

MONTGOMERY & ANDREWS  
PROFESSIONAL ASSOCIATION  
ATTORNEYS AND COUNSELORS AT LAW

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February 24, 2003  
**VIA HAND DELIVERY**

Lori Wrotenbery, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South St. Francis Dr.,  
Santa Fe, New Mexico 87505

**RECEIVED**

FEB 24 2003

Oil Conservation Division

Re: *New Mexico Oil Conservation Commission Case No. 12905 (de novo)*  
*In the Matter of the Application of Pronghorn Management Corporation for*  
*Approval of a Salt Water Disposal Well, Lea County, New Mexico.*

Dear Ms. Wrotenbery:

Attached please find the Prehearing Statement of DKD, L.L.C., an interested party in the above-referenced case.

Pursuant to a letter from Steve Ross, Esq., dated November 25, 2002, please be advised that the exhibits which DKD anticipates introducing at the February 27, 2003 hearing are the same documents which DKD introduced as Exhibits 1 through 5 at the September 5, 2002 Division hearing. In addition, DKD may introduce a letter from Elliott & Waldron Title & Abstract Co., Inc., which is enclosed herewith.

Please let me know if you have any questions.

Very truly yours,



Paul R. Owen

cc: DKD, LLC (via facsimile)

Lori Wrotenbery, Director  
New Mexico Oil Conservation Division  
February 24, 2003  
Page 2

Ernest Padilla, Esq. (via facsimile)

117 N. Shippo St.  
Hobbs, N.M. 88240  
Phone (505) 393-7708  
Fax (505) 393-7725  
Web Page: www.ewtitle.com



P.O. Box 617  
Lovington, N.M. 88260  
Phone (505) 396-5848  
Fax (505) 396-2490  
E-Mail: ew@ewtitle.com

## ELLIOTT & WALDRON TITLE & ABSTRACT CO., INC.

January 6, 2003

Danny Watson  
P.O. Box 682  
Tatum, NM 88267

Dear Mr. Watson

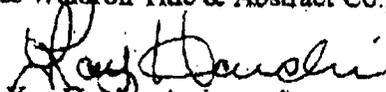
We have made a search of our records and the records of the Lea County Clerk from January 1, 2002 to January 3, 2003 and we find no assignment out of Chesapeake Operating, Inc., Chesapeake Exploration Limited Partnership and/or Chesapeake Investments as to State of New Mexico Lease No. VO4886 covering Lots 11, 12, 13, 14, E/2 SW/4 Section 6, Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico filed of record except for the Assignment you are aware of to DKD, L.L.C. recorded 5/14/02 in Book 1146 Page 724, Lea County Records, Lea County, New Mexico.

Please let us know if we can be of any other assistance.

Sincerely,

Elliott & Waldron Title & Abstract Co., Inc.

By:

  
Kay Hardin, Assistant Secretary

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION COMMISSION

APPLICATION OF PRONGHORN  
MANAGEMENT CORPORATION FOR  
APPROVAL OF A SALT WATER DISPOSAL  
WELL, LEA COUNTY, NEW MEXICO.

CASE NO.: 12905 (*de novo*)

PREHEARING STATEMENT

DKD, LLC, an interested party herein, by and through counsel, Montgomery & Andrews, P.A., submits this prehearing statement as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

OPPOSITION OR OTHER PARTY

ATTORNEY

DKD, L.L.C.  
Post Office Box 682  
Tatum, New Mexico 88267  
(505) 398-3490

Paul R. Owen, Esq.  
Montgomery & Andrews, P.A.  
Post Office Box 2307  
Santa Fe, New Mexico 87504-2307  
(505) 982-3873

**RECEIVED**

FEB 24 2003

Oil Conservation Division

**STATEMENT OF CASE**

**APPLICANT**

**OTHER PARTY**

DKD, L.L.C. anticipates examining the validity of Applicant's rights to inject in the subject formation, including any rights assigned by the surface owner and/or the lessee of the mineral estate underlying the subject acreage.

**PROPOSED EVIDENCE**

**APPLICANT**

Applicant's proposed evidence should be reflected in Applicant's Prehearing Statement.

**OTHER PARTY**

**WITNESSES**

**(Name and expertise)**

**EST. TIME**

**EXHIBITS**

Danny R. Watson  
(Lay Witness)

Approx. 30 min.

Approx. 5

**PROCEDURAL MATTERS**

None known at this time.

  
Paul R. Owen  
ATTORNEY FOR DKD, L.L.C.

**CERTIFICATE OF SERVICE**

I hereby certify that on this 24th day of February, 2003, I have caused a copy of our Prehearing Statement in the above-captioned case to be served via facsimile and U.S. Mail upon the following named parties:

Earnest L. Padilla, Esq.  
Padilla Law Firm, P.A.  
Post Office Box 2523  
Santa Fe, NM 87504-2523  
facsimile: (505) 988-7592

ATTORNEYS FOR APPLICANT PRONGHORN MANAGEMENT CORPORATION



Paul R. Owen

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION COMMISSION**

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION FOR THE PURPOSE OF  
CONSIDERING

CASE NO. 12905  
(de novo)

IN THE MATTER OF THE APPLICATION OF  
PRONGHORN MANAGEMENT CORP. FOR  
SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO

**PRE-HEARING STATEMENT**

This Prehearing Statement is submitted by Ernest L. Padilla, Padilla Law Firm, PA as required by the Oil Conservation Commission.

**APPEARANCES OF PARTIES**

PRONGHORN MANAGEMENT CORP.

ATTORNEY

Ernest L. Padilla  
PADILLA LAW FIRM, P.A.  
P.O. Box 2523  
Santa Fe, NM 87504  
(505) 988-7577

OPPOSITION OR OTHER PARTY

ATTORNEY

1) DKD, L. L. C.

Paul Owen  
MONTGOMERY &  
ANDREWS P.A.  
P.O. Box 2307  
Santa Fe, NM 87504  
(505) 982-3873

**STATEMENT OF CASE**

**APPLICATION**

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Applicant requests authorization to dispose of produced salt water through its State "T" Well No. 2 (API No. 30-025-03735) located 4,290 feet from the south line and 500 feet from the west line (Unit L) of Section 6, T16S, R36E, NMPM, Lea County, New Mexico. This application has previously been approved under Administrative Order SWD-836, which was suspended by Division Order R-

**OPPOSITION OR OTHER PARTY**

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

The opposing party, DKD, L.L.C., an operator of a commercial salt water disposal well in the immediate area of Applicant's proposed salt water disposal well, has filed its objection to Administrative Order SWD-836 on the basis that it did not receive notice of the application. It further contends that Applicant's application is deficient.

**PROPOSED EVIDENCE**

**APPLICANT**

WITNESSES (Name and Expertise)	EST. TIME	EXHIBITS
G. A. Baber (Mr. Baber is a principal in the Applicant organization.)	30-45 minutes	(1) C-108 (2) C-103s State T No. 1 State T No. 3 State T No. 4 (3) Warranty Deed Moreno to Gandy Corporation (4) Chesapeake letter to Applicant 10/22/02
Larry R. Scott (Petroleum Engineer)	30 minutes	(5) Outline of Testimony (6) 8/20/02 volume calculation

Applicant may also call Dale Gandy of Gandy Corporation, Applicant's partner in the project as to the needs of additional salt water disposal facilities in the area.

OPPOSITION

WITNESSES

EST. TIME

EXHIBITS

Unknown

**PROCEDURAL MATTERS**

(Please identify any procedural matters which need to be resolved prior to hearing)

None

  
Ernest L. Padilla

**CERTIFICATE OF SERVICE**

I hereby certify that I caused a copy of this Entry of Appearance to be served upon Paul R. Owen, MONTGOMERY & ANDREWS PA, P.O. Box 2307, Santa Fe, New Mexico 87504-2307, via facsimile (505) 982-2151 on this 13<sup>th</sup> day of March, 2003.

  
ERNEST L. PADILLA

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: \_\_\_\_\_ Secondary Recovery \_\_\_\_\_ Pressure Maintenance  
 Disposal \_\_\_\_\_ Storage  
Application qualifies for administrative approval?  Yes \_\_\_\_\_ No

II. OPERATOR: Pronghorn Management Corp.

ADDRESS: P.O. Box 1772 Hobbs N.M. 88241

CONTACT PARTY: G.A. Baber 505-393-9176 PHONE:

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 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: G.A. Baber Partner TITLE:

SIGNATURE: G.A. Baber 4/5/2002 DATE:

- \* If the information required under Sections VI, VIII,  and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: When Drilled

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

INJECTION WELL DATA SHEET

Tubing Size: 2 3/4" Lining Material: IPC  
 Type of Packer: Baker Model "R"  
 Packer Setting Depth: 5950  
 Other Type of Tubing/Casing Seal (if applicable): NONE

Additional Data

1. Is this a new well drilled for injection? Yes  No   
 If no, for what purpose was the well originally drilled?  
oil well
2. Name of the Injection Formation: San Andres / Glorietta
3. Name of Field or Pool (if applicable): Townsend
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.  
Wolfcamp 10583 to 10647', CIBP and cement well has put above perf.
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:  
Grayburg at approximately 3800'  
Paddock at approximately 6800'

