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2015 JAN 26 A 10:06

Case 15263

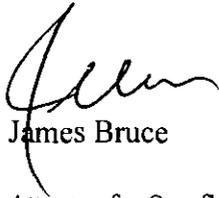
January 20, 2015

Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing, on behalf of Overflow Energy, Inc., is an application for approval of a salt water disposal well. The advertisement has been e-mailed to the Division. Please set this matter for the February 19, 2015 Examiner hearing. Thank you.

Very truly yours,



James Bruce

Attorney for Overflow Energy, Inc.

Persons Notified of Hearing

Mineral Owner, Surface Lessee, Operators, and Property Owners: "

No.	Name	Township	Range	Section	Share	c/o	Street Address	City, State, Zip Code
1	Paul Bond	T 21 S	R 27 E	25.31	1/3	Paul William Bond	915 Paul Bond Road	Nogales, AZ 85621
2	O.V. Toothman	T 21 S	R 27 E	25.31	1/3			
3	Finley Resources Inc.	T 21 S	R 27 E	25.31	1/3		1308 Lake Street #200	Ft. Worth, TX 76102
4	Mrs. Belle McCord	T 21 S	R 27 E	25.34	full	McCord Enterprises, c/o Patrick Casey	P.O. Box 38446	Germantown, TN 38183
5	O. Featherstone II	T 21 S	R 27 E	25.32	1/3	Olen F. Featherstone Estate, c/o Charla Featherstone	P.O. Box 429	Roswell, NM 88202
6	HBC Oil	T 21 S	R 27 E	25.32	1/3			
7	Ruth Vernon	T 21 S	R 27 E	25.41	full	Steve G. Vernon	13208 Wells Fargo Street	Austin, TX 78737
8	D.S.Sikes	T 21 S	R 27 E	25.21	fee			
9	Chaparral Roy	T 21 S	R 27 E	25.21	lease			
10	R.C. Ison	T 21 S	R 27 E	24.43	full			
11	G.W. Green	T 21 S	R 27 E	24 Irr	full			
12	Occidental Permian Ltd.	T 21 S	R 27 E	23.2/23.4	unknown		P.O. Box 4294	Houston, TX 77210
13	Gardner	T 21 S	R 27 E	26.42	unknown			
14	Myco Industries Inc.	T 21 S	R 27 E	Carson City Fee Com			P.O. Box 840	Artesia, NM 88211
15	E.C. Wilson	T 21 S	R 27 E	25.13	lease			
16	A.F. Jump	T 21 S	R 27 E	25.12	lease			
17	Marie Neal Estate	T 21 S	R 27 E	25.12	lease	Patrick Wayne Neal & Deborah Neal	5305 River Point	Discovery Bay, CA 94505
7	APACHE	T 21 S	R 27 E	25.21	unknown	Apache Corp.	303 Veterans Airpark Ln., Ste 3000	Midland, TX 79705
						Bureau of Land Management	620 East Greene Street	Carlsbad, NM 88220
						Quality Transport, Inc.	7 Crawford Lane	Jal, NM 88252
						Nabors Well Services Ltd.	P.O. Box 670866	Houston, TX 77267
						Raymond Carroll & Julie Whitmoyer	308 Bridgerview Drive	Belgrade, MT 59714
						Glen & Colleen Ballard	1706 West Tansill	Carlsbad, NM 88220
						Kenneth and Lonna Wade	1501 North Canal	Carlsbad, NM 88220
						Jimmy R. Hood & Travis Kurt	1907 Connie Road	Carlsbad, NM 88220
						John Jr. & Beverly Brazeal	301 Rosedale	Carlsbad, NM 88220
						George Mayo	2004 Connie Road	Carlsbad, NM 88220
						Rhonda Lynn Stafford	213 South LaHuerta Circle	Carlsbad, NM 88220
						John D. Proctor	2003 Connie Road	Carlsbad, NM 88220
						Calvin D. & Alice M. Brown	2005 Connie Road	Carlsbad, NM 88220
						Robert C. & Veronica Hooten	10 Crossroad Rd.	Carlsbad, NM 88220
						Gary C. & Betty A. Franklin	2010 Connie Road	Carlsbad, NM 88220
						Charles & Juanell Bloodworth	2007 Connie Road	Carlsbad, NM 88220
						Charles Ray Phillips	2006 Connie Road	Carlsbad, NM 88220
						James I. Austin	P.O. Box 417	Carlsbad, NM 88221
						Ace's Structural Steel Erection	P.O. Box 5251	Carlsbad, NM 88221
						Thomas A. & Mary H. Appling	P.O. Box 5251	Carlsbad, NM 88221
						Dependable Trucking LLC.	214 North Main	Carlsbad, NM 88220
						Richard South	4210 Hermosa Drive	Corpus Christi, TX 78411
						Michael Garner	P.O. Box 1342	Carlsbad, NM 88221
						PNM Gas Services	Alvarado Square MS 2708	Albuquerque, NM 87158
						Martha Skeen	321 South Canyon	Carlsbad, NM 88220
						Phillip Dwain Boggs	2509 Aspen Street	Longview, TX 75605

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

RECEIVED OCD

APPLICATION OF OVERFLOW ENERGY, INC.
FOR APPROVAL OF A SALT WATER DISPOSAL
WELL, EDDY COUNTY, NEW MEXICO.

2015 JAN 26 A 10:07

Case No. 15263

APPLICATION

Overflow Energy, Inc. applies for an order approving a salt water disposal well, and in support thereof, states:

1. Applicant proposes re-enter the Helena 25 Fee Com. Well No. 1, located 1340 feet from the north line and 1040 feet from the west line of Section 25, Township 21 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.
2. Applicant proposes to dispose of produced water into the Delaware formation at depths of 2614-5417 feet subsurface.
3. A Form C-108 for the subject well is attached hereto as Exhibit A.
4. The granting of this application will prevent waste and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order approving this application.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Overflow Energy, Inc.

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 the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

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

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

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

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

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8" Lining Material: N/A

Type of Packer: Model R

Packer Setting Depth: about 2,600 ft bgl

Other Type of Tubing/Casing Seal (if applicable): Set bridge plug @ 5,500 ft, with perforations between 2,600 and 5,500 ft bgl

Additional Data

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

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

oil & gas exploration

2. Name of the Injection Formation: Delaware Mountain Group

3. Name of Field or Pool (if applicable): East Carlsbad Morrow

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. _____

Morrow Limestone from 11,153 ft bgl (perforations from 11,452 to 11,582 ft with fifteen 43-in. holes) to be plugged by bridge plug set at 5,500 ft bgl

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

underlying gas zones: Bone Spring 5,417'; Wolfcamp 8,988'; and Strawn 10,197'

ATTACHMENTS

**(Note: Figures 1 through 8, and Appendices A and B
located as last pages)**

ITEM VI.

**Table 1. NMOCD well data related to NMOCD Form C-108, Item VI,
 near Quality Transport Helena 25 Fee Com No. 1, Eddy County, New Mexico**

well API No.	name; well type	status	date drilled	date refurbished or plugged and abandoned	town-ship	range	section	unit	construction	depth, ft bgl	record of completion
30-015-31832	MYCO Industries Inc. Carson City No. 1; oil and gas well	plugged	6/29/2001	7/3/2001 P/A	21S	27E	25	G ¹	no casing; cement to surface	1,396	7/8/2001
30-015-31908	MYCO Industries Inc. Carson City No. 1Y; oil and gas well	online	8/28/2001	10/27/2001	21S	27E	25	G ²	13-3/8"; 8-5/8"; 5-1/2" casing	12,117	10/30/2001
30-015-26280	Collins & Ware Lone Tree Federal Com No. 1/ Nabors SWD No. 1; disposal well	plugged-permit to re-enter valid	4/16/1990	12/28/1998 P/A	21S	27E	24	N ³	16"; 9 5/8"; 5-1/2" casing	11,935	5/2/1990
30-015-21566	Finley Resources Toothman Gas Com No. 1; oil and gas well	online	7/25/1975	11/21/1990	21S	27E	25	L ⁴	13 3/8"; 8 5/8"; 5 1/2" casing	12,000	3/26/1991

¹ - 1500' FNL; 1650' FEL

² - 1525' FNL; 1650' FEL

³ - 660' FSL; 2120' FWL

⁴ - 1980' FSL; 660' FWL

P/A - plugged and abandoned

ft bgl - feet below ground level

½ mile radius well info from NMOCD records (within radius of API No. 30-015-31909)

30-015-31832

- Carson City 001. Myco Industries, Inc. Unit G, Sec. 25, T21S-R27E, Eddy Co. GL elev 3144'. Spud 06/15/2001. TVD depth 1396'. Plugged.
- **6/26/01** SPUD 17-1/2" HOLE W/KEY RIG #37 (SET 60' CONDUCTOR PIPE). **6/27/01** TD @ 485' RAN 11-JTS. 12-3/8" H-40 48# TO TD & CMT. W/225-SXS (35:65:6) "C" + 2% CaCl₂ + ¼ C.F. + 200-SXS "C" + 2% CaCl₂. PLUG DOWN 8:08 AM (CIRC 142-SXS) WOC 18-HRS.
- **6/29-7/3/01** TD 12-1/4" HOLE @ 1396' FISHING FOR BHA. BACK OFF @ 1244' (TOP OF FISH) BTM OF FISH @ 1325'. PLUGGED WELL WITH 800-SXS "C" + 2% CaCl₂ FROM 1244' TO SURFACE IN 2-STAGES.

