(June 2015)	UNITED STATE DEPARTMENT OF THE BUREAU OF LAND MAN	INTERIOR V	CD-ARTE	-	OMB N Expires: J	APPROVED O. 1004-0137 anuary 31, 2018
BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.			5	 Lease Serial No. NMNM112273 If Indian, Allottee or Tribe Name 		
			6			
SUBMI	T IN TRIPLICATE - Other in	structions on pag	e 2	7	. If Unit or CA/Agre	ement, Name and/
1. Type of Well Gas Well Other: INJECTION					Well Name and No COLLINSOSCO	
2. Name of Operator Contact: JAY FRYAR OWL SWD OPERATING, LLC E-Mail: jfryar@oilfieldwaterlogistics.com			9	9. API Well No. 30-015-33758		
3a. Address3b. Phone No.8214 WESTCHESTER DRIVE SUITE 850Ph: 432-26DALLAS, TX 75255Ph: 432-26			lude area code) 735	1	0. Field and Pool or BURTON FLAT	
4. Location of Well (Footage,	Sec., T., R., M., or Survey Description)n)		1	1. County or Parish,	State
Sec 7 T20S R30E Mer N	Sec 7 T20S R30E Mer NMP SWSW 1095FSL 430FWL				EDDY COUNT	Y, NM
12. CHECK TH	IE APPROPRIATE BOX(ES) TO INDICATE	NATURE OF	NOTICE, R	EPORT, OR OT	HER DATA
TYPE OF SUBMISSION			TYPE OF ACTION			
Notice of Intent	🗖 Acidize	Deepen		Production	(Start/Resume)	🗖 Water Shu
	Alter Casing	🗖 Hydraul	ic Fracturing	Reclamation	on	🗖 Well Integ
Subsequent Report	Casing Repair	🗖 New Co		Recomplet		Other
Final Abandonment Not	ice Change Plans	· · · ·		Temporari Water Disponential	-	
Locate & check location. Safety Meeting Prior to A MIRU workover unit, rev workstring. ? Cap Wireline (wireline w Jackie Wilson (575) 390 ? PU & GIH w/catcher for ?	erse pits, power swivel & ass ork) (575) 964-8300 Hobbs	beginning work. ociated equipment SUBJECT APPROV. 55 PH-6 tbg. Catcl	TO LIKE	CATE BP. POH. C	SEE AT	
14. I hereby certify that the fores	poing is true and correct.		NM(CD K+ 3	Conition Con 15-11 D	
	Electronic Submission	#403601 verified by VD OPERATING, LL	the BLM Well C, sent to the	Information S Carlsbad		CONSERVA
Name (Printed/Typed) BEN	STONE	Ti	le AGENT	/ CONSULTA	NT Ma	NR 1 2 2018
Signature (Elec	tronic Submission)	Da	.te 02/06/20)18		ECENCEL
	THIS SPACE I	OR FEDERAL				
			itle			Date
Approved By						
Conditions of approval, if any, are	attached. Approval of this notice do al or equitable title to those rights in o conduct operations thereon.	bes not warrant or the subject lease	ffice	BUREA Ca	U OF LAND MAI Rlsbad field (VAGEME NT DFFICE

Additional data for EC transaction #403601 that would not fit on the form

32. Additional remarks, continued

4

Nathan Fitzhugh (432) 488-7250 Cell

⁷ GIH w/4-3/4? BIT & 6 x 3-1/2? drill collars on work string. Drill cmt & plugs @ 3,700?; 6,120? ? 6,150?; 7,765? ? 7,800?; 9,765? ? 9,800?; 10,340? ? 10,375?; 10,765? ? 10,800?; 11,230? ? 11,265?. Clean out to CIBP @ 11,800?. Circ hole w/mud-laden fluid (Get mud hopper & add gel to mud up to ~30 sec/qt viscosity.) POH.