INJECTION WELL DATA SHEET

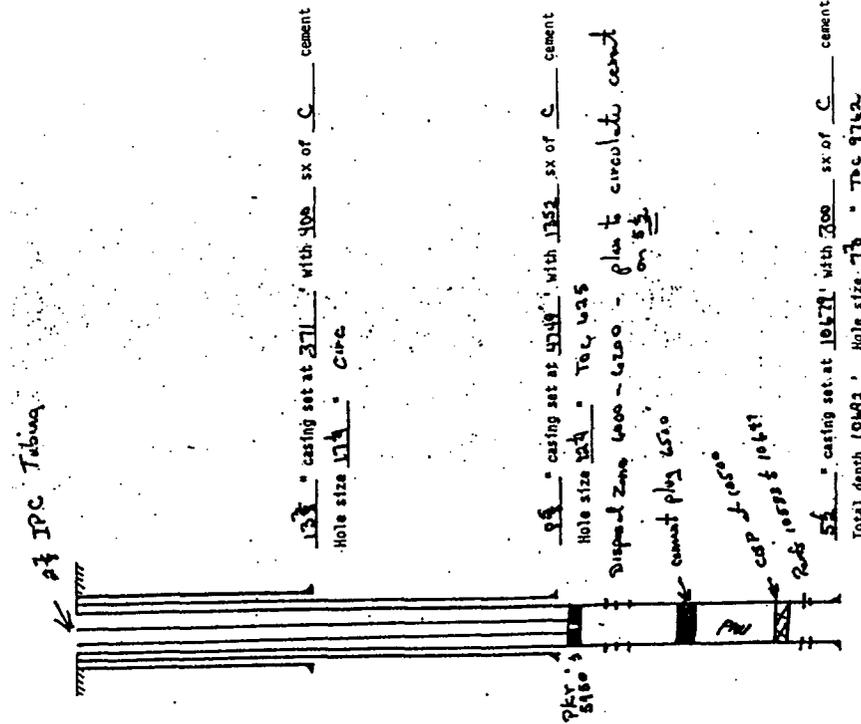
OPERATOR: Pronghorn Management Corp

WELL NAME & NUMBER: State T # 2

WELL LOCATION: 4299 S 500 W  
FOOTAGE LOCATION

UNIT LETTER: L  
SECTION: 6 TOWNSHIP: 16 RANGE: 36

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17 1/4" Casing Size: 13 3/8"  
Cemented with: 400 S\* sx. or        ft<sup>3</sup>  
Top of Cement: Circ Method Determined: cement to surface

Intermediate Casing

Hole Size: 12 1/4" Casing Size: 9 5/8"  
Cemented with: 1352 sx. or        ft<sup>3</sup>  
Top of Cement: 425 Method Determined: TS

Production Casing

Hole Size: 7 3/8" Casing Size: 5 1/2"  
Cemented with: 300 sx. or        ft<sup>3</sup>  
Top of Cement: 9762 Method Determined: TS

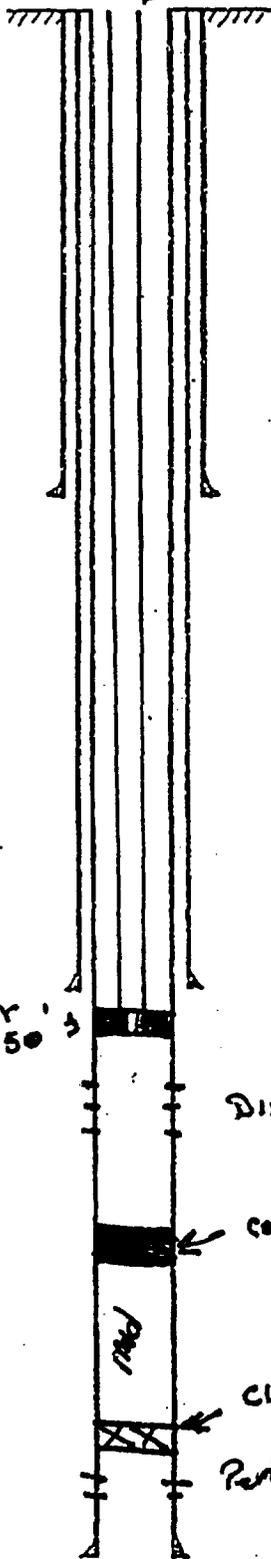
Total Depth: \_\_\_\_\_

Injection Interval: \_\_\_\_\_  
feet to 6200

(Perforated) or Open Hole; indicate which)

Pronghorn State T # 2

2 7/8" IPC Tubing



13 3/8 " casing set at 371 ' with 400 sx of C cement  
 Hole size 17 1/4 " circ

9 5/8 " casing set at 4749 ' with 1352 sx of C cement  
 Hole size 12 1/4 " TOC 625

PKR  
5950

Disposal Zone 6000 - 6200 - plan to circulate cement  
 on 5 1/2

cement plug 6500

CISP at 10500  
 Perfs 10593 to 10647

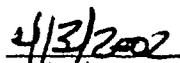
5 1/2 " casing set at 10679 ' with 300 sx of C cement  
 Total depth 10692 ' Hole size 7 3/8 " TOC 9762

## ATTACHMENT TO APPLICATION C-108

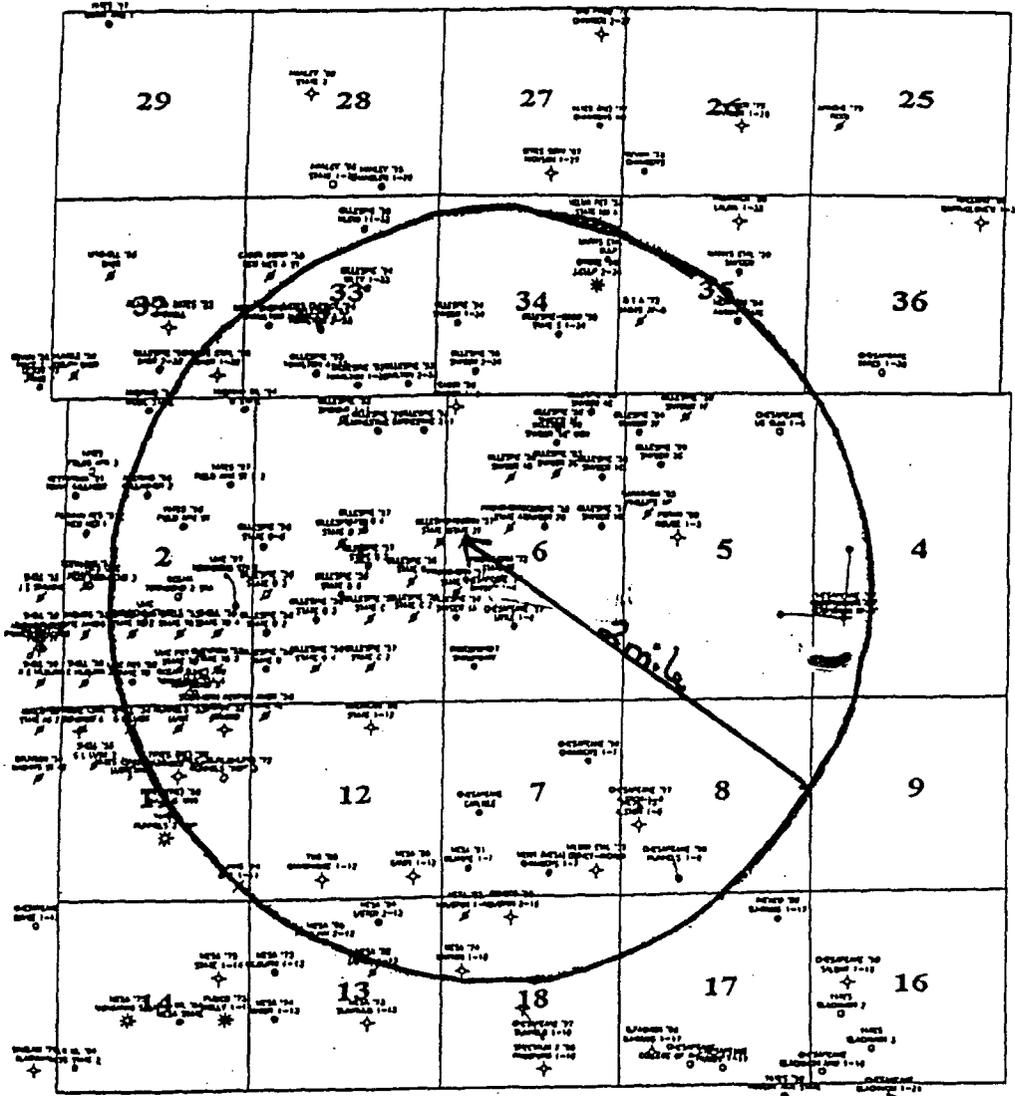
State T #2  
Unit L, Sect. 6, T. 16 S., R. 36 E.  
Lea Co., NM

- III. Well data information sheets attached.
- IV. No
- V. Map attached.
- VI. List of wells and data attached.
- VII. Proposed Operation
- 1) Average daily injection volume is 1500 bls. per day.
  - 2) Closed system.
  - 3) The average injection pressure is 500 psig with a maximum injection pressure of 1000 psig.
  - 4) Produced water from the area, see attached water analysis.
  - 5) Attached analysis.
- VIII. The proposed disposal formation is interbedded shale and limestone. The primary geologic name is the San Andres and Glorietta formation which we plan to inject from approximately 6000' to 6200'. The fresh water formation in this area is the Ogallala which ranges in thickness from top of H2O at 60' to the base of the fresh water at 240'.
- IX. Acid as needed.
- X. Previously submitted.
- XI. Attached.
- XII. I, G.A. Baber, 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 pertaining to this well.

