

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

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. NMNM112940

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No. BRININSTOOL 25 FEDERAL 1

9. API Well No. 30-025-37582

10. Field and Pool, or Exploratory SWD; BELL CNYN-CHRRY CNYN

11. County or Parish, and State LEA COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well [] Oil Well [] Gas Well [x] Other: INJECTION

2. Name of Operator OWL SWD OPERATING, LLC Contact: KATY WELCH E-Mail: kwelch@oilfieldwaterlogistics.com

3a. Address 8214 WESTCHESTER DRIVE SUITE 850 DALLAS, TX 75255 3b. Phone No. (include area code) Ph: 432-234-0427

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T23S R33E Mer NMP 1980FNL 660FEL

HOBBS OCD

MAY 05 2016

RECEIVED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

Table with 2 main columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production (Start/Resume), Water Shut-Off, etc.

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Days 1 - 2 ? Begin Operations 5/27/2015 - Prepare location and well head; install BOP. Safety Meetings.

Day 3 ? RIH w/ 6-1/8" bit and 7" scraper. Pressure test BOP and continue to 7278?.

Days 4 ? 28 ? Drill out & clean out junk and cement plugs. Mill, circulate, drill, circulate several trips for bit/mill change, eventually reaching 11,950?.

Days 29 ? 30 ? Spot 50 sx cement on CIPB at 11,950?. Tag plug @ 11,496?.

Day 31 ? Set 4-1/2" CIBP @ 10,993? & cap w/ 25 sx cement. (Not req'd to tag by BLM Hobbs.)

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #315741 verified by the BLM Well Information System For OWL SWD OPERATING, LLC, sent to the Hobbs Committed to AFMSS for processing by JENNIFER SANCHEZ on 11/16/2015 ()

Name (Printed/Typed) BEN STONE

Title AGENT / CONSULTANT

Signature (Electronic Submission)

Date 09/08/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD NOV 17 2015 [Signature]

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Accepted for Record Only MAB/OCD 5/12/2016

[Handwritten initials]

Additional data for EC transaction #315741 that would not fit on the form

32. Additional remarks, continued

Day 32 ? Run CBL from 9,000' to 7,826'. (Pulled out large chunk of rubber in bowspring assembly.)

Day 33 ? Adjust bowspring and TIH w/ open-ended tubing to 8794?. Spot 35 sx cement at 8794?.

Day 34 ? RIH to tag ? no plug; cement failed ? circulate hole clean.

Days 35 ? 36 ? Spot 50 sx cement at 8794?; Tag at 8391?.

Days 37 ? 38 ? MIT on 4-1/2? casing stump to 500 psi for 30 mins. Perf 4 shots at 7,860' (50' below top of 4-1/2" csg stump. Spot 50 sx cement at 7873?. Circulate hole clean. Tag @ 7620?. POOH & RIH w/ PKR to 7571?.

Days 39 ? 40 ? MIT on plugged 4-1/2? at 1200 psi for 1 hour. RU & RIH and perforate 7366? to 5280? w/ total 1800 shots. RIH w/ tubing & PKR to 5222?. Swab 4 runs returning 48 bbls iron sulfide water.

Day 41? Acidized perms w/15,000 gal 15% NEFE HCl acid + 3,000 gal gelled brine water.

Days 42 ? 44 ? Swab 10 runs FL @ 1000?. RIH w/ tubing and nickel-coated PKR set @ 5232?. MIT 500 psi for 30 mins. Rig down and release all equipment. Well ready for SWD per NMOCD SWD-1364.

FULL DAILY REPORT DETAILS AND WELLBORE DIAGRAM ARE ATTACHED.

ATTACHMENT TO BLM 3160-5 SUNDRY DATED 9/08/2015

Owl Oil and Gas, LLC
Brininstool 25 Federal Well No. 1
API No. 30-025-37582
1980' FNL & 660' FEL
Section 25, Twp 23-S, Rng 33-E
Lea County, New Mexico

THIS SUMMARY IS BEING PROVIDED PER INSTRUCTIONS FROM PAUL SWARTZ (BLM-CFO) VIA EMAIL (9/04/2015) TO SUBMIT FINAL/ SUBSEQUENT SUNDRY DOCUMENTING DOWNHOLE REPLUGGING AND SWD CONFIGURATION OF THE WELL.

