



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

May 18, 2006

Oil Conservation Division
1301 West Grand Avenue
Artesia, New Mexico 88210

RE: Form C-108, Application for Authorization to Inject
Grandi #2
API#: 30-015-33165
Eddy County, NM
Section 22, T22S, R27E; 660' FNL & 660' FWL

Gentlemen:

Please find attached copy of Devon Energy Production Company, LP's Form C-108, Application for Authorization to Inject. The original application has been filed with the OCD in Santa Fe, NM.

Devon's application proposes to take produced waters from the Morrow reservoir and re-inject back into the Delaware Brushy Canyon reservoir for salt water disposal purposes utilizing their Grandi #2 well. The proposed Delaware Brushy Canyon injection interval is from 4360' to 5234'. These perforations were revised from the original newspaper reporting of 4932 to 5234'.

If you have any questions, please contact Wyatt Abbitt at (405)-552-8137 or myself at (405)-552-4615. Thank you for your cooperation in this matter.

Sincerely,

Ronnie Slack
Engineering Technician

RS/rs

Enclosure

RECEIVED

MAY 19 2006

UUL-ARTEDIA

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance _____ ☒ Disposal _____ Storage
Application qualifies for administrative approval? _____ ☒ Yes _____ No
- II. OPERATOR: _____ Devon Energy Production Company, LP _____
ADDRESS: _____ 20 North Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 _____
CONTACT PARTY: _____ Ronnie Slack _____ PHONE: _____ 405-552-4615
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? _____ Yes _____ ☒ No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: _____ Ronnie Slack _____ TITLE: _____ Engineering Technician

SIGNATURE: _____ *Ronnie Slack* _____ DATE: _____ 5/18/06 _____

E-MAIL ADDRESS: _____ Ronnie.Slack@DVN.com _____

- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted.
Please show the date and circumstances of the earlier submittal: _____

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

INJECTION WELL DATA SHEET

OPERATOR: Devon Energy Production Company, LPWELL NAME & NUMBER: Grandi #2WELL LOCATION: 660' FNL & 660' FWL

FOOTAGE LOCATION

D

Sec 22

T22S

R27E

UNIT LETTER

SECTION

TOWNSHIP

RANGE

WELLBORE SCHEMATICWELL CONSTRUCTION DATASurface CasingHole Size: 17-1/2"Casing Size: 13-3/8"Cemented with: 525 sx.or ft³Top of Cement: Surface

Method Determined: Circ. cement

Intermediate CasingHole Size: 12-1/4"Casing Size: 9-5/8"Cemented with: 2850 sx.or ft³Top of Cement: Surface

Method Determined: Circ cement

Production CasingHole Size: 8-3/4"Casing Size: 5-1/2"Cemented with: 1100 sx.or ft³

Top of Cement: 8700'. 5-1/2" cut & retrieved @ 7550'. Stub plug set 7380-7700. Cement set across 9-5/8" shoe @ 5412-5540.

Method Determined: CBL. Top of stub plug tagged @ 7380'. TOC tagged across 9-5/8' shoe @ 5412'.

Total Depth: 12,064'

Injection Interval (Perforated)

_____ 4,360' _____ feet to _____ 5,234' _____

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: _____ 2-7/8", 6.5# _____ Lining Material: _____ IPC _____

Type of Packer: _____ 9-5/8" IPC _____

Packer Setting Depth: _____ +/- 4,310' _____

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? _____ Yes ☒ No

If no, for what purpose was the well originally drilled? _____ Producing Gas Well _____

2. Name of the Injection Formation: _____ Delaware_Brushy Canyon _____

3. Name of Field or Pool (if applicable): _____ Carlsbad (Delaware)

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. _____

Morrow Perforations: 11530-32; 11556-60; 11608; 11728-30; 11766-70; 11800-06 (plugged off)

Delaware Perforations: 5212-17; 5231-34. (open perfs)

CIBP @ 11568; CIBP @ 11500 + 35' cement; 25 sx cement @ 10345-10445; 25 sx cement @ 8800-8900; 5-1/2 casing retrieved @ 7550'. 41 sx cement stub plug @ 7380-7700. 47 sx cement plug @ 5412-5540

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

Grandi #2 Formation Tops:

Formation	Top-ft
Rustler	230
Salado	458
Castile	1705
Delaware Bell Canyon	2100
Delaware Cherry Canyon	2817
Delaware Brushy Canyon	3965
Bone Spring	5304
Wolfcamp	8988
Canyon Series	9973
Strawn Series	10445
Atoka	10657
Morrow	11380
Morrow Lower	11764
Barnet Shale	11918

The only productive zone in the Grandi #2 has been the Morrow from 11530 to 11806. A recent completion attempt was made in the Delaware Brushy Canyon from 5212 to 5234 (March 06), but was unproductive. The Grandi #2 is currently shut in.

III. Well Data--On Injection Well

A. Injection Well Information

- (1) Lease Grandi
Well No #2
Location 660' FNL & 660' FWL
Sec,Twn,Rnge Sec 22, T22S, R27E, Unit letter D
Cnty, State Eddy County, New Mexico
- (2) Casing 13-3/8", 48#, H40, @ 450' in 17-1/2" hole. Cmt'd w/ 525 sxs.
TOC @ surface. Cement circulated.
- 9-5/8", 40#, J55/K55, @ 5480' in 12-1/4" hole. Cmt'd w/ 2850 sxs.
TOC @ surface. Cement circulated.
- 5-1/2", 17#, HCP110, @ 12064'. Cmt'd w/ 1100 sxs.
TOC @ 8700', determined by Cement Bond Log. 5-1/2" casing
cut & retrieved @ 7550 & plugged back with stub plug from
7380' to 7700'. Cement plug set across 9-5/8" casing shoe from
5412' to 5540'. See attached schemat.
- (3) Proposed Injection Tubing 2-7/8" , 6.5#, IPC tubing run to +/- 4,310'
- (4) Proposed Packer 9-5/8" IPC Packer @ +/- 4,310'

B. Other Well Information

- (1) Proposed Injection Formation: Delaware Brushy Canyon
Field Name: Carlsbad
- (2) Proposed Injection Interval: 4,360 - 5,234 (cased hole, perforated)
- (3) Original Purpose of Wellbore:

The Grandi #2 was spud on January 27, 2004. The well was drilled to 12,064' and was completed as a gas well in Morrow intervals from 11,530' to 11,806'. Initial production was 1681 Mcfd, 0 BOPD, 132 BWPD, 325# FTP. The Morrow was abandoned in February 2006 and a completion attempt was made in the Delaware from 5212' to 5234'. The Delaware is unproductive in this wellbore and the Grandi #2 is currently shut in. It is proposed to convert this well to salt water disposal and inject Morrow produced waters in to the Delaware.

