

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage
Application qualifies for administrative approval? X Yes No
- II. OPERATOR: Smith & Marrs Inc.
ADDRESS: 601 W. Illinois Hobbs, NM 88242
CONTACT PARTY: Eddie W. Seay, Agent PHONE: (505) 392-2236
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? Yes X No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Eddie W. Seay

TITLE: Agent

SIGNATURE: Eddie W. Seay

DATE: 12-1-04

* If the information required under Sections VI, VII, X, and be resubmitted. Please show the date and circumstances of

Exhibit 1

Smith & Marrs, Inc.

Case# 13511 June 16, 2005

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Division, they need not be resubmitted).

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

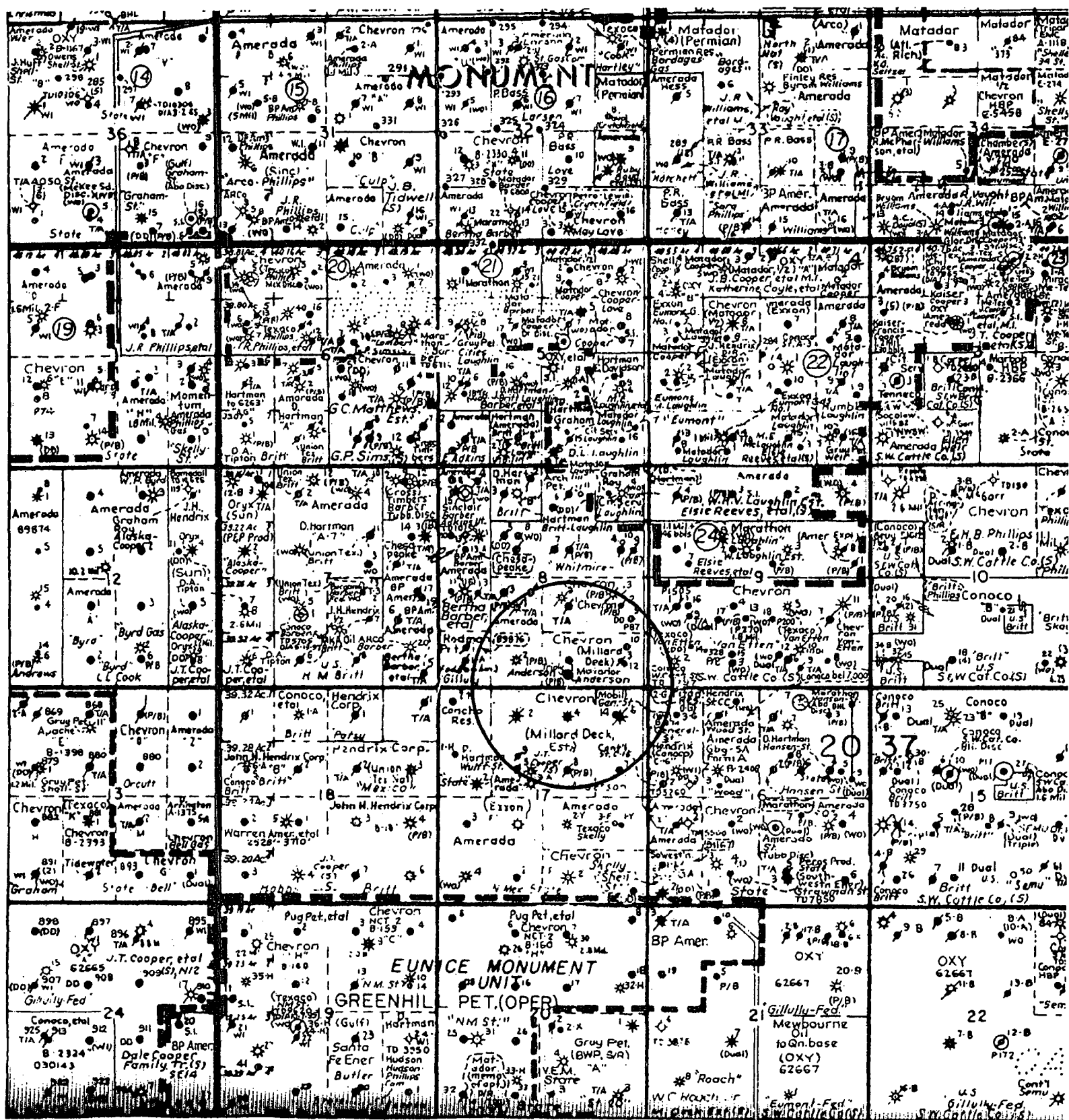
XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Eddie W. Seay TITLE: Agent

SIGNATURE: Eddie W. Seay DATE: 12-1-04

* 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: when drilled 1987

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Attachment to Application C-108

Anderson #1
Unit O, Section 8, Tws. 20 S., Rng. 37 E.
Lea Co., NM

III. Well Data

- A.1) See injection well data sheet.
 - 2) See injection well data sheet.
 - 3) 3 1/2" plastic coated tubing.
 - 4) Baker Model "D" Packer.
-
- B.1) Injection formations - Lower San Andres, Glorieta, Blinebry and Tubb.
 - 2) Injection interval - 4350' to 6371'.
 - 3) Original purpose of the well was oil and gas production.
 - 4) Well was producing from Glorieta, Blinebry and Tubb.
 - 5) Next higher producing zone is the Grayburg at 3500'.
Next lower producing zone is the Drinkard at 6645'.

