

ABOVE THIS LINE FOR DIVISION USE ONLY

RECEIVED

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

2009 MAY 5 AM 11:20 South St. Francis Drive, Santa Fe, NM 87505



30-015-36806  
36 State 001  
REEF O&G  
246083

**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 \_\_\_\_\_

SWD-1180 ✓

- [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.

Ronald M. Sentz	_____	Production Manager	_____
Print or Type Name	Signature	Title	Date
		ronald@reefoc.com	
		e-mail Address	

**Injection Permit Checklist (7/8/08)**

Case \_\_\_\_\_ R- SWD WFX \_\_\_\_\_ PMX \_\_\_\_\_ IPI \_\_\_\_\_ Permit Date \_\_\_\_\_ UIC Qtr \_\_\_\_\_

# Wells 1 Well Name: "36" State No. 1

API Num: (30-) 015-36806 Spud Date: ASAP?  New  Old: \_\_\_\_\_ (UIC primacy March 7, 1982)

Footages 660 FNL 1980 FWL Unit C Sec 36 Tsp 22S Rge 31E County Eddy

Operator: Reef Exploration, L.P. Contact Ronald M. Sants

OGRID: 246083 RULE 40 Compliance (Wells) 19/0 ✓ (Finan Assur) ✓

Operator Address: 1901 North Central Expressway, Suite 300 Richardson, TX 75080

Current Status of Well: NOT yet drilled, Disposal well - Delaware Produced water.

Planned Work to Well: \_\_\_\_\_ Planned Tubing Size/Depth: \_\_\_\_\_

	Sizes Hole.....Pipe	Setting Depths	Cement Sx or Cf	Cement Top and Determination Method
Existing Surface	17 1/2 13 3/8	700	638	Surf/Observation
Existing Intermediate	11 8 5/8	4300	1240 SXS	" / "
Existing Long String	7 7/8 5 1/2	6100	1200 SXS	3700 / CBL

DV Tool \_\_\_\_\_ Liner \_\_\_\_\_ Open Hole \_\_\_\_\_ Total Depth 6100' PBTB \_\_\_\_\_

Well File Reviewed \_\_\_\_\_

Diagrams: Before Conversion \_\_\_\_\_ After Conversion \_\_\_\_\_ Elogs in Imaging File: \_\_\_\_\_

Intervals:	Depths	Formation	Producing (Yes/No)
Above (Name and Top)			
Above (Name and Top)	<u>None</u>		
Injection..... Interval TOP:	<u>5100'</u>	<u>Bell Canyon</u>	<u>NO</u>
Injection..... Interval BOTTOM:	<u>5950'</u>	<u>Cherry Canyon</u>	<u>NO</u>
Below (Name and Top)		<u>Middle Cherry Canyon</u>	<u>NO</u>

3 1/2" FG Tubing

PSI Max. WHIP \_\_\_\_\_

Open Hole (Y/N) \_\_\_\_\_

Deviated Hole? \_\_\_\_\_

5100'  
+ 02  
10200

Artesia

BLM  
(Carries back)  
State Land office

**Sensitive Areas:** Capitan Reef \_\_\_\_\_ Cliff House \_\_\_\_\_ Salt Depths \_\_\_\_\_

.... Potash Area (R-111-P) \_\_\_\_\_ Potash Lessee \_\_\_\_\_ Noticed? \_\_\_\_\_

**Fresh Water:** Depths: Surf = 700' Wells(Y/N) N Analysis Included (Y/N): \_\_\_\_\_ Affirmative Statement \_\_\_\_\_

**Salt Water:** Injection Water Types: \_\_\_\_\_ Analysis? \_\_\_\_\_

**Injection Interval:** Water Analysis: \_\_\_\_\_ Hydrocarbon Potential \_\_\_\_\_

**Notice:** Newspaper(Y/N)  Surface Owner  Mineral Owner(s)

RULE 701B(2) Affected Parties: \_\_\_\_\_

**Area of Review:** Adequate Map (Y/N)  and Well List (Y/N) None in 1/2 mile - ROA

Active Wells \_\_\_\_\_ Num Repairs \_\_\_\_\_ Producing in Injection Interval in AOR \_\_\_\_\_

..P&A Wells \_\_\_\_\_ Num Repairs \_\_\_\_\_ All Wellbore Diagrams Included? \_\_\_\_\_

**Questions to be Answered:**

No wells fall within AOR (1/2 mile)

WIPP 5-29-09 - Mark F. Says do it.

Required Work on This Well: \_\_\_\_\_ Request Sent \_\_\_\_\_ Reply: \_\_\_\_\_

AOR Repairs Needed: \_\_\_\_\_ Request Sent \_\_\_\_\_ Reply: \_\_\_\_\_

Request Sent \_\_\_\_\_ Reply: \_\_\_\_\_

**Jones, William V., EMNRD**

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**From:** Wesley\_Ingram@blm.gov  
**Sent:** Monday, April 06, 2009 3:37 PM  
**To:** Jones, William V., EMNRD; Shannon\_Shaw@nm.blm.gov  
**Cc:** Sanchez, Daniel J., EMNRD; Brooks, David K., EMNRD; Reeves, Jacqueta, EMNRD; Ezeanyim, Richard, EMNRD; Warnell, Terry G, EMNRD  
**Subject:** RE: Injection Application from Reef Exploration LP - 36 State #1

William V. Jones,

I have reviewed the request for injection for the 36 State #1 submitted by Reef Exploration, L.P. through Clay Johnson Oil & Gas properties.

The one comment that I have is that the main presentation gives the impression that the well has already been drilled and the cement tops are actual, but since it has not, verification of these cement tops would have to be submitted prior to injection beginning. Attachment A states that the well has not been drilled.

Thanks,  
Wesley W.Ingram

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

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Friday, May 01, 2009

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Re: **Application for Authorization to Inject  
Form C-108 Filing  
36 State #001  
API #30-015-36806  
Livingston Ridge; Delaware**

Gentlemen,

Please find enclosed an original and signed form C-108 for the above referenced well. A copy has been sent to the Artesia district office as well.

If you need any other information or have questions, please contact me directly at 972-437-6792 or by email at [josev@reefogc.com](mailto:josev@reefogc.com).

Regards,

A handwritten signature in black ink, appearing to be "Jose L. Velez", written in a cursive style.

Jose L. Velez  
Regulatory Affairs

Enclosures

**REEF OIL & GAS PARTNERS, L.P.**  
**REEF EXPLORATION, L.P.**

1901 N Central Expy, Ste 300 • Richardson, TX 75080  
(972) 437-6792 • Fax: (972) 994-0369  
Toll Free: (877) 915-7333 • [www.reefogc.com](http://www.reefogc.com)

**APPLICATION FOR AUTHORIZATION TO INJECT**

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

II. OPERATOR: Reef Exploration LP

ADDRESS: 1901 North Central Expressway, Suite 300 Richardson, Texas 75080

CONTACT PARTY: Ronald M. Sentz PHONE: 972-437-6792

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 No  
If yes, give the Division order number authorizing the project: \_\_\_\_\_

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

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

VII. Attach data on the proposed operation, including:

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

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

IX. Describe the proposed stimulation program, if any.

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

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

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

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

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

NAME: Ronald M. Sentz TITLE: Production Manager

SIGNATURE: Ronald M. Sentz DATE: 01/02/09

E-MAIL ADDRESS: ronald@reefogc.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: \_\_\_\_\_

III. WELL DATA

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

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

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

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

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

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

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

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

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

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**NOTICE:** Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

**Form C-108**  
**Application for Authorization to Inject**

Reef Exploration, L.P., Operator  
36 State #1  
Section 36, T 22S, R 31E  
Eddy County, New Mexico

- I) The purpose of the well is as a disposal well for area Delaware produced water.
- II) Operator: Reef Exploration, L.P.  
1901 North central Expressway, Suite 300  
Richardson, Texas 75080  
Contact: Ronald M. Sentz 972-437-6792
- III) Well Data: See attachments A, B and Exhibit (A), Section B, Item 2
- IV) This is not an expansion of an existing project.
- V) Map of wells and leases within 2 miles and ½ mile radius: (Exhibit C & D).
- VI) Data on wells within ½ mile area of review: No wells fall within the ½ mile area of investigation. The Medano State #1 falls just outside of the area of investigation and I have included a schematic for that well.
- VII) 1. Proposed average daily injection volume: 4000 BWPD  
Proposed maximum daily injection volume: 10,000 BWPD
2. This will be a closed system.
3. Proposed averaged daily injection pressure: 1000#  
Proposed maximum daily injection pressure: 1140#

*1020 PSI  
@ 0.2 Grad*

Form C-108 Continued  
Application for Authorization to Inject

Reef Exploration, L.P., Operator  
36 State #1

- 4) The sources of injection water will be produced water from area Delaware wells that Reef Exploration has drilled and completed and wells that Reef Exploration has scheduled to be drilled on the Barclay State (Section 2, T23S, R31E), Barclay Federal (Sections 1 and 12, T23S, R31E) and Medano State leases (Section 36, T22S, R31E). (see list of source wells/Attachment E). A water analysis from nearby Delaware production (see attachments F1, F2, F3 & F4).
- 5) Chlorides in all the source wells is expected to be similar to the attached water analysis (see Attachments F1, F2, F3 & F4)
- VIII) The proposed injection zone is the Bell Canyon and Cherry Canyon interval from 5100' to 5950'. The Bell Canyon and Cherry Canyon which are part of the Delaware are sandstones (containing siltstone and shale) of Permian age approximately 3800' thick found at a depth of 4450' to 8250'. Possible fresh drinking water zones overlie the proposed injection formation at depths from surface to approximately 700'. No drinking water sources are found below the proposed injection zone. The sections of the Bell Canyon and Cherry Canyon Sands above 5900' were evaluated using the open hole logs and the water saturations were found to be in the range of 80 to 100% and therefore not oil potential productive zones.
- IX) Projected Perforations: Bench 1) 5850' to 5870', Bench 2) 5720' to 5750' & 5630' to 5650', Bench 3) 5410' to 5500', Bench 4) 5110' to 5140'. The proposed intervals will be acidized with 2500 gallons of 15% acid and may be frac'd with up to 100,000# of sand per bench.
- X) The well has not as yet been drilled and the perforation schedule may change slightly when the open hole logs are run; all well logs will be submitted to the NMOCD.

Form C-108 Continued  
Application for Authorization to Inject

Reef Exploration, L.P., Operator  
36 State #1

- XI) No fresh water wells were found within 1 mile of the proposed injection well.
- XII) The applicant has examined geological and engineering data and found no evidence of open faults or other hydrologic connection between the proposed disposal zone and any underground source of drinking water.
- XIII) Proof of Notice
- A. A copy of the legal application has been sent by certified mail to the surface owner and offset operators of leases within ½ mile. (see list attached- Attachment \_\_\_\_\_ )
- B. A copy of the legal advertisement is attached (Attachment J). Proof of publication in an Eddy County newspaper will be forwarded once available.
- XIV) Certification: See signature on form C-108.

*Ronald M. Sentsz*

Reef Exploration, L.P.  
1901 N. Central Expressway  
Suite 300  
Richardson, Texas 75080

Production Manager

Off: 972-437-6792 x3037  
Cell: 214-850-8741  
E-Mail: [ronald@reefexploration.com](mailto:ronald@reefexploration.com)

**Exhibit (A), Section B, Item 2**

**“36” State #1  
660’ FNL & 1980’ FWL  
Section 36, T22S, R31E  
Eddy County, New Mexico**

**Perforation Schedule for Water Disposal**

**5110’ to 5140’      4 SPF**

**5480’ to 5500’      4 SPF**

**5630’ to 5650’      4 SPF**

**5720’ to 5750’      4 SPF**

**5850’ to 5870’      4 SPF**

The perforation schedule may vary slightly as these are being projected off the nearest well log. The 36 State #1 will have open hole logs run in order to match projected benches.

