

DATE IN 02/25/14	SUSPENSE	ENGINEER PRG	LOGGED IN 02/27/14	TYPE EWD	APP NO. PPRG 1405844934
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



### ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

#### Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

#### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

#### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☒ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO  
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

MNA Enterprises  
 Pearl State #2  
 30-025 - 28224

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 2014 FEB 25 P 2:52

#### [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Eddie W. Seay Eddie W. Seay Agent 2/20/2014  
 Print or Type Name Signature Title Date  
seay04@leaco.net  
 e-mail Address

**APPLICATION FOR AUTHORIZATION TO INJECT**

PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage  
Application qualifies for administrative approval? Yes No

II. OPERATOR: MNA Enterprise LTD Co.

ADDRESS: 106 W. Alabama, Hobbs, NM 88242

CONTACT PARTY: Daniel Alexander PHONE: 575-390-3300

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 X 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: Daniel Alexander TITLE: Owner - Operator

SIGNATURE:  DATE: 2/13/2014

E-MAIL ADDRESS: seay04@leaco.net

\* 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: previously submitted when drilled - 1983.

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

## ATTACHMENT TO APPLICATION C-108

Pearl State #2 (API 30-025-28224)  
Unit J, Sect. 10, Tws. 19 S., Rng. 35 E.  
Lea Co., NM

### III. WELL DATA

- A.
- 1) See injection well data sheets and attached schematics.
  - 2) See injection well data sheets and attached schematics.
  - 3) 3 1/2" plastic coated tubing.
  - 4) Baker Tension Type.
- B.
- 1) Injection formation is the Wolfcamp.
  - 2) Injection interval from 10430' to 10800'.
  - 3) This was drilled as a producer.
  - 4) The next higher producing zone is the Bone Springs at approximately 7601'.  
The next lower producing zone is the Penn at approximately 10950'.
- Handwritten notes:*  
TWC  
DHC's in area  
DHC-4691

### IV. NO.

### V. MAP ATTACHED.

### VI. LIST OF WELLS AND DATA ATTACHED.

VII. MNA proposes to remove existing equipment and clean out well bore down to Wolfcamp and existing perfs. Either re-perforate or acidize old perfs. Complete in existing Wolfcamp perfs and/or new perfs depending on logs. Run 3 1/2" coated tubing with 5 1/2" packer and set at approximately 10330'. Run MIT as OCD requires, put on injection.

- 1) Plan to inject approximately 10,000 bpd of produced water from various operations.
- 2) Closed system - commercial.
- 3) Average injection pressure should be approximately 1800# to 2000# or whatever limit OCD allows.
- 4) Analysis attached, only produced water.
- 5) Water from various offset production from McKee, Devonian, Silurian, Wolfcamp, Bone Springs and others.

**VIII.** The proposed disposal formation is interbedded shale and limestone. The primary geologic formation is the Wolfcamp from 10430' to 10800'.

The fresh water formation in the area is the Ogallala which ranges in thickness from 40' to 60'. Analysis of water well attached.

**IX. ACID AS NEEDED.**

**X. WILL BE SUBMITTED WHEN DRILLED.**

**XI. ATTACHED.**

**XII.** I, Eddie W. Seay, have examined all available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zones and any underground source of drinking water pertaining to this well.

**XIII. ATTACHED.**

WELL LOCATION:	1990/S	1980/E	J	10	19	35
	FOOTAGE LOCATION		UNIT LETTER	SECTION	TOWNSHIP	RANGE

### WELL CONSTRUCTION DATA

**PROPOSED WELLBORE SCHEMATIC**

COMPLETION SCHEMATIC		APRIL 30-025-29224	
		OPERATOR: WNA ENTERPRISES LTD CO	
FORM	DEPTH	LEASENAME: PEARL STATE	
		WELL NO. 2	
		BURF LOC.	UL J ISEC. 10 TWP. 16S RANG. 35E
			1980 FSL 1980 FEL
		INLOC.	UL J ISEC. 10 TWP. 16S RANG. 35E
			1980 FSL 1980 FEL
		MO 10899	KB 3830 DF 3829
			GL 3819
		POOL	PERFS 10815-10833
		SCHARB; WOLF CAMP, SOUTHEAST	
		POOL	PERFS 10815-10784
		SWD; WOLF CAMP	
		POOL	PERFS
		POOL	PERFS

CASING RECORD				
	SIZE	DEPTH	GMT	HOLE SIZE
BURF	13.375	350	400 xxs	17.5
INTM	8.833	3650	2060 xxs	12.25
PROD	6.6	10800	580 xxs	7.875
				7760 CBL

SPUD: 04/15/1983

COMP: 09/16/1983

TOC @ 7730

1 1/2" PLASTIC COATED TUBING PER SET WITHIN 100' OF UPPER MOST PERF

PERF 10815-10784

TO 10800'

10430 feet to 10800

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 3 1/2 Lining Material: IPC  
Type of Packer: Baker Tension Type  
Packer Setting Depth: App. 10330 or 100ft. above top perfs.  
Other Type of Tubing/Casing Seal (if applicable): None

Additional Data

1. Is this a new well drilled for injection? Yes X No  
If no, for what purpose was the well originally drilled? Wolfcamp producer - depleted
2. Name of the Injection Formation: Wolfcamp
3. Name of Field or Pool (if applicable): Scarb
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. No  
only WC
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:  
Bone Springs at 7601  
Penn is at 10950

### COMPLETION SCHEMATIC

OPERATOR: MNA ENTERPRISES LTD CO

LEASENAME: PEARL STATE

WELL NO.	2
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SURF LOC:	UL: J	SEC: 10	TWN: 19S	RNG: 35E
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1980 FSL	1980 FEL
----------	----------

BH LOC:	UL: J	SEC: 10	TWN: 19S	RNG: 35E
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1980 FSL	1980 FEL
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MD	10800		KB	3830	DF	3829
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GL	3818
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POOL  
SCHARB;WOLFCAMP, SOUTHEAST

PERFS	10513-10533
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POOL	PERFS
------	-------

POOL	PERFS
------	-------

POOL	PERFS
------	-------

## CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13.375	350	400 sxs	17.5	0' Circ
INTM1	8.625	3550	2050 sxs	12.25	0' Circ
PROD	5.5	10800	550 sxs	7.875	7750 CBL

SPUD: 08/21/1983

COMP: 09/16/1983

13 3/8"  
@ 350'  
TOC @ 0'

8 5/8  
@ 3550'  
TOC @ 0'

TOC @ 7750

PERF 10513-10533

5 1/2  
@ 10800  
TOC @ 7750

TD 10800'

