

PTG-w Kunk  
 Cameron  
 18/109  
 Gulf State #1  
 30-025-24318

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
- [D] Other: Specify REINSTATEMENT

SWD-138  
 (A NEW ONE)

2011 JUL 22 A 11:32  
 RECEIVED OGD

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or  Does Not Apply
- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Ben Stone		Agent for Cameron O&G	7/17/11
Print or Type Name	Signature	Title	Date
		ben@sosconsulting.us	
		e-mail Address	



## SOS Consulting, LLC

July 17, 2011

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

Attn: Ms. Jami Bailey, Director

*Re: Application of Cameron Oil and Gas Company to reinstate for salt water disposal in its Gulf State No.1 well located in Section 2, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.*

Dear Ms. Bailey,

Please find enclosed form C-108 Application for Authority to Inject, supporting the above-referenced request to reinstate the Gulf State No.1 for salt water disposal as originally permitted by division order SWD-138.

Cameron Oil and Gas seeks to optimize efficiency, both economically and operationally, of its operations. Approval of this application is consistent with that goal as well as the NMOCD's mission of preventing waste and protection of correlative rights.

Published legal notice ran in the July 2, 2011 edition of the Hobbs News-Sun and all offset operators and other interested parties have been notified individually. The legal notice affidavit is included in this application package. This application also includes wellbore schematics, area of review maps, leaseholder plats and other required information for a complete Form C-108. The well is located on state lands and a copy of this application has been submitted to the State Land Office, Division of Oil, Gas and Minerals.

I respectfully request that the approval of this salt water disposal well proceed swiftly and if you or your staff requires additional information or has any questions, please do not hesitate to call or email me.

Best regards,

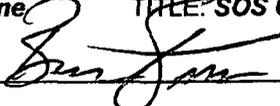
Ben Stone, Partner  
SOS Consulting, LLC  
Agent for Cameron Oil and Gas Company

Cc: Application attachment and file

**APPLICATION FOR AUTHORIZATION TO INJECT**

- I. PURPOSE: **Salt Water Disposal REINSTATEMENT** and the application **qualifies** for administrative approval.
- II. OPERATOR: **Cameron Oil & Gas Company**  
ADDRESS: **P.O. Box 1465, Roswell, NM 88202**
- CONTACT PARTY: **David Sweeney (575) 627-3284**  
**Agent: SOS Consulting, LLC – Ben Stone (903) 488-9850**
- III. WELL DATA: **All well data and applicable wellbore diagrams are attached hereto.**
- IV. **This is not an expansion of an existing project.**
- V. **A map is attached** 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. **A tabulation is attached** of data on all wells of public record within the area of review which penetrate the proposed injection zone. **(Only 1 AOR well penetrates subject interval.) The data includes** a description of each well's type, construction, date drilled, location, depth, and a schematic of any plugged well illustrating all plugging detail.
- VII. **The following data is attached** 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. **Appropriate geologic data on the injection zone is attached** 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. **No stimulation program is proposed at this time.**
- \*X. **There is no applicable logging and test data on the well however, any previous well logs have been filed with the Division and they need not be resubmitted.**
- \*XI. **There are 2 fresh water wells within one mile the proposed salt water disposal well however, the construction of the SWD will prevent any potential threat to the shallow domestic wells.**
- XII. **An affirmative statement is attached that available geologic and engineering data has been examined and no evidence was found** of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. **"Proof of Notice" section on the next page of this form has been completed.**  
**There are 5 offset operators within ½ mile - all have been noticed.**
- 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: **Ben Stone** TITLE: **SOS Consulting, LLC agent / consultant for Cameron Oil & Gas Company**

SIGNATURE:  DATE: 7/17/2011

E-MAIL ADDRESS: **ben@sosconsulting.us**

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

**Page 2**

**III. WELL DATA – *The following information and data is included:***

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 *pursuant to the following criteria is attached.***

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.**



# PROPOSED WELL CONFIGURATION (Currently TA'd)

## Gulf State Well No.1 - SWD

API 30-025-24318

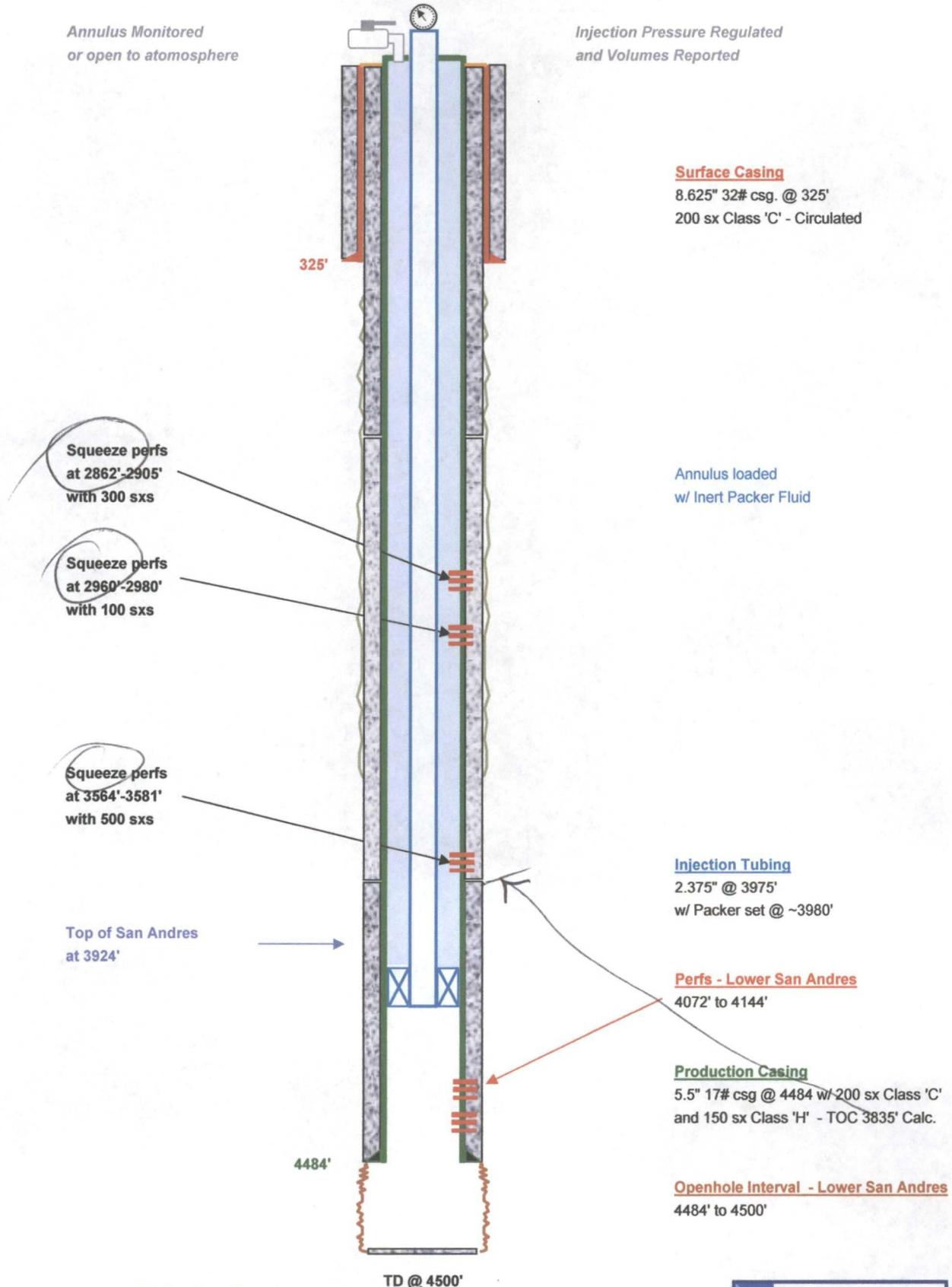
660' FSL & 660' FWL, SEC. 2-T23S-R37E  
LEA COUNTY, NEW MEXICO

