

29. May. 07

June 4, 07

W. Jones

31. May. 07

SWD  
1085

PCLP0715131005

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



### ADMINISTRATIVE APPLICATION CHECKLIST

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

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

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

This Statement must be completed by an individual with managerial and/or supervisory capacity

**APPLICATION FOR AUTHORIZATION TO INJECT**

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

II. OPERATOR: MARBOB ENERGY CORPORATION

ADDRESS: P O BOX 227, ARTESIA, NM 88211-0227

CONTACT PARTY: Brian Collins PHONE: 505-748-3303

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:

Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

- 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).

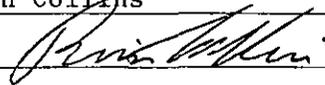
\*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

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: Brian Collins TITLE: Engineer

SIGNATURE:  DATE: 25 May 07

E-MAIL ADDRESS: engineering@marbob.com

\* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: \_\_\_\_\_

C-108 Application for Authorization to Inject  
South Malaga I-2-25-28 SWD  
(Formerly Yates Petroleum Corporation Hoss BHK State #1)  
1980' FSL 660' FEL  
I-2-25S-28E, Eddy County

Marbob Energy Corporation proposes to re-enter the captioned well and convert it to salt water disposal service into the Delaware Sand.

- V. Map is attached.
- VI. Wellbore schematics are attached for all the wells that penetrate the proposed injection zone within the 1/2 mile radius area of review.
- VII.
  - 1. Proposed average daily injection rate = 500 BWPD  
Proposed maximum daily injection rate = 2500 BWPD
  - 2. Closed system
  - 3. Proposed maximum injection pressure = 535 psi  
(0.2 psi/ft. x 2677 ft.)
  - 4. Source of injected water will be Delaware Sand produced water. The Delaware produced water is the same as the Delaware water in the receiving formation. No compatibility problems are expected. An analysis of Delaware water from an analogous field is attached.
  - 5. Disposal zone formation water is essentially the same as the injection water.
- VIII. The injection zone is the Delaware Sandstone, a fine-grained sandstone from 2677' to 3958'. Any underground water sources will be shallower than 550'.
- IX. The Delaware sand injection interval will be acidized with approximately 20 gals/ft. of 7 1/2% HCl acid. If necessary, the Delaware injection interval may be fraced with up to 300,000 lbs. of 16/30 mesh sand.
- X. Well logs have been filed with the Division.
- XI. There is a windmill located NE/4NE/4, Sec. 3, T25S-R28E about a mile northwest of the proposed SWD well. The water analysis is attached.
- XII. After examining the available geologic and engineering data, no evidence was found of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Proof of Notice is attached.

INJECTION WELL DATA SHEET

Side 1

OPERATOR: Marbob Energy Corp

WELL NAME & NUMBER: South Malaga I-2-25-28 SWD (Formerly Hess BHK St #1 30-015-28002)

WELL LOCATION: 1980' FSL 660' FEL      UNIT LETTER: I      SECTION: 2      TOWNSHIP: 25s      RANGE: 28e

FOOTAGE LOCATION

WELLBORE SCHEMATIC

*Before & After Schematics Attached*

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17 1/2"      Casing Size: 13 7/8" @ 550'

Cemented with: 425      sx. or      -      ft<sup>3</sup>

Top of Cement: Surface      Method Determined: Circulated

Intermediate Casing

Hole Size: 12 1/4"      Casing Size: 8 5/8" @ 2561'

Cemented with: 1375      sx. or      -      ft<sup>3</sup>

Top of Cement: Surface      Method Determined: Circulated

Production Casing

Hole Size: 7 7/8"      Casing Size: 5 1/2" @ 660'

Cemented with: 835      sx. or      -      ft<sup>3</sup>

Top of Cement: Surface      Method Determined: Circulated

Total Depth: 6600'

Injection Interval

2677 feet to 3958'

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 2 1/8" Lining Material: Duoline 20 or IPC

Type of Packer: 10K nickel plated or stainless steel double grip retrievable

Packer Setting Depth: 2625' ±

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

Additional Data

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

If no, for what purpose was the well originally drilled? oil & gas

2. Name of the Injection Formation: Delaware Sand

3. Name of Field or Pool (if applicable): San Loren 20

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. 6406-84', C18P+35' cement @ 6370',

6216-29', C18P+35' cement @ 6170', 4626-59/8', C10P+255x cement @ 4576', 305x cement 2322-2629',

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: 305x cement 322-594', 205x cement 0-60'

Overlying: None

Underlying: Delaware 4500'-6000' ±, Bonn Spring 6000'-8000' ±

Atoka 11700-12300' ±

WELL NAME: Hoss BHK State No. 1 FIELD: San Lorenzo

LOCATION: 1,980' FSL & 660' FEL Sec 2-25S-28E Eddy County, NM

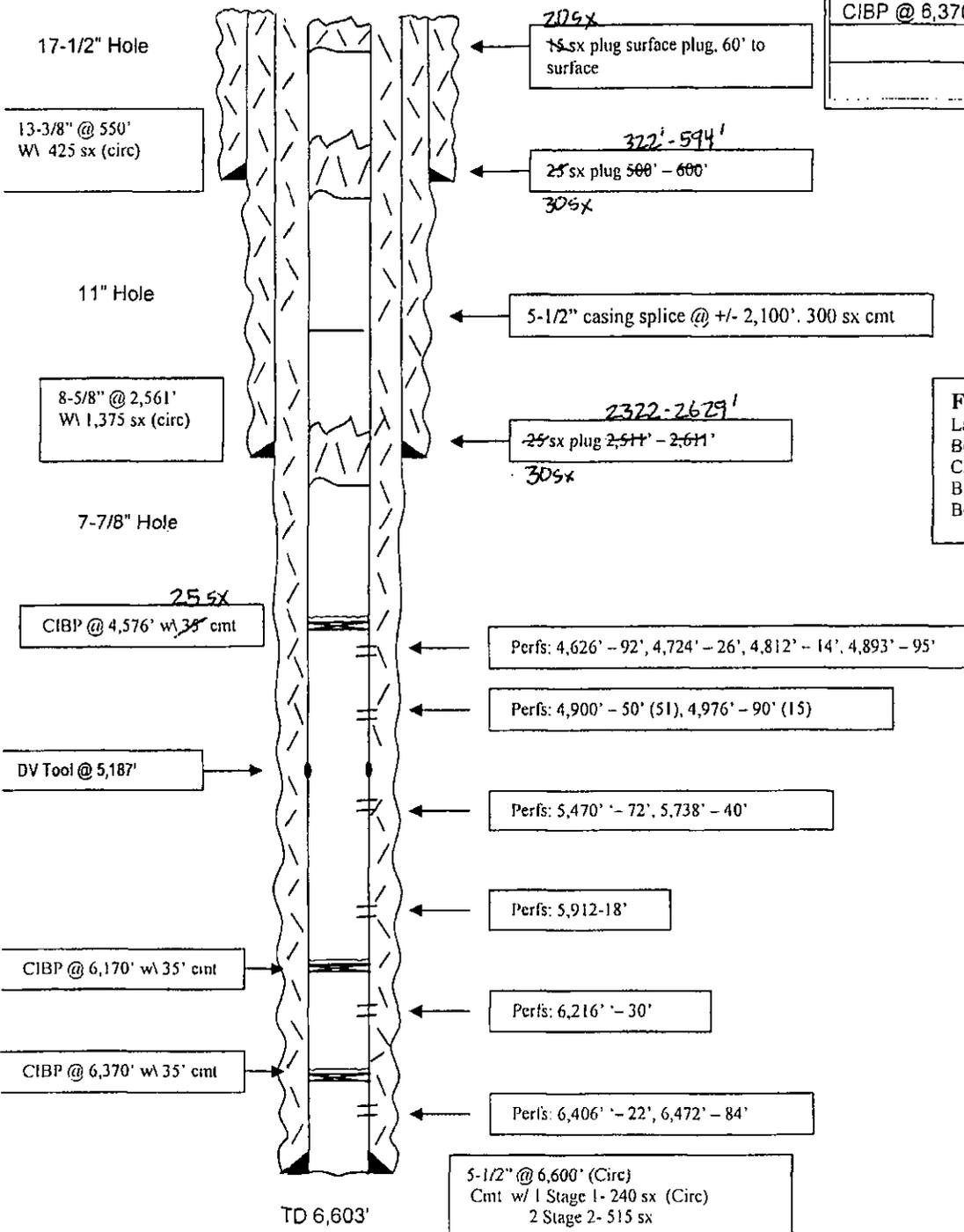
GL: 2,946' ZERO:                      KB: 2,958'

SPUD DATE: 11-21-94 COMPLETION DATE: 12-09-94

COMMENTS: API #30-015-28002  
P & A 6/17/98 (Formerly Conadero Hoss St. #1)

**CASING PROGRAM**

13-3/8" 48# H40 ST&C	550'
8-5/8" 24 & 32# J55 ST&C	2,561'
5-1/2" 17# J55 LT&C	6,600'
CIBP @ 6,170' w/35' cmt	
CIBP @ 6,370' w/35' cmt	



BEFORE

**Formation tops**

Lamar	: 2615'
Bell Canyon	: 2670'
Cherry Canyon	: 3554'
Brushy Canyon	: 4831'
Bone Springs	: 6320'

Not to Scale  
 1/24/07  
 MFH

South Malaga I-2-25-28 SWD

1980' FSL, 660' FEL

I-2-25s-28e

Eddy, NM

P&A: 4/98, 4/07

13-782 500 SHEETS FILLER 5 SQUARE  
 42-381 50 SHEETS EYE-EASE 5 SQUARE  
 42-382 100 SHEETS EYE-EASE 5 SQUARE  
 42-383 70 SHEETS EYE-EASE 5 SQUARE  
 42-389 100 RECYCLED WHITE 5 SQUARE  
 42-390 200 RECYCLED WHITE 5 SQUARE  
 Made in U.S.A.