PREPARED BY: Eddie Seay

UPDATED

01/31/14

# PROPOSED WELLBORE SCHEMATIC

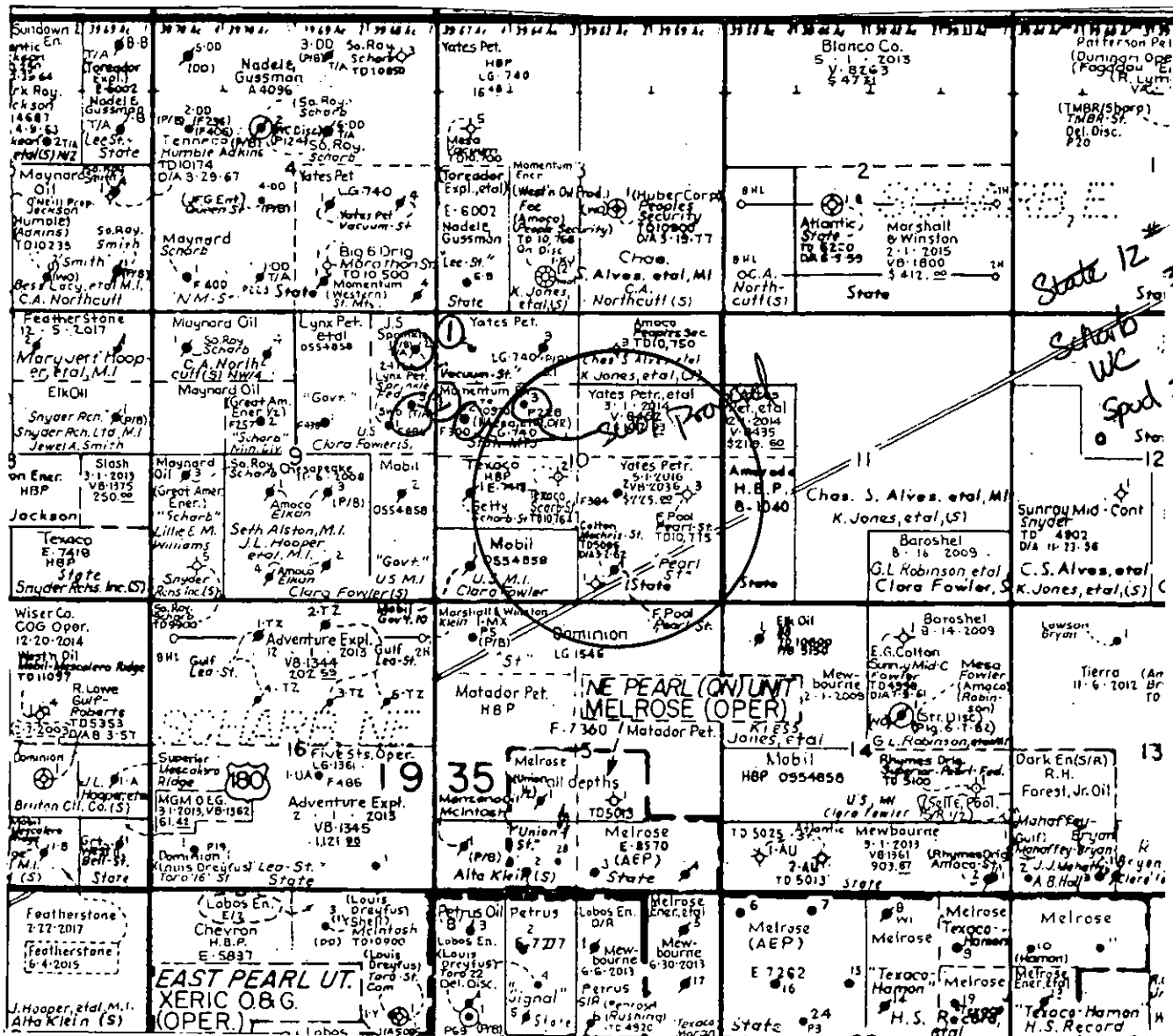
COMPLETION SCHEMATIC		APINUM: 30-025-28224																																																							
FORM	DEPTH	OPERATOR: MNA ENTERPRISES LTD CO																																																							
<div style="display: flex; flex-direction: column; align-items: center;"> <div style="width: 100%; height: 100%; position: relative;"> <div style="position: absolute; left: 0; top: 0; width: 100%; height: 100%; background: linear-gradient(to bottom, red 49%, white 49% 51%, white 51% 53%, red 53%); background-size: 2px 100%;"></div> <div style="position: absolute; left: 10%; top: 0; width: 80%; height: 100%; border-left: 2px solid black; border-right: 2px solid black;"></div> </div> <div style="margin-top: 10px;"> <p>13 3/8" @ 350' TOC @ 0'</p> <p>8 5/8 @ 3550' TOC @ 0'</p> <p>5 1/2 @ 10800 TOC @ 7750</p> </div> </div>	1840	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">LEASENAME: PEARL STATE</td> <td colspan="2">WELL NO. 2</td> </tr> <tr> <td>SURF LOC:</td> <td>UL: J SEC: 10</td> <td>TWN: 19S</td> <td>RNG: 35E</td> </tr> <tr> <td colspan="2">1980 FSL</td> <td colspan="2">1980 FEL</td> </tr> <tr> <td>BH LOC:</td> <td>UL: J SEC: 10</td> <td>TWN: 19S</td> <td>RNG: 35E</td> </tr> <tr> <td colspan="2">1980 FSL</td> <td colspan="2">1980 FEL</td> </tr> <tr> <td>MD 10800</td> <td>KB 3830</td> <td>DF 3829</td> <td></td> </tr> <tr> <td></td> <td>GL 3818</td> <td></td> <td></td> </tr> <tr> <td colspan="2">POOL</td> <td colspan="2">PERFS 10513-10533</td> </tr> <tr> <td colspan="2">SCHARB;WOLFCAMP, SOUTHEAST</td> <td colspan="2"></td> </tr> <tr> <td colspan="2">POOL</td> <td colspan="2">PERFS 10513-10754</td> </tr> <tr> <td colspan="2">SWD;WOLFCAMP</td> <td colspan="2"></td> </tr> <tr> <td colspan="2">POOL</td> <td colspan="2">PERFS</td> </tr> <tr> <td colspan="2">POOL</td> <td colspan="2">PERFS</td> </tr> </table>				LEASENAME: PEARL STATE		WELL NO. 2		SURF LOC:	UL: J SEC: 10	TWN: 19S	RNG: 35E	1980 FSL		1980 FEL		BH LOC:	UL: J SEC: 10	TWN: 19S	RNG: 35E	1980 FSL		1980 FEL		MD 10800	KB 3830	DF 3829			GL 3818			POOL		PERFS 10513-10533		SCHARB;WOLFCAMP, SOUTHEAST				POOL		PERFS 10513-10754		SWD;WOLFCAMP				POOL		PERFS		POOL		PERFS	
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PREPARED BY: Eddie Seay

UPDATED

01/31/14





① P&A-WC

② Sprinkle Fed No. 3 (30-025-28521)

2/1/2015 - 87,994 / CUM: 1,702,714

## DISPOSAL WELL

30-025-28224	PEARL STATE	2	MNA ENTERPRISES LTD CO	10800	O	A	Lea	S	J	10	19	S	35	E	1980	S	1980	E
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All wells within 1/2 mile of proposed disposal well.

API #	PROPERTY NAME	#	OPERATOR	TD	TYPE	STAT	CO	LAND	U/L	SEC	TWN		RNG		N/S		E/W		Dist
30-025-28296	PEOPLES SECURITY	3	MOMENTUM ENERGY CORPORATION	10750	O	P	Lea	P	B	10	19	S	35	E	660	N	1980	E	2640
30-025-28247	STATE MTS	3	MNA ENTERPRISES LTD CO	10820	O	A	Lea	S	F	10	19	S	35	E	1650	N	1650	W	2333
30-025-28419	PEARL STATE	3	FRED POOL DRLG INC	10775	O	P	Lea	S	I	10	19	S	35	E	1980	S	660	E	1320
30-025-28625	SHARB 10 STATE	2	TEXACO PRODUCING INC	10765	O	P	Lea	S	K	10	19	S	35	E	2310	S	2310	W	1043
30-025-28298	SHARB 10 STATE	1	GETTY OIL CO	10793	O	P	Lea	S	L	10	19	S	35	E	1980	S	660	W	2640
30-025-28045	PEARL STATE	1	FRED POOL DRLG INC	10743	O	P	Lea	S	O	10	19	S	35	E	600	S	1980	E	1380
30-025-03158	MACHRIS STATE	1	EARL G COLTON	5086	O	P	Lea	S	O	10	19	S	35	E	330	S	2310	E	1682

