

| | | | | | |
|--------------|----------|------------------|-------------------|------|-------------------|
| DATE 7/31/08 | SUSPENSE | ENGINEER W Jones | LOGGED IN 7/31/08 | TYPE | APPROVAL 21355316 |
|--------------|----------|------------------|-------------------|------|-------------------|

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

[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.

John Cravey

Print or Type Name

Signature

Owner

Title

7/25/08

Date

jrcpetroleum@cebridge.net

e-mail Address

neostone_consultant@excite.com (agent)

RECEIVED
 2008 JUL 31 PM 2 48
 Dr. [Signature]

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: ***Salt Water Disposal*** and the application *qualifies* for administrative approval.
- II. OPERATOR: ***John Cravey dba JRC Petroleum***
ADDRESS: ***P.O. Box 447, 20 Winding Way, Pecos, Texas 79772***
CONTACT PARTY: ***John Cravey (432) 445-9331***
Agent: SOS Consulting, LLC – Ben Stone (903) 488-9850
- III. WELL DATA: All well data and wellbore diagrams are attached hereto.
- IV. ***This is not an expansion of an existing project however, the well had previously been approved for salt water disposal, OCD Order No.R-5348 (attached hereto) which was revoked 7/3/01 due to non-injection for a period of greater than one year by the former operator.***
- V. ***A map is attached*** 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. ***A tabulation is attached*** of data on all wells of public record within the area of review which penetrate the proposed injection zone. ***The data includes*** 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. ***The following data is attached*** 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. ***Appropriate geologic data on the injection zone is attached*** 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. ***No stimulation program is proposed at this time.***
- *X. ***There is no applicable logging and test data on the well however, any previous well logs have been filed with the Division and they need not be resubmitted.***
- *XI. ***There are no fresh water wells within one mile the proposed salt water disposal well.***
- XII. ***An affirmative statement is attached that available geologic and engineering data has been examined and no evidence was found*** of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. ***"Proof of Notice" section on the next page of this form has been completed.***

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: ***John Cravey*** TITLE: ***Owner, JRC Petroleum***

SIGNATURE: _____

DATE: ***7-05-08***

E-MAIL ADDRESS: ***jrcpetroleum@cebridge.net - Agent: SOS Consulting, LLC: neostone_consultant@excite.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 – *The following information and data is included:*

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 *pursuant to the following criteria is attached.*

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.

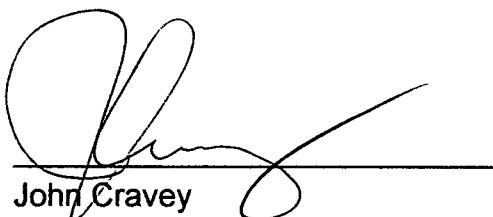
NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

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.

C-108 APPLICATION OVERVIEW STATEMENT

Pursuant to the request of the New Mexico Oil Conservation Division engineering and legal staff, I hereby certify that the following conditions are true to the best of my knowledge.

- 1) JRC Petroleum will by way of an Agreed Compliance Order, be in compliance with OCD Rule 40. Approval of this SWD application will enable three Bradley Federal producing wells to return to active status.
- 2) JRC Petroleum requests an initial injection pressure of 640 psi pursuant to the permitted pressure on the well prior to termination of injection operations. The requested injection pressure was and is based on a previously conducted step rate test which is included as part of this application.
- 3) SOS Consulting, LLC prepared this application and is available if additional information is required. SOS has no further involvement other than in a consulting / agent capacity for this application.

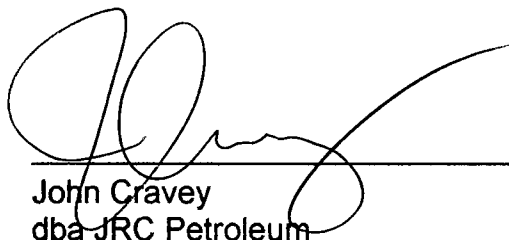


John Cravey
dba JRC Petroleum

C-108 ITEM XII – GEOLOGIC AFFIRMATION

We have examined available geologic and engineering data and have found no evidence of open faults or other hydrologic connection between the disposal interval and any underground sources of drinking water.

Further, prior reviews of such data determined the same results.



John Cravey
dba JRC Petroleum

C-108 - ITEM VII.5
(Delaware Water Analysis)

SAMPLE NO. _____

THE WESTERN COMPANY
Service Laboratory

WATER ANALYSIS

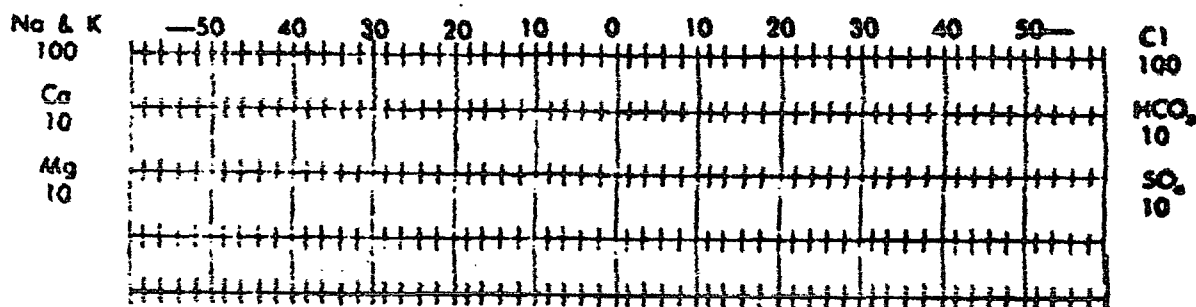
| | | | |
|-----------|-----------------|-------------------|-----------------|
| Operator | Thornton Hopper | Date Sampled | 3-7-69 |
| Well | Bradley Federal | Date Received | 3-11-69 |
| Field | Black River | Submitted by | Kermit District |
| Formation | Delaware | Worked by | Jones |
| Depth | 1850' | Other Description | Pit Sample |
| County | Eddy, N. M. | | |

CHEMICAL DETERMINATIONS

| | | | |
|----------------------|--------------|--------------------|-------------------|
| Density | 1.150 @ 70°F | pH | 8.6 |
| Iron | No Trace | Hydrogen Sulfide | Very Strong Trace |
| Sodium and Potassium | 77,200 ppm | Bicarbonate | 573 ppm |
| Calcium | 3,100 ppm | Sulfate | 3,400 ppm |
| Magnesium | 630 ppm | Phosphate | ppm |
| Chloride | 123,600 ppm | as Sodium Chloride | ppm |

Remarks:

for Stiff type plot (in meq./l.)





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

November 12, 1986

POST OFFICE BOX 2086
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-3800

Thornton Hopper
P. O. Box 953
Midland, Texas 79702

Re: Injection Pressure Increase
Bradley Federal No. 6 Well
Eddy County, New Mexico

Dear Sir:

Reference is made to your request of October 29, 1986 to increase the surface injection pressure on your Bradley Federal No. 6 Well. This request is based on a step rate test conducted on the well on September 11, 1986. The results of the test have been reviewed by my staff and we feel an increase in injection pressure on this well is justified at this time.