IV. No.

V. Attached.

VI. Attached - list of wells and data.

VII. Proposed Operations.

- 1) 3000 to 5000 bls. per day of produced water.
- 2) Open system for commercial use.
- 3) Average pressure is 800#, or whatever limit OCD allows.
- 4) Attached.
- 5) Waters from within the area San Andres, Glorieta, Tubb, Queen, Blinebry and others.
(See attached analysis.)

VIII. The proposed disposal formation is interbedded shale and limestone. The primary geologic name is the Lower San Andres, Glorieta, Tubb and Blinebry which occurs from 4350' to 6371'. The fresh water formation in the area is the Ogallala and Alluvium which ranges in thickness from 20' to 60'. A analysis from the only producing water well is attached.

IX. Acid as needed.

X. Previously submitted.

XI. Attached.

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

XIII. Attached.

INJECTION WELL DATA SHEET

Tubing Size: 3 1/2" Lining Material: IPC
 Type of Packer: Baker Model 'D'
 Packer Setting Depth: 4250'
 Other Type of Tubing/Casing Seal (if applicable): NONE

Additional Data

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

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

oil and gas production

2. Name of the Injection Formation: Lower SA, Glorieta, Blinberry, Tubb

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

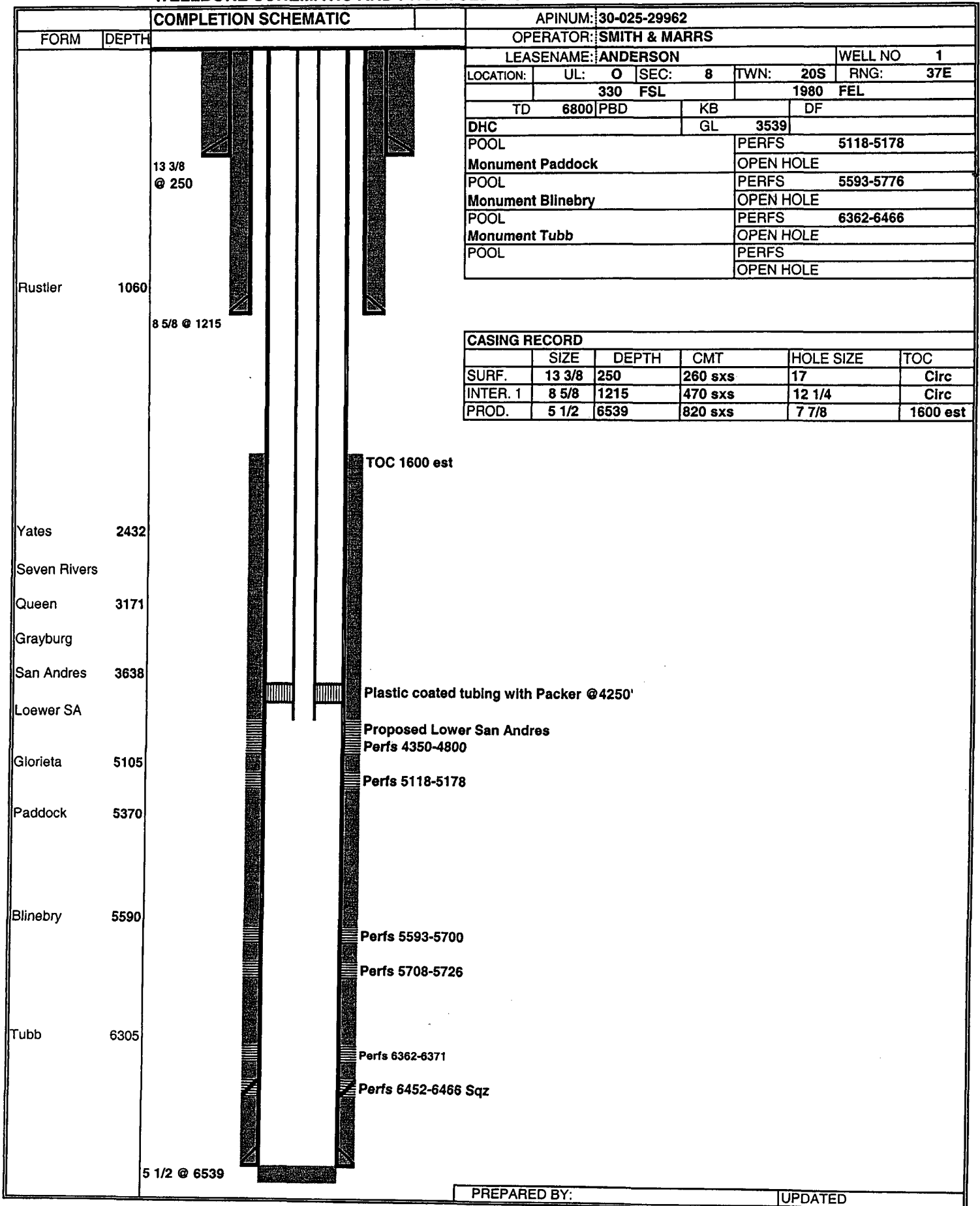
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. 5118 - 5178 Glorieta, 5593 - 5726 Blinberry, 6362 - 6371 Tubb, 6352 - 6466 Tubb, sg w/50 ss

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

The upper zone is the Grayburg at 3500 ±

The lower zone is the Drinkard at 6645 ±

WELLBORE SCHEMATIC AND PROPOSED DISPOSAL INTERVAL



PREPARED BY:

