

CHECKLIST for ADMINISTRATIVE INJECTION APPLICATIONS

Operator: Panda O&G, Inc. Well: ARCO No. 1
Contact: DAVID BROOKS Title: @ Phone: 214.717.9796
EDDIE SEAV - CONSULT
DATE IN 3-29-95 RELEASE DATE 4-7-95 DATE OUT 4-10-95

Proposed Injection Application is for: WATERFLOOD Expansion Initial

Original Order: R- Secondary Recovery Pressure Maintenance

SENSITIVE AREAS SALT WATER DISPOSAL

WIPP Capitan Reef Commercial Operation

Data is complete for proposed well(s)? Additional Data _____

AREA of REVIEW WELLS

2 Total # of AOR 1 # of Plugged Wells
YES Tabulation Complete YES Schematics of P & A's
YES Cement Tops Adequate NO AOR Repair Required

INJECTION INFORMATION

Injection Formation(s) SPAN ANDRES 5650 - 5975

Source of Water AREA PRODUCERS Compatible YES

PROOF OF NOTICE

Copy of Legal Notice Information Printed Correctly
 Correct Operators Copies of Certified Mail Receipts
 Objection Received Set to Hearing _____ Date

NOTES: COORDINATE W/ SUPER HOBBS FOR TANK & EQUIP
LOCATIONS (H2S GAS)

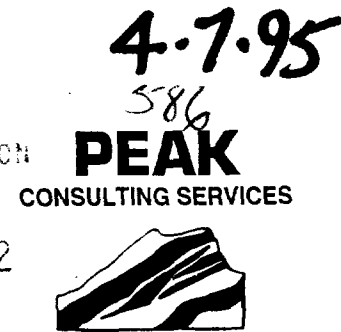
APPLICATION QUALIFIES FOR ADMINISTRATIVE APPROVAL YES

COMMUNICATION WITH CONTACT PERSON:

1st Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____	Date	_____	Nature of Discussion	_____
2nd Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____	Date	_____	Nature of Discussion	_____
3rd Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____	Date	_____	Nature of Discussion	_____

EDDIE SEAY CONSULTING

ENVIRONMENTAL
GEOLOGICAL & REGULATORY
SPECIALISTS



601 W. ILLINOIS
HOBBS, NEW MEXICO 88240
(505) 392-2236
FAX (505) 392-6949

March 22, 1995

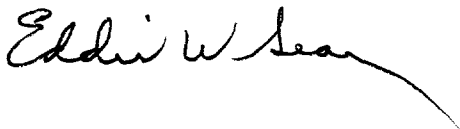
Mr. David Catanach
NMOCD
2040 S. Pacheco
Santa Fe, NM 87505

Dear David:

Please find within Application for SWD. This application should be administratively approvable. Rand is the surface and mineral owner for this well and all offset wells are plugged and abandoned.

Your consideration in this matter is appreciated. If you have any questions or need additional information, please call.

Sincerely,



Eddie W. Seay, Agent

APPLICATION FOR AUTHORIZATION TO INJECT

- I. Purpose: Secondary Recovery Pressure Maintenance Disposal Storage
Application qualifies for administrative approval? yes no
- II. Operator: Rand Oil & Gas Inc.
Address: 4950 North O'Conner, Suite 270, Irving, TX 75062
Contact party: David Brooks Phone: (214)717-9796
- III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? yes no
If yes, give the Division order number authorizing the project _____.
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- * VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological 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 source known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- * X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)
- * XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Eddie W. Seay

Title: Agent

Signature: Eddie W. Seay Date: March 22, 1995

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

III. WELL DATA

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

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

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

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

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

XIV. PROOF OF NOTICE

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

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

- (1) The name, address, phone number, and contact party for the applicant;
- (2) the intended purpose of the injection well; with the exact location of single wells or the section, township, and range location of multiple wells;
- (3) the formation name and depth with expected maximum injection rates and pressures; and
- (4) a notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501 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.

FORM C-108

APPLICATION FOR AUTHORIZATION TO INJECT

RAND OIL & GAS INC.

PART III. A

1. Rand Oil & Gas Inc.
Arco #1 Unit O Sect. 18, T17S, R39E
2271/FEL 793/FSL Lea co., NM
2. 8 5/8" 24# casing set at 1588'
1237 cu. ft. class C cement circulated to surface.

