

ABOVE THIS LINE FOR DIVISION USE ONLY

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



ADMINISTRATIVE APPLICATION CHECKLIST

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

Application Acronyms:

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

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

- SWD
 - Ray Westall Operating
 119305

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 _____

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[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

we 4
 - SAND TANK 32
 State com #1
 30-015-28960
 POD
 - SWD WFX Pump
 C-300
 96136

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

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

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

Ben Stone

 Print or Type Name

Ben Stone

 Signature

Agent for Ray Westall Operating, Inc. 3/12/15

 Title
 ben@sosconsulting.us

 e-mail Address

 Date



March 13, 2015

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

Attn: Mr. David Catanach, Director

Re: Application of Ray Westall Operating, Inc. to permit for salt water disposal its Sand Tank '32' State Com No.1 well located in Section 32, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico.

Dear Mr. Catanach,

Please find enclosed form C-108 Application for Authority to Inject, supporting the above-referenced request to covert for disposal, the Sand Tank '32' State Com Well No.1.

Ray Westall Operating 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 March 12, 2015 edition of the Artesia Daily Press 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 land and minerals and a copy of this application has been submitted to the State Land Office, Oil and Gas Division.

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,

A handwritten signature in black ink, appearing to read 'Ben Stone', is written over a white background.

Ben Stone, Partner
SOS Consulting, LLC
Agent for Ray Westall Operating, Inc.

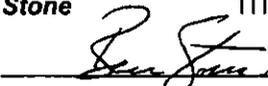
Cc: Application attachment and file

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: **Salt Water Disposal** and the application *qualifies* for administrative approval.
- II. OPERATOR: **Ray Westall Operating, Inc. Ogrid - 119305**
ADDRESS: **P.O. Box 4, Loco Hills, NM 88255**

CONTACT PARTY: **Donnie Mathews (575) 677-2372**
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. **(3 AOR wells penetrate the subject interval - No 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. **The well may be acidized to clean perforations and formation wall w/ 15% HCl w/ up to 2500 gals/1000'.**
- *X. **There is no applicable test data on the well however, any previous well logs (3 well logs available via OCD Online) have been filed with the Division and they need not be resubmitted. A log strip of subject interval is ATTACHED.**
- *XI. **State Engineer's records indicate there are NO 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 and ATTACHED.**
There are 6 offset lessees and/or operators plus BLM and state minerals within one 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 Ray Westall Operating, Inc.**

SIGNATURE:  DATE: **3/13/2015**

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 and ATTACHED:***

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.

WELL SCHEMATIC - PROPOSED CONFIGURATION



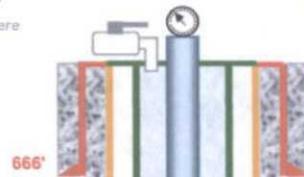
Sand Tank '32' State Com Well No.1 SWD

API 30-015-28960
 660' FSL & 1980' FWL, SEC. 32-T17S-R30E
 EDDY COUNTY, NEW MEXICO

Spud Date: 8/22/1996
 P&A Date: 6/05/2008
 SWD Config Date: TBD

Annulus Monitored
 or open to atmosphere

Injection Pressure Regulated
 and Volumes Reported
 1650 psi Surface Max



Surface Casing

11.75", 48.0# Csg. (14.75" Hole) @ 666'
 350 sx - Circulated to Surface

Intermediate Casing

8.625", 32.0# Csg. (11.0" Hole) @ 4006'
 1350 sx - Circulated to Surface

Production Casing

5.5", 17.0# Csg (7.875" Hole) @ 11506'
 1550 sx Premium - TOC @ 4725' by Calc.

RAY WESTALL OPERATING, INC.

- D/O & C/O Existing Cmt Plugs.
- Test CSG shot depths - Squeeze/Patch as required.
- Set CIBP @ 10010' w/ 30' Cmt Cap.
- Perforate Specific Intervals based on logs.
- Run PC Tubing and PKR - Conduct MIT.
- Commence Disposal Operations.

Shot 5.5" @ 4056'
 Could not pull/pump into.

CSG Patch / SQZ
 4056' and 4750'

Shot 5.5" @ 4750'
 Could not pull/pump into.

Annulus Loaded
 w/ Inert Packer Fluid

2.875" IC Tubing
 PKR 8205' +

Set CIBP @ ~10010'
 Cap w/ 30' Cmt.

Formation Fluids

Exst'g CIBP @ 11135'
 Capped w/ 35' Cmt.

11506'

BSPO. 4610'

BSPO-3RD 8540'

WLFC. 8300'

Wolfcamp Perfs: Top Interval 8300'

Canyon Perfs: Btm Interval 9930'

PBTD @ 9980'

STWN 10360'

ATKA 10580'

MPRW 10850'

Perfs: 11205'-222'; 11348'-325'

PBTD @ 11457'



Drawn by: Ben Stone, 3/12/2015

WELL SCHEMATIC - CURRENT CONFIGURATION

Sand Tank '32' State Com Well No.1 SWD

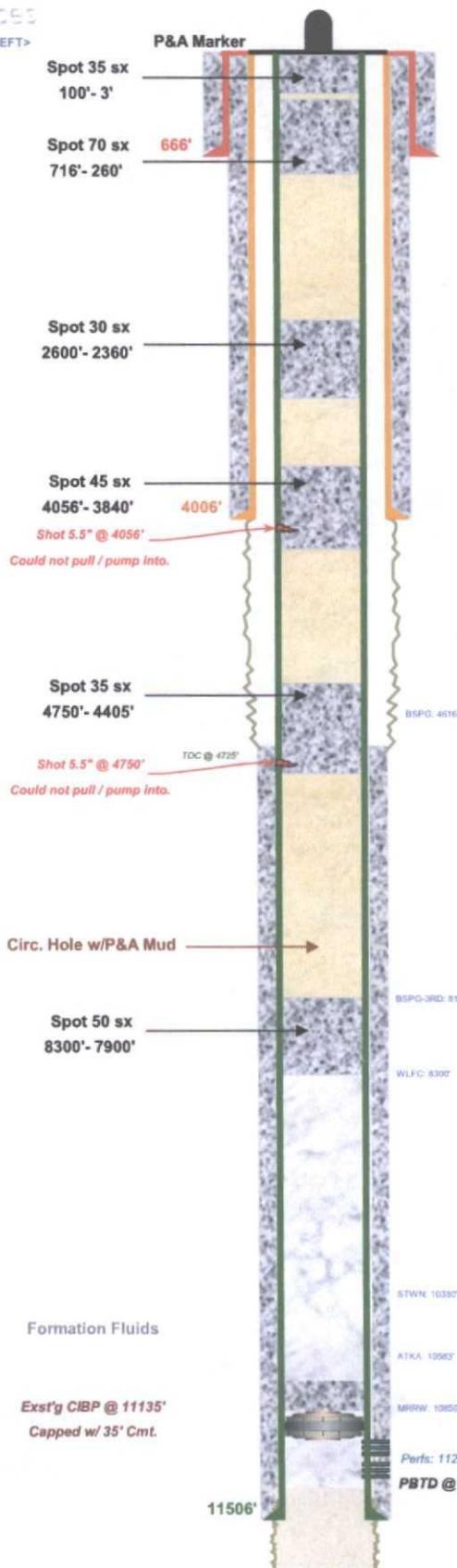
API 30-015-28960
660' FSL & 1980' FWL, SEC. 32-T17S-R30E
EDDY COUNTY, NEW MEXICO

Spud Date: 8/22/1996
P&A Date: 6/05/2008

Well Plugged by:
EOG Resources

<PLUGGING ITEMS LISTED LEFT>

<PRE-P&A EXISTING ITEMS LISTED RIGHT>



Surface Casing
11.75", 48.0# Csg. (14.75" Hole) @ 666'
350 sx - Circulated to Surface

Intermediate Casing
8.625", 32.0# Csg. (11.0" Hole) @ 4006'
1350 sx - Circulated to Surface

<P&A SUBSEQUENT SUNDRY>

Subject Copies to Appropriate Office
Office of Energy and Natural Resources
625 N. French Dr., 1686, N.M. 87104
1300 W. Grand Ave., Artesia, NM 87019
1000 San Mateo Rd., Alamogordo, NM 87005
1220 N. St. Francis Dr., Santa Fe, NM 87505

RECEIVED JUN 14 2008
JUN 14 2008
HOBBS 600 S

Form C-103
May 27, 2004

WELL API NO: 30-015-28960
5. Indicate Type of Lease: STATE FEE
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: SAND TANK 32 STATE COM.
8. Well Number
9. OGRID Number: 909
10. Pool name or Wildcat: SAND TANK 32 STATE COM.

1. Type of Well: Oil Well Gas Well Other
2. Name of Operator: EOG RESOURCES INC.
3. Address of Operator: P.O. BOX 2027, MIDLAND, TEXAS 79702
4. Well Location: Unit Letter: H, 660 feet from the SOUTH line and 1390 feet from the WEST line. Section: 32, Township: 17S, Range: 30E, NMPM: County: EDDY. 11. Elevation (Show whether DR, RLR, RT, GE etc.): 9,285' GR.