  
Signature

  
Date





Pronghorn  
 State T #2  
 L-6-16-36



### Application for Disposal

Well	Type	Date Drilled	Location	Depth	Record of Completion	Zone	Status
State 1T	Oil	Aug-57	2970 FSL/330 FWL 6-16S-36E	10,746	perf 10,650'-10,710'	Wolf	In-active
State 2T	Oil	Nov-57	4290 FSL/550 FWL 6-16S-36E	10,692	perf 10,583'-10,647'	Wolf	In-active
State 3T	Oil	Apr-58	3300 FSL/1551 FWL 6-16S-36E	10,737	perf 10,650'-10,700'	Wolf	In-active
State 4T	Oil	Aug-58	4620 FSL/1885 FWL 6-16S-36E	10,728	perf 10,607'-10,664'	Wolf	In-active
State B3	Oil	Apr-57	4290 FSL/160 FEL 1-16S-35E	10,706	perf 10,554'-10,629'	Wolf	In-active
Snyder 2B	Oil	May-58	3656 FNL/2310 FEL 6-16S-36E	10,703	perf 10,653'-10,671'	Wolf	Active
State B1	Oil	Sep-56	3300 FSL/975 FEL 1-16S-35E	10,700	perf 10,568'-10,614'	Wolf	In-active
State C2	Oil	Nov-56	2340 FSL/910 FEL 1-16S-35E	10,695	perf 10,600'-10,643'	Wolf	In-active
Snyder 1A	Oil	May-57	2319 FSL/330 FWL 6-16S-36E	10,714	perf 10,652'-10,692'	Wolf	In-active
Snyder A Comm	Oil	Mar-98	990 FSL/874 FWL 6-16S-36E	11,745	perf 11,452'-11,477'	Strawn	Active
Little 1-6	Oil	Jul-97	2065 FSL/2038 FWL 6-16S-36E	11,860	perf 11,456'-11,523'	Strawn	Active
Snyder D #1	oil	1959	2330 FWL / 1916 FWL 6-16S-36E	10700	perf 10580/10620	Wolf	7-11

## WELL DATA

**Energen Resources Corp., Snyder A Comm #1 U, Sect. 6**  
Drilled 1998 as an oil well in the Strawn, active producer

<u>HOLE</u>	<u>CSG</u>	<u>DEPTH</u>	<u>CEMENT</u>	
17 1/2"	13 3/8"	398'	440 sx	circ.
11"	8 5/8"	4762'	1110 sx	circ.
7 7/8"	5 1/2"	11,745'	650 sx	calc. TOC 2100'

**Energen Resources Corp., Snyder B #2 J, Sect. 6**  
Drilled 1958 as an oil well in the Wolfcamp, active producer

<u>HOLE</u>	<u>CSG</u>	<u>DEPTH</u>	<u>CEMENT</u>	
17 1/2"	13 3/8"	363'	275 sx	circ.
11"	8 5/8"	4724'	2050 sx	circ.
7 7/8"	5 1/2" liner	4551'/10,703'	300 sx	calc. TOC 6200'

**Energen Resources Corp., Snyder A #1-T, Sect. 6**  
Drilled 1957 as an oil well in the Wolfcamp, well inactive.

<u>HOLE</u>	<u>CSG</u>	<u>DEPTH</u>	<u>CEMENT</u>	
17 1/2"	13 3/8"	369'	275 sx	circ.
12 1/4"	8 5/8"	4715'	2050 sx	circ.
7 7/8"	5 1/2" liner	4536'/10,719'	300 sx	calc. TOC 6200'

**Chesapeake Operating, Inc., Little 6 #1 K, Sect. 6**  
Drilled 1997 as an oil well in the Strawn, active producer.

<u>HOLE</u>	<u>CSG</u>	<u>DEPTH</u>	<u>CEMENT</u>	
17 1/2"	13 3/8"	489'	495 sx	circ.
11"	8 5/8"	4100'	2227 sx	circ.
7 7/8"	5 1/2"	11,853'	2055 sx	circ.

**Charles B. Gillespie, Jr., State B #1-P, Sect. 1**

Drilled 1956 as an oil well in the Wolfcamp, well P & A 1995.

<u>HOLE</u>	<u>CSG</u>	<u>DEPTH</u>	<u>CEMENT</u>
17 1/4"	13 3/8"	365'	350 sx
11"	8 5/8"	4701'	1850 sx
7 7/8"	5 1/2" liner	4527'/10,677'	200 sx

Well bore schematic of P & A attached.

**Charles B. Gillespie, Jr., State C #2 Q, Sect. 1**

Drilled 1956 as an oil well in the Wolfcamp, well P & A 1995.

<u>HOLE</u>	<u>CSG</u>	<u>DEPTH</u>	<u>CEMENT</u>
17 1/2"	13 3/8"	366'	250 sx
11"	8 5/8"	4697'	2050 sx
7 3/4"	5 1/2" liner	4520'/10,694'	200 sx

Well bore schematic of P & A attached.

**Charles B. Gillespie, Jr., State B #3 I, Sect. 1**

Drilled 1957 as an oil well in the Wolfcamp, well P & A 1995.

<u>HOLE</u>	<u>CSG</u>	<u>DEPTH</u>	<u>CEMENT</u>	
17 1/2"	13 3/8"	375'	275 sx	circ.
11"	8 5/8"	4714'	2050 sx	circ.
7 7/8"	5 1/2" liner	4548'/10,704'	200 sx	calc. TOC 7000'

Well bore schematic of P & A attached.

**Pronghorn Management Corp., State T #1-M, Sect. 6**

Drilled 1957 as an oil producer in the Wolfcamp, well inactive.

<u>HOLE</u>	<u>CSG</u>	<u>DEPTH</u>	<u>CEMENT</u>	
17 1/4"	13 3/8"	361'	375 sx	TOC 25' filled w/cement
12 1/4"	8 5/8"	4748'	1240 sx	circ.
7 7/8"	5 1/2"	10,745'	300 sx	TOC 9445'

P & A filed on this well, approval attached.

**Pronghorn Management Corp., State T #2-L, Sect. 6**  
Drilled 1957 as a producer in the Wolfcamp, well inactive.

<u>HOLE</u>	<u>CSG</u>	<u>DEPTH</u>	<u>CEMENT</u>	
17 1/4"	13 3/8"	371'	400 sx	circ.
12 1/4"	8 5/8"	4749'	1352 sx	TOC 625'
7 7/8"	5 1/2"	10,679'	300 sx	TOC 9762'

P & A filed on this well, approval attached.

**Pronghorn Management Corp., State T #3-N, Sect. 6**  
Drilled 1958 as an oil producer in the Wolfcamp, well inactive.

<u>HOLE</u>	<u>CSG</u>	<u>DEPTH</u>	<u>CEMENT</u>	
17 1/4"	13 3/8"	376'	400 sx	circ.
12 1/4"	8 5/8"	4704'	1682 sx	circ.
7 7/8"	5 1/2"	10,736'	300 sx	TOC 9535'

P & A filed on this well.

**Pronghorn Management Corp., State T #4-K, Sect. 6**  
Drilled 1958 as an oil well in the Wolfcamp, well is inactive.

<u>HOLE</u>	<u>CSG</u>	<u>DEPTH</u>	<u>CEMENT</u>	
17 1/4"	13 3/8"	376'	425 sx	circ.
12 1/4"	8 5/8"	4749'	1051 sx	TOC 605'
7 7/8"	5 1/2"	10,727'	300 sx	TOC 9620'

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

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

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

WELL API NO. 30-025-02705
5. Indicate Type of Lease STATE [X] FEE [ ]
6. State Oil & Gas Lease No. E-9117

7. Lease Name or Unit Agreement Name State C
8. Well No. 2
9. Pool name or Wildcat Townsend Permian Upper Penn

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 [X] GAS WELL [ ] OTHER [ ]
2. Name of Operator Charles B Gillespie, Jr.
3. Address of Operator P.O. Box 8 Midland, Tx. 79702
4. Well Location Unit Letter 0 : 2340 Feet From The South Line and 910 Feet From The East Line
Section 1 Township 16-S Range 35-E NMPM Lea N.M. County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3968 GR

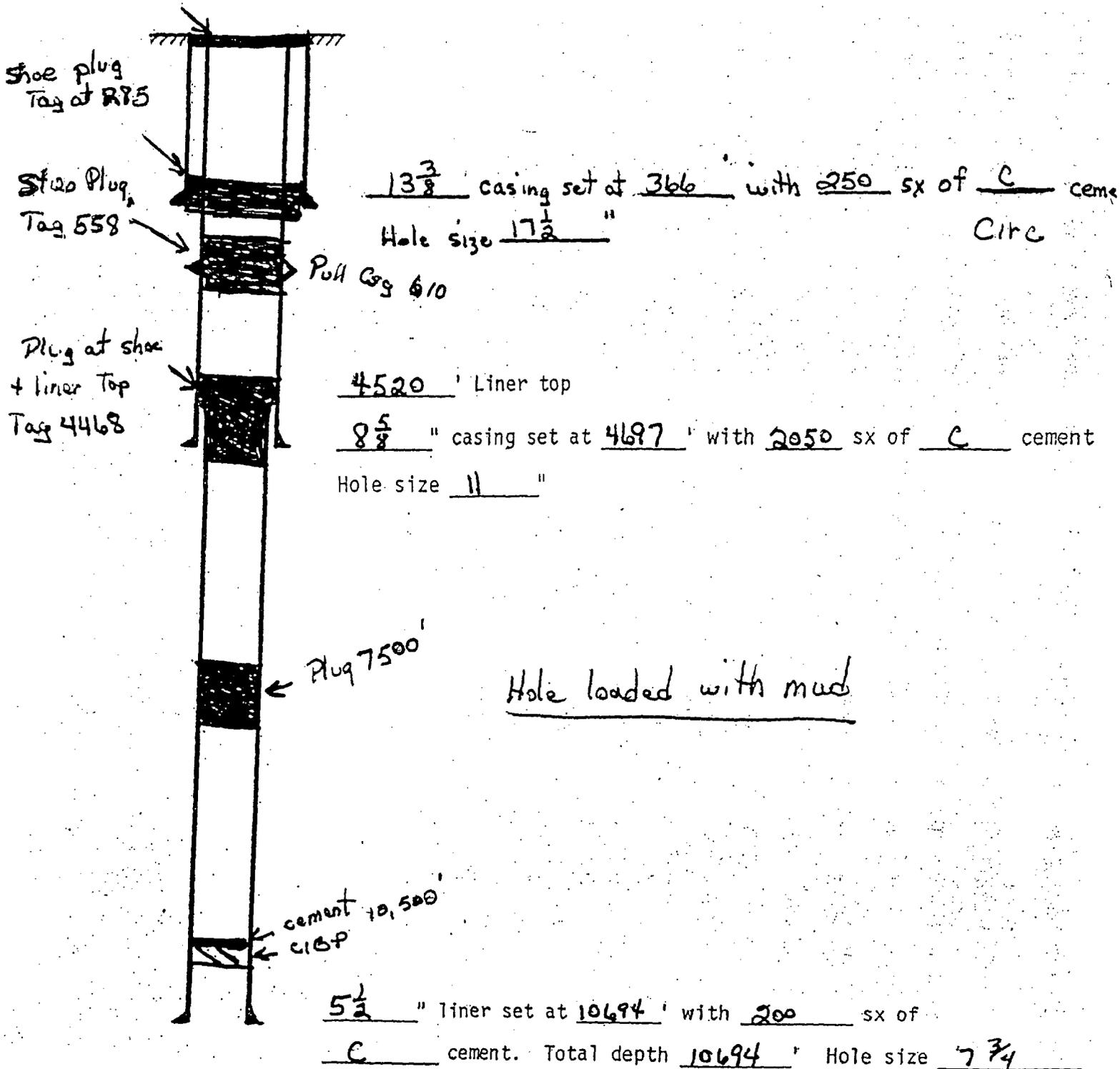
11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [ ] PLUG AND ABANDON [ ] TEMPORARILY ABANDON [ ] CHANGE PLANS [ ] PULL OR ALTER CASING [ ] OTHER [ ]
SUBSEQUENT REPORT OF: REMEDIAL WORK [ ] ALTERING CASING [ ] COMMENCE DRILLING OPNS. [ ] PLUG AND ABANDONMENT [X] CASING TEST AND CEMENT JOB [ ] OTHER [ ]