INJECTION WELL DATA SHEET

OPERATOR: Reef Exploration, L.P.

WELL NAME & NUMBER: 660' FNL & 1980' FWL State "36" #1

WELL LOCATION: FOOTAGE LOCATION

UNIT LETTER: C SECTION: 36 TOWNSHIP: 22S RANGE: 31E

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA  
Surface Casing

Hole Size: 17 1/2" Casing Size: 13 3/8"  
Cemented with: 700 sx. or ft<sup>3</sup>  
Top of Cement: Surface Method Determined: Observation

Intermediate Casing

Hole Size: 11" Casing Size: 8 5/8"  
Cemented with: 1240 sx. or ft<sup>3</sup>  
Top of Cement: Surface Method Determined: Observation

Production Casing

Hole Size: 7 7/8" Casing Size: 5 1/2"  
Cemented with: 1200 sx. or ft<sup>3</sup>  
Top of Cement: 3700' Method Determined: Cement Bond log

Total Depth: 6100'

Injection Interval

See Attachment (A) feet to

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 3 1/2" Lining Material: Fiberglass  
Type of Packer: 2 7/8" Baker Lok Set or similar ( Coated )  
Packer Setting Depth: 5000'  
Other Type of Tubing/Casing Seal (if applicable): \_\_\_\_\_

Additional Data

1. Is this a new well drilled for injection?  Yes  No  
If no, for what purpose was the well originally drilled? \_\_\_\_\_

2. Name of the Injection Formation: Bell Canyon & Upper Cherry Canyon Sand

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

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used.  No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Middle Cherry Canyon Sand 6000', Brushy Canyon Sand 7000'

**Reef Exploration, L.P.  
36 State #1  
660' FNL & 1980' FWL  
Section 36, T 22S, R 31E  
Eddy County New Mexico**

**Attachment A**

III Well Data

**Section A:**

1. Lease Name: 36 State #1  
Location: 660' FNL & 1980' FWL, Section 36, T 22S, R 31E, Eddy County,  
New Mexico

2. Casing and Cement:

**Proposed**

<u>Casing Size</u>	<u>Setting Depth</u>	<u>Sks Cement</u>	<u>Hole Size</u>	<u>TOC</u>
13 3/8"	700'	638	17 1/2"	Circ. To Surface
8 5/8"	4300'	1240	11"	Circ. To Surface
5 1/2"	6100'	1200	7 7/8"	3700' by CBL

3. Tubing: 3 1/2", 9.3# fiberglass lined, set at 5000'.  
4. Packer: 2 7/8" x 5 1/2" Baker Lok Set or similar (coated ) set @ 5100'

**NOTE: This well has been permitted but not drilled at this time.**

## 36 State #1 Continued

### Section B

1. Injection formation: Delaware Sand  
Field or Pool Name: Livingston Ridge ( Delaware )
2. Injection Interval: Delaware Interval: perforate: 5110' to 5140', 5480' to 5500',  
5630' to 5650', 5720' to 5750', 5850' to 5870' ( 4 SPF )
3. Original purpose of well: Will be drilled for injection purpose.
4. Other perforated intervals: None
5. Next higher oil and gas zone: none  
Next lower oil and gas zone: Middle Cherry Canyon

**See proposed well bore schematic: ( Attachment B )**

**Also see: Exhibit ( A ), Section B, Item 2**

**REEF EXPLORATION, LP.**

**State "36" #1**

**1980' FWL & 660' FNL**

**Sec 36, T22S, R31E**

**Livingston Ridge; Delaware, SE (96149 )**

**Eddy County, New Mexico**

**Permanent Wellbore Data**

Spud Date:	To be drilled	
Compl Date:		
KB Elev., Ft :		
GL Elev., Ft :	3488'	Set 40' of 20" conductor
KB		
DF		17-1/2 " hole

Surface Casing					
Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
13 3/8"	16	48.0	H-40	ST&C	700

Cement: 638 Sx. TOC: Surface  
Date:

11" hole

8 5/8", 32#, J-55, ST&C

Top of Cement 5 1/2" 3700'

Intermediate Casing					
Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
8 5/8"	102	32.0	J-55	LT&C	4300

Cement: 1,240 Sx. TOC: Surface  
Date:

**Tubing :**  
3 1/2", 9.3#, J-55, Flush Joint, set @ 5000'  
( Fiberglass lined )

7 7/8" Hole

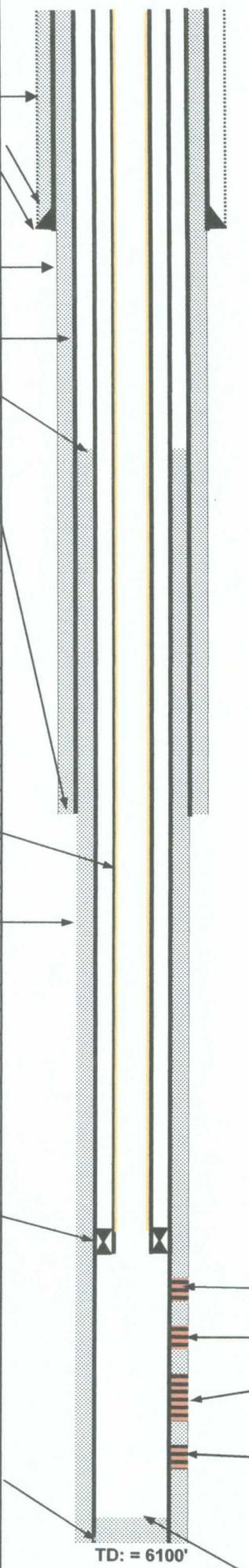
2 7/8" X 5 1/2" Baker Lok Set or similar Packer @ 5000'  
( Coated )

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
5 1/2"	192	17.0	J-55	LT&C	6100

**Total depth**

ID - 4.892", drift - 4.767", IYP - 7740#, JS - 338,000#  
Capacity - .0232 bbls/ft  
Cement: 1,200 Sx. TOC: 3700  
Cement: Sx. TOC:  
TD: PBTd: Date:  
Set Weight, Lb:  
Tank Battery:

Proposed



Attachment B

**Data On This Completion**

API #: 30-015-36806  
Property Code:  
OGRID #:  
Drilling AFE #:  
Date: Activity

- Perfs: 5110' to 5140' ( 4 SPF )
- Perfs: 5480' to 5550' ( 4 SPF )
- Perfs: 5630' to 5660', 5720' to 5750'(4 SPF)
- Perfs: 5850' to 5870' ( 4 SPF )

PBTd: 6060'

Attachment E

**WELLS THAT PRODUCED WATER WILL COME FROM FOR DISPOSAL**

**State "2" #1, 1980' FNL & 1980' FEL, Sec 2, T 23S, R 31E, Eddy County, New Mexico**

**State "2" #2, 660' FNL & 1980' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico**

**State "2" #3, 1980' FNL & 1980' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico**

**State "2" #4, 1980' FSL & 1980' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico**

**State "2" #5, 660' FSL & 1980' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico**

**State "2" #8, 1980' FSL & 660' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico**

**State "2" #9, 660' FSL & 660' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico**

**State "36" #5, 660' FSL & 660' F WL, Sec 36, T 22S, R 31E, Eddy County, New Mexico**

?

# HALLIBURTON

PERMAIN BASIN OPERATIONS LABORATORY  
 WATER ANALYSIS REPORT  
 HOBBS, NEW MEXICO

Attachment F-1

COMPANY Reef Exploration  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

REPORT W08-030  
 DATE March 3, 2008  
 DISTRICT Artesia

SUBMITTED BY \_\_\_\_\_

WELL St. 2 Leases DEPTH \_\_\_\_\_ FORMATION \_\_\_\_\_  
 COUNTY \_\_\_\_\_ FIELD \_\_\_\_\_ SOURCE \_\_\_\_\_

SAMPLE	#001	#3	#004	#005
Sample Temp.	65 °F	65 °F	65 °F	65 °F
RESISTIVITY	0.058	0.055	0.055	0.057
SPECIFIC GR.	1.137	1.148	1.148	1.141
pH	6.49	6.33	6.44	6.32
CALCIUM	25,000 mpl	21,500 mpl	23,000 mpl	23,500 mpl
MAGNESIUM	13,500 mpl	12,600 mpl	13,200 mpl	12,000 mpl
CHLORIDE	121,446 mpl	133,380 mpl	133,380 mpl	128,115 mpl
SULFATES	heavy mpl	heavy mpl	heavy mpl	heavy mpl
BICARBONATES	153 mpl	140 mpl	171 mpl	153 mpl
SOLUBLE IRON	10 mpl	10 mpl	10 mpl	10 mpl
KCL	Negative	Negative	Negative	Negative
Sodium	_____ mpl	_____ mpl	_____ mpl	_____ mpl
TDS	_____ mpl	_____ mpl	_____ mpl	_____ mpl
OIL GRAVITY	@ _____ °F	@ _____ °F	@ _____ °F	@ _____ °F

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

MPL = Milligrams per liter  
 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: MB/MA

# HALLIBURTON

PERMAIN BASIN OPERATIONS LABORATORY  
 WATER ANALYSIS REPORT  
 HOBBS, NEW MEXICO

COMPANY Reef Exploration  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

REPORT W08-030  
 DATE March 3, 2008  
 DISTRICT Artesia

SUBMITTED BY \_\_\_\_\_

WELL St. 2 Leases DEPTH \_\_\_\_\_ FORMATION \_\_\_\_\_  
 COUNTY \_\_\_\_\_ FIELD \_\_\_\_\_ SOURCE \_\_\_\_\_

SAMPLE	#8	#9		
Sample Temp.	65 °F	65 °F		
RESISTIVITY	0.058	0.058		
SPECIFIC GR.	1.138	1.140		
pH	6.39	6.32		
CALCIUM	21,500 mpl	23,500 mpl		
MAGNESIUM	13,200 mpl	13,500 mpl		
CHLORIDE	122,495 mpl	126,360 mpl		
SULFATES	heavy mpl	heavy mpl		
BICARBONATES	171 mpl	116 mpl		
SOLUBLE IRON	10 mpl	10 mpl		
KCL	Negative	Negative		
Sodium	mpl	mpl		
TDS	mpl	mpl		
OIL GRAVITY	@ °F	@ °F	@ °F	@ °F

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

MPL = Milligrams per liter  
 Resistivity measured in: Ohm/m2/m

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ANALYST: MB/MA

# HALLIBURTON

PERMAIN BASIN OPERATIONS LABORATORY  
 WATER ANALYSIS REPORT  
 HOBBS, NEW MEXICO

COMPANY Reef Exploration  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

REPORT W07-236  
 DATE December 17, 2007  
 DISTRICT Hobbs

SUBMITTED BY \_\_\_\_\_

WELL State 2 #5 DEPTH \_\_\_\_\_ FORMATION \_\_\_\_\_  
 COUNTY \_\_\_\_\_ FIELD \_\_\_\_\_ SOURCE \_\_\_\_\_

SAMPLE	_____	_____	_____	_____
Sample Temp.	<u>70</u> °F	_____ °F	_____ °F	_____ °F
RESISTIVITY	<u>0.53</u>	_____	_____	_____
SPECIFIC GR.	<u>1.162</u>	_____	_____	_____
pH	<u>6025.00</u>	_____	_____	_____
CALCIUM	<u>22,500</u> mpl	_____ mpl	_____ mpl	_____ mpl
MAGNESIUM	<u>12,000</u> mpl	_____ mpl	_____ mpl	_____ mpl
CHLORIDE	<u>149,008</u> mpl	_____ mpl	_____ mpl	_____ mpl
SULFATES	<u>Light</u> mpl	_____ mpl	_____ mpl	_____ mpl
BICARBONATES	<u>183</u> mpl	_____ mpl	_____ mpl	_____ mpl
SOLUBLE IRON	<u>50</u> mpl	_____ mpl	_____ mpl	_____ mpl
KCL	<u>Positive</u>	_____	_____	_____
Sodium	_____ mpl	<u>0</u> mpl	<u>0</u> mpl	<u>0</u> mpl
TDS	_____ mpl	<u>0</u> mpl	<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 liter  
 Resistivity measured in: Ohm/m2/m