UPDATED

08 T20S R37E		APNUM	OPCODE	OPERATOR	PROPID	LEASENAME	ELN	UENS	LAND	REVE	TATU	ID	SLU	FLTN	DIR	REV	FE	DIR
		30-025-25282	4323	CHEVRON U S A INC	2565	THEODORE ANDERSON	13		P	GAS	P&A	6963 I	2223	FS			853	FE
		30-025-33296	4323	CHEVRON U S A INC	30016	T ANDERSON	5		P	OIL	A	5850 I	1650	FS			430	FE
		30-025-06031	4323	CHEVRON U S A INC	30016	T ANDERSON	3		S	OIL	P&A	5254 J	2173	FS			2173	FE
		30-025-06003	495	AMERADA HESS CORP	74	T ANDERSON	3			OIL	A	5730 K	2310	FS			1650	FW
		30-025-06004	495	AMERADA HESS CORP	74	T ANDERSON	4			OIL	A	5710 K	2310	FS			2310	FW
		30-025-06033		RODMAN PETROLEUM CORP	995279	GILLULLY FEDERAL	1		F	OIL	P&A	5720 M	990	FS			680	FW
		30-025-29962	23230	SMITH & MARRS	32778	ANDERSON	1		P	OIL	A	6800 O	330	FS			1980	FE
		30-025-33236	4323	CHEVRON U S A INC	2565	THEODORE ANDERSON	10		P	OIL	A	6950 P	990	FS			515	FE
		30-025-34021	4323	CHEVRON U S A INC	2565	THEODORE ANDERSON	12		S	OIL	A	7320 P	634	FS			631	FE
09 T20S R37E																		
		30-025-12801	19174	RICE OPERATING CO	9605	E M E SWD	9		P	SWD	I	4901 M	100	FS			250	FW
16 T20S R37E																		
		30-025-28818	150628	PURE RESOURCES, LP	26761	GENERAL G STATE	2		S	GAS	A	5805 D	330	FN			450	FW
17 T20S R37E																		
		30-025-34281	4323	CHEVRON U S A INC	2565	THEODORE ANDERSON	14		S	OIL	P&A	7317 A	660	FN			810	FE

ARINUM	ORCODE	OPERATOR	PROPID	LEASENAME	ELINE	ELENS	BAND	POWER	STATUS	ID	SUB	LEFT	DRIVE	TYPE	DIR
330-025-12801	19174	RICE OPERATING CO	9605	E M E SWD		9		P		SWD I	4901M	100	FS	250	FW

APNUM	OPCODE	OPERATOR	PROPID	LEASENAME	ELLINGENS	LAND	PERMITS	TD	SUB	ELIN	DRIN	DATE	DEPT	
330-025-28818	150628	PURE RESOURCES, LP	26761	GENERAL G STATE	2	S	GAS	A	5805	D	330	FN	450	FW

API NUMBER	ORCODE	OPERATOR	PROPID	LEASENAME	ELLINGENS LAND	REWEPTAU	APD	SULFUR	DIR	DIR	
30-025-34281	4323	CHEVRON U S A INC	2565	THEODORE ANDERSON	14	S	OIL	P&A	7317A	660 FN	810 FE

Area of Review

Chevron USA Inc., Theodore Anderson #13, API 30-025-25292

P & A

Chevron USA Inc., T. Anderson #5, API 30-025-33296

<u>HOLE</u>	<u>CASING</u>	<u>DEPTH</u>	<u>CEMENT</u>	<u>TOC</u>
11"	8 5/8"	1150'	500 sx	circulated
7 7/8"	5 1/2"	5850'	2600 sx	circulated

Chevron USA Inc., T. Anderson #3, API 30-025-06031

P & A

Amerada Hess, T. Anderson #3, API 30-025-06003

<u>HOLE</u>	<u>CASING</u>	<u>DEPTH</u>	<u>CEMENT</u>	<u>TOC</u>
17 1/2"	13 3/8"	295'	300 sx	circulated
11"	8 5/8"	2900'	1500 sx	1032' TS
7 7/8"	5 1/2"	5730'	500 sx	3224' TS

Amerada Hess, T. Anderson #4, API 30-025-06004

<u>HOLE</u>	<u>CASING</u>	<u>DEPTH</u>	<u>CEMENT</u>	<u>TOC</u>
17 1/2"	13 3/8"	316'	300 sx	circulated
12 1/2"	9 5/8"	2530'	1700 sx	circulated
8 3/4"	7"	3710'	500 sx	surface
7"	6 1/4"	3643-5710'	175 sx	3643'

Rodman Petroleum Corp., Gillully Fed. #1, API 30-025-06033

P & A

Smith & Marrs, Anderson #1, API 30-025-29962

<u>HOLE</u>	<u>CASING</u>	<u>DEPTH</u>	<u>CEMENT</u>	<u>TOC</u>
17"	13 3/8"	250'	260 sx	circulated
12 1/4"	8 5/8"	1215'	470 sx	circulated
7 7/8"	5 1/2"	6539'	820 sx	1600' calculated

Chevron USA Inc., Theodore Anderson #10, API 30-025-33236

<u>HOLE</u>	<u>CASING</u>	<u>DEPTH</u>	<u>CEMENT</u>	<u>TOC</u>
11"	8 5/8"	1123'	610 sx	circulated
7 7/8"	5 1/2"	6950'	460 sx	circulated

Chevron USA Inc., Theodore Anderson #12, API 30-025-34021

<u>HOLE</u>	<u>CASING</u>	<u>DEPTH</u>	<u>CEMENT</u>	<u>TOC</u>
14 3/4"	11 3/4"	400'	300 sx	circulated
11"	8 5/8"	2470'	710 sx	circulated
7 7/8"	5 1/2"	7000'	410 sx	3223' TS