Spud Date: 12/31/1972

P&A Date: n/a

Annulus Monitored  
or open to atmosphere

Injection Pressure Regulated  
and Volumes Reported



## Form C-108 Item VI - Tabulation of AOR Wells

Depth to Top of Proposed Injection Interval - San Andres - 3924'

One Well Penetrates Injection Interval

### Section 2 Wells

Current Operator	API	Well Name	Well Number	Type	Lease	Status	UL	STR	Total Depth
[181109] CAMERON OIL & GAS INC	30-025-24318	GULF STATE	#001	Salt Water Disposal	State	Approved Temporary Abandonment	M	2-23S-37E	4500'
[214263] PRE-ONGARD WELL OPERATOR	30-025-28425	PRE-ONGARD WELL	#001	Oil	State	Plugged, Site Released	N	2-23S-37E	7175'
[214263] PRE-ONGARD WELL OPERATOR	30-025-24590	PRE-ONGARD WELL	#001	Oil	State	Plugged, Site Released	E	2-23S-37E	3634'
[214263] PRE-ONGARD WELL OPERATOR	30-025-10594	PRE-ONGARD WELL	#001	Oil	State	Plugged, Site Released	E	2-23S-37E	3658'
[214263] PRE-ONGARD WELL OPERATOR	30-025-24591	PRE-ONGARD WELL	#003	Oil	State	Plugged, Site Released	M	2-23S-37E	3839'

### Section 3 Wells

Current Operator	API	Well Name	Well Number	Type	Lease	Status	UL	STR	Total Depth
[873] APACHE CORP	30-025-10600	SKELLY PENROSE A UNIT	#025	Oil	Private	Plugged, Site Released	I	3-23S-37E	3552'
[240974] LEGACY RESERVES OPERATING, LP	30-025-10804	SKELLY PENROSE A UNIT	#039	Oil	Private	Active	O	3-23S-37E	3822'
[240974] LEGACY RESERVES OPERATING, LP	30-025-10599	SKELLY PENROSE A UNIT	#040	Injection	Private	Approved Temporary Abandonment	P	3-23S-37E	3675'
[240974] LEGACY RESERVES OPERATING, LP	30-025-34016	SKELLY PENROSE A UNIT	#087	Oil	Private	Approved Temporary Abandonment	O	3-23S-37E	3750'

### Section 10 Wells

Current Operator	API	Well Name	Well Number	Type	Lease	Status	UL	STR	Total Depth
[182683] CIMAREX ENERGY CO.	30-025-10694	SKELLY PENROSE A UNIT	#041	Oil	Private	Plugged, Site Released	A	10-23S-37E	3653'
[240974] LEGACY RESERVES OPERATING, LP	30-025-10706	SKELLY PENROSE A UNIT	#042	Injection	Private	Active	B	10-23S-37E	3800'
[240974] LEGACY RESERVES OPERATING, LP	30-025-33990	SKELLY PENROSE A UNIT	#092	Oil	Private	Active	A	10-23S-37E	3750'

### Section 11 Wells

Current Operator	API	Well Name	Well Number	Type	Lease	Status	UL	STR	Total Depth
[214263] PRE-ONGARD WELL OPERATOR	30-025-24682	PRE-ONGARD WELL	#001	Oil	Private	Plugged, Site Released	D	11-23S-37E	3659'
[214263] PRE-ONGARD WELL OPERATOR	30-025-10708	PRE-ONGARD WELL	#001	Oil	Private	Plugged, Site Released	D	11-23S-37E	3658'

# PLUGGED WELL SCHEMATIC

## Pre-ONGARD Well No.1 (Formerly Gulf St. No.1)

API 30-025-28425

660' FSL & 1980' FWL, SEC. 2-T23S-R37E  
LEA COUNTY, NEW MEXICO

Spud Date: 10/13/1983

P&A Date: 9/11/1984

Pre-ONGARD Operator

PLUGS:  
Surface  
10 sxs

1097-1232'  
10 sxs

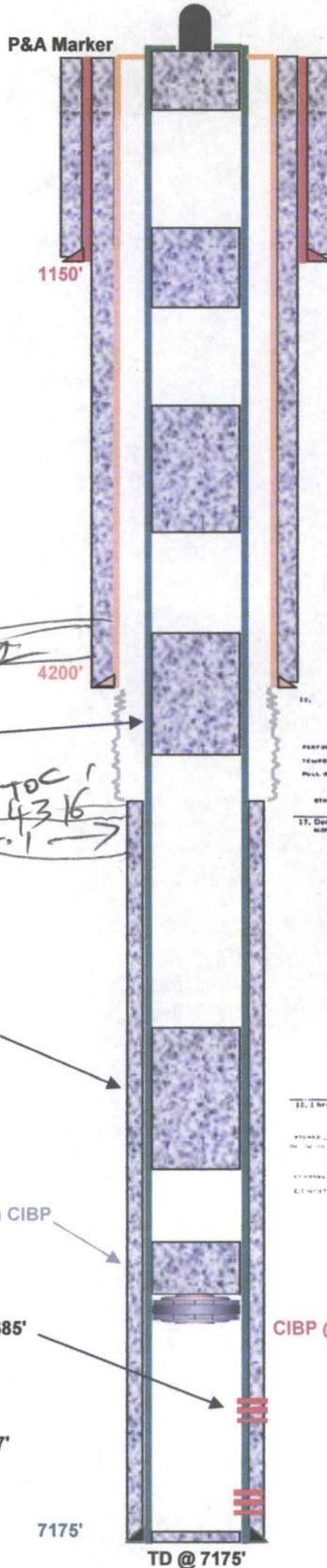
2397-2532'  
15 sxs

4125-4260'  
15 sxs

6405-6515'  
35 sxs

Sqz Perfs 6575'-6685'

Perfs 6789'-7047'



### Surface Casing

13.375", 61#, J-55 csg. @ 1150'  
600 sx Class 'C' - Circulate 75 sx.