4 1/2" 11.6# casing set at 6000'
251 cu. ft. class C cement calculated TOC 4500'
3. Plan to run 2 7/8" plastic lined tubing set at
approximately 5600'.
4. Plan to run a Baker tension packer and set at
approximately 5600'.

PART III. B

1. San Andres formation in the South Knowles field.
2. The injection interval will be through perforations
from 5650'-5975'.
3. Well was originally drilled as a San Andres
producer.
4. None.
5. The upper formation is the Queen at 4400' which is
nonproductive in this area. The lower formation is
the Wolfcamp at 9100'.

PART V. Attached.

PART VI. Attached.

PART VII.

1. The average rate of injection will be approximately
700 bls. with a maximum of 1200 bls. per day.

2. The average pressure will be (0) vacuum with a maximum pressure of 800# or not to exceed OCD limit.
3. The source of water will be from Rand Oil & Gas production, Devonian formation.
4. Water from the San Andres formation ranges in chloride content from 47,000 to 130,000 ppm and the proposed injected water from the Devonian averages 90,000 ppm chloride as per OCD records.

PART VIII.

The injection interval in the San Andres formation in the Knowles field is composed of limestone. The injection interval is cased hole from 5600'-6000'. This entire area is overlain by Quaternary Alluvium and caliche. The fresh water in the area comes from the Ogallala aquifer. There are no fresh water zones below the San Andres formation.

PART IX.

No major stimulation is proposed, only acid as needed.

PART X. Previously Submitted.

PART XI. Attached.

PART XII.

All available geologic and engineering data has been examined and no evidence of open fault or any other hydrologic connection between the injection zone and any underground source of drinking water was found.

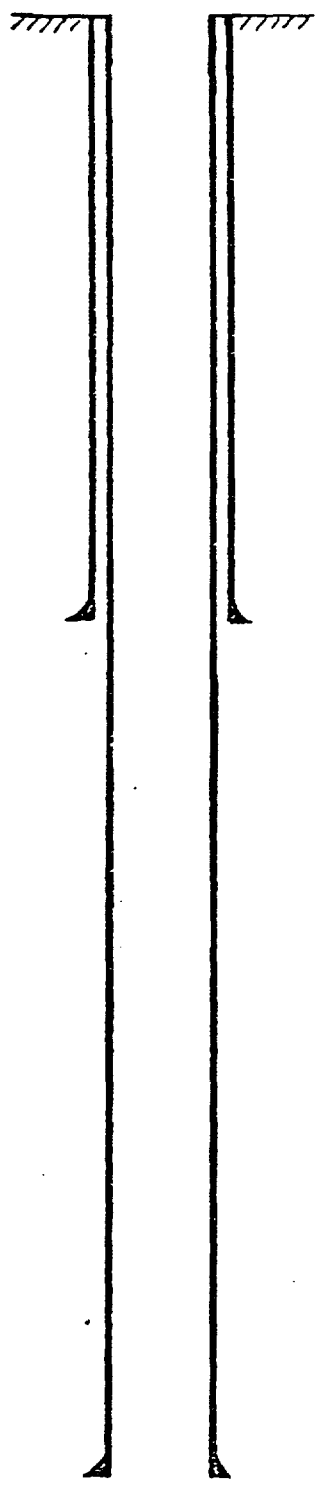
PART XIII. Attached.

Grid of real estate listings with columns for agent names (e.g., Glenn J. Smith, Woody L.E.C., Marjolee), phone numbers, and office addresses. Includes large text overlays like 'KNOWLES', 'MIDLAND MAP', and 'STATE'. Contains various symbols and codes throughout the grid.

OPERATOR <u>Rand Oil + Gas</u>		DATE <u>3-17-95</u>	
LEASE <u>Arco (San Andres)</u>	WELL No. <u>1</u>	LOCATION <u>Sect 18 T19S R37E Unit 0</u>	

2271 FEL 793 FSL

well approved to be
P+H, attached.



8 5/8 " casing set at 1588 ' with 500 sx of C cement
Hole size 12 3/4 " Cement Circulated

4 1/2 " casing set at 6000 ' with 175 sx of C cement
Total Depth 6000 ' Hole size 6 1/2 "

Top of Cement calculated 4500'
using 75% accuracy.