Instruction: A Subsequent Sundry report form 3160-5 – identify all work done to the well starting from 5/27/2015. This will most likely require attachments to this sundry.

Daily Report Summary

Days 1 - 2 – Begin Operations 5/27/2015 - Prepare location and well head; install BOP. Safety Meetings.

Day 3 – RIH w/ 6-1/8" bit and 7" scraper. Pressure test BOP and continue to 7278'.

Days 4 – 28 – Drill out & clean out junk and cement plugs. Mill, circulate, drill, circulate several trips for bit/mill change, eventually reaching 11,950'.

Days 29 – 30 – Spot 50 sx cement on CIPB at 11,950'. Tag plug @ 11,496'.

Day 31 – Set 4-1/2" CIBP @ 10,993' & cap w/ 25 sx cement. (Not req'd to tag by BLM Hobbs.)

Day 32 – Run CBL from 9,000' to 7,826'. (Pulled out large chunk of rubber in bowspring assembly.)

Day 33 – Adjust bowspring and TIH w/ open-ended tubing to 8794'. Spot 35 sx cement at 8794'.

Day 34 – RIH to tag – no plug; cement failed – circulate hole clean.

Days 35 – 36 – Spot 50 sx cement at 8794'; Tag at 8391'.

Days 37 – 38 – MIT on 4-1/2" casing stump to 500 psi for 30 mins. Perf 4 shots at 7,860' (50' below top of 4-1/2" csg stump. Spot 50 sx cement at 7873'. Circulate hole clean. Tag @ 7620'. POOH & RIH w/ PKR to 7571'.

Days 39 – 40 – MIT on plugged 4-1/2" at 1200 psi for 1 hour. RU & RIH and perforate 7366' to 5280' w/ total 1800 shots. RIH w/ tubing & PKR to 5222'. Swab 4 runs returning 48 bbls iron sulfide water.

Day 41 – Acidized perms w/15,000 gal 15% NEFE HCl acid + 3,000 gal gelled brine water.

Days 42 – 44 – Swab 10 runs FL @ 1000'. RIH w/ tubing and nickel-coated PKR set @ 5232'. MIT 500 psi for 30 mins. Rig down and release all equipment.

Well ready for SWD per NMOCD SWD-1364.

Daily Report Detail

Day 1, 5/27/2015 – Bladed location & prepared it for pulling unit & equipment. Notified NMOCD & BLM of operation start-up.

Day 2, 5/28/2015 – Arrive location. MIRUPU-ESCO #235. RU reverse unit & H2S safety compliance package. ND tree. NU BOP. Closed blind rams & pressure tested csg to 1,100 psi for 15 minutes - OK. Unloaded 2 7/8" and 2 3/8" tbg work string. SIW/SDON.

Day 3, 5/29/2015 - Arrive location. BOP was not tested to 5,000 psi by rental company. Change out BOP per BLM requirements. PU & GIH w/6 1/8" mill tooth bit, 7" csg scrapper, 6 - 3 1/8" DC & 1 jt 2 7/8" tbg. Tested BOP & csg to 1100 psi - OK. Install riser to surface from 9 5/8" csg head & prepared riser for 13 3/8" surface csg hd. Continue TIH & PU 2 7/8" 6.5# N80 8rd EUE tbg work string to 7,278'. SIW/SDFN.

Day 4, 5/30/2015 - Arrive location. Tag cmt at 7,444'. Established reverse circulation at 3 BPM at 700 - 800 psi. Drill to 7,454' (10' with only 2' in last 3 hrs.). Recovering large amt of metal (steel, brass, and aluminum) & rubber with small amount of cement. Drilling slow because bit plugging frequently with only 1 pt of WOB. TOH to inspect bit. No apparent problems with bit or scraper. SIW/SD till Monday

Day 5, 6/02/2015 - Arrive location. Well is dead. TIH with bit, csg scraper, DC's and tbg. Started drilling with 3 BPM at 850 psi and tbg string would plug off. Lowered pump rate to 2.2 BPM at 550 psi, unplugged tbg string and then drilled CIBP at 7460' with 2.2 - 2.5 BPM and 350 - 550 psi. Bit fell thru at 7465'. Washed, rotated, & pushed junk down to 7,730'. Tbg continued to try to plug off. Rec metal, rubber, and cement. Circ hole clean. Left bit swinging at 7,720'. SIW/SDON.

