

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

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

Form C-103
Revised July 18, 2013

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. 30-015-35558
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> SWD		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Owl SWD Operating, LLC		6. State Oil & Gas Lease No.
3. Address of Operator 8214 Westchester Dr., Ste.850, Dallas, TX 75225		7. Lease Name or Unit Agreement Name Black Lake 7 SWD <i>(formerly Kimber State)</i>
4. Well Location Unit Letter C : 660 feet from the North line and 1980 feet from the West line Section 7 Township 25-S Range 28-E NMPM County Eddy		8. Well Number 001
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3067' G.L.		9. OGRID Number 308339
		10. Pool name or Wildcat SWD; Delaware

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 checked="" 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"/>	Tubing Mod & Configure SWD <input type="checkbox"/>		
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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

(Formerly Kimber State; Owl will rename to Black Lake 7 SWD.)

SWD-1464 – Approved modification by OCD letter 1/22/16 for 4.5" tubing. This tubing size will allow for maximized volume at the allowed pressure. NO OTHER DETAILS WILL BE ALTERED. Updated wellbore diagram is attached. (Verbal approval 12/15/15: OCD Santa Fe & Artesia; written approval 1/22/16.)

Convert to SWD: Pull tubing and existing production equipment. Set CIBP @ 12,250' Cap w/ 35' Cmt. Circulate hole w/ Mud Laden Fluid. Set CIBP @ 11,900' Cap w/ 35' Cmt. Spot additional plugs as shown. Set CIBP @ 4450' Cap w/ 35' Cmt. Perf Injection Intervals Determined by Logs. Acidize perms w/ 15% HCl; Swab Clean. Run PC Tubing and PKR - Conduct MIT w/ OCD 24 hr notice. Commence Disposal Operations.

NM OIL CONSERVATION

Spud Date:

[Rig Up] ASAP 2/01/16

Rig Release Date:

ARTESIA DISTRICT:

JAN 26 2016

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

RECEIVED

SIGNATURE

TITLE Agent/consultant

DATE 1/26/2015

Type or print name

E-mail address: ben@sosconsulting.us

PHONE: 903-488-9850

For State Use Only

APPROVED BY:

TITLE

District Supervisor

DATE

1/26/2015

Conditions of Approval (if any):

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martínez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



January 22, 2016

Ben Stone, as agent for OWL SWD Operating, LLC
SOS Consulting, LLC
PO Box 300
Como, TX 75431

RE: Administrative Order SWD-1464; Modification of Allowed Tubing Size
Black Lake 7 SWD Well No. 1 (API 30-015-35558)
Unit C, Sec 7, T25S, R28E, NMPM, Eddy County, New Mexico
Order Date: March 5, 2014, Delaware Mountain Group
Permitted disposal depths: 2430 feet to 4350 feet

Dear Mr. Stone:

Reference is made to your request on behalf of OWL SWD Operating, LLC to modify the existing disposal permit by changing the maximum allowed tubing size from 3.5 inch to 4.5 inch OD.

The Division finds that granting this request will not unduly increase the chances of a premature abandonment or increase the chance of improper future plugging of this well.

All requirements of the above referenced administrative order and agreements in the application remain in full force and effect excepting the limitation on disposal tubing size is hereby increased to 4-1/2 inch.

Sincerely,

A handwritten signature in black ink, appearing to read "David R. Catanach", written over a horizontal line.

DAVID R. CATANACH
Director

NM OIL CONSERVATION
ARTESIA DISTRICT

JAN 26 2016

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DRC/wvjj

cc: Oil Conservation Division – Artesia District Office
Well File API 30-015-35558, SWD-1464



