

DATE IN 7-27-10	SUSPENSE	ENGINEER WA	LOGGED IN 7-27-10	TYPE SWD	APP NO. 1020851539
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

RECEIVED - Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



Remuda Basin St. #1
30-015-28422
XTO ✓

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.

Kristy Ward
Print or Type Name

Signature

Regulatory Analyst
Title

Date

kristy_ward@xtoenergy.com
e-mail Address

7/15/10

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance ☒ _____ Disposal _____ Storage
Application qualifies for administrative approval? ☒ Yes _____ No
- II. OPERATOR: XTO Energy, Inc.
ADDRESS: 200 N. Loraine, Ste. 800 Midland, TX 79705
CONTACT PARTY: Kristy Ward PHONE: 432-620-6740
- 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: N/A
- 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. **Attached.**
- 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. **Attached.**
- VII. Attach data on the proposed operation, including: **Attached.**
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.). **See Attached Water Analysis**
- *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. **Attached.**
- IX. Describe the proposed stimulation program, if any. **Attached.**
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted). **Logs Attached.**
- *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. **N/A – See Explanation Attached**
- 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. **Attached.**
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form. **Attached.**
- 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: Kristy Ward TITLE: Regulatory Analyst
SIGNATURE: Kristy Ward DATE: June 15, 2010
E-MAIL ADDRESS: kristy_ward@xtoenergy.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: **Wellbore Diagrams Attached.**

- (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. **Bell Canyon, Nash Draw**
- (2) The injection interval and whether it is perforated or open-hole. **3336'-4048' - Perforated**
- (3) State if the well was drilled for injection or, if not, the original purpose of the well. **Producer**
- (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. **See Wellbore Diagram Attached.**
- (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.
The lowest injection zone is approx. 700' above the uppermost pay objection in the Nash Draw Delaware Fld. The uppermost injection zone is 50' below the top of the Delaware.

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. **The Surface land is owned by the State of New Mexico. Attached.**

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: **Attached.**

- (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: XTO Energy, Inc.WELL NAME & NUMBER: Remuda Basin State #1WELL LOCATION: 1980' FNL & 1930' FWL F 19 23S 30E
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGEWELLBORE SCHEMATICWELL CONSTRUCTION DATASurface CasingHole Size: 14 3/4" Casing Size: 11 3/4"Cemented with: 800 sx. or ft³Top of Cement: Surface Method Determined: CirculatedIntermediate CasingHole Size: 11" Casing Size: 8 5/8"Cemented with: 800 sx. or ft³Top of Cement: Surface Method Determined: CirculatedProduction CasingHole Size: 7 7/8" Casing Size: 5 1/2"Cemented with: 1650 sx. or ft³Top of Cement: 3054' Method Determined: CirculatedTotal Depth: 7600'Injection Interval3336' feet to 4048' Perforated

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEETTubing Size: 2 7/8" Lining Material: IPCType of Packer: Loc-SetPacker Setting Depth: 3275'Other Type of Tubing/Casing Seal (if applicable): N/AAdditional Data

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

If no, for what purpose was the well originally drilled? Oil Producer

2. Name of the Injection Formation: Bell Canyon

3. Name of Field or Pool (if applicable): Nash Draw

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. Yes. See Wellbore Diagram

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Delaware 7010'-7070' Below

XTO Energy Inc.
Remuda Basin State #1 SWD #1
API # 30-015-28422
Section: 19, Township: 23S, Range: 30E
Eddy County, New Mexico
C-108 (Application for the Authorization to Inject)

VII. Data For Proposed Operation

1. Proposed average and maximum daily rate and volume of fluids to be injected.
Average daily rate – 1500 BWIPD; Maximum Daily Rate – 3000 BWIPD.
2. System is closed.
3. Proposed average and maximum injection pressure – Average – 350 psi;
Maximum – 667 psi
4. The source of the injection fluids will be the produced water from the Nash Draw & Remuda Basin wells producing from 4400' to 7300'.
5. See Water Analysis Attached.

VIII. Geologic Data

Zones to be injected: 3336'-3360', 3380'-3392', 3398'-3438', 3458'-3466', 3474'-3487', 3504'-3522', 3660'-3696', 3711'-3750', 3774'-3832', 3922'-3932', 3960'-3982', 3999'-4048'

The proposed injection interval is the Bell Canyon Formation which is comprised of fine grained sandstones. In the Remuda Basin State #1, the top of the Bell Canyon is at 3335' MD and is approximately 800 feet thick. The Bell Canyon is not productive in the immediate vicinity no mudlog shows were noted in the Bell Canyon in any nearby wells. The nearest producing zone in the underlying Cherry Canyon is strategically 500 feet deeper than the lowest proposed perforation.

IX. Proposed Stimulation Program

The subject well will be fraced with 30,000 gal treated FW, 90,000 gal of 25# x-linked gel & 150,000# of 16/30 proppant.

X. Well Test Information

No well Test Information available. Logs are attached.

XI. Chemical Analysis

There are no fresh water wells within one mile of the Remuda Basin State #1.

XII. Geological Statement

XTO Energy has examined all available geologic and engineering data in this area and finds no evidence of open faults or other hydrologic connections between the disposal zone and any underground sources of drinking water.

XIII. Proof of Notice

Proof of Notice on Attached Page.

XIV. Surface Owner

The land is all State Land. The grazing owner is:

Hart M. Greenwood, Jr.
P.O. Box 104
Carlsbad, NM 88220
575-885-4254

State of New Mexico
Commissioner of Public Lands
P.O. Box 1148
Santa Fe, NM 87504-1148

Offset Operators Within Half-Mile Radius (active wells)

BEPCO, L.P.
P.O. Box 2760
Midland, TX 79706

Yates Petroleum Corp.
105 S. 4th
Artesia, NM 88210

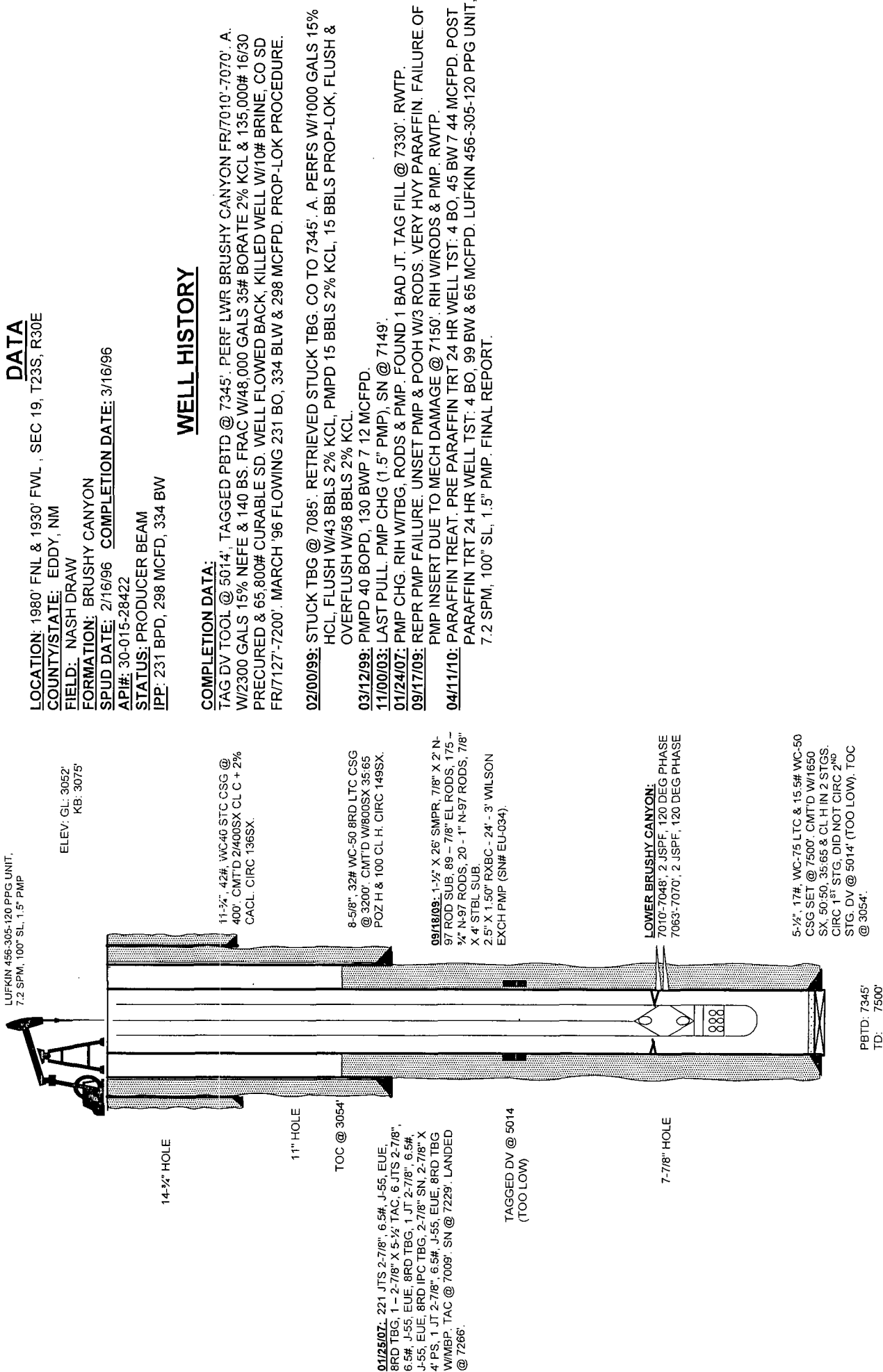
XTO Energy Inc.
200 N. Loraine, Ste. 800
Midland, TX 79701

***Notification was not sent to BEPCO, L.P. & Yates Petroleum due to wells not drilled. Please advise if we need to. XTO was the only other offset operator.**