### Intermediate Casing

8.625", 32# J-55 csg @ 4200'  
3925 sx Class 'H' - Circulated

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 REASON	<input type="checkbox"/>
TEMPORARILY ABANDON	<input type="checkbox"/>	REMEDIAL WORK	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>	RECOMMENCE DRILLING OPER.	<input type="checkbox"/>
		CEASE PLUG	<input type="checkbox"/>
		CEASE TEST AND CEMENT JOB	<input type="checkbox"/>
		STOP	<input type="checkbox"/>
		ALTERING CASING	<input type="checkbox"/>
		PLUG AND REASON	<input type="checkbox"/>

11. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 108.

#### Plugged and Abandoned as follows:

- 1) 35 sx from 6405' to 6515' tagged plug after 12 hours
- 2) 15 sx from 4125' to 4260'
- 3) 15 sx from 2397' to 2532'
- 4) 15 sx from 1097' to 1232'
- 5) 10 sx surface plug w/dry hole marker.

Plugged and Abandoned 9/11/84

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

Agent: *[Signature]* DATE: 9/17/84

*[Signature]* OIL & GAS INSPECTOR DATE: 9/11/84

### Production Casing

5.5" csg @ 7175' w/ 700 sx Class 'H'  
TOC @ 4316' Circ. DV Tool

SOS Consulting, LLC

# Endura Products Corporation

P.O. Box 3394, Midland, Texas 79702  
Phone (432) 684-4233 Fax (432) 684-4277

## WATER ANALYSIS

Date **7/14/2011** Endura Rep **DeShawn Johnson** Code **10136891**  
Sampling Point/Date **well head 7/14/2011** State **New Mexico**  
Company **Cameron Oil and Gas** County **Lea**  
Formation **Lease Flour** Well # **Water Tank**

### DISSOLVED SOLIDS

<u>CATIONS</u>	mg/l	me/l
Sodium, Na+ (Calc.)	<b>18,768</b>	<b>816</b>
Total Hardness as Ca++	<b>10,480</b>	<b>0</b>
Calcium Ca++	<b>1,632</b>	<b>82</b>
Magnesium, Mg++	<b>5,395</b>	<b>450</b>
Barium, Ba++	<b>0</b>	<b>0</b>
Iron (Total) Fe+++*	<b>1</b>	<b>0</b>

### ANIONS

Chlorides, Cl-	<b>43,950</b>	<b>1,238</b>
Sulfate, SO4-	<b>4,500</b>	<b>94</b>
Carbonate, CO3-	<b>0</b>	<b>0</b>
Bicarbonates, HCO3-	<b>952</b>	<b>16</b>
Sulfide, S-*	<b>0</b>	<b>0</b>
Total Dissolved Solid	<b>75,198</b>	

### OTHER PROPERTIES

pH*	<b>6.510</b>
Specific Gravity,60/60 F.	<b>1.046</b>
Turbidity	<b>96</b>

### SCALING INDICIES

<u>TEMP, F</u>	<u>CA CO3</u>	<u>ASO4*2H2O</u>	<u>CA SO4</u>	<u>BA SO4</u>
<b>80</b>	<b>-0.0750</b>	<b>-0.1519</b>	<b>-0.3447</b>	<b>-29.1233</b>
<b>120</b>	<b>0.2404</b>	<b>-0.1603</b>	<b>-0.1726</b>	<b>-29.3492</b>
<b>160</b>	<b>0.7267</b>	<b>-0.1715</b>	<b>-0.0112</b>	<b>-29.5755</b>

### PERFORATIONS

# Endura Products Corporation

P.O. Box 3394, Midland, Texas 79702

Phone (432) 684-4233 Fax (432) 684-4277

## WATER ANALYSIS

Date **7/14/2011** Endura Rep **DeShawn Johnson** Code **10136889**  
Sampling Point/Date **well head 7/14/2011** State **New Mexico**  
Company **Cameron Oil and Gas** County **Lea**  
Formation **Lease Flour** Well **#3**

### DISSOLVED SOLIDS

<u>CATIONS</u>	mg/l	me/l
Sodium, Na+ (Calc.)	<b>25,093</b>	<b>1,091</b>
Total Hardness as Ca++	<b>14,296</b>	<b>0</b>
Calcium Ca++	<b>1,576</b>	<b>79</b>
Magnesium, Mg++	<b>7,756</b>	<b>646</b>
Barium, Ba++	<b>0</b>	<b>0</b>
Iron (Total) Fe+++*	<b>1</b>	<b>0</b>

### ANIONS

Chlorides, Cl-	<b>59,950</b>	<b>1,689</b>
Sulfate, SO4-	<b>5,300</b>	<b>110</b>
Carbonate, CO3-	<b>0</b>	<b>0</b>
Bicarbonates, HCO3-	<b>1,025</b>	<b>17</b>
Sulfide, S-*	<b>0</b>	<b>0</b>
Total Dissolved Solid	<b>100,701</b>	

### OTHER PROPERTIES

pH*	<b>6.050</b>
Specific Gravity,60/60 F.	<b>1.067</b>
Turbidity	<b>268</b>

### SCALING INDICIES

<u>TEMP, F</u>	<u>CA CO3</u>	<u>ASO4*2H2O</u>	<u>CA SO4</u>	<u>BA SO4</u>
<b>80</b>	<b>-0.4177</b>	<b>-0.1608</b>	<b>-0.3744</b>	<b>-29.2144</b>
<b>120</b>	<b>-0.0833</b>	<b>-0.1722</b>	<b>-0.2053</b>	<b>-29.4303</b>
<b>160</b>	<b>0.4346</b>	<b>-0.1969</b>	<b>-0.0573</b>	<b>-29.6602</b>

### PERFORATIONS

# Endura Products Corporation

P.O. Box 3394, Midland, Texas 79702  
Phone (432) 684-4233 Fax (432) 684-4277

## WATER ANALYSIS

Date **7/14/2011** Endura Rep **DeShawn Johnson** Code **10136888**  
Sampling Point/Date **well head 7/14/2011** State **New Mexico**  
Company **Cameron Oil and Gas** County **Lea**  
Formation **Lease Flour** Well #**2**

### DISSOLVED SOLIDS

<u>CATIONS</u>	mg/l	me/l
Sodium, Na+ (Calc.)	<b>20,769</b>	<b>903</b>
Total Hardness as Ca <sup>++</sup>	<b>9,984</b>	<b>0</b>
Calcium Ca <sup>++</sup>	<b>1,896</b>	<b>95</b>
Magnesium, Mg <sup>++</sup>	<b>4,932</b>	<b>411</b>
Barium, Ba <sup>++</sup>	<b>0</b>	<b>0</b>
Iron (Total) Fe <sup>+++*</sup>	<b>1</b>	<b>0</b>

### ANIONS

Chlorides, Cl <sup>-</sup>	<b>46,000</b>	<b>1,296</b>
Sulfate, SO <sub>4</sub> <sup>-</sup>	<b>4,600</b>	<b>96</b>
Carbonate, CO <sub>3</sub> <sup>-</sup>	<b>0</b>	<b>0</b>
Bicarbonates, HCO <sub>3</sub> <sup>-</sup>	<b>1,049</b>	<b>17</b>
Sulfide, S <sup>-*</sup>	<b>0</b>	<b>0</b>
Total Dissolved Solid	<b>79,247</b>	