17 1/2" hole

12 1/4" hole

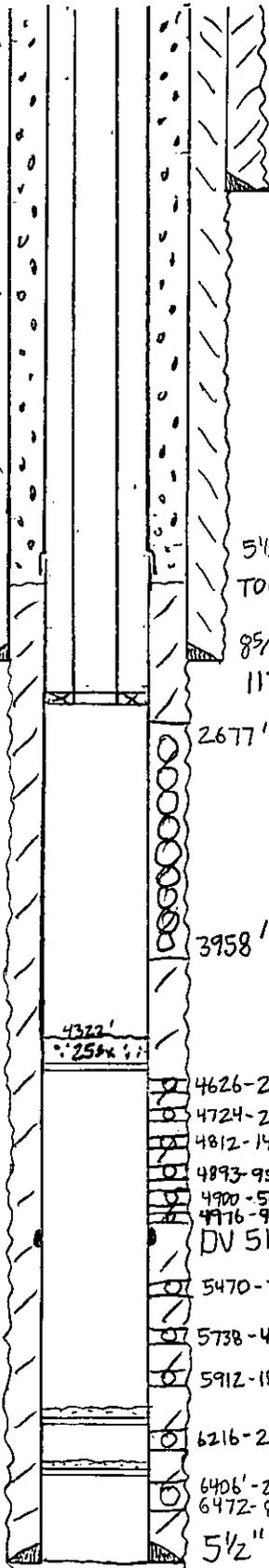
Nickel Plated Inj. Pktr  
 @ 2625' ±

7 7/8" hole

CIBP 4576' + 25' cut

CIBP + 35' cut 6170'

CIBP + 35' cut 6370'



13 3/8" / 48 / H40 / STC e 550'  
 225 HLC + 200" C" (circ 85 5x)

5 1/2" cut & pulled @ 2100' (5 1/2" / 17 tieback @ 2100', cont. 300 5x" C", Circulated)  
 TOC 2154' CBL

8 5/8" / 24, 32 / J55 @ 2561'  
 1175 HLC + 200" C" (circ 145 5x)

Delaware Sand

AFTER

4626-29'

4724-26'

4812-14'

4893-95'

4900-50'

4976-90'

DV 5178'

5470-72'

5738-40'

5912-18'

6216-29'

6406'-22'

6472-84'

5 1/2" / 17 / J55 e 6600'

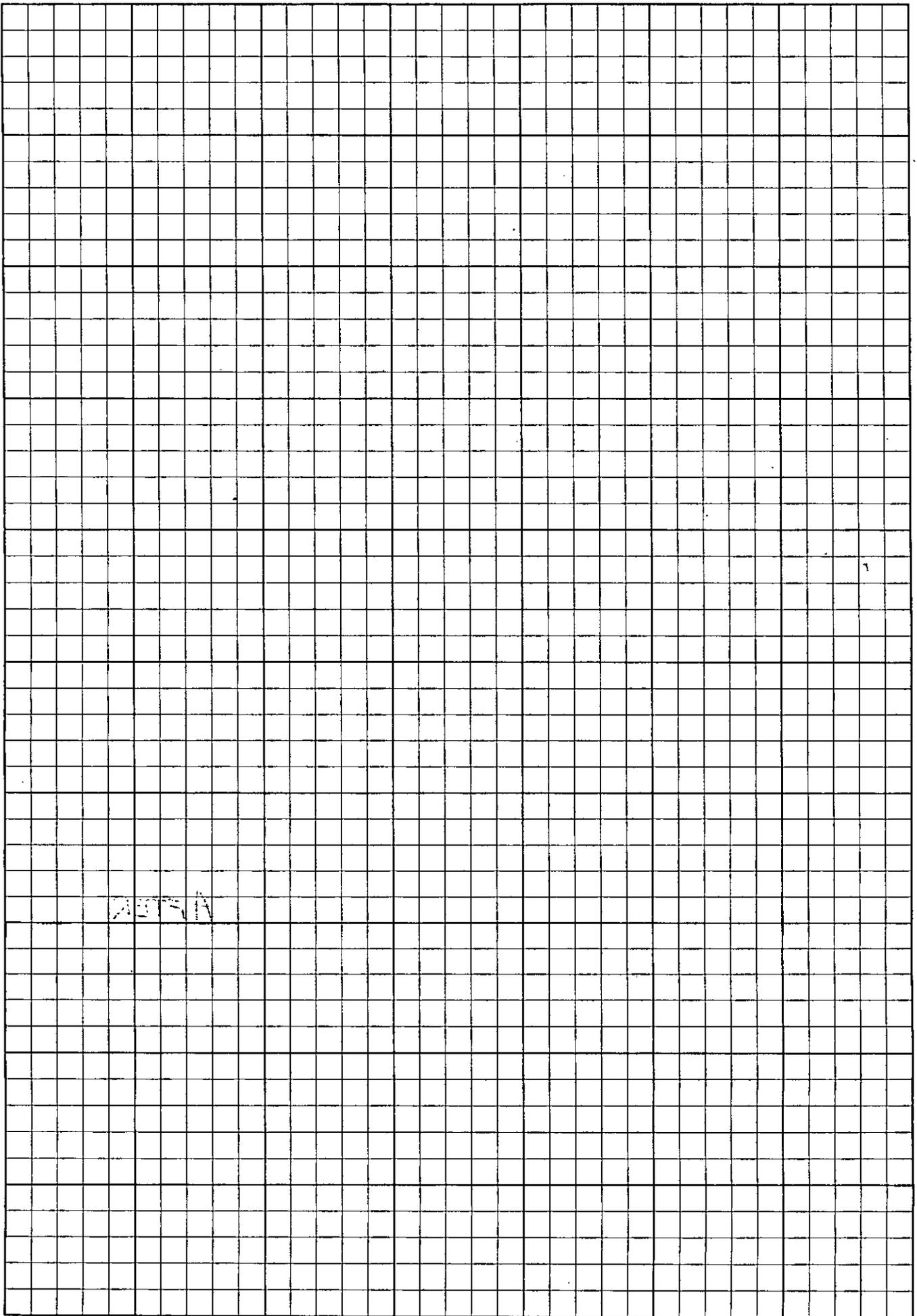
1st: 240" C" (circ 20 5x)

2nd: 275 HLC + 240" C"

6600'

Elev: 2946' 6L

KBCollins / 9 Sept 03  
 22 May 07



AFTER

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., 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-103  
 May 27, 2004



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

WELL API NO. 30-015-28002
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.  VO-5919
7. Lease Name or Unit Agreement Name  Hoss BHK State
8. Well Number  1
9. OGRID Number  025575
10. Pool name or Wildcat Willow Lake; Delaware, Southwest

**SUNDRY NOTICES AND REPORTS ON WELLS**  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well  Gas Well  Other P&A

2. Name of Operator  
Yates Petroleum Corporation

3. Address of Operator  
105 S. 4<sup>th</sup> Street, Artesia, NM 88210

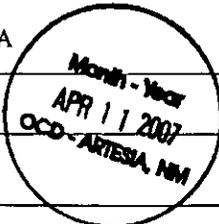
4. Well Location  
Unit Letter 1 : 1980 feet from the South line and 660 feet from the East line  
Section 2 Township 25S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
2946'GR

Pit or Below-grade Tank Application  or Closure

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_



12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

4/2/07 - Set a CIBP at 4576'. Tagged CIBP. Circulated mud. Spotted 25 sx cement on top of CIBP. Spotted 30 sx cement at 2629'. WOC.  
 4/3/07 - Tagged at 2322'. Spotted 30 sx cement at 594'. WOC. Tagged at 322'. Circulated 20 sx cement 60' to surface. Cut off wellhead. Installed dry hole marker. **WELL IS PLUGGED AND ABANDONED. FINAL REPORT.**

**Plugging of the well bore.  
 Liability under bond is retained  
 until surface restoration,  
 environmental remediation and  
 final inspection is completed.**

