

ABOVE THIS LINE FOR DIVISION USE ONLY

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



ADMINISTRATIVE APPLICATION CHECKLIST

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

Application Acronyms:

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

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

Print or Type Name _____ Signature _____ Title _____ Date _____

_____ e-mail Address _____

RECEIVED

NOV 14 2005

APPLICATION FOR AUTHORIZATION TO INJECT

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

II. OPERATOR: RAY WESTALL
ADDRESS: Box 4 Loco Hills, NEW MEXICO 88255
CONTACT PARTY: RANDALL HARRIS PHONE: 505 677-2370

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

IV. Is this an expansion of an existing project? _____ Yes No
If yes, give the Division order number authorizing the project: _____

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

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

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

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

IX. Describe the proposed stimulation program, if any.

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

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

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

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

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: RANDALL HARRIS TITLE: GEOLOGIST

SIGNATURE: [Signature] DATE: 11/3/05

E-MAIL ADDRESS: _____

* 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

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.

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.

INJECTION WELL DATA SHEET

OPERATOR: RAYNE STALL

WELL NAME & NUMBER: POCENSKI FED #2

30-025-35340

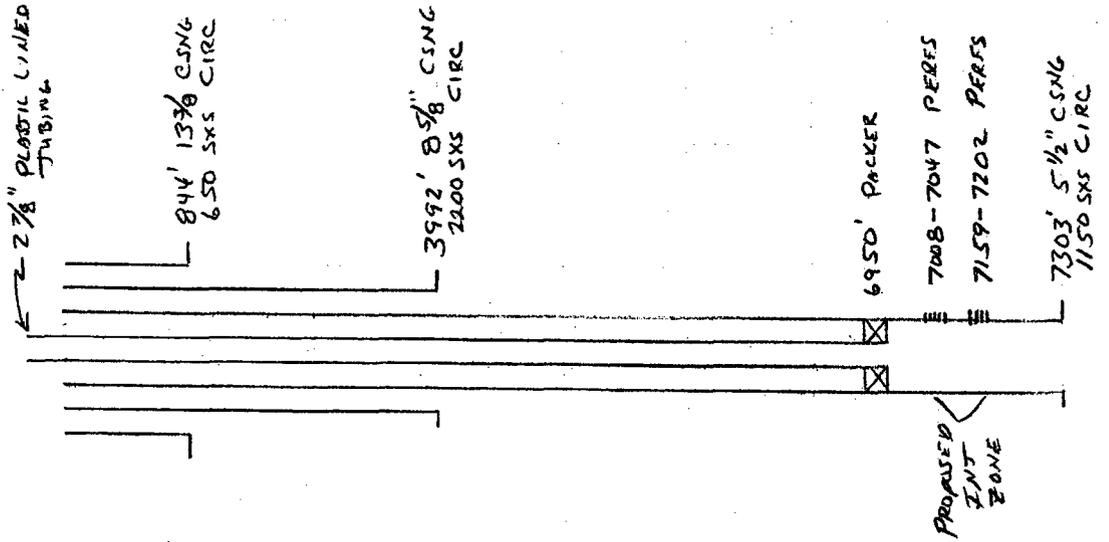
WELL LOCATION: 990' FNL & 1658' FWL

31 SECTION 195 TOWNSHIP 32 E RANGE

UNIT LETTER C

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA
Surface Casing



Hole Size: 17 1/2 Casing Size: 13 3/8 ft³

Cemented with: 650 sx. or or ft³

Top of Cement: SURFACE Method Determined: CIRCULATED

Intermediate Casing

Hole Size: 11 Casing Size: 8 5/8 ft³

Cemented with: 2200 sx. or or ft³

Top of Cement: SURFACE Method Determined: CIRC

Production Casing

Hole Size: 7 7/8 Casing Size: 5 1/2 ft³

Cemented with: 1150 sx. or or ft³

Top of Cement: SURFACE Method Determined: CIRC

Total Depth: 7303 (DELAWARE Injection Interval) feet to 7202 PERFORATED

7008

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8 Lining Material: PLASTIC
Type of Packer: BAKER LOC-SET
Packer Setting Depth: 6950
Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? Yes No
If no, for what purpose was the well originally drilled? OIL
2. Name of the Injection Formation: DELAWARE
3. Name of Field or Pool (if applicable): Luck DELAWARE WEST
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. _____
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: MORROW 12,000 +

ATTACHMENT VI

Data on all wells of public record within the area of review. Included are schematics of the plugged wells that penetrated the proposed injection zone within the area of review.

