

BW-036

ANNUAL
REPORT

2021

2021 ANNUAL CLASS III WELL REPORT

H.R.C. INC.

Schubert Farms Well # 1 (BW-036)

API 30-025-37548

May 9, 2022

GARY M. SCHUBERT

TABLE OF CONTENTS

ITEM	PAGE
SUMMARY OF CLASS III OPERATIONS 2021	3
FLUID INJECTION & BRINE PRODUCTION VOLUMES	4
EXTRACTION VS. INJECTION RATIOS	5
INJECTION PRESSURE	5
MONITOR WELL WATER SAMPLE CHEMICAL ANALYSIS DATA	6
PRODUCED BRINE & INJECTED FRESH WATER CHEMICAL ANALYSIS DATA	9
PIPE LINE HYDROSTATIC TEST RESULTS	14
VISUAL LEAK INSPECTION MONITORING	14
MECHANICAL INTEGRITY TESTS	15
AREA OF REVIEW (AOR) UPDATE	15
DEVIATIONS FROM NORMAL FLOW CONFIGURATION	15
MAJOR FACILITY ACTIVITIES OR EVENTS	15
SURFACE SUBSIDENCE MONITORING PLAN RESULTS	15
SOLUTION CAVERN CHARACTERIZATION DATA RESULTS	16
CONCLUSIONS & RECOMMENDATIONS	17
ANNUAL CERTIFICATION	17
APPENDIX A (Production & Injection Pressure and Volume Data)	18
APPENDIX B (Monitor Well, Prod Brine & Injected FW Sample Chemical Analysis Reports)	19
APPENDIX C (Mechanical Integrity Test Chart & Report)	39
APPENDIX D (1/2 & 2 Mile AOR Map)	44
APPENDIX E (Facility Schematic)	45
APPENDIX F (Surface Subsidence Monitoring Plat & Data)	48
APPENDIX G (Wellbore Schematic & Cavern Characterization Data)	49

SUMMARY OF CLASS III OPERATIONS 2021

Schubert Farms Well # 1 (BW-36) production operations in 2021 recorded an upward trend as the industry recovered from the COVID pandemic. An annual total of 295,614 bbl. of brine was extracted at an average weight of 9.89 PPG (1.1851 SG), an increase of 32.2% over 2020. Steady sales are expected in 2022.

Analysis of water samples from the designated monitor well showed no changes in water quality.

All facility lines and connections receive a daily visual inspection. Readings on pressure gauges are recorded daily, along with the produced brine and injected water volumes. Safety shut off mechanisms are tested to ensure that the high and low pressure shut down systems are fully functional. In 2021 there were no leaks that occurred during the year. The fresh water systems and well are insulated to protect the fresh water system from freezing. All meters and valves were protected and are in good working condition.

H.R.C., Inc. preventive maintenance plan is to replace any connections or valves that could be showing wear. This will continue as a safe operating procedure in 2022. Connections are changed when the first sign of salt is seen behind the threaded end. During 2021 the transfer pump that transports brine to the sales tanks required a mechanical seal replaced in the month of April. This is a common task due to the abrasion of the 9.98 PPG brine. When replacing the seals, fresh water was used to clean out the lines, and valves were shut in allowing the connecting unions to be broken to prevent any impact to the ground within the pump shop where the pump resides.

There were no deviations from normal operations of the well.

Surface subsidence monitoring results show no changes in elevations at the designated monitoring points.

Solution cavern characterization results show that the cavern size and shape remain within NMOCD recommended limits.

H.R.C., Inc. has continued its COVID protection plan for employees, requiring appropriate masks, hand sanitizers, aerosols and nitrile gloves in the field and office. Field tickets are stored in plastic bags and handled diligently for the least exposure possible to its employees.

H.R.C., Inc. Schubert Farms # 1 is an asset to industry and continues to support oil & gas production operations in New Mexico.

FLUID INJECTION & BRINE PRODUCTION VOLUMES

2021 MONTHLY TOTALS PRODUCED BRINE & INJECTED FRESH WATER

MONTH	PROD. BRINE	INJ. FRESH WATER
JANUARY	27269	26995
FEBRUARY	18003	17807
MARCH	24908	24705
APRIL	15721	15543
MAY	14740	14579
JUNE	18825	18816
JULY	26873	26569
AUGUST	29354	29026
SEPTEMBER	31288	30924
OCTOBER	28870	28579
NOVEMBER	30780	30446
DECEMBER	28983	28674
TOTAL	295614	292663

ANNUAL TOTALS PRODUCED BRINE & INJECTED FRESH WATER

YEAR	PROD. BRINE	INJ. FRESH WATER
2017	153,518	148,678
2018	306,806	303,899
2019	264,276	261,658
2020	223,625	221,247
2021	295,614	292,663
TOTAL	1,243,839	1,228,145

EXTRACTION VS. INJECTION RATIOS

2021 FLUID INJECTION & BRINE PRODUCTION VOLUME RATIO

MONTH	BRINE	BRINE PSI	FRESH WATER	FW PSI	RATIO (RAW)	RATIO (CALC)
JANUARY	27269	20	26995	257	27269:26995	1.010150
FEBRUARY	18003	24	17807	255	18003:17807	1.011000
MARCH	24908	22	24705	256	24908:24705	1.008210
APRIL	15721	23	15543	255	15721:15543	1.011452
MAY	14740	21	14579	254	14740:14579	1.011043
JUNE	18825	22	18816	255	18825:18816	1.000478
JULY	26873	20	26569	256	26873:26569	1.011442
AUGUST	29354	20	29026	257	29354:29026	1.011300
SEPTEMBER	31288	21	30924	255	31288:30924	1.011771
OCTOBER	28870	19	28579	257	28870:28579	1.010182
NOVEMBER	30780	20	30446	256	30780:30446	1.010970
DECEMBER	28983	21	28674	257	28983:28674	1.010776

INJECTION PRESSURE

Injection pressure remains consistent with 2020. Annulus average is 21 PSIG and the tubing average is at 256 PSIG. RFD pump runs at 53.6 Hz. with a yield of 28 to 29 GPM. The leaseoperator checks the pressure daily and records it on his daily logs.

Please find production & injection pressure and volume data attached in Appendix A, and can be seen in the table above.

MONITOR WELL WATER SAMPLE CHEMICAL ANALYSIS DATA

The BW-36 order requires that the specified monitor well be sampled semi-annually and chemical analysis results be reported to the OCD. H.R.C. Inc. has been performing this sampling on a semi-annual basis. However, quarterly sampling and analysis for the produced brine and injected fresh water has been instituted as of January 2022 and the monitor well will be sampled at the same time and same interval, so therefore will also begin and then remain on a quarterly basis going forward. Cardinal Laboratories sampled water from the designated monitor well on 06/02/2021 and 12/17/2021. Summary of the analyses from June 2021 and December 2021 for Inorganic Compounds and Total Recovery Metals by ICP (E200.7) are shown below. There were no appreciable changes in the designated monitor well water quality throughout 2021, and as compared to 2020.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-20-13 for 06/16/21 and certificate number T104704398-21-14 for 12/27/21.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2 Total Halo acetic Acids (HAA-5)

Method EPA 524.2 Total Trihalomethanes (TTHM)

Method EPA 524.4 Regulated VOCs (V1, V2, V3)

Cardinal Laboratories is accredited through the State of New Mexico Environment Department for:

Method SM 9223-B Total Coliform and E. coli (Colilert MMO-MUG)

Method EPA 524.2 Regulated VOCs and Total Trihalomethanes (TTHM)

Method EPA 552.2 Total Halo acetic Acids (HAA-5)

Full details of the analytical results are attached at the end of this report in Appendix B.

JUNE 2021 RESULTS

MONITOR WELL INORGANIC COMPOUNDS

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method
Alkalinity, Bicarbonate	220		5.0	MG/L	6-3-21	310.0
Alkalinity Carbonate	< 1.00		1.0	MG/L	6-3-21	310.0
Chloride	392		4.0	MG/L	6-3-21	4500-C1.B
Conductivity	2080		1.0	US/CM	6-4-21	120.1
pH	7.34		0.100	pH Units	6-4-21	150.1
Sulfate	262		50	MG/L	6-3-21	375.4
TDS	1340		5.0	MG/L	6-7-21	160.1
Alkalinity Total	180		4.0	MG/L	6-3-21	310.1

MONITOR WELL TOTAL RECOVERABLE METALS by ICP (E220.7)

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method
Calcium	204		0.500	MG/L	6-14-21	EPA200.7
Magnesium	55		0.500	MG/L	6-14-21	EPA200.7
Potassium	5.53		5.0	MG/L	6-14-21	EPA200.7
Sodium	134		5.0	MG/L	6-14-21	EPA200.7

DECEMBER 2021 RESULTS

MONITOR WELL INORGANIC COMPOUNDS

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method
Alkalinity, Bicarbonate	224		5.00	MG/L	12-20-21	310.0
Alkalinity Carbonate	<1.00		1.00	MG/L	12-20-21	310.0
Chloride	68.0		4.00	MG/L	12-20-221	4500. C1.B
Conductivity	671		1.00	UMHOS/CM	12-17-21	120.1
pH	7.83		0.100	pH units	12-17-21	150.1
Sulfate	81.6		25.0	MG/L	12-20-21	375.4
TDS	417		5.0	MG/L	12-20-21	160.1
Alkalinity Total	184		4.00	MG/L	12-20-21	310.1

MONITOR WELL TOTAL RECOVERABLE METALS by ICP (E220.7)

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method
Calcium	49.8		1.00	MG/L	1-6-22	EPA 200.7
Magnesium	15.2		1.00	MG/L	1-5-22	EPA 200.7
Potassium	1.89	1.83	10.00	MG/L	1-5-22	EPA 200.7
Sodium	63.3		10.00	MG/L	1-5-22	EPA 200.7

PRODUCED BRINE & INJECTED FRESH WATER CHEMICAL ANALYSIS DATA

The BW-36 order requires that the produced brine and injected fresh water be sampled quarterly and chemical analysis results be reported to the OCD. H.R.C. Inc. has erroneously been performing this sampling on a semi-annual basis instead of quarterly. Quarterly sampling and analysis has been instituted as of January 2022, and will remain on a quarterly basis going forward. Cardinal Laboratories sampled produced brine and injected fresh water from the BW-36 facility on 06/02/2021 and 12/17/2021. Summary of the analyses from June 2021 and December 2021 for Inorganic Compounds and Total Recovery Metals by ICP (E200.7) are shown below. There were only no appreciable changes in both the produced brine chemistry and injected fresh water chemistry throughout 2021, and as compared to 2020.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-20-13 for 06/16/21 and certificate number T104704398-21-14 for 12/27/21.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2 Total Halo acetic Acids (HAA-5)

Method EPA 524.2 Total Trihalomethanes (TTHM)

Method EPA 524.4 Regulated VOCs (V1, V2, V3)

Cardinal Laboratories is accredited through the State of New Mexico Environment Department for:

Method SM 9223-B Total Coliform and E. coli (Colilert MMO-MUG)

Method EPA 524.2 Regulated VOCs and Total Trihalomethanes (TTHM)

Method EPA 552.2 Total Halo acetic Acids (HAA-5)

Full details of the analytical results are attached at the end of this report in Appendix B.