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ANALYST: JH/JE

# HALLIBURTON

PERMAIN BASIN OPERATIONS LABORATORY  
 WATER ANALYSIS REPORT  
 HOBBS, NEW MEXICO

COMPANY Reef Exploration  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

REPORT DATE W08-031  
March 3, 2008  
 DISTRICT Artesia

SUBMITTED BY \_\_\_\_\_

WELL COUNTY St. 2 36 #005 DEPTH FIELD \_\_\_\_\_ FORMATION SOURCE \_\_\_\_\_

SAMPLE	_____	_____	_____	_____
Sample Temp.	65 °F	_____ °F	_____ °F	_____ °F
RESISTIVITY	0.056	_____	_____	_____
SPECIFIC GR.	1.146	_____	_____	_____
pH	6.30	_____	_____	_____
CALCIUM	22,500 mpl	_____ mpl	_____ mpl	_____ mpl
MAGNESIUM	15,000 mpl	_____ mpl	_____ mpl	_____ mpl
CHLORIDE	131,625 mpl	_____ mpl	_____ mpl	_____ mpl
SULFATES	heavy mpl	_____ mpl	_____ mpl	_____ mpl
BICARBONATES	92 mpl	_____ mpl	_____ mpl	_____ mpl
SOLUBLE IRON	100 mpl	_____ mpl	_____ mpl	_____ mpl
KCL	Negative	_____	_____	_____
Sodium	_____ mpl	_____ mpl	_____ mpl	_____ mpl
TDS	_____ mpl	_____ mpl	_____ mpl	_____ mpl
OIL GRAVITY	_____ @ _____ °F			

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

MPL = Milligrams per liter  
 Resistivity measured in: Ohm/m2/m

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ANALYST: MB/MA

**REEF EXPLORATION, LP.**

**Medano State #1**

1980' FSL & 1980' FWL

Section 36, Township 22 S, Range 31 E

Livingston Ridge; Delaware, SE (96149 )

Eddy County, New Mexico

**Permanent Wellbore Data**

Spud Date:	10/24/89
Compl Date:	07/15/90
KB Elev., Ft :	
GL Elev., Ft :	3466.0
KB	0
DF	0
	17-1/4 " hole

**Surface Casing**

Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
13.375	17	48#	H40	STC	745
Cement: 600 sx Sx.		TOC: Surface (circ 200sx)			
		Date: 10/25/1989			

12 1/4 " hole

Top of Cement 5 1/2" 2320'

**Intermediate Casing**

Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
10 3/4	105	45.5#	S80	STC	4,513
Cement: 2,250 SX		TOC: Surface Circ. 325sx			
		Date: 11/4/1989			

**Tubing :**  
3 1/2" IPC set to 4893'

Packer @ 4893'

PBTD: 6,725'

Bridge Plug @ 6690' with 35' of cement on top

Bridge Plug @ 10,100" w/ 30' of cement on top

Bridge Plug @ 11,634" w/ 236' of cement on top

Top of liner: 12,281'

**Production Casing**

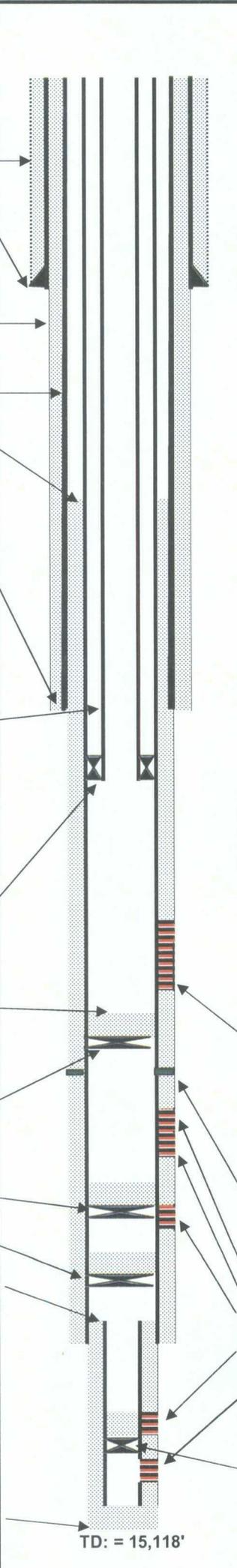
Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
7 5/8	299	33.7&29.7#	S95	LTC	12,620
Cement		2425sx	TOC: 3800'		
		Date: 11/24/1989			

**Liner**

Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
4 1/2	70	13.50#	S95	LTC	15,118'
Cement		500sx	TOC: 12,281'		
		Date: 12/28/1989			

TD: 15,118' PBTD: 6,725' Date:

Set Weight, Lb:  
Tank Battery:



**Data On This Completion**

API #:	30-015-26171
Property Code:	
OGRID #:	
Drilling AFE #:	0
Date:	Activity

Reached TD on 12/28/1989

12/28/89 Litho-Dens / comp neut / NGT,  
Natural Gamma Ray Spect. Log,  
Mechanical Sidewall Coring,  
Comp of dual / SFL & dual lat / MSFL  
comp. Neut. Litho-Dens.

Set CIBP @ 6690'  
Perf 6085 -6011 acid w/ 1000gal of 15%  
Set CIBP @ 6050'w 35" CMT  
Cement btwn 7 5/8x10 3/4" casing w/400sx cmt  
Perf 5614 - 5692, Frac w/ 19000 gal; 44000 #SD  
Perf 5506-5596'; 5380 - 5420'  
Frac 5380-5420 w/ 22000 gal; 47000 #SD  
Perf & Frac 5250-5308 w/ 30000 gal' 61000 #SD  
Perf & Frac 5053-5168 w/ 38000gal; 85000 #SD  
Packer set @ 4926'

5/2/90 Frac'd Bone Springs  
with 82,400 gals of Hybor Gel  
165,200# 20/40 SD  
Avg Inj Rate 30 BPM, Avg Pres 5900psi

5/12/97 Frac'd Delaware  
w/ 1,000 gals of 15% HCL;  
46,000 gal of X-link Gel; 190,000 #SD

**Injection Perforation Areas**  
Perf Delaware: 6085' to 6101'  
5614' to 5692', 5506' - 5596;  
5380'-5420', 5420' to 5380';  
5250' to 5308' ; 5053' - 5168'

DV TOOL ( 7489' )

Perf: Delaware (5/12/97)  
8107' to 8284', (24 holes) 5/12/1997  
8214' to 8280', (133 holes) 4/5/1990

Perf: Bone Springs ( 03/28/90 )  
10,140-202' 2SPF (125 holes)

Perf: Middle Morrow ( 3/1/90 )  
14572 - 79 6spf (42 holes)

Perf: Lower Morrow ( 1/31/90 )  
14,701 - 16' - 6SPF (80 holes)

Bridge Plug @ 14,450 w/ 35sx of cmt on top

***Covington Land Services Corp.*** ®

Digital GIS Land Maps and Database Systems

Complete Operational Land Services

April 21, 2009

Mr. Ronald M. Sentz  
Reef Oil and Gas Companies  
1901 North Central Expressway, Suite 300  
Richardson, TX 75080

**Re: 36 State #1, Salt Water Disposal Well  
Sand Dunes Project  
Eddy County, New Mexico**

Dear Mr. Sentz:

Enclosed are the certified mailings and the affidavit of notice from the local newspaper for the 36 State #1 SWD Well in Eddy County, New Mexico.

- Yates Petroleum Corporation Offset Operator Notification
- New Mexico Bureau of Land Management Offset Operator Notification
- OGX Resources, LLC. Offset Operator Notification
- Samson Resources Company Offset Operator Notification
- Crow Reynolds, Ltd. Offset Operator Notification
- Dardanelles Partnership, Ltd. Offset Operator Notification
- OXY USA Inc. Offset Operator Notification
- Forest Oil Corporation Offset Operator Notification
- CDA Family Partnership, Ltd. Offset Operator Notification
- Five Talents, Ltd. Offset Operator Notification
- New Mexico State Land Office Surface Owner Notification
- Affidavit of Publication- State of New Mexico

Yours very truly,  
**Covington Land Services, Inc.**

  
Camille E. Covington

14257 Dedeaux Road, Suite B, Gulfport, Mississippi 39503

228.396.0486

228.396.0487 fax

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

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

2. Article Numbr

7007 0220 0002 4962 9981

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) \_\_\_\_\_ B. Date of Delivery 03-27-09

C. Signature Melissa Stewart  Agent  Addressee

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below \_\_\_\_\_

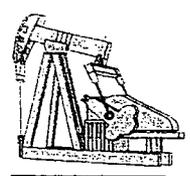
3. Service Type

Certified Mail  Express Mail

Registered  Return Receipt for Merchandise

Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes



AAPL-CPL

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

**Via Federal Express**

Re: 36 State #1  
Application fore Authorization to Inject  
660' FNL & 1980' FWL of Section 36,  
T-22-S, R-31-E, N.M.P.M., Eddy  
County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

M. Kay Brasuel  
Mary Kay Brasuel  
Attachments.

7007 0220 0002 4962 9981

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

Sent To Yates Petroleum  
Street, Apt. No., or PO Box No. 105 S. 4th St.  
City, State, ZIP+4 Artesia NM 88210

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

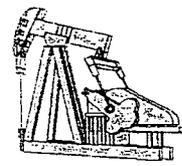
Bureau of Land Man.  
602 E. Greene St.  
Carlsbad, NM 88220

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature: *A. Chavez*  Agent  Addressee

B. Received by (Printed Name): *Arden Chavez* C. Date of Delivery: *03-27-09*

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below:



AAPL-CPL

3. Service Type

Certified Mail  Express Mail

Registered  Return Receipt for Merchandise

Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

2. Article Number (Transfer from): 7007 0220 0002 4962 6683

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

**Via Federal Express**

Re: 36 State #1  
Application fore Authorization to Inject  
660' FNL & 1980' FWL of Section 36,  
T-22-S, R-31-E, N.M.P.M., Eddy  
County, New Mexico

Gentlemen:

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Respectfully,

*M. Kay Brasuel*

Mary Kay Brasuel  
Attachments.

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Postage	\$	03-26-09 Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To: *BLM*  
Street, Apt. No. or PO Box No.: *602 E. Greene St.*  
City, State, ZIP+4: *Carlsbad NM 88220*

Seal Reverse for Instructions

7007 0220 0002 4962 6683

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

OGX Resources  
P.O. Box 2064  
Midland, TX 79702

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) *Lindsay Weir* B. Date of Delivery *3-30-09*

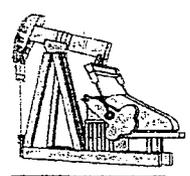
C. Signature *Lindsay Weir*  Agent  Addressee

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below:

3. Service Type

Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes



AAPL-CPL

2. Article Num: 7007 0220 0002 4962 6706

**Via Certified Mail**

Re: 36 State #1  
Application fore Authorization to Inject  
660' FNL & 1980' FWL of Section 36,  
T-22-S, R-31-E, N.M.P.M., Eddy  
County, New Mexico

Dear Mr. Lang:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M. Kay Brasuel*  
Mary Kay Brasuel

Attachments.

7007 0220 4962 6706

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

Sent To *OGX Resources*  
Street, Apt. No., or PO Box No. *P.O. Box 2064*  
City, State, ZIP+4 *Midland, TX 79702*

**SENDER: COMPLETE THIS SECTION**

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

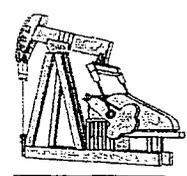
1. Article Addressed to:  
 Samson Resources  
 Samson Plaza  
 Two West Second St.  
 Tulsa, OK 74103

2. Article Numb **7007 0220 0002 4962 9967**

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) **Jim Pfeiffer** B. Date of Delivery **08/26/09**  
 C. Signature **Jim Pfeiffer**  Agent  Addressee  
**x**  Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.  
 D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below:

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



AAPL-CPL

**Via Certified Mail**

Re: 36 State #1  
 Application fore Authorization to Inject  
 660' FNL & 1980' FWL of Section 36,  
 T-22-S, R-31-E, N.M.P.M., Eddy  
 County, New Mexico

Gentlemen:

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Respectfully,

*M. K. Brasuel*

Mary Kay Brasuel

Attachments.