| | | | | | | | | | |
|--|---|---|---|---|---|---|---|---|--|
| <p>1. Devon Energy 2. Devon Energy 3. Devon Energy 4. Devon Energy 5. Devon Energy 6. Devon Energy 7. Devon Energy 8. Devon Energy 9. Devon Energy 10. Devon Energy</p> | <p>11. Devon Energy 12. Devon Energy 13. Devon Energy 14. Devon Energy 15. Devon Energy 16. Devon Energy 17. Devon Energy 18. Devon Energy 19. Devon Energy 20. Devon Energy</p> | <p>21. Devon Energy 22. Devon Energy 23. Devon Energy 24. Devon Energy 25. Devon Energy 26. Devon Energy 27. Devon Energy 28. Devon Energy 29. Devon Energy 30. Devon Energy</p> | <p>31. Devon Energy 32. Devon Energy 33. Devon Energy 34. Devon Energy 35. Devon Energy 36. Devon Energy 37. Devon Energy 38. Devon Energy 39. Devon Energy 40. Devon Energy</p> | <p>41. Devon Energy 42. Devon Energy 43. Devon Energy 44. Devon Energy 45. Devon Energy 46. Devon Energy 47. Devon Energy 48. Devon Energy 49. Devon Energy 50. Devon Energy</p> | <p>51. Devon Energy 52. Devon Energy 53. Devon Energy 54. Devon Energy 55. Devon Energy 56. Devon Energy 57. Devon Energy 58. Devon Energy 59. Devon Energy 60. Devon Energy</p> | <p>61. Devon Energy 62. Devon Energy 63. Devon Energy 64. Devon Energy 65. Devon Energy 66. Devon Energy 67. Devon Energy 68. Devon Energy 69. Devon Energy 70. Devon Energy</p> | <p>71. Devon Energy 72. Devon Energy 73. Devon Energy 74. Devon Energy 75. Devon Energy 76. Devon Energy 77. Devon Energy 78. Devon Energy 79. Devon Energy 80. Devon Energy</p> | <p>81. Devon Energy 82. Devon Energy 83. Devon Energy 84. Devon Energy 85. Devon Energy 86. Devon Energy 87. Devon Energy 88. Devon Energy 89. Devon Energy 90. Devon Energy</p> | <p>91. Devon Energy 92. Devon Energy 93. Devon Energy 94. Devon Energy 95. Devon Energy 96. Devon Energy 97. Devon Energy 98. Devon Energy 99. Devon Energy 100. Devon Energy</p> |
|--|---|---|---|---|---|---|---|---|--|

ATTACHMENT VI

Data on all wells of public record within the area of review. Included are schematics of the plugged wells that penetrated the proposed injection zone within the area of review.

| WELL NAME | LOCATION | SPUD DATE | SUR.CASING | INT.CASING | PROD. CASING | COMPLETION |
|---------------------------------------|--------------------------|----------------------------------|----------------------------------|------------------------------------|---|--------------------------------------|
| Yates Flood AFN Fed #1 | SWSW Sec 30 T19S-R32E | 7/16/1990 | 13 3/8" @ 707 650 sxs Circ. ✓ | 8 5/8" @ 4073 2070 sxs Circ. ✓ | 5 1/2" @ 7270 890 sxs T/2450 calc ✓ | 7009-7025 W. Lusk Delaware Oil |
| Yates Drilling Federal 30 #1 | NWSW Sec 30 T19S-R32E | 11/17/1990 | 13 3/8" @ 851 851 sxs Circ. ✓ | 8 5/8" @ 4222 2075 sxs Circ. ✓ | 5 1/2" @ 7292 650 sxs T/3503 calc ✓ | 6956-7118 W. Lusk Delaware Oil |
| Ray Westall Polewski Federal #1 | NWNW Sec 31 T19S-R32E | 4/4/1963 Re entered Feb-88 | 13 3/8" @ 845 350 sxs Circ. ✓ | 8 5/8" @ 3075 3350 sxs T/2100 ✓ | 5 1/2" @ 7162 1550 sxs Circ ✓ | 7024-7056 W. Lusk Delaware Oil |
| Marbob Energy Tres Elo Federal #1 | NENE Sec 31 T19S-R32E | 5/6/2002 | 13 3/8" @ 865 700 sxs Circ. ✓ | 8 5/8" @ 2560 2560 sxs Circ ✓ | 5 1/2" @ 12545 1800 sxs Circ ✓ | 12048-12346 Lusk Morrow Gas |