WELL SCHEMATIC - PROPOSED Black Lake 7 SWD Well No.1

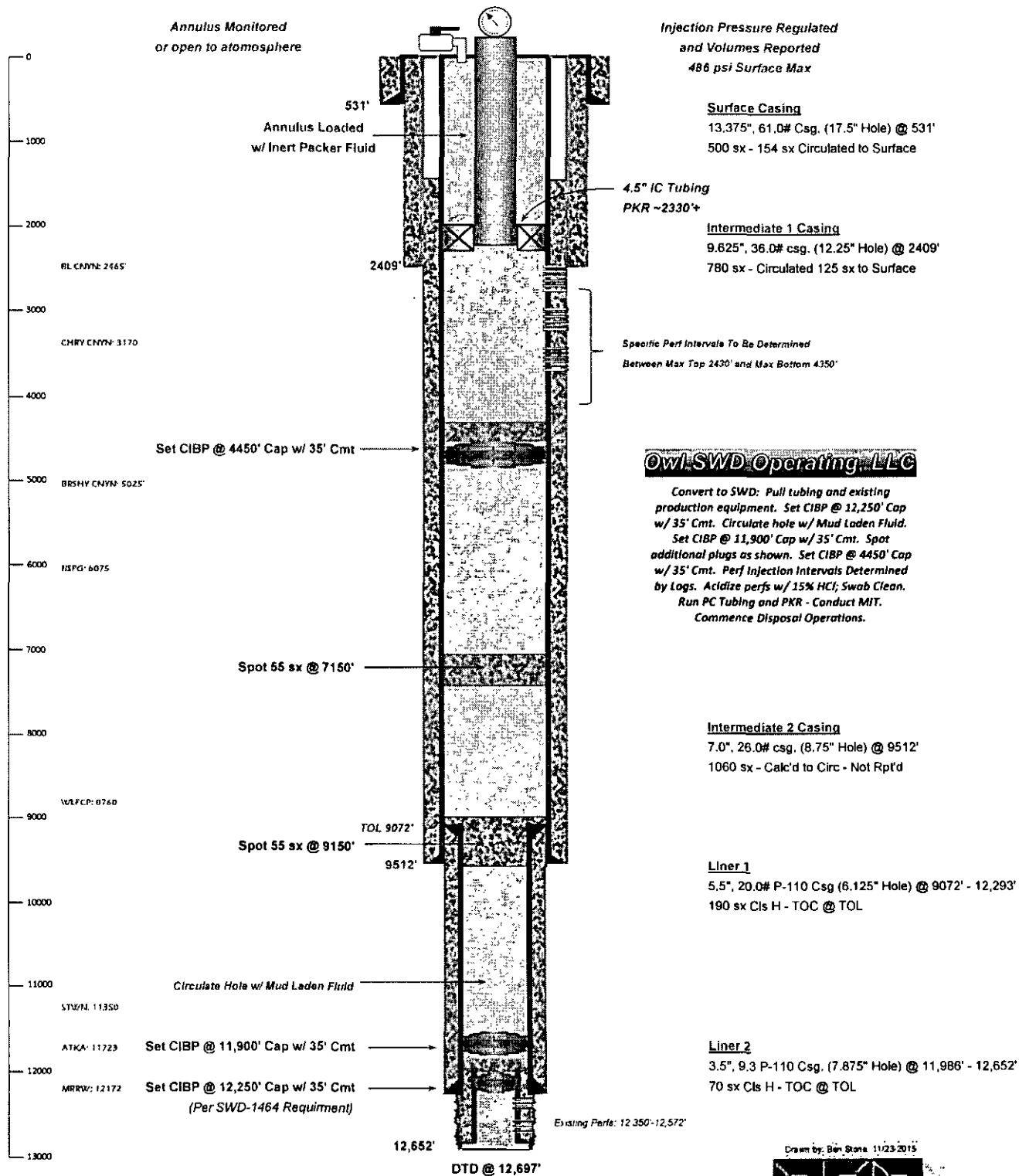
(Formerly the Kimber State No.1)

API 30-015-35558

660' FNL & 1980' FWL, SEC. 7-T25S-R28E
EDDY COUNTY, NEW MEXICO

SWD; Delaware - Pool ID 96100

Re-Entry Date: 12/07/2015



NM OIL CONSERVATION
ARTESIA DISTRICT

JAN 26 2016

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