### OTHER PROPERTIES

pH*	<b>5.790</b>
Specific Gravity, 60/60 F.	<b>1.047</b>
Turbidity	<b>129</b>

### SCALING INDICIES

<u>TEMP, F</u>	<u>CA CO3</u>	<u>ASO4*2H2O</u>	<u>CA SO4</u>	<u>BA SO4</u>
<b>80</b>	<b>-0.6824</b>	<b>-0.0795</b>	<b>-0.2741</b>	<b>-29.1320</b>
<b>120</b>	<b>-0.3655</b>	<b>-0.0865</b>	<b>-0.1006</b>	<b>-29.3572</b>
<b>160</b>	<b>0.1234</b>	<b>-0.0964</b>	<b>0.0621</b>	<b>-29.5840</b>

### PERFORATIONS

## C-108 ITEM XII – GEOLOGIC AFFIRMATION

We have examined available geologic and engineering data and have found no evidence of open faults or other hydrologic connection between the disposal interval and any underground sources of drinking water.

A handwritten signature in black ink, appearing to read "Ben Stone", written over a horizontal line.

Ben Stone, Partner  
SOS Consulting, LLC

**Jones, William V., EMNRD**

---

**From:** Ben Stone [ben@sosconsulting.us]  
**Sent:** Wednesday, August 03, 2011 10:05 AM  
**To:** Jones, William V., EMNRD  
**Subject:** Cameron Gulf St SWD Application - Fresh Water Analysis...  
**Attachments:** Flour NE Windmills Analysis.pdf; Flour SW Windmills Analysis.pdf

Will,

Here's an analysis for both wells in the subject application AOR.

Let me know if you need anything else.

Thanks,



 Ben Stone, Partner  
**SOS Consulting, LLC**  
Ph.903.488.9850 Fax 866.400.7628

**CONFIDENTIALITY NOTICE:** This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this e-mail. Thank you.

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(Email Guard: 7.0.0.26, Virus/Spyware Database: 6.18050)  
<http://www.pctools.com>

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# Endura Products Corporation

P.O. Box 3394, Midland, Texas 79702  
Phone (432) 684-4233 Fax (432) 684-4277

## WATER ANALYSIS

Date **7/28/2011** Endura Rep **DeShawn Johnson** Code **10137717**  
Sampling Point/Date **Windmill 7/25/2011** State **New Mexico**  
Company **Cameron Oil and Gas** County **Lea**  
Formation Lease **Flour** Well **#SW Windmills**

### DISSOLVED SOLIDS

<u>CATIONS</u>	mg/l	me/l
Sodium, Na+ (Calc.)	253	11
Total Hardness as Ca <sup>++</sup>	220	0
Calcium Ca <sup>++</sup>	106	5
Magnesium, Mg <sup>+</sup>	70	6
Barium, Ba <sup>++</sup>	0	0
Iron (Total) Fe <sup>+++*</sup>	1	0

### ANIONS

Chlorides, Cl <sup>-</sup>	534	15
Sulfate, SO <sub>4</sub> <sup>-</sup>	106	2
Carbonate, CO <sub>3</sub> <sup>-</sup>	0	0
Bicarbonates, HCO <sub>3</sub> <sup>-</sup>	293	5
Sulfide, S <sup>-*</sup>	0	0
Total Dissolved Solid	1,363	

### OTHER PROPERTIES

pH*	7.840
Specific Gravity, 60/60 F.	0.999
Turbidity	14

### SCALING INDICIES

<u>TEMP, F</u>	<u>CA CO3</u>	<u>CASO4*2H2O</u>	<u>CA SO4</u>	<u>BA SO4</u>
80	0.6076	-1.6769	-1.8191	-27.8142
120	0.8417	-1.6964	-1.6582	-28.0223
160	1.0922	-1.6597	-1.4487	-28.1369

### PERFORATIONS

# Endura Products Corporation

P.O. Box 3394, Midland, Texas 79702  
Phone (432) 684-4233 Fax (432) 684-4277

## WATER ANALYSIS

Date	7/28/2011	Endura Rep	DeShawn Johnson	Code	10137707
Sampling Point/Date	Windmill 7/25/2011	State	New Mexico	County	Lea
Company	Cameron Oil and Gas	Well	#NE Windmills		
Formation	Lease Flour				

## DISSOLVED SOLIDS

<u>CATIONS</u>	mg/l	me/l
Sodium, Na+ (Calc.)	230	10
Total Hardness as Ca++	146	0
Calcium Ca++	66	3
Magnesium, Mg+	49	4
Barium, Ba++	0	0
Iron (Total) Fe+++*	1	0

## ANIONS

Chlorides, Cl-	398	11
Sulfate, SO4-	106	2
Carbonate, CO3-	0	0
Bicarbonates, HCO3-	268	4
Sulfide, S-*	0	0
Total Dissolved Solid	1,118	

## OTHER PROPERTIES

pH*	8.140
Specific Gravity, 60/60 F.	0.999
Turbidity	11

## SCALING INDICIES

<u>TEMP, F</u>	<u>CA CO3</u>	<u>CASO4*2H2O</u>	<u>CA SO4</u>	<u>BA SO4</u>
80	0.7038	-1.8273	-1.9692	-27.7473
120	0.9347	-1.8461	-1.8076	-27.9546
160	1.1762	-1.8077	-1.5965	-28.0665

## PERFORATIONS



*New Mexico Office of the State Engineer*  
**Point of Diversion by Location**  
 (with Owner Information)

WR File Nbr	Sub basin	Use	Diversion	Owner	County	POD Number	Grant	Source	(quarters are 1=NW 2=NE 3=SW 4=SE)				(NAD83 UTM in meters)				
									(quarters are smallest to largest)				X	Y			
									q	q	q	q	Sec	Tws	Rng		
CP 00198		DOM		GEORGE W. SIMS	LE	CP 00198 DCL			64164	3	2	4	02	23S	37E	676157	3578627*
CP 01005		STK	3	CODY SIMS	LE	CP 01005 POD1		Shallow	3	4	2	10	23S	37E	674560	3577487	