SCHEMATICS ATTACHED

P & A Wells

Hopper-Barnett
Princess Fed #1

Texaco
Federal USA #5

Siete O & G
Nugget State #1

SENW Sec 31
T19S-R32E ✓

SWSE Sec 30
T19S-R31E ✓

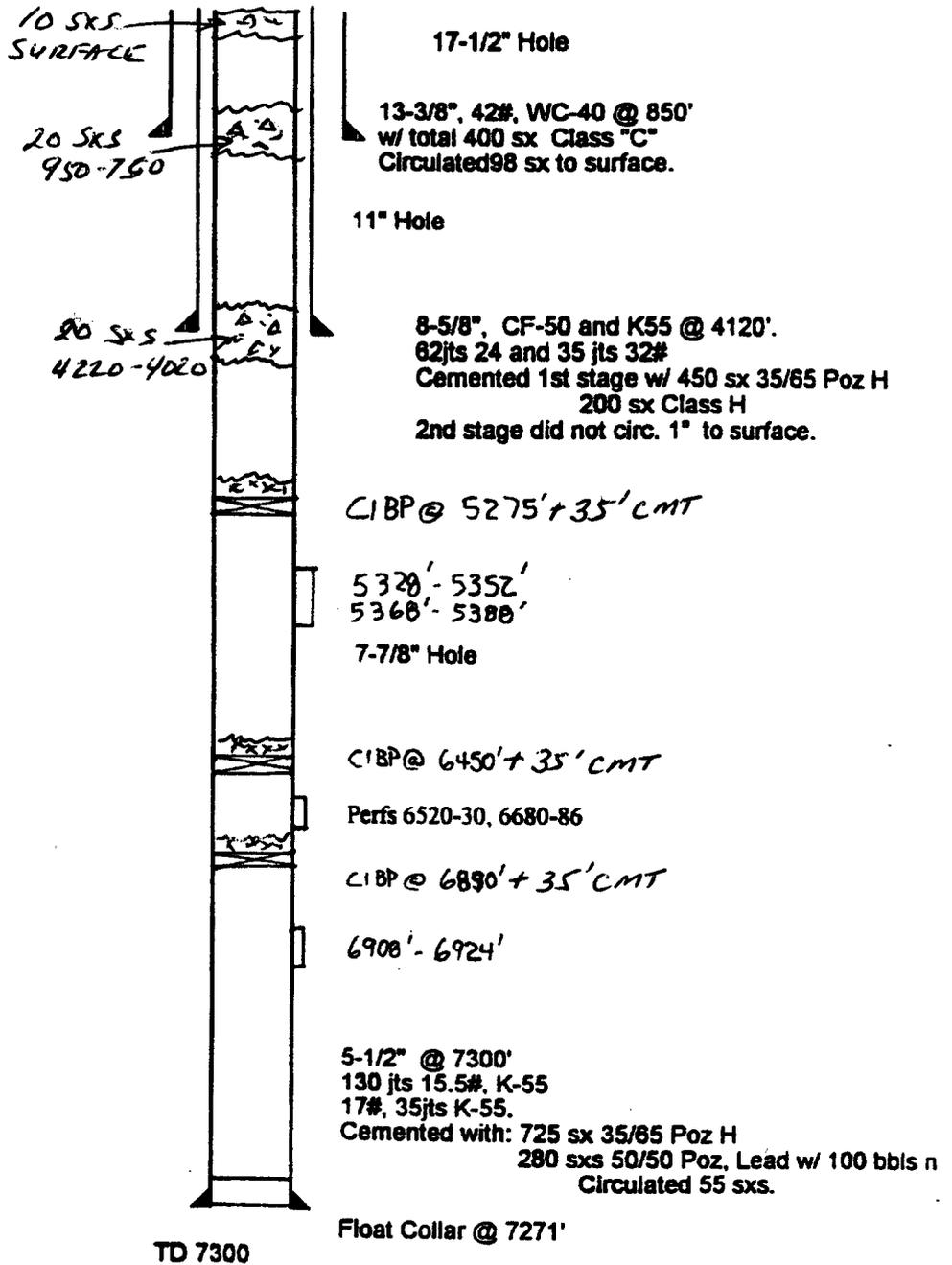
NWNW Sec 36
