

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

HOBBBS Energy  
 NOV 02 2015  
 RECEIVED

State of New Mexico  
 Energy, Minerals and Natural Resources  
 CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

Form C-103  
 Revised July 18, 2013

WELL API NO. 30-025-21800
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NM 434
7. Lease Name or Unit Agreement Name State AK SWD
8. Well Number 001
9. OGRID Number 308397
10. Pool name or Wildcat SWD: Strawn
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4262 GL

**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.)

1. Type of Well: Oil Well  Gas Well  Other SWD-558-A

2. Name of Operator  
06 SWD, LLC

3. Address of Operator  
P.O Box 553 Lovington NM 88260

4. Well Location  
 Unit Letter N : 660 feet from the South line and 1980 feet from the west line  
 Section 10 Township 11S Range NMPM lea County

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
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: <u>return to injection</u> <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.

1. Move in rig up pulling unit, unset packer and pull tubing
2. Run tubing and retrieve packer at 9136 ft.
3. Replaced 40 joints of 2 7/8 L80 plastic coated tubing, left packer setting at 9129 ft. 
4. Sent OCD in Santa Fe, NM an packer setting depth exception approved on 10/27/2015
5. Set packer within 100 ft. of the 9028 ft.
6. Notified OCD 24 hrs. for MIT
7. Pressure test good
8. Return the well to injection

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 Beatrice Skaggs TITLE Office manager DATE 10/30/15  
 Type or print name Beatrice Skaggs E-mail address: and@andoilfieldservices.com PHONE: 575 390 8591  
 For State Use Only  
 APPROVED BY: Mary Stinson TITLE Dist Supervisor DATE 11/12/2015  
 Conditions of Approval (if any):

NOV 18 2015

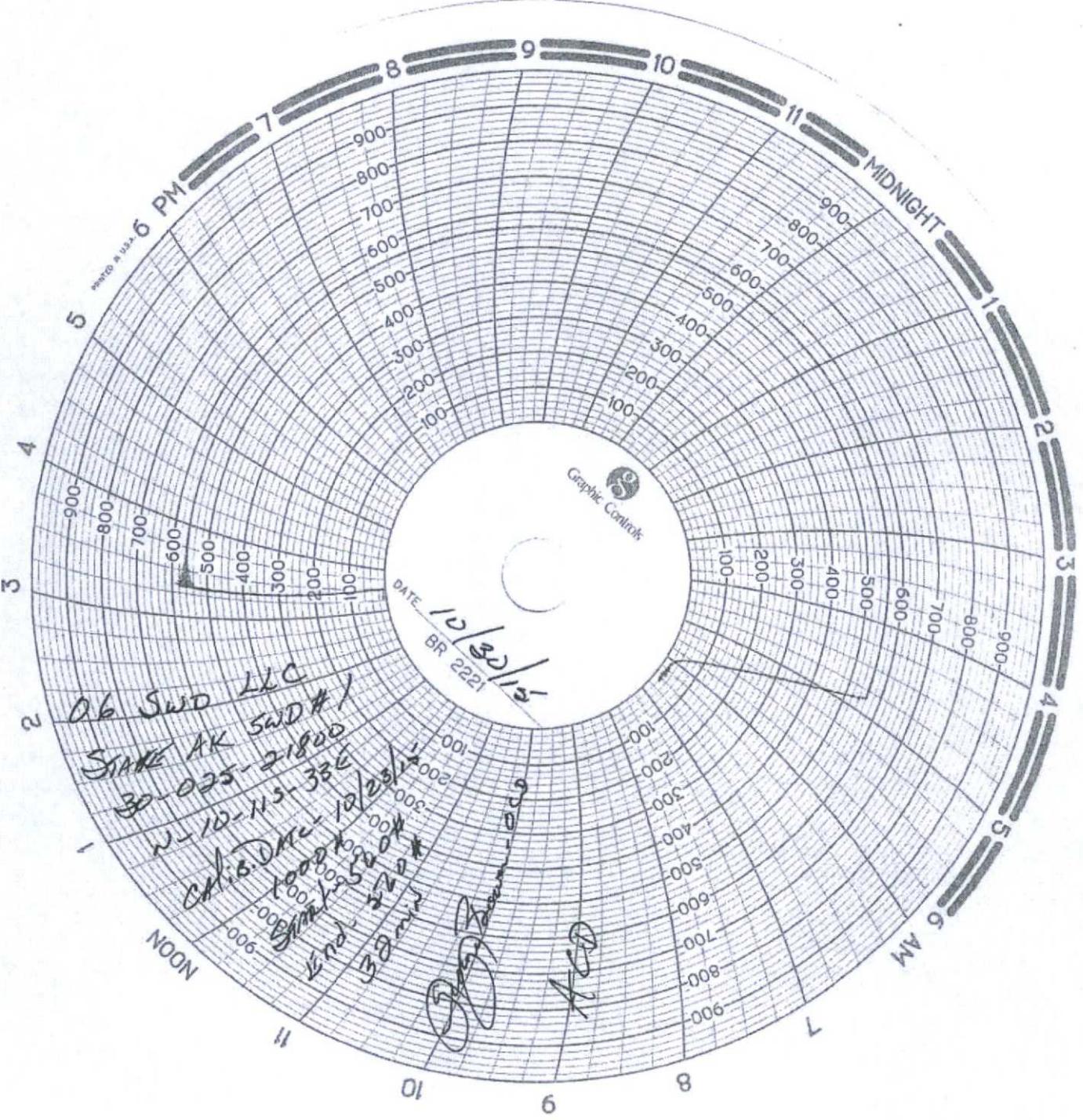
PRINTED IN U.S.A.



