

DATE IN 9/27/09	SUSPENSE 12/7/09	ENGINEER WVS	LOGGED IN 9/22	TYPE SWP-1140-A	APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

PWVJ092899709


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 _____

*Waiting on Letter From DOE
 Canceled
 9/27/09*

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
 - [B] Offset Operators, Leaseholders or Surface Owner
 - [C] Application is One Which Requires Published Legal Notice
 - [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 - [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 - [F] Waivers are Attached

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

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

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

_____ Print or Type Name	_____ Signature	_____ Title	_____ Date
_____ e-mail Address			

DATE IN 10-13-09	SUSPENSE 10/29/09	ENGINEER Jones	LOGGED IN 10-13-09	TYPE SWD	PTGW	APP NO. 0928656174
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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



Reef

ADMINISTRATIVE APPLICATION CHECKLIST

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[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

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 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 _____

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- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
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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

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

Jose L. Velez
 Print or Type Name

Signature

Regulatory Analyst
 Title

10/2/09
 Date

josev@reef.ogc.com
 e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

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

II. OPERATOR: REEF EXPLORATION, L.P.

ADDRESS: 1901 N. CENTRAL EXPY. SUITE 300. RICHARDSON, TEXAS 75080

CONTACT PARTY: RON 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
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: JOSE LIONEL VEELZ TITLE: REGULATORY AFFAIRS

SIGNATURE: _____

DATE: 9/16/09

E-MAIL ADDRESS: JOSEV@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: original approved permit expired

8/26/2009, Administrative order SWD-1140

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

2009 OCT 13 A 9:49
RECEIVED OGD

Form C-108
Application for Authorization to Inject

Reef Exploration, L.P., Operator
State "2" #8
Section 2, T 23S, 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 C

- IV) This is not an expansion of an existing project.

- V) Map of wells and leases within 2 miles and ½ mile radius: (Attachment D).

- VI) Data on wells within ½ mile area of review: See attachments E, E1, E2 and E3

- VII)

1. Proposed average daily injection volume:	4,000 BWPD
Proposed maximum daily injection volume:	10,000 BWPD
2. This will be a closed loop system.	
3. Proposed average daily injection pressure:	1,000#
Proposed maximum daily injection pressure:	1,140#

Halliburton e-mail confirming the cement integrity of the State "2" #3 (Attachment F)

4. The sources of injection water will be produced water from area Delaware wells that have been and that are scheduled to be drilled on the Barclay State, Barclay Federal and Medano State leases. (See list of source wells / Attachment G). A water analysis from nearby Delaware production (See Attachments H1, H2 and H3).

5. Chlorides in all the source wells are expected to be similar to the attached water analysis (see Attachments H1, H2 and H3).

VIII) The proposed injection zone is the Bell Canyon and Cherry Canyon interval from 4600' to 5880'. 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 to approximately 700'. No drinking water sources are found below the proposed injection zone.

IX) Projected Perforations:

- a. Bench 1) 5760' to 5770 and 5860' to 5880
- b. Bench 2) 5550' to 5580'
- c. Bench 3) 5150' to 5170'
- d. Bench 4) 4600' to 4620'

The proposed intervals will be acidized with 2,500 gallons of 15% acid and may be frac'd with up to 100,000# of sand per bench.

X) All well logs and test data available have been previously submitted to the NMOCD. Once the well is recompleted a copy of any additional logs run will be forwarded to the NMOCD.

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 finds there is no evidence of open faults or other hydrologic connection between the proposed injection zone and any underground source of drinking water.

XIII) Proof of Notice

- a. A copy of the C-108 application has been sent, with UPS Tracking, to the surface owner and offset operators of leases within ½ mile. (See list attached – Attachment I)
- b. A copy of the legal advertisement is attached with proof of publication in an Eddy County newspaper (Attachment J).

XIV) Certification: See signature on form C-108.

INJECTION WELL DATA SHEET

OPERATOR: REEF EXPLORATION, L.P.

WELL NAME & NUMBER: STATE "2" #8

WELL LOCATION: 1980' FSL & 660' FWL L 2 SECTION 23S TOWNSHIP 31E RANGE
FOOTAGE LOCATION UNIT LETTER

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA
Surface Casing

Hole Size: 17 1/4" Casing Size 13 3/8"

Cemented with: 555 sx. or ft³

Top of Cement: SURFACE Method Determined: OBSERVATION

Intermediate Casing

Hole Size: 11" Casing Size 8 5/8"

Cemented with: 1040 sx. or ft³

Top of Cement: SURFACE Method Determined: OBSERVATION

Production Casing

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

Cemented with: 2 STAGE, 1200 sx. or ft³

Top of Cement: 2320 Method Determined: CBL

Total Depth: 8559'

Injection Interval 5880
4600 feet To 5200' (PERFORATING)

(Perforated or Open Hole; indicate which)

**Reef Exploration, L.P.
State 2 #8
660' FSL & 1980' FWL
Section 2, T 23S, R 31E
Eddy County, New Mexico**

Attachment A

III. Well Data

Section A:

1. Lease Name: State 2 #8 (Barclay State)
Location: 1980' FSL & 660' FWL, Section 2, T 23S, R 31E, Eddy County, New Mexico
2. Casing and Cement:

Existing

<u>Casing Size</u>	<u>Setting Depth</u>	<u>Sks Cement</u>	<u>Hole Size</u>	<u>TOC</u>
13 3/8"	701'	555	17 1/4"	Circ. to surface
8 5/8"	4380'	1000	11"	Circ. To surface
5 1/2"	8510'	1200	7 7/8"	2320' by CBL

Proposed

<u>Casing Size</u>	<u>Setting Depth</u>	<u>Sks Cement</u>	<u>Hole Size</u>	<u>TOC</u>
13 3/8"	701'	555	17 1/4"	Circ. to surface
8 5/8"	4380'	1000	11"	Circ. To surface
5 1/2"	8510'	1200	7 7/8"	2320' by CBL

NOTE:

- It is proposed to plug and abandon existing Lower Delaware perforations from 7234' to 8183' with a Cast Iron Bridge Plug set at 6080' with 35' of cement on top of the CIBP.

3. Tubing: 3 1/2", 9.2#, J-55, Ultima Plastic Coated, set at 4500'
4. Packer: 2 7/8" x 5 1/2" @ 4506

**Reef Exploration, L.P.
State 2 #8
660' FSL & 1980' FWL
Section 2, T 23S, R 31E
Eddy County, New Mexico**

Attachment A

Section B:

1. **Injection Formation:** Delaware Sand

- Field or Pool Name:** Livingston Ridge (Delaware)

2. **Injection Interval:** Delaware Interval, 4600' to 5880', perforated

3. **Original purpose of well:** Drilled to test Lower Delaware Formation

4. **Other perforated intervals:** None

5. **Next Higher oil and gas zone:** None

- Next lower oil and gas zone:** Bone Springs

See current and proposed well bore schematics (Attachments B & C)

REEF EXPLORATION, LP.

State "2" #8

1980' FSL & 660' FWL

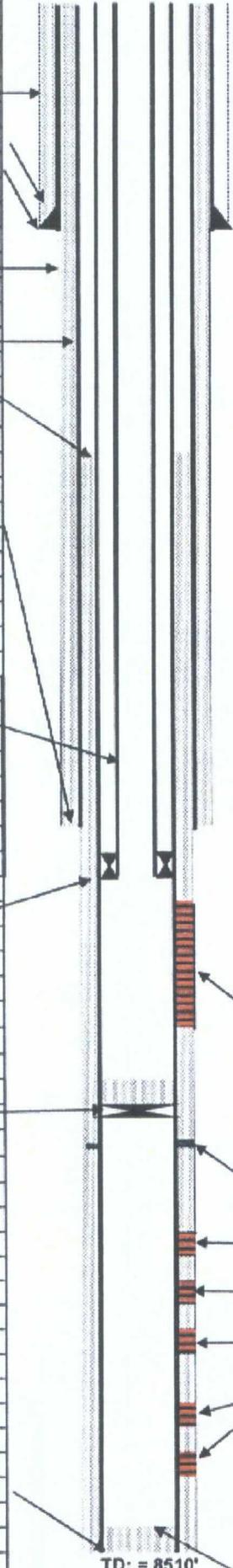
Sec 2, T23S, R31E

Livingston Ridge; Delaware, SE (96149)

Eddy County, New Mexico

Permanent Wellbore Data					
Spud Date:	11/17/07				
Compl Date:	1/12/08				
KB Elev., Ft :	3429'				
GL Elev., Ft :	3411' Set 40' of 20" conductor				
KB	18'				
DF	3428' 17-1/4" hole				
Surface Casing					
Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
13 3/8"	16	48.0	H-40	ST&C	701
Cement:	555 Sx.	TOC: Surface (146 Sks)			
		Date: 11/19/2007			
		11" hole			
		8 5/8", 32#, J-55, ST&C			
		Top of Cement 5 1/2" 2320'			
Intermediate Casing					
Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
8 5/8"	102	32.0	J-55	LT&C	4380
Cement:	1,040 Sx.	TOC: Surface Circ 157 sks			
		Date: 11/24/2007			
Tubing :					
	3 1/2", FJ, set @ 4500'				
	Baker Packer @ 4506'				
	7 7/8" Hole				
	Bridge Plug @ 6080' with 35' of cement on top				
Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
5 1/2"	192	17.0	I-80	LT&C	8443
5 1/2"	3	17.0	I-80	LT&C	66.57
			Total depth		8509.57
The 3 joints are flag joints (short for logging)					
ID - 4.892", drift - 4.767", IYP - 7740#, JS - 338,000#					
Capacity - .0232 bbls/ft					
Cement:	500 Sx.	TOC: DV tool			
Cement:	700 Sx.	TOC: 2320'			
TD:	8510'	PBTD:	8461'	Date: 12/2/2007	
Set Weight, Lb: 120,000#					
Tank Battery:					