Rice Operating Co., EME SWD #9, API 30-025-12801

<u>HOLE</u>	<u>CASING</u>	<u>DEPTH</u>	<u>CEMENT</u>	<u>TOC</u>
12 1/4"	9 5/8"	786'	500 sx	circulated
8 3/4"	7"	4261'	850 sx	1555' calculated

Pure Resources LP, General G. State #2, API 30-025-28818

<u>HOLE</u>	<u>CASING</u>	<u>DEPTH</u>	<u>CEMENT</u>	<u>TOC</u>
12 1/4"	8 5/8"	360'	300 sx	circulated
7 7/8"	5 1/2"	5805'	1700 sx	circulated

Chevron USA Inc., Theodore Anderson #14, API 30-025-34281

<u>HOLE</u>	<u>CASING</u>	<u>DEPTH</u>	<u>CEMENT</u>	<u>TOC</u>
11 3/4"	11 3/4"	395'	275 sx	circulated
11"	8 5/8"	2475'	550 sx	circulated
7 7/8"	5 1/2"	7030'	675 sx	1600' calculated

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-25292					
FORM	DEPTH	OPERATOR: CHEVRON U S A INC					
		LEASENAME: THEODORE ANDERSON				WELL NO 13	
		LOCATION:	UL: I	SEC: 8	TWN: 20S	RNG: 37E	
		2223 FSL			853 FEL		
		TD 6963	PBD	KB	DF		
						GL	
		POOL EUMONT YATES-7 R-QUEEN (GAS)				PERFS 3128-3386	
		POOL MONUMENT BLINEBRY				OPEN HOLE	
						PERFS 5590-5618	
						OPEN HOLE	

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	317	320 SX	17 1/2	Surface
INTER. 1	9 5/8	2748	1300 SX	12 1/4	Surface
PROD.	7	4924	668 SX	8 3/4	Surface
LINER	5	4693-6963	858 SX	8 3/4	4693

Well Log Details:

- Rustler Salt:** 1105 - 1205
 - Plug 0-30'
 - Plug 245-367
 - Wiper Plug @ 367'
 - Plug 1048-1155
 - Wiper Plug @ 1155'
- Queen:** 3125
 - Sqz @ 2835'
 - Circ to surface
 - Plug 2695-2885
 - Wiper plug @ 2885'
 - TOC 2848
 - Plug 2947-3100
 - Wiper plug @ 3100'
 - Perfs 3128-3386
 - Plug 3190-3303
- Grayburg:** 3422
- San Andres:** 3870
- Glorieta Paddock:** 5123 - 5190
 - 200 SX CMT PLUG 4403-5684
 - 7 @ 4924
 - SQZ @ 5205-5210
 - Casing leak @ 5550
 - Perfs 5590-5983
 - SQZ @ 5610-6170
- Blinebry:** 5588
- Tubb:** 6313
 - Perfs 6313-6572
- Drinkard:** 6647
- Abo:** 6945
 - Perfs 6660-6893
 - 5 @ 4693-6963

LEGEND

Zonite (Bentonite) Plug

Cement Plug

PREPARED BY:	UPDATED
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WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-33296																				
FORM	DEPTH	OPERATOR: CHEVRON U S A INC																				
Rustler 1105 Queen 3125 Grayburg 3450 San Andres 3870 Glorieta 5097 Paddock 5190 Blinebry 5663	8 5/8 @ 1150 DV Tool @ 3680 5 1/2 @ 5850'	LEASENAME: T ANDERSON LOCATION: UL: 1 SEC: 8 TWN: 20S RNG: 37E 1650 FSL 430 FEL TD 5850 PBD KB DF GL WELL NO 5 PERFS 5580-5717 OPEN HOLE																				
	POOL MONUMENT BLINEBRY TEST (SHOW DATE) Apr-96 OIL 87 GAS 28 WATER 6 Jan-99 OIL 14 GAS 102 WATER 78																					
	CASING RECORD <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>SIZE</th> <th>DEPTH</th> <th>CMT</th> <th>HOLE SIZE</th> <th>TOC</th> </tr> </thead> <tbody> <tr> <td>SURF.</td> <td>8 5/8</td> <td>1150</td> <td>500 sxs</td> <td>11</td> <td>CIRC</td> </tr> <tr> <td>PROD.</td> <td>5 1/2</td> <td>5850</td> <td>2600 sxs</td> <td>7 7/8</td> <td></td> </tr> </tbody> </table>					SIZE	DEPTH	CMT	HOLE SIZE	TOC	SURF.	8 5/8	1150	500 sxs	11	CIRC	PROD.	5 1/2	5850	2600 sxs	7 7/8	
		SIZE	DEPTH	CMT	HOLE SIZE	TOC																
	SURF.	8 5/8	1150	500 sxs	11	CIRC																
	PROD.	5 1/2	5850	2600 sxs	7 7/8																	
	TUBING RECORD <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>SIZE</th> <th>DEPTH</th> <th>PACKER</th> </tr> </thead> <tbody> <tr> <td></td> <td>2 7/8</td> <td>5734</td> <td></td> </tr> </tbody> </table>					SIZE	DEPTH	PACKER		2 7/8	5734											
		SIZE	DEPTH	PACKER																		
		2 7/8	5734																			
	HISTORY DV Tool @ 3680' 1st Stage 500 sxs 2nd Stage 2100 sxs																					
Perf 5142-5230 Sqz Perf 5170-5235 Sqz Perfs 5580-5717																						
TD 5850																						
PREPARED BY:																						
UPDATED																						

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-06031			
FORM	DEPTH	OPERATOR: CHEVRON U S A INC			
		LEASENAME: T ANDERSON			WELL NO 3
		LOCATION: UL: J SEC: 8	TWN: 20S	RNG: 37E	
		2173 FSL		2173 FEL	
		TD 5254	PBD	KB	DF
				GL	