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

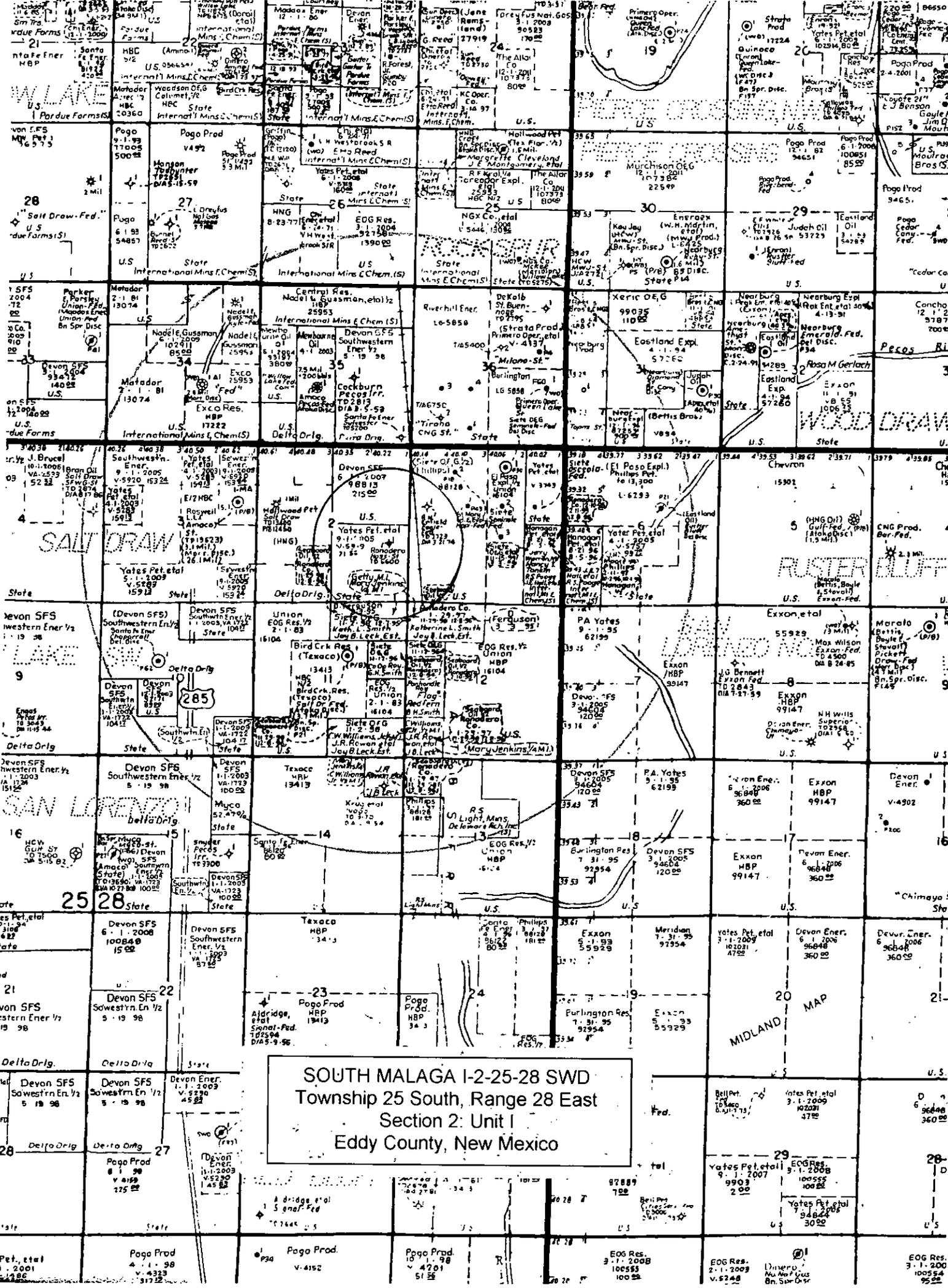
SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE April 10, 2007  
 Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

**For State Use Only**  
 APPROVED BY: Gary Guye TITLE Deputy Field Inspector DATE APR 11 2007  
 Conditions of Approval (if any): District II - Artesia

**V.**

**MAP**

**SOUTH MALAGA I-2-25-28 SWD  
Township 25 South, Range 28 East  
Section 2: Unit I  
Eddy County, New Mexico**



**MIDLAND MAP**

1 Pogo Prod. 4-1-98 10084±  
 2 Pogo Prod. 4-1-98 10084±  
 3 Pogo Prod. 4-1-98 10084±  
 4 Pogo Prod. 4-1-98 10084±  
 5 Pogo Prod. 4-1-98 10084±  
 6 Pogo Prod. 4-1-98 10084±  
 7 Pogo Prod. 4-1-98 10084±  
 8 Pogo Prod. 4-1-98 10084±  
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 34 Pogo Prod. 4-1-98 10084±  
 35 Pogo Prod. 4-1-98 10084±  
 36 Pogo Prod. 4-1-98 10084±

# **VI.**

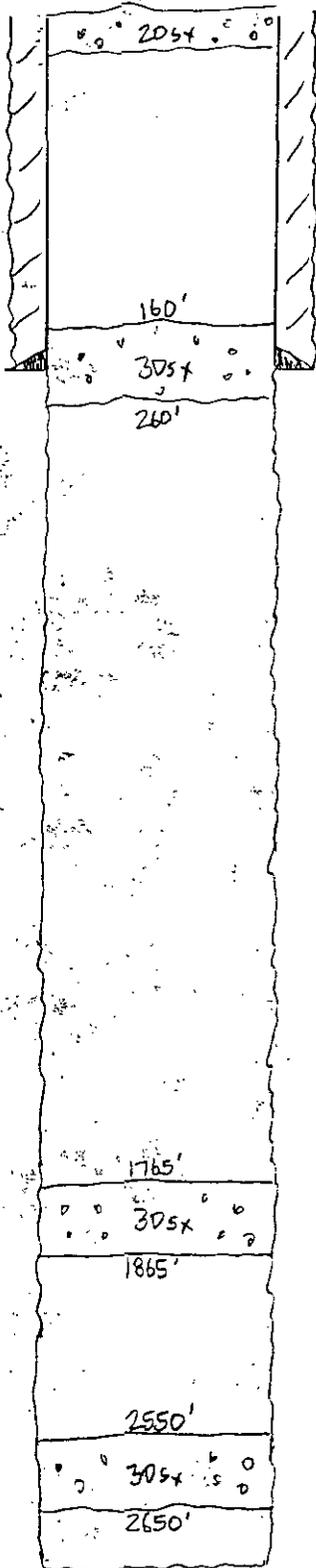
**Wells Within 1/2  
Mile Area of  
Review That  
Penetrate  
Proposed  
Disposal Zone**

# EnField Eagle Federal No. 1

1980' FML, 660' FWL

E-1-25s-28e

Eddy County



11" hole

8 5/8" / 24 e 209'  
.125 "C" + 115 "C" with 1" (circ)

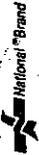
6 3/4" hole

Within Area of Review

Elev: 2944' 6L

MB Collins / 11 Sept 03

13 262 500 SHEETS FULLER 8 SQUARE  
42 281 100 SHEETS FULLER 4 SQUARE  
42 282 100 SHEETS FULLER 4 SQUARE  
42 283 200 SHEETS EYE-CASE 8 SQUARE  
42 284 100 RECYCLED WHITE 8 SQUARE  
42 285 200 RECYCLED WHITE 8 SQUARE  
MADE IN U.S.A.



**MARBOB ENERGY CORPORATION  
DRILLING AND OPERATIONS PROGRAM**

**High Net Federal #1  
 SHL: 100' FNL & 2140' FEL  
 BHL: 2500' FNL & 2140' FEL  
 Section 2, T25S, R28E  
 Eddy County, New Mexico**

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Marbob Energy Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

*Drilling in Progress*

- The geological surface formation is Permian.
- The estimated tops of geologic markers are as follows:

Rustler	1100'
Top Salt	1300'
Bottom Salt	2400'
Delaware	2600'
Bone Springs	6100'

- The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Delaware                      2600'                      Oil

No other formations are expected to give up oil, gas, or fresh water in measurable quantities. The surface fresh water sands will be protected by setting 13 3/8" casing at 600' and circulating cement back to surface. Any shallower zones above TD which contain commercial quantities of oil and/or gas will have cement circulated across them by inserting a float shoe joint into the 5 1/2" production casing which will be run at TD to sufficiently cover all known oil and gas horizons 200' above.

- Proposed Casing Program:

Hole Size	Interval	OD Casing	Wt	Grade
12 1/4"	0-600'	9 5/8"	36#	J-55
8 3/4"	600-6800'	5 1/2"	17#	J-55

Proposed Cement Program:

9 5/8" Surface Casing: Cement w/ 500 sx. Circulate to surface. ←  
 5 1/2" Production Casing: Cement w/ 1500 sx. Tie into surface. ← } *Cement to Surface*

*Will be horizontal Delaware Sand well @ ±4900' TVD.*

**VII.**

**WATER ANALYSIS**

HALLIBURTON DIVISION LABORATORY

HALLIBURTON SERVICES

ARTESIA DISTRICT

LABORATORY REPORT

No. W45-93

TO Hanagan Petroleum

Date February 7, 1993

P. O. Box 1737

Roswell, NM 88201

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

Submitted by \_\_\_\_\_ Date Rec. \_\_\_\_\_

Well No. Gehrig #2 Depth 5050' Formation Delaware

Field Brushy Draw 9-26s-29e County Eddy Source Produced Water

Resistivity ..... .052

Specific Gravity .. 1.1856

pH ..... 7.0

Calcium ..... 24,250

Magnesium ..... 9,000

Chlorides ..... 170,000

Sulfates ..... 250

Bicarbonates ..... 350

Soluble Iron ..... + 500

Water Analysis Representative of Produced Delaware Water to be Injected and of Delaware Water in the Proposed Injection Interval.