Proposed



Data On This Completion

API #:	30-015-35749
Property Code:	
OGRID #:	
Drilling AFE #:	07DC018
Date:	Activity
Reached TD on 11/29/07	
11/29/07: Halliburton Services ran Spectral Density, Dual Spaced Neutron Log, Dual Laterolog, Micro-Guard, log from TD to 4576'	
12/21/07: Halliburton ran an Radial Cement Bond, CCL, GR Log From: 8452' to 2570'	
01/04/08	Halliburton Frac'd Lower Brushy Canyon with 42,000 gals SilverStem Basic (11) 100,000# 16/30 sand, w/Expdite Avg Inj Rate 27.2 BPM, Avg Pressure 551#, ISIP 1186#, CIP 5 Min 420#, CIP 10 Min 420#, CIP 15 Min 420#
01/04/08	Halliburton Frac'd Middle Brushy Canyon with 21,375 gal Silverstem, W/ 42,000# 16/30 sand w/Expdite Avg rate 15.5 BPM, avg press 1347#
01/04/08	Halliburton Frac'd Brushy Canyon with 25,375 gals, SilverStim 49,000# 16/30 sand with Expdite, Avg Inj Rate 14.7 BPM, Avg Press 614#
01/04/08	Halliburton Frac'd Brushy Canyon with 14,250 gals, SilverStim 28,000 16/30 sand with Expdite, Avg Inj Rate 9.9 BPM, Avg Press 825#
Proposed Injection Perforation Areas	
Perf Delaware: 5760' to 5770' & 5860' to 5880', 5550' to 5580', 5150' to 5170', 4600' to 4620'	
DV TOOL (6421')	
Perf:	Brushy Canyon (01/04/08) 7234' to 7242', 1 SPF
Perf:	Brushy Canyon (01/04/08) 7381' to 7390', 7400' to 7405', 1 SPF
Perf:	Middle Brushy Canyon (01/04/08) 7778' to 7784', 7792' to 7798', 1 SPF
Perf:	Lower Brushy Canyon (12/27/07) 8004' to 8006', 8011' to 8018', 8023' to 8029', 8035' to 8039', 8047' to 8050', 8151' to 8157', 8163' to 8157', 8180' to 8183', 1 SPF
PBTD: 8461'	
Prepared By: Ronald M. Sentz 03-17-08	

Attachment C

REEF EXPLORATION, LP.

State "2" #8

1980' FSL & 660' FWL

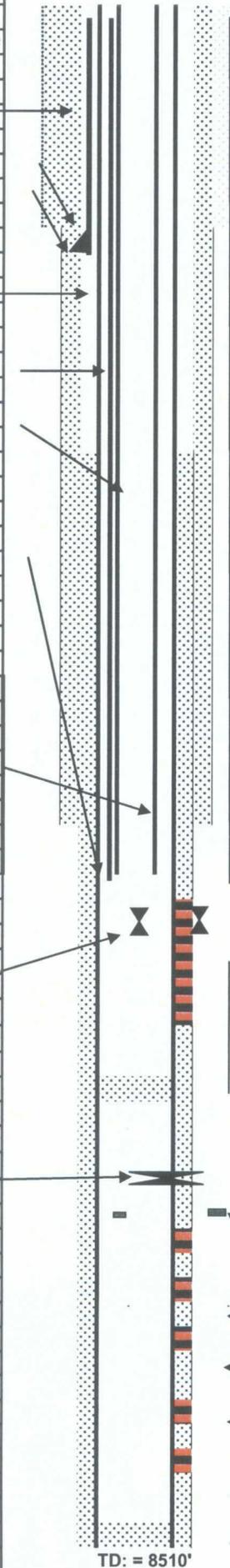
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Livingston Ridge; Delaware, SE (96149)

Eddy County, New Mexico

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Cement: 555 Sx.		TOC: Surface (146 Sks)			
Date: 11/19/2007					
11" hole					
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Top of Cement 5 1/2" 2320'					
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3 1/2", FJ, set @ 4500'					
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Bridge Plug @ 6080' with 35' of cement on top					
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Capacity - .0232 bbls/ft					
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Cement: 700 Sx.		TOC: 2320'			
TD: 8510'	PBTD: 8461'	Date: 12/2/2007			
Set Weight, Lb: 120,000#					
Tank Battery:					

Proposed



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Property Code:	
OGRID #:	
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Date:	Activity
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From: 8452' to 2570'	
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PBTD: 8461'	
Prepared By: Ronald M. Sentz 03-17-08	

(Attachment F)

Ronald Sentz

From: Jay Degen
Sent: Monday, March 31, 2008 3:15 PM
To: Ronald Sentz
Cc: Kellam Colquitt; Walt Dunagin; Lawrence J. Harrison, Jr; 'Lars Larson'
Subject: FW: Sate 2 No. 3 Cement Bond Log Analysis

From: Dennis Page [mailto:Dennis.Page@Halliburton.com]
Sent: Monday, March 31, 2008 2:56 PM
To: Jay Degen
Cc: Ronald Sentz
Subject: Sate 2 No. 3 Cement Bond Log Analysis

Jay,

We discussed the bond log integrity on the State 2 No. 3. After review, Doug Scott, Richard Kelley and I (all senior employees with Halliburton Energy Services) believe the cement bond log indicates 100% isolation between 4720' and 4920'. That would be the worst case scenario. Isolation will likely occur at 4720' to 4810'. Again, this is an expert opinion of Halliburton Energy Services. You will also receive a squeeze recommendation in the event the State of New Mexico requires that additional cement work be done to the well.

Please call me if you have any questions.

Thanks,

D. Page
432-557-7191

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4/8/2008

Attachment G

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" #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-H1

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
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-H-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 SOURCE _____
 COUNTY _____ FIELD _____

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

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ANALYST: MB/MA

Attachment- H-3

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 St. 2 36 #005 DEPTH _____ FORMATION _____
COUNTY _____ FIELD _____ 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	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F	<u>@</u> °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.

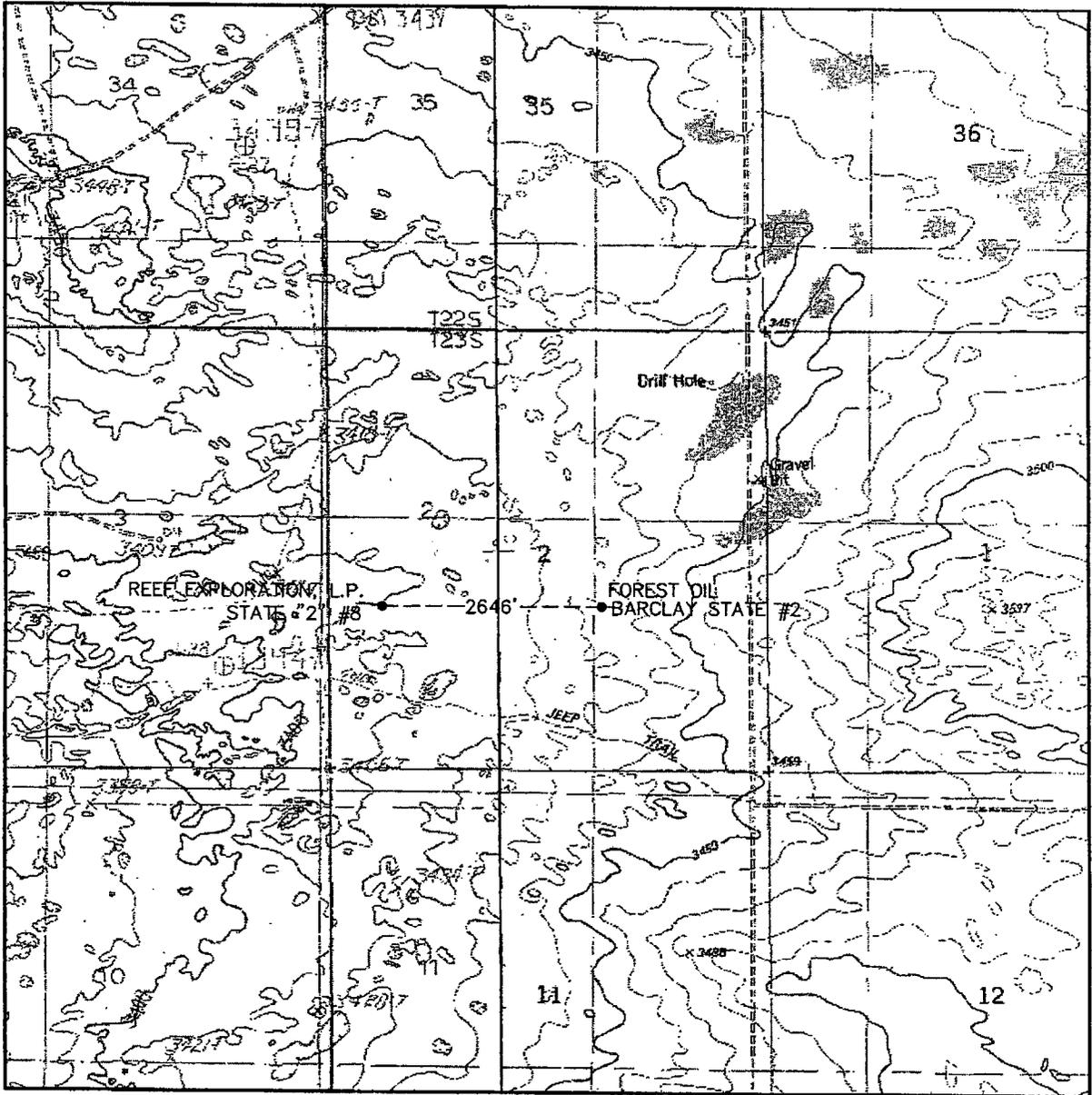
ANALYST: MB/MA

ATTACHMENT I

Attachment D

MAP

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
LOS MEDANOS - 10'

SEC. 2 TWP. 23-S RGE. 31-E

SURVEY N.M.P.M.