Day 6, 6/03/2015 – Arrive location. Well was dead. Resume drilling & cleaning hole from 7,730' to 4 1/2" csg stub at 7810'. Circ clean. TOH. LD bit/csg scraper. Visually inspect DC's. Found a piece of metal wedged inside. PU 3 7/8" bit, x-over, 5 x 3-1/8" DC, & ~4,000! 2-3/8" 4.7# N80 8rd EUE tbg on 2-7/8" tbg work string. TIH to 3,000'. SIW/SDON

Day 7, 6/04/2015 - Arrive location. Well dead. TIH. Tag junk at top of 4 1/2" csg stub. Drill up junk. Rec small pieces of metal. Bit fell thru & went down to 7,825'. PU 1 jt & LD swivel. Could not get back inside 4-1/2" csg. Drlid/pushed junk downhole. TIH & stack out wt at 8,150'. Drlid/pushed junk down to 8,210'. Rec several large chunks of rubber & some metal cuttings. TIH to 8,276' & tag. SIW/SDON

Day 8, 6/05/2015 - Arrive location. Start drilling/pushing junk downhole to 8,277'. Recovered tip of bit cone. Circ clean. TOH. Bit missing 2 cones. GIH w/3-3/4" plug muncher mill on work string to 1,000'. SIW/SDON.

Day 9, 6/06/2015 - Arrive location. Well ead. TIH with mill. Had problems re-entering 4-1/2" csg stump. Work mill about 1 hr before finally getting into stub. (Top of stub has given us problems on several trip. This was worst probably due to mill geometry not being as forgiving as roller cone bit on working into stub Stub may be "boogered up". We may have to dress off stub with a pilot/string mill if this continues to be a problem or gets worse.) TIH to 8,277'. Mill on bit cones & other junk to 8,305'. Rec pieces of bit cones & small metal cuttings. Mill quit making hole. Circ hole clean. TOH. About 1/3 out of hole pulled out with partially split jt of tbg (crack/split immediately below tbg collar.) Decided it

was not prudent to pick up on tbg & potentially have tbg fail & drop in hole. SD & order slip type elevators to pick up on split jt. SIW/SDON.

Day 10, 6/07/2015 - Arrive location. Well dead. PU slip type elevators & LD 1 bad jt tbg, PU regular elevators & continue TOH. LD mill - worn out and all 4 jets partially plugged. GIH w/new plug muncher mill. Stop at 4-1/2" csg stump. Worked/rotated for 5 minutes before able to re-enter sump. TIH to 8,305'. Mill to 8,335'. Rec metal cuttings (small pieces of previous mill and bit cones) & rubber. Circ clean. SIW/SDON.

Day 11, 6/08/2015 - Arrive location. Well dead. Resumed milling at 8,335'. Mill quit drilling at 8,347'. TOH. Worn out mill had pieces of metal stuck in jets - one piece was an allen head cap screw. SIW/SDON.

Day 12, 6/09/2015 - Arrive location. Well dead. GIH w/new 3-3/4" concave mill on work string. (Prev mill was plugged with large pieces of metal, cap screw, and 1/8" dia ball bearings). Mill from 8,347' to 8,376' (rec small metal cuttings.) Lost partial string wt. TOH with 43 jts 2 7/8" tbg, and the collar from jt #44. (TOF is at 1370' with 2 7/8" upset with clean break looking up). SIW/SDON. Note: Suspect junk is TAC (tbg anchor) left in hole when plugged. May have add'l jt of tbg below. We have had two incidents with rental tbg & suspect it is bad. We will lay down & replace after recovering fish.

Day 13, 6/10/2015 - Arrive location. Well dead. PU 4-11/16" overshot w/5-3/4" cutlip (3-1/16" grapple). TIH. Latch onto fish. TOH. LD parted jt of tbg & fishing tools. Continue TOH & LD all rental tbg string. Left DC in hole. Load out & return 2-3/8" & 2-7/8" rental tbg to Iron Gate. SIW/SDON.