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

**03-26-09**  
 Postmark Here

Sent To **Samson Resources**  
 Street, Apt. No. or PO Box No. **Two West Second St.**  
 City, State, ZIP+4 **Tulsa, OK 74103**

7007 0220 0002 4962 9967

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:  
 Crow Reynolds, Ltd.  
 4010 82nd St, Ste. 260  
 Lubbock, TX 79423

2. Article  
 7007 2560 0002 4772 6551

**COMPLETE THIS SECTION ON DELIVERY**

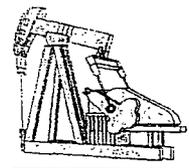
A. Received by (Please Print Clearly) \_\_\_\_\_ B. Date of Delivery  
 3/31/09

C. Signature  
 x *Crow Reynolds Ltd*  Agent  Addressee

D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below: \_\_\_\_\_

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

4. Restricted Delivery? (Extra Fee)  Yes



AAPL-CPL

**Via Certified Mail**

Re: 36 State #1  
 Application fore Authorization to Inject  
 660' FNL & 1980' FWL of Section 36,  
 T-22-S, R-31-E, N.M.P.M., Eddy  
 County, New Mexico

To Whom It May Concern:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M.K.B. Brasuel*  
 Mary Kay Brasuel

Attachments.

7007 2560 0002 4772 6551

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Certified Fee	\$ 2.70	
Return Receipt Fee (Endorsement Required)	\$ 2.20	
Restricted Delivery Fee (Endorsement Required)	\$ 0.00	
Total Postage & Fees	\$ 6.24	

Sent To: Crow Reynolds, Ltd.  
 Street, Apt. No., or PO Box No.: 4010 82nd St, Ste. 260  
 City, State, ZIP+4: Lubbock, TX 79423

**SENDER COMPLETE THIS SECTION**

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

1. Article Addressed to:  
 Dardanellas Partnership, Ltd.  
 c/o David Pace Estate  
 P.O. Box 4546  
 Midland, TX 79704

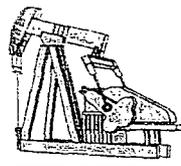
2. Article No: **7007 2560 0002 4772 6575**

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) *J. Atwater* B. Date of Delivery *3/31/2009*  
 C. Signature *J. Atwater*  Agent  Addressee  
 D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below:



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



AAPL-CPL

**Via Certified Mail**

Re: 36 State #1  
 Application fore Authorization to Inject  
 660' FNL & 1980' FWL of Section 36,  
 T-22-S, R-31-E, N.M.P.M., Eddy  
 County, New Mexico

To Whom It May Concern:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M. K. Brasuel*  
 Mary Kay Brasuel

Attachments.

7007 2560 0002 4772 6575

**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)  
**MIDLAND TX 79704**  
**OFFICIAL USE**

Postage	\$ 1.34	0702 MAR 30 2009 MIDLAND TX Postmark Here
Certified Fee	\$ 2.70	
Return Receipt Fee (Endorsement Required)	\$ 2.20	
Restricted Delivery Fee (Endorsement Required)	\$ 0.00	
<b>Total Postage &amp; Fees</b>	<b>\$ 6.24</b>	03/30/2009

Sent To *Dardanellas Partnership*  
 Street, Apt. No., or PO Box No. *P.O. Box 4546*  
 City, State, ZIP+4 *Midland, TX 79704*

**SENDER: COMPLETE THIS SECTION**

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

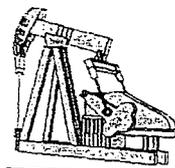
1. Article Addressed to:

OXY USA, Inc.  
 P.O. Box 4294  
 Houston, TX 77210

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) **JAMES BEAN** B. Date of Delivery  
 C. Signature *[Signature]*  Agent  Addressee  
 D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below:

MAR 30 2009



AAPL-CPL

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

4. Restricted Delivery? (Extra Fee)  Yes

2. Article # 7007 0220 0002 4962 9974

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

**Via Certified Mail**

Re: 36 State #1  
 Application fore Authorization to Inject  
 660' FNL & 1980' FWL of Section 36,  
 T-22-S, R-31-E, N.M.P.M., Eddy  
 County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M. K. Brasuel*

Mary Kay Brasuel

Attachments.

**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	\$

03-26-09

Postmark Here

7007 0220 0002 4962 9974

Sent To **Oxy USA Inc**  
 Street, Apt. No., or PO Box No. **P.O. Box 4294**  
 City, State, ZIP+4 **HOUSTON, TX 77210**

**SENDER COMPLETE THIS SECTION**

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

1. Article Addressed to:

Forest Oil Corp.  
707 17th St, Suite 3600  
Denver, CO 80202

2. Article Num

7007 0220 0002 4962 6690

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) \_\_\_\_\_ B. Date of Delivery 3/30/07

C. Signature X J MANISCALCO  Agent  Addressee

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

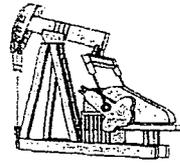
3. Service Type

Certified Mail  Express Mail

Registered  Return Receipt for Merchandise

Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes



AAPL-CPL

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

**Via Certified Mail**

Re: 36 State #1  
Application fore Authorization to Inject  
660' FNL & 1980' FWL of Section 36,  
T-22-S, R-31-E, N.M.P.M., Eddy  
County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M. K. Brasuel*  
Mary Kay Brasuel

Attachments.

7007 0220 0002 4962 6690

**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	\$	03-26-09 Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To Forest Oil Corp.  
Street, Apt. No. or PO Box No. 707 17th St, Suite 3600  
City, State, ZIP+4 Denver, CO 80202

See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

CDA Family Part.  
P.O. Box 81077  
Midland, TX 79708

2. Article

7007 2560 0002 4772 6582

**COMPLETE THIS SECTION ON DELIVERY**

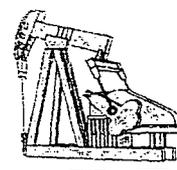
A. Received by (Please Print Clearly) \_\_\_\_\_ B. Date of Delivery 4-2-09

C. Signature [Signature]  Agent  Addressee

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below: \_\_\_\_\_

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

4. Restricted Delivery? (Extra Fee)  Yes



AAPL-CPL



PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

**Via Certified Mail**

Re: 36 State #1  
Application fore Authorization to Inject  
660' FNL & 1980' FWL of Section 36,  
T-22-S, R-31-E, N.M.P.M., Eddy  
County, New Mexico

To Whom It May Concern:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

M. K. Brasuel

Mary Kay Brasuel

Attachments.

7007 2560 0002 4772 6582

**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**  
 MIDLAND, TX 79708

Postage	\$ 1.34	0702 07 Postmark Here MAR 30 2009 MIDLAND, TX
Certified Fee	\$ 2.70	
Return Receipt Fee (Endorsement Required)	\$ 2.20	
Restricted Delivery Fee (Endorsement Required)	\$ 0.00	
Total Postage & Fees	\$ 6.24	

03/30/2009

Sent To: CDA Family Partnership  
 Street, Apt. No., or PO Box No.: P.O. Box 81077  
 City, State, ZIP+4: Midland TX 79708

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

Five Talents, Lta  
 17304 Preston Ra.  
 Suite 1250  
 Dallas, TX 75252

2. Article Number:

7007 2560 0002 4772 6568

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) *Maria Doremy* B. Date of Delivery *4/7/09*

C. Signature *Maria Doremy*  Agent  Addressee

D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below:

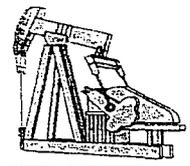
3. Service Type

Certified Mail  Express Mail

Registered  Return Receipt for Merchandise

Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes



AAPL-CPL

**Via Certified Mail**

Re: 36 State #1  
 Application fore Authorization to Inject  
 660' FNL & 1980' FWL of Section 36,  
 T-22-S, R-31-E, N.M.P.M., Eddy  
 County, New Mexico

To Whom It May Concern:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M. K. Brasuel*

Mary Kay Brasuel

Attachments.

7007 2560 0002 4772 6568

**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)

DALLAS TX 75252 **OFFICIAL USE**

Postage	\$	\$1.34	0702 Postmark MAR 5 2009 03/30/2009
Certified Fee		\$2.70	
Return Receipt Fee (Endorsement Required)		\$2.20	
Restricted Delivery Fee (Endorsement Required)		\$0.00	
Total Postage & Fees	\$	\$6.24	

Sent To *Five Talents, Lta*  
 Street, Apt. No., or PO Box No. *17304 Preston Ra Ste. 1250*  
 City, State, ZIP+4 *Dallas, TX 75252*

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

NM State Land  
P.O. Box 1148  
Santa Fe, NM  
87504

**COMPLETE THIS SECTION ON DELIVERY**

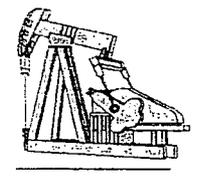
A. Received by (Please Print Clearly) \_\_\_\_\_ B. Date of Delivery \_\_\_\_\_

C. Signature \_\_\_\_\_  
 Agent  
 Addressee

Is delivery address different from item 1?  
 If YES, enter delivery address below: \_\_\_\_\_  
 Yes  
 No

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

4. Restricted Delivery? (Extra Fee)  Yes



AAPL-CPL

2. Article # 7007 0220 0002 4962 9998

PS Form 3811, July 1999 Domestic Return Receipt 102595-00-M-0952

**Via Certified Mail**

Re: State "2" #8  
 Application fore Authorization to Inject  
 1980' FSL & 660' FWL of Section 2,  
 T-23-S, R-31-E, N.M.P.M., Eddy  
 County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as a surface owner. A copy of the application is attached. As the surface owner you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M. K. Brasuel*

Mary Kay Brasuel  
 Attachments.

7007 0220 0002 4962 9998

<b>U.S. Postal Service™</b> <b>CERTIFIED MAIL™ RECEIPT</b> (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
<b>OFFICIAL USE</b>	
Postage	\$ _____
Certified Fee	_____
Return Receipt Fee (Endorsement Required)	_____
Restricted Delivery Fee (Endorsement Required)	_____
Total Postage & Fees	\$ _____
03-26-09 Postmark Here	
Sent To New Mexico State Land Office Street, Apt. No., or PO Box No. P.O. Box 1148 City, State, ZIP+4 Santa Fe, NM 87504	

**Affidavit of Publication**

State of New Mexico,  
County of Eddy, ss.

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

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

March 28 \_\_\_\_\_ 2009

That the cost of publication is **\$55.31** and that payment thereof has been made and will be assessed as court costs.

*Kathy McCarroll*  
\_\_\_\_\_

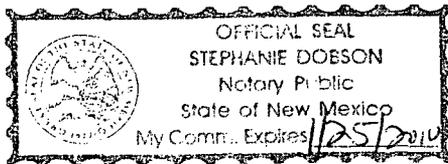
Subscribed and sworn to before me this

30<sup>th</sup> day of March, 2009

*Stephanie Dobson*  
\_\_\_\_\_

My commission Expires on 1/25/2010

Notary Public



INJECTION WELL PERMIT  
REEF EXPLORATION, L.P., 1901 North Central Expressway, Suite 300, Richardson, Texas 75080-3610, Ronald M. Sentz, phone number 972-437-6792, has applied to the New Mexico Oil Conservation Division for Authorization to Inject.

who can show that they are adversely affected, or requests for further information concerning any aspect of the application should be submitted in writing, within fifteen days of publication, to the New Mexico Oil Conservation, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505.