You are therefore authorized to increase your surface injection pressure on the following well:

| <u>Well & Location</u> | <u>Maximum Injection Surface Pressure</u> |
|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| Bradley Federal Well No. 6 1650 FSL & 990 FEL, Sec. 11 T-24 South, R-26 East, NMPM Eddy County, New Mexico. | 640 PSIG |

The Division Director may rescind this injection pressure increase if it becomes apparent that the injected water is not being confined to the injection zone or it is endangering any fresh water aquifers.

Sincerely,

R. L. STAMETS
Director

RLS/DRC/et

cc: Oil Conservation Division - Artesia

RECEIVED BY
B & DIX
OCT 27 1985
SIP
O. C. D.
POSTERIA, OFFICE

ED BY
B & DWELL TESTERS
OCT 27 1986 Stop Rate Test

| | | | | | | | |
|-----------------------------------------------------------------------------------------------------------------------|---|----------------|---|---------------|-------------|------------------------------|--------------------------|
| <div style="border: 2px solid black; padding: 5px; display: inline-block;"> O. C. D. OFFICE </div> | | | | | | Unit | |
| Company | | Bornton Hopper | | Test Date | 9-11-86 | Lease | Bradley Federal |
| Total Depth | | 2000' | | Plug Back TD | Elevation | Well # | 6 |
| Csg size | 7 | Wt | d | Set at | Perfs: From | To | 11 I |
| Tbg size | | Wt | d | Set at | Perfs: From | To | Sec 11 Twp-Blk 34 Rgs 26 |
| Producing thru | | | | Packer set at | | County Eddy State New Mexico | |
| | | | | | | Co. Rep | |

[illegible]