Day 14, 6/11/2015 - Arrive location. Well dead. TOH with DC's & mill. Unload & tally 2 3/8" and 2 7/8" PH6 tbg. TIH with 3-3/4" metal muncher mill, 5 x 3-1/8" DCs, ~4,000' 2-3/8" 4.7# PI 10 PH6 tbg, & 585' 2-7/8" 6.5# PI 10 PH6 tbg. Left mill swinging at 4,585'. SIW/SDON.

Day 15, 6/12/2015 - Arrive location. Well dead. Continue PU 2-7/8" tbg & TIH. Work thru 4 1/2" csg stub. TIH. Tag at 8,379'. Set 10 pts wt on junk but would not push down. Mill from 8,379' to 8,580'. (Continue having problems with mill plugging. Recovering lots of metal & some rubber.) Circ hole. SIW/SDON.

Day 16, 6/13/2015 - Arrive location. Well is dead. Continued milling on junk from 8580'. Rec metal cuttings, a 1/4" brass washer, 1/8" roller bearing and some cement. Drld cement with slight amount of metal in returns from 8725' - 8892'. Rec 1 large o-ring and 4" x 6" piece of rubber. Still had problems with mill trying to plug off. PU to 8880' and SIW/SD until Monday.

Day 17, 6/16/2015 - Arrive location. Well dead. Continue milling from 8,892' to 9,108'. Rec cmt and metal cuttings. Try to push down with 5 pts wt - would not go down. Mill plugging continuing to be a problem. Mill quit. TOH to 7,800'. SIW/SDON.

Day 18, 6/17/2015 - Arrive location. Well dead. Continued TOH. LD mill (2 of the 3 jet openings were plugged solid with metal cuttings). PU new metal muncher mill (mill #4). TIH with tbg. Worked mill thru top of 4 1/2" csg stub with pipe wrenches. Continued TIH to 9,008'. SIW/SDON.

Day 19, 6/18/2015 - Arrive location. Well dead. Resume milling from 9,108' to 9,305'. Started torquing up & plugging mill. Push down/mill to 9,368' (push junk down 5' - 10' & mill for 2' - 5'). Rec metal and a small amount of rubber - several pieces of TAC slips. Made 260' total for day. SIW/SDON.

Day 20, 6/19/2015 - Arrive location. Well dead. Mill to 9,370'. Power swivel quit. Circ & troubleshoot swivel. Unable to repair. Push junk down to 9,390' with 4 - 5 pts weight. Rig down waiting for replacement swivel (truck bringing replacement swivel involved in an accident. Will arrive in morning.) SIW/SDON.

Day 21, 6/20/2015 - Arrive location. Well dead. Chg out power swivel. Resume milling on junk. Milled/pushed/spudded on junk from 9,390' to 9,415'. Mill plugging. Recovering very few cuttings which were small in size. Mill appears to be spinning on junk with an occasional bite of torque. TOH to change mill. SIW/SDON.

Day 22, 6/21/2015 - Arrive location. Well dead. Finish TOH. LD mill. PU 3 3/4" shoe, 120' washpipe, jars, & bumper sub on work string. TIH. Tag top of junk at 9,413'. SIW/SDON. (Crew performed repairs on hydromatic after SDON).

Day 23, 6/22/2015 - Arrive location. Well dead. Wash over junk from 9,413' to 9,540' with 1,000 psi torque - no WOB. At 9540', tbg string would fall freely. TIH to 10,669' stopping every 4-5 jts to circ btms up. SIW/SDON.

Day 24, 6/23/2015 - Arrive location. Well dead. Tag at 10,732' & plugged tbg. Unplug tbg. Wash down to 10,930' & mill from 10,930' - 10,969'. Rec cmt/small amount metal. POH to 5,320'. SIW/SDON.

Day 25, 6/24/2015 - Arrive location. Well dead. Continue TOH. Rec small piece of 4 1/2" jet cutter bottom plug wedged in washpipe. GIH w/new shoe & washpipe to 7,600'. SIW/SDON.

Day 26, 6/25/2015 - Arrive location. Well dead. Finish TIH. Washed/milled/pushed from 10,955' to 11,170'. Rec several large chunks of rubber and some cmt. Returns had very small amount of condensate with good gas blow. Rev circ 9 ppg CBW to control gas. SIW/SDON.

Day 27, 6/26/2015 - Arrive location. Well dead. Mill/wash/clean out hole from 11,170' to 11,957'. Tag solid on CIBP. Circ hole clean. TOH. SIW/SDON.

