

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.**

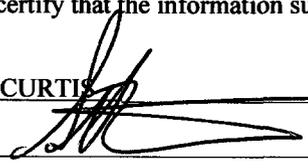
[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications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

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance Disposal Storage
Application qualifies for administrative approval? Yes No
- II. OPERATOR: RICE OPERATING COMPANY
ADDRESS: 122 W. TAYLOR, HOBBS, NM 88240
CONTACT PARTY: SCOTT CURTIS PHONE: 505-393-9174
- 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:
- Proposed average and maximum daily rate and volume of fluids to be injected;
 - Whether the system is open or closed;
 - Proposed average and maximum injection pressure;
 - Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 - 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: SCOTT CURTIS TITLE: OPERATIONS MANAGER
SIGNATURE:  DATE: 8-9-06
E-MAIL ADDRESS: jscriceswd@leaco.net
- * 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: _____

2006
AUG 14
10 27

Attachments to Application C-108

BLINEBRY DRINKARD SWD Well No. E-32
Unit E, Section 32, T-21-S, R-37-E
Lea County, NM

III. Well Data

- A. 1) See injection well data sheet.
- 2) See injection well data sheet.
- 3) 5 1/2" Fiberline.
- 4) Baker Model "D" Packer or equivalent.

- B. 1) Injection formations – San Andres.
- 2) Injection interval – 4400' to 5000'
- 3) Original purpose of well is for salt water disposal.
- 4) N/A
- 5) Next higher producing zone is the Grayburg.
Next lower producing zone is the Glorieta, the top being +/- 5286'.

IV. No.

V. Attached.

VI. Attached – list of wells and data.

VII. Proposed Operations.

- 1) Estimated 20,000 bls. Per day of produced water.
- 2) Closed.
- 3) Average pressure is 0#, the maximum pressure is 1600#, or whatever limit OCD allows.
- 4) Attached.
- 5) See attached analysis.

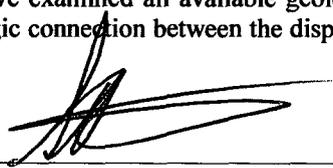
VIII. The proposed disposal formation is interbedded shale and limestone. The primary geologic name is the San Andres which occurs from 4400' to 5000'. The fresh water formation in the area is the Ogallala and Alluvium which ranges in thickness from 20' to 60'. An analysis from a producing water well is attached.

IX. Acid as needed.

X. N/A

XI. Attached.

XII. I, Scott Curtis, have examined all available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zones and any underground source of drinking water pertaining to this well.

 8-9-06

XIII. Attached.

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.

WELL DATA SHEET

OPERATOR: Rice Operating Company

WELL NAME & NUMBER: Blinebry Drinkard SWD #E-32

WELL LOCATION: 1327' FNL, 244' FWL E 32 T-21-S R-37-E Lea
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17 1/2"
Casing Size: 13 3/8"
Cemented with: 440 sacks
Top of Cement: Surface
Method Determined: Circulation
Total Depth: 400'

Production Casing

Hole Size: 12 1/4"
Casing Size: 9 5/8"
Cemented with: 1075 sacks
Top of Cement: Surface
Method Determined: Circulation
Total Depth: 4400'

Injection Interval

4400 feet to 5000'
Perforated or Open Hole: Open Hole
Tubing Size: 5 1/2"
Lining Material: Fiberglass
Type of Packer: Baker Model D or equivalent
Packer Setting Depth: 4375'
Other Type of Tubing / Casing Seal (if applicable): N/A

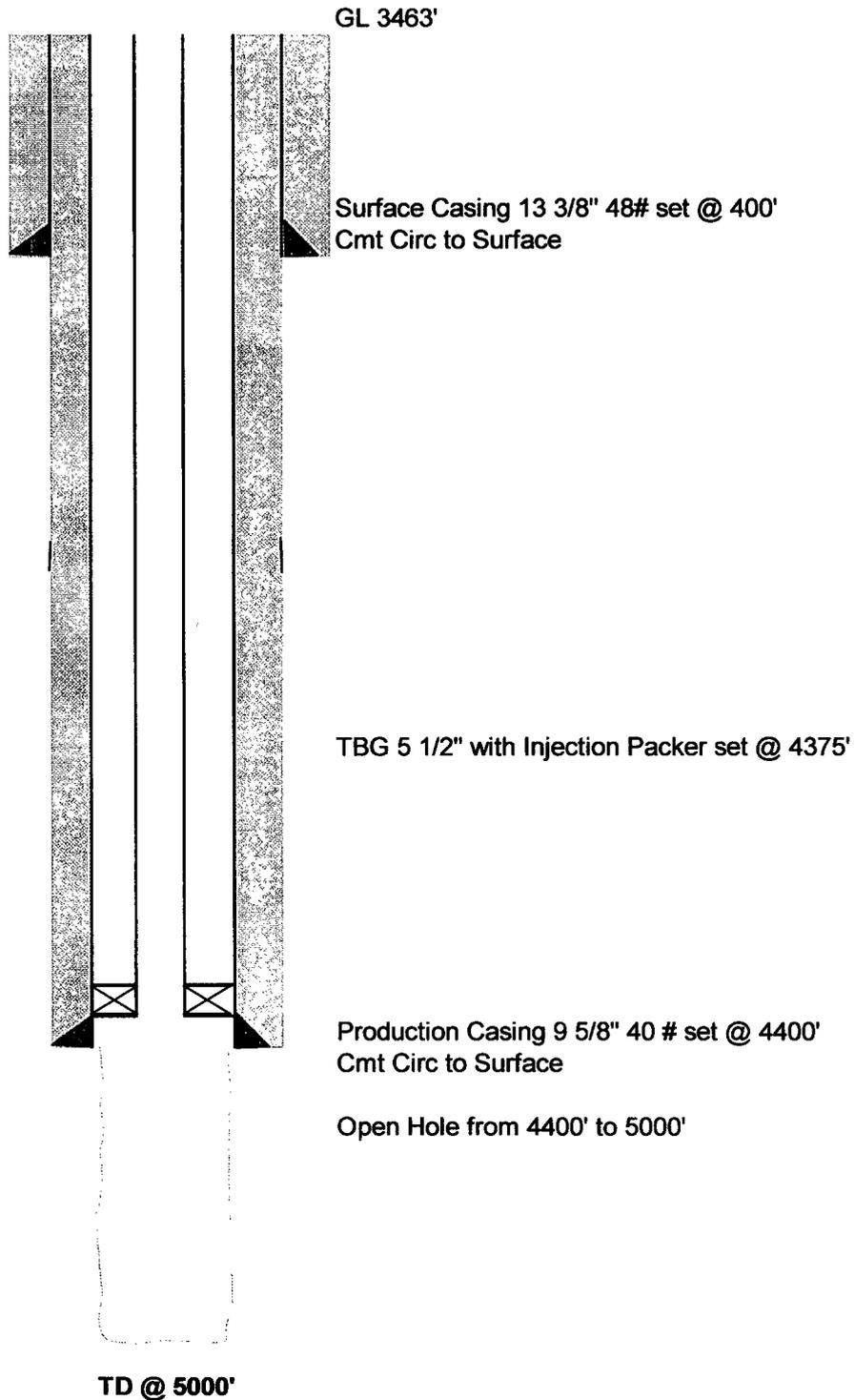
Additional Data

1. Is this a new well drilled for injection? Yes
If no, for what purpose was the well originally drilled? _____
2. Name of the Injection Formation: San Andres
3. Name of Field or Pool (if applicable): Arrowhead Grayburg
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. N/A
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:
The upper zone is the Grayburg +/- 3632'
The lower zone is the Glorieta +/- 5286'

Completion Record

Perfs: N/A
Acid, Shot, Fracture, Squeeze: N/A

BLINEBRY-DRINKARD SWD WELL E-32
1327' FNL and 244' FWL, Sec 32, T21S, R37E, Lea Co. New Mexico



Drawn	BY	RICE OPERATING COMPANY 122 W. TAYLOR Hobbs, New Mexico 88240	BD SWD E-32 PROPOSAL
7/24/2006	JSC		

Schlumberger

PRIMARY CEMENTING PROPOSAL

SURFACE & LONGSTRING

Rice Engineering

Blinebry Drinkard E #32

Well Location

County : Lea
 State : New Mexico
 Country : USA

Prepared for : Scott Curtis

Service Point : HOB S, NM

Business Phone : 505-33-6186

Date Prepared : 20-Jul-06

FAX No. : 505-33-2132

Prepared by : Hank Horton
 Phone : 505-393-6186
 FAX : 505-393-2132
 E-Mail address : horton1@sfb.com

Disclaimer Notice

This information is presented in good faith, but no warranty is given and Dowell assumes no liability for advice or recommendations made concerning results to be obtained from the use of any product or service. Prices quoted are estimates only, and are good for 30 days from the date of issue. Actual charges may vary depending upon time, equipment, and material, ultimately required to perform these services. Freedom from infringement of patents of Dowell or others is not to be inferred.



Rice Engineering
Blincy Drinkard E 132
Lea County, New Mexico
Page 2

Well Data: 13 3/8 in. Surface Casing

Depth	400 ft.
Casing Size	13 3/8 in., 54.5 lbs./l
Open Hole Diameter	17 1/2 in.
BHST	90 °F
BHCT	80.0 °F
Total Excess	100 %
Lead Excess (calculated O.H.)	100.0 %
Tail Excess	100 %

Mud Wt./Type: 8.5 ppg Fresh Wtr. Based

Calculations:

Volume Factors:

Casing x Open Hole	0.6946 cu./ft./l
Casing (Internal)	0.8676 cu./ft./l

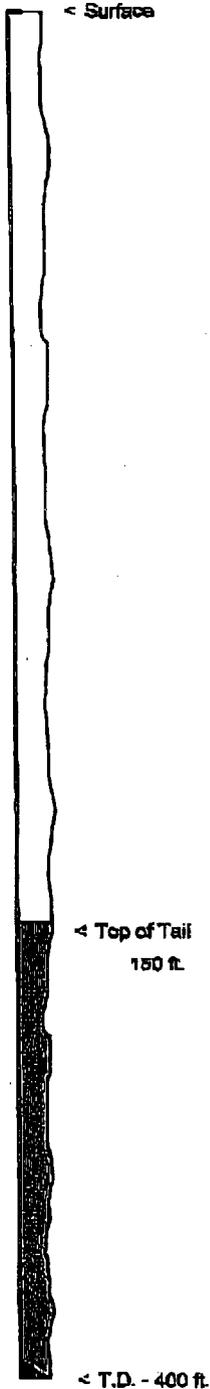
Top of Lead	Surface
Top of Tail	150 ft.

Lead System:

Total Lead Fill	$(150 \times 0.6946 \times 2.0) / 1.74 = 120 \text{ sks.}$
-----------------	--

Tail System:

Open Hole Fill	$(250 \times 0.6946 \times 2.) / 1.34 = 259 \text{ sks.}$
Casing Shoe Cement	$(40 \times 0.8675) / 1.34 = 26 \text{ sks.}$
Total Tail Cement	$= 285 \text{ sks.}$





Rice Engineering
Blindery Drive #32
Lea County, New Mexico
Page 3

Cementing Systems

Lead System: 120 sks.

Class C + 4% D20 + 2% S1 + 0.25 pps D29

Mix Weight	:	13.5 PPG	
Yield	:	1.74 cu.ft./sk.	
Mix Water	:	9.09 gal./sk.	(Fresh Water)

Tail System: 285 sks.

Class C + 2% S1

Mix Weight	:	14.8 PPG	
Yield	:	1.34 cu.ft./sk.	
Mix Water	:	6.3 gal./sk.	(Fresh Water)

Notes
Performance parameters for cement systems recommended are typically taken from existing laboratory data. In some cases, to exist which duplicate the recommended systems and job environment, but when precise data do not exist, extrapolations are made from data to most closely reach the anticipated conditions. Sufficient lead-time should always be allowed, so that pilot samples/field blends can be run vary system performance parameters, before actually pumping the job.

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Rice Engineering
 Blinby Drinkard E #1
 Lea County, New Mexico
 Page 4

Cementing Services Pricing

<u>Units</u>	<u>UOM</u>	<u>Description</u>	<u>Unit Price</u>	<u>Disc %</u>	<u>Extended Price</u>	
MATERIALS AND EQUIPMENT:						
1	EA.	PUMP CHARGE 400 FT 1ST 4HRS	3,730.00	60	1,492.00	
1	EA.	CEMENTING HEAD	967.00	60	386.80	
1	EA.	CEMENT SILO (5 DAYS)	1,160.00	60	464.00	
50	MI.	MILEAGE ON 1 CEMENT SILO	9.47	60	189.40	
4	HRS.	CEMENT BULK UNITS TIME ON LOCATION	201.50	60	322.40	
50	EA.	ROUNDTRIP MILEAGE (CARS/TRUCKS)	4.78	60	95.80	
1	EA.	CemCAT/PRISM/TREATMENT DATA SERVI	1,630.00	60	652.00	
405	SKS.	CLASS C CEMENT	34.15	60	5,532.30	
451	LBS.	D20 BENTONITE GEL	0.54	60	97.42	
750	LBS.	S1 CALCIUM CHLORIDE	1.33	60	399.00	
30	LBS.	D29 CELLOFLAKE	5.00	60	60.00	
50	MILES	MILEAGE ON 1 UNITS	8.28	60	165.60	
493	T.M.	HAULING 19.7 TONS	3.11	60	613.29	
428	CU.FT.	SERVICE CHG.	4.22	60	722.46	
1	EA.	TOP PLUG (PLASTIC)	1,400.00	60	560.00	
2	EA.	Regulatory Conformance Charge	630.00	60	0.00	
1	EA.	Fuel Surcharge (3% Gross Services)	382.78	0	382.78	
SUBTOTAL (PRICEBOOK)					\$	31,023.96
EFFECTIVE DISCOUNT					60.00 %	18,888.71
<u>DISCOUNTED TOTAL PRICE</u>					\$	12,135.25

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Rice Engineering
 Blinberry Drinkart, #32
 Lea County, New Mexico
 Page 8

Well Data: 9 5/8 in. Longstring

< Surface	Depth	4,325 ft.
	Casing Size	9 5/8 in., 36 lbs./ft.
	Open Hole Diameter	12 1/4 in.
	Previous Csg. Depth	400 ft.
	Previous Csg. Size	13 3/8 in., 54.5 lbs./ft.
	BHST	110 °F
	BHCT	80.0 °F
	Total Excess	50 %
	Lead Excess (calculated O.H.)	50.0 %
	Tail Excess	50 %

< Previous Csg.
400 ft.