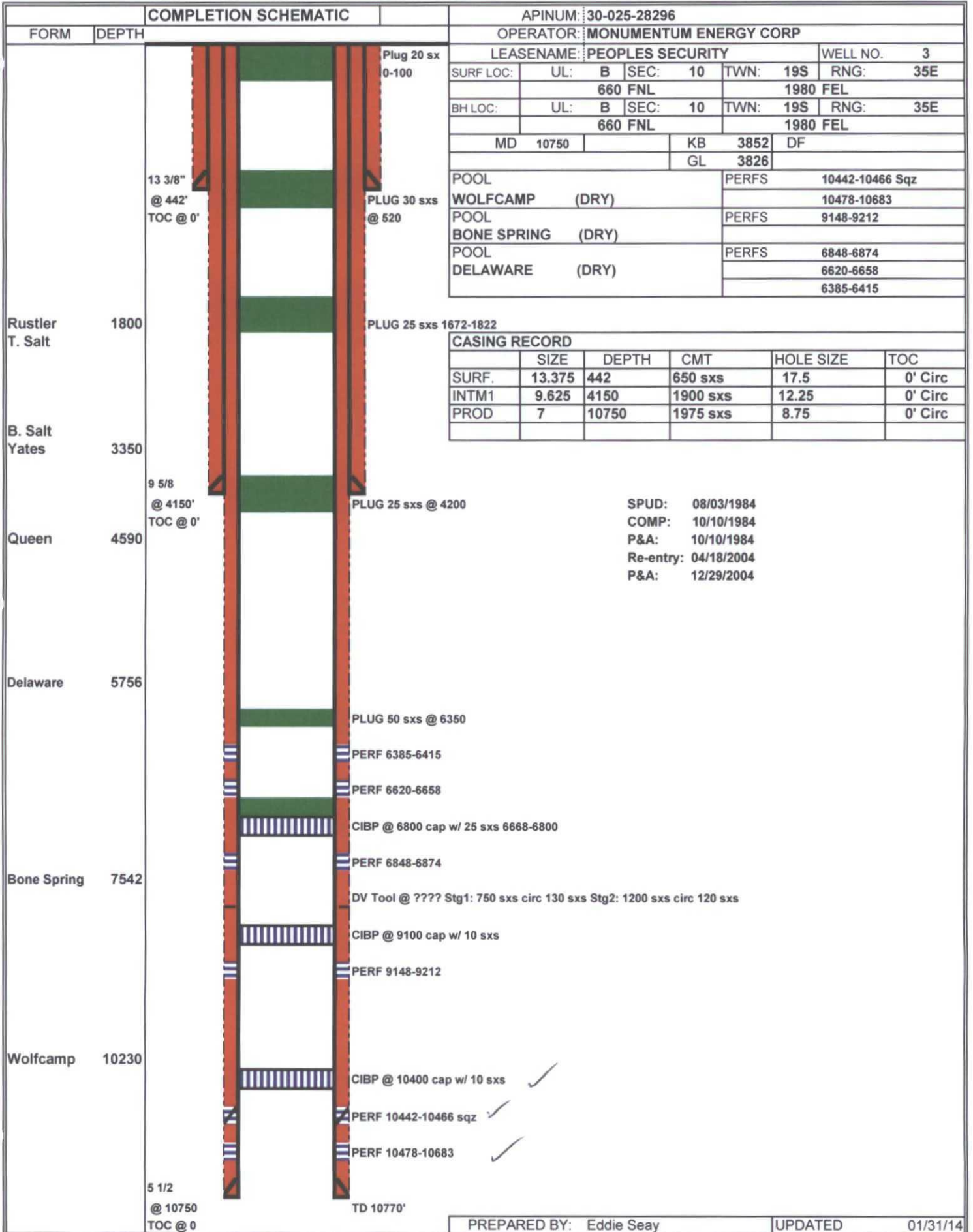
Wells within 1/2 mile of proposed disposal well penetrating the proposed disposal interval.

API #	PROPERTY NAME	#	OPERATOR	TD	TYPE	STAT	CO	LAND	U/L	SEC	TWN		RNG		N/S		E/W		Dist
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30-025-28045	PEARL STATE	1	FRED POOL DRLG INC	10743	O	P	Lea	S	O	10	19	S	35	E	600	S	1980	E	1380

6 wells  
 ① Active  
 ⑤ P&A

Proposed SWD

# WELLBORE SCHEMATIC AND HISTORY



### COMPLETION SCHEMATIC

OPERATOR: MNA ENTERPRISES LTD CO

WELL NO.	3
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1650 FNL

1650 FWL

100

1650 FNL

1650 FWL

100

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DF

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[illegible]

PERFS	10535-10775
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PERFS	
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PERFS	
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PERFS	
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SIZE	DEPTH	CMT	HOLE SIZE	TOC
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8.625

3575

1300 sx

11

0' Circ

1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 26

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[illegible][illegible]

COMP: 03/18/1983

8 5/8  
@ 3575'  
TOC @ 0'

5 1/2  
@ 10820  
TOC @ 7765

TOC @ 7765

PERF 10535-10775

TD 10820'

Now SWD-1490 [June 2014]  
Wolfcamp

PREPARED BY: Eddie Seay

UPDATED
---------

01/31/14

# WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-28419																															
FORM	DEPTH	OPERATOR: FRED POOL DRLG INC																															
		LEASENAME: PEARL STATE																															
		WELL NO. 3																															
		SURF LOC: UL: I SEC: 10 TWN: 19S RNG: 35E																															
		1980 FSL 660 FEL																															
		BH LOC: UL: I SEC: 10 TWN: 19S RNG: 35E																															
		1980 FSL 660 FEL																															
		MD 10775 KB DF																															
		GL 3829																															
		POOL SCHARB;WOLFCAMP DRY																															
		PERFS 10496-10576																															
10629-10648																																	
POOL SCHARB;BONE SPRING DRY																																	
PERFS 9415-9446																																	
<table border="1"> <thead> <tr> <th colspan="6">CASING RECORD</th> </tr> <tr> <th></th> <th>SIZE</th> <th>DEPTH</th> <th>CMT</th> <th>HOLE SIZE</th> <th>TOC</th> </tr> </thead> <tbody> <tr> <td>SURF.</td> <td>13.375</td> <td>350</td> <td>350 sxs</td> <td>17.5</td> <td>0' Circ</td> </tr> <tr> <td>INTM1</td> <td>8.625</td> <td>3550</td> <td>2050 sxs</td> <td>12.25</td> <td>0' Circ</td> </tr> <tr> <td>PROD</td> <td>5.5</td> <td>6600-10775</td> <td>500 sxs</td> <td>7.875</td> <td>7765 Cal</td> </tr> </tbody> </table>				CASING RECORD							SIZE	DEPTH	CMT	HOLE SIZE	TOC	SURF.	13.375	350	350 sxs	17.5	0' Circ	INTM1	8.625	3550	2050 sxs	12.25	0' Circ	PROD	5.5	6600-10775	500 sxs	7.875	7765 Cal
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PROD	5.5	6600-10775	500 sxs	7.875	7765 Cal																												
Rustler T. Salt 1836		Plug 35 sxs 1750-1850																															
B. Salt Yates 3345		PLUG 3493-3600																															
Queen 4536		SPUD: 02/08/1983																															
		COMP: 03/18/1983																															
		P&A: 08/09/1984																															
Delaware 6110		Plug 40 sxs 50' in/50' out CUT & PULL @ 6600																															
Bone Spring 7560		TOC @ 8100																															
		CIBP @ 9350 cap w/ 45 sxs cmnt																															
		PERF 9415-9446																															
Wolfcamp 10478		CIBP @ 10300 cap w/ 35' cmnt																															
		PERF 10496-10571																															
		RBP @ 10601																															
		PERF 10629-10648																															
5 1/2 @ 10775 TOC @ 7551		TD 10775'																															