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) Set 5 1/2 CIBP @ 10,500 cap w/4 sacks cement
(2) Load hole w/mud
(3) Spot 25 sack cement plug @ 7500'
(4) Spot 50 sack cement plug @ 4747 8 5/8 shoe to cover 8 5/8 shoe & 5 1/2 liner top W.O.C. tag plug @ 4468'
(5) Cut & pull 8 5/8 casing @ 610
(6) Spot 55 sack cement plug @ 8 5/8 stub W.O.C. tag plug @ 558'
(7) Spot 80 sack cement plug @ 13 3/8 shoe 386' W.O.C. tag plug @ 285'
(8) Spot 15 sacks cement plug @ surf, set P&A marker 9/7/1993

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Raymond Maldonado TITLE Supervisor DATE
TYPE OR PRINT NAME TELEPHONE NO.

OPERATOR	Charles B. Gillespie Jr.		DATE	PTA 1995	
LEASE	State C	WELL No.	1	LOCATION	Q-1-16-35

surface plug



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

P.O. Box 2088

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

Santa Fe, New Mexico 87504-2088

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

WELL API NO.	30-025-02708
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	E-9116
7. Lease Name or Unit Agreement Name	
State B	
8. Well No.	3
9. Pool name or Wildcat	
Townsend Perm & Upper Penn	
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	
3964 GR	

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  
Charles B Gillespie, Jr.

3. Address of Operator  
P.O. Box 8 Midland, Texas 79702

4. Well Location  
Unit Letter I : 4290 Feet From The South Line and 160 Feet From The East Line  
Section 1 Township 16-S Range 35-E NMPM Lea County

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"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <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.

(1) Set 5½ CIBP @ 10,200' cap w/4 sacks cement  
 (2) Load hole w/mud  
 (3) Spot 25 sacks cement plug @ 7500'  
 (4) Spot 50 sacks cement @ 4764 to cover the 8 5/8 shoe & 5½ liner top W.O.C. tag plug @ 4490  
 (5) Spot 35 sacks cement plug @ 426'  
 (6) Spot 15 sacks cement @ surf. Set P&A marker 8-27-1993

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

SIGNATURE Raymond Maldonado TITLE Supervisor DATE \_\_\_\_\_  
 TYPE OR PRINT NAME \_\_\_\_\_ TELEPHONE NO. \_\_\_\_\_

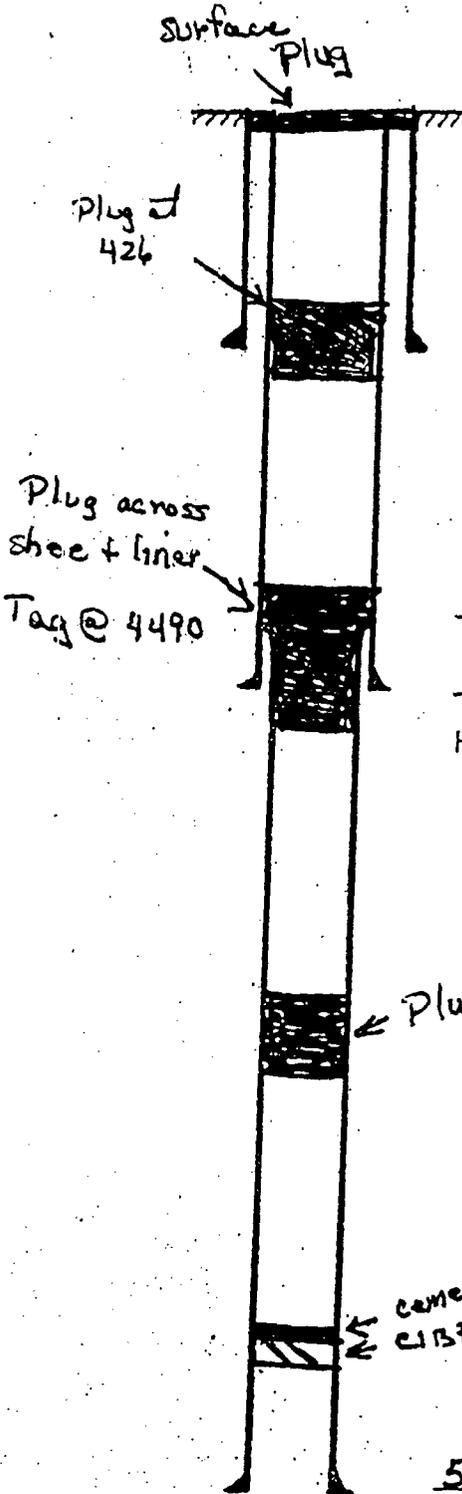
(This space for State Use)

APPROVED BY Curry W. Hill TITLE \_\_\_\_\_ DATE \_\_\_\_\_

OIL & GAS INSPECTOR JAN 06 1995

AN

OPERATOR Charles B. Gillespie Jr.	DATE P+A 1995
LEASE State B	WELL No. 3
	LOCATION I-1-16-35



$13\frac{3}{8}$  casing set at 375' with 275' sx of C cement  
Hole size  $17\frac{1}{2}$ " Circ

4548' Liner top  
 $8\frac{5}{8}$ " casing set at 4714' with 2050' sx of C cement  
Hole size 11" Circ

Hole loaded w/mud

$5\frac{1}{2}$ " liner set at 10704' with 200' sx of C cement. Total depth 10704' Hole size  $7\frac{7}{8}$ "

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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  
P.O. Box 2088

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

Santa Fe, New Mexico 87504-2088

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

NOV 2 1993

WELL API NO.	30-025-02707
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	E-9116
7. Lease Name or Unit Agreement Name	
State B	
8. Well No.	1
9. Pool name or Wildcat	Townsend Perm <input checked="" type="checkbox"/> Upper Penn
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	
3967 GR	

**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  
Charles B Gillespie, Jr.

3. Address of Operator  
P.O. Box 8 Midland, Tx. 79702

4. Well Location  
Unit Letter P : 3300 Feet From The south Line and 985 Feet From The east Line  
Section 1 Township 16-S Range 35-E NMPM Lea N.M. County

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"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OF ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <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.

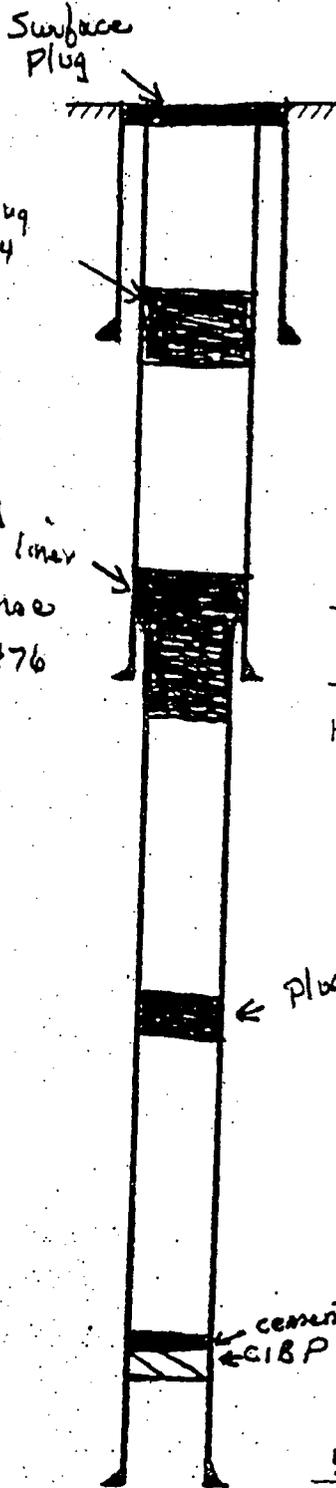
- (1) Set 5 1/2 CIBP @ 10,350' cap w/4 sacks cement
- (2) Load hole w/mud
- (3) Spot 25 sacks cement plug @ 7500'
- (4) spot 50 sack cement plug @ 8 3/8 shoe 4751' to cover 8 5/8 & 5 1/2 liner top  
W.O.C. tag plug @ 4476'
- (5) Spot 35 sack cement plug @ 414'
- (6) Spot 15 sack cement at surf., set P&A marker 8/31/1993

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

SIGNATURE: Raymond Maldonado TITLE: Supervisor DATE: \_\_\_\_\_  
 TYPE OR PRINT NAME: \_\_\_\_\_ TELEPHONE NO. \_\_\_\_\_