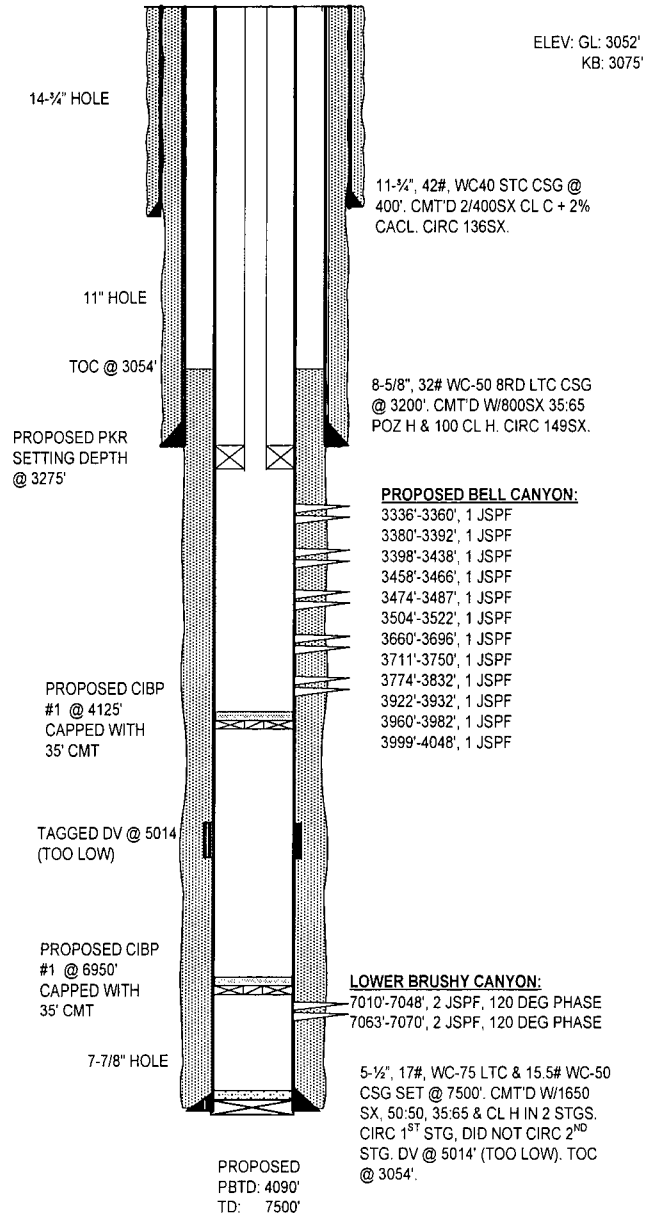
I, Kristy Ward, do hereby certify that on June 15, 2010, the above and attached listed interest parties were mailed copies of the application to dispose of water in the Remuda Basin State #1 well.

Kristy Ward
Regulatory Analyst

REMUDA BASIN STATE 01
WELLBORE DIAGRAM



REMUDA BASIN STATE #1Q PROPOSED WELLBORE DIAGRAM AFTER CONVERSION



DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.	30-015-28422
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	REMUDA BASIN STATE
8. Well No.	1
9. Pool Name or Wildcat	LOWER BRUSHY CANYON
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3052'

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT (FORM C-101) FOR SUCH PROPOSALS.	
1. Type of Well:	OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/>
2. Name of Operator	TEXACO EXPLORATION & PRODUCTION INC.
3. Address of Operator	P.O. Box 46510, Denver Colorado 80201-6510
4. Well Location	Unit Letter <u>F</u> : <u>1980</u> Feet From The <u>NORTH</u> Line and <u>1930</u> Feet From The <u>WEST</u> Line Section <u>19</u> Township <u>23-S</u> Range <u>30-E</u> NMPM <u>EDDY</u> COUNTY
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3052'

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPERATION ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☒ SPUD, SURF CSG, PROD CSG.

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

- PETERSON RIG SPUD 14.750 INCH HOLE @ 4:00 PM MST 02-16-96. DRILLED TO 284'. TD @ 12:30 MST AM PM 02-16-96.
- RAN 10 JOINTS OF 11.75" (437'), 42#, STC CASING SET @ 437'. RAN 10 CENTRALIZERS.
- DOWELL CEMENTED WITH 400 SACKS CLASS C W/ 2% CACL2 (14.8 PPG, 1.32 CF/S). PLUG DOWN @ 5:30 AM 02-17-96. CIRCULATED 136 SACKS.
- NU BOP & TESTED TO 1000#. TESTED CASING TO 1000# FOR 30 MINUTES FROM 5:30 AM TO 6:00 AM 02-18-96.
- WOC TIME 24 HOURS FROM 5:30 AM 02-17-96 TO 5:30 AM 02-18-96.
- DRILLING 11 INCH HOLE.
- DRILLED 11 INCH HOLE TO 3200'. TD @ 11:30 AM 02-21-96.
- RAN 72 JOINTS OF 8 5/8 INCH, 32# WC-50, LTC CASING SET @ 3200'. RAN 14 CENTRALIZERS.
- DOWELL CEMENTED W/ 800 SACKS 35/65 POZ CLASS H W/ 6% GEL, 5% SALT, 1/4# FLOCELE (12.8 PPG, 1.94 CF/S). F/B 100 SACKS CLASS H NEAT (15.6 PPG, 1.18 CF/S). PLUG DOWN @ 8:45 PM 02-21-96. CIRCULATED 149 SACKS.
- NU BOP AND TESTED TO 1200#. TESTED CASING TO 1200# FOR 30 MINUTES FROM 8:45 PM TO 9:15 PM MST 02-21-96.
- WOC TIME 24 HOURS FROM 8:45 PM 02-21-96 TO 8:45 PM 02-21-96.
- DRILLING 7 7/8 HOLE.
- DRILLED 7 7/8 HOLE TO 7600'. TD @ 9:15 AM 02-29-96.
- RAN GR-DLL-MSFL, GR-DSN-SDL-CAL, GR-BHC SONIC FROM 7600' TO 3200'. PULLED GR-DSN TO SURFACE.
- RAN 75 JOINTS OF 5 1/2, 17# (3200') WC-50 AND 103 JTS. OF 15.5# (4366') WC-50, LTC CASING SET @ 7600'. LAR 1 E 1996
- DOWELL CEMENTED IN THE FIRST STAGE WITH 650 SACKS 50/50 POZ CLASS H W/ 2% GEL, 5% SALT, 1/4# FLOCELE (14.2 PPG, 1.34 CF/S). DROP DV BOMB. OPEN DV. CIRC 94 SACKS TO PIT FROM FIRST STAGE. IN THE SECOND STAGE CEMENTED W/ 715 SACKS 35/65 POZ CLASS H W/ 6% GEL, 5% SALT, 1/4# FLOCELE (12.8 PPG, 1.94 CF/S). F/B 100 SACKS CLASS H NEAT (15.6, 1.18 CF/S). PLUG DOWN @ 3:30 AM 03-02-96. LOST CIRC @ 110 BBLs OF DISPLACEMENT. DID NOT CIRC CMT TO PIT. ND. RELEASE RIG @ 6:00 PM 03-02-96. PREP TO COMPLETE. OIL CON. DIV. DIST. 2

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

SIGNATURE C.P. Beaman / SRH TITLE Eng. Assistant.

DATE 3/7/96

TYPE OR PRINT NAME Sheilla D. Reed-High

Telephone No. (303)621-4851

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APPROVED

CONDITIONS OF APPROVAL, IF ANY: TITLE

DATE

ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR

MAR 27 1996

Submit 3 copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

CLF
up

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.	30-015-28422
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	REMUDA BASIN STATE
8. Well No.	1
9. Pool Name or Wildcat	LOWER BRUSHY CANYON
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3052'

SUNDY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT
(FORM C-101) FOR SUCH PROPOSALS.

1. Type of Well: OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. Name of Operator
TEXACO EXPLORATION & PRODUCTION INC.

3. Address of Operator
P.O. Box 46510, Denver Colorado 80201-6510

4. Well Location
Unit Letter F 1980 Feet From The NORTH Line and 1930 Feet From The WEST Line
Section 19 Township 23-S Range 30-E NMPM EDDY COUNTY

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPERATION ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐ COMPLETION ☒

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

1. RU SCHLUMBERGER. RUN GR-CCL 7326-5800'. FOUND TOC @ 3054'. PERF'D W/ 2 JSPF: 7010'-7048', 7063'-7070'. 90 HOLES 03-07-96.
2. MIRU DOWELL. ACDIZED W/ 2300 GAL NEFE 15% HCL. FRAC'D W/ 48,000 GAL XL GELLED 2% KCL CONTAINING 135,000 PRECURED AND 65,000# UNCURED RESIN COATED SAND. 03-09-96.
3. TIH W/ TEXACO'S BAKER LOK. SET PKR ON 220 JTS 2-7/8" TBG. SET PKR @ 6935'. 03-12-96.
4. OPT: 231 BO, 334 BLW, 298 MCFD, TP = 475# ON 26/64" CK. FROM DRLG TO FL. 03-16-96.

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

SIGNATURE C.P. Basham / SRH TITLE Eng. Assistant.

DATE 3/18/96

TYPE OR PRINT NAME Sheilla D. Reed-High

Telephone No. (303)621-4851

(This space for State Use)