Mud Wt./Type: 9 ppq Brine Based**Calculations:****Volume Factors:**

Casing x Open Hole	0.3132 cu.ft./ft
Casing x Previous Casing	0.3622 cu.ft./ft
Casing (Internal)	0.4338 cu.ft./ft

Top of Lead	Surface
Top of Tail	3,325 ft.

Lead System:

< Top of Tail 3,325 ft.	Open Hole Fill	$(2,925 \times 0.3132 \times 1.5) / 2.15 = 641$ sks.
	Previous Casing Fill	$(400 \times 0.3622) / 2.1 = 68$ sks.
	Total Lead Cement	= 708 sks.

Tail System:

Open Hole Fill	$(1,000 \times 0.3132 \times 1.5) / 1.33 = 354$ sks.
Casing Shoe Cement	$(40 \times 0.4338) / 1.33 = 13$ sks.
Total Tail Cement	= 367 sks.

< T.D. - 4,325 ft.

JUL-20-2006 THU 10:49 AM

FAX NO.

P. 07

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Rice Engineering
 Blincoy Drive Road E #32
 Lea County New Mexico
 Page 6

Cementing Systems**Lead System: 710 sks.****35:65 Poz:Class C + 5% D44 (bwow) + 6% D20 + 0.25 pps D20**

Mix Weight	:	12.4 PPG	
Yield	:	2.15 cu.ft./sk.	
Mix Water	:	11.98 gal./sk.	(Fresh Water)

Tail System: 365 sks.**Class C + 0.3% D167 + 0.2% D65 + 0.2% D46**

Mix Weight	:	14.8 PPG	
Yield	:	1.33 cu.ft./sk.	
Mix Water	:	6.29 gal./sk.	(Fresh Water)

Notice:

Performance parameters for cement systems recommended are typically taken from existing laboratory data. In some cases, data exist which duplicate the recommended systems and job environment, but when those data do not exist, extrapolations are made from data which most closely match the anticipated conditions. Sufficient lead-time should always be allowed, so that pilot samples/field blends can be prepared to verify system performance parameters, before actually pumping the job.

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Rice Engineering
Blinberry Drive and E #32
Lea County, New Mexico
Page 8

This quote is valid for a period of thirty days from the date submitted. These prices are estimates based on current price structure and will vary somewhat with the materials, equipment, and time actually required at the time of service. The discount shown will be applicable to the most current Dowell price book in effect at the time of service. Not included are the costs of fluid storage, oil, water, (or transportation thereof) except as listed. Dowell does not offer these services.

The cement slurry data presented are from systems previously tested at Dowell laboratories. Thickening time tests should be run when field mix water is available and final temperatures are known. Mud/Cement compatibility tests should be run when final mud systems are in use. These tests could cause quantity variations of the materials recommended, thereby affecting the price of the job.

In the interest of safety, a pre-job tailgate safety meeting will be held with your representative and other on-location personnel to familiarize everyone with existing hazards and safety procedures. During this meeting a designated wash-up area will be assigned for our cementing unit to dispose of our cement slurry and drilling mud displacement fluid.

Thank you for considering Dowell for this work. Please do not hesitate to call with any questions or concerns.

Hank Horton
Hobbs, New Mexico

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
Property Code	Property Name BLINEBRY DRINKARD E-32		Well Number
OGRID No.	Operator Name RICE OPERATING COMPANY		Elevation 3463'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	32	21 S	37 E		1327	NORTH	244	WEST	LEA

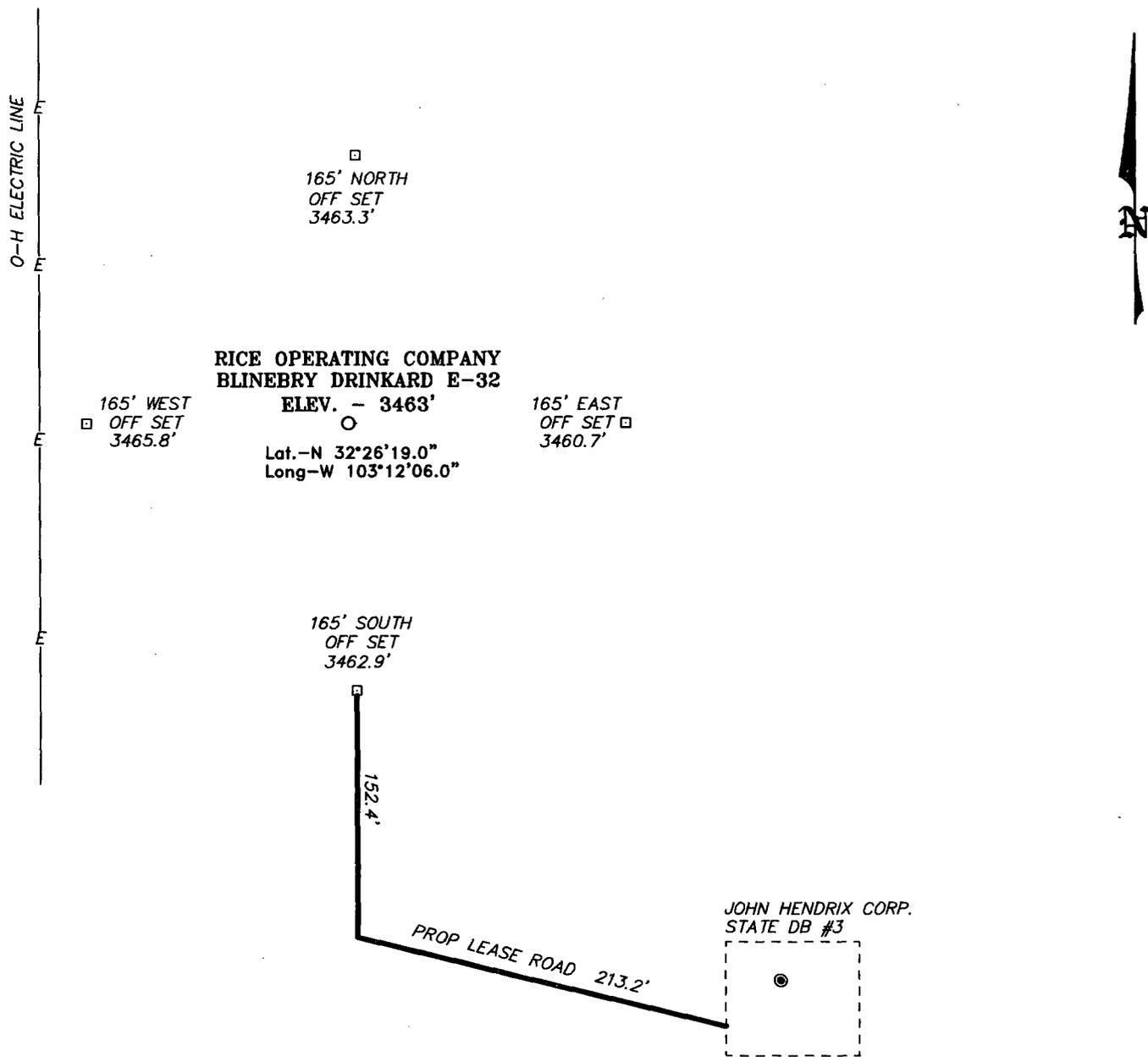
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres		Joint or Infill	Consolidation Code		Order No.				

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

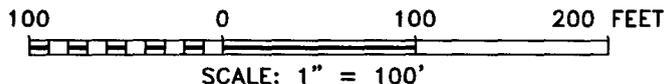
	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>[Signature]</i> 8-9-06 Signature Date</p> <p>Scott Curtis Printed Name</p>	
	<p>SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p>	
	<p>Date Surveyed: 06/08/06</p> <p>Signature & Seal of Professional Surveyor: <i>[Signature]</i></p> <p>7977</p>	
	<p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>	

**SECTION 32, TOWNSHIP 21 SOUTH, RANGE 37 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.**



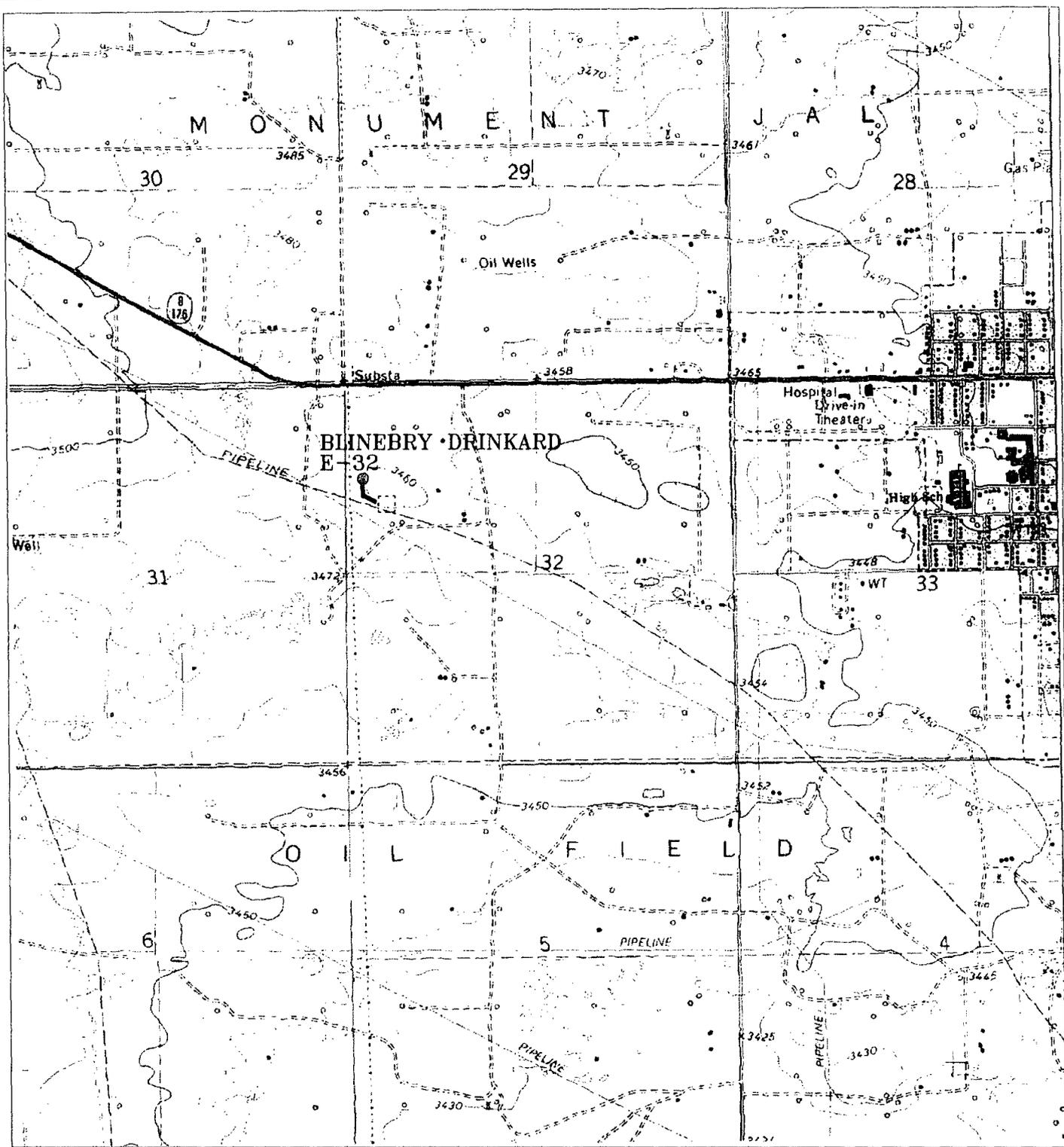
DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF ST. HWY 8 AND ST. HWY 207, GO WEST 1.7 MILE TO LEASE ROAD SOUTH, ON LEASE ROAD PROCEED SOUTH 0.4 MILES TO LEASE ROAD, ON LEASE ROAD TO WEST 0.3 MILE TO LEASE ROAD, THEN NORTH 0.2 MILE TO JOHN HENDRIX CORP STATE DB#3 PAD AND PROPOSED LEASE ROAD.