(This space for State Use)  
 APPROVED BY: [Signature] OIL & GAS INSPECTOR  
 JAN 06 1993

OPERATOR	Charles B. Gillespie Jr.		DATE	P4A 1995
LEASE	State B	WELL No.	1	LOCATION P 1-16-35



$13\frac{3}{8}$  casing set at 365' with 350 sx of C cement  
Hole size  $17\frac{1}{4}$ "

4527' Liner top  
 $8\frac{5}{8}$ " casing set at 4701' with 1850 sx of C cement  
Hole size 11"

Hole loaded w/ mud

$5\frac{1}{2}$ " liner set at 10677' with 200 sx of C cement. Total depth 10677' Hole size  $7\frac{3}{8}$

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District Office

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Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

DISTRICT I  
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OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

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

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

WELL API NO. 30-025-03736
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> PER <input type="checkbox"/>
6. State Oil & Gas Lease No. E 9335-S

**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 TA

2. Name of Operator  
BABER WELL SERVICING CO.

3. Address of Operator  
P.O. BOX 1772 Hobbs, NM 88240

4. Well Location  
 Unit Letter N : 3300 Feet From The SOUTH Line and 1551 Feet From The WEST Line  
 Section 6 Township 16-S Range 36-E NMPM LEA County

7. Lease Name or Unit Agreement Name  
STATE " T "

8. Well No.  
3

9. Pool name or Wildcat  
TOWNSEND PERMO UPPER PENN

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

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.

- RUN TUBING TO 9518' AND SPOT W/25 SKS AND WOC.
- TAGGED PLUG AT 9400'
- LOAD HOLE W/MUD
- CUT AND LAID DOWN 4992' OF 5 1/2 CASING
- SPOT 25 SKS CEMENT PLUG AT 6500'
- SPOT 140 SKS CEMENT PLUG AT 5 1/2 STUB 5050' AND WOC
- TAGGED PLUG AT 4927' SPOT W/60SKS CEMENT AND WOC
- TAGGED PLUG AT 4670' SPOT W/45 SKS CEMENT AND WOC
- TAGGED PLUG AT 4618'
- SPOT 30 SKS CEMENT PLUG AT 2039'
- SPOT 15 SKS CEMENT AT SURF AND SET UP P&A MARKER.

*Handwritten note:*  
 7th step  
 T/B on loc  
 (Biber)

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

SIGNATURE Raymond Maldonado TITLE P&A SUPERVISOR DATE 8-14-91

TYPE OR PRINT NAME RAYMOND MALDONADO TELEPHONE NO. (505)397-3502

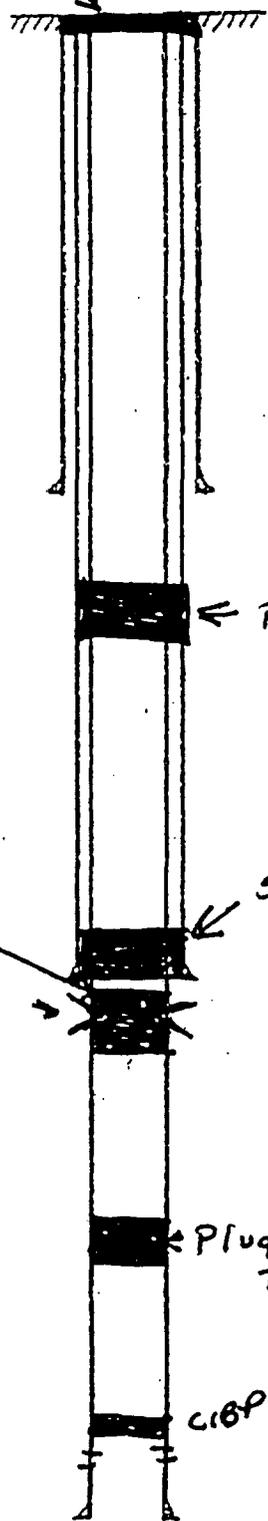
(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

OPERATOR	Baker Well Service	DATE	P+A 1991
LEASE	State T	WELL No	3
		LOCATION	N-6-16-36

Surface Plug



13 <sup>3</sup>/<sub>8</sub> " casing set at 376 ' with 400 sx of C cement  
 Hole size 17 <sup>1</sup>/<sub>4</sub> " circ.

← Plug at 2039

← shoe plug tag at 4668

Tag at 4927

cut casg 4922

8 <sup>5</sup>/<sub>8</sub> " casing set at 4704 ' with 1482 sx of C cement  
 Hole size 12 <sup>1</sup>/<sub>4</sub> " circ

← Plug at 9518  
 Tag 9400

CIBP

Hole loaded with Mud

5 <sup>1</sup>/<sub>2</sub> " casing set at 10736 ' with 300 sx of C cement  
 Total depth 10736 ' Hole size 7 <sup>7</sup>/<sub>8</sub> " TOC 9535

Submit 3 Copies To Appropriate District Office  
 District I  
 1615 N. French Dr., Hobbs, NM 87240  
 District II  
 811 South First, Artesia, NM 87210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 2010 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised March 25, 1999

OIL CONSERVATION DIVISION  
 2040 South Pacheco  
 Santa Fe, NM 87505

WELL API NO.  
 30-025-03734

5. Indicate Type of Lease  
 STATE  FEE

6. State Oil & Gas Lease No.  
 E9335-S

7. Lease Name or Unit Agreement Name:  
 STATE "T"

8. Well No.  
 1

9. Pool name or Wildcat  
 Townsend Permo Upper Penn

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  
 Pronghorn Management Corporation

3. Address of Operator  
 P. O. Box 1772 Hobbs, NM 88241

4. Well Location  
 Unit Letter M 2970 feet from the South line and 330 feet from the West line  
 Section 6 Township 16-S Range 36-E NMPM Lea County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)  
 3965' RKB

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK  PLUG AND ABANDON   
 TEMPORARILY ABANDON  CHANGE PLANS   
 PULL OR ALTER CASING  MULTIPLE COMPLETION   
 OTHER:

SUBSEQUENT REPORT OF:

- REMEDIAL WORK  ALTERING CASING   
 COMMENCE DRILLING OPNS.  PLUG AND ABANDONMENT   
 CASING TEST AND CEMENT JOB   
 OTHER:

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- Set GIBP @ ± 10,100', Cap with 35' cement
- Circulate hole with mud laden fluid.
- Nipple up to 5½" casing. Stretch, cut and pull ± 7000' csg.
- Spot cement plug 50' in and out of stub. WOC and tag.
- Spot 100' cement plug 4680' - 4780'. (Int. csg. shoe) WOC and Tag.
- Spot 100' cement plug 1939' - 2039'. (Top of salt) WOC and Tag.
- Spot 10 sx. surface plug.
- Erect dry hole marker. Clean location.

25 SX OR 100' WHICHEVER IS GREATER  
 F/350' to 250' - TAG (13 3/8 SHOE)

THE COMMISSION MUST BE NOTIFIED 24 HOURS PRIOR TO THE BEGINNING OF PLUGGING OPERATIONS FOR THE CASE TO BE APPROVED

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

SIGNATURE [Signature] TITLE Partner DATE 4/7/00

Type or print name G. A. BABER Telephone No 505-393-9176  
 (This space for State use)

APPROVED BY [Signature] ORIGINAL SIGNATURE TITLE GARY BABER DATE APR 12 2000

Conditions of approval, if any:

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 87240  
 District II  
 811 South First, Artesia, NM 87210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources  
**OIL CONSERVATION DIVISION**  
 2040 South Pacheco  
 Santa Fe, NM 87505

Form C-103  
 Revised March 25, 1999

WELL API NO. 30-025-03735
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E9335-S
7. Lease Name or Unit Agreement Name: STATE "T"
8. Well No. 2
9. Pool name or Wildcat Townsend Perms Upper Penn

**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  
 Pronghorn Management Corporation

3. Address of Operator  
 P. O. Box 1772 Hobbs, NM 88241

4. Well Location  
 Unit Letter L 4290 feet from the South line and 500 feet from the West line  
 Section 6 Township 16-S Range 36-E NMPM Lea County

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

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"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

- Set C.I.B.P. @ 10,100'. Cap with 35' cement.
- Circulate hole with mud laden fluid.
- Nipple up to 5 1/2" casing. Stretch, cut and pull ± 7000' casing.
- Spot cement plug 50' in and out of stub. WOC - Tag.
- Spot 100' cement plug 4799'-4699'. (Int. csg. shoe) WOC - Tag.
- Spot 100' cement plug 2074'-1974'. (Top of salt) WOC - Tag.
- Spot 10 sx. surface plug.
- Erect dry hole marker. Clean location.