FORMATION	DEPTH	CMT	HOLE SIZE	TOC
Rustler	1040			
Salt	1164			
Yates	2322			
Glorieta	5070			
Glorieta	5070			

13 3/8 @ 613'

Perf @ 675'

Circ cement to surf

185 sxs Plug 0-675

perf @ 1400

sqz 125 sxs

Plug 1124-1400

9 5/8 @ 2899

Plug 2589-3000

Perf @ 3000'

sqz 100 sxs

TOC 3160 Temp Surv

65 ex Plug 4871-5500

Top Liner @ 5029

Perfs 5148-5198

Perfs 5210-5235

7" @ 5252

CIBP @ 5554' Apr-96

Perfs 5606-5696 Feb-88

4 1/2 liner @ 5743

CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	613	800 sxs	17 1/4	Circ
INTER. 1	9 5/8	2899	1200 sxs	12 1/4	Circ
PROD.	7	5252	500 sxs	8 3/4	3160
LINER	4 1/2	5029-5743	100 sxs	4 1/2	Circ

TUBING RECORD			
	SIZE	DEPTH	PACKER

HISTORY

PREPARED BY:

UPDATED

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-06003	
FORM	DEPTH	OPERATOR: AMERADA HESS CORP	
		LEASENAME: T ANDERSON	
		WELL NO	3
		LOCATION:	UL: K SEC: 8 TWN: 20S RNG: 37E
		2310 FSL 1650 FWL	
		TD 5730	PBD 5726 KB DF
		GL	
		POOL	PERFS 5592-5766
		Monument Blinebry	OPEN HOLE
		POOL	PERFS 5150-5187 Sqz
		Monument Paddock	OPEN HOLE

CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	295	300 sxs	17 1/2	Circ
INTER. 1	8 5/8	2900	1500 sxs	11	1032 TS.
INTER. 2					
PROD.	5 1/2	5730	500 sxs	7 7/8	3224 TS.

TUBING RECORD		
	SIZE	DEPTH

HISTORY	
13 3/8 @ 295 Rustler 1040 Salt 1164 Yates 2322 8 5/8 @ 2900 TOC @ 1032 Temp Surv TOC @ 3224 Temp Surv San Andres 3696 Glorieta 5070 Blinebry 5 1/2 @ 5730'	Perfs 5150-5187 Sqz Perfs 5168-5198 Sqz Perfs 5205-5220 Perfs 5592-5644 CIBP @ 5647 Perfs 5676-5716 PB 5726 TD 5730

PREPARED BY:	UPDATED
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COMPLETION SCHEMATIC

APINUM: 30-025-06004

OPERATOR: AMERADA HESS CORP

LEASENAME: T ANDERSON

WELL NO	4
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LOCATION:	UL: K	SEC: 8	TWN: 20S	RNG: 37E
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2310 FSL	2310 FWL
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TD	5710	PBD	KB	DF
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GL

5670-5700

OPEN HOLE

13 3/8 @
316'

Rustler

1042

Salt

1170

Yates

2346

9 5/8 @ 2530

Queen

3142

DV Tool
@3419'

Top Liner @
3643

San Andres

3675

7" @ 3710'

Glorieta

5100

Blinebry

Perfs 5670-5700

6 1/4 liner @ 5710

[illegible]

OIL

GAS

WATER

OIL

GAS

WATER

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
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SURF.	13 3/8	316	300 sxs	17 1/2	Circ
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INTER. 1	9 5/8	2530	1700 sxs	12 1/2	Circ
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PROD.	7	3710	100 sxs+400 sxs	8 3/4	Surf
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LINER	6 1/4	3643-5710	175 sxs	3643
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TUBING RECORD

SIZE	DEPTH	PACKER
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HISTORY

PREPARED BY:

UPDATED

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-06033																																					
FORM	DEPTH	OPERATOR: RODMAN PETROLEUM CORP																																					
20 sx Plug 60 sx Plug 1092-964 45 sx Plug 1694-1564 Cut & Pull 7 5/8 @ 1680 TOC @ 1705 Temp Surv 27 sx Plug 3415-3292 25 sx Plug 3927-4055 Cut & Pull 5 1/2 @ 4003 20 sx Plug 5188-5006 60 sx Plug 1092-964 45 sx Plug 1694-1564 Cut & Pull 7 5/8 @ 1680 TOC @ 1705 Temp Surv 27 sx Plug 3415-3292 25 sx Plug 3927-4055 Cut & Pull 5 1/2 @ 4003 20 sx Plug 5188-5006	10 3/4 @ 1026 7 5/8 @ 3358 TOC @ 4700 Temp Surv 5 1/2 @ 5108'	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: left;">LEASENAME: GILLULLY FEDERAL</td> <td colspan="2" style="text-align: left;">WELL NO 1</td> </tr> <tr> <td style="text-align: left;">LOCATION:</td> <td style="text-align: left;">UL: M SEC: 8</td> <td style="text-align: left;">TWN: 20S</td> <td style="text-align: left;">RNG: 37E</td> </tr> <tr> <td colspan="2" style="text-align: center;">FSL</td> <td colspan="2" style="text-align: center;">F_L</td> </tr> <tr> <td style="text-align: left;">TD 5720</td> <td style="text-align: left;">PBD</td> <td style="text-align: left;">KB</td> <td style="text-align: left;">DF</td> </tr> <tr> <td colspan="2" style="text-align: left;">POOL</td> <td colspan="2" style="text-align: left;">PERFS</td> </tr> <tr> <td colspan="2"></td> <td colspan="2" style="text-align: left;">OPEN HOLE</td> </tr> </table>		LEASENAME: GILLULLY FEDERAL		WELL NO 1		LOCATION:	UL: M SEC: 8	TWN: 20S	RNG: 37E	FSL		F_L		TD 5720	PBD	KB	DF	POOL		PERFS				OPEN HOLE													
	LEASENAME: GILLULLY FEDERAL		WELL NO 1																																				
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Rustler Yates San Andres Glorieta																																							
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		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th colspan="6" style="text-align: left;">CASING RECORD</th> </tr> <tr> <th></th> <th>SIZE</th> <th>DEPTH</th> <th>CMT</th> <th>HOLE SIZE</th> <th>TOC</th> </tr> <tr> <td>SURF.</td> <td>10 3/4</td> <td>1026</td> <td>680 sxs</td> <td></td> <td>Circ</td> </tr> <tr> <td>INTER. 1</td> <td>7 5/8</td> <td>3358</td> <td>800 sxs</td> <td></td> <td>1705</td> </tr> <tr> <td>INTER. 2</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>PROD.</td> <td>5 1/2</td> <td>5108</td> <td>200 sxs</td> <td></td> <td>4700</td> </tr> </table>		CASING RECORD							SIZE	DEPTH	CMT	HOLE SIZE	TOC	SURF.	10 3/4	1026	680 sxs		Circ	INTER. 1	7 5/8	3358	800 sxs		1705	INTER. 2						PROD.	5 1/2	5108	200 sxs		4700
CASING RECORD																																							
	SIZE	DEPTH	CMT	HOLE SIZE	TOC																																		
SURF.	10 3/4	1026	680 sxs		Circ																																		
INTER. 1	7 5/8	3358	800 sxs		1705																																		
INTER. 2																																							
PROD.	5 1/2	5108	200 sxs		4700																																		
		PREPARED BY: _____ UPDATED _____																																					

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-29962		
FORM	DEPTH	OPERATOR: SMITH & MARRS		
13 3/8 @ 250 8 5/8 @ 1215 Rustler 1060 Yates 2432 Seven Rivers Queen 3171 Grayburg San Andres 3638 Glorieta 5105 Paddock 5370 Blinebry 5590 Tubb 6305 5 1/2 @ 6539 TOC 1600 est Perfs 5118-5178 Perfs 5593-5700 Perfs 5708-5726 Perfs 6362-6371 Perfs 6452-6466 Sqz		LEASENAME: ANDERSON WELL NO 1 LOCATION: UL: O SEC: 8 TWN: 20S RNG: 37E 330 FSL 1980 FEL TD 6800 PBD KB DF DHC GL 3539 POOL Monument Paddock PERFS 5118-5178 POOL Monument Blinebry PERFS 5593-5776 POOL Monument Tubb PERFS 6362-6466 POOL PERFS POOL OPEN HOLE		
	CASING RECORD			
		SIZE	DEPTH	CMT
	SURF.	13 3/8	250	260 sxs
	INTER. 1	8 5/8	1215	470 sxs
	PROD.	5 1/2	6539	820 sxs
			HOLE SIZE	TOC
			17	Circ
			12 1/4	Circ
			7 7/8	1600 est
PREPARED BY: _____				
UPDATED _____				

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-33236	
FORM	DEPTH	OPERATOR: CHEVRON U S A INC	
		LEASENAME: THEODORE ANDERSON	
		WELL NO 10	
		LOCATION:	UL: SEC: 8 TWN: 20S RNG: 37E
			990 FSL 515 FEL
		TD 6950	PBD 6565 KB DF
			GL 3534
		POOL Monument Blinebry	
		PERFS 5674-5694	
		OPEN HOLE	

CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	8 5/8	1123	610 sxs		Circ
PROD.	5 1/2	6950	460 sxs		Circ

FORMATION	DEPTH	LOG
Rustler	1080	8 5/8 @ 1123
Yates	2445	
Yates	2445	
Queen	3083	
San Andres	3714	
Glorieta	5109	
Paddock	5185	
Blinebry	5574	Perfs 5674-5694
Tubb	6293	
Drinkard	6556	PB 6565
		TD 6565
		5 1/2 @ 6950

PREPARED BY:

UPDATED

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-34021				
FORM	DEPTH	OPERATOR: CHEVRON U S A INC				
11 3/4 @ 400 Rustler 1080 Tansill 2393 Yates 2443 8 5/8 @ 2470 Queen 3111 San Andres 3722 Glorieta 5103 Paddock 5190 Blinbry 5571 Tubb 6286 Drinkard 6547 Abo 6948 5 1/2 @ 6539 TOC 3223 temp surv Perfs 7000-7320		LEASENAME: THEODORE ANDERSON		WELL NO 12		
	LOCATION:	UL: P	SEC: 8	TWN: 20S	RNG: 37E	
		634 FSL		631 FEL		
	TD	7320 PBD	KB	DF		
				GL	3533	
	POOL			PERFS 7000-7320		
Southeast Monument Abo			OPEN HOLE			

CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	11 3/4	400	300 sxs	14 3/4	Circ
INTER. 1	8 5/8	2470	710 sxs	11	Circ
PROD.	5 1/2	7000	410 sxs	7 7/8	3223

PREPARED BY:

UPDATED

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		SWD	
FORM	DEPTH		
Rustler	1078		
Tansill	2323		
Yates	2500		
Queen	3213		
San Andres	3855		