BRINE ANALYTICAL RESULTS: JUNE 2021**INORGANIC COMPOUNDS**

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method
Alkalinity, Bicarbonate	244		5.00	MG/L	6-3-21	310.0
Alkalinity Carbonate	<1.00		1.00	MG/L	6-3-21	310.0
Chloride	178,000		4.00	MG/L	6-3-21	4500.C1.B
Conductivity	263,000		1.00	UMHOS/CM	6-3-21	120.1
pH	6.77		0.100	Ph Units	6-4-21	150.1
Sulfate	2520		500	MG/L	6-3-21	375.4
TDS	291,000		5.00	MG/L	6-7-21	160.1
Alkalinity Total	200		4.00	MG/L	6-3-21	310.1

TOTAL RECOVERABLE METALS by ICP (E220.7)

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method
Calcium	783		50.0	MG/L	6-14-21	EPA 200.7
Magnesium	184		50.0	MG/L	6-14-21	EPA200.7
Potassium	265	91.5	500	MG/L	6-14-21	EPA 200.7
Sodium	111,000		500	MG/L	6-14-21	EPA 200.7

FRESH WATER ANALYTICAL RESULTS: JUNE 2021

INORGANIC COMPOUNDS

Analyte	Result	MDL	Reporting Limit	Units	Analyzed	Method
Alkalinity, Bicarbonate	244		5.00	MG/L	6-3-21	310.0
Alkalinity Carbonate	<1.00		1.00	MG/L	6-3-21	310.0
Chloride	468		4.00	MG/L	6-3-21	4500.C1.B
Conductivity	2 760		1.00	UMHOS/CM	6-4-21	120.1
pH	7.25		0.100	pH units	6-4-21	150.1
Sulfate	537		125	MG/L	6-3-21	375.1
TDS	1860		5.00	MG/L	6-7-21	160.1
Alkalinity Total	200		4.00	MG/L	6-3-21	310.1

TOTAL RECOVERABLE METALS by ICP (E220.7)

Analyte	Result	MDL	Reporting Limit	Units	Analyzed	Method
Calcium	243		0.500	MG/L	6-14-21	EPA 200.7
Magnesium	78.2		0.500	MG/L	6-14-21	EPA 200.7
Potassium	7.09	0.915	5.00	MG/L	6-14-21	EPA 200.7
Sodium	226		5.00	MG/L	6-14-21	EPA 200.7

BRINE ANALYTICAL RESULTS: DECEMBER 2021**INORGANIC COMPOUNDS**

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method
Alkalinity Bicarbonate	264		5.00	MG/L	12-20-21	310.0
Alkalinity Carbonate	<1.00		1.00	MG/L	12-20-21	310.0
Chloride	190,000		4.00	MG/L	12-20-21	4500. C1.B
Conductivity	283,000		1.00	UMHOS/CM	12-17-21	120.1
pH	6.59		0.100	Ph Units	12-17-21	150.1
Sulfate	6880		1250	MG/L	12-20-21	375.1
TDS	319,000		5.00	MG/L	12-20-21	160.1
Alkalinity Total	216		4.00	MG/L	12-20-21	310.1

TOTAL RECOVERABLE METALS by ICP (E220.7)

Analyte	Result	MDL	Reporting Limit	Units	Analyzed Date	Method
Calcium	915		20.0	MG/L	1-5-22	EPA 200.7
Magnesium	645		20.0	MG/L	1-5-22	EPA 200.7
Potassium	1370		200	MG/L	1-5-22	EPA 200.7
Sodium	104,000		500	MG/L	1-5-22	EPA 200.7

FRESH WATER ANALYTICAL RESULTS: DECEMBER 2021

INORGANIC COMPOUNDS

Analyte	Result	MDL	Reporting Limit	Units	Analyzed	Method
Alkalinity, Bicarbonate	303		5.00	MG/L	12-20-21	310.0
Alkalinity Carbonate	<1.00		1.00	MG/L	12-20-21	310.0
Chloride	292		4.00	MG/L	12-20-21	4500.C1.B
Conductivity	1630		1.00	UMHOS/CM	12-17-21	120.1
pH	7.44		0.100	pH Units	12-17-21	150.1
Sulfate	158		25.0	MG/L	12-20-21	375.1
TDS	1000		5.00	MG/L	12-20-21	160.1
Alkalinity Total	248		4.00	MG/L	12-20-21	310.1

TOTAL RECOVERABLE METALS by ICP (E220.7)

Analyte	Result	MDL	Reporting Limit	Units	Analyzed	Method
Calcium	124		1.00	MG/L	1-5-22	EPA 200.7
Magnesium	24.3		1.00	MG/L	1-5-22	EPA 200.7
Potassium	12.2	1.83	10.00	MG/L	1-5-22	EPA 200.7
Sodium	168		10.00	MG/L	1-5-22	EPA 200.7

PIPE LINE HYDROSTATIC TEST RESULTS

Lines that lead to the storage tanks from the wellhead have a hydrostatic pressure of 8.3 pounds of pressure at the base of the line at the fill tank when idle. The operating static pressure average is 11.7 psi respectively. The operating pressure is at around 20 psig. Discharge line is of 3" Polyethylene SDR 11 with a max operating pressure of 160 PSI.

Brine Water transfer line from storage tanks at the Schubert Farms Well # 1 facility to the storage point located 1.5 miles south of the Schubert Farms Well # 1 has an operating pressure of 130 psi. The second point of diversion is the transfer of brine from the storage tanks known as the Peanut Shed to the A.N. ETZ sales facility located 0.8 miles east of HWY 18 on Nadine Rd. (P-26-19S-38E) this line is constructed of 2" SDR 11 Polyethylene Line with a max pressure of 160 psi the line enters into the west 16' holding tank at the top and has a hydrostatic pressure at the base of the line of 0 pounds of pressure at the base of the line due to the (Peanut Shed) storage tanks being higher in elevation. In the transferring operation of brine from the storage tanks (Peanut Shed) it takes 20 to 30 static pounds to move fluid through the 2" line to the A.N. ETZ sales point. Pump # 1 runs at 26 GPM and Pump # 2 runs at 42 GPM depending on demand both pumps can be run together.

VISUAL LEAK INSPECTION MONITORING

H.R.C. Inc. operations personnel walks each above ground facility line daily, and inspects all lines and connections for any sign of leaks or sweating of threads.

The H.R.C. lease operator drives out the lines that are underground and below frost level and visually inspects for any signs of compromised line integrity. This is done up to four times daily, but at a minimum once daily.

No leaks were detected in 2021. Because there were no leaks or spills detected in 2021, there are no leak or spill corrective action reports required.

MECHANICAL INTEGRITY TESTS

For 2021, the last required mechanical integrity test was performed on 2/23/17.

A mechanical integrity test was completed on February 25, 2022. Please find a copy of the MIT Chart, Procedure Report, and C-103 in Appendix C. This test will also be reported in the 2022 Annual Report.

AREA OF REVIEW (AOR) UPDATE

H.R.C., Inc. has updated the 2021 AOR for the Schubert Farms Well # 1 (BW-36), showing no new permits or new drilled wells have been located within the ½ or 2 mile AOR since the 2020 report.

Please find a copy of the ½ and 2 mile AOR review map in Appendix D.

DEVIATIONS FROM NORMAL FLOW CONFIGURATION

H.R.C. Inc. certifies that the well was operated in compliance with its permitted normal flow configuration throughout 2021 (inject fresh water down tubing, produce brine up annulus).

MAJOR FACILITY ACTIVITIES OR EVENTS

There were no major facility activities or events in 2021. A minor facility modification was done to add additional brine and fresh water tanks. Normal operations of the facility were not impacted during the modifications. Please find a copy of the BW-36 facility schematic in Appendix E for the current tank configuration.

SURFACE SUBSIDENCE MONITORING PLAN RESULTS

Surface subsidence surveys were conducted in June 2021, September 2021, and December 2021, by Basin Surveys, certified by Gary L. Jones, Texas PLS. Three elevation markers are in place. No changes in elevation have been found.

Please find a copy of the BW-36 surveyor's plat in Appendix F, with locations of the BW-36 EM markers, and stating no changes found as of December 27, 2021.

SOLUTION CAVERN CHARACTERIZATION DATA RESULTS

The characterization of the cavern can be mathematically calculated using $V = \pi R^2 h / 3$, where the cavern is assumed to be conical in shape, V = volume of salt removed in ft^3 , R = cavern radius in ft at bottom, and h = height of cavern in ft.

The Litho Density Compensated Neutron logs showed approximately 54' of good Halite net pay showing less than 4 API units on the Gamma Ray side of the log that is presently being mined. This interval is from 2661'-2715'. Height of cavern, $h = 54$ ft.

BW-36 has produced 1,243,839 Bbl. of brine from the Salado formation from March, 2017 to December 31, 2021. It takes 122.136 Lbs. of salt to produce one barrel of quality brine yielding a Specific Gravity of 1.195. Multiplying salt ratio to total fluid bbl. equals 151,917,520 lbs of salt mined during this period. The amount of salt mined, 151,917,520 lbs, divided by 80 lbs salt/ft.³ equals 1,898,969 ft.³ volume of salt removed through December 31, 2021. Volume of cavern, $V = 1,898,969 \text{ ft}^3$.

Substituting into $V = \pi R^2 h / 3$ for V and h , and solving for R shows that the radius of the cavern, $R = 183$ ft. Diameter of cavern, $D = 2R = 366$ ft.

Depth of cavern is taken to be depth of casing window, 2661 ft.

