

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

Form C-103
 Revised July 18, 2013

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

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. 30-025-42761 ✓
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD <input type="checkbox"/>		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 Drive, Suite 850, Dallas, TX 75255		7. Lease Name or Unit Agreement Name Talon SWD ✓
4. Well Location Unit Letter <u>E</u> : <u>1880</u> feet from the <u>North</u> line and <u>330</u> feet from the <u>West</u> line Section <u>20</u> Township <u>18S</u> Range <u>34E</u> NMPM Lea County		8. Well Number <u>1</u> ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4064 GL		9. OGRID Number 308339
10. Pool name or Wildcat Devonian - Silurian		10. Pool name or Wildcat Devonian - Silurian

HOBBS OCD
 JAN 25 2016
 RECEIVED

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input checked="" type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>	
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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.

At the request of the NMOCD Engineering Bureau, OWL SWD Operating, LLC proposes to change the tubing size for this proposed SWD well from 5-1/2" to 4-1/2".

See revised wellbore diagram attached.

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 Billy E. Prichard TITLE Agent for OWL SWD Operating, LLC DATE 1/18/16

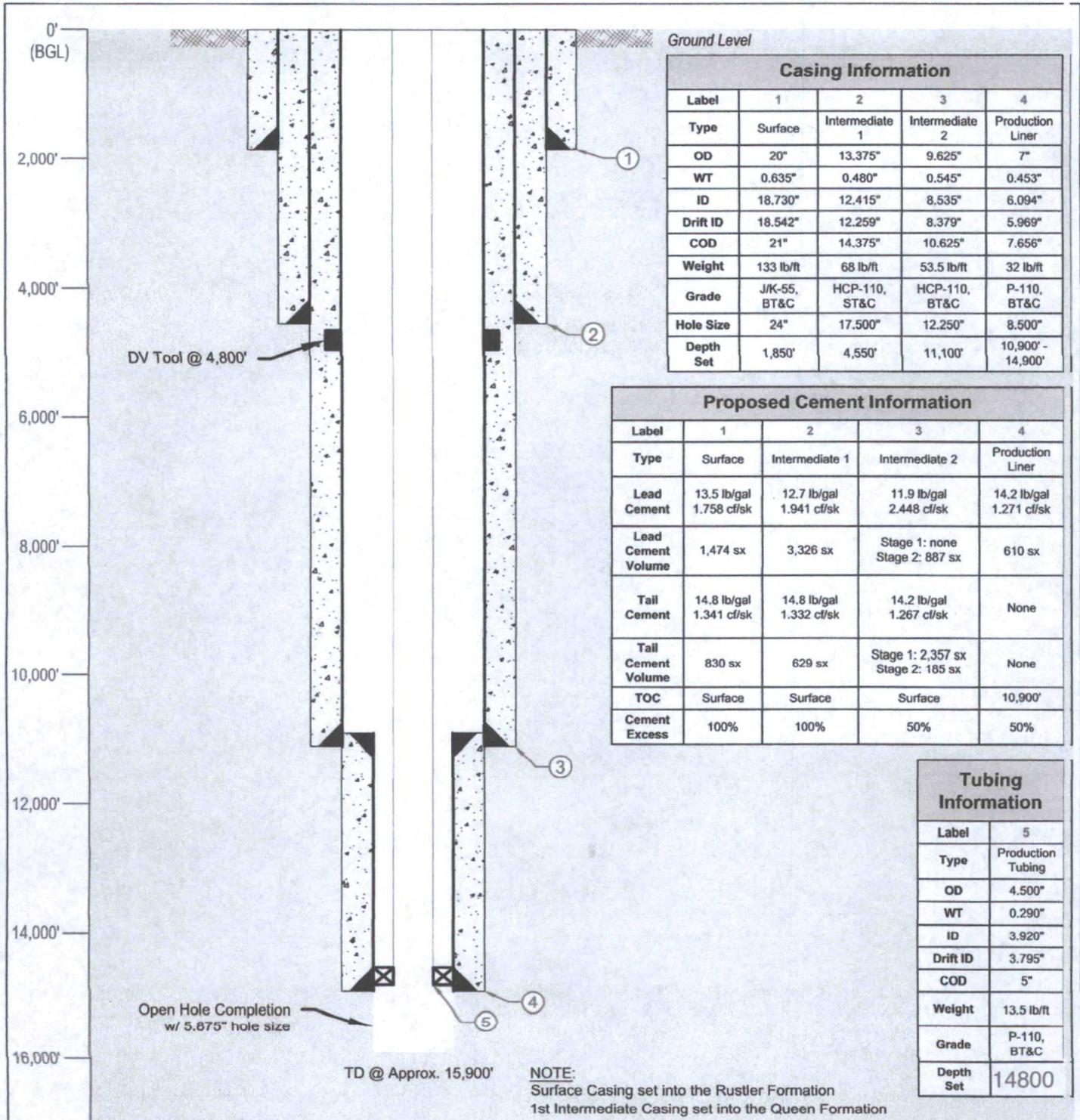
Type or print name Billy E. Prichard E-mail address: billy@pwillc.net PHONE: 432-934-7680