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING
TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPERATIONS PLUG AND ABANDONMENT
PULL OR ALTER CASING MULTIPLE COMPLETION CASING TEST AND CEMENT JOB
OTHER: OTHER:

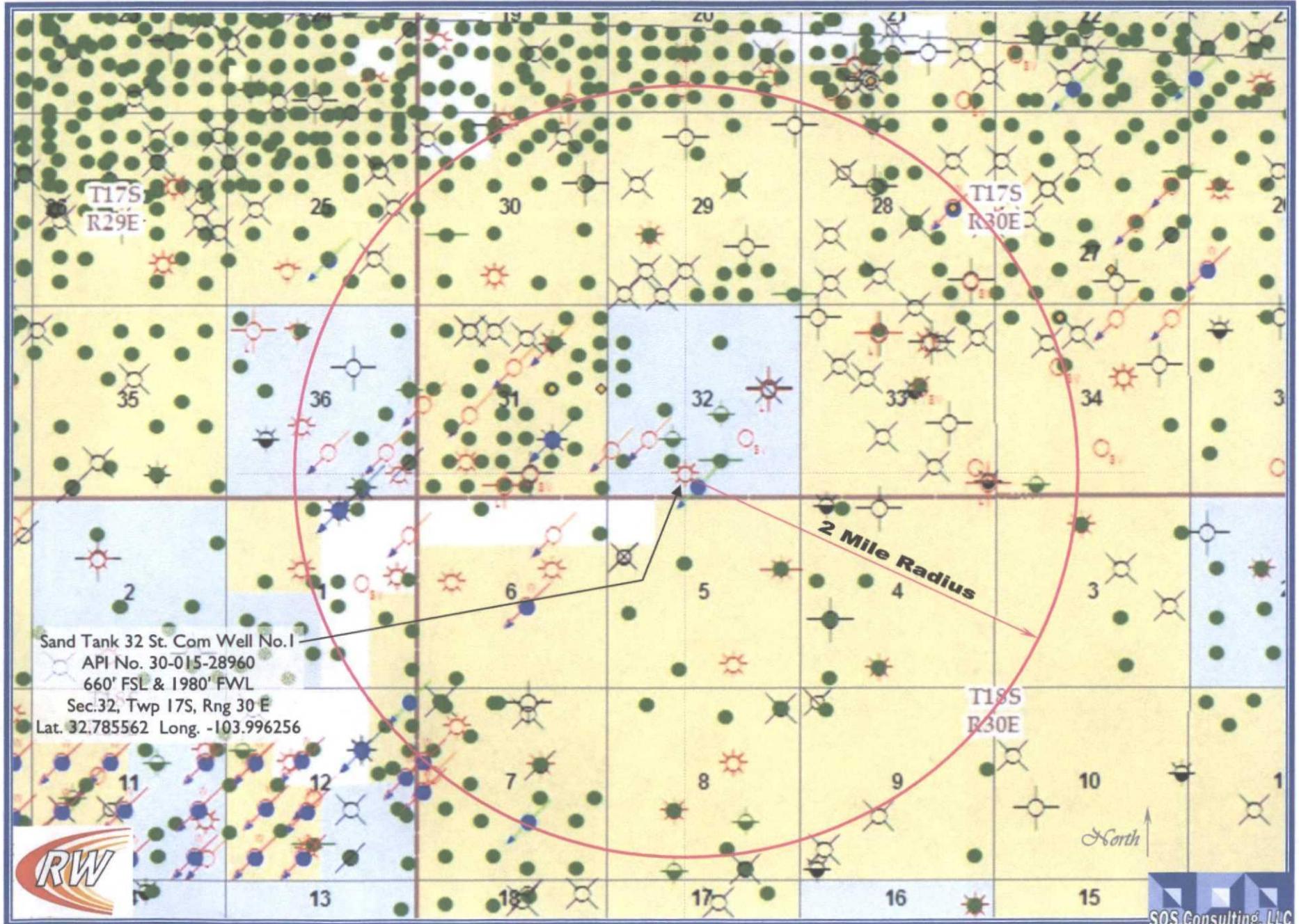
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1163. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.
05/28/08: MIX & PUMP A 50 SK. CHE. PULG @ 8,300'-7,800' (CALC.); CDC WELL W/ P&A MUD.
05/30/08: CHE. SHOT @ 4,750' - HOE P&A; P&A UP ON CSG. CUT TO 1,500' - HOE P&A; MIX & PUMP A 35 SK. CHE. PULG @ 4,750'; MIX & T&D TOP OF CHE. PULG @ 4,405'.
06/04/08: CHE. SHOT @ 4,056' - HOE P&A; P&A UP ON CSG. CUT TO 1,500' - HOE P&A; MIX & PUMP A 45 SK. CHE. PULG @ 4,056'; MIX & T&D TOP OF CHE. PULG @ 3,840'; MIX & PUMP A 30 SK. CHE. PULG @ 2,800' -2,360' (CALC.); MIX & PUMP A 70 SK. CHE. PULG @ 716'; MIX & T&D TOP OF CHE. PULG @ 260'.
06/05/08: MIX & CDC. TO BENT. A 30 SK. CHE. PULG @ 100'-3'; DISC CUT & CUT OFF W/SLURRY 3" S.G.L. & MUD ON 100'; P&A @ THE HOE P&A. WELL P&A @ 06/05/08.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any gas or hydrocarbon leak has been controlled and sealed according to NMOC guidelines. (If a general permit or as instructed) otherwise (OC) approved plus.
SIGNATURE: [Signature] TITLE: AGENT DATE: 06/10/08
E-mail address: DEVL@HOBBS-EOG.COM
Type or print name: DAVID A. EISER
For State Use Only: Accepted for record by NMOC DATE: 6/10/08
APPROVED BY: [Signature] TITLE: AGENT DATE: 6/10/08
Conditions of Approval, if any:

Production Casing
5.5", 17.0# Csg (7.875" Hole) @ 11506'
1550 sx Premium - TOC @ 4725' by Calc.

Sand Tank '32' State Com Well No.1 - Area of Review / 2 Miles

(Attachment to NMOCD Form C-108 - Item V)



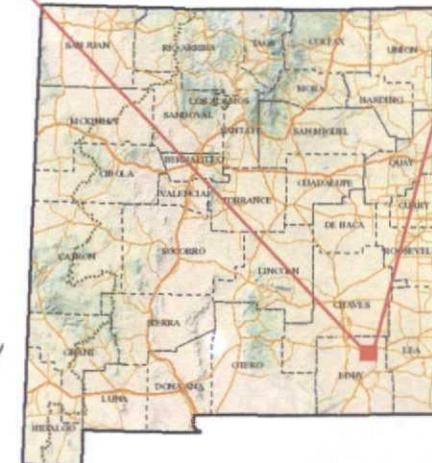
Sand Tank '32' State Com Well No.1 - Area of Review / Overview Map

(Attachment to NMOCD Form C-108 - Item V)

~2.1 miles S/SW
of Loco Hills, NM



Sand Tank 32 St. Com Well No.1
API No. 30-015-28960
660' FSL & 1980' FWL
Sec.32, Twp 17S, Rng 30 E
Lat. 32.785562 Long. -103.996256



Eddy County, New Mexico



RAY WESTALL OPERATING, INC.



Form C-108 Item VI - Tabulation of AOR Wells

Top of Proposed WOLFCAMP Interval 8300'

Wells which penetrate proposed interval.