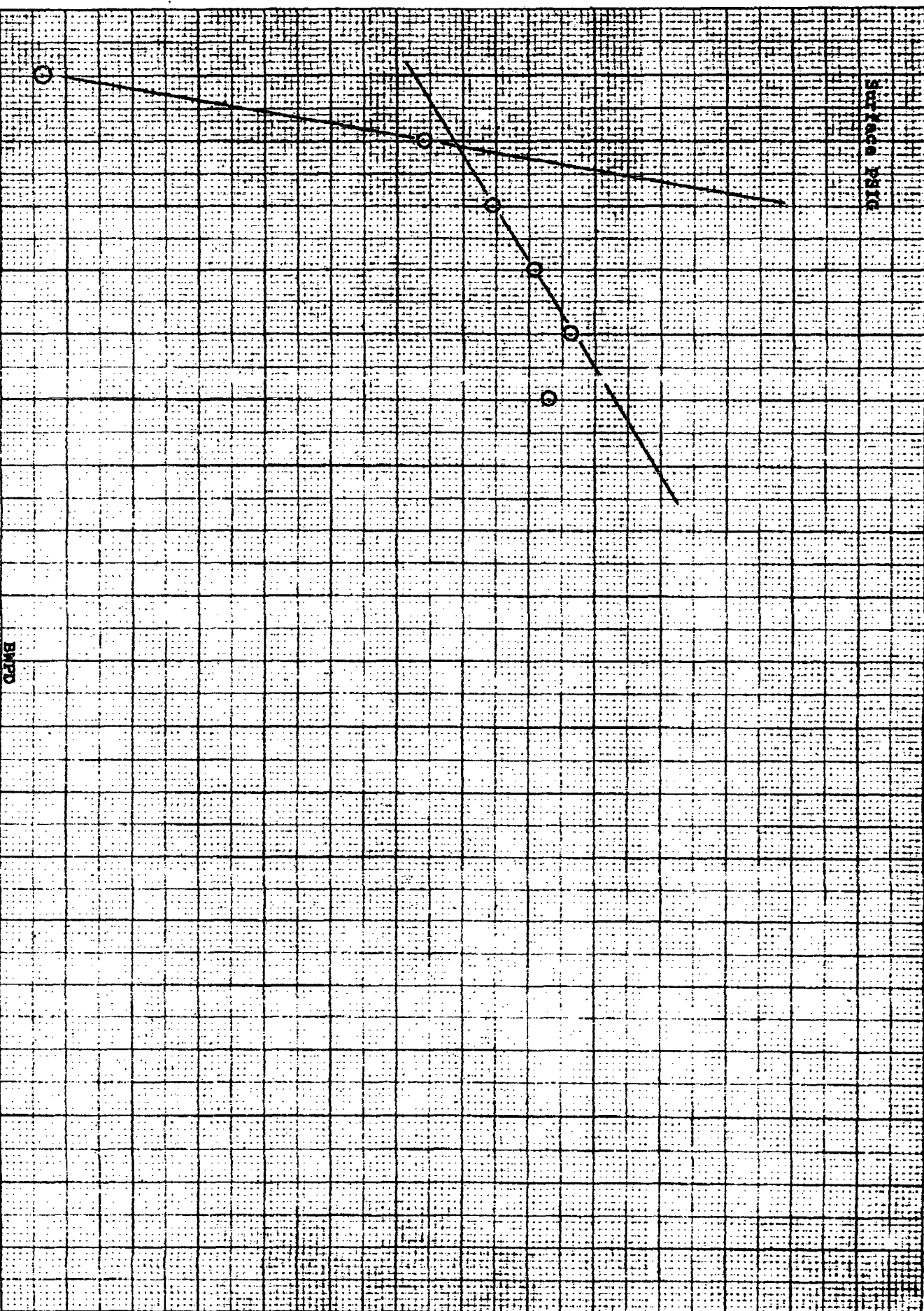
Thornton Hopper

Bardley Federal #5

9-11-86

Surface PSIG

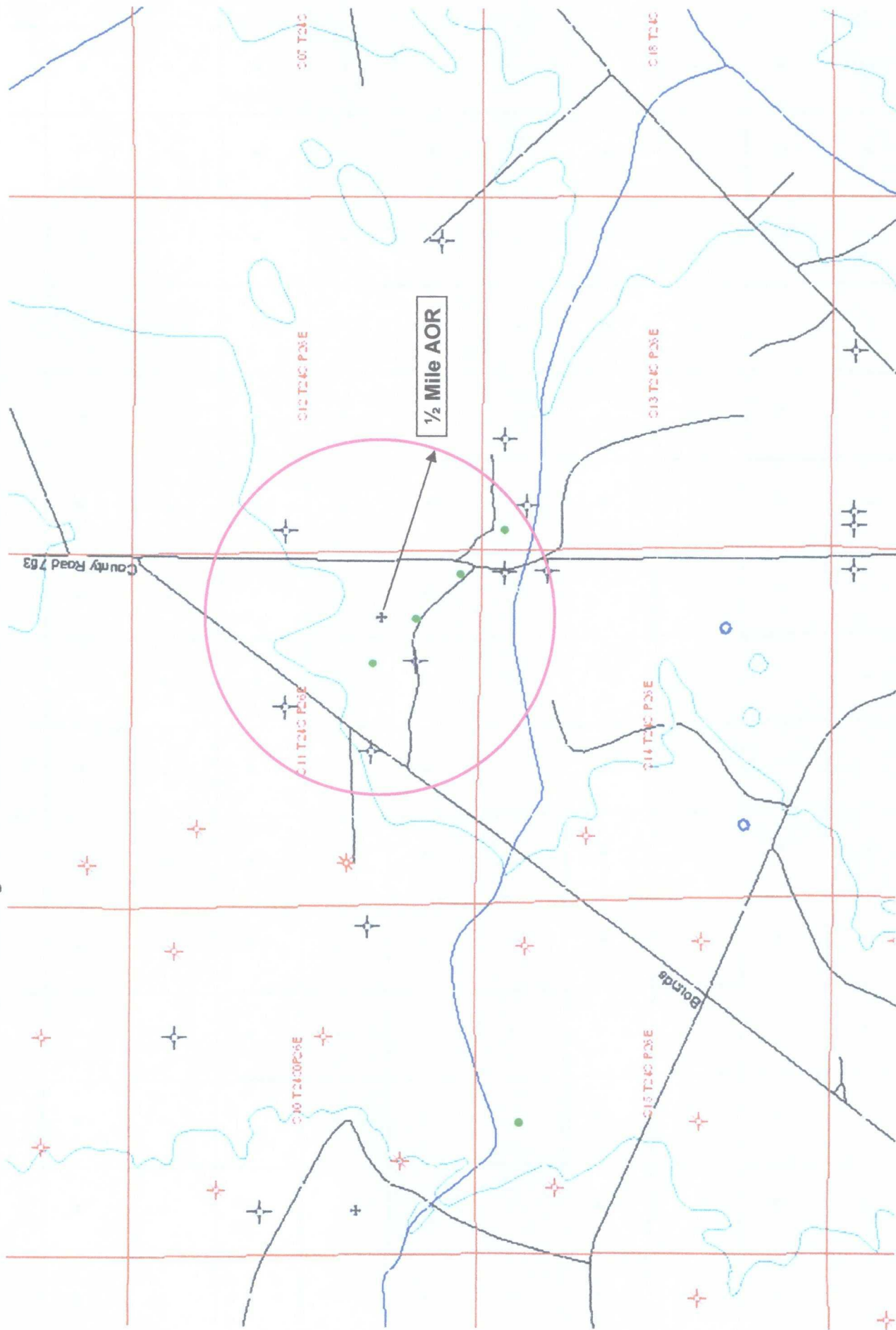
1300
1200
1100
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900
800
700
600
500
400
300
200
100



BMPD

50 100 150 200 250 300 350 400 450 500 550 600 650 700 750 800 850 900 950

Bradley Federal No.6 – Area of Review

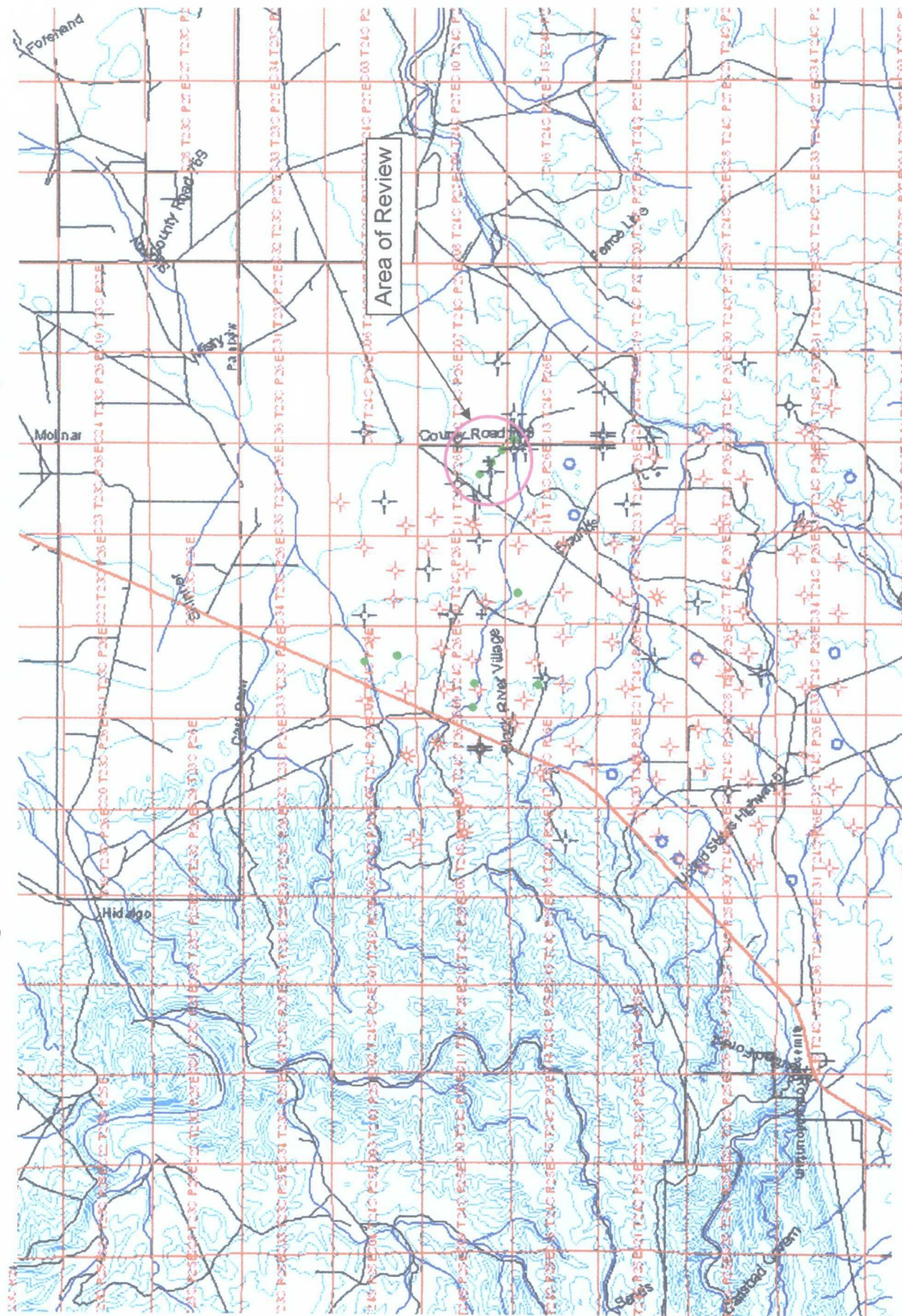


Well spots generated from
RBDMS database with most
current recordset provided by
NMT Octane AllWells.mdb



GIS Map by Sylvan Ascent
Drawn 7/9/08
Drawn by Ben Stone, SOS Consulting, LLC
For JRC Petroleum, Pecos, Texas

Subject Area – South of Carlsbad, NM



GIS Map by Sylvan Ascent

Drawn 7/9/08

Drawn by Ben Stone, SOS Consulting, LLC

For JRC Petroleum, Pecos, Texas

 SOS Consulting, LLC

Well spots generated from
RBDMS database with most
current recordset provided by
NMT Octane AllWells.mdb

[illegible]

