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. 30-025-42759

5. Indicate Type of Lease STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

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: McCloy SWD

1. Type of Well: Oil Well ☐ Gas Well ☐ Other SWD

8. Well Number 001

2. Name of Operator: Owl SWD Operating, LLC

9. OGRID Number 308339

3. Address of Operator: 8214 Westchester Dr., Ste.850, Dallas, TX 75225

10. Pool name or Wildcat: SWD; Bell Canyon-Cherry Canyon

4. Well Location
Unit Letter L : 1650 feet from the South line and 430 feet from the West line
Section 15 Township 24-S Range 32-E NMPM County Lea

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3599' G.R.

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: | ☐ | | | OTHER: Inclination Report Submittal | ☒ | | |

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.

***Note: Inclination Report and Survey. (New report generated 3/8/17; survey conducted12/14/15.)***

***This report is delinquent; submitted to complete well file data as required.***

Spud Date: 10/15/15 Rig Release Date: 11/23/15

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [signature] TITLE Agent/consultant DATE 3/09/2017

Type or print name _____ E-mail address: ben@sosconsulting.us PHONE: 903-488-9850

**For State Use Only**

APPROVED BY: [signature] TITLE Petroleum Engineer DATE 03/14/17

Conditions of Approval (if any):

3335 Pollok Drive
Conroe, Texas 77303

936.442.2500 (office)
936.442.2599 (fax)
www.msenergyservices.com

# Surveyor Certification Form

Survey Company: MS ENERGY SERVICES
Surveyors Name: AARON HENZEN
Survey Job Type: RATE GYRO
Customer: OILFEILD WATER LOGISTICS OPERATING, LLC
Well: MCCLOY SWD 1
API: 30-025-42579
Surveyed from: SURFACE TO A DEPTH OF 5300'MD
Survey Run Date: 03-08-17
Surface Location: LEA COUNTY, NM

I certify that the data is true, correct, and complete and within the limitations of the tool set forth by MS Energy Services; that I am authorized and qualified to make this report; and that I have reviewed this report and find that it conforms to the principles and procedures as set forth by MS Energy Services.

Aaron Henzen

Digitally signed by Aaron Henzen
DN: cn=Aaron Henzen, o=MS Energy Services, ou=MS Survey, email=ahenzen@msenergyservices.com, c=US
Date: 2015.12.14 12:28:31 -06'00'

MS Energy Services

Job Number: SVMO-170179
Company: Oilfeild Water Logistics Operating, LLC
Lease/Well: McCloy SWD 1
Location: Lea County, NM
Rig Name: MS Boomtruck
RKB: 0'
G.L. or M.S.L.: GL

State/Country: New Mexico/USA
Declination: Declination See Details Below
Grid: East To Grid North
File name: C:\WINSER~1\2017\OILFEI~1\MO\MCCLOY\SWD1.SVY
Date/Time: 08-Mar-17 / 15:42
Curve Name: Surface - 5300' M.D. (Rate Gyro)
Lat: 32.214806 Long: -103.669194

**MS Energy**

Declination To True North: 7.156°
Grid Convergence Factor: 0° 21' 15.53472"
Total Correction Mag to Grid: 6.8°

WINSERVE SURVEY CALCULATIONS
*Minimum Curvature Method*
*Vertical Section Plane .00*
*Vertical Section Referenced to Wellhead*
*Rectangular Coordinates Referenced to Wellhead*