- (4) Other perforated intervals:

Delaware: 5212-5217; 5231-5234

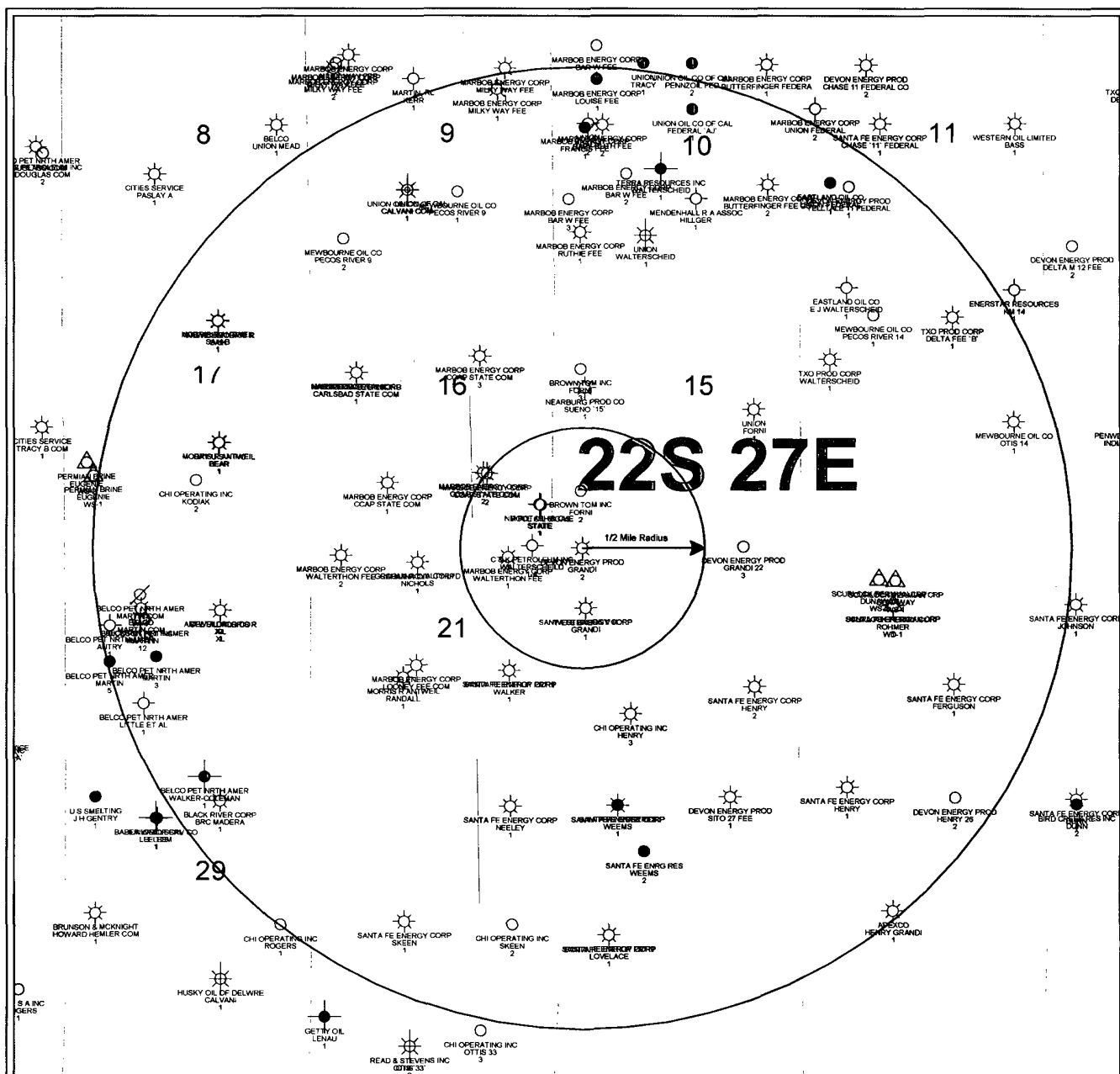
Morrow: 11530-11532; 11556-11560; 11608
11728-11730; 11766-11770
11800-11806

- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well if any.

Grandi #2 Formation Tops

Rustler: 230'
Salado: 458'
Castile: 1705'
Bell Canyon: 2100'
Cherry Canyon: 2817'
Brushy Canyon: 3965'
Bone Spring: 5304'
Wolfcamp: 8988'
Canyon Series: 9973'
Strawn Series: 10445'
Atoka: 10657'
Morrow: 11380'
Morrow Lower: 11764'
Barnet Shale: 11918'

The only productive zone in the Grandi #2 has been the Morrow from 11530 to 11806. A completion attempt in the Delaware shows it to be unproductive. Per well review area, productive zones in other wells have been in the Wolfcamp, Atoka, and Morrow.



PETRA 3/21/2006 3:53:29 PM



Devon Energy

SE NEW MEXICO

Grandi #2

Prop Conversion to SWD

Sec 22-T22S-R27E, 660 fml 660 fml

WELL SYMBOLS

- Location Only
- Oil Well
- ☀ Gas Well
- Dry Hole
- ⊗ Injection Well
- △ Service Well
- ⊗ Abandoned Oil Well
- ⊗ Abandoned GAS Well

By: Kdh

March 21, 2006

GRANDI #2

APPLICATION FOR INJECTION

Form C-108 Section VII to XII

VII Attach data on the proposed operation, including:

- (1) Proposed average injection rate: 1000 BWPD
Proposed maximum injection rate: 2200 BWPD
- (2) The system will be a closed system.
- (3) Proposed average injection pressure: 750 psi
Proposed max injection pressure: 1100 psi
- (4) The proposed injection fluid is produced water from the Morrow formation that will be re-injected into the Delaware formation. A water analysis of Morrow injection water is attached. Item VII, No. 4. There should be no compatibility issues with injected water into the Delaware Brushy Canyon.
- (5) A chemical analysis of the disposal zone (Delaware Brushy Canyon) formation water is attached. See Item VII, No. 5.

