Disposition of Gas (Sold - Dynegy	Sold, used for fuel,	vented, etc	.)							Test Wit Dony	Money	24.20	282828		
30. List Attachments	0										12	1	/ Ev 60		
C-104, Deviation 31. I hereby certily that			sides of this i	form is true on	d comolo	te to the	bast of m	knowle	adrae er	nd beliaf		- Kbb J	INPO T		
C				Deinte d			-	,			611181920	ホレン	obbs w		
Signature	Signature Uperland July racing Printed Michael G. Mooney Title Engineer C. Def CD04/23/03														
		/	/								1.81	11513	101681		

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific 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, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, 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. Anh	У	T.	Canyon	T. Ojo .	Alamo	T.	Penn.	"B"
T. Salt		Τ.	Strawn	T. Kirtl	and-Frui	tiand T.	Penn.	"C"
B. Salt		1666.0 T.	Atoka Miss Devonian	T. Pict	ured Clif	fs T.	Penn.	"D"
T. Yate	s	2832.0 T.	Miss	T. Cliff	House	T.	Leadv	ille
T. 7 Ri	vers	<u>3063.0</u> T.	Devonian	T. Men	efee	T.	Madis	on
	en	I.	Silunan	I. Poin	IT LOOKO	ut I.	Libert	
T. Gray	/burg _	<u> </u>	Montoya	T. Man	cos	T.	McCra	acken
T. San	Andres	<u>4327.0</u> T.	Simpson	T. Gall	up	T.	Ignaci	o Otzte
T. Glor	ieta	<u> </u>	McKee	Base G	Greenho	mT.	Granit	e
T. Pade	dock _	T.	Ellenburger	T. Dak	ota	T.		
T. Bline	ebrv	6052.0 T.	Gr. Wash	T. Mor	rison	т		
T. Tubl	b t	<u>6578.0</u> T.	Delaware Sand	T. Todi	lto	T.		
T. Drin	kard _	<u>6929.0</u> T.	Bone Springs	T. Entr	ada 📃	Τ.		
T. Abo		7190.0 T .	Delaware Sand Bone Springs	T. Wing	gate	T.		
	camp _			I. Chin	lle	Т.		
T. Peni	n	Т.		T. Perr	nain	T.		
T. Cisc	O (Bough	n C) T.		T. Pen	n. "A"	T.		
			OIL OR GAS					
No. 1, 1	from 69	29 to	7500				to	
No. 2, 1	from	to		No.	4, from		to	
Inciude	data o	n rate of water	IMPORTA inflow and elevation	NT WATER	ater ros	S e in hole.		
No. 1, 1	from		to		fe	et		
No. 2, 1	from		to		fe	et		
No. 3, 1	from		to		fe	et		
			GY RECORD					
From	То	Thickness in Feet	Lithology	From	То	Thickness in Feet		Lithology
0.0	1666.0	1666.0	sand & chert					
1667.0	2832.0	1165.0	salt & anhydrite					
2933.0	7850.0	4917.0	Dolomite & Limestone			,		
					4/-	24/03		
			1 4					
1						DOES NOT		
						WHEN	1	
				CONF	IDEN	IAL LOGS		
					BER	ELEASED		
								2425262728 29 29 29 29 29 29 29 29 29 29 29 29 29
							1	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~
							12	
							18	-0 2003 - 1
			1	1				