RICE OPERATING COMPANY	
REF: BLINDBRY DRINKARD E-32 / Well Pad Topo	
THE BLINDBRY DRINKARD E-32 LOCATED 1327' FROM THE NORTH LINE AND 244' FROM THE WEST LINE OF SECTION 32, TOWNSHIP 21 SOUTH, RANGE 37 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.	
W.O. Number: 6763	Drawn By: J. M. SMALL
Date: 06-09-2006	Disk: 6763W
Survey Date: 06-08-2006	Sheet 1 of 1 Sheets

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO



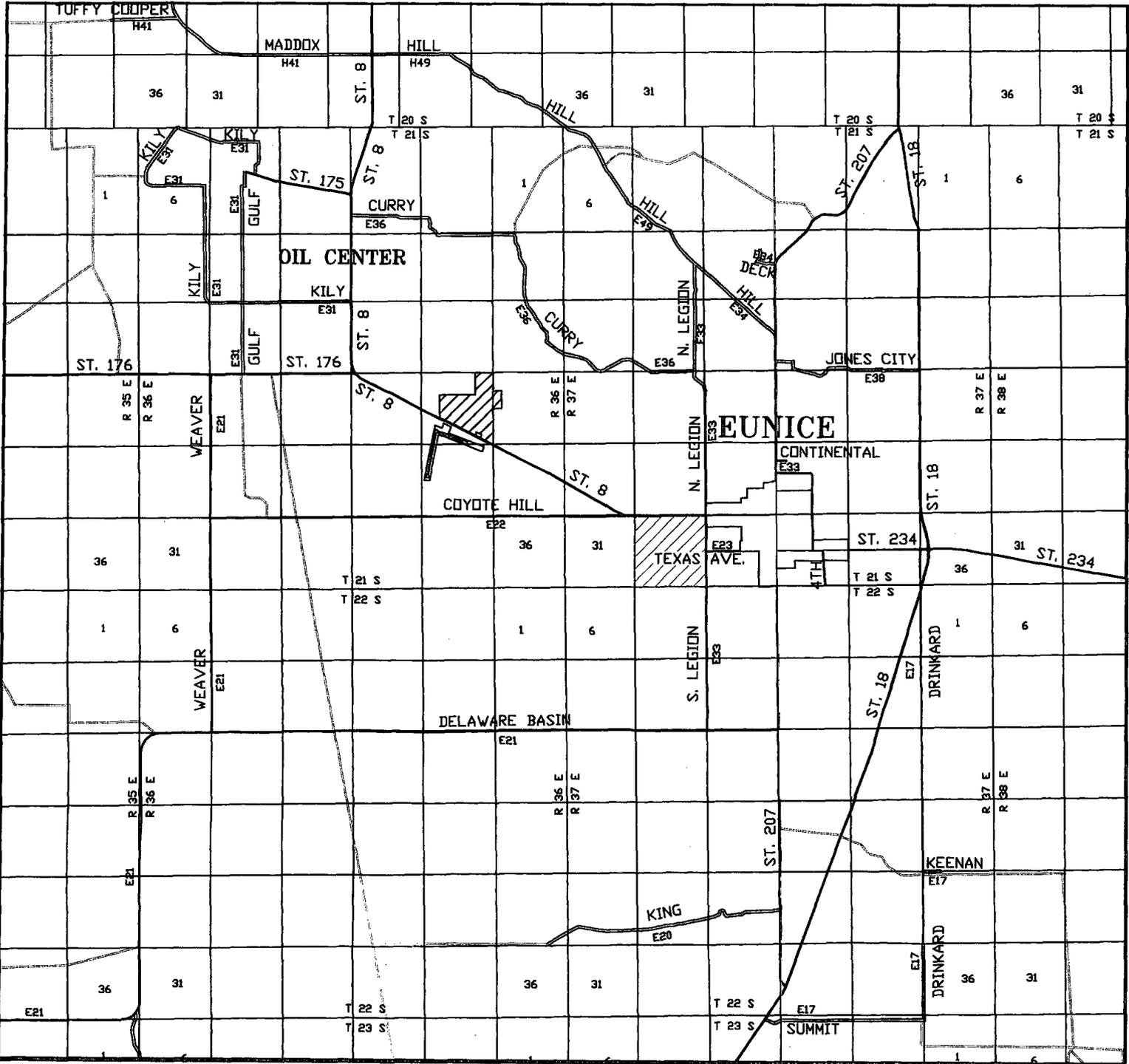
BLINEBRY DRINKARD E-32
 Located at 1327' FSL and 244' FEL
 Section 32, Township 21 South, Range 37 East,
 N.M.P.M., LEA County, New Mexico.

basin surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number:	JMS 6763T
Survey Date:	06-08-2006
Scale:	1" = 2000'
Date:	06-12-2006

**RICE OPERATING
 COMPANY**



BLINEBRY DRINKARD E-32
 Located at 1327' FSL and 244' FEL
 Section 32, Township 21 South, Range 37 East,
 N.M.P.M., LEA County, New Mexico.

basin surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number:	JMS 6763T
Survey Date:	06-08-2006
Scale:	1" = 2000'
Date:	06-12-2006

**RICE OPERATING
 COMPANY**

ITEM VII, #4

MITCHELL ANALYTICAL LABORATORY

2638 Faudree
Odessa, Texas 79765-8538
561-5579

Company: **Nalco Energy Services**

Well Number: BD SWD N18
Lease: Rice Oper.
Location:
Date Run: 3/2/2005
Lab Ref #: 05-mar-n24290

Sample Temp: 70
Date Sampled: 3/1/2005
Sampled by: Mike Carson
Employee #:
Analyzed by: DIOM

Dissolved Gases

		Mg/L	Eq. Wt.	MEq/L
Hydrogen Sulfide (H ₂ S)		148.00	16.00	9.25
Carbon Dioxide (CO ₂)	NOT ANALYZED			
Dissolved Oxygen (O ₂)	NOT ANALYZED			

Cations

Calcium (Ca ⁺⁺)		1,929.60	20.10	96.00
Magnesium (Mg ⁺⁺)		439.20	12.20	36.00
Sodium (Na ⁺)		15,667.33	23.00	681.19
Barium (Ba ⁺⁺)	NOT ANALYZED			
Manganese (Mn ⁺)		.09	27.50	.00

Anions

Hydroxyl (OH ⁻)		.00	17.00	.00
Carbonate (CO ₃ ⁼)		.00	30.00	.00
BiCarbonate (HCO ₃ ⁻)		1,881.88	61.10	30.80
Sulfate (SO ₄ ⁼)		1,025.00	48.80	21.00
Chloride (Cl ⁻)		27,029.70	35.50	761.40
Total Iron (Fe)		0.23	18.60	.01
Total Dissolved Solids		48,121.04		
Total Hardness as CaCO ₃		6,624.72		
Conductivity MICROMHOS/CM		90,000		

pH 7.220

Specific Gravity 60/60 F. 1.033

CaSO₄ Solubility @ 80 F. 47.11

MEq/L, CaSO₄ scale is unlikely

CaCO₃ Scale Index

70.0	.953	100.0	1.303	130.0	1.903
80.0	1.093	110.0	1.553	140.0	1.903
90.0	1.303	120.0	1.553	150.0	2.233

Nalco Energy Services

ITEM VII, # 5

MITCHELL ANALYTICAL LABORATORY

2638 Faudree
Odessa, Texas 79765-8538
561-5579

Company: **Nalco Energy Services**

Well Number: Cole St. 8G
Lease: Rice Oper.
Location:
Date Run: 3/2/2005
Lab Ref #: 05-mar-n24289

Sample Temp: 70
Date Sampled: 3/1/2005
Sampled by: Mike Carson
Employee #:
Analyzed by: DOM

Dissolved Gases

		Mg/L	Eq. Wt.	MEq/L
Hydrogen Sulfide (H ₂ S)		220.00	16.00	13.75
Carbon Dioxide (CO ₂)	NOT ANALYZED			
Dissolved Oxygen (O ₂)	NOT ANALYZED			

Cations

Calcium (Ca ⁺⁺)		225.12	20.10	11.20
Magnesium (Mg ⁺⁺)		73.20	12.20	6.00
Sodium (Na ⁺)		5,928.19	23.00	257.75
Barium (Ba ⁺⁺)	NOT ANALYZED			
Manganese (Mn ⁺)		.05	27.50	.00

Anions

Hydroxyl (OH ⁻)		.00	17.00	.00
Carbonate (CO ₃ ⁼)		360.00	30.00	12.00
BiCarbonate (HCO ₃ ⁻)		2,272.92	61.10	37.20
Sulfate (SO ₄ ⁼)		8.00	48.80	.16
Chloride (Cl ⁻)		8,008.80	35.50	225.60
Total Iron (Fe)		0.27	18.60	.01
Total Dissolved Solids		17,096.56		
Total Hardness as CaCO ₃		862.92		
Conductivity MICROMHOS/CM		30,000		

pH 7.830 Specific Gravity 60/60 F. 1.012

CaSO₄ Solubility @ 80 F. 43.76 MEq/L, CaSO₄ scale is unlikely

CaCO₃ Scale Index

70.0	1.117	100.0	1.457	130.0	2.017
80.0	1.237	110.0	1.717	140.0	2.017
90.0	1.457	120.0	1.717	150.0	2.297

Nalco Energy Services

GENERALIZED SECTION

PRODUCING FORMATIONS LEA COUNTY, NEW MEXICO

SYSTEM	SERIES	FORMATION		LEA COUNTY POOLS	
PERMIAN	OCHOA	SALADO		2500'± NONPRODUCTIVE BEDS ARE NOT INCLUDED	
	GUADALUPE	TANSILL			
		YATES			ARROW, BAISH, CORBIN, EAVES, EUMONT, GEM, HALFWA, JALMAT, LUSK, LYNCH, NORTH LYNCH, RHODES, SA, SIMON, TEAS, TONTO, WILSON, NORTH WILSON
		SEVEN RIVERS			ARROW, BOWERS, COOPER JAL, EAVES, EUMONT, SOUT, EUNICE, EAST HOBBS, JALMAT, LANGLIE (MATTI) LEONARD, TONTO, WATKINS, WEST WILSON
		QUEEN			ARROW, CAPROCK, NORTH CAPROCK, COOPER JAL, CORBIN, DOLLARHIDE, E.K., EUMONT, LANGLIE, MATTIX, SOUTH LEONARD, PEARSALL, PENROSE, SKELLY, YOUNG
		GRAYBURG			ARROWHEAD, EUNICE-MONUMENT, HARDY, HOBBS, MALJAMAR, EAST MALJAMAR, NORTH MALJAMAR, SOUTH MALJAMAR, PENROSE, SKELLY, ROBERTS, SKAGGS, VACUUM, WATKINS
		SAN ANDRES			SOUTH CARTER, E.K., EIGHTY FOUR DRAW, EUNICE-MONUMENT, GARRETT, HOBBS, EAST HOBBS, HOUSE, LITTMAN, LOVINGTON, WEST LOVINGTON, MALJAMAR, EAST MALJAMAR, NORTH MALJAMAR, SAN MAL, SAWYER, VACUUM
	LEONARD	GLORIETA			JUSTIS, LOVINGTON, MONUMENT, MALJAMAR, PADDOCK
		YESO DRINKARD	LOWER MIDDLE UPPER		BLINEBRY, FOWLER, EAST HOBBS, LOVINGTON, MONUMENT, TERRY
					LOVINGTON, TUBB
					DOLLARHIDE, DRINKARD, FOWLER, HOBBS, HOUSE, NADINE, SKAGGS, WARREN, WEIR
	WOLFCAMP	ABO-HUECO			ANDERSON RANCH, EAST BAGLEY, BAUM, BRONCO, BUFFALO, EAST CAPROCK, CAUDILL, DENTON, D-K, GLADIOLA, SOUTH GLADIOLA, KING, LANE, LOVINGTON, MOORE, TOWNSEND, TULK, WANTZ
PENNSYLVANIAN				ALLISON, BAGLEY, BOUGH, CASS, CROSSROADS, DEAN, EIDSON, HIGHTOWER, LAZY J, EAST LOVINGTON, MESCALERO, MOORE, SOUTH ROBERTS RANCH, SAUNDERS, SOUTH SAUNDERS, SHOE BAR, WILLIAMS	
MISSISSIPPIAN		MISS. LS.		DENTON	
		WOODFORD SH.			
DEVONIAN				ANDERSON RANCH, BAGLEY, BRONCO, EAST CAPROCK, CAUDILL, CROSBY, CROSSROADS, SOUTH CROSSROADS, DEAN, DENTON, SOUTH DENTON, DOLLARHIDE, DUBLIN, ECHOL, NORTH ECHOL, FOWLER, GLADIOLA, HIGHTOWER, KNOWLES, SOUTH KNOWLES, MALJAMAR, MESCALERO, MOORE, SOUTH ROBERTS RANCH, SAWYER, SHOE BAR, TEAGUE	
SILURIAN		FUSSELMAN		DOLLARHIDE, FOWLER, MC CORMICK	
ORDOVICIAN	UPPER	MONTOYA		CARY	
	MIDDLE	SIMPSON		HARE, SOUTH HARE, TEAGUE, WARREN, NORTH WARREN	
	LOWER	ELLENBURGER		BRUNSON, DOLLARHIDE, DUBLIN, FOWLER, TEAGUE	
PRE-CAMBRIAN					



ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 893-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
RICE OPERATING CO.
ATTN: SCOTT CURTIS
122 W. TAYLOR
HOBBS, NM 88240
FAX TO: (505) 397-1471

Receiving Date: 08/03/06
Reporting Date: 08/04/06
Project Number: NOT GIVEN
Project Name: E-32 SWD WELL
Project Location: NOT GIVEN

Key

Sampling Date: 08/02/06
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: NF
Analyzed By: AB/HM

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (μ S/cm)	T-Alkalinity (mgCaCO ₃ /L)
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ANALYSIS DATE:	08/03/06	08/03/06	08/03/06	08/03/06	08/03/06	08/03/06	08/03/06
H11409-1 ULA 32-31-37	1784	16	9.72	24	7040	640	
Quality Control	NR	48.0	48.6	1.81	1420	NR	
True Value QC	NR	50.0	50.0	2.00	1413	NR	
% Recovery	NR	96	97.0	91	100	NR	
Relative Percent Difference	NR	0.0	0.0	0.6	0.2	NR	

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
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	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
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ANALYSIS DATE:	08/03/06	08/03/06	08/03/06	08/03/06	08/03/06	08/04/06
H11409-1 ULA 32-31-37	1639	999	144	488	9.3	4377
Quality Control	970	24.0	NR	976	7.00	NR
True Value QC	1000	25.0	NR	1000	7.00	NR
% Recovery	97	96	NR	88	100	NR
Relative Percent Difference	2.0	10.3	NR	0	0	

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
----------	-------------	-------	-------	-------	-------	-------

Bryan J. Cook
Chemist

8/4/06
Date

Ricc Operating Co.
122 W. Taylor
Hobbs NM, 88240

Project: BD Jct. N-29
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
04/26/06 16:27

Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Monitor Well #1- Deep (6D20005-01) Water									
Benzene	ND	0.00100	mg/L	1	ED62105	04/21/06	04/21/06	EPA 8021B	
Toluene	ND	0.00100	"	"	"	"	"	"	
Ethylbenzene	ND	0.00100	"	"	"	"	"	"	
Xylene (p/m)	ND	0.00100	"	"	"	"	"	"	
Xylene (o)	ND	0.00100	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		97.0 %	80-120		"	"	"	"	
Surrogate: 4-Bromofluorobenzene		102 %	80-120		"	"	"	"	
Monitor Well #2- Shallow (6D20005-02) Water									
Benzene	ND	0.00100	mg/L	1	ED62105	04/21/06	04/21/06	EPA 8021B	
Toluene	ND	0.00100	"	"	"	"	"	"	
Ethylbenzene	ND	0.00100	"	"	"	"	"	"	
Xylene (p/m)	ND	0.00100	"	"	"	"	"	"	
Xylene (o)	ND	0.00100	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		95.0 %	80-120		"	"	"	"	
Surrogate: 4-Bromofluorobenzene		100 %	80-120		"	"	"	"	

Rice Operating Co.
122 W. Taylor
Hobbs NM, 88240

Project: BD Jct. N-29
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
05/01/06 11:11