VIII The proposed injection interval is located in the Delaware Brushy Canyon formation. This is a Permian age reservoir. The proposed injection interval is from 4360' to 5234' (874' thick). The base of surface fresh water sands are above the Rustler. The Rustler top is reported at 230'. Average water depth to fresh water is approximately 62 feet deep. The surface casing for the Grandi #2 was set at 450' and cemented to surface.

IX The proposed injection zone will be acidized with +/- 5000 gallons acid

X Logging & test data have previously been submitted to the OCD.

XI A fresh water analysis is attached for the Walterscheid Trucking & Farms well. This well is located within a mile of the Grandi #2, in Sec 22, T22S, R27E; sw4/sw4/sw4.

XII An examination of this area has determined there are no open faults or other hydrologic connection between the disposal zone and any underground drinking water.

Application For Injection
Devon Energy Prod Co LP
Grandi #2
Form C-108 Section XIV

Proof of Notice to Surface Owner

Enea Grandi Farms
4111 Grandi Road
Carlsbad, NM 88220

Certified Mail Receipt #: 7004-2510-0007-2094-6177

A copy of this application has been mailed to the above surface land owner by certified mail, pertaining to Devon Energy's application for salt water disposal in the Grandi #2.

Date Mailed: 5/18/2006

Signature: Ronnie Slack

Date: 5/18/06

Ronnie Slack, Engineering Technician
Devon Energy Production Co., L.P.
20 N. Broadway, Suite 1500
Oklahoma City, OK 73102

Application For Injection
Devon Energy Prod Co LP
Grandi #2
Form C-108 Section XIV

Proof of Notice to Leasehold Operators within 1/2 mile of Todd 25P Federal 16

MARBOB ENERGY CORPORATION
P.O. BOX 227
ARTESIA, NM 88211-0227

Certified Mail Receipt #:7004-2510-0007-2094-6146

GRUY PETROLEUM MANAGEMENT COMPANY
P.O. BOX 140907
IRVING, TEXAS 75014-0907

Certified Mail Receipt #:7004-2510-0007-2094-6153

WESTBROOK OIL CORPORATION
P.O. BOX 2264
HOBBS, NM 88241-2264

Certified Mail Receipt #:7004-2510-0007-2094-6160

A copy of this application has been mailed to the above leasehold operators by certified mail, pertaining to Devon Energy's application for salt water disposal in the Grandi #2.

Date Mailed: 5/18/2006

Signature: Ronnie Slack

Date: 5/18/06

Ronnie Slack, Engineering Technician
Devon Energy Production Co., L.P.
20 N. Broadway, Suite 1500
Oklahoma City, OK 73102

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

April Hernandez, being first duly sworn, on oath says:

That she is HR/Administrative Assistant of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

April 1 _____ 2006
_____ 2006
_____ 2006
_____ 2006

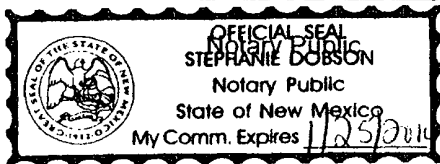
That the cost of publication is \$46.79
and that payment thereof has been made and will be
assessed as court costs.

April Hernandez

Subscribed and sworn to before me this

3 day of April, 2006
Stephanie Dobson

My commission Expires on _____



April 1, 2006

Legal Notice

Devon Energy Production Company, LP, 20 North Broadway, Oklahoma City, OK 73102-8260 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for an injection well. The proposed well, the Grandi #2, located 660' FNL & 660' FWL, Unit D, Section 22, Township 22 South, Range 27 East, in Eddy County, New Mexico, will be used for salt water disposal. Disposal waters from the Morrow will be in-

jected into the Delaware formation at a depth of 4932' to 5234' with a maximum pressure of 1100 psi and a maximum rate of 2200 BWPD.

All interested parties opposing the aforementioned must file objections or re-

quest for a hearing with the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505-5472, within 15 days. Additional information can be obtained by contacting Wyatt Abbitt at (405) 552-8137.

ITEM VII, No. 4
Injection Water Analysis
Morrow Reservoir



ARDINAL
LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
DEVON ENERGY
ATTN: BJ CATHY
P.O. BOX 250
ARTESIA, NM 88211

ARTESIA, N.M.

MAY 19 2005

Receiving Date: 05/16/05
Reporting Date: 05/17/05
Project Number: NOT GIVEN
Project Name: GRANDE FED #3
Project Location: NOT GIVEN

Sampling Date: 05/16/05
Sample Type: WATER
Sample Condition: COOL & INTACT
Sample Received By: NF
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (uS/cm)	T-Alkalinity (mgCaCO ₃ /L)
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ANALYSIS DATE:	05/17/05	05/17/05	05/17/05	05/17/05	05/17/05	05/17/05	05/17/05
H9797-1 GRANDE FED #3	20636	859	218	483	50600	640	
Quality Control	NR	48	47	5.59	1322	NR	
True Value QC	NR	50	50	5.00	1413	NR	
% Recovery	NR	96.0	94.0	112	93.6	NR	
Relative Percent Difference	NR	1.8	2.0	9.0	0.7	NR	
METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1		

Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
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ANALYSIS DATE:	05/17/05	05/17/05	05/17/05	05/17/05	05/17/05	05/18/05
H9797-1 GRANDE FED #3	33989	10	0	781	6.70	56978
Quality Control	960	57.00	NR	927	6.91	NR
True Value QC	1000	50.00	NR	1000	7.00	NR
% Recovery	96.0	114	NR	92.7	98.7	NR
Relative Percent Difference	1.0	12.7	NR	3.4	0.4	1.1
METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1