T19S-R30E ✓

12/30/1989

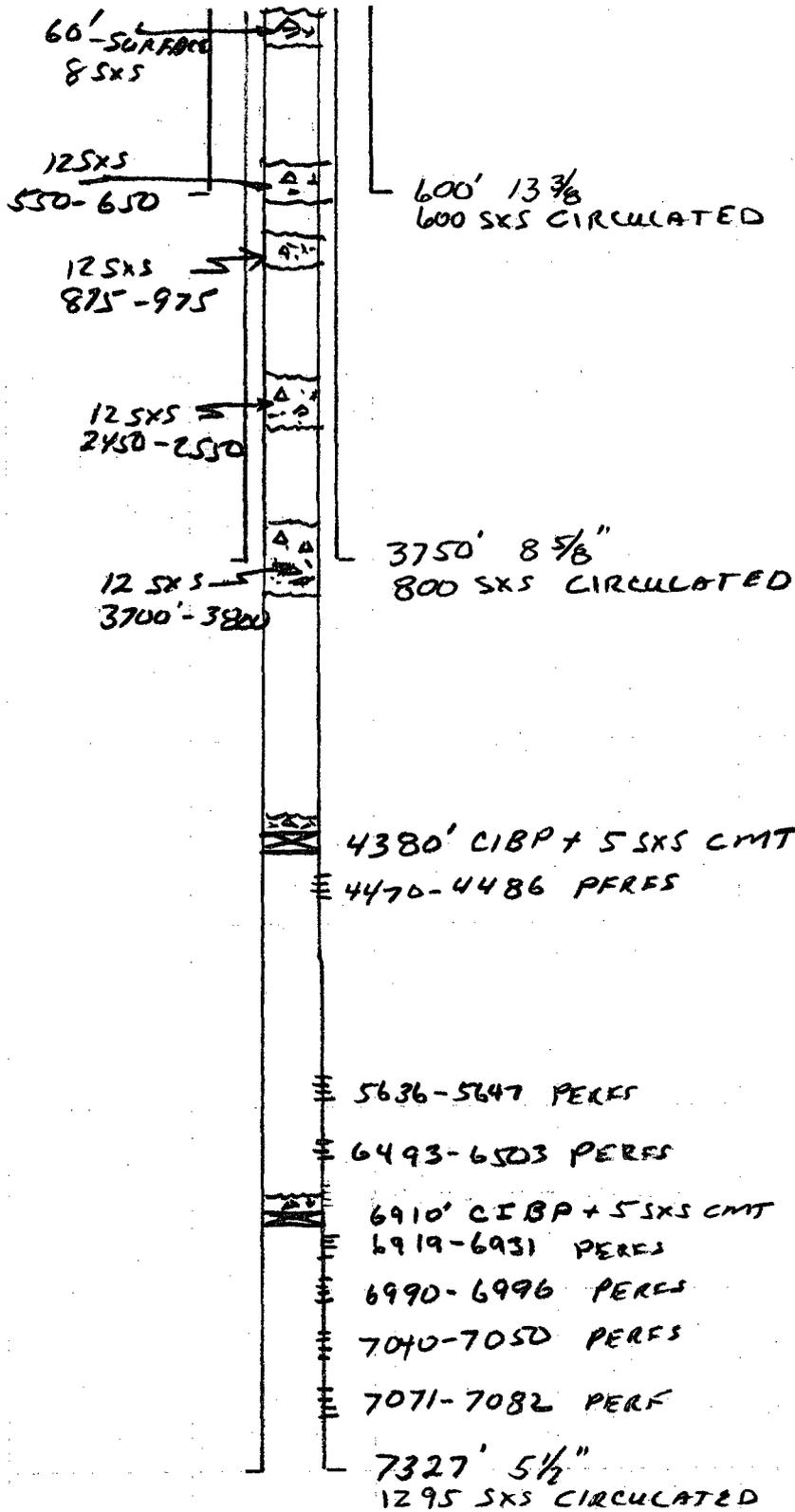
10/10/1996

12/21/1988

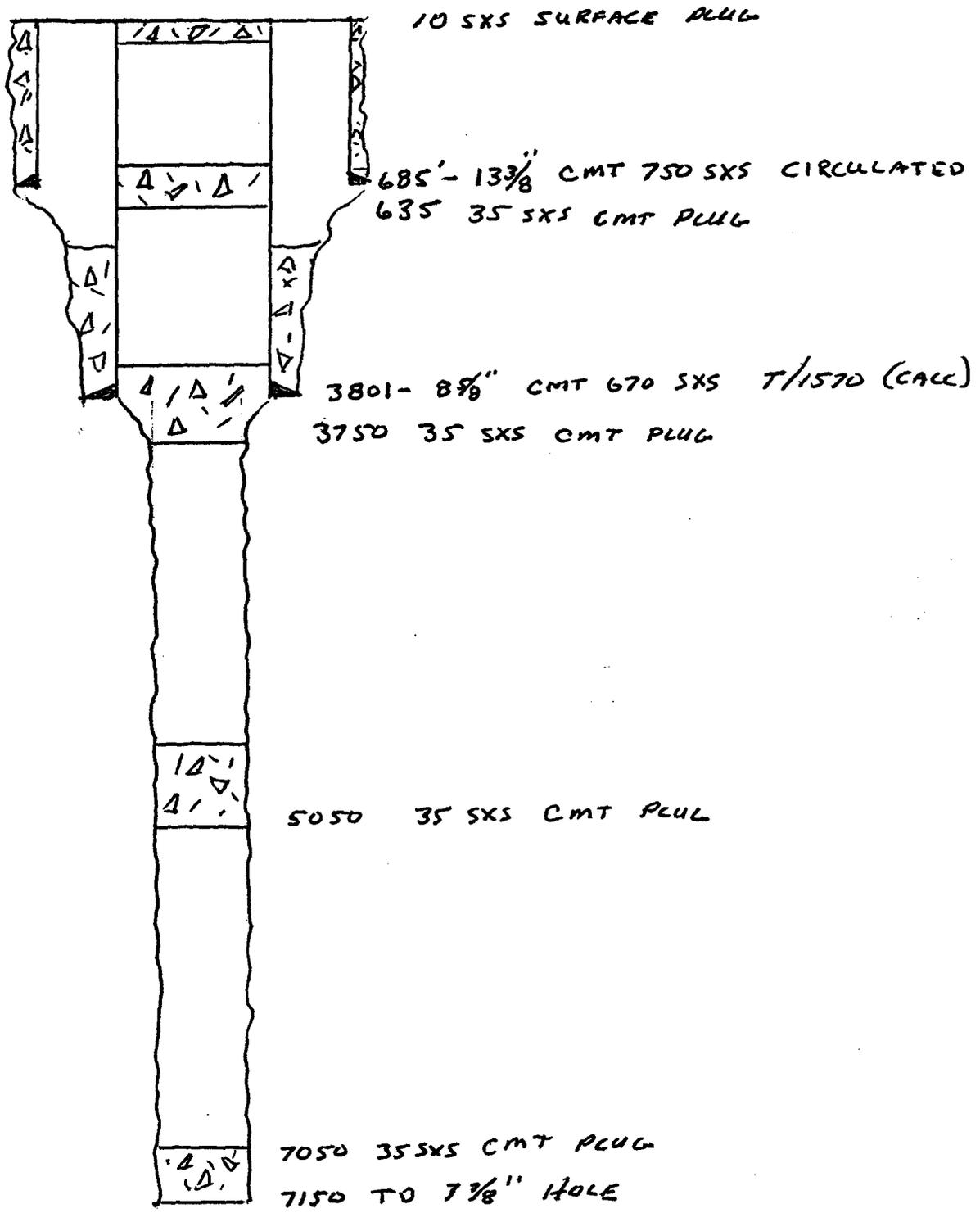
**Federal USA "J" #5
Lusk Delaware West
Lea County, New Mexico
0-30-T195-R32E**