In respect to the recommended maximum allowable D/depth cavern size factor of 0.5, the Schubert Farms Well No. 1 (BW-36) has a factor value of $(366' / 2661') = 0.137$, which is well below the maximum allowable.

BW-36 has years of remaining life to continue mining for the salt that is used throughout the oil and gas industry in Southeastern New Mexico. New horizons above 2661' can be considered in the future to increase the lifespan of this facility.

Please find a copy of the BW-36 wellbore schematic and input data for the cavern characterization calculations in Appendix G.

CONCLUSIONS & RECOMMENDATIONS

This well and facility are in good working order and maintained regularly. The cavern diameter/depth ratio is well within recommended maximum limits, and will not cause cavern collapse. There has been no evidence of surface subsidence. The nearby monitor well shows no evidence of contamination of USDW's. H.R.C. Inc. has not been fully in compliance with reporting to OCD, but procedures have been implemented to bring this well into full reporting compliance, and will remain so going forward.

ANNUAL CERTIFICATION

H.R.C. Inc. certifies that continued salt solution mining of the Schubert Farms Well #1 (BW-36) will not cause cavern collapse, surface subsidence, property damage, or otherwise threaten public health and the environment, based on geologic and engineering data.

Signature Greg M. Schubert for H.R.C., Inc. Date 5/5/22
Name GARY M. SCHUBERT Title PRES.

APPENDIX A

2021 Production & Injection Pressures and Volumes					
Month		Brine Production (Bbls)		Fresh Injection (Bbls)	
		Average Pressure (psi)		Average Pressure (psi)	
January			27,269		26,995
			20		257
February			18,003		17,807
			24		255
March			24,908		24,705
			22		256
April			15,721		15,543
			23		255
May			14,740		14,579
			21		254
June			18,825		18,816
			22		255
July			26,873		26,569
			20		256
August			29,354		29,026
			20		257
September			31,288		30,924
			21		255
October			28,870		28,579
			19		257
November			30,780		30,446
			20		256
December			28,983		28,674
			21		257
Yearly Total			295,614		292,663
			21		256
Cumulative Totals		Brine Production (Bbls)		Fresh Injection (Bbls)	
			1,243,839		1,235,740

APPENDIX B



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

June 16, 2021

BEN DONAHUE

ETZ WATER STATION

PO BOX 6056

HOBBS, NM 88241

RE: SCHUBERT

Enclosed are the results of analyses for samples received by the laboratory on 06/02/21 14:47.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-20-13. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accr_cred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Total Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Cardinal Laboratories is accredited through the State of New Mexico Environment Department for:

Method SM 9223-B	Total Coliform and E. coli (Colilert MMO-MUG)
Method EPA 524.2	Regulated VOCs and Total Trihalomethanes (TTHM)
Method EPA 552.2	Total Haloacetic Acids (HAA-5)

Accreditation applies to public drinking water matrices for State of Colorado and New Mexico.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "Celey D. Keene".

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SHUBERT FARMS #1 WATERS SAM Project Manager: BEN DONAHUE Fax To:	Reported: 16-Jun-21 11:17
---	---	------------------------------

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
MONITOR WELL	H211404-01	Water	02-Jun-21 09:40	02-Jun-21 14:47
FRESH WATER	H211404-02	Water	02-Jun-21 09:47	02-Jun-21 14:47
BRINE WATER	H211404-03	Water	02-Jun-21 09:38	02-Jun-21 14:47

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever, shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services furnished by Cardinal, regardless of whether such claim is based upon any of the above stated theories or otherwise. Results relate only to the sample identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 ETZ WATER STATION
 PO BOX 6056
 HOBBS NM, 88241

 Project: SCHUBERT
 Project Number: SHUBERT FARMS #1 WATERS SAM
 Project Manager: BEN DONAHUE
 Fax To:

 Reported:
 16-Jun-21 11:17

MONITOR WELL
H211404-01 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
---------	--------	-----	-----------------	-------	----------	-------	---------	----------	--------	-------

Cardinal Laboratories
Inorganic Compounds

Alkalinity, Bicarbonate	220		5.00	mg/L	1	1042813	GM	03-Jun-21	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	1042813	GM	03-Jun-21	310.1	
Chloride*	392		4.00	mg/L	1	1060207	GM	03-Jun-21	4500-C1-B	
Conductivity*	2080		1.00	umhos/cm @ 25°C	1	1060306	GM	04-Jun-21	120.1	
pH*	7.34		0.100	pH Units	1	1060306	GM	04-Jun-21	150.1	
Temperature °C	22.8			pH Units	1	1060306	GM	04-Jun-21	150.1	
Sulfate*	262		50.0	mg/L	5	1060307	GM	03-Jun-21	375.4	
TDS*	1340		5.00	mg/L	1	1052704	GM	07-Jun-21	160.1	
Alkalinity, Total*	180		4.00	mg/L	1	1042813	GM	03-Jun-21	310.1	

Green Analytical Laboratories
Total Recoverable Metals by ICP (E200.7)

Calcium*	204		0.500	mg/L	5	B211250	AES	14-Jun-21	EPA200.7	
Magnesium*	55.0		0.500	mg/L	5	B211250	AES	14-Jun-21	EPA200.7	
Potassium*	5.53	0.915	5.00	mg/L	5	B211250	AES	14-Jun-21	EPA200.7	
Sodium*	134		5.00	mg/L	5	B211250	AES	14-Jun-21	EPA200.7	

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates, or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 ETZ WATER STATION
 PO BOX 6056
 HOBBS NM, 88241

 Project: SCHUBERT
 Project Number: SHUBERT FARMS #1 WATERS SAM
 Project Manager: BEN DONAHUE
 Fax To:

 Reported:
 16-Jun-21 11:17

FRESH WATER
H211404-02 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
---------	--------	-----	-----------------	-------	----------	-------	---------	----------	--------	-------

Cardinal Laboratories
Inorganic Compounds

Alkalinity, Bicarbonate	244		5.00	mg/L	1	1042813	GM	03-Jun-21	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	1042813	GM	03-Jun-21	310.1	
Chloride*	465		4.00	mg/L	1	1060207	GM	03-Jun-21	4500-Cl-B	
Conductivity*	2760		1.00	umhos/cm @ 25°C	1	1060306	GM	04-Jun-21	120.1	
pH*	7.25		0.100	pH Units	1	1060306	GM	04-Jun-21	150.1	
Temperature °C	22.8			pH Units	1	1060306	GM	04-Jun-21	150.1	
Sulfate*	537		125	mg/L	12.5	1060307	GM	03-Jun-21	375.4	
TDS*	1860		5.00	mg/L	1	1052704	GM	07-Jun-21	160.1	
Alkalinity, Total*	200		4.00	mg/L	1	1042813	GM	03-Jun-21	310.1	

Green Analytical Laboratories
Total Recoverable Metals by ICP (E200.7)

Calcium*	243		0.500	mg/L	5	B211250	AES	14-Jun-21	EPA200.7	
Magnesium*	78.2		0.500	mg/L	5	B211250	AES	14-Jun-21	EPA200.7	
Potassium*	7.09	0.915	5.00	mg/L	5	B211250	AES	14-Jun-21	EPA200.7	
Sodium*	226		5.00	mg/L	5	B211250	AES	14-Jun-21	EPA200.7	

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services furnished by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 ETZ WATER STATION
 PO BOX 6056
 HOBBS NM, 88241

 Project: SCHUBERT
 Project Number: SHUBERT FARMS #1 WATERS SAM
 Project Manager: BEN DONAHUE
 Fax To:

 Reported:
 16-Jun-21 11:17

BRINE WATER
H211404-03 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
---------	--------	-----	-----------------	-------	----------	-------	---------	----------	--------	-------

Cardinal Laboratories
Inorganic Compounds

Alkalinity, Bicarbonate	244		5.00	mg/L	1	1042813	GM	03-Jun-21	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	1042813	GM	03-Jun-21	310.1	
Chloride*	178000		4.00	mg/L	1	1060207	GM	03-Jun-21	4500-Cl-B	
Conductivity*	263000		1.00	umhos/cm @ 25°C	1	1060306	GM	04-Jun-21	120.1	
pH*	6.77		0.100	pH Units	1	1060306	GM	04-Jun-21	150.1	
Temperature °C	22.7			pH Units	1	1060306	GM	04-Jun-21	150.1	
Sulfate*	2520		500	mg/L	50	1060307	GM	03-Jun-21	375.4	
TDS*	291000		5.00	mg/L	1	1052704	GM	07-Jun-21	160.1	
Alkalinity, Total*	200		4.00	mg/L	1	1042813	GM	03-Jun-21	310.1	

Green Analytical Laboratories
Total Recoverable Metals by ICP (E200.7)

Calcium*	783		50.0	mg/L	500	B211250	AES	14-Jun-21	EPA200.7	
Magnesium*	184		50.0	mg/L	500	B211250	AES	14-Jun-21	EPA200.7	
Potassium*	265	91.5	500	mg/L	500	B211250	AES	14-Jun-21	EPA200.7	J
Sodium*	111000		500	mg/L	500	B211250	AES	14-Jun-21	EPA200.7	

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence in any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:ETZ WATER STATION
PO BOX 6056
HOBBS NM, 88241Project: SCHUBERT
Project Number: SHUBERT FARMS #1 WATERS SAM
Project Manager: BEN DONAHUE
Fax To:Reported:
16-Jun-21 11:17**Inorganic Compounds - Quality Control**
Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC %REC	Limit	RPD	Limit	Notes
Batch 1042813 - General Prep - Wet Chem										
Blank (1042813-BLK1)										
Prepared: 28-Apr-21 Analyzed: 29-Apr-21										
Alkalinity, Carbonate	ND	1.00	mg/L							
Alkalinity, Bicarbonate	5.00	5.00	mg/L							
Alkalinity, Total	4.00	4.00	mg/L							
LCS (1042813-B51)										
Prepared: 28-Apr-21 Analyzed: 29-Apr-21										
Alkalinity, Carbonate	ND	2.50	mg/L				80-120			
Alkalinity, Bicarbonate	305	12.5	mg/L				80-120			
Alkalinity, Total	250	10.0	mg/L	250		100	80-120			
LCS Dup (1042813-BSD1)										
Prepared: 28-Apr-21 Analyzed: 29-Apr-21										
Alkalinity, Carbonate	ND	2.50	mg/L				80-120		20	
Alkalinity, Bicarbonate	305	12.5	mg/L				80-120	0.00	20	
Alkalinity, Total	250	10.0	mg/L	250		100	80-120	0.00	20	
Batch 1052704 - Filtration										
Blank (1052704-BLK1)										
Prepared: 27-May-21 Analyzed: 28-May-21										
TDS	ND	5.00	mg/L							
LCS (1052704-B51)										
Prepared: 27-May-21 Analyzed: 28-May-21										
TDS	517		mg/L	500		103	80-120			
Duplicate (1052704-DUP1)										
Source: H211352-01 Prepared: 27-May-21 Analyzed: 28-May-21										
TDS	10200	5.00	mg/L		9450			7.23	20	
Batch 1060207 - General Prep - Wet Chem										
Blank (1060207-BLK1)										
Prepared & Analyzed: 02-Jun-21										
Chloride	ND	4.00	mg/L							