Day 28, 6/27/2015 - Arrive location. Well dead. LD DC's & wash pipe. No junk in wash pipe. TIH open-ended. Tag CIBP 11,950'. PU 5' & reverse hole clean. SIW/SD til Monday. (Note: We cannot set cmt plug or proceed with work because BLM does not work P&A's on weekend. Notified BLM - Jim McCormick at 12 Noon 6/26/15 of intention to set first cmt plug on Monday morning.)

Day 29, 6/30/2015 - Arrive location. Circ gas off csg till well is dead. Mix 100 sx salt gel in 400 bbl 9.0 ppg CBW. RU Trans Tex Cementers. Mix & spot 50 sx Class H cmt (16.4 ppg, 1.06 cu ft/sx) on CIBP @ 11,950'. Pull tbg to 11,490'. Reversed out cmt. WOC. SIW/SDON. (Cmt plug witnessed by BLM-Jack Johnson.)

Day 30, 7/01/2015 - Arrive location. Well dead. Tag TOC plug at 11,496' (Witnessed by Jack Johnson -BLM.) Displace hole w/9 ppg viscosified mud. TOH. GIH w/4 1/2" CIBP on tbg to 5,100'. SIW/SDON.

Day 31, 7/02/2015 - Arrive location. Bled off gas. Well dead. TIH. Set CIBP at 10,993'. Tag BP w/10 pts (Witnessed by Jack Johnson - BLM.) RU Tran Tex cmt. Mix & spot 25 sx Class H cmt (16.4 ppg, 1.06 yld.) Pull tbg 280' & reverse clean. (Note: BLM-Jack Johnson & Hobbs office is not requiring us to tag TOC on this plug, only tag BP.) TOH. SIW/SDON.

Day 32, 7/03/2015 - Arrive location. Well dead. RU Capitan WLU & RIH with GR/CCL/CBL tool. Could not get inside 4 1/2" csg. Log from csg stub to 7,450'. POH. Found large chunk of rubber in bowspring (1" thick x 4" x 6"). Adjust bowspring to smaller OD. RIH. Log from 9,000' to 7,826' (top of 4 1/2" csg.) POH. RD WLU. TIH with tbg open ended to 4,100'. SIW/SD until Monday. (Note: Sent BLM-Paul Swartz a copy of combined CBL from 9,000' to surface per COA.)

Day 33, 7/07/2015 - Arrive location. Well dead. Finish TIH to 8,794'. RU Trans Tex. Mix & spot 35 sx CI H cmt (16.4 ppg, 1.06 yld.) Pull tbg to 8,606'. Rev clean. Cmt spot witnessed by BLM - Jack Johnson. WOC. SIW/SDON.

Day 34, 7/08/2015 - Arrive location. Well dead. TIH & tag cmt at 10770'. (Jack Johnson with BLM witnessed). Cmt plug from 8,606' to 8,794' was not found. Cmt failed to set? TOH to 8,606'. Rev well clean. SIW/SDON.

Day 35, 7/09/2015 - Arrive location. Well is dead. TIH to 8794'. No tag. RU Trans Tex cmtrs. Mix & spot 50 sx Class H cmt (16.4 ppg, 1.06 yld). Witnessed by BLM-Jack Johnson. TOH to 8,325'. Reverse clean. Pull to 8,262'. WOC. SIW/SDON.

Day 36, 7/10/2015 - Arrive location. Well dead. Tag cmt at 8,391'. (BLM-Jack Johnson witnessed.) TOH & LD 2 3/8" tbg. GIH w/7"x2-7/8" Arrowset AS-IX pkr, SN, x-over on 2 7/8" tbg to 7,754'. SIW/SDON.

Day 37, 7/11/2015 - Arrive location. Well dead. Set pkr at 7,759'. RU kill trk & chart recorder. Perform MIT of 4 1/2" csg stub at 500 psi -30 min. All annulus valves open. Witnessed by BLM-Jack Johnson & NMOCD-Bill Sonnamaker. Rise pkr. TOH. RU Capitan WLU. Perf 4 shots at 7,860' (50' below top of 4-1/2" csg stump. RD WLU. TIH open-ended with 3 jts 2 3/8" tbg + 2 7/8" tbg to 7,873'. RU Trans Tex cementers. Mix & spot 50 sx CI "H" cmt (16.4 ppg, 1.06 yld). Witnessed by BLM-Jack Johnson. TOH to 7,591'. Reverse clean. TOH to 7,466', WOC. SIW/SD for weekend.