APPROVED

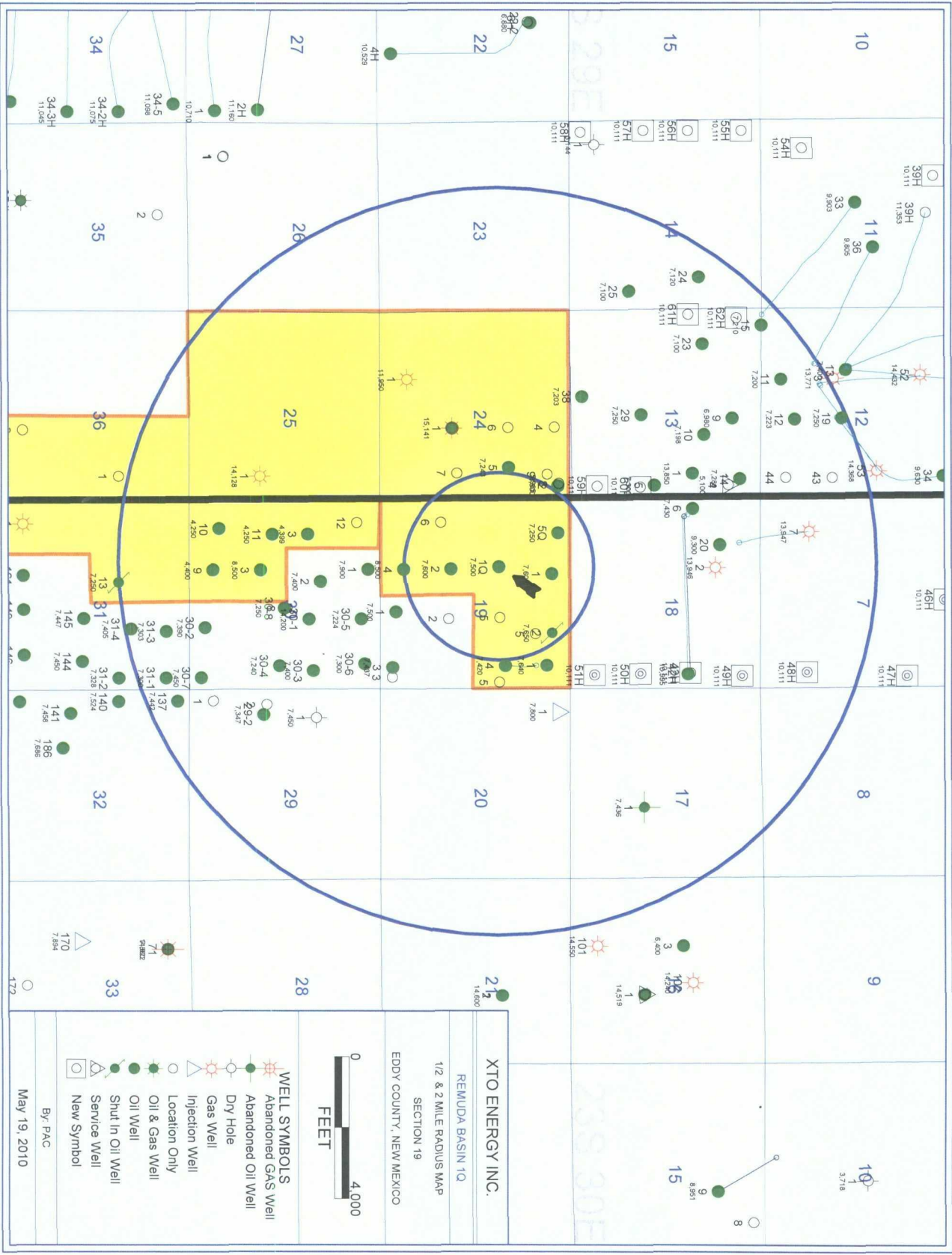
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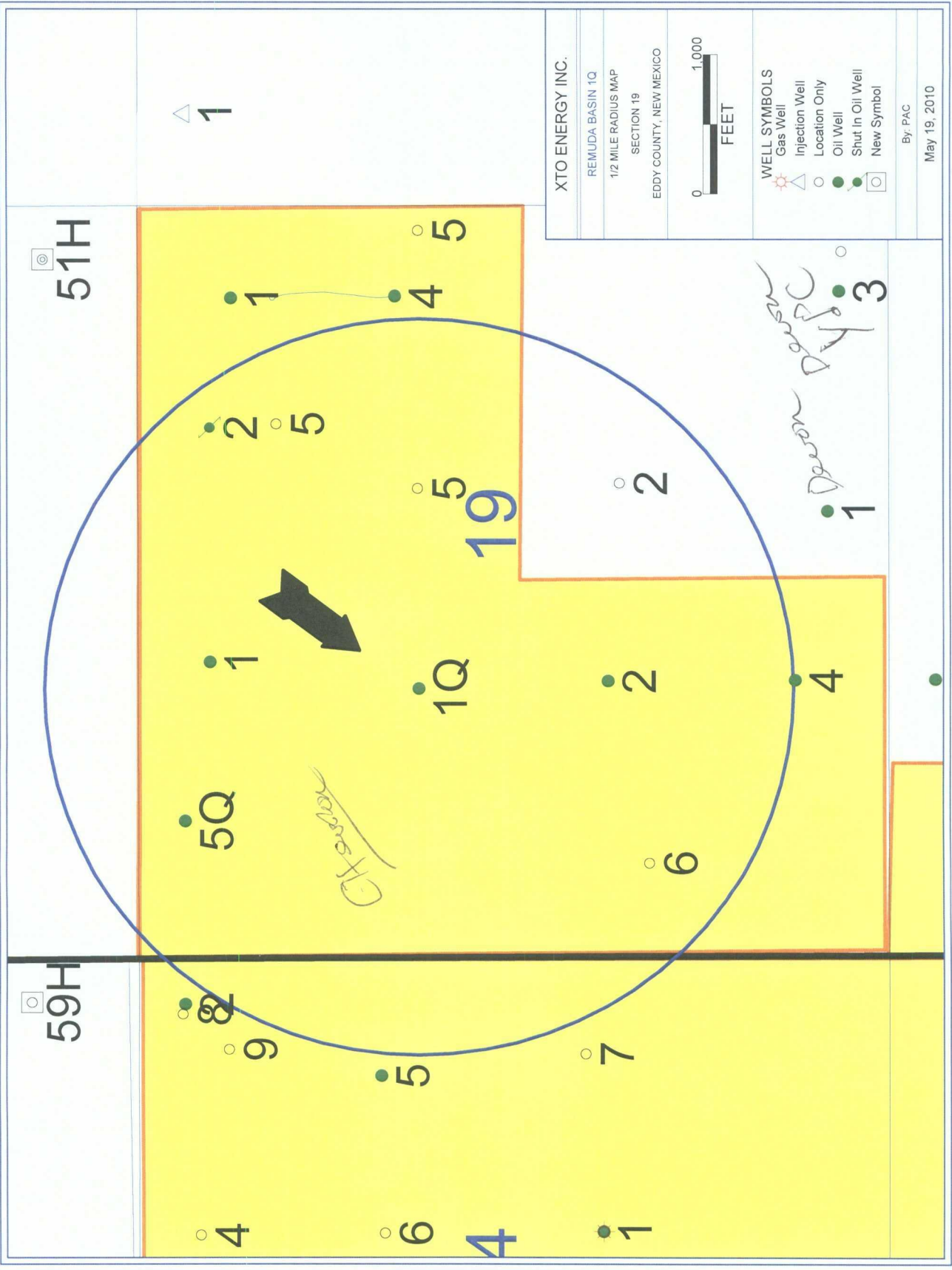
TITLE

DATE

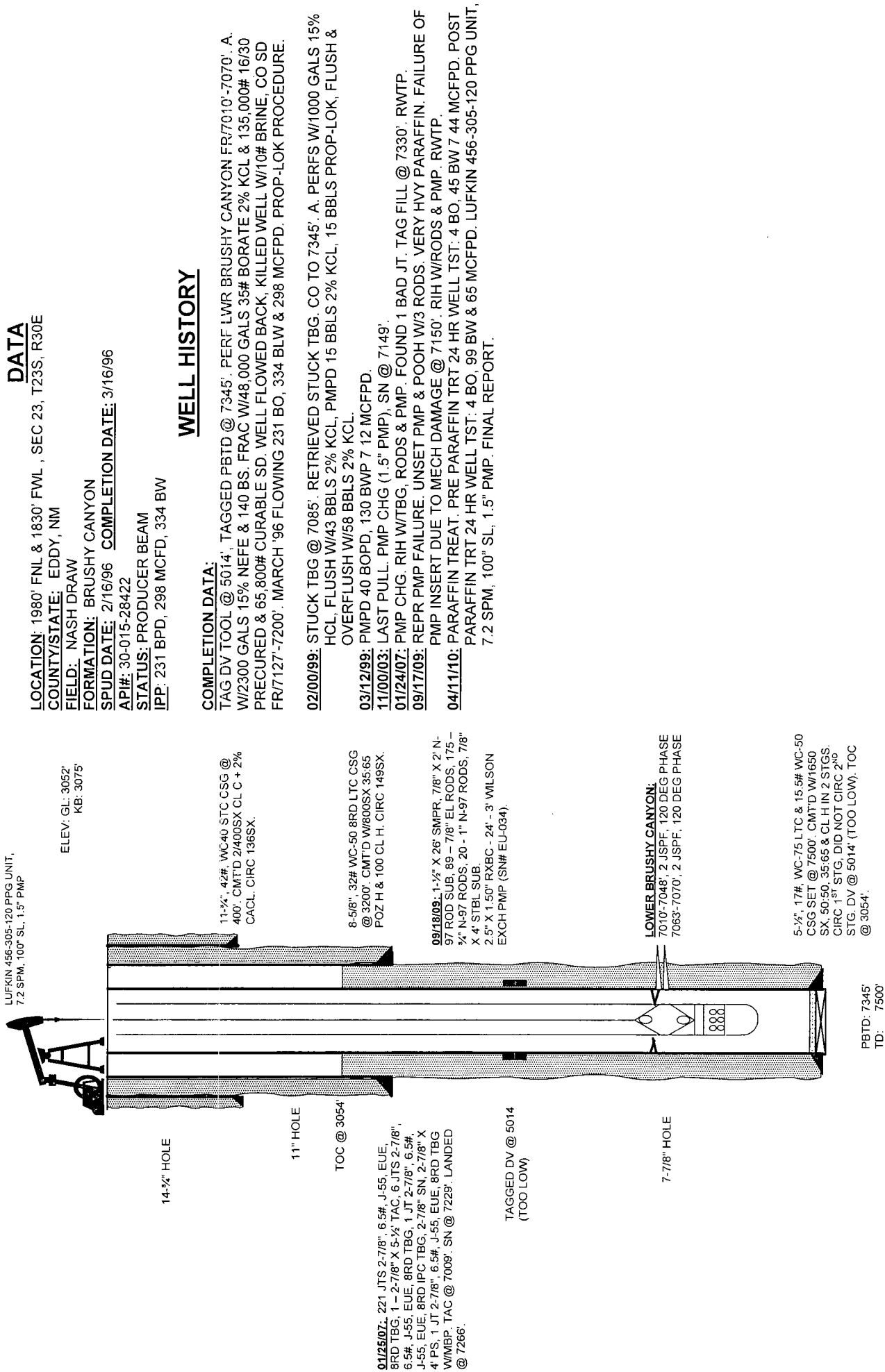
MAR 27 1996

DeSoto/Nichols 10-94 ver 2.0





REMUDA BASIN STATE 01Q
WELLBORE DIAGRAM



WELL DATA SHEET

LEASE: Remuda Basin 19 Federal

WELL: 2

DATE: 27-Mar-06

LOC: 510' FNL & 1580' FEL

CNTY: Eddy

GL: 3025'

STATUS: SWD

SEC/TS/R: Section 19, T23S, R32E

ST: N.M.