**General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Monitor Well #1- Deep (6D20005-01) Water									
Total Alkalinity	198	2.00	mg/L	1	ED62402	04/25/06	04/25/06	EPA 310.1M	
Chloride	55.9	5.00	"	10	ED62120	04/24/06	04/24/06	EPA 300.0	
Total Dissolved Solids	502	5.00	"	1	ED62405	04/20/06	04/21/06	EPA 160.1	
Sulfate	86.4	5.00	"	10	ED62120	04/24/06	04/24/06	EPA 300.0	
Monitor Well #2- Shallow (6D20005-02) Water									
Total Alkalinity	188	2.00	mg/L	1	ED62402	04/25/06	04/25/06	EPA 310.1M	
Chloride	79.2	5.00	"	10	ED62120	04/24/06	04/24/06	EPA 300.0	
Total Dissolved Solids	584	5.00	"	1	ED62405	04/20/06	04/21/06	EPA 160.1	
Sulfate	80.4	5.00	"	10	ED62120	04/24/06	04/24/06	EPA 300.0	

Ricc Operating Co.
122 W. Taylor
Hobbs NM, 88240

Project: BD Jct. N-29
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
04/26/06 16:27

Total Metals by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Monitor Well #1- Deep (6D20005-01) Water									
Calcium	28.8	0.100	mg/L	10	ED62106	04/21/06	04/21/06	EPA 6010B	
Magnesium	13.4	0.0100	"	"	"	"	"	"	
Potassium	10.0	0.500	"	"	"	"	"	"	
Sodium	122	0.500	"	50	"	"	"	"	
Monitor Well #2- Shallow (6D20005-02) Water									
Calcium	49.9	0.100	mg/L	10	ED62106	04/21/06	04/21/06	EPA 6010B	
Magnesium	24.2	0.0100	"	"	"	"	"	"	
Potassium	5.20	0.500	"	"	"	"	"	"	
Sodium	80.1	0.500	"	50	"	"	"	"	

STATEMENT OF COMPATIBILITY

Water analysis of the blended injection water and a sample of San Andres formation water, taken from a producing well approximately three and a half miles from the proposed disposal well E-32, appears to be compatible. Considering the fact that a similar disposal Well N-18, has been injecting this same blended water into the San Andres formation, (approximately three and a half miles to the southwest of this proposed site) for roughly 30 years, (without any formation problems), there is no doubt that the two waters are in fact compatible.

A handwritten signature in black ink, appearing to be 'Scott Curtis', with a long horizontal line extending to the right.

Scott Curtis
Operations Manager
Rice Operating Company
(505) 393-9174

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

July 27 2006

and ending with the issue dated

July 27 2006

Kathi Bearden

Publisher

Sworn and subscribed to before

me this 27th day of

July 2006

Uma
Notary Public.

My Commission expires
February 07, 2009
(Seal)



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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.

67101863000 02587007
GRAY SURFACE SPECIALTIES
3106 N. BIG SPRING SUITE 100
MIDLAND, TX 79705

LEGAL NOTICE
JULY 27, 2006

Pursuant to the rules and regulations of the Oil Conservation Division of the State of New Mexico, Rice Operating Company, 122 West Taylor, Hobbs, NM 88240, is filing a C-108 Application for a Commercial Salt Water Disposal. The well being applied for is the Blinbery Drinkard SWD E-32 located in Section 32, Unit Letter E, T21S, R37E, Lea Co., NM. The injection formation is the San Andres, located from 4400' to 5000' below surface. Expected maximum injection rate is 20,000 bpd. The expected maximum injection pressure is 1600 lbs. Any questions about the application can be directed to Ellis Gray, 432-685-9158, or any objections or request for hearing, must be directed to the Oil Conservation Division, 505-476-3440, Box 0429, 1220 South Francis Drive, Santa Fe, NM 87504, within fifteen (15) days. #22534

X
8 7503

**SURFACE OWNER, GRAZING LESSEE, LEASE OWNER,
AND OFFSET OPERATORS**

**Blinebry-Drinkard SWD, Well #E-32
1327 FNL, 244' FWL, Sec 32, T21S, R37E
Lea County, NM**

Surface Owner of Well Site

State of New Mexico
Commissioner of Public Lands
P.O. Box 1148
Santa Fe, NM 87504

Grazing Lessee of Well Site

#6010, Golf Course Allotment
Sam Bruton
Route A, Box 60
Monument, NM 88265

Operators of Record

Range Operating New Mexico, Inc.
777 Main Street, Suite 800
Ft. Worth, TX 76102

The Wiser Oil Company
P. O. Box 2568
Hobbs, NM 88241

Chevron USA, Inc.
P.O. Box 670
Hobbs, NM 88240

Forrest Oil Corp.
1600 Broadway, Suite 2200
Denver, CO 80202

Momentum Operating Co., Inc.
P. O. Box 578
Albany, TX 76430

Hawkins Oil & Gas, Inc.
400 S. Boston, Suite 800
Tulsa, OK 74103

John H. Hendrix Corp.
P.O. Box 3040
Midland, TX 79702

URAY

July 26, 2006

State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, NM 87504

RE: Blinebry Drinkard SWD E-32
Unit E, Section 32, T-21-S, R-37-E
1327' FNL, 244 FWL
Lea County, NM

To Whom It May Concern:

In accordance with the Rules and Regulations of the Oil Conservation Division of the State of New Mexico, you are being provided a copy of the C-108 Application for Authorization to Inject into the above captioned well.

Any questions about the permit can be directed to Ellis Gray, 432-685-9158. Any objections or request for hearing must be filed with the Oil Conservation Division within fifteen (15) days from the date received. The OCD address is P.O. Box 6429, 1220 S. Saint Francis Drive, Santa Fe, NM 87504, 505-476-3440.

Thank you.

Denise Menoud
Regulatory Specialist
Gray Surface Specialties,
Agent for Rice Operating Company

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SANTA Fe, NM 87504

PS Form 3800, June 2002 See Reverse for Instructions

URAY

July 26, 2006

Chevron USA, Inc.
P. O. Box 670
Hobbs, NM 88240

RE: Blinebry Drinkard SWD E-32
Unit E, Section 32, T-21-S, R-37-E
1327' FNL, 244 FWL
Lea County, NM

To Whom It May Concern:

In accordance with the Rules and Regulations of the Oil Conservation Division of the State of New Mexico, you are being provided a copy of the C-108 Application for Authorization to Inject into the above captioned well.

Any questions about the permit can be directed to Ellis Gray, 432-685-9158. Any objections or request for hearing must be filed with the Oil Conservation Division within fifteen (15) days from the date received. The OCD address is P.O. Box 6429, 1220 S. Saint Francis Drive, Santa Fe, NM 87504, 505-476-3440.

Thank you.



Denise Menoud
Regulatory Specialist
Gray Surface Specialties,
Agent for Rice Operating Company

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PS Form 3800, June 2002	
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URAY

July 26, 2006

Sam Bruton
Route A, Box 60
Monument, NM 88265

RE: Blinebry Drinkard SWD E-32
Unit E, Section 32, T-21-S, R-37-E
1327' FNL, 244 FWL
Lea County, NM

To Whom It May Concern:

In accordance with the Rules and Regulations of the Oil Conservation Division of the State of New Mexico, you are being provided a copy of the C-108 Application for Authorization to Inject into the above captioned well.

Any questions about the permit can be directed to Ellis Gray, 432-685-9158. Any objections or request for hearing must be filed with the Oil Conservation Division within fifteen (15) days from the date received. The OCD address is P.O. Box 6429, 1220 S. Saint Francis Drive, Santa Fe, NM 87504, 505-476-3440.

Thank you.

Denise Menoud
Regulatory Specialist
Gray Surface Specialties,
Agent for Rice Operating Company

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Street, Apt. No.; or PO Box No.			
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City, State, ZIP+4			
MONUMENT, NM 88265			
PS Form 3800, June 2002		See Reverse for Instructions	

URAY

July 26, 2006

Range Operating New Mexico, Inc.
777 Main Street, Suite 800
Ft. Worth, TX 76102

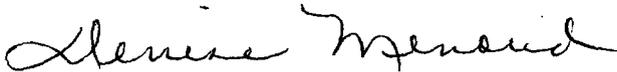
RE: Blinebry Drinkard SWD E-32
Unit E, Section 32, T-21-S, R-37-E
1327' FNL, 244 FWL
Lea County, NM

To Whom It May Concern:

In accordance with the Rules and Regulations of the Oil Conservation Division of the State of New Mexico, you are being provided a copy of the C-108 Application for Authorization to Inject into the above captioned well.

Any questions about the permit can be directed to Ellis Gray, 432-685-9158. Any objections or request for hearing must be filed with the Oil Conservation Division within fifteen (15) days from the date received. The OCD address is P.O. Box 6429, 1220 S. Saint Francis Drive, Santa Fe, NM 87504, 505-476-3440.

Thank you.



Denise Menoud
Regulatory Specialist
Gray Surface Specialties,
Agent for Rice Operating Company

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Street, Apt. No., or PO Box No.	777 MAIN ST, STE 800
City, State, ZIP+4	FT. WORTH, TX 76102
PS Form 3800, June 2002	See Reverse for Instructions

URAY

July 26, 2006

Momentum Operating Co., Inc.
P. O. Box 578
Albany, TX 76430

RE: Blinebry Drinkard SWD E-32
Unit E, Section 32, T-21-S, R-37-E
1327' FNL, 244 FWL
Lea County, NM

To Whom It May Concern:

In accordance with the Rules and Regulations of the Oil Conservation Division of the State of New Mexico, you are being provided a copy of the C-108 Application for Authorization to Inject into the above captioned well.

Any questions about the permit can be directed to Ellis Gray, 432-685-9158. Any objections or request for hearing must be filed with the Oil Conservation Division within fifteen (15) days from the date received. The OCD address is P.O. Box 6429, 1220 S. Saint Francis Drive, Santa Fe, NM 87504, 505-476-3440.

Thank you.



Denise Menoud
Regulatory Specialist
Gray Surface Specialties,
Agent for Rice Operating Company

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Street, Apt. No., or PO Box No.	P.O. Box 578
City, State, ZIP+4	ALBANY, TX 76430

PS Form 3800, June 2002 See Reverse for Instructions

URAY

July 26, 2006

The Wiser Oil Company
P. O. Box 2568
Hobbs, NM 88241

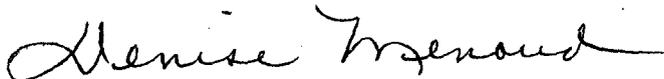
RE: Blinebry Drinkard SWD E-32
Unit E, Section 32, T-21-S, R-37-E
1327' FNL, 244 FWL
Lea County, NM

To Whom It May Concern:

In accordance with the Rules and Regulations of the Oil Conservation Division of the State of New Mexico, you are being provided a copy of the C-108 Application for Authorization to Inject into the above captioned well.

Any questions about the permit can be directed to Ellis Gray, 432-685-9158. Any objections or request for hearing must be filed with the Oil Conservation Division within fifteen (15) days from the date received. The OCD address is P.O. Box 6429, 1220 S. Saint Francis Drive, Santa Fe, NM 87504, 505-476-3440.

Thank you.



Denise Menoud
Regulatory Specialist
Gray Surface Specialties,
Agent for Rice Operating Company

7006 0100 0001 2459 7976

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Sent To	
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Street Apt. No. or PO Box No.	
P.O. Box 2568	
City, State, ZIP+4	
Hobbs NM 88241	
PS Form 3800, June 2002	
See Reverse for Instructions	

URAY

July 26, 2006

John H. Hendrix Corp.
P. O. Box 3040
Midland, TX 79702

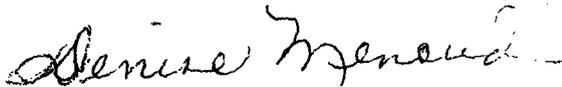
RE: Blinebry Drinkard SWD E-32
Unit E, Section 32, T-21-S, R-37-E
1327' FNL, 244 FWL
Lea County, NM

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Thank you.



Denise Menoud
Regulatory Specialist
Gray Surface Specialties,
Agent for Rice Operating Company

7902 0000 0000 2459 6542 9862

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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.32
Postmark Here	
Sent To	JOHN H. HENDRIX Corp.
Street, Apt. No.; or PO Box No.	P.O. Box 3040
City, State, ZIP+4	MIDLAND, TX 79702
PS Form 3800, June 2002	See Reverse for Instructions



July 26, 2006

Forrest Oil Corp.
1600 Broadway, Suite 2200
Denver, CO 80202

RE: Blinebry Drinkard SWD E-32
Unit E, Section 32, T-21-S, R-37-E
1327' FNL, 244 FWL
Lea County, NM

To Whom It May Concern:

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Thank you.

Denise Menoud
Regulatory Specialist
Gray Surface Specialties,
Agent for Rice Operating Company

7006 0100 0001 2459 7990

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Return Receipt Fee (Endorsement Required)		1.85	
Restricted Delivery Fee (Endorsement Required)			
Total Postage & Fees	\$	6.32	
Sent To			
FORREST OIL CORP.			
Street, Apt. No., or PO Box No.			
1600 BROADWAY, STE 2200			
City, State, ZIP+4			
DENVER, CO. 80202			
PS Form 3800, June 2002		See Reverse for Instructions	

URAY

July 26, 2006

Hawkins Oil & Gas, Inc.
400 S. Boston, Suite 800
Tulsa, OK 74103

RE: Blinebry Drinkard SWD E-32
Unit E, Section 32, T-21-S, R-37-E
1327' FNL, 244 FWL
Lea County, NM

To Whom It May Concern:

In accordance with the Rules and Regulations of the Oil Conservation Division of the State of New Mexico, you are being provided a copy of the C-108 Application for Authorization to Inject into the above captioned well.

Any questions about the permit can be directed to Ellis Gray, 432-685-9158. Any objections or request for hearing must be filed with the Oil Conservation Division within fifteen (15) days from the date received. The OCD address is P.O. Box 6429, 1220 S. Saint Francis Drive, Santa Fe, NM 87504, 505-476-3440.

Thank you.



