

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone: (575) 393-6161 Fax: (575) 393-0720  
**District II**  
 811 S. First St., Artesia, NM 88210  
 Phone: (575) 748-1283 Fax: (575) 748-9720  
**District III**  
 1000 Rio Brazos Road, Aztec, NM 87410  
 Phone: (505) 334-6178 Fax: (505) 334-6170  
**District IV**  
 1220 S. St. Francis Dr., Santa Fé, NM 87505  
 Phone: (505) 476-3460 Fax: (505) 476-3462

**State of New Mexico**  
**Energy Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 South St. Francis Dr.**  
**Santa Fe, NM 87505**

**HOBBS OCD**

Form C-101  
 Revised July 18, 2013

**AUG 10 2015** AMENDED REPORT

**RECEIVED**

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address OWL SWD Operating, LLC 8214 Westchester Drive, Suite 850, Dallas, TX 75255		<sup>2</sup> OGRID Number 308339
		<sup>3</sup> API Number 30-025- <b>42761</b>
<sup>4</sup> Property Code <b>315171</b>	<sup>5</sup> Property Name Talon SWD	<sup>6</sup> Well No. 1

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
<b>FE</b>	20	18S	34E		1,880	N	330	W	Lea

**8. Proposed Bottom Hole Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
<b>FE</b>	20	18S	34E		1,880	N	330	W	Lea

**9. Pool Information**

Pool Name SWD; San Andres- Delaware	Pool Code 96125
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**Additional Well Information**

<sup>11</sup> Work Type N	<sup>12</sup> Well Type S	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type P	<sup>15</sup> Ground Level Elevation 4064
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 7,150'	<sup>18</sup> Formation San Andres - Delaware	<sup>19</sup> Contractor TBD	<sup>20</sup> Spud Date ASAP
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	24"	20"	133 lb/ft	1,875'	2,121	SURFACE
Intermediate	17.500"	13.375"	68 lb/ft	3,350'	2,972	SURFACE
Production	12.250"	9.625"	47 lb/ft	7,150'	1,500	SURFACE

**Casing/Cement Program: Additional Comments**

C102 and wellbore diagram attached
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**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Hydraulic	3,000	3,000	Cameron/Schaffer

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.  
 I further certify that I have complied with 19.15.14.9 (A) NMAC  and/or 19.15.14.9 (B) NMAC , if applicable.  
 Signature: *Billy E. Prichard*

Printed name: Billy E. Prichard  
 Title: Agent for OWL SWD Operating, LLC  
 E-mail Address: billy@pwilc.net  
 Date: **8/5/15** Phone: 432-934-7680

<b>OIL CONSERVATION DIVISION</b>	
Approved By:	<i>[Signature]</i>
Title:	<b>Petroleum Engineer</b>
Approved Date:	<b>08/26/15</b> Expiration Date: <b>08/26/17</b>
Conditions of Approval Attached	

*EPERM. Ka*

**See Attached  
 Conditions of Approval**

**AUG 31 2015**

CONDITIONS OF APPROVAL

API #	Operator	Well name & Number
30-025-42761	OWL SWD Operating Inc	TALON SWD # 001

Applicable conditions of approval marked with XXXXXX

Administrative Orders Required

XXXXXXX	Will require administrative order for SWD prior to placing the well on injection

Other wells

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Drilling

XXXXXXX	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string

Casing

XXXXXXX	SURFACE & INTERMEDIATE(1) CASING - Cement must circulate to surface --
XXXXXXX	PRODUCTION CASING - Cement must circulate to surface --
XXXXXXX	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
	South Area
XXXXXXX	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water

Pits

XXXXXXX	If using a pit for drilling and completions, must have an approved pit form prior to spudding the well

Completion & Production

XXXXXXX	Must notify Hobbs OCD office prior to conducting MIT (575) 393-6161 ext. 114
XXXXXXX	Must conduct MIT prior to any injection