

SEP 14 2015

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

RECEIVED

BRADENHEAD TEST REPORT

|                                             |                                      |
|---------------------------------------------|--------------------------------------|
| Operator Name<br><i>Pyote Water Systems</i> | API Number<br><i>300251128020000</i> |
| Property Name<br><i>Rice SWD F (Hobbs)</i>  | Well No.<br><i>19</i>                |

Surface Location *F-29-18S-36E*

|          |                      |                       |                    |           |                         |                          |          |                      |
|----------|----------------------|-----------------------|--------------------|-----------|-------------------------|--------------------------|----------|----------------------|
| UL - Lot | Section<br><i>29</i> | Township<br><i>18</i> | Range<br><i>38</i> | Feet from | N/S Line<br><i>1880</i> | Feet From<br><i>1745</i> | E/W Line | County<br><i>Lea</i> |
|----------|----------------------|-----------------------|--------------------|-----------|-------------------------|--------------------------|----------|----------------------|

Well Status

|                  |    |                |    |     |                        |     |                 |                       |
|------------------|----|----------------|----|-----|------------------------|-----|-----------------|-----------------------|
| TA'D WELL<br>YES | NO | SHUT-IN<br>YES | NO | INJ | INJECTOR<br><i>SWD</i> | OIL | PRODUCER<br>GAS | DATE<br><i>8-1-14</i> |
|------------------|----|----------------|----|-----|------------------------|-----|-----------------|-----------------------|

OBSERVED DATA

|                      | (A)Surface   | (B)Interm(1) | (C)Interm(2) | (D)Prod Csmg | (E)Tubing                                                  |
|----------------------|--------------|--------------|--------------|--------------|------------------------------------------------------------|
| Pressure             | <i>0</i>     |              | <i>0</i>     | <i>0</i>     | <i>120</i>                                                 |
| Flow Characteristics |              |              |              |              |                                                            |
| Puff                 | <i>(Y) N</i> | <i>(Y) N</i> | <i>(Y) N</i> | <i>(Y) N</i> | CO2 <i>—</i>                                               |
| Steady Flow          | <i>Y / N</i> | <i>Y / N</i> | <i>Y / N</i> | <i>Y / N</i> | WTR <i>—</i>                                               |
| Surges               | <i>Y / N</i> | <i>Y / N</i> | <i>Y / N</i> | <i>Y / N</i> | GAS <i>—</i>                                               |
| Down to nothing      | <i>Y / N</i> | <i>Y / N</i> | <i>Y / N</i> | <i>Y / N</i> | Type of Fluid<br>Injected for<br>Waterflood if<br>applies. |
| Gas or Oil           | <i>Y / N</i> | <i>Y / N</i> | <i>Y / N</i> | <i>Y / N</i> |                                                            |
| Water                | <i>Y / N</i> | <i>Y / N</i> | <i>Y / N</i> | <i>Y / N</i> |                                                            |

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

|                                                  |                           |
|--------------------------------------------------|---------------------------|
| Signature:<br><i>[Signature]</i>                 | OIL CONSERVATION DIVISION |
| Printed name:<br><i>Jimmy Burton</i>             | Entered into RBDMS        |
| Title:<br><i>NM Innovations Manager</i>          | Re-test                   |
| E-mail Address:<br><i>quadrax@pyotewater.com</i> |                           |
| Date:<br><i>8/1/2014</i>                         |                           |
| Phone:<br><i>432-448-4917</i>                    |                           |
| Witness:<br><i>Bill Sonowaker</i>                |                           |

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