The Applicant Proposes to inject salt water into the Delaware Formation, 36 State #1 Well. The proposed injection well is located 660' from the North line and 1980' from the West line of Section 36, T-22-S, R-31-E, N.M.P.M., Eddy County, New Mexico. Fluid will be injected in the 36 State #1 Well in the subsurface depth interval from 4450 feet to 8250 feet. The purpose of the well is as a disposal well for area Delaware produced water. The proposed average daily injection volume is 4000 barrels of water per day with a proposed average daily injection pressure of 1000#.

March 28, 2009  
LEGAL NOTICE  
NOTICE OF APPLICATION FOR FLUID  
Requests for a public hearing from persons

**LOCATION MAP**  
NOT TO SCALE



**Map Legend**

- Acres: 1/4, 1/2, 3/4, 1, 2, 3, 4, 5, 10, 20, 30, 40, 50, 60, 70, 80, 90, 100, 120, 150, 200, 240, 300, 360, 420, 480, 540, 600, 720, 840, 960, 1080, 1200, 1440, 1680, 1920, 2160, 2400, 2880, 3360, 3840, 4320, 4800, 5280, 5760, 6240, 6720, 7200, 7680, 8160, 8640, 9120, 9600, 10080, 10560, 11040, 11520, 12000, 12480, 12960, 13440, 13920, 14400, 14880, 15360, 15840, 16320, 16800, 17280, 17760, 18240, 18720, 19200, 19680, 20160, 20640, 21120, 21600, 22080, 22560, 23040, 23520, 24000, 24480, 24960, 25440, 25920, 26400, 26880, 27360, 27840, 28320, 28800, 29280, 29760, 30240, 30720, 31200, 31680, 32160, 32640, 33120, 33600, 34080, 34560, 35040, 35520, 36000, 36480, 36960, 37440, 37920, 38400, 38880, 39360, 39840, 40320, 40800, 41280, 41760, 42240, 42720, 43200, 43680, 44160, 44640, 45120, 45600, 46080, 46560, 47040, 47520, 48000, 48480, 48960, 49440, 49920, 50400, 50880, 51360, 51840, 52320, 52800, 53280, 53760, 54240, 54720, 55200, 55680, 56160, 56640, 57120, 57600, 58080, 58560, 59040, 59520, 60000, 60480, 60960, 61440, 61920, 62400, 62880, 63360, 63840, 64320, 64800, 65280, 65760, 66240, 66720, 67200, 67680, 68160, 68640, 69120, 69600, 70080, 70560, 71040, 71520, 72000, 72480, 72960, 73440, 73920, 74400, 74880, 75360, 75840, 76320, 76800, 77280, 77760, 78240, 78720, 79200, 79680, 80160, 80640, 81120, 81600, 82080, 82560, 83040, 83520, 84000, 84480, 84960, 85440, 85920, 86400, 86880, 87360, 87840, 88320, 88800, 89280, 89760, 90240, 90720, 91200, 91680, 92160, 92640, 93120, 93600, 94080, 94560, 95040, 95520, 96000, 96480, 96960, 97440, 97920, 98400, 98880, 99360, 99840, 100320, 100800, 101280, 101760, 102240, 102720, 103200, 103680, 104160, 104640, 105120, 105600, 106080, 106560, 107040, 107520, 108000, 108480, 108960, 109440, 109920, 110400, 110880, 111360, 111840, 112320, 112800, 113280, 113760, 114240, 114720, 115200, 115680, 116160, 116640, 117120, 117600, 118080, 118560, 119040, 119520, 120000, 120480, 120960, 121440, 121920, 122400, 122880, 123360, 123840, 124320, 124800, 125280, 125760, 126240, 126720, 127200, 127680, 128160, 128640, 129120, 129600, 130080, 130560, 131040, 131520, 132000, 132480, 132960, 133440, 133920, 134400, 134880, 135360, 135840, 136320, 136800, 137280, 137760, 138240, 138720, 139200, 139680, 140160, 140640, 141120, 141600, 142080, 142560, 143040, 143520, 144000, 144480, 144960, 145440, 145920, 146400, 146880, 147360, 147840, 148320, 148800, 149280, 149760, 150240, 150720, 151200, 151680, 152160, 152640, 153120, 153600, 154080, 154560, 155040, 155520, 156000, 156480, 156960, 157440, 157920, 158400, 158880, 159360, 159840, 160320, 160800, 161280, 161760, 162240, 162720, 163200, 163680, 164160, 164640, 165120, 165600, 166080, 166560, 167040, 167520, 168000, 168480, 168960, 169440, 169920, 170400, 170880, 171360, 171840, 172320, 172800, 173280, 173760, 174240, 174720, 175200, 175680, 176160, 176640, 177120, 177600, 178080, 178560, 179040, 179520, 180000, 180480, 180960, 181440, 181920, 182400, 182880, 183360, 183840, 184320, 184800, 185280, 185760, 186240, 186720, 187200, 187680, 188160, 188640, 189120, 189600, 190080, 190560, 191040, 191520, 192000, 192480, 192960, 193440, 193920, 194400, 194880, 195360, 195840, 196320, 196800, 197280, 197760, 198240, 198720, 199200, 199680, 200160, 200640, 201120, 201600, 202080, 202560, 203040, 203520, 204000, 204480, 204960, 205440, 205920, 206400, 206880, 207360, 207840, 208320, 208800, 209280, 209760, 210240, 210720, 211200, 211680, 212160, 212640, 213120, 213600, 214080, 214560, 215040, 215520, 216000, 216480, 216960, 217440, 217920, 218400, 218880, 219360, 219840, 220320, 220800, 221280, 221760, 222240, 222720, 223200, 223680, 224160, 224640, 225120, 225600, 226080, 226560, 227040, 227520, 228000, 228480, 228960, 229440, 229920, 230400, 230880, 231360, 231840, 232320, 232800, 233280, 233760, 234240, 234720, 235200, 235680, 236160, 236640, 237120, 237600, 238080, 238560, 239040, 239520, 240000, 240480, 240960, 241440, 241920, 242400, 242880, 243360, 243840, 244320, 244800, 245280, 245760, 246240, 246720, 247200, 247680, 248160, 248640, 249120, 249600, 250080, 250560, 251040, 251520, 252000, 252480, 252960, 253440, 253920, 254400, 254880, 255360, 255840, 256320, 256800, 257280, 257760, 258240, 258720, 259200, 259680, 260160, 260640, 261120, 261600, 262080, 262560, 263040, 263520, 264000, 264480, 264960, 265440, 265920, 266400, 266880, 267360, 267840, 268320, 268800, 269280, 269760, 270240, 270720, 271200, 271680, 272160, 272640, 273120, 273600, 274080, 274560, 275040, 275520, 276000, 276480, 276960, 277440, 277920, 278400, 278880, 279360, 279840, 280320, 280800, 281280, 281760, 282240, 282720, 283200, 283680, 284160, 284640, 285120, 285600, 286080, 286560, 287040, 287520, 288000, 288480, 288960, 289440, 289920, 290400, 290880, 291360, 291840, 292320, 292800, 293280, 293760, 294240, 294720, 295200, 295680, 296160, 296640, 297120, 297600, 298080, 298560, 299040, 299520, 300000, 300480, 300960, 301440, 301920, 302400, 302880, 303360, 303840, 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724320, 724800, 725280, 725760, 726240, 726720, 727200, 727680, 728160, 728640, 729120, 729600, 730080, 730560, 731040, 731520, 732000, 732480, 732960, 733440, 733920, 734400, 734880, 735360, 735840, 736320, 736800, 737280, 737760, 738240,



**APPLICATION FOR AUTHORIZATION TO INJECT**

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

II. OPERATOR: Reef Exploration LP

ADDRESS: 1901 North Central Expressway, Suite 300 Richardson, Texas 75080

CONTACT PARTY: Ronald M. Sentez

PHONE: 972-437-6792

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 No  
If yes, give the Division order number authorizing the project: \_\_\_\_\_

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

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

VII. Attach data on the proposed operation, including:

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

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

IX. Describe the proposed stimulation program, if any.

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

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

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

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

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

NAME: Ronald M. Sentez

TITLE: Production Manager

SIGNATURE: Ronald M. Sentez

DATE: 01/02/09

E-MAIL ADDRESS: ronald@reefoc.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: \_\_\_\_\_

### III. WELL DATA

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

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

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

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

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

### XIV. PROOF OF NOTICE

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

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

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

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

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**NOTICE:** Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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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.

Ronald M. Sents \_\_\_\_\_ Production Manager \_\_\_\_\_  
 Print or Type Name Signature Title Date  
 \_\_\_\_\_  
 e-mail Address ronald@reefog.com

**Form C-108**  
**Application for Authorization to Inject**

Reef Exploration, L.P., Operator  
36 State #1  
Section 36, T 22S, R 31E  
Eddy County, New Mexico

- I) The purpose of the well is as a disposal well for area Delaware produced water.
- II) Operator: Reef Exploration, L.P.  
1901 North central Expressway, Suite 300  
Richardson, Texas 75080  
Contact: Ronald M. Sentz 972-437-6792
- III) Well Data: See attachments A, B and Exhibit (A), Section B, Item 2
- IV) This is not an expansion of an existing project.
- V) Map of wells and leases within 2 miles and ½ mile radius: (Exhibit C & D).
- VI) Data on wells within ½ mile area of review: No wells fall within the ½ mile area of investigation. The Medano State #1 falls just outside of the area of investigation and I have included a schematic for that well.
- VII) 1. Proposed average daily injection volume: 4000 BWPD  
Proposed maximum daily injection volume: 10,000 BWPD
2. This will be a closed system.
3. Proposed averaged daily injection pressure: 1000#  
Proposed maximum daily injection pressure: 1140#

Form C-108 Continued  
Application for Authorization to Inject

Reef Exploration, L.P., Operator  
36 State #1

- 4) The sources of injection water will be produced water from area Delaware wells that Reef Exploration has drilled and completed and wells that Reef Exploration has scheduled to be drilled on the Barclay State (Section 2, T23S, R31E), Barclay Federal (Sections 1 and 12, T23S, R31E) and Medano State leases (Section 36, T22S, R31E). (see list of source wells/Attachment E). A water analysis from nearby Delaware production (see attachments F1, F2, F3 & F4).
- 5) Chlorides in all the source wells is expected to be similar to the attached water analysis (see Attachments F1, F2, F3 & F4)
- VIII) The proposed injection zone is the Bell Canyon and Cherry Canyon interval from 5100' to 5950'. The Bell Canyon and Cherry Canyon which are part of the Delaware are sandstones (containing siltstone and shale) of Permian age approximately 3800' thick found at a depth of 4450' to 8250'. Possible fresh drinking water zones overlie the proposed injection formation at depths from surface to approximately 700'. No drinking water sources are found below the proposed injection zone. The sections of the Bell Canyon and Cherry Canyon Sands above 5900' were evaluated using the open hole logs and the water saturations were found to be in the range of 80 to 100% and therefore not oil potential productive zones.
- IX) Projected Perforations: Bench 1) 5850' to 5870', Bench 2) 5720' to 5750' & 5630' to 5650', Bench 3) 5410' to 5500', Bench 4) 5110' to 5140'. The proposed intervals will be acidized with 2500 gallons of 15% acid and may be frac'd with up to 100,000# of sand per bench.
- X) The well has not as yet been drilled and the perforation schedule may change slightly when the open hole logs are run; all well logs will be submitted to the NMOCD.

**Exhibit (A), Section B, Item 2**

**“36” State #1  
660’ FNL & 1980’ FWL  
Section 36, T22S, R31E  
Eddy County, New Mexico**

**Perforation Schedule for Water Disposal**

<b>5110’ to 5140’</b>	<b>4 SPF</b>
<b>5480’ to 5500’</b>	<b>4 SPF</b>
<b>5630’ to 5650’</b>	<b>4 SPF</b>
<b>5720’ to 5750’</b>	<b>4 SPF</b>
<b>5850’ to 5870’</b>	<b>4 SPF</b>

The perforation schedule may vary slightly as these are being projected off the nearest well log. The 36 State #1 will have open hole logs run in order to match projected benches.