Amy Hill
Chemist

5/17/05
Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. **H9797** shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



BJ Services

WATER ANALYSIS

Permian Region Laboratory
 (915) 530-2667

Operator: Devon Energy
 Well: Grande #2
 Formation:
 Field:
 County:
 Depth:

Date: 4/7/2006
 District: Artesia
 Requested:
 Technician: Lea Duong
 Source: Swab Sample
 PFS Test #:
 M:Water Analysis\ Customer:

pH: 5.78
 Specific Gravity: 1.155

Temp (F): 74

H2S:

CATIONS

	mg/l	me/l	ppm
Sodium (calc.)	83346	3625.3	72161
Calcium	19649	980.5	17012
Magnesium	2430	199.9	2104
Barium	< 25	---	---
Potassium	< 10	---	---
Iron	3	0.1	3

ANIONS

Chloride	170000	4795.5	147186
Sulfate	400	8.3	346
Carbonate	< 1	---	---
Bicarbonate	122	2.0	106

Total Dissolved Solids(calc.) 275950 238917

Total Hardness as CaCO3 59073 1180.4 51146

COMMENTS:

Reducing Agents-None present

BF7L Precipitates-Severe

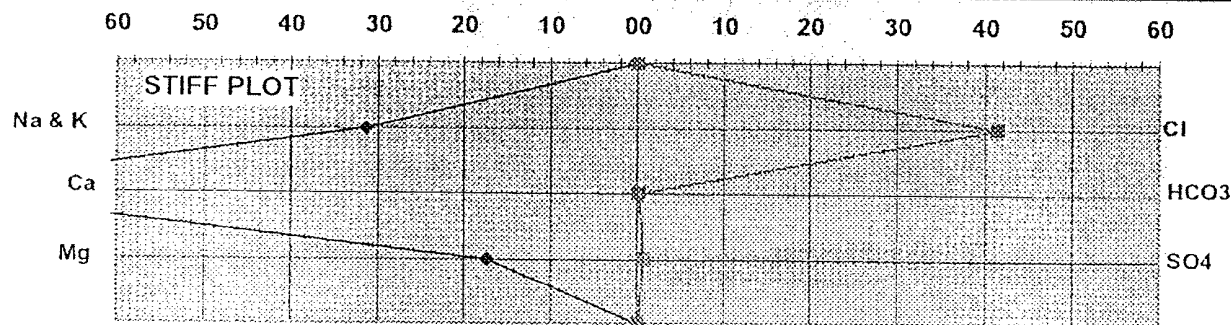
SCALE ANALYSIS:

CaCO3 Factor 2397178

CaSO4 Factor 7859600

Calcium Carbonate Scale Probability: Probable

Calcium Sulfate Scale Probability: Possible



ITEM XI--Fresh Water Analysis
Walterscheid Trucking & Farms
Sec 22-T22S-R27E SW4/SW4/SW4



Water Analysis

Date: 15-May-06

2708 West County Road, Hobbs NM 88240

Phone (505) 392-5556 Fax (505) 392-7307

Analyzed For

Company	Well Name	County	State
Devon	Grandy 2	Lea	New Mexico

Sample Source t22sr27f sec22 Sample # 1

Formation Depth

Specific Gravity	1.010	SG @ 60 °F	1.012
pH	7.04	Sulfides	Absent
Temperature (°F)	70	Reducing Agents	

Cations

Sodium (Calc)	in Mg/L	1,076	in PPM	1,063
Calcium	in Mg/L	496	in PPM	490
Magnesium	in Mg/L	120	in PPM	119
Soluable Iron (FE2)	in Mg/L	0.0	in PPM	0

Anions

Chlorides	in Mg/L	1,200	in PPM	1,186
Sulfates	in Mg/L	2,200	in PPM	2,174
Bicarbonates	in Mg/L	107	in PPM	106
Total Hardness (as CaCO3)	in Mg/L	1,740	in PPM	1,719
Total Dissolved Solids (Calc)	in Mg/L	5,199	in PPM	5,138
Equivalent NaCl Concentration	in Mg/L	4,067	in PPM	4,019

Scaling Tendencies

*Calcium Carbonate Index 53,251

Below 500,000 Remote / 500,000 - 1,000,000 Possible / Above 1,000,000 Probable

*Calcium Sulfate (Gyp) Index 1,091,200

Below 500,000 Remote / 500,000 - 10,000,000 Possible / Above 10,000,000 Probable

*This Calculation is only an approximation and is only valid before treatment of a well or several weeks after treatment.

Remarks rw=4.4@70f trucking&farms ..walterscheid

Report # 2205

DEVON ENERGY PRODUCTION COMPANY LP

Well Name: Grandi #2		Field: Carlsbad South	
Location: Sec 22, T22S, R27E, 660' FNL & 660' FWL		County: Eddy	State: NM
Elevation: 3122' KB 19' KB TO GL		Spud Date: 1/27/04	Compl Date: 5/1/04
API#: 30-015-33165	Prepared by: Ronnie Slack	Date: 5/8/06	Rev:

PROPOSED SWD CONVERSION

17-1/2" Hole
13-3/8", 48#, H40, ST&C, @ 450'
 Cmt'd w/ 525 sxs CI C to surface.

PROPOSED SWD PERFORATIONS

DELAWARE BRUSHY CANYON
 4360-4398; 4694-4704; 4720-4724; 4728-4742
 4932-4966; 4992-5014; 5212-5217; 5231-5234

12-1/4" Hole
9-5/8", 40#, J55 & K55, @ 5480'
 Cmt'd w/ 2850 sxs CI C to surface

Formation Tops

Rustler	230
Salado	458
Castile	1705
Bell Canyon	2100
Cherry Canyon	2817
Brushy Canyon	3965
Bone Spring	5304
Wolfcamp	8988
Canyon Series	9973
Strawn Series	10445
Atoka	10657
Morrow	11380
Morrow Lower	11764
Barnett Shale	11918

Proposed 2-7/8" IPC Production Tubing

Proposed: 9-5/8" IPC Packer @ +/-4310

Spot 47 Sx cement from 5412'-5540'. Tagged (3/2/06)

Spot 41 Sx cement from 7380' - 7700'. Tagged (3/1/06)
 Cut casing @ 7550'. POOH w/187 Jts 5-1/2" casing
 Cut casing @ 7630'. Unable to pull free.