30-015-31908

- Carson City 25 Fee Com 001Y. Myco Industries, Inc. Unit G, Sec. 25, T21S-R27E, Eddy Co. GL elev 3144'. Spud date 7/7/01. TVD depth 12,052'. Active. Well replaced above unit. No diagram.
- **7/7/01** SPUD W/17-1/2" HOLE.
- **7/8/01** TD @ 495' RUN 11-JTS 13-3/8", H-40, 48# & CMT W/225-SXS. (35:65"6) "C" + 2% CaCl₂ PLUG DOWN 10:20 A.M. WOC 18-HRS. (CIRC 142-SXS).
- **7/15/01-7/16/01** TD 12-1/4" HOLE @ 2510'. RAN 9-5/8" TO 2258' WHERE STUCK WITH CIRCULATION. FLOAT SHOE SET @ 2243' & CMT. WITH 1,450-SXS (35:65:6) "C" + 5# SALT + ¼ CF + 5# LCM-1 AND TAIL W/200-SXS "C" + 2% CaCl₂. PLUG DOWN 11:00 AM (7/16/01). CIRCULATE 350-SXS CMT WOC 18-HRS. INSTALL BOP & TEST TO 5000#.
- **8/28/01** TD 8-7/8" HOLE @ 12048' % RAN 5-1/2" 17# (N-80 & S-55) TO TD W/DC @ 9095'. CMT. 2 STAGES: STAGE I (750-SXS "H" POZ & CIRC. 30-SXS. OFF DV), STAGE II 1770-SXS POZ "C" & TAIL W/100-SXS "H". STARTED W/PRE-PAD OF 150-BBS MUD + 150-SCF N₂/BBL. CIRC. 50-SXS).
- **8/31-10/7/01** RUN CBL W/GOOD BOND TO SURFACE & PBTD = 11,987' AND DC @ 9028'. PERF 11,922 - 34' & ACIDIZE WITH 1500-GAL 7-1/2% NeFe. TESTED WET (MORROW "C"). SET CIBP @ 11,900' W/35' CMT. (PBTD = 11,865'). PERF MORROW "B" 11,637 + 41' & ACIDIZE WITH 1000-GAL 7-1/2% NeFe. TESTED TITE & NON-COMMERCIAL. SET RBP @ 11,621 & PERF UPPER MORROW "B" (11,548, 50', 52', 53') 4-SPF (0.52") ACIDIZE W 2000 GAL 7-1/2% NeFe + N₂. WOPL CONNECTION AND TESTING.
- **10/28/01** First gas sales (7372 MCF in 24 hours at 680 psi).
- **4/16/02** Name change from Carson City 1Y to Carson City 25 Fee Com No. 1Y.

30-015-26280

- Nabors SWD 001. Nabors Completion & Production Services Co. Unit N, T21E-R27E, Eddy Co. GL elev 3126'. Spud date 3/20/90 (20" hole). Total depth 11935'.
- **3/21/90** Drilling.
- **3/22/90** Depth 660'. (Illegible) ran 15 jts. 16" 75# K-55 Cl. A casing and set at 659'. Cmt'd w/ 200 sx thickset 1/4#/sk flocele, 2% CaCl₂; 185 sx Howco lite 1/4#/sk flocele, 2% CaCl₂; and 300 sx Cl "C" 2% CaCl₂. No cmt to surface. WOC. Tag TOC at 50'. Top off annulus w/ 10 yrds ready mix. WOC.
- **3/23/90** WOC total 18 hrs. Test casing to 600 psig—held okay. Resume drilling operations.
- **3/27/90** Tag cmt. at 1060'. St plug No. 7 2. 200 sx Cl. "C" + 2% CaCl. WOC. Tag cmt. at 820'. St plug No. 8 2. 200 sx Cl. "C" + 2% CaCl. WOC. Tag cmt. at 634'. St plug No. 9 2. 200 sx Cl. "C" + 2% CaCl. WOC. Set plug No. 10 w/ 182 sx Cl. "C" + 2% CaCl. Circulated 15 sx good cmt. to surface. Woc 16 hours.
- **3/28/90** Pressure test casing to 1500 psi—okay. Resume drilling operations.
- **3/25/90** Depth 2258'. RU and run 53 jts 9-5/8" 40# K-55 ST&C casing and set at 2257'. Cmt'd w/ 200 sx Thixset + 1/4#/sk flocele + 2% CaCl₂ and 1000 sx Howco lite + 1/4#/sk flocele + 2% CaCl. Tail in w/ 200 sx Cl. "C" 2% CaCl. PD at 6:35 p.m. Float did not hold. Cmt did not circulate.
- **3/26/90** Pick up 1" and tag cmt at 1574'. Cmt 1st plug w/ 35 sx Cl. "C" + 3% CaCl. WOC. Tag cmt at 1539'. Cmt 2nd plug w/ 35 sx Cl. "C" + 3% CaCl. WOC. Tag cmt at 1524'. Set 3rd plug w/ 35 sx Cl. "C" + 3% CaCl. WOC. Tag cmt at 1475'. Set 4th plug w/ 50 sx Cl. "C" + 3% CaCl. WOC. Tag cmt at 1420'. Set 5th plug w/ 100 sx Cl. "C" + 2% CaCl. WOC. Tag cmt at 1315'. Set 6th plug w/ 202 sx Cl. "C" + 3% CaCl. WOC.
- **3/30/90** Ran 1" Tbg & tagged TOC @ 1574' w/95 sx Cl. 3% cc. Ran 1" Tbg & tagged TOC @ 1539' w/85 sx Cl. 3% cc. Ran 1" Tbg & tagged TOC @ 1524' w/35 sx Cl. 3% cc. Ran 1" Tbg & tagged TOC @ 1474' w/50 sx Cl. 3% cc. Ran 1" Tbg & tagged TOC @ 1315' w/200 sx Cl. 3% cc. Ran 1" Tbg & tagged TOC @ 1060' w/200 sx Cl. 3% cc. Ran 1" Tbg & tagged TOC @ 870' w/200 sx Cl. 3% cc. Ran 1" Tbg & tagged TOC @ 634' w/382 sx Cl. 3% cc. Cement circulated to surface.
- **4/22/90** Finish plug #6 across 1st Bone Spring 5480'-5380'. LD 103 jts DP. Set plug #7 across 9-5/8" shoe from 2307' w/ 40 sx Cl H cmt 15.8 ppg. Ld 52 jts DP. GIH w/ 27 DC's and LD same. Set plug #3 across 16" shoe from 709'-609' w/ 35 sx Cl H cmt 15.8 ppg. LD 21 jts DP. Set plug #9 from 28' to surface w/ 10 sx CL H cmt 15.8 ppg. LD 21 jts DP. Cmt circulated. Job complete at 7:00 a.m. ND stack. Cut off bradenhead, weld on dry hole marker. Clean and jet all pits. Rig released at 6:00 p.m. Well P&A'd.
- **4/16/90** TD 8-1/2" hole at 11,935'. TOH for logs.
- **4/17/90** Ran logs and prep for DST.
- **4/18-4/20/90** Ran DST's. Prep to Plug & Abandon.
- **4/21/90** Set plug #1 across Barnett from 11,906'-11,806' w/ 35 sx Cl H cmt mixed 15.8 ppg. LD 20 jts DP. Set plug #2 across Morrow LS from 11,286'-11,186' w/ 35 sx Cl H ct 15.8 ppg. LD 47 jts DP. Set plug #3 across Cisco from 9824'-9724' w/ 40 sx Cl H cmt 15.8 ppg. LD 26 jts DP. Set plug #4 across Wolfcamp from 9030'-8930' w/ 40 sx Cl H cmt 15.8 ppg. LD 52 jts DP. Set

- plug #5 across Lower Bone Spring 7423'-7323' w/ 40 sx CI H 15.8 ppg. LD 63 jts DP. Setting plug #6 across 1st Bone Spring 5480'-5380' w/ 45 sx CI H.
- **12/3/1990** Plugging report received by NMOCD
 - **7/23/92** Proposed action: 1. Drill out cement plugs at surface, 610', 221', 5380', 7323', 8930', 9724, 11186', and 11806'. Clean out to 11935' TD. 2. Run logs/RFT. 3. Run 5.5" casing to TD and cement back to cover Wolfcamp zones plus 600'. 4. Run CBL. 5. Perforate Morrow formation. 6. Acidize perforated interval. 7. Install surface equipment and initiate production as a gas well. Approved by NMOCD 7/30/1992 for 180 days.
 - **11/17/92** Proposed action: 1. Set a CIBP @ 10,250' KB; dump 35 feet of cement on top of plug. 2. Perforate as follows with 2 shots per foot: A. 9,692' to 9,696' KB (10 holes) B. 9,704' to 9,716' KB (26 holes) C. 9,735' to 9,738' KB (8 holes). 3. Swab and/flow to test; treat with 6000 gallons of 15% NeFe acid if necessary. 4. Swab and/flow to test. 5. Run BHP test. 6. Run surface potential test.
 - **12/17/92** 1. Set C18P at 9675' and cap with 35 cement 2. Set 25 sx plug at 9065' 3. Cut 5-1/2' casing at approximately 8150' and pull 4. Set 25 sx plug at 8200' 50' in/50' out tag plug 5. 35 sx plug at 5430' 6. 35 sx plug at 2650' 7. 35 sx plug at 2300 (tag plug) 8. 35 sx plug at 700' 9. 10 sx plug at surface—weld plate and install marker 10. Mud between all plugs.
 - **1/5/93** McVay Rig No. 7 moved in and rigged up on the above captioned well 10/18/92. Drilled out plugs at 20', 600', 2090'. Tested casing for 15 min to 3000 psig. Continue to drill plugs at 4958'; 7150'; 8756'; 9518'; tagged plug at 11,247', did not drill out. Ran 250 joins if 5.50" 17#/ft, P-110, N-80 and Buttress LT&C casing set at 11,200' K.B. on 21 Oct 1992. Cemented with 1275 sacks Premium Plus cement, 8% Halad 413, 4# Micro-Bond M, and 3% HR-5 (1.17 cu.ft./sk yield, 16.0 #/gallon). Plug down at 5:29 PM 21 Oct 1992. Well status waiting on completion. **1/5/93** Completion operations began 26 Oct 1992. Plug back total dept 11,111'. Ran Schlumberger CBL log from 11,111' to 8000'. Top of cement at 8178' K.B. Perforated with tubing conveyed perforating assembly, 4" guns; interval 10,488' to 10,504' (103 holes). Ran and set a Baker Model "K" cement retainer at 10,440'. Squeezed with 25 sacks matrix cement (11.5#/gallon) 50 sacks Class "H" with 0.5% Halad 9 and 0.3% HR-7 and 25 sacks class "H" with 0.3% HR-7 at (15.6#/gallon). Perforated with 4" casing gun from 10,302' to 10,342' (76 holes). Acidized with 2000 gallons 15% NEFE acid with Penn 88 and 79,000 scf nitrogen. Acidized with 5000 gallons 28% NEFE acid with 5000 gallons of CO2 and 60 ball sealers. Set CIPB at 10,250 with 35' of cement on top. New Plug back depth 10,215' KB. Spotted 250 gallons 10% acetic acid. Perforated with 4" casing from 9692' to 9696' (9 holes); 9704' to 9716' (25 holes) and 9735' to 9738' (7 holes). The well was shut in on November 24, 1992. Final flow test 50 MCF/day.
 - **12/17/92** Plugging plan submitted to NMOCD. 1. Set CIBP at 9675' and cap with 35' cement. 2. Set 25 sx plug at 9065'. 3. Cut 5-1/2' casing at approximately 8150' and pull. 4. Set 25 sx plug at 8200' – 50' in/50' out – tag plug. 5. 35 sx plug at 5430'. 6. 35 sx plug at 2650'. 7. 35 sx plug at 2300' – (tag plug). 8. 35 sx plug at 700'. 9. 10 sx plug at surface – weld plate and install marker. 10. Mud between al plugs.