Bradley Federal No.6 - Area of Review Well Data

SOS Consulting, LLC

BRADLEY FEDERAL 001 No.001

| API Number | Well No. | Well Type | Status | Operator | Sec | Twp | Rng | Latitude | Longitude |
|-------------------------------|----------|-----------|----------|-----------------------|----------------|---------|--------------|-------------|-------------|
| 30015003910000 | 001 | O | A | JOHN CRAVEY DBA JRC P | 13 | 24 | S 26 E | 32.22370932 | -104.254058 |
| Pipe, Borehole & Cement Data: | | | | | | | | | |
| | | | Diameter | Top of String | Bot. of String | Sx Cmt. | Bot. of Cmt. | Top of Cmt. | |
| | | HOLI | 8 | 0 | 1967 | | | | |
| | | PROD | 7 | 0 | 1948 | 50 | 1948 | 1287 | |

BRADLEY FEDERAL 002 No.002

| API Number | Well No. | Well Type | Status | Operator | Sec | Twp | Rng | Latitude | Longitude |
|-------------------------------|----------|-----------|----------|-----------------------|----------------|---------|--------------|-------------|-------------|
| 30015003870000 | 002 | O | A | JOHN CRAVEY DBA JRC P | 11 | 24 | S 26 E | 32.22555522 | -104.256227 |
| Pipe, Borehole & Cement Data: | | | | | | | | | |
| | | | Diameter | Top of String | Bot. of String | Sx Cmt. | Bot. of Cmt. | Top of Cmt. | |
| | | HOLI | 8 | 0 | 1996 | | | | |
| | | PROD | 7 | 0 | 1970 | 50 | 1970 | 1309 | |

BRADLEY FEDERAL 003 No.003

| API Number | Well No. | Well Type | Status | Operator | Sec | Twp | Rng | Latitude | Longitude |
|-------------------------------|----------|-----------|----------|----------------------|----------------|---------|--------------|-------------|-------------|
| 30015003950000 | 003 | O | P | PRE-ONGARD WELL OPER | 14 | 24 | S 26 E | 32.22192505 | -104.256181 |
| Pipe, Borehole & Cement Data: | | | | | | | | | |
| | | | Diameter | Top of String | Bot. of String | Sx Cmt. | Bot. of Cmt. | Top of Cmt. | |
| | | HOLI | 8 | 0 | 1967 | | | | |
| | | PROD | 7 | 0 | 1950 | 50 | 1950 | 1289 | |

BRADLEY FEDERAL 005 No.005

| API Number | Well No. | Well Type | Status | Operator | Sec | Twp | Rng | Latitude | Longitude |
|-------------------------------|----------|-----------|----------|-----------------------|----------------|---------|--------------|-------------|-------------|
| 30015003820000 | 005 | O | A | JOHN CRAVEY DBA JRC P | 11 | 24 | S 26 E | 32.22741356 | -104.258398 |
| Pipe, Borehole & Cement Data: | | | | | | | | | |
| | | | Diameter | Top of String | Bot. of String | Sx Cmt. | Bot. of Cmt. | Top of Cmt. | |
| | | HOLI | 8 | 0 | 1972 | | | | |
| | | PROD | 7 | 0 | 1936 | 50 | 1936 | 1275 | |

BRADLEY FEDERAL 006 No.006

| API Number | Well No. | Well Type | Status | Operator | Sec | Tw | Rng | Latitude | Longitude |
|----------------|----------|-----------|--------|-----------------------|-----|----|-----|----------|------------------------|
| 30015003860000 | 006 | S | A | JOHN CRAVEY DBA JRC P | 11 | 24 | S | 26 E | 32.2292287 -104.258424 |

Pipe, Borehole & Cement Data:

| Diameter | Top of String | Bot. of String | Sx Cmt. | Bot. of Cmt. | Top of Cmt. |
|----------|---------------|----------------|---------|--------------|-------------|
| HOL1 | 8 | 0 | 1987 | | |
| PROD | 7 | 0 | 1987 | 50 | 1987 |
| HOL2 | 4.5 | 1987 | 2100 | | |

BRADLEY FEDERAL 007 No.007

| API Number | Well No. | Well Type | Status | Operator | Sec | Tw | Rng | Latitude | Longitude |
|----------------|----------|-----------|--------|----------------------|-----|----|-----|----------|------------------------|
| 30015003850000 | 007 | O | P | PRE-ONGARD WELL OPER | 11 | 24 | S | 26 E | 32.2274567 -104.260544 |

Pipe, Borehole & Cement Data:

| Diameter | Top of String | Bot. of String | Sx Cmt. | Bot. of Cmt. | Top of Cmt. |
|----------|---------------|----------------|---------|--------------|-------------|
| HOL1 | 8 | 0 | 1955 | | |
| PROD | 7 | 0 | 1920 | 50 | 1920 |

BRADLEY FEDERAL 008 No.008

| API Number | Well No. | Well Type | Status | Operator | Sec | Tw | Rng | Latitude | Longitude |
|----------------|----------|-----------|--------|-----------------------|-----|----|-----|----------|-------------------------|
| 30015003830000 | 008 | O | A | JOHN CRAVEY DBA JRC P | 11 | 24 | S | 26 E | 32.22927184 -104.260569 |

Pipe, Borehole & Cement Data:

| Diameter | Top of String | Bot. of String | Sx Cmt. | Bot. of Cmt. | Top of Cmt. |
|----------|---------------|----------------|---------|--------------|-------------|
| HOL1 | 8 | 0 | 1975 | | |
| PROD | 7 | 0 | 1965 | 50 | 1965 |

BRADLEY FEDERAL 009 No.009

| API Number | Well No. | Well Type | Status | Operator | Sec | Tw | Rng | Latitude | Longitude |
|----------------|----------|-----------|--------|----------------------|-----|----|-----|----------|-------------------------|
| 30015003840000 | 009 | O | P | PRE-ONGARD WELL OPER | 11 | 24 | S | 26 E | 32.22935899 -104.264907 |

Pipe, Borehole & Cement Data:

| Diameter | Top of String | Bot. of String | Sx Cmt. | Bot. of Cmt. | Top of Cmt. |
|----------|---------------|----------------|---------|--------------|-------------|
| HOL1 | 8 | 0 | 2000 | | |
| PROD | 7 | 0 | 1980 | 50 | 1990 |

CHAYTOR PERMIT 001 No.001

| API Number | Well No. | Well Type | Status | Operator | Sec | Twp | Rng | Latitude | Longitude |
|----------------|----------|-----------|--------|----------------------|-----|------|------|-------------|-------------|
| 30015003940000 | 001 | O | P | PRE-ONGARD WELL OPER | 14 | 24 S | 26 E | 32.22374011 | -104.256203 |

Pipe, Borehole & Cement Data:

| | Diameter | Top of String | Bot. of String | Sx Cmt. | Bot. of Cmt. | Top of Cmt. |
|------|----------|---------------|----------------|---------|--------------|-------------|
| HOL1 | 7.25 | 0 | 1980 | | | |
| PROD | 5.5 | 0 | 1967 | 100 | 1967 | 845 |

FEDERAL D 006 No.001

| API Number | Well No. | Well Type | Status | Operator | Sec | Twp | Rng | Latitude | Longitude |
|----------------|----------|-----------|--------|----------------------|-----|------|------|-------------|-------------|
| 30015003880000 | 001 | O | P | PRE-ONGARD WELL OPER | 11 | 24 S | 26 E | 32.23293355 | -104.262766 |