Day 38, 7/14/2015 - Arrive location. Well dead. Tag cmt at 7,620'. Witnessed BLM-Jack Johnson. Pull up to 7,615'. Rev clean w/3% KCl wtr. TOH. TIH w/pkr to 7,571'. SIW/SDON..

Day 39, 7/15/2015 - Arrive location. Well dead. RU kill truck. Set pkr at 7571'. Performed MIT at 1200 psi- 1 hour on csg below pkr. Witnessed by BLM - Jack Johnson. (NMOCD notified but declined to witness). Release pkr. POH. RU Capitan WLU. RIH with 3 1/8" slick carrier gun. Perforate 7366' - 56', 7216' - 7196', 6768' - 58', 6664' - 54', 6620' - 10', 6585' - 65', 6404' - 6394', 10', and 6370' - 60' (720 shots. .4 EHD, 6 SPF 120° phasing). SIW/SDON.

Day 40, 7/16/2015 - Arrive location. Well dead. Capitan WLU continued perf with 3 1/8" slick carrier gun. IFL at 450' FS. Perforate 6280' - 60', 6205' - 6195', 6160' - 40', 6035' - 25', 5940' - 30', 5872' - 62', 5740' - 30', 5702' - 5692', 5590' - 70', 5640' - 30', 5440' - 30', 5396' - 86', 5370' - 60', 5300' - 5280' (1080 shots. .4 EHD, 6 SPF 120° phasing). Total perforations 1800 shots and 300' net height. FFL at 300' FS. RD WLU. GIH w/pkr & SN on tbg. Set pkr at 5,222'. RU swab. IFL-surface. Made 4 swab runs in 1 hr 20 min. FFL 2,800'. Rec 48 Bbls iron sulfide water. BLM - Jack Johnson witnessed & approved proceeding with acidizing perfs. SIW/SDON.

Day 41, 7/17/2015 - Arrive location. SITP 75 psi. Bled off tbg until well dead. RU ProPetro. Pickled tbg w/300 gal 15% HCl acid. Closed pkr bypass. Pressure annulus to 600 psi. Acidized down tbg w/15,000 gal 15% NEFE HCl acid + 3,000 gal gelled brine water. MTP 1,520 psi. Min TP 892 psi. ATP 1,206 psi at AIR 4.6 BPM. Flush w/12 bbls 3% KCl wtr. ISIP 695 psi. 5 min SIP 677 psi. 10 min SIP 646 psi. 15 min SIP 643 psi. Total Load - 538 Bbls. SI 1 hour & RD acid equip. Flow tbg to frac tank at FTP

30 - 50 psi & 140 - 40 BPH. Recover 125 Bbls (TLTBR - 413 bbls.) SIW/SDON.

Day 42, 7/18/2015 - Arrive location. SITP 100 psi. Bled off. Well dead. RU swab. IFL 300'. Made 10 runs total. FFL 1000'. RD swab. Rlse pkr & TOH. LD tbg workstring. Load & remove tbg from location. SIW/SD til Monday.

Day 43, 7/21/2015 - Arrive location. Well dead. Chg out pipe rams to 4.5". Unload & tally 131 jts 4 1/2" 13.5# 8rd LTC poly lined tbg. RU Smith Csg Service. GIH w/7" x 3-1/2" Nickel plated ASIX pkr, on/off tool, profile nipples, & 125 jts 4 1/2" tbg. Set pkr at 5,232'. Rlse on/off tool. Circ pkr fluid (+Corr inhibitor & biocide) down csg.. Latch back. Pressure annulus to 500 psi - OK. SIW/SDON.
Note: Notified BLM & NMOCD for MIT on Tuesday morning.

Day 44, 7/22/2015 - Arrive location. Attempt MIT - Chart recorder not working. WO another chart recorder. Performed MIT at 500 psi -30 minutes - OK. Witnessed by BLM - Jack Johnson. NMOCD notified but did not witness. RDPU and release all equipment.