- **3/11/93** On January 5, 1993 a sundry notice was sent in stating this well was shut in on November 24, 1992. A recompletion is being considered, no estimate on when the work will be done. We request a status of Temporary Abandonment for this well.
- **3/24/93** P/A Wolfcamp planned; complete Bone Spring submitted to NMOCD. 1. Set a CIBP @ 10,010' KB; dump 35 ft of cement on top of plug (Top of Penn). 2. Set a CIBP @ 9,650' KB; dump 35 ft of cement on top of plug (above WC perms.). 3. Set a CIBP @ 8,980' KB; dump 35 ft of cement on top of plug (top of WC). 4. Perforate four holes at 8130' KB, break circulation and cement back to at least 6500' KB. 5. Perforate as follows with 4 shots per foot: A. 7,687' to 7,710' KB B. 7,715' to 7,718' KB 6. Swab and/flow to test; treat with acid/frac as necessary. 7. Swab and/flow to test. 8. Run BHP test. 9. Run surface potential test.
- **6/17/93** Form C-104 filed with NMOCD – requesting permission to sell test oil out of rental frac. Tank. Estimated 350 barrels. Approved NMOCD 6/22/93.
- **6/24/93** Recompletion operations began on 24 March 1993. Loaded tubing with 37 barrels 28 KCL water and casing with 8 barrels. Ran and set CIPB and 10,010', capped with 35' of cement and set CIBP at 8970' with 35' cement on top. Load casing and test to 2500 psig, no pressure loss. Perforated at 8130', 8090', 8050', and 7920', could not pump into perforations. Jarrel Services ran Halliburton cement retainer and set at 7900'. Stung into retainer and pumped into perforations at 2.5 BPM at 3400 psig. Mixed 30 sacks micro matrix cement at 11.5#/gallon and 100 sacks Class "H" with 0.4% Halad 322 at 15.6#/gallon and spotted to 2 barrels from bottom of tubing. Squeezed perforations to 500 psig with 30 sacks Micro Matrix and 85 sacks Class "H" below retainer, reversed out 3 barrels cement. Spotted 250 gallons 10% acetic acid at 7676'. Perforated 4 holes at 7650' with 2000 psig on casing. Ran cement retainer and set at 7620'. Stung in retainer and had 1400 psig on tubing. Pumped in perforations at 3 BPM at 2800 psig. Mixed and pumped 110 sacks Class "C" cement with 8#/sack silicalite, 3% salt and 0.6% Halad 322 at 13.6#/gallon. Shut down with 107 sacks below retainer. Held 1550 psig with no bleed off. Reversed out 1 barrel cement. Tag cement on top of retainer and drill out. Tag lower retainer at 7905'. Set RBP at 7600', test to 2000 psig. Spot 2 sacks sand on plug. Spot 250 gallons acetic acid. Perforate 4 holes at 7520' KB. Set RTTS at 7243'. Mix and pump 50 sacks Howco Premium neat cement. Pump cement down at 2600 psig at 2 BPM. Squeeze with 15 sacks in perforations and 35 sacks in casing. Perforate with 1 11/16" Dyna-Strip; 12 holes (size 0.37) at 6897'-6900'. Sting into EZ SV, tubing pressure 375 psig. Mix and pump 260 sacks (Howco type premium plus with *# sack silicalite, 3% salt and 0.6% Halad 322) 13.6ppg cement. Reverse out 1.5 sacks. Drill out EZSV at 6840' on 7 Apr 1993. Drill cement to 5900'. Fell through at 6900'. Circulate clean. Test casing to 1000 psig, OK. Drill cement from 7100' to 7520'. Run and set Howco EZSV at 7478'. Sting into EZSV. Attempt to break down perforations, could not pump in at 5500 psig. Mill on EZSV. Push EZSC (in top of sand on RBP) to 7574'. Go in the hole and attempt to catch fish on 13 Apr 1993. Recovered fish 29 Apr 1993 and went in the hole and retrieved Howco RBP. Spot 250 gallons Howco 10% acetic acid at 7718'. Perforate with 4" casing gun with 2 SPF at 7687-7710' and 7715' to 7718' shoot 52 holes. Recovered 37 barrels water and show of oil with 9 swab runs, 8 barrels load left to recover. Acidized with 2500 gallons D-S 7.5% NEFE inhibited acid swab well. Fracked with 22,470 gallons YF-135 and 110,000# 20/40 sand. Frac screened out. Placed well on the pump May 21, 1993.

- **6/24/93** 6-15 1) Set Rtv. BP @ 6800' 2) Perforate as follows w/3spf (upper BS): F/6618', 26', 32', 44', 71', 82' (18 holes) 6-16 3) Spot 200 gal. 7 ½ % HCL NEFE Acid, Acdz. W/2500 gal. 7 ½ % HL NEFE, flow back and swab. 6-17 4) Prep. To frac. 6-18 5) Frac. Perfs 6618' -6682' W/36500 gal. X-L 35# Gel. W/82000# 20/40 Jordan Sand. Prep to flow back. 6-19 6) Pro-testers on loc. To flow well overnight. 6-20 7) Open to test tank. 6-21 8) Pump load wtr. Back and evaluate. Back on pump. Installed artificial lift system.
- **7/30/93** Form C-104 filed with NMOCD – Transport oil out of E. Carlsbad Bone Springs pool. Approved NMOCD 8/11/93.
- **12/29/97** Letter from NMOCD requesting operator to bring well into compliance with Rule 201: (proper plug and abandonment of O/G well drilled for seismic, core, or other exploration or service well.
- **11/17/98** Plug and Abandonment plan filed with NMOCD with intention to: 1. Set CIBP at +/- 6575'. Cap with 35' of cement. 2. Pull, stretch, and cut casing at free point. 3. Spot 25 sx cement plug in casing stub. 50' in and 50' out. Wait on cement and tag plug. 4. Spot 35 sx plug at 5430'. 5. Spot 35 sx plug at 2545' 6. Spot 35 sx plug at 2308'. Wait on cement and tag plug. 7. Spot 35 sx plug at 709'. Wait on cement and tag plug. 8. Spot 10 sx surface plug. Weld on plate and install P & A marker. 9. Cut off anchors and clean location.
- **1/11/99** Plug and Abandonment plan submitted to NMOCD: MIRU PU Set CIBP @ 6575'. Circ hole w/10 PPG mud. Spot 25 sx cmt on top of CIBP. Cut 5 ½ "CSG off @ 4505' & POH. Spot 50 sx cement plug @5438'. Spot 50 sx cmt plug at 4573'. Tag CMT plug @4727'. Spot 50 sx cmt plug @4573'. Tag CMT plug @4439'. Spot 35 sx cmt plug @2357'. Tag CMT plug @2293'. Spot 35 sx cmt plug @2293'. Tag CMT plug @2103'. Spot 35 sx cmt plug @711'. Tag CMT plug @586'. Spot 10 sx cmt surf plug. Cut off wellhead & weld on cap. Install P&A marker. Cover pit & cellar. Well P&A 12-28-98.
- **1/28/13** Application for permit to re-enter well filed with NMOCD with proposed casing plan. TD proposed 13,700 ft bgl for salt water disposal (SWD) into the Devonian. Revised permit approved 5/30/13, set to expire on 1/29/15. No further information available in NMOCD online files.

30-015-21566

- Toothman Gas Com 001. Finley Resources Inc. Unit L, T21S-R27E, Eddy Co. GL elev 3120'. Total depth 12,000'. Spud date 6/18/1975. No figure available
- **6/10/75** Drill 17-1/2" hole to 450'. Run 13-3/8" casing and cement with 435 sacks or enough to circulate to surface. WOC 18 hours. Install BOP stack and test casing to 500# for 30 minutes. Drill 12-1/4" hole to 2600'. Run 8-5/8" casing and cement w/ 1000 sacks or enough to circulate cement to surface. WOC 18 hours. Test casing to 1000# for 30 minutes. Drill 7-7/8" hole to 12,000'. Run 5-1/2" casing and cement with 700 sacks. WOC 18 hours. Test casing to 1000# for 30 minutes. DST's to be run when warranted. BOP stack to consist of double hydraulic with blind rams and pipe rams and hydril bag preventer.
- **7/1/75** Ard Drilling Company spudded and 1 PM 6/18/75. Drilled 17-1/2" hole to 490' where 13-3/8", 54.5# casing was set @ 488' and cemented with 435 sacks Class "C" w/ 2% CaCl. Had good returns to surface. Plug down @ 9:15 AM 6/19/75. WOC 21 ½ hrs. Tested casing & BOP

