

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 87401
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OGD

MAR 28 2017

RECEIVED

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

WELL API NO. 30-025-09806
5. Indicate Type of Lease STATE [] FEE [] * FED
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Maralo Sholes B
8. Well Number 002
9. OGRID Number 308339
10. Pool name or Wildcat [96141] SWD;YATES-SEVEN RIVERS
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3021' G.L.

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
2. Name of Operator Owl SWD Operating, LLC
3. Address of Operator 8214 Westchester Dr., Ste.850, Dallas, TX 75225
4. Well Location Unit Letter P : 660 feet from the South line and 660 feet from the East line
Section 25 Township 25-S Range 36-E NMPM County Lea

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

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

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: Owl SWD Operating desires to conduct an injection profile at on the subject well.

Proposed for 4/06/17...

Conduct Safety Meeting. RU pump trucks and related equipment.

RU Wireline. Run temperature/radioactive profile & spinner surveys to determine fluid entry into zone. Inject at 14,400 bwpd (10 bpm), 21,600 bwpd (15 bpm), & 28,800 bwpd (20 bpm). Note: MASP is 588 psi, if/when this pressure is reached, this will be the highest rate to end the testing. Run each test +/- 30 minutes at each rate. Pressure must be level for at least the last 5 minutes of step before moving to next higher rate. While injecting at each step, establish injection remains in-zone with logs/spinner.

Procedure attached.

Spud Date: RU 4/06/17 Rig Release Date:

See 3/23/2017 letter to OPERATOR SCANNED TO WELL File.

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 3/28/2017

Type or print name For State Use Only E-mail address: ben@sosconsulting.us PHONE: 903-488-9850

APPROVED BY: [Signature] TITLE DATE

Conditions of Approval (if any): Request for Injection Profile - DENIED. CEMENTING of 8 5/8" shoe and isolation of salt, Rustler and SANTA ROSA must be completed prior to Any consideration of future tests. Marky Brown 3/29/2017

DENIED

OWL MARALO SHOLES B #2 SWD

API# 30-025-09806

**660' FSL & FEL
Sec 25, T-25S, R-36E
LEA County, NM**

Directions to BOBCAT SWD FACILITY: From Jal, NM, go approximately 1 mi WEST on Hwy 128, turn Left @ sign & go 1 mi SOUTH to facility. Turn Right & take lease road for approximately 2 mi to Maralo Sholes location.

OBJECT: Re-Test at high injection rates.

Elevation: 3,021' GL (KB ? above GL)

Primary Casing: 7" 20# J-55 @ 2,935'
Capacity: 0.0155 bbls/ft.
Drift ID: 6.331"

Injection Tbg: **CURRENT**
4-1/2" 11.6# J-55 8rd LTC IPC (WESTERN FALCON) @ 2,849'
Capacity: .00870 bbls/ft.
Drift ID: 3.500" IPC coating

Open Hole: 2,935' - 3,055'

Procedure Details:

INJECTION TESTING

1. RU Wireline. Run temperature/radioactive profile & spinner surveys to determine fluid entry into zone. Inject at 14,400 bwpd (10 bpm), 21,600 bwpd (15 bpm), & 28,800 bwpd (20 bpm). Note: **MASP is 588 psi**, if/when this pressure is reached, this will be the highest rate to end the testing. Run each test +/- 30 minutes at each rate. Pressure must be level for at least the last 5 minutes of step before moving to next higher rate. While injecting at each step, establish injection remains in-zone with logs/spinner. (We will need at least 2,000 bbl produced wtr on location for injection..) (Send survey results to Jim Ward - jim@wtxop.com), RD WLU.

Renegade WL

Chuck Barbee

(325) 207-0276

Cell

2. Return well to OPS.

Prepared By: **Jim Ward** **(432) 425-3760**
Consulting Engineer