WELL SCHEMATIC - CURRENT

Brininstool 25 Federal No.1 SWD

Pool: 96802; SWD; Bell Canyon-Cherry Canyon
 Spud Date: 1/29/2006
 Re-entry Dt: 5/27/2015
 TA Date: 2/11/2015
 SWD Ready Dt: 7/22/2015

API 30-025-37582
 1980' FNL & 660' FEL, SEC. 25-T23S-R33E
 LEA COUNTY, NEW MEXICO

Annulus Monitored
 or open to atmosphere

Injection Pressure Regulated
 and Volumes Reported
 1056 psi Max Surface*
 NMOCD SWD-1364

*(Slight increase due to deeper top perf; 0.2 psi/ft)

(Previous Operations 12/26/14)
 New 7.0" w/ Lead Bowl Overshot / Seal / Csg Patch @ 782'
 Cut & Pulled Bad section of 7.0" @ 782'

Surface Casing

13.375", 48.0# Csg. (17.5" Hole) @ 865'
 1020 sx - 17 sx Circulated to Surface

Owl SWD Operating, LLC

Replug 4.5" Liner per NOI Operational Narrative 5/05/15

Modifications on Location Approved by BLM.

DO/CO to 11,950'. Spot 25 sx Cmt. Set CIBP @ 10, 993' w 25 sx.

Run CBL 9000' to 7826'. Spot 50 sx 8794'; Tag @ 8391'.

qz holes/Spot Cmt Plug @ top of 4-1/2" stub. MIT 1200 ps

MIT Plugs Below. Perf 7366' to 5280'. Swab test / hydrocarbons. None.

Acidize w/ 15,000 gal. 15% HCl (Workstring)

Run 4.5" IC Tbg w/ PKR @ 5232'

Install Wellhead, Pump & Equipment.

Commence Injection per NMOCD SWD-1364

All Required Paperwork Filed Within 30 days.

Perforated Injection Interval: 5280' to 7366'

(Specific Intervals Based on Porosity Log Analysis)

(Permit allows 5223' to 7380'.)

MIT'd Final Plug - 1200 psi / 1 hr.

Spot 50 sx 7873'-7620' (Tagged)

+/- 50' Minimum Across 4.5" Stub

(4.5" Stub @ 7810')

Shoot Perfs @ 7860' for Bal Plug

9# Salt Gel Plugging Mud

TOC @ 10380'

Set CIBP @ 10993' w/25 sx Cmt

Spot 50 sx on CIBP Tag 11,496'

CIBP @ 11950' w/20' Cmt

CIBP @ 12357' w/20' Cmt

CIBP @ 12703' w/ 2 sx Cmt

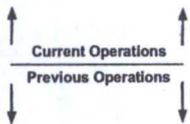
CIBP @ 12940' w/ 2 sx Cmt

CIBP @ 13425' w/ 1 sx Cmt

CIBP @ 13710' w/20' Cmt

CIBP @ 13800' w/10' Cmt

CIBPs Previously Set



RSTLR 1270'

Annulus Loaded
 w/ Inert Packer Fluid

TOC 3860'

4.5" IC Tubing
 PKR 5232'

DEL 5170'

BL CNYM 5225'

CIBY CNYM 6075'

BRSHY CNYM 7375'

PBTD @ 7620'

BN SPRG 8725'

11908'

WLFQMP 11998-12016'

STWN 12467-565'

ATKA 12753-96'

ATKA 12988-13262'

MRW A: 13513'-65'

MRW B: 13738'-45'

MRW C: 13836'-42'

PBTD @ 14000'

DTD @ 14030'

Intermediate Casing

9.625", 40.0# csg. (12.25" Hole) @ 5127'
 1700 sx - 188 sx Circulated to Surface

NEW Prod. Casing (Run 12/26/14)

7.0", 26.0#, 8-rd. Csg. (8.75" Hole) 0'-782'
 DV @ 780'; 120 sx CIs C - 17 sx Circ. to Surface

Production Casing

7.0", 26.0# csg. (8.75" Hole) @ 11908'
 1700 sx - 188 sx Circulated to Surface
 RCBL 12/22/2014 TOC @ 3860'

Production Casing (Abandoned Top @ 7810')

4.5", 13.5# Csg (6.125" Hole) @ 14030'
 275 sx Prem 'H' - TOC @ 10380' by CBL



Drawn by: Ben Stone, Rvs'd 9/08/2015
 (To Document May-July 2015 Workover)