GIH open-ended to PBTD.	Follow	COAPr	oceaure	,
? Set ment plugs@ 11,800? (70	sx, 600?), 11,020	/ 190 sx 800?) -	ag 9,700? (25 s	(, ~2507);
? Set coment plugs@ 11,900? (70 6,300? (60 sx ~675?), tag. 4,8 5%, 400?), 9 365? (40 sx, 3652)	20? (25 sx, 250?) ? circ to surface. U	? tag; ¥,510? ¥5 Ise Class H ceme	sx, 250?) 24ag; 2 nt below 7,500? 8	1352 (40 Class C
cement above 7,500?. Wait & ta Class C cement.	g each plug. Wait	8 hrs before tagg	ing with Class H 8	4 hrs with
^				

Cut off casings 3-4? below ground level. Weld on dry hole marker with appropriate well information.

? Fill in around marker. Release rig & equipment. Consultant must ensure all rental equipment is released & picked up from location. Clean up location & haul off any junk.

Notify BLM that well is P&A?d if no witness.

OWL COLLINSOSCOPY FEDERAL #1 SWD

Burton Flat (Delaware) Field API# 30-015-33758 1095' FSL & 430' FWL Sec 7, T-20S, R-30E Eddy County, NM

Directions to Location:

From intersection of Hwy 62/180 & 285 in Carlsbad NM. Go 14.9 miles east to Burton Flats road (238). Turn left (north) go 1.2 miles to 239 turn right go 1.2 miles. Turn left go .7 miles on lease road. Turn right go 1.2 miles to cattle guard. Turn right (Northeast) go .2 miles to location

OBJECT: Plug & Abandon.

Elevation: 3,310' GR

Primary Casing:

5-1/2" 17# M-95-110 LTC @ 12.400' Capacity: .0232 bbls/ft. Drift ID: 4.767"

PLUG & ABANDON Procedure:

Prior to Moving In:

1. Locate & check location. Notify NMOCD/BLM prior to beginning work.

<u>Move In</u>

2. MIRU workover unit, reverse pits, power swivel & associated equipment. Unload & tally rental workstring.

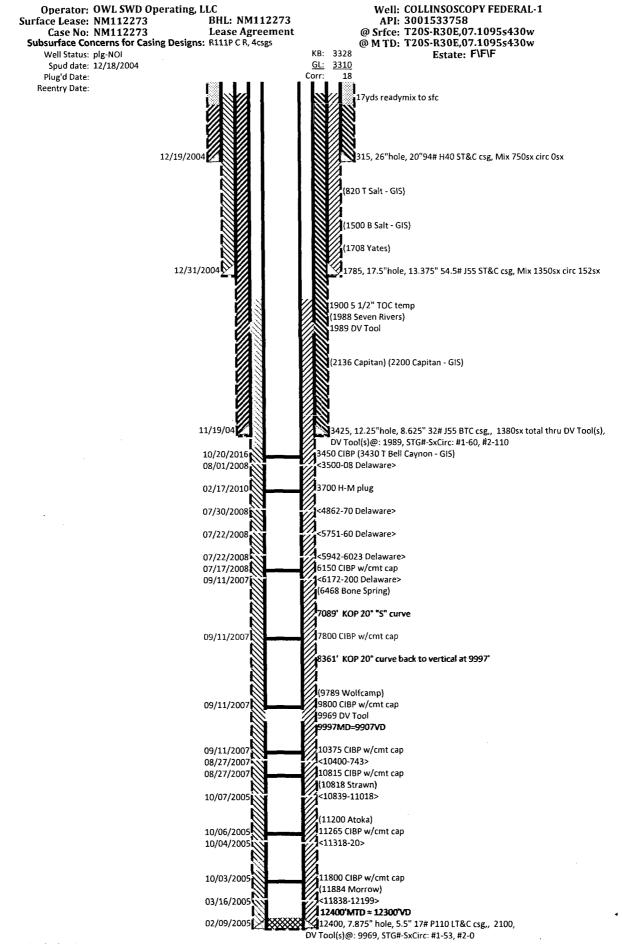
Сар	Wireline	(wireline	work)
-	Jackie	Wilson	-

(575) 964-8300 Hobbs (575) 390-3350 Cell

3. PU & GIH w/catcher for Peake RBP on 2-7/8" 6.5# J55 PH-6 tbg. Catch & release RBP. POH.

Peak Completions (RBP) Nathan Fitzhugh (432) 624-4155 Midland (432) 488-7250 Cell