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether any claim is based upon any of the above stated remedies or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Keene, Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:

ETZ WATER STATION
PO BOX 6056
HOBBS NM, 88241

Project: SCHUBERT
Project Number: SHUBERT FARMS #1 WATERS SAM
Project Manager: BEN DONAHUE
Fax To:

Reported:
16-Jun-21 11:17

Inorganic Compounds - Quality Control

Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC Limits	RPD	RPD Limit	Notes
Batch 1060207 - General Prep - Wet Chem									
LCS (1060207-B51)				Prepared & Analyzed: 02-Jun-21					
Chloride	104	4.00	mg/L	100		104 80-120			
LCS Dup (1060207-BSD1)				Prepared & Analyzed: 02-Jun-21					
Chloride	104	4.00	mg/L	100		104 80-120	0.00	20	
Batch 1060306 - General Prep - Wet Chem									
LCS (1060306-B51)				Prepared: 03-Jun-21 Analyzed: 04-Jun-21					
Conductivity	99700		uS/cm	100000		99.7 80-120			
pH	2.11		pH Units	2.00		106 90-110			
Duplicate (1060306-DUP1)				Source: H211404-01 Prepared: 03-Jun-21 Analyzed: 04-Jun-21					
pH	7.33	0.100	pH Units		7.34		0.136	20	
Conductivity	2080	1.00	umhos/cm @ 25°C		2080		0.241	20	
Temperature °C	22.7		pH Units		22.8		0.440	200	
Batch 1060307 - General Prep - Wet Chem									
Blank (1060307-BLK1)				Prepared & Analyzed: 03-Jun-21					
Sulfate	ND	10.0	mg/L						
LCS (1060307-B51)				Prepared & Analyzed: 03-Jun-21					
Sulfate	20.6	10.0	mg/L	20.0		103 80-120			
LCS Dup (1060307-BSD1)				Prepared & Analyzed: 03-Jun-21					
Sulfate	20.2	10.0	mg/L	20.0		101 80-120	1.96	20	

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence or any other cause whatsoever, shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated causes or otherwise. Results relate only to the samples described above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 ETZ WATER STATION
 PO BOX 6056
 HOBBS NM, 88241

 Project: SCHUBERT
 Project Number: SHUBERT FARMS #1 WATERS SAM
 Project Manager: BEN DONAHUE
 Fax To:

 Reported:
 16-Jun-21 11:17

Total Recoverable Metals by ICP (E200.7) - Quality Control
Green Analytical Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch B211250 - Total Rec. 200.7/200.8/200.2										
Blank (B211250-BLK1)				Prepared: 07-Jun-21 Analyzed: 14-Jun-21						
Calcium	ND	0.100	mg/L							
Potassium	ND	1.00	mg/L							
Sodium	ND	1.00	mg/L							
Magnesium	ND	0.100	mg/L							
LCS (B211250-B51)				Prepared: 07-Jun-21 Analyzed: 14-Jun-21						
Magnesium	19.6	0.100	mg/L	20.0		98.2	85-115			
Potassium	7.98	1.00	mg/L	8.00		99.7	85-115			
Sodium	3.28	1.00	mg/L	3.24		101	85-115			
Calcium	3.96	0.100	mg/L	4.00		99.0	85-115			
LCS Dup (B211250-B5D1)				Prepared: 07-Jun-21 Analyzed: 14-Jun-21						
Calcium	4.03	0.100	mg/L	4.00		101	85-115	1.75	20	
Magnesium	20.0	0.100	mg/L	20.0		99.8	85-115	1.59	20	
Potassium	7.93	1.00	mg/L	8.00		99.1	85-115	0.613	20	
Sodium	3.35	1.00	mg/L	3.24		104	85-115	2.21	20	

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any data arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services rendered by Cardinal, regardless of whether such claim is based upon any of the above stated theories or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

J	Estimated concentration. Analyte concentration between MDL and RL.
ND	Analyte NOT DETECTED at or above the reporting limit.
RPD	Relative Percent Difference.
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C. Samples reported on an as received basis (wet) unless otherwise noted on report.

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever, shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates, or successors arising out of or related to the performance of the services furnished by Cardinal, regardless of whether such claim is based upon any of the above stated theories or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager



Page 10 of 10

pg. 28



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

January 10, 2022

BEN DONAHUE

ETZ WATER STATION

PO BOX 6056

HOBBS, NM 88241

RE: SCHUBERT

Enclosed are the results of analyses for samples received by the laboratory on 12/17/21 12:22.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-21-14. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/pa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Total Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Cardinal Laboratories is accredited through the State of New Mexico Environment Department for:

Method SM 9223-B	Total Coliform and E. coli (Colilert MMO-MUG)
Method EPA 524.2	Regulated VOCs and Total Trihalomethanes (TTHM)
Method EPA 552.2	Total Haloacetic Acids (HAA-5)

Accreditation applies to public drinking water matrices for State of Colorado and New Mexico.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

ETZ WATER STATION PO BOX 6056 HOBBS NM, 88241	Project: SCHUBERT Project Number: SHUBERTFARMS #1 WATER SAMPL Project Manager: BEN DONAHUE Fax To:	Reported: 10-Jan-22 12:15
---	---	------------------------------

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
FRESH WATER	H213654-01	Water	17-Dec-21 08:30	17-Dec-21 12:22
BRINE WATER	H213654-02	Water	17-Dec-21 08:35	17-Dec-21 12:22
MONITOR WELL	H213654-03	Water	17-Dec-21 08:50	17-Dec-21 12:22

Cardinal Laboratories

*—Accredited Analyte

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. It is agreed that Cardinal be held harmless for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services furnished by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 ETZ WATER STATION
 PO BOX 6056
 HOBBS NM, 88241

 Project: SCHUBERT
 Project Number: SHUBERTFARMS #1 WATER SAMPL
 Project Manager: BEN DONAHUE
 Fax To:

 Reported:
 10-Jan-22 12:15

FRESH WATER
H213654-01 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
---------	--------	-----	-----------------	-------	----------	-------	---------	----------	--------	-------

Cardinal Laboratories
Inorganic Compounds

Alkalinity, Bicarbonate	322		5.00	mg/L	1	1120308	AC	20-Dec-21	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	1120308	AC	20-Dec-21	310.1	
Chloride*	276		4.00	mg/L	1	1121717	GM	20-Dec-21	4500-Cl-B	
Conductivity*	1610		1.00	umhos/cm @ 25°C	1	1121716	GM	17-Dec-21	120.1	
pH*	7.74		0.100	pH Units	1	1121716	GM	17-Dec-21	150.1	
Temperature °C	21.5			pH Units	1	1121716	GM	17-Dec-21	150.1	
Sulfate*	160		25.0	mg/L	2.5	1122003	AC	20-Dec-21	375.4	
TDS*	976		5.00	mg/L	1	1120903	AC	20-Dec-21	160.1	
Alkalinity, Total*	264		4.00	mg/L	1	1120308	AC	20-Dec-21	310.1	

Green Analytical Laboratories
Total Recoverable Metals by ICP (E200.7)

Calcium*	123		0.100	mg/L	1	B213157	JDA	05-Jan-22	EPA200.7	
Magnesium*	24.2		0.100	mg/L	1	B213157	JDA	05-Jan-22	EPA200.7	
Potassium*	12.6	0.183	1.00	mg/L	1	B213157	JDA	05-Jan-22	EPA200.7	
Sodium*	153		1.00	mg/L	1	B213157	JDA	05-Jan-22	EPA200.7	

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. It is agreed that Cardinal be held harmless for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, by substitution, omission, or inaccurate writing out of or related to the performance of the service furnished by Cardinal, regardless of whether such claim is based upon any of the above stated causes or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

ETZ WATER STATION
PO BOX 6056
HOBBS NM, 88241

Project: SCHUBERT
Project Number: SHUBERTFARMS #1 WATER SAMPL
Project Manager: BEN DONAHUE
Fax To:

Reported:
10-Jan-22 12:15

BRINE WATER
H213654-02 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
---------	--------	-----	-----------------	-------	----------	-------	---------	----------	--------	-------

Cardinal Laboratories
Inorganic Compounds

Alkalinity, Bicarbonate	317		5.00	mg/L	1	1120308	AC	20-Dec-21	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	1120308	AC	20-Dec-21	310.1	
Chloride*	176000		4.00	mg/L	1	1121717	GM	20-Dec-21	4500-Cl-B	
Conductivity*	270000		1.00	umhos/cm @ 25°C	1	1121716	GM	17-Dec-21	120.1	
pH*	6.73		0.100	pH Units	1	1121716	GM	17-Dec-21	150.1	
Temperature °C	21.6			pH Units	1	1121716	GM	17-Dec-21	150.1	
Sulfate*	8040		1250	mg/L	125	1122003	AC	20-Dec-21	375.4	
TDS*	296000		5.00	mg/L	1	1120903	AC	20-Dec-21	160.1	
Alkalinity, Total*	260		4.00	mg/L	1	1120308	AC	20-Dec-21	310.1	

Green Analytical Laboratories
Total Recoverable Metals by ICP (E200.7)

Calcium*	708		20.0	mg/L	200	B213157	JDA	05-Jan-22	EPA200.7	
Magnesium*	148		20.0	mg/L	200	B213157	JDA	05-Jan-22	EPA200.7	
Potassium*	176	36.6	200	mg/L	200	B213157	JDA	05-Jan-22	EPA200.7	J
Sodium*	100000		500	mg/L	500	B213157	JDA	06-Jan-22	EPA200.7	