COUNTY EDDY

OPERATOR REEF EXPLORATION, L.P.

LEASE STATE "2"

U.S.G.S. TOPOGRAPHIC MAP
LOS MEDANOS



110 W. LOUISIANA, STE. 110
MIDLAND TEXAS, 79701
(432) 687-0865 - (432) 687-0868 FAX

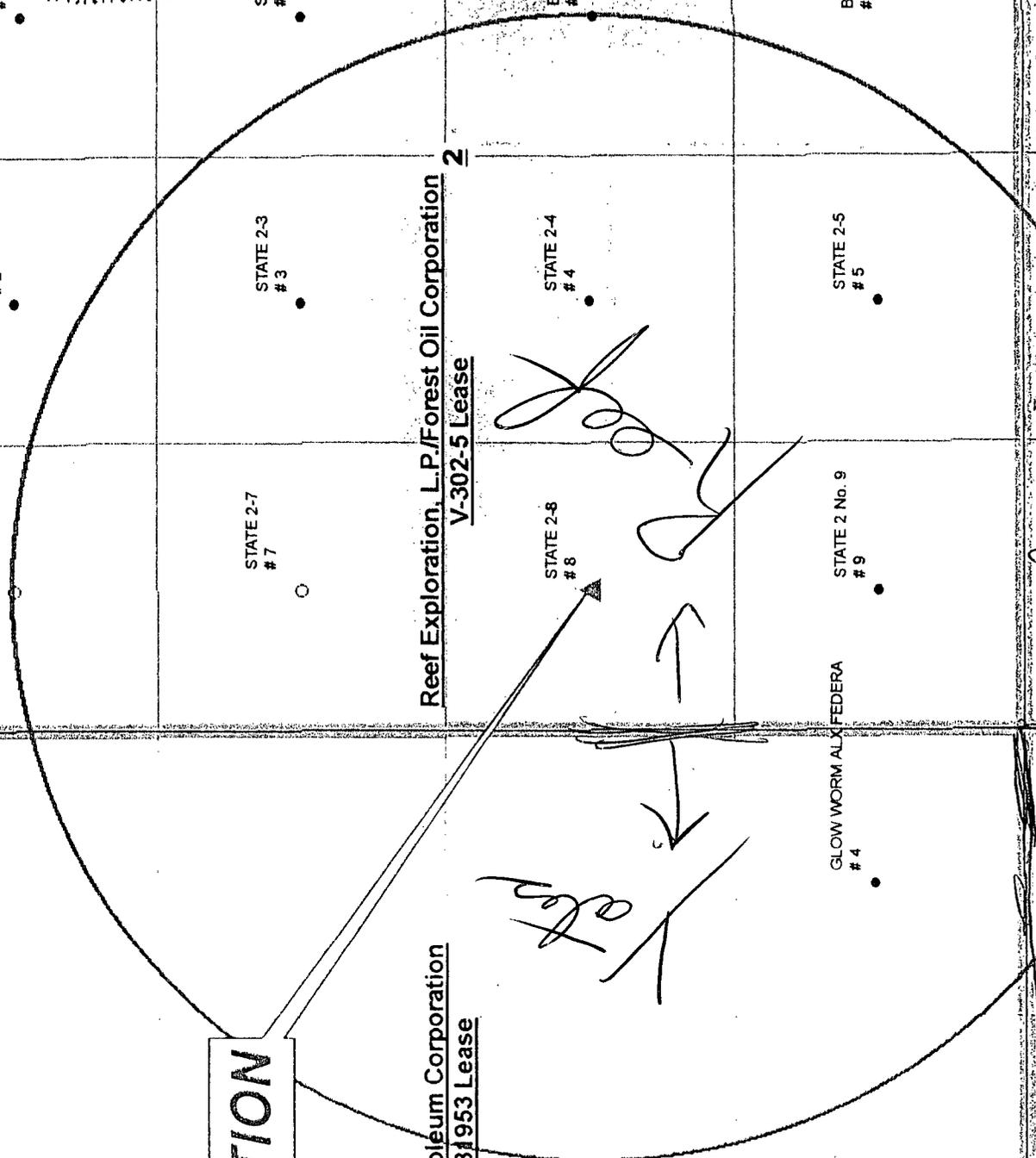
DOE WIPP SITE 0600

GLOW WORM ALX FEDER # 11

D SWD LOCATION

3 Yates Petroleum Corporation
NM-81953 Lease

Reef Exploration, L.P./Forest Oil Corporation **2**
V-302-5 Lease



STATE 2-6 # 6

STATE 2 NO. 2 # 2

BARCLAY STATE # 9

STATE 2-7 # 7

STATE 2-3 # 3

STATE 2-1 # 1

STATE 2-8 # 8

STATE 2-4 # 4

BARCLAY STATE # 2

GLOW WORM ALX FEDER # 4

STATE 2 No. 9 # 9

STATE 2-5 # 5

BARCLAY STATE # WD-4

M. G. Mathon
NM-040444

Bryon

BARCLAY 11 D FEDERAL # 4

BARCLAY 11 D FEDERAL # 2

BARCLAY 11 B FEDERAL # 2

1/2 MILE RADIUS

API	WELL_NAME	REF_EXPLORATION, L.P.	FTG_NS	NS_CD	FTG_CD	EW_CD	SDIV	Sec	Tsp	Rge	Dist	TVD_DEPTH	WL_S	OGRID_CDE	
3001535749	STATE 008	REEF EXPLORATION, L.P.	1980	S		660	W	L	2	23S	31E	30-015-35749	0	A	246083
3001535748	STATE 007	REEF EXPLORATION, L.P.	1980	N		660	W	E	2	23S	31E	1,310	0	N	246083
3001531078	BARCLAY STATE 006A	BP AMERICA PRODUCTION COMPANY	1980	S		1980	W	K	2	23S	31E	1,320	0	C	778
3001535676	STATE 2 004	REEF EXPLORATION, L.P.	1980	S		1980	W	K	2	23S	31E	1,320	0	A	246083
3001535750	36 STATE 009	REEF EXPLORATION, L.P.	660	S		660	W	M	2	23S	31E	1,320	0	A	246083
3001535675	STATE 2 003	REEF EXPLORATION, L.P.	1980	N		1980	W	F	2	23S	31E	1,860	0	A	246083
3001535677	STATE 2 005	REEF EXPLORATION, L.P.	660	S		1980	W	N	2	23S	31E	1,867	0	A	246083
3001524112	DUNES ST 001	THE SUPERIOR OIL CO	1980	S		1980	E	J	2	23S	31E	2,640	0	P	214263
3001529590	BARCLAY STATE 002	FOREST OIL CORPORATION	1980	S		1980	E	J	2	23S	31E	2,640	8470	A	8041
3001530089	BARCLAY 11 D FEDERAL	DEVON ENERGY PRODUCTION COMPANY, LP	660	N		660	W	D	11	23S	31E	2,640	0	C	6137
Nearby Injection Wells															
3001529798	BARCLAY STATE 004	FOREST OIL CORPORATION	660	S		1980	E	O	2	23S	31E	2,952	8450	A	8041
3001505840	STATE AA-2 #01	FOREST OIL CORPORATION	660	N		660	E	I	2	23S	31E	4,754	5800	A	8041
3001525410	BARCLAY 11 H FEDERAL 001	DEVON ENERGY PRODUCTION COMPANY, LP	2180	N		660	E	H	11	23S	31E	5,743	9104	A	6137

L was flowing Suke water when open hole LOSE
 SW-7817 7/20/98 4500-5850 not used
 NOT Top below DV = ? Producing From Case -) L. Brady C.
 See WBD

OLD

OLD

Reef Exploration, LP Injection into the Bell and Cherry									
API	WELL_NAME	PROPERTY	OCD	LAND_TYPE	WELL_TYPE	NBR.	ACRES	SPUD_DATE	COMPL_STATU
3001535749	36 STATE 008		36538 I	S	O	1	40		Unknown
3001535748	36 STATE 007		36538 E	S	O	1	40		Unknown
3001531078	BARCLAY STATE 006A		29382 K	S	G				Unknown
3001535676	STATE 2 004		36570 K	S	O	1	40		Unknown
3001535750	36 STATE 009		36538 M	S	O	1	40		Unknown
3001535675	STATE 2 003		36570 F	S	O	1	40		Unknown
3001535677	STATE 2 005		36570 N	S	O	1	40		Unknown
3001524112	DUNES ST 001		30041 J	S	O				Plugged
3001529590	BARCLAY STATE 002		32711 J	S	O	1	40	05-Aug-97	Active
3001530089	BARCLAY I I D FEDERAL 004		22889 D	F	O				Unknown
Nearby Injection Wells									
3001529792	BARCLAY STATE 004		32711 O	S	S	2	80	07-Sep-97	Active
3001505840	STATE AA-2 001		32712 A	S	S	1	40	22-May-97	Active
3001525419	BARCLAY I I H FEDERAL 001		13218 H	F	S	2	80	28-Jun-03	Active