- GIH w/4-3/4" BIT & 6 x 3-1/2" drill collars on work string. Drill cmt & plugs @ 3,700'; 6,120' - 6,150'; 7,765' - 7,800'; 9,765' - 9,800'; 10,340' - 10,375'; 10,765' - 10,800'; 11,230' - 11,265'. Clean out to CIBP @ 11,800'. Circ hole w/mud-laden fluid (Get mud hopper & add gel to mud up to ~30 sec/qt viscosity.) POH.
- GIH open-ended to PBTD. *Follow* CDA procedure
 Follow CDA procedure
 Follow CDA procedure
 Follow (25 sx, 250'), 6,300 (60 sx, 675') tag; 4,870' (25 sx, 250') - tag; 3,510' (25 sx, 250'), 6,300 (60 sx, 4675') tag; 4,870' (25 sx, 250') - tag; 3,510' (25 sx, 250') - ag;
 Z,135' (40 sx, 460'); & 365' (40 sx, 365') - circ to surface. Use Class H cement below
 7,500' & Class C cement above 7,500'. Wait & tag each plug. Wait 8 hrs before tagging
 with Class H & 4 hrs with Class C cement.
- 7. Cut off casings 3-4' below ground level. Weld on dry hole marker with appropriate well information.
- 8. Fill in around marker. Release rig & equipment. Consultant must ensure all rental equipment is released & picked up from location. Clean up location & haul off any junk.
- 9. Notify BLM that well is P&A'd if no witness.



Conditions of Approval

OWL SWD Operating, LLC Collinsocopy - 01, API 3001533758 T20S-R30E, Sec 07, 1095FSL & 430FWL February 12, 2018

- 1. Within 90 days of these conditions of approval for the processed Electronic Submission #403601 notice of intent begin wellbore operations or request an extension.
- 2. Operator is required to have the BLM approved NOI procedure with applicable conditions of approval on location during this workover operation.
- 3. Conditions of Approval reflect a procedure based on available documentation for this wellbore. The BLM workover witness and NOI approver may adjust operations so as not to hinder achievable abandonment requirements.
- 4. <u>Notify 575-361-2822 Eddy Co as work begins.</u> If there is no response leave a voice mail with the API#, workover purpose, and a call back phone number.
- 5. Surface disturbance beyond the existing pad must have prior approval.
- 6. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
- 7. Functional H_2S monitoring equipment shall be on location.
- 8. Use Blow Out Prevention Equipment 3000 (3M). All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels or automatic locking devices) equipment installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) employed when needed for reasonable well control requirements.
- 9. Created operation waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during any other crew-intensive operations.
- 10. The BLM PET is to run tbg tally and agree to cement volumes and placement. Sample each plug for cement curing time and tag and/or pressure test as requested by BLM PET witness.
- 11. Cementing procedure is subject to the next four numbered paragraphs.
- 12. Mix cement plugs to cover a minimum of 100ft plus 10ft for every 1,000ft to the bottom of the plug, rounding the number of necessary sacks up to the nearest 5 sacks. Never use less than 25sx. Examples: A cement plug set at 8000 in 7" casing would require a min of 35sx. A 25sx plug in 5 ½" casing should cover 250ft, which may exceed 100ft plus 10ft per 1000ft.
- 13. Below 7500ft Class "H" and above 7500ft Class "C" neat cement plugs(s) will be necessary. Isolation plugs of Class "C" neat cement to be mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water and Class "H" neat cement to be mixed 16.4#/gal, 1.06ft³/sx, 4.3gal/sx water.