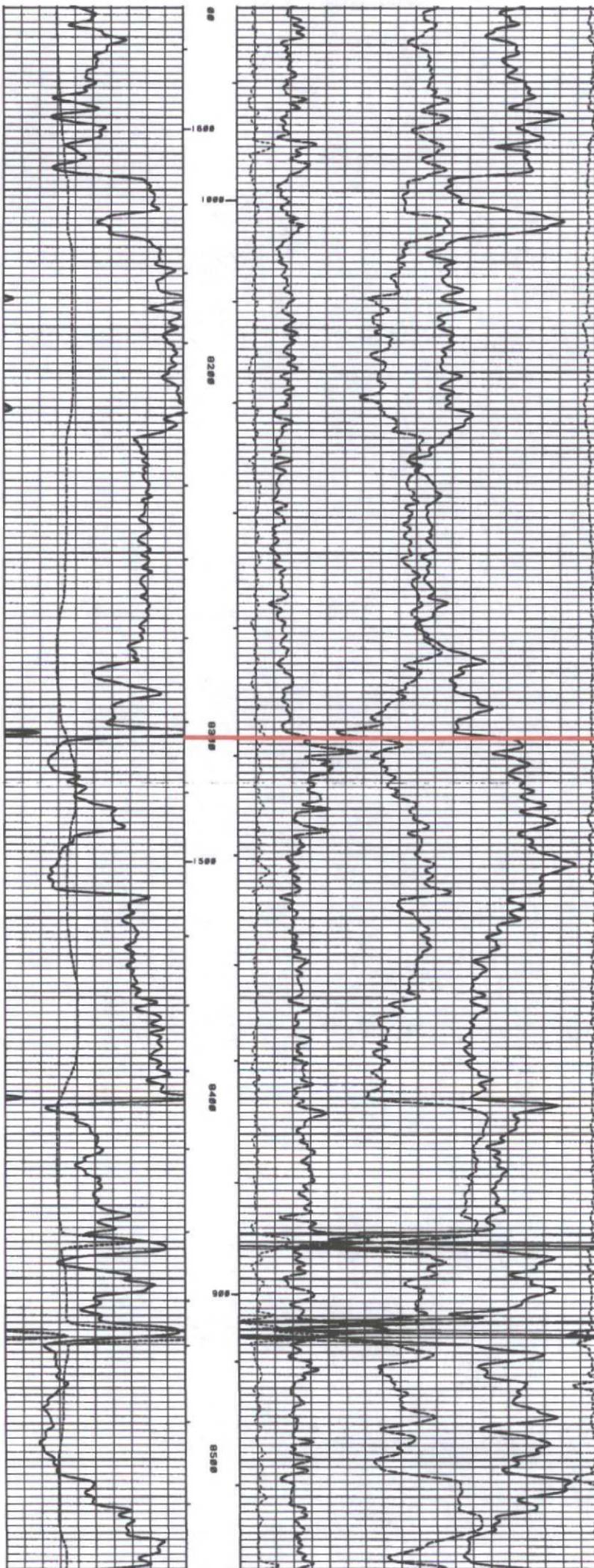
API Number	Current Operator	Well Name	Well No.	Type	Lease	Status	ULSTR	Depth	Plugged Dt.
Subject Well									
30-015-28960	[7377] EOG RESOURCES INC	SAND TANK 32 STATE COM	#001	Gas	State	P&A	N-32-175-30E	11457' PB	2/4/2009
	Change of Operator Underway	11.75" (14.75" hole) @ 666' w/ 350sx - circ; 8.625" (11" hole) @ 4006' w/ 1350sx - circ; 5.5" (7.875" hole) @ 11506' w/ 1550sx - TOC @ 4725' calc.							
Section 32 Wells									
30-015-04434	[25575] YATES PETROLEUM CORPORATION	SCHEURICH A	#005	Oil	State	P&A	E-32-175-30E	2900'	9/20/2002
30-015-04435	[25575] YATES PETROLEUM CORPORATION	SCHEURICH A	#007	Oil	State	P&A	E-32-175-30E	3100'	7/11/2002
30-015-04428	[25575] YATES PETROLEUM CORPORATION	SCHEURICH A	#001	Oil	State	P&A	E-32-175-30E	2893'	7/18/2002
30-015-04422	[25575] YATES PETROLEUM CORPORATION	SCHEURICH B	#006	Oil	State	P&A	F-32-175-30E	2893'	12/5/2002
30-015-04436	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#008	Oil		P&A	F-32-175-30E	3112'	1/1/1900
30-015-04426	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#002	Oil	State	P&A	G-32-175-30E	2882'	1/1/1900
30-015-04420	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#002	Oil		P&A	J-32-175-30E	3160'	1/1/1900
30-015-29513	[119305] RAY WESTALL OPERATING, INC.	SAND TANK 32 STATE COM	#002	SWD	State	Active	J-32-175-30E	11750'	
		11.75" (14.75" hole) @ 656' w/ 465sx - circ; 8.625" (11" hole) @ 4002' w/ 1300sx - circ; 7" (7.875" hole) @ 9399' w/ 210sx - TOC @ 7950'							
30-015-04421	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#001	Oil		P&A	K-32-175-30E	2934'	1/1/1900
30-015-04437	[25575] YATES PETROLEUM CORPORATION	SCHEURICH	#004	Oil	State	P&A	K-32-175-30E	2886'	7/15/2002
30-015-04438	[25575] YATES PETROLEUM CORPORATION	SCHEURICH	#003	Oil	State	P&A	L-32-175-30E	2887'	7/24/2002
30-015-04461	[25575] YATES PETROLEUM CORPORATION	SCHEURICH	#009	Oil	State	P&A	L-32-175-30E	2922'	7/17/2002
30-015-38957	[25575] YATES PETROLEUM CORPORATION	QUALIFIER BQX STATE	#001H	Oil	State	New	M-32-175-30E	10560'	
		13.375" (17.5" hole) @ 400' w/ 425sx - circ.; 9.625" (12.25" hole) @ 1000' w/ 425sx - circ.; 5.5" (8.75" hole) @ 7762' w/ 733sx - TOC @ 500'; 5.5" (7.875" hole) @ 10560' w/ 750sx - TOC @ 6000'							
30-015-04423	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#005	Oil		P&A	M-32-175-30E	2867'	1/1/1900
30-015-04424	[25575] YATES PETROLEUM CORPORATION	STATE BX	#005	Oil	State	P&A	M-32-175-30E	2858'	8/3/1995
30-015-04439	[25575] YATES PETROLEUM CORPORATION	TALLMADGE	#001	Oil	State	P&A	N-32-175-30E	2870'	6/4/2003
30-015-04432	[25575] YATES PETROLEUM CORPORATION	TALLMADGE	#004	Injection	State	P&A	N-32-175-30E	2905'	8/27/1986
30-015-28960	[7377] EOG RESOURCES INC	SAND TANK 32 STATE COM (Subject Well)	#001	Gas	State	P&A	N-32-175-30E	11725'	2/4/2009
30-015-04431	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#006	Oil		P&A	P-32-175-30E	3698'	1/1/1900
Section 5 Wells									
30-015-04469	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#004	Oil	Federal	P&A	B-5-185-30E	2885'	1/1/1900
30-015-04468	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#003	Oil	Federal	P&A	C-5-185-30E	2866'	1/1/1900
30-015-04467	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#002	Oil	Federal	P&A	D-5-185-30E	2860'	1/1/1900
30-015-28691	[7377] EOG RESOURCES INC	SAND TANK 5 FEDERAL COM	#001	Gas	Federal	Active	F-5-185-30E	11747'	
		11.75" (14.75" hole) @ 658' w/ 450sx - circ.; 8.625" (11" hole) @ 4205' w/ 1306sx - circ.; 5.5" (7.875" hole) @ 11513' w/ 855sx - TOC @ 3700'							
Section 31 Wells									
30-015-04397	[25575] YATES PETROLEUM CORPORATION	BRIGHAM	#003	Oil	Federal	P&A	P-31-175-30E	2870'	1/1/1900

SUMMARY: 3 wells penetrate proposed disposal interval. 0 P&A.