HOULD

Submit to Appropriate District Office State Lease - 6 copies	E	nergy, Mineral				epartme	nt					
DISTRICT	M 88240		SERVAT	ION	DIV	ISION						
	W 00240	2	2040 Pacheco	o St.	_		3					
	NM 88210	5	Santa Fe,	NM 8	87505		1 .	indicate Typ			FEE 🗙	
Observed Difference Energy, Minerals and Natural Resources Department None 11-89 Destination Servers OIL CONSERVATION DIVISION 300225-0014 VELLAPINO 300225-0014 Vellapino 300225-0014 DESTINCT State File State Difference State Difference Vellapino 300225-0014 Vellapino 300225-0014 DESTINCT State Difference State Difference President President Destingtion State Difference State Difference President President President Destingtion State Difference Resource President President President President Non Construct President President President President President Non Open Construct President President President President Non Open Construct President President President President Non Theorem Visit State Difference President President President Non Open Present President Presenter President President Non												
WELL CO	MPLETION OR	RECOMPLE	TION REPO	ORT AN	ND LC	G						
Date: Ones _ main Energy, Minerabi and Natural Resources Dopartment Newson 11-49 Deltaces - foreing BETECT / Nobe, Not 8220 OIL CONSERVATION DIVISION Santa Fe, NM 87505 WELL APINO. 30/223-36144 WELL APINO. 30/223-36144 DETECT // DOT No Bass Note, Note 8220 DIL CONSERVATION DIVISION Santa Fe, NM 87505 WELL APINO. 30/223-36144 State Oil & Gas Lesse Ho. NA DETECT // DOT No Bass Note, Note 720 Resources Note 720 State Oil & Gas Lesse Ho. NA NA WELL COMPLETION OR RECOMPLETION REPORT AND LOG 1. Less Name or Unit Agreement Name Philips 1. Type of Completion Well & Well & Ones Notes 1. Vell No. NA Yeard Completion Well & Well & Ones Notes 1. Vell No. NA P. O. Box 7006, Middand, Texas 78706 North Less and 330 Fool nome or Webest Nodes of Comparis P. O. Box 7006, Middand, Texas 78706 10. Date 20 Andra 3377 GR, etc.] 14. Eac County 0. Od23200 14. Eac County 0. Od23200 14. Eac County 0. Od23200 14. Eac County 0. Od2300 3377 10. Date 50. Middand, Texas 78706 11. Date 20. Resource 10. Noth 13. Exerctions (Tr AR00, RT GR, etc.] 14. Eac County 0. Od2300 10. Date 50. Middand, Texas 78706 11. Mark 2000 3577 GR, etc.] </td												
Detc: Office Charge prime Prevention Prevention Dett: Address OIL CONSERVATION DIVISION WELL API NO. 30/2023-3614.3 DBTECT: UI Santa Fe, NM 87505 Sinter Construction Sinter Construction Sinter Construction DBTECT: UI ORANNER, MM 8210 Santa Fe, NM 87505 Sinter Construction NA WELL COMPLETION OR RECOMPLETION REPORT AND LOG Terms of Weint Na Philips Sinter Construction Philips View UP Onter Construction Sinter Construction Sinter Construction Philips View UP Construction North Issenstruction Sinter Construction Philips View UP Construction North Issenstruction Construction Sinter Construction Sinter Construction Sinter Construction View UP Construction North Lines and 330 Feeet From The Northe <t< td=""></t<>												
Part Office												
Batter UDDE Energy, Minerals and Natural Resources Department Revised 11-49 Dest Lass: Sories OIL CONSERVATION DIVISION WELL APINO. SOLO25-9014 Data Table Sories OIL CONSERVATION DIVISION WELL APINO. SOLO25-9014 Data Table Sories Sans Fe, NM 87505 Solution Solution Solution Data Table Solution Sans Fe, NM 87505 Solution Solution Solution Data Table Solution Solution Construction Solution Solution Solution Solution Data Table Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution<												
Description Energy, Minerals and Natural Resources Department None of 1-49 Description OIL CONSERVATION DIVISION 20022-9014 VELLAPINO 30022-9014 VELLAPINO 30022-9014 DISTRUTION, Neeks, MM 8220 DOIL CONSERVATION DIVISION 20022-9014 VelLAPINO 30022-9014 VelLAPINO 30022-9014 DISTRUTION, Neeks, MM 8220 Santa Fe, NM 87505 Sinte OI & Gast Lesse State U Sinte OI & Gast Lesse NNA DISTRUTION, Oracle, NM 8740 OR RECOMPLETION REPORT AND LOG I. Indicate Type of Lesse NAA NAA Image: Construct State												