PREPARED BY: Eddie Seay

UPDATED

01/31/14



# WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-28625																								
FORM	DEPTH	OPERATOR: TEXACO PRODUCING INC																								
<div> <div>13 3/8"</div> <div>@ 502'</div> <div>TOC @ 0'</div> </div> <div>1848</div> <div>Rustler T. Salt</div> <div>3340</div> <div>B. Salt Yates</div> <div>4584</div> <div>Queen</div> <div>6223</div> <div>Delaware</div> <div>7648</div> <div>Bone Spring</div> <div>10520</div> <div>Wolfcamp</div> <div>5 1/2"</div> <div>@ 10765'</div> <div>TOC @ 0'</div>	<div>PLUG 10 sxs</div> <div>PLUG 35 sxs 1650-1750</div> <div>PLUG 35 sxs 4056-4156</div> <div>STAGE TOOL @ 6798 circ both stages</div> <div>PLUG 35 sxs 7540-7640</div> <div>CIBP @ 9350 cap w/ 35' cmnt</div> <div>PERF 9390-9472</div> <div>CIBP @ 10400 cap w/ 35' cmnt</div> <div>PERF 10520-10690</div> <div>TD 10765'</div>	<div>LEASENAME: SHARB 10 STATE</div> <div>WELL NO. 2</div> <div>SURF LOC: UL: K SEC: 10 TWN: 19S RNG: 35E</div> <div>2310 FSL 2310 FWL</div> <div>BH LOC: UL: K SEC: 10 TWN: 19S RNG: 35E</div> <div>2310 FSL 2310 FWL</div> <div>MD 10765 KB 3860 DF 3859</div> <div>GL 3842</div> <div>POOL WOLFCAMP (Dry) PERFS 10520-10690</div> <div>POOL BONE SPRING (Dry) PERFS 9390-9472</div> <div>POOL PERFS</div> <div>POOL PERFS</div>																								
	<div>CASING RECORD</div> <table border="1"> <thead> <tr> <th></th> <th>SIZE</th> <th>DEPTH</th> <th>CMT</th> <th>HOLE SIZE</th> <th>TOC</th> </tr> </thead> <tbody> <tr> <td>SURF.</td> <td>13.375</td> <td>502</td> <td>400 sxs</td> <td>17.5</td> <td>0' Circ</td> </tr> <tr> <td>INTM1</td> <td>9.625</td> <td>4106</td> <td>1535 sxs</td> <td>12.25</td> <td>0' Circ</td> </tr> <tr> <td>PROD</td> <td>7</td> <td>10765</td> <td>1550 sxs</td> <td>8.5</td> <td>0' Circ</td> </tr> </tbody> </table>			SIZE	DEPTH	CMT	HOLE SIZE	TOC	SURF.	13.375	502	400 sxs	17.5	0' Circ	INTM1	9.625	4106	1535 sxs	12.25	0' Circ	PROD	7	10765	1550 sxs	8.5	0' Circ
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	PROD	7	10765	1550 sxs	8.5	0' Circ																				
	<div>Stage tool @ 6798</div> <div>Stg1: 725 sxs circ 150 sxs</div> <div>Stg2: 825 sxs circ 100 sxs</div>																									
	<div>SPUD: 04/08/1984</div> <div>COMP: 06/20/1984</div> <div>P&amp;A: 06/26/1985</div>																									
	<div>PREPARED BY: Eddie Seay</div> <div>UPDATED 01/31/14</div>																									

# WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-28298																															
FORM	DEPTH	OPERATOR: GETTY OIL CO																															
<div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 10px;">13 3/8" @ 425' TOC @ 0'</div> <div style="margin-bottom: 10px;">9 5/8 @ 4100' TOC @ 0'</div> <div style="margin-bottom: 10px;">4550</div> <div style="margin-bottom: 10px;">7700</div> <div style="margin-bottom: 10px;">10517</div> <div>5 1/2 @ 10793 TOC @ 0'</div> </div>	<div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 10px;">PLUG 10 sxs</div> <div style="margin-bottom: 10px;">PLUG 20 sxs 1753-1900</div> <div style="margin-bottom: 10px;">PLUG 20 sxs 4005-4152</div> <div style="margin-bottom: 10px;">STAGE TOOL @ 6027 circ both stages</div> <div style="margin-bottom: 10px;">RTNR @ ??? Sqz perfs 9469-9620 w/ 150 sxs cmnt RTNR @ ??? Cap w/ 32 sxs cmnt 8958-9230 PERF 9469-9620</div> <div style="margin-bottom: 10px;">CIBP @ 10400 cap w/ 35' cmnt</div> <div>PERF 10520-10690</div> </div>	<div> <div>LEASENAME: SHARB 10 STATE</div> <div>WELL NO. 1</div> </div> <table border="1"> <tr> <td>SURF LOC:</td> <td>UL: L</td> <td>SEC: 10</td> <td>TWN: 19S</td> <td>RNG: 35E</td> </tr> <tr> <td colspan="2">1980 FSL</td> <td colspan="3">660 FWL</td> </tr> <tr> <td>BH LOC:</td> <td>UL: L</td> <td>SEC: 10</td> <td>TWN: 19S</td> <td>RNG: 35E</td> </tr> <tr> <td colspan="2">1980 FSL</td> <td colspan="3">660 FWL</td> </tr> <tr> <td>MD 10793</td> <td>KB 3835</td> <td>DF</td> <td colspan="2"></td> </tr> <tr> <td colspan="2"></td> <td>GL 3821</td> <td colspan="2"></td> </tr> </table> <div> <div>POOL WOLFCAMP (Dry)</div> <div>PERFS 10576-10716</div> <div>POOL BONE SPRING (Dry)</div> <div>PERFS 9532-9620</div> <div>POOL</div> <div>PERFS 9469-9548</div> <div>POOL</div> <div>PERFS</div> </div>		SURF LOC:	UL: L	SEC: 10	TWN: 19S	RNG: 35E	1980 FSL		660 FWL			BH LOC:	UL: L	SEC: 10	TWN: 19S	RNG: 35E	1980 FSL		660 FWL			MD 10793	KB 3835	DF					GL 3821		
	SURF LOC:	UL: L	SEC: 10	TWN: 19S	RNG: 35E																												
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B. Salt Yates		<div>Stage tool @ 6027</div> <div>Stg1: 950 sxs circ 70 sxs</div> <div>Stg2: 875 sxs circ 90 sxs</div>																															
Queen		<div>SPUD: 08/14/1983</div> <div>COMP: 10/27/1983</div> <div>P&amp;A: 03/09/1985</div>																															
Delaware																																	
Bone Spring																																	
Wolfcamp																																	