Remarks:

Art Carrasco  
Respectfully submitted

Analyst: Art Carrasco - Technical Advisor

HALLIBURTON SERVICES

NOTICE:

This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause, including any act or omission of Halliburton, resulting from the use hereof

**X.**

**NEUTRON  
DENSITY LOG**

**Across Proposed  
Disposal Interval**

COMPANY: Ronacero Company Incorporated

WELL: Hoss State #1

FIELD: Willow Lake

COUNTY: Eddy STATE: New Mexico

Litho Density  
Compensated Neutron

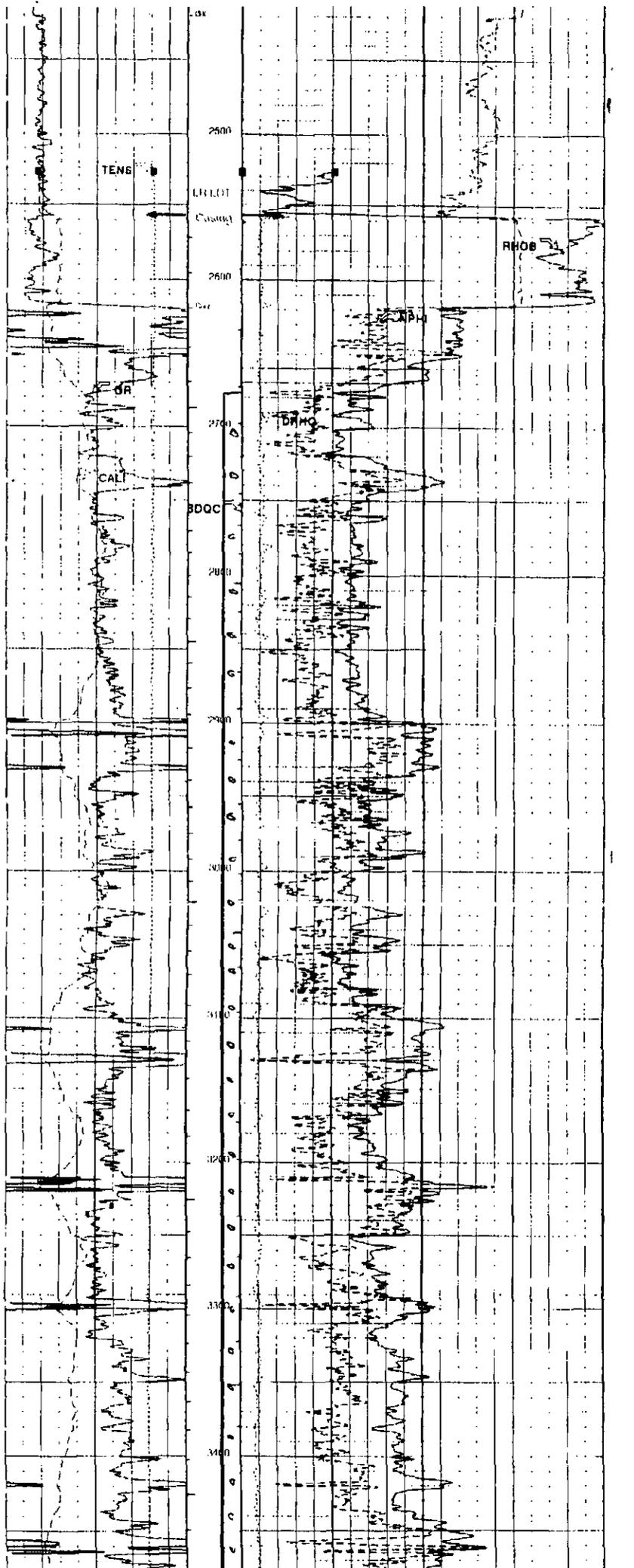
Schlumberger

Log # 2955

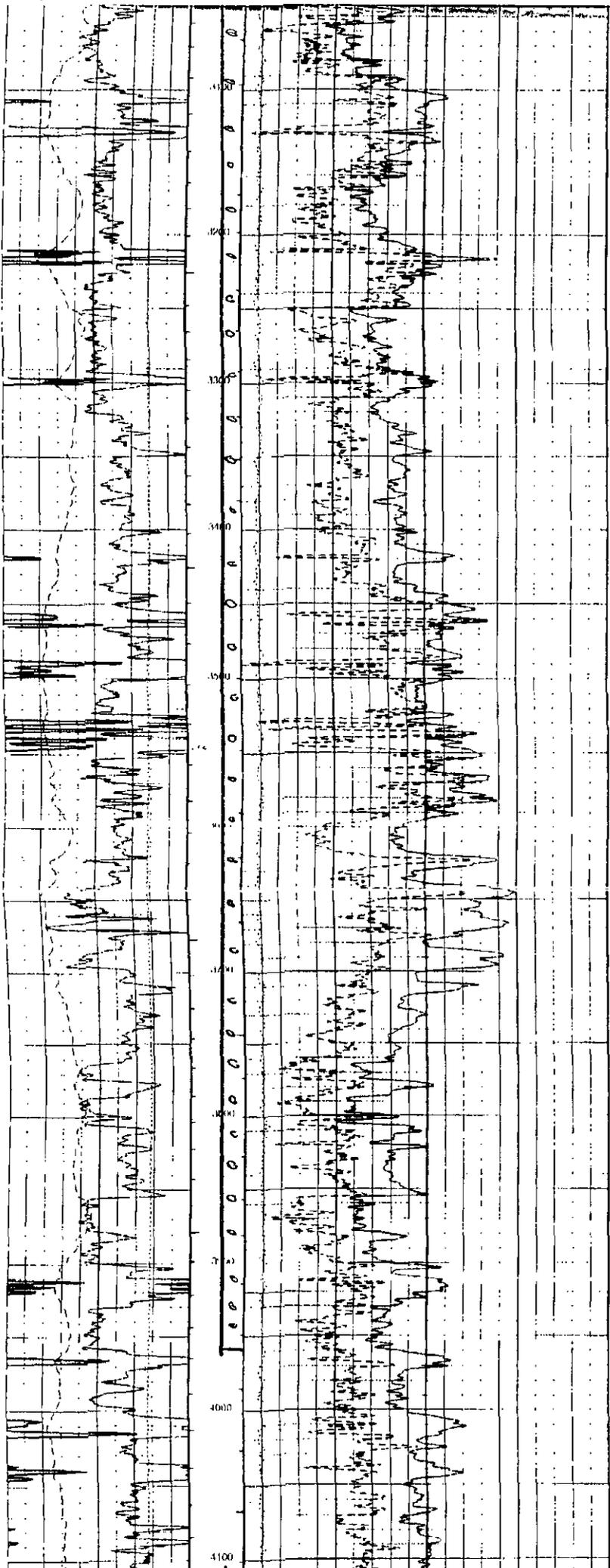
DATE	TIME	LOG #	WELL	FIELD	COUNTY	STATE	LOG TYPE	LOGGING UNIT	LOGGING COMPANY
1960	10:00	2955	Hoss State #1	Willow Lake	Eddy	New Mexico	Compensated Neutron	Schlumberger	...

ALL INTERPRETATIONS ARE OPINIONS BASED ON EXPERIENCE FROM ELECTRICAL LOGGING...  
 WE CAN NOT BE HELD RESPONSIBLE FOR ANY LOSS OF DATA OR DAMAGE TO LOGS...  
 ANY INFORMATION OBTAINED FROM THIS LOG IS THE PROPERTY OF SLM AND IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM.

DATE	TIME	LOG #	WELL	FIELD	COUNTY	STATE	LOG TYPE	LOGGING UNIT	LOGGING COMPANY
1960	10:00	2955	Hoss State #1	Willow Lake	Eddy	New Mexico	Compensated Neutron	Schlumberger	...



Gross Delaware  
 Disposal Interval  
 2677-3958'



# **XI.**

## **FRESH WATER WELL ANALYSIS**

**Windmill NE/4NE/4  
Sec. 3**

# HALLIBURTON

PERMAIN BASIN OPERATIONS LABORATORY  
 WATER ANALYSIS REPORT  
 HOBBS, NEW MEXICO

COMPANY Marbob  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

REPORT W03-189  
 DATE September 10, 2003  
 DISTRICT Hobbs

SUBMITTED BY Fresh Water Analyses 25s-28e

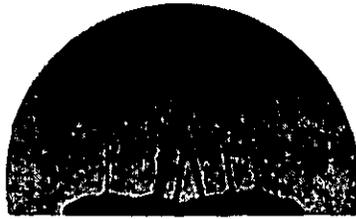
WELL COUNTY	DEPTH FIELD	FORMATION SOURCE		
<u>Eddy</u>	<u>Windmill NE/4 NE/4 Sec.3</u>	<u>Windmill NE/4 SE/4 Sec.4</u>		
SAMPLE	<u>St. MA-1 SWD</u>	<u>SE SWE Well</u>		
Sample Temp.	<u>78</u> °F	<u>78</u> °F		
RESISTIVITY	<u>3.34</u>	<u>2.99</u>		
SPECIFIC GR.	<u>1.001</u>	<u>1.001</u>		
pH	<u>7.71</u>	<u>7.42</u>		
CALCIUM	<u>900</u> mpl	<u>1,250</u> mpl		
MAGNESIUM	<u>540</u> mpl	<u>135</u> mpl		
CHLORIDE	<u>90</u> mpl	<u>473</u> mpl		
SULFATES	<u>light</u> mpl	<u>light</u> mpl		
BICARBONATES	<u>92</u> mpl	<u>61</u> mpl		
SOLUBLE IRON	<u>0</u> mpl	<u>0</u> mpl		
KCL				
Sodium			<u>0</u> mpl	<u>0</u> mpl
TDS			<u>0</u> mpl	<u>0</u> mpl
OIL GRAVITY	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F

REMARKS  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

MPL = Milligrams per litter  
 Resitivity measured in: Ohm/m2/m

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

ANALYST: Mike Armstrong



**marbob**  
energy corporation

May 22, 2007

Artesia Daily Press  
P. O. Box 190  
Artesia, NM 88211-0190

Re: Legal Notice  
Water Disposal Well

Gentlemen:

Enclosed is a legal notice regarding New Mexico Oil Conservation Division C-108 Application for Authorization to Inject for a water injection well.