## INJECTION WELL DATA SHEET

OPERATOR: Reef Exploration, L.P.WELL NAME & NUMBER: State "36" #1WELL LOCATION: 660' FNL & 1980' FWL C 36 22S 31E  
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGEWELLBORE SCHEMATICWELL CONSTRUCTION DATA  
Surface CasingHole Size: 17 1/2" Casing Size: 13 3/8"Cemented with: 700 sk. or          ft<sup>3</sup>Top of Cement: Surface Method Determined: ObservationIntermediate CasingHole Size: 11" Casing Size: 8 5/8"Cemented with: 1240 sk. or          ft<sup>3</sup>Top of Cement: Surface Method Determined: ObsevationProduction CasingHole Size: 7 7/8" Casing Size: 5 1/2"Cemented with: 1200 sk. or          ft<sup>3</sup>Top of Cement: 3700' Method Determined: Cement Bond LogTotal Depth: 6100'Injection IntervalSee Attachment (A)          feet to         

(Perforated or Open Hole; indicate which)

**INJECTION WELL DATA SHEET**

Tubing Size: 3 1/2" Lining Material: Fiberglass

Type of Packer: 2 7/8" Baker Lok Set or similar (Coated)

Packer Setting Depth: 5000'

Other Type of Tubing/Casing Seal (if applicable): \_\_\_\_\_

Additional Data

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

If no, for what purpose was the well originally drilled? \_\_\_\_\_

2. Name of the Injection Formation: Bell Canyon & Upper Cherry Canyon Sand

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

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used.  No \_\_\_\_\_

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Middle Cherry Canyon Sand 6000', Brushy Canyon Sand 7000'

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Reef Exploration, L.P.  
36 State #1  
660' FNL & 1980' FWL  
Section 36, T 22S, R 31E  
Eddy County New Mexico**

**Attachment A**

III Well Data

**Section A:**

1. Lease Name: 36 State #1  
Location: 660' FNL & 1980' FWL, Section 36, T 22S, R 31E, Eddy County,  
New Mexico

2. Casing and Cement:

**Proposed**

<u>Casing Size</u>	<u>Setting Depth</u>	<u>Sks Cement</u>	<u>Hole Size</u>	<u>TOC</u>
13 3/8"	700'	638	17 1/2"	Circ. To Surface
8 5/8"	4300'	1240	11"	Circ. To Surface
5 1/2"	6100'	1200	7 7/8"	3700' by CBL

3. Tubing: 3 1/2", 9.3# fiberglass lined, set at 5000'.
4. Packer: 2 7/8" x 5 1/2" Baker Lok Set or similar (coated ) set @ 5100'

**NOTE: This well has been permitted but not drilled at this time.**

### 36 State #1 Continued

#### Section B

1. Injection formation: Delaware Sand  
Field or Pool Name: Livingston Ridge ( Delaware )
2. Injection Interval: Delaware Interval: perforate: 5110' to 5140', 5480' to 5500',  
5630' to 5650', 5720' to 5750', 5850' to 5870' ( 4 SPF )
3. Original purpose of well: Will be drilled for injection purpose.
4. Other perforated intervals: None
5. Next higher oil and gas zone: none  
Next lower oil and gas zone: Middle Cherry Canyon

**See proposed well bore schematic: ( Attachment B )**

**Also see: Exhibit ( A ), Section B, Item 2**



Attachment E

**WELLS THAT PRODUCED WATER WILL COME FROM FOR DISPOSAL**

**State "2" #1, 1980' FNL & 1980' FEL, Sec 2, T 23S, R 31E, Eddy County, New Mexico**

**State "2" #2, 660' FNL & 1980' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico**

**State "2" #3, 1980' FNL & 1980' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico**

**State "2" #4, 1980' FSL & 1980' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico**

**State "2" #5, 660' FSL & 1980' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico**

**State "2" #8, 1980' FSL & 660' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico**

**State "2" #9, 660' FSL & 660' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico**

**State "36" #5, 660' FSL & 660' F WL, Sec 36, T 22S, R 31E, Eddy County, New Mexico**

Attachment F-1

# HALLIBURTON

PERMAIN BASIN OPERATIONS LABORATORY  
WATER ANALYSIS REPORT  
HOBBS, NEW MEXICO

COMPANY Reef Exploration  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

REPORT DATE W08-030  
March 3, 2008  
DISTRICT Artesia

SUBMITTED BY \_\_\_\_\_

WELL St. 2 Leases DEPTH \_\_\_\_\_ FORMATION \_\_\_\_\_  
COUNTY \_\_\_\_\_ FIELD \_\_\_\_\_ SOURCE \_\_\_\_\_

SAMPLE	#001	#3	#004	#005
Sample Temp.	65 °F	65 °F	65 °F	65 °F
RESISTIVITY	0.058	0.055	0.055	0.057
SPECIFIC GR.	1.137	1.148	1.148	1.141
pH	6.49	6.33	6.44	6.32
CALCIUM	25,000 mpl	21,500 mpl	23,000 mpl	23,500 mpl
MAGNESIUM	13,500 mpl	12,600 mpl	13,200 mpl	12,000 mpl
CHLORIDE	121,446 mpl	133,380 mpl	133,380 mpl	128,115 mpl
SULFATES	heavy mpl	heavy mpl	heavy mpl	heavy mpl
BICARBONATES	153 mpl	140 mpl	171 mpl	153 mpl
SOLUBLE IRON	10 mpl	10 mpl	10 mpl	10 mpl
KCL	Negative	Negative	Negative	Negative
Sodium	mpl	mpl	mpl	mpl
TDS	mpl	mpl	mpl	mpl
OIL GRAVITY	@ °F	@ °F	@ °F	@ °F

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

MPL = Milligrams per liter  
Resistivity 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: MB/MA

Attachment F-2

# HALLIBURTON

PERMAIN BASIN OPERATIONS LABORATORY  
WATER ANALYSIS REPORT  
HOBBS, NEW MEXICO

COMPANY Reef Exploration  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

REPORT DATE W08-030  
March 3, 2008  
DISTRICT Artesia

SUBMITTED BY \_\_\_\_\_

WELL St. 2 Leases DEPTH \_\_\_\_\_ FORMATION \_\_\_\_\_  
COUNTY \_\_\_\_\_ FIELD \_\_\_\_\_ SOURCE \_\_\_\_\_

SAMPLE	#8	#9		
Sample Temp.	65 °F	65 °F	°F	°F
RESISTIVITY	0.058	0.058		
SPECIFIC GR.	1.138	1.140		
pH	6.39	6.32		
CALCIUM	21,500 mpl	23,500 mpl	mpl	mpl
MAGNESIUM	13,200 mpl	13,500 mpl	mpl	mpl
CHLORIDE	122,495 mpl	126,360 mpl	mpl	mpl
SULFATES	heavy mpl	heavy mpl	mpl	mpl
BICARBONATES	171 mpl	116 mpl	mpl	mpl
SOLUBLE IRON	10 mpl	10 mpl	mpl	mpl
KCL	Negative	Negative		
Sodium	mpl	mpl	mpl	mpl
TDS	mpl	mpl	mpl	mpl
OIL GRAVITY	@ °F	@ °F	@ °F	@ °F

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

MPL = Milligrams per liter  
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: MB/MA

Attachment F-3

# HALLIBURTON

PERMAIN BASIN OPERATIONS LABORATORY  
WATER ANALYSIS REPORT  
HOBBS, NEW MEXICO

COMPANY Reef Exploration  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

REPORT W07-236  
DATE December 17, 2007  
DISTRICT Hobbs

SUBMITTED BY \_\_\_\_\_

WELL State 2 #5 DEPTH \_\_\_\_\_ FORMATION \_\_\_\_\_  
COUNTY \_\_\_\_\_ FIELD \_\_\_\_\_ SOURCE \_\_\_\_\_

SAMPLE	_____	_____	_____	_____
Sample Temp.	<u>70</u> °F	_____ °F	_____ °F	_____ °F
RESISTIVITY	<u>0.53</u>	_____	_____	_____
SPECIFIC GR.	<u>1.162</u>	_____	_____	_____
pH	<u>6025.00</u>	_____	_____	_____
CALCIUM	<u>22,500</u> mpl	_____ mpl	_____ mpl	_____ mpl
MAGNESIUM	<u>12,000</u> mpl	_____ mpl	_____ mpl	_____ mpl
CHLORIDE	<u>149,008</u> mpl	_____ mpl	_____ mpl	_____ mpl
SULFATES	<u>Light</u> mpl	_____ mpl	_____ mpl	_____ mpl
BICARBONATES	<u>183</u> mpl	_____ mpl	_____ mpl	_____ mpl
SOLUBLE IRON	<u>50</u> mpl	_____ mpl	_____ mpl	_____ mpl
KCL	<u>Positive</u>	_____	_____	_____
Sodium	_____ mpl	<u>0</u> mpl	<u>0</u> mpl	<u>0</u> mpl
TDS	_____ mpl	<u>0</u> mpl	<u>0</u> mpl	<u>0</u> mpl
OIL GRAVITY	_____ @ _____ °F	_____ @ _____ °F	_____ @ _____ °F	_____ @ _____ °F

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

MPL = Milligrams per liter  
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: JH/JE

Attachment F-4

# HALLIBURTON

PERMAIN BASIN OPERATIONS LABORATORY  
WATER ANALYSIS REPORT  
HOBBS, NEW MEXICO

COMPANY Reef Exploration  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

REPORT DATE W08-031  
March 3, 2008  
DISTRICT Artesia

SUBMITTED BY \_\_\_\_\_

WELL COUNTY St. 2 36 #005 DEPTH FIELD \_\_\_\_\_ FORMATION SOURCE \_\_\_\_\_

SAMPLE	_____	_____	_____	_____
Sample Temp.	<u>65</u> °F	_____ °F	_____ °F	_____ °F
RESISTIVITY	<u>0.056</u>	_____	_____	_____
SPECIFIC GR.	<u>1.146</u>	_____	_____	_____
pH	<u>6.30</u>	_____	_____	_____
CALCIUM	<u>22,500</u> mpl	_____ mpl	_____ mpl	_____ mpl
MAGNESIUM	<u>15,000</u> mpl	_____ mpl	_____ mpl	_____ mpl
CHLORIDE	<u>131,625</u> mpl	_____ mpl	_____ mpl	_____ mpl
SULFATES	<u>heavy</u> mpl	_____ mpl	_____ mpl	_____ mpl
BICARBONATES	<u>92</u> mpl	_____ mpl	_____ mpl	_____ mpl
SOLUBLE IRON	<u>100</u> mpl	_____ mpl	_____ mpl	_____ mpl
KCL	<u>Negative</u>	_____	_____	_____
Sodium	_____ mpl	_____ mpl	_____ mpl	_____ mpl
TDS	_____ mpl	_____ mpl	_____ mpl	_____ mpl
OIL GRAVITY	_____ @ _____ °F	_____ @ _____ °F	_____ @ _____ °F	_____ @ _____ °F

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

MPL = Milligrams per liter  
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: MB/MA

**REEF EXPLORATION, LP.**

**Medano State #1**

1980' FSL & 1980' FWL

Section 36, Township 22 S, Range 31 E

Livingston Ridge; Delaware, SE (96149 )

Eddy County, New Mexico

**Permanent Wellbore Data**

Spud Date:	10/24/89
Compl Date:	07/15/90
KB Elev., Ft :	
GL Elev., Ft :	3466.0
KB	0
DF	0
	17-1/4 " hole

**Surface Casing**

Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
13.375	17	48#	H40	STC	745

Cement: 600 sx Sx. TOC: Surface (circ 200sx)  
Date: 10/25/1989

12 1/4 " hole

Top of Cement 5 1/2" 2320'