PREPARED BY: Eddie Seay

UPDATED

01/31/14

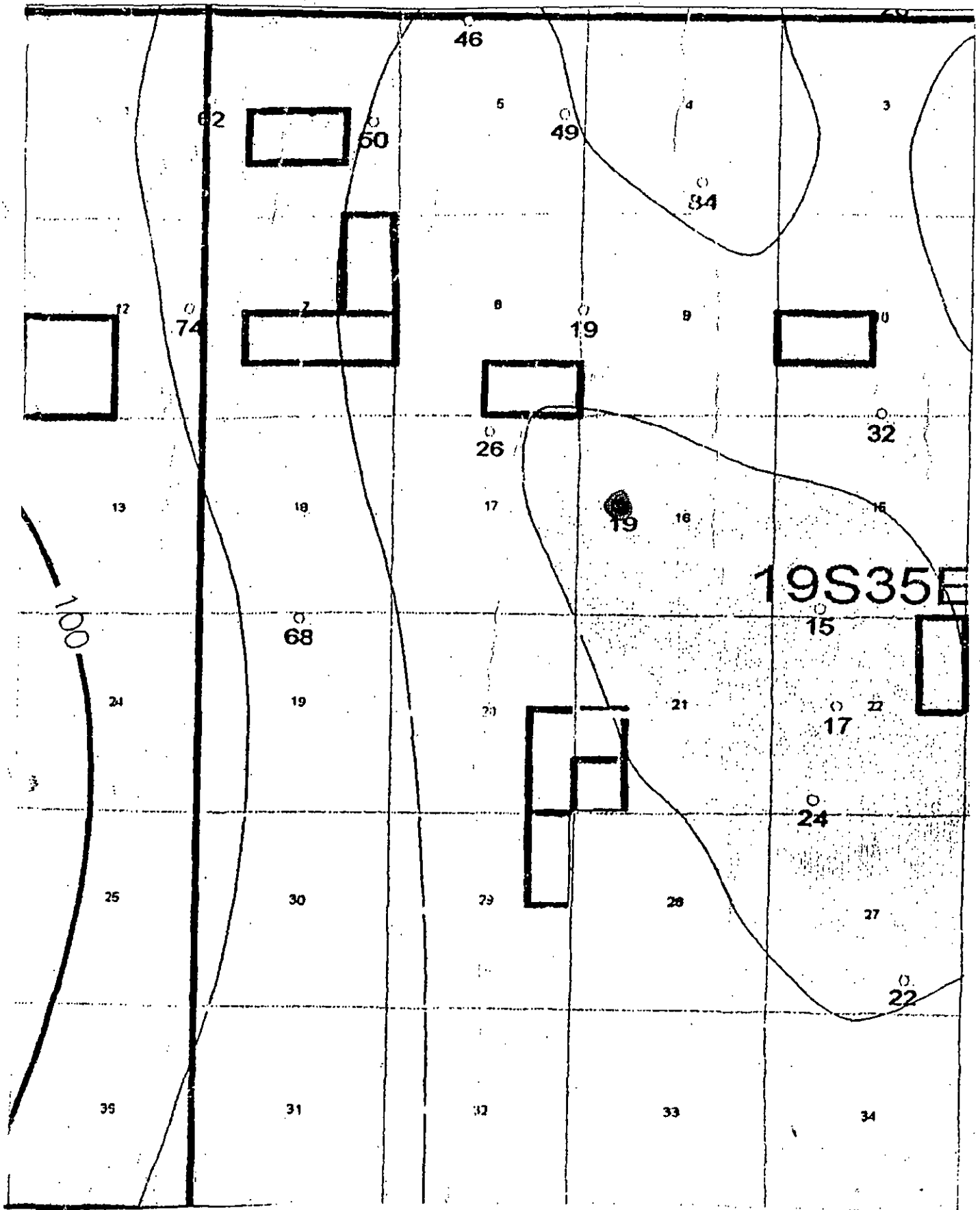
# WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-28045																													
FORM	DEPTH	OPERATOR: FRED POOL DRLG INC																													
		LEASENAME: PEARL STATE																													
		WELL NO. 1																													
		SURF LOC: UL: O SEC: 10 TWN: 19S RNG: 35E																													
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		BH LOC: UL: O SEC: 10 TWN: 19S RNG: 35E																													
		600 FSL 1980 FEL																													
		MD 10743 KB DF																													
		GL 3799																													
		POOL SCHARB;WOLFCAMP PERFS 10534-10546																													
		POOL QUEEN DRY PERFS 5471-5477																													
POOL PEARL;QUEEN PERFS 4965-5051																															
POOL PERFS																															
CASING RECORD																															
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SPUD: 11/28/1982																															
COMP: 01/26/1983																															
P&A: 1989																															
<p>Prepared by: Eddie Seay</p> <p>Updated: 01/31/14</p>																															



# Water Sample Analysis

Pool	Section	Location Township	Range	Chlorides
North Justis Montoya	2	25S	37E	45440
North Justis McKee	2	25S	37E	58220
North Justis Fusselman	2	25S	37E	68533
North Justis Ellenburger	2	25S	37E	34151
Fowler Blinbry	22	24S	37E	118085
Skaggs Grayburg	18	20S	38E	84845
Warren McKee	18	20S	38E	85910
Warren Abo	19	20S	39E	91600
OK Drinkard	30	20S	39E	108855
Littman San Andres	8	21S	38E	38895
East Hobbs grayburg	29	18S	39E	6461
Halfway Yates	16	20S	32E	14768
Arkansas Junction San Andres	12	18S	38E	7171
Pearl Queen	28	19S	35E	114310
Midway Abo	17	17S	37E	38494
Lovinton Abo	31	16S	37E	22933
Lovington San Andres	3	18S	37E	4899
Lovington Paddock	31	16S	37E	93720
Mesa Queen	17	16S	32E	172530
Kennitz Wolfcamp	27	16S	34E	49345
Hume Queen	9	16S	34E	124980
Anderson Ranch Wolfcamp	2	16S	32E	11040
Anderson Ranch Devonian	11	16S	32E	25702
Anderson Ranch Unit	11	16S	32E	23768
Caudill Devonian	9	15S	38E	20874
Townsend Wolfcamp	6	16S	38E	38895
Dean Pemo Perin	5	16S	37E	44730
Dean Devonian	35	15S	38E	19525
South Denton Wolfcamp	28	15S	37E	54315
South Denton Devonian	36	15S	37E	34080
Medicine Rock Devonian	15	15S	38E	39760
Little Lucky Lake Devonian	29	15S	30E	23288
Wanz Abo	28	21S	37E	192770
Crosby Devonian	18	25S	37E	58220
Scarborough Yates Seven Rivers	7	26S	37E	3443(Reef)
Teague Simpson	34	23S	37E	114885
Teague Ellenburger	34	23S	37E	120345
Rhodes Yates 7 Rivers	27	26S	37E	144485
House SA	11	20S	38E	93365
House Drinkard	12	20S	38E	49700
South Leonard Queen	24	26S	37E	115375
Ellot Abo	2	21S	38E	55380
Scharb Bone Springs	5	19S	35E	30601
EK Queen	13	18S	34E	41890
East EK Queen	22	18S	34E	179630
Maljamar Grayburg SA	22	17S	32E	46079
Maljamar Paddock	27	17S	32E	115375
Maljamar Devonian	22	17S	32E	25418



● Sample

Groundwater Map

**Analytical Results For:**

Eddie Seay Consulting  
Eddie Seay  
601 W. Illinois  
Hobbs NM, 88242  
Fax To: (505) 392-6949

Received: 02/04/2014  
Reported: 02/07/2014  
Project Name: PEARL ST SWD  
Project Number: PEARL ST SWD - WW #1  
Project Location: SECT 18 T.19 R.35

Sampling Date: 02/03/2014  
Sampling Type: Water  
Sampling Condition: Cool & Intact  
Sample Received By: Jodi Henson

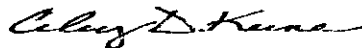
**Sample ID: PEARL ST WW #1 (H400333-01)**

Chloride, SM4500Cl-B		mg/L		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride*	148	4.00	02/06/2014	ND	104	104	100	3.92	
TPH 8015M		mg/L		Analyzed By: ms					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<1.00	1.00	02/04/2014	ND	44.4	88.8	50.0	16.6	
DRO >C10-C28	<1.00	1.00	02/04/2014	ND	40.5	81.0	50.0	22.6	
Surrogate: 1-Chlorooctane	91.5 %	48.7-164							
Surrogate: 1-Chlorooctadecane	86.2 %	54.8-165							

Cardinal Laboratories

\*=Accredited Analyte

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. In no event 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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

**MNA ENTERPRISE LTD. CO.**

February 2014

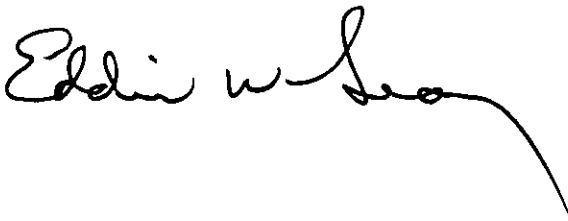
RE: Pearl State #2 (API 30-025-28224)  
Unit J, Section 10, Tws. 19 S., Rng. 35 E.  
Lea County, NM

Dear Sir:

In accordance with the Rules and Regulations of the Oil Conservation Division of the State of New Mexico, you are being provided a copy of the C-108, Application for Authorization to Inject in to the above captioned well.

Any questions about the permit can be directed to Eddie W. Seay, (575)392-2236. Any objections or request for hearing must be filed with the Oil Conservation Division within fifteen (15) days from the date received. The OCD address is 1220 S. Saint Francis Drive, Santa Fe, NM 87504, (505)476-3440.

Thank You,

A handwritten signature in black ink, appearing to read "Eddie W. Seay", with a long, sweeping underline that extends to the right.