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

WELL API NO.
30-025-31846

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
NA

7. Lease Name or Unit Agreement Name
ARCO

8. Well No.
1

9. Pool name or Wildcat
WILDCAT

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

1. Type of Well:
OIL WELL GAS WELL OTHER

2. Name of Operator
RAND OIL & GAS, INC.

3. Address of Operator
1110 N. BIG SPRING MIDLAND, TX 79701

4. Well Location
Unit Letter 0 : 2271 Feet From The EAST Line and 793 Feet From The SOUTH Line

Section 18 Township 17-S Range 39-E NMPM LEA County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3650.6 GR

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK
TEMPORARILY ABANDON
PULL OR ALTER CASING
OTHER:

PLUG AND ABANDON
CHANGE PLANS

SUBSEQUENT REPORT OF:

REMEDIAL WORK
COMMENCE DRILLING OPNS.
CASING TEST AND CEMENT JOB
OTHER:

ALTERING CASING
PLUG AND ABANDONMENT

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. Move equipment on location.
2. Set CIBP @ 5600'. If set w/WL use 35' cmt cap. If set w/tbg use 25 sx.
3. Cut 4-1/2" csg @ ±5000'. Set 100' plug (50' in & 50' above stub.
TAG PLUG.
4. Set 25 sx or 100' plug @ ±3000'. NMOCDD requires plug per 2000' O.H.
5. Set 100' plug (50' below & 50' above 8-5/8" csg seat. TAG PLUG.
6. Set 10 sx plug at surface.
7. Set Dryhole Marker.

THE COMMISSION MUST BE NOTIFIED 24 HOURS PRIOR TO THE BEGINNING OF WORK ON THIS WELL FOR THE CASE OF PLUG AND ABANDONMENT.

PROCEDURE PER PAUL KAUTZ 7-6-94

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

SIGNATURE *O. H. Routh* TITLE AGENT DATE 7-6-94

TYPE OR PRINT NAME O. H. ROUTH TELEPHONE NO. 915-687-0323

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

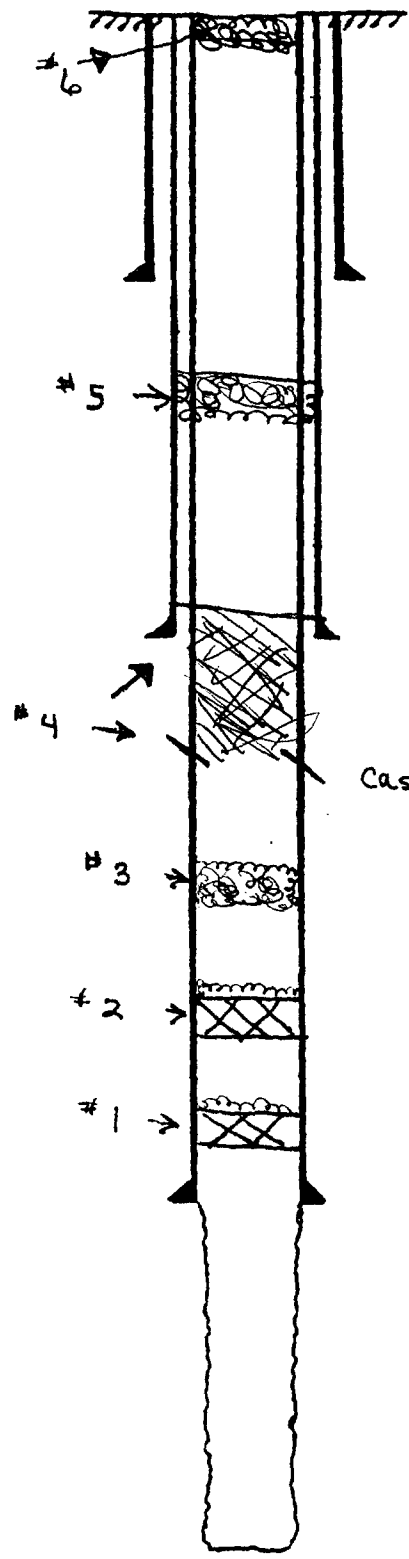
APPROVED BY _____ TITLE _____ DATE JUL 11 1994

CONDITIONS OF APPROVAL, IF ANY:

OPERATOR <i>THE ANSCHUTZ CORPORATION - Rand O & G</i>	DATE <i>3-17-95</i>	
LEASE <i>ARCO</i>	WELL No. <i>1</i>	LOCATION <i>SEC 18- T175- R39E Unit 2</i>

1980' FSL MD 1980' FWL

Producing from Devonian



13 3/8" casing set at 490' with 500 sx of _____ CE
Total Depth _____' Hole size 17 1/2" Circulated

8 5/8" casing set at 4903' with 1950 sx of _____ cem:
Hole size 12 1/4" Circulated Cement

Casing pulled from 5000

perf 12062 - 12080 } Devonian
perf 12130 - 12170 }

5 1/2" casing set at 12183' with 700 sx of _____ cem:
Total Depth 12210' Hole size 7 7/8"

OH 12183-12210

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

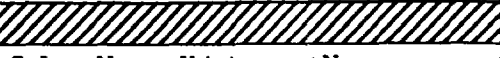
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.
30-025-31348

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.

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



1. Type of Well:
OIL WELL GAS WELL OTHER

7. Lease Name or Unit Agreement Name
ANSCHUTZ-ARCO

2. Name of Operator
RAND OIL & GAS COMPANY

8. Well No.
1

3. Address of Operator
1110 N. BIG SPRING, MIDLAND, TX 79701

9. Pool name or Wildcat
KNOWLES DEVONIAN

4. Well Location
Unit Letter **K** : **1980** Feet From The **SOUTH** Line and **1980** Feet From The **west** Line
Section **18** Township **17S** Range **39E** NMPM **LEA** County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3662.0 GR

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

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <input type="checkbox"/>

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.

7/9/94 - MIRU
PLUG #1 - 5 1/2 CIBP 12,100' W/35 CEMENT CAP. NO TUBING IN
IN WELLBORE. RDMO 7/11/94.

7/11/94 - MIRU
PLUG #2 - 7/18/94 - 5 1/2 CIBP @ 9280' W/25 SX CEMENT ON TOP.
PLUG #3 - 25 SX INSIDE 5 1/2 @ 7000'.
PLUG #4 - 75 SX 5050' (8 5/8 SHOE 4903' 5 1/2 STUB 5000') TAG 4809
PLUG #5 - 40 SX 2340 INSIDE 8 5/8 CASING
PLUG #6 - 10 SX SURFACE
PLUGGED TO ABANDON 7/22/94.

9.5 MUD BETWEEN ALL PLUGS

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

SIGNATURE W L Holmes TITLE OPERATIONS MANAGER DATE 7/22/94
TYPE OR PRINT NAME W L HOLMES TELEPHONE NO. 915-687-0323

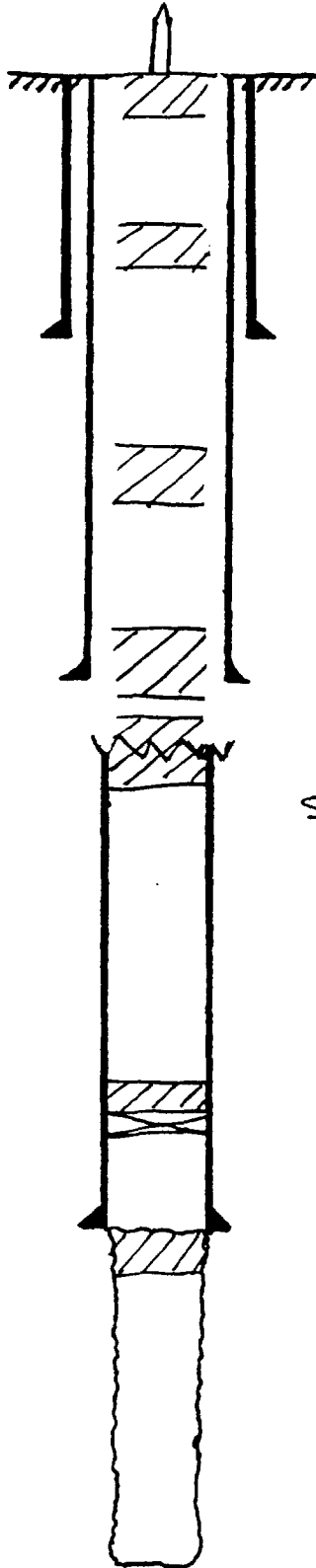
(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