APINUM: 30-025-12801	
OPERATOR: RICE OPERATING CO	
LEASENAME: E M E SWD	
WELL NO 9	
LOCATION: UL: M SEC: 9 TWN: 20S RNG: 37E	
100 FSL 250 FWL	
TD 4901 PBD KB DF	
GL	

OIL		GAS		WATER	
CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	9 5/8	786	500 Sxs	12 1/4	Clrc
PROD.	7	4281	850Sxs	8 3/4	1555

TOC @ 1555
Temp Surv

HISTORY

ACIDIZE 4396-4593
ACIDIZE 4742-4845

7 @ 4281

TD 4901

PREPARED BY:	UPDATED

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-28818	
FORM	DEPTH	OPERATOR: PURE RESOURCES, LP	
		LEASENAME: GENERAL G STATE	
		WELL NO	2
		LOCATION:	UL: D SEC: 16 TWN: 20S RNG: 37E
			330 FNL 450 FWL
		TD 5805	PBD KB DF
			GL 3527
		POOL	PERFS 3297-3446
		Eumont Yates-Seven River-Queen	OPEN HOLE

CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	8 5/8	360	300 Sxs	12 1/4	Circ
PROD.	5 1/2	5805	1700 Sxs	7 7/8	Circ

TUBING RECORD			
	SIZE	DEPTH	PACKER
	2 3/8		3180

Rustler

Queen

Grayburg

San Andres

Glorieta

Paddock

Blinbry

8 5/8 @ 360

DV Tool @ 4301

Perfs 3297-3446

Perfs 5078-5227 Sqz Zone Dry

Perfs 5732-5761 Zone Dry

5 1/2 @ 5800

TD 5800

DV Tool @ 4301 1st Stage 1350 sxs Circ

2nd Stage 1150 sxs Circ

PREPARED BY:

UPDATED

COMPLETION SCHEMATIC

CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	11 3/4	395	275 Sxs	11 3/4	Circ
INTER. 1	8 5/8	2475	550 Sxs	11	Circ
INTER. 2					
PROD.	5 1/2	7030	675 Sxs	7 7/8	1600
TUBING RECORD					
	SIZE	DEPTH	PACKER		
	2 7/8	7189			



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

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

ANALYTICAL RESULTS FOR
EDDIE SEAY CONSULTING
ATTN: EDDIE SEAY
601 W. ILLINOIS
HOBBS, NM 88242
FAX TO: (505) 392-6949

Receiving Date: 11/04/04
Reporting Date: 11/05/04
Project Number: 001
Project Name: SMITH & MARRS SWD
Project Location: NOT GIVEN

Sampling Date: 11/04/04
Sample Type: GRUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: AH
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (μ S/cm)	T-Alkalinity (mgCaCO ₃ /L)
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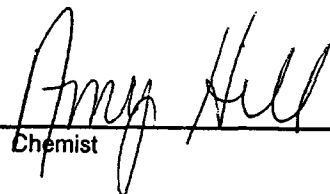
ANALYSIS DATE:	11/04/04	11/04/04	11/04/04	11/04/04	11/04/04	11/04/04
H9319-1 CAS #1	619	641	228	12.1	9299	244
Quality Control	NR	40	52	4.87	1322	NR
True Value QC	NR	50	50	5.00	1413	NR
% Recovery	NR	80.0	104	97.4	93.6	NR
Relative Percent Difference	NR	2.0	6.0	5.8	0.8	NR

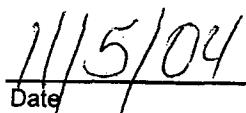
METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
----------	-------------	-----------	------	-------	-------

Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
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ANALYSIS DATE:	11/04/04	11/04/04	11/04/04	11/04/04	11/04/04	11/05/04
H9319-1 CAS #1	2499	134	0	297	6.98	5420
Quality Control	1010	50.98	NR	976	6.96	NR
True Value QC	1000	50.00	NR	1000	7.00	NR
% Recovery	101	102	NR	97.6	99.4	NR
Relative Percent Difference	1.0	1.2	NR	2.2	0.1	1.4

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
----------	-------------	-------	-------	-------	-------	-------


Chemist


Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.

H9319

WATER ANALYSIS BY
NEW MEXICO OIL CONSERVATION COMMISSION
HOBBS, NEW MEXICO

PRODUCED WATER ANALYSIS

<u>POOL</u>	<u>LOCATION</u>	<u>CHLORIDES</u>
Jalmat Yates Seven Rivers	✓ 11-23-35	23,572
Langlie Mattix Seven Rivers Queen	✓ 32-24-37	44,740 (Reef)
Langlie Mattix Seven Rivers Queen	✓ 34-23-37	41,890
Langlie Mattix Seven Rivers Queen	✓ 27-23-37	5,745 (Reef)
Eunice Grayburg San Andres	✓ 33-21-37	137,385
Arrowhead Grayburg	✓ 13-22-36	2,059
Blinebry	✓ 26-21-37	99,755
Terry Blinebry	✓ 23-21-37	109,340
Drinkard	— 33-21-37	2,556 ?
Penrose Skelly	✓ 29-21-37	6,248
Paddock Glorieta	✓ 22-22-37	64,255
Paddock Glorieta	✓ 28-21-37	62,222
McCormack Silurian	✓ 33-21-37	28,684
Brunson Ellenburger	✓ 28-21-37	105,000
Hare McKee	— 18-21-37	69,580
Justis Paddock	✓ 14-25-37	54,315
Justis Tubb Drinkard	✓ 24-25-37	63,900
Justis Montoya	✓ 25-25-37	69,935
Justis Fusselman	✓ 25-25-37	✓ 44,304
Justis Ellenburger	✓ 13-25-37	66,030
North Justis Blinebry	✓ 2-25-37	173,240

SMITH & MARRS
601 W. Illinois
Hobbs, NM 88242

December 1, 2004

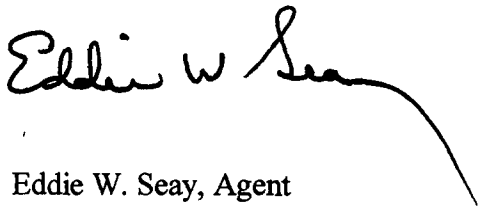
RE: Anderson #1
Unit O, Sect. 8, T. 20 S., R. 37 E.