Denise Menoud
Regulatory Specialist
Gray Surface Specialties,
Agent for Rice Operating Company

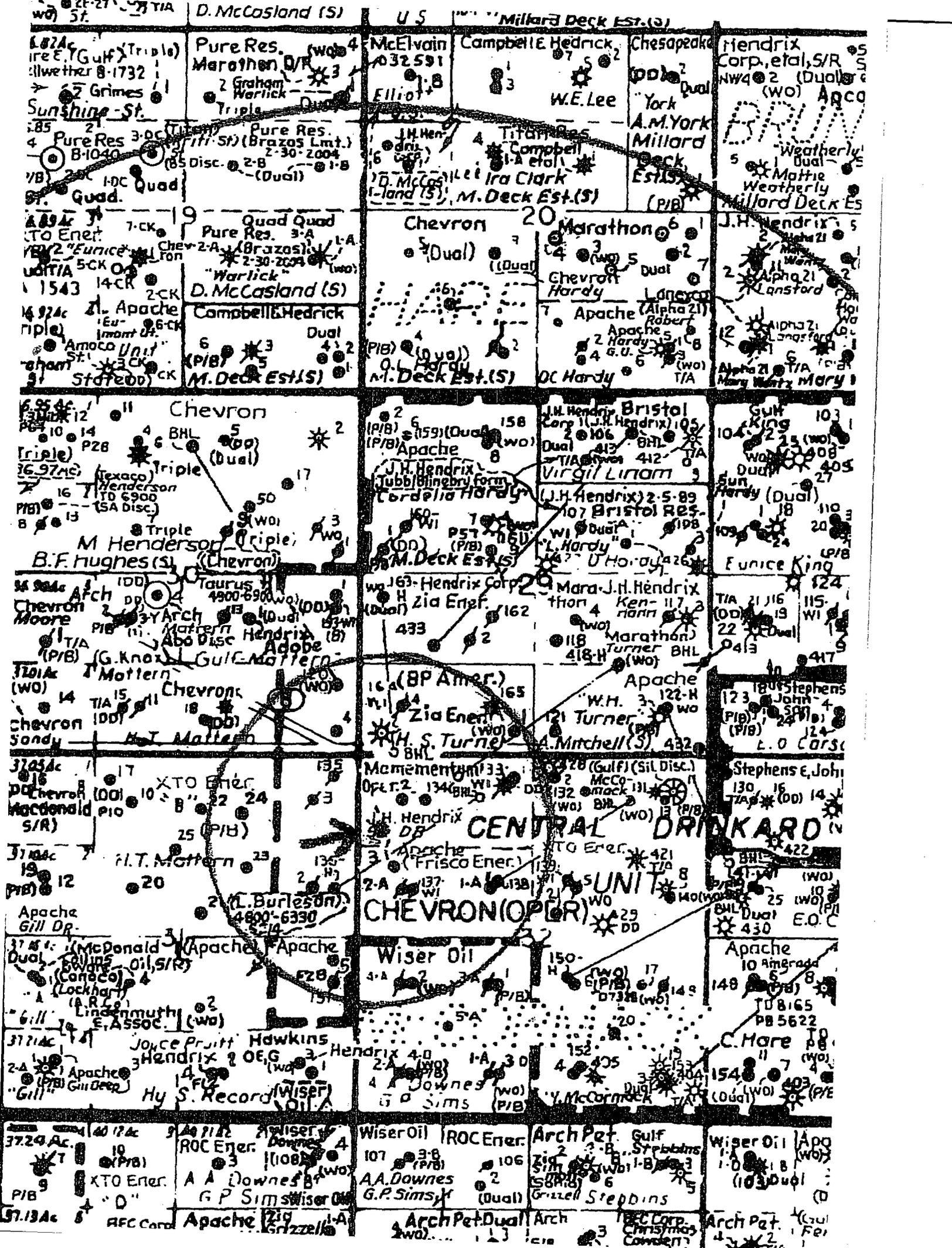
7006 0100 0070 1000 0000 6542 8008

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Certified Fee	2.40
Return Receipt Fee (Endorsement Required)	1.85
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.32
Postmark Here	
Sent To	HAWKINS OIL & GAS, INC.
Street, Apt. No.; or PO Box No.	400 S. BOSTON, STE. 800
City, State, ZIP+4	TULSA, OK 74103
PS Form 3800, June 2002	
See Reverse for Instructions	

WELLS WITHIN 1/2 MILE OF THE PROPOSED BD SWD WELL E-32 WHICH PENETRATE THE PROPOSED INJECTION ZONE

UL	API	LOCATION	OPERATOR	LEASE NAME	WELL #	TYPE	STATUS	SPUD DATE	TD	FORMATION
Section 29, T21S, R37E										
M	30-025-06886	660 FSL, 660 FWL	Chevron USA, Inc.	Central Drinkard Unit	164	Water Inj	Active	1/9/1948	6627	Drinkard
M	30-025-37601	980 FSL, 860 FWL	Range Operating New Mexico Inc.	H. S. Turner	6	Oil	Active	1/10/2006	4500	Eunice, San Andres
M	30-025-37873	740 FSL, 380 FWL	Range Operating New Mexico Inc.	H. S. Turner	8	Oil	Not drilled	NA	N/A	N/A
N	30-025-06885	660 FSL, 1980 FWL	Chevron USA, Inc.	Central Drinkard Unit	165	Oil	Active	8/6/1947	6628	Drinkard
Section 30, T21S, R37E										
P	30-025-06903	990 FSL, 330 FEL	Chevron USA, Inc.	Central Drinkard Unit	120	Oil	Active	4/2/1949	10,400	Drinkard
Section 31, T21S, R37E										
A	30-025-06919	660 FNL, 660 FEL	Chevron USA, Inc.	H. T. Mattem NCT B	3	Oil	P&A'd	9/24/1939	3800	Penrose-Skelly Grayburg
A	30-025-06920	330 FNL, 330 FEL	Chevron USA, Inc.	Central Drinkard Unit	135	Water Inj	Active	5/28/1949	6602	Drinkard
A	30-025-29095	660 FNL, 990 FEL	Gulf Corp	H. T. Mattem NCT B	24	Oil	Not drilled	N/A	N/A	N/A
B	30-025-29976	850 FNL, 1725 FEL	Chevron USA, Inc.	H. T. Mattem NCT B	24	Oil	Active	7/18/1987	6800	Drinkard
G	30-025-29094	1650 FNL, 1650 FEL	Chevron USA, Inc.	H. T. Mattem NCT B	23	Oil	Active	1/23/1985	6824	Drinkard
H	30-025-06918	1980 FNL, 660 FEL	Chevron USA, Inc.	H. T. Mattem NCT B	2	Oil	P&A'd	2/15/1939	3806	Penrose-Skelly Grayburg
H	30-025-06921	1980 FNL, 330 FEL	Chevron USA, Inc.	Central Drinkard Unit	136	Oil	Active	11/16/1950	8951	Drinkard
I	30-025-06917	1980 FSL, 330 FEL	Chevron USA, Inc.	Central Drinkard Unit	151	Water Inj	Active	7/17/1950	6631	Drinkard
I	30-025-34078	2310 FSL, 330 FEL	John H. Hendrix Corp.	Joyce Pruitt	5	Oil	Active	9/24/1997	6475	Blinberry Oil & Gas
Section 32, T21S, R37E										
C	30-025-06948	480 FNL, 2160 FWL	Chevron USA, Inc.	Central Drinkard Unit	133	Water Inj	Active	11/12/1947	6620	Drinkard
D	30-025-06949	660 FNL, 990 FWL	Chevron USA, Inc.	Central Drinkard Unit	134	Oil	Active	11/26/1948	6610	Drinkard
E	30-025-06929	1980 FNL, 810 FWL	Chevron USA, Inc.	Central Drinkard Unit	137	Water Inj	Active	6/25/1949	6600	Drinkard
E	30-025-06958	1980 FNL, 660 FWL	Hawkins Oil & Gas, Inc.	State A	2	Oil	P&A'd	11/12/1958	3792	Penrose-Skelly Grayburg
F	30-025-35522	1650 FNL, 600 FWL	John H. Hendrix Corp.	State DB	3	Oil	Active	6/1/2001	6350	Blinberry Oil & Gas
F	30-025-06928	1980 FNL, 2080 FWL	Chevron USA, Inc.	Central Drinkard Unit	138	Oil	Active	4/28/1949	8903	Drinkard
L	30-025-06953	1980 FSL, 660 FWL	Wiser Oil Co. (The)	Downes A	4	Oil	P&A'd	8/19/1938	3780	Penrose-Skelly Grayburg
L	30-025-06955	1980 FSL, 810 FWL	Forest Oil Corp.	Downes D	2	Oil	Active	11/25/1949	6630	Blinberry Oil & Gas
K	30-025-06952	1980 FSL, 1980 FWL	Wiser Oil Co. (The)	Downes A	3	Oil	P&A'd	7/21/1938	3778	Penrose-Skelly Grayburg

Hok. 2. 2006



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W.E. Lee
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Ira Clark
M. Deck Est. (S)

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Robert Hardy
G.O. Hardy
TIA

Marathon
Chevron Hardy
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Robert Hardy
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Turner
A. Mitchell (S) 432

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G.P. Sims
Wiser Oil

Wiser Oil
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G.P. Sims
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Arch Pat. Dual

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Arch Pat. Gulf

Wiser Oil
Wiser Oil
ROC Ener.
Arch Pat. Gulf
Arch Pat. Gulf
Arch Pat. Gulf

WELL DATA SHEET

OPERATOR: Chevron USA, Inc.

WELL NAME & NUMBER: Central Drinkard Unit #164

API #: 30-025-06886

WELL LOCATION: 660' FSL, 660 FWL M 29 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 17 1/4"
Casing Size: 13 3/8" @ 315'
Cemented with: 300 sacks
Top of Cement: Surface
Method Determined: Visual

Intermediate Casing

Hole Size: 10
Casing Size: 7 5/8" @ 2796'
Cemented with: 1000 sacks
Top of Cement: 2580'
Method Determined: Calculated

Production Casing

Hole Size: 7
Casing Size: 5 1/2" @ 6627'
Cemented with: 400 sacks
Top of Cement: 3013'
Method Determined: Calculated

Additional Data

Type Well	<u>Water Injection</u>
Status	<u>Active</u>
Name of Field or Pool (if applicable):	<u>Drinkard</u>
Spud Date:	<u>1/9/1948</u>
Total Depth:	<u>6627'</u>

Other Information:

2/20/48: Perf'd 5 1/2" csg w/6 shots 6575'-6620'. 3/1/48: PBTB 6565', perfs 6530-6565'. 9/22/61: Set CIBP @ 6000'
w/5 sx cmt on top. Perf'd 5144-5163'. 5/28/65: Sqz perfs 5144-50' w/100 sx. Perf'd 4 holes @ 5990-92' & sqz w/100 sx
Resqz perfs w/100 sx cmt. Perf'd 5573-5875'. 11/72: Sqz perfs 5573-5875' w/300 sx cmt. 1/8/73: Cleaned out
w/4 3/4" bit to 6614'. Perf'd 5 1/2" csg 6565-6610'. Treated old pers 6530-6565' and new perfs. 1/24/85: Casing Leak -
Perf 5 1/2" csg @ 2900', spot 100 gal acid @ 2906', set cmt retainer @ 2830', pump 200 sx cmt, tag cmt @ 2720' . Perf
5 1/2" csg @ 2490', could not pump cmt. Perf csg @ 2038', pump 230 sx cmt, drill out, circ hole clean. 10/85: Casing Leak
5573-5875 (old perfs). Cmt'd w/65 sx Cl C, DO cmt. Tested OK, return to injection.

WELL DATA SHEET

OPERATOR: Range Operating New Mexico Inc.

WELL NAME & NUMBER: H. S. Turner #6

API #: 30-025-37601

WELL LOCATION: 980' FSL, 860' FWL M 29 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 12 1/4"
Casing Size: 8.625 @ 1074'
Cemented with: 200 POZ/C & 180 C sacks
Top of Cement: Surface
Method Determined: Visual

Intermediate Casing

Hole Size: _____
Casing Size: _____
Cemented with: _____ sacks
Top of Cement: _____
Method Determined: _____

Production Casing

Hole Size: 7 7/8"
Casing Size: 5.5 @ 4490'
Cemented with: 680 POZ/C sacks
Top of Cement: 874'
Method Determined: Estimated

Additional Data

Type Well OIL
Status ACTIVE
Name of Field or Pool (if applicable): EUNICE, SAN ANDRES
Spud Date: 1/10/2006
Total Depth: 4500'; PBTD @ 4468'

Other Information: 2/2006; Perf'd 126 shots 3884-4122'; PBTD 4468'.

WELL DATA SHEET

OPERATOR: Chevron USA, Inc.

WELL NAME & NUMBER: Central Drinkard Unit #165

API #: 30-025-06885

WELL LOCATION: 660' FSL, 1980' FWL N 29 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 17 1/4"
Casing Size: 13 3/8" @ 332'
Cemented with: 300 sacks
Top of Cement: Surface
Method Determined: Circulated

Intermediate Casing

Hole Size: 11"
Casing Size: 8 5/8" @ 2786'
Cemented with: 1000 sacks
Top of Cement: 900'
Method Determined: Estimated



Production Casing

Hole Size: 7 7/8"
Casing Size: 5 1/2" @ 6618'
Cemented with: 500 sacks
Top of Cement: 2989'
Method Determined: Estimated

Additional Data

Type Well OIL
Status ACTIVE
Name of Field or Pool (if applicable): DRINKARD
Spud Date: 8/6/1947
Total Depth: 6635' TVD; 6618-6635' OH; 9120' TMD

Other Information: 9/47: Perf'd 6554-6604'. 10/57: Perf'd 5567-5645' 152 shots, sqz'd 11/72
w/ 147 sx CI C cmt. Horizontal drilled and completed 1/03. CIBP set @ 6510'. Window @ 6492-6502'.

WELL DATA SHEET

OPERATOR: Chevron USA, Inc.

WELL NAME & NUMBER: Central Drinkard Unit #120

API #: 30-025-06903

WELL LOCATION: 990' FSL, 330' FEL P 30 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 17 1/4"
Casing Size: 13 3/8" @ 297'
Cemented with: 300 sacks
Top of Cement: Surface
Method Determined: Circulated

Intermediate Casing

Hole Size: 12 1/4"
Casing Size: 9 5/8" @ 2800'
Cemented with: 1300 sacks
Top of Cement: 1150'
Method Determined: Temp. Survey

Production Casing

Hole Size: 8 3/4"
Casing Size: 7" @ 6520'
Cemented with: 700 sacks
Top of Cement: 2150'
Method Determined: Estimated

Additional Data

Type Well OIL
Status ACTIVE
Name of Field or Pool (if applicable): DRINKARD
Spud Date: 4/2/1949
Total Depth: 6573' TVD; OH 6520-6573'; 10,400' TMD

Other Information: 10/72: Perfs @ 5162-5248 sqz'd w/ 150 sx cmt. Sqz'd perfs 5747-5902'
w/ 200 sx cmt. 8/04: Drilled and completed Horizontal

WELL DATA SHEET

OPERATOR: Chevron USA, Inc.