Object Colors Control Description Reside 17-89 Part Labels: Sortion OIL CONSERVATION DIVISION 20022-3014 VELL APINO: 30022-3014 VELL APINO: 30022-3014 PERTER: In DOIL CONSERVATION DIVISION 20026-3014 VELL APINO: 30022-3014 VELL APINO: 30022-3014 PERTER: In DOIN TO BROW RR. Adie, INM 6710 State OI & Gast Laser No. NVA I. Made and Matural Resources Department VELL APINO: 30022-3014 Image: International RL Adie, INM 6710 State OI & Gast Laser No. NVA NVA I. Made and Tabuta State OI & Gast Laser No. NVA Image: International RL Adie, INM 6710 On HER Philips Philips Image: International RL Adie, INM 6710 On HER Philips Philips Image: International RL Adie, INM 6710 Device International RL Adie, INM 6710 NVA Image: International RL Adie, INM 6710 Device International RL Adie, INM 6710 NVA Image: International RL Adie, INM 6710 Device International RL Adie, INM 6710 NVA Image: International RL Adie, INM 6710 Device International RL Adie, INM 6710 NVA Image: International RL Adie, INM 6710 Device International RL Adie, INM 6710 NVA Image: Internation RL Adie, INM 6710												
Observed Difference Energy, Minerals and Natural Resources Department None 11-89 Destination Servers OIL CONSERVATION DIVISION 300225-0014 VELLAPINO 300225-0014 Vellapino 300225-0014 DESTINCT State File State Difference State Difference Vellapino 300225-0014 Vellapino 300225-0014 DESTINCT State Difference State Difference President President Destingtion State Difference State Difference President President President Destingtion State Difference Resource President President President President Non Construct President President President President President Non Open Construct President President President President Non Open Construct President President President President Non Theorem Visit State Difference President President President Non Open Present President Presenter President President Non												
Part District Construct Energy, Minerals and Natural Resources Department Periods: 1-89 PERIOL: Point Set: Screen OIL CONSERVATION DIVISION VELL API NO. 30.225.36144 PERIOD: O. Son 109, Hobbs, NM 8520 OIL CONSERVATION DIVISION VELL API NO. 30.225.36144 PERIOD: O. Antean, NM 8710 Santa Fe, NM. 87505 Sind OI & Gas Lasse No. NA. District Complexity Construct NM Rescuences Santa Fe, NM. 87505 Sind OI & Gas Lasse No. NA. Imidiate Type of Lesse Construct NM Rescuences Santa Fe, NM. 87505 Sind OI & Gas Lasse No. NA. Imidiate Type of Lesse Construct NM Rescuences Processor Processor NA. Imidiate Type of Lesse Construct NM Rescuences Philips NA. NA. Imidiate Type of Lesse Sond Sing Construct NM Rescuences Philips NA. NA. Imidiate Type of Lesse Sond Sing Construct NM Rescuences Philips NA. NA. Imidiate Type of Lesse Sond Sing Construct NM Rescuences Sond Sing Construct NM Rescuences NA. Processor Sond Sing Co												
										Lea	County	
				Prod.)			•	RKB, RT, GR,	etc.)	14. Elev	•	
				Compl. H				. Rotony Took		Cable T		
									<	Cable I	uurs	
	of this completion - To	op, Bottom, Name						2	0. Was Dir			
Date: Office Description Energy, Minerabia and Natural Resources Department Investige Invest												
Description Energy, Minerab and Natural Resources Department Interest 11-49 Period 2015 Contrained 11-49 OIL CONSERVATION DIVISION 200253 Sort44 VELLAPINC, 200253 Sort44 Divisioned 11-49 Production Contained on Antima Statural Resources Department Sortal Pack No. 100 20025 Sort44 Divisioned 11-49 Divisioned 11-49 Production Contained on Antima Statural Resources Department Sortal Pack No. 100 20025 Sort44 Divisioned 11-49 Divisioned 11-49 Production Contained On Antima Statural Resources Department Sortal Pack No. 100 20025 Sort44 Divisioned 11-49 Divisioned 11-49 Production Contained On Antima Statural Resources Department Sortal Pack No. 100 20025 Sort44 Divisioned 11-49 Divisioned 11-49 Internet Contained Divisioned Division												
Better Othes Control Rended 11-89 Dest Lasses Sorting OIL CONSERVATION DIVISION 200223-20144 VELL APINO 200223-20144 POIL INFORMATION DIVISION 200223-20144 VELL APINO 200223-20144 VELL APINO 200223-20144 Status Pro- status 2002 POIL INFORMATION DIVISION 200223-20144 VELL COMPLETION REPORT AND LOG 5. There of a Gas Lasses No. NA NA Image: Status Pro- WELL COMPLETION OR RECOMPLETION REPORT AND LOG 1. Lasse Name or Unit Agenoment Name NA Image: Status Pro- WELL COMPLETION OR RECOMPLETION REPORT AND LOG 1. Lasse Name or Unit Agenoment Name Philips Image: Status Pro- WELL COMPLETION OR RECOMPLETION REPORT AND LOG 1. Lasse Name or Unit Agenoment Name Philips Image: Status Pro- WELL COMPLETION REPORT AND LOG 1. Lasse Name or Unit Agenoment Name Philips Image: Status Pro- WELL COMPLETION REPORT AND LOG 1. Lasse Name or Unit Agenoment Name Philips Image: Status Pro- WELL COMPLETION REPORT AND LOG 1. Lasse Name or Unit Agenoment Name Philips Image: Status Pro- WELL COMPLETION REPORT AND LOG 1. Lasse Name or Unit Agenoment Name Image: Status Pro- Philips Image: Status Pro- Philips Image: Status Pro- Philips Image: Status Pro- Tride 1. Status Pr												