- 14. A minimum WOC time of 4 hours(C) & 8 hours(H) is recommended for plugs that require a tag or pressure test.
- 15. Minimum requirement for mud placed between plugs is 25 sacks of saltwater gel per 100 barrels in 9 lb/gal brine.
- 16. Drill cmt & plugs to a tag on the 11800' CIBP.
- 17. Set a min 30sx balanced "H" cmt plug on the CIBP set above top perf 11838'. WOC, and tag the plug with tbg at 11550' or above covering the 11884' Morrow formation top.
- 18. Set a CIBP within 100' of the top Atoka perf of 11318'. Set a min 30sx balanced "H" cmt plug from CIBP within 100' of 11318'. WOC, and tag the plug with tbg at 11090' or above, and cover the 11200' Atoka formation top.
- 19. Set a CIBP within 100' of the top Strawn perf of 10839'. Set a min 30sx balanced "H" cmt plug from CIBP within 100' of 10839'. WOC, and tag the plug with tbg at 10590' or above, and cover the 10818' Strawn formation top.
- 20. Set a CIBP within 100' of the top Wolfcamp perf of 10400'. Set a min 25sx balanced "H" cmt plug from CIBP within 100' of 10400'. WOC, and tag the plug with tbg at 10200' or above.
- 21. Set a min 25sx balanced "H" cmt plug from 10050'. WOC, and tag the plug with tbg at 9860' or above covering the DV Tool at 9969'.
- 22. Set a min 25sx balanced "H" cmt plug from 9850'. WOC, and tag the plug with tbg at 9650' or above covering the Wolfcamp formation top at 9789'.
- 23. Set a min 25sx balanced "C" cmt plug from 6575'. WOC, and tag the plug with tbg at 6310' or above covering the Bone Spring formation top at 6468'.
- 24. Set a CIBP within 100' of the Delaware perf of 6172'. Dump Bail 35' cmt cap on the CIBP.
- 25. Set a CIBP within 100' of the Delaware perf of 5942'. Dump Bail 35' cmt cap on the CIBP.
- 26. Set a CIBP within 100' of the Delaware perf of 5751'. Dump Bail 35' cmt cap on the CIBP.
- 27. Set a CIBP within 100' of the Delaware perf of 4862'. Dump Bail 35' cmt cap on the CIBP.
- 28. Set a CIBP as close as possible to the top Delaware perf of 3500'.
- 29. Pressure test the casing to 500psig after a CIBP set above Delaware perf of 3500'.
- 30. Set a min 25sx balanced "C" cmt plug from CIBP set above the Delaware perf of 3500'. WOC, and tag the plug with tbg at 3250' or above covering the 8 5/8"csg shoe at 3425'.
- 31. The designated R-111-P Secretary Potash Area requires a solid cmt plug from 50ft or more below to 50ft or more above the Salt Formation in the drilled wellbore diameter.
- 32. Perforate at 1850'.
- 33. Set a Pkr. Open the 5 ½" x 8 5/8" annular csg vent and establish circulation. Sqz w/260sx "C" cmt into the 5 ½" x 8 5/8" annulus, displace to leave the cmt top at 750' in the 5 ½" csg. Close the tbg valve behind displacement volume and hold the slurry in place.
- 34. WOC, tag the sqz plug w/tbg in the 5 ½" csg at 750' covering the 13 3/8" csg shoe at 1785' and the Salt Formation.

actions may be needed. When you feel the full BLM objectives have been met, submit a Final Abandonment Notice (FAN) Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.

7. At this time a BLM specialist will again inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability for the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos Supervisory Environmental Protection Specialist 575-234-5909, 575-361-2648 (Cell)

Trishia Bad Bear Natural Resource Specialist 575-393-3612, 575-390-2258 (Cell)

Jesse Bassett Natural Resource Specialist 575-234-5913, 575-499-5114 (Cell)

Paul Murphy Natural Resource Specialist 757-234-5975, 575-885-9264 (Cell)

Henryetta Price Environmental Protection Specialist 575-234-5951, 575-706-2780 (Cell) Robertson, Jeffery Natural Resource Specialist 575-234-2230, 575-706-1920 (Cell)

Vance Wolf Natural Resource Specialist 575-234-5979

Brooke Wilson Natural Resource Specialist 575-234-6237

Arthur Arias Environmental Protection Specialist 575-234-6230, 575-499-3378 (Cell)

Shelly Tucker Environmental Protection Specialist 575-234-5905, 575-361-0084 (Cell)

Collinsoscopy Federal No.1 30-015-33758 1095' FSL & 430' FWL Section 7–Twp 20S–Rng 30E Eddy County, New Mexico

Owl SWD Operating, LLC

Current TA - Feb.2018