**Intermediate Casing**

Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
10 3/4	105	45.5#	S80	STC	4,513

Cement: 2,250 SX TOC: Surface Circ. 325sx  
Date: 11/4/1989

**Tubing :**

3 1/2" IPC set to 4893'

Packer @ 4893'

PBTD: 6,725'

Bridge Plug @ 6690' with 35' of cement on top

Bridge Plug @ 10,100" w/ 30' of cement on top

Bridge Plug @ 11,634" w/ 236' of cement on top

Top of liner: 12,281'

**Production Casing**

Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
7 5/8	299	33.7&29.7#	S95	LTC	12,620

Cement 2425sx TOC: 3800'  
Date: 11/24/1989

**Liner**

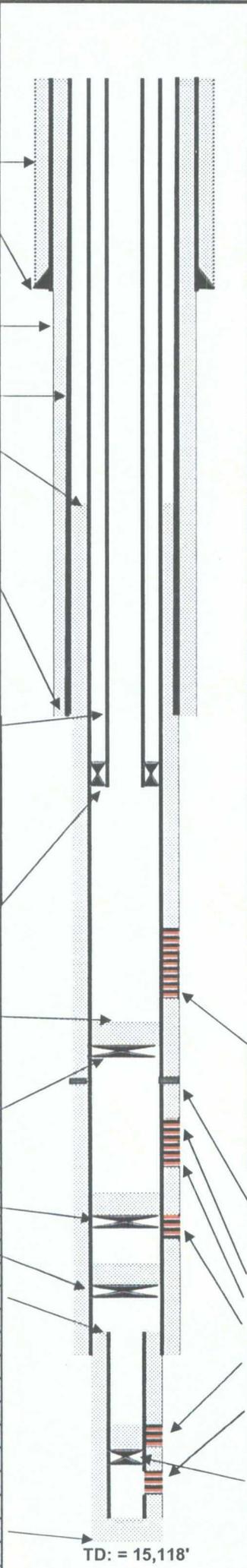
Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
4 1/2	70	13.50#	S95	LTC	15,118'

Cement 500sx TOC: 12,281'  
Date: 12/28/1989

TD: 15,118' PBTD: 6,725' Date:

Set Weight, Lb:

Tank Battery:



**Data On This Completion**

API #: 30-015-26171

Property Code:

OGRID #:

Drilling AFE #: 0

Date: Activity

Reached TD on 12/28/1989

12/28/89 Litho-Dens / comp neut / NGT,  
Natural Gamma Ray Spect. Log,  
Mechanical Sidewall Coring,  
Comp of dual / SFL & dual lat / MSFL  
comp. Neut. Litho-Dens.

Set CIBP @ 6690'

Perf 6085 -6011 acid w/ 1000gal of 15%

Set CIBP @ 6050'w 35" CMT

Cement btwn 7 5/8x10 3/4" casing w/400sx cmt

Perf 5614 - 5692, Frac w/ 19000 gal; 44000 #SD

Perf 5506-5596'; 5380 - 5420'

Frac 5380-5420 w/ 22000 gal; 47000 #SD

Perf & Frac 5250-5308 w/ 30000 gal' 61000 #SD

Perf & Frac 5053-5168 w/ 38000gal; 85000 #SD

Packer set @ 4926'

5/2/90 Frac'd Bone Springs

with 82,400 gals of Hybor Gel

165,200# 20/40 SD

Avg Inj Rate 30 BPM, Avg Pres 5900psi

5/12/97 Frac'd Delaware

w/ 1,000 gals of 15% HCL;

46,000 gal of X-link Gel; 190,000 #SD

**Injection Perforation Areas**

Perf Delaware: 6085' to 6101'

5614' to 5692', 5506' - 5596';

5380'-5420', 5420' to 5380';

5250' to 5308' ; 5053' - 5168'

DV TOOL ( 7489' )

Perf: Delaware (5/12/97)

8107' to 8284', (24 holes) 5/12/1997

8214' to 8280', (133 holes) 4/5/1990

Perf: Bone Springs ( 03/28/90 )

10,140-202' 2SPF (125 holes)

Perf: Middle Morrow ( 3/1/90 )

14572 - 79 6spf (42 holes)

Perf: Lower Morrow ( 1/31/90 )

14,701 - 16' - 6SPF (80 holes)

Bridge Plug @ 14,450 w/ 35sx of cmt on top

Prepared By: Ronald M. Sentz 03-17-08

***Covington Land Services Corp. ®***

Digital GIS Land Maps and Database Systems

Complete Operational Land Services

April 21, 2009

Mr. Ronald M. Sentz  
Reef Oil and Gas Companies  
1901 North Central Expressway, Suite 300  
Richardson, TX 75080

**Re: 36 State #1, Salt Water Disposal Well  
Sand Dunes Project  
Eddy County, New Mexico**

Dear Mr. Sentz:

Enclosed are the certified mailings and the affidavit of notice from the local newspaper for the 36 State #1 SWD Well in Eddy County, New Mexico.

- Yates Petroleum Corporation Offset Operator Notification
- New Mexico Bureau of Land Management Offset Operator Notification
- OGX Resources, LLC. Offset Operator Notification
- Samson Resources Company Offset Operator Notification
- Crow Reynolds, Ltd. Offset Operator Notification
- Dardanelles Partnership, Ltd. Offset Operator Notification
- OXY USA Inc. Offset Operator Notification
- Forest Oil Corporation Offset Operator Notification
- CDA Family Partnership, Ltd. Offset Operator Notification
- Five Talents, Ltd. Offset Operator Notification
- New Mexico State Land Office Surface Owner Notification
- Affidavit of Publication- State of New Mexico

Yours very truly,  
**Covington Land Services, Inc.**

  
Camille E. Covington

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

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

2. Article Numl

7007 0220 0002 4962 9981

**COMPLETE THIS SECTION ON DELIVERY**

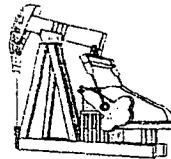
A. Received by (Please Print Clearly) B. Date of Delivery  
 \_\_\_\_\_ 03-27-09

C. Signature  Agent  Addressee  
 X *Melissa Stewart*

D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address: \_\_\_\_\_

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

4. Restricted Delivery? (Extra Fee)  Yes



AAPL-CPL

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

Via Federal Express

Re: 36 State #1  
 Application fore Authorization to Inject  
 660' FNL & 1980' FWL of Section 36,  
 T-22-S, R-31-E, N.M.P.M., Eddy  
 County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M. Kay Brasuel*

Mary Kay Brasuel  
 Attachments.

<b>U.S. Postal Service™</b>	
<b>CERTIFIED MAIL™ RECEIPT</b>	
<small>(Domestic Mail Only; No Insurance Coverage Provided)</small>	
<small>For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a></small>	
<b>OFFICIAL USE</b>	
Postage \$	03-26-09 Postmark Here
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees \$	
Sent To: Yates Petroleum Street, Apt. No., or PO Box No.: 105 S. 4th St. City, State, ZIP+4: Artesia NM 88210	

7007 0220 0002 4962 9981

**SENDER: COMPLETE THIS SECTION**

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

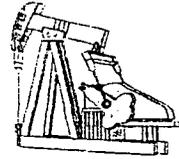
1. Article Addressed to:  
 Bureau of Land Man.  
 602 E. Greene St.  
 Carlsbad, NM 88220

2. Article Num (Transfer fr) 7007 0220 0002 4962 6683

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  Addressee  
*A. Chavez*  
 B. Received by (Printed Name) Andrea Chavez  
 C. Date of Delivery 03-27-09  
 D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below:

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



AAPL-CPL

**Via Federal Express**

Re: 36 State #1  
 Application fore Authorization to Inject  
 660' FNL & 1980' FWL of Section 36,  
 T-22-S, R-31-E, N.M.P.M., Eddy  
 County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M. K. Brasuel*

Mary Kay Brasuel  
 Attachments.

<b>U.S. Postal Service</b> <b>CERTIFIED MAIL RECEIPT</b> <small>(Domestic Mail Only; No Insurance Coverage Provided)</small>	
<small>For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a></small>	
<b>OFFICIAL USE</b>	
Postage \$	03-26-09
Certified Fee	Postmark Here
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees \$	
Sent To <u>BLM</u> Street, Apt. No. or PO Box No. <u>602 E. Greene St.</u> City, State, ZIP+4 <u>Carlsbad NM 88220</u>	

7007 0220 0002 4962 6683

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

OGX Resources  
P.O. Box 2064  
Midland, TX 79702

2. Article Number: 7007 0220 0002 4962 6706

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) Lindsay Weir B. Date of Delivery 3-30-09

C. Signature [Signature]  Agent  Addressee

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below:

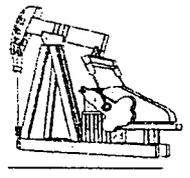
3. Service Type

Certified Mail  Express Mail

Registered  Return Receipt for Merchandise

Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes



AAPL-CPL

**Via Certified Mail**

Re: 36 State #1  
Application fore Authorization to Inject  
660' FNL & 1980' FWL of Section 36,  
T-22-S, R-31-E, N.M.P.M., Eddy  
County, New Mexico

Dear Mr. Lang:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

M. K. Brasuel  
Mary Kay Brasuel

Attachments.

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)

**7007 0220 0002 4962 6706**

**03-26-09**  
Postmark Here

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

Sent To: OGX Resources  
Street, Apt. No., or PO Box No.: P.O. Box 2064  
City, State, ZIP+4: Midland, TX 79702

**SENDER: COMPLETE THIS SECTION**

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

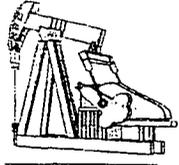
1. Article Addressed to:  
 Samson Resources  
 Samson Plaza  
 Two West Second St.  
 Tulsa, OK 74103

2. Article Number: 7007 0220 0002 4962 9967

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) *Jim Pfeiffer* B. Date of Delivery *03-26-09*  
 C. Signature *Jim Pfeiffer*  Agent  Addressee  
 X **Jim Pfeiffer**  
 D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below:

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



AAPL-CPL

**Via Certified Mail**

Re: 36 State #1  
 Application fore Authorization to Inject  
 660' FNL & 1980' FWL of Section 36,  
 T-22-S, R-31-E, N.M.P.M., Eddy  
 County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M. K. Brasuel*

Mary Kay Brasuel

Attachments.

7007 0220 0002 4962 9967

<b>U.S. Postal Service™</b>	
<b>CERTIFIED MAIL™ RECEIPT</b>	
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Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
03-26-09 Postmark Here	
Sent To <i>Samson Resources</i>	
Street, Apt. No., or PO Box No. <i>Two West Second St.</i>	
City, State, ZIP+4 <i>Tulsa, OK 74103</i>	

**SENDER: COMPLETE THIS SECTION**

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
 Crow Reynolds, Ltd.  
 4010 82nd St, Ste. 260  
 Lubbock, TX 79423

2. Article  
 7007 2560 0002 4772 6551

**COMPLETE THIS SECTION ON DELIVERY**

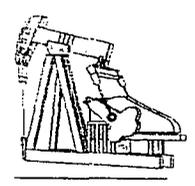
A. Received by (Please Print Clearly) B. Date of Delivery  
 3/31/09

C. Signature  
 X Crow Reynolds Ltd  Agent  Addressee

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

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

4. Restricted Delivery? (Extra Fee)  Yes



AAPL-CPL

**Via Certified Mail**

Re: 36 State #1  
 Application fore Authorization to Inject  
 660' FNL & 1980' FWL of Section 36,  
 T-22-S, R-31-E, N.M.P.M., Eddy  
 County, New Mexico

To Whom It May Concern:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M. Kay Brasuel*  
 Mary Kay Brasuel

Attachments.

