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

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

Form C-103
Revised July 18, 2013

WELL API NO.
30-025-30701

5. Indicate Type of Lease
STATE x FEE

6. State Oil & Gas Lease No.
Salt lease.

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.)

7. Lease Name or Unit Agreement Name
Siringo ACS State

1. Type of Well: Oil Well Gas Well Other Brine Generation (BSW)

8. Well Number 1

HOBBS OCD
OCT 28 2016
RECEIVED

2. Name of Operator
Llano Disposal, LLC

9. OGRID Number
370661

3. Address of Operator
PO Box 190, Lovington NM 88260

10. Pool name or Wildcat
Salado interval.

4. Well Location
Unit Letter D : 660 feet from the N line and 660 feet from the W line
Section 26 Township 17S Range 36E NMPM County Lea

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3831' MSL

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WORK	ALTERING CASING
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILLING OPNS.	P AND A
PULL OR ALTER CASING	MULTIPLE COMPL	CASING/CEMENT JOB	
DOWNHOLE COMMINGLE			
CLOSED-LOOP SYSTEM			
OTHER: Complete re-entry.		OTHER:	

Condition of Approval: notify OCD Hobbs office 24 hours prior of running MIT Test & Chart

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.

It is the intention of Llano Disposal, LLC to rig up on our Siringo ACS State # 1 to continue re-entry operations. Previous re-entry was to the 8 5/8" casing shoe at which point re-entry was halted and a CBL was ran. The original bore into the Salado will be re-entered to a point 375' below the 8 5/8" shoe (to 2418'). At that point, the hole will be swept clean with brine. We will then POH and lay down drilling equipment and run production equipment as indicated on attached well bore schematic.

Will notify 48+ before Rig up.
MB

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 Marvin Burrows TITLE Agent DATE 10/27/16

Type or print name Marvin Burrows E-mail address: burrowsmarvin@gmail.com PHONE: 575-631-8067

For State Use Only

APPROVED BY: Maley Brown TITLE Dist Supervisor DATE 10/31/2016
Conditions of Approval (if any):

Llano Disposal, LLC
Siringo ACS # 1 BSW
API 30-025-30701

Please see well bore diagram, Exhibit 1.
Method to generate brine :

Point # 1 : Fresh water is injected under pressure into the tubing/casing annulus valve (V2).

Point # 2 : Injected fresh water travels downward through the tubing/casing annulus.

Point # 3 : Injected fresh water passes through one port of a dual port 8 5/8" casing packer, then into 2 7/8" fiberglass tubing.

Point # 4 : Injected fresh water exits the fiberglass tubing at 2393'

Point # 5 : Fresh water begins to contact salt as it rises (circulates) back to surface.

Point # 6 : Brine water so generated enters the second port of the 8 5/8" dual port packer.

Point # 7 : Brine rises up the 3 1/2" IPC tubing to surface.

Point # 8 : Brine exits wellhead connections to be collected at brine sales point.

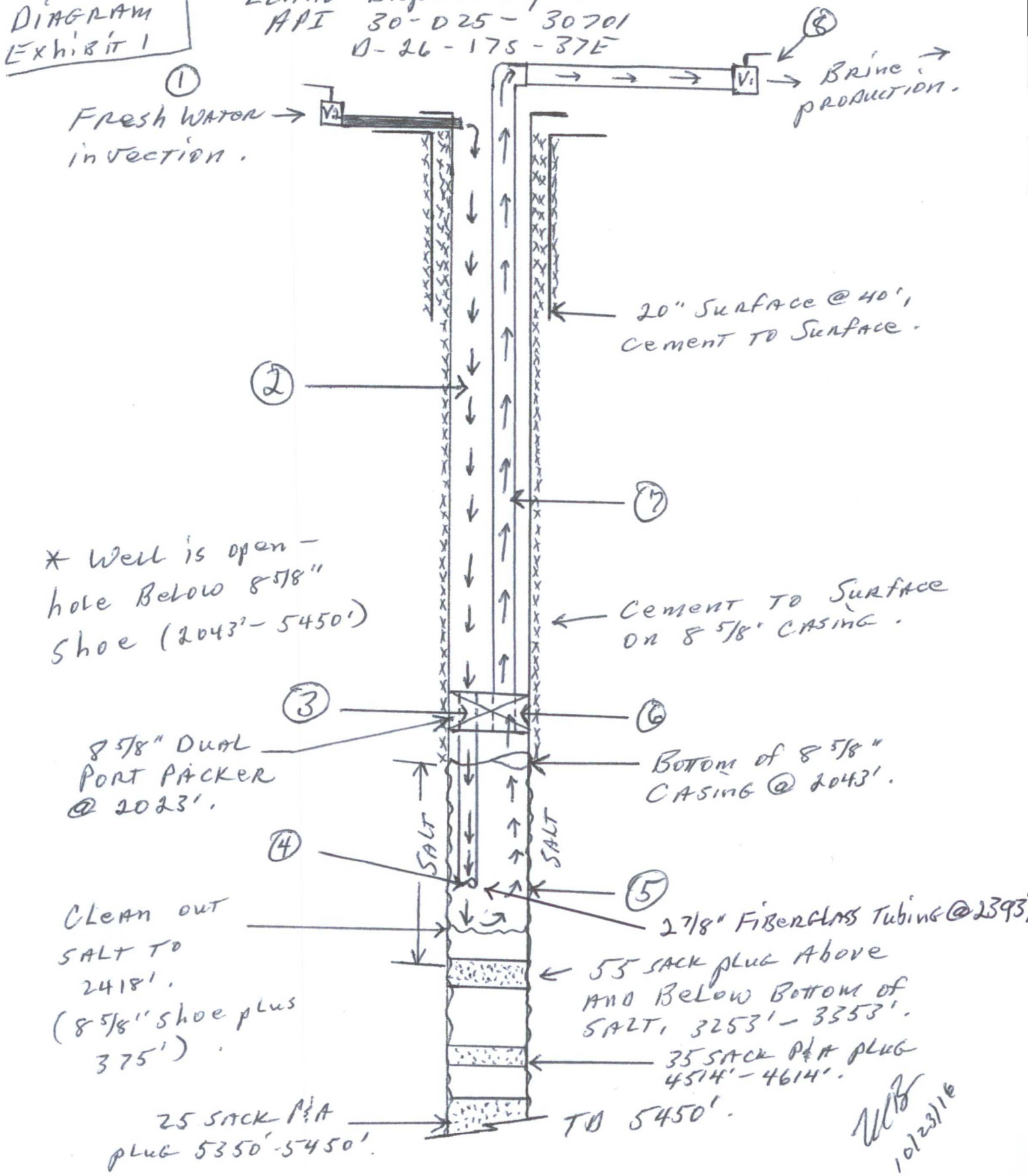
Method to perform MIT on Siringo ACS # 1 BSW :

Please see well bore diagram, Exhibit 1.

1) Normal brine operation is shut down, and well is shut in.
2) Valves V1 and V2 are closed.
3) Pressures are allowed to stabilize per NMOCD BSW MIT regulation.
4) All piping leading to and from wellhead are disconnected. Recently calibrated pressure recording instruments are connected.
5) W/ NMOCD witness, a pump truck is connected to V2, and pressure is brought up to regulation BSW MIT test pressure.
6) Pressure is held for test period per NMOCD regulation.
7) Pending approval of test results, well returned to brine generation operations.

Well Bore Diagram Exhibit 1

Siringo ACS State #1
Llano Disposal, LLC.
API 30-025-30701
O-26-17S-37E



10/23/16