Please run this notice and return the proof of notice to the undersigned at Marbob Energy Corporation, P. O. Box 227, Artesia, NM 88211-0227.

Sincerely,

Brian Collins  
Petroleum Engineer

BC/dlw

enclosure

**ARTESIA DAILY PRESS**  
**LEGAL NOTICES**

Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico, 88211-0227, has filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the South Malaga I-2-25-28 SWD (formerly the Hoss BHK State No. 1) is located 1980' FSL and 660' FEL, Section 2, Township 25 South, Range 28 East, Eddy County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware formation. The disposal water will be injected into the Delaware formation at a depth of 2677' - 3958' at a maximum surface pressure of 535 psi and a maximum rate of 2500 BWPD. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, Santa Fe, New Mexico, 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact Brian Collins at Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico 88211-0227, or call 505-748-3303.

Published in the Artesia Daily Press, Artesia, New Mexico  
\_\_\_\_\_, 2007.

# Affidavit of Publication

NO. 19767

STATE OF NEW MEXICO

County of Eddy:

Gary D. Scott being duly

sworn, says: That he is the Publisher of The

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

### Legal Notice

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

day as follows:

First Publication May 31 2007

Second Publication \_\_\_\_\_

Third Publication \_\_\_\_\_

Fourth Publication \_\_\_\_\_

Fifth Publication \_\_\_\_\_

Subscribed and sworn to before me this

31st Day May 2007

Amanda K. Lamb

Notary Public, Eddy County, New Mexico

My Commission expires April 5, 2011

# Copy of Publication:

Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico, 88211-0227, has filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the South Malaga I-2-25-28 SWD (formerly the Hoss BHK State No. 1) is located 1980' FSL and 660' FEL, Section 2, Township 25 South, Range 28 East, Eddy County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware formation. The disposal water will be injected into the Delaware formation at a depth of 2677'-3958' at a maximum surface pressure of 535 psi and a maximum rate of 2500 BWPD. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, Santa Fe, New Mexico, 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact Brian Collins at Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico, 88211-0227, or call 505-748-3303. Published in the Artesia Daily Press, Artesia, N.M. May 31, 2007.

Legal 19767



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**marbob**  
energy corporation

---

May 22, 2007

Evelyn Cooksey  
Cooksey Ranch  
P. O. Box 91  
Orla, TX 79970-0091

Re: Application to Inject  
South Malaga I-2-25-28 SWD  
(formerly the Hoss BHK State No. 1)  
Township 25 South, Range 28 East, NMPM  
Section 2: 1980 FSL 660 FEL, Unit I  
Eddy County, New Mexico

Dear Ms. Cooksey:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well into a saltwater disposal well. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter. If you have no objections to our application, please indicate below and return one copy of this letter to our office.

Please do not hesitate to contact us should you have any questions.

Sincerely,

Brian Collins  
Petroleum Engineer

BC/dlw  
enclosure

**Evelyn Cooksey, Cooksey Ranch has no objection to the proposed disposal well:**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



---

**marbob**  
energy corporation

---

May 22, 2007

St. Mary Land & Exploration  
1776 Lincoln St., Ste. 1100  
Denver, CO 80203-0180

Re: Application to Inject  
South Malaga I-2-25-28 SWD  
(formerly the Hoss BHK State No. 1)  
Township 25 South, Range 28 East, NMPM  
Section 2: 1980 FSL 660 FEL, Unit I  
Eddy County, New Mexico

Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well into a saltwater disposal well. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter. If you have no objections to our application, please indicate below and return one copy of this letter to our office.

Please do not hesitate to contact us should you have any questions.

Sincerely,

Brian Collins  
Petroleum Engineer

BC/dlw  
enclosure

**St. Mary Land & Exploration has no objection to the proposed disposal well:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



---

**marbob**  
energy corporation

---

May 22, 2007

Vernon E. Faulconer, Inc.  
P. O. Box 7995  
Tyler, TX 75711

Re: Application to Inject  
South Malaga I-2-25-28 SWD  
(formerly the Hoss BHK State No. 1)  
Township 25 South, Range 28 East, NMPM  
Section 2: 1980 FSL 660 FEL, Unit I  
Eddy County, New Mexico

Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well into a saltwater disposal well. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter. If you have no objections to our application, please indicate below and return one copy of this letter to our office.

Please do not hesitate to contact us should you have any questions.

Sincerely,

Brian Collins  
Petroleum Engineer

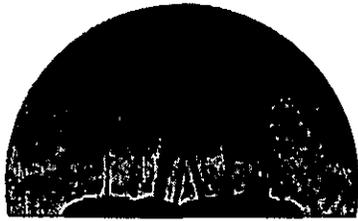
BC/dlw  
enclosure

**Vernon E. Faulconer, Inc. has no objection to the proposed disposal well:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



---

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**marbob**  
energy corporation

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---

May 22, 2007

NM State Land Office  
Oil, Gas & Mineral Division  
P. O. Box 1158  
Santa Fe, NM 87504-1148

Re: Application to Inject  
South Malaga I-2-25-28 SWD  
(formerly the Hoss BHK State No. 1)  
Township 25 South, Range 28 East, NMPM  
Section 2: 1980 FSL 660 FEL, Unit I  
Eddy County, New Mexico

Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well into a saltwater disposal well. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter. If you have no objections to our application, please indicate below and return one copy of this letter to our office.

Please do not hesitate to contact us should you have any questions.

Sincerely,

Brian Collins  
Petroleum Engineer

BC/dlw  
enclosure

**State of New Mexico has no objection to the proposed disposal well:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

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7004 0550 0000 7457 8660

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Return Receipt Fee (Endorsement Required)	
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Total Postage & Fees	\$

Postmark Here

Sent To  
 Street, Apt. No., or PO Box No. **NM STATE LAND OFFICE  
P O BOX 1148**  
 City, State, ZIP+4 **SANTA FE NM 87504-1148**  
*Smalaga DW*

PS Form 3800, June 2002 See Reverse for Instructions

U.S. Postal Service™  
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For delivery information visit our website at [www.usps.com](http://www.usps.com)

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Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here

Sent To  
 Street, Apt. No., or PO Box No. **EVELYN COOKSEY  
COOKSEY RANCH  
P O BOX 91**  
 City, State, ZIP+4 **ORLA TX 79970-0091**  
*Smalaga DW*

PS Form 3800, June 2002 See Reverse for Instructions

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

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here

Sent To  
 Street, Apt. No., or PO Box No. **ST MARY LAND & EXPLORATION  
1776 LINCOLN ST STE 1100**  
 City, State, ZIP+4 **DENVER CO 80203-0180**  
*Smalaga DW*

PS Form 3800, June 2002 See Reverse for Instructions

7004 0550 0000 7457 8677  
7004 0550 0000 7457 8677

7004 0550 0000 7457 8684  
7004 0550 0000 7457 8684

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

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PLACE STICKER AT TOP OF THE RETURN ADDRESS

**CERTIFIED**



7004 0550 0  
7004 0550 0

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

Sent To  
 Street, Apt. No., or PO Box No. **VERNON E FAULCONER INC  
P O BOX 7995**  
 City, State, ZIP+4 **TYLER TX 75711**  
*Smalaga DW*

PS Form 3800, June 2002 See Reverse for Instructions

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-103  
Revised 10-1-78

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DECEASE OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/>	7. Unit Agreement Name
2. Name of Operator RONADERO COMPANY, INC.	8. Farm or Lease Name HOSS STATE
3. Address of Operator P O Box 430, Roswell, NM 88202-0430	9. Well No. 1
4. Location of Well UNIT LETTER <u>I</u> <u>1980</u> FEET FROM THE <u>South</u> LINE AND <u>660</u> FEET FROM THE <u>East</u> LINE, SECTION <u>2</u> TOWNSHIP <u>25S</u> RANGE <u>28E</u> NMPM.	10. Field and Pool, or Wildcat San Lorenzo BS North
15. Elevation (Show whether DF, RT, GR, etc.) 2,946' GR	12. County Eddy

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

11/21/94 Spud at 4:00 p.m.

11/24/94 Ran 13-3/8" 48# H-40 casing @550'. Cemented w/225 sxs H/L followed by 200 sx Class "C". Circulated 85 sxs to pit. WOC 18 hrs.