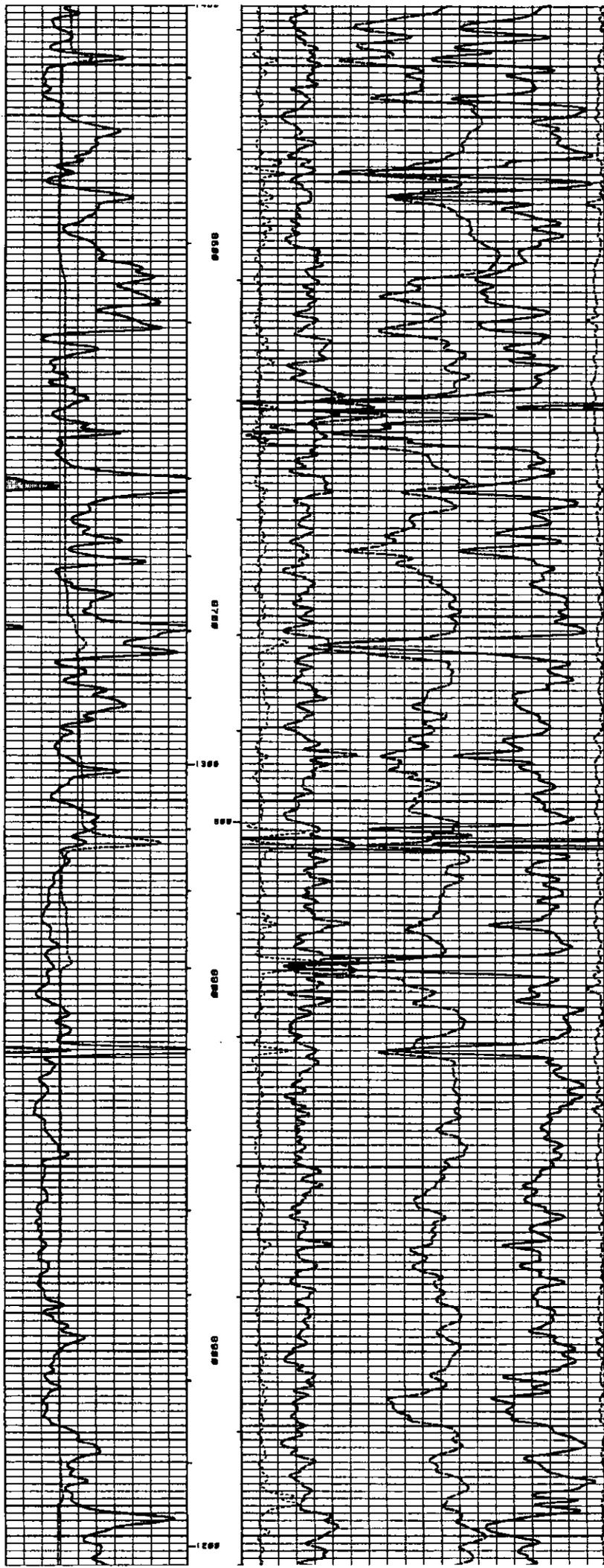


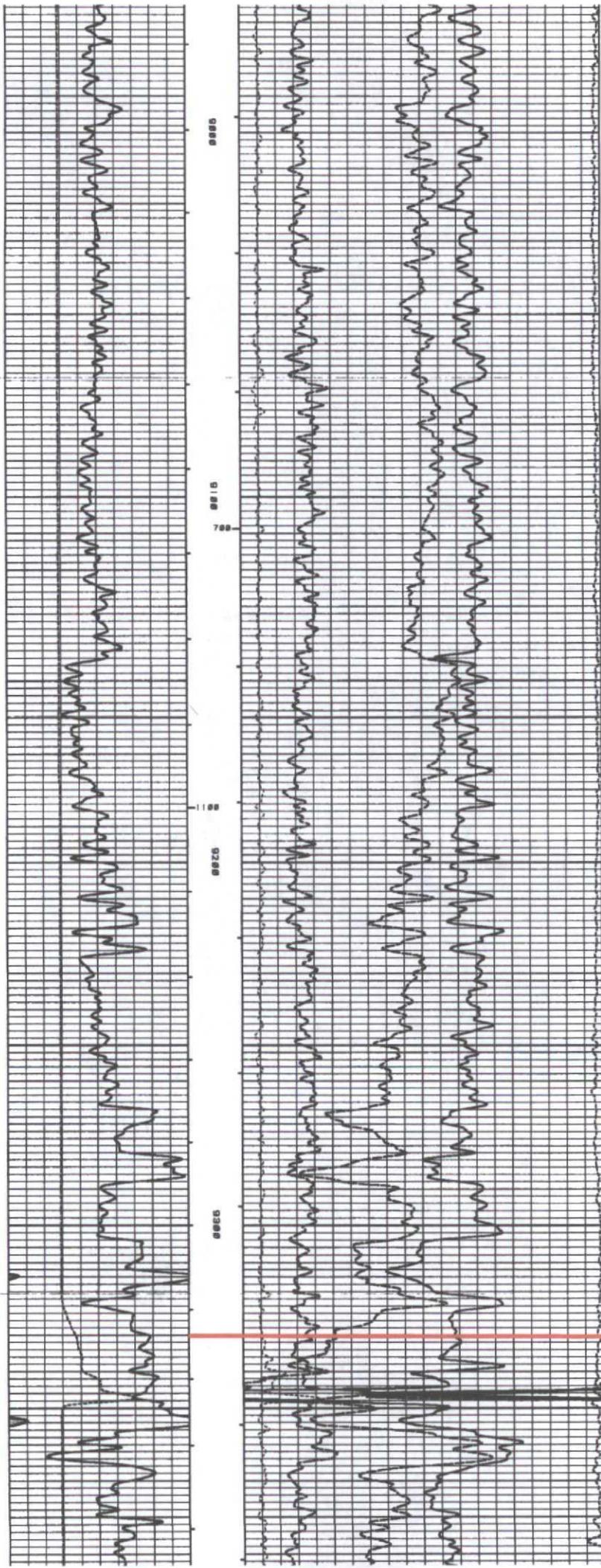
UC ID
4/12/19
17

Sub inject
8500'
9100' (11' hole)

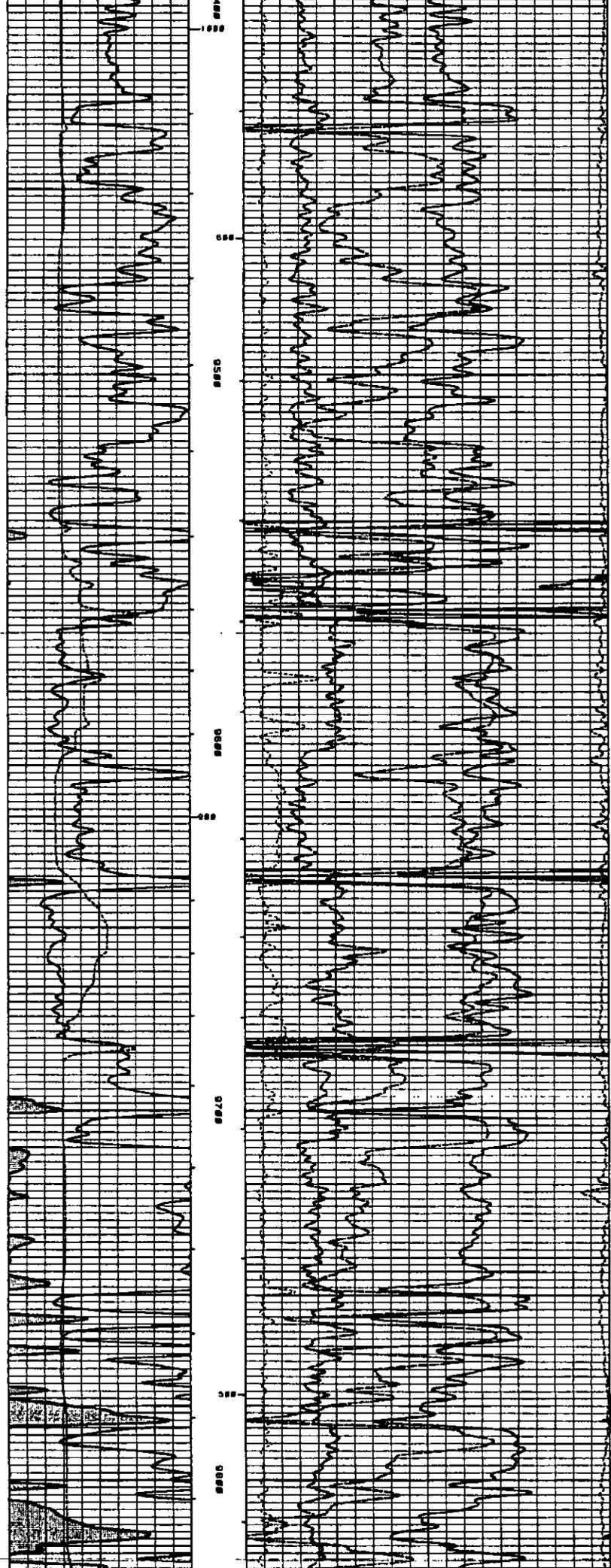


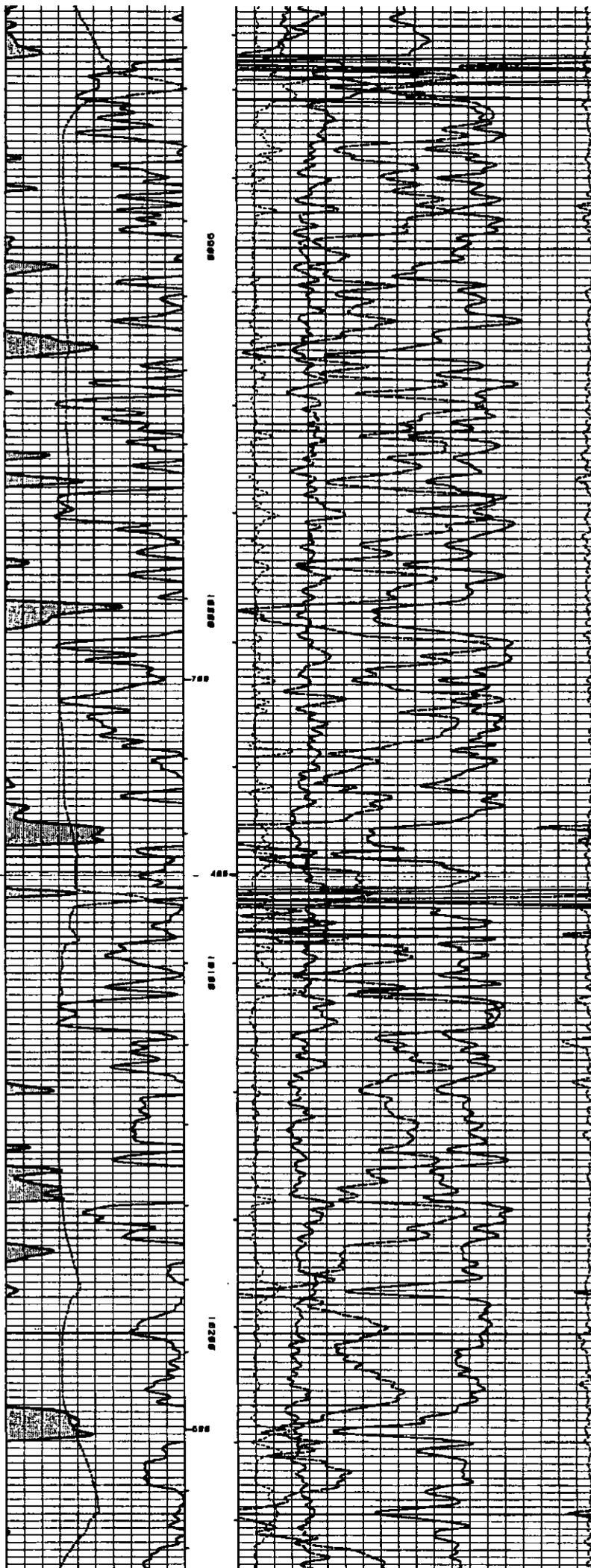
MAXIMUM TOP
OF INTERVAL
8300'





MAXIMUM
BOTTOM
OF INTERVAL
9930'





C-108 ITEM VII – PROPOSED OPERATION

The Sand Tank '32' State Well No.1 SWD will be operated as a commercial disposal service to area operators to facilitate in disposal of produced water from typical producing formations in the area. (Samples are included in this application from San Andres, Delaware and Morrow formation waters - chlorides and TDS are relative compatible with Wolfcamp, Cisco and Canyon formation waters.)

The system will be closed utilizing a tank battery facility located on the well site.

Injection pressure will be 1660 psi with rates limited only by that pressure. In the future, Ray Westall Operating, Inc. may opt to conduct a step rate test if it is determined that greater rates may be required. This would be submitted to OCD as a request to increase the injection pressure.