OPERATOR JAKE HAMON	W J C lease	DATE 3-17-95
LEASE D.F. Willhoit	WELL No. Z	LOCATION Sec. 18-T17S-R39E UNIT M

660' FSL + 660' FWL

P+A 9-1-78



10 SX plug @ surface

40 SX plug @ 500'-600'

$13\frac{3}{8}$ " casing set at 326' with 340 sx of _____ ce
Total Depth _____' Hole size $17\frac{1}{2}$ " cement circ

40 SX plug @ 2400'-2500'

70 SX plug @ 4920 - 5100'

$9\frac{5}{8}$ " casing set at 5000' with 2800 sx of _____ ceme
Hole size $12\frac{1}{4}$ " cement circ

$5\frac{1}{2}$ " csg cut + pulled @ 5382'

35 SX plug @ 5317-5377

35 SX plug @ 5377-5432

C16P @ 11950' + 35' cement

$5\frac{1}{2}$ " casing set at 12337' with 500 sx of _____ cem.
Total Depth 14209' Hole size $8\frac{3}{4}$ " TOC by Bond Co.
@ 10030'



ARDINAL
LABORATORIES

PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

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

PHONE (505) 326-4669 • 118 S. COMMERCIAL AVE. • FARMINGTON, NM 87401

CHLORIDE ANALYSIS OF WATER

3

Company : Rand Oil & Gas
City, St.: 601 W. Illinois, Hobbs, NM 88240
Proj.Name: Rand SWD Application
Location : Sect. 18 T17 R39E

Date: 3/16/95
Lab #: H1990

Sample 1 : Water Well at House

PARAMETER

RESULT 1

Chloride

| 44 |

Michael R. Fowler

3/16/95

Date

HALLIBURTON SERVICES
HOBBS, NEW MEXICO

To _____
WJC Inc.

Sample Number 348

*Milligrams per liter

Submitted by Mike Pierce Date Received 10-23-92

Well No. See Below Depth _____ Formation _____

County Lea Field _____ Source See Below

* Faucett #1

* Faucett #2

Resistivity..... _____

Specific Gr..... _____

pH..... _____

Calcium*..... _____

Ca

Magnesium*..... _____

Mg

Chlorides*..... 75 m/l 75 m/l _____

Cl

Sulfates*..... _____

SO₄

Bicarbonates*..... _____

HCO₃

Soluble Iron*..... _____

Fe

* Out side Ranch House

	LOCATION	DATE COLLECTED	CHLORIDE mg/L	CONDUCT M-MHOS	TEMP DEG	WBF	BASIN FILE	REFE FI
3	17S 38E 21 444122	10/25/79	64	831		T00	L	
4	17S 38E 21 444122	9/28/84	138	1631	57F	T00	L	
5								
6	17S 38E 24 23211	10/02/79	120	954	67F	T00	L 00833	
7	17S 38E 24 23211	7/23/85	180	1317	65F	T00	L 00833	
8								
9	17S 38E 27 311132	7/23/85	80	879		T00	L 01310	
10								
11	17S 38E 27 333112	10/02/79	54	734		T00	L 01310 A	
12								
13	17S 38E 30 113234	10/02/79	86	1062	66F	T00	L 00012 AE	L C
14	17S 38E 30 113234	9/18/84	175	1338	65F	T00	L 00012 AE	
15								
16	17S 38E 30 31131	07/31/30	34		64F	T00	L	
17								
18	17S 38E 31 11231	10/02/79	40	648		T00	L 00567 S	L C
19								
20	17S 38E 31 31111	7/23/85	62	718		T00	L 00672	
21								
22	17S 38E 31 311111	09/08/65	40	620	67F	T00	L 00672	
23	17S 38E 31 311111	05/05/78	43	645	65F	T00	L 00672	
24	17S 38E 31 311111	10/03/79	40	678	67F	T00	L 00672	
25								
26	17S 38E 31 331333	10/03/79	58	653	66F	T00	L 00672 S	L O
27	17S 38E 31 331333	7/23/85	79	1117		T00	L 00672 S	L O
28								
29	17S 38E 33 14223	6/06/78	41	615	66F	T00	L 07884	
30	17S 38E 33 14223	9/28/84	37	608		T00	L 07884	
31								
32	17S 39E 18 33242	10/02/79	74	777	66F	T00	L 03049	
33	17S 39E 18 33242	7/23/85	79	749	65F	T00	L 03049	
34								
35	17S 39E 30 33222	09/19/79	152	1103		T00	L 00836	
36	17S 39E 30 33222	9/18/84	158	1217		T00	L 00836	
37								
38	18S 29E 10 34310	08/14/69	2030	6100		TRC		
39	18S 29E 10 34310	10/20/76	2024	8730	67F	TRC		
40	18S 29E 10 34310	8/28/80	2035			TRC	CP	
41	18S 29E 10 34310	9/30/81	2016	8767		TRC	OB	
42	18S 29E 10 34310	3/28/85	2030	8694	68F	TRC	CP	
43								
44	18S 29E 24 23313	08/14/69	50	1210		TRS	CP 00582	
45	18S 29E 24 23313	10/20/76	32	1510	67F	TRS	CP	
46	18S 29E 24 23313	8/28/80	28			TRS	CP	
47	18S 29E 24 23313	9/30/81	28	1808		TRS	CP	
48	18S 29E 24 23313	5/18/83	25	1997		TRS	CP 00582	
49	18S 29E 24 23313	3/28/85	65	2231	66F	TRS	CP 00582	
50								
51	18S 29E 24 23333	4/28/50	110	2150		TRS	CP	
52								
53								
54								
55								
56								
57								