11/29/94 Ran 8-5/8" 32# & 24# J-55 casing @ 2,561'. Cemented w/1,175 sxs flocele followed by 200 sx Class "C". Circulated 145 sxs to pit. WOC 12 hrs.

12/09/94 Ran 5-1/2" 17# J-55 casing @ 6,600'. 2 stage cemented -  
1st stage:  
240 sxs "P+", open DV tool & circ. 20 sxs to pit, WOC 6 hrs  
2nd stage:  
275 sxs H/L followed by 240 sxs "P+".

DEC 24 1994

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

SIGNED Robert W. Hanagan Robert W. Hanagan TITLE President DATE 12/13/94

SUPERVISOR, DISTRICT II

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE JAN 3 1995

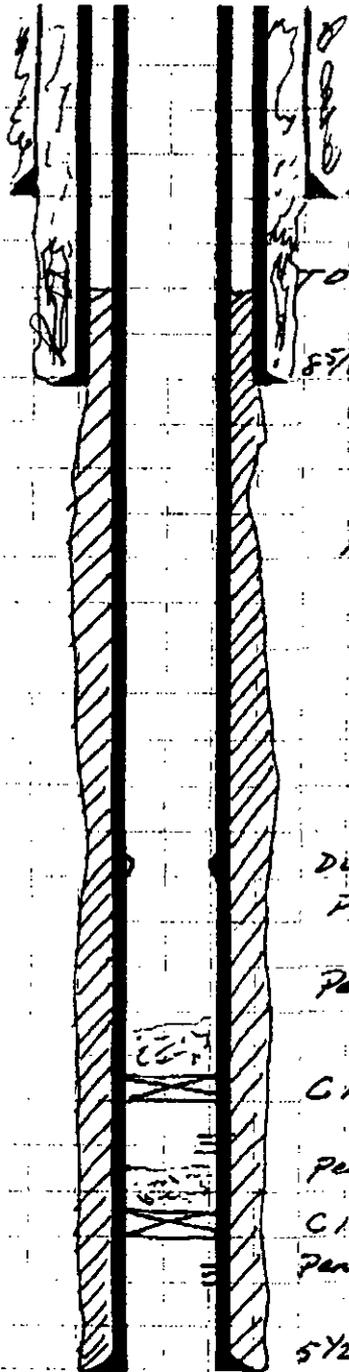
CONDITIONS OF APPROVAL, IF ANY:

Curr #  
RONADENO COMPANY, LLC

LEASE & WELL NO. Hoss State #1  
FORMATION Sec 2-25-28 1980 FSL + 660 FBO  
COUNTY & STATE EDDY CO. N.M.

**WRH inc.**  
Rental Tools

6482 Southeast Main  
Roswell, NM 88201  
Shop: (505) 347-4810  
Office: (505) 622-4772



13 3/4" @ 502' 225SX H/L + 200 @ 2% CIRC 855SX

TOOL BY BOND LOG @ 2154'

8 7/8" @ 2561' 1195SX H/L + 200 @ 2% CIRC 1455SX

- Pumps 4626-92
- 4724-26
- 4812-14
- 4893-95
- 4900-02

FAX 625-  
2512

Bill Hansen  
C-103  
needed.

DUTOO @ 5178'

Pumps 5470-72

Pumps 5738-40

CIBPC 6170 + 35' CMT

Pumps 6216-30

CIBPC 6370 + 35' CMT

Pumps 6406-22 + 6472-84

5 1/2" @ 6600 1<sup>st</sup> STAGE 240SX CIRC 20SX DAF DUTOO

TD 6603

2<sup>nd</sup> STAGE 275SX H/L + 240SX

\* Brine gel between cmt plugs.  
Procedure OK. M.S.

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

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

WELL API NO.  
3001528002

5. Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No.  
VA - 0808

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"  
(FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name

Hoss State

1. Type of Well:  
OIL WELL  GAS WELL  OTHER

2. Name of Operator  
Ronadero Co.

8. Well No.  
#1

3. Address of Operator  
P.O. Box 430 Roswell, NM 88202-0430

9. Pool name or Wildcat  
San Lorenzo B.S.

4. Well Location  
Unit Letter I : 1980 Feet From The FSL Line and 660 Feet From The FEL Line

Section 2 Township 25S Range 28E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)  
2958 KB 2946 GL

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK  PLUG AND ABANDON   
TEMPORARILY ABANDON  CHANGE PLANS   
PULL OR ALTER CASING   
OTHER:

REMEDIAL WORK  ALTERING CASING   
COMMENCE DRILLING OPNS.  PLUG AND ABANDONMENT   
CASING TEST AND CEMENT JOB   
OTHER:

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

- 1) set CIPB @ 4580' + 35' cmt
- 2) circ hole w/10# brine gell
- 3) cut 5 1/2 casing @ 2100' LD 57 1/2 JTS casing
- 4) spot plugs @ follows:
  - a) 2672-2419 25sxs "C" + 3% CACL<sub>2</sub> Tagged @ 2498'
  - b) 2144 - 1987 35sxs "C" + 3% CACL<sub>2</sub> Tagged @ 1998'
  - c) 559-448' 35sxs "C" neat
  - d) 30'-surface 10 sxs "C" neat

Post ID-2  
5-15-98  
P-R

Installed marker, clean location, level pits.

RECEIVED  
OCD - ARTESIA

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

SIGNATURE William R. Hansen TITLE Agent DATE 4/13/98

TYPE OR PRINT NAME William R Hansen TELEPHONE NO. 622-4772

(This space for State Use)

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



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

October 28, 2003

**Lori Wrotenbery**  
Director  
Oil Conservation Division

Marbob Energy Corporation  
P.O. Box 227  
Artesia, New Mexico 88211-0227

Attention: Mr. Brian Collins

Re: Division Order No. SWD-900  
~~Ronadero~~ Hoss State Well No. 1  
API No. 30-015-28002  
Unit I, Section 2, T-25S, R-28E, NMPM,  
Eddy County, New Mexico

RECEIVED  
NOV - 3 2003  
OCD-ARTESIA

Dear Mr. Collins:

Please be advised that Division Order No. SWD-900 that was issued October 19, 2003 was issued in error. This order authorized Marbob to utilize as a disposal well its Ronadero Hoss State Well No. 1. As you may recall, an objection to this application from Yates Petroleum Corporation was received by the Division on October 1, 2003, and after you discussed the situation with Division personnel, Marbob requested that the application be withdrawn. Apparently, an extra copy of the application was processed by another engineer in the Santa Fe office, unaware of the objection.

Division Order No. SWD-900 is hereby cancelled effective immediately. If Marbob wishes to utilize this well for injection at a future time, a new application will be required.

Sincerely,

*Lori Wrotenbery, Director*  
Lori Wrotenbery  
Division Director

Xc: OCD-Artesia  
Yates Petroleum Corporation  
File-SWD-900

Accepted for record - NMOCD

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

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

WELL API NO. 30-015-28002
5. Indicate Type of Lease STATE [X] FEE [ ]
6. State Oil & Gas Lease No. VO-5919
7. Lease Name or Unit Agreement Name Hoss BHK State
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Willow Lake; Delaware

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)
1. Type of Well: Oil Well [X] Gas Well [ ] Other [ ]

2. Name of Operator Yates Petroleum Corporation

3. Address of Operator 105 S. 4th Street, Artesia, NM 88210

4. Well Location Unit Letter I : 1980 feet from the South line and 660 feet from the East line Section 2 Township 25S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2946'GR

Pit or Below-grade Tank Application [ ] or Closure [ ]
Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_
Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [ ] PLUG AND ABANDON [ ] TEMPORARILY ABANDON [ ] CHANGE PLANS [ ] PULL OR ALTER CASING [ ] MULTIPLE COMPL [ ] OTHER: [ ]
SUBSEQUENT REPORT OF: REMEDIAL WORK [ ] ALTERING CASING [ ] COMMENCE DRILLING OPNS. [ ] PLUG AND ABANDON [ ] CASING/CEMENT JOB [ ] OTHER: Re-entry procedures [X]

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

8/31/05 - Began re-entry procedures.
9/1/05 - 9/28/05 - TIH with 7-7/8" mill tooth bit to drill through plugs. Drilled cement to 2100'. Tag cut off 5-1/2" casing at 2100'. Circulated hole clean. Drill cement from 2100' to a depth of 2141'. Circulated hole clean. Tagged 5-1/2" casing at 2100'. Cut over 5-1/2" casing stub and dressed off top of casing. TIH with slip joint and 50 joints of 5-1/2" 17# casing. Slip over 5-1/2" casing stub at 2100'. Cemented 2100' of 5-1/2" casing in place with 300 sx Class "C" with 2% CaCl2. Cement circulated. Drilled CIBP from 4580' to 4581'. Bit stopped drilling. Tagged CIBP at 4581'. Drill on CIBP. Drilling CIBP and steel. TIH with 4-5/8" magnet on sandline. Unable to run magnet past 2100' (slip joint connection). Milled until no drag was detected. Continue milling, CIBP released. Pushed CIBP to 6120'. Circulated hole clean.
9/29/05 - Perforate Delaware 4900'-4950' (51) and 4976'-4990' (15).
9/30/05 - Acidize Delaware 4976'-4990' with 500g 7-1/2% HCL acid. Communicated up to next zone on last 4 bbls pumped. Acidize Delaware 4900'-4990' with 750g 7-1/2% HCL acid. Set packer at 4600'.