Routine maintenance will be ongoing and any releases will be reported within 24 hours to OCD on form C-141 pursuant to various portions of 19.15.30 NMAC.

The facility will not be manned but will be available to Ray Westall's customers 24/7. The facility will be available for inspections at any time deemed necessary by OCD.

C-108 - Item VIII

Geological Data

The Wolfcamp is a light gray-brown fine to medium crystalline fossiliferous limestone with inter-crystalline vugular porosity interbedded with gray shale. Additional porosity can be found when the well bore encounters detrital carbonates which were shed off shelf and foreslope areas and transported down the Wolfcamp paleoslope.

The Canyon Formation (Upper Penn) similar to the Wolfcamp is a gray micritic (fine grained) fossiliferous limestone with vugular porosity. The reservoirs in this area are usually limited in size with up dip porosity loss due to shelf margin carbonate build up.

The combined zones offer good porosity in the proposed injection interval located from 8300' to 9930' with very good porosity interspersed throughout the overall interval.

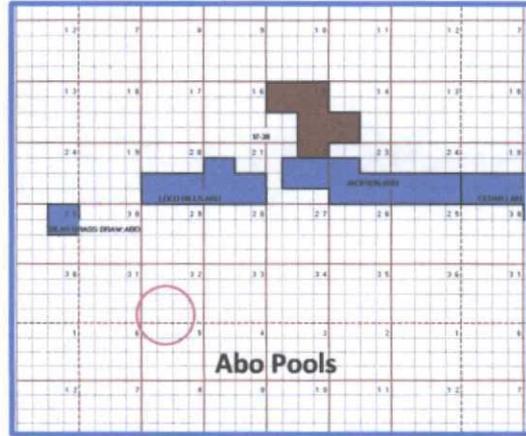
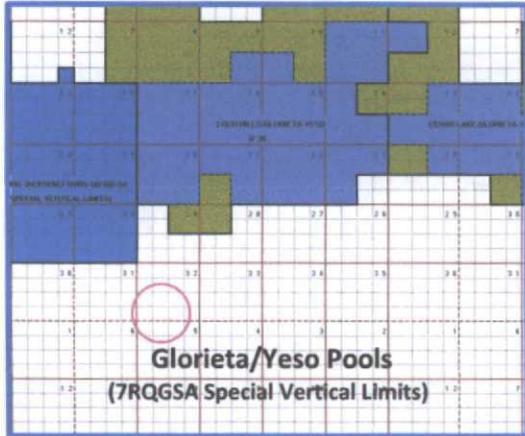
The Wolfcamp is overlain by the Abo then Yeso and Glorieta then upwards to San Andres and Grayburg above. The [Penn] Cisco and Canyon is underlain by Strawn and then the Atoka.

Fresh water in the area is generally available from the Santa Rosa formation. State Engineer's records show one water well in Section 20, T17S, 30E (6 miles distant) with a depth to water of 80 feet. Generally, depth to water in this area of Eddy County is 150 to 200 feet.

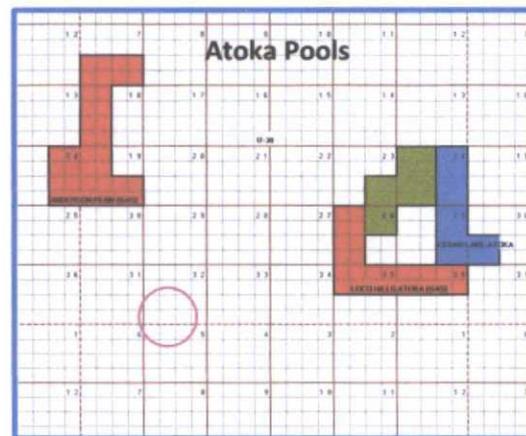
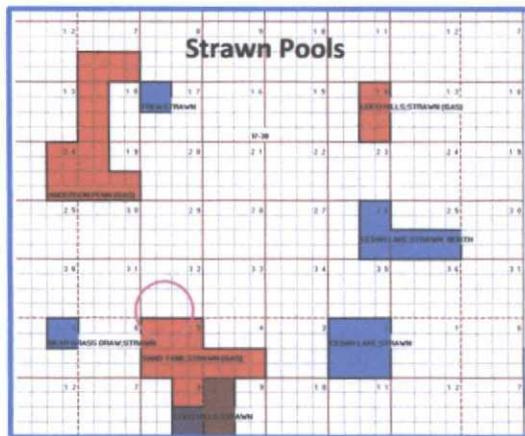
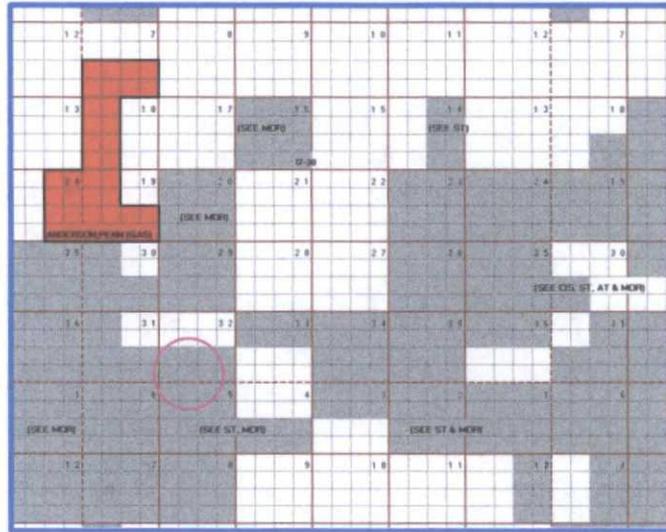
There are no water wells located within one mile of the proposed SWD.

**C-108 – Item VIII – Geologic Data
SUPPLEMENTAL INFORMATION – POOL DATA**

In a two township area (17-30 & 17-31), there are 21 existing SWDs in the Wolfcamp including 6 with the Canyon combined.



No Wolfcamp Pools in area; only 1 Penn (including Cisco and Canyon)



C-108 - Item VII.5

Water Analysis - Disposal Zone



Water Analysis

Date: 2/24/2005

2401 Sivley, Artesia NM 88210
 Phone (505) 746-3160 Fax (505) 746-2293

Analyzed For

Company	Well Name	County	State
Westall	State G#1	Eddy	New Mexico

Sample Source

Sample # 1

Formation

Canyon

Depth

Specific Gravity	1.080	SG @ 60 °F	1.051
pH	6.30	Sulfides	Not Tested
Temperature (°F)	65	Reducing Agents	Not Tested

Cations

Sodium (Calc)	in Mg/L	9,518	in PPM	9,058
Calcium	in Mg/L	5,600	in PPM	5,328
Magnesium	in Mg/L	248	in PPM	228
Soluble Iron (FE2)	in Mg/L	300.0	in PPM	285

Anions

Chlorides	in Mg/L	24,000	in PPM	22,835
Sulfates	in Mg/L	2,000	in PPM	1,803
Bicarbonates	in Mg/L	186	in PPM	178
Total Hardness (as CaCO3)	in Mg/L	15,000	in PPM	14,272
Total Dissolved Solids (Calc)	in Mg/L	41,844	in PPM	39,813
Equivalent NaCl Concentration	in Mg/L	38,410	in PPM	36,540

Scaling Tendencies

*Calcium Carbonate Index 1,039,864

Below 500,000 Remote / 500,000 - 1,000,000 Possible / Above 1,000,000 Probable

*Calcium Sulfate (Gyp) Index 11,200,000

Below 500,000 Remote / 500,000 - 10,000,000 Possible / Above 10,000,000 Probable

*This Calculation is only an approximation and is only valid before treatment of a well or several weeks after treatment.

Remarks FAX 877-2281

C-108 - Item VII.4

Water Analysis - Source Water - SAN ANDRES

B J Services Water Analysis

Artists District Laboratory
(505)-746-3140

Date: 6-Nov-00 Test #:
 Company: SDX Resources Well #:
 Lessor: Chalk Federal #2 County: Eddy
 State: N.M. Formation: San Andres
 Depth: 2900 Source:

pH:	6.51	Temp (F):	66.3
Specific Gravity	1.12		

CATIONS	mg/l	mmol	ppm
Sodium (calc.)	64502	2370.7	48962
Calcium	3208	160.1	2854
Magnesium	1458	120.0	1302
Barium	< 25	---	---
Potassium	< 10	---	---
Iron	3	0.1	2

ANIONS	mg/l	mmol	ppm
Chloride	63000	2823.4	83036
Sulfate	1071	22.8	957
Carbonate	< 1	---	---
Bicarbonate	678	14.4	784
Total Dissolved Solids (calc.)	154120		157607
Total Hardness as CaCO3	14014	280.0	12513

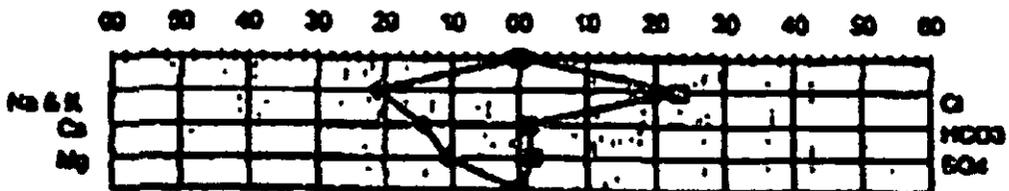
COMMENTS:

Req 0.0647 @ 61.1 deg.