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services furnished by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 ETZ WATER STATION
 PO BOX 6056
 HOBBS NM, 88241

 Project: SCHUBERT
 Project Number: SHUBERTFARMS #1 WATER SAMPL
 Project Manager: BEN DONAHUE
 Fax To:

 Reported:
 10-Jan-22 12:15

MONITOR WELL
H213654-03 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
---------	--------	-----	-----------------	-------	----------	-------	---------	----------	--------	-------

Cardinal Laboratories
Inorganic Compounds

Alkalinity, Bicarbonate	259		5.00	mg/L	1	1120308	AC	20-Dec-21	310.1	
Alkalinity, Carbonate	<1.00		1.00	mg/L	1	1120308	AC	20-Dec-21	310.1	
Chloride*	364		4.00	mg/L	1	1121717	GM	20-Dec-21	4500-Cl-B	
Conductivity*	1970		1.00	umhos/cm @ 25°C	1	1121716	GM	17-Dec-21	120.1	
pH*	7.42		0.100	pH Units	1	1121716	GM	17-Dec-21	150.1	
Temperature °C	21.7			pH Units	1	1121716	GM	17-Dec-21	150.1	
Sulfate*	264		50.0	mg/L	5	1122003	AC	20-Dec-21	375.4	
TDS*	1160		5.00	mg/L	1	1120903	GM	21-Dec-21	160.1	
Alkalinity, Total*	212		4.00	mg/L	1	1120308	AC	20-Dec-21	310.1	

Green Analytical Laboratories
Total Recoverable Metals by ICP (E200.7)

Calcium*	182		2.50	mg/L	25	B213157	JDA	05-Jan-22	EPA200.7	
Magnesium*	50.7		2.50	mg/L	25	B213157	JDA	05-Jan-22	EPA200.7	
Potassium*	5.36	4.58	25.0	mg/L	25	B213157	JDA	05-Jan-22	EPA200.7	J
Sodium*	127		25.0	mg/L	25	B213157	JDA	05-Jan-22	EPA200.7	

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services furnished by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 ETZ WATER STATION
 PO BOX 6056
 HOBBS NM, 88241

 Project: SCHUBERT
 Project Number: SHUBERTFARMS #1 WATER SAMPL
 Project Manager: BEN DONAHUE
 Fax To:

 Reported:
 10-Jan-22 12:15

Inorganic Compounds - Quality Control
Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 1120308 - General Prep - Wet Chem										
Blank (1120308-BLK1)				Prepared & Analyzed: 03-Dec-21						
Alkalinity, Carbonate	ND	1.00	mg/L							
Alkalinity, Bicarbonate	5.00	5.00	mg/L							
Alkalinity, Total	4.00	4.00	mg/L							
LCS (1120308-BS1)				Prepared & Analyzed: 03-Dec-21						
Alkalinity, Carbonate	ND	2.50	mg/L				80-120			
Alkalinity, Bicarbonate	292	12.5	mg/L				80-120			
Alkalinity, Total	240	10.0	mg/L	250		96.0	80-120			
LCS Dup (1120308-BSD1)				Prepared & Analyzed: 03-Dec-21						
Alkalinity, Carbonate	ND	2.50	mg/L				80-120		20	
Alkalinity, Bicarbonate	305	12.5	mg/L				80-120	4.18	20	
Alkalinity, Total	250	10.0	mg/L	250		100	80-120	4.08	20	
Batch 1120903 - Filtration										
Blank (1120903-BLK1)				Prepared: 09-Dec-21 Analyzed: 13-Dec-21						
TDS	ND	5.00	mg/L							
LCS (1120903-BS1)				Prepared: 09-Dec-21 Analyzed: 13-Dec-21						
TDS	523		mg/L	500		105	80-120			
Duplicate (1120903-DUP1)				Source: H213532-06 Prepared: 09-Dec-21 Analyzed: 13-Dec-21						
TDS	613	5.00	mg/L		591			3.65	20	
Batch 1121716 - General Prep - Wet Chem										
LCS (1121716-BS1)				Prepared & Analyzed: 17-Dec-21						
Conductivity	105000		uS/cm	100000		105	80-120			
pH	7.11		pH Units	7.00		102	90-110			

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage including, without limitation, business interruption, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services furnished by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 ETZ WATER STATION
 PO BOX 6056
 HOBBS NM, 88241

 Project: SCHUBERT
 Project Number: SHUBERTFARMS #1 WATER SAMPL
 Project Manager: BEN DONAHUE
 Fax To:

 Reported:
 10-Jan-22 12:15


Inorganic Compounds - Quality Control
Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 1121716 - General Prep - Wet Chem										
Duplicate (1121716-DUP1)		Source: H213653-01		Prepared & Analyzed: 17-Dec-21						
Conductivity	1610	1.00	umhos/cm @ 25°C		1630			1.17	20	
pH	7.47	0.100	pH Units		7.44			0.402	20	
Temperature °C	21.3		pH Units		21.2			0.471	200	
Batch 1121717 - General Prep - Wet Chem										
Blank (1121717-BLK1)		Prepared & Analyzed: 17-Dec-21								
Chloride	ND	4.00	mg/L							
LCS (1121717-BS1)		Prepared & Analyzed: 17-Dec-21								
Chloride	100	4.00	mg/L	100		100	80-120			
LCS Dup (1121717-BSD1)		Prepared & Analyzed: 17-Dec-21								
Chloride	104	4.00	mg/L	100		104	80-120	3.92	20	
Batch 1122003 - General Prep - Wet Chem										
Blank (1122003-BLK1)		Prepared & Analyzed: 20-Dec-21								
Sulfate	ND	10.0	mg/L							
LCS (1122003-BS1)		Prepared & Analyzed: 20-Dec-21								
Sulfate	22.4	10.0	mg/L	20.0		112	80-120			
LCS Dup (1122003-BSD1)		Prepared & Analyzed: 20-Dec-21								
Sulfate	23.1	10.0	mg/L	20.0		116	80-120	3.21	20	

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services furnished by Cardinal, regardless of whether such claim is based upon any of the above stated causes or otherwise. Results relate only to the samples described above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.


 Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 ETZ WATER STATION
 PO BOX 6056
 HOBBS NM, 88241

 Project: SCHUBERT
 Project Number: SHUBERTFARMS #1 WATER SAMPL
 Project Manager: BEN DONAHUE
 Fax To:

 Reported:
 10-Jan-22 12:15


Total Recoverable Metals by ICP (E200.7) - Quality Control
Green Analytical Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch B213157 - Total Rec. 200.7/200.8/200.2										
Blank (B213157-BLK1)										
				Prepared: 28-Dec-21 Analyzed: 05-Jan-22						
Magnesium	ND	0.100	mg/L							
Calcium	ND	0.100	mg/L							
Sodium	ND	1.00	mg/L							
Potassium	ND	1.00	mg/L							
LCS (B213157-B51)										
				Prepared: 28-Dec-21 Analyzed: 05-Jan-22						
Sodium	3.15	1.00	mg/L	3.24		97.1	85-115			
Potassium	7.86	1.00	mg/L	8.00		98.3	85-115			
Magnesium	20.2	0.100	mg/L	20.0		101	85-115			
Calcium	3.93	0.100	mg/L	4.00		98.3	85-115			
LCS Dup (B213157-B5D1)										
				Prepared: 28-Dec-21 Analyzed: 05-Jan-22						
Magnesium	20.2	0.100	mg/L	20.0		101	85-115	0.397	20	
Potassium	7.86	1.00	mg/L	8.00		98.2	85-115	0.0388	20	
Sodium	3.14	1.00	mg/L	3.24		96.8	85-115	0.252	20	
Calcium	3.93	0.100	mg/L	4.00		98.3	85-115	0.00694	20	

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any data arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.


 Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

J	Estimated concentration. Analyte concentration between MDL and RL.
ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated remedies or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