KB:

API NO: 30-015-28901

Completion Data

Drilled in April 1996

Initial Completion - April 1996

Tag Cmt & DV tool @ 4026', DO, Tag cmt @ 7415', Circ hole clean

Brushy Canyon Completion

Perf Lower Brushy Canyon 7056'-7098', acidize w/ 2100 gal 7.5% HCL acid & 130 BS, balled out, After ballout could not pump into formation

Had to reperforate interval (7056-7098')

Frac w/ 48000 # 35# Borate X-linked 2% KCL containing 136500# 16/30 PC sand & 65,000# Curable Resin coated sand, AIR 15 bpm @ 700 psi, Screened out w/ 75 bbls of 10 ppa stage left in casing, Left 21,000 # of sand in casing

CO sand in well

Final report 96 bopd, 287 bwpd, 115 mcfpd on 5/9/96

Feb -1997 OAP (Middle Brushy Canyon)

Set RBP @ 6821', Perf Middle BC (6558-6590), Acidize w/ 1000 gal 15% HCL & 700 psi rock salt, Swab trace of oil, 21 bw & gas TSTM in 4 hours

Frac MBC perfs with 19,000 gal 30# borate X-linked 2% KCL gel containing 60,000 16/30 resin coated sand

Final pumping test

2/19/97 14 bopd, 230 bwpd, 3 mcfpd

Conversion to SWD procedure

May-97 Pull RBP @ 6821', Set CIBP 6525' & cap with 35' cement, Set CIBP @ 4025' and cap with 35' of cement, Perf Bell Canyon Intervals (3402-3912)

Two stage acid treatment

Acidize BC perfs (3704-3912) w/ 4000 gal 15% HCL & 300 BS

Acidize BC perfs (3402'-3620') w/ 8000 gal 15% HCL & 600 BS

Began disposal @ 519 bwpd @ 600 psi on 6/3/97

OAP in Bell Canyon / Cherry Canyon SWD intervals

Drill out CIBP @ 4010', started getting flow of oil & gas, pushed CIBP to 6470', Perf Bell Canyon & Cherry Canyon intervals 4012-4546 (380 total holes), Acidize Cherry Canyon perfs (4472-4546) w/ 3400 gal 15% HCL & 272 BS, AIR 5.8 bpm @ 1850 psi.

Acidize Cherry Canyon perfs (4165-4280) w/ 2700 gal 15% HCL & 1000 # rock salt, AIR 5.5 bpm @ 2200 psi

Acidize Bell Canyon perfs (4012-4095) w/ 3600 gal 15% HCL & 750 rock salt, AIR 3 bpm @ 2750 psi.

TIH w/ 5 1/2" Lock-Set packer w/ o/o tool w/ 1.5" F Profile Nipple & 2 7/8" Duoline 20 IPC tbg w/ packer set @ 3335'

Returned well to disposal w/ final report on 12/25/00

793 bwipd @ 410 psi

03/26/08: Sand Frac. POOH LD w/104 jts Duo Line 20 tbg & Loc-set pkr. tag @ 6471' & puh to 3978'.

04/03/08: Frac Bell Canyon perfs fr/3402'-3912' dwn 5-1/2" csg w/3500 gals 7.5% NEFE, 85,400 gals 30# linear gel, 14/30 white sd & 42,700 gals 40# linear gel, 16/30 white sd carrying 11,400# 14/30 LiteProp 125, 62,650# 16/30 white sd & 21,000 # 16/30 Super LC sd. Tag fill @ 3916'. CO fill fr/3916'-3950'. DO Comp Plug fr/3950'-3953'. Filled thru & RD swivel. Tag @ 6470'. Id tbg. POOH w/tbg & bit. RIH w/2-3/8" w/ entry guide, 5-1/2" x 2-3/8" 15.5-20# Lok set pkr, 5-1/2" x 2-3/8" FL on-off w/1.875" F profile, 2-7/8" box x 2-3/8" pin crossover, 103 jts 2-7/8", 6.5#, J-55, EUE, 8rd IPC tbg (TK-70), 1 jt 2-7/8", 6.5# J-55, EUE, 8rd IPC tbg sub, 1 jt 2-7/8", 6.5#, J-55, EUE, 8rd IPC tbg (TK-70). Lok set pkr @ 3317'. Landed @ 3321'. SWD. RWTI.

14 3/4" Hole to 400'

11-3/4", 42#, WC-40 & H-40 STC at 400' w/ 400 sx. CI C + 2% CaCL, Circ. 85 sx

11" Hole to 3205'

8-5/8", 32# K-55 & WC-50 8rd LTC @ 3205' w/ 900 sx. Cmt, circ 212 sx to pit

5-1/2" x 2-3/8" Lok-Set Pkr @ 3317'.

Perforation History

Bell Canyon

3402-3438, 3456-3482, 3488-3620

3704-3712, 3730-3737, 3752-3775

3800-3818, 3875-3912

287', 2 spf 574 total perfs

added in 2000

4012-4035, 4048-4095

Cherry Canyon

4165-4192, 4255-4280, 4472-4492

4492-4512, 4518-4546

Brushy Canyon

6558-6568 4 spf (Isolated with CIBP)

6580-6590 4 spf (Isolated with CIBP)

Lower Brushy Canyon

7056'-7098 2 SPF, 120 deg phase

Perforated interval twice

Isolated with CIBP

7 7/8" hole to 7650'

5 1/2", 17# WC-75 & WC-50 & 15.5# WC50 w/ 1600 sx 50/50, 35/65 & CL H

Circulated both stages

DV tool @ 4026'

PBTD: 6470'

TD: 7650'

WELL DATA SHEET

LEASE: <u>Remuda Basin State</u>	WELL: <u>2</u>	DATE: <u>27-Mar-06</u>	
LOC: <u>1980' FSL & 1980' FWL</u>	CNTY: <u>Eddy</u>	GL: <u>3047'</u>	STATUS: <u>Well active</u>
SEC/Ts/R: <u>Section 19, T23S, R32E</u>	ST: <u>N.M.</u>	KB: <u></u>	API NO: <u>30-015-28400</u>
		DF: <u></u>	

Completion Data

Drilled in Feb 1996

Initial Completion - March 96

Tag DV tool @ 4999', Tagged PBD @ 7354'. Perf Lower Brushy Canyon from 6990'-7036', Acdz w/ 2300 gal 7.5% NEFE & 140 BS, AIR 6.7 bpm @ 1150 psi. ISIP 820 psi, Frac down casing w/ 48,000 gal 35# borate 2% KCL & 137,000 # 16/30 precured & 65000# curable 16/30 Ottawa. AIR 15 bpm @ 1000 psi, ISIP 900 psi

Well flowed back for 8 hours then died. RIH w/ tbg & packer

Final report

March 96, Flowing 225 BO, 311 BLW & 333 MCFPD in 24 hours

Last well well

May-2005 Acidize perms w/ 4000 gal 15% 90/10 HCL w/ 4 gal I-112 & 16 gal FE-360
Dropped 5 BS after every 4 bbls of acid (total of 100 BS), very limited ball action, AIR 4 bpm on vac, ISIP vacuum
RIH w/ 1.5" pump, SN @ 7142'

Oil show mentioned in drilling report

6440-6447 500 unit gas show and oil show

05/02/05: Chg Rod Pmp. POOH w/rods & pmp. RIH to 7240' no fill. POOH w/tbg. Hvy paraffin in tbg. RIH w/4-3/4" bit & 5-1/2" scraper to 7150'. PU to 6929'. Hot oiled 2-7/8" tbg w/50 BO. A. perms fr/6990'-7,036' w/4000 gals 15% HCL/9010 w/4 gals of I-112 & 16 gals FE-360. Limited ball action. RIH w/119 jts 2-7/8", 6.5#, N-80, EUE, 8rd tbg, 2-7/8" x 5-1/2" TAC, 7 jts 2-7/8", 6.5#, L-80, EUE, 8rd tbg, 1 jt 2-7/8", 6.5#, J-55, EUE, 8rd IPC tbg (TK-99), 2-7/8" API SN, 1 jt 2-7/8", 6.5#, N-80, EUE, 8rd tbg w/dump valve. SN @ 7142'. Landed @ 7167'. RIH w/1-1/2" x 26' PR, 3 pony rods (2', 4' & 6'), 102 - 7/8" El sucker rods, 164 - 3/4" El sucker rods, 9 - 7/8" El sucker rods, 8 - 1-1/2" K-bars, 2.5" x 1.5" x RXBC x 24' x 4' w/1-1/4" x 12' GA. TAC @ 6891'. SN @ 7142'. Landed @ 7167'. RWTP.

14 3/4" Hole to 425'

11-3/4", 42#, WC40 STC at 425'
w/ 400 sx. Cl C + 2% CaCL, Circ. 162 sx

11" Hole to 3205'

8-5/8", 32# WC-50 8rd LTC at 3205'
w/ 800 sx. 35/65 Poz H & 100 Cl H. Circ 100 sx

Perforation History

Cherry Canyon

Brushy Canyon

Lower Brushy Canyon

6990'-7036', 2 JSPF, 120 deg phase

7 7/8" hole to 7600'