Pipe, Borehole & Cement Data:

| | Diameter | Top of String | Bot. of String | Sx Cmt. | Bot. of Cmt. | Top of Cmt. |
|------|----------|---------------|----------------|---------|--------------|-------------|
| HOL1 | 12.25 | 0 | 200 | | | |
| SURF | 8.625 | 0 | 200 | 200 | 200 | 0 |
| HOL2 | 7.875 | 0 | 2100 | | | |
| PROD | 5.5 | 0 | 2100 | 175 | 2100 | 900 |

WRIGHT No.001

| API Number | Well No. | Well Type | Status | Operator | Sec | Twp | Rng | Latitude | Longitude |
|----------------|----------|-----------|--------|----------------------|-----|------|------|-------------|-------------|
| 30015003330000 | 001 | O | P | PRE-ONGARD WELL OPER | 12 | 24 S | 26 E | 32.23286123 | -104.254185 |

Pipe, Borehole & Cement Data:

| | Diameter | Top of String | Bot. of String | Sx Cmt. | Bot. of Cmt. | Top of Cmt. |
|------|----------|---------------|----------------|---------|--------------|-------------|
| HOL1 | 10.5 | 0 | | | | |
| SURF | 8 | 0 | 300 | 250 | 300 | 0 |
| HOL2 | 7.25 | 0 | | | | |
| PROD | 5.5 | 0 | 2018 | 100 | 2018 | 1156 |

PROPOSED WELL CONFIGURATION

Spud Date: 03/05/1949

GL Elevation: 3271'

RUSTLER

S
A
L
A
D
OLITHOLOGY APPROXIMATION
CASTLEDE
LA
WA
RE

Bradley Federal No. 6

API No. 30-015-00386

Location: 660' FSL & ~~660' FWL~~

Section 36, Twp 7S, Rng 30E, NMPM

~~Latitude: 33.657845 Longitude: -103.838686~~

Eddy County, New Mexico

Delaware; SWD (Pool No.96100)

Formation: Rustler (Top ~500')

Formation: Salado (Top ~1075')

Casing/Tubing Annulus loaded with Packer Fluid.

Formation: Castile (Top ~1175' Mixed Anhydrite)

Cement: 50 Sacks Class C from 1987' to 1316' (by CALC.)

Tubing: 2.375" Plastic Coated @ 1895'

Packer: 7.0" PKR @ 1900'

Production: 7.0" 20.0# @ 1987' (Borehole 8.0")

Formation: Delaware (Upper Sand - Top 1966')

Perforations (Squeezed):

Top: 1940-48'

Bottom: 1969-85'

Openhole: 4.5" OH from 1987' to 2100'

DTD: 2100'

SOS Consulting, LLC

Bradley Federal No. 6

API No. 30-015-00386

~~Location: 660' FSL & 660' FWL~~

~~Section 36, Twp 7S, Rng 30E, NMPM~~

~~Latitude: 33.657845 Longitude: -103.838686~~

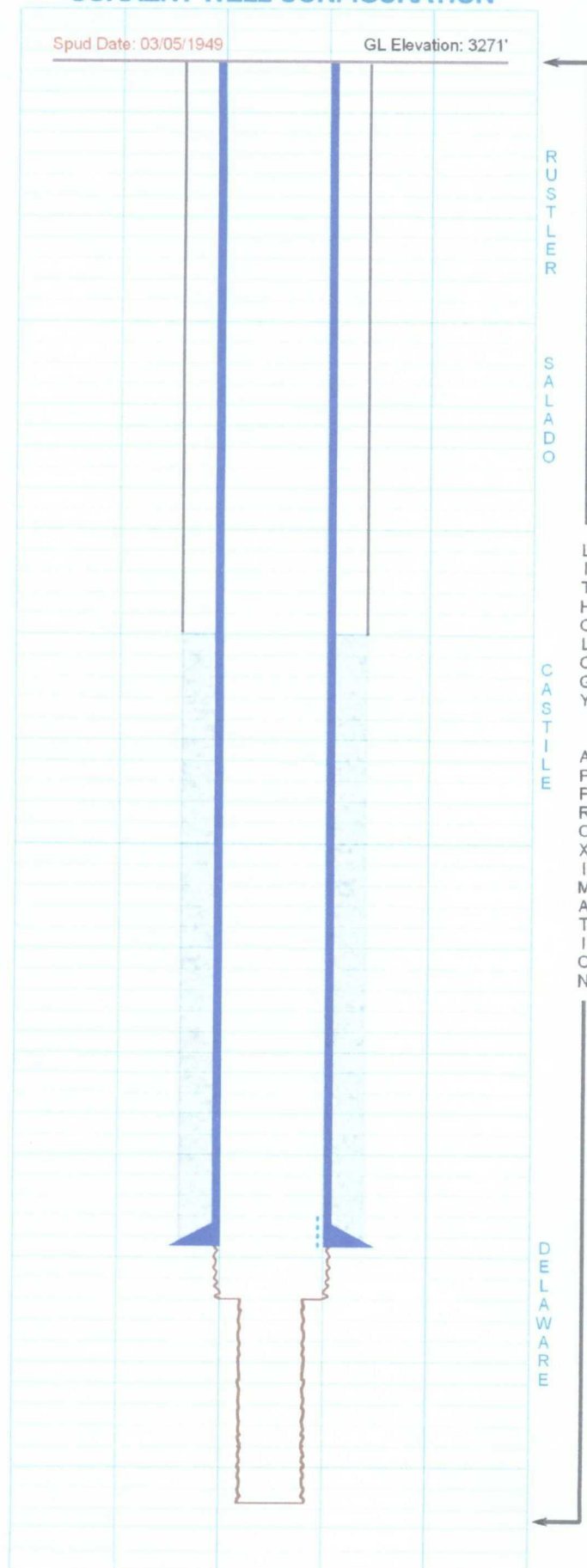
Eddy County, New Mexico

Delaware; SWD (Pool No.96100)

CURRENT WELL CONFIGURATION

Spud Date: 03/05/1949

GL Elevation: 3271'



RUSTLER

SALADO

LITHOLOGY
CASTILE
APPROXIMATION

DELAWARE

Formation: Rustler (Top ~500')

Formation: Salado (Top ~1075')

~~Casing/Tubing Annulus loaded with Packer Fluid.~~

Formation: Castile (Top ~1175' Mixed Anhydrite)

Cement: 50 Sacks Class C from 1987' to 1316' (by CALC.)