7007 2560 0002 4772 6551

<b>U.S. Postal Service</b>		
<b>CERTIFIED MAIL RECEIPT</b>		
<small>(Domestic Mail Only, No Insurance Coverage Provided)</small>		
<small>For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a></small>		
<b>OFFICIAL USE</b>		
Postage	\$ 1.34	0702 07 MAR 30 2009 Postmark Here: 03/30/2009
Certified Fee	\$ 2.70	
Return Receipt Fee (Endorsement Required)	\$ 2.20	
Restricted Delivery Fee (Endorsement Required)	\$ 0.00	
Total Postage & Fees	\$ 6.24	
Sent To: Crow Reynolds, Ltd. Street, Apt. No. or PO Box No.: 4010 82nd St, Ste 260 City, State, ZIP+4: Lubbock, TX 79423		

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:  
 Dardanelles Partnership, Ltd.  
 c/o David Pace Estate  
 P.O. Box 4546  
 Midland, TX 79704

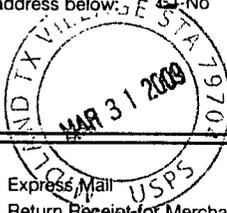
2. Article No: 7007 2560 0002 4772 6575

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) J. Anwater B. Date of Delivery 3/31/2009

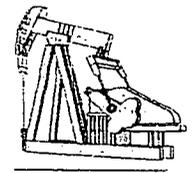
C. Signature [Signature]  Agent  Addressee

D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below:



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

4. Restricted Delivery? (Extra Fee)  Yes



AAPL-CPL

**Via Certified Mail**

Re: 36 State #1  
 Application fore Authorization to Inject  
 660' FNL & 1980' FWL of Section 36,  
 T-22-S, R-31-E, N.M.P.M., Eddy  
 County, New Mexico

To Whom It May Concern:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

M. Kay Brasuel  
 Mary Kay Brasuel

Attachments.

7007 2560 0002 4772 6575

U.S. Postal Service		
<b>CERTIFIED MAIL RECEIPT</b>		
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>		
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a>		
MIDLAND TX 79704 OFFICIAL USE		
Postage	\$ 1.34	0702 MAR 30 2009 Postmark here
Certified Fee	\$2.70	
Return Receipt Fee (Endorsement Required)	\$2.20	
Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$ 6.24	
Sent To <u>Dardanelles Partnership</u>		
Street, Apt. No., or PO Box No. <u>P.O. Box 4546</u>		
City, State, ZIP+4 <u>Midland TX 79704</u>		

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

OXY USA, Inc.  
P.O. Box 4294  
Houston, TX 77210

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) **JAMES BEAR** B. Date of Delivery  
 C. Signature *[Signature]*  Agent  
 Addressee  
 D. Is delivery address different from item 1?  Yes  
 No  
 If YES, enter delivery address below:

MAR 30 2009

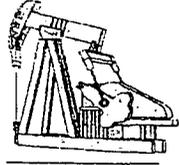
3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.  
 4. Restricted Delivery? (Extra Fee)  Yes

2. Article # 7007 0220 0002 4962 9974

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952



AAPL-CPL

**Via Certified Mail**

Re: 36 State #1  
 Application fore Authorization to Inject  
 660' FNL & 1980' FWL of Section 36,  
 T-22-S, R-31-E, N.M.P.M., Eddy  
 County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M. K. Brasuel*

Mary Kay Brasuel

Attachments.

<b>U.S. Postal Service</b> <b>CERTIFIED MAIL RECEIPT</b> <small>(Domestic Mail Only, No Insurance Coverage Provided)</small>	
<small>For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a></small>	
<b>OFFICIAL USE</b>	
Postage \$ _____ Certified Fee _____ Return Receipt Fee (Endorsement Required) _____ Restricted Delivery Fee (Endorsement Required) _____ Total Postage & Fees \$ _____	03-26-09  Postmark Here
Sent To <b>OXY USA, Inc.</b> Street, Apt. No. or PO Box No. <b>P.O. Box 4294</b> City, State, ZIP+4 <b>HOUSTON TX 77210</b>	

7007 0220 0002 4962 9974

**SENDER COMPLETE THIS SECTION**

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

1. Article Addressed to:

Forest Oil Corp.  
707 17th St, Suite 3600  
Denver, CO 80202

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) B. Date of Delivery

3/30/07

C. Signature

X J MANISCALCO  Agent  Addressee

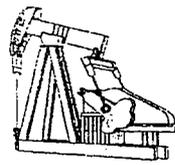
D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below:

3. Service Type

- Certified Mail  Express Mail
- Registered  Return Receipt for Merchandise
- Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

2. Article Nun 7007 0220 0002 4962 6690



AAPL-CPL

**Via Certified Mail**

Re: 36 State #1  
Application fore Authorization to Inject  
660' FNL & 1980' FWL of Section 36,  
T-22-S, R-31-E, N.M.P.M., Eddy  
County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

M. K. Brasuel

Mary Kay Brasuel

Attachments.

<b>U.S. Postal Service</b> <b>CERTIFIED MAIL RECEIPT</b> <small>(Domestic Mail Only; No Insurance Coverage Provided)</small>	
<small>For delivery information visit our website at www.usps.com</small>	
<b>OFFICIAL USE</b>	
Postage \$	03-26-09 Postmark Here
Certified Fee	
Return Receipt Fee <small>(Endorsement Required)</small>	
Restricted Delivery Fee <small>(Endorsement Required)</small>	
Total Postage & Fees \$	
Sent To Forest Oil Corp. Street, Apt. No. or PO Box No. 707 17th St, Suite 3600 City, State, ZIP+4 Denver, CO 80202	

7007 0220 0002 4962 6690

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

CDA Family Part.  
P.O. Box 81077  
Midland, TX 79708

2. Article

7007 2560 0002 4772 6582

**COMPLETE THIS SECTION ON DELIVERY**

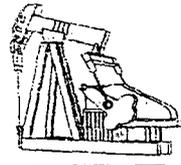
A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature  Agent  
 Addressee

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

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

4. Restricted Delivery? (Extra Fee)  Yes



AAPL-CPL



**Via Certified Mail**

Re: 36 State #1  
Application fore Authorization to Inject  
660' FNL & 1980' FWL of Section 36,  
T-22-S, R-31-E, N.M.P.M., Eddy  
County, New Mexico

To Whom It May Concern:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M. K. Brasuel*  
Mary Kay Brasuel

Attachments.

<b>U.S. Postal Service</b> <b>CERTIFIED MAIL RECEIPT</b> <small>(Domestic Mail Only; No Insurance Coverage Provided)</small>		
<small>For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a></small>		
<b>OFFICIAL USE</b>		
Postage	\$ 1.34	0702
Certified Fee	\$ 2.70	07
Return Receipt Fee <small>(Endorsement Required)</small>	\$ 2.20	Postmark Here 
Restricted Delivery Fee <small>(Endorsement Required)</small>	\$ 0.00	
Total Postage & Fees	\$ 6.24	03/30/2009
Sent To: <i>CDA Family Partnership</i> Street, Apt. No., or PO Box No.: <i>P.O. Box 81077</i> City, State, ZIP+4: <i>Midland TX 79708</i>		

7007 2560 0002 4772 6582

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

Five Talents, Lta  
17304 Preston Ra.  
Suite 1250  
Dallas, TX 75252

2. Article Number:

7007 2560 0002 4772 6568

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) B. Date of Delivery

monic Doremy 4/2/09

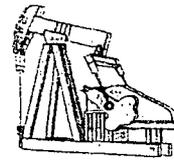
C. Signature

X *M. K. Brasuel*  Agent  Addressee

D. Is delivery address different from item 1?  YesIf YES, enter delivery address below:  No

3. Service Type

- Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

AAPL-CPL

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

**Via Certified Mail**

Re: 36 State #1  
Application fore Authorization to Inject  
660' FNL & 1980' FWL of Section 36,  
T-22-S, R-31-E, N.M.P.M., Eddy  
County, New Mexico

To Whom It May Concern:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentsz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M. K. Brasuel*

Mary Kay Brasuel

Attachments.

U.S. Postal Service™		
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For delivery information visit our website at www.usps.com®		
DALLAS TX 75252 OFFICIAL USE		
Postage	\$ 1.34	0702 Postmark MAR 30 2009
Certified Fee	\$2.70	
Return Receipt Fee (Endorsement Required)	\$2.20	
Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$ 6.24	
03/30/2009		
Sent To Five Talents, Lta		
Street, Apt. No. or PO Box No. 17304 Preston Rd Ste 1250		
City, State, ZIP+4 Dallas, TX 75252		

7007 2560 0002 4772 6568

**SENDER: COMPLETE THIS SECTION**

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
 NM State Land  
 P.O. Box 1148  
 Santa Fe, NM  
 87504

2. Article # 7007 0220 0002 4962 9998

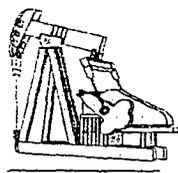
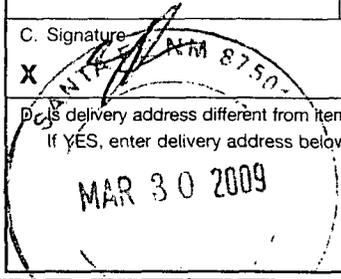
**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature *[Signature]*  Agent  
 Addressee  
 Does delivery address differ from item 1?  Yes  
 If YES, enter delivery address below:  No

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

4. Restricted Delivery? (Extra Fee)  Yes



AAPL-CPL

**Via Certified Mail**

Re: State "2" #8  
 Application fore Authorization to Inject  
 1980' FSL & 660' FWL of Section 2,  
 T-23-S, R-31-E, N.M.P.M., Eddy  
 County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as a surface owner. A copy of the application is attached. As the surface owner you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

*M. K. Brasuel*

Mary Kay Brasuel  
 Attachments.

7007 0220 0002 4962 9998

U.S. Postal Service™	
<b>CERTIFIED MAIL RECEIPT</b>	
<i>(Domestic Mail Only, No Insurance Coverage Provided)</i>	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
<b>OFFICIAL USE</b>	
Postage \$	03-26-09 Postmark Here
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees \$	
Sent to New Mexico State Land Office Street, Apt. No. or PO Box No. P.O. Box 1148 City, State, Zip+4 Santa Fe, NM 87504	

**Affidavit of Publication**

State of New Mexico,  
County of Eddy, ss.

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

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

March 28 2009

That the cost of publication is **\$55.31** and that payment thereof has been made and will be assessed as court costs.

*Kathy McCarroll*

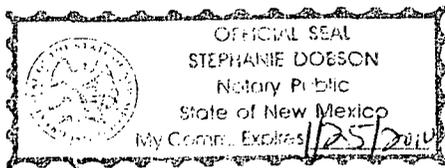
Subscribed and sworn to before me this

30th day of March, 2009

*Stephanie Dobson*

My commission Expires on 1/25/2010

Notary Public



INJECTION WELL PERMIT  
REEF EXPLORATION, L.P., 1901 North Central Expressway, Suite 300, Richardson, Texas, 75080-3610; Ronald M. Senti, phone number 972-437-6792, has applied to the New Mexico Oil Conservation Division for Authorization to Inject

who can show that they are adversely affected, or requests for further information concerning any aspect of the application should be submitted in writing, within fifteen days of publication, to the New Mexico Oil Conservation, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505.

The Applicant Proposes to inject salt water into the Delaware Formation, 36 State #1 Well. The proposed injection well is located 660' from the North line and 1980' from the West line of Section 36, T-22-S, R-31-E, N.M.P.M., Eddy County, New Mexico. Fluid will be injected in the 36 State #1 Well in the subsurface depth interval from 4450 feet to 8250 feet. The purpose of the well is as a disposal well for area Delaware produced water. The proposed average daily injection volume is 4000 barrels of water per day, with a proposed average daily injection pressure of 1000#.

March 28, 2009  
LEGAL NOTICE  
NOTICE OF APPLI  
CATION FOR FLUID

Requests for a public hearing from persons