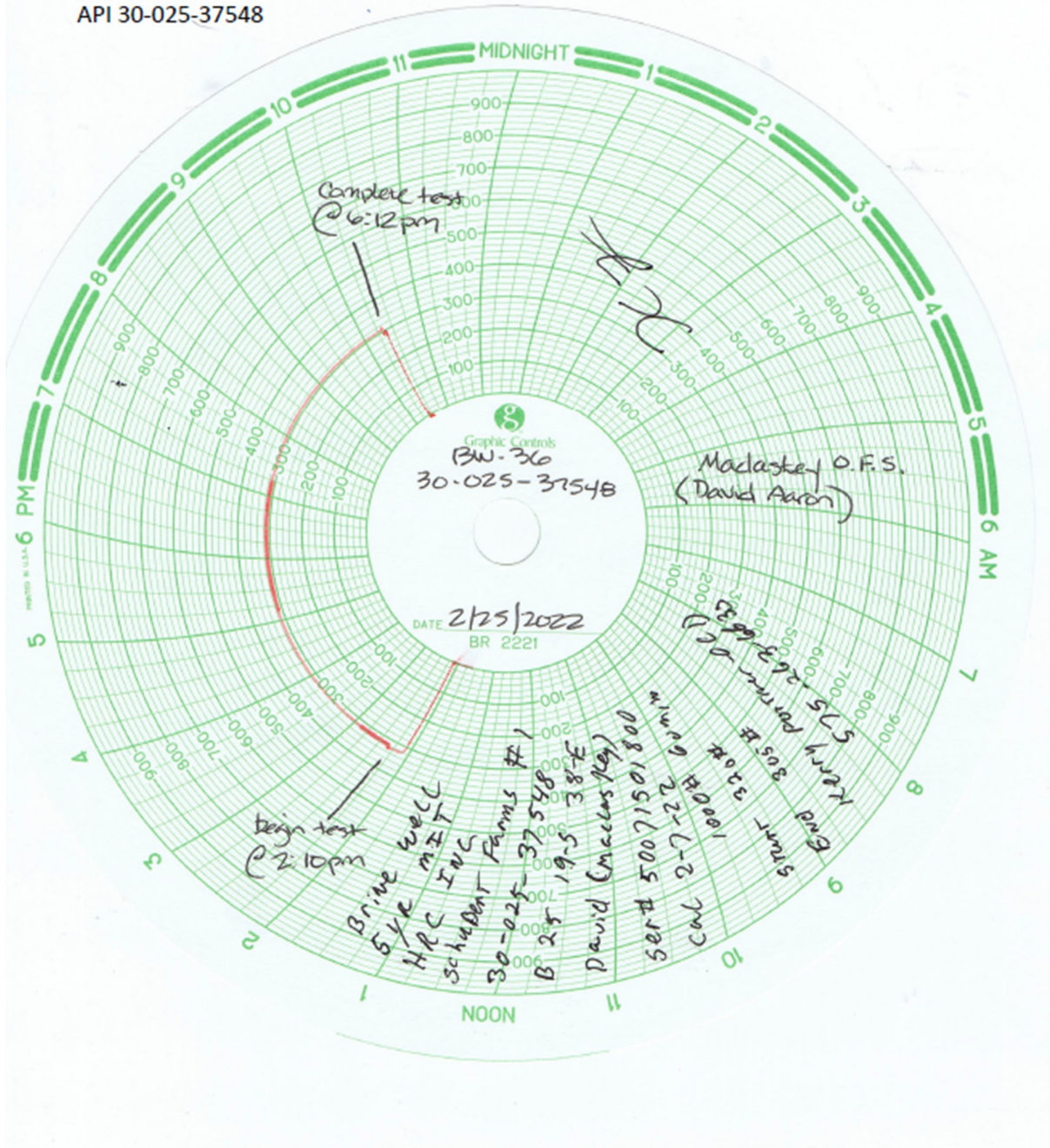
Company Name: <u>City Water Station</u>		P.O. #:		BILL TO		ANALYSIS REQUEST									
Project Manager: <u>Ben Donahue</u>		Company:													
Address: <u>PO Box 5102</u>		Attn:													
City: <u>Hobbs</u>		State: <u>NM</u>		Zip: <u>88241</u>											
Phone #: <u>575 343 3144</u>		Fax #:													
Project #:		Project Owner:													
Project Name: <u>Sanhua Farms #1 Water Samples</u>		City:		State:		Zip:									
Project Location: <u>Sanhua Farms #1 Brine Well</u>		Phone #:													
Sampler Name: <u>Ben Donahue</u>		Fax #:													
FOR LAB USE ONLY															
Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL	OTHER:	DATE	TIME	Cation / Anion
<u>H013454</u>	<u>1 Fresh Water</u>	<u>6A</u>	<u>✓</u>	<u>✓</u>									<u>12/11/21</u>	<u>8:30a</u>	<u>✓</u>
	<u>2 Brine Water</u>	<u>6A</u>	<u>✓</u>										<u>12/11/21</u>	<u>8:35a</u>	<u>✓</u>
	<u>3 Monitor Well</u>	<u>6A</u>	<u>✓</u>										<u>12/11/21</u>	<u>8:50a</u>	<u>✓</u>
REMARKS: <u>Cation / Anion</u>															
Retained By: <u>Ben Donahue</u> Date: <u>12-17-21</u> Received By: <u>Shawana Delaney</u> Verbal Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Phone #:															
Relinquished By: <u>Ben Donahue</u> Date: <u>12-22</u> Received By: <u>Shawana Delaney</u> All Results are emailed. Please provide Email address: <u>gs4msawana@gmail.com</u>															
Delivered By: (Circle One)		Observed Temp. °C	Corrected Temp. °C	Sample Condition	Checked By:	Turnaround Time:	Standard	Bacteria (only)	Sample Condition	Observed Temp. °C	Corrected Temp. °C				
Sampler - UPS - Bus - Other:		<u>1.0</u>	<u>0.5</u>	<u>Good / Intact</u>	<u>TD</u>	<u>12</u>	<u>Standard</u>	<u>✓</u>	<u>Good / Intact</u>						

† Cardinal cannot accept verbal changes. Please email changes to cefey.keene@cardinalabernm.com

APPENDIX C

HRC Inc.

MIT BW-36 Chart
2/25/2022
API 30-025-37548



BW-36

API # 30-025-37548

2/25/2022 MIT Test

2/25/2022

8:00 AM: Rig up Maclaskey Oil Field Service (David Aaron); Shut in discharge @ casing & begin pumping down tubing to reach test pressure. Well required approx. 260 bbl. pumped down tubing to bring cavern pressure from normal working pressure (approx. 245 psig) to cavern test pressure (approx. 318 psig).

2:00 PM: Install chart on chart recorder; open valve to chart recorder & isolate chart recorder from pump truck.

2:10 PM: Begin Test (cavern pressure approx. 318 psig)

6:12 PM: Complete Test (cavern pressure approx. 309 psig); bleed pressure off of chart recorder

6:30 PM: Rig down/release Maclaskey Pump Truck

7:20 PM: Open casing to production tanks and bleed off pressure overnight

2/26/2022

8:15 AM: Put well back on production (cavern pressure approx. 240 psig)

*Chart recorder was set on 12 hour clock setting, see American Valve certification page for chart recorder calibration.

American Valve & Meter, Inc.

1113 W. BROADWAY

P.O. BOX 166
HOBBS, NM 88240

T0: Maclaskey Oilfield Services

DATE: 2/7/22

This is to certify that:

I, Justin Harris, Technician for American Valve & Meter Inc. Has checked the calibration of the following instrument.

08" Pressure recorder

S/N: 50071501800

at these points.

Pressure #1000			Temperature *or Pressure #		
Test	Found	Left	Test	Found	Left
- 0	-	- 0	-	-	-
- 500	-	- 500	-	-	-
- 700	-	- 700	-	-	-
- 1000	-	- 1000	-	-	-
- 200	-	- 200	-	-	-
- 0	-	- 0			

Remarks: _____

Signature: 

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

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

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. <u>30-025-37548</u>
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <u>Brine Well</u>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator <u>HRC Inc.</u>		6. State Oil & Gas Lease No. <u>N/A</u>
3. Address of Operator <u>P.O. Box 5102 Hobbs, NM 88241</u>		7. Lease Name or Unit Agreement Name <u>Schubert Farms (31632A)</u>
4. Well Location Unit Letter <u>B</u> : <u>330</u> feet from the <u>N</u> line and <u>1650</u> feet from the <u>E</u> line Section <u>25</u> Township <u>14-S</u> Range <u>38-E</u> NMPM County <u>Lea</u>		8. Well Number <u>001</u> 9. OGRID Number <u>B1652</u> 10. Pool name or Wildcat <u>Salado</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		

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

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

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Performed 5-year MIT on Brine Well

* SEE ATTACHED WORKOVER PROCEDURE & COMPLETION REPORT

Spud Date:

Rig Release Date:

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

SIGNATURE Gary M. Schubert TITLE Owner DATE 2/25/2022
 Type or print name Gary M Schubert E-mail address: garymschubert@gmail.com PHONE: (575) 393-6662
 For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
 Conditions of Approval (if any): _____

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division Hobbs District Office

BRADENHEAD TEST REPORT

Operator Name HRC INC		API Number 30-025-37548
Property Name Schubert Farms		Well No. 001

Surface Location

UL - Lot B	Section 25	Township 19-S	Range 38-E	Feet from 330	N/S Line N	Feet from 1650	E/W Line E	County Lea
----------------------	----------------------	-------------------------	----------------------	-------------------------	----------------------	--------------------------	----------------------	----------------------

Well Status

Brine Well

TA'D WELL YES <input checked="" type="checkbox"/>	SHUT-IN YES <input checked="" type="checkbox"/>	INJ <input type="checkbox"/>	SWD <input type="checkbox"/>	OIL <input type="checkbox"/>	PRODUCER <input type="checkbox"/>	GAS <input type="checkbox"/>	DATE 2-25-22
--	--	---------------------------------	---------------------------------	---------------------------------	--------------------------------------	---------------------------------	------------------------

OBSERVED DATA

no packer

	(A) Surface	(B) Interm(1)	(C) Interm(2)	(D) Prod Csg	(E) Tubing
Pressure	0	NA	NA	260	260
Flow Characteristics					
Puff	Y / N	Y / N	Y / N	Y / N	CO2
Steady Flow	Y / N	Y / N	Y / N	Y / N	WTR
Surges	Y / N	Y / N	Y / N	Y / N	GAS
Down to nothing	Y / N	Y / N	Y / N	Y / N	Type of Fluid
Gas or Oil	Y / N	Y / N	Y / N	Y / N	Injected for
Water	Y / N	Y / N	Y / N	Y / N	Waterflood if
					applies

Remarks - Please state for each string (A,B,C,D,E) pertinent information regarding bleed down or continuous build up if applies.