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 01/29/16
 Conditions of Approval (if any):

JAN 29 2016

[Handwritten initials]



LONQUIST & CO. LLC PETROLEUM ENGINEERS ENERGY ADVISORS AUSTIN HOUSTON WICHITA CALGARY	OWL SWD Operating, Inc	Talon SWD No. 1	
	Country: USA	State/Province: New Mexico	County/Parish: Lea
Survey/STR: E-20-18S-34E	Site:	Status: To Be Drilled	
API No.: 30-025-42761	Field:	Ground Elevation:	
Texas License: F-8952	State ID No.:	Project No.:	Date: 1/15/2016
3345 Bee Cave Road, Suite 201 Austin, Texas 78746 Tel: 512.732.9812 Fax: 512.732.9816	Drawn: MMC	Reviewed: SLP	Approved: SLP
	Rev No.: 1	Notes: Devonian completion with 4-1/2" Injection Tubing.	

20 Segment	surface csg in a #/ft	24 Grade	inch hole. Coupling	Joint	Design Factors		SURFACE		
"A"	133.00	J 55	BUTT	8.18	Collapse	Burst	Length	Weight	
"B"					1.53	1.2	1,850	246,050	
w/8.4#/g mud, 30min Sfc Csg Test psig: 1,335				Tail Cmt	does not	circ to sfc.	Totals:	1,850 246,050	
Comparison of Proposed to Minimum Required Cement Volumes									
Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
24	0.9599	2304	3704	1852	100	10.20	1552	2M	1.50

13 3/8 Segment	casing inside the #/ft	20 Grade	Coupling	Joint	Design Factors		INTERMEDIATE		
"A"	68.00	HCP 110	ST&C	4.19	Collapse	Burst	Length	Weight	
"B"					1.14	1.07	4,550	309,400	
w/8.4#/g mud, 30min Sfc Csg Test psig:							Totals:	4,550 309,400	
The cement volume(s) are intended to achieve a top of				0	ft from surface or a		1850	overlap.	
Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
17 1/2	0.6946	3955	7294	3647	100	10.80	4016	5M	1.56

9 5/8 Segment	casing inside the #/ft	13 3/8 Grade	Coupling	Body	Design Factors		PRODUCTION		
"A"	53.50	HCP 110	BUTT	2.88	Collapse	Burst	Length	Weight	
"B"					1.37	1.15	11,100	593,850	
w/8.4#/g mud, 30min Sfc Csg Test psig: 2,442							Totals:	11,100 593,850	
The cement volume(s) are intended to achieve a top of				0	ft from surface or a		4550	overlap.	
Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
12 1/4	0.3132	look ↘	0	3595		11.20	6165	10M	0.81
Setting Depths for D V Tool(s): 4800							sum of sx	Σ CuFt	Σ%excess
% excess cmt by stage:		50	50				3429	5392	50
Class 'H' tail cmt yld > 1.20				MASP is within 10% of 5000psig, need exrta equip?					

7 Segment	Liner w/top @ #/ft	10900 Grade	Coupling	Body	Design Factors		LINER		
"A"	32.00	P 110	BUTT	2.15	Collapse	Burst	Length	Weight	
"B"					1.14	1.23	4,000	128,000	
w/8.4#/g mud, 30min Sfc Csg Test psig: 3,278							Totals:	4,000 128,000	
The cement volume(s) are intended to achieve a top of				10900	ft from surface or a		200	overlap.	
Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
8 1/2	0.1268	610	775	517	50	12.20			0.422
Capitan Reef est top XXXX.				MASP is within 10% of 5000psig, need exrta equip?					