CMD :
OG5SEC2

ONGARD
VIEW LAND BY ULSTR

08/26/08 16:50:44
OGOWVJ -TPKW
PAGE NO: 7

Sec : 2 Twp : 23S Rng : 31E Cnty1 : WIP
Cnty2 : Eddy Cnty3 :

U Lot/ Qtr	SRF SUB	ACTIVE	Bene	REMARKS
L Trct Qtr	ACREAGE	OWNER	LEASE #	(may show restrictions codes)
J	NW4SE4	40.00	ST ST R2 6739 0000	WIP
			R2 6740 0000	
			V0 0302 0005	
K	NE4SW4	40.00	ST ST GM 1701 0000 CS	WIP
			MP 0024 0003	
			V0 0302 0005	
L	NW4SW4	40.00	ST ST GM 1701 0000 CS	POT WIP
			MP 0024 0003	
			V0 0302 0005	
M	SW4SW4	40.00	ST ST GM 1701 0000 CS	POT WIP
			MP 0024 0003	

OLD

PF01 HELP PF02 PREV PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

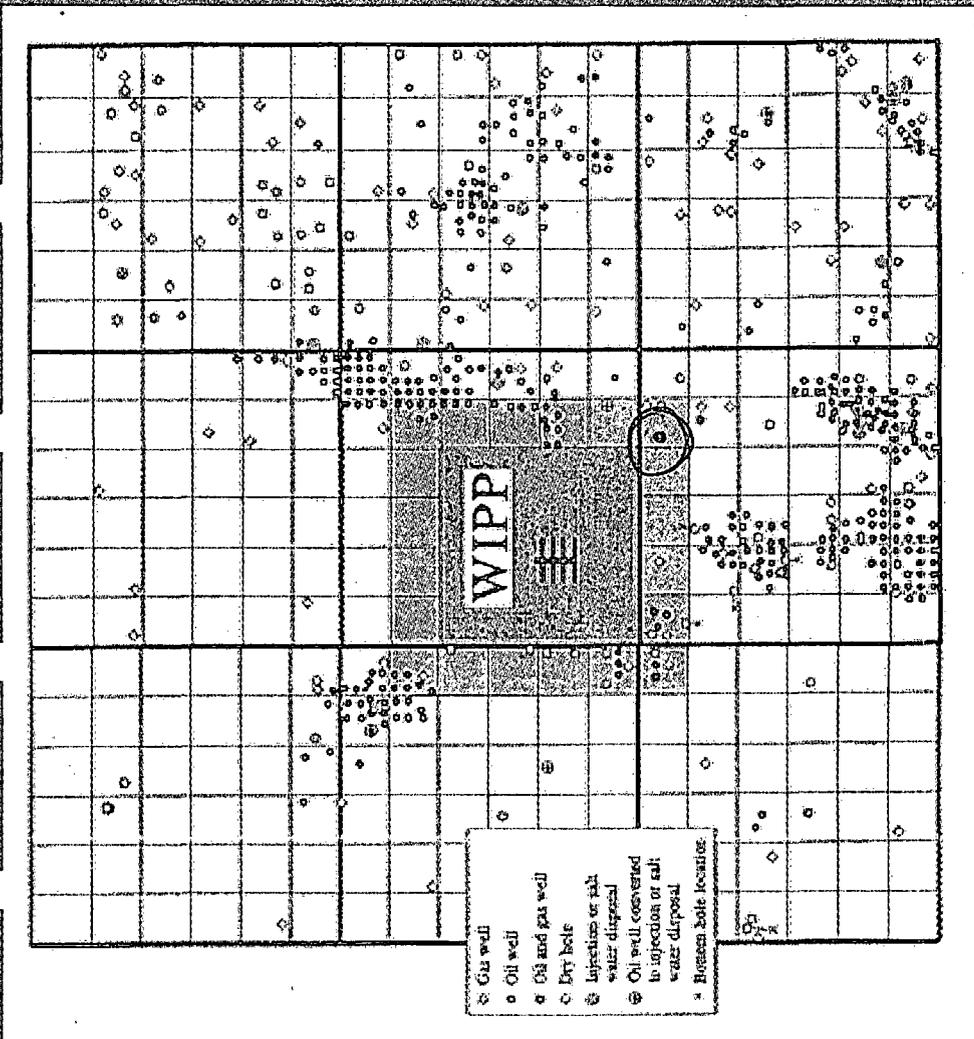
1993

WIPP, 1993

WIPP, 1993

WIPP, 1993

WIPP, 1993



Source: EDC

Reef Exploration Wells (in 1/2 Mile Radius)

State "2" #3

Sections Producing

Perf:	Brushy Canyon (10/17/2007)
	8172'-8178', 8198'-8204', 1 JSPF w/ 120 Degree Phasing
	10/26/07 Halliburton Frac Brushy Canyon
	27,800 Gals SilverStim LT Basic R(11) w/ 49,000#; 16/30 Mesh Ottawa Sand Coated w/ Expedite Lite, Max PSI: 5225, Avg PSI: 1883, Avg Rate: 15.6, Max Rate: 17.51, ISIP: 4793, 5 MIN: 4884, 10 MIN: 4801, 15 MIN: 4777

Perf:	Brushy Canyon (10/30/2007)
	8021'-8034', 2 JSPF w/ 120 Degree Phasing
	12/6/07 Halliburton Frac Brushy Canyon
	25,400 gals SilverStim LT Basic (11) w/ 45,500#, 16/30 Mesh Ottawa Sand coated w/ Expedite Lite, Max PSI: 1384, Avg PSI: 498, Max Rate: 18.5, Avg Rate: 13.4, ISIP: 965, 5 MIN: 552, 10 MIN: 512, 15 MIN: 487

State "2" #4

Sections Producing

Perf:	Lower Brushy Canyon (11/09/2007)
	8162'-8166', 8180'-8184', 8192'-8200', 8210'-8214', 8220'-8224', 1 JSPF
	11/17/07 Halliburton Frac'd Lower Brushy Cany.
	27,800 gals Silverstim LT R(11) w/ 22,120#, 16/30 sand w/ expedite & 26,880# 20/40 sand w/ expedite lite Max PSI: 1024, Avg PSI: 558, Max Rate: 16.5, Avg Rate: 15.2, ISIP: 747, 5 min 536, 10 min 456, 15 min 398, LTR 1,011 gals

Perf:	Lower Brushy Canyon (11/17/2007)
	8007'-8010', 8088'-8092', 8110'-8114', 1 JSPF
	11/17/07 Halliburton Frac'd Lower Brushy Cany.
	25,400 gals Silverstim LT basic R(11) w/ 45,500# 16/30 Mesh Ottawa sand coated w/ expedite lite, Max PSI: 889, AVG PSI: 577, Max Rate: 15.7, AVG Rate: 15.0, ISIP: 526, 5 MIN 393, 10 MIN 366, 15 MIN 355

Perf:	Middle Brushy Canyon (02/05/2008)
	7570' - 7580', 1 JSPF
	2/8/08 Halliburton Frac'd Middle Brushy Cany.
	18,500 gals Silverstim LT R(13) w/ 13,500# Arizona sand coated w/ Expedite lite, Max PSI: 4171, Avg PSI: 1620, Max Rate: 16.46, Avg Rate: 9.79, ISIP: 4156, 5 min 3280, 10 min 3306, 15 min 3341, LTR 29,416 gals

State "2" #4 Continued

Sections Producing

Perf:	Upper Brushy Canyon (02/09/2008)
	6970' to 6980', 7074' to 7080', 1 SPF
	2/9/08 Halliburton Frac'd Upper Brushy Cany.
	23,900 gals Silverstim LT R(13) w/ 50,000# of 16/30 Arizona sand coated with Expedite lite, Max PSI: 994, Avg PSI: 505, Max Rate: 27.4, Avg Rate: 20.7, ISIP: 477, 5 min 396, 10 min 362, 15 min 351, LTR 39,852 gals

Continued

Reef Exploration Wells (in 1/2 Mile Radius)

State "2" #5

Sections Producing

Perf:	Lower Brushy Canyon (12/07/2007)
8150' - 8155', 8179' - 8184', 8204' - 8208',	8219' -
8224', 8229' - 8232' w/ 1 JSPF	
12/21/07	Halliburton Frac
27,300 gals SilverStim LT Basic R(11) w/ 49,000#; 16/30	
Ottawa Sand coated w/ Expedite Lite. Avg PSI: 2,047,	
Max PSI: 3,076, Avg Rate: 14.1, Max Rate: 28.3, ISIP:	
914, 5 Min: 763, 10 Min: 680, 15 Min: 607, LTR: 948 BLW	

Perf:	Lower Brushy Canyon (12/21/2007)
8024'-8028', 8034'-8036', 8044'-8055', 8050'-8055'	1 JSPF
12/21/07	Halliburton Frac Upper Delaware Zone
25,400 gals SilverStim LT Basic R(11) w/ 45,500# 16/30	
Mesh Ottawa Sand coated w/ Expedite Lite, Avg PSI:	
1007, Max PSI: 1486, Avg Rate: 14.5 BPM, Max Rate:	
27.3, ISIP: 940, 5 Min: 852, 10 Min: 829, 15 Min: 815,	
LTR: 997	

State "2" #8

Sections to be abandoned

Perf:	Lower Brushy Canyon (12/27/07)
8004' to 8006', 8011' to 8018',	
8023' to 8029', 8035' to 8039',	
8047' to 8050', 8151' to 8157',	
8163' to 8157', 8180' to 8183', 1 SPF	
01/04/08	Halliburton Frac'd Lower
Brushy Canyon with 42,000 gals	
SilverStem Basic (11)	
100,000# 16/30 sand, w/Expilite	
Avg Inj Rate 27.2 BPM,	
Avg Pressure 551#, ISIP 1186#,	
CIP 5 Min 420#, CIP 10 Min 420#,	
CIP 15 Min 420#	