				the second s			8	50 sx class	"C"			
5 1/2"	17		7708		7 7/8		900	sx "C" + 700) sx "H"		0	
Batter UDDE Energy, Minerals and Natural Resources Department Revised 11-49 Dest Lass: Sories OIL CONSERVATION DIVISION WELL APINO. SOLO25-9014 Data Table Sories OIL CONSERVATION DIVISION WELL APINO. SOLO25-9014 Data Table Sories Sans Fe, NM 87505 Solution Solution Solution Data Table Solution Sans Fe, NM 87505 Solution Solution Solution Data Table Solution Solution Construction Solution Solution Solution Solution Data Table Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution Solution<												
									······			
and the second se		LINER REC					25.	TU	BING RE	CORD		
SIZE	TOP	BOTTOM	SACKS CEN	MENT	SCI	REEN			the second s		the second s	
								2 //8	/65	0	None	
Bath Lass - Scopen STRUCT STRUCT PC: Born House, NM 85200 Child CONSERVATION DIVISION ZOU Pacheos D. Santa Fe, NM 67505 WELL APT NO. 30022-39144 Conservation Struct Struct Santa Fe, NM 67505 DIL CONSERVATION DIVISION ZOU Pacheos D. Santa Fe, NM 67505 Struct Santa Santa Fe, NM 67505 WELLAPINO. Santa Fe, NM 67505 Struct Santa Fe, NM 67505 Struct Santa FO. Tomer OD. Ansas, NM 85210 Struct Santa Fe, NM 67505 Struct Santa Fe, NM 615 Santa Fe, Sant												
Detc: Office Description Energy, Minerabil and Natural Resources Department Weil: API Definition OIL CONSERVATION DIVISION Weil: API NO. 30:0223-36114.3 Weil: API NO. 30:0223-36114.3 DBITECTUI DRINGE												
	Energy, Ninerata and Natural Resources Department Indexed 11-49 Data Set 1 form OIL CONSERVATION DIVISION VELL API NC. Stratter 1 Santa Fo, NM. 87200 DIL CONSERVATION DIVISION Stratter 1 Santa Fo, NM. 87505 Santa Fo, NM. 87505 Stratter 1 Santa Fo, NM. 87505 Santa Fo, NM. 87505 Stratter 1 Santa Fo, NM. 87505 Santa Fo, NM. 87505 Stratter 1 NA Santa Fo, NM. 87505 Santa Fo, NM. 87505 Stratter 1 NA Santa Fo, NM. 87505 Santa Fo, NM. 87505 Stratter 1 Santa Fo, NM. 87505 Santa Fo, NM. 77006 Santa Fo, NM. 77006 Well LocMPLETION OR RECOMPLETION REPORT AND LOG T. Lease Names or MMood NA Yead Complexitor B. North 1 Santa Fo, MM. 87307 Obs Stratter 1 Dary Cols, Micland, Texas 79708 North Las and 20000 Viet Location 1 Santa Fo, MM. 2007 Sart Form The Lea School on 1 10. Electronet (Integr Proci) Sart Form The Lea Covery Cols Mark All All Status Form 1 Sart Fo											
Direct Original Field and Natural Resources Department Pressed 1-39 Direct Data State Control Natural Resources Department WELL API NO. 33 02/025-3614. Direct Data Assess, NM 8210 Santa Fe, NM 87505 Direct Data Assess, NM 8210 Santa Fe, NM 87505 Direct Data Assess, NM 8210 Santa Fe, NM 87505 Direct Data Assess, NM 8210 Santa Fe, NM 87505 Direct Data Assess, NM 8210 Santa Fe, NM 87505 Direct Data Assess, NM 8210 Santa Fe, NM 87505 Direct Data Assess, NM 8210 Santa Fe, NM 87505 Direct Data Assess (MM 8710 NA WELL COMPLETION OR RECOMPLETION REPORT AND LOG N/A NetL COMPLETION OR RECOMPLETION REPORT AND LOG N/A Prival Comptoin Santa Fe, NM 8710 Notest Operating, Inc 4. Wel Assess 75708 National Operating, Inc 13. Exerction of PRO, RT, GR, etc.) Dire Spoked 11. Dec T, Prest Med. Dire Spoked 11. Dec T, Pr												
28.												
	Pumpi						imp)		Well St	•		
04/28/03	24									6		
-	•				Ga		Wate		Oil Grav	-		
29. Disposition of Gas (So		ed, etc.)	0			200			nessed By			
Best Constance open Energy, Minerals and Natural Resources Department Energy, Minerals and Natural Resources Department Energy, Minerals and Natural Resources Department Well APIRO Sources, Nates No. OIL CONSERVATION DIVISION ZOUD Paches St. Sources, Nates No. No. Well COMPLETION OR RECOMPLETION REPORT AND LOG The Nates of Unit Agreement Nation Poll Baces Rd, Acas, NM 71:0 Well Complete Those Origination No. Well AGENER Sources, Nates of Unit Agreement Nation Poll Baces No. Well AGENER Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement Nation Poll Baces No. Sources, Nates of Unit Agreement No. Sources Nation No. Sources, Nates of U												
			s form is true and	complete	e to the L	oest of my	knowledge	and belief	18		PR 2003	
Signature Ann	1/AM10	m		chael G.	. Moor	iey		Engineer	15	Dat	Hobba/29/03	
	·	/								84 (19	IGLALEL ZIV	