State Engineers

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, Kathi Bearden

General Manager

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

of _____

1 weeks.
Beginning with the issue dated

March 21, 1995
and ending with the issue dated

March 21, 1995

Kathi Bearden
General Manager

Sword and subscribed to before
me this 32nd day of

March, 1995

Marilyn J. Ruffalo
Notary Public.

My Commission expires
March 24, 1998
(Seal)

LEGAL NOTICE
March 21, 1995

Pursuant to the rules and regulations of the State of New Mexico, Oil Conservation Division, Santa Fe, NM, notice is hereby given that Rand Oil & Gas Inc. is filing an application to convert their Arco #1 Unit O, 2271/ FEL 793/FSL Sect. 18 Tws. 17 S., Range 39 E., Lea Co., NM from a shut-in producer to a salt water disposal well. The source of injection will be produced water, injecting approximately 1200 bbl. per day at #800 pressure into the San Andres formation at a depth of 5650' - 5975'. If any further information is needed, please contact Eddie Seay, 601 W. Illinois, Hobbs, NM, (505) 392-2236.

Any questions or objections must be filed with the Oil Conservation Division, 2040 S. Pacheco, Santa Fe, NM 87505, within 15 days.

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

Pursuant to the rules and regulations of the State of New Mexico, Oil Conservation Division, Santa Fe, NM, notice is hereby given that Rand Oil & Gas Inc. is filing an application to convert their Arco #1 Unit O, 2271/FEL 793/FSL Sect. 18 Tws. 17 S., Range 39 E., Lea Co., NM, from a shut-in producer to a salt water disposal well. The source of injection will be produced water, injecting approximately 1200 bls. per day at #800 pressure into the San Andres formation at a depth of 5650'-5975'. If any further information is needed, please contact Eddie Seay, 601 W. Illinois, Hobbs, NM, (505)392-2236.

Any questions or objections must be filed with the Oil Conservation Division, 2040 S. Pacheco, Santa Fe, NM 87505, within 15 days.

March 17. 1995

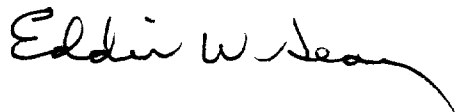
WJC Inc.
P.O. Box 7
Post, TX 79356

Dear Sir:

Pursuant to the rules and regulations of the State of New Mexico, Oil Conservation Division, Santa Fe, NM, notice is hereby given that Rand Oil & Gas Inc. is filing an application to convert their Arco #1 Unit O, 2271/FEL 793/FSL Sect. 18 Tws. 17 S., Range 39 E., Lea Co., NM, from a shut-in producer to a salt water disposal well. The source of injection will be produced water, injecting approximately 1200 bls. per day at #800 pressure into the San Andres formation at a depth of 5650'-5975'. If any further information is needed, please contact Eddie Seay, 601 W. Illinois, Hobbs, NM, (505)392-2236.