**Annual
UTC Test (Brine Well)
MacLuskey (David)
ser# 50671501800
CAL 2-7-22**

**START 320#
END 305#**

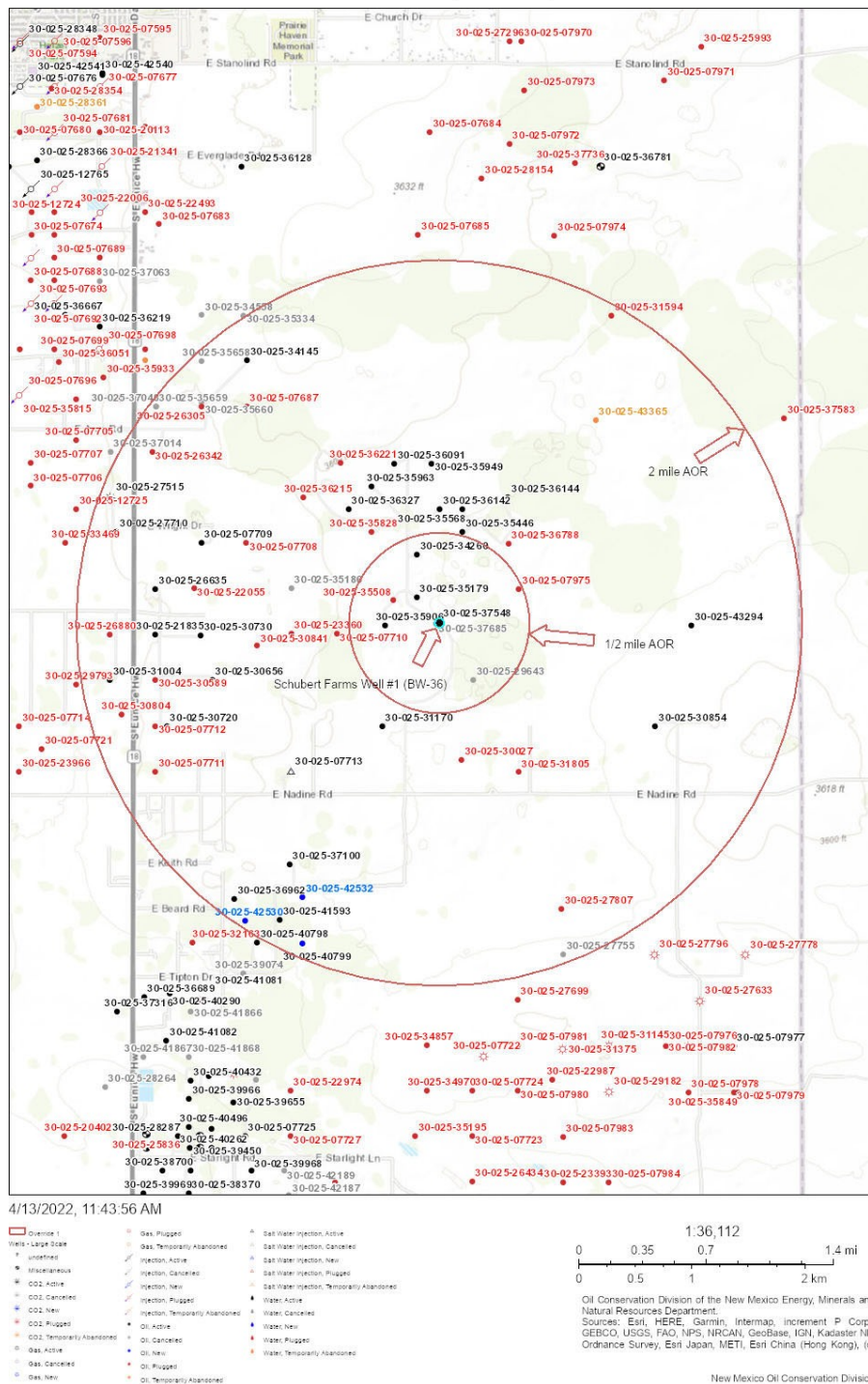
Signature:		OIL CONSERVATION DIVISION
Printed name:		Entered into RBDMS
Title:		Re-test
E-mail Address:		207
Date:	Phone:	
Witness: Kerry Fortner - OCD		