TOC @ 8700' (CBL-4/4/04)
Note: CMT BOND very POOR

25 Sx cement @ 8800'-8900' (2/23/06)

25 Sx cement @ 10345'-10445' (2/23/06)

35' Cement
 CIBP @ 11,500' (2/22/06)

CIBP @ 11,568' (2/22/06)

MORROW (Perfed 4/9/04)
 11,530' - 11,532'
 11,556' - 11,560'; 11,608'
 11,728' - 11,730'
 11,766' - 11,770'

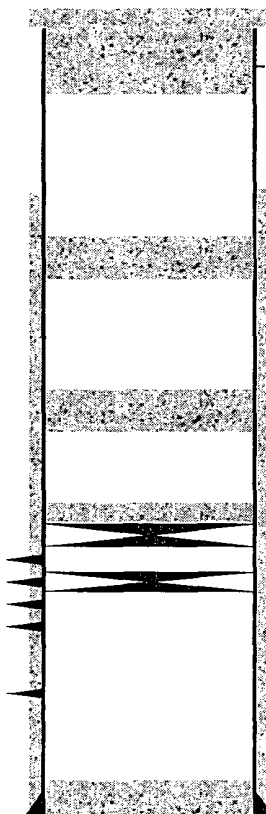
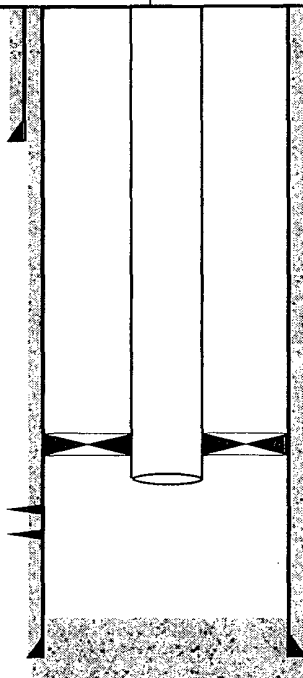
MORROW (Perfed 4/7/04)
 11,800' - 11,806'

6/4/04: 1772 Mcfd, 0 bo, 129 bw, 300# TP, 36/64" chk

8-3/4" Hole
5-1/2", 17#, HC P110, LT&C, @ 12,064'
 Cmt'd w/ 1100 sxs CI C

11,982' PBD

TD @ 12,064'



DEVON ENERGY PRODUCTION COMPANY LP

Well Name: Grandi #2		Field: Carlsbad South	
Location: Sec 22, T22S, R27E, 660' FNL & 660' FWL		County: Eddy	State: NM
Elevation: 3122' KB 19' KB TO GL		Spud Date: 1/27/04	Compl Date: 5/1/04
API#: 30-015-33165	Prepared by: Ronnie Slack	Date: 3/31/06	Rev:

CURRENT SCHEMAT 3-31-06

17-1/2" Hole
13-3/8", 48#, H40, ST&C, @ 450'
 Cmt'd w/ 525 sxs CI C to surface.

DELAWARE BRUSHY CANYON (3/3/06)
 5212'-5217'
 5231'-5234'
 3/5/06: Acidized w/7000 gals 7.5% HCl
 3/10/06: Fraced w/24.8K# sand in form

12-1/4" Hole
9-5/8", 40#, J55 & K55, @ 5480'
 Cmt'd w/ 2850 sxs CI C to surface

Formation Tops

Rustler	230
Salado	458
Castile	1705
Bell Canyon	2100
Cherry Canyon	2817
Brushy Canyon	3965
Bone Spring	5304
Wolfcamp	8988
Canyon Series	9973
Strawn Series	10445
Atoka	10657
Morrow	11380
Morrow Lower	11764
Barnett Shale	11918

2-7/8" Production Tubing
 9-5/8" Packer @ 5090' (3/14/06)

Spot 47 Sx cement from 5412'-5540'. Tagged (3/2/06)

TOC @ 8700' (CBL-4/4/04)
Note: CMT BOND very POOR

MORROW (Perfed 4/9/04)
 11,530' - 11,532'
 11,556' - 11,560'; 11,608'
 11,728' - 11,730'
 11,766' - 11,770'

MORROW (Perfed 4/7/04)
 11,800' - 11,806'

6/4/04: 1772 Mcfd, 0 bo, 129 bw, 300# TP, 36/64" chk

8-3/4" Hole
5-1/2", 17#, HC P110, LT&C, @ 12,064'
 Cmt'd w/ 1100 sxs CI C

Spot 41 Sx cement from 7380' - 7700'. Tagged (3/1/06)
 Cut casing @ 7550'. POOH w/187 Jts 5-1/2" casing
 Cut casing @ 7630'. Unable to pull free.

25 Sx cement @ 8800'-8900' (2/23/06)

25 Sx cement @ 10345'-10445' (2/23/06)

35' Cement
 CIBP @ 11,500' (2/22/06)

CIBP @ 11,568' (2/22/06)

11,982' PBD

TD @ 12,064'

C & K PETROLEUM, INC

Well Name: Walterscheid #1		Field: WILDCAT (DELAWARE)	
Location: 599' FNL & 484 FEL; SEC 21-T22S-R27E		County: EDDY	State: NM
Elevation: 3105 GL		Spud Date: 8/15/78	Compl Date: Dry Hole-Plugged
API#: 30-015-22651	Prepared by: Ronnie Slack	Date: 3/30/06	Rev:

Dry Hole
Plugged & Abandoned 8-28-78

11" Hole
8-5/8", 24#, K55, @ 450'
Cmt'd to surf

Open Hole 450' - 3798'