Eddie W. Seay, Agent  
Eddie Seay Consulting  
601 W. Illinois  
Hobbs, NM 88242  
575-392-2236  
seay04@leaco.net

## **LEASE OWNERS AND OFFSETS**

### **LANDOWNER & MINERAL OWNER**

NM State Land Office  
310 Old Santa Fe Trail  
Box 1148  
Santa Fe, NM 87504-1148

### **LAND LESSEE**

Chris Northcutt  
303 North Pearl Valley Rd.  
Hobbs, NM 88240

### **OFFSET OPERATOR & MINERAL OWNERS**

Momentum Energy  
Box 578  
Albany, TX 76430

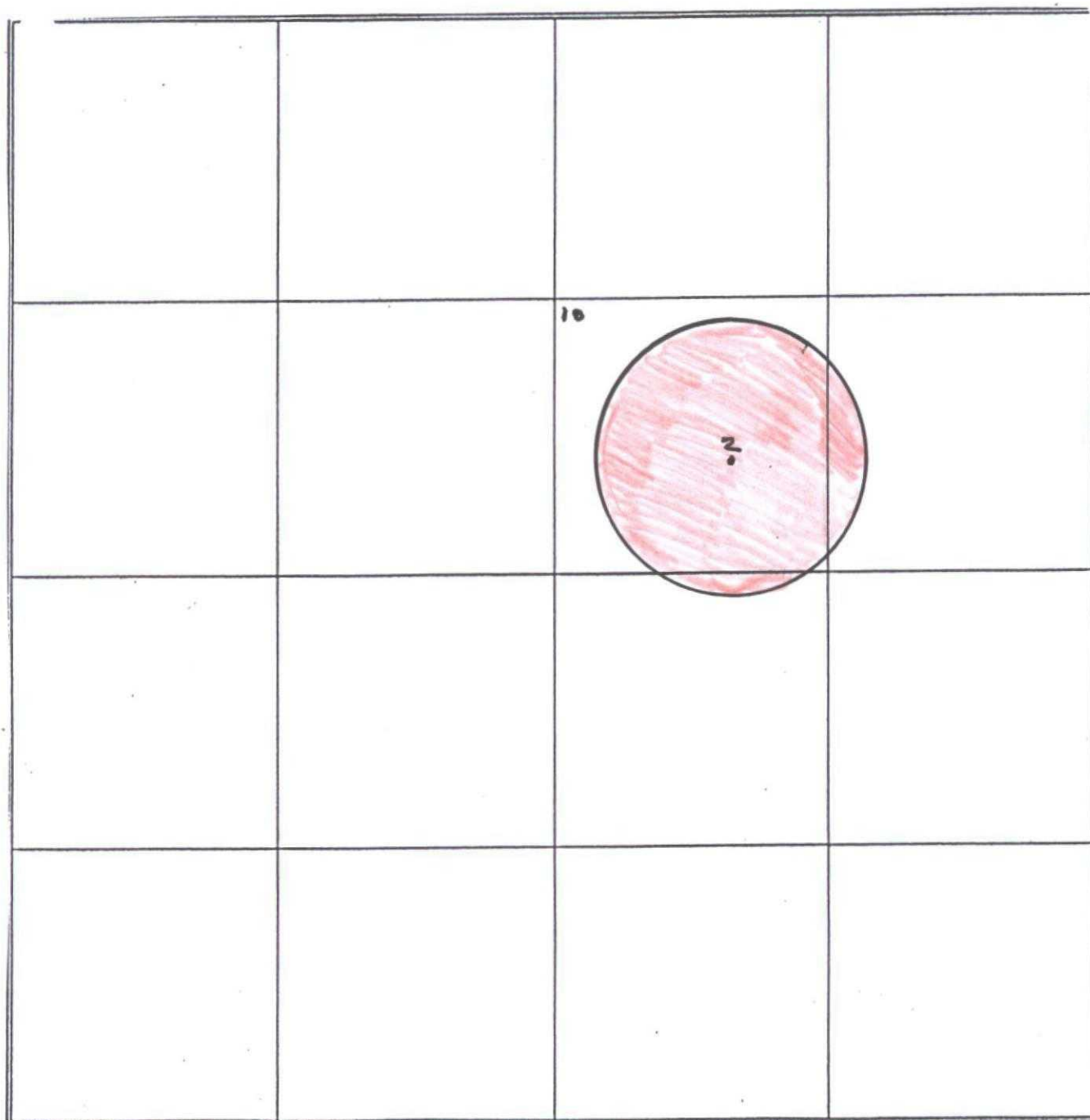
Yates Petroleum Corp.  
105 S. Fourth St.  
Artesia, NM 88210

Exxon/Mobil Prod. TX & NM Inc.  
800 Bell St.  
Houston, TX 77002

MNA Enterprises, LTD  
106 W. Alabama  
Hobbs, NM 88242

Chevron USA Inc.  
15 Smith Road  
Midland, TX 79705

Surface + Mineral owner



● State of New Mexico  
State Land Office

7013 1710 0000 1868 6104

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Street, Apt. No., or PO Box 578	
City, State ZIP+4 Albany, TX 76430	

PS Form 3800, August 2006 See Reverse for Instructions

5135 99RT 0000 1868 6135

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City, State ZIP+4 Hobbs, NM 88242	

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2479 99RT 0000 1868 6102

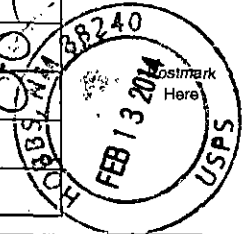
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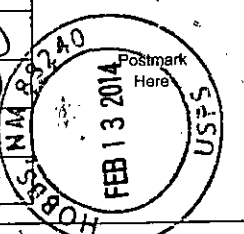
Sent To	
Chevron USA Inc.	
Street, Apt. No., or PO Box 15 Smith Road	
City, State ZIP+4 Midland, TX 79705	

PS Form 3800, August 2006 See Reverse for Instructions

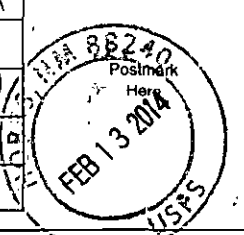
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Sent To	
Chris Northcutt	
Street, Apt. No., or PO Box No.	
303 N Pearl Valley Rd	
City, State, ZIP+4	
Hobbs, Nm 88240	
PS Form 3800, August 2006 See Reverse for Instructions	

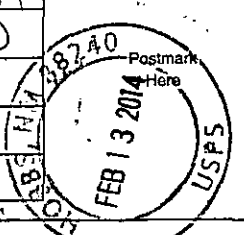
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Sent NM State Land Office	
310 Old Santa Fe Trail	
Box 1148	
Santa Fe, NM 87504-1148	
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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 7.61
	
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Exxon/Mobil-Prod. TX & NM Inc.	
Street, Apt. No., or PO Box No.	
800 Bell St	
City, State, ZIP+4	
Houston, TX 77002	
PS Form 3800, August 2006 See Reverse for Instructions	

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Total Postage & Fees	\$ 7.61
	
Sent To	
Yates Petroleum Corp.	
Street, Apt. No., or PO Box No.	
105 S. Fourth St	
City, State, ZIP+4	
Artesia, NM 88210	
PS Form 3800, August 2006 See Reverse for Instructions	



## **LEGAL NOTICE**

Pursuant to the rules and regulations of the Oil Conservation Division of the State of New Mexico, MNA Enterprise LTD Co., 106 W. Alabama, Hobbs, NM 88242, is filing a C-108, Application for Salt Water Disposal. The well being applied for is the Pearl State #2, located in Unit J, Section 10, Township 19 South, Range 35 East, Lea Co., NM. The injection formation is the Wolfcamp through perforations from 10430' to 10800' below surface. Expected maximum injection rate is 10,000 bpd., and the expected maximum injection pressure is 2000 psi or what the OCD allows. Any questions about the application can be directed to Eddie W. Seay, (575)392-2236, or any objection or request for hearing must be directed to the Oil Conservation Division, (505)476-3440, 1220 South Saint Francis Drive, Santa Fe, NM 87504, within fifteen (15) days.