SCALE ANALYSIS:

CaCO3 Factor 2817807 Calcium Carbonate Scale Probability -> Probabl
 CaSO4 Factor 3849800 Calcium Sulfate Scale Probability -> Probabl

SDS Plot



C-108 - Item VII.4

Water Analysis - Source Water - DELAWARE



Water Analysis

Date: 11-Jan-05

2788 West County Road, Hobbs NM 88240

Phone (505) 392-3336 Fax (505) 392-7307

Analyzed For

Devon	Spud 16 State #1	Las	New Mexico
-------	------------------	-----	------------

Sample Source	Sample	Sample #	1
Formation	Depth		
Specific Gravity	1.185	SG @ 60 °F	1.185
pH	8.98	Sulfides	Absent
Temperature (°F)	65	Reducing Agents	

Cations

Sodium (Calc)	in Mg/L	73,985	in PPM	61,869
Calcium	in Mg/L	34,800	in PPM	28,428
Magnesium	in Mg/L	5,040	in PPM	4,214
Soluble Iron (FE2)	in Mg/L	50.9	in PPM	42

Anions

Chlorides	in Mg/L	185,000	in PPM	157,191
Sulfates	in Mg/L	650	in PPM	460
Bicarbonates	in Mg/L	78	in PPM	65
Total Hardness (as CaCO3)	in Mg/L	186,000	in PPM	158,629
Total Dissolved Solids (Calc)	in Mg/L	391,783	in PPM	322,269
Equivalent NaCl Concentration	in Mg/L	284,733	in PPM	212,968

Scaling Tendencies

*Calcium Carbonate Index 2,654,720

Below 500,000 Remote / 500,000 - 1,000,000 Possible / Above 1,000,000 Probable

*Calcium Sulfate (Gyp) Index 18,700,000

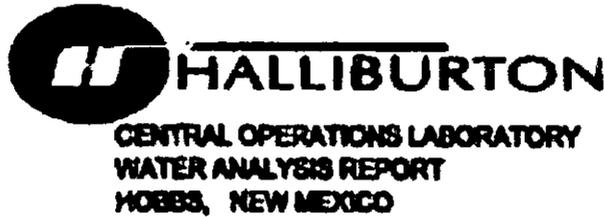
Below 500,000 Remote / 500,000 - 10,000,000 Possible / Above 10,000,000 Probable

This Calculation is only an approximation and is only valid before treatment of a well or several weeks after treatment.

Remarks rv=0.40@63f

C-108 - Item VII.4

Water Analysis - Source Water - MORROW



COMPANY Marbob

REPORT DATE WD2-128
June 18, 2002
 DISTRICT Hobbs

SUBMITTED BY Jim Trala

WELL Ruger SL #1 DEPTH _____ FORMATION _____
 COUNTY _____ FIELD _____ SOURCE _____

SAMPLE Morrow Prod. Water

Sample Temp.	<u>84</u>	°F	_____	_____	_____	_____
RESISTIVITY	<u>0.13</u>	_____	_____	_____	_____	_____
SPECIFIC GR.	<u>1.040</u>	_____	_____	_____	_____	_____
pH	<u>8.89</u>	_____	_____	_____	_____	_____
CALCIUM	<u>4,500</u>	mg/l	_____	_____	_____	_____
MAGNESIUM	<u>6,500</u>	mg/l	_____	_____	_____	_____
CHLORIDE	<u>34,000</u>	mg/l	_____	_____	_____	_____
SULFATES	<u>800</u>	mg/l	_____	_____	_____	_____
BICARBONATES	<u>18</u>	mg/l	_____	_____	_____	_____
SOLUBLE IRON	<u>0</u>	mg/l	_____	_____	_____	_____
Sodium	_____	mg/l	<u>0</u>	_____	<u>0</u>	_____
TDS	_____	mg/l	<u>0</u>	_____	<u>0</u>	_____
OIL GRAVITY	<u>0</u>	_____	<u>0</u>	_____	<u>0</u>	_____

REMARKS _____

MP/L = Milligrams per Liter
 Resistivity measured in: Ohm-cm/25cm

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 persons and employees thereof receiving such report from Halliburton Co.

ANALYST: Mike Amstrong

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.

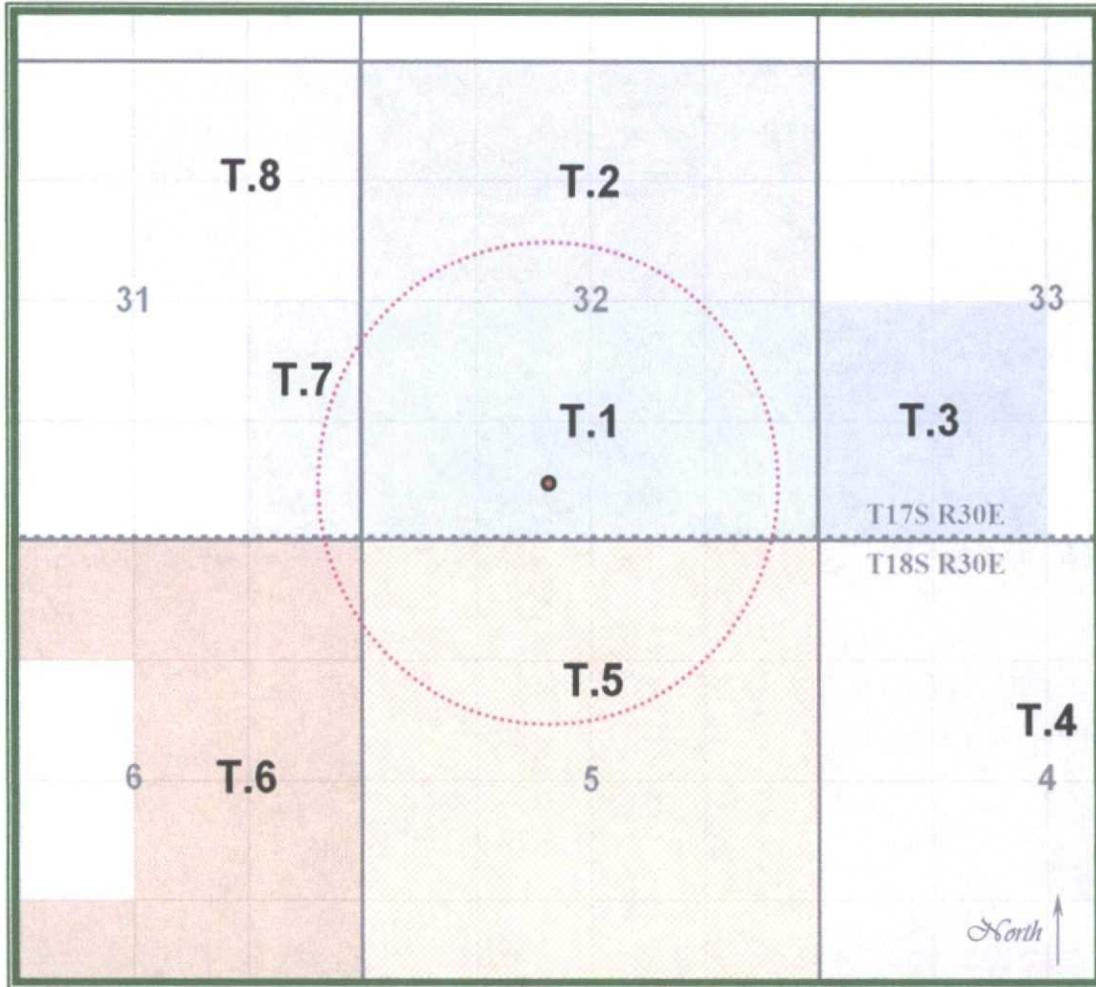


Ben Stone, Partner
SOS Consulting, LLC

Project: Ray Westall Operating, Inc.
Sand Tank '32' State Com Well No.1
Reviewed 3/10/2015

Sand Tank '32' State Com Well No.1 - Leasehold Plat

(Attachment to NMOCD Form C-108, Application for Authority to Inject.)



RAY WESTALL OPERATING, INC.

LEGEND

- T.1 – VB-1749-0000 – Yates Petroleum Corporation
- T.2 – VB-2494-0000 – MRC Permian Company
- T.3 – NMNM-0557859 – ConocoPhillips Company
- T.4 – NMNM-0001159 – EOG Resources, Inc., Read & Stevens, Inc.
- T.5 – NMLC-0046256A,C – EOG Resources, Inc., The Aston Family, LP, others
- T.6 – NMNM-0021095 – EOG Resources, Inc., Read & Stevens, Inc., others
- T.7 – NMLC-0028936G – EOG Resources, Inc., Read & Stevens, Inc.
- T.8 – NMLC-0060529 – ConocoPhillips Company

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

SURFACE & MINERALS OWNER

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

OFFSET MINERALS LESSEES and OPERATORS (All Notified via USPS Certified Mail)

State Lease VB-1749-0000

Lessee

- 1 YATES PETROLEUM CORPORATION
105 South 4th Street
Artesia, NM 88201

State Lease VB-2494-0000

Lessee

- 2 MRC PERMIAN COMPANY
Attn: Nathan Pekar
5400 LBJ Freeway, Ste.1500
Dallas, TX 75240

Operator

YATES PETROLEUM CORPORATION
105 South 4th Street
Artesia, NM 88201

BLM Leases NMNM-0557859; NMLC-0060529

Lessee

- 3 CONOCOPHILLIPS COMPANY
P.O. Box 7500
Bartlesville, OK 70004-7500

Operator

YATES PETROLEUM CORPORATION
105 South 4th Street
Artesia, NM 88201

BLM Leases NMNM-0001159; NMLC-0028936G

Lessees

- 4 EOG RESOURCES, INC.
P.O. Box 2267
Midland, TX 79702
- 5 READ & STEVENS, INC.
P.O. Box 1518
Roswell, NM 88202-1518

**C-108 ITEM XIII – PROOF OF NOTIFICATION
INTERESTED PARTIES LIST (cont.)**

BLM Lease NMLC-0028936G (cont.)