10 sx cement from 100' to surface

55 sx cement from 400-500

50 sx cement from 1600-1700

35 sx cement from 2000-2100

35 sx cement from 2800-2900

35 sx cement from 3300-3400

35 sx cement from 3698-3798

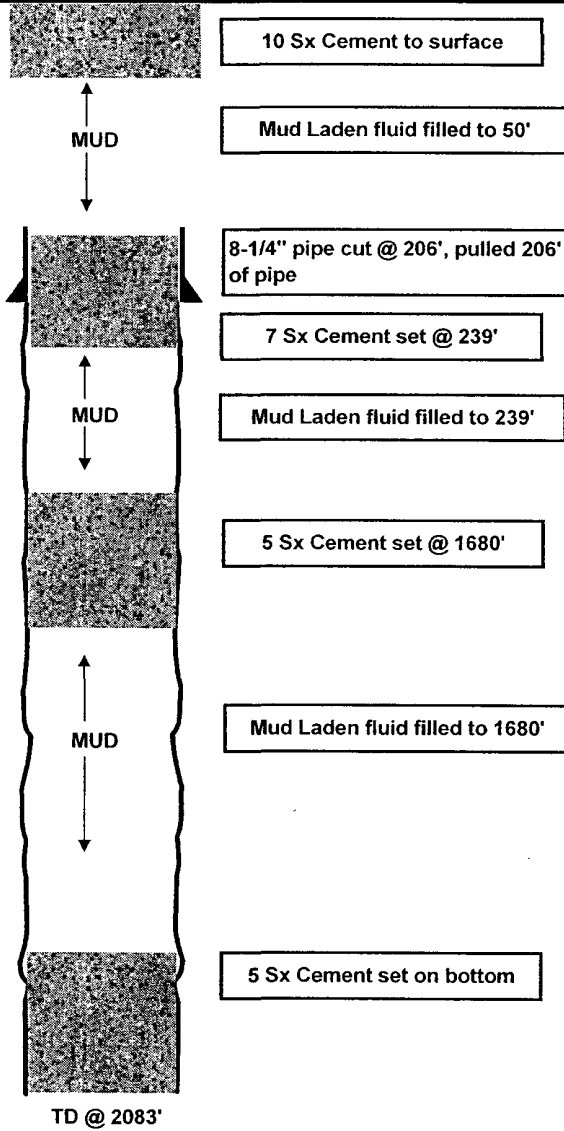
TD @ 3798'

POOL OIL & GAS COMPANY

Well Name: Pool Oil & Gas Company State Well #1		Field:	
Location: 300' FSL & 300' FEL; SEC 16-T22S-R27E		County: EDDY	State: NM
Elevation: 3110 GL		Spud Date: 12/30/32	Compl Date: NA
API#: 30-015-01107	Prepared by: Ronnie Slack	Date: 3/30/06	Rev:

Potash Test Well Abandoned April 5, 1933

10" Hole
8-1/4", 28#, @ 219'



DEVON ENERGY PRODUCTION COMPANY, LP																
C108 ITEM VI--Well Tabulation in Review Area																
Grandi #2 - Application to inject salt water																
Operator	Well Name	API NO	County	Sec	Twn	Rnge	Type	Status	Spud Date	Comp Date	TD	PBTD	Comp Zone	Comp Interval	Casing Program	TOC
Devon Energy Prod Co LP	Grandi #2	30-015-33165	Eddy	22	22S	27E	G	SI	01/27/04	05/01/04	12064	5412	Delaware Morrow	5212-5234 11530-11806	13-3/8", 48#, H40, @ 450' 9-5/8", 40#, J56/K55, @ 5480' 5-1/2", 17#, P110, @ 12064' (5-1/2" csg pulled at 7550' & plugged back to 5412')	Surf (circ) Surf (circ) 8700' cbl
V.H. Westbrook	Grandi #1	30-015-24205	Eddy	22	22S	27E	G	Act	08/03/82	07/10/83	12030	9665	Wolfcamp	9002-45; 9398-622	13-3/8", 48#, H40, @ 430' 9-5/8", 36#, J55, @ 3010' 5-1/2", 17#, P110, @ 12020	Surf (circ) Surf (circ) 7750' (temp survey)
Gruy Petroleum	Formi #2	30-015-33204	Eddy	15	22S	27E	G	Act	03/18/04	07/02/04	11020	11968	Morrow	11511-11798	13-3/8", 48#, H40, @ 402' 9-5/8", 36#, J55, @ 3010' 5-1/2", 17#, P110, @ 12020	Surf (circ) Surf (circ) 1660'
Pool Oil & Gas Co.	State #1	30-015-01107	Eddy	16	22S	27E	Pot-Ash	P&A	12/30/32	NA	2083	Surf	Drilled to test potash salts	not completed	8-1/4" @ 219'. Cut @ 206' & pulled	P&A 4/5/33--schemat attached
Marbob Energy Corp	CCAP State Com #2	30-015-31567	Eddy	16	22S	27E	G	Act	02/19/01	05/12/01	12060	11984	Morrow Morrow Morrow	11440-11532 11562-11569 11639-11767	13-3/8", 48#, H40, @ 402' 9-5/8", 36#, J55, @ 1700' 7", 23#, @ 9038' 4-1/2", 11.6#, @ 12060'	Surf Surf Surf 7600'
C & K Petroleum, Inc.	Walterscheid #1	30-015-22651	Eddy	21	22S	27E	Dry	P&A	08/15/78	NA	3798	Surf	Dry Hole	not completed	8-5/8", 24#, K55, @ 450'	Surf, P&A'd, schemat attached
Marbob Energy Corp	Walterthon Fee #1	30-015-31797	Eddy	21	22S	27E	G	Act	06/14/01	08/10/01	11990	11902	Atoka U Morrow Morrow	11029-11391 11466-11488 11732-11750 11888-11898	13-3/8", 48#, @ 401' 9-5/8", 36#, @ 1755' 7", 23#, @ 9032' 4-1/2", 11.6#, @ 11990'	Surf Surf Surf 10860'

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quarters are biggest to smallest