Dear Sirs:

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

Any questions about the permit can be directed to Eddie W. Seay, (505)392-2236. Any objections or request for hearing must be filed with the Oil Conservation Division within fifteen (15) days from the date received. The OCD address is P. O. Box 6429, 1220 S. Saint Francis Drive, Santa Fe, NM 87504, (505)476-3440.

Thank you,

A handwritten signature in black ink, appearing to read "Eddie W. Seay", with a long, sweeping horizontal line extending to the right.

Eddie W. Seay, Agent
601 W. Illinois
Hobbs, NM 88242
(505)392-2236

7004 0750 0003 4821 8542

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OFFICIAL USE

HIDALGO, TX 79701

Postage	\$ 1.52	UNIT ID: 0640 Clerk: YZX630 12/01/04
Certified Fee	2.30	
Return Receipt Fee (Endorsement Required)	1.75	
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 5.57	

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

PS Form 3800, June 2002 See Reverse for Instructions

7004 0750 0003 4821 8559

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OFFICIAL USE

HIDALGO, TX 79701

Postage	\$ 1.52	UNIT ID: 0640 Clerk: YZX630 12/01/04
Certified Fee	2.30	
Return Receipt Fee (Endorsement Required)	1.75	
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 5.57	

Sent To: **Pure Resources LP**
 Street, Apt. No., or PO Box No. **500 W. Texas**
 City, State, ZIP+4 **Midland, TX 79701**

PS Form 3800, June 2002 See Reverse for Instructions

7004 0750 0003 4821 8528

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OFFICIAL USE

HOUSTON, TX 77252

Postage	\$ 1.52	UNIT ID: 0640 Clerk: YZX630 12/01/04
Certified Fee	2.30	
Return Receipt Fee (Endorsement Required)	1.75	
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 5.57	

Sent To: **Amerada Hess Corp.**
 Street, Apt. No., or PO Box No. **Box 2040**
 City, State, ZIP+4 **Houston, TX 77252**

PS Form 3800, June 2002 See Reverse for Instructions

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OFFICIAL USE

HOBBS, NM 88240

Postage	\$ 1.52	UNIT ID: 0640 Clerk: YZX630 12/01/04
Certified Fee	2.30	
Return Receipt Fee (Endorsement Required)	1.75	
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 5.57	

Sent To: **Rice Operating Co.**
 Street, Apt. No., or PO Box No. **122 West Taylor**
 City, State, ZIP+4 **Hobbs, NM 88240**

PS Form 3800, June 2002 See Reverse for Instructions

7004 0750 0003 4821 8535

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

OFFICIAL USE

MONUMENT, NM 88265

Postage	\$ 1.52	UNIT ID: 0640 Clerk: YZX630 12/01/04
Certified Fee	2.30	
Return Receipt Fee (Endorsement Required)	1.75	
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 5.57	

Sent To: **Jimmie T. Cooper**
 Street, Apt. No., or PO Box No. **Box 55**
 City, State, ZIP+4 **Monument, NM 88265**

PS Form 3800, June 2002 See Reverse for Instructions

LEGAL NOTICE

Pursuant to the rules and regulations of the Oil Conservation Division of the State of New Mexico, Smith & Marrs, 601 W. Illinois, Hobbs, NM 88242, is filing a C-108, Application for a Commercial Salt Water Disposal. The well being applied for is the Anderson #1, located in Unit O, Section 8, Township 20 S., Range 37 E., Lea Co., NM. The injection formation is Lower SA, Glorieta, Blinbry and Tubb located from 4350' to 6371' below surface. Expected maximum injection rate is 5000 bpd. and the expected maximum injection pressure is 800 lbs. Any questions about the application can be directed to Eddie W. Seay, (505)392-2236, or any objections or request for hearing must be directed to the Oil Conservation Division, (505)476-3440, Box 6429, 1220 South Saint Francis Drive, Santa Fe, NM 87504, within fifteen (15) days.

of, for one (1) day, beginning with the issue of
December 1, 2004 and ending with the issue
of December 1, 2004.

And that the cost of publishing said notice is the sum of
\$ 18.68 which sum has been (Paid) as
Court Costs.

Joyce Clemens

Subscribed and sworn to before me this 3rd day of
December 2004.

Debbie Schilling

Debbie Schilling

Notary Public, Lea County, New Mexico

My Commission Expires June 22, 2006

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Published in the
Lovington Daily Leader
December 1, 2004.

Affidavit of Publication

STATE OF NEW MEXICO)

) ss.

COUNTY OF LEA)

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

That the notice which is hereto attached, entitled

Legal Notice

was published in a regular and entire issue of **THE LOVINGTON DAILY LEADER** and not in any supplement thereof, for one (1) day, beginning with the issue of December 1, 2004 and ending with the issue of December 1, 2004.

And that the cost of publishing said notice is the sum of \$ 18.68 which sum has been (Paid) as Court Costs.

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Debbie Schilling

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Published in the Lovington Daily Leader December 1, 2004.