| Measured Depth FT | Incl Angle Deg | Drift Direction Deg | True Vertical Depth | N-S FT | E-W FT | Vertical Section FT | CLOSURE Distance FT | CLOSURE Direction Deg | Dogleg Severity Deg/100 |
|---|---|---|---|---|---|---|---|---|---|
| .00 | .00 | .00 | .00 | .00 | .00 | .00 | .00 | .00 | .00 |
| 100.00 | .14 | 108.33 | 100.00 | -.04 | .12 | -.04 | .12 | 108.32 | .14 |
| 200.00 | .18 | 208.30 | 200.00 | -.22 | .16 | -.22 | .27 | 143.79 | .25 |
| 300.00 | .47 | 308.30 | 300.00 | -.10 | -.24 | -.10 | .26 | 247.44 | .53 |
| 400.00 | .44 | 48.33 | 400.00 | .41 | -.27 | .41 | .49 | 326.27 | .70 |
| 500.00 | .79 | 148.30 | 499.99 | .08 | .38 | .08 | .38 | 78.11 | .97 |
| 600.00 | .80 | 248.30 | 599.99 | -.77 | .09 | -.77 | .77 | 173.39 | 1.22 |
| 700.00 | 1.19 | 348.26 | 699.98 | -.01 | -.77 | -.01 | .77 | 269.47 | 1.54 |
| 800.00 | 1.55 | 88.26 | 799.96 | 1.05 | .37 | 1.05 | 1.11 | 19.37 | 2.11 |
| 900.00 | 2.05 | 188.26 | 899.93 | -.68 | 1.46 | -.68 | 1.61 | 114.86 | 2.78 |
| 1000.00 | 2.14 | 288.26 | 999.89 | -1.86 | -.57 | -1.86 | 1.95 | 196.89 | 3.21 |
| 1100.00 | 2.23 | 28.26 | 1099.84 | .44 | -1.42 | .44 | 1.48 | 287.07 | 3.35 |
| 1200.00 | 2.46 | 128.26 | 1199.79 | .82 | 1.19 | .82 | 1.44 | 55.40 | 3.60 |

| Measured Depth FT | Incl Angle Deg | Drift Direction Deg | True Vertical Depth | N-S FT | E-W FT | Vertical Section FT | CLOSURE Distance FT | CLOSURE Direction Deg | Dogleg Severity Deg/100 |
|---|---|---|---|---|---|---|---|---|---|
| 1300.00 | 1.39 | 228.26 | 1299.76 | -1.32 | 1.97 | -1.32 | 2.37 | 123.76 | 3.03 |
| 1400.00 | 1.25 | 328.22 | 1399.74 | -1.20 | .49 | -1.20 | 1.29 | 157.75 | 2.02 |
| 1500.00 | .78 | 68.22 | 1499.73 | -.02 | .55 | -.02 | .55 | 91.78 | 1.58 |
| 1600.00 | 1.06 | 168.22 | 1599.72 | -.67 | 1.37 | -.67 | 1.52 | 116.09 | 1.42 |
| 1700.00 | 1.07 | 268.22 | 1699.71 | -1.60 | .62 | -1.60 | 1.72 | 158.75 | 1.63 |
| 1800.00 | .52 | 8.22 | 1799.70 | -1.18 | -.24 | -1.18 | 1.21 | 191.67 | 1.27 |
| 1900.00 | .82 | 108.19 | 1899.70 | -.96 | .50 | -.96 | 1.08 | 152.45 | 1.04 |
| 2000.00 | .62 | 208.19 | 1999.69 | -1.66 | .92 | -1.66 | 1.90 | 150.87 | 1.11 |
| 2100.00 | .24 | 308.19 | 2099.69 | -2.01 | .50 | -2.01 | 2.07 | 165.89 | .70 |
| 2200.00 | .42 | 48.19 | 2199.69 | -1.63 | .61 | -1.63 | 1.74 | 159.43 | .52 |
| 2300.00 | .48 | 148.19 | 2299.69 | -1.74 | 1.11 | -1.74 | 2.07 | 147.60 | .69 |
| 2400.00 | .57 | 248.15 | 2399.69 | -2.29 | .87 | -2.29 | 2.44 | 159.25 | .81 |
| 2500.00 | .98 | 348.15 | 2499.68 | -1.63 | .23 | -1.63 | 1.65 | 172.03 | 1.22 |
| 2600.00 | .60 | 88.15 | 2599.67 | -.78 | .58 | -.78 | .97 | 143.52 | 1.23 |
| 2700.00 | .65 | 188.15 | 2699.67 | -1.32 | 1.02 | -1.32 | 1.67 | 142.41 | .96 |
| 2800.00 | .26 | 288.15 | 2799.67 | -1.81 | .72 | -1.81 | 1.95 | 158.27 | .74 |
| 2900.00 | .14 | 28.15 | 2899.67 | -1.64 | .57 | -1.64 | 1.73 | 160.95 | .32 |
| 3000.00 | .28 | 128.15 | 2999.67 | -1.68 | .81 | -1.68 | 1.87 | 154.12 | .33 |
| 3100.00 | .26 | 228.12 | 3099.67 | -1.98 | .84 | -1.98 | 2.15 | 157.08 | .41 |
| 3200.00 | .48 | 328.12 | 3199.67 | -1.78 | .45 | -1.78 | 1.83 | 165.86 | .58 |
| 3300.00 | .75 | 68.12 | 3299.66 | -1.18 | .83 | -1.18 | 1.44 | 144.70 | .96 |
| 3400.00 | .50 | 168.12 | 3399.66 | -1.36 | 1.53 | -1.36 | 2.05 | 131.64 | .97 |
| 3500.00 | .63 | 268.12 | 3499.65 | -1.81 | 1.07 | -1.81 | 2.10 | 149.32 | .87 |
| 3600.00 | .06 | 8.08 | 3599.65 | -1.77 | .53 | -1.77 | 1.85 | 163.37 | .64 |
| 3700.00 | .22 | 108.12 | 3699.65 | -1.78 | .72 | -1.78 | 1.92 | 158.00 | .24 |
| 3800.00 | .37 | 208.08 | 3799.65 | -2.13 | .75 | -2.13 | 2.25 | 160.56 | .46 |
| 3900.00 | .61 | 308.08 | 3899.65 | -2.08 | .18 | -2.08 | 2.09 | 175.09 | .77 |
| 4000.00 | .97 | 48.08 | 3999.64 | -1.19 | .39 | -1.19 | 1.25 | 161.84 | 1.23 |
| 4100.00 | .42 | 148.08 | 4099.64 | -.93 | 1.21 | -.93 | 1.53 | 127.57 | 1.12 |
| 4200.00 | 1.17 | 248.08 | 4199.63 | -1.63 | .46 | -1.63 | 1.69 | 164.20 | 1.31 |
| 4300.00 | 1.77 | 348.08 | 4299.61 | -.50 | -.81 | -.50 | .95 | 238.43 | 2.28 |
| 4400.00 | 1.71 | 88.08 | 4399.58 | 1.07 | .37 | 1.07 | 1.13 | 18.96 | 2.67 |
| 4500.00 | 1.70 | 188.05 | 4499.55 | -.35 | 1.65 | -.35 | 1.69 | 102.08 | 2.61 |
| 4600.00 | 1.45 | 288.05 | 4599.53 | -1.43 | .24 | -1.43 | 1.45 | 170.52 | 2.42 |