- to 1000# for 30 minutes. Tested OK. Reduced hole to 11" and drilled from 490' to 2597' where 8-5/8", 24# casing was set and cemented with 550 sacks Halliburton Lite w/5# gilsonite and 1/4# flocele/sack plus 200 sacks Class "C" w/ 2% CaCl. Bumped plug at 12:15 PM 6/24/75. No cement returns. WOC 6 hours. Ran temperature survey, found top of cement at 450'. Ran 1" tubing down annulus, tagged cement @ 470'. Spotted 50 sacks Class "C" w/4% CaCl through 1" tubing. WOC 2 hrs. Ran 1" tubing, tagged cement @ 300'. Spotted 80 sacks Class "C" w/ 2% CaCl through 1" tubing. Circulated cement to surface. Cementing completed 11 PM 6/25/75. WOC 12 hrs. Tested casing & BOP to 1500# for 30 min. Tested OK. Now drilling 7-7/8" hole.
- **9/23/75** Drilled 7-7/8" hole to 12,000' where 5-1/2" csg was set @ 11,999' & cemented 1st stage w/ 355 sacks Class H w/8# salt, 3/4% CFR-2 & 0.2% HR-4/sack open DV stage collar and cemented w/350 sacks Lite w/ 8# salt & 400 sacks Class H w/8# salt, 3/4% CFR-2 & 0.2% HR-4/sack. Plug down 4:40 AM 7/28/75, WOC 266 hrs. Tested casing 2500# for 30 min, tested OK. Perforated Bone Springs Lime 6310-6418'. Treated with 3000 gals. 15% DS-30 acid staged w/ 30 ball sealers. Tested at rate of 61 MCF/D w/ trace oil. Perforated Morrow zone 11,507-11,929' & treated w/3000 gals 7-1/2% "MS" acid atomized w/ 1000 CF nitrogen/bbl staged w/ 14 ball sealers. Flowed after treatment 19 hrs at rate of 439 MCF/D. Fractured Morrow w/ 18,000 gals 5% "MS" acid and 14,000# 20-40 sand, atomized w/ 1000 CF nitrogen/bbl. Flowed after treatment at rate of 444 MCF/D. Set packer w/ blanking plug @ 11,400'. Squeeze off Bone Springs perms 6310-6418 w/ 130 sacks WOC 42 hrs. Drilled out and tested, squeezed perms to 2700# for 30 min, tested ok. Set bridge plug @ 9889'. Perforated Wolfcamp 9677 1/2 to 9777' with 12,000 gals westpad "A" + 20,000 gals series 72 type 20 acid staged w/ 3 ball sealers. Flowed after treatment 5 hrs. 6800 MCF/D rate with light spray of condensate. Tubing press 2010# 11 hr SITP 3900#. Flow tested well and cleaned up. Shut well in waiting on pipe line to run CAOF.
 - **10/2/75** Drilled 7-7/8" hole to 12,000' where 5-1/2" 17# K-55 Buttress @ 2673, 5-1/2" 17#, K-55, LT&C @ 3652', 5-1/2" 15.5# LT&C, K-55 @ 6241', 5-1/2" 17#, K-55, LT&C@7370', 5-1/2" N-80, LT&C @9547', 5-12" 17# S-95, LT&C @ 9947', DV Tool @ 9947-9950', 5-1/2" N-80, LT&C and cementd 1st stage w/355 sacks Class H w/8# salt. 3/4% CFR-2 & 0.2% HR-4/sack open DV stage collar set @9947' and cemented w/350 sacks Lit w/8# salt & 400 sacks Class H w/8# salt. 3/4% CFR-2 & 0.2% HR-4/sack. Plug down 4:40 AM 7/28/75 WOC 266 hrs. Tested casing 2500# for 30 min, tested OK. Perforated Bone Springs Lime 6310-6418'. Treated with 3000 gals 15% DS-30 acid staged w/ 30 ball sealers. Tested at rate of 61 MCF/D w/ trace oil Perforated Morrow zone 11,507'-11,929' & treated w/ 3000 gals 7-1/2% "MS" acid atomized w/ 1000 CF nitrogen/bbl staged w/ 14 ball sealers. Flowed after treatment 19 hrs at rate of 439 MCF/D. Fractured Morrow w/ 18,000 gals 5% "MS" acid and 14,000# 20-40 sand, atomized w/ 1000 CF nitrogen/bbl. Flowed after treatment at rate of 444 MCF/D. Set packer w/ blanking plug @ 11,400'. Squeeze off Bone Springs perms 6310'-6418 w/ 130 sacks WOV 42 hrs. Drilled out and tested, squeezed perms to 2700# for 30 min, tested OK. Set bridge plug @ 9899'. Perforated Wolfcamp 9677 1/2 - 9777'. Ran 2-7/8" tubing w/ packer, set packer @ 9506'. Treated 2000 gals 15% DS-30 acid. Used 12 ball sealers. Flow tested at rate of 725 MCF/D w/ 28 BPCD. Fractured Wolfcamp perms. 9677 1/2 - 9777' with 12,000 gals. Westpad "A" + 20,000 gals series 72 type 20 acid, stage w/ 3 ball sealers. Flowed after treatment 5 hrs. 6800 MCF/D

- rate with light spray of condensate. Tubing press. 2010#, 11 hr. SITP 3900#. Flow tested well and cleaned up. Shut well in waiting on pipe line to run CAOF.
- **7/14/76** NMOCD form C-104 submitted reporting 2029 MCF over 12 hours with a pressure of 4342.
 - **2/15/91** NMOCD form C-103 submitted reporting: "Prior to commencing operations to dually complete this well, a pressure test of the casing was performed 11-5-90 by loading the 5 ½" casing with 81 bbls 2% KCL water & pressure testing casing to 1500 psi for 10 minutes. Pressure held with no leakage detected."
 - **3/26/91** Operations to dually complete in the Wolfcamp and Morrow formations:
 - o **11/5/90** Released Baker Retrievmatic Packer @ 9515'. Tag bridge plug & pull to 9800'.
 - o **11/6/90** POOH w/ packer & bridge plug. RIH to wash over slick jt on Baker pkr set @ 11,400'.
 - o **11/7/90** POOH w. 131 stnds 2-7/8" tbg.
 - o **11/8/90** POOH w/ 51 stnds 2-7/8" tbg & 1 jt wash pipe. RIH w/ 351 jts 2-7/8" tbg 10' over slick jt w/20M#. Press tst to 1500#. ND BOP's. NU tree & tst to 500#. RU slickline & RIH w/Hydrostatic bailer to clean top of blanking plug @ 11,400'. RIH w/ prong to equalize plug—would not equalize.
 - o **11/9/90** RIH w/ ¾" releasing prog. Press. tbg to 2M3. Try to beat plug out of landing nipple down hole—no success.
 - o **11/10/90** Dropped W/L cutter and cut line on top of tools. POH w/W/L. RIH, fished W/L cutter, opened Baker sliding sleeve @ 11,002'. FL dropped from surface to 1800'.
 - o **11/12/90** Swabbed Wolfcamp 8.5 hrs. Sliding sleeve possibly closed or plugged.
 - o **11/13/90** RU W/L truck & RIH w/shifting tool. Found sliding sleeve @ 11,002' closed. Opened sleeve & FL fell to 3500'. Swabbed 7.5 hrs, well flowed last hour.
 - o **11/14/90** Swabbed & flowed 10.5 hrs.
 - o **11/15/90** RU W/L truck. RIH w/ shifting tool to close Baker "L" sleeve @ 11,002'. Bled press. off tbg. RIH w/S/L driving tool, could not drive blanking plug out of nipple.
 - o **11/16/90** RIH w/ releasing prong & sinker bars, beat plug & came loose & went down hole 34' to 1.50" landing nipple below pkr. Blanking plug able to float in slick jt 34' but gas & fluid can come by plug. RIH w/1.56" plug w/ no packing & ¾" center hole & set in "L" nipple 1.56" @ 11,400' to keep blanking plug from blowing back up hole & sealing off. Started Wolfcamp flwg out csg to pipeline.
 - o **11/17/90** Swab tbg 8 hrs, rec'd Ø BO & 80 BW.
 - o **11/19/90** Swab tb 9 hrs, rec'd Ø BO & 72 BW.
 - o **11/20/90** Swab tbg 8 hrs, rec'd Ø BO & 16 BW.
 - o **11/21/90** Swab 2.5 hrs, rec'd Ø BO & 8 BW. Chlorides on Morrow wtf sample @ 33,000 ppm (formation wtr). Shut tbg in @ 11:30 am 11-21-90. Wolfcamp flwd 24 hrs, FCP 650 psi, made 3 BO, Ø BLW, 211 mcf on 12/64" ck. RR @ 1:30 pm 11-21-90.
Unsuccessful Wolfcamp-Morrow dual completion attempt.
 - **3/26/91** NMOCD form C-105 submitted reporting 24 hours test showing 16.7 bbl oil and 325 MCF gas with a pressure of 485 (Morrow did not produce 11,507 to 11,929'; Wolfcamp producing 9677 to 9777') with a packer set at 11,400'.

- **12/15/92**
 - o Union Pacific Resources Company is currently utilizing the following disposal facility for the subject lease.
 - Operator: Ray Westall Operating, Inc.
 - Disposal well: Myrtle Myra #1 WIW | NE/NW Sec T21S-R27E, Eddy Co., NM
 - Lease designation: NM 0553785
 - BLM Project No.: NM 84563
- **9/23/87** NMOCD form C-104 submitted reporting designation of transporter of oil and natural gas: Permian and El Paso Natural Gas Co. Approved by NMOCD 10/21/1987.
- **10/29/90** NMOCD form C-104 submitted reporting designation of transporter of oil and natural gas: Koch Oil and El Paso Natural Gas Co. Approved by NMOCD 11/2/1990.
- **12/14/92** The Morrow communitization agreement, NM 82518 expired in 1992. Please be advised the subject well was dually completed with the Morrow production isolated through tubing. This string of tubing is currently SI with a packer in place. The Wolfcamp is currently producing and communitization agreement SW #1081 is still effective.
- **1/5/1993** Letter from NMOCD requesting a packer leakage test to "show segregation between the two zones" in the dually completed well.
- **1/26/93-1/28/93** The packer leakage test on the Toothman Gas Comm. #1 was started at 1:00 p.m. on 1/26/93 and concluded at 1:30 p.m. on 1/28/93. The test was witnessed by Ray Smith of the New Mexico OCS on 1/28/93. The shut in tbg. pressure on the morrow at the beginning of the test on 1/26/93 was 475 psi, the flowing csg. pressure on the Wolfcamp was 550 psi. After 24 hrs. shut in the SITP (Morrow) was 500 psi, and the SICP (Wolfcamp) was 1200 psi. The Wolfcamp was opened on an 8/64 choke at 1:00 pm on 1/27/93, the morrow remained shut in. After 24 hrs the flowing csg. (Wolfcamp) pressure was 500 psi and the SITP (Morrow) was 475 psi. The Morrow was not flowed because we could not get in to the gas line, the gas line pressure was 500 psi. The Morrow was not vented to atmosphere because of the close proximity to a residential area, and at the request of Mike Williams of the New Mexico OCS. The Morrow has never been produced to sales since the recompletion attempt in November of 1990. Enclosed are the two charts used to record the well pressures. The first chart is 24 hrs rotation, the second chart is 7 day rotation. We had some trouble with the ink pens on the charts, so I made some notes on the charts. Approved by NMOCD on 6-30-1993.
- **12/1/94** NMOCD form C-104 submitted reporting designation of transporter of oil and natural gas: Koch Oil and El Paso Natural Gas Co. Approved by NMOCD 12/20/1994.
- **8/14/95**
 - o 7/19/95 MIRU slick line unit. RIH with pulling tool, could not reach plug. POOH. RIH with smaller tool, pull plug from profile at 11,394'. Pumped 77 bbls of KCl water to load tbg. Tbg would not pressure up. RIH and pulled plug. RIH with 2.31" Baker FEW plug and set in sliding sleeve at 11,000'. Pump 68 bbls KCl water, tbg would not pressure up. SDFN
 - o 7/20/95 RIH and pulled plug from sliding sleeve. WIH with circulating plug in collar stop and set 1 jt above sliding sleeve and 10,957'. Pump 70 bbls of KCl water. Tbg went on vacuum. RD slick line unit after retrieving collar stop and plug.