WELL NAME & NUMBER: Central Drinkard Unit #135

API #: 30-025-06920

WELL LOCATION: 330' FNL, 330' FEL A 31 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 17 1/4"
Casing Size: 13 3/8" @ 299'
Cemented with: 300 sacks
Top of Cement: Surface
Method Determined: Circulated

Intermediate Casing

Hole Size: 12 1/4"
Casing Size: 9 5/8" @ 2800'
Cemented with: 1300 sacks
Top of Cement: 1175'
Method Determined: Temp. Survey

Production Casing

Hole Size: 8 3/4"
Casing Size: 7" @ 6530'
Cemented with: 700 sacks
Top of Cement: 2850'
Method Determined: Temp. Survey

Additional Data

Type Well WATER INJECTION
Status ACTIVE
Name of Field or Pool (if applicable): DRINKARD
Spud Date: 5/28/1949
Total Depth: 6622'

Other Information: 1/58: Perf'd 6510-6530'.

WELL DATA SHEET

OPERATOR: Chevron USA, Inc.

WELL NAME & NUMBER: H. T. Mattern NCT B #24

API #: 30-025-29976

WELL LOCATION: 850' FNL, 1725' FEL B 31 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 14 3/4"
Casing Size: 11 3/4" @ 433'
Cemented with: 275 sacks
Top of Cement: Surface
Method Determined: Circulated

Intermediate Casing

Hole Size: 11"
Casing Size: 8 5/8" @ 2700'
Cemented with: 700 sacks
Top of Cement: Surface
Method Determined: Circulated

Production Casing

Hole Size: 7 7/8"
Casing Size: 5 1/2" @ 6800'
Cemented with: 1500 sacks
Top of Cement: Surface
Method Determined: Circulated

Additional Data

Type Well OIL
Status ACTIVE
Name of Field or Pool (if applicable): DRINKARD
Spud Date: 7/18/1987
Total Depth: 6800'

Other Information: 8/87: Perf'd 6634-6575'.

WELL DATA SHEET

OPERATOR: Chevron USA, Inc.

WELL NAME & NUMBER: Central Drinkard Unit #136

API #: 30-025-06921

WELL LOCATION: 1980' FNL, 330' FEL H 31 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 17 1/4"
Casing Size: 13 3/8" @ 337
Cemented with: 300 sacks
Top of Cement: Surface
Method Determined: Circulated

Intermediate Casing

Hole Size: 12 1/4"
Casing Size: 9 5/8" @ 2799'
Cemented with: 1300 sacks
Top of Cement: 950'
Method Determined: Calculated

Production Casing

Hole Size: 8 3/4"
Casing Size: 7" @ 6535'
Cemented with: 700 sacks
Top of Cement: 2925'
Method Determined: Calculated



Additional Data

Type Well OIL
Status ACTIVE
Name of Field or Pool (if applicable): DRINKARD
Spud Date: 11/16/1950
Total Depth: Original TD 6610'; 8951' TMD

Other Information: 10/85: Ran slotted liner (93.02' 5 1/2 15.5#/ft. R-55 w/ 40-50 1/8" x 1" slots per joint w/ Baker wash down shoe). Wash liner to 6604', could not get deeper. TOL @ 6510' (25' overlap).
1/04: Drilled and completed Horizontal.

WELL DATA SHEET

OPERATOR: Chevron USA, Inc.

WELL NAME & NUMBER: Central Drinkard Unit #151

API #: 30-025-06917

WELL LOCATION: 1980' FSL, 330' FEL I 31 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 15"
Casing Size: 10 3/4" @ 215'
Cemented with: 200-250 sacks
Top of Cement: Surface
Method Determined: Circulated

Intermediate Casing

Hole Size: 9 7/8"
Casing Size: 7 5/8" @ 2826'
Cemented with: 1500 sacks
Top of Cement: 390
Method Determined: Temp. Survey

Production Casing

Hole Size: 6 3/4"
Casing Size: 5 1/2" @ 6631'
Cemented with: 500 sacks
Top of Cement: 2990'
Method Determined: Temp. Survey



Additional Data

Type Well: WATER INJECTION
Status: ACTIVE
Name of Field or Pool (if applicable): DRINKARD
Spud Date: 7/17/1950
Total Depth: 6631'; PBTD 6629'

Other Information:

Old perms @ 6587-6618'. 1/73: Sqz perms 6135-6310' w/ 200 sx Cl C cmt. Perf'd 6543-6572'.
12/73: Sqz'd perms 6543-6547 w/ 200 sx Cl C cmt. Resqueezed perms 6135'-6310' w/ 100 sx Cl C.

WELL DATA SHEET

OPERATOR: John H. Hendrix Corp.

WELL NAME & NUMBER: Joyce Pruitt #5

API #: 30-025-34078

WELL LOCATION: 2310' FSL, 330' FEL I 31 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 12 1/4"
Casing Size: 8 5/8" @ 1158'
Cemented with: 600 sacks
Top of Cement: Surface
Method Determined: Circulated

Intermediate Casing

Hole Size: _____
Casing Size: _____
Cemented with: _____ sacks
Top of Cement: _____
Method Determined: _____

Production Casing

Hole Size: 7 7/8"
Casing Size: 5 1/2" @ 6475'
Cemented with: 1500 sacks
Top of Cement: Surface
Method Determined: Calculated



Additional Data

Type Well: OIL
Status: ACTIVE
Name of Field or Pool (if applicable): BLINEBERRY OIL & GAS
Spud Date: 9/24/1997
Total Depth: 6475'; 6437' PBTD

Other Information: 10/97: Perf'd 5580-5718'.

WELL DATA SHEET

OPERATOR: Forrest Oil Corp.

WELL NAME & NUMBER: Downes D #2

API #: 30-025-06955

WELL LOCATION: 1980' FSL, 810' FWL L 32 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 17 1/4"
Casing Size: 13 3/8" @ 319'
Cemented with: 300 sacks
Top of Cement: Surface
Method Determined: Calculated

Intermediate Casing

Hole Size: 12 1/4"
Casing Size: 9 5/8" @ 2848'
Cemented with: 1400 sacks
Top of Cement: Surface
Method Determined: Calculated

Production Casing

Hole Size: 8 3/4"
Casing Size: 7" @ 6497'
Cemented with: 1600 sacks
Top of Cement: Surface
Method Determined: Calculated

Liner

Hole Size: _____
Casing Size: 5 1/2" @ 6440-6680'
Cemented with: N/A sacks

Additional Data

Type Well OIL
Status ACTIVE
Name of Field or Pool (if applicable): BLINEBERRY OIL & GAS
Spud Date: 11/25/1949
Total Depth: Original TVD-6630'; 3/52: TVD-6681.

Other Information:

3/52: Drilled deeper to 6681'. Set & cemented 5 1/2" liner. Perf'd 6653-6674, found water, cemented perfs. Attempted several more groups of perfs above to 6600', all water, all cemented off.
Final perfs 6540-6575'. Hole below was cemented, plugged back. 8/98: Perf'd 6171-6264'; Perf'd 5564-5805'.
1/99: Sqz Blinebry perfs @ 5564-5618'. Now producing from 6171-6264' & 5662-5805'. 3/2000: Set 7" CIBP @ 6100'.
Producing from Blinebry only. 10/2000: Drill CIBP and push plug down to 6320'. Well producing from Blinebry and Tubbs.

WELL DATA SHEET

OPERATOR: Chevron USA, Inc.

WELL NAME & NUMBER: Central Drinkard Unit #134

API #: 30-025-06949

WELL LOCATION: 660' FNL, 990' FWL D 32 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 17 1/4"
Casing Size: 13 3/8" @ 155'
Cemented with: 150 sacks
Top of Cement: Surface
Method Determined: Circulated

Intermediate Casing

Hole Size: 11"
Casing Size: 8 5/8" @ 2740'
Cemented with: 800 sacks
Top of Cement: 137'
Method Determined: Calculated

Production Casing

Hole Size: 7 3/8"
Casing Size: 5 1/2" @ 6490'
Cemented with: 400 sacks
Top of Cement: 2480'
Method Determined: Calculated

Handwritten: 365' @ 72' of



Additional Data

Type Well: OIL
Status: ACTIVE
Name of Field or Pool (if applicable): DRINKARD
Spud Date: 11/26/1948
Total Depth: 6610'; OH 6490-6610'

Other Information:

WELL DATA SHEET

OPERATOR: Chevron USA, Inc.

WELL NAME & NUMBER: Central Drinkard Unit #138

API #: 30-025-06928

WELL LOCATION: 1880' FNL, 2080' FWL F 32 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 17 1/4"
Casing Size: 13 3/8" @ 219'
Cemented with: 200 sacks
Top of Cement: Surface
Method Determined: Circulated

Intermediate Casing

Hole Size: 11"
Casing Size: 8 5/8" @ 2822'
Cemented with: 1550 sacks
Top of Cement: Surface
Method Determined: Calculated

Production Casing

Hole Size: 7 7/8"
Casing Size: 5 1/2" @ 6605'
Cemented with: 500 sacks
Top of Cement: ~~2700'~~ 3900'
Method Determined: Calculated



Additional Data

Type Well: OIL
Status: ACTIVE
Name of Field or Pool (if applicable): DRINKARD
Spud Date: 4/28/1949
Total Depth: TVD-6630'; PBTD-6593'; TMD-8903'

Other Information:

6/49: Perf'd 6534-6579'; 2/57: Perf'd 6060-6208' (Tubb)
8/83: P&A Tubb perms by sqz 200 sx CI C.
11/03: Perf'd 6580-6486. 4/04: Drilled and completed Horizontal. KOP: 6597-6612.

WELL DATA SHEET

OPERATOR: John H. Hendrix Corp.

WELL NAME & NUMBER: State DB #3

API #: 30-025-35522

WELL LOCATION: 1650' FNL, 600' FWL E 32 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 12 1/4"
Casing Size: 8 5/8" @ 1230'
Cemented with: 600 sacks
Top of Cement: Surface
Method Determined: Circulated

Intermediate Casing

Hole Size: _____
Casing Size: _____
Cemented with: _____ sacks
Top of Cement: _____
Method Determined: _____

Production Casing

Hole Size: 7 7/8"
Casing Size: 5 1/2" @ 6350'
Cemented with: 1250 sacks
Top of Cement: Surface
Method Determined: Circulated

(Handwritten notes in a circle):
DV @ 4200' / 800SX - CIRC TOP / 385X / 450SX - CIRC BOT / (69% FILLUP) 855X

Additional Data

Type Well: OIL
Status: ACTIVE
Name of Field or Pool (if applicable): BLINEBERRY OIL & GAS
Spud Date: 6/1/2001
Total Depth: 6350'; 6332' PBSD

Other Information: 8/01: Perf'd 5558-5832'. DV Tool @ 4200'.

WELL DATA SHEET

OPERATOR: Chevron USA, Inc.

WELL NAME & NUMBER: H. T. Mattern NCT B #23

API #: 30-025-29094

WELL LOCATION: 1650' FNL, 1650' FEL G 31 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 14 3/4"
Casing Size: 11 3/4" @ 398'
Cemented with: 275 CI C sacks
Top of Cement: Surface
Method Determined: Circulated

Intermediate Casing

Hole Size: 11"
Casing Size: 8 5/8" @ 2720'
Cemented with: 750 CI C sacks
Top of Cement: Surface
Method Determined: Circulated

Production Casing

Hole Size: 7 7/8"
Casing Size: 5 1/2" @ 6823'
Cemented with: 1200 sacks
Top of Cement: 2747'
Method Determined: Temp. Survey

OK ✓

Additional Data

Type Well OIL
Status ACTIVE
Name of Field or Pool (if applicable): DRINKARD
Spud Date: 1/23/1985
Total Depth: 6824'; 6780' PBTB

Other Information: 3/85: Perf'd 6570-6638'. DV tool @ 4066'.

FORMATION RECORD

FROM	TO	THICKNESS IN FEET	FORMATION
0	40	40	Caliche & Rock
40	105	65	Caliche & Shells
105	1190	1085	Red Bed & Shells
1190	1245	55	Red Bed, Anhydrite Streaks
1245	1347	122	Anhydrite & Salt
1347	15 30	149	Salt & Red Bed
1530	1640	110	Anhydrite & Salt Streaks
1640	1920	280	Anhydrite & Salt
1920	2128	208	Salt & Anhydrite Streaks
2128	2327	199	Salt & Anhydrite
2327	2495	168	Anhydrite & Salt Streaks
2495	2514	19	Anhydrite
2514	2542	28	Anhydrite & Gyp
2542	2652	90	Anhydrite
2652	2857	185	Anhydrite & Lime
2857	6600	3743	Lime
6597			Total Depth
			Plugged Back Depth

GEOMORPHICAL TOPS	SLOPE TESTS		SLOPE TESTS	
	Elevation	Slope	Elevation	Slope
Top Anhydrite	1190'	1 Deg.	574'	2-1/4 Deg.
Top Salt	1320'	1-1/4 Deg.	579'	2
Base Salt	2480'	1-1/4	5840'	2-1/4
Top Yates	2670'	1-1/4	5910'	2-1/4
Top San Andres	3229'	1/2	6005'	2
Base San Andres	5119'	1/4	6120'	2-1/4
Top Clear Fork	5431'	0	6273'	2-1/2
Top Tubbs	6108'	1	6394'	2
Base Tubbs	6247'	1/2		
Top Main Pay	6538'	1		
T.D.	6600'	1		
		1		
		3/4		
		1-1/4		
		3/4		
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		2-1/4		

DUPLICATE

OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

MISCELLANEOUS REPORTS ON WELLS

RECEIVED
JAN 7 1948
HOBBS

Submit this report in triplicate to the Oil Conservation Commission or its proper agent within ten days after the work specified is completed. It should be signed and sworn to before a notary public for reports on beginning drilling operations, results of shooting well, results of test of casing shut off, result of plugging of well, and other important operations, even though the work was witnessed by an agent of the Commission. Reports on minor operations need not be signed and sworn to before a notary public. See additional instructions in the Rules and Regulations of the Commission.