X Y are in Feet

UTM are in Meters

DB File Nbr	Use	Diversion	Owner	POD Num	Source	Tws	Rn	Sec	q	q	q	Zone	X	Y	UTM_Zone	Easting	Northing	Start Date	Finish Date	Depth Well	Depth-ft Water
C 00009 A	IRR		234.3 WILLIAM A. & BETTY WEEMS	C 00009	Shallow	22S	27E	22	3	3	3				13	576695	3581715	7/5/1948	7/5/1948	165	100
C 00009 B	IRR		66 WALTERSCHEID TRUCKING & FARMS	C 00009	Shallow	22S	27E	22	3	3	3				13	576695	3581715	7/5/1948	7/5/1948	165	100
C 00009 C	IRR		233.91 HENRY OR DELORES WALTERSCHEID	C 00009	Shallow	22S	27E	22	3	3	3				13	576695	3581715	7/5/1948	7/5/1948	165	100
C 00009 D	IRR		148.5 HENRY MCDONALD	C 00009	Shallow	22S	27E	22	3	3	3				13	576695	3581715	7/5/1948	7/5/1948	165	100
C 00016	IRR		230.7 NICHOLS ORAL C.	C 00016	Shallow	22S	27E	21	3	4	2				13	575682	3581898	2/13/1952	3/12/1952	167	
C 00016 A	IRR		545.7 FEDERAL LAND BANK OF WICHITA	C 00016	Shallow	22S	27E	21	3	4	2				13	575682	3581898	2/13/1952	3/12/1952	167	
C 00016 B	IRR		370.2 NICHOLS ORAL C	C 00016	Shallow	22S	27E	21	3	4	2				13	575682	3581898	2/13/1952	3/12/1952	167	
C 00022	IRR		0 JOSEPH E. AND MARY LOU WALTERS	C 00576	Shallow	22S	27E	15	1	1	3				13	576679	3584548	6/15/1972	7/1/1947	119	184
				C 00576	Shallow	22S	27E	15	1	4	2				13	577287	3584349	5/1/1974	5/12/1974	172	48
				C 00700	Shallow	22S	27E	15	2	3	3				13	577492	3584155			132	
				C 02242	Shallow	22S	27E	15	4	1	1				13	577494	3583950			150	22
C 00027	IRR		584.4 LOUIS E. PATE	C 00027	Shallow	22S	27E	21	3	4	4				13	575682	3581698			166	
C 00027 A	IRR		299.274 FEDERAL LAND BANK OF WICHITA	C 00016	Shallow	22S	27E	21	3	4	2				13	575682	3581898	2/13/1952	3/12/1952	167	
C 00027 AA	IRR		25.5 MERRILL E. SMITH	C 00016	Shallow	22S	27E	21	3	4	2				13	575682	3581898	2/13/1952	3/12/1952	167	
C 00027 AB	IRR		16.74 CLINTON MARRS	C 00016	Shallow	22S	27E	21	3	4	2				13	575682	3581898	2/13/1952	3/12/1952	167	
C 00027 AC	IRR		15 JAMES K. & DONNA C. FRINTZ	C 00016	Shallow	22S	27E	21	3	4	2				13	575682	3581898	2/13/1952	3/12/1952	167	
C 00027 AD	IRR		27.45 JORGE MARTINEZ	C 00016	Shallow	22S	27E	21	3	4	2				13	575682	3581898	2/13/1952	3/12/1952	167	
C 00027 AE	IRR		16.836 LARRY G. COALSON	C 00016	Shallow	22S	27E	21	3	4	2				13	575682	3581898	2/13/1952	3/12/1952	167	
C 00027 AF	IRR		6.6 ROBERT R. AND MARIA M. LOPEZ	C 00016	Shallow	22S	27E	21	3	4	2				13	575682	3581898	2/13/1952	3/12/1952	167	
C 00027 AG	IRR		9 SHERWOOD T. AND LINDA J. DALTO	C 00016	Shallow	22S	27E	21	3	4	2				13	575682	3581898	2/13/1952	3/12/1952	167	
C 00027 AH	IRR		9 DANIEL G. OR ANNABELL M. FLORE	C 00016	Shallow	22S	27E	21	3	4	2				13	575682	3581898	2/13/1952	3/12/1952	167	
C 00102	IRR		147.9 BEN WHEELER ESTATE	C 00102	Shallow	22S	27E	16	1	3	1				13	575063	3584125			164	70
C 00102 A	IRR		42 JAMES DILLARD HAMILTON	C 00102 A		22S	27E	16	1	3	1				13	575063	3584125				
C 00102 B	IRR		24.6 LEIGHTON H. & MARY B. BROWN	C 00102	Shallow	22S	27E	16	1	3	1				13	575063	3584325			164	70
C 00102 C	IRR		10.5 VERONICA MURRILL	C 00102	Shallow	22S	27E	16	1	3	1				13	575063	3584325			164	70
C 00151	IRR		0 HENRY WALTERSCHEID	C 00151		22S	27E	22	4	2	1				13	577909	3582337				
C 00251	STK		3 TROY CAVINESS	C 00251	Shallow	22S	27E	22	4	4					13	578013	3581833			125	
C 00267	DOM		3 A.H. JURNEY	C 00267	Shallow	22S	27E	16	1	1	3				13	575060	3584530	5/5/1951	5/9/1951	100	
C 00273	DOM		3 JAMES P. TANNER	C 00273	Shallow	22S	27E	16	1	2	1				13	575465	3584734			130	20
C 00284	DOM		3 SESTILA GINANNI	C 00284	Shallow	22S	27E	15	1	2					13	577185	3584655	3/14/1952	3/16/1952	106	34
C 00307	DOM		0 A.L. NICHOLS	C 00307	Shallow	22S	27E	21	1	3	3				13	575073	3582504			209	
C 00403	DOM		3 JOE BRYAN	C 00403	Shallow	22S	27E	16	1	2					13	575566	3584635	10/15/1952	11/5/1952	150	22
C 00576	IRR		216 BAR W. FARMS	C 02242	Shallow	22S	27E	15	4	1	1				13	577494	3583950			150	22
C 00576 A	IRR		120 WILLA SUE WALTERSCHEID	C 02242	Shallow	22S	27E	15	4	1	1				13	577494	3583950			150	22
C 00584	IRR		0 OCHESKEY FRED L. & SEARS JOHN	C 00584		22S	27E	15	2	3	3				13	577492	3584155				
C 00613	DOM		3 ALVY WILLIAMS	C 00613	Shallow	22S	27E	21	4	2	4				13	576488	3582114	11/24/1954	11/27/1954	100	60