**Record Count:** 2

**PLSS Search:**

Section(s): 2, 3, 10, 11      Township: 23S      Range: 37E

**Sorted by:** File Number

\*UTM location was derived from PLSS - see Help

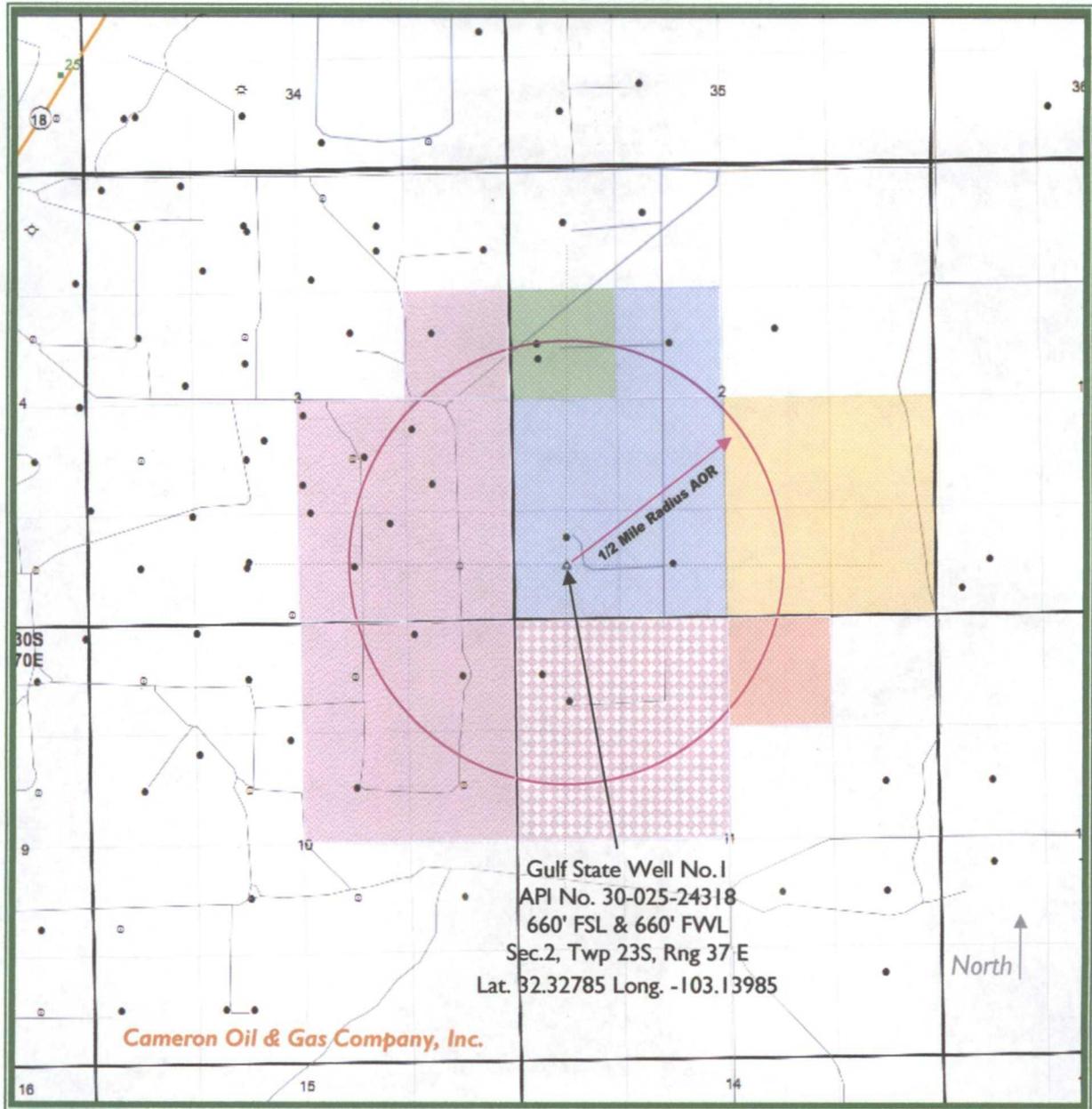
The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

7/19/11 7:49 PM

POINT OF DIVERSION BY LOCATION

# Gulf State Well No.1 - Leasehold Plat

(For inclusion with NMOCD Form C-108, Application for Authority to Inject.)



## LEGEND

- Apache Corporation / Prize Energy Resources LP
- Yates Petroleum Corporation
- MGM Oil & Gas Company
- Cameron Oil & Gas, Inc.
- Legacy Reserves Operating, LP
- Legacy Reserves Operating, LP / Prize Energy Resources LP

>>> Certified research performed by MBF Land Services, LLC <<<

**C-108 ITEM XIII – PROOF OF NOTIFICATION  
INTERESTED PARTIES LIST**

**SURFACE OWNER**

STATE OF NEW MEXICO (FedEx'ed copy)  
Oil, Gas and Minerals Division  
310 Old Santa Fe Trail  
Santa Fe, NM 87504

**OFFSET MINERALS LESSEES**

APACHE CORPORATION (USPS Certified Mail)  
303 Veterans Air Park Lane  
Suite 3000  
Midland, TX 79705

PRIZE ENERGY RESOURCES, LP (USPS Certified Mail)  
5215 N. O'Conner Blvd.  
Suite 1500  
Irving, TX 75039

YATES PETROLEUM CORPORATION (USPS Certified Mail)  
105 S. 4th Street  
Artesia, NM 88210

MGM OIL & GAS COMPANY (USPS Certified Mail)  
P. O. Box 891  
Midland, TX 79702

LEGACY RESERVES OPERATING, LP (USPS Certified Mail)  
P. O. Box 10848  
Midland, TX 79702

**GRAZING LESSEE**

WALCO RANCH, LLC (USPS Certified Mail)  
P. O. Box 1289  
Hobbs, NM 88241

**REGULATORY**

NEW MEXICO OIL CONSERVATION DIVISION (FedEx'ed original and copy)  
1220 S. St. Francis Dr.  
Santa Fe, NM 87505

NEW MEXICO OIL CONSERVATION DIVISION (FedEx'ed copy)  
1625 N. French Drive  
Hobbs, New Mexico 88240

NEW MEXICO STATE LAND OFFICE (FedEx'ed copy)  
Commissioner of Public Lands  
310 Old Santa Fe Trail  
Santa Fe, NM



June 29, 2011

**NOTIFICATION TO INTERESTED PARTIES**

To Whom It May Concern:

Cameron Oil and Gas Company, Roswell, New Mexico, has made application to the New Mexico Oil Conservation Division to **reinstate** its Gulf State Well No.1 salt water disposal permit. The well will be configured as originally permitted by OCD Order SWD-138. As indicated in the notice, the well is located in Section 2, Township 23 South, Range 37 East in Lea County, New Mexico.

Following is the notice to be published in the Hobbs News-Sun, Hobbs, New Mexico on July 2, 2011.

**LEGAL NOTICE**

Cameron Oil & Gas Company, Inc., P.O. Box 1465, Roswell, NM 88202-1465 is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division for administrative approval to REINSTATE (originally permitted by SWD-138) salt water disposal in its Gulf State Well No.1. The well, API No.30-025-24318 is located 660 FSL & 660 FEL in Section 2, Township 23 South, Range 37 East in Lea County, New Mexico. Produced water from typical area producing formations (Seven Rivers through the Drinkard) will be disposed into the San Andres formation through perforations from 4072 feet to 4144 feet (measured depth) and open hole from 4484 feet to 4500 feet at a maximum injection pressure of 814 psi and a maximum rate limited only by such pressure.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87505, (505)476-3460 within 15 days of the date of this notice. Additional information may be obtained from Cameron Oil & Gas, David Sweeney (575)627-3284 or its agent, SOS Consulting, LLC, (903)488-9850.

Thank you for your attention in this matter.

Best regards,

Ben Stone, SOS Consulting, LLC  
Agent for Cameron Oil and Gas

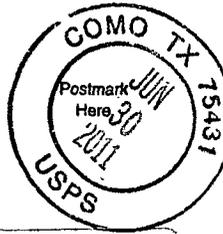
Cc: Application File

**C-108 ITEM XIII – Proof of Notification**  
**Certified Mail Receipts for Interested Parties**

7009 2250 0002 8162 7771

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
*(Domestic Mail Only; No Insurance Coverage Provided)*  
 For delivery information visit our website at [www.usps.com](http://www.usps.com)  
**OFFICIAL USE**

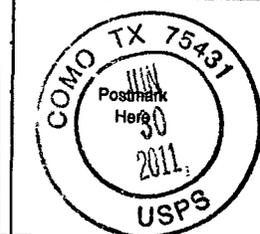
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 5.59</b>



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 City, State,  
 PS Form 38

**APACHE CORPORATION**  
 303 Veterans Air Park Lane  
 Suite 3000  
 Midland, TX 79705

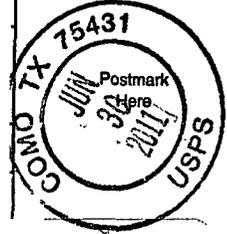


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 Street, Apt. or PO Box  
 City, State,  
 PS Form 38

**PRIZE ENERGY RESOURCES, LP**  
 5215 N. O'Conner Blvd.  
 Suite 1500  
 Irving, TX 75039



7009 2250 0002 8162 7801

**U.S. Postal Service**  
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 For delivery information visit our website at [www.usps.com](http://www.usps.com)  
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Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 5.59</b>

Re (Endorsed by)  
 Street, Apt. or PO Box  
 City, State,  
 PS Form 38

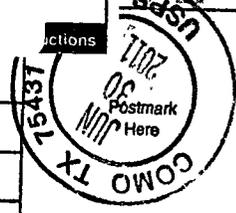
**YATES PETROLEUM CORPORATION**  
 105 S. 4th Street  
 Artesia, NM 88210

Restricted Delivery Fee (Endorsement Required)  
 Total Postage & Fees **\$ 5.59**

Sent To  
 Street, Apt. or PO Box  
 City, State,  
 PS Form 38

**WALCO RANCH, LLC**  
 P. O. Box 1289  
 Hobbs, NM 88241

Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 5.59</b>



Sent To  
 Street, Apt. or PO Box  
 City, State,  
 PS Form 38

**MGM OIL & GAS COMPANY**  
 P. O. Box 891  
 Midland, TX 79702

7009 2250 0002

Sent To  
 Street, Apt. or PO Box  
 City, State,  
 PS Form 38

**LEGACY RESERVES OPERATING, LP**  
 P. O. Box 10848  
 Midland, TX 79702

# Affidavit of Publication

State of New Mexico,  
County of Lea.

I, JUDY HANNA  
PUBLISHER

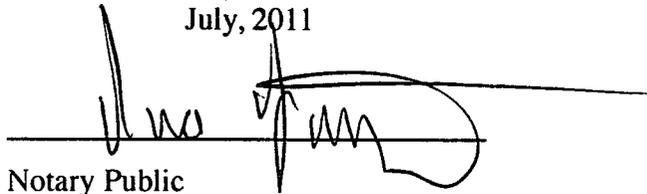
of the Hobbs News-Sun, a  
newspaper published at Hobbs, New  
Mexico, do solemnly swear that the  
clipping attached hereto was  
published in the regular and entire  
issue of said newspaper, and not a  
supplement thereof for a period

of 1 issue(s).

Beginning with the issue dated  
July 02, 2011  
and ending with the issue dated  
July 02, 2011

  
PUBLISHER

Sworn and subscribed to before me  
this 5th day of  
July, 2011

  
Notary Public

My commission expires  
February 09, 2013  
(Seal)

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

**LEGAL NOTICE**  
**JULY 2, 2011**

Cameron Oil & Gas Company, Inc., P.O. Box 1465, Roswell, NM 88202-1465 is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division for administrative approval to REINSTATE (originally permitted by SWD-138) salt water disposal in its Gulf State Well; No. 1. The well, API-No. 30-025-24318 is located 660 FSL & 660 FEL in Section 2, Township 23 South, Range 37 East in Lea County, New Mexico. Produced water from typical area producing formations (Seven Rivers through the Drinkard) will be disposed into the San Andres formation through perforations from 4072 feet to 4144 feet (measured depth) and open hole from 4484 feet to 4500 feet at a maximum injection pressure of 814 psi and a maximum rate limited only by such pressure.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM, 87505 (505)476-3460 within 15 days of the date of this notice. Additional information may be obtained from Cameron Oil & Gas, David Sweeney (575)627-3284 or its agent, SOS Consulting, LLC, (903)488-9850.

#26715

67104417                      00075506  
BEN STONE  
SOS CONSULTING, LLC.  
P.O. BOX 300  
COMO, TX 75431

**Jones, William V., EMNRD**

---

**From:** Jones, William V., EMNRD  
**Sent:** Friday, July 22, 2011 2:40 PM  
**To:** 'Ben Stone'  
**Cc:** Ezeanyim, Richard, EMNRD; Kautz, Paul, EMNRD  
**Subject:** Disposal application from Cameron Oil & Gas Company: Gulf State #1 30-025-24318 San Andres perms and open hole

Hello Ben,

Just got this in and looked at it IMMEDIATELY (you would be proud of me!!). Actually I am trying not to get covered up with another pile of applications....

Only a few items,

- a. Please send a new analysis of fresh water in this area or let me know when it will arrive and I can put it in the permit file later.
- b. Also how deep is this Ogallala in this area?
- c. Thanks for sending the other water analysis – but for future applications, if you mark which formation is producing on the analysis it helps.
- d. Would you estimate the top of the Glorieta in this area?
- e. There was a GR-SNL run in 1973 – but our only log image shows a GR-Collar log without recognizable depths on it. Please ask Cameron if they could look in their well file or log files and send a copy to Paul Kautz of whatever logs they have.
- f. The application is missing the first two pages where the applicant specifies the well construction and what disposal depths and formations are being applied for.

Cool Summer,,,

WVJ

## Jones, William V., EMNRD

---

**From:** Ben Stone [ben@sosconsulting.us]  
**Sent:** Wednesday, July 27, 2011 12:26 PM  
**To:** Jones, William V., EMNRD  
**Subject:** RE: Disposal application from Cameron Oil & Gas Company: Gulf State #1 30-025-24318 San Andres perms and open hole  
**Attachments:** Follow-up to WJones\_CamrnGulfSt20110727.pdf

Will,

Here's the additional stuff to include with Cameron's C-108.

All I'm waiting on is the fresh water sample and analysis - should have that in a day or two.