- 7/24/95 MIRU Service rig to find tubing leak.
- 7/25/95 Pumped 65 bbls down tubing and 35 bbls down casing to kill well. ND X-mas tree, NU BOP. POOH with 364 jts 2-7/8" tubing, sliding sleeve and tubing seal. RIH w/ overshot to fish packer. Tested tubing in hole to 7000 psi. SDFN Found 2 holes in tubing. Appeared to be cut by Wolfcamp perms.
- 7/26/95 Pumped 25 bbls down tubing, 35 bbls down casing to kill well. FIH with overshot, jars and tubing. Latched onto slick joint on top of packer with overshot. Jarred on packer for 4 hours, came loose. POOH with tubing and BHA. Packer showed severe corrosion. Rubbers on packer were gone. WIH with gauge ring to 11,450'. Tight spot at 11,378'. PU aBaker CIBP RIH and set at 11,428' (above Morrow perforations). SDFN
- 7/27/95 Pump 50 bbls to kill well. RIH w/ tubing. 311 joints of 2-7/8" EUE 8rd, N-80, SN, tbg set at 9713. ND BOP, NU X-mas tree. RU swab, swab 89 bbls fluid. FL From surface to 4,000'. SDFN. Total of 695 bbls of fluid to recover.
- 7/28/95 RU Swab, swab 146 BW. Gas increasing with each swab run.
- 7/29/95 TSIP 530 psi. CSIP 400 psi. Opened well on 20/64 choke to frac tank. Tbg dead after 2-5 minutes. RU swab FL at 4,000'. Made 3 swab runs well started flowing. Swabbed/flowed 85 BW. SDFN
- 7/30/95 Swabbed/flowed 160 BW, 59 BO. SDFN
- 7/31/95 Swabbed/flowed 50 BW, 51 BO, release rig, SDFN.
- 8/1/95 FTP 480 psi, SICP 1200 psi Well flowed 21.5 BO, 20 BW, and 371 mcfg on 30/64 choke in 24 hours. Well now only capable of producing from Wolfcamp.
- **8/15/95** Whiting Petroleum Corporation letter regarding Toothman Gas Com #1 L-25-21-27, noting a summary of work performed: "in July of 1995 we were attempting to set a plug in a profile beneath a sliding sleeve, open the sliding sleeve and allow the Wolfcamp to produce up the 2 7/8' tubing string. After numerous attempts to set plugs it became apparent there was a hole in the tubing. A service rig was moved on the well and the tubing and packer pulled. Since Morrow has never produced in this well rather than run packer, a CIBP was set above the Morrow perforations. As a result of this work there is no packer to test.
- **11/1/99** NMOCD form C-104 submitted reporting designation of transporter of oil and natural gas: Amoco Pipeline ICT and El Paso Natural Gas Co. Produced water entry POD "2583650". Approved by NMOCD 3/30/2000.
- **3/30/07** Operator name change from Delta Petroleum Corp., Denver, CO., to Finley Resources Inc., Ft. Worth, TX. NMOCD approved 4/3/2007.

ITEM VII.

Data on the proposed operation of this well will be furnished by the operator:

1. The average daily injection rate:
 - a. The maximum daily injection rate: 25,000 barrels
 - b. The volume of injected fluids: not currently know
2. Is the injection system an open or closed injection system? Perforated.
3. Proposed average injection pressure: 2,000 psi
 - a. Proposed maximum injection pressure: not known
4. Source waters to be injected are produced water that are similar to the known water in the disposal zones.
5. Chemical analysis of the disposal zone formation water: not currently available, as New Mexico WAIDS is down. Information requested from the Petroleum Recovery Research Center (PRRC) at New Mexico Tech could not be provided timely.

ITEM VIII.

Injection will be into the Delaware Mountain Group (Delaware), which is composed of sandstones, dolomites, and shales. The proposed injection interval is in the Bell Canyon, Cherry Canyon, and Brushy Canyon Formations. The above formations consist of interbedded sandstones and shales *as well as* minor dolomites. Delaware sands may represent submarine canyon deposits (Hiss, 1975a¹) which may not be laterally connected. They are bound on top and below by shale, dolomite, and/or silty shale horizons. Therefore, the lateral movement of hydrocarbons is obstructed. Injected water can potentially move down-gradient along bedding planes. The depth to the top of the Delaware Mountain Group in this well is at approximately 2,614 ft. The base of the Delaware (top of Bone Springs Formation) is at approximately 5,417 ft.

Within a 2-mile radius of the proposed injection well, records from the New Mexico Office of the State Engineer (NMOSE) on 5/20/2014 show 16 wells with well records on file at the NMOSE and 18 wells with permits on file with the NMOSE but it is unknown whether these wells have been completed. The depth of the completed wells ranged from 42 ft to 562 ft. The average well depth of the completed wells was 211 ft below ground level. The average depth to water was 57 ft below ground level. It is likely that some of the deeper wells are completed into the **Rustler Formation**. The shallow wells are likely completed in Quaternary-age alluvium. According to Hiss, 1975a¹, the interface between fresh and saline ground water near Carlsbad is at a depth of about 780 ft below ground level.

ITEM IX.

No stimulation program is currently proposed or planned for this injection well.

¹ Hiss, W.L., 1975a, Stratigraphy and groundwater hydrology of the Capitan aquifer, southeastern New Mexico and western Texas: PhD dissertation, University of Colorado, Boulder, 396 pp. and maps.

ITEM X.

Downhole geophysical logs are on file with the New Mexico Oil Conservation Division (<http://ocdimage.emnrd.state.nm.us/imaging/default.aspx>; accessed on 5/23/3014).

ITEM XI.

No water-quality analysis is available for fresh water wells within a 1-mile radius of the proposed injection well. Water quality in an alluvial well about 2.5 miles northeast of the intended injection site showed a total dissolved solids (TDS) concentration of 6,090 mg/L. Water quality from samples within a 1-mile radius from between 561' and 906' below ground level have TDS concentrations between 12,000 and 24,700 mg/L (Hiss, 1975b²).

ITEM XII.

All available geologic and engineering data have been examined; no evidence of open faults or any hydrologic connection between the disposal zone and any underground sources of drinking water have been found in published data concerning the area of review.

² Hiss, W.L., 1975b, Water quality data from oil and gas wells in part of the Permian basin, southeastern New Mexico and western Texas: U.S. Geological Survey Open-File Report 75-579, 282 pp.

Overflow Energy, Inc. (OGRID 292641)
 Helena 25 Fee Com No. 1
 1340' FNL & 1040' FWL
 Section 25, T21S, R27E

API No. 30-015-31909

ITEM XIII.

Proofs of notice addresses are given below. We assume that leasehold operations and surface owners will be notified when the affected parties have been identified.