Perf:	Brushy Canyon (01/04/08)
7234' to 7242, 1 SPF	
01/04/08	Halliburton Frac'd Brushy Canyon
with 14,250 gals, SilverStim	
28,000 16/30 sand with Expilite,	
Avg Inj Rate 9.9 BPM, Avg Press 825#	

Perf:	Brushy Canyon (01/04/08)
7381' to 7390, 7400' to 7405', 1 SPF	
01/04/08	Halliburton Frac'd Brushy Canyon
with 25,375 gals, SilverStim	
49,000# 16/30 sand with Expilite,	
Avg Inj Rate 14.7 BPM, Avg Press 614#	

Perf:	Middle Brushy Canyon (01/04/08)
7778' to 7784, 7792' to 7798', 1 SPF	
01/04/08	Halliburton Frac'd Middle Brushy
Canyon with 21,375 gal Silverstem,	
w/ 42,000# 16/30 sand w/Expilite,	
Avg rate 15.5 BPM, avg press 1347#	

State "2" #9

Sections Producing

Perf:	Lower Brushy Canyon (01/07/08)
8139' to 8144', 8151' to 8157',	
8162' to 8167', 8171' to 8176',	
8181' to 8186', 8202' to 8206', 1 SPF	
09/11/07	Halliburton Frac'd Lower
Brushy Canyon with 42,2000 gals	
SilverStem Basic (11)	
100,000# 16/30 sand, w/Expilite	
Avg Inj Rate 30 BPM,	
Avg Pressure 928#, ISIP 687#,	
CIP 5 Min 638#, CIP 10 Min 607#,	
CIP 15 Min 607#	

Perf:	Lower Brushy Canyon (01/24/08)
8007' to 8013', 8020' to 8026',	
8032' to 8036', 8044' to 8058', 1 SPF	
01/24/08	Halliburton Frac'd Lower Brushy
Canyon with 33,375 gals, SilverStim	
45,000 16/30 sand with Expilite,	
Avg Inj Rate 30 BPM, Avg Press 961#	

Perf:	Middle Brushy Canyon (01/31/08)
7568' to 7577', 7588' to 7592', 1 SPF	
02/01/08	Halliburton Frac'd Middle Brushy
Canyon with 25,375 gal Silverstem,	
w/ 49,000# 16/30 sand w/Expilite,	
Avg rate 16 BPM, avg press 771#	

REEF EXPLORATION, LP.

State "2" #3

1980' FNL & 1980' FWL

F-S2-T23S-R31E

Livingston Ridge; Deleware, SE

Eddy County, New Mexico

Permanent Wellbore Data

Spud Date:	9/6/07	Weatherford 912 Unit
Compl Date:	11/5/07	
KB Elev., Ft:	3439.0	
GL Elev., Ft:	3421.0	Set 40' of 20' conductor
KB	18	RKB to BH 19.5 BH 3419.5
DF Elev., Ft:	3438	17.50" hole

Surface Casing					
Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
13 3/8"	17	48#	H-40	STC	715
Cement: 555 Sx.		TOC: Surface (150 sacks)			
Date: 9/27/2007					

11" hole					
8 5/8", 32#, J-55, LT&C					
Production Csg. TOC @		3776.00'			

Intermediate Casing					
Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
8 5/8"	103	32#	J-55	LT&C	4410
Cement: 1,500 Sx.		TOC: Surface 290			
Date: 10/30/2007					

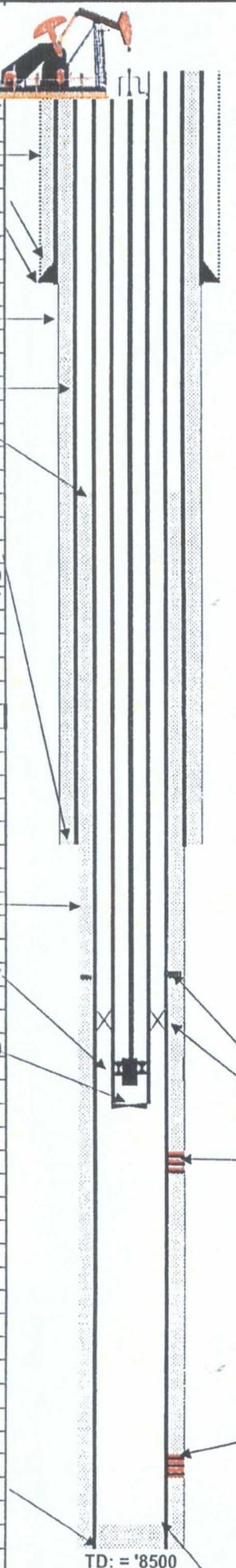
- Tubing :**
- (265) joints 2 7/8", 8 rd
 - (1) TAC w/ 15 points
 - (6) joints 2 7/8" tubing
 - (1) Seating Nipple
 - (1) 4' Perforated sub
 - (1) Mud joint
 - (1) 2 7/8" Bulplug

7 7/8" hole					
Seating Nipple @ ' 8117					
EOT: @ 8153' with bull plug					

3/6/2008 : Ran insert pump and rods			
Qty	Length	Depth	Description
Polish rod			
1	8	8	1x8' Sub
1	6	14	2x6' Sub
3	75	89	1" Sucker Rods
98	2450	2539	7/8" Sucker Rods
130	3250	5789	3/4" Sucker Rods
92	2300	8089	1" Sucker Rods
1	25	8114	1" Sucker Rod with on/off tool
	25	8139	1.75 RHBC 20-5-4 Pump
			8139 to Seating Nipple
12' Gas anchor			

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
5 1/2"	194	17#	I-80	LT&C	8430.01
5 1/2"	3	17#	I-80	LT&C	66.47
					Total depth 8496.48

There are 3 flag joints (short for logging)
 ID - 4.892", drift - 4.767", IYP - 7740#, JS - 356,000#
 Capacity - .0232 bbls/ft
 Cement: 400 Sx. TOC: DV Tool
 Cement: 610 Sx. TOC: 3776
 ID: 8,500 PBDT: 8439.7 Date: 9/18/2007
 Set Weight, Lb: 120,000#
 Tank Battery:



Data On This Completion

API #:	30-015-35675
Property Code:	36570 Pool Number: 39380
OGRID #:	246083
Drilling AFE #:	07DC008
Date:	Activity

Reached TD on: 9/18/2007
 10/8/07 Haliburton services ran Spectral Density, Dual Spaced Neutron Log, Dual Laterolog, Micro-Guard, Log from TD' to 4300'

10/17/07 Ran Radial Cement Bond Log, CCL, GR Log from TD' to 3680'

12/6/07 Haliburton Frac Brushy Canyon
 25,400 gals SilverStim LT Basic (11) w/ 45,500#, 16/30 Mesh Ottawa Sand coated w/ Expedite Lite, Max PSI: 1384, Avg PSI: 498, Max Rate: 18.5, Avg Rate: 13.4, ISIP: 965, 5 MIN: 552, 10 MIN: 512, 15 MIN: 487

10/26/07 Haliburton Frac Brushy Canyon
 27,800 Gals SilverStim LT Basic R(11) w/ 49,000#, 16/30 Mesh Ottawa Sand Coated w/ Expedite Lite, Max PSI: 5225, Avg PSI: 1883, Avg Rate: 15.6, Max Rate: 17.51, ISIP: 4793, 5 MIN: 4884, 10 MIN: 4801, 15 MIN: 4777

DV Tool set @ 6366.00'
 Tubing anchor catcher @ 7920'

Perf: Brushy Canyon (10/30/2007)
 8021'-8034', 2 JSPF w/ 120 Degree Phasing

Perf: Brushy Canyon (10/17/2007)
 8172'-8178', 8198'-8204', 1 JSPF w/ 120 Degree Phasing

PBTD ' 8440

REEF EXPLORATION, LP.

State "2" #4

1980' FSL & 1980' FWL

S2-T23S-R31E

Livingston Ridge; Delaware, South

Eddy County, New Mexico

Permanent Wellbore Data

Spud Date:	10/12/07	Weatherford	Unit
Compl Date:	11/26/07		
KB Elev., Ft:	3432.0		
GL Elev., Ft:	3414.0	Set 40' of	20' conductor
KB	18	RKB to BH	21.5 BH 3410.5
DF Elev., Ft:	3431		17.50 " hole
Surface Casing			
Size	No Jts	Wt.	Grade Jt Type Depth,Ft
13 3/8"	16	48#	H-40 STC 700
Cement:	555 Sx.	TOC:	Surface (143 sacks)
		Date:	10/13/2007

					11" hole
					8 5/8", 32#, J-55, LT&C
					Production Csg. TOC @ 5760.00'

Intermediate Casing					
Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
8 5/8"	102	32#	J-55	LT&C	4399
Cement:	1,125 Sx.	TOC	Surface	Circ	241 sx
		Date:			10/18/2007