| Measured Depth FT | Incl Angle Deg | Drift Direction Deg | True Vertical Depth | N-S FT | E-W FT | Vertical Section FT | CLOSURE Distance FT | CLOSURE Direction Deg | Dogleg Severity Deg/100 |
|---|---|---|---|---|---|---|---|---|---|
| 4700.00 | .17 | 28.08 | 4699.52 | -.91 | -.89 | -.91 | 1.27 | 224.60 | 1.49 |
| 4800.00 | 1.27 | 128.05 | 4799.51 | -1.46 | .05 | -1.46 | 1.46 | 178.11 | 1.31 |
| 4900.00 | 1.45 | 228.05 | 4899.50 | -2.99 | -.02 | -2.99 | 2.99 | 180.39 | 2.09 |
| 5000.00 | .66 | 328.05 | 4999.48 | -3.35 | -1.27 | -3.35 | 3.58 | 200.73 | 1.69 |
| 5100.00 | .83 | 68.05 | 5099.48 | -2.59 | -.90 | -2.59 | 2.74 | 199.17 | 1.15 |
| 5200.00 | 1.21 | 168.05 | 5199.47 | -3.35 | -.01 | -3.35 | 3.35 | 180.14 | 1.58 |
| **Last Survey Depth Recorded** | | | | | | | | | |
| 5300.00 | 1.22 | 268.01 | 5299.45 | -4.42 | -.85 | -4.42 | 4.50 | 190.94 | 1.86 |