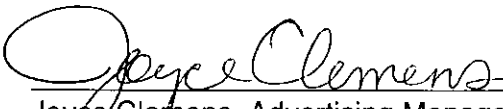
# Affidavit of Publication

STATE OF NEW MEXICO    )  
                                      ) ss.  
COUNTY OF LEA            )

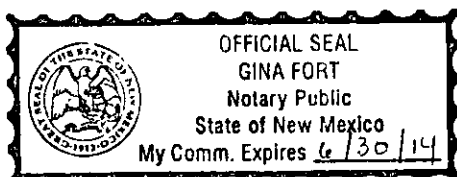
Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Manager of THE LOVINGTON LEADER, a thrice a week newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled Legal Notice was published in a regular and entire issue of THE LOVINGTON LEADER and not in any supplement thereof, for one (1) day(s), beginning with the issue of February 15, 2014 and ending with the issue of February 15, 2014.

And that the cost of publishing said notice is the sum of \$ 26.93 which sum has been (Paid) as Court Costs.

  
Joyce Clemens, Advertising Manager  
Subscribed and sworn to before me this 17th day of February, 2014.

  
Gina Fort  
Notary Public, Lea County, New Mexico  
My Commission Expires June 30, 2014



## LEGAL NOTICE

Pursuant to the rules and regulations of the Oil Conservation Division of the State of New Mexico, MNA Enterprise LTD Co., 106 W. Alabama, Hobbs, NM 88242, is filing a C-108, Application for Salt Water Disposal. The well being applied for is the Pearl State #2, located in Unit 1, Section 10, Township 19 South, Range 35 East, Lea Co., NM. The injection formation is the Wolfcamp through perforations from 10430' to 10800' below surface. Expected maximum injection rate is 10,000 bpd., and the expected maximum injection pressure is 2000 psi or what the OCD allows. Any questions about the application can be directed to Eddie W. Seay, (575)392-2236, or any objection or request for hearing must be directed to the Oil Conservation Division, (505)476-2440, 1220 South Saint Francis Drive, Santa Fe, NM 87504 within fifteen (15) days.

Published in the  
Lovington Leader  
February 15, 2014.



## C-108 Review Checklist:

02/27/15

Add. Request:

Reply Date:

Suspended:

[Ver 15]

ORDER TYPE: WFX / PMX / SWD Number: 1542 Order Date: 03/25/15 Legacy Permits/Orders:

Well No. 2 Well Name(s): Pearl State

API: 30-0 25-28224 Spud Date: 8/21/83 New or Old: New (UIC Class II Primacy 03/07/1982)

Footages 1980 FSL/1980 FEL Lot - or Unit 5 Sec 10 Tsp 19S Rge 35E County Lea

General Location: N of US180; 5mi SW of Arkansas For Pool: SWD; Wolfcamp Pool No.: 55650

BLM 100K Map: Hobbs Operator: MNA Enterprises LTD Inc OGRID: 124768 Contact: Eddie Seay/Agent

COMPLIANCE RULE 5.9: Total Wells: 20 Inactive: 2 Fincl Assur: Yes Compl. Order? No IS 5.9 OK? Yes Date: 03/25/15

WELL FILE REVIEWED Current Status: Active, but no producing; LOV for extended Non-reporting 2008-2012

WELL DIAGRAMS: NEW: Proposed or RE-ENTER: Before Conv. After Conv. Logs in Imaging: Comp New/Litho Density - CBL - Dual Ind.

Planned Rehab Work to Well: Use existing construction with new tubing/packer

Well Construction Details	Sizes (in) Borehole / Pipe	Setting Depths (ft)	Cement Sx or Cf	Cement Top and Determination Method
Planned or Existing <input checked="" type="checkbox"/> Surface	17 1/2 / 13 3/8	0 to 350	400	Cir. to surface
Planned or Existing <input checked="" type="checkbox"/> Interm/Prod	12 1/4 / 8 5/8	0 to 3550	2850 1850	[Cir but no pull]
Planned or Existing <input checked="" type="checkbox"/> Interm/Prod	7 7/8 / 5 1/2	0 to 10800	550	[CBL 7760]
Planned or Existing <input type="checkbox"/> Prod/Liner	—	—	—	—
Planned or Existing <input type="checkbox"/> Liner	—	—	—	—
Planned <input checked="" type="checkbox"/> or Existing <input checked="" type="checkbox"/> OH / PERF	7 7/8 / 5 1/2	10513 to 10533	Inj Length 370'	

Injection Lithostratigraphic Units:	Depths (ft)	Injection or Confining Units	Completion/Operation Details:
Adjacent Unit: Litho. Struc. Por.		DMG	Drilled TD WC at 10305 PSTD NA
Confining Unit: Litho. Struc. Por.	± 125	Bone Spring	NEW TD NA NEW PSTD NA
Proposed Inj Interval TOP:	10430	Wolfcamp	NEW Open Hole or NEW Perfs Not identical
Proposed Inj Interval BOTTOM:	10800		Tubing Size 3 1/2 in. Inter Coated? Yes
Confining Unit: Litho. Struc. Por.	± 700	Lower Giesse Strawn	Proposed Packer Depth ft
Adjacent Unit: Litho. Struc. Por.		Canyon Mtns	Min. Packer Depth (100-ft limit)
			Proposed Max. Surface Press. 2000 psi
			Admin. Inj. Press. 20 (0.2 psi per ft)

## AOR: Hydrologic and Geologic Information

POTASH: R-111-Ab Noticed? NA BLM Sec Ord NA WIPP Noticed? NA Salt/Salado T: B: NW: Cliff House fm NA

FRESH WATER: Aquifer Ogallala (ledge) Red Beds Max Depth &lt; 50' HYDRO AFFIRM STATEMENT By Qualified Person

NMOSE Basin: Lea CAPITAN REEF: thru adj NA No. Wells within 1-Mile Radius? 0 FW Analysis

Disposal Fluid: Formation Source(s) Bone Spring / WC / Queen Analysis? Historical On Lease Operator Only or Commercial

Disposal Int: Inject Rate (Avg/Max BWPD): 10,000 Protectable Waters? No Source: Historical System: Closed or Open

HC Potential: Producing Interval? Yes Formerly Producing? Yes Method: Logs/DST/P&amp;N/Other NMSLO 2-Mile Radius Pool Map

AOR Wells: 1/2-M Radius Map? Yes Well List? Yes Total No. Wells Penetrating Interval: 6 Horizontals? No

Penetrating Wells: No. Active Wells 1 Num Repairs? 0 on which well(s)? Diagrams? Yes

Penetrating Wells: No. P&amp;A Wells 5 Num Repairs? 0 on which well(s)? Diagrams? Yes