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific 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, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

1

Northwestern New Mexico

T. Anhy	y	T.	Canyon	T. Ojo /	Alamo	T. Pe	nn. "B"
T. Salt		T.	Strawn	T. Kirtla	and-Frui	tland T. Pe	nn. "C"
B. Salt		T.	Atoka	T. Pict	ured Clif	fs T. Pe	nn. "C"
T. Yate	S	2860.0 T.	Miss	T. Cliff	House	T. Le	adville
T. 7 Riv	vers	2966.0 T.	Devonian	T. Men	efee	T. Ma	adville adison
T. Que	en	T.	Silurian	T. Poin	t Looko	ut T. Ell	bert
TO							A 1
T. San	Andres	4370.0 T.	Simpson	T. Gall	up	T. Igr	Cracken
T. Glor	ieta _	5610.0 T.	McKee	Base G	Freenho	rn T. Ğr	anite
T. Pad	dock	T.	Ellenburger	T. Dak	ota	Т.	
T. Bline	ebry	6080.0 T.	Gr. Wash	T. Mor	rison	T	
T. Tubl	o c	<u>6620.0</u> T.	Delaware Sand	T. Todi	lto	Т	
T. Drin	kard	6990.0 T.	Bone Springs	T. Entr	ada 🔜	T	
T. Abo		7250.0 T.		T. Wing	gate	T	
T. Wolf	'camp _	T.		T. Chin	ie	T	
T. Peni	n	T.		T. Perr	nain	T	
T. Cisc	0 (Bough	n Ć) T.		T. Pen	n. "A"	T	
			UIL OR GAS	SANDS OF		3	
No. 1, 1	from 69	eo to	7556	No.	3, from	to)
No. 2, 1	from	to		No.	4, from	to)
			IMPORTA				
Include	data o	n rate of water	inflow and elevation	n to which w	ater ros	e in hole.	
			to				
No 2 1	from	•••••••	to	·····			
No. 3.	from	•••••••••••••••••••••••	to			ot	
		LITHOLC	OGY RECORD	(Attach add	itional s	heet if necessary)
From	То	Thickness in Feet	Lithology	From	То	Thickness in Feet	Lithology
0.0	1740.0	1740.0	sand & chert				
1741.0	2860.0	1119.0	salt & anhydrite				
2861.0	7708.0	4847.0	sand & dolomite	11			
				11		1./ _/	1
				ELF		430/0	2R
				11 -			
					OVE	DATE DOES N	iyi
						CATE WHEN	
				(DENTIAL LOC	
				11	WILL	BE RELEASEI	
				11			
			1	11			