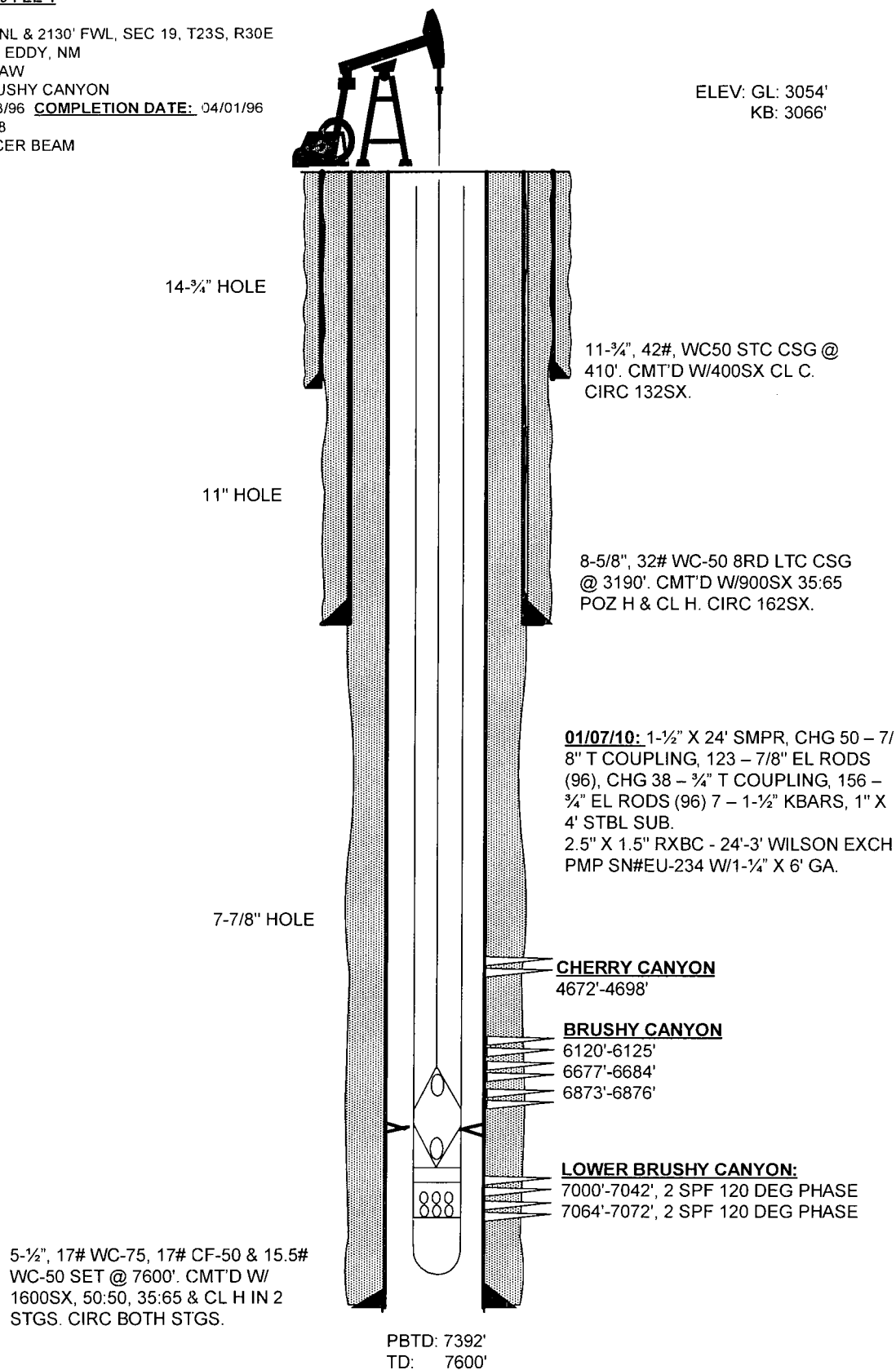
5 1/2", 17# WC-75 LT&C & 15.5# WC-50
w/ 1380 sx, 50/50, 35/65 & CL H
In 2 stages, did not circulate either stage
DV tool @ 4999'
TOC @ 5100' under DV tool ✓
TOC @ surface above DV tool ✓

PBD: 7354'
TD: 7600'

REMUDA BASIN 19 FEE 1

LOCATION: 510' FNL & 2130' FWL, SEC 19, T23S, R30E
COUNTY/STATE: EDDY, NM
FIELD: NASH DRAW
FORMATION: BRUSHY CANYON
SPUD DATE: 03/03/96 **COMPLETION DATE:** 04/01/96
API#: 30-015-28398
STATUS: PRODUCER BEAM

ELEV: GL: 3054'
KB: 3066'



REMUDA BASIN STATE 5Q

LOCATION: 330' FNL & 990' FWL, SEC 19, T23S, R30E

COUNTY/STATE: EDDY, NM

FIELD: NASH DRAW

FORMATION: DELAWARE

SPUD DATE: 12/27/00 **COMPLETION DATE:** 2/22/01

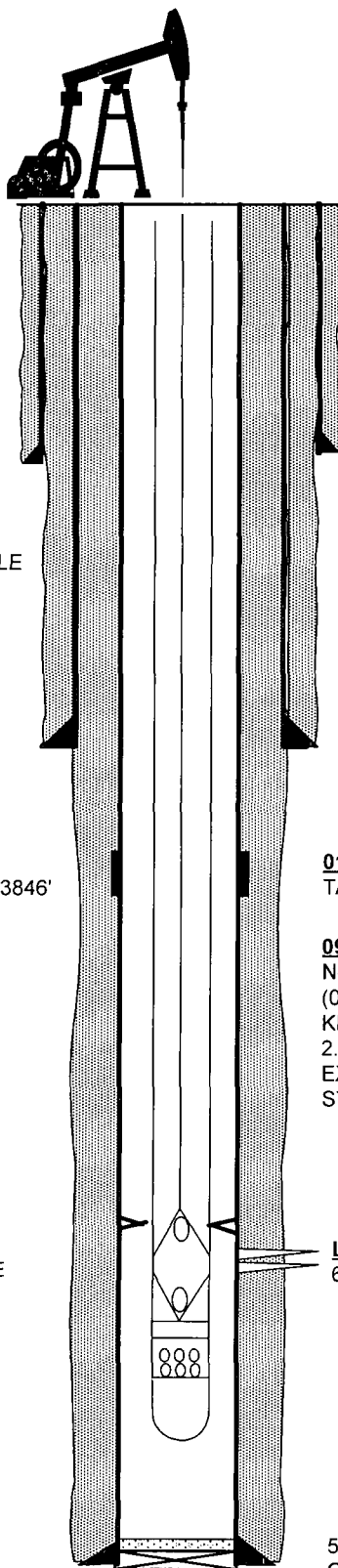
API#: 30-015-31335

STATUS: PRODUCER BEAM

IPP: 60 BOPD, 315 BWPD, 141 MCFPD

ELEV: GL: 3025'

13-5/8" HOLE



11-3/4", 42#, H-40 STC CSG @
369'. CMT'D W/250SX CL C +
2% CACL. CIRC 64 SX.

11" HOLE

8-5/8", 32#, K-55 LTC CSG @
3359'. CMT'D W/850SX. CIRC
164SX TO PIT.

TAGGED DV @ 3846'

01/27/01: 222 JTS 2-7/8" TBG.
TAC @ 6836'. SN @ 7089'.

09/17/09: 1-1/2" X 26' SMPR, 7/8" X 8', 4'
N-97 ROD SUBS, 130 - 7/8" N-97 RODS
(01), 138 - 3/4" N-97 RODS (01), 8 - 1-1/2"
KBARS.
2.5" X 1.50" RXBC - 24' - 3' WILSON
EXCH PMP (SN# EU-084) W/1-1/4" X 1'
STRAINER NIPPLE. PMP @ 6979'.

7-7/8" HOLE

LOWER BRUSHY CANYON:
6970'-6980' 4 JSPF, 120 DEG PHASE

PBTD: 7210'
TD: 7250'

5-1/2", 15.5#, K-55 & L-80 CSG @ 7250'.
CMT'D W/1650SX 50:50, 35:65 & CL H.
CIRC BOTH STGS. DV TOOL @ 3846'.

Affidavit of Publication

State of New Mexico,
County of Lea.

I, JUDY HANNA
PUBLISHER

of the Hobbs News-Sun, a
newspaper published at Hobbs, New
Mexico, do solemnly swear that the
clipping attached hereto was
published in the regular and entire
issue of said newspaper, and not a
supplement thereof for a period

of 1 issue(s).

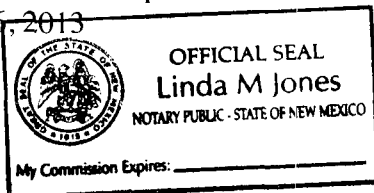
Beginning with the issue dated
May 23, 2010
and ending with the issue dated
May 23, 2010

Judy Hanna
PUBLISHER

Sworn and subscribed to before me
this 7th day of
June, 2010

Linda M. Jones
Notary Public

My commission expires
June 16, 2013
(Seal)



This newspaper is duly qualified to
publish legal notices or
advertisements within the meaning of
Section 3, Chapter 167, Laws of
1937 and payment of fees for said
publication has been made.

LEGAL NOTICE
MAY 23, 2010
Notice of Application for Fluid Injection Well Permit
Remuda Basin State #1 SWD
XTO Energy, Inc., 200 N. Lorraine, Ste. 800, Midland, Texas 79701, Attention- Kristy Ward- 432-620-6740, has applied for a permit to dispose fluid into a formation which is productive of oil and gas. The applicant proposes to dispose fluid at the location of this well is 1980' FNL & 1930' FWL. The API # is 30-015-28422. Fluid will be disposed into Bell Canyon formation at the depth interval from 3336'-4048' with a maximum injection rate of 3000 BWIPD and a maximum injection pressure of 667 psi.
All interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, NM 87505, within 15 days.
#25863

01102696

00052425

XTO ENERGY INC.
200 LORAIN, SUITE 800
MIDLAND, TX 79701

Multi-Chem Group, LLC

Multi-Chem Analytical Laboratory

349 PR 4473

Sonora, TX 76950



multi-chem

Water Analysis Report

Production Company: **XTO Energy**

Sample ID: **WA-34484**

Well Name: **REMUDA BASIN STATE 1Q**

Sample Point: **wellhead**

Sample Date: **10/27/2009**

Sales Rep: **Jerry Mutschler**

Lab Tech: **Joseph Sadler**

Sample Specifics		Analysis @ Properties in Sample Specifics	
Test Date:	12/10/2009	Cations	Anions
Temperature (°F):	85	Calcium (Ca):	mg/L
Sample Pressure (psig):	100	29640.00	Chloride (Cl):
Specific Gravity (g/cm³):	1.2100	Magnesium (Mg):	182000.00
pH:	5.5	317.20	Sulfate (SO₄):
Turbidity (NTU):	-	Barium (Ba):	20.00
		1.48	Dissolved CO₂:
		Strontium (Sr):	300.00
		-	Bicarbonate (HCO₃):
		Sodium (Na):	0.01
		68922.00	Carbonate (CO₃):
		Potassium (K):	-
		-	H₂S:
		Iron (Fe):	0.01
		36.68	Phosphate (PO₄):
		Manganese (Mn):	-
		7.18	Silica (SiO₂):
		Lithium (Li):	-
		-	Fluoride (F):
		Aluminum (Al):	-
		-	Nitrate (NO₃):
		Ammonia NH₃:	-
		-	Lead (Pb):
			Zinc (Zn):
			Bromine (Br):
			Boron (B):
Calculated T.D.S. (mg/L):	281245		
Molar Conductivity (µS/cm):	426128		
Resistivity (Mohm):	0.0235		