575-263-6633

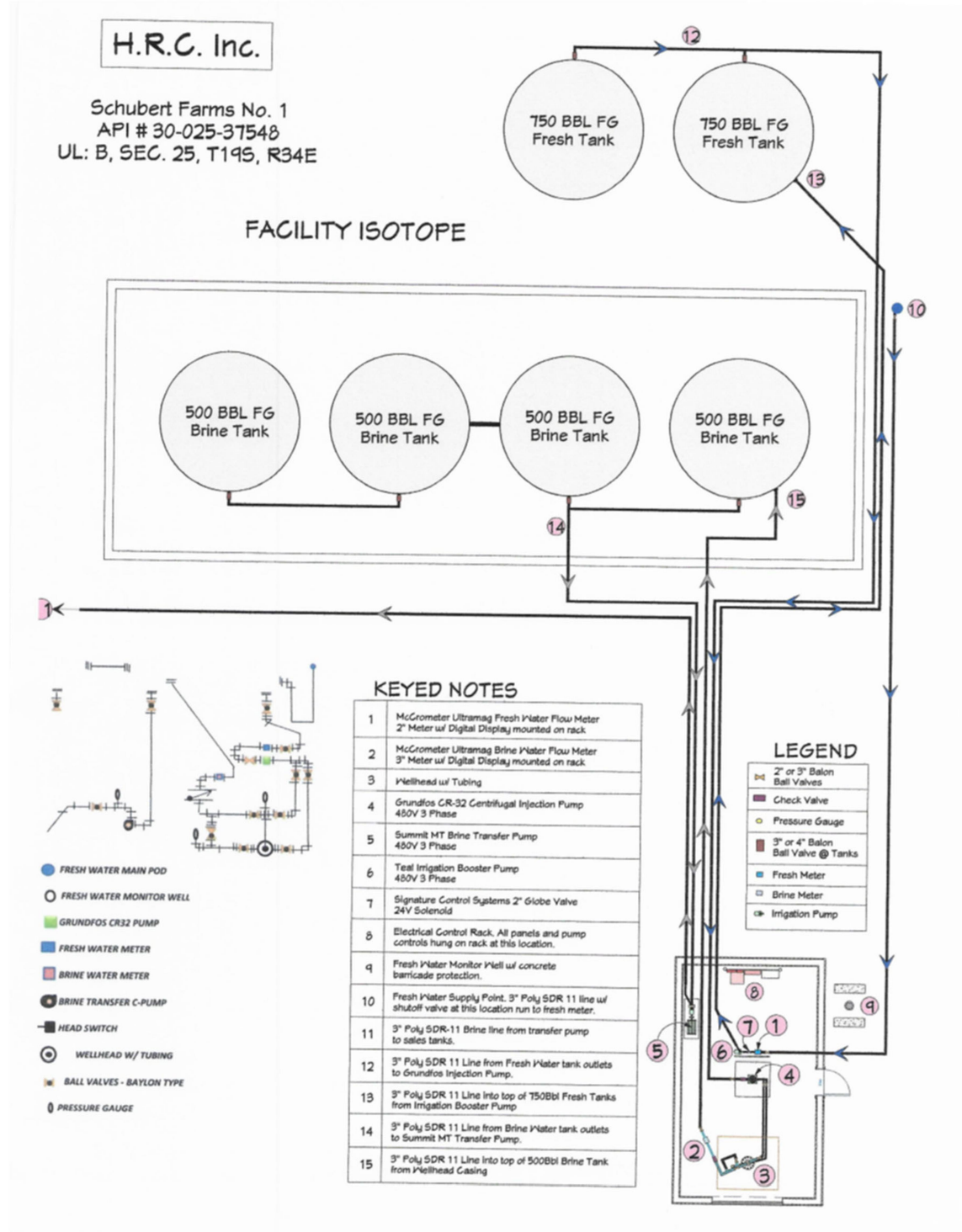
INSTRUCTIONS ON BACK OF THIS FORM

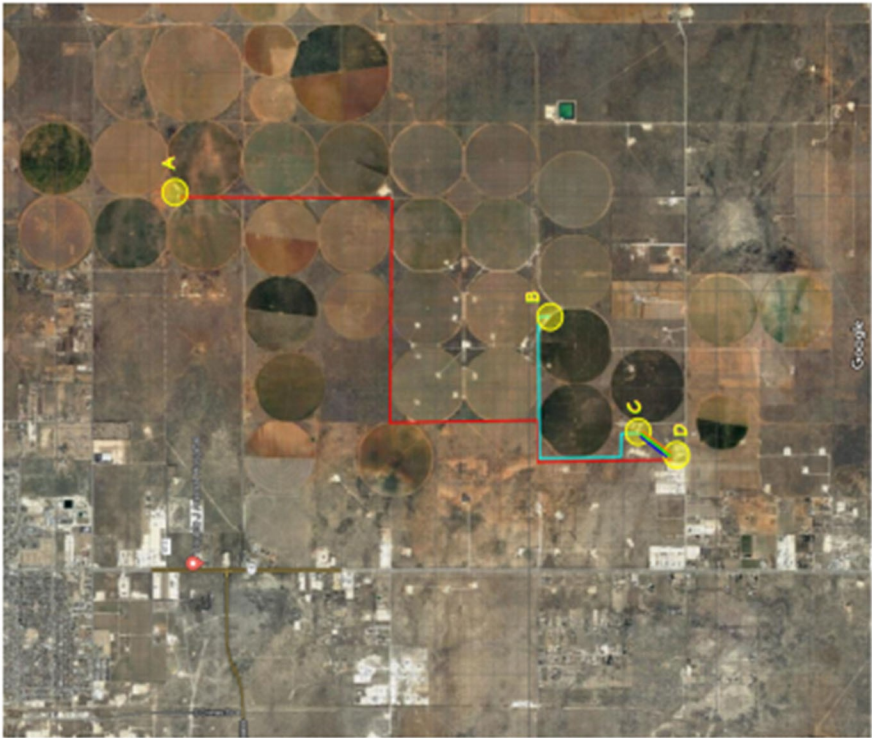
APPENDIX D

Schubert Farms Well #1 (BW-36) 1/2 & 2 Mi AOR



APPENDIX E



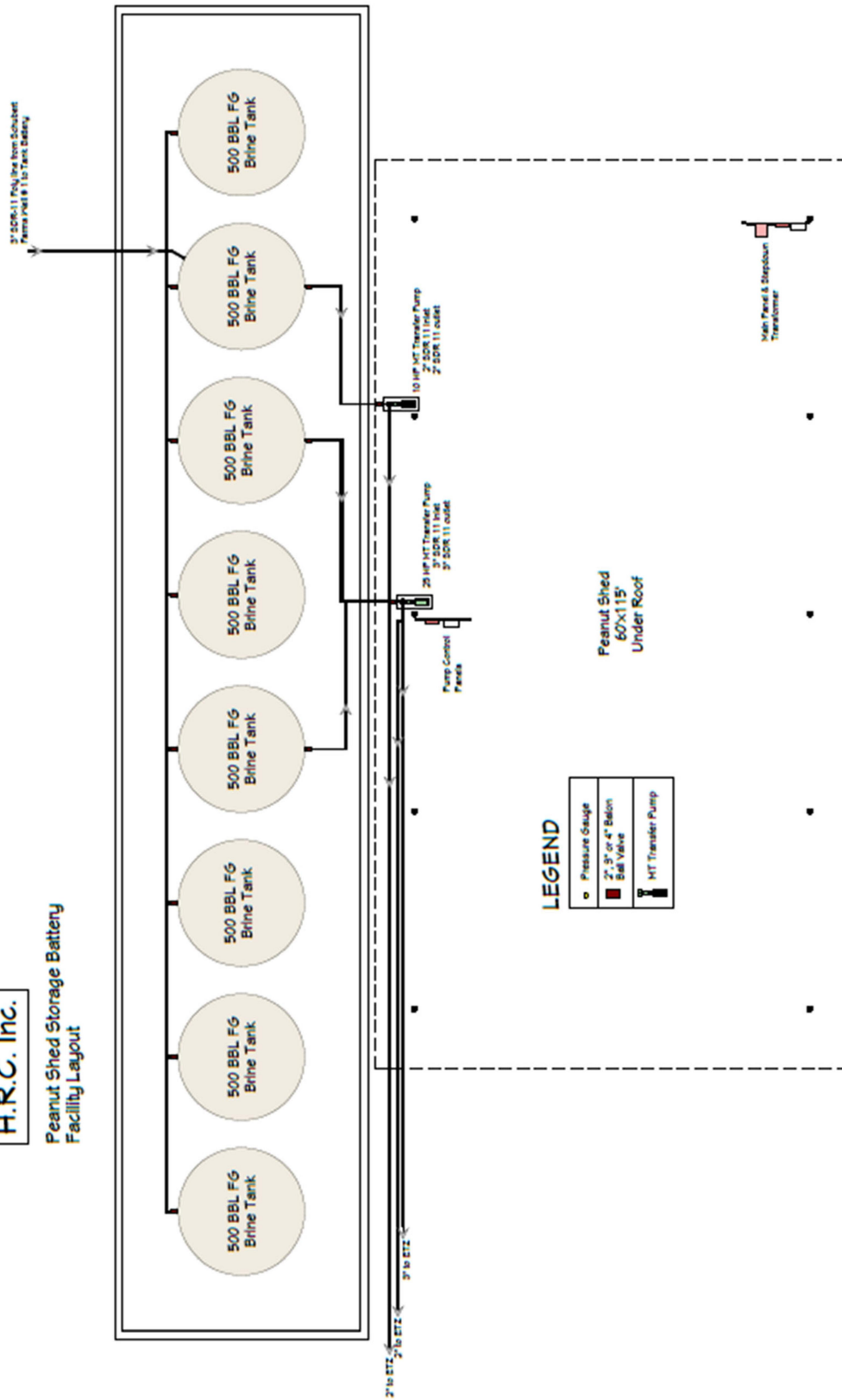


A	Schubert 7 Well # 1 32.673935, -103.083677
B	Schubert Farms Well # 1 32.637603, -103.048728
C	Peanut Shed Storage Battery 32.628787, -103.111053
D	ETZ Water Station 32.624077, -103.113627

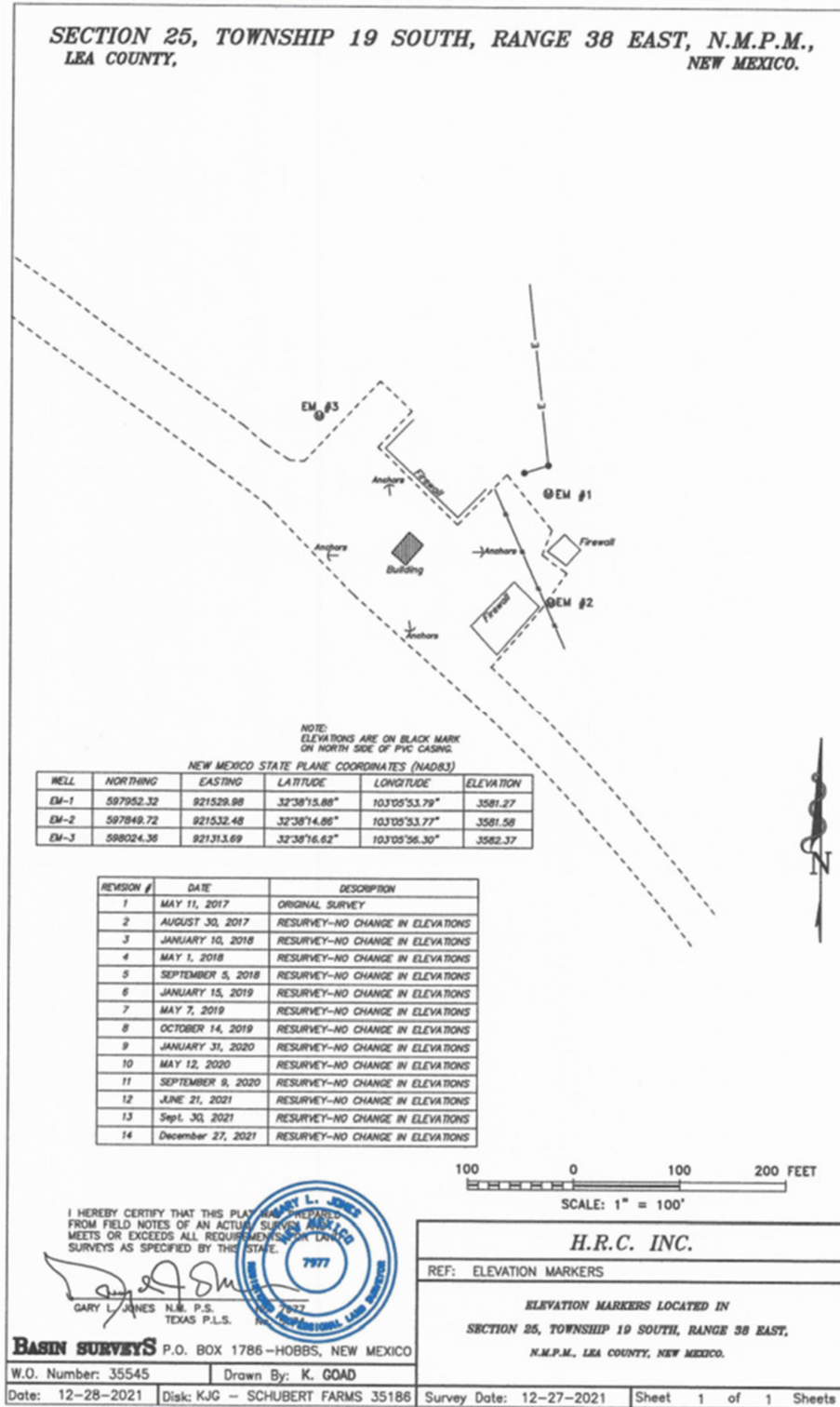
<div style="width: 20px; height: 2px; background-color: red; margin: 0 auto;"></div>	3" SDR 11 Poly pipeline from Schubert 7 Well # 1 to ETZ Water Station
<div style="width: 20px; height: 2px; background-color: blue; margin: 0 auto;"></div>	3" SDR 11 Poly pipeline from Schubert Farms Well # 1 to Peanut Shed Storage Battery
<div style="width: 20px; height: 2px; background-color: green; margin: 0 auto;"></div>	3" SDR 11 Poly pipeline from transfer pump at Peanut Shed to ETZ Water Station
<div style="width: 20px; height: 2px; background-color: orange; margin: 0 auto;"></div>	2" SDR 11 Poly pipeline from transfer pump at Peanut Shed to ETZ Water Station
<div style="width: 20px; height: 2px; background-color: purple; margin: 0 auto;"></div>	2" SDR 11 Poly pipeline from transfer pump at Peanut Shed to ETZ Water Station

H.R.C. Inc.

Peanut Shed Storage Battery Facility Layout



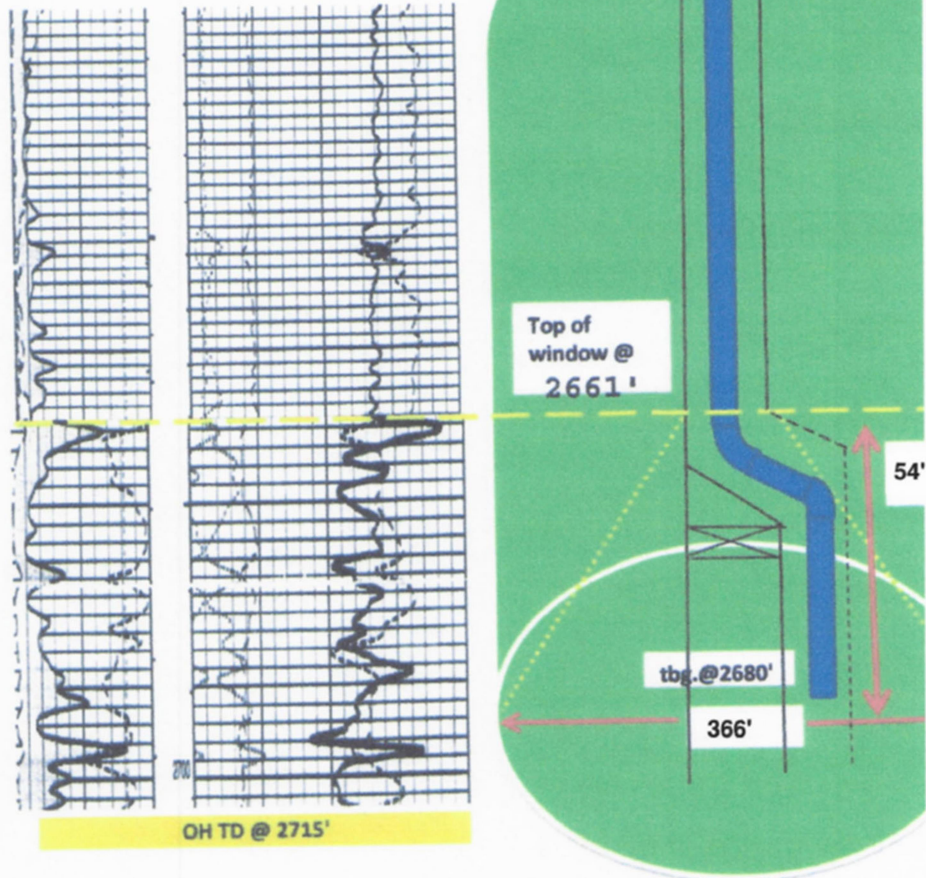
APPENDIX F



APPENDIX G

Schubert Farms well no.1
API 30-025-37548
B SEC 25 T19S R38E
LAT: 32.6375999 LONG:-103.0988007

CAVERN SIZE BY CUBIC FOOT OF VOLUME



PPG 9.97 brine
PPG 8.34 fresh
SG 1.1951

Total Brine = 1,243,839 bbl through December 2021
122,136 lbs of salt/bbl = 151,917,520 lbs salt mined
151,917,520 lbs / (80 lbs/cu. ft. salt) = 1,898,969 cu. ft. cavern volume

Using $V = \pi R^2 h / 3$, $h = 54$ ft., and $V = 1,898,969$ cu. ft

Cavern radius, $R = 183$ ft.
Cavern Diameter, $D = 366$ ft.
Cavern depth, $d = 2661$ ft

D/d ratio = 0.137, < 0.5 max