

|                        |                         |                     |                          |                 |                           |
|------------------------|-------------------------|---------------------|--------------------------|-----------------|---------------------------|
| DATE IN <i>1/27/12</i> | SUSPENSE <i>1/27/12</i> | ENGINEER <i>WVJ</i> | LOGGED IN <i>1.11.12</i> | TYPE <i>SWD</i> | APP NO. <i>1701131460</i> |
|------------------------|-------------------------|---------------------|--------------------------|-----------------|---------------------------|



*5/23/12*  
*Calder*  
*request info*

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

*Buckeye Disposal*  
*22759*  
*State "AF" # 3*

**ADMINISTRATIVE APPLICATION CHECKLIST** 30-025-20980

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

*L-8-185-35E*

RECEIVED OGD  
 2012 JUN 10 P 3:15  
*lea*

- [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

*98831-9927*  
*1977 PSI*  
*SWP-Graybury*  
*San Andres*  
*(96110)*

[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.

|                    |                         |                                   |                  |
|--------------------|-------------------------|-----------------------------------|------------------|
| <u>Ben Stone</u>   | <u><i>Ben Stone</i></u> | <u>Agent for Buckeye Disposal</u> | <u>1/06/2012</u> |
| Print or Type Name | Signature               | Title                             | Date             |
|                    |                         | <u>ben@sosconsulting.us</u>       |                  |
|                    |                         | e-mail Address                    |                  |

January 6, 2012

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

Attn: Ms. Jami Bailey, Director

*Re: Application of Buckeye Disposal, LLC to reinstate for salt water disposal its State 'AF' Well No.3 well located in Section 8, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico.*

2012 JAN 6 P 3:46  
RECEIVED OOD

Dear Ms. Bailey,

Please find enclosed form C-108 Application for Authority to Inject, supporting the above-referenced request to reinstate the State 'AF' No.3 for salt water disposal as originally permitted by division order R-8596.

Buckeye Disposal, LLC 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 September 16, 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.

Two items to note; the well does have a casing leak and, will require a new SWD right-of-way easement from the State Land Office. Buckeye Disposal will perform the repairs and secure the right-of-way after reinstatement of the OCD permit for timely appropriation of its investments.

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 Buckeye Disposal, LLC

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: **Buckeye Disposal, LLC**  
ADDRESS: **P.O. Box 2747, Lubbock, TX 79772**
- CONTACT PARTY: **Terry Wallace (575) 390-6167**  
**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. ~~(6 AOR wells penetrate subject interval -- 3 P&A.)~~ **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 no domestic water wells within one mile the proposed salt water disposal well.**
- 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 6 offset operators within 1/2 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 Buckeye Disposal, LLC**

SIGNATURE:  DATE: **1/06/2012**

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:

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.**

---

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

# PROPOSED WELL CONFIGURATION

(Currently Shut-In Pending SWD Reinstatement and Casing Repair)

## State 'AF' Well No.3

API 30-025-20980

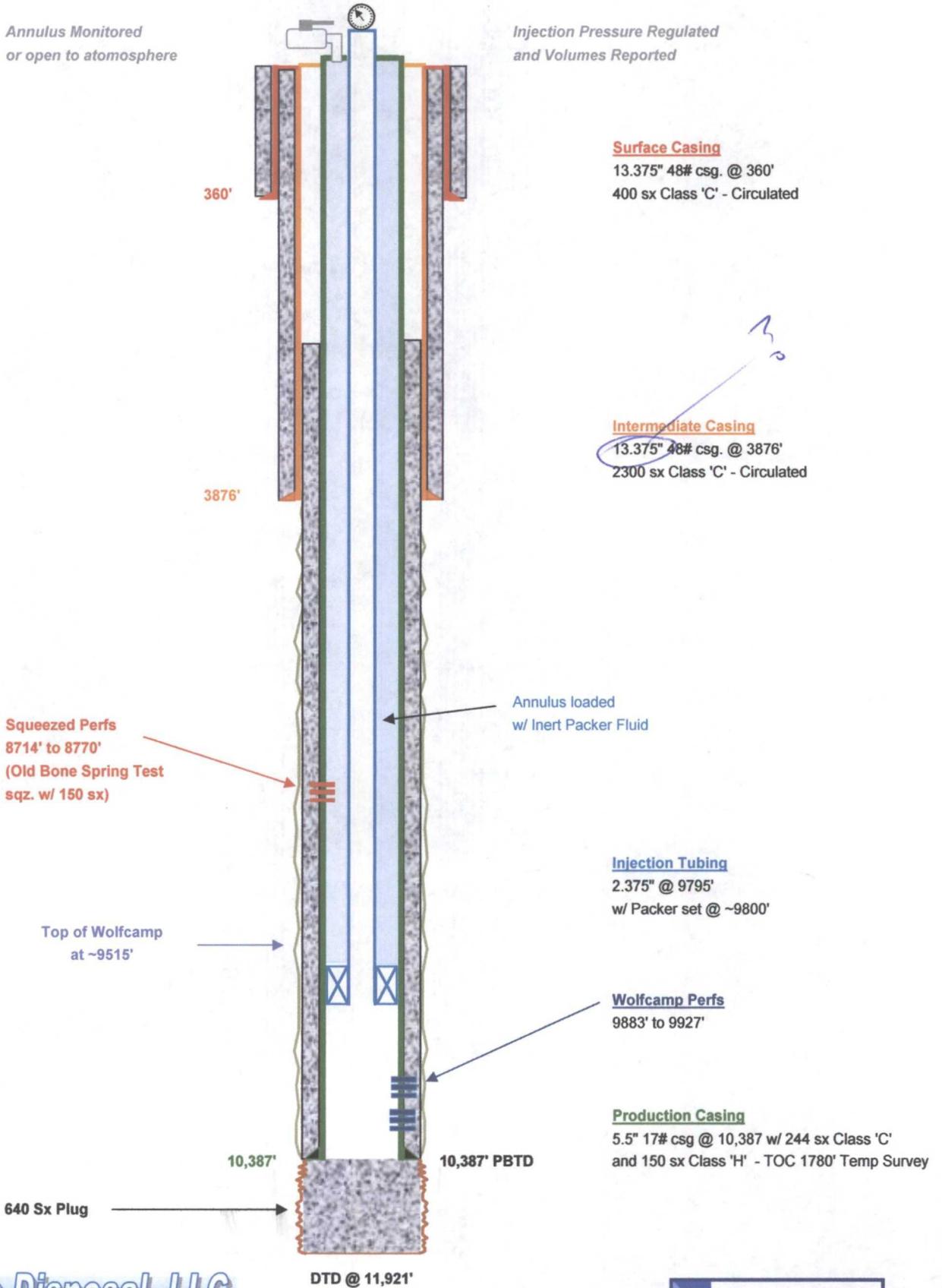
1980' FSL & 990' FWL, SEC. 8-T18S-R35E  
LEA COUNTY, NEW MEXICO

Spud Date: 1/16/1964

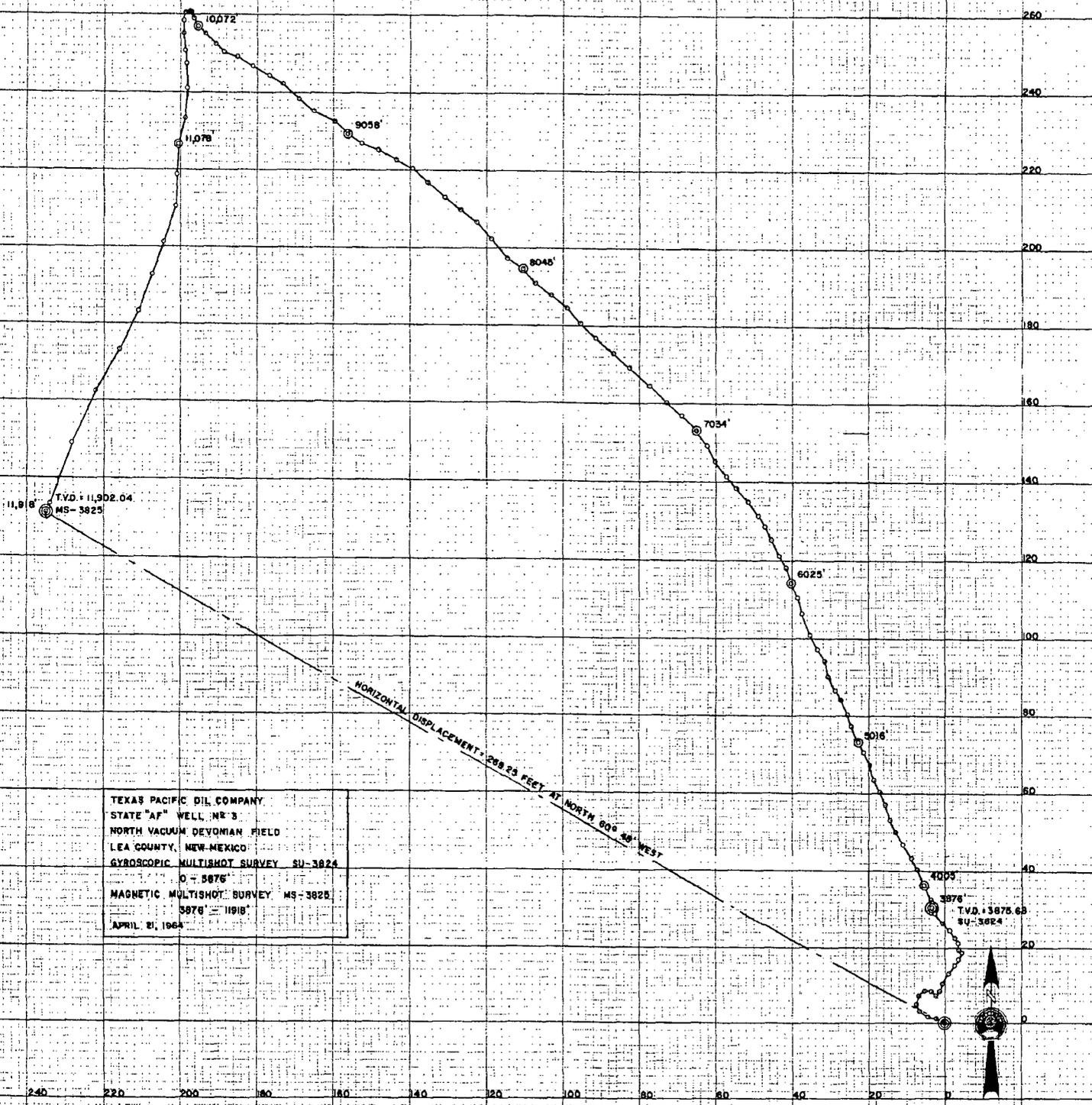
P&A Date: n/a

Annulus Monitored  
or open to atmosphere

Injection Pressure Regulated  
and Volumes Reported



SPERRY-SUN WELL SURVEYING COMPANY  
HORIZONTAL PROJECTION  
SCALE 1" = 20'



11,078' T.V.D. = 11,902.04  
MS-3825

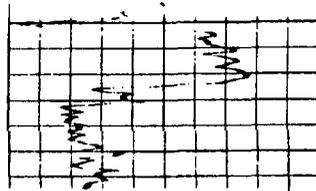
HORIZONTAL DISPLACEMENT - 288.25 FEET AT NORTH 89° 48' WEST

TEXAS PACIFIC OIL COMPANY  
STATE "AF" WELL, NO. 3  
NORTH VACUUM DEVONIAN FIELD  
LEA COUNTY, NEW MEXICO  
GYROSCOPIC MULTISHOT SURVEY SU-3824  
O - 5876'  
MAGNETIC MULTISHOT SURVEY MS-3825  
5876' = 11918'  
APRIL 21, 1964

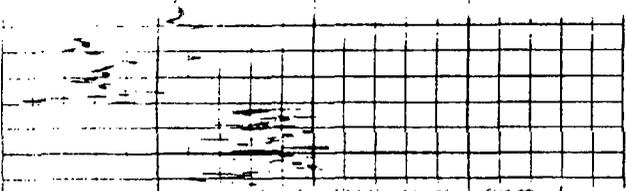
3,978' T.V.D. = 3,675.63  
SU-3824



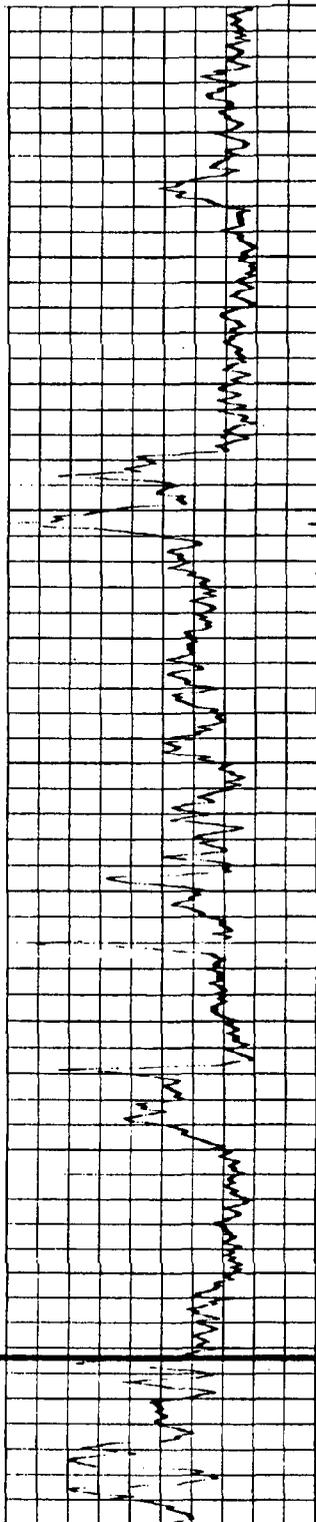
DEPT. OF ENVIRONMENTAL PROTECTION  
 OIL CONTROL DIVISION  
*Levesee*  
 CASE NO. **9297**  
**6**



00001



PENROC OIL CORPORATION  
 STATE "AF" NO. 3



00001

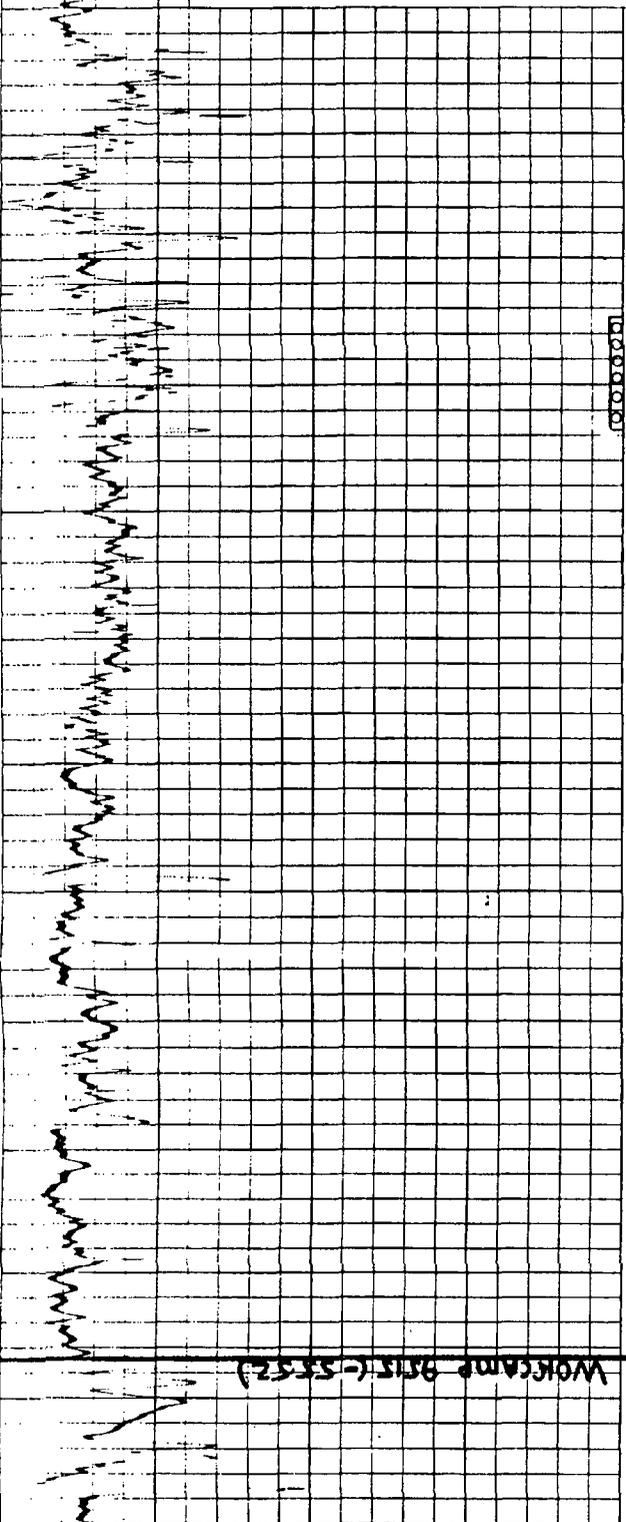
00005

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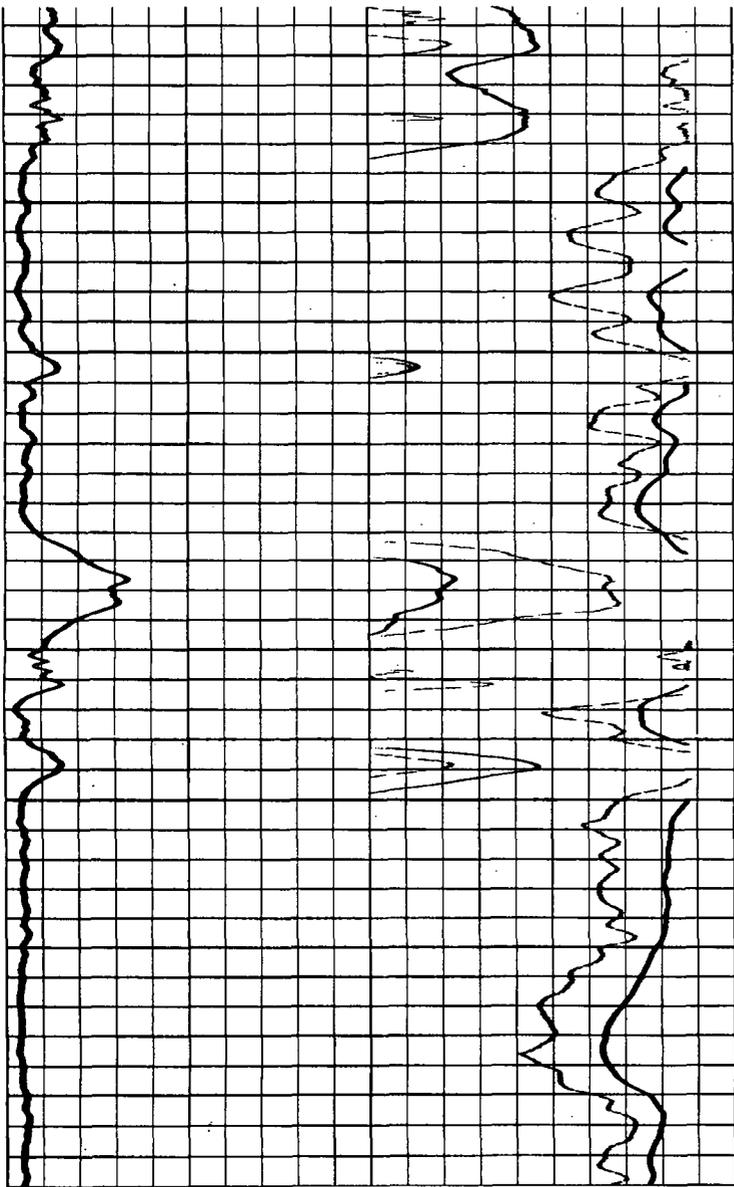
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00025

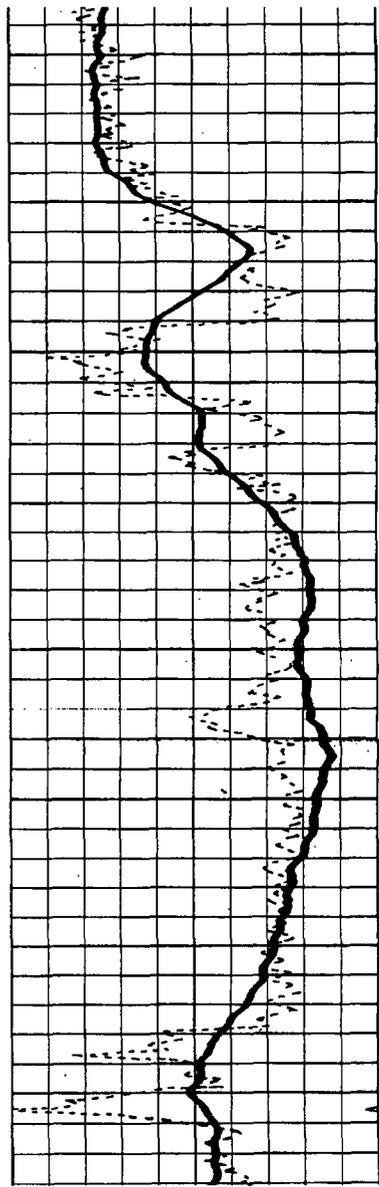


00000

WORKAMP 915 (-5F52)



9900 10000 10100 10200



**RECORD OF DRILL-STEM AND SPECIAL TESTS**

If drill-stem or other special tests or deviation surveys were made, submit report on separate sheet and attach hereto

**TOOLS USED**

Rotary tools were used from 0 feet to 11,956 feet, and from \_\_\_\_\_ feet to \_\_\_\_\_ feet.  
 Cable tools were used from \_\_\_\_\_ feet to \_\_\_\_\_ feet, and from \_\_\_\_\_ feet to \_\_\_\_\_ feet.

**PRODUCTION**

Put to Producing May 6, 1964.

OIL WELL: The production during the first 24 hours was 394 barrels of liquid of which 98 % was oil; \_\_\_\_\_ % was emulsion; \_\_\_\_\_ % water; and \_\_\_\_\_ % was sediment. A.P.I. Gravity 1.2.

GAS WELL: The production during the first 24 hours was \_\_\_\_\_ M.C.F. plus \_\_\_\_\_ barrels of liquid Hydrocarbon. Shut in Pressure \_\_\_\_\_ lbs.

Length of Time Shut in \_\_\_\_\_

PLEASE INDICATE BELOW FORMATION TOPS (IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE):

| Southeastern New Mexico    |                                    | Northwestern New Mexico |  |
|----------------------------|------------------------------------|-------------------------|--|
| T. Anhy. <u>1575</u>       | T. Devonian. <u>11880</u>          | T. Ojo Alamo            |  |
| T. Salt                    | T. Silurian                        | T. Kirtland-Fruitland   |  |
| B. Salt                    | T. Montoya                         | T. Farmington           |  |
| T. Yates. <u>3005</u>      | T. Simpson                         | T. Pictured Cliffs      |  |
| T. 7 Rivers                | T. McKee                           | T. Menefee              |  |
| T. Queen. <u>4090</u>      | T. Ellenburger                     | T. Point Lookout        |  |
| T. Grayburg                | T. Gr. Wash                        | T. Mancos               |  |
| T. San Andres. <u>5722</u> | T. Granite                         | T. Dakota               |  |
| T. Glorieta                | T. <u>Dome Spring - 6110'</u>      | T. Morrison             |  |
| T. Drinkard                | T. <u>Dome Spring roof - 8700'</u> | T. Penn.                |  |
| T. Tubbs                   | T. <u>Wolfcamp - 9872'</u>         |                         |  |
| T. Abo. <u>8950</u>        | T. <u>Strawn - 10,672'</u>         |                         |  |
| T. Penn.                   | T. <u>Woodford - 11,726'</u>       |                         |  |
| T. Miss. <u>10,971</u>     |                                    |                         |  |

**FORMATION RECORD**

| From  | To    | Thickness in Feet | Formation             | From | To | Thickness in Feet | Formation |
|-------|-------|-------------------|-----------------------|------|----|-------------------|-----------|
| 0     | 101   | 21                | Caliche & Sand        |      |    |                   |           |
| 21    | 1520  | 1279              | Red Bed               |      |    |                   |           |
| 1520  | 2735  | 1215              | Salt & Anhydrite      |      |    |                   |           |
| 2735  | 3421  | 686               | Anhydrite             |      |    |                   |           |
| 3421  | 3812  | 391               | Anhydrite & Gypsum    |      |    |                   |           |
| 3812  | 4123  | 311               | Anhydrite & Lime      |      |    |                   |           |
| 4123  | 6890  | 2767              | Lime                  |      |    |                   |           |
| 6890  | 7401  | 511               | Lime & Chert          |      |    |                   |           |
| 7401  | 7479  | 78                | Dolomite & Chert      |      |    |                   |           |
| 7479  | 8851  | 1372              | Lime, Chert, Dolomite |      |    |                   |           |
| 8851  | 8889  | 38                | Lime                  |      |    |                   |           |
| 8889  | 9070  | 181               | Lime & Chert          |      |    |                   |           |
| 9070  | 9265  | 195               | Lime & Dolomite       |      |    |                   |           |
| 9265  | 9364  | 99                | Lime & Chert          |      |    |                   |           |
| 9364  | 9662  | 298               | Lime                  |      |    |                   |           |
| 9662  | 9911  | 249               | Lime & Chert          |      |    |                   |           |
| 9911  | 10189 | 278               | Lime                  |      |    |                   |           |
| 10189 | 10489 | 300               | Lime & Shale          |      |    |                   |           |
| 10489 | 10680 | 191               | Lime                  |      |    |                   |           |
| 10680 | 1082  | 142               | Lime, Sand & Chert    |      |    |                   |           |
| 10822 | 11777 | 955               | Lime & Chert          |      |    |                   |           |
| 11777 | 11909 | 132               | Shale                 |      |    |                   |           |
| 11909 | 11956 | 47                | Lime                  |      |    |                   |           |

ATTACH SEPARATE SHEET IF ADDITIONAL SPACE IS NEEDED

I hereby swear or affirm that the information given herewith is a complete and correct record of the well and all work done on it so far as can be determined from available records.

Date: May 6, 1964

Company or Operator: Texas Pacific Oil Company Address: P. O. Box 1069, Hobbs, New Mexico

Name: Wally Sanchez Title: District Engineer Clerk

|                           |     |
|---------------------------|-----|
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|                           | GAS |
| PRODUCTION OFFICE         |     |
| OPERATOR                  |     |

NEW MEXICO OIL CONSERVATION COMMISSION

FORM C-103  
(Rev 3-55)

MISCELLANEOUS REPORTS ON WELLS

(Submit to appropriate District Office as per Commission Rule 1106) FEB 11 1964

Name of Company **Texas Pacific Oil Company** Address **P. O. Box 1069, Hobbs, New Mexico**

Lease **State "AF"** Well No. **3** Unit Letter **L** Section **8** Township **18-S** Range **26-E**

Date Work Performed **2/5/64** Pool **North Vacuum Devonian** County **Lea**

THIS IS A REPORT OF: (Check appropriate block)

- Beginning Drilling Operations  Casing Test and Cement Job  Other (Explain):  
 Plugging  Remedial Work

Detailed account of work done, nature and quantity of materials used, and results obtained.

- Spudded 7:30 A.M. 2/5/64. T.D. 360'.
- Ran 12 Jts. (348') 13-3/8", 48# H-40 Csg. Set at 360'.
- Cemented with 400 sks. reg. + 4% Gel + 2% CaCl<sub>2</sub>. Pumped plug to 310' at 2:45 A.M. 2/6/64. Cement circulated.
- After 24 hours tested pipe to 1000# for 30 minutes before and after drilling out. Test O. K.

Witnessed by **A. D. Asher** Position **Asst. Dist. Supt.** Company **Texas Pacific Oil Company**

FILL IN BELOW FOR REMEDIAL WORK REPORTS ONLY

ORIGINAL WELL DATA

|                        |              |                        |                    |                 |
|------------------------|--------------|------------------------|--------------------|-----------------|
| D F Elev.              | T D          | P B T D                | Producing Interval | Completion Date |
| Tubing Diameter        | Tubing Depth | Oil String Diameter    | Oil String Depth   |                 |
| Perforated Interval(s) |              |                        |                    |                 |
| Open Hole Interval     |              | Producing Formation(s) |                    |                 |

RESULTS OF WORKOVER

| Test            | Date of Test | Oil Production BPD | Gas Production MCFPD | Water Production BPD | GOR Cubic feet/Bbl | Gas Well Potential MCFPD |
|-----------------|--------------|--------------------|----------------------|----------------------|--------------------|--------------------------|
| Before Workover |              |                    |                      |                      |                    |                          |
| After Workover  |              |                    |                      |                      |                    |                          |

OIL CONSERVATION COMMISSION

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

Approved by *[Signature]* Name *[Signature]*  
 Title *[Signature]* Position **Petroleum Engineer**  
 Date *[Signature]* Company **Texas Pacific Oil Company**

|                           |     |
|---------------------------|-----|
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| TRANSPORTER               | OIL |
|                           | GAS |
| REGISTRATION OFFICE       |     |
| OPERATOR                  |     |

NEW MEXICO OIL CONSERVATION COMMISSION

FORM C-103

MISCELLANEOUS REPORTS ON WELLS

HOBBS OFFICE O.C.C. (Rev. 3-55)

(Submit to appropriate District Office as per Commission Order)

APR 30 10 57 AM '64

Name of Company **Texas Pacific Oil Company** Address **P.O. Box 1069, Hobbs, New Mexico**

Lease **State "AP"** Well No. **3** Unit Letter **L** Section **8** Township **T-18-S** Range **35-E**

Date Work Performed **4/26/64** Pool **North Vacuum Devonian** County **Lea**

THIS IS A REPORT OF: (Check appropriate block)

- Beginning Drilling Operations
- Casing Test and Cement Job
- Other (Explain):
- Plugging
- Remedial Work

Detailed account of work done, nature and quantity of materials used, and results obtained.

T.D. 10,387'  
 Ran 327 Jts. (10,369') 5-1/2" 17# N-80, J-55 ST&C, LT&C and Buttress Casing.  
 Set at 10,387'.  
 Cemented with 1660 sks. 50-50 pozmix + 6% gel and 780 sks. 50-50 pozmix + 2% Gel with 3/4 of 1% CFR<sub>2</sub>. Pumped plug to 10,290' at 1:15 P.M. 4/26/64. Tested plug with 1000# Held O.K.  
 Pipe set where it is not necessary to drill out cement. After 10 hrs. ran temperature survey. Top of cement 1780'.

Witnessed by **Harold Dumas & A. D. Asher** Position **Production Foreman Drilling Supt.** Company **Texas Pacific Oil Company**

FILL IN BELOW FOR REMEDIAL WORK REPORTS ONLY

ORIGINAL WELL DATA

D F Elev. TD P BTD Producing Interval Completion Date

Tubing Diameter Tubing Depth Oil String Diameter Oil String Depth

Perforated Interval(s)

Open Hole Interval Producing Formation(s)

RESULTS OF WORKOVER

| Test            | Date of Test | Oil Production BPD | Gas Production MCFPD | Water Production BPD | GOR Cubic feet/Bbl | Gas Well Potential MCFPD |
|-----------------|--------------|--------------------|----------------------|----------------------|--------------------|--------------------------|
| Before Workover |              |                    |                      |                      |                    |                          |
| After Workover  |              |                    |                      |                      |                    |                          |

OIL CONSERVATION COMMISSION I hereby certify that the information given above is true and complete to the best of my knowledge.

Approved by *[Signature]* Name **Bobby Gamber**  
 Title **District Engineer Clerk**  
 Date **APR 30 1964** Company **Texas Pacific Oil Company**

|                        |  |  |
|------------------------|--|--|
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| 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  Fee

5. State Oil & Gas Lease No.  
E-7723

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"/>   | 7. Unit Agreement Name                                       |
| 2. Name of Operator<br><u>Texas Pacific Oil Company, Inc.</u>  | 8. Farm or Lease Name<br><u>State AF</u>                     |
| 3. Address of Operator<br><u>P.O. Box 4067, Midland, Texas 79701</u>   | 9. Well No.<br><u>13</u>                                     |
| 4. Location of Well<br>UNIT LETTER <u>L</u> <u>1980</u> FEET FROM THE <u>South</u> LINE AND <u>990</u> FEET FROM<br>THE <u>West</u> LINE, SECTION <u>8</u> TOWNSHIP <u>18-S</u> RANGE <u>13E-E</u> NMPM. | 10. Field and Pool, or Wildcat<br><u>Winnon, Dallas East</u> |
| 15. Elevation (Show whether DF, RT, GR, etc.)<br><u>3915.6' GR</u>   | 12. County<br><u>Lea</u>                                     |

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK

TEMPORARILY ABANDON

PULL OR ALTER CASING

OTHER \_\_\_\_\_

PLUG AND ABANDON

CHANGE PLANS

SUBSEQUENT REPORT OF:

REMEDIAL WORK

COMMENCE DRILLING OPNS.

CASING TEST AND CEMENT JOB

OTHER \_\_\_\_\_

ALTERING CASING

PLUG AND ABANDONMENT

Well Status

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.

Well shut in. TA'd in June 1970 due to uneconomical producing rates. Well will be plugged in 1975.

*Lloyd Wright*

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

SIGNED Lloyd Wright TITLE Area Supt. DATE 11-6-74

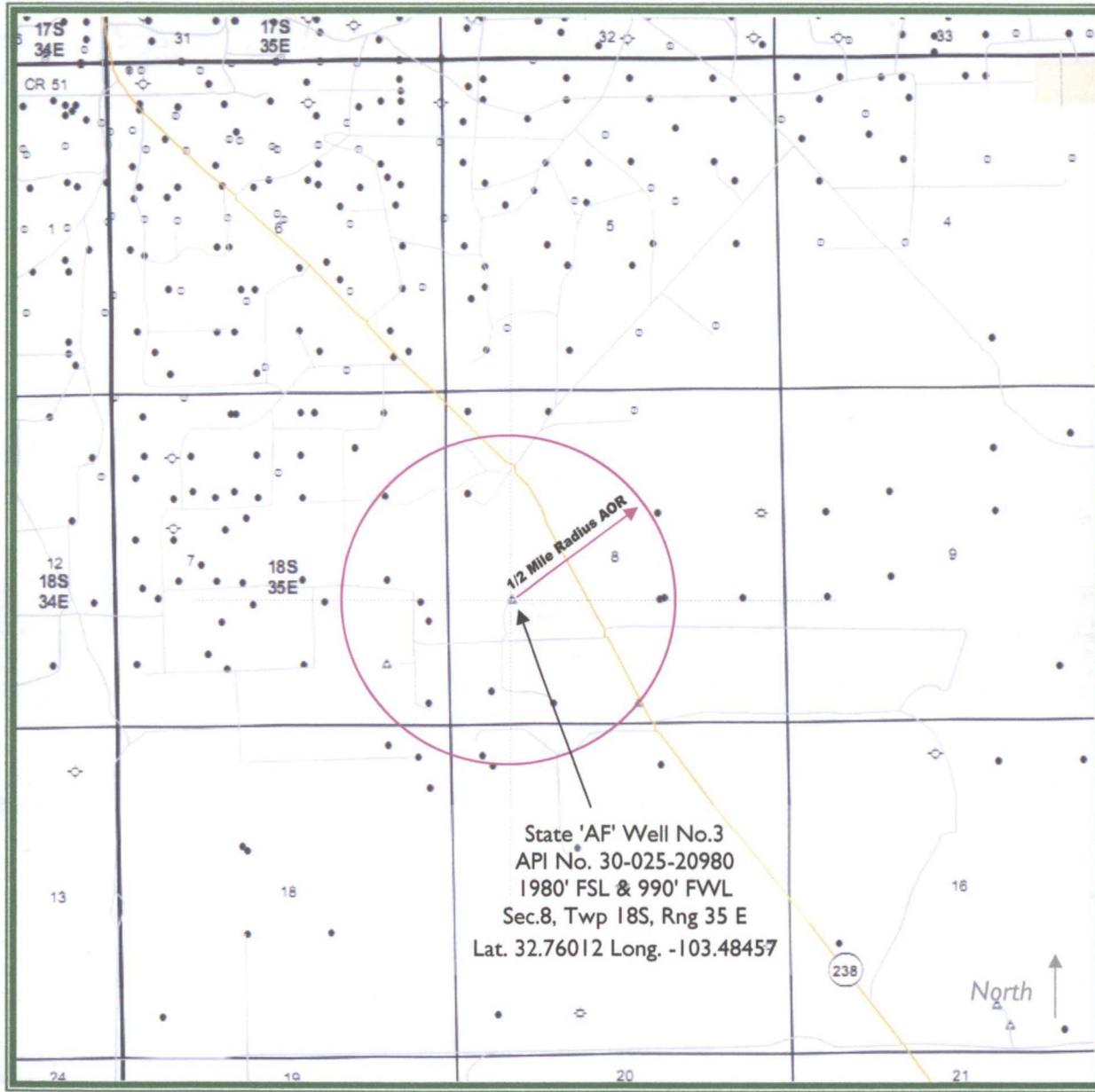
APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

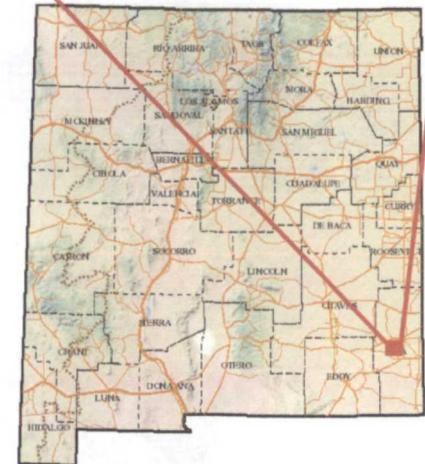


# State 'AF' Well No.3 - Area of Review / Overview Map

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



2.5 miles Southeast of Buckeye, NM



Lea County, New Mexico

**Buckeye Disposal, LLC**

**C-108 Item VI - List of Wells in AOR – Construction Data**

| API                              | Well Name | Well No. | Surf.  | Depth | Cement | Top Cmt | Int.  | Depth | Cement | Top Cmt | Prod. | Depth | Cement | Top Cmt  |
|----------------------------------|-----------|----------|--------|-------|--------|---------|-------|-------|--------|---------|-------|-------|--------|----------|
| <b>Subject Well in 8-18S-35E</b> |           |          |        |       |        |         |       |       |        |         |       |       |        |          |
| 30-025-20980                     | STATE AF  | #003     | 13.375 | 360   | 400    | Circ.   | 9.625 | 3876  | 2300   | Circ.   | 5.5   | 10369 | 2440   | 1780' TS |

**10 Wells in 8-18S-35E**

|              |                 |       |        |     |     |       |       |      |      |       |     |       |      |            |
|--------------|-----------------|-------|--------|-----|-----|-------|-------|------|------|-------|-----|-------|------|------------|
| 30-025-20546 | STATE AF        | #001  | 13.375 | 385 | 400 | Circ. | 9.625 | 3970 | 2167 | Circ. | 7   | 11791 | 1700 | 230' TS ✓  |
| 30-025-20173 | LEA 4011 STATE  | #001  | 13.375 | 415 | 400 | Circ. | 9.625 | 4000 | 2700 | Circ. | 7   | 12000 | 2600 | 2650' TS ✓ |
| 30-025-20979 | STATE AF        | #002  | 13.375 | 408 | 400 | Circ. | 9.625 | 4015 | 3554 | Circ. | 7   | 11837 | 2000 | 320' TS ✓  |
| 30-025-20160 | VACUUM ABO UNIT | #004  | 13.375 | 318 | 320 | *     | 8.625 | 3274 | 1200 | *     | 5.5 | 9010  | 775  | *          |
| 30-025-26660 | PRE-ONGARD WELL | #002  | 13.375 | 350 | 280 | *     | 8.625 | 3600 | 1000 | *     | 4.5 | 9300  | 260  | *          |
| 30-025-26743 | PRE-ONGARD WELL | #002Y | 13.375 | 372 | 375 | *     | 8.625 | 3603 | 2500 | *     | 4.5 | 9156  | 775  | *          |

**2 Wells to West in 7-18S-35E**

|              |          |      |        |     |     |       |       |      |      |         |     |       |      |               |
|--------------|----------|------|--------|-----|-----|-------|-------|------|------|---------|-----|-------|------|---------------|
| 30-025-03104 | STATE AN | #004 | 13.375 | 317 | 350 | *     | 8.625 | 3334 | 1950 | *       | 5.5 | 9001  | 1038 | *             |
| 30-025-34098 | STATE AN | #012 | 11.75  | 650 | 450 | Circ. | 8.625 | 3504 | 1500 | *       | 5.5 | 11600 | 2600 | 3400' Calc. ✓ |
| 30-025-20553 | STATE AN | #009 | 13.375 | 344 | 350 | Circ. | 8.625 | 4857 | 3840 | 500' TS | 5.5 | 11792 | 519  | 5865' TS ✓    |
| 30-025-03107 | STATE AN | #007 | 13.375 | 335 | 345 | *     | 8.625 | 3304 | 1280 | *       | 5.5 | 9022  | 700  | *             |
| 30-025-20128 | STATE AN | #008 | 13.375 | 340 | 350 | Circ. | 9.625 | 3458 | 1992 | Circ.   | 4.5 | 11832 | 170  | * ✓           |
| 30-025-20532 | STATE AN | #010 | 13.375 | 344 | 250 | *     | 8.625 | 4850 | 1471 | *       | 5.5 | 9012  | 575  | *             |

**1 Well to South in 17-18S-35E**

|              |               |      |        |     |     |       |       |      |      |       |   |       |      |             |
|--------------|---------------|------|--------|-----|-----|-------|-------|------|------|-------|---|-------|------|-------------|
| 30-025-20378 | LEA 403 STATE | #004 | 13.375 | 380 | 475 | Surf. | 9.625 | 4000 | 1700 | Calc. | 7 | 11896 | 1050 | 8120' Calc. |
|--------------|---------------|------|--------|-----|-----|-------|-------|------|------|-------|---|-------|------|-------------|

PLUGGED WELLS  
 DO NOT PENETRATE INTERVAL

*Interact to P2A  
This well considered  
in violation of  
inactive wells*

**C-108 Item VI - List of Wells in AOR**

| API                              | Well Name | Well No. | Type | Lease | Status | UL | Sec | Twp | Rng | Spud Date | Current Operator                  |
|----------------------------------|-----------|----------|------|-------|--------|----|-----|-----|-----|-----------|-----------------------------------|
| <b>Subject Well in 8-18S-35E</b> |           |          |      |       |        |    |     |     |     |           |                                   |
| 30-025-20980                     | STATE AF  | #003     | SWD  | State | Active | L  | 8   | 18S | 35E | 2/5/1964  | [222759] BUCKEYE DISPOSAL, L.L.C. |

**10 Wells in 8-18S-35E**

|              |                 |       |     |       |            |   |   |     |     |          |                                   |
|--------------|-----------------|-------|-----|-------|------------|---|---|-----|-----|----------|-----------------------------------|
| 30-025-20546 | STATE AF        | #001  | Oil | State | Active     | M | 8 | 18S | 35E |          | [222759] BUCKEYE DISPOSAL, L.L.C. |
| 30-025-20173 | LEA 4011 STATE  | #001  | Oil | State | Expired TA | N | 8 | 18S | 35E |          | [269324] LINN OPERATING, INC.     |
| 30-025-20979 | STATE AF        | #002  | SWD | State | P&A        | O | 8 | 18S | 35E |          | [222759] BUCKEYE DISPOSAL, L.L.C. |
| 30-025-20160 | VACUUM ABO UNIT | #004  | Oil | State | P&A        | E | 8 | 18S | 35E | 6/6/1972 | [217817] CONOCOPHILLIPS COMPANY   |
| 30-025-26660 | PRE-ONGARD WELL | #002  | Oil | State | P&A        | J | 8 | 18S | 35E | 1/1/1900 | [214263] PRE-ONGARD WELL OPERATOR |
| 30-025-26743 | PRE-ONGARD WELL | #002Y | Oil | State | P&A        | J | 8 | 18S | 35E | 1/1/1900 | [214263] PRE-ONGARD WELL OPERATOR |

**2 Wells to West in 7-18S-35E**

|              |          |      |     |       |             |   |   |     |     |           |                          |
|--------------|----------|------|-----|-------|-------------|---|---|-----|-----|-----------|--------------------------|
| 30-025-03104 | STATE AN | #004 | Oil | State | New         | H | 7 | 18S | 35E | 5/2/1962  | [4323] CHEVRON U S A INC |
| 30-025-34098 | STATE AN | #012 | Oil | State | Approved TA | I | 7 | 18S | 35E | 1/12/2001 | [4323] CHEVRON U S A INC |
| 30-025-20553 | STATE AN | #009 | Oil | State | P&A         | I | 7 | 18S | 35E | 1/1/1900  | [8942] GETTY OIL CO      |
| 30-025-03107 | STATE AN | #007 | Oil | State | P&A         | I | 7 | 18S | 35E | 9/28/1962 | [22351] TEXACO E & P     |
| 30-025-20128 | STATE AN | #008 | Oil | State | P&A         | P | 7 | 18S | 35E | 1/1/1900  | [8942] GETTY OIL CO      |
| 30-025-20532 | STATE AN | #010 | SWD | State | P&A         | P | 7 | 18S | 35E |           | [8942] GETTY OIL CO      |

**1 Well to South in 17-18S-35E**

|              |               |      |     |       |        |   |    |     |     |           |                               |
|--------------|---------------|------|-----|-------|--------|---|----|-----|-----|-----------|-------------------------------|
| 30-025-20378 | LEA 403 STATE | #004 | Oil | State | Active | D | 17 | 18S | 35E | 4/22/1968 | [269324] LINN OPERATING, INC. |
|--------------|---------------|------|-----|-------|--------|---|----|-----|-----|-----------|-------------------------------|

PLUGGED WELLS

DO NOT PENETRATE INTERVAL

# PLUGGED WELL SCHEMATIC

## State 'AF' Well No.2)

API 30-025-20979

330' FSL & 2130' FEL, UL 'O', SEC. 8-T18S-R35E  
LEA COUNTY, NEW MEXICO

Spud Date: 12/22/1963

P&A Date: 9/16/2008

P&A Released: 8/31/2009

Plugged by:  
Buckeye Disposal, LLC

### PLUGS:

Surface  
10 sxs  
Shot SQZ Perfs @ 60'  
Circulated 85 sxs.

444'-304'  
25 sxs

1716'-1465'  
25 sxs

2923'-2689'  
20 sxs

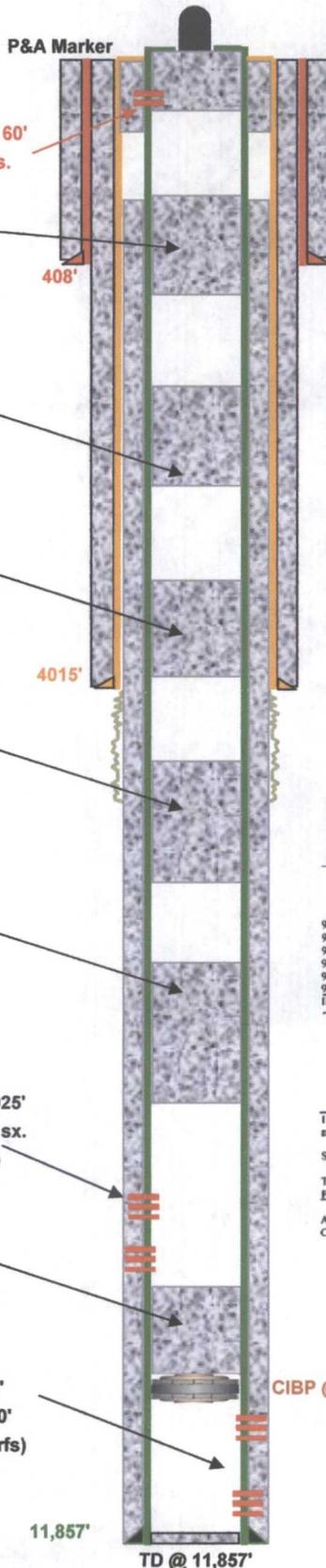
4067'-3835'  
30 sxs

6514'-6365'  
36 sxs

Sqz Perfs 8937'-9025'  
8937'-9025' w/ 550 sx.  
(Old Abo Perfs)

9800'-9062'  
25 sxs

Perfs 10,134'-55'  
Perfs 9864' - 9900'  
(Old Wolfcamp Perfs)



### Surface Casing

13.375", 61#, J-55 csg. @ 408'  
400 sx Class 'C' - Circulated

### Intermediate Casing

9.625", 40# J-55 csg @ 4015'  
3554 sx Class 'H' - Circulated

12. 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"/> | P AND A <input checked="" type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPL <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.

9/9/08 TAG @ 9217'  
9/10/08 SPOT 25 SACKS @ 9217' TAGGED @ 9062'  
9/11/08 SPOT 36 SACKS @ 6514' TAGGED @ 6365'  
9/12/09 SPOT 30 SACKS @ 4067' TAGGED @ 3835' - SPOT 25 SACKS @ 2923' TAGGED @ 2689'  
9/15/09 SPOT 25 SACKS @ 1716' TAGGED @ 1465' - SPOT 25 SACKS @ 444' TAGGED @ 304'  
9/16/08 PERF AND CIRCULATE 85 SACKS FROM 60' TO SURFACE  
INSTALL DRYHOLE MARKER - CLEAN UP LOCATION

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any job or below-grade task has been/will be constructed or closed according to NMOCD guidelines , a general permit  or an (attached) alternative OCD-approved plan .

SIGNATURE: *James Millet* TITLE: *Superintendent* DATE: 6/4/09  
Type or print name: James Millet E-mail address: james@abson.com Telephone No. 808 241 7443 Fax State Use Only

APPROVED BY: *John W. Ship* TITLE: DISTRICT 1 SUPERVISOR DATE: SEP 07 2009  
Conditions of Approval (if any):

### Production Casing

5.5" csg @ 11,857' w/ 2000 sx 50/50 PozMix  
TOC @ 320' Temp Survey

SOS Consulting, LLC

BEFORE EXAMINER CATANACH  
OIL CONSERVATION DIVISION

Perfor EXHIBIT NO. 12

CASE NO. 9297

GETTY OIL COMPANY  
STATE "AN" NO. 9

Set 10 sx @ surface

Set 50 sx plug @ 815 - 915

13 3/8" 36# set @ 344' with 350 sxs circ.

Set 25 sx plug @ 8 5/8" csg shoe (4775 - 4875)

8 5/8" 24, & 32# set @ 4857" with 3840 sxs  
TOC 500' TS

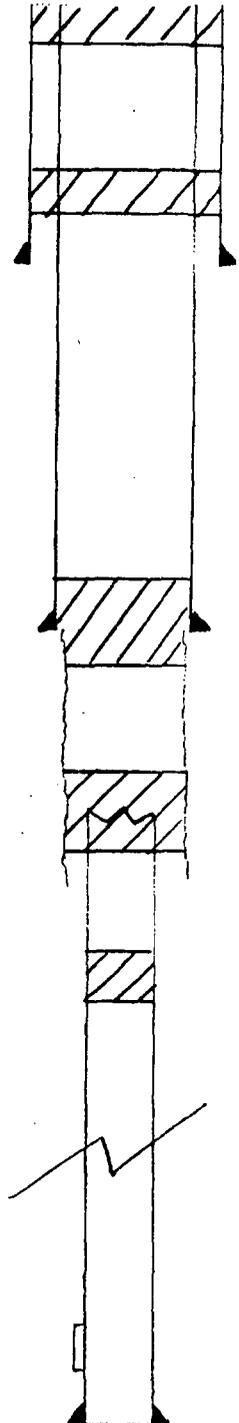
Set 25 sx plug @ 5 1/2" csg stub @ 5940'

Shot and pulled 5 1/2" csg @ 5940'

Set 25 sx plug @ 7190 - 6940

Perf. 11501 - 11577

5 1/2" 15.5, & 17# set @ 11792 with 519 sxs  
TOC 5865' TS



# PLUGGED WELL SCHEMATIC

## State 'AN' Well No.8

API 30-025-20128

330' FSL & 330' FEL, UL 'P', SEC. 7-T18S-R35E  
LEA COUNTY, NEW MEXICO

Spud Date: 6/07/1963

P&A Date: 5/26/1970

P&A Released: 12/08/1970

Plugged by:  
**Getty Oil Company**

PLUGS:

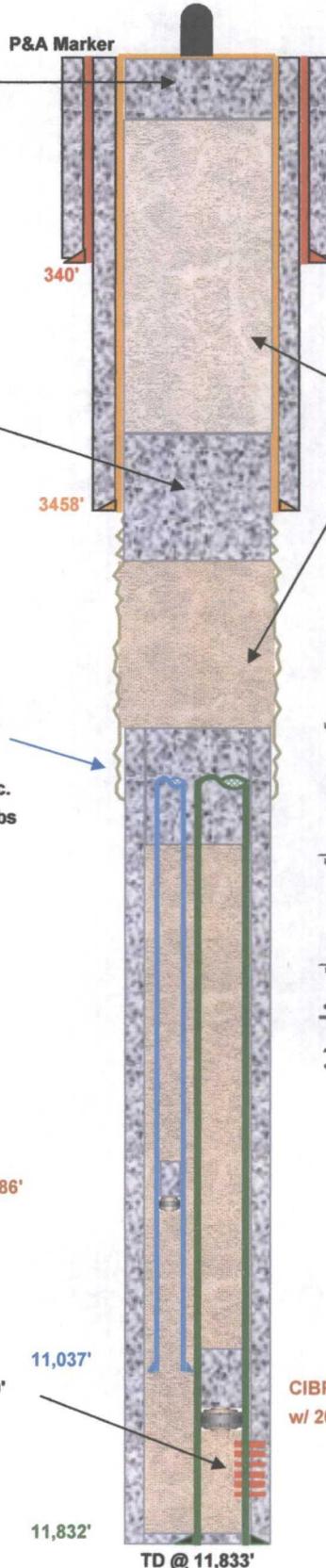
Surface  
10 sxs

3500'- 3340'  
50 sxs

Shot & Pulled  
5.5" and 2.875"  
@ 5190'  
5240' - 5140' calc.  
25 sx across stubs

CIBP 2.875" @ 9986'  
w/ 9' cement

Perfs 11,615'-60'



**Surface Casing**

13.375", 61#, J-55 csg. @ 340'  
350 sx Class 'C' - Circulated

**Intermediate Casing**

9.625", 40# J-55 csg @ 3458'  
1992 sx - Circulated

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"/>   | PULL OR ALTER CASING <input type="checkbox"/> | COMMENCE DRILLING OPER. <input type="checkbox"/>     | PLUG AND ABANDONMENT <input checked="" type="checkbox"/> |
| OTHER <input type="checkbox"/>                 | OTHER <input type="checkbox"/>                | CASING TEST AND CE-HEAT JOB <input 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 1003.
- Set a CIBP in 4-1/2" Csg. at 11,400' with 20' cement on top.
  - Spotted a 25 sx. cement plug at top of 4-1/2" csg. and 2-7/8" tubing stub @ 5190'.
  - Spotted a 50 sx. cement plug in and out of 9-5/8" casing from 3500' to 3340'.
  - Spotted a 10 sx. cement plug at surface with marker.
  - Hole was loaded with mud laden fluids.

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

Original Signed By: G. T. WADE TITLE: AREA SUPERINTENDENT DATE: MAY 26, 1970

APPROVED BY: John W. Ransome TITLE: Geologist DATE: \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_

WJC/sh

**Production Casing**

2.875" N80 6.4#csg @ 11,037 w/ 1490 sx w/4% gel  
TOC Not Determined

**Production Casing**

4.5" N80/J55 11.6" csg @ 11,832 w/ 170 sx w/4% gel  
TOC Not Determined

**SOS Consulting, LLC**

Attachment to Form C - 108

Penroc Oil Corporation

PENROC OIL CORPORATION  
STATE "AF" NO. 1  
SECTION 8 - T18S - R35E UNIT LETTER M  
510' FSL & 660' FWL

13 3/8" 48# @ 385' with 400 sxs circulated  
9 5/8" 36, & 40# @ 3970' with 2176 sxs circulated  
7" 23,29, & 32# @ 11791' with 1700 sxs TOC 230' TS

perforations; 11513 - 11573  
8707 - 8782

Active producer Mid Vacuum Devonian

PENROC OIL CORPORATION  
STATE "AF" NO. 2  
SECTION 8 - T18S - R35E UNIT LETTER O  
330' FSL & 2130' FEL

13 3/8" 48# @ 408' with 400 sxs circulated  
9 5/8" 40# @ 4015' with 3554 sxs circulated  
7" N - 80 @ 11837' with 2000 sxs TOC 320' TS

perforations; 8937 - 9025, 9053 - 9080

~~Active producer Vacuum Abo Reef~~

ARCO OIL and GAS COMPANY  
LEA 4011 STATE NO. 1  
SECTION 8 - T18S - R35E UNIT LETTER N  
330' FSL & 1650' FWL

13 3/8" 48# @ 415' with 400 sxs circulated  
9 5/8" 36# @ 4000' with 2700 sxs circulated  
7" 26# @ 12000' with 2600 sxs TOC 2650' TS

perforations; 11506 - 11586  
8758 - 8785 SQZD with 150 sxs  
8834 - 8856 SQZD WITH 150 sxs

Active producer Mid Vacuum Devonian

BEFORE EXAMINER CATANACH  
OIL CONSERVATION DIVISION

Penroc EXHIBIT NO. 8

GETTY OIL COMPANY  
STATE "AN" NO. 8  
SECTION 7 - T18S - R35E UNIT LETTER P  
330' FSL & 330' FEL  
TD 11833 DEVONIAN

6 ✓  
13 3/8" 35.5# set @ 340' with 350 sxs circulated  
9 5/8" 36# set @ 3458' with 1992 sxs circulated  
4 1/2" 11.6# set @ 11832' with 170 sxs  
2 7/8" 6.4# set @ 11037' with 1490 sxs TOC 5150' TS

perf. 4 1/2" csg. @ 11615 - 11660  
perf. 2 7/8" csg. @ 10936 - 10948, 10014 - 10058

Set CIBP in 2 7/8" @ 9986' + 9' cmt.  
Set CIBP in 4 1/2" @ 11400' + 20' cmt  
Shot and pulled 2 7/8", and 4 1/2" @ 5190'  
Set 25 sx plug across 2 7/8", and 4 1/2" csg. stubs  
Set 50 sx plug @ 9 5/8" csg. shoe (3340 - 3500)  
Set 10 sx plug @ surface

P & A

GETTY OIL COMPANY  
STATE "AN" NO. 9  
SECTION 7 - T18S - R35E UNIT LETTER I  
1650' FSL & 330' FEL  
TD 11793 DEVONIAN

13 ✓  
13 3/8" 36# set @ 344' with 350 sxs circulated  
8 5/8" 24, & 32# set @ 4857' with 3840 sxs TOC 500' TS  
5 1/2" 15.5, 17# set @ 11792' with 519 sxs TOC 5865' TS

perfs. 11501 - 11577

Set 25 plug @ 7190 - 6940  
Shot and pulled 5 1/2" csg @ 5940'  
Set 25 sx plug across 5 1/2" csg stub @ 5940'  
Set 25 sx plug @ 8 5/8" csg shoe (4775 - 4875)  
Set 50 sx plug @ 815 - 915  
Set 10 sx @ surface

P & A

BEFORE EXAMINER CATANACH  
OIL CONSERVATION DIVISION

Poncos EXHIBIT NO. 10

GETTY OIL COMPANY  
STATE "AN" NO. 10  
SECTION 7 - T18S - R35E UNIT LETTER P  
990' FSL & 990' FEL  
TD 9012' ABO

ARCO OIL AND GAS COMPANY  
LEA 403 STATE NO. 4  
SECTION 17 - T18S - R35E UNIT LETTER D  
510' FNL & 510' FWL  
TD 11897 DEVONIAN

13 3/8" 48# set @ 380' with 475 sxs circulated  
9 5/8" 36, & 40# set @ 4000' with 1700 sxs TOC 800' TS  
7" 23,26,29, & 32# set @ 11896' with 1050 sxs TOC 6400' TS

perf. 11652 - 11720

Set CIBP @ 9550 + 25 sxs cmt  
perf 8807 - 8882  
Producing Vacuum Abo Reef

BISHOP CANYON URANIUM CORPORATION  
HOOKIN BULL NO. 1  
SECTION 17 - T18S - R35E UNIT LETTER D  
660' FNL & 660' FWL  
TD 4530' SAN ANDRES

BEFORE EXAMINER CATANACH  
OIL CONSERVATION DIVISION

Penros EXHIBIT NO. 13

CASE NO. 9297

## 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.



---

Ben Stone, Partner  
SOS Consulting, LLC

Project: Buckeye Disposal, LLC  
State 'AF' Well No.3  
Reviewed 11/02/2011

**C-108 ITEM XI – Water Wells Within One Mile**

(Wells are shown on AOR map to qtr/qtr section resolution.)

There are no domestic water wells located within a one-mile radius of the proposed disposal well.

*S. P. OLD  
APPLICATION  
(7.1 MI)*

LABORATORY WATER ANALYSIS

No. WS-87-243

To Mr. M. Y. Merchant

Date 12-12-87

PENROC

P. O. Box 5970

Hobbs NM 88240

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by M.Y. Merchant

Date Rec. 12-10-87

Well No. N.A.

Depth N.A.

Formation \_\_\_\_\_

County Lea Co. NM

Field Buckeye Area

Source water well / Devonian well

water well

Devonian well

|                                  | <u>water well</u>  | <u>Devonian well</u> |      |
|----------------------------------|--------------------|----------------------|------|
| Resistivity                      | <u>3.41 @ 68°F</u> | <u>.09 @ 68°F</u>    |      |
| Specific Gravity                 | <u>1.002</u>       | <u>1.066</u>         |      |
| pH                               | <u>7.2</u>         | <u>7.6</u>           |      |
| Calcium (Ca)                     | <u>45</u>          | <u>2150</u>          | *MPL |
| Magnesium (Mg)                   | <u>30</u>          | <u>330</u>           |      |
| Chlorides (Cl)                   | <u>950</u>         | <u>55000</u>         |      |
| Sulfates (SO <sub>4</sub> )      | <u>nil</u>         | <u>heavy</u>         |      |
| Bicarbonates (HCO <sub>3</sub> ) | <u>240</u>         | <u>1284</u>          |      |
| Soluble Iron (Fe)                | <u>nil</u>         | <u>nil</u>           |      |

Remarks: water taken from wells in the same area for comparison purposes.

BEFORE EXAMINER CATANACH  
\*Milligrams per liter  
OIL CONSERVATION DIVISION

PENROC EXHIBIT NO. 14

C. R. Moore

*Charles Ray Moore*

CASE NO. 9297

Respectfully submitted,

Analyst: crm

HALLIBURTON COMPANY

cc:

By crm

CHEMIST

NOTICE

THIS REPORT IS LIMITED TO THE DESCRIBED SAMPLE TESTED. ANY USER OF THIS REPORT AGREES THAT HALLIBURTON SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE, WHETHER IT BE TO ACT OR OMISSION, RESULTING FROM SUCH REPORT OR ITS USE.



# New Mexico Office of the State Engineer

## Currently Active Points of Diversion

(with Ownership Information)

| WR File Nbr  | Sub basin | Use | Diversion | Owner                    | County | POD Number | Grant | (quarters are 1=NW 2=NE 3=SW 4=SE) |        |     |     | (quarters are smallest to largest) (NAD83 UTM in meters) |     |        |          |
|--------------|-----------|-----|-----------|--------------------------|--------|------------|-------|------------------------------------|--------|-----|-----|--|-----|--------|----------|
|              |           |     |           |                          |        |            |       | Source                             | 6416 4 | Sec | Tws | Rng  | X   | Y      |          |
| L 02347 COMB | L         | IND | 3220      | MISSISSIPPI POTASH, INC. | LE     | L 02347    |       |                                    |        |     |     |  |     |        |          |
|              |           |     |           |                          |        |            |       | Shallow                            | 3      | 3   | 09  | 18S  | 35E | 643418 | 3625366* |
|              |           |     |           |                          |        |            |       |                                    | 4      | 1   | 07  | 18S  | 35E | 641091 | 3625641* |
|              |           |     |           |                          |        |            |       | Shallow                            | 4      | 1   | 08  | 18S  | 35E | 641897 | 3625650* |
| L 02680 COMB | L         | IND | 3500      | MISSISSIPPI POTASH, INC. | LE     | L 02675    |       | Shallow                            | 3      | 2   | 15  | 18S  | 35E | 645850 | 3624587* |
|              |           |     |           |                          |        |            |       | Shallow                            | 3      | 4   | 15  | 18S  | 35E | 645863 | 3623780* |
| L 07119      | L         | OIL | 910       | TEXACO INC.              | LE     | L 07119    |       | Shallow                            | 1      | 1   | 06  | 18S  | 35E | 640068 | 3628255* |
|              |           |     |           |                          |        |            |       | Shallow                            | 1      | 2   | 06  | 18S  | 35E | 640445 | 3628259* |

Record Count: 8

## No Domestic Water Wells in 1-Mile Radius of Subject Well

**POD Search:**

POD Basin: Lea County

**PLSS Search:**

Section(s): 5-15

Township: 18S

Range: 35E

**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.

LABORATORY WATER ANALYSIS

No. WS-87-243

To Mr. M. Y. Merchant

Date 12-12-87

PENROC

P. O. Box 5970

Hobbs NM 88240

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by M.Y. Merchant Date Rec. 12-10-87

Well No. N.A. Depth N.A. Formation \_\_\_\_\_

County Lea Co. NM Field Buckeye Area Source water well / Devonian we

|                                  | <u>water well</u>  | <u>Devonian well</u> |             |
|----------------------------------|--------------------|----------------------|-------------|
| Resistivity                      | <u>3.41 @ 68°F</u> | <u>.09 @ 68°F</u>    |             |
| Specific Gravity                 | <u>1.002</u>       | <u>1.066</u>         |             |
| pH                               | <u>7.2</u>         | <u>7.6</u>           |             |
| Calcium (Ca)                     | <u>45</u>          | <u>2150</u>          | <u>*MPL</u> |
| Magnesium (Mg)                   | <u>30</u>          | <u>330</u>           |             |
| Chlorides (Cl)                   | <u>950</u>         | <u>55000</u>         |             |
| Sulfates (SO <sub>4</sub> )      | <u>nil</u>         | <u>heavy</u>         |             |
| Bicarbonates (HCO <sub>3</sub> ) | <u>240</u>         | <u>1284</u>          |             |
| Soluble Iron (Fe)                | <u>nil</u>         | <u>nil</u>           |             |
|                                  |                    |                      |             |
|                                  |                    |                      |             |
|                                  |                    |                      |             |
|                                  |                    |                      |             |
|                                  |                    |                      |             |
|                                  |                    |                      |             |
|                                  |                    |                      |             |
|                                  |                    |                      |             |
|                                  |                    |                      |             |

Remarks: water taken from wells in the same area for comparison purposes. \*Milligrams per liter

C. R. Moore Charles Ray Moore  
Respectfully submitted,

Analyst: crm

HALLIBURTON COMPANY

By crm CHEMIST

NOTICE

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**Analytical Results For:**BUCKEYE DISPOSAL, LLC  
P. O. BOX 513  
HOBBS NM, 88241Project: STATE AF WELL #3  
Project Number: NONE GIVEN  
Project Manager: TERRY WALLACE  
Fax To: UNK-NOWNReported:  
17-Nov-11 13:13

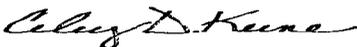
| Sample ID                         | Laboratory ID | Matrix | Date Sampled    | Date Received   |
|-----------------------------------|---------------|--------|-----------------|-----------------|
| DEVON NM 24 FED COM 3HH102469-01  |               | Water  | 09-Nov-11 12:00 | 14-Nov-11 14:10 |
| NORTH STAR OP. TP ST. NH102469-02 |               | Water  | 09-Nov-11 12:30 | 14-Nov-11 14:10 |
| PALADIN REEVES 26-4               | H102469-03    | Water  | 09-Nov-11 13:20 | 14-Nov-11 14:10 |

**Potential Source Water Samples**

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\* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 BUCKEYE DISPOSAL, LLC  
 P. O. BOX 513  
 HOBBS NM, 88241

 Project: STATE AF WELL #3  
 Project Number: NONE GIVEN  
 Project Manager: TERRY WALLACE  
 Fax To: UNK-NOWN

 Reported:  
 17-Nov-11 13:13

**DEVON NM 24 FED COM 3H**  
**H102469-01 (Water)**

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Analyst | Analyzed | Method | Notes |
|---------|--------|-----------------|-------|----------|-------|---------|----------|--------|-------|
|---------|--------|-----------------|-------|----------|-------|---------|----------|--------|-------|

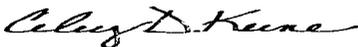
**Cardinal Laboratories**
**Inorganic Compounds**

|                 |               |      |      |   |         |    |           |           |  |
|-----------------|---------------|------|------|---|---------|----|-----------|-----------|--|
| <b>Chloride</b> | <b>128000</b> | 4.00 | mg/L | 1 | 1111408 | HM | 15-Nov-11 | 4500-Cl-B |  |
| <b>TDS</b>      | <b>205000</b> | 5.00 | mg/L | 1 | 1111507 | HM | 15-Nov-11 | 160.1     |  |

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\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 BUCKEYE DISPOSAL, LLC  
 P. O. BOX 513  
 HOBBS NM, 88241

 Project: STATE AF WELL #3  
 Project Number: NONE GIVEN  
 Project Manager: TERRY WALLACE  
 Fax To: UNK-NOWN

 Reported:  
 17-Nov-11 13:13

**NORTH STAR OP. TP ST. NO. 1**  
**H102469-02 (Water)**

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Analyst | Analyzed | Method | Notes |
|---------|--------|-----------------|-------|----------|-------|---------|----------|--------|-------|
|---------|--------|-----------------|-------|----------|-------|---------|----------|--------|-------|

**Cardinal Laboratories**
**Inorganic Compounds**

|          |        |      |      |   |         |    |           |           |  |
|----------|--------|------|------|---|---------|----|-----------|-----------|--|
| Chloride | 117000 | 4.00 | mg/L | 1 | 1111408 | HM | 15-Nov-11 | 4500-Cl-B |  |
| TDS      | 162000 | 5.00 | mg/L | 1 | 1111507 | HM | 15-Nov-11 | 160.1     |  |

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 BUCKEYE DISPOSAL, LLC  
 P. O. BOX 513  
 HOBBS NM, 88241

 Project: STATE AF WELL #3  
 Project Number: NONE GIVEN  
 Project Manager: TERRY WALLACE  
 Fax To: UNK-NOWN

 Reported:  
 17-Nov-11 13:13

**PALADIN REEVES 26-4**  
**H102469-03 (Water)**

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Analyst | Analyzed | Method | Notes |
|---------|--------|-----------------|-------|----------|-------|---------|----------|--------|-------|
|---------|--------|-----------------|-------|----------|-------|---------|----------|--------|-------|

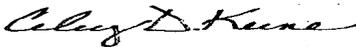
**Cardinal Laboratories**
**Inorganic Compounds**

|          |       |      |      |   |         |    |           |           |  |
|----------|-------|------|------|---|---------|----|-----------|-----------|--|
| Chloride | 24800 | 4.00 | mg/L | 1 | 1111408 | HM | 15-Nov-11 | 4500-Cl-B |  |
| TDS      | 40300 | 5.00 | mg/L | 1 | 1111507 | HM | 15-Nov-11 | 160.1     |  |

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\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

|   |   |                              |
|---|---|------------------------------|
| BUCKEYE DISPOSAL, LLC<br>P. O. BOX 513<br>HOBBS NM, 88241 | Project: STATE AF WELL #3<br>Project Number: NONE GIVEN<br>Project Manager: TERRY WALLACE<br>Fax To: UNK-NOWN | Reported:<br>17-Nov-11 13:13 |
|---|---|------------------------------|

**Inorganic Compounds - Quality Control**  
**Cardinal Laboratories**

| Analyte  | Result | Reporting Limit | Units | Spike Level                    | Source Result | %REC                                    | %REC Limits | RPD  | RPD Limit | Notes |
|--|--------|-----------------|-------|--------------------------------|---------------|---|-------------|------|-----------|-------|
| <b>Batch 1111408 - General Prep - Wet Chem</b> |        |                 |       |                                |               |   |             |      |           |       |
| <b>Blank (1111408-BLK1)</b>                    |        |                 |       | Prepared & Analyzed: 14-Nov-11 |               |   |             |      |           |       |
| Chloride                                       | ND     | 4.00            | mg/L  |                                |               |   |             |      |           |       |
| <b>LCS (1111408-BS1)</b>                       |        |                 |       | Prepared & Analyzed: 14-Nov-11 |               |   |             |      |           |       |
| Chloride                                       | 104    | 4.00            | mg/L  | 100                            |               | 104                                     | 80-120      |      |           |       |
| <b>LCS Dup (1111408-BSD1)</b>                  |        |                 |       | Prepared & Analyzed: 14-Nov-11 |               |   |             |      |           |       |
| Chloride                                       | 108    | 4.00            | mg/L  | 100                            |               | 108                                     | 80-120      | 3.77 | 20        |       |
| <b>Duplicate (1111408-DUP1)</b>                |        |                 |       | Source: H102413-04             |               | Prepared: 14-Nov-11 Analyzed: 15-Nov-11 |             |      |           |       |
| Chloride                                       | 64.0   | 4.00            | mg/L  |                                | 64.0          |   |             | 0.00 | 20        |       |
| <b>Matrix Spike (1111408-MS1)</b>              |        |                 |       | Source: H102413-04             |               | Prepared & Analyzed: 14-Nov-11          |             |      |           |       |
| Chloride                                       | 168    | 4.00            | mg/L  | 100                            | 64.0          | 104                                     | 80-120      |      |           |       |
| <b>Batch 1111507 - Filtration</b>              |        |                 |       |                                |               |   |             |      |           |       |
| <b>Blank (1111507-BLK1)</b>                    |        |                 |       | Prepared & Analyzed: 14-Nov-11 |               |   |             |      |           |       |
| TDS  | ND     | 5.00            | mg/L  |                                |               |   |             |      |           |       |
| <b>LCS (1111507-BS1)</b>                       |        |                 |       | Prepared & Analyzed: 14-Nov-11 |               |   |             |      |           |       |
| TDS  | 225    |                 | mg/L  | 240                            |               | 93.8                                    | 80-120      |      |           |       |
| <b>Duplicate (1111507-DUP1)</b>                |        |                 |       | Source: H102464-05             |               | Prepared: 14-Nov-11 Analyzed: 16-Nov-11 |             |      |           |       |
| TDS  | 5310   | 5.00            | mg/L  |                                | 5430          |   |             | 2.23 | 20        |       |

Cardinal Laboratories

\*=Accredited Analyte

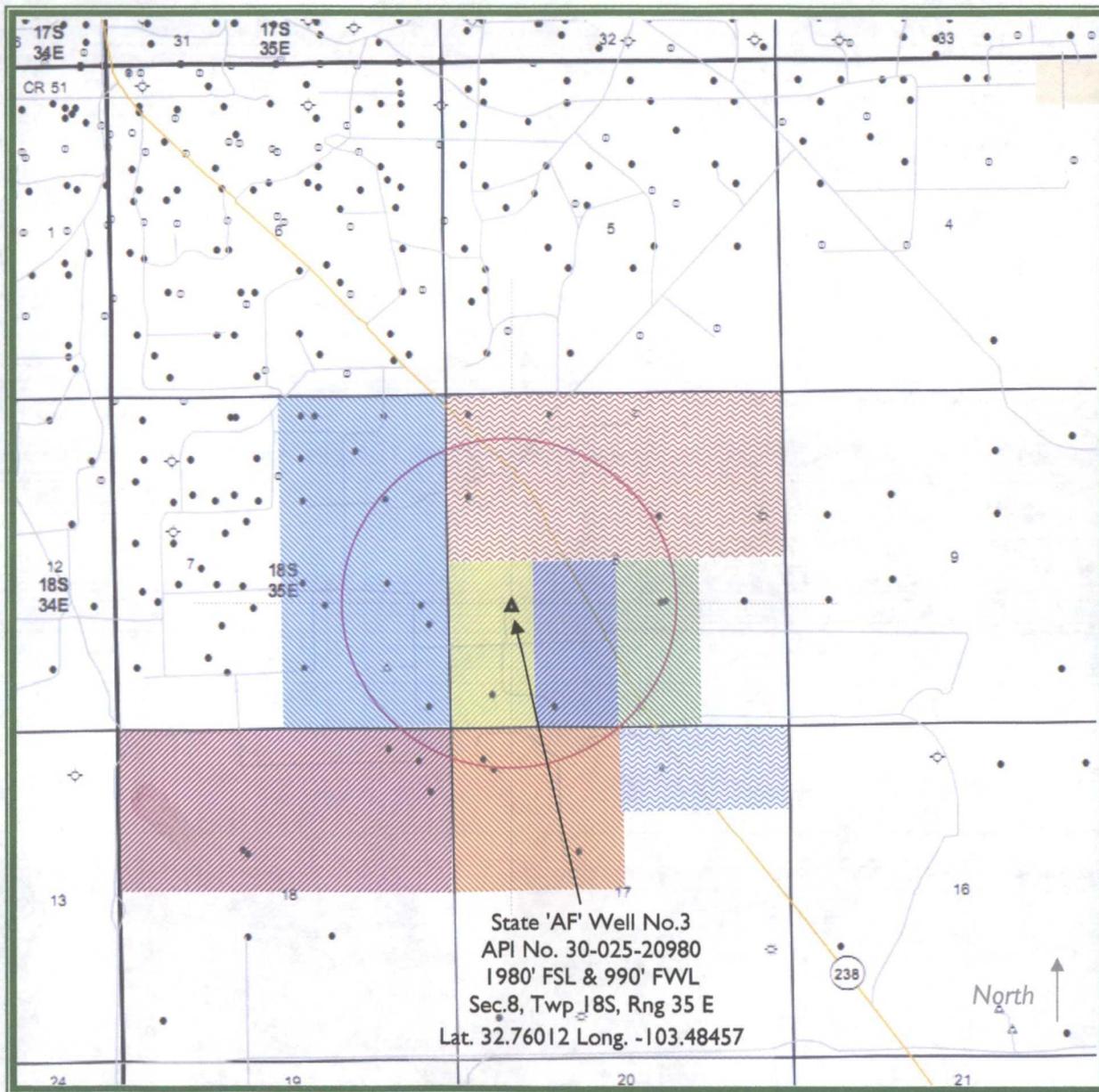
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Celey D. Keene, Lab Director/Quality Manager

# State 'AF' Well No.3 - Area of Review Lease Map

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



### LEGEND

- E0-7653-0005  
Chevron USA
- E0-7653-0005  
Chevron USA
- V0-8721-0000  
Yates Petroleum
- E0-7723-0000  
Linn Energy Holdings
- V0-8722-0001  
V-F Petroleum
- V0-8722-0000  
Yates Petroleum
- E0-1582-0008  
Sundown Energy
- VB-2063-0000  
Hanley Petroleum



Lea County, New Mexico

**Buckeye Disposal, LLC**

**C-108 - Item XIV**

**Proof of Notice  
LIST OF LESSEES WITHIN OR BORDERING AOR**

**Well Location Unit Letter 'L', Section 8, Twp 18S, Rng 35E**

| <i>S-T-R</i> | <i>Offset UL</i> | <i>Type</i> | <i>Lease No.</i> | <i>Lessee</i>             |
|--------------|------------------|-------------|------------------|---------------------------|
| 7-18S-35E    | A                | S           | E0 -7653-0005    | Chevron USA               |
|              | G                |             | "                | "                         |
|              | H                |             | "                | "                         |
|              | I                |             | "                | "                         |
|              | J                |             | "                | "                         |
|              | P                |             | "                | "                         |
| 8-18S-35E    | C                | S           | E0 -6704-0002    | Chevron USA               |
|              | D                |             | "                | "                         |
|              | E                |             | "                | "                         |
|              | F                |             | "                | "                         |
|              | G                |             | "                | "                         |
|              | J                | S           | V0 -8722-0001    | V-F Petroleum             |
|              | K                | S           | E0 -7723-0010    | Linn Energy Holdings, LLC |
|              | L                | S           | V0-8721-0000     | Yates Petroleum Corp.     |
|              | M                |             | "                | "                         |
|              | N                | S           | E0 -7723-0010    | Linn Energy Holdings, LLC |
|              | O                | S           | V0 -8722-0001    | V-F Petroleum             |
| 14-18S-35E   | A                | S           | V0 -8772-0000    | Yates Petroleum Corp.     |
| 15-18S-35E   | D                | S           | E0 -1582-0008    | Sundown Energy            |
|              | C                |             | "                | "                         |
|              | A                | S           | VB-2063-0000     | Hanley Petroluem          |
|              | B                |             | "                | "                         |

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

**OFFSET SURFACE OWNER**

STATE OF NEW MEXICO (FedEx'ed copy)  
State Land Office  
Oil & Gas Division  
310 Old Santa Fe Trail  
Santa Fe, NM 87504

**SURFACE OWNER**

STATE OF NEW MEXICO (FedEx'ed copy)  
State Land Office  
Oil & Gas Division  
310 Old Santa Fe Trail  
Santa Fe, NM 87504

**OFFSET MINERALS LESSEES**

CHEVRON USA (Certified Mail)  
15 Smith Road  
Midland, TX 79705

V-F PETROLEUM (Certified Mail)  
P.O. Box 10340  
Midland, TX 79702-7340

LINN ENERGY HOLDINGS, LLC (Certified Mail)  
600 Travis Street, Ste.5100  
Houston, TX 77002

SUNDOWN ENERGY (Certified Mail)  
13455 Noel Road, Ste.2000  
Dallas, TX 75240

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

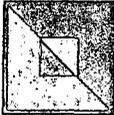
HANLEY PETROLEUM (Certified Mail)  
415 W. Wall Street, Ste.1500  
Midland, TX 79701

**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 North French St.  
Hobbs, NM 88240

STATE OF NEW MEXICO (FedEx'ed copy)  
State Land Office  
Oil & Gas Division  
310 Old Santa Fe Trail  
Santa Fe, NM 87504



November 29, 2011

**NOTIFICATION TO INTERESTED PARTIES**

To Whom It May Concern:

Buckeye Disposal, LLC, Lubbock, Texas, has made application to the New Mexico Oil Conservation Division to *reinstate* its State 'AF' Well No.3 salt water disposal permit. The well will be configured as originally permitted by OCD Order R-8596. As indicated in the notice, the well is located in Section 8, Township 18 South, Range 35 East in Lea County, New Mexico.

Following is the notice published in the Hobbs News-Sun, Hobbs, New Mexico on September 16, 2011.

**LEGAL NOTICE**

Buckeye Disposal, LLC, P.O. Box 2724, Lubbock, TX 79408 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 R-8596) salt water disposal in its State 'AF' Well No.3. The well, API No.30-025-20980 is located 1980 FSL & 990 FWL in Section 8, Township 18 South, Range 35 East in Lea County, New Mexico. Produced water from area production will be disposed into the Wolfcamp formation through perforations from 9883 feet to 9927 feet at a maximum injection pressure of 1977 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 the applicant's agent, SOS Consulting, LLC, (903)488-9850.

Thank you for your attention in this matter.

Best regards,

Ben Stone, SOS Consulting, LLC  
Agent for Buckeye Disposal

Cc: Application File

**C-108 ITEM XIII – Proof of Notification**

**Certified Mail Receipts for Interested Parties**

7009 2250 0002 8162 5937

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LINN ENERGY HOLDINGS, LLC  
 600 Travis Street, Ste. 5100  
 Houston, TX 77002

PS Form 3800, June 2008

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PS Form 3800, June 2008

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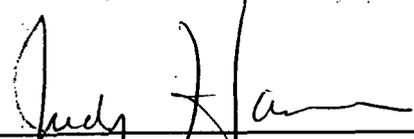
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# Affidavit of Publication

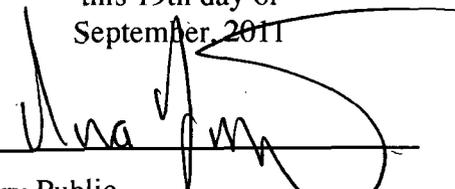
State of New Mexico,  
County of Lea.

I, CINDY BENTLE  
ADMINISTRATIVE ASSISTANT  
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

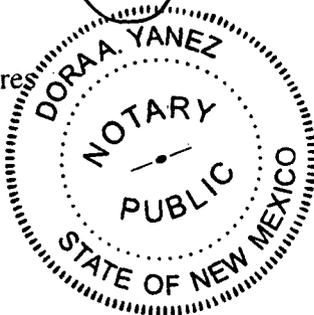
of 1 issue(s).  
Beginning with the issue dated  
September 16, 2011  
and ending with the issue dated  
September 16, 2011

  
ADMINISTRATIVE ASSISTANT  
Sworn and subscribed to before me

this 19th day of  
September, 2011

  
Notary Public

My commission expires  
June 06, 2012  
(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 SEPTEMBER 16, 2011

Buckeye Disposal, LLC, P.O. Box 2724, Lubbock, TX 79408 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 R-8596) salt water disposal in its State 'AF' Well No.3. The well, API No.30-025-20980 is located 1980 FSL & 990 FWL in Section 8, Township 18 South, Range 35 East in Lea County, New Mexico. Produced water from area production will be disposed into the Wolfcamp formation through perforations from 9883 feet to 9927 feet at a maximum injection pressure of 1977 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 the applicant's agent, SOS Consulting, LLC, (903)488-9850  
#26855

67104417

00079866

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

**Jones, William V., EMNRD**

---

**From:** Jones, William V., EMNRD  
**Sent:** Thursday, January 26, 2012 11:40 AM  
**To:** 'Ben Stone'  
**Cc:** Ezeanyim, Richard, EMNRD; Sanchez, Daniel J., EMNRD  
**Subject:** Disposal application from Buckeye Disposal, LLC: State AF #3 30-025-20980 Wolfcamp from 9883 to 9927

Hello Ben,  
Reviewed this application – nicely done, cool graphics!

I don't see any fundamental problems – not sure why they didn't look a little bit lower in this wellbore. I could be missing something – the district office said there were problems in the Wolfcamp or Abo in this area? I looked over the older hearing on this well and all seemed OK then also.

One of the wells is now plugged that was formerly producing in the AOR. Also our web site shows an inactive well that has an "intention to plug" within the AOR – but primary cement seems OK. If you know of their schedule to plug that well, let me know.

There is a snippet of a log in the old hearing case file that is not on the OCD web site. If they have this old log in their internal well files, they should send a copy to Hobbs for scanning.

One thing I noticed – the packer seat approved in the old hearing order is higher than the 100 foot limit we normally use and what you proposed in this application. I wonder if they will be able to set their new packer lower than before? Their well records should show where the older packer(s) were actually set.

Let them know the individual well bond must be posted on this well prior to issuing the SWD permit – Rule 5.9 requirement. If you will keep track of this and let me know when the bond is posted, I will get this permit out of here.

Will

## Jones, William V., EMNRD

---

**From:** Ben Stone [ben@sosconsulting.us]  
**Sent:** Thursday, January 26, 2012 12:07 PM  
**To:** Jones, William V., EMNRD  
**Subject:** RE: Disposal application from Buckeye Disposal, LLC: State AF #3 30-025-20980 Wolfcamp from 9883 to 9927

Yeah, thanks Will. The intent is to set the packer close to 9800 but definitely within 100 feet. I'll try to find out on the plugging schedule on the offset well.

They are getting a SWD right-of-way from SLO so they just got their megabond for surface to cover that. I'll make sure they stay on top of their plugging bond also and get that in place before anything moves forward.

Thanks,



Ben Stone, Partner



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 and delete this e-mail. Thank you.

---

**From:** Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]  
**Sent:** Thursday, January 26, 2012 12:40 PM  
**To:** Ben Stone  
**Cc:** Ezeanyim, Richard, EMNRD; Sanchez, Daniel J., EMNRD  
**Subject:** Disposal application from Buckeye Disposal, LLC: State AF #3 30-025-20980 Wolfcamp from 9883 to 9927

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Will

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<http://www.pctools.com>

=====

## Jones, William V., EMNRD

---

**From:** Sanchez, Daniel J., EMNRD  
**Sent:** Thursday, January 26, 2012 7:11 AM  
**To:** Jones, William V., EMNRD; Gonzales, Elidio L, EMNRD  
**Cc:** Kautz, Paul, EMNRD; Swazo, Sonny, EMNRD  
**Subject:** RE: Disposal application from Buckeye Disposal, LLC: State AF #3 30-025-20980 Wolfcamp from 9883 to 9927

Will,

The bond is a must before the permit is issued. If you can, place conditions in the permit that require them to repair the leak and MIT the well, witnessed by the district office.

Daniel

---

**From:** Jones, William V., EMNRD  
**Sent:** Wednesday, January 25, 2012 9:31 PM  
**To:** Gonzales, Elidio L, EMNRD; Sanchez, Daniel J., EMNRD  
**Cc:** Kautz, Paul, EMNRD; Swazo, Sonny, EMNRD  
**Subject:** Disposal application from Buckeye Disposal, LLC: State AF #3 30-025-20980 Wolfcamp from 9883 to 9927

Hello

I reviewed this application to reactivate this inactive SWD well (located just SE of Buckeye), as a commercial disposal well and it seems generally OK. I found an old log in the original Case 9297 file where to me it looks like they could lower their interval about 100 feet and be in some sort of ?cisco? reef or high water bearing interval – but that's their business.

I know they need to fix a casing leak and get another right of way, but apparently they want this disposal permit in hand, before they spend the money to fix the well.

Anyway, this well is listed as one needing a bond, so they are out of compliance with Rule 5.9 until they either post this bond or get the well back to active status. Do you want the bond? Probably the answer is yes?

Also, the number of inactive wells is 2 out of 4 operated wells – which is OK, but one of the wells scheduled to be plugged is in the AOR of this proposed SWD well. Otherwise that AOR well (State AF #1 30-025-20546) is cemented OK.

Let me know if there are any other concerns that would stop this permit - and what to do about this bond and possibly the inactive well?

**Jones, William V., EMNRD**

---

**From:** Phillips, Dorothy, EMNRD  
**Sent:** Tuesday, May 22, 2012 2:48 PM  
**To:** Jones, William V., EMNRD  
**Subject:** RE: Buckeye Disposal, LLC - OGRID 222759

They submitted a new bond form with the correct information instead of a rider. We approved it on 4/10/2012. Sorry, if I forgot to tell you, thought I had.

---

**From:** Jones, William V., EMNRD  
**Sent:** Tuesday, May 22, 2012 2:18 PM  
**To:** Phillips, Dorothy, EMNRD  
**Subject:** RE: Buckeye Disposal, LLC - OGRID 222759

Dorothy,  
Below is your comment – did we get the rider?  
(ps... not talking about ~~HSA - Florida~~)

---

**From:** Phillips, Dorothy, EMNRD  
**Sent:** Monday, April 02, 2012 2:08 PM  
**To:** Jones, William V., EMNRD  
**Subject:** FW: Buckeye Disposal, LLC - OGRID 222759

Will, I have to get a rider to the bond. They put the wrong legal. Sorry. Will let you know when I approve it.

---

**From:** Phillips, Dorothy, EMNRD  
**Sent:** Monday, April 02, 2012 2:04 PM  
**To:** Jones, William V., EMNRD  
**Subject:** Buckeye Disposal, LLC - OGRID 222759

Just a heads up that I received a bond for the salt water disposal well -State AF No. 3 – 30-025-20980. They are now okay on financial assurance.

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

WFX \_\_\_\_\_ PMX \_\_\_\_\_ SWD 1335 Permit Date 5/24/12 UTC Qtr 3

# Wells 1 Well Name(s): State "AF" #35 *Good needed on this well*

API Num: 30-025-20980 Spud Date: 1/16/04 New/Old: 0 (UIC primacy March 7, 1982)

Footages 1980 FSL/990 FWL Unit L Sec 8 Tsp 185 Rge 35E County LEA

General Location:

Operator: BUCKEYE DISPOSAL, LLC Contact or Terry Wallace

OGRID: 222759 RULE 5.9 Compliance (Wells) 2/4=OK (Finan Assur) NO IS 5.9 OK? \_\_\_\_\_

Well File Reviewed  Current Status: SI w/CSG Problems

Planned Work to Well: FIX CSG, Get RIGHT OF WAY & Then Inject

Diagrams: Before Conversion  After Conversion  Elogs in Imaging File:  *also see core file*

| Well Details:                 | Sizes Hole.....Pipe | Setting Depths   | Stage Tool   | Cement Sx or Cf    | Determination Method |
|-------------------------------|---------------------|------------------|--------------|--------------------|----------------------|
| New ___ Existing ___ Surface  | <u>13 3/8</u>       | <u>360</u>       | <u>-</u>     | <u>400 SX</u>      | <u>CIRC</u>          |
| New ___ Existing ___ Interm   | <u>9 1/2</u>        | <u>3876</u>      | <u>-</u>     | <u>2300 SX</u>     | <u>CIRC</u>          |
| New ___ Existing ___ LongSt   | <u>5 1/2</u>        | <u>10,387</u>    | <u>-</u>     | <u>2444 150</u>    | <u>1780 FS</u>       |
| New ___ Existing ___ Liner    |                     | <u>11,921 TD</u> | <u>→ Now</u> | <u>10,387 PBTD</u> |                      |
| New ___ Existing ___ OpenHole |                     |                  |              |                    |                      |

| Depths/Formations: | Depths, Ft. | Formation     | Tops?   |
|--------------------|-------------|---------------|---|
| Formation(s) Above | <u>9515</u> | <u>WC</u>     | <input checked="" type="checkbox"/>   |
| Injection TOP:     | <u>9883</u> | <u>WC</u>     | Max. PSI <u>1977</u> OpenHole ___ Perfs <input checked="" type="checkbox"/> |
| Injection BOTTOM:  | <u>9927</u> | <u>WC</u>     | Tubing Size <u>2 3/8</u> Packer Depth <u>9800'</u>                          |
| Formation(s) Below | <u>?</u>    | <u>WCISCO</u> | <u>?</u>  |

*See (R-8596) Core 9297*

Capitan Reef? \_\_\_\_\_ (Potash? \_\_\_\_\_ Noticed? ) WHP? \_\_\_\_\_ Noticed? \_\_\_\_\_ Salado Top/Bot \_\_\_\_\_ Cliff House? \_\_\_\_\_

Fresh Water: Depths: \_\_\_\_\_ Formation Ocala Wells? \_\_\_\_\_ Analysis? \_\_\_\_\_ Affirmative Statement

Disposal Fluid Analysis?  Sources: Commercial

Disposal Interval: Analysis? \_\_\_\_\_ Production Potential/Testing: \_\_\_\_\_

Notice: Newspaper Date 9/16/11 Surface Owner SLO Mineral Owner(s) \_\_\_\_\_

RULE 26.7(A) Affected Persons: 6 people

AOR: Maps?  Well List?  Producing in Interval? NO Wellbore Diagrams? need state AN #9

.....Active Wells 6 Repairs? \_\_\_\_\_ Which Wells? DV TOOLS ?

.....P&A Wells 3 Repairs? \_\_\_\_\_ Which Wells? \_\_\_\_\_

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