Test Conditions		Scale Values @ Test Conditions - Potential Amount of Scale in lb/1000bbl										
		Calcium Carbonate		Gypsum		Calcium Sulfate		Strontium Sulfate		Barium Sulfate		Calculated CO ₂
		CaCO ₃		CaSO ₄ 2H ₂ O		CaSO ₄		SrSO ₄		BaSO ₄		
Temp °F	Gauge Press. psi	Sat Index	Scale	Sat Index	Scale	Sat Index	Scale	Sat Index	Scale	Sat Index	Scale	psi
85	100	0.00	-0.01	0.02	-147.01	0.01	-150.99	-	-	0.01	-40.21	0.00
80	0	0.00	-0.01	0.02	-0.28	0.01	-153.92	-	-	0.01	-37.91	0.00
100	0	0.00	-0.01	0.02	-0.21	0.02	-138.71	-	-	0.00	-47.72	0.00
120	0	0.00	0.00	0.02	-0.16	0.02	-116.96	-	-	0.00	-59.35	0.00
140	0	0.00	0.00	0.02	-0.12	0.02	-93.18	-	-	0.00	-73.10	0.00
160	0	0.00	0.00	0.02	-0.10	0.03	-70.68	-	-	0.00	-89.36	0.00
180	0	0.00	0.00	0.02	-0.08	0.04	-51.38	-	-	0.00	-108.59	0.00
200	0	0.00	0.00	0.03	-0.07	0.06	-35.93	-	-	0.00	-131.36	0.00
220	2.51	0.00	0.00	0.03	-0.06	0.08	-25.08	-	-	0.00	-161.24	0.00
240	10.3	0.00	0.00	0.03	-0.05	0.13	-16.29	-	-	0.00	-194.32	0.00
260	20.76	0.00	0.00	0.03	-0.05	0.20	-10.03	-	-	0.00	-233.74	0.00
280	34.54	0.00	0.00	0.03	-0.04	0.32	-5.65	-	-	0.00	-280.87	0.00
300	52.34	0.00	0.00	0.03	-0.04	0.52	-2.62	-	-	0.00	-337.42	0.00

Conclusions:

Notes:

Calcium Carbonate Scaling Index is negative from 80°F to 300°F

Gypsum Scaling Index is negative from 80°F to 300°F

Calcium Sulfate Scaling Index is negative from 80°F to 300°F

Strontium Sulfate scaling was not evaluated

Barium Sulfate Scaling Index is negative from 80°F to 300°F

Multi-Chem Group, LLC

Multi-Chem Analytical Laboratory

349 PR 4473

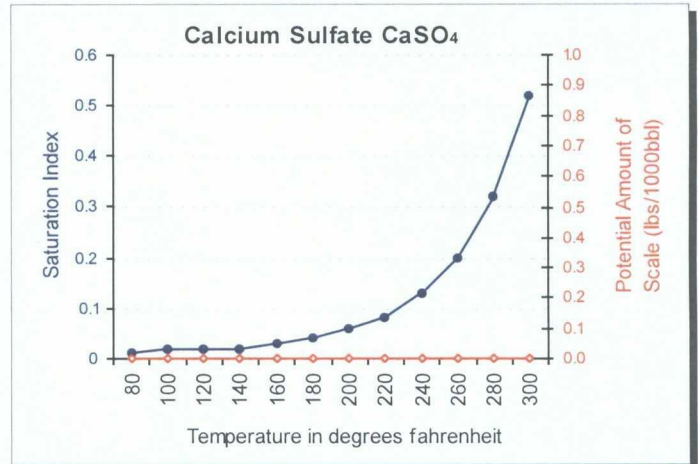
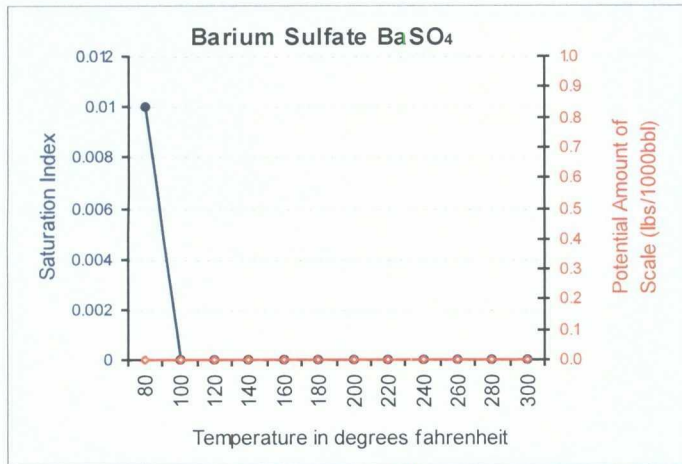
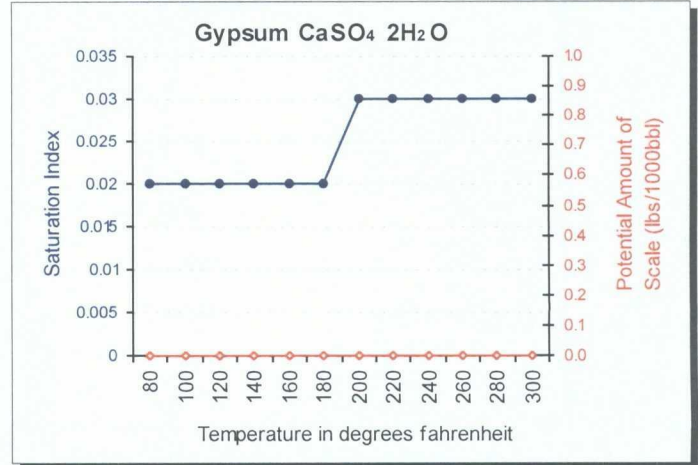
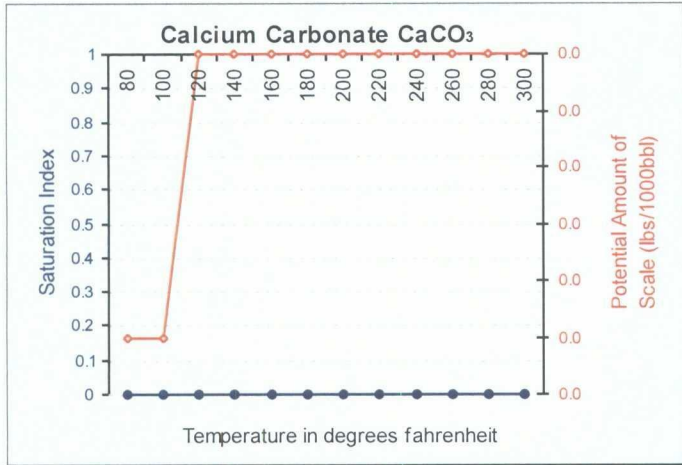
Sonora, TX 76950



Scale Prediction Graphs

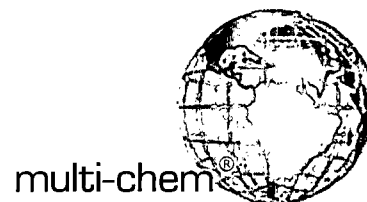
Well Name: REMUDA BASIN STATE 1Q

Sample ID: WA-34484



Multi-Chem Group, LLC

Multi-Chem Analytical Laboratory
349 PR 4473
Sonora, TX 76950



Water Analysis Report

Production Company: **XTO Energy**
Well Name: **REMUDA BASIN STATE 5Q**
Sample Point: **wellhead**
Sample Date: **10/27/2009**
Sales Rep: **Jerry Mutschler**
Lab Tech: **Joseph Sadler**

Sample ID: **WA-34485**

Sample Specifics		Analysis @ Properties in Sample Specifics	
Test Date:	12/10/2009	Cations	Anions
Temperature (°F):	85	Calcium (Ca):	29000.00
Sample Pressure (psig):	100	Magnesium (Mg):	3587.00
Specific Gravity (g/cm³):	1.2110	Barium (Ba):	3.73
pH:	5.5	Strontium (Sr):	-
Turbidity (NTU):	-	Sodium (Na):	63288.00
		Potassium (K):	-
		Iron (Fe):	44.82
		Manganese (Mn):	7.20
		Lithium (Li):	-
		Aluminum (Al):	-
		Ammonia NH ₃ :	-
Calculated T.D.S. (mg/L)	276251	Chloride (Cl):	180000.00
Molar Conductivity (µS/cm):	418562	Sulfate (SO ₄):	20.00
Resitivity (Mohm):	0.0239	Dissolved CO ₂ :	300.00
		Bicarbonate (HCO ₃):	0.01
		Carbonate (CO ₃):	-
		H ₂ S:	0.01
		Phosphate (PO ₄):	-
		Silica (SiO ₂):	-
		Fluoride (F):	-
		Nitrate (NO ₃):	-
		Lead (Pb):	-
		Zinc (Zn):	-
		Bromine (Br):	-
		Boron (B):	-

Test Conditions		Scale Values @ Test Conditions - Potential Amount of Scale in lb/1000bbl										
		Calcium Carbonate		Gypsum		Calcium Sulfate		Strontium Sulfate		Barium Sulfate		Calculated CO ₂
		CaCO ₃		CaSO ₄ 2H ₂ O		CaSO ₄		SrSO ₄		BaSO ₄		
Temp °F	Gauge Press. psi	Sat Index	Scale	Sat Index	Scale	Sat Index	Scale	Sat Index	Scale	Sat Index	Scale	psi
85	100	0.00	-0.01	0.01	-148.74	0.01	-154.15	-	-	0.01	-39.22	0.00
80	0	0.00	-0.01	0.01	-0.02	0.01	-157.10	-	-	0.01	-36.88	0.00
100	0	0.00	-0.01	0.01	-0.02	0.01	-141.70	-	-	0.01	-46.87	0.00
120	0	0.00	0.00	0.01	-0.01	0.01	-119.64	-	-	0.00	-58.70	0.00
140	0	0.00	0.00	0.01	-0.01	0.02	-95.49	-	-	0.00	-72.69	0.00
160	0	0.00	0.00	0.02	-0.01	0.02	-72.66	-	-	0.00	-89.22	0.00
180	0	0.00	0.00	0.02	-0.01	0.03	-53.07	-	-	0.00	-108.77	0.00
200	0	0.00	0.00	0.02	-0.01	0.04	-37.42	-	-	0.00	-131.90	0.00
220	2.51	0.00	0.00	0.02	-0.01	0.05	-26.47	-	-	0.00	-162.27	0.00
240	10.3	0.00	0.00	0.02	0.00	0.08	-17.61	-	-	0.00	-195.86	0.00
260	20.76	0.00	0.00	0.02	0.00	0.11	-11.32	-	-	0.00	-235.89	0.00
280	34.54	0.00	0.00	0.02	0.00	0.18	-6.97	-	-	0.00	-283.74	0.00
300	52.34	0.00	0.00	0.02	0.00	0.28	-4.02	-	-	0.00	-341.14	0.00

Conclusions:

Calcium Carbonate Scaling Index is negative from 80°F to 300°F
Gypsum Scaling Index is negative from 80°F to 300°F
Calcium Sulfate Scaling Index is negative from 80°F to 300°F
Strontium Sulfate scaling was not evaluated
Barium Sulfate Scaling Index is negative from 80°F to 300°F