SIETE OIL & GAS
 NUGGET STATE
 A-36-T195-R31E
 30-015-25835



HUTTENBARNETT
PRINCESS FED 1
1650' NFWL
SECTION 31 T195-R32E
LEA COUNTY, NM



ATTACHMENT VII

1. Proposed average of 150 bbls per day and maximum of 300 bbls per day of injected fluids. At a rate of one bbl per minuet.
2. System will be closed.
3. Average anticipated pressure of 450 psi and a maximum of 800 psi.
4. Source of produced water is reinjected produced water from offsetting leases of the same formation.
5. Water analysis attached.

Attn: Ray Westall
 Fax # 505-677-2361

B J Services Water Analysis

Artesia District Laboratory
 (505)-746-3140

| | |
|----------------------|-------------------|
| Date: 4-Nov-02 | Test #: 1530 Hrs. |
| Company: Ray Westall | Well #: # 2 |
| Lease: Polewski | County: Lea |
| State: NM | Formation: |
| Depth: 7,000 | Source: Grab |

| | | | |
|------------------|-------|-----------|----|
| pH | 6.35 | Temp (F): | 70 |
| Specific Gravity | 1.026 | | |

| <u>CATIONS</u> | mg/l | me/l | ppm |
|----------------|-------|-------|-------|
| Sodium (calc.) | 11369 | 495.4 | 11100 |
| Calcium | 241 | 12.0 | 235 |
| Magnesium | 122 | 10.0 | 118 |
| Barium | < 25 | --- | --- |
| Potassium | < 10 | --- | --- |
| Iron | 97 | 3.5 | 95 |

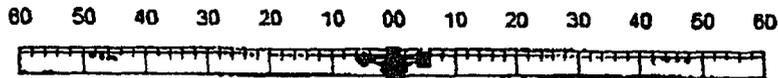
| <u>ANIONS</u> | mg/l | me/l | ppm |
|--------------------------------------|--------------|-------------|--------------|
| Chloride | 18000 | 507.8 | 17544 |
| Sulfate | 244 | 5.1 | 237 |
| Carbonate | < 1 | --- | --- |
| Bicarbonate | 610 | 10.0 | 595 |
| Total Dissolved Solids(calc.) | 30702 | | 29924 |
| Total Hardness as CaCO3 | 1101 | 22.0 | 1073 |

COMMENTS: Resistivity (ohm-meters-calc.) 0.215509

SCALE ANALYSIS:

| | | |
|--------------|--|--------|
| CaCO3 Factor | 146766 Calcium Carbonate Scale Probability-> | Remote |
| CaSO4 Factor | 60150 Calcium Sulfate Scale Probability-> | Remote |

Stiff Plot



DELAWARE

ATTACHMENT VIII

The proposed injection zone is a fine grained sand in the Delaware Formation. It has several sands with varying thickness. There is possible drinking water overlying the injection in the surface sands at a depth of 0-250'. There is no known source underlying the injection interval.

ATTACHMENT IX

No proposed stimulation.

ATTACHMENT XI

There is no active fresh water wells within one mile.

ATTACHMENT XII

All available geologic and engineering data have been examined and there is no evidence of open faults or any other hydrologic connection between the disposal zone and any source of drinking water.

ATTACHMENT XIV

PROOF OF NOTICE

Leasehold operators within one-half mile of the well location are: Lynx, Yates Drilling Yates Petroleum, and Marbob. Each of the operators were provided a copy of our application by certified mail. Proof of notice is enclosed. The surface owner is the Federal.

PROOF OF PUBLICATION

Proof of publication will be from the Hobbs Daily Sun and will be forwarded.