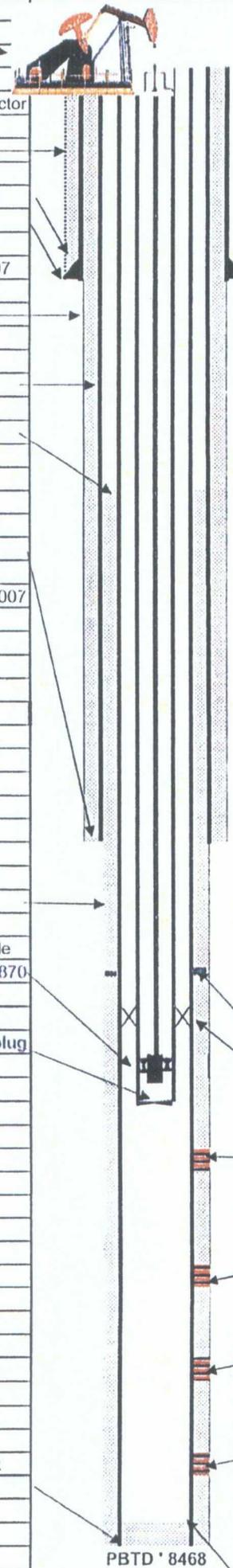
Tubing :
 (215) joints 2 7/8", J-55, 8 rnd
 (1) Anchor Catcher
 (6) joints 2 7/8" tubing
 (1) Seating Nipple
 (1) Perforated sub
 (1) Mud joint

7 7/8" hole
 Seating Nipple @ ' 6870
 EOT: @ 6901' with bull plug

2/14/2008 : Ran insert pump and rods			
Qty	Length	Depth	Description
??	??		Polish rod
1	4	4	1" x 4' Pony Rod
1	8	12	1" x 8' Pony Rod
74	1850	1862	1" Sucker Rods
84	2100	3962	7/8" Sucker Rods
110	2750	6712	3/4" Sucker Rods
2	50	6762	1" Sucker Rods
1	25	6787	1" Sucker Rod with on/off tool
1	25	6812	1.75 RWBC 20-5-4 Pump
		6812	to Seating Nipple
			12' Gas anchor

Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
5 1/2"	189	17#	I-80	LT&C	8401.78
5 1/2"	3	17#	I-80	LT&C	66.22
				Total depth	8468

There are 3 flag joints (short for logging)
 ID - 4.892", drift - 4.767", IYP - 7740#, JS - 338,000#
 Capacity - .0232 bbls/ft
 Cement: 425 Sx. TOC: DV Tool
 Cement: 550 Sx. TOC: 0
 TD: 8,468 PBD: 8420 Date: 10/25/2007
 Set Weight, Lb: 120,000#
 Tank Battery:



Data On This Completion

API #:	30-015-35676
Property Code:	36570
OGRID #:	246083
Drilling AFE #:	07DC009
Date:	Activity
Reached TD on:	10/25/2007
10/26/07	Haliburton services ran Spectral Density, Dual Spaced Neutron Log, Dual Laterolog, Micro-Guard, Log from TD' to 4377'
11/8/07	Ran Radial Cement Bond Log, CCL, GR Log from 8424' to 5400'

2/9/08 Haliburton Frac'd Upper Brushy Cany.
 23,900 gals Silverstim LT R(13) w/ 50,000# of 16/30 Arizona sand coated with Expedite lite, Max PSI: 994, Avg PSI: 505, Max Rate: 27.4, Avg Rate: 20.7, ISIP: 477, 5 min 396, 10 min 362, 15 min 351, LTR 39,852 gals

2/8/07 Haliburton Frac'd Middle Brushy Cany.
 18,500 gals Silverstim LT R(13) w/ 13,500# Arizona sand coated w/ Expedite lite, Max PSI: 4171, Avg PSI: 1620, Max Rate: 16.46, Avg Rate: 9.79, ISIP: 4156, 5 min 3280, 10 min 3306, 15 min 3341, LTR 29,416 gals

11/17/07 Haliburton Frac'd Lower Brushy Cany.
 25,400 gals Silverstim LT basic R(11) w/ 45,500# 16/30 Mesh Ottawa sand coated w/ Expedite lite, Max PSI: 889, AVG PSI: 577, Max Rate: 15.7, AVG Rate: 15.0, ISIP: 526, 5 MIN 393, 10 MIN 366, 15 MIN 355

11/17/07 Haliburton Frac'd Lower Brushy Cany:
 27,800 gals Silverstim LT R(11) w/ 22,120#, 16/30 sand w/ expedite & 26,880# 20/40 sand w/ expedite lite Max PSI: 1024, Avg PSI: 558, Max Rate: 16.5, Avg Rate: 15.2, ISIP: 747, 5 min 536, 10 min 456, 15 min 398, LTR 1,011 gals

DV Tool set @ 6460.00'
 Tubing anchor catcher @ 6684'

Perf: Upper Brushy Canyon (02/09/2007)
 6970' to 6980', 7074' to 7080', 1 SPF

Perf: Middle Brushy Canyon (02/05/2007)
 7570' - 7580', 1 JSPF

Perf: Lower Brushy Canyon (11/17/2007)
 8007'-8010', 8088'-8092', 8110'-8114', 1 JSPF

Perf: Lower Brushy Canyon (11/09/2007)
 8162'-8166', 8180'-8184', 8192'-8200', 8210'-8214', 8220'-8224', 1 JSPF

TD: = '8420
 Set 5 1/2" csg at 8464'

Attachment E-1

Prepared by: JLW

REEF EXPLORATION, LP.

State "2" #5

660' FSL & 1980' FWL

N-S2-T23S-R31E

Livingston Ridge; Delaware, SE

Eddy County, New Mexico

Permanent Wellbore Data

Spud Date: 10/31/07 Weatherford 912 Unit

Compl Date: 11/26/07

KB Elev., Ft: 3434.0

GL Elev., Ft: 3416.0 Set 40' of 20' conductor

KB	18	RKB to BH	20.5	BH	3413.5
----	----	-----------	------	----	--------

DF Elev., Ft: 3433 17.50" hole

Surface Casing

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
13 3/8"	16	48#	H-40	STC	700

Cement: 555 Sx. TOC: Surface (169 sacks)

Date: 11/2/2007

11" hole

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

Production Csg. TOC @ 3093.00'

Intermediate Casing

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
8 5/8"	100	32#	J-55	LT&C	4300

Cement: 1,100 Sx. TOC: Surface 210

Date: 11/7/2007

Tubing :

(254) joints 2 7/8", J-55, 8 rd

(1) 5 1/2" x 2 7/8" TAC

(6) joints 2 7/8" tubing

(1) Seating Nipple

(1) 4' Perforated sub

(1) Mud joint

(1) 2 7/8" Bulplug

7 7/8" hole

Seating Nipple @ ' 8123

EOT: @ 8232' with bull plug

2/14/2008 : Ran insert pump and rods

Qty	Length	Depth	Description
			Polish rod
		0	1" x 4' Pony Rod
		0	1" x 8' Pony Rod
91	2275	2275	1" Sucker Rods
98	2450	4725	7/8" Sucker Rods
131	3275	8000	3/4" Sucker Rods
4	100	8100	1" Sucker Rods
1	25	8125	1" Sucker Rod with on/off tool
		8125	1.75 RHBC 20-5-4 Pump
		8125	to Seating Nipple
			12' Gas anchor

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft	
5 1/2"	191	17#	I-80	LT&C	8483.78	
5 1/2"	3	17#	I-80	LT&C	66.8	
					Total depth	8550.58

There are 3 flag joints (short for logging)

ID - 4.892", drift - 4.767", IYP - 7740#, JS - 356,000#

Capacity - .0232 bbls/ft

Cement: 550 Sx. TOC: DV Tool

Cement: 650 Sx. TOC: 3093

TD: 8,550 PBTD: 8501 Date: 11/14/2007

Set Weight, Lb: 120,000#

Tank Battery:

Weatherford 912 Unit

17.50" hole

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

Production Csg. TOC @ 3093.00'

Intermediate Casing

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
8 5/8"	100	32#	J-55	LT&C	4300

Cement: 1,100 Sx. TOC: Surface 210

Date: 11/7/2007

Tubing :

(254) joints 2 7/8", J-55, 8 rd

(1) 5 1/2" x 2 7/8" TAC

(6) joints 2 7/8" tubing

(1) Seating Nipple

(1) 4' Perforated sub

(1) Mud joint

(1) 2 7/8" Bulplug

7 7/8" hole

Seating Nipple @ ' 8123

EOT: @ 8232' with bull plug

2/14/2008 : Ran insert pump and rods

Qty	Length	Depth	Description
			Polish rod
		0	1" x 4' Pony Rod
		0	1" x 8' Pony Rod
91	2275	2275	1" Sucker Rods
98	2450	4725	7/8" Sucker Rods
131	3275	8000	3/4" Sucker Rods
4	100	8100	1" Sucker Rods
1	25	8125	1" Sucker Rod with on/off tool
		8125	1.75 RHBC 20-5-4 Pump
		8125	to Seating Nipple
			12' Gas anchor

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft	
5 1/2"	191	17#	I-80	LT&C	8483.78	
5 1/2"	3	17#	I-80	LT&C	66.8	
					Total depth	8550.58

There are 3 flag joints (short for logging)

ID - 4.892", drift - 4.767", IYP - 7740#, JS - 356,000#

Capacity - .0232 bbls/ft

Cement: 550 Sx. TOC: DV Tool

Cement: 650 Sx. TOC: 3093

TD: 8,550 PBTD: 8501 Date: 11/14/2007

Set Weight, Lb: 120,000#

Tank Battery:

Weatherford 912 Unit

17.50" hole

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

Production Csg. TOC @ 3093.00'

Intermediate Casing

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
8 5/8"	100	32#	J-55	LT&C	4300

Cement: 1,100 Sx. TOC: Surface 210

Date: 11/7/2007

Tubing :