Operator

YATES PETROLEUM CORPORATION
105 South 4th Street
Artesia, NM 88201

BLM Lease NMLC-0046256A; NMNM-0021095

Lessees

EOG RESOURCES, INC.
P.O. Box 2267
Midland, TX 79702

- 6 THE ASTON FAMILY, LP
P.O. Box 830308
Dallas, TX 75283

READ & STEVENS, INC.
P.O. Box 1518
Roswell, NM 88202-1518

Operator

YATES PETROLEUM CORPORATION
105 South 4th Street
Artesia, NM 88201

OFFSET MINERALS OWNER

- 7 U.S. DEPARTMENT OF INTERIOR
Bureau of Land Management
Oil & Gas Division
620 E. Greene St.
Carlsbad, NM 88220

REGULATORY

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

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)
811 S. First St.
Artesia, NM 88210



March 11, 2015

NOTIFICATION TO INTERESTED PARTIES

via U.S. Certified Mail

To Whom It May Concern:

Ray Westall Operating, Inc., Loco Hills, New Mexico, has made application to the New Mexico Oil Conservation Division to convert for salt water disposal its Sand Tank '32' State Com Well No.1. The proposed commercial operation will be for produced water disposal from area operators. As indicated in the notice below, the well is located in Section 32, Township 17 South, Range 30 East in Eddy County, New Mexico.

The published notice states that the interval will be from 8300 feet to 9930 feet.

Following is the notice published in the Artesia Daily Press, Artesia, New Mexico on or about March 12, 2015

LEGAL NOTICE

Ray Westall, Inc., P.O. Box 4, Loco Hills, NM 88255 is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division for administrative approval to permit for salt water disposal in its Sand Tank '32' State Com Well No.1. The well, API No.30-015-28960 is located 660 FSL & 1980 FWL in Section 32, Township 17 South, Range 30 East in Eddy County, New Mexico. Produced water from area production will be commercially disposed into the Wolfcamp and Canyon formations through selected perforated intervals between a maximum applied for top of 8300 feet to maximum depth of 9930 feet and based on further log analysis. Maximum injection pressure will be 1660 psi with 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 or, email info@sosconsulting.us.

You have been identified as a party who may be interested as an offset lessee or operator.

You are entitled to a full copy of the application. A full copy in PDF format on a mini-CD will be arriving within a few days of this notice. If you do not receive it, please call or email SOS Consulting, LLC at 903-488-9850, info@sosconsulting.us, and a copy will be expedited to you and may also be sent via email if preferred.

Thank you for your attention in this matter.

Best regards,

A handwritten signature in black ink, appearing to read "Ben Stone". The signature is fluid and cursive, with the first name "Ben" and last name "Stone" clearly distinguishable.

Ben Stone, SOS Consulting, LLC
Agent for Ray Westall Operating, Inc.

Cc: Application File

C-108 - Item XIV

Proof of Notice (Certified Mail Receipts)

7014 0510 0001 2766 3120

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Total Postage & Fees	\$ 649

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YATES PETROLEUM CORP.
 105 South 4th Street
 Artesia, NM 88201

PS Form 3849, October 2011

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MRC PERMIAN COMPANY
 Attn: Nathan Pekar
 5400 LBJ Freeway, Ste. 1500
 Dallas, TX 75240

PS Form 3849, October 2011

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CONOCOPHILLIPS
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 Bartlesville, OK 77005-7500

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EOG RESOURCES, INC.
 P.O. Box 2267
 Midland, TX 79702

PS Form 3849, October 2011

C-108 - Item XIV

Proof of Notice (Certified Mail Receipts - cont.)

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USPS, INC.
 P.O. Box 1518
 Roswell, NM 88202-1518

PS Form 3800, June 2008

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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 649

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 MAR 12 2015

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USPS
 THE ASTON FAMILY, LP
 P.O. Box 830308
 Dallas, TX 75283

PS Form 3800, June 2008

7014 0510 0001 2766 3182

U.S. Postal Service™
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Return Receipt Fee (Endorsement Required)	270
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 649

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 COMO TX 75437
 MAR 12 2015

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 Street, Ap or PO Box
 City, State

USPS
 BUREAU OF LAND MANAGEMENT
 Oil & Gas Division
 620 E. Greene St.
 Carlsbad, NM 88220

PS Form 3800, June 2008

Form C-108 Item VI - Tabulation of AOR Wells

Top of Proposed WOLFCAMP Interval 8300'

Wells which penetrate proposed interval.

API Number	Current Operator	Well Name	Well No.	Type	Lease	Status	ULSTR	Depth	Plugged Dt.
Subject Well									
30-015-28960	[7377] EOG RESOURCES INC	SAND TANK 32 STATE COM	#001	Gas	State	P&A	N-32-175-30E	11457' PB	2/4/2009
	Change of Operator Underway	11.75" (14.75" hole) @ 666' w/ 350sx - circ ; 8.625" (11" hole) @ 4006' w/ 1350sx - circ ; 5.5" (7.875" hole) @ 11506' w/ 1550sx - TOC @ 4725' calc.							
Section 32 Wells									
30-015-04434	[25575] YATES PETROLEUM CORPORATION	SCHEURICH A	#005	Oil	State	P&A	E-32-175-30E	2900'	9/20/2002
30-015-04435	[25575] YATES PETROLEUM CORPORATION	SCHEURICH A	#007	Oil	State	P&A	E-32-175-30E	3100'	7/11/2002
30-015-04428	[25575] YATES PETROLEUM CORPORATION	SCHEURICH A	#001	Oil	State	P&A	E-32-175-30E	2893'	7/18/2002
30-015-04422	[25575] YATES PETROLEUM CORPORATION	SCHEURICH B	#006	Oil	State	P&A	F-32-175-30E	2893'	12/5/2002
30-015-04436	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#008	Oil		P&A	F-32-175-30E	3112'	1/1/1900
30-015-04426	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#002	Oil	State	P&A	G-32-175-30E	2882'	1/1/1900
30-015-04420	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#002	Oil		P&A	J-32-175-30E	3160'	1/1/1900
30-015-29513	[119305] RAY WESTALL OPERATING, INC.	SAND TANK 32 STATE COM	#002	SWD	State	Active	J-32-175-30E	11750'	
		11.75" (14.75" hole) @ 656' w/ 465sx - circ ; 8.625" (11" hole) @ 4002' w/ 1300sx - circ ; 7" (7.875" hole) @ 9399' w/ 210sx - TOC @ 7950'							
30-015-04421	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#001	Oil		P&A	K-32-175-30E	2934'	1/1/1900
30-015-04437	[25575] YATES PETROLEUM CORPORATION	SCHEURICH	#004	Oil	State	P&A	K-32-175-30E	2886'	7/15/2002
30-015-04438	[25575] YATES PETROLEUM CORPORATION	SCHEURICH	#003	Oil	State	P&A	L-32-175-30E	2887'	7/24/2002
30-015-04461	[25575] YATES PETROLEUM CORPORATION	SCHEURICH	#009	Oil	State	P&A	L-32-175-30E	2922'	7/17/2002
30-015-38957	[25575] YATES PETROLEUM CORPORATION	QUALIFIER BQX STATE	#001H	Oil	State	New	M-32-175-30E	10560'	
		13.375" (17.5" hole) @ 400' w/ 425sx - circ.; 9.625" (12.25" hole) @ 1000' w/ 425sx - circ ; 5.5" (8.75" hole) @ 7762' w/ 733sx - TOC @ 500'; 5.5" (7.875" hole) @ 10560' w/ 750sx - TOC @ 6000'							
30-015-04423	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#005	Oil		P&A	M-32-175-30E	2867'	1/1/1900
30-015-04424	[25575] YATES PETROLEUM CORPORATION	STATE BX	#005	Oil	State	P&A	M-32-175-30E	2858'	8/3/1995
30-015-04439	[25575] YATES PETROLEUM CORPORATION	TALLMADGE	#001	Oil	State	P&A	N-32-175-30E	2870'	6/4/2003
30-015-04432	[25575] YATES PETROLEUM CORPORATION	TALLMADGE	#004	Injection	State	P&A	N-32-175-30E	2905'	8/27/1986
30-015-28960	[7377] EOG RESOURCES INC	SAND TANK 32 STATE COM (Subject Well)	#001	Gas	State	P&A	N-32-175-30E	11725'	2/4/2009
30-015-04431	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#006	Oil		P&A	P-32-175-30E	3698'	1/1/1900
Section 5 Wells									
30-015-04469	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#004	Oil	Federal	P&A	B-5-185-30E	2885'	1/1/1900
30-015-04468	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#003	Oil	Federal	P&A	C-5-185-30E	2866'	1/1/1900
30-015-04467	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#002	Oil	Federal	P&A	D-5-185-30E	2860'	1/1/1900
30-015-28691	[7377] EOG RESOURCES INC	SAND TANK 5 FEDERAL COM	#001	Gas	Federal	Active	F-5-185-30E	11747'	
		11.75" (14.75" hole) @ 658' w/ 450sx - circ.; 8.625" (11" hole) @ 4205' w/ 1306sx - circ.; 5.5" (7.875" hole) @ 11513' w/ 855sx - TOC @ 3700'							
Section 31 Wells									
30-015-04397	[25575] YATES PETROLEUM CORPORATION	BRIGHAM	#003	Oil	Federal	P&A	P-31-175-30E	2870'	1/1/1900

SUMMARY: 3 wells penetrate proposed disposal interval. 0 P&A.