Production: 7.0" 20.0# @ 1987' (Borehole 8.0")

Formation: Delaware (Upper Sand - Top 1966')

Perforations (Squeezed):

Top: 1940-48'

Bottom: 1969-85'

Openhole: 4.5" OH from 1987' to 2100'

DTD: 2100'

Pre-ONGARD Operator

CURRENT WELL CONFIGURATION

Plugged and Abandoned 1967

Chaytor Permit No. 1

API No. 30-015-00394

Location: 330' FNL & 330' FEL

Section 14, Twp 24S, Rng 26E, NMPM

Latitude: 32.223740 Longitude: -104.256203

Eddy County, New Mexico

Cement Plug: 3 sx 20' - 0'

Formation: Rustler

Formation: Salado

Cement Plug: 5 sx 1037' - 1000'

Mud Between Plugs

Formation: Castile

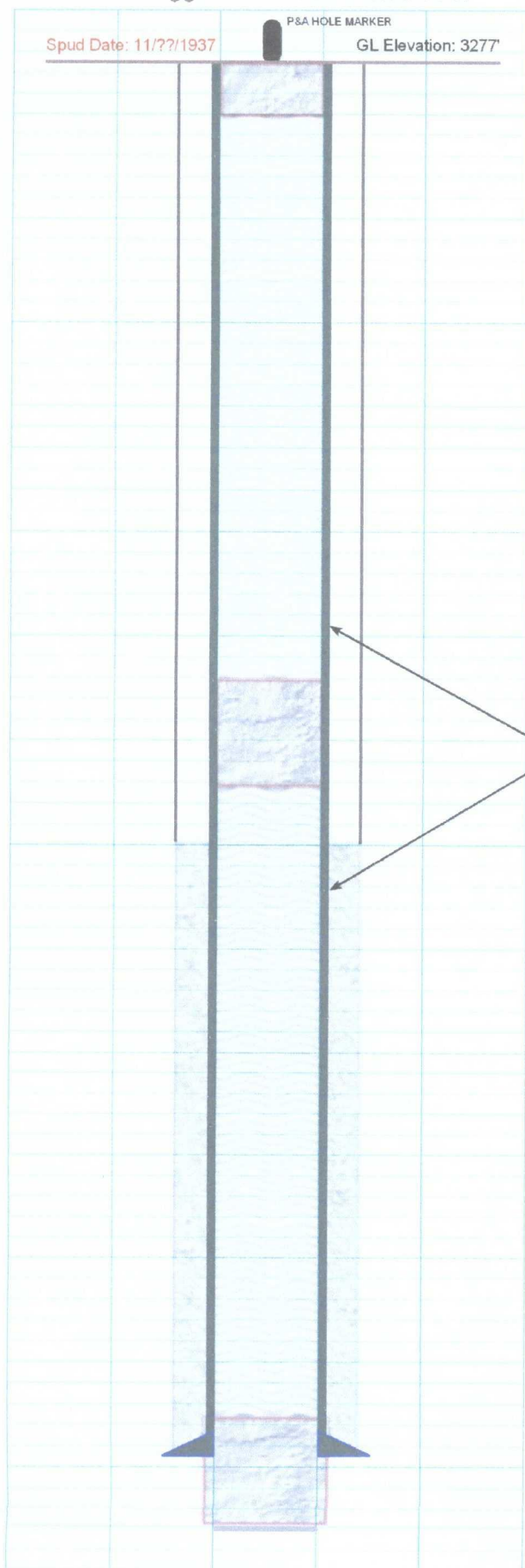
Formation: Delaware

Production: 5.5" 14.5# @ 1967' (Borehole 7.25")

Cement: 100 Sacks Class C from 1967' to 845' (CALC)

Cement Plug: 15 sx 1975' - 1928'

TD: 1980'



Pre-ONGARD Operator

CURRENT WELL CONFIGURATION

Plugged and Abandoned 4/01/1958

Federal 'D' No. 1

API No. 30-015-00388

Location: 2310' FNL & 2310' FEL

Section 11, Twp 24S, Rng 26E, NMPM

Latitude: 32.232934 Longitude: -104.262766

Eddy County, New Mexico

Spud Date: 2/01/1958

P&A HOLE MARKER

GL Elevation: 3291'

Cement Plug: 5 sx 25' - 0'

Formation: Rustler

Surface: 8.625" 24# @ 263' (Borehole 12.25")

Cement: 300 Sacks Class C from 263' to 0' (Circulated)

Formation: Salado

Cement Plug: 10 sx 1060' - 1010'

Mud Between Plugs

Formation: Castile

Formation: Delaware

Production: 5.5" 14.5# @ 2100' (Borehole 7.875")

Cement: 175 Sacks Class C from 2018' to 1110' (CALC)

Cement Plug: 25 sx 2100' - 1875'

TD: 2100'

Pre-ONGARD Operator

CURRENT WELL CONFIGURATION

Plugged and Abandoned 8/01/1954

Wright No. 1

API No. 30-015-00333

Location: 2310' FNL & 330' FWL

Section 12, Twp 24S, Rng 26E, NMPM

Latitude: 32.232934 Longitude: -104.256203

Eddy County, New Mexico

Cement Plug: 3 sx 10' - 0'

Formation: Rustler

Surface: 8.0" 32# @ 300' (Borehole 10.5" - All 8" Pulled)

Cement: 150 Sacks Class C from 298' to 0' (Circulated)

Formation: Salado

Cement Plug: 10 sx 1030' - 1000'

Mud Between Plugs (AquaGel)

Formation: Castile

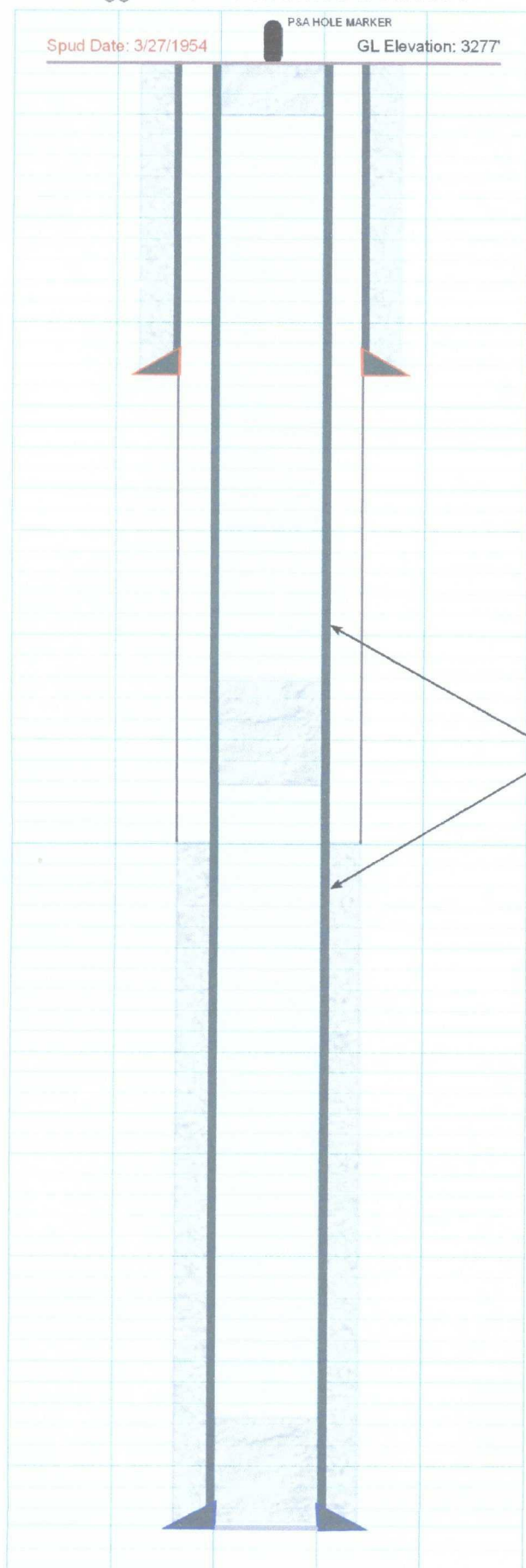
Formation: Delaware

Production: 5.5" 14.5# @ 2018' (Borehole 7.25")