(254) joints 2 7/8", J-55, 8 rd

(1) 5 1/2" x 2 7/8" TAC

(6) joints 2 7/8" tubing

(1) Seating Nipple

(1) 4' Perforated sub

(1) Mud joint

(1) 2 7/8" Bulplug

7 7/8" hole

Seating Nipple @ ' 8123

EOT: @ 8232' with bull plug

2/14/2008 : Ran insert pump and rods

Qty	Length	Depth	Description
			Polish rod
		0	1" x 4' Pony Rod
		0	1" x 8' Pony Rod
91	2275	2275	1" Sucker Rods
98	2450	4725	7/8" Sucker Rods
131	3275	8000	3/4" Sucker Rods
4	100	8100	1" Sucker Rods
1	25	8125	1" Sucker Rod with on/off tool
		8125	1.75 RHBC 20-5-4 Pump
		8125	to Seating Nipple
			12' Gas anchor

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft	
5 1/2"	191	17#	I-80	LT&C	8483.78	
5 1/2"	3	17#	I-80	LT&C	66.8	
					Total depth	8550.58

There are 3 flag joints (short for logging)

ID - 4.892", drift - 4.767", IYP - 7740#, JS - 356,000#

Capacity - .0232 bbls/ft

Cement: 550 Sx. TOC: DV Tool

Cement: 650 Sx. TOC: 3093

TD: 8,550 PBTD: 8501 Date: 11/14/2007

Set Weight, Lb: 120,000#

Tank Battery:

Weatherford 912 Unit

17.50" hole

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

Production Csg. TOC @ 3093.00'

Intermediate Casing

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
8 5/8"	100	32#	J-55	LT&C	4300

Cement: 1,100 Sx. TOC: Surface 210

Date: 11/7/2007

Tubing :

(254) joints 2 7/8", J-55, 8 rd

(1) 5 1/2" x 2 7/8" TAC

(6) joints 2 7/8" tubing

(1) Seating Nipple

(1) 4' Perforated sub

(1) Mud joint

(1) 2 7/8" Bulplug

7 7/8" hole

Seating Nipple @ ' 8123

EOT: @ 8232' with bull plug

2/14/2008 : Ran insert pump and rods

Qty	Length	Depth	Description
			Polish rod
		0	1" x 4' Pony Rod
		0	1" x 8' Pony Rod
91	2275	2275	1" Sucker Rods
98	2450	4725	7/8" Sucker Rods
131	3275	8000	3/4" Sucker Rods
4	100	8100	1" Sucker Rods
1	25	8125	1" Sucker Rod with on/off tool
		8125	1.75 RHBC 20-5-4 Pump
		8125	to Seating Nipple
			12' Gas anchor

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft	
5 1/2"	191	17#	I-80	LT&C	8483.78	
5 1/2"	3	17#	I-80	LT&C	66.8	
					Total depth	8550.58

There are 3 flag joints (short for logging)

ID - 4.892", drift - 4.767", IYP - 7740#, JS - 356,000#

Capacity - .0232 bbls/ft

Cement: 550 Sx. TOC: DV Tool

Cement: 650 Sx. TOC: 3093

TD: 8,550 PBTD: 8501 Date: 11/14/2007

Set Weight, Lb: 120,000#

Tank Battery:

Weatherford 912 Unit

17.50" hole

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

Production Csg. TOC @ 3093.00'

Intermediate Casing

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
8 5/8"	100	32#	J-55	LT&C	4300

Cement: 1,100 Sx. TOC: Surface 210

Date: 11/7/2007

Tubing :

(254) joints 2 7/8", J-55, 8 rd

(1) 5 1/2" x 2 7/8" TAC

(6) joints 2 7/8" tubing

(1) Seating Nipple

(1) 4' Perforated sub

(1) Mud joint

(1) 2 7/8" Bulplug

7 7/8" hole

Seating Nipple @ ' 8123

EOT: @ 8232' with bull plug

2/14/2008 : Ran insert pump and rods

Qty	Length	Depth	Description
			Polish rod
		0	1" x 4' Pony Rod
		0	1" x 8' Pony Rod
91	2275	2275	1" Sucker Rods
98	2450	4725	7/8" Sucker Rods
131	3275	8000	3/4" Sucker Rods
4	100	8100	1" Sucker Rods
1	25	8125	1" Sucker Rod with on/off tool
		8125	1.75 RHBC 20-5-4 Pump
		8125	to Seating Nipple
			12' Gas anchor

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft	
5 1/2"	191	17#	I-80	LT&C	8483.78	
5 1/2"	3	17#	I-80	LT&C	66.8	
					Total depth	8550.58

There are 3 flag joints (short for logging)

ID - 4.892", drift - 4.767", IYP - 7740#, JS - 356,000#

Capacity - .0232 bbls/ft

Cement: 550 Sx. TOC: DV Tool

ATTACHMENT J

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:

September 15 2009

That the cost of publication is **\$61.08** and that payment thereof has been made and will be assessed as court costs.

Kathy McCarroll

Subscribed and sworn to before me this

15th day of September, 2009

Stephanie Dobson

My commission Expires on 11/25/2010

Notary Public



September 15, 2009

Legal Notice

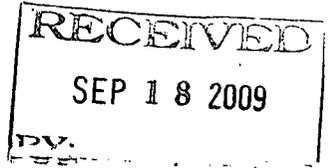
Notice of Application
for Fluid Injection
Well Permit

Reef Exploration, L.P., 1901 North Central Expressway, Suite 300, Richardson, Texas 75080-3610, Jose L. Velez, phone number 972-437-6792, has applied to the New Mexico Oil Conservation Division for Authorization to inject.

The applicant proposes to inject salt water into the Delaware Formation, State #2 #8 well. The proposed injection well is located 1980' from the South line and 660' from the West line of Section 2, T-23-S, R-31-E, N.M.P.M., Eddy County, New Mexico. Fluid will be injected in the State #2 well #8 in the sub-surface 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#.

Requests for a public hearing from persons who can show that they are adversely affected, or requests for further information concerning any aspect of the application should be sub-

mitted in writing within fifteen days of publication, to the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505.





Tuesday, September 01, 2009

BP America Production Company
P.O. Box 4587
Houston, Texas
77210-4587

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

Gentlemen,

Reef Exploration, L.P. 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.

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

Regards,

A handwritten signature in black ink, appearing to be "J. 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



Monday, September 21, 2009

BP America Production Company
P.O. Box 4587
Houston, Texas
77210-4587

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

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Regards,

Jose L. Velez
Regulatory Affairs

Enclosures

E75408 SEP 21, 2009 ACT WT LTR #PK 1
SERVICE 2DA BILL WT LTR
TRACKING# 1ZE754080249537150 ALL CURRENCY USD
RETURN NO.: REEF SWD
REF 2:STATE 2#8 INJECTION PERMIT APPLIC.

HANDLING CHARGE 0.00 FRT: SHP
SHIPMENT NR RATE CHARGES: SVC 6.41 USD
DV 0.00 COD 0.00 RS 0.00
DC 0.00 DGD 0.00
AH 0.00 PR 0.00 ROD 0.00
TOT NR CHG 6.41 NR+HANDLING 6.41
TOT PUB CHG 10.18 PUB+HANDLING 10.18

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.reefoac.com



Tuesday, September 01, 2009

Devon Energy Production Company, LP
20 Broadway, Suite 1500
Oklahoma City, OK
73102-8260

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

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Regards,

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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



Monday, September 21, 2009

Devon Energy Production Company, LP
20 Broadway, Suite 1500
Oklahoma City, OK
73102-8260

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

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Regards,

Jose L. Velez
Regulatory Affairs

Enclosures

E75408	SEP 21, 2009	ACT WT	LTR	#PK 1
SERVICE ZDA		BILL WT	LTR	
TRACKING# 1ZE754080247144962		ALL CURRENCY USD		
RETURN NO.: REEF OFFICE				
REF 2: STATE 2#8 INJECTION PERMIT APPLIC.				
HANDLING CHARGE 0.00		FRT: SHP		
SHIPMENT NR	RATE CHARGES:	SVC 6.41 USD		
DV 0.00	COD 0.00	RS	0.00	
DC 0.00	DGD 0.00			
AH 0.00	PR 0.00	ROD	0.00	
TOT NR CHG	6.41	NR+HANDLING	6.41	
TOT PUB CHG	10.18	PUB+HANDLING	10.18	

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.reefoac.com



Tuesday, September 01, 2009

Forest Oil Corporation
707 17th Street, Suite 3600
Denver, Colorado
80202

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

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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
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Toll Free: (877) 915-7333 • www.reefogc.com



Monday, September 21, 2009

Forest Oil Corporation
707 17th Street, Suite 3600
Denver, Colorado
80202

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

Jose L. Velez
Regulatory Affairs

Enclosures

E75408 SEP 21, 2009 ACT WT LTR #PK 1
SERVICE 2DA BILL WT LTR
TRACKING# 1ZE754080248032974 ALL CURRENCY USD
RETURN NO.: REEF OFFICE
REF 2:STATE 2#8 INJECTION PERMIT APPLIC.

HANDLING CHARGE 0.00 FRT: SHP
SHIPMENT NR RATE CHARGES: SVC 7.34 USD
DV 0.00 COD 0.00 RS 0.00
DC 0.00 DGD 0.00
AH 0.00 PR 0.00 ROD 0.00
TOT NR CHG 7.34 NR+HANDLING 7.34
TOT PUB CHG 11.66 PUB+HANDLING 11.66

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

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(972) 437-6792 • Fax: (972) 994-0369
Toll Free: (877) 915-7333 • www.reefogc.com



Tuesday, September 01, 2009

Forest Oil Corporation
1600 Broadway, Suite 2200
Denver, CO 80202

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

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Jose L. Velez
Regulatory Affairs

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Forest Oil Corporation
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Denver, CO 80202

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

Gentlemen,

Reef Exploration, L.P. 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.