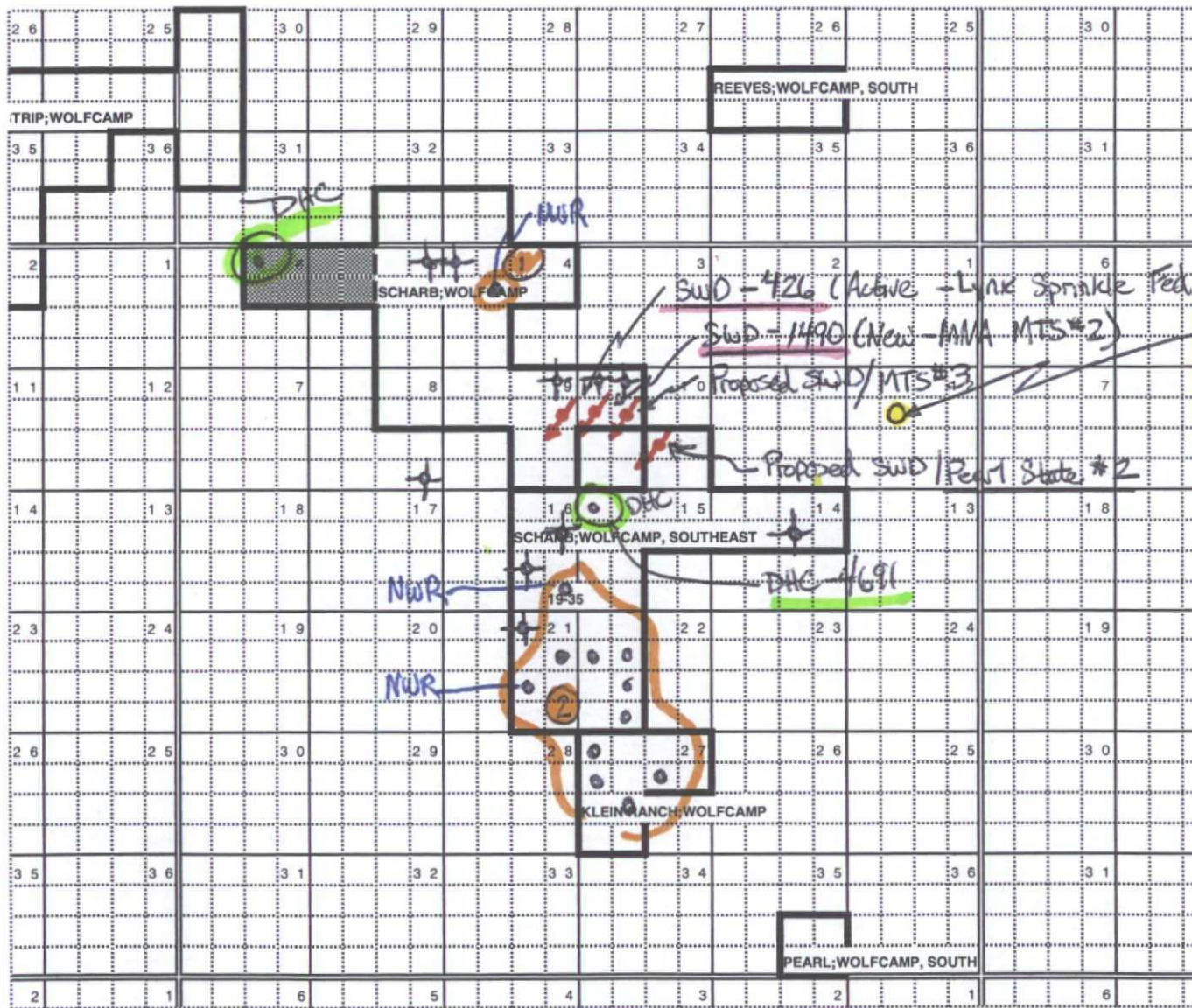
NOTICE: Newspaper Date 02/13/14 Mineral Owner NMSLO Surface Owner NMSLO N. Date 02/13/14

RULE 26.7(A): Identified Tracts Midland map Affected Persons: Momentum Energy; Exxon Mobil / MNA / Chevron N. Date 02/13/14

Order Conditions: Issues: No special requirements

Add Order Cond: No Special Requirements

Scharb/ Scharb SE/ Klein Ranch Pools  
Wolfcamp Well Status - 198/35E



- Oil Producer
  - Abandoned (Oil)
  - **SWD** - Proposed or Active
  - **NWR** - no water reported in production
- 5.3) **DHC** - Downhole commingle
- WC location
- late 12 Well No. 1
- 30-025-41842
- spud **1/14/2015**

## Producing Areas

- ① Sec. 4 well / Nadel & Gussman  
- only active WC prod.  
12/1/14: 75 BO / 0 MCF / 0 BW - 12 days  
1/1/15: 122 BO / 0 MCF / 0 BW - 20 days

- ② Mostly RKI wells  
- production in 21 & 22  
sustaining with decline  
in peripheral wells

State of New Mexico  
Energy, Minerals and Natural Resources Department

---

**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey, Division Director**  
Oil Conservation Division



Administrative Order DHC-4691

Order Date: August 15, 2014

Application Reference Number: pMAM1401741438

Lawson Operating LLC  
P. O. 52267  
Midland, Texas 79710

Attention: Mr. Paul Lawson

State "MX" Well No. 1  
API No. 30-025-28164  
Unit D, Section 15, Township 19 South, Range 35 East, NMPM  
Lea County, New Mexico

Pool	SCHARB; BONE SPRING	Oil	55610
Names:	SCHARB; WOLFCAMP, EAST	Oil	55650

Reference is made to your recent application for an exception to 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of 19.15.12.11A. NMAC, and since reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

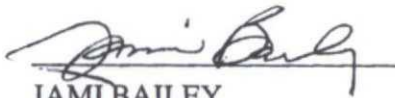
The production allocation percentages of oil and gas between these pools shall be supplied to the Division's Santa Fe office within 60 days following completion of this well or workover. Allocations shall be based on results from workover and testing operations from this well.

Administrative Order DHC-4691  
Lawson Operating LLC  
August 15, 2014  
Page 2 of 2

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REMARKS: The operator shall notify the Division's district I office upon implementation of commingling operations.

Pursuant to 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

  
JAMI BAILEY  
Director

JB/mam

cc: New Mexico Oil Conservation Division – Hobbs  
State Land Office – Oil, Gas and Minerals Division



## Goetze, Phillip, EMNRD

---

**From:** Holm, Anchor <aholm@slo.state.nm.us>  
**Sent:** Wednesday, March 25, 2015 2:43 PM  
**To:** Goetze, Phillip, EMNRD; Jaramillo, Nick  
**Cc:** Martin, Ed  
**Subject:** FW: NMSLO Input SWD Conversion of the Pearl State No. 2 (30-025-28224)  
**Attachments:** Pearl #2.xlsx; MNA\_ Pearl State No. 2.pdf

Phil and Nick,

I have reviewed the production data on this well. The well last produced during September 2012 making only 6 BO. This well has been shut-in since then.

Since the well was not producing in paying quantities in 2012, the State Land Office has no concerns as it's conversion to SWD into the same 10,513'+ interval.

However, MNA will need to obtain a SWD Easement from the SLO.

*Anchor Holm*

GeoScientist/Petroleum Engineering Specialist  
NM State Land Office  
Oil, Gas and Minerals Division  
P.O. Box 1148  
310 Old Santa Fe Trail  
Santa Fe, NM 87504-1148  
Ph. 505-827-5759  
[aholm@slo.state.nm.us](mailto:aholm@slo.state.nm.us)

---

**From:** Goetze, Phillip, EMNRD [<mailto:Phillip.Goetze@state.nm.us>]  
**Sent:** Wednesday, March 25, 2015 9:37 AM  
**To:** Holm, Anchor  
**Subject:** NMSLO Input SWD Conversion of the Pearl State No. 2 (30-025-28224)

Anchor:

I'm going over an old application by MNA to convert a Wolfcamp from a producer to injection (commercial). It's over a year old and I don't know if NMSLO had taken a look at the impact on trust revenues for the tract. The well info: Pearl State No. 2 (30-025-28224); J-10-19S-35E. Applicant is to use the same completion as production (perfs from 10513' to 10533'). I'm still going over production in the Scharb Wolfcamp pool and seeing the implications to active producers. At this point, I see no issues – but still doing the production in the area. Does the SLO have any concerns/comments on the application? I want to get this one off the books. Thanks. PRG

Phillip R. Goetze, P.G.  
Engineering and Geological Services Bureau, Oil Conservation Division  
1220 South St. Francis Drive, Santa Fe, NM 87505  
O: 505.476.3466 F: 505.476.3462  
[phillip.goetze@state.nm.us](mailto:phillip.goetze@state.nm.us)

Well_Name:	GRATEFUL BOD FEDERAL COM # 1H		API: 3001538990
Operator Name:	YATES PETROLEUM CORP		
Pool Name:	SAND TANK; BONE SPRING		
Month	Oil(BBLS)	Gas(MCF)	
14-Jul	1518	9122	
14-Aug	1549	10450	
14-Sep	1289	9561	
14-Oct	1299	4916	
14-Nov	829	7013	
14-Dec	795	7083	
15-Jan	679	6981	
<b>CUM</b>	<b>104565</b>	<b>292967</b>	



Pearl State No. 2 (30-025-28244): Oil Production vs. Time