25 SX PLUG OR 100' WHICHEVER IS GREATER  
 F 421' to 321' - TAG

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

SIGNATURE [Signature] TITLE Partner DATE 4/7/00

Type or print name G. A. BABER Telephone No. 505-393-9176  
 (This space for State use)

APPROVED BY [Signature] ORIGINAL SIGNED BY GABY WINK DATE 4/7/00  
 Conditions of approval, if any: FIELD REP. II

THE COMMISSION MUST BE NOTIFIED 24 HOURS PRIOR TO THE BEGINNING OF PLUGGING OPERATIONS FOR THE C-103 TO BE APPROVED

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

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

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

WELL API NO.	30-025-03737
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	E 9335-5
7. Lease Name or Unit Agreement Name	STATE "T"
8. Well No.	4
9. Pool name or Wildcat	Permo Gopher TOWNSEND-WOLF CAMP Penn

**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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	2. Name of Operator BABER WELL SERVICING COMPANY
3. Address of Operator P.O. BOX 1772 HOBBS, NM 88241	8. Well No. 4
4. Well Location Unit Letter <u>K</u> : <u>4620</u> Feet From The <u>South</u> Line and <u>1885</u> Feet From The <u>West</u> Line Section <u>6</u> Township <u>16-S</u> Range <u>36-E</u> NMPM LEA County	9. Pool name or Wildcat Permo Gopher TOWNSEND-WOLF CAMP Penn
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3958'	

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

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

- 1) M.I.R.U.
- 2) Install 6" - 900 B.O.P.
- 3) Unable to unseat anchor at 10,400'.
- 4) Received permission from NMOCC to cut tbg.
- 5) Cut tbg @ 10,400'.
- 6) Tag plug @ 10,000'.
- 7) Set 35 sks plug @ 7,500'.
- 8) Tag plug @ 7,500'.
- 9) File application to make disposal well
- 10) Shut in well
- 11) Temporarily abandon well

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

SIGNATURE G.A. Baber, Jr. TITLE CHRMN OF BOARD DATE 10/18/93

TYPE OR PRINT NAME G.A. BABER, JR. TELEPHONE NO. 392-5516

(This space for State Use)

APPROVED BY \_\_\_\_\_ ORIG. SIGNED BY Paul Kautz TITLE Geologist DATE OCT 21 1993

CONDITIONS OF APPROVAL, IF ANY:



Submit 3 Copies  
to Appropriate  
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State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

DISTRICT I  
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OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

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

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

JUN 27 1991

WELL API NO.	30-025-03731
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Snyder "D"
8. Well No.	1
9. Pool name or Wildcat	Townsend Perm & Upper Penn
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3959 GR

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 <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator CHARLES B GILLESPIE JR.
3. Address of Operator P.O. BOX 8 Midland, Tx. 79702
4. Well Location Unit Letter <u>F</u> : <u>2336</u> Feet From The <u>North</u> Line and <u>1916</u> Feet From The <u>West</u> Line Section <u>6</u> Township <u>16-S</u> Range <u>36-E</u> NMPM Lea County

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.

- (1) 5 1/2 CIBP was set @ 10,500 in 1991
- (2) Load hole w/mud
- (3) Spot 25 sks cement plug @ 7500'
- (4) Spot 60 sks cement plug @ 4,764' to cover 8 5/8 shoe & 5 1/2 liner top W.O.C.  
Tag plug @ 4545', added 20 sks cement to bring cement plug up higher
- (5) Spot 40 sks cement plug @ 412', W.O.C., tag plug @ 287'
- (6) Spot 15 sks cement plug @ surf, set P&A marker

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

SIGNATURE [Signature] TITLE Spec (Perk Prod.) DATE \_\_\_\_\_

TYPE OR PRINT NAME \_\_\_\_\_ TELEPHONE NO. \_\_\_\_\_

(This space for State Use)

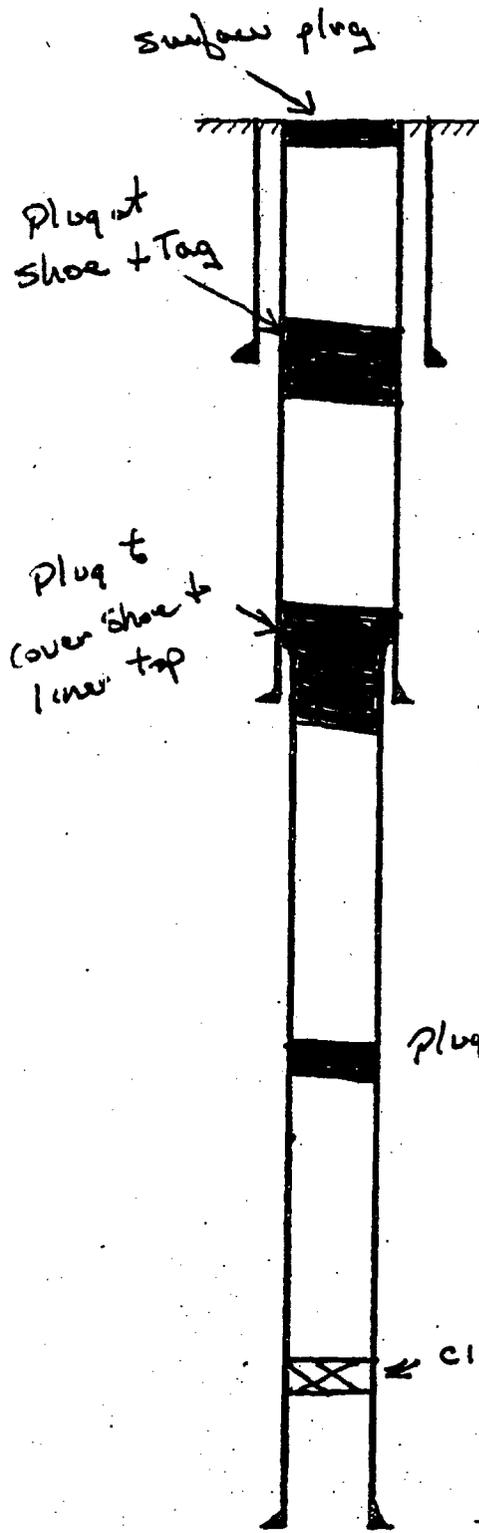
APPROVED BY [Signature] TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

SR

OCT 10 1991

OPERATOR	Charles B. Gillespie Jr	DATE	PTA 1993
LEASE	Snyder D	WELL No.	1
		LOCATION	F Sect 6 T14 R36 E



13 3/8 casing set at 362 with 225 sx of C cement  
 Hole size 17 3/4 " circulated

4553 ' Liner top

8 3/4 " casing set at 4714 ' with 2050 sx of C cement  
 Hole size 12 1/4 " circulated

Hole loaded w/ mud

Plug at 7500

CIBP 10500

5 1/2 " liner set at 10724 ' with 300 sx of C cement. Total depth 10724 ' Hole size 7 7/8 "

*New Mexico Office of the State Engineer*  
Well Reports and Downloads

Township:  Range:  Sections:

NAD27 X:  Y:  Zone:  Search Radius:

County:  Basin:  Number:  Suffix:

Owner Name: (First)  (Last)   Non-Domestic  Domestic  All

[Well Surface Data Report](#)

[Avg Depth to Water Report](#)

[Water Column Report](#)

[Clear Form](#)

[WATERS Menu](#)

[Help](#)

AVERAGE DEPTH OF WATER REPORT 02/27/2002

Bas	Tws	Rng	Sec	Zone	X	Y	Wells	(Depth Water in Feet)		
								Min	Max	Avg
L	16S	36E	06				20	40	65	56

Record Count: 20





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:

Receiving Date: 02/27/02  
 Reporting Date: 03/01/02  
 Project Number: NOT GIVEN  
 Project Name: WATSON 6  
 Project Location: LOVINGTON, NM

Sampling Date: 02/27/02  
 Sample Type: GROUNDWATER  
 Sample Condition: COOL & INTACT  
 Sample Received By: BC  
 Analyzed By: HM

LAB NUMBER SAMPLE ID	P-Alkalinity (mg/L)	T-Alkalinity (mg/L)	Hardness (mg/L)	Chloride (mg/L)	Sulfates (mg/L)	pH (s.u.)
ANALYSIS DATE	02/28/02	02/28/02	02/28/02	02/28/02	02/28/02	02/28/02
H6551-1 SECT 6 MILL	0	173	240	48	80	7.51
Quality Control	NR	NR	48	1040	52.66	7.08
True Value QC	NR	NR	50	1000	50.00	7.00
% Accuracy	NR	NR	96.0	104	105	101
Relative Percent Difference	NR	NR	1.2	2.0	0.6	0.1

METHODS: EPA 600/4-79-02	-	-	130.2	325.3	375.4	150.1
Standard Method	2320 B	2320 B	-	-	-	-

LAB NUMBER SAMPLE ID	Hydroxides (mg/L)	Carbonates (mg/L)	Bicarbonates (mg/L)	Conductivity (umhos/cm)	TDS (mg/L)
ANALYSIS DATE	02/28/02	02/28/02	02/28/02	02/28/02	02/28/02
H6551-1 SECT 6 MILL	0	0	211	621	427
Quality Control	NR	NR	975	1489	NR
True Value QC	NR	NR	1000	1413	NR
% Accuracy	NR	NR	97.5	105	NR
Relative Percent Difference	NR	NR	2.7	0.3	5.1

METHODS: EPA 600/4-79-02	-	-	-	120.1	160.1
Standard Method	2320 B	2320 B	2320 B	-	-

Amy Hill  
 Chemist

3-1-02  
 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.

<u>POOL</u>	<u>LOCATION</u>	<u>CHLORIDES</u>
Dean Permo Pennsylvanian	↓ 5-16-37	44,730
Dean Devonian	↓ 35-15-36	19,525
Denton Wolfcamp	↘ 2-15-37	37,275
Denton Devonian	↓ 26-14-37	37,062
South Denton Wolfcamp	↘ 26-15-37	54,315
South Denton Devonian	↘ 36-15-37	34,080
Medicine Rock Devonian	↘ 15-15-38	39,760
Little Lucky Lake Devonian	↘ 29-15-30	23,288
Wantz Abo	↘ 26-21-37	132,770
Crosby Devonian	↘ 18-25-37	58,220
Scarborough Yates Seven Rivers	↓ 7-26-37	3,443 (Reef)
Teague Simpson	↘ 34-23-37	114,665
Teague Ellenburger	↘ 34-23-37	120,345
Rhodes Yates Seven Rivers	↓ 27-26-37	144,485
House San Andres	↘ 11-20-38	93,365
House Drinkard	↘ 12-20-38	49,700
South Leonard Queen	↘ 24-26-37	115,375
Elliott Abo	↘ 8-21-38	55,380
Scharb Bone Springs	↘ 5-19-35	30,601
EK Queen	↘ 13-18-34	41,890
East EK Queen	↘ 22-18-34	179,630
Maljamar Grayburg San Andres	↘ 22-17-32	46,079
Maljamar Paddock	↘ 27-17-32	115,375
Maljamar Devonian	↘ 22-17-32	25,418
Salt Lake Yates	↘ 7-20-33	6,781 (Reef)
Teas Yates Seven Rivers	↘ 11-20-33	22,152 (Reef?)