CERTIFIED MAIL #

Yates Petroleum
105 S. 4th
Artesia, NM 88210

7002 0460 0000 3842 5658

Yates Drilling
105 S/ 4th
Artesia, NM 88210

7002 0460 0000 3842 5665

Marbob
P.O. Box 227
Artesia, NM 88210

7002 0460 0000 3842 5672

Lynx Operating
2121 San Jacinto ST
Ste 860 LB2
Dallas, TX 75201-6717

7002 0460 0000 3842 5689

BLM
620 E Greene
Carlsbad, NM 88201

OCD
1625 N French DR
Hobbs, NM 88241

OCD
1220 S. St. Francis
Santa Fe, NM 87505

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, KATHI BEARDEN

Publisher

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

of 1

weeks.

Beginning with the issue dated

November 6 2005

and ending with the issue dated

November 6 2005

Kathi Bearden

Publisher

Sworn and subscribed to before

me this 7th day of

November 2005

Dora Montz

Notary Public.

My Commission expires

February 07, 2009

(Seal)



OFFICIAL SEAL
DORA MONTZ
NOTARY PUBLIC
STATE OF NEW MEXICO

My Commission Expires: _____

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

LEGAL NOTICE

November 6, 2005

Ray Westall-Operator, P.O. Box 4, Loco Hills, New Mexico 88255 Phone (505)677-2370. Contact party for Ray Westall-Operator is Randall Harris, is seeking administrative approval from the New Mexico Oil Conservation Division to utilize a well located 990' FNL & 1658' FWL Section 31, Township 19 South, Range 32 East, Lee County, New Mexico known as the Polewski Federal #2 for water injection. Proposed injection is in the Delaware formation through perforations 7008-7047 feet. Expected maximum injection rate of 500 bbls per day at 500 psi. Interested parties must file objection or requests for hearing with the Oil Conservation Division, 1220 So. St. Francis Drive, Santa Fe, NM 87505 within 15 days of the notice.
#21917

7202
1

67100415000

67534321

RAY WESTALL OPERATING
P.O. BOX 4
LOCO HILLS, NM 88255

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

| | |
|---|----------------|
| Postage | \$ 1.06 |
| Certified Fee | 2.30 |
| Return Receipt Fee (Endorsement Required) | |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 3.36 |



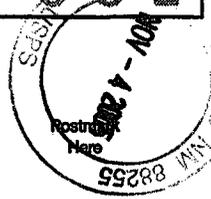
Sent To MARBOB
Street, Apt. No.;
or PO Box No. P.O. Box 227
City, State, ZIP+4 ARTESIA, NM 88210

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

| | |
|---|----------------|
| Postage | \$ 1.06 |
| Certified Fee | 2.30 |
| Return Receipt Fee (Endorsement Required) | |
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| Total Postage & Fees | \$ 3.36 |



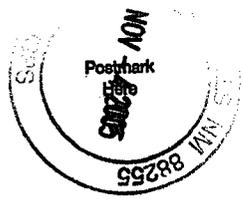
Sent To YATES DRILLING
Street, Apt. No.;
or PO Box No. 105 S. 4th
City, State, ZIP+4 ARTESIA, NM 88210

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

| | |
|---|----------------|
| Postage | \$ 1.06 |
| Certified Fee | 2.30 |
| Return Receipt Fee (Endorsement Required) | |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 3.36 |



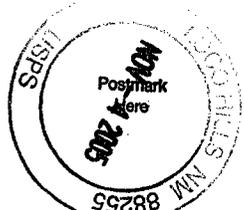
Sent To YATES PETROLEUM
Street, Apt. No.;
or PO Box No. 105 S. 4th
City, State, ZIP+4 ARTESIA NM 88210

PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

| | |
|---|----------------|
| Postage | \$ 1.06 |
| Certified Fee | 2.30 |
| Return Receipt Fee (Endorsement Required) | |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 3.36 |



Sent To LYNX OPERATING
Street, Apt. No.;
or PO Box No. 2121 San Jacinto St
City, State, ZIP+4 DALLAS, TX 75201-6717

PS Form 3800, January 2001 See Reverse for Instructions

7002 0460 0000 3842 5672

5795 249E 0000 0460 0940 2001

5795 249E 0000 0460 0940 2001

5795 249E 0000 0460 0940 2001



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

11/08/05

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

RECEIVED

NOV 16 2005

OIL CONSERVATION
DIVISION

Oil Conservation Division
1220 S Francis Dr
Santa Fe, NM 87505

RE: Proposed;
MC _____
DHC _____
NSL _____
NSP _____
SWD X _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the
Ray Westall Polewski Federal # 2-C, 31-19s-32e
Operator Lease & Well No. Unit-S-T-R API # 30-025-35340

And my recommendations are as follows:

JKK

Yours very truly,

Chris Williams
Chris Williams
Supervisor, District I

(August 1999)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WELL COMPLETION OR RECOMPLETION REPORT AND LOG
N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