Any questions or objections must be filed with the Oil Conservation Division, 2040 S. Pacheco, Santa Fe, NM 87505, within 15 days.

Sincerely,

A handwritten signature in cursive script that reads "Eddie W. Seay". The signature is written in black ink and has a long, sweeping tail that extends to the right.

Eddie W. Seay, Agent

March 17, 1995

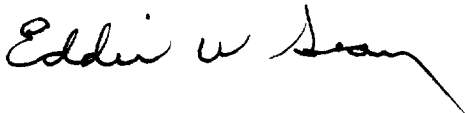
Rand Oil & Gas Inc.
4950 North O'Conner
Suite 270
Irving, TX 75062

Dear Sir:

Pursuant to the rules and regulations of the State of New Mexico, Oil Conservation Division, Santa Fe, NM, notice is hereby given that Rand Oil & Gas Inc. is filing an application to convert their Arco #1 Unit O, 2271/FEL 793/FSL Sect. 18 Tws. 17 S., Range 39 E., Lea Co., NM, from a shut-in producer to a salt water disposal well. The source of injection will be produced water, injecting approximately 1200 bls. per day at #800 pressure into the San Andres formation at a depth of 5650'-5975'. If any further information is needed, please contact Eddie Seay, 601 W. Illinois, Hobbs, NM, (505)392-2236.

Any questions or objections must be filed with the Oil Conservation Division, 2040 S. Pacheco, Santa Fe, NM 87505, within 15 days.

Sincerely,

A handwritten signature in cursive script that reads "Eddie W. Seay". The signature is written in dark ink and is positioned above the typed name of the sender.

Eddie W. Seay, Agent

Z 106 619 742



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, March 1993

Sent to Rand Oil & Gas Inc.	
Street and No. 4950 N. O'Conner Suite	
P.O. State and ZIP Code Irving, TX 75062 270	
Postage	\$0.32
Certified Fee	1.10
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$2.52
Postmark or Date	1

Z 106 619 741



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, March 1993

Sent to WJC Inc.	
Street and No. P.O. Box 7	
P.O. State and ZIP Code Post, TX 79356	
Postage	\$0.32
Certified Fee	1.10
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$2.52
Postmark or Date	1

COUNTY OF LEA STATE OF NEW MEXICO

NOTICE OF VALUATION FOR 19 94

NET TAXABLE VALUES WILL BE ALLOCATED TO THE GOVERNMENTAL UNITS IN SCHOOL DISTRICT 010

LOV-OUT

OWNER # 00000032

RAND OIL & GAS

4006 BELTLINE DR
ADDISON, TX 75244-0000

PROPERTY DESCRIPTION AND/OR CODE

PROPERTY CODE # 4-000-000-320-001
UNIT - 1 BLOCK -
OAK GROVE SUB-DIV
LOT - 10 11
#1992-TARGET, JOE PRT OF #35283*

VALUE RECAP		RESIDENTIAL FULL VALUE	NON-RESIDENTIAL TAXABLE VALUE	TOTAL VALUATION	
CODE	VALUE DESCRIPTION	TYPE	QUANTITY	FULL VALUE	TAXABLE VALUE
	LAND PERSONAL MOBILE HOME LIVESTOCK IMPROVEMENTS TOTAL VALUE VETERAN EXEMPTION FAMILY EXEMPTION OTHER EXEMPTION NET TAXABLE VALUE		3320	9960	3320
			3320	9960	3320
110	NON-RES LOTS	N/R	3320		3320



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBBS DISTRICT OFFICE

OIL CONSERVATION DIVISION
RECEIVED
'95 MAR 23 PM 8 52

3/24/95

POST OFFICE BOX 1980
HOBBBS, NEW MEXICO 88241-1980
(505) 393-6161

GOVERNOR

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

- MC _____
- DHC _____
- NSL _____
- NSP _____
- SWD X _____
- WFX _____
- PMX _____

Gentlemen:

I have examined the application for the:

Rand Oil & Gas Inc Arco #1-D B-17s-3e
 Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

Is close to houses & will have
high H₂S - recommend tanks at least 30
0 ft location.

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed