| DATE IN 04/18/03 | SUSPENSE | ENGINEER RE | LOGGED IN 04/19/2013 | TYPE SWD | APP NO. pPRG1310952462 |
|---|---|---|---|---|---|

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# NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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

30-015-26742
Federal 12
Well #1

## 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

OXY USA

**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]**

SWD: Bell Canyon

[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 _____

[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.**

| David Stewart | | Sr. Regulatory Advisor | 4/15/13 |
|---|---|---|---|
| Print or Type Name | Signature | Title | Date |

david_stewart@oxy.com
e-mail Address

Federal 12 #1 - 30-015-26742

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT

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

FORM C-108
Revised June 10, 2003

## APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____Secondary Recovery _____Pressure Maintenance ____X___Disposal _____Storage
Application qualifies for administrative approval? ____X____Yes _____No

II. OPERATOR: _____OXY USA Inc_____ Federal 12 #1 – 30-015-26742

ADDRESS: _____P.O. Box 50250 Midland, TX 79710

CONTACT PARTY: _David Stewart_____ PHONE: __432-685-5717__

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____Yes ____X____No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review. Attached

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail. Attached

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected; Avg-2500BWPD – Max-4000BWPD
2. Whether the system is open or closed; Closed
3. Proposed average and maximum injection pressure; Avg-900psi – Max-915 psi
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and, Delaware and Bone Spring from OXY operated leases, see attached.
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.). Attached

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval. Attached

IX. Describe the proposed stimulation program, if any. To Be Determined

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted). Logs already on file at the NMOCD..

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken. None within one mile per the NMSEO. Per the field production tech, no windmills were found within one mile of this well.

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

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

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: _____David Stewart_____ TITLE: _____Sr. Regulatory Advisor_____

SIGNATURE: _____ DATE: 4/15/13

E-MAIL ADDRESS: _____david_stewart@oxy.com_____

* 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: _____

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

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

(1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.

(2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.

(3) A description of the tubing to be used including its size, lining material, and setting depth.

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

(1) The name of the injection formation and, if applicable, the field or pool name.

(2) The injection interval and whether it is perforated or open-hole.

(3) State if the well was drilled for injection or, if not, the original purpose of the well.

(4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.

(5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

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

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

(1) The name, address, phone number, and contact party for the applicant;

(2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;

(3) The formation name and depth with expected maximum injection rates and pressures; and,

(4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

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

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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.

Side 1

# INJECTION WELL DATA SHEET

OPERATOR: OXY USA Inc.

WELL NAME & NUMBER: Federal 12 #1

WELL LOCATION: 660 FSL 660 FWL (FOOTAGE LOCATION) | SWSW(M) (UNIT LETTER) | 12 (SECTION) | 22S (TOWNSHIP) | 31E (RANGE)

***WELLBORE SCHEMATIC***

***PROPOSED WELL CONSTRUCTION DATA***

Surface Casing

Hole Size: 17-1/2" Casing Size: 13-3/8" @ 828'

Cemented with: 950 sx. *or* 1254 $ft^3$

Top of Cement: Surface Method Determined: Circ

Intermediate Casing

Hole Size: 11" Casing Size: 8-5/8" @ 4325'

Cemented with: 1900 sx. *or* 2508 $ft^3$

Top of Cement: Surface Method Determined: Circ

Production Casing

Hole Size: 7-7/8" Casing Size: 5-1/2" @ 8439'

Cemented with: 1402 sx. *or* 1472 $ft^3$

Current
Top of Cement: 5765' Method Determined: CBL

Proposal - Perf @ 5745' sqz 380 sk cmt to 3735' - CBL will be ran to confirm TOC

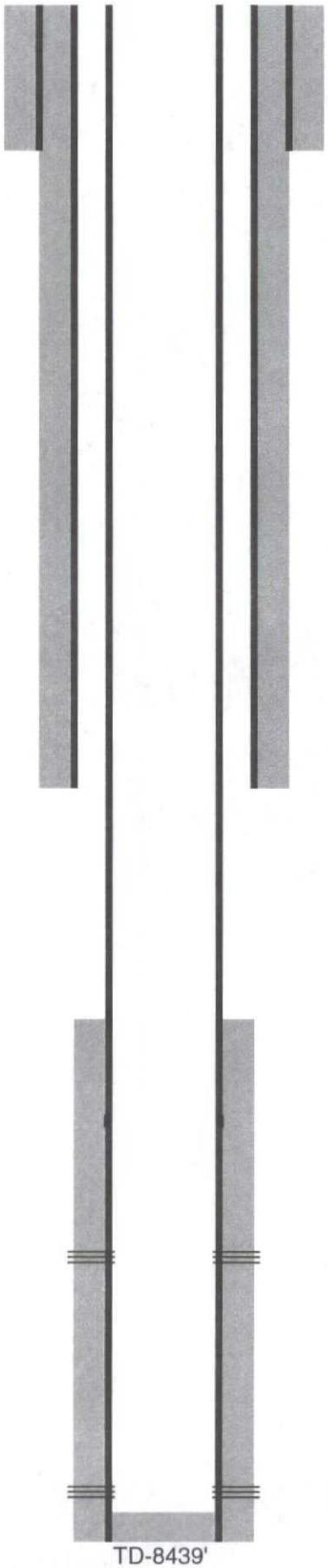
Total Depth: 8439'

Injection Interval

4574 feet to 4963 feet

(Perforated or Open Hole; indicate which)

**OXY USA WTP LP - Current**
**Federal 12 #1**
**API No. 30-015-26742**



17-1/2" hole @ 828'
13-3/8" csg @ 828'
w/ 950sx-TOC-Surf-Circ ✓

11" hole @ 4325'
8-5/8" csg @ 4325'
w/ 1900sx-TOC-Surf-Circ ✓

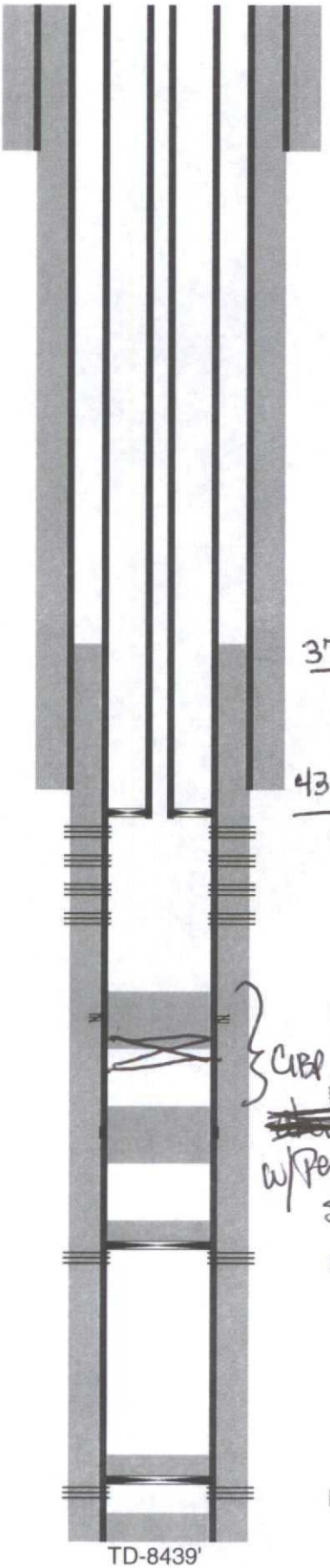
Perfs @ 7042-7074'

7-7/8" hole @ 8439'
5-1/2" csg @ 8439'
DVT @ 6197' ✓
w/ 1402sx-TOC-5765'-CBL

Perfs @ 8270-8336'

TD-8439'

**OXY USA WTP LP - Proposed**
**Federal 12 #1**
**API No. 30-015-26742**



17-1/2" hole @ 828'
13-3/8" csg @ 828'
w/ 950sx-TOC-Surf-Circ

3735'

11" hole @ 4325'
8-5/8" csg @ 4325'
w/ 1900sx-TOC-Surf-Circ

***2-7/8" 6.5# J55 compsite tbg & nickel plated Arrow Set pkr @ 4524'***

4325'

***Perfs @ 4574-4963'***

***25sx @ 5795-5645' WOC-Tag***

***Perf @ 5745', sqz 380sx cmt to 3735'***

CIBP ~~other~~ ~~below~~ CBL Prior to perfs

***25sx @ 6280-6115' WOC-Tag***

~~below~~ w/Perfs for squeezing

***CIBP @ 6995' w/ 25sx***

Perfs @ 7042-7074'

7-7/8" hole @ 8439'
5-1/2" csg @ 8439'
DVT @ 6197'
w/ 1402sx-TOC-5765'-CBL

***CIBP @ 8220' w/ 25sx***

Perfs @ 8270-8336'

TD-8439'

## INJECTION WELL DATA SHEET

Tubing Size: 2-7/8" 6.5# J55 Lining Material: composite

Type of Packer: Nickel Plated Arrow Set

Packer Setting Depth: 4524'

Other Type of Tubing/Casing Seal (if applicable): N/A

Additional Data

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

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

2. Name of the Injection Formation: Delaware – Bell Canyon

3. Name of Field or Pool (if applicable): Livingston Ridge Delaware

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. Yes

   7042-7074' – 8270-8336'

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

VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval

Proposed injection zone: 4574'- 4963'
Geologic Formation: Delaware Mtn. Group; Bell Canyon Ramsey Sand
Bell Canyon Zone thickness: 1065'
Bell Canyon Top Depth: 4574'
Lithologic description (Bell Canyon): Thin to medium bedded stacked sandstones - fine-v. fine-grained lt. tan-gray, unconsolidated, round to sub-rounded with minor calcite.
Porosity: 18-25%
Freshwater source: Recent shallow alluvium; none produced nearby.
Depth to base freshwater is 812'

IX. Describe the proposed stimulation program, if any.
Sand fracture treatment in the Ramsey sand interval 4574' – 4963'

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

I have examined the available geologic and engineering data for the Federal 12#1 well and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

Rachel Aisner

Rachel Aisner, Geologist

# MITCHELL ANALYTICAL LABORATORY

2638 Faudree
Odessa, Texas 79765-8538
561-5579

Company: ***Nalco Company***

| | | | |
|---|---|---|---|
| Well Number: | Federal 12-1 - Delaware | Sample Temp: | 70 |
| Lease: | OXY | Date Sampled: | 10/4/2012 |
| Location: | | Sampled by: | Leo Sandmann |
| Date Run: | 10/4/2012 | Employee #: | |
| Lab Ref #: | 12-oct-n67083 | Analyzed by: | GR |

*Dissolved Gases*

| | | | Mg/L | Eq. Wt. | MEq/L |
|---|---|---|---|---|---|
| Hydrogen Sulfide | (H2S) | | .00 | 16.00 | .00 |
| Carbon Dioxide | (CO2) | **NOT ANALYZED** | | | |
| Dissolved Oxygen | (O2) | **NOT ANALYZED** | | | |

*Cations*

| | | | | | |
|---|---|---|---|---|---|
| Calcium | (Ca++) | | 28,140.00 | 20.10 | 1,400.00 |
| Magnesium | (Mg++) | | 2,981.68 | 12.20 | 244.40 |
| Sodium | (Na+) | | 63,150.84 | 23.00 | 2,745.69 |
| Barium | (Ba++) | **NOT ANALYZED** | | | |
| Manganese | (Mn+) | | 7.07 | 27.50 | .26 |

*Anions*

| | | | | | |
|---|---|---|---|---|---|
| Hydroxyl | (OH-) | | .00 | 17.00 | .00 |
| Carbonate | (CO3=) | | .00 | 30.00 | .00 |
| BiCarbonate | (HCO3-) | | 12.22 | 61.10 | .20 |
| Sulfate | (SO4=) | | 136.00 | 48.80 | 2.79 |
| Chloride | (Cl-) | | 155,771.16 | 35.50 | 4,387.92 |
| Total Iron | (Fe) | | 10.44 | 18.60 | .56 |
| Total Dissolved Solids | | | 250,209.41 | | |
| Total Hardness as CaCO3 | | | 82,574.89 | | |
| Conductivity MICROMHOS/CM | | | 236,000 | | |

pH 6.170 Specific Gravity 60/60 F. 1.174

CaSO4 Solubility @ 80 F. 6.01MEq/L, CaSO4 scale is unlikely

*CaCO3 Scale Index*

| | | | | | |
|---|---|---|---|---|---|
| 70.0 | 1.399 | 100.0 | 2.319 | 130.0 | 2.319 |
| 80.0 | 1.649 | 110.0 | 2.319 | 140.0 | 2.319 |
| 90.0 | 2.319 | 120.0 | 2.319 | 150.0 | 2.319 |

# MITCHELL ANALYTICAL LABORATORY

2638 Faudree
Odessa, Texas 79765-8538
561-5579

Company: ***Nalco Company***

| | | | |
|---|---|---|---|
| Well Number: | Cypress 28-1 - Bone Spring | Sample Temp: | 70 |
| Lease: | OXY | Date Sampled: | 4/29/2011 |
| Location: | | Sampled by: | Casey Summers |
| Date Run: | 5/3/2011 | Employee #: | |
| Lab Ref #: | 11-may-n59280 | Analyzed by: | GR |

*Dissolved Gases*

| | | | Mg/L | Eq. Wt. | MEq/L |
|---|---|---|---|---|---|
| Hydrogen Sulfide | (H2S) | | .00 | 16.00 | .00 |
| Carbon Dioxide | (CO2) | **NOT ANALYZED** | | | |
| Dissolved Oxygen | (O2) | **NOT ANALYZED** | | | |

*Cations*

| | | | | | |
|---|---|---|---|---|---|
| Calcium | (Ca++) | | 1,390.92 | 20.10 | 69.20 |
| Magnesium | (Mg++) | | 697.84 | 12.20 | 57.20 |
| Sodium | (Na+) | | 62,308.23 | 23.00 | 2,709.05 |
| Barium | (Ba++) | **NOT ANALYZED** | | | |
| Manganese | (Mn+) | | 1.66 | 27.50 | .06 |

*Anions*

| | | | | | |
|---|---|---|---|---|---|
| Hydroxyl | (OH-) | | .00 | 17.00 | .00 |
| Carbonate | (CO3=) | | .00 | 30.00 | .00 |
| BiCarbonate | (HCO3-) | | 391.04 | 61.10 | 6.40 |
| Sulfate | (SO4=) | | 450.00 | 48.80 | 9.22 |
| Chloride | (Cl-) | | 100,110.00 | 35.50 | 2,820.00 |
| Total Iron | (Fe) | | 2 | 18.60 | .11 |
| Total Dissolved Solids | | | 165,351.69 | | |
| Total Hardness as CaCO3 | | | 6,338.44 | | |
| Conductivity MICROMHOS/CM | | | 216,200 | | |

pH 6.480 Specific Gravity 60/60 F. 1.115

CaSO4 Solubility @ 80 F. 84.91MEq/L, CaSO4 scale is unlikely

*CaCO3 Scale Index*

| | | | | | |
|---|---|---|---|---|---|
| 70.0 | -.152 | 100.0 | .188 | 130.0 | .778 |
| 80.0 | -.052 | 110.0 | .488 | 140.0 | .778 |
| 90.0 | .188 | 120.0 | .488 | 150.0 | 1.128 |

Endura Products (
P.O. Box 3394, Midland,
Phone (432) 684-4233 Fa

FORM C-108
ITEM VII(5)

ANALYSIS -- Injection Zone
Produced Water

POGO PRODUCING COMPANY
Cedar Canyon "21" Federal No. 3
Section 21, T-24S, R-29E
Eddy County, New Mexico

## WATER ANAI

Date 10/10/2006 Endura Rep Norman Smil
Sampling Point/Date Wellhead 10/4/2006
Company Pogo Producing Co.
Formation Up. Delaware Lease COYOTE 21

State New Mexico
County Eddy
Well #1

### DISSOLVED SOLIDS

| CATIONS | mg/l | me/l |
|---|---|---|
| Sodium, Na+ (Calc.) | 45,011 | 1,957 |
| Total Hardness as Ca++ | 12,992 | 0 |
| Calcium Ca++ | 10,856 | 543 |
| Magnesium, Mg+ | 1,302 | 109 |
| Barium, Ba++ | 0 | 0 |
| Iron (Total) Fe+++* | 0 | 0 |
| **ANIONS** | | |
| Chlorides, Cl- | 92,500 | 2,606 |
| Sulfate, SO4- | 100 | 2 |
| Carbonate, CO3- | 0 | 0 |
| Bicarbonates, HCO3- | 73 | 1 |
| Sulfide, S-* | 0 | 0 |
| Total Dissolved Solid | 149,842 | |

### OTHER PROPERTIES

| | |
|---|---|
| pH* | 6.490 |
| Specific Gravity,60/60 F. | 1.109 |
| Turbidity | 35 |

### SCALING INDICIES

| TEMP. F | CA CO3 | CASO4*2H2O | CA SO4 | BA SO4 |
|---|---|---|---|---|
| 80 | -0.0677 | -1.0097 | -1.2523 | -29.2957 |
| 120 | 0.2990 | -1.0209 | -1.0831 | -29.4961 |
| 160 | 0.8653 | -1.0396 | -0.9292 | -29.7255 |

### PERFORATIONS

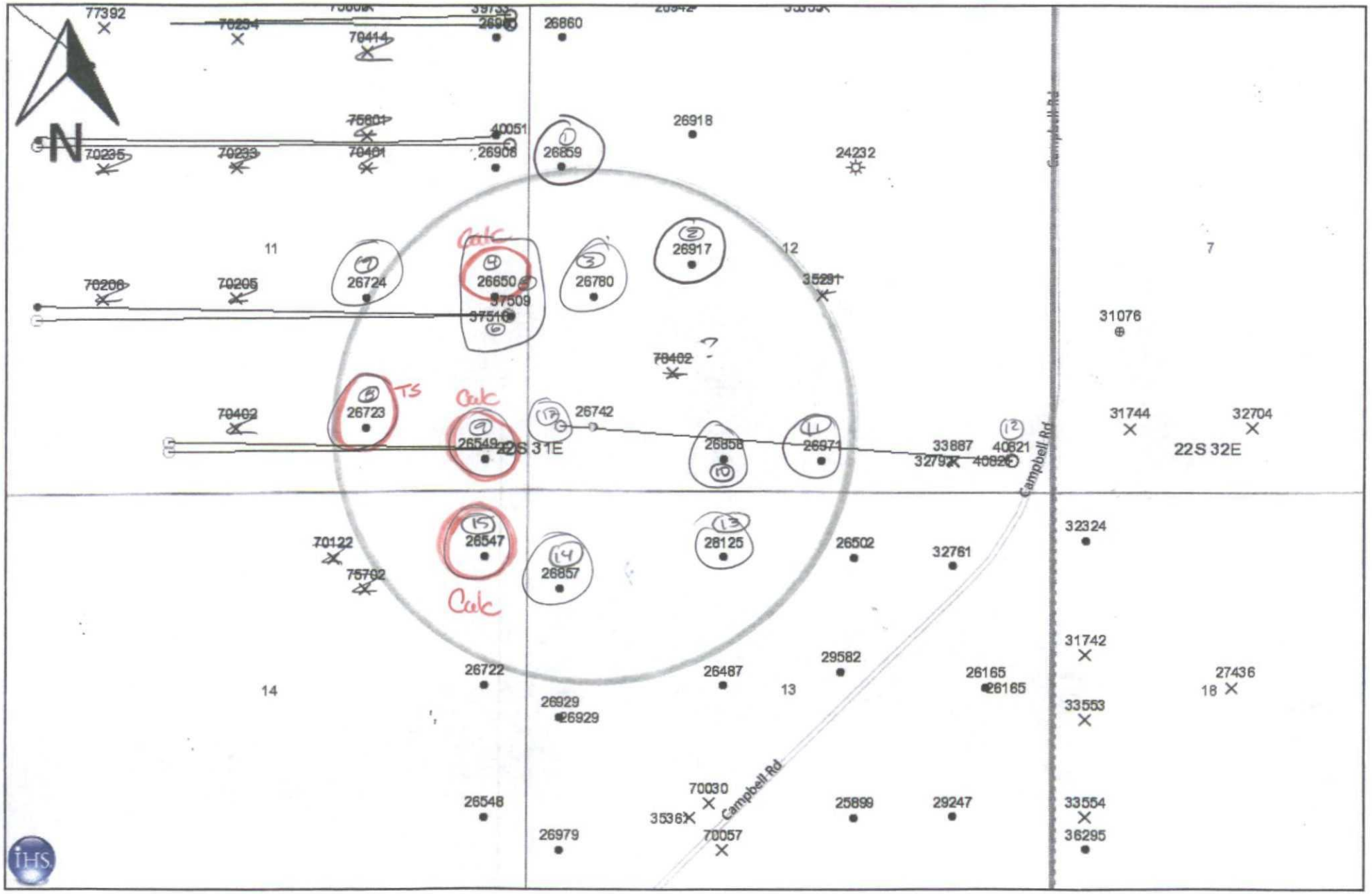
C-108 - Item VI
Federal 12 #1
AREA OF REVIEW

| OPERATOR | LEASE | WELL NO. | API NO. 30- | PLAT | LOCATION | DATE DRILLED | TD | PERFS | CASING-CEMENT | STATUS |
|---|---|---|---|---|---|---|---|---|---|---|
| OXY USA Inc. | Federal 12 | 4 | 015-26859 | 1 | 1980 FNL 330 FWL (E) | 11/8/91 | 8450' | 7025-7063' | 13-3/8" @ 814' w/ 1025sx - TOC-Surf-Circ | Livingston Ridge |
| | | | | | 12-22S-31E | | | | 8-5/8" @ 4265' w/ 1675sx - TOC-Surf-Circ | Delaware |
| | | | | | | | | | 5-1/2" @ 8450' w/ 1191sx - TOC-2030'-CBL | Act Oil |
| OXY USA Inc. | Federal 12 | 6 | 015-26917 | 2 | 2310 FSL 1650 FWL (K) | 3/2/92 | 8525' | 7052-7096' | 13-3/8" @ 818' w/ 1000sx - TOC-Surf-Circ | Livingston Ridge |
| | | | | | 12-22S-31E | | | | 8-5/8" @ 4310' w/ 1700sx - TOC-Surf-Circ | Delaware |
| | | | | | | | | | 5-1/2" @ 8525' w/ 1375sx - TOC-2200'-CBL | Act Oil |
| OXY USA Inc. | Federal 12 | 2 | 015-26780 | 3 | 1980 FSL 660 FWL (L) | 8/21/91 | 8490' | 6874-7080' | 13-3/8" @ 840' w/ 950sx - TOC-Surf-Circ | Livingston Ridge |
| | | | | | 12-22S-31E | | | | 8-5/8" @ 4315' w/ 1800sx - TOC-Surf-Circ | Delaware |
| | | Calc | | | | | | | 5-1/2" @ 8490' w/ 1450sx - TOC-3375'-CBL | Act Oil |
| Yates Petroleum Corp. | Martha AIK Fed | 2 | 015-26650 | 4 | 1980 FSL 330 FEL (I) | 3/19/91 | 8450' | 6656-8307' | 13-3/8" @ 854' w/ 700sx - TOC-Surf-Circ | Livingston Ridge |
| | | | | | 11-22S-31E | | | | 8-5/8" @ 4505' w/ 1600sx - TOC-Surf-Circ ~300' | Delaware |
| | | | | | | | | | 5-1/2" @ 8450' w/ 790sx - TOC-4007'-Calc | Act Oil |
| Yates Petroleum Corp. | Martha AIK Fed | 10H | 015-37509 | 5 | S-1780 FSL 178 FEL (I) | 9/21/12 | 12526'M | 8410-12440' | 13-3/8" @ 859' w/ 760sx - TOC-Surf-Circ | Livingston Ridge |
| | | | | | B-1900 FSL 360 FWL (L) | | 7984'V | | 9-5/8" @ 4562' w/ 1370sx - TOC-Surf-Circ | Delaware |
| | | | | | 11-22S-31E | | | | 7" @ 7420' w/ 825sx - TOC-Surf-Circ | Act Oil |
| | | | | | | | | | 4-1/2" @ 6900-12520' w/ 400'-6900'-Circ | |
| Yates Petroleum Corp. | Martha AIK Fed | 11H | 015-37510 | 6 | S-1780 FSL 200 FEL (I) | 10/1/12 | 11497'M | 7353-11405' | 13-3/8" @ 835' w/ 680sx - TOC-Surf-Circ | Livingston Ridge |
| | | | | | B-1780 FSL 330 FWL (L) | | 7032'V | | 9-5/8" @ 4366' w/ 1260sx - TOC-Surf-Circ | Delaware |
| | | | | | 11-22S-31E | | | | 5-1/2" @ 11497' w/ 2230sx - TOC-Surf-Circ | Drilling |
| Yates Petroleum Corp. | Martha AIK Fed | 4 | 015-26724 | 7 | 1980 FSL 1650 FEL (J) | 9/2/91 | 8530' | 6544-8307' | 13-3/8" @ 873' w/ 750sx - TOC-Surf-Circ | Livingston Ridge |
| | | | | | 11-22S-31E | | | | 8-5/8" @ 4302' w/ 1950sx - TOC-Surf-Circ | Delaware |
| | | TS not on file | | | | | | | 5-1/2" @ 8530' w/ 1625sx - TOC-Surf-Circ | Act Oil |
| Yates Petroleum Corp. | Martha AIK Fed | 3 | 015-26721 | 8 | 660 FSL 1650 FEL (O) | 5/6/91 | 8411' | 6937-7028' | 13-3/8" @ 850' w/ 750sx - TOC-Surf-Circ | Livingston Ridge |
| | | | | | 11-22S-31E | | | | 8-5/8" @ 4227' w/ 2100sx - TOC-Surf-Circ | Delaware |
| | | | | | | | | | 5-1/2" @ 8411' w/ 1110sx - TOC-5800'-TS | Act Oil |
| | | Calc | | | | | | | | |
| Yates Petroleum Corp. | Martha AIK Fed | 1 | 015-26549 | 9 | 330 FSL 430 FEL (P) | 12/7/90 | 8425' | 3329-8308' | 13-3/8" @ 851' w/ 900sx - TOC-Surf-Circ | Livingston Ridge |
| | | | | | 11-22S-31E | | | | 8-5/8" @ 4485' w/ 1700sx - TOC-Surf-Circ ~100' | Delaware |
| | | | | | | | | | 5-1/2" @ 8416' w/ 1200sx - TOC-3400'-Calc | Act Oil |
| OXY USA Inc. | Federal 12 | 3 | 015-26858 | 10 | 330 FSL 1980 FWL (N) | 1/19/92 | 8515' | 6980-6997' | 13-3/8" @ 804' w/ 1025sx - TOC-Surf-Circ | Livingston Ridge |
| | | | | | 12-22S-31E | | | | 8-5/8" @ 4335' w/ 1575sx - TOC-Surf-Circ | Delaware |
| | | | | | | | | | 5-1/2" @ 8515' w/ 1655sx - TOC-1350'-CBL | Act Oil |
| OXY USA Inc. | Federal 12 | 9 | 015-26971 | 11 | 330 FSL 2310 FEL (O) | 3/6/95 | 8535' | 8054-8318 | 13-3/8" @ 630' w/ 950sx - TOC-Surf-Circ | Livingston Ridge |
| | | | | | 12-22S-31E | | | | 8-5/8" @ 4285' w/ 1550sx - TOC-Surf-Circ | Delaware |
| | | | | | | | | | 5-1/2" @ 8535' w/ 1625sx - TOC-Surf-Circ | Act Oil |
| OXY USA Inc. | Federal 12 | 14 | 015-40921 | 12 | S-330 FSL 405 FEL (P) | 1/3/13 | 14704'M | | 13-3/8" @ 892' w/ 620sx - TOC-Surf-Circ | Wildcat |
| | | | | | B-660 FSL 330 FWL (M) | | 10414'V | | 8-5/8" @ 4500' w/ 1260sx - TOC-Surf-Circ | Bone Spring |
| | | | | | 12-22S-31E | | | | 5-1/2" @ 14694' w/ 1880sx - TOC-Surf-Circ | Compl Pending |

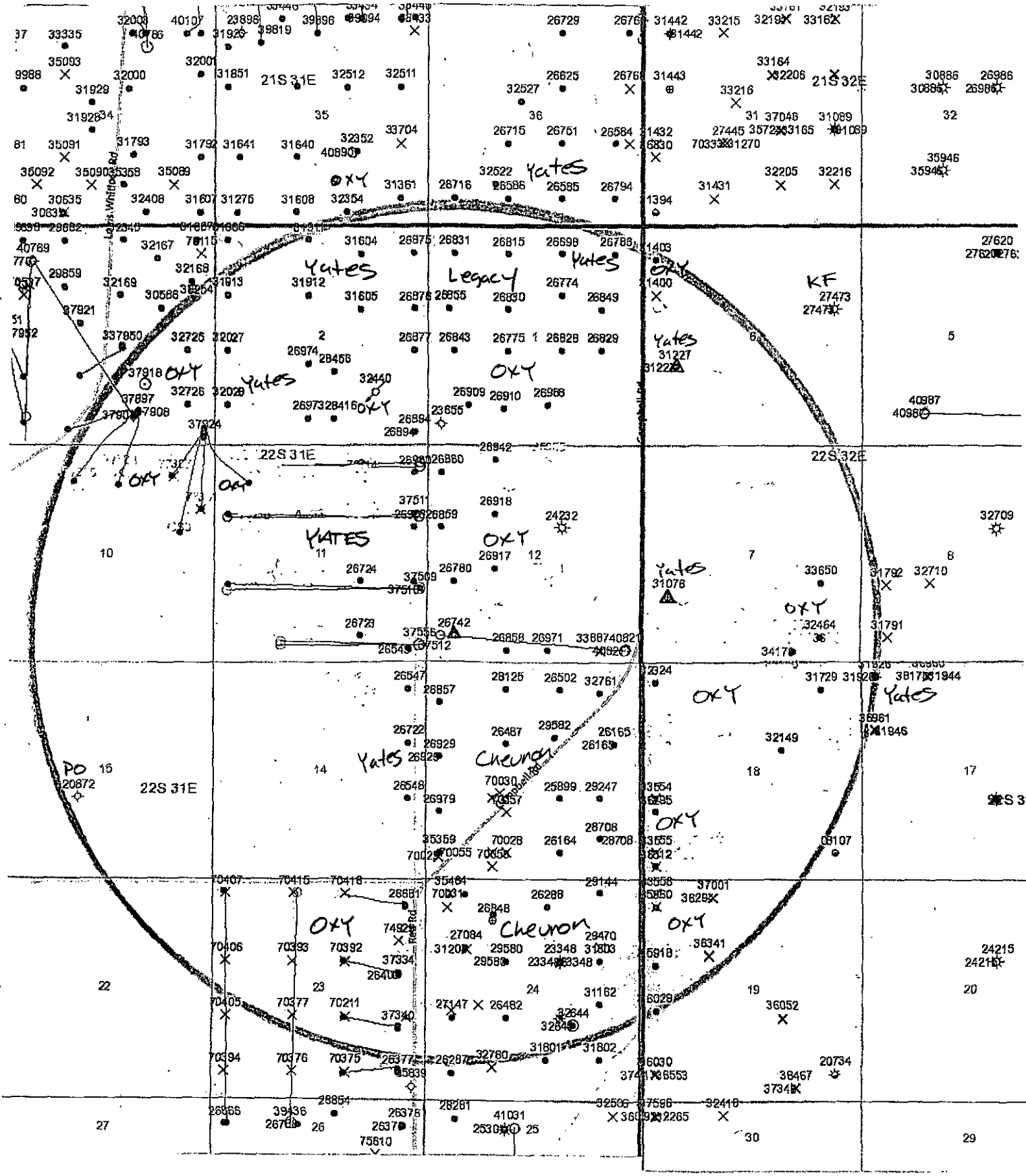
C-108 - Item VI
Federal 12 #1
AREA OF REVIEW

| OPERATOR | LEASE | WELL NO. | API NO. 30- | PLAT | LOCATION | DATE DRILLED | TD | PERFS | CASING-CEMENT | STATUS |
|---|---|---|---|---|---|---|---|---|---|---|
| Chevron USA Inc. | Neff 13 Federal | 9 | 015-28125 | 13 | 660 NFL 1980 FWL ( C ) | 12/7/*7 | 8750' | 6950-7088' | 13-3/8" @ 830' w/ 575sx - TOC-Surf-Circ | Livingston Ridge |
| | | | | | 13-22S-31E | | | | 8-5/8" @ 4393' w/ 1200sx - TOC-Surf-Circ | Delaware |
| | | | | | | | | | 5-1/2" @ 8747' w/ 1750sx - TOC-Surf-Circ | Act Oil |
| | | | | | | | | | | |
| OXY USA Inc. | Neff 13 Federal | 6 | 015-26857 | 14 | 990 FNL 330 FWL (D) | 10/19/91 | 8400' | 7016-7058' | 11-3/4" @ 880' w/ 775sx - TOC-Surf-Circ | Livingston Ridge |
| | | Calc | | | 13-22S-31E | | | | 8-5/8" @ 4400' w/ 1600sx - TOC-Surf-Circ | Delaware |
| | | | | | | | | | 5-1/2" @ 8400' w/ 1725sx - TOC-Surf-Circ | Act Oil |
| | | | | | | | | | | |
| Yates Petroleum Corp. | Dolres AIL Fed | 1 | 015-26547 | 15 | 660 FNL 430 FEL (A) | 2/16/91 | 9425' | 7012-8298' | 13-3/8" @ 855' w/ 775sx - TOC-Surf-Circ | Livingston Ridge |
| | | | | | 13-22S-31E | | | | 8-5/8" @ 4460' w/ 1500sx - TOC-Surf-Circ | Delaware |
| | | | | | | | | | 5-1/2" @ 8425' w/ 1400sx - TOC-3400'-Calc | Act Oil |
| | | | | | | | | | | |

# Federal 12 #1 - 1/2 Mile AOR



# Federal 12 #1 - 2 Mile AOR



# New Mexico Office of the State Engineer
# Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced, O=orphaned, C=the file is closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters) (In feet)

| POD Number | POD Code | Subbasin | County | Q 64 | Q 16 | Q 4 | Sec | Tws | Rng | X | Y | Depth Well | Depth Water | Water Column |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| C 02744 | | | ED | 3 | 2 | 1 | 11 | 22S | 31E | 617374 | 3586631* | 4911 | | |
| C 03150 | | | ED | 2 | 4 | 4 | 14 | 22S | 31E | 618412 | 3584025* | 981 | | |

Average Depth to Water: --

Minimum Depth: --

Maximum Depth: --

Record Count: 2

PLSS Search:

**Section(s):** 1, 2, 11, 12, 13, 14 **Township:** 22S **Range:** 31E

*UTM location was derived from PLSS - see Help



4/9/13 4:14 PM

WATER COLUMN/ AVERAGE DEPTH TO WATER



# New Mexico Office of the State Engineer
# Water Column/Average Depth to Water

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters)

No records found.

PLSS Search:

**Section(s):** 6, 7, 18 **Township:** 22S **Range:** 32E



4/9/13 4:15 PM

WATER COLUMN/ AVERAGE DEPTH TO WATER

**Federal 12 #1 – 30-015-26742**

13-3/8" 54.5# csg @ 828' w/ 950sx, 17-1/2" hole, TOC-Surf-Circ
8-5/8" 24-32# csg @ 4325' w/ 1900sx, 11" hole, TOC-Surf-Circ
5-1/2" 15.5-17# csg @ 8439' w/ 1402sx, 7-7/8" hole, TOC-5765'-CBL

1. MI& RU Rig. ND WH and NU BOP.
2. PR&P and LD Same. P Tbg and LD.
3. RU WLU. RIH and set CIBP @ 8220'. POOH.
4. RIH w/ WS and spot 25 sx cmt on CIBP @ 8220'. POOH.
5. RIH w/ WL and set CIBP @ 6995'. RD WL.
6. RIH w/ WS and spot 25 sx cmt on CIBP @ 6995'.
7. Pull up WS and spot 25 sx cmt @ 6280'-6115'. WOC and tag. POOH w/ WS.
8. RU WL. RIH and perf squeeze holes @ 5745'. RD WL.
9. PU cement retainer and RIH w/ WS. Set retainer above squeeze perfs @ +/- 5725'.
10. RU cementers.
11. Maintain 500 psi pressure in WS x 5 ½" casing annulus to prevent casing collapse.
12. Establish circulation in 8 5/8" x 5 ½" casing annulus through bradenhead by pumping 500 gals 15% HCl down work string followed by 200 bbls freshwater. ***Do not exceed a 3400 psi (70% of collapse pressure) bottomhole pressure.***
13. After establishing circulation, pump 380 sx cmt down WS. ***Do not exceed a 3400 psi bottomhole pressure.***
14. Displace cement out of WS.
15. POO retainer w/ WS.
16. Pull up WS and spot 25 sx cmt at 5795-5645'.
17. POOH w/ WS.
18. RU WLU and run CBL from PBTD to surface. RD WL.
19. **Obtain engineering approval before continuing.**
20. Pressure test casing to 3,700 psi (70% of burst).
21. RD Rig. NU Frac valve.
22. RU WL. Perforate @ 4592-4962', RD WL.
23. RU Frac. Frac per Halliburton frac schedule.
24. RU Rig. CO to PBTD. RD Rig.
25. Flow back to frac tanks for five days or until well has died, whichever comes first.
26. RU WL. Re-perforate entire interval @ 4574-4963'. ✓
27. RIH w/ WL and set injection packer @ +/- 4524' w/ plug in profile nipple. RD WL. ✓
28. RU Rig. RIH w/ injection tubing and BHA and circulate pkr fluid.
29. Run an MIT pressure test on the well with a witness from the OCD. RD Rig. NU WH.
30. Place well on injection and report results to engineer.

**WARNING:** A POISONOUS GAS - HYDROGEN SULFIDE (H2S) - A HIGHLY TOXIC COLORLESS GAS THAT IS HEAVIER THAN AIR MAY BE PRESENT AT THIS LOCATION AND/OR PRESENT IN THE GAS AND LIQUIDS INJECTED OR PRODUCED FROM THIS WELL. PLANS MUST BE REVIEWED DEALING WITH H2S SAFETY PRIOR TO WORKING ON THIS WELL. CHECK WITH FOREMAN CONCERNING LOCAL CONDITIONS.

**C-108 Service List**
**OXY USA Inc**
**Federal 12 #1**

New Mexico Oil Conservation Division
811 S. First St.
Artesia, NM 88210

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

**Surface Owner**

United States Dept of Interior
Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220

**Offset Operators within 1/2 mile**

Chevron USA Inc.
P.O. Box 2100
Houston, TX 77252

OXY USA Inc.
P.O. Box 50250
Midland, TX 79710

Yates Petroleum Corp.
105 S. 4th St.
Artesia, NM 88210

**Potash Lessee(s) within 1 mile**

Intrepid Potash LLC
707 17th St.
Denver, CO 80202

Western AG-Minerals Co.
P.O. Box 71
Carlsbad, NM 88221

Copies of this application were mailed to the following individuals, companies and organiztions on or before 4/15/13.

David Stewart
OXY USA Inc.

Federal 12-1

■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
■ Print your name and address on the reverse so that we can return the card to you.
■ Attach this card to the back of the mailpiece, or on the front if space permits.

A. Signature: X [signature] ☐ Agent ☐ Addressee
B. Received by (Printed Name): J. Warren C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No

1. Article Addressed to:
NMOCD
811 S. First St.
Artesia, NM 88210

3. Service Type ☑ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7011 3500 0002 4988 3816

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
■ Print your name and address on the reverse so that we can return the card to you.
■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
NMOCD
1220 South St. Francis Dr.
Santa Fe, NM 87505

COMPLETE THIS SECTION ON DELIVERY

A. Signature: X [signature] ☐ Agent ☐ Addressee
B. Received by (Printed Name): Leroy Vigil C. Date of Delivery: 04/18/13
D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No

APR 18 2013

3. Service Type ☑ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7011 3500 0002 4988 3779

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
■ Print your name and address on the reverse so that we can return the card to you.
■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
BLM
620 E. Greene St.
Carlsbad, NM 88220

COMPLETE THIS SECTION ON DELIVERY

A. Signature: X [signature] ☐ Agent ☐ Addressee
B. Received by (Printed Name): Lisa J Scott C. Date of Delivery: 4/18/13
D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No

3. Service Type ☑ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7011 3500 0002 4988 3823

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

OXY USA Inc.
Fatcan 12#1

■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
■ Print your name and address on the reverse so that we can return the card to you.
■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
Chevron USA Inc.
P.O. Box 2100
Houston, TX 77252

A. Signature: X [signature] ☐ Agent ☐ Addressee
B. Received by (Printed Name): [illegible] Alley C. Date of Delivery: 4-16-13
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☑ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7011 3500 0002 4988 3861

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
■ Print your name and address on the reverse so that we can return the card to you.
■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
Yates Petroleum Corp.
105 S. 4th
Artesia, NM 88210

COMPLETE THIS SECTION ON DELIVERY

A. Signature: X J. Delgado ☑ Agent ☐ Addressee
B. Received by (Printed Name) J. Delgado C. Date of Delivery 4-16-13
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☑ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7011 3500 0002 4988 3854

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
■ Print your name and address on the reverse so that we can return the card to you.
■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
Intrepid Potash LLC
707 17th St
Denver, CO 80202

COMPLETE THIS SECTION ON DELIVERY

A. Signature: [signature] ☐ Agent ☐ Addressee
B. Received by (Printed Name) [illegible] C. Date of Delivery 4-17-13
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☑ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7011 3500 0002 4988 3878

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
■ Print your name and address on the reverse so that we can return the card to you.
■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
Western AG Minerals Co.
P.O. Box 71
Carlsbad, NM 88221

COMPLETE THIS SECTION ON DELIVERY

A. Signature: X [signature] ☐ Agent ☐ Addressee
B. Received by (Printed Name) [illegible] C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

APR 23 2013

3. Service Type
☑ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7011 3500 0002 4988 3885

**Affidavit of Publication**

State of New Mexico,
County of Eddy, ss.

**Kathy McCarroll**, being first duly sworn, on oath says:

That she is the Classified Supervisor of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

March 22 2013

That the cost of publication is **$49.42** and that payment thereof has been made and will be assessed as court costs.

Kathy McCarroll

Subscribed and sworn to before me this

28 day of March, 2013

Cynthia Arredondo

My commission Expires on 2/13/17

Notary Public

OFFICIAL SEAL
Cynthia Arredondo
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires 2/13/17

*March 22, 2013*

**Notice Of Application For Fluid Disposal**

**Applicant:**
OXY USA Inc.
P.O. Box 50250
Midland, TX 79710
ATTN: David Stewart
432-685-5717

**Purpose - Well:**
Disposal of Produced Water Into A Zone Non Productive of Oil & Gas
Federal 12 #1
660 FSL 660 FWL
SWSW(M) Sec 12 T22S R31E
Eddy County, NM

**Formation:**
Delaware - Bell Canyon
4574-4963'
Maximum Injection Rate - 4000 BWPD
Maximum Injection Pressure - 915 psi

**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 of this application.**

**Injection Permit Checklist:** Received 4/18/13 First Email Date: — Final Reply Date: — Final Notice Date: 6/17/2013

**Issued Permit:** Type: WFX / PMX (SWD) Number: 1423 Permit Date: June 18, 2013 Legacy Permits or Orders: NA

Well No. #1 Well Name(s): Federal 12

API : 30-0 15-26742 Spud Date: 06/18/1992 New/Old: (N) (UIC Cl II Primacy March 7, 1982)

Footages 660 FSL / 660 FWL Lot — Unit M Sec 12 Tsp 22S Rge 31E County Eddy

General Location: Northeast of WIPP / Eddy-Lea Co. Line Pool: ~~Livingston Ridge Delaware~~ SWD: Bell Canyon Fm / Delaware Mtn Gp Pool No.:

Operator: OXY USA OGRID: 16696 Contact: David Stewart

**COMPLIANCE RULE 5.9:** Inactive Wells: 2 TotalWells: 1829 Fincl Assur: Yes Compl. Order? NO **IS 5.9 OK?** Yes

Well File Reviewed: ✓ Current Status: P&A planned - depleted well / 8/12/2012 - Lst prod / 75 BO / 714 MCF / Last 16 months

Planned Rehab Work to Well: Squeeze cement above current ant / CIBPs / cement for two abandoned perf zones

Well Diagrams: Proposed Proposed plan attached Before Conversion ✓ After Conversion ✓ Are Elogs in Imaging?: Yes 7,243 BOW

| Well Construction Details: | Sizes (in) Borehole / Pipe | Setting Depths (ft) | Stage Tool | Cement Sx or Cf | Cement Top and Determination Method |
|---|---|---|---|---|---|
| Planned __ or Existing __ Cond | — | — | — | — | — |
| Planned __ or Existing ✓ Surface | 17½ / 13 3/8 | 0 to 828 | — | 950 | Circ to surf |
| Planned __ or Existing ✓ Interm | 11 / 8 5/8 | 0 to 4325 | — | 1900 | Circ to surf |
| Planned __ or Existing ✓ LongSt | 7 7/8 / 5½ | 0 to 8439 | 6197 DV | 1402 | 5765 / CBL |
| Planned __ or Existing __ Liner | — | — | — | — | — |
| Planned ✓ or Existing __ OH / PERF | 7 7/8 / 5½ | 4574 to 4963 | — | | |

Two existing perf sets ( 7012 to 7074 & 8270 to 8336 )

| Injection Formation(s): | Depths (ft) | Formation | Tops? |
|---|---|---|---|
| Above Top of Inject Formation | + 94 | Lamar | 4480 |
| Above Top of Inject Formation | + 40 | Bell Canyon/Ramsey | 4534 |
| **Proposed Interval TOP:** | — | 4574 / Bell | — |
| **Proposed Interval BOTTOM:** | — | 4963 / Cnyn | — |
| Below Bottom of Inject Formation | - 895 | Cherry Canyon | 5588 |
| Below Bottom of Inject Formation | - 2041 | Brushy Canyon | 7004 |

**Completion/Ops Details:**

Drilled TD 8439 Proposed PBTD 5643

Open Hole ___ or Perfs ✓

Tubing Size 2 7/8 Inter Coated? ✓

Proposed Packer Depth 4524

Max Packer Depth 4474 (100-ft limit)