Indicate nature of report by checking below.

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF SHOOTING OR CHEMICAL TREATMENT OF WELL		REPORT ON PULLING OR OTHERWISE ALTERING CASING	
REPORT ON RESULT OF TEST OF CASING SHUT-OFF	XX	REPORT ON DEEPENING WELL	
REPORT ON RESULT OF PLUGGING OF WELL			

January 5, 1948

Hobbs, New Mexico

Date

Place

OIL CONSERVATION COMMISSION,
SANTA FE, NEW MEXICO.

Gentlemen:

Following is a report on the work done and the results obtained under the heading noted above at the Skelly Oil Company State "K" Well No. 3 in the

Company or Operator NE/4 NW/4 of Sec. 32, T. 21S, R. 37E, N. M. P. M.,
Drinkard Field, Lea County.

The dates of this work were as follows:

Notice of intention to do the work was (~~was not~~) submitted on Form C-102 on Jan. 2, 19 48 and approval of the proposed plan was (~~was not~~) obtained. (Cross out incorrect words.)

DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Drilled to T.D. 6620' and ran and cemented string of 5 1/2" OD casing at 6487' with 300 sacks of cement. Halliburton Process used. Let set 48 hours and drilled plug and tested casing shut-off. Shut-off O.K..

Witnessed by Frank Rylant Coats & Foster Drlg. Co. Tool Pusher
Name Company Title

Subscribed and sworn before me this _____

I hereby swear or affirm that the information given above is true and correct.

5 th day of January, 1948

Name [Signature]

Position Dist. Supt.

Representing Skelly Oil Company
Company or Operator

My commission expires My commission expires April 22, 1950 Address Hobbs, New Mexico

Remarks:

APPROVED

Date JAN 7 1948

[Signature]
Name
OIL & GAS INSPECTOR
Title

Pat Sims
P.O. Box 1046
Eunice, New Mexico 88231
Telephone 394-3357

2006 JUL 31 PM 2 17

July 27, 2006

Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87504

Re: Rice Operating Company
Commercial Salt Water Disposal
T21S,R37E,Sec. 32, Lea County, NM

To whom it may concern:

As a property owner and rancher, I object to the above identified land becoming the location of a salt water disposal.

It is my concern that the water table will be effected by this action.

Please consider my concerns and contact this office if further action needs to be taken to protest this disposal.

Thank you for your time and attention in this matter.

Sincerely,



Patrick Sims
Rancher

Pat Sims
P.O. Box 1046
Eunice, New Mexico 88231
Telephone 394-3357

September 20, 2006

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87504

Re: Rice Operating Company
Commercial Salt Water Disposal
T21S, R37E, Sec. 32, Lea County, NM

To Whom It May Concern:

I, Patrick Sims, as a property owner and rancher, previously submitted a letter dated July 27, 2006, objecting to the above identified land becoming the location of a salt water disposal.

Per this letter, I respectfully withdraw my previous objection and support the above identified becoming the location of a salt water disposal.

I appreciate your support and consideration in the matter.

Sincerely,



Patrick Sims
Rancher



RICE OPERATING COMPANY

122 WEST TAYLOR

HOBBS, NM 88240

Phone: (505) 393-9174

Fax: (505) 397-1471

TO: Denise

DATE: 9-25-06

ATTN: 432-218-7396

FROM: Scott

SUBJECT: _____

COVER PAGE PLUS 1 PAGE(S) TO FOLLOW

COMMENTS: _____

Here ya go

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Wednesday, August 30, 2006 12:11 PM
To: 'DENISE MENOUD'
Cc: Ezeanyim, Richard, EMNRD
Subject: RE: SWD Application: Rice Operating: BD SWD #E-32

Hello Denise:
I have finished my review of your application and made notes in my copy of your data.

You had included several wells - mostly P&Aed wells in your packet that did not penetrate the injection interval. I disregard these.

In my opinion, there is one well about 2100 foot NE of the proposed SWD newdrill that should have the cement top raised by squeeze cementing operations prior to allowing injection into the proposed new well: Chevron USA's Central Drinkard Unit #133 API No. 30-025-06948. The data from other wells indicates the cement fillup efficiency is about 70 percent at this depth in this area. This well was cemented in the 1940s with only 300 sacks of cement and therefore calculates to a cement top below the top of the proposed injection interval. The well is an active Drinkard WIW at this time.

Please relay this info to Rice. This completes my work on this application - unless I become the hearing officer assigned to this case.

Regards,

William V. Jones Engineering Bureau Oil Conservation Division Santa Fe

From: DENISE MENOUD [mailto:dmenoud93@yahoo.com]
Sent: Monday, August 28, 2006 1:33 PM
To: Jones, William V., EMNRD
Subject: Re: SWD Application: Rice Operating: BD SWD #E-32

Hi Will. Can you tell me what the Rule # is or what the Rules say about how far someone can be from the wellsite to be eligible to protest?

I don't know where Mr. Sims property is either, he is not listed as the surface owner. I will need to find that out in the meantime.

Thank you. Denise

"Jones, William V., EMNRD" <William.V.Jones@state.nm.us> wrote:

Hello Denise:
Here attached is the letter we received in protest to this application. I appreciate you sending your data and will continue to evaluate it this week to see if I see other problems or have other requests.

Please contact Mr. Pat Sims and attempt to work out your differences. If we receive another letter from Mr. Sims withdrawing this protest, then we can resume evaluation of this application administratively. Otherwise, our attorney has advised me that all protested applications should go to hearing at this time.

Jones, William V., EMNRD

From: Denise [denise@graysurfacespecialties.com]
Sent: Tuesday, September 26, 2006 9:02 AM
To: Jones, William V., EMNRD
Cc: LEEANN ROLLINS; DWAIN MOORE
Subject: RE: Blinebry Drinkard SWD #E-32: Rescind Letter Sims

Hi Will.

I talked with Rice yesterday and Chevron has NOT completed the squeeze yet. I think it was just a matter of convenience that the letter was given to Rice, since Mr. Sims was dealing with them directly.

Thanks much Will.

Denise Menoud

Regulatory Specialist, Gray Surface Specialties
Phone: 432-685-9158; Fax: 432-218-7396
denise@graysurfacespecialties

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]
Sent: Monday, September 25, 2006 5:27 PM
To: Denise
Subject: RE: Blinebry Drinkard SWD #E-32: Rescind Letter Sims

Denise:
Is Chevron's squeeze work recorded in OCD records? Could you look in the system and let me know?
The letter seems OK, but why didn't Mr Sims send the letter to the OCD?

Will

From: Denise [mailto:denise@graysurfacespecialties.com]
Sent: Monday, September 25, 2006 3:21 PM
To: Jones, William V., EMNRD
Cc: ELLIS GRAY; LEEANN ROLLINS; DWAIN MOORE
Subject: Blinebry Drinkard SWD #E-32: Rescind Letter Sims

RE: Blinebry Drinkard SWD #E-32 (Application to Inject)
Sec 32, T21S, R37E
Lea County, NM

Hi Will. Attached is a copy of the letter from Mr. Sims rescinding his protest against the Application to Inject on the above well. Please let me know if this will take care of that situation or if we need to take further steps.

Thanks much !

Denise Menoud

Regulatory Specialist, Gray Surface Specialties
Phone: 432-685-9158; Fax: 432-218-7396

9/26/2006

Jones, William V., EMNRD

From: DENISE MENOUD [dmenoud93@yahoo.com]
Sent: Friday, August 11, 2006 1:44 PM
To: Jones, William V., EMNRD
Subject: SWD permit spreadsheet - BD #E32
Attachments: 1005887410-Table of Wells - onehalf mile.xls

RE: SWD Permit
Blinebry-Drinkard SWD #E-32
Unit E, Sec 32, T21S, R37E, Lea Co
1327' FNL, 244' FWL

Hi William, per our conversation last week, here is the spreadsheet showing the Table of Wells within 1/2 mile radius on the above well.

Could you tell me how many copies of the disposal permit you need ? Also, do you get the original on the actual APD to drill or does that go to the District OCD office?

Thank you.
Denise Menoud
GSS
(432) 685-9158

How low will we go? Check out Yahoo! Messenger's low PC-to-Phone call rates.

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Monday, August 28, 2006 11:21 AM
To: 'DENISE MENOUD'
Subject: SWD Application: Rice Operating: BD SWD #E-32
Attachments: RiceProtest.tif

Hello Denise:

Here attached is the letter we received in protest to this application. I appreciate you sending your data and will continue to evaluate it this week to see if I see other problems or have other requests.

Please contact Mr. Pat Sims and attempt to work out your differences. If we receive another letter from Mr. Sims withdrawing this protest, then we can resume evaluation of this application administratively. Otherwise, our attorney has advised me that all protested applications should go to hearing at this time.

Please advise Rice to hire an attorney and place this application for SWD onto an Examiner hearing docket. If you work out the protest later, you can always dismiss the case.

Also, my evaluation of the administrative and technical merits will be available to the hearing officer for this case.

Regards,

Will Jones

From: Jones, William V., EMNRD
Sent: Monday, August 28, 2006 10:51 AM
To: 'DENISE MENOUD'
Subject: RE: Final TOC's on Datasheets / BD SWD #E-32

Denise:

As you probably know, there has been a protest - I am conferring with our attorneys and will be back to you.

Will

From: DENISE MENOUD [mailto:dmenoud93@yahoo.com]
Sent: Monday, August 28, 2006 10:27 AM
To: Jones, William V., EMNRD
Subject: RE: Final TOC's on Datasheets / BD SWD #E-32

Hi William. The package was sent 8/15, and I realize there is a 15-day waiting period, but do you think it will be ready to go by the 31st if everything is in place ?
(The operator is in a real hurry to start this one).

Thanks much William.
Denise Menoud
Gray Surface Specialties

8/28/2006

"Jones, William V., EMNRD" <William.V.Jones@state.nm.us> wrote:

Thank You,
I will evaluate then let you know.

Will

From: DENISE MENOUD [mailto:dmenoud93@yahoo.com]
Sent: Tuesday, August 22, 2006 1:07 PM
To: Jones, William V., EMNRD
Subject: Final TOC's on Datasheets / BD SWD #E-32

Will, attached are the final TOC's on the wells in the 1/2 mile radius. Please let me know if everything seems to be going ok. Thank you.

Denise Menoud
GSS

Stay in the know. Pulse on the new Yahoo.com. [Check it out.](#)

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<http://mail.yahoo.com>

30-Aug-06

30-025-00000		Blibery Drinkard SWD #E-32		Rice Operating Company		1327N		244W		E		3221S		37E		30-025-00000			
API	WELL NAME	UNIT	OPERATOR	FIGS	INST CD	FTG EW	EW CD	UI2	Sec	1st	Age	Dist	OGRID	CDE	STVD	DEPTH	DCD	U	
30-025-06928	CENTRAL DRINKARD UNIT #138	1	CHEVRON U S A INC	1880N		2080W	F		3221S	37E	37E	1,917	4323			8903F			
30-025-29094	H T MATTERN NCT B #023	1	CHEVRON U S A INC	1650N		1650E	G		3121S	37E	37E	1,921	4323			6824G			
30-025-25246	H T MATTERN NCT B #022	1	CHEVRON U S A INC	785N		2310E	B		3121S	37E	37E	2,611	4323			6808B			
30-025-29976	H T MATTERN NCT B #024	1	CHEVRON U S A INC	850N		1725E	B		3121S	37E	37E	2,026	4323			6800B			
30-025-06885	CENTRAL DRINKARD UNIT #165	1	CHEVRON U S A INC	660S		1980W	N		2921S	37E	37E	2,639	4323			6635N			
30-025-06917	CENTRAL DRINKARD UNIT #151	1	CHEVRON U S A INC	1980S		330E	I		3121S	37E	37E	2,055	4323			6631I			
30-025-06955	DOWNES D #002	1	WISER OIL CO (THE)	1980S		810W	L		3221S	37E	37E	2,053	22922			6630L			
30-025-06886	CENTRAL DRINKARD UNIT #164	1	CHEVRON U S A INC	660S		660W	M		2921S	37E	37E	2,030	4323			6627M			
30-025-06948	CENTRAL DRINKARD UNIT #133	1	CHEVRON U S A INC	480N		2160W	C		3221S	37E	37E	2,095	4323			6620C			
30-025-06903	CENTRAL DRINKARD UNIT #120	1	CHEVRON U S A INC	990S		330E	P		3021S	37E	37E	2,387	4323			6613P			
30-025-06949	CENTRAL DRINKARD UNIT #134	1	CHEVRON U S A INC	660N		990W	D		3221S	37E	37E	1,001	4323			6610D			
30-025-06920	CENTRAL DRINKARD UNIT #135	1	CHEVRON U S A INC	330N		330E	A		3121S	37E	37E	1,150	4323			6602A			
30-025-06929	CENTRAL DRINKARD UNIT #137	1	CHEVRON U S A INC	1980N		810W	E		3221S	37E	37E	864	4323			6600E			
30-025-34078	JOYCE PRUITT #005	1	JOHN H HENDRIX CORP	2310S		330E	I		3121S	37E	37E	1,740	12024			6475I			
30-025-35522	STATE DB #003	1	JOHN H HENDRIX CORP	1650N		600W	E		3221S	37E	37E	481	12024			6350E			
30-025-06918	H T MATTERN NCT B #002																		
30-025-06901	H T MATTERN NCT B #004																		
30-025-06921	CENTRAL DRINKARD UNIT #136	1	CHEVRON U S A INC	1980N		330E	H		3121S	37E	37E	869	4323			3806H			

26500-FWD
8951. HORIZ

Problem well

WELL DATA SHEET

OPERATOR: Chevron USA, Inc.