OMB NO. 1004-0137
Expires: November 30, 2000

5. Lease Serial No. **NMNM35612**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

1a. Type Of Well Oil Well Gas Well Dry Other

b. Type Of Completion New Well Work Over Deepen Plug Back Diff. Reserv., Other:

2. Name Of Operator
Ray Westall Operating

8. Lease Name and Well No.
POLEWSKI FEDERAL # 2

3. Address
P.O. Box 4 - Loco Hills, New Mexico 88255

9. API Well Number
30-025-35340

4. Location Of Well (Report location clearly and in accordance with Federal requirements)*

At Surface: **UL - C, SEC- 31, TWP 19S, RNG 32E - 990' FNL & 1658' FWL**

At Top Prod. Interval Reported Below:

At Total Depth:

10. Field and Pool, or Exploratory
LUSK DELEWARE, WEST

11. Sec., T., R., M., on Block and Survey Or Area **S - 31, TWP 19S, RNG 32E**

12. County/Parrish **LEA** 13. State **NM**

17. Elevations: (DF, RKB, RT, GL)*
3518'

14. Date Spudded **09/11/02** 15. Date T.D. Reached **09/30/02** 16. Date Completed D&A Ready to Produce

18. Total Depth: MD **7303'** TVD 19. Plug Back T.D.: MD **7130'** TVD 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
CNL / FDC / DLL

22. Was Well Cored? No Yes (submit analysis)
Was DST Run? No Yes (Submit Report)
Directional Survey? No Yes (Submit Copy)

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt.(#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sks. & Type of Cement | Slurry Volume (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|------------|----------|-------------|----------------------|------------------------------|---------------------|-------------|---------------|
| 17 1/2 | 13 3/8 | 48 | | 844 | | 650 sxs Class C | 858 | SURFACE | Circulated |
| 11 | 8 5/8 | | | 3992 | | 350 sxs Class H | 462 | | |
| | | 32 | | | 3125 | 1850 sxs Class C | 3052 | SURFACE | Circulated |
| 7 7/8 | 5 1/2 | 17 | | 7303 | | 1150 sxs Class C | 1518 | SURFACE | Circulated |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|--------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2 7/8" | 7210 | | | | | | | |

25. Producing Intervals

| | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|-------------|-----|--------|---------------------|------|-----------|--------------|
| A) DELEWARE | | | 7070 - 7202 | .38 | 40 | OPEN |
| B) | | | | | | |
| C) | | | | | | |
| D) | | | | | | |

27. Acid, Fracture, Treatment, Cement Squeeze, Ect.

| Depth Interval | Amount and Type of Material |
|----------------|---|
| 7070 - 7202 | 4000 GALS 15 % HCL, 20,000 GALS GEL WATER, 41,000 # SD. HOBBDS UCD |

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 2/3/03 | 3/15/03 | 24 | > | 2 | TSTM | 40 | 40 | | PUMP |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hour Rate | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio | Well Status | |
| | | | > | | | | | | |

28a. Production - Interval B

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | > | | | | | | PROD |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hour Rate | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio | Well Status | |
| | | | > | | | | | | |

ACCEPTED FOR RECORD

APR 2 2003

GARY GOURLEY
PETROLEUM ENGINEER

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Bravo Rd, Aztec, NM 87410
 Aztec, NM, 87410
 District IV
 PO box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-104
 Revised February 10, 1994

OIL CONSERVATION DIVISION
 P.O. BOX 2088
 SANTA FE, NM 87504-2088

Instructions on back
 Submit to Appropriate District Office
 5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

| | | |
|---|--|-----------------------------------|
| OPERATOR NAME AND ADDRESS Ray Westall Operating P.O. Box 4 Loco Hills, NM 88255 | | OGRID NUMBER 018862 |
| API NUMBER 30-025-35340 | | REASON FOR FILING CODE: NW |
| POOL NAME LUSK DELEWARE, WEST | | EFFECTIVE: 02/02/03 |
| PROPERTY CODE 17572 | PROPERTY NAME POLEWSKI FEDERAL | POOL CODE 41540 |
| | | WELL NUMBER 002 |

II. SURFACE LOCATION

| UL OR LOT NO. | SECTION | TOWNSHIP | RANGE | LOT.IDN | FEET FROM THE | NORTH/SOUTH LINE | FEET FROM THE | EAST/WEST LINE | COUNTY |
|---------------|-----------|------------|------------|---------|---------------|------------------|---------------|----------------|------------|
| C | 31 | 19S | 32E | | 990 | NORTH | 1658 | WEST | LEA |

BOTTOM HOLE LOCATION

| UL OR LOT NO. | SECTION | TOWNSHIP | RANGE | LOT.IDN | FEET FROM THE | NORTH/SOUTH LINE | FEET FROM THE | EAST/WEST LINE | COUNTY |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| LSE CODE | PRODUCING METHOD CODE | GAS CONNECTION DATE | C-129 PERMIT NUMBER | C-129 EFFECTIVE DATE | C-129 EXPIRATION DATE |
|----------|-----------------------|---------------------|---------------------|----------------------|-----------------------|
| F | P | | | | |