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

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE October 4, 2005

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

FOR RECORDS ONLY APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE OCT 06 2005
Conditions of Approval (if any): \_\_\_\_\_

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., 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-103  
 May 27, 2004

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

WELL API NO. 30-015-28002
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-5919
7. Lease Name or Unit Agreement Name Hoss BHK State
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Willow Lake; Delaware

**SUNDRY NOTICES AND REPORTS ON WELLS**  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well  Gas Well  Other

2. Name of Operator  
Yates Petroleum Corporation

3. Address of Operator  
105 S. 4<sup>th</sup> Street, Artesia, NM 88210

4. Well Location  
 Unit Letter I : 1980 feet from the South line and 660 feet from the East line  
 Section 2 Township 25S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
2946'GR

Pit or Below-grade Tank Application  or Closure

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

RECEIVED  
 OCT 06 2005  
 OCD-ARTESIA

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Re-entry procedures <input checked="" type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

8/31/05 - Began re-entry procedures.  
 9/1/05 - 9/28/05 - TIH with 7-7/8" mill tooth bit to drill through plugs. Drilled cement to 2100'. Tag cut off 5-1/2" casing at 2100'. Circulated hole clean. Drill cement from 2100' to a depth of 2141'. Circulated hole clean. Tagged 5-1/2" casing at 2100'. Cut over 5-1/2" casing stub and dressed off top of casing. TIH with slip joint and 50 joints of 5-1/2" 17# casing. Slip over 5-1/2" casing stub at 2100'. Cemented 2100' of 5-1/2" casing in place with 300 sx Class "C" with 2% CaCl2. Cement circulated. Drilled CIBP from 4580' to 4581'. Bit stopped drilling. Tagged CIBP at 4581'. Drill on CIBP. Drilling CIBP and steel. TIH with 4-5/8" magnet on sandline. Unable to run magnet past 2100' (slip joint connection). Milled until no drag was detected. Continue milling, CIBP released. Pushed CIBP to 6120'. Circulated hole clean.  
 9/29/05 - Perforate Delaware 4900'-4950' (51) and 4976'-4990' (15).  
 9/30/05 - Acidize Delaware 4976'-4990' with 500g 7-1/2% HCL acid. Communicated up to next zone on last 4 bbls pumped. Acidize Delaware 4900'-4990' with 750g 7-1/2% HCL acid. Set packer at 4600'.

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

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE October 4, 2005

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

FOR STATE USE ONLY APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE OCT 06 2005

Conditions of Approval (if any):

Submit 3 Copies To Appropriate District Office  
 District I  
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 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., 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-103  
 May 27, 2004

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

WELL API NO. 30-015-28002
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-5919
7. Lease Name or Unit Agreement Name Hoss BHK State
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Willow Lake; Delaware

**SUNDRY NOTICES AND REPORTS ON WELLS**  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well  Gas Well  Other

2. Name of Operator  
Yates Petroleum Corporation

3. Address of Operator  
105 S. 4<sup>th</sup> Street, Artesia, NM 88210

4. Well Location  
 Unit Letter I : 1980 feet from the South line and 660 feet from the East line  
 Section 2 Township 25S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
2946'GR

RECEIVED  
 OCT 21 2005  
 OGD-ARTESIA

Pit or Below-grade Tank Application  or Closure

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input type="checkbox"/>		<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: Frac Delaware <input checked="" type="checkbox"/>	
--	--	---	--

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

10/6/05 – Frac Delaware 4626’-4990’ with XL waterfrac, 1029 bbls fluid, 50,000# 20/40 White sand, 50,400# 20/40 Super LC.

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

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE October 20, 2005

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

OCT 31 2005

For State Use Only  
 APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies 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. St. Francis Dr., Santa Fe, NM 87505	<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b>  <b>Oil Conservation Division</b> <b>1220 South St. Francis Dr.</b> <b>Santa Fe, NM 87505</b>	<b>Form C-105</b> Revised June 10, 2003  WELL API NO: 30-015-28002  5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>  State Oil & Gas Lease No. VO-5919
--	---	---

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____  b. Type of Completion: NEW WELL <input type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> RE-ENTRY <input type="checkbox"/>	7. Lease Name or Unit Agreement Name  Hoss BHK State <span style="float: right;"><b>RECEIVED</b> NOV 29 2005</span>  8. Well No. 1 <span style="float: right;"><b>OLD-ARTESIA</b></span>  9. Pool name or Wildcat Willow Lake; Delaware <i>sc</i>
---	---

2. Name of Operator Yates Petroleum Corporation	8. Well No. 1
--	------------------

3. Address of Operator 105 South Fourth Street, Artesia, NM 88210 (505) 748-1471	9. Pool name or Wildcat Willow Lake; Delaware <i>sc</i>
---	--

4. Well Location	
Unit Letter <u>I</u> <u>1980</u> Feet From The <u>South</u> Line and <u>660</u> Feet From The <u>East</u> Line	
Section <u>2</u> Township <u>25S</u> Range <u>28E</u> NMPM	Eddy County

10. Date Spudded RE 8/31/05	11. Date T.D. Reached 12/7/94	12. Date Compl. (Ready to Prod.) 10/20/05	13. Elevations (DF& RKB, RT, GR, etc.) 2946'GR 2958'KB	14. Elev. Casinghead
--------------------------------	----------------------------------	--	---	----------------------

15. Total Depth 6600'	16. Plug Back T.D. 6120'	17. If Multiple Compl. How Many Zones? _____	18. Intervals Drilled By	Rotary Tools Pulling Unit	Cable Tools
--------------------------	-----------------------------	---	--------------------------	------------------------------	-------------

19. Producing Interval(s), of this completion - Top, Bottom, Name 4626'-5740' Delaware	20. Was Directional Survey Made No
---	---------------------------------------

21. Type Electric and Other Logs Run None for Re-entry	22. Was Well Cored No
---	--------------------------

23. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	48#	550'	17-1/2"	425 sx (In Place)	
8-5/8"	24# & 32#	2561'	11"	1375 sx (In Place)	
5-1/2"	17#	2100'-6600'	7-7/8"	755 sx (In Place)	
5-1/2"	17#	0-2100'	7-7/8"	300 sx (circ)	

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	5220'	

26. Perforation record (interval, size, and number)  4900'-4950' (51) 4976'-4990' (15)	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
	4976'-4990'	Acidize w/500g 7-1/2% HCL acid
	4900'-4990'	Acidize w/750g 7-1/2% HCL acid
	4626'-4990'	Frac w/XL waterfrac, 1029 bbls fluid, 50,000# 20/40 White sand 50,400# 20/40 Super LC

28. PRODUCTION							
Date First Production 10/21/05		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping			Well Status (Prod. or Shut-in) Producing		
Date of Test 10/31/05	Hours Tested 24 hrs	Choke Size NA	Prod'n For Test Period	Oil - Bbl 15	Gas - MCF 26	Water - Bbl. 253	Gas - Oil Ratio NA
Flow Tubing Press. NA	Casing Pressure NA	Calculated 24-Hour Rate	Oil - Bbl. 15	Gas - MCF 26	Water - Bbl. 253	Oil Gravity - API - (Corr.) NA	

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold	Test Witnessed By Scott Johnson-Contract Pumping
--	---

30. List Attachments None
------------------------------

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature *Tina Huerta* Printed Name Tina Huerta Title Regulatory Compliance Supervisor Date November 21, 2005

E-mail Address tinah@ypcnm.com



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

Yates Petroleum Corporation  
105 S. 4<sup>th</sup> Street  
Artesia, NM 88210  
ATTN: Environmental Department

June 9, 2006

Reference: Hoss BHK State 001 I-2-25s-28e API: 30-015-28002

Operator,

A New Mexico Oil Conservation Division Deputy Inspector made an inspection at the above referenced well site on June 7, 2006. The Inspector observed what appears to be a large area of chloride impacted soils possibly originating at a pit on location. Attached to this correspondence is a photo sheet with photos of observations made.

At this time the New Mexico Oil Conservation Division District 2 Office (OCD) is requesting the following:

- Provide information regarding what appears to be a release of produced fluids at this site.
- Submit a form C-141 if required.
- Submit a copy of pit approval/registration for the pit at this site.

Please provide this information no later than June 23, 2006.

If I can be of assistance in this matter, please contact me.

Sincerely,

Mike Bratcher  
NMOCD District 2  
1301 W. Grand Ave.  
Artesia, NM 88210  
(505) 748-1283 Ext. 108  
(505) 626-0857  
[Mike.Bratcher@state.nm.us](mailto:Mike.Bratcher@state.nm.us)

MARTIN YATES, III  
1912 - 1985  
FRANK W. YATES  
1936 - 1986



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
TELEPHONE (505) 748-1471

S. P. YATES  
CHAIRMAN OF THE BOARD  
JOHN A. YATES  
PRESIDENT  
PEYTON YATES  
EXECUTIVE VICE PRESIDENT  
RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

6/22/2006

Oil Conservation Division  
Att: Mike Bratcher  
1301 W. Grand Ave.  
Artesia, N.M. 88210

RECEIVED  
JUN 22 2006  
CORP ARTESIA

Re: 30-015-28002 Ut.I 2-25s-28e Hoss BHK State #1  
Letter dated June 9, 2006

Dear Mr. Mike Bratcher,

The Hoss BHK State #1 was originally drilled by Ronodero Company Inc. The well was plugged & abandoned on June 17, 1998 by Ronodero Company Inc. August 26, 2005 Yates Petroleum Corporation submitted a form C-101 with intent to re-enter the Hoss BHK State #1 & test the Delaware formation.