Cement: 250 Sacks Class C from 2018' to 1156' (CALC)

Cement Plug: 25 sx 2018' - 1940'

TD: 2018'



Pre-ONGARD Operator

CURRENT WELL CONFIGURATION

Plugged and Abandoned

Bradley Federal No. 7

API No. 30-015-00385

Location: 990' FSL & 1650' FEL

Section 11, Twp 24S, Rng 26E, NMPM

Latitude: 32.227457 Longitude: -104.260544

Eddy County, New Mexico

Cement Plug: 15 sx 60' - 0'

Formation: Rustler

Formation: Salado

Cement Plug: 10 sx 1100' - 1060'

Mud Between Plugs

Formation: Castile

Cement Plug: 10 sx 1620' - 1605'

Formation: Delaware

Production: 7.0" 23# @ 1920' (Borehole 8.0")

Cement: 50 Sacks Class C from 1920' to 1470' (CALC)

Cement Plug: 25 sx 1955' - 1883'

TD: 1955'

Pre-ONGARD Operator

CURRENT WELL CONFIGURATION

Plugged and Abandoned

Bradley Federal No. 8

API No. 30-015-00383

Location: 1650' FSL & 1650' FEL

Section 11, Twp 24S, Rng 26E, NMPM

Latitude: 32.229272 Longitude: -104.260569

Eddy County, New Mexico

Cement Plug: 15 sx 60' - 0'

Formation: Rustler

Formation: Salado

Cement Plug: 10 sx 1125' - 1075'

Mud Between Plugs

Formation: Castile

Cement Plug: 10 sx 1665' - 1625'

Formation: Delaware

Production: 7.0" 23# @ 1965' (Borehole 8.0")

Cement: 50 Sacks Class C from 1965' to 1515' (CALC)

Cement Plug: 25 sx 1975' - 1750'

TD: 1975'

Pre-ONGARD Operator

CURRENT WELL CONFIGURATION

Plugged and Abandoned

Bradley Federal No. 9

API No. 30-015-00384

Location: 1650' FSL & 2310' FWL

Section 11, Twp 24S, Rng 26E, NMPM

Latitude: 32.229359 Longitude: -104.264907

Eddy County, New Mexico

Spud Date: ?/??/1949

P&A HOLE MARKER

GL Elevation: 3289'

Cement Plug: 15 sx 60' - 0'

Formation: Rustler

Formation: Salado

Cement Plug: 10 sx 1115' - 1075'

Mud Between Plugs

Formation: Castile

Cement Plug: 10 sx 1670' - 1625'

Formation: Delaware

Production: 7.0" 23# @ 1980' (Borehole 8.0")

Cement: 50 Sacks Class C from 1980' to 1530' (CALC)

Cement Plug: 25 sx 2000' - 1928'

TD: 2000'

**C-108 ITEM XIII – PROOF OF NOTIFICATION
INTERESTED PARTY LIST**

SURFACE OWNER

U.S. Department of Interior
Bureau of Land Management
Oil & Gas Division
620 E. Greene Street
Carlsbad, NM 88220

100% LESSEE of RECORD

O'Neill Properties, LTD
P.O. Box 2840
Midland, TX 79702

REGULATORY

New Mexico Oil Conservation Division
1301 W. Grand Avenue
Artesia, NM 88210



July 21, 2008

NOTIFICATION TO INTERESTED PARTIES

To Whom It May Concern:

JRC Petroleum, Pecos, Texas has made application to the New Mexico Oil Conservation Division to convert its Bradley Federal No.6 for the purpose of salt water disposal.

Following is the notice as published in the Carlsbad Current Argus, Carlsbad, New Mexico on Thursday, July 10, 2008.

LEGAL NOTICE

John Cravey dba JRC Petroleum, P.O. Box 447, Pecos, TX 79772 is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division for administrative approval for salt water disposal in its Bradley Federal Well No.6. The well, API No.30-015-00386 is located 1650 FSL & 990 FEL in Section 11, Township 24 South, Range 26 East in Eddy County, New Mexico. Produced water from the Delaware formation will be disposed into the Delaware formation from approximately 1987 to 2100 feet at a maximum injection pressure of 640 psi and a maximum rate of 300 barrels per day.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87505 within 15 days of the date of this notice. Additional information may be obtained from JRC Petroleum (432)445-9331 or its agent, SOS Consulting, LLC, (903)488-9850.

Thank you for your attention in this matter.

Regards,

Ben Stone, SOS Consulting, LLC
Agent for JRC Petroleum

Cc: Application File

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Kathy McCarroll, being first duly sworn,
on oath says:

That she is the Classified Supervisor 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:

July 10 _____ 2008

That the cost of publication is \$ **43.79** that Payment Thereof has been made and will be assessed as court costs.

Kathy McCarroll

Subscribed and sworn to before me this

17th day of July, 2008

Stephanie Dobson

My commission Expires on 1/25/2010

Notary Public



John Cravey dba JRC
Petroleum, P.O. Box
447, Pecos, TX 79772

is filing Form C-108
(Application for Au-
thority to Inject) with
the New Mexico Oil

Conservation Division
for administrative ap-
proval for salt water
disposal in its Bradley

Federal Well No. 6.
The well, API No. 30-
015-00386 is located
1650 FSL & 990 FEL
in Section 11, Town-
ship 24 South, Range
26 East in Eddy Coun-
ty, New Mexico.

Produced water from
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1220 St. Francis Dr.,
Santa Fe, NM 87505
within 15 days of the
date of this notice.
Additional informa-
tion may be obtained
from JRC Petroleum
(432) 445-9331 or its
agent, SOS Consult-
ing, LLC, (903) 488-
9850.