III. OIL AND GAS TRANSPORTERS

| TRANSPORTER OGRID | TRANSPORTER NAME AND ADDRESS | POD | O/G | POD ULSTR LOCATION AND DESCRIPTION |
|-------------------|---|----------------|----------|--|
| 034019 | Phillip's Petroleum Company - Trucking 4001 Penbrook - Odessa, TX 79762 | 2834568 | 0 | 990' FNL & 1658' FWL Sec - 31 / T - 19S / R - 32E |
| | Approval to flare casinghead gas from this well must be obtained from the BUREAU OF LAND MANAGEMENT (BLM) | | | |

IV. PRODUCED WATER

| POD | POD ULSTR LOCATION AND DESCRIPTION |
|----------------|------------------------------------|
| 2834568 | |

V. WELL COMPLETION DATA

| SPUD DATE | READY DATE | TD | PBTD | PERFORATIONS |
|-----------------|----------------------|-------------|-----------------|------------------|
| 09/11/02 | 02/02/03 | 7303 | 7130 | 7070-7202 |
| HOLE SIZE | CASING & TUBING SIZE | DEPTH SET | SACKS CEMENT | |
| 17 1/2 | 13 3/8 | 844 | 650 SXS | |
| 11 | 8 5/8 | 3992 | 350 SXS | |
| 7 7/8 | 5 1/2 | 7303 | 1850 SXS | |
| | | | 1150 SXS | |

V. WELL TEST DATA

| DATE NEW OIL | GAS DELIVERY DATE | TEST DATE | TEST LENGTH | TBG PRESSURE | CSG PRESSURE |
|-----------------|-------------------|-----------------|-------------|--------------|--------------|
| 02/03/03 | | 03/15/03 | 24 | 0 | 0 |
| CHOKER SIZE | OIL | WATER | GAS | AOF | TEST METHOD |
| NONE | 2 | 40 | TSTM | | P |

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Rene Mathews*
 Printed name: **Rene Mathews**
 Title: **Production Secretary**
 Date: **03/25/03** Phone: **(505) 677-2370**

OIL CONSERVATION DIVISION
 Approved by: *[Signature]*
 Title: **PETROLEUM ENGINEER**
 Approval Date: **APR 30 2003**

If this is a change of operator fill in the OGRID number and name of the previous operator

| Previous Operator Signature | Printed Name | Title | Date |
|-----------------------------|--------------|-------|------|
| | | | |

WELL LOGS

| | | | |
|-------------|--------------|-----------|----------------------|
| API number: | 30-025-35340 | | |
| OGRID: | | Operator: | RAY WESTALL OIL CO |
| | | Property: | POLEWSKI FEDERAL # 2 |

| | | | | |
|---------|----------|---------|----------|-------|
| surface | ULSTR: C | 31 | T 19S | R 32E |
| | | 990 FNL | 1658 FWL | |

| | | | | |
|--------|----------|---------|----------|-------|
| BH Loc | ULSTR: C | 31 | T 19S | R 32E |
| | | 990 FNL | 1658 FWL | |

| | | | | | |
|---------------|------|-----|------|-----|------|
| Ground Level: | 3518 | DF: | 3529 | KB: | 3530 |
| Datum: | KB | | | TD: | |

Land: FED

Completion Date: (1)
 Date Logs Received: 4/30/2003
 Date Due in: (2) 4/24/2003

| | | | | | |
|---------------|----|--|--|-----------|--|
| Confidential: | NO | | | Date out: | |
|---------------|----|--|--|-----------|--|

Confidential period: 90 Days for State & Fee, 1 Year for federal
 Date Due in: (1) is equal to Completion Date (1) + 20 days

| Logs | Depth interval | | |
|---------|----------------|------|--------------------------------------|
| MPD/MDN | 100 | 7302 | Compensated Neutron Photo Density GR |
| MLE/MMR | 4000 | 7302 | Dual Laterolog Micro Laterolog |
| CCL | 4000 | 7250 | Acoustic Cement Bond Log |
| | | | |
| | | | |
| | | | |
| | | | |

OCD TOPS

| | | | | | |
|---------------|------|--------|--|--|--|
| | | | | | |
| Rustler | 820 | Strawn | | | |
| | | Atoka | | | |
| Yates | 2653 | Morrow | | | |
| Seven Rivers | 2920 | | | | |
| | | | | | |
| | | | | | |
| Delaware | | | | | |
| Delaware Lm | | | | | |
| Delaware Sd | 4334 | | | | |
| Bell Canyon | | | | | |
| Cherry Canyon | | | | | |
| Brushy Canyon | | | | | |
| Bone Spring | 7208 | | | | |
| 1st Sd | | | | | |
| 2nd Carb | | | | | |
| 2nd Sd | | | | | |
| 3rd Carb | | | | | |
| 3rd Sd | | | | | |
| Wolfcamp | | | | | |