•	N												
	Submit to Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies	En	ergy, Mineral	State of New s and Natura		-	partme					C-105 Jed 1-1-89	
	<u>DISTRICT I</u> P.O. Box 1980, Hobbs, NM	A 68240 O	IL CON	SERVAT	ION	DIVI	5101		ELL API NO 0-025-3632	-			
	DISTRICT II P.O. Drawer DD, Artesia, I	NM 88210	-	2040 Pacheo Santa Fe,	xo St. NM	87505		5.	Indicate Typ			FEE 🗙	1
	DISTRICT III							6	State Oil &				
	1000 Rio Brazos Rd, Azte	C, NM 87410						N	I/A				
L	WELL COM	MPLETION OR	RECOMPLE	TION REP	ORT A	ND LO	3			•			
	1a. Type of Well: OIL WELL	GAS WELL		OTHER				7.	Lease Name	or Unit Agree	ement Nar	ne	
	b. Type of Completion; NEW WORK WELL X OVER [PLUG BACK	DIFF RESVR 011	HER				Diamond				
	2. Name of Operator Trilogy Operating, In	ic.						8.	Well No.				
t	3. Address of Operator								Pool name or	Wildcat			
l	P.O. Box 7606 , Mid	land Texas 7970	8					N	ladine: Drin	kard-Abo			
ſ	4. Well Location Unit Letter	E : 2310	_ Feet From The	Nor	th	Line	and	990	Feet F	from The	W	est Li	ine
L	Section		Township		Range	38		NMP			Lea		,
		1. Date T.D. Reached		Compl. (Ready t	o Prod.)			tions (DF &	RKB, RT, GR	, etc.)	14. Elev	. Casinghead	Ì
┝	07/19/2003 15. Total Depth	08/05/2003 16. Plug Back T		7/2003	Compl H		590	Intervals	Rotary Tool		Cable T	3590	
L	7750	76	85	Many Zor		N/A		Drilled By		Ϋ́	Cable		
ľ	19. Producing Interval(s), o 6999'-7598' Drinka		, Bottorn, Name							20. Was Dii	rectional Yes	Survey Made	
ľ	21. Type Electric and Othe CNL & DLL	r Logs Run				,			22. Was We	I Cored	No		
ŀ	23.			RECORD	(Repo	rt all st	rinas	set in v	vell)				
ł	CASING SIZE	WEIGHT LB/F	T	PTH SET	<u>, </u>	LE SIZE			MENTING R	ECORD	A	MOUNT PULLE	-D
Ľ	8 5/8	24		1675		12 1/4			850 sx "0	the second s	-	0	
ŀ	5 1/2	17		7750		7 7/8		1000	sx "C" + 8	50 sx "H"		0	
ŀ													
Ľ				·····									
ŀ	24.		LINER REC					25.	TL	IBING RE	CORE)	
┡	SIZE	TOP	BOTTOM	SACKS CE	MENT	SCR	EEN	·	SIZE	DEPTH		PACKER SE	T
┝			110.07						2 7/8	750	0	N/A	
	26. Perforation record (in				k	27. AC	ID, SI	HOT, FF	ACTURE	, CEMEN	T, SQL	JEEZE, ETC	
	6999'-7002',7047'-7	051',7055'-7060',7	7082'-7084',7	090'-7092',75	538'-75		I INTE			AND KIND			
	7543'-7545',7550'-7 7104'-7109',7300'-7						999'-75	98	50	00 gals 20	% + 37	tons CO2	
t	28.		······································	PRODU	CTIO	N .			1				
	Date First Production 08/27/2003		duction Method	(Flowing, gas lift	, pumping	- Size an		ump)		Well S		od. or Shut-in)	
ſ	Date of Test 08/30/2003	Hours Tested 24	Choke Size N/A	Prod'n Fo Test Peri		Oil - BbL. 28		Gas - M0 122		Nater - BbL	10	Gas - Oil Ratio, 4357	2
t	Flow Tubing Press. N/A	Casing Pressure 40	Calculated 2 Hour Rate	24- Oil - Bbl		Gas	- MCF 122			Oil Gra	vity - APT	30 m.)	101
	29. Disposition of Gas (Sol		d, etc.)	2	,	_!	122		Test W	itnessed By	ED -	1	
	Sold - Dynegy 30. List Attachments								Mike	Mooney	103	ZEP 2	5
L	Deviation survey, el											N 25	5/
	31. I hereby certify that the	information shown on	both sides of thi	s form is true and	l complete	e to the be	st of my	knowledge	and belief			1.526	
	Signature Ma	1.1 Aug	van	Printed Mi	chael G	. Moone	у	T#	e Enginee	-	Da	te 09/20/2003	<u>}</u>
	/												

Kr

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific 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, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, 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. Anhy		T. Canyon	T.	Ojo Alamo	T. Penn. "B"
T. Salt		T. Strawn	T.	Kirtland-Fruitland	T. Penn. "C"
B. Salt		T. Atoka	T.	Pictured Cliffs	T. Penn. "D"
T. Yates		T. Miss	T.	Cliff House	T. Leadville
T. 7 Rivers	3060.0	T. Devonian	T.	Menefee	T. Madison
T. Queen		T. Silurian	T.	Point Lookout	T. Elbert
T. Grayburg		T. Montoya	T.	Mancos	T. McCracken
T. San Andres	4307.0	T. Simpson	T.	Gallup	T. Ignacio Otzte
T. Glorieta	5575.0	T. McKee	Ba	ase Greenhorn	T. Granite
T. Paddock		T. Ellenburge	er T.	Dakota	Т
T. Blinebry	6030.0	T. Gr. Wash	T.	Morrison	Т.
T. Tubb	6611.0	T. Delaware	Sand T.	Todilto	Т
T. Drinkard	6745.0	T. Bone Sprir	ngs T.	Entrada	T
T. Abo	7210.0	Т.	T.	Wingate	Т
T. Wolfcamp		Т	T.	Chinle	Т
T. Penn		Т	T.	Permain	Т
T. Cisco (Bough C)		Т	T.	Penn. "A"	Т
		OIL		S OR ZONES	
No. 1, from 6745					to
No. 2, from 7300		to 7598		No. 4, from	to
Include data on rat	e of wat			ich water rose in hole.	
				feet	
No. 2, from		to		feet	
No. 3, from		to		feet	

LITHOLOGY RECORD (Attach additional sheet if necessary)

				•			•
From	То	Thickness in Feet	Lithology	From	То	Thickness in Feet	Lithology
0.0	1720.0		Redbeds & sand				
1721.0	3054.0	1333.0	Salt & Anhydrite		· ·		
3055.0	7750.0	4695.0	Dolomite & Limestone			2	
							000 000 000 000 000 000 000 000 000 00
							6185 133
							21 con "31
							Hope V
						1	Pro-150
							SEP LINE
						/	SEL SUB