<u>POOL</u>	<u>LOCATION</u>	<u>CHLORIDES</u>
North Justis Montoya	↘ 2-25-37	45,440
North Justis McKee	↘ 2-25-37	58,220
North Justis Fusselman	↘ 2-25-37	68,533
North Justis Ellenburger	↘ 2-25-37	34,151
Fowler Blinebry	↘ 22-24-37	116,085
Skaggs Grayburg	↘ 18-20-38	84,845
Warren McKee	↘ 18-20-38	85,910
Warren Abo	↘ 19-20-39	91,600
DK Drinkard	↘ 30-20-39	106,855
Littman San Andres	↘ 8-21-38	38,695
East Hobbs Grayburg	↘ 29-18-39	6,461
Halfway Yates	↘ 16-20-32	14,768
Arkansas Junction San Andres	↘ 12-18-36	7,171
Pearl Queen	↘ 28-19-35	114,310
Midway Abo	↘ 17-17-37	36,494
Lovington Abo	↘ 31-16-37	22,933
Lovington San Andres	↘ 3-16-37	4,899
Lovington Paddock	↘ 31-16-37	93,720
West Lovington San Andres	--	65,320
Mesa Queen	↘ 17-16-32	172,530
Kemnitz Wolfcamp	↘ 27-16-34	49,345
Hume Queen	↘ 9-16-34	124,960
Anderson Ranch Wolfcamp	↘ 2-16-32	11,040
Anderson Ranch Devonian	↘ 11-16-32	25,702
Anderson Ranch Unit	- 11-16-32	23,785
Caudill Devonian	↘ 9-15-36	20,874
Townsend Wolfcamp	↘ 6-16-36	38,695

## INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

### Southeastern New Mexico

### Northwestern New Mexico

T. Anhy _____ 1914.0	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____ 2038.0	T. Strawn _____ 11436.0	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka _____ 11642.0	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____ 3117.0	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____ 4668.0	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____ 6224.0	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____ 7488.0	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____	T. Entrada _____	T. _____
T. Abo _____ 8218.0	T. _____	T. Wingate _____	T. _____
T. Wolfcamp _____ 9689.0	T. _____	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn. "A" _____	T. _____

### OIL OR GAS SANDS OR ZONES

No. 1, from 11452 ..... to 11477 ..... No. 3, from ..... to .....  
 No. 2, from ..... to ..... No. 4, from ..... to .....

### IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from ..... to ..... feet .....  
 No. 2, from ..... to ..... feet .....  
 No. 3, from ..... to ..... feet .....

### LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology
0.0	398.0	398.0	Sand gravel/caliche				
398.0	1914.0	1516.0	Red beds				
1914.0	3117.0	1203.0	Anhydrite & salt				
3117.0	4668.0	1551.0	Sand, Dolomite & Anhydrite				
4668.0	6224.0	1556.0	Dolomite				
6224.0	8218.0	1994.0	Sand & Dolomite				
8218.0	9689.0	1471.0	Dolomite & Shale				
9689.0	11800.0	2111.0	Limestone, Shale, Chert and san				

## LIST OF LANDOWNERS & OFFSET OPERATORS

### LANDOWNER

State Land Office  
310 Old Santa Fe Trail  
Box 1148  
Santa Fe, NM 87504-1148

### OFFSET OPERATORS

Chesapeake Operating, Inc.  
P.O. Box 18496  
Oklahoma City, OK 73154-0496

Charles B. Gillespie, Jr.  
Box 8, 500 W. Texas, Ste. 890  
Midland, TX 79701

Pronghorn Management Corporation  
Box 1772  
Hobbs, NM 88241

Energen Resources Corporation  
2198 Bloomfield Hwy.  
Farmington, NM 87402

## LEGAL NOTICE

Pursuant to the rules and regulations of the Oil Conservation Division of the State of New Mexico, Pronghorn Management Corp., P.O. Box 1772, Hobbs, NM 88241, is filing application for a commercial salt water disposal. The well being applied for is the State "T", well #2, located in Unit L, 4290/FSL and 500/FWL in Section 6, Township 16 S., Range 36 E., Lea Co., New Mexico. The injection formation is the San Andres and Glorieta from 6000' to 6200' below the surface. Expected maximum rate of injection will be 1500 bls. per day and the expected maximum injection pressure will be 1000 psi. 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, New Mexico 87504, within fifteen (15) days.

# 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 March 26, 2002 and ending with the issue of March 26, 2002.

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 26th day of March 2002

Debbie Schilling

Debbie Schilling  
Notary Public, Lea County, New Mexico  
My Commission Expires June 22, 2002

## LEGAL NOTICE

Pursuant to the rules and regulations of the Oil Conservation Division of the State of New Mexico, Prohibition Management

application for a commercial water disposal. The well being applied for is State Tr. well #2 located in Unit 1E-4290/PS and 600/FW in Section 16 Township 16 S Range 36 E Lea Co. New Mexico. The injection formation is the San Andres and Glorieta from

6000' to 6200' below the surface. Expected maximum rate of injection will be 1500 bbl. per day and the expected maximum injection pressure will be 1000 psi. 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, New Mexico 87504, within fifteen (15) days.

Published in the Lovington Daily Leader March 26, 2002.

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised March 25, 1999

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. 30-025-03734
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E9335-5
7. Lease Name or Unit Agreement Name: STATE "T"
8. Well No. 1
9. Pool name or Wildcat Townsend Permo Upper Penn
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3965 RKB

**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  
 Pronghorn Management Corporation

3. Address of Operator  
 P. O. Box 1772 Hobbs, NM 88241

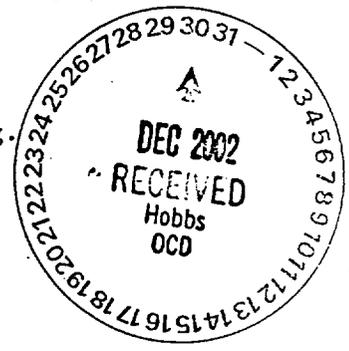
4. Well Location  
 Unit Letter: M 2970 feet from the South line and 330 feet from the West line  
 Section 6 Township 16S Range 36E NMPM Lea County

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER: <input type="checkbox"/>
OTHER: <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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

- Set CIBP @ 10,100'. Cap w/ 35' cement.
- Circulate hole with mud laden fluid.
- Nipple up to 5 1/2" casing. Stretch, cut and pull 5459' casing.
- Spot cement plug 50' in and out of stub. WOC and tag 5407'.
- Spot 100 cement plug @ Int. csg. shoe. WOC and tag @ 4675'.
- Spot 100' cement plug @ Top of Salt. WOC & tag @ 1925'.
- Spot 100' cement plug @ 13 3/8" shoe. WOC & tag @ 245'.
- Spot 10 sx. surface plug.
- Erect dry hole marker. Clean location.



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

SIGNATURE [Signature] TITLE Partner DATE 12/11/02

Type or print name G. A. Baber Telephone No. 505-393-9176

(This space for State use) ORIGINAL SIGNED BY GARY W. WINK  
 APPROVED BY [Signature] OIL FIELD REPRESENTATIVE II/STAFF MANAGER  
 DATE 03 2003

Conditions of approval, if any: Pronghorn Exhibit 2  
Case No. 12905

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

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

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

WELL API NO. 30-025-03736
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E 9335-S
7. Lease Name or Unit Agreement Name  STATE " T "
8. Well No. 3
9. Pool name or Wildcat TOWNSEND PERMO UPPER PENN

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 <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER TA
2. Name of Operator BABER WELL SERVICING CO.
3. Address of Operator P.O. BOX 1772 Hobbs Nm 88240
4. Well Location Unit Letter N : 3300 Feet From The SOUTH Line and 1551 Feet From The WEST Line Section 6 Township 16-8 Range 36-E NMMP LEA County
10. Elevation (Show whether DP, RKB, RT, GR, etc.)

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"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <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.

1. RUN TUBING TO 9518' AND SPOT W/25 SKS AND WOC.
2. TAGGED PLUG AT 9400'
3. LOAD HOLE W/MUD
4. CUT AND LAID DOWN 4992' OF 5½ CASING
5. SPOT 25 SKS CEMENT PLUG AT 6500'
6. SPOT 140 SKS CEMENT PLUG AT 5½ STUB 5050' AND WOC
7. TAGGED PLUG AT 4927' SPOT W/60SKS CEMENT AND WOC
8. TAGGED PLUG AT 4670' SPOT W/45 SKS CEMENT AND WOC
9. TAGGED PLUG AT 4618'
10. SPOT 30 SKS CEMENT PLUG AT 2039'
11. SPOT 15 SKS CEMENT AT SURF AND SET UP P&A MARKER.

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

SIGNATURE Raymond Maldonado TITLE P&A SUPERVISOR DATE 8-14-91

TYPE OR PRINT NAME RAYMOND MALDONADO TELEPHONE NO. (505) 397-35

(This space for State Use)

APPROVED BY Billy E. Prichard TITLE COMPLIANCE OFFICER DATE JAN 03 2003

CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised March 25, 1999

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. 30-025-03737
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E 9335-5
7. Lease Name or Unit Agreement Name: STATE T
8. Well No. 4
9. Pool name or Wildcat Townsend Permo Upper Penn

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  
 Pronghorn Mgt. Corp.