C-108 ITEM XIII – PROOF OF NOTIFICATION

Regulatory Filings

Ray Westall Operating, LLC

Sand Tank '32' State Com No.1 SWD

C-108 sent 3/13/2015

FedEx Tracking Nos.

OCD SF – 7731 2482 0822

OCD Art – 7731 2484 9968

SLO – 7731 2487 1731

I hereby certify that a full copy of the subject C-108 application was sent to the applicable regulatory agencies as indicated above.



Ben Stone, Partner

SOS Consulting, LLC

Agent for Owl SWD Operating, LLC

C-108 - Item XIV

Proof of Notice – Legal Notice
Newspaper of General Circulation

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Published in the Artesia Daily Press, Artesia, N.M., March 12, 2015 Legal No. 23378.

The above is the "Proof Copy" sent from the Artesia Daily Press.
The affidavit of publication will be forwarded as soon as it is received.

From: (903) 488-9850
Benjamin Stone
SOS Consulting, LLC
1950 CR 2331

Origin ID: TYRA



J151215022303uv

Coma, TX 75431

Ship Date: 13MAR15
ActWgt: 0.5 LB
CAD: 100120607/NET3610

Delivery Address Bar Code



SHIP TO: (505) 827-5791

BILL SENDER

Terry Warnell
NM State Land Office - Oil & Gas
310 OLD SANTA FE TRL

Ref # RWO Sand Tank SWD
Invoice #
PO #
Dept #

SANTA FE, NM 87501

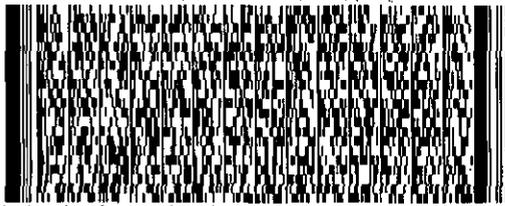
COMPLETED

TUE - 17 MAR 4:30P

** 2DAY **

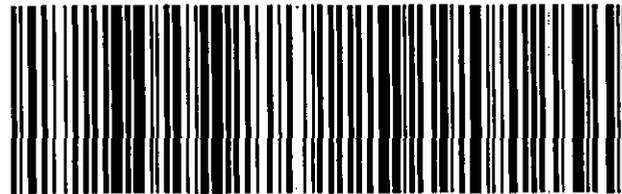
TRK# 7731 2487 1731

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C-108 Review Checklist: Received 8/12/2015 Add. Request: 5/07/2015 Reply Date: _____ Suspended: _____ [Ver 13]

PERMIT TYPE: WFX / PMX / SWD Number: 155 Permit Date: _____ Legacy Permits/Orders: _____

Well No. 1 Well Name(s): SAND TANK '32' STATE COLLEGE SWD

API: 30-0 15-28560 Spud Date: 8/22/1956 New or Old: N (UIC Class II Primacy 03/07/1982)

Footages 660 FSL 1980 FLL Lot _____ or Unit N Sec 32 Tsp 17S Rge 30E County Eddy

General Location: 215 W MALJAMAN RAY Pool: SWD, WOLFCAMP-CISCO Pool No.: 96136

BLM 100K Map: Hobbs Operator: WESTCO OPERATING, INC. OGRID: 119305 Contact: BEN STONE

COMPLIANCE RULE 5.9: Total Wells: 93 Inactive: 0 Fincl Assur: Y Compl. Order? N/A IS 5.9 OK? Y Date: 5-07-2015

WELL FILE REVIEWED Current Status: P&A

WELL DIAGRAMS: NEW: Proposed or RE-ENTER: Before Conv. After Conv. Logs in Imaging: Y

Planned Rehab Work to Well: _____

Well Construction Details:	Sizes (in) Borehole / Pipe	Setting Depths (ft)	Cement (Sx or Cf)	Cement Top and Determination Method
Planned ___ or Existing ___ Surface	<u>14 3/4 / 11 3/4"</u>	<u>666</u>	<u>350</u>	<u>Surf Fall / Visual</u>
Planned ___ or Existing ___ Intern/Prod				
Planned ___ or Existing ___ Intern/Prod	<u>11 / 9 3/4"</u>	<u>4006</u>	<u>1350</u>	<u>Surf Fall / Visual</u>
Planned ___ or Existing ___ Prod/Liner	<u>7 7/8 / 5 1/2"</u>	<u>11506</u>	<u>1350</u>	<u>4750 / CALL</u>
Planned ___ or Existing ___ Liner				
Planned ___ or Existing ___ OH (PERF)	<u>8300 - 9930</u>			

Injection Stratigraphic Units:	Depths (ft)	Injection or Confining Units	Tops	Completion/Operation Details:
Adjacent Unit: Litho. Struc. Por.		<u>WOLFCAMP</u>	<u>8300</u>	Drilled TD <u>11725</u> PBTD <u>9450</u>
Confining Unit: Litho. Struc. Por.		<u>3rd BS</u>	<u>8146</u>	NEW TD _____ NEW PBTD <u>9250/10100</u>
Proposed Inj Interval TOP:	<u>8300</u>	<u>Penetration - STRAIN</u>	<u>9900</u>	NEW Open Hole <input type="checkbox"/> or NEW Perfs <input checked="" type="checkbox"/>
Proposed Inj Interval BOTTOM:	<u>9930</u>		<u>10350</u>	Tubing Size <u>2 3/8</u> in. Inter Coated? <u>Y</u>
Confining Unit: Litho. Struc. Por.				Proposed Packer Depth <u>8205</u> ft
Adjacent Unit: Litho. Struc. Por.				Min. Packer Depth <u>8200</u> (100-ft limit)
				Proposed Max. Surface Press. <u>1600</u> psi
				Admin. Inj. Press. <u>1600</u> (0.2 psi per ft)

AOR: Hydrologic and Geologic Information

POTASH: R-111-P Noticed? _____ BLM Sec Ord WIPP Noticed? _____ SALT/SALADO T: _____ B: _____ CLIFF HOUSE

FRESH WATER: Aquifer Alluvial Max Depth 80' HYDRO AFFIRM STATEMENT By Qualified Person

NMOSE Basin: Roswell Artesian CAPITAN REEF: thru adj NAD No. Wells within 1-Mile Radius? N/A FW Analysis

Disposal Fluid: Formation Source(s) San Andres, Delaware, Permian Analysis? Y On Lease Operator Only or Commercial

Disposal Int: Inject Rate (Avg/Max BWPD): _____ Protectable Waters? N Source: _____ System: Closed or Open

HC Potential: Producing Interval? N Formerly Producing? _____ Method: Logs/DST/P&A/Other P&A 2-Mile Radius Pool Map

AOR Wells: 1/2-M Radius Map? Y Well List? _____ Total No. Wells Penetrating Interval: 3 Horizontals? 0

Penetrating Wells: No. Active Wells 2 Num Repairs? _____ on which well(s)? _____ Diagrams? 0

Penetrating Wells: No. P&A Wells 1 Num Repairs? _____ on which well(s)? _____ Diagrams? 0

NOTICE: Newspaper Date 3-12-2015 Mineral Owner NMSLO Surface Owner NMSLO N. Date 3-17-2015

RULE 26.7(A): Identified Tracts? Y Affected Persons: HATES POTASH CO., EOG, READ STEVENS N. Date 3-12-2015

Permit Conditions: Issues: ~~...~~ SAND TANK '32' STATE COLLEGE #1

Add Permit Cond: _____

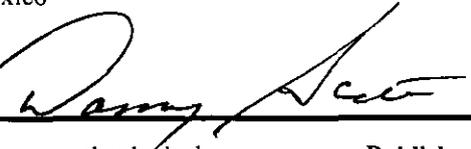
Affidavit of Publication

No. 23378

State of New Mexico

County of Eddy:

Danny Scott



being duly sworn, says that he is the

Publisher

of the Artesia Daily Press, a daily newspaper of General circulation, published in English at Artesia, said county and state, and that the hereto attached

Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 Consecutive weeks/day on the same

day as follows:

First Publication March 12, 2015

Second Publication _____

Third Publication _____

Fourth Publication _____

Fifth Publication _____

Sixth Publication _____

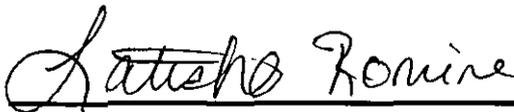
Subscribed and sworn before me this

12th day of March 2015



OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 5/12/2015



Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:

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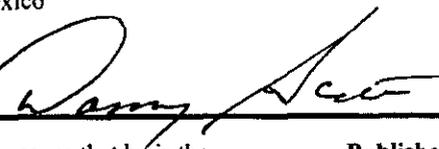
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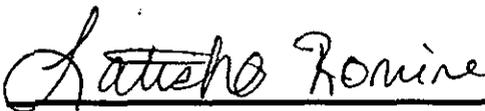
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Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO

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Latisha Romine

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