. . 🔖



Lea County GIS INTERNET REPORT Page 1 of 3



OWNER NUMBER: 76352

PARCEL NUMBER: 4000763520001

UPC CODE: 4000763520001

	Owner Information
Owner:	S & H ENTERPRISES
Mailing Address:	PO BOX 1606 HOBBS NM 88241
Property Address:	

	Subdivision Information
Name:	
Unit:	
Block	
Lot:	

. Human Sangarpur Sangara Sa	48	s F.
	481.10 AC BEING N2 & SW4	
	Ā	
	BEI	
	NG	
	N2 8	
	NS,	
	4	
		F
		ga
		In
		OTT
		nati
		no
		1
		1144C0711388479999



Lea County GIS INTERNET REPORT Page 2 of 3



	Other Information	oni 🖉 🔛 🔤	
Taxable Value:	\$9,584.00	\$9,584.00 Deed Book:	493
Exempt Value:	\$0.00	\$0.00 Deed Page:	659
Net Value	\$9,584.00 District:	District:	160
Livestock Value:	\$0.00	\$0.00 Section:	25
Manufactured Home Value:	\$0.00	\$0.00 Township:	19
Personal Property:	\$0.00	\$0.00 Range:	38
Land Value:	\$28,752.00	\$28,752.00 Date Filed:	
Improvement Value:	\$0.00	\$0.00 Most Current Tax:	\$254.71
Full Value:	\$28,752.00	\$28,752.00 Year Recorded:	

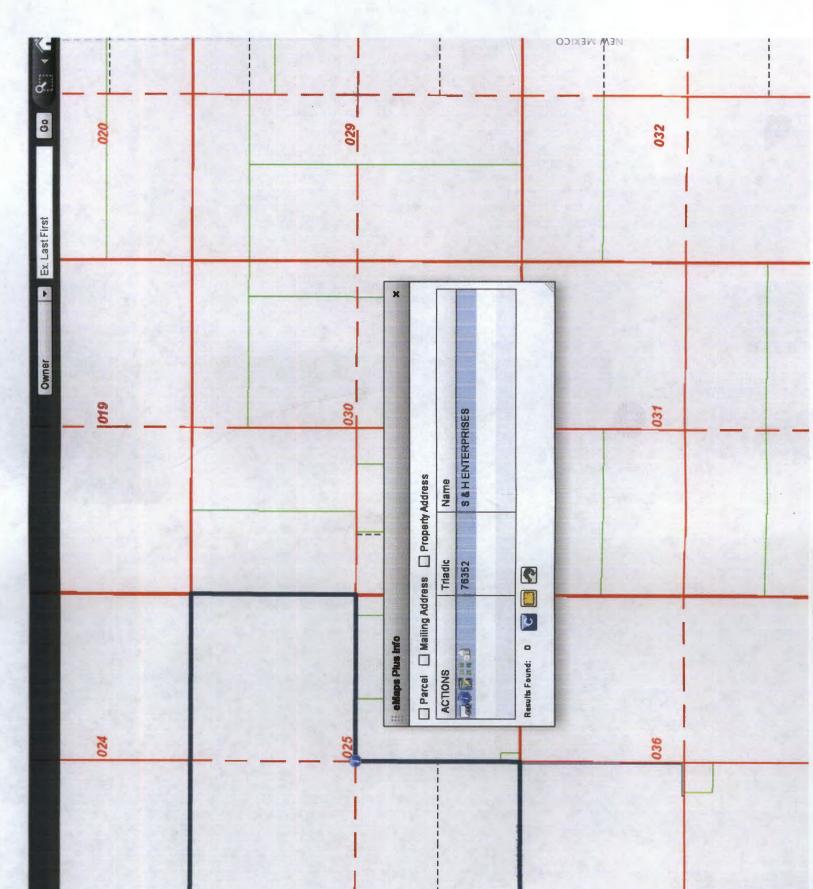
Square Foot and Year Built listed only to be used for comparative purposes, NOT to be used for commerce.