3. Address of Operator  
 P. O. Box 1772 Hobbs, NM 88241

4. Well Location  
 Unit Letter K 4620 feet from the South line and 1885 feet from the West line  
 Section 6 Township 16S Range 36E NMPM Lea County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)  
 3958'

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

NOTICE OF INTENTION TO:

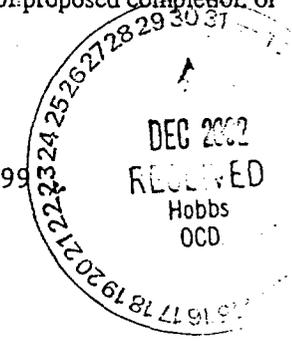
- PERFORM REMEDIAL WORK  PLUG AND ABANDON   
 TEMPORARILY ABANDON  CHANGE PLANS   
 PULL OR ALTER CASING  MULTIPLE COMPLETION   
 OTHER:

SUBSEQUENT REPORT OF:

- REMEDIAL WORK  ALTERING CASING   
 COMMENCE DRILLING OPNS.  PLUG AND ABANDONMENT   
 CASING TEST AND CEMENT JOB   
 OTHER:

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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

- Circulate hole with mud laden fluid. POOH with tubing.
- Nipple up to 5 1/2" casing. Stretch, cut and pull 5501' casing.
- Spot cement plug 50' in and out of stub. WOC - tag @ 5450'.
- Spot 100' cement plug @ intermediate casing shoe. WOC - tag @ 4699'
- Spot 100' cement plug @ top of salt. WOC and tag @ 1920'.
- Nipple up to 8 5/8" casing. Stretch, cut, and pull 503' casing.
- Spot cement plug 50' in and out of stub. WOC - Tag @ 450'.
- Spot 100' cement plug @ 13 3/8" shoe. WOC tag @ 325'.
- Spot 10 sx surface plug. Erect dry hole marker. Clean location.



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

SIGNATURE Guy A. Baber TITLE PARTNER DATE 12/11/02

Type or print name Guy A. Baber Telephone No. 505-393-9176

(This space for State use)

APPROVED BY GARY W. WINNIE ORIGINAL SIGNED BY GARY W. WINNIE  
 Conditions of approval, if any: OC FIELD REPRESENTATIVE II/STAFF MANAGER JAN 03 2003

### WARRANTY DEED

Felipe A. Moreno and Adelaida P. Moreno, husband and wife

, for consideration paid, grant S to

Gandy Corporation

whose address is POB 827, Tatum, NM 88267

the following described real estate in Lea county, New Mexico:

The surface estate only to:  
Description:

A 1.0 acre tract of land situated in the N $\frac{1}{2}$  of the W $\frac{1}{2}$  of the S $\frac{1}{2}$  of Lot 12, Section 6, Township 16 South, Range 36 East, N.M.P.M. Lea County, New Mexico and being particularly described as follows:

Beginning at a point on the south line of the N $\frac{1}{2}$ W $\frac{1}{2}$ S $\frac{1}{2}$  of Lot 12 which lies 50.0 feet, more or less, west from the southwest corner of the N $\frac{1}{2}$ W $\frac{1}{2}$ S $\frac{1}{2}$  of lot 12; Then Westerly along the south line of the N $\frac{1}{2}$ W $\frac{1}{2}$ S $\frac{1}{2}$  of Lot 12, 150.0 feet, more or less. Then northerly parallel to the east line of the N $\frac{1}{2}$ W $\frac{1}{2}$ S $\frac{1}{2}$  of Lot 12, 290.4 feet, more or less. Then easterly parallel to the south line of the N $\frac{1}{2}$ W $\frac{1}{2}$ S $\frac{1}{2}$  of Lot 12, 150.0 feet, more or less. Then southerly 290.4 feet, more or less, to the point of beginning.

Pronghorn Exhibit 3  
Case No. 12905

with warranty covenants.

WITNESS \_\_\_\_\_ hand and seal this 10th day of

November 19 2002

Felipe Moreno (Seal)

Felipe A. Moreno (Seal)

Adelaida P. Moreno (Seal)

Adelaida P. Moreno

STATE OF NEW MEXICO, }  
County of Lea } ss.

The foregoing instrument was acknowledged before me this 10th day of Nov.

2002 by Felipe A. Moreno, Adelaida P. Moreno

My Commission expires 4/15/2003 Sammy K. Johns  
Notary Public

STATE OF NEW MEXICO, }  
County of \_\_\_\_\_ } ss.

Records of Deeds of said County.

County Clerk

I hereby certify that this instrument was filed for  
record on the \_\_\_\_\_ day of \_\_\_\_\_  
\_\_\_\_\_, A. D., 19 \_\_\_\_\_

By \_\_\_\_\_, Deputy

Rec. \_\_\_\_\_ Fees, \$ \_\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and duly recorded in

Return to \_\_\_\_\_

Book \_\_\_\_\_ Page \_\_\_\_\_ of \_\_\_\_\_

OCT 23 2002



Lynda F. Townsend, CPL/ESA  
Landman

October 22, 2002

Mr. G. A. Baber  
1022 W. Broadway  
Hobbs, NM 88240

RE: Pronghorn Management, State T #2  
SWDW, Section 6-16S-36E  
Lea County, New Mexico

Dear Mr. Baber:

Pursuant to our recent telephone conversations, please be advised that Chesapeake Operating, Inc. has no objections to the captioned salt water disposal well and your permit to dispose into the San Andres and Glorietta formations.

Please give me a call if you need anything further.

Very truly yours,

CHESAPEAKE OPERATING, INC.

  
Lynda F. Townsend

Pronghorn Exhibit 4  
Case No. 12905

**State 'T' SWD Hearing  
Proposed Outline of Testimony**

- There are 16 wellbores in Section 6, T-16S, R-36E, that penetrate the San Andres and Glorietta formations. All completions in the section were deeper horizons. No production has been reported in the section from either interval.
- There are 19 wellbores in Section 1, T-16S, R-35E, (offsets the proposed injection location to the west) that penetrate the San Andres and Glorietta formations. All completions in the section were deeper horizons. No production could be located for either the San Andres or Glorietta.
- Scout tickets report a total of 20 completions or attempts in Section 6. No tests were reported in any wellbore, either during the drilling of the well or subsequent workovers, in either the San Andres or Glorietta. Test methods commonly reported on scout tickets include DSTs, cores, and production perforations.
- Scout tickets report a total of 22 completions or attempts in Section 1. Again, no tests of any nature were reported in either the San Andres or Glorietta.
- Formation water resistivities for the San Andres and Glorietta formations were obtained as an average of seven samples from the San Andres and four samples from the Glorietta. These averages yielded a 0.165 ohm San Andres and a 0.085 ohm Glorietta water resistivity with both corrected to bottom-hole temperature.
- The State 'T' No. 2 well was not logged with any instrument that would directly measure porosity. Two sections of permeable rock appear to be present in this well in the interval proposed for injection, 6192'-6244' and 6290'-6316'. Formation water saturations were calculated using a very optimistic estimate of 18% porosity. In carbonate reservoirs, formation water saturation is inversely proportional to the square of porosity, so the 18% estimate should yield a very optimistic (read low) estimate of the water saturation. These calculations indicate Sw of 98% in the upper permeable interval and 62% in the lower. Both of these values are too high to yield commercial production.
- One modern log suite was available on lease V-4886, the Watson 1-6 drilled by Chesapeake Operating in 1997 is a southeast offset to the proposed injection well. CNL/FDC logs indicate two zones of permeability in the proposed injection interval, 6146'-6184' and 6262'-6272'. This well was structurally 20+' downdip from the State 'T' No. 2. The logs show 8% porosity, 60 and 80 ohm resistivity, and 57% and 49% water saturation through the two sections. Again, both values too high to yield commercial production.
- A review of the TPOC records indicated that the upper permeable zone, the State 'T' No. 2 is not present in the State 'T' No. 1, one location south, or the Austral #3B, one location west.

- 5-10% dead oil stain was noted in the drilling samples for the State 'T' No. 2. No fluorescence or stain was noted in the drilling samples for the State 'T' No. 3, one location southeast. These are additional qualitative data points indicating that the zone is water bearing.

## **SUMMARY**

1. Of the 35 wellbores and 42 completions (or attempts) there were no tests and thus no production established from either the San Andres or the Glorietta.
2. Calculations from electric log data on two wells located on V-4886 all indicate that the San Andres and Glorietta will produce water in this area.
3. Qualitative evaluations by TPOC personnel (the original operator) indicate that the zones, where present, will be water bearing.

## **EXHIBITS**

1. Ownership map showing review area,
2. State 'T' No. 2 Electric Log showing Sw calculations, and
3. Watson 1-6 CNL/FDC and Array Induction Logs showing Sw calculations.

# Lynx Petroleum Consultants, Inc.

P.O. Box 1708  
3325 Enterprise Drive  
Hobbs, New Mexico 88241

505 392-6950 Fax: 505 392-7886

August 20, 2002

Mr. Guy Baber  
Pronghorn Management Corp.  
P.O. Box 1772  
Hobbs, NM 88241

Re: Proposed San Andres SWD Operations

Dear Guy:

Per your request, I have calculated the water volumes required to sweep the south offset wellbore using the following assumptions:

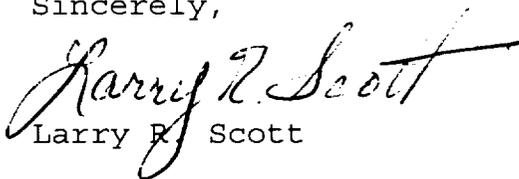
1. Reservoir height = 34 ft.
2. Reservoir porosity = 15 percent
3. All water currently contained in the reservoir is movable.
4. Distance to the south offset well is 1320 ft.

These numbers yield a total volume requirement of 4.97 million barrels or approximately 9 years of operation at 1500 barrels per day.

Your well was logged (electric logs) with conventional resistivity devices, but no direct measurement of porosity. Nevertheless, deep resistivities in the zone of interest run from 1 to 7.5 ohm which will yield water saturations approaching 100% with most any reasonable combination of formation water resistivity and porosity. The south offset well was reported by the original operator to be 29 feet downdip of your well, indicating that it too will be wet in the correlative zone.

Good luck with your application and don't hesitate to call if you have any additional questions.

Sincerely,

  
Larry R. Scott