Thanks,

  
 Ben Stone, Partner  
**SOS Consulting, LLC**  
Ph.903.488.9850 Fax 866.400.7628

**CONFIDENTIALITY NOTICE:** This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this e-mail. Thank you.

---

**From:** Jones, William V., EMNRD [<mailto:William.V.Jones@state.nm.us>]  
**Sent:** Friday, July 22, 2011 3:40 PM  
**To:** Ben Stone  
**Cc:** Ezeanyim, Richard, EMNRD; Kautz, Paul, EMNRD  
**Subject:** Disposal application from Cameron Oil & Gas Company: Gulf State #1 30-025-24318 San Andres perms and open hole

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- f. The application is missing the first two pages where the applicant specifies the well construction and what disposal depths and formations are being applied for.

Cool Summer,,,

WVJ



**SOS Consulting, LLC**

July 27, 2011

New Mexico Oil Conservation Division

VIA EMAIL

Attn: Mr. Will Jones, Engineer

*Re: Additional information for application of Cameron Oil and Gas Company to  
reinstate for salt water disposal in its Gulf State No.1.*

Dear Will,

Please find attached some additional information as you requested in support of the recently submitted form C 108 on behalf of Cameron Oil and Gas.

I had indicated in direct response to your email that Cameron has no additional logs of the well but, in the future it is possible that a new log may be run during some type of workover, although none are anticipated at this point. If indeed Cameron runs a log, a copy will be forwarded to OCD at that time.

I also mentioned that Paul Kautz of the Hobbs OCD office indicated that the Ogallala would typically be found at approximately 400 feet in the subject area.

David Sweeney of Cameron, located an offset well that indicated the top of the Glorieta in this area at approximately 5167 feet. He has also contracted to obtain and analyze a sample of one of the fresh water wells shown in the application. I will forward that as soon as it is available.

Finally, I have attached the original completion report showing the well's construction; a copy of the sundry submitted which describes the work done, and; and copy of the sundry whereby Buddy Hill of the Hobbs OCD office approved the well in its current state for TA status until March 17, 2014. I apologize for not including a specific construction data sheet but I thought the new wellbore schematic would suffice since this is a *reinstatement* and the injection interval (San Andres) and the pertinent depths and construction details have not changed.

If you need any additional information or have any questions, please do not hesitate to call or email me.

Best regards,

Bob Stone, Partner  
SOS Consulting, LLC  
Agent for Cameron Oil and Gas Company

Cc: Application attachment and file

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FILE	
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LAND OFFICE	
OPERATOR	

Form C-105  
Revised 1-1-65

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a. Indicate Type of Lease  
State  Fee   
5. State Oil & Gas Lease No.  
**K-3424**

1a. TYPE OF WELL  
OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_  
b. TYPE OF COMPLETION  
NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DIFF. RESVR.  OTHER \_\_\_\_\_  
2. Name of Operator  
**Millard Deck**  
3. Address of Operator  
**P. O. Box 1047, Eunice, New Mexico 88231**  
4. Location of Well  
UNIT LETTER **M** LOCATED **660** FEET FROM THE **South** LINE AND **660** FEET FROM  
THE **West** LINE OF SEC. **2** TWP. **23S** RGE. **37E** HMPM  
12. County  
**Lea**

7. Unit Agreement Name  
8. Farm or Lease Name  
**Gulf State**  
9. Well No.  
**1**  
10. Field and Pool, or Wildcat  
**Wildcat**

15. Date Spudded  
**12-13-72**  
16. Date T.D. Reached  
**12-26-72**  
17. Date Compl. (Ready to Prod.)  
**----**  
18. Elevations (DF, RKB, RT, GR, etc.)  
**3298' GR**  
19. Elev. Casinghead  
**3298' GR**

20. Total Depth  
**4500'**  
21. Plug Back T.D.  
**4490'**  
22. If Multiple Compl., How Many  
**-----**  
23. Intervals Drilled By  
**0-4500**  
Rotary Tools  
**None**  
Cable Tools  
**None**

24. Producing Interval(s), of this completion - Top, Bottom, Name  
**Unsuccessful in all intervals**  
25. Was Directional Survey Made  
**No**

26. Type Electric and Other Logs Run  
**Gamma Ray - Sidewall Neutron**  
27. Was Well Cored  
**No**

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
<b>8 5/8"</b>	<b>24#</b>	<b>320'</b>	<b>11"</b>	<b>200 sacks</b>	<b>circulated</b>
<b>5 1/2"</b>	<b>14#</b>	<b>4500'</b>	<b>7 7/8"</b>	<b>450 sacks</b>	

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN
<b>None</b>				

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
<b>2 3/8"</b>		

31. Perforation Record (Interval, size and number)  
**SEE ATTACHMENT**

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
<b>SEE ATTACHMENT</b>	

33. PRODUCTION

Date First Production  
**None**  
Production Method (Flowing, gas lift, pumping - Size and type pump)  
**Shut-in**  
Well Status (Prod. or Shut-in)

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
<b>None</b>							

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)

34. Disposition of Gas (Sold, used for fuel, vented, etc.)  
Test Witnessed By

35. List of Attachments  
**Inclination survey - Perforation & treatment record**

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

**Millard Deck** TITLE **Owner-Operator** DATE **April 17, 1973**

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SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103  
Supersedes Old  
C-102 and C-103  
Effective 1-1-65

5a. Indicate Type of Lease	
State <input checked="" type="checkbox"/>	Fee <input type="checkbox"/>
5. State Oil & Gds Lease No.	
K-3424	
7. Unit Agreement Name	
8. Farm or Lease Name	
Gulf State	
9. Well No.	
1	
10. Field and Pool, or Wildcat	
Wildcat	
12. County	
Lea	

**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. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator Millard Deck
3. Address of Operator P.O. Box 1047, Eunice, New Mexico 88231
4. Location of Well UNIT LETTER <u>M</u> <u>660</u> FEET FROM THE <u>South</u> LINE AND <u>660</u> FEET FROM THE <u>West</u> LINE, SECTION <u>2</u> TOWNSHIP <u>23S</u> RANGE <u>37E</u> NMPM.
15. Elevation (Show whether DF, RT, GR, etc.) 3298' GR

16. 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 type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	OTHER <input type="checkbox"/>

17. 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. Drilled 7 7/8" hole to 4500'.
2. Logged open hole with GR - Sidewall Neutron.
3. Ran 5 1/2" 14# casing. Set at 4500'. Cemented using 150 sacks Halliburton Light cement followed by 300 sacks class "C" Posmix A with 2% gel. Plug down 6 PM 12-27-73. SI WOC.
4. After 24 hours pressure tested casing to 2500 psi for 30 minutes without loss of pressure. Released rig.