WELL NAME & NUMBER: Central Drinkard Unit #133

API #: 30-025-06948

WELL LOCATION: 480' FNL, 2160' FWL C 32 T-21-S R-37-3 LEA
(Footage Location) (Unit Letter) (Section) (Township) (Range) (County)

Surface Casing

Hole Size: 17 1/4"
Casing Size: 13 3/8" @ 152'
Cemented with: 150 sacks
Top of Cement: Surface
Method Determined: Calculated

Intermediate Casing

Hole Size: 12 1/4"
Casing Size: 8 5/8" @ 2866'
Cemented with: 1000 sacks
Top of Cement: Surface
Method Determined: Calculated

(1/2/1948)
Halliburton,
Drilled To 6620' w/ 500 SK
56 @ 6487 w/ 300 SK

7 1/2" or 7 7/8" Drilled To 6620'
Hole Size: 7 7/8"
Casing Size: 5 1/2" @ 6487'
Cemented with: 300 sacks
Top of Cement: 4144'
Method Determined: Calculated

check 4883
or 4526'

Additional Data

Type Well WATER INJECTION
Status ACTIVE
Name of Field or Pool (if applicable): DRINKARD
Spud Date: 11/12/1947
Total Depth: 6620'

Other Information: 10/58: Perf'd 6116-6200'. 12/72: Sqz'd perms 6113-6200' w/ 200 sx cmt.
9/74: Acidized cmt channel across 5 1/2" casing shoe @ 6487' w/ 500 gals 15% NE acid & sqz'd w/ 100 sx CI C cmt.
Reversed out 25 sx. Cleaned out to 6620'. 9/80: Perf 6350-31', 6587-6602.

TRABB

Inactive Well List

Total Well Count:22 Inactive Well Count:0 Since:7/25/2005

Printed On: Wednesday, October 18 2006

District API Well ULSTR OCD Unit OGRID Operator Lease Type Well Type Last Production Formation/Notes Status Days in TA

WHERE Ogrid:19174, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

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

Submit to appropriate District Office

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Rice Operating Company		⁴ OGRD Number 019174
		⁵ APL Number 30-25-38328
⁶ Property Code 34654	³ Property Name Blinbry-Drinkard SWD	⁸ Well No. 2-32
⁹ Proposed Pool 1 SWD Arrowhead Grayburg		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	32	21S	37c		1327'	N	244'	W	LEA

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code S	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3463'
¹⁶ Multiple N	¹⁷ Proposed Depth 5000'	¹⁸ Formation San Andres	¹⁹ Contractor To be submitted later	²⁰ Spud Date Estimated 8/30/06
Depth to Groundwater 85'		Distance from nearest fresh water well 2640'		Distance from nearest surface water N/A
Pit: Liner: Synthetic <input type="checkbox"/> _____mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48"	400'	440	Surface
12 1/4"	9 5/8"	40#	4400'	1075	Surface
8 3/4"	5 1/2" Tubing		Packer set @ 4375'	NA	NA

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Drill & equip a well for the purpose of disposing water in the San Andres formation.

See attached blowout prevention plan.

**Permit Expires 1 Year From Approval
Date Unless Drilling Underway**

"CONDITION FOR APPROVAL" Approval for Drilling. CANNOT inject as SWD well in the Grayburg without a Non-Standard Location Dedication order and SWD order approved by the Santa Fe OCD Office.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved by: <i>Chris Williams</i> OC DISTRICT SUPERVISOR/GENERAL MANAGER	
	Title: _____	
	Approval Date: OCT 20 2006	Expiration Date: _____
	Conditions of Approval Attached <input type="checkbox"/>	
Printed name: Scott Curtis		
Title: Operations Manager		
E-mail Address: jscricesswd@valornet.com		
Date: 8906	Phone: 505-393-9174	

DISTRICT I
1625 N. French Dr., Hobbs, NM 88340

DISTRICT II
1501 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2001

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-38528	Pool Code	Pool Name
Property Code 34654	Property Name BLINEBRY DRINKARD E-32 SW D	Well Number 32
OGRID No. 19174	Operator Name RICE OPERATING COMPANY	Elevation 3463'

Surface Location

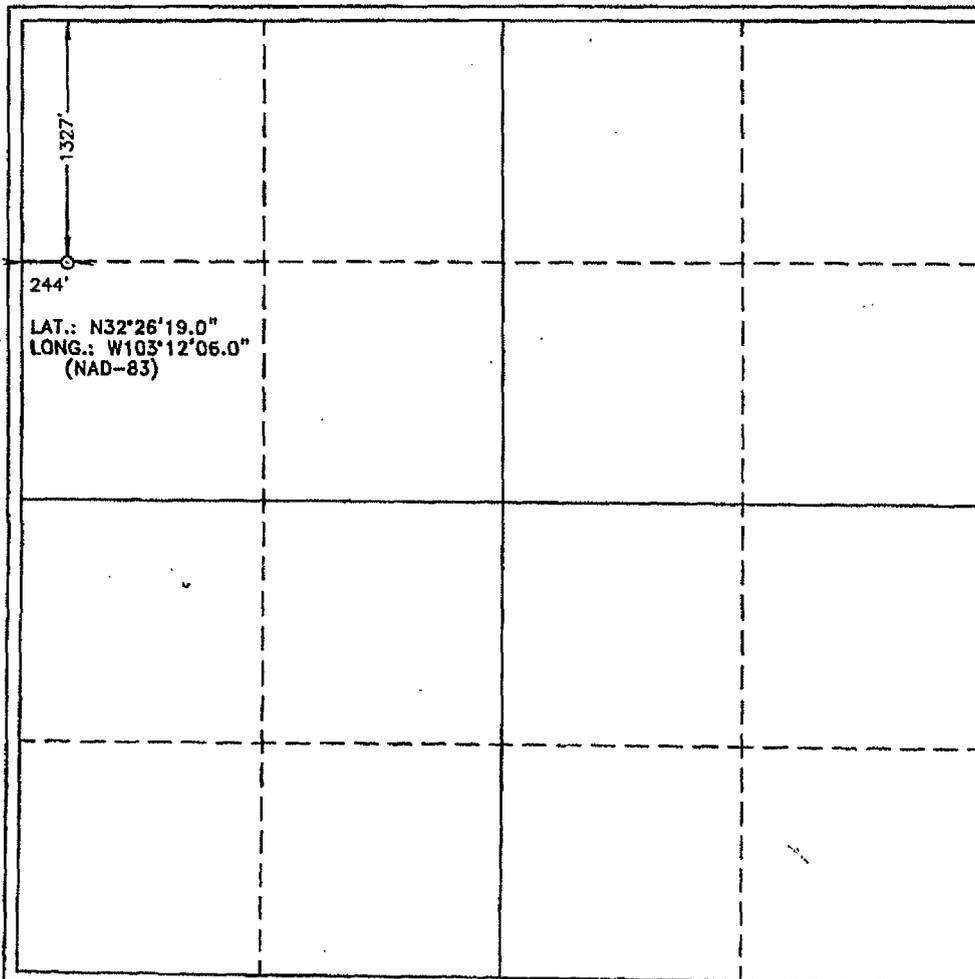
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	32	21 S	37 E		1327	NORTH	244	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

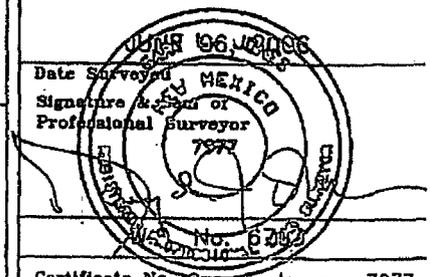
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Denise Menoid
Signature Date
Denise Menoid
Printed Name

SURVEYOR CERTIFICATION

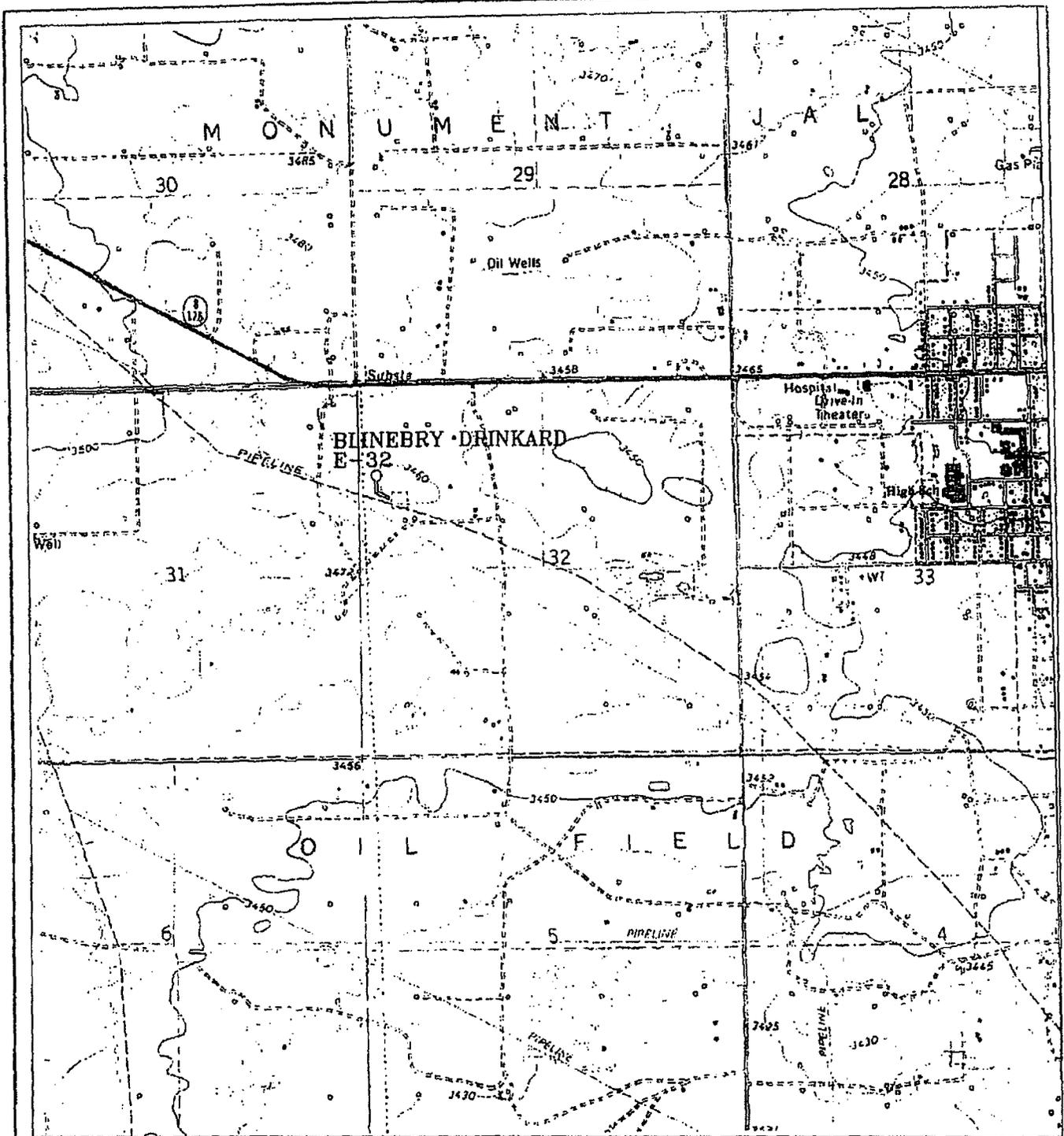
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date Surveyed
Signature of Professional Surveyor



Certificate No. Garry L. Jones 7977

BASIN SURVEYS



BLINEBRY DRINKARD E-32
 Located at 1327' FSL and 244' FEL
 Section 32, Township 21 South, Range 37 East,
 N.M.P.M., LEA County, New Mexico.

basin
surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7315 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number: JMS 6763T

Survey Date: 06-08-2006

Scale: 1" = 2000'

Date: 06-12-2006

RICE OPERATING
COMPANY

Injection Permit Checklist

SWD Order Number _____ Dates: Division Approved _____ District Approved _____

Information Request Letter or Email sent _____

Well Name/Num: BLUEBRY DRINKARD SWD # E-32 Date Spudded: (New Well FOR INJECTION)

API Num: (30-) _____ County: LEA

Footages 1327 FNL/244 FWL Sec 32 Tsp 215 Rge 37e

Operator Name: RICE OPERATING COMPANY Contact SCOTT CURTIS

Operator Address: 122 W. TAYLOR, HOBBS, NM 88240

	Hole/Pipe Sizes		Depths	Cement	Top/Method
Surface	17 1/2	13 3/8	400 400'	440	CIRC
Intermediate					
Production	12 1/4	9 5/8	4400	1075	CIRC
Last DV Tool					
Open Hole/Liner		8 3/4	4400-5000'		
Plug Back Depth			5000' TD		

Diagrams Included (Y/N): Before Conversion _____ After Conversion 5 1/2" TUBING !!

Checks (Y/N): Well File Reviewed _____ ELogs in Imaging _____ New well

Intervals:	Depths	Formation	Producing (Yes/No)
<u>Salt/Potash</u>	1320-2480		
Capitan Reef			
Cliff House, Etc:			
Formation Above	3632	GBG	
Top Inj Interval	4400	SA	<u>1/2 in HATCHER zone</u>
Bottom Inj Interval	5000	SA	
Formation Below	5286	GLORIA	

880 PSI Max. WHIP
 Yes Open Hole (Y/N)
 Deviated Hole (Y/N)

Fresh Water Site Exists (Y/N) Yes Analysis Included (Y/N):

Salt Water Analysis: Injection Zone (Y/N/NA) Disposal Waters (Y/N/NA) Types: OK (Commercial)

Affirmative Statement Included (Y/N): _____ Newspaper Notice Adequate (Y/N) Well Table Adequate (Y/N) _____

Surface Owner SLO (Sims Lessee) Noticed (Y/N) Mineral Owner(s) _____

AOR Owners: Runge/Charon/Morantino P./Hardrix/Wiser/Foster/Hackler Noticed (Y/N)

CID/Potash/Etc Owners: _____ Noticed (Y/N) _____

AOR Num Active Wells 16 Repairs? 1 Producing in Injection Interval in AOR No

AOR Num of P&A Wells 0 Repairs? _____ Diagrams Included? _____

Data to Generate New AOR Table Yes New Table Generated? (Y/N)

	STR	E-W Footages	N-S Footages
Wellsite	32		
Northeast			
North	29		
Northwest	30		
West	31		
Southwest			
South			
Southeast			
East			

- Conditions of Approval:
- FIX CDU #133
 - Run CBL & perf 592
 - Protect - Go to Hearing
 - _____

RBDMS Updated (Y/N) _____
 UIC Form Completed (Y/N) _____
 This Form completed 8/30/06

Get RID of BOX # in AD
Protect From Pat SIMS RANCHER