The work over pit found on your field inspection made on June 7, 2006 was registered on this C-101 form filed on August 26, 2005. I have attached a copy of the C-101 form filed on August 26, 2005 with this letter packet.

An inspection was made at the Hoss BHK State #1 on 6/21/2006 by Yates Petroleum Corporation Environmental Regulatory Agent Mike Stubblefield. This site inspection found the Chlorides that were referred to on your letter dated June 9, 2006, were a result of Chlorides leaching from the former drilling pit area on which the Hoss BHK State #1 was constructed upon. A C-141 form will not be filed as there is no release from the work over pit used for the re-entry of the Hoss BHK State #1.

A C-144 form has been filed with O.C.D. for the closure of the work over pit located at the Hoss BHK State #1.

If I can be of further assistance in this matter please do not hesitate to contact me at 505-748-4500 or E-mail me at [mikes@ypcnm.com](mailto:mikes@ypcnm.com).

Sincerely,

Mike Stubblefield  
Environmental Regulatory Agent

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88241  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., 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-103  
 May 27, 2004



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

WELL API NO. 30-015-28002
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-5919
7. Lease Name or Unit Agreement Name Hoss BHK State
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Willow Lake; Delaware, Southwest

SUNDRY NOTICES AND REPORTS ON WELLS  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well  Gas Well  Other P&A

2. Name of Operator  
 Yates Petroleum Corporation

3. Address of Operator  
 105 S. 4<sup>th</sup> Street, Artesia, NM 88210

4. Well Location  
 Unit Letter I : 1980 feet from the South line and 660 feet from the East line  
 Section 2 Township 25S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
 2946'GR

Pit or Below-grade Tank Application  or Closure   
 Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_  
 Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL. <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

4/2/07 - Set a CIBP at 4576'. Tagged CIBP. Circulated mud. Spotted 25 sx cement on top of CIBP. Spotted 30 sx cement at 2629'. WOC.  
 4/3/07 - Tagged at 2322'. Spotted 30 sx cement at 594'. WOC. Tagged at 322'. Circulated 20 sx cement 60' to surface. Cut off wellhead. Installed dry hole marker. **WELL IS PLUGGED AND ABANDONED. FINAL REPORT.**

**Plugging of the well bore.  
 Liability under bond is retained  
 until surface restoration,  
 environmental remediation and  
 final inspection is completed.**

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

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE April 10, 2007

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

For State Use Only  
 APPROVED BY: Gary Guye TITLE Deputy Field Inspector DATE APR 11 2007  
 District II - Artesia

Conditions of Approval (if any):

**Jones, William V., EMNRD**

**From:** Brian Collins [engineering@marbob.com]  
**Sent:** Wednesday, June 13, 2007 7:57 AM  
**To:** Jones, William V., EMNRD  
**Subject:** Re: SWD Application: South Malaga I-2-25-28 SWD API No. 30-015-28002 Bell and Cherry Canyon Injection from 2677 - 3958

Will: When Yates plugged this well their lease expired. They are no longer an affected party within the half mile radius. We will send you the affidavit for the advertisement. Hope this answers your questions. Take care. ---Brian Collins

----- Original Message -----

**From:** Jones, William V., EMNRD  
**To:** engineering@marbob.com  
**Cc:** Ezeanyim, Richard, EMNRD  
**Sent:** Tuesday, June 12, 2007 7:00 PM  
**Subject:** SWD Application: South Malaga I-2-25-28 SWD API No. 30-015-28002 Bell and Cherry Canyon Injection from 2677 - 3958

Hello Mr. Collins:  
The Division received your application and after reviewing:

- 1) Please send copy of posted newspaper notice.
- 2) In 2003 Marbob proposed this same interval in this well and apparently Yates Petroleum Corporation protested. Since 2003, the Division notice rule has changed:  
Is Yates still an affected party as per the latest Rule 701B.(2) copied below? If they are still an owner, were they notified this time?

**(2)** The applicant shall furnish, by certified or registered mail, a copy of the application to each owner of the surface of the land on which each injection or disposal well is to be located and to each leasehold operator or other "affected person" within any tract wholly or partially contained within one-half mile of the well. Affected person shall mean the (a) division designated operator; (b) in the absence of an operator, any lessee whose interest is evidenced by a written conveyance document either of record or known to the applicant as of the date he files the application; and (c) in the absence of an operator or lessee, any mineral interest owner whose interest is evidenced by a written conveyance document either of record or known to the applicant as of the date he filed the application.

Thank You,

William V. Jones PE  
New Mexico Oil Conservation Division  
1220 South St. Francis  
Santa Fe, NM 87505  
505-476-3448

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

This inbound email has been scanned by the MessageLabs Email Security System.

6/13/2007

**Jones, William V., EMNRD**

---

**From:** Jones, William V., EMNRD  
**Sent:** Tuesday, June 12, 2007 7:01 PM  
**To:** Brian Collins (engineering@marbob.com)  
**Cc:** Ezeanyim, Richard, EMNRD  
**Subject:** SWD Application: South Malaga I-2-25-28 SWD API No. 30-015-28002 Bell and Cherry Canyon Injection from 2677 - 3958

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Thank You,

William V. Jones PE  
New Mexico Oil Conservation Division  
1220 South St. Francis  
Santa Fe, NM 87505  
505-476-3448

**Injection Permit Checklist 2/8/07**

SWD Order Number 1085 Dates: Division Approved \_\_\_\_\_ District Approved \_\_\_\_\_  
 Well Name/Num: South Malaga I-225-28 sub Date Spudded: Was HOSS BHK ST 2001  
 A PI Num: (30-) 015-28002 County: EDDY 11/21/94  
 Footages 1980 FSL/660 FEL Sec 2 Tsp 255 Rge 28E  
 Operator Name: Marble Energy Corporation Contact Brian Collins  
 Operator Address: P.O. BOX 227, ALTESA, NM, 88211-0227  
 Current Status of Well: P&A 6/17/08 Planned Work: \_\_\_\_\_ Inj. Tubing Size: 2 7/8 @ 2625'

66 RD  
 4049  
 Rule 40 OK

	Hole/Pipe Sizes	Depths	Cement	Top/Method
Surface	17 1/2 13 3/8	550'	425	CIRC
Intermediate	12 1/2 8 5/8	2561	1375	CIRC (OLD)
Production	7 1/8 5 1/2	6600'	835	CIRC (2654' CB)
Last DV Tool		DVE 5 1/8"		CIRC
Open Hole/Liner				
Plug Back Depth		6600'		

Diagrams Included (Y/N): Before Conversion  After Conversion   
 Checks (Y/N): Well File Reviewed  ELogs in Imaging

Intervals:	Depths	Formation	Producing (Yes/No)
Salt/Potash	OK		
Capitan Reef	OK		
Cliff House, Etc:			
Formation Above	2615	Lamar LS.	
Top Inj Interval	2677	Bell C.	
Bottom Inj Interval	3958	Cherry C.	
Formation Below	4831	Brushy C.	

SWD 900 issued  
 10/19/03  
 in error

2677  
 5354

535 PSI Max. WHIP  
 NO Open Hole (Y/N)  
 NO Deviated Hole (Y/N)

**Fresh Water:** Depths: \_\_\_\_\_ Wells (Y/N) Yes Analysis Included (Y/N) Yes Affirmative Statement

**Salt Water Analysis:** Injection Zone (Y/N/NA) Del E Disp Waters (Y/N/NA) Yes Types: Del

**Notice:** Newspaper (Y/N) \_\_\_\_\_ Surface Owner Proposed! Mineral Owner(s) \_\_\_\_\_

Other Affected Parties: COOKSEY, SCHEFF, Faulkner

**AOR/Repairs:** Num Active Wells 1 Repairs? No Producing in Injection Interval in AOR NO

AOR Num of P&A Wells 1 Repairs? No Diagrams Included? Yes RBDMS Updated (Y/N)

Well Table Adequate (Y/N) Yes AOR STRs: Sec \_\_\_\_\_ Tsp \_\_\_\_\_ Rge \_\_\_\_\_ UIC Form Completed (Y/N)

New AOR Table Filename \_\_\_\_\_ Sec \_\_\_\_\_ Tsp \_\_\_\_\_ Rge \_\_\_\_\_ This Form completed 6/12/07

**Conditions of Approval:** Sec \_\_\_\_\_ Tsp \_\_\_\_\_ Rge \_\_\_\_\_ Data Request Sent 6/12/07

Send Newspaper NOTICE TO S.F.  
STILL Y PC? or operator?  
Do they still object, as they did in 10/03?

AOR Required Work: \_\_\_\_\_

Required Work to this Well: \_\_\_\_\_

# Inactive Well List

**Total Well Count:1084 Inactive Well Count:0 Since:3/20/2006**

**Printed On: Wednesday, June 13 2007**

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

WHERE Ogrid:14049, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15