Notes:

Multi-Chem Group, LLC

Multi-Chem Analytical Laboratory

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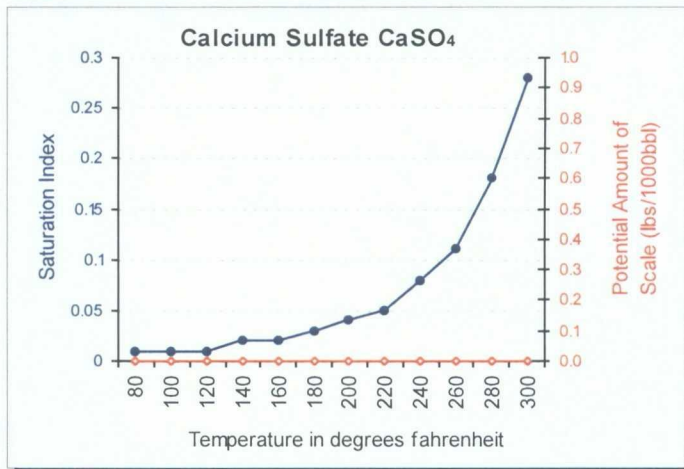
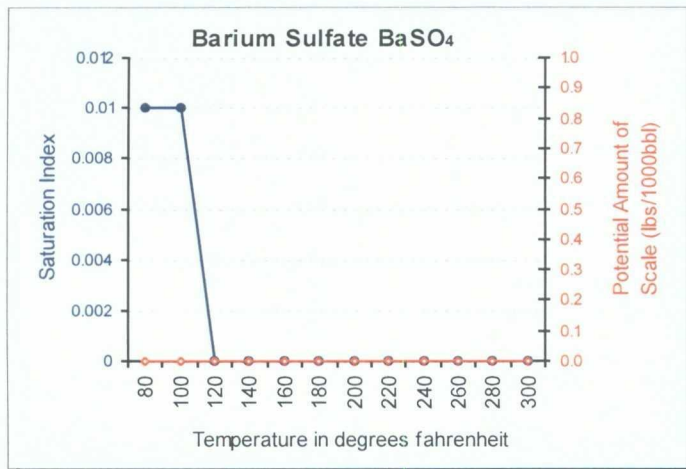
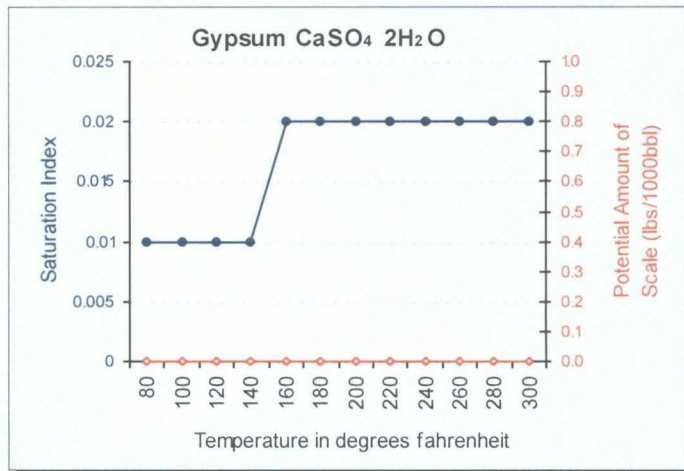
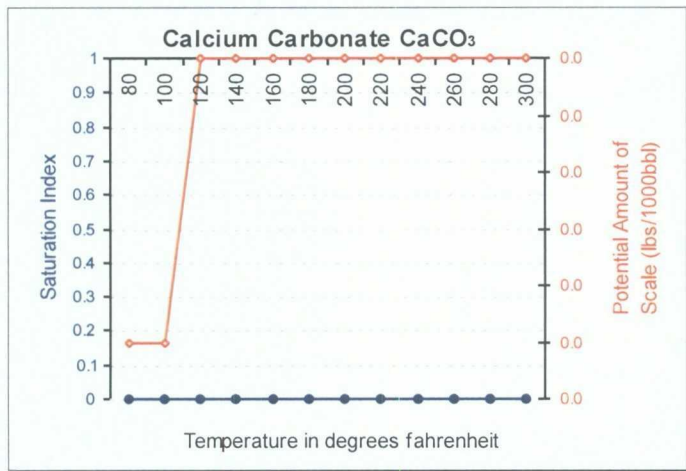
Sonora, TX 76950



Scale Prediction Graphs

Well Name: REMUDA BASIN STATE 5Q

Sample ID: WA-34485





June 16, 2010

State of New Mexico
Commissioner of Public Lands
P.O. Box 1148
Santa Fe, NM 87504-1148

Re: Surface Owner Notice
Application to Convert Well to SWD
Remuda Basin State #1

To Whom It May Concern:

This letter is to notify you that XTO Energy Inc. has submitted to the Oil Conservation Division an application to convert a well to Salt Water Disposal. Our records indicate that you are a surface owner. Attached is a copy of the application sent to the Oil Conservation Division for your review.

All interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, NM 87505, within 15 days.

If you have any questions please call me at 432-620-6740.

Sincerely,

Kristy Ward
Regulatory

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse so that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits.		<p>A. Signature <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Address</p>	
1. Article Addressed to:		B. Received by (Printed Name) C. Date of Delivery	
State of New Mexico Commissioner of Public Lands. P.O. Box 1148 Santa Fe, NM 87504-1148		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
2. Article Number (Transfer from service label)		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

XTO Energy Inc. · 200 North Lorain

7007 2560 0002 4760 3777
7007 2560 0002 4760 3777

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PS Form 3800, August 2006 See Reverse for Instructions	

7007 2560 0002 4760 3777



June 16, 2010

Hart M. Greenwood, Jr.
P.O. Box 104.
Carlsbad, NM 88220

Re: Surface Owner Notice
Application to Convert Well to SWD
Remuda Basin State #1

To Whom It May Concern:

This letter is to notify you that XTO Energy Inc. has submitted to the Oil Conservation Division an application to convert a well to Salt Water Disposal. Our records indicate that you are a surface owner. Attached is a copy of the application sent to the Oil Conservation Division for your review.

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If you have any questions please call me at 432-620-6740.

Sincerely,

Kristy Ward

Kristy Ward
Regulatory

SENDER: COMPLETE THIS SECTION

- ☒ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- ☒ Print your name and address on the reverse so that we can return the card to you.
- ☒ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

*Hart M. Greenwood, Jr.
P.O. Box 104
Carlsbad, NM 88220*

2. Article Number
(Transfer from service lat.

7007 2560 0002 4760 3838

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage \$

Certified Fee

Return Receipt Fee
(Endorsement Required)

Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees \$

Postmark
Here

Sent to *Hart M. Greenwood Jr*
Street, Apt. No.,
or PO Box No. *P.O. Box 104*
City, State, ZIP+4 *Carlsbad, NM 88220*

PS Form 3800, August 2006

See Reverse for Instructions

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☒ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail

☐ Registered ☐ Return Receipt for Merchandise

☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

XTO Energy Inc. · 200 North Lora

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

State of New Mexico
Commissioner of Public Lds.
P.O. Box 1148
Santa Fe, NM 87504-1148

2. Article Number

(Transfer from service label)

7007 2560 0002 4760 3777

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

New Mexico Oil Conservation Div
1220 S. St Francis Dr.
Santa Fe, NM 87505

2. Article Number

(Transfer from service label)

7007 2560 0002 4760 3739

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Hart M. Greenwood, Jr.
P.O. Box 104
Carlsbad, NM 88220

2. Article Number

(Transfer from service label)

7007 2560 0002 4760 3838

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

JUN 22 2010

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

6-21

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mosaic Potash Carlsbad
P.O. Box 91
Carlsbad, NM 88221

2. Article Number

(Transfer from service label)

7007 2560 0002 4760 3746

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-154C

COMPLETE THIS SECTION ON DELIVERY

A. Signature

☒ Agent
☐ Addressee

B. Received by (Printed Name)

Francisco Gomez 7-19-10

C. Date of Delivery

D. Is delivery address different from item 1?

If YES, enter delivery address below:

☐ Yes☐ No

JUL 19 2010

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Strata Production Co.
P.O. Box Drawer 1030
Roswell, NM 88202-1030

2. Article Number

(Transfer from service label)

7007 2560 0002 4760 3814

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-154C

COMPLETE THIS SECTION ON DELIVERY

A. Signature

☒ Agent
☐ Addressee

B. Received by (Printed Name)

Amara Montgomery 7-19-2010

C. Date of Delivery

D. Is delivery address different from item 1?

If YES, enter delivery address below:

☐ Yes☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Yates Petroleum Corp.
105 S. 4th Str.
Artesia, NM 88210

2. Article Number

(Transfer from service label)

7007 2560 0002 4760 3807

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-15

COMPLETE THIS SECTION ON DELIVERY

A. Signature

☐ Agent
☐ Addressee

B. Received by (Printed Name)

AMBER HAMILTON JUL 16 2010

C. Date of Delivery

D. Is delivery address different from item 1?

If YES, enter delivery address below:

☐ Yes☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Devon Energy Prod Co, LP
20 N. Broadway, Ste 1500
Oklahoma City, OK
73102-8260

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

If YES, enter delivery address below:

☐ Yes☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number

7007 2560 0002 4760 3821

(Transfer from service label)

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

BEPCO
P.O. Box 2760
Midland, TX 79702

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

If YES, enter delivery address below:

☐ Yes☒ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number

7007 2560 0002 4760 3784

(Transfer from service label)

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Chercon Inc.
15 Smith Rd
Midland, TX 79705

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

If YES, enter delivery address below:

☐ Yes☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number

7007 2560 0002 4760 3753

(Transfer from service label)

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540



July 14, 2010

Mosaic Potash Carlsbad, Inc.
P.O. Box 71
Carlsbad, NM 88221

Re: Potash Lessee Notification
Remuda Basin State #1
API #30-015-28422

To Whom It May Concern:

This letter is to notify you that XTO Energy Inc. has submitted to the Oil Conservation Division, an application to convert a well to salt water disposal. Our records indicate that you are an offset operator. Attached is a copy of the application sent to the Oil Conservation Division for your review.

All interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, NM 87505, within 15 days.

If you have any questions please call me at 432-620-6740.

Sincerely,

A handwritten signature in cursive script that reads 'Kristy Ward'.

Kristy Ward
Regulatory



July 14, 2010

Strata Production Company
P.O. Drawer 1030
Roswell, NM 88202-1030

Re: Offset Operator Notification
Remuda Basin State #1
API #30-015-28422

To Whom It May Concern:

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If you have any questions please call me at 432-620-6740.