Proposed Max. Surface Press 915

Calc. Injt Press 915 (0.2 psi per ft)

Calc. FPP — (0.65 psi per ft)

**AOR: Hydrologic and Geologic Information**

CAPITAN REEF: in N /thru N POTASH (Y) Noticed? Y [WIPP N Noticed? N / Rustler Formation SALADO Top 750 Bot ___ CLIFF HOUSE N/A

Fresh Water: MaxDepth: ~800' FW Formation Alluvial Wells? N Analysis? ___ HydrologicAffirmStatement Yes

Inside Sec order - but outside R-111-P

Disposal Fluid: Formation Source(s) Delaware / Brushy & Bone Spring On Lease ___ Only from Operator (X) or Commercial ___

Disposal Interval: Protectable Waters? N H/C Potential: Log ✓ /Mudlog ___ /DST ___ /Tested ___ /Depleted ___ Other Historical / No productive in area

AOR Wells: 1/2-M Radius Map? Y Well List? Y Producing in Interval? 0 Formerly Produced in Interval? 0

Penetrating Wells: No. Active Wells 15 Num Repairs? 0 on which well(s)? Delaware / Brushy & Bone Spring Diagrams? N

Penetrating Wells: No. P&A Wells 0 Num Repairs? 0 on which well(s)? ___ Diagrams? N

NOTICE: Newspaper Date 03/22/2012 Mineral Owner Yates / Chevron / OXY Surface Owner BLM N. Date 4/15/2013

RULE 26.7(A): Identified Tracts? ✓ Affected Persons: Intrepid & Western Potash N. Date ___

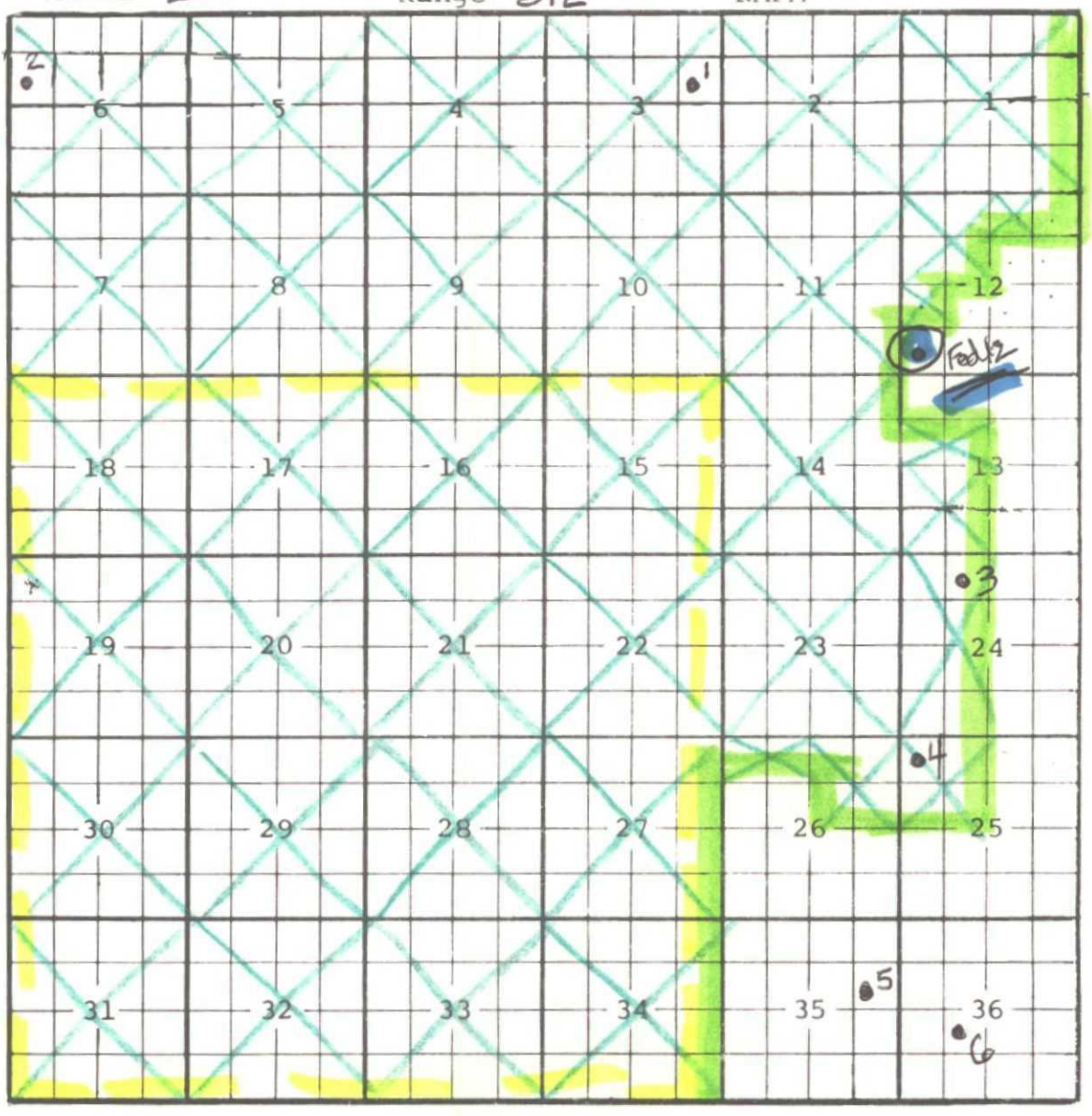
**Permit Conditions:** (1) CBL to be provided to district / (2) BP at PBTD

Issues: Confirmation of cement for injection interval

Issues: additional BP for PBTD of injection well

County Eddy ~~Pool~~ R-111-P X WIPP 17

TOWNSHIP 22S Range 31E NMPM




| | | | | | |
|---|---|---|---|---|---|
| OK4 | 1 | 30-015-38254 | Lost Tank 3 Fed Well #25 | SWD-1244 | 9/3/2010 Cherry Canyon |
| | 2 | 30-015-21098 | Campana Well #1 | SWD-920 | 4/7/2004 |
| | 3 | 30-015-26848 | Getty 24 Fed Well #5 | SWD-440 | |
| OK4 | 4 | 30-015-28281 | Neff Fed Well #3 | SWD-1229 | |
| | 5 | 30-015-26629 | David Ross Fed SW Well #1 | SWD-419 | |
| | 6 | 30-015-26171 | Medano State Well #1 | SWD-689 | |

| | | |
|---|---|---|
| 1 | 5355-6137 | Cherry Canyon Fm |
| 2 | 5900-6014 | "Delaware Mtn" |
| 3 | 4500-5000 | "Delaware formation" |
| 4 | 5634-5987 | Cherry Canyon Fm |
| 5 | 4500-5670 | "Delaware formation" |
| 6 | 4500-5700 | "Delaware formation" IPI td, 400 |