Inactive Well List

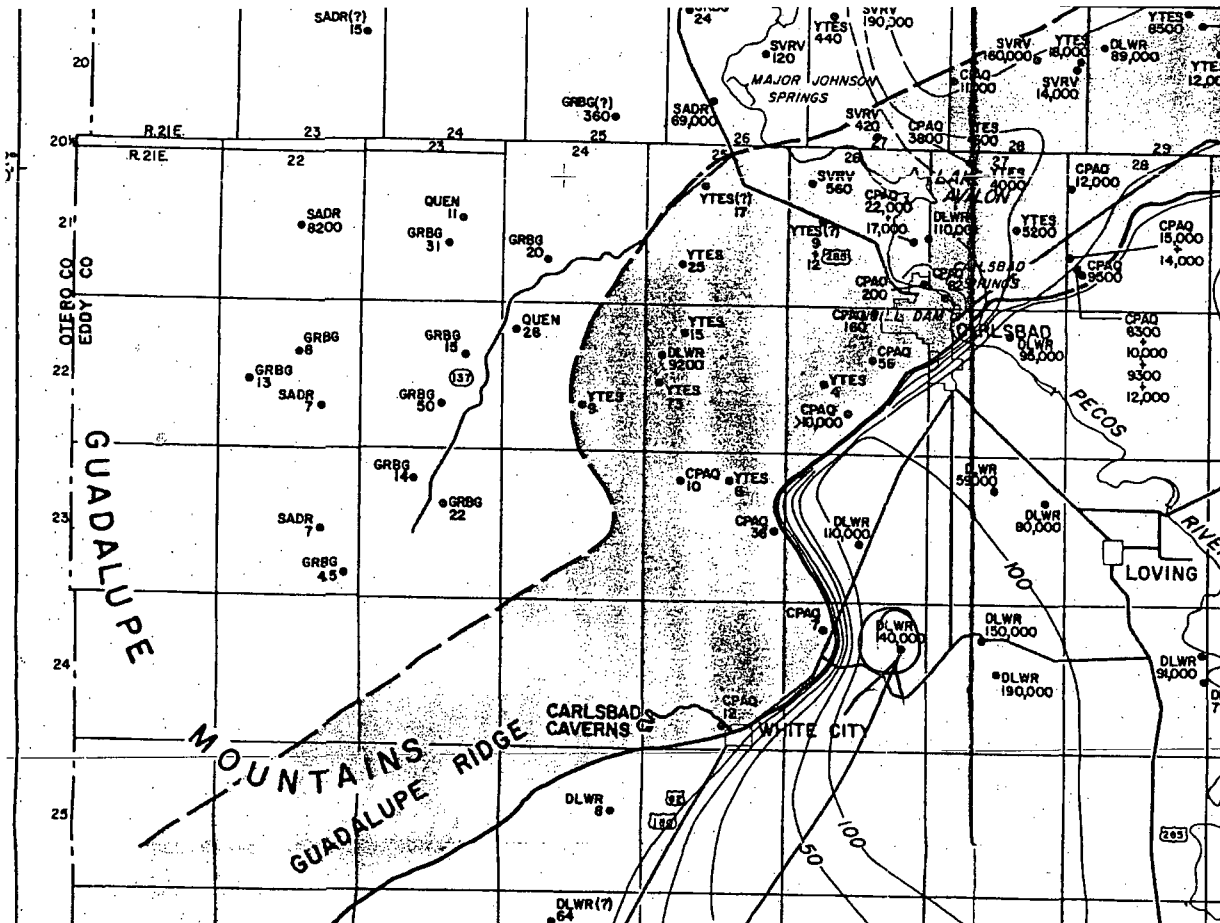
Total Well Count: 5 Inactive Well Count: 3 Since: 6/26/2007

Printed On: Thursday, September 18 2008

| District | API | Well | ULSTR | OCD Unit | OGRID | Operator | Lease Type | Well Type | Last Production | Formation/Notes | Status | TA Exp Date |
|----------|--------------|-------------------------|--------------|----------|--------|-------------------------------------|------------|-----------|-----------------|-----------------|--------|-------------|
| 2 | 30-015-00387 | BRADLEY FEDERAL #002 | P-11-24S-26E | P | 252682 | JOHN CRAVEY DBA JRC PETROLEUM | F | O | 12/1992 | | | |
| 2 | 30-015-00382 | BRADLEY FEDERAL #005 | P-11-24S-26E | P | 252682 | JOHN CRAVEY DBA JRC PETROLEUM | F | O | 12/1992 | | | |
| 2 | 30-015-00383 | BRADLEY FEDERAL #008 | K-11-24S-26E | K | 252682 | JOHN CRAVEY DBA JRC PETROLEUM | F | O | 12/1992 | | | |

WHERE Ogrid:252682, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15, Excludes Wells Under ACOI, Excludes Wells in Approved TA Period

*These wells may produce
if SWD is approved - WJD*



THIS area

Injection Permit Checklist (7/8/08)

Case _____ R- SWD 1141 WFX _____ PMX _____ IPI _____ Permit Date Sept 18/08 UIC Qtr July or Sept

Wells _____ Well Name: Bradley Fabrik #6

API Num: (30-) 015-00386 Spud Date: 1949 New/Old: 0 (UIC primacy March 7, 1982)

Footages 10515L/6000H Unit I Sec 33 Tsp 245 Rge 26E County EDDY

Operator: John Cravey dba JRC Petroleum Contact John Cravey / Ben Stone

OGRID: 252682 RULE 40 Compliance (Wells) 3/5 (Finan Assur) OK

Operator Address: PO Box 447, 20 WINDING Way, PECOS, TX 79772

Current Status of Well: POOR CMT @ Base of PIPE

Planned Work to Well:

Planned Tubing Size/Depth: 2 3/8" @ 1950

| | Sizes Hole.....Pipe | Setting Depths | Cement Sx or Cf | Cement Top and Determination Method |
|-----------------------------|------------------------|-------------------|--------------------|----------------------------------------|
| Existing _____ Surface | | | | |
| Existing _____ Intermediate | | | | |
| Existing _____ Long String | <u>8" - 7"</u> | <u>1983</u> | <u>100 50</u> | <u>1316 To C</u> |

OV Tool _____ Line _____ Open Hole Yes Total Depth _____ PBDT _____

Well File Reviewed ✓ TIGHT Eij Zone

Diagrams: Before Conversion _____ After Conversion _____ Elogs in Imaging File: ✓ CEL/GR-N

| Intervals: | Depths | Formation | Producing (Yes/No) |
|------------------------------------|--------------|------------|--------------------|
| Above (Name and Top) | | | |
| Above (Name and Top) | | | |
| Injection..... Interval TOP: | <u>1987'</u> | <u>Del</u> | |
| Injection..... Interval BOTTOM: | <u>2100'</u> | <u>Del</u> | |
| Below (Name and Top) | | | |

Core 3823
11/17/77
R-5348 Prein SWD
revised BY INACTIVITY
7/5/01
640 Per 11/12/88 OGD letter
PSI Max. WHIP
yes Open Hole (Y/N)
NO Deviated Hole?

Sensitive Areas: Capitan Reef Cliff House Salt Depths 500 - 1075'

.... Potash Area (R-111-P) ✓ Potash Lessee _____ Noticed? _____

Fresh Water: Depths: 0-160' Wells (Y/N) None Analysis Included (Y/N): _____ Affirmative Statement ✓

Salt Water: Injection Water Types: Del Analysis? _____

Injection Interval..... Water Analysis: Del Hydrocarbon Potential 1/2 in offset wells

Notice: Newspaper (Y/N) ✓ Surface Owner BLM Mineral Owner(s) _____

RULE 701B(2) Affected Parties: ONeil Prop

Area of Review: Adequate Map (Y/N) ✓ and Well List (Y/N) ✓

Active Wells 5 Num Repairs NO Producing in Injection Interval in AOR ?

..P&A Wells 6 Num Repairs NO All Wellbore Diagrams Included? Yes

Questions to be Answered:

No Cert. Receipts Sent
RUN INT Survey on O.H. w/in 6 months
IF deeper / True in Ben Test

Required Work on This Well: _____ Request Sent _____ Reply: _____

AOR Repairs Needed: _____ Request Sent _____ Reply: _____

_____ Request Sent _____ Reply: _____