Mineral Owner, Surface Lessee, Operators, and Property Owners:*

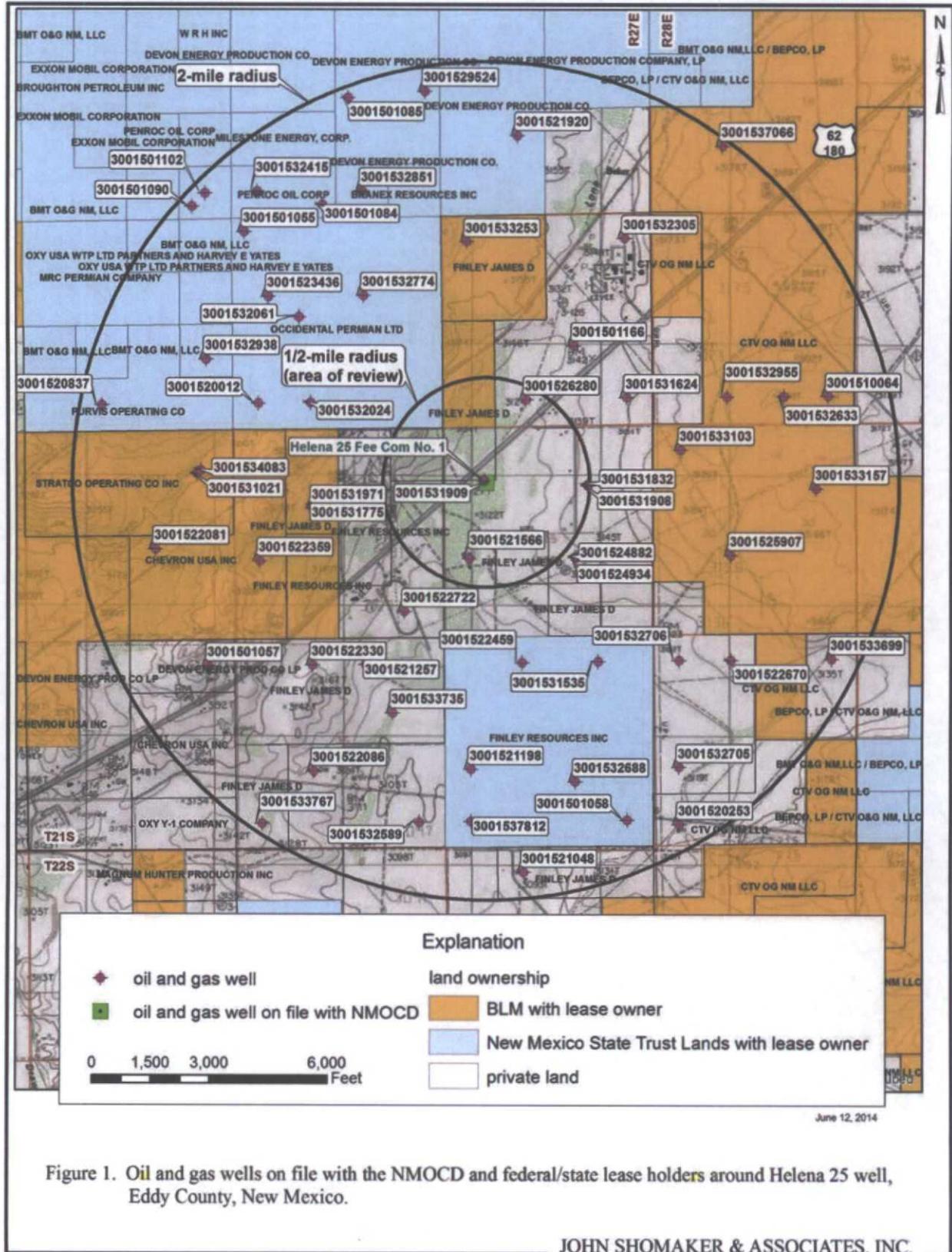
No.	Name	township	range	section	share	c/o	street address	city, state, zip code
1	Paul Bond	T 21 S	R 27 E	25.31	1/3	Paul William Bond	915 Paul Bond Road	Nogales, AZ 85621
2	O.V. Toothman	T 21 S	R 27 E	25.31	1/3			
3	Finley Resources Inc.	T 21 S	R 27 E	25.31	1/3		1308 Lake Street #200	Ft. Worth, TX 76102
4	Mrs. Belle McCord	T 21 S	R 27 E	25.34	full	McCord Enterprises, c/o Patrick Casey	P.O. Box 38446	Germantown, TN 38183
5	O. Featherstone II	T 21 S	R 27 E	25.32	1/3	Olen F. Featherstone Estate, c/o Charla Featherstone	P.O. Box 429	Roswell, NM 88202
6	HBC Oil	T 21 S	R 27 E	25.32	1/3			
7	Ruth Vernon	T 21 S	R 27 E	25.41	full	Steve G. Vernon	13208 Wells Fargo Street	Austin, TX 78737
8	D.S Sikes	T 21 S	R 27 E	25.21	fee			
9	Chaparral Roy	T 21 S	R 27 E	25.21	lease			
10	R.C. Ison	T 21 S	R 27 E	24.43	full			
11	G.W. Green	T 21 S	R 27 E	24 irr	full			
12	Occidental Permian Ltd.	T 21 S	R 27 E	23.2/23.4	unknown		P.O. Box 4294	Houston, TX 77210
13	Gardner	T 21 S	R 27 E	26.42	unknown			
14	Myco Industries Inc.	T 21 S	R 27 E	Carson City Fee Com			P.O. Box 840	Artesia, NM 88211
15	E.C. Wilson	T 21 S	R 27 E	25.13	lease			
16	A.F. Jump	T 21 S	R 27 E	25.12	lease			
17	Marie Neal Estate	T 21 S	R 27 E	25.12	lease	Patrick Wayne Neal & Deborah Neal	5305 River Point	Discovery Bay, CA 94505
?	APACHE	T 21 S	R 27 E	25.21	unknown	Apache Corp.	303 Veterans Airpark Ln., Ste 3000	Midland, TX 79705
						Bureau of Land Management	620 East Greene Street	Carlsbad, NM 87220
						Quality Transport, Inc.	7 Crawford Lane	Jal, NM 88252
						Nabors Well Services Ltd.	P.O. Box 670866	Houston, TX 77267
						Raymond Carroll & Julie Whitmoyer	308 Bridgerview Drive	Belgrade, MT 59714
						Glen & Colleen Ballard	1706 West Fansill	Carlsbad, NM 88220
						Kenneth and Lonna Wade	1501 North Canal	Carlsbad, NM 88220
						Jimmy R. Hood & Travis Kurt	1907 Connie Road	Carlsbad, NM 88220
						John Jr. & Beverly Brazeal	301 Rosedale	Carlsbad, NM 88220
						George Mayo	2004 Connie Road	Carlsbad, NM 88220
						Rhonda Lynn Stafford	213 South LaHuerta Circle	Carlsbad, NM 88220
						John D. Proctor	2003 Connie Road	Carlsbad, NM 88220
						Calvin D. & Alice M. Brown	2005 Connie Road	Carlsbad, NM 88220
						Robert C. & Veronica Hooten	10 Crossroad Rd.	Carlsbad, NM 88220
						Gary C. & Betty A. Franklin	2010 Connie Road	Carlsbad, NM 88220
						Charles & Juanell Bloodworth	2007 Connie Road	Carlsbad, NM 88220
						Charles Ray Phillips	2006 Connie Road	Carlsbad, NM 88220
						James I. Austin	P.O. Box 417	Carlsbad, NM 88221
						Ace's Structural Steel Erection	P.O. Box 5251	Carlsbad, NM 88221
						Thomas A. & Mary H. Appling	P.O. Box 5251	Carlsbad, NM 88221
						Dependable Trucking LLC.	214 North Main	Carlsbad, NM 88220
						Richard South	4210 Hermosa Drive	Corpus Christi, TX 78411
						Michael Garner	P.O. Box 1342	Carlsbad, NM 88221
						PNM Gas Services	Alvarado Square MS 2708	Albuquerque, NM 87158
						Martha Skeen	321 South Canyon	Carlsbad, NM 88220
						Phillip Dwain Boggs	2509 Aspen Street	Longview, TX 75605

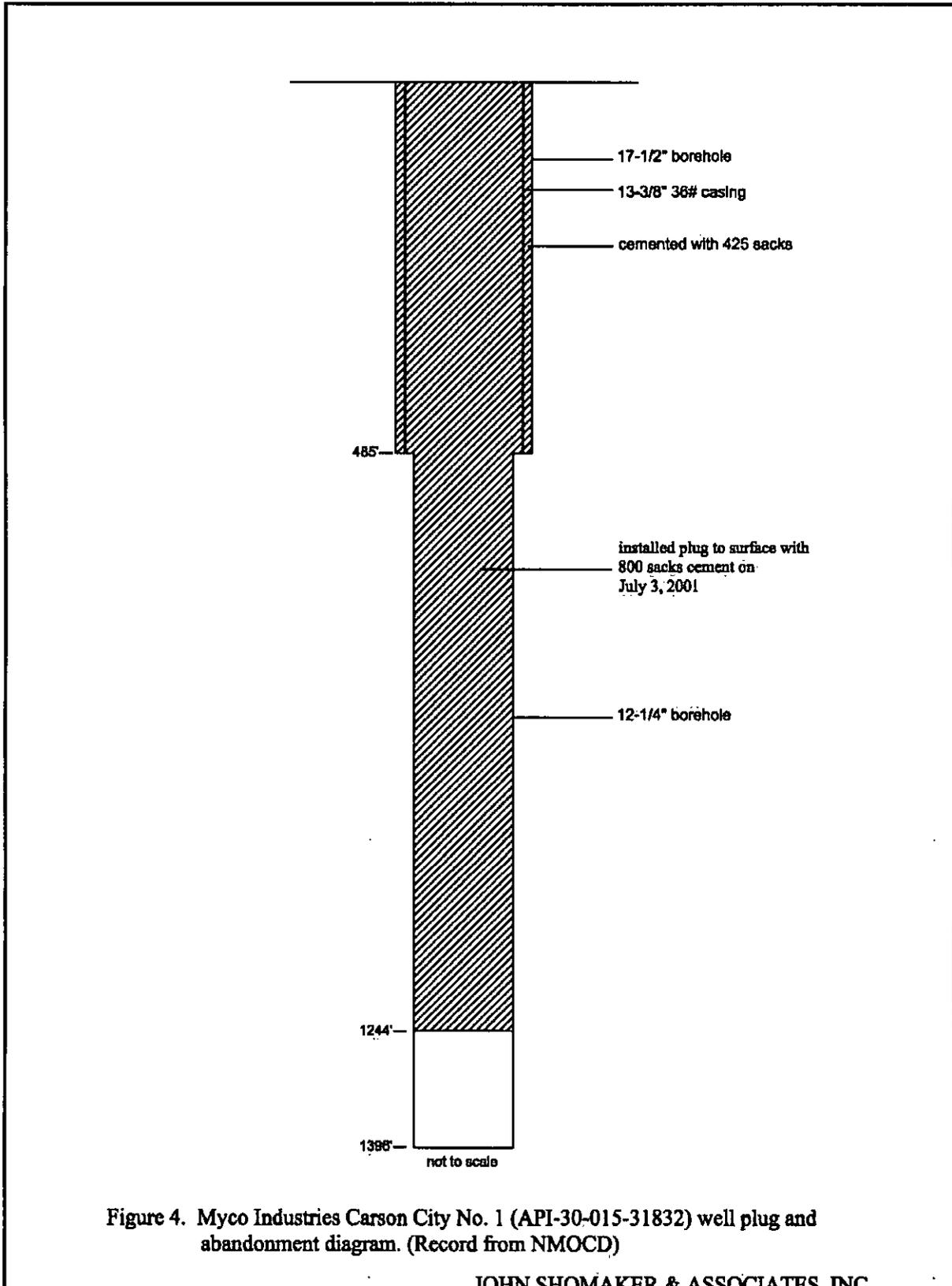
** It is possible that the records list provided is not complete as a result of some information not being readily available through public records.