Sincerely,

A handwritten signature in cursive script that reads 'Kristy Ward'.

Kristy Ward
Regulatory



July 14, 2010

Yates Petroleum Corporation
105 S. 4th
Artesia, NM 88210

Re: Offset Operator Notification
Remuda Basin State #1
API #30-015-28422

To Whom It May Concern:

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Sincerely,

A handwritten signature in cursive script that reads 'Kristy Ward'.

Kristy Ward
Regulatory



July 14, 2010

Devon Energy Production Company, LP
20 N. Broadway, Suite 1500
Oklahoma City, OK 73102-8260

Re: Offset Operator Notification
Remuda Basin State #1
API #30-015-28422

To Whom It May Concern:

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If you have any questions please call me at 432-620-6740.

Sincerely,

A handwritten signature in cursive script that reads 'Kristy Ward'.

Kristy Ward
Regulatory



July 14, 2010

BEPCO
P.O. Box 2760
Midland, TX 79702

Re: Offset Operator Notification
Remuda Basin State #1
API #30-015-28422

To Whom It May Concern:

This letter is to notify you that XTO Energy Inc. has submitted to the Oil Conservation Division, an application to convert a well to salt water disposal. Our records indicate that you are an offset operator. Attached is a copy of the application sent to the Oil Conservation Division for your review.

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If you have any questions please call me at 432-620-6740.

Sincerely,

A handwritten signature in cursive script that reads 'Kristy Ward'.

Kristy Ward
Regulatory



July 14, 2010

ChevronTexaco
15 Smith Road
Midland, TX 79705

Re: Offset Operator Notification
Remuda Basin State #1
API #30-015-28422

To Whom It May Concern:

This letter is to notify you that XTO Energy Inc. has submitted to the Oil Conservation Division, an application to convert a well to salt water disposal. Our records indicate that you are an offset operator. Attached is a copy of the application sent to the Oil Conservation Division for your review.

All interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, NM 87505, within 15 days.

If you have any questions please call me at 432-620-6740.

Sincerely,

A handwritten signature in cursive script that reads 'Kristy Ward'.

Kristy Ward
Regulatory



From: Jones, William V., EMNRD
Sent: Wednesday, June 23, 2010 4:39 PM
To: 'Kristy_Ward@xtoenergy.com'
Cc: Ezeanyim, Richard, EMNRD; Reeves, Jacqueta, EMNRD
Subject: Disposal application from XTO Energy, Inc.: Remuda Basin State #1 30-015-28422 Bell Canyon Disposal

Hello Kristy:

Got your email earlier today and reviewed this application:

- a. Please send a "Before Conversion" wellbore diagram showing the well as it exists today.
- b. Let me know whether any Fresh underground water exists in this area and the depth to the base of fresh water if any.
- c. We require notice to the nearest Potash leaseholder – please send evidence of notice with the date showing on the receipt.
- d. The certified receipts you sent did not have the dates the parties were noticed – please copy again and re-send so the dates show up on the receipts.
- e. The notice requirements for disposal applications require notice to "affected parties" as they are defined in the "Injection" Rules – the C-108 form is incorrect as to notice requirements.
 - a. From our data it appears notice should be sent to Devon, Strata, BOPCO (not BEPCO) and Yates Petroleum Corporation. You could do those notices or
 - b. send the following definition to your Landman in Fort Worth to get a more accurate opinion as to who the "Affected Persons" are within the ½ mile circle and should be noticed.

19.15.26.7 DEFINITIONS:

A. "Affected person" means the division designated operator; in the absence of an operator, a lessee whose interest is evidenced by a written conveyance document either of record or known to the applicant as of the date the applicant files the application; or in the absence of an operator or lessee, a mineral interest owner whose interest is evidenced by a written conveyance document either of record or known to the applicant as of the date the applicant filed the application for permit to inject.

B. Method of making application.

(2) The applicant shall furnish, by certified or registered mail, a copy of the application to each owner of the land surface on which each injection or disposal well is to be located and to each leasehold operator or other affected person within any tract wholly or partially contained within one-half mile of the well.

William V Jones, P.E.
Engineering, Oil Conservation Division
1220 South St. Francis Drive, Santa Fe, NM 87505
Tel 505.476.3448 ~ Fax 505.476.3462





Kristy Ward/MID/CTOC

06/23/2010 05:38 PM

7/23/10

To "Jones, William V., EMNRD"

<William.V.Jones@state.nm.us>

cc

bcc

Subject Re: Disposal application from XTO Energy, Inc.: Remuda Basin State #1 30-015-28422 Bell Canyon Disposal

BILL...I AM FORWARDING YOU THE REQUESTED INFORMATION. PLEASE LET ME KNOW IF THERE IS ANYTHING ADDITIONAL YOU NEED TO GET THIS EXPEDITED.

THANK YOU,

Kristy Ward | XTO Energy | Regulatory Analyst

200 N. Loraine | Midland, TX 79701 | ☎: 432-620-6740 | 📠: 432-618-3527 | ✉:

kristy_ward@xtoenergy.com

"Jones, William V., EMNRD" <William.V.Jones@state.nm.us>



"Jones, William V.,
EMNRD"

<William.V.Jones@state.nm.us>

06/23/2010 05:38 PM

To <Kristy_Ward@xtoenergy.com>

cc "Ezeanyim, Richard, EMNRD"

<richard.ezeanyim@state.nm.us>, "Reeves, Jacqueta,
EMNRD" <Jacqueta.Reeves@state.nm.us>

Subject Disposal application from XTO Energy, Inc.: Remuda Basin State #1 30-015-28422 Bell Canyon Disposal

Hello Kristy:

Got your email earlier today and reviewed this application:

a. Please send a "Before Conversion" wellbore diagram showing the well as it exists today.
ATTACHED.

b. Let me know whether any Fresh underground water exists in this area and the depth to the base of fresh water if any.

NO FRESH UNDERGROUND WATER IN THE AREA.

c. We require notice to the nearest Potash leaseholder – please send evidence of notice with the date showing on the receipt.

ATTACHED.

d. The certified receipts you sent did not have the dates the parties were noticed – please copy again and re-send so the dates show up on the receipts. **ATTACHED.**

e. The notice requirements for disposal applications require notice to "affected parties" as they are defined in the "Injection" Rules – the C-108 form is incorrect as to notice requirements. **MORE OFFSET OPERATORS WERE NOTIFIED AS STATED BELOW. ATTACHED.**

a. From our data it appears notice should be sent to Devon, Strata, BOPCO (not BEPCO) and Yates Petroleum Corporation. You could do those notices or
(ACCORDING TO OUR FINDINGS, BEPCO SHOULD BE THE CORRECT

OPERATOR NAME)

b. send the following definition to your Landman in Fort Worth to get a more accurate opinion as to who the "Affected Persons" are within the ½ mile circle and should be noticed.

19.15.26.7 DEFINITIONS:

A. "Affected person" means the division designated operator; in the absence of an operator, a lessee whose interest is evidenced by a written conveyance document either of record or known to the applicant as of the date the applicant files the application; or in the absence of an operator or lessee, a mineral interest owner whose interest is evidenced by a written conveyance document either of record or known to the applicant as of the date the applicant filed the application for permit to inject

B. Method of making application.

(2) The applicant shall furnish, by certified or registered mail, a copy of the application to each owner of the land surface on which each injection or disposal well is to be located and to each leasehold operator or other affected person within any tract wholly or partially contained within one-half mile of the well.

William V Jones, P.E.
Engineering, Oil Conservation Division
1220 South St. Francis Drive, Santa Fe, NM 87505
Tel 505.476.3448 ~ Fax 505.476.3462



Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

Injection Permit Checklist (06/22/2010)

Case R- SWD (1238) WFX PMX IPI Permit Date 8/20/10 UIC Qtr (A56)

Wells 1 Well Name: Ramuda Basin State #1

API Num: (30-) 015-28422 Spud Date: 2/16/96 New/Old: N (UIC primacy March 7, 1982)

Footages 1800FWL/1930FWL Unit F Sec 19 Tsp 235 Rge 30E County

Operator: XTO ENERGY, INC Contact KRISTY WARD

Operator Address: 200 N. LORRAINE ST. (800) MIDLAND TX 79705

OGRID 5350 RULE 5.9 Compliance (Wells) 6/3250 (Finan Assur) OK IS 5.9 OK? OK

Well File Reviewed Current Status: BS/ANALON Producer

General Location: 6 miles SW of WIPP

Diagrams: Before Conversion ☒ After Conversion ☒ Elogs in Imaging File: yes

Planned Work to Well:

	Sizes Hole.....Pipe	Setting Depths	Cement Sx at	Cement Top and Determination Method
Existing <input checked="" type="checkbox"/> Surface	14 3/4 11 3/4	437	800	CIRC.
Existing <input checked="" type="checkbox"/> Interm	11 8 5/8	3200	800	CIRC.
New Existing <input checked="" type="checkbox"/> LongSt	7 7/8 5 1/2	7600	1650	3054' (Lost CIRC on Stage II)

DV Tool 5014 ~~Liner~~ Open Hole Total Depth 7600 Deviated Hole?

Intervals:	Depths, Ft.	Formation	Producing?
Formation Above			
Formation Above	3292	Loman	
Injection TOP:	3336 TOP	Bell C.	Max. PSI 6672 Open Hole? X Perfs? 1
Injection BOTTOM:	4048	" "	Tubing Size 2 1/8 Packer Depth 3225
Formation Below	4140	Cherry C.	
Formation Below			

Sensitive Areas: Capitan Reef Cliff House Salt Depths (430 3075 3509)

Potash Area (R-111-P) YES Potash Lessee Mopac Noticed? ☒

Fresh Water: Depths: None in area Formation Wells? 0 Analysis? Affirmative Statement ☒

Disposal Fluid Sources: Nash Dam / Ramuda Basin Brkly C. Analysis?

Disposal Interval Production Potential/Testing: above Pdlm Zone Analysis

another SWD well nearby

5/23/10 Notice: Newspaper(Y/N) ☒ Surface Owner SLO Mineral Owner(s)

RULE 26.7(A) Affected Parties: Bepco / NPC / XTO

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

Active Wells 4 Num Repairs Producing in Injection Interval in AOR

P&A Wells 0 Num Repairs All Wellbore Diagrams Included?

Questions/Required Work:

Request Sent Reply:

2336
6672

Sand

+ Sand Data of
Notice
Sand Detail by
Rock

3075

Davon? / STRATA? / Choke

Bepco
NPC