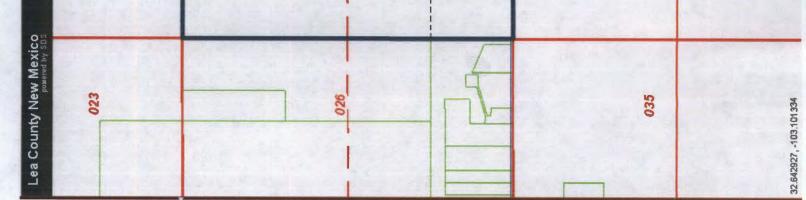


Lea County GIS INTERNET REPORT Page 3 of 3



ea County Tax Record





1 Mile AOR

	Lat	Long	Offiset	Sec	Town	Range	Distance	Heading
\$	42 32.646641266 -103.0966314	-103.0966314	2310 FNL, 990 FEL	24	195	38E	0.63	10
9	32.644825898 -103.0966392	-103.0966392	2310 FSL, 990 FEL	24	195	38E	0.52	12
\$	44 32.647542014 -103.0923185	-103.0923185	1980 FNL, 330 FWL	19	195	38E	0.78	27
2	32.629392761 -103.1041848	-103.1041848	1980 FSL, 1980 FWL		195	38E	0.66	210
90	06 32.637404484 -103.1039497	-103.1039497	400 FNL, 2050 FWL		195	38E	0.32	270
8	32.6394078	-103.1030944	330 FSL, 2310 FWL	24	19S	38E	0.3	297
62	32.63959221	-103.1009706	400 FSL, 2310 FEL		19S	38E	0.22	310
8	32.644858241	-103.1052213	2310 FSL, 1650 FWL		19S	38E	0.64	321
5	32.646655406 -103.1073667		2310 FNL, 990 FWL		19S	38E	0.82	321
8	32.64846666	-103.105203	1650 FNL, 1650 FWL		195	38E	0.84	333
8	32.643028018 -103.1009559	-103.1009559	1650 FSL, 2310 FEL		195	38E	0.41	340
5	32.650277889 -103.1030393		990 FNL, 2310 FWL	24	19S	38E	0.91	343
49		32.65027338 -103.0995864	990 FNL, 1900 FEL	24	195	38E	0.88	356
8	32.646644098	-103.0987859	58 32.646644098 -103.0987859 2310 FNL, 1650 FEL	24	195	38E	0.64	359

API # 30-025-36142 30-025-36144 30-025-35146 30-025-35906 30-025-35906 30-025-35906 30-025-35966 30-025-35966 30-025-35966 30-025-35966 30-025-35966 30-025-35966

Well Name Sapphire #3 Emerald #3 Fhillips #1 Nadine 25 #1 Topaz #1 Ruby #1 Ruby #1 Ruby #2 Plamond #4 Diamond #1 Diamond #1 Diamond #1 Sapphire #2 Sapphire #1





itional wells within 2 miles

u	115	203	205	213	216	225	249	254	256	260	267	267	276	285	288	290	300	312	323
Direction	1.32	1.91	1.67	1.95	1.89	1.15	1.6	1.82	1.29	1.84	1.32	1.57	1.57	1.85	1.38	1.94	1.84	1.02	1.79
Distance																			
Unit Lette GPS	32.6293526,-103.0784149	32.6121276343329,-103.111746836068	32.615710,-103.111268	32.6139377897354,-103.117161179454	32.6156731,-103.1181641	32.6257858,-103.112793	32.629406,-103.1245651	32.6303101,-103.1288528	32.6330833,-103.1202698	32.6330605,-103.129921	32.6366234,-103.1213379	32.6366959,-103.1256256	32.6403236,-103.125618	32.6448517,-103.1293106	32.6439629,-103.1213226	32.647583,-103.1298904	32.6512108,-103.125946	32.6475868,-103.1116638	32.6584702,-103.1169739
DCD Unit Le	I	μ	I	I	I	P	L	I	F	H	U	D	M	I	K	H	D	Н	1
Range	39E	38E	38E	38E	38E	38E	38E	38E	38E	38E	38E	38E	38E	38E	38E	38E	38E	38E	38E
Township	195	: 19S	195	195	195	195	195	195	; 19S	195	195	195	195	19S	195	195	195	195	S61 1
Section	30	35	35	35	35	26	26	27	26	27	26	26	23	22	23	22	23	23	14
Well Number	#001	\$005	#006	#002	#001	#001	100#	t001	#002	#001	£00#	100#	t001	#002	#001	#001	#001	#001	#001
Well Name		30-025-42531 WERTA FEDERAL	30-025-42532 WERTA FEDERAL	SAL	PLOW BOY FEDERAL	ANETZ		14				30-025-21835 RUTH TERRY FURNEA #001					30-025-26342 NADINE FEDERAL		
API	30-025-30854 CARTER	30-025-42531	30-025-42532	30-025-42530	30-025-36962 H	30-025-07713	30-025-30720 LIA	30-025-30804 NADINE 27	30-025-30656 TIFFANY	30-025-31004 ALYSSA	30-025-30730 TIFFANY	30-025-21835 1	30-025-26635 TERRY	30-025-27710 TONI	30-025-07709 ALFOSTER C	30-025-27515 TONI	30-025-26342	30-025-36215 MERLOT	30-025-34145 CAIN

Addir