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

SIGNED Millard Deck TITLE Owner-Operator DATE April 17, 1973

RECEIVED

MAR 16 2009

OIL CONSERVATION DIVISION

HOBBSOCD

1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. 30-025-24318
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. SWD 0049
7. Lease Name or Unit Agreement Name Gulf State
8. Well Number #1 SWD
9. OGRID Number 20497
10. Pool name or Wildcat SWD: San Andres
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

**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 SWD

2. Name of Operator  
Seely Oil Company

3. Address of Operator  
815 W. 10<sup>th</sup> St., Ft. Worth, TX 76102

4. Well Location  
Unit Letter M: 660 feet from the South line and 660 feet from the West line  
Section 2 Township 23S Range 37E NMPM Lea County

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

<p><b>NOTICE OF INTENTION TO:</b></p> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input checked="" type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/>		<p><b>SUBSEQUENT REPORT OF:</b></p> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. 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 recompletion.

On February 18, 2009, the subject well had a MIT performed. (Chart enclosed)

Based upon the results, Seely Oil Company respectfully requests Temporarily Abandoned status until the well can be returned to service or plugged and abandoned.

This Approval of Temporary Abandonment Expires 3-17-2014

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

SIGNATURE David L. Henderson TITLE: Executive Vice President DATE: 03/12/2009

Type or print name: David L. Henderson E-mail address: dhenderson@seelyoil.com PHONE: 817-332-1377

**For State Use Only**

APPROVED BY: Carly W. Hill TITLE: DISTRICT 1 SUPERVISOR DATE: MAR 18 2009

Conditions of Approval (if any):

**Jones, William V., EMNRD**

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**From:** Ben Stone [ben@sosconsulting.us]  
**Sent:** Monday, July 25, 2011 11:13 AM  
**To:** Jones, William V., EMNRD  
**Subject:** RE: Disposal application from Cameron Oil & Gas Company: Gulf State #1 30-025-24318 San Andres perms and open hole

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**From:** Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]  
**Sent:** Friday, July 22, 2011 3:40 PM  
**To:** Ben Stone  
**Cc:** Ezeanyim, Richard, EMNRD; Kautz, Paul, EMNRD  
**Subject:** Disposal application from Cameron Oil & Gas Company: Gulf State #1 30-025-24318 San Andres perms and open hole

Hello Ben,

Just got this in and looked at it IMMEDIATELY (you would be proud of me!!). Actually I am trying not to get covered up with another pile of applications....

Only a few items,

- a. Please send a new analysis of fresh water in this area or let me know when it will arrive and I can put it in the permit file later.

**We are getting a fresh water analysis** and will forward as soon as we have it.

- b. Also how deep is this Ogallala in this area?

Talked with Paul Kautz and he said the Ogallala takes a pretty good dip from Eunice to Jal and he mentioned the Jal sink hole. Paul said he believes **400'** is probably a good estimation for the area.

- c. Thanks for sending the other water analysis – but for future applications, if you mark which formation is producing on the analysis it helps.

Sorry for this oversight - the samples are from the Fluor lease completed in the [Langlie Mattix] **7 Rivers-**

**Queen-Grayburg.**

- d. Would you estimate the top of the Glorieta in this area?

The Glorieta top on the closest well (Antweil-Gulf State #1,660'fsl 1980'fwl, Sec-2-23s-37e) is **5167'**.

- e. There was a GR-SNL run in 1973 – but our only log image shows a GR-Collar log without recognizable depths on it. Please ask Cameron if they could look in their well file or log files and send a copy to Paul Kautz of whatever logs they have.

Cameron just acquired this well and have **no additional logs** other than what has been filed with the OCD. If future work is performed on the well requiring a log, we will forward that to OCD in a timely manner.

- f. The application is missing the first two pages where the applicant specifies the well construction and what disposal depths and formations are being applied for.

The **new wellbore schematic is representative** of the completion data that was available in the online well file. I will **tabularize the data and forward** that to you.

Thank you for your assistance in this matter.

Ben Stone

Cool Summer,,,

WVJ

**Injection Permit Checklist** (11/15/2010)

WFX \_\_\_\_\_ PMX \_\_\_\_\_ SWD 138-A Permit Date 8/8/11 UIC Qtr G/A/S

# Wells 1 Well Name(s): GULF STATE #1

API Num: 30-0 25-24318 Spud Date: 12/31/72 New/Old: N (UIC primacy March 7, 1982)

Footages 66052/660 FWL Unit M Sec 2 Tsp 23S Rge 37E County: LEA

General Location: \_\_\_\_\_

Operator: Cameron Oil & Gas Company Contact Pan Stone / DAVID Swaney

OGRID: 18109 RULE 5.9 Compliance (Wells) Y93 (Finan Assur) OK IS 5.9 OK? OK

Well File Reviewed ✓ Current Status: TAED

Planned Work to Well: \_\_\_\_\_

Diagrams: Before Conversion ✓ After Conversion ✓ Elogs in Imaging File: where is GR-SNL

Well Details:	Sizes		Setting Depths	Stage Tool	Cement Sx or Cf	Determination Method
	Hole.....	Pipe				
New ___ Existing ___ Surface	<u>8 5/8</u>		<u>325</u>	<u>—</u>	<u>200 SX</u>	
New ___ Existing ___ Intern						
New ___ Existing ___ LongSt	<u>5 1/2</u>		<u>4484</u>	<u>—</u>	<u>200 / 150</u>	<u>3835 Calc</u>
New ___ Existing ___ Liner						<u>(35925)</u>
New ___ Existing ___ OpenHole						

Depths/Formations:	Depths, Ft.	Formation	Tops?
Formation(s) Above	<u>3924</u>	<u>SA</u>	<u>✓</u>
<u>pad</u> <u>OH</u> Injection TOP:	<u>(4072-4144)</u>	<u>SA</u>	Max. PSI <u>814</u> OpenHole <u>✓</u> Perfs <u>✓</u>
Injection BOTTOM:	<u>(4500)</u>	<u>SA</u>	Tubing Size <u>2 3/8</u> Packer Depth <u>3980</u>
Formation(s) Below		<u>GLORIA</u>	

SWD-138  
1974 converted to DISP.  
2003 = TA

~~Captain Reef? (Potash? Noticed?) (WIPP? Noticed?) Salado Top/Bot Cliff House?~~

**Fresh Water:** Depths: \_\_\_\_\_ Formation ocell Wells? yes Analysis? \_\_\_\_\_ Affirmative Statement ✓

**Disposal Fluid Analysis?** ✓ Sources: TKRS - drilled

**Disposal Interval: Analysis?** 6F Production Potential/Testing: RE-inside, Total well (4073-4142)

**Notice:** Newspaper Date 7/2/11 Surface Owner SLO/Walco Mineral Owner(s) SLO

**RULE 26.7(A) Affected Persons:** APAC/IPC/MGM/Regency/Prize Eng (6/3/11)

**AOR:** Maps? ✓ Well List? ✓ Producing in Interval? N Wellbore Diagrams? ✓

.....Active Wells 0 Repairs? \_\_\_\_\_ Which Wells? \_\_\_\_\_

.....P&A Wells 1 Repairs? ✓ Which Wells? \_\_\_\_\_

**Issues:** \_\_\_\_\_ Request Sent \_\_\_\_\_ Reply: \_\_\_\_\_