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UTM are in Meters

DB File Nbr	Use	Diversion	Owner	POD Numl	Source	Tws	Rn	Sec	q	q	q	Zone	X	Y	UTM_Zone	Easting	Northing	Start Date	Finish Date	Depth Well	Depth-ft Water
C 00614	DOM		3 SR., H.C. TIDWELL	C 00614	Shallow	22S	27E	22	3	1	3				13	576693	3582120	11/22/1954	11/24/1954	95	60
C 00693	DOM		3 CLAUDIO SAPIEN	C 00693	Shallow	22S	27E	16	1	2	2				13	575665	3584734	5/21/1956	6/10/1956	70	34
C 00700	IRR		450 HERBERT CLARENCE BINDEL	C 00700	Shallow	22S	27E	15	2	3	3				13	577492	3584155			132	
C 00700 A	IRR		360 JOSEPH E. AND MARY LOU WALTERS	C 00576	Shallow	22S	27E	15	1	1	3				13	576679	3584548	6/15/1972	7/1/1947	119	184
				C 00576;	Shallow	22S	27E	15	1	4	2				13	577287	3584349	5/1/1974	5/12/1974	172	48
				C 02242	Shallow	22S	27E	15	4	1	1				13	577494	3583950		12/31/1947	150	22
C 00700 BA	IRR	291.3 W.C. SIBLEY		C 00700	Shallow	22S	27E	15	2	3	3				13	577492	3584155	5/20/1956	5/29/1956	132	
C 00701	DOM		3 WILSON BRAZEAL	C 00701	Shallow	22S	27E	16	1	2					13	575566	3584635	7/20/1977	12/31/1946	65	34
C 00747	IRR		342 J W WALTERSCHEID	C 00747	Shallow	22S	27E	21	2	3	3				13	575882	3582514	7/20/1977	12/31/1946	148	85
C 00747 A	IRR	254.1 BAR W FARMS		C 00747	Shallow	22S	27E	21	2	3	3				13	575882	3582514	7/20/1977	12/31/1946	148	85
C 00748	EXP		0 CALVANI BROTHERS	C 00748	Shallow	22S	27E	16	0	0	0				13	575773	3584019				
C 00760	DOM		3 HARVEY J. JURNEY	C 00760	Shallow	22S	27E	16							13	575773	3584019	4/8/1957	4/15/1957	72	44
C 01010	DOM		3 THOMAS L. FORNI	C 01010	Shallow	22S	27E	16	3	4					13	575574	3583421	5/15/1961	5/27/1961	150	
C 01097	DOM		3 JAP HUDSON	C 01097	Shallow	22S	27E	16	2	1	1				13	575870	3584739	10/15/1962	11/15/1962	155	38
C 01110	DOM		3 ALBERT CALVANI	C 01110	Shallow	22S	27E	16	3	2	3				13	575471	3583725	1/27/1963	2/1/1963		
C 01407	DOM		3 JAMES DILLARD HAMILTON	C 01407	Shallow	22S	27E	16	1	3	3				13	575063	3584125		12/31/1947	86	
C 01545	DOM		3 RICHARD MENUEY	C 01545	Shallow	22S	27E	16	1	3	1				13	575063	3584325	3/3/1975	7/1/1975	90	
C 01560	DOM		3 ROBERT OSBORNE	C 01560	Shallow	22S	27E	16	1	2					13	575566	3584635	8/13/1975	2/15/1976	80	37
C 01607	DOM		0 THOMAS D. DAY	C 01607	Shallow	22S	27E	16	1	2					13	575566	3584635	6/21/1979	8/5/1979	55	42
C 01853	DOM		3 GREGORIO HERNANDEZ	C 01853	Shallow	22S	27E	16	2	1					13	575971	3584640			91	60
C 01861	DOM		3 BRUCE F. ROBINSON	C 01861	Shallow	22S	27E	16	1	2					13	575566	3584635	10/11/1979	12/27/1979		
C 02234	IRR		174 ENEA GRANDI FARMS	C 02234	Shallow	22S	27E	22	4	2	1				13	577909	3582337			119	184
C 02242	IRR		30.3 BAR W FARMS	C 00576	Shallow	22S	27E	15	1	1	3				13	576679	3584548	6/15/1972	7/1/1947	172	48
C 02242 A	IRR		348 BAR W. FARMS	C 02242	Shallow	22S	27E	15	1	4	2				13	577287	3584349	5/1/1974	5/12/1974	150	22
C 02242 B	IRR		273.6 BAR W FARMS	C 02242	Shallow	22S	27E	15	4	1	1				13	577494	3583950			150	
C 02259	DOM		3 SHAWN P. PAYNE	C 02259	Shallow	22S	27E	21	4	2					13	576389	3582215	7/10/1992	7/1/1992	60	45
C 02512	DOM		3 CASTILLO RUBEN	C 02512	Shallow	22S	27E	22	3	1					13	576794	3582221	8/29/2002	9/3/2002	142	57
C 02558	DOM		3 STEVEN RODRIGUEZ	C 02558	Shallow	22S	27E	21	4	2	1				13	576288	3582314	1/31/1998	2/3/1998	55	36
C 02881	DOM		3 MIKE SUGGS	C 02881	Shallow	22S	27E	22	4	4	3				13	578013	3581833	3/2/2002	5/25/2002	60	39
C 02903	DOM		3 MICHAEL W. SUGGS	C 02903	Shallow	22S	27E	22	4	4	3				13	577912	3581732	6/1/2002	6/23/2002	57	40
C 02961	DOM		3 RAY L. BERRY	C 02961	Shallow	22S	27E	21	4	1	3				13	575884	3582109	8/12/2004	8/18/2004	150	70
C 03080	DOM		0 RAY BERRY	C 03080		22S	27E	21	4	2	3				13	576288	3582114			200	
C 03083	DOM		0 DAVID G. FLORES	C 03083		22S	27E	21	4	1	2				13	576084	3582309			200	
C 03255	PRO		0 CIMEREX ENERGY	C 00576;	Shallow	22S	27E	15	1	4	2				13	577287	3584349	5/1/1974	5/12/1974	172	48