DATE 10/30/15  
BR 2221

06 SWD LLC  
STATE AK SWD # /  
30-025-21800  
N-10-115-336  
CAL'S DATE 10/25/15  
1000  
5000  
3000  
2200  
3000

BR 2221  
KCO



State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

David Martin  
Cabinet Secretary

Brett F. Woods, Ph.D.  
Deputy Cabinet Secretary

David R. Catanach, Division Director  
Oil Conservation Division



October 27, 2015

Beatrice Skaggs  
06 SWD, LLC  
1902 Tatum Highway  
Lovington, NM 88260

RE: Packer Setting Depth Exception  
Administrative Order SWD-558-A  
Canyon/Strawn Perforations (Reported): 9500 feet to 10151 feet  
State AK SWD Well No. 1 (API 30-025-21800)  
Unit N, Sec 10, T11S, R33E, NMPM, Lea County, New Mexico

Dear Sir or Madame:

Reference is made to your request on behalf of 06 SWD, LLC (OGRID 308397; "Applicant") received by the Division on October 26, 2015, for the above named well. Applicant applied for an exception to the requirement in SWD-558-A to set the packer within 100 feet of the top of the permitted disposal interval.

It is our understanding that the packer was set at 9136 and now is set at 9129 with ten (10) joints of tail pipe. Attempts to set the packer lower failed and this well has been disposing since 1995 into this same interval. In addition, the offsetting operators and owners were noticed when the disposal permit was renewed at date October 27, 2014.

The latest packer setting depth is approximately 371 feet above the top of the disposal interval. The packer is set within the top of the Upper Penn formation, which has a top in this well reported to be at 9082 feet.

For the reasons stated in the application and because it appears that correlative rights are protected, waste will not occur and this modification will not endanger any fresh water aquifer or the environment, the exception is granted.

Any future packer setting depths in this well shall not be higher than 9082 feet unless the operator of this well obtains written permission from the Division after the operator supplies proof of notice of the proposed packer setting depth to all surrounding operators with dedicated acreage (spacing unit) located within 1/2 mile of this well and the noticed parties are given 15 days in which to lodge a protest.

The Division Director may rescind this exception if it becomes apparent that the disposal fluids are not being confined to the permitted interval or are endangering any fresh water aquifer.

Sincerely,

A handwritten signature in black ink, appearing to read "David R. Catanach".

DAVID R. CATANACH  
Director  
DRC/wvjj

cc: Oil Conservation Division - Hobbs  
SWD-558-A  
API No.:30-025-21800