Overflow Energy, Inc. (OGRID 292641)
Helena 25 Fee Com No. 1
1340' FNL & 1040' FWL
Section 25, T21S, R27E

API No. 30-015-31909

ILLUSTRATIONS





Overflow Energy, Inc. (OGRID 292641)
 Helena 25 Fee Com No. 1
 1340' FNL & 1040' FWL
 Section 25, T21S, R27E

API No. 30-015-31909

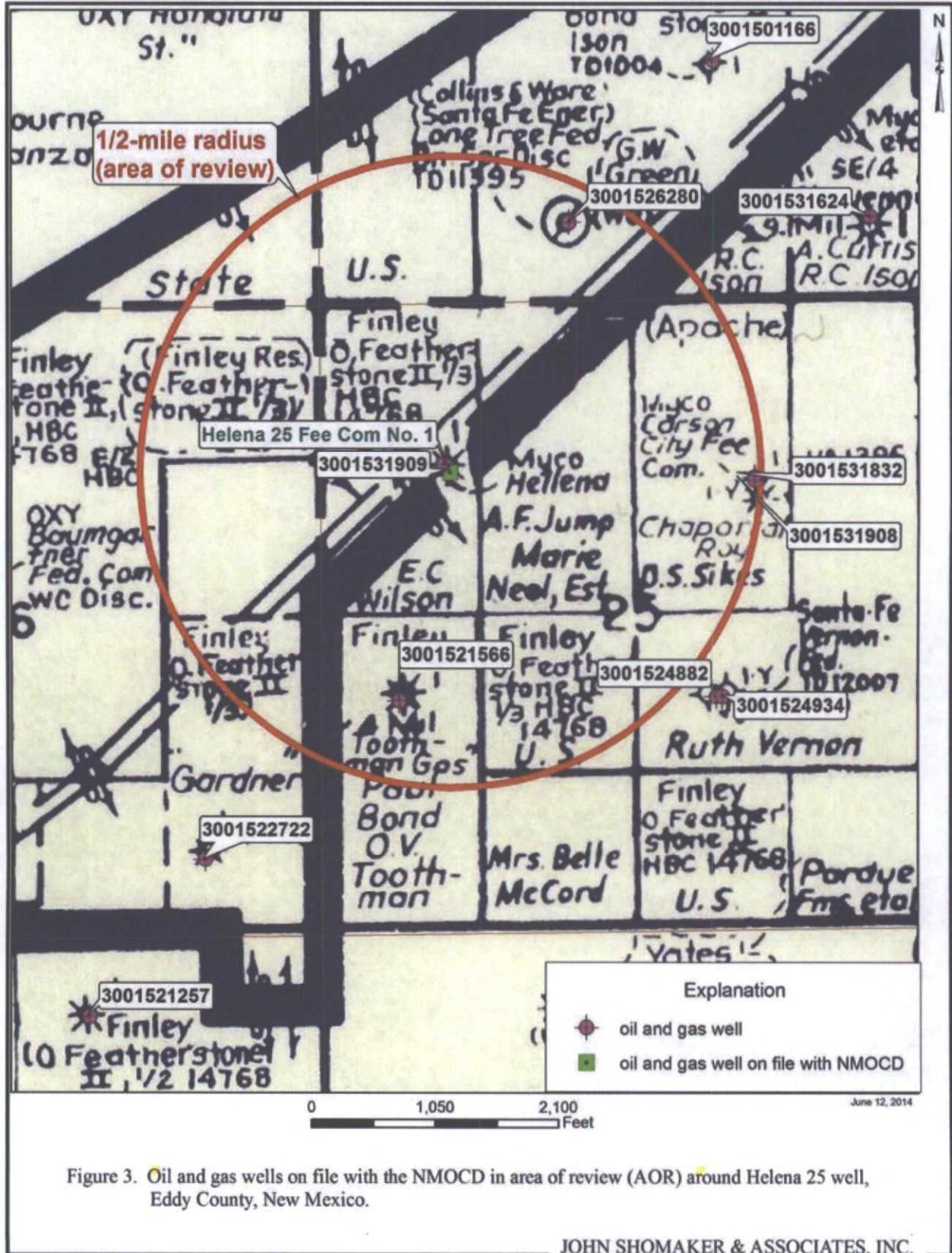
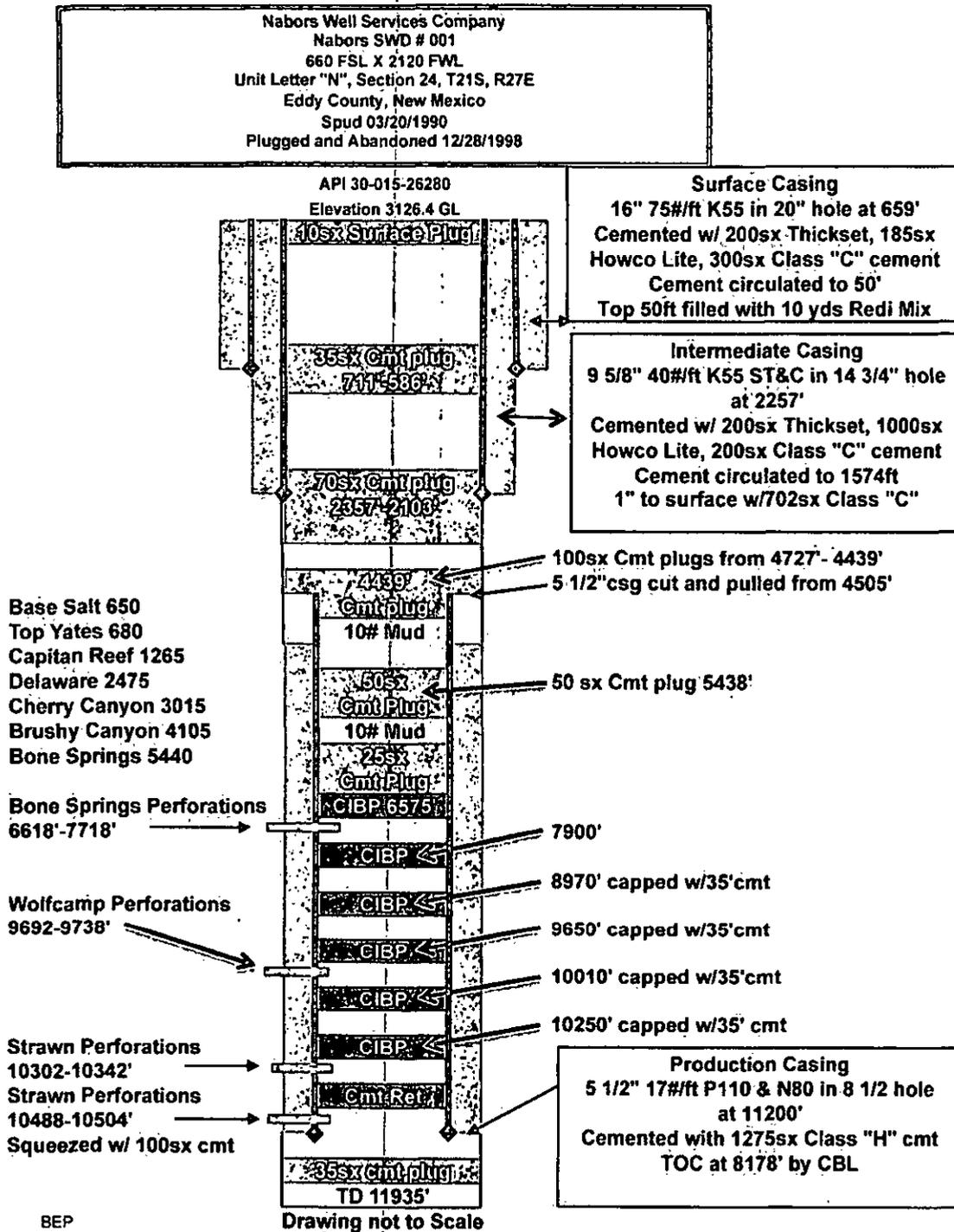
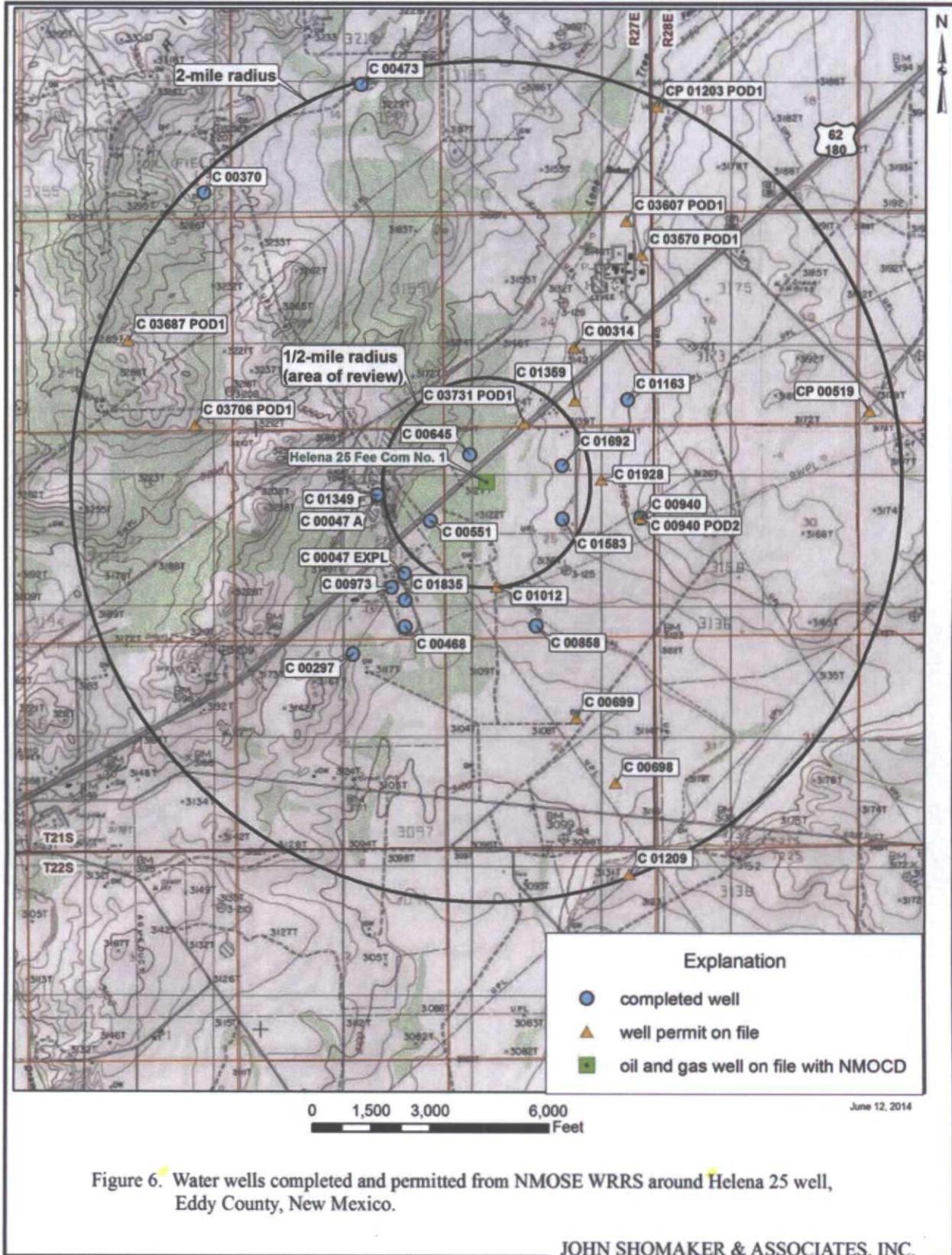


Figure 3. Oil and gas wells on file with the NMOCD in area of review (AOR) around Helena 25 well, Eddy County, New Mexico.



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Figure 5. Plugged and abandoned Nabors SWD #001 (API No. 30-015-26280).



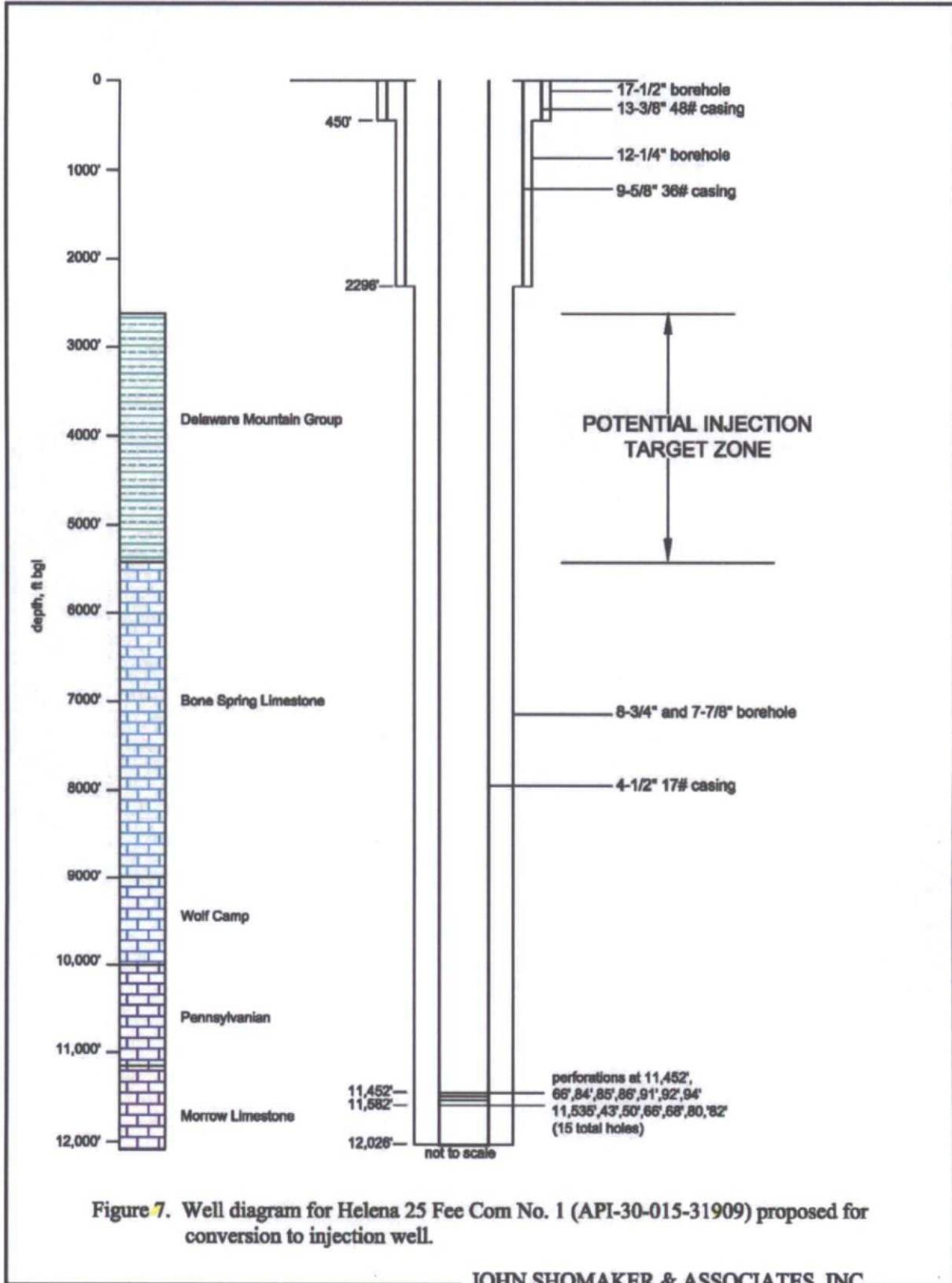
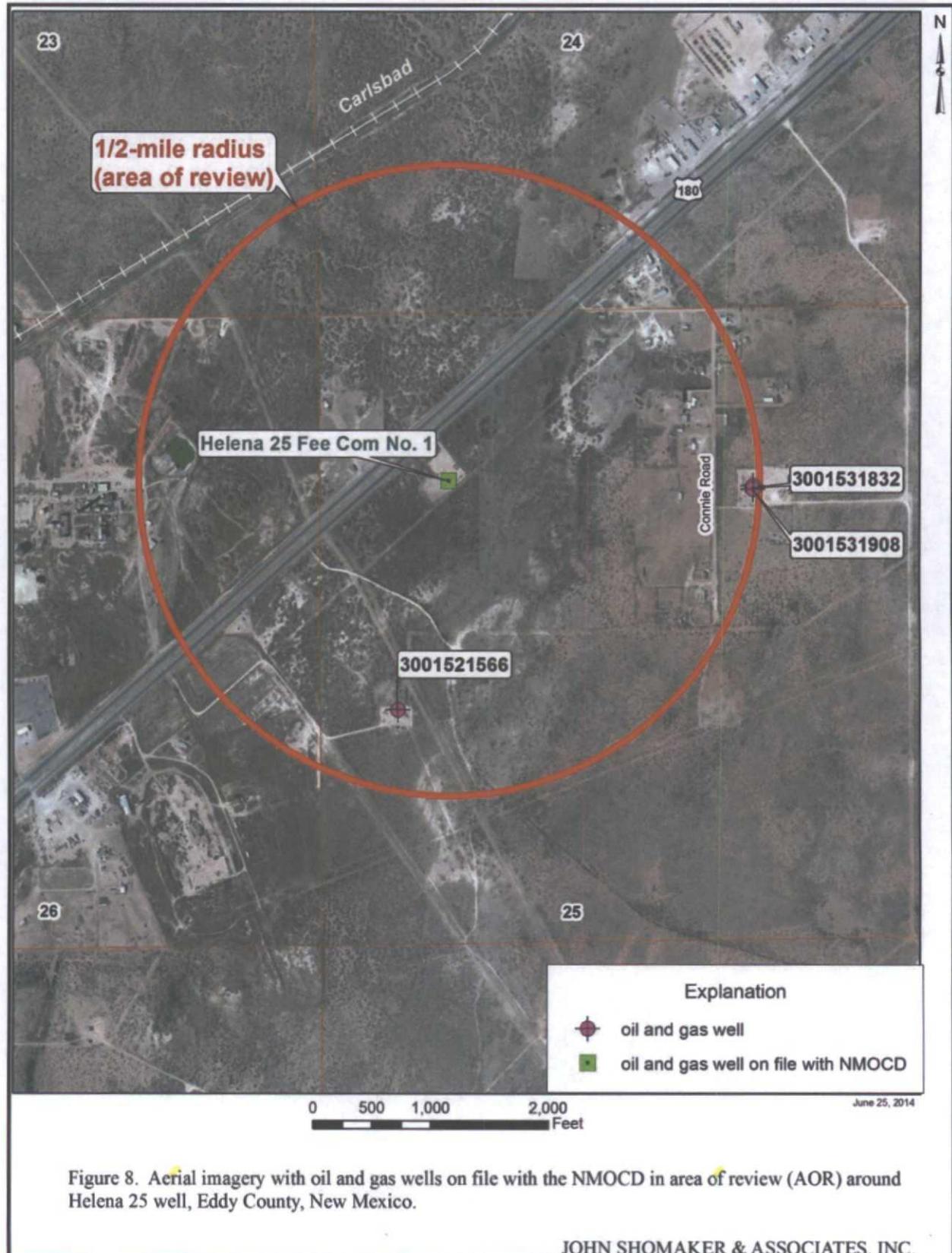


Figure 7. Well diagram for Helena 25 Fee Com No. 1 (API-30-015-31909) proposed for conversion to injection well.

JOHN SHOMAKER & ASSOCIATES, INC.

08/12/2014



Overflow Energy, Inc. (OGRID 292641)
Helena 25 Fee Com No. 1
1340' FNL & 1040' FWL
Section 25, T21S, R27E

API No. 30-015-31909

APPENDICES

APPENDIX B.
WATER-QUALITY DATA NEAR AREA OF REVIEW

JSAI No.	section	township	range	sampling date	sample depth, ft bgl	formation	Si, mg/L	Fe, mg/L	Ca, mg/L	Mg, mg/L	NA + K (as Na), mg/L	HCO3 + CO3, mg/L	SO4, mg/L	Cl, mg/L	F, mg/L	TDS, mg/L	pH	source
1	15	21	27	11/10/1954	-561	Yates Fm.	22		510	320	3400	336	2100	5300	2	12000	7.5	Hiss, 1975b
2	30	21	28	7-00-1961	860-906				2900	2000	7800			12000		24700	7	Hiss, 1975b
3	30	21	28	7/21/1961	640-860				2300	2000	6100			9400		19800	6.5	Hiss, 1975b
4	30	21	28	0-00-1961	605-765				2500	1200	6200			9600		19500	7	Hiss, 1975b
5	18.13	21	28	1/30/1950	-19	Qa	34		574	423	747	237	3530	642	3.2	6090		Hendrickson and Jones, 1952
Hiss, W.L., 1975b, Water quality data from oil and gas wells in part of the Permian basin, southeastern New Mexico and western Texas: U.S. Geological Survey Open-File Report 75-579, 282 pp.																		
Hendrickson, G.E., and Jones, R.S., 1952, Geology and groundwater resources of Eddy County, New Mexico: New Mexico Bureau of Mines and Mineral Resources Groundwater report 3, 169 pp. and 6 plates.																		

PROPOSED ADVERTISEMENT

Case No. 15263 :

Application of Overflow Energy , Inc. for approval of a salt water disposal well, Eddy County, New Mexico. Applicant seeks an order approving disposal of produced water into the Delaware formation at depths of 2614-5417 feet subsurface in the Helena 25 Fee Com. Well No. 1, located 1340 feet from the north line and 1040 feet from the west line of Section 25, Township 21 South, Range 27 East, NMPM. The well is located approximately 5 miles northeast of Carlsbad, New Mexico.

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