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

Regards,

Jose L. Velez
Regulatory Affairs

Enclosures

E75408	SEP 21, 2009	ACT WT	LTR	#PK 1
SERVICE 2DA		BILL WT	LTR	
TRACKING# 1ZE754080249885186				ALL CURRENCY USD
RETURN NO.: REEF OFFICE				
REF 2: STATE 2#8 INJECTION PERMIT APPLIC.				
HANDLING CHARGE 0.00		FRT: SHP		
SHIPMENT NR RATE CHARGES:		SVC 7.34 USD		
DV 0.00	COD 0.00	RS 0.00		
DC 0.00	DGD 0.00			
AH 0.00	PR 0.00	ROD 0.00		
TOT NR CHG 7.34		NR+HANDLING 7.34		
TOT PUB CHG 11.66		PUB+HANDLING 11.66		

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.reefnac.com



Tuesday, September 01, 2009

Samson Resources Company
Samson Plaza
Two West Second Street
Tulsa, OK 74103

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

Gentlemen,

Reef Exploration, L.P. 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.

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

Regards,

A handwritten signature in black ink, appearing to be "Jose L. Velez".

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



Monday, September 21, 2009

Samson Resources Company
Samson Plaza
Two West Second Street
Tulsa, OK 74103

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

Gentlemen,

Reef Exploration, L.P. 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.

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

Regards,

Jose L. Velez
Regulatory Affairs

Enclosures

E75408 SEP 21, 2009 ACT WT LTR #PK 1
SERVICE 2DA BILL WT LTR
TRACKING# 1ZE754080249665593 ALL CURRENCY USD
RETURN NO.: REEF OFFICE
REF 2: STATE 2#8 INJECTION PERMIT APPLIC.

HANDLING CHARGE 0.00 FRT: SHP
SHIPMENT NR RATE CHARGES: SVC 6.41 USD
DV 0.00 COD 0.00 RS 0.00
DC 0.00 DGD 0.00
AH 0.00 PR 0.00 ROD 0.00
TOT NR CHG 6.41 NR+HANDLING 6.41
TOT PUB CHG 10.18 PUB+HANDLING 10.18

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.reefoac.com



Monday, September 21, 2009

BP America Production Company
P.O. Box 4587
Houston, Texas
77210-4587

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

Gentlemen,

Reef Exploration, L.P. 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.

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

Regards,

Jose L. Velez
Regulatory Affairs

Enclosures

E75408	SEP 21, 2009	ACT WT LTR	#PK 1
SERVICE 2DA		BILL WT LTR	
TRACKING# 1ZE754080249537150		ALL CURRENCY USD	
RETURN NO.: REEF SWD			
REF 2:STATE 2#8 INJECTION PERMIT APPLIC.			
HANDLING CHARGE 0.00		FRT: SHP	
SHIPMENT NR RATE CHARGES:		SVC 6.41 USD	
DV 0.00	COD 0.00	RS 0.00	
DC 0.00	DGD 0.00		
AH 0.00	PR 0.00	ROD 0.00	
TOT NR CHG 6.41		NR+HANDLING 6.41	
TOT PUB CHG 10.18		PUB+HANDLING 10.18	

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.reefoac.com



Friday, October 09, 2009

Anne deLain W. Clark
NM Radioactive Waste Consultation Task Force
1220 South St. Francis Drive
Santa Fe, NM 87505

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

Dear Mrs. Clark,

Reef Exploration, L.P. 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 per NM OCD requirements. A copy of the application is attached. You have the option to object to the proposed injection permit application in writing to the New Mexico Oil Conservation Division.

If you need any other information or have questions, please contact me directly at 972-437-6792 or by email at josev@reefoag.com.

Regards,

Jose L. Velez
Regulatory Affairs

Enclosures

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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 8.02

Postmark: 8 Here 2009

Sent To	Anne deLain W. Clark
Street, Apt. No., or PO Box No.	1220 South Francis Drive
City, State, ZIP+4	Santa Fe, NM 87505

PS Form 3800, August 2006 See Reverse for Instructions

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.reefoag.com



Friday, October 09, 2009

Mosaic Potash Carlsbad, Inc.
 1361 Potash Mines Rd.
 Carlsbad, New Mexico 88220

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

Gentlemen,

Reef Exploration, L.P. 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 per NM OCD requirements. A copy of the application is attached. You have the option to object to the proposed injection permit application in writing to the New Mexico Oil Conservation Division.

If you need any other information or have questions, please contact me directly at 972-437-6792 or by email at josev@reefogg.com.

Regards,

Jose L. Velez
 Regulatory Affairs

Enclosures

7007 2560 0000 0952 2007

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Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 8.02

Sent To: **Mosaic Potash Carlsbad, Inc.**

Street, Apt. No., or PO Box No. **1361 Potash mines Rd.**

City, State, ZIP+4 **carlsbad, NM 88220**

Postmark
OCT 8 2009
SPC

PS Form 3800, August 2005 See Reverse for Instructions

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.reefogg.com



Friday, October 09, 2009

Marathon Oil Co.
2350 W Marland St
P.O. Box 2490
Hobbs NM 88240

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

Gentlemen,

Reef Exploration, L.P. 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.

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

Regards,

Jose L. Velez
Regulatory Affairs

Enclosures

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Postage	\$ 2.92
Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 8.02

Postmark
HOBBS
8
2009

Sent To	Marathon oil Co.
Street, Apt. No., or PO Box No.	P.O. Box 2490, 2350 W. Marland
City, State, ZIP+4	Hobbs, NM 88240

PS Form 3800, August 2005 See Reverse for Instructions

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



Friday, October 09, 2009

Yates Petroleum Corporation
105 South 4th Street
Artesia, New Mexico 88210

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

Gentlemen,

Reef Exploration, L.P. 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.

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

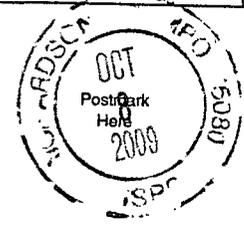
Regards,

Jose L. Velez
Regulatory Affairs

Enclosures

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Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$8.02
Sent To Yates Petroleum Corp	
Street, Apt. No., or PO Box No. 105 South 4th Str.	
City, State, ZIP+4 Artesia, NM 88210	
PS Form 3800, August 2006 See Reverse for Instructions	



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



Friday, October 09, 2009

New Mexico State Land Office
P.O. Box 1148
Santa Fe, NM 87504-1148

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

Gentlemen,

Reef Exploration, L.P. 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 per NMOCD requirements. A copy of the application is attached. You have the option to object to the proposed injection permit application in writing to the New Mexico Oil Conservation Division.

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

Regards,

Jose L. Velez
Regulatory Affairs

Enclosures

DEED 5994 0000 0952 2007

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Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 8.02

Postmark: OCT 8 2009 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 87504-1148

PS Form 3800, August 2006 See Reverse for Instructions

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



Friday, October 09, 2009

Department of Energy
Carlsbad Field Office
Attn: David Moody
4021 National Park Highway
Carlsbad, New Mexico 88221

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

Dear Mr. Moody,

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If you need any other information or have questions, please contact me directly at 972-437-6792 or by email at josev@reefoac.com.

Regards,

Jose L. Velez
Regulatory Affairs

Enclosures

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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 8.02

Postmark Here: OCT 8 2009

Sent To	David Moody - Dept. of Energy
Street, Apt. No., or PO Box No.	4021 National Park Highway
City, State, ZIP+4	Carlsbad, NM 88221

PS Form 3800, August 2006 See Reverse for Instructions

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.reefoac.com



Friday, October 09, 2009

Bureau of Land Management
620 E. Green St.
Carlsbad, New Mexico 88220

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

Gentlemen,

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

Regards,

Jose L. Velez
Regulatory Affairs

Enclosures

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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 8.02

2560 0000 4665 0309

7007

Postmark
OCT 8
2009

ARDSCA 150 5080

SPC

Sent To	BUREAU OF LAND MANAGEMENT
Street, Apt. No., or PO Box No.	620 E. GREEN ST.
City, State, ZIP+4	CARLSBAD, NM 88220

PS Form 3800, August 2006 See Reverse for Instructions

**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

 This message was sent with high importance.

Jones, William V., EMNRD

From: Jose L. Velez [Josev@reefogc.com] **Sent:** Fri 10/2/2009 9:38 AM
To: Warnell, Terry G, EMNRD; Jose L. Velez; Ronald Sentz
Cc: Ezeanyim, Richard, EMNRD; Brooks, David K., EMNRD; Clark, Anne, EMNRD; Reeves, Jacqueta, EMNRD; Wesley_Ingram@blm.gov; Jones, William V., EMNRD
Subject: RE: SWD Application from Reef Exploration, LP: State 2 #8 30-015-35749
Attachments:

Hello Terry,

Thanks for your assistance this morning. Per our conversation, you will provide me with the address of Anne Clark at the New Mexico WIPP Site and for Marathon Oil. As soon as I get those I will forward a formal notice with a complete copy of the application to each of the requested parties.

I will email you scanned copies of the submittals with UPS tracking numbers as well as mail copies to your office.

Regards,

Jose L. Velez

Regulatory Affairs

Reef Exploration, L.P.

josev@reefogc.com

972-437-6792

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]
Sent: Thursday, October 01, 2009 12:06 PM
To: Jose L. Velez
Cc: Ezeanyim, Richard, EMNRD; Brooks, David K., EMNRD; Clark, Anne, EMNRD; Reeves, Jacqueta, EMNRD; Wesley_Ingram@blm.gov; Warnell, Terry G, EMNRD
Subject: SWD Application from Reef Exploration, LP: State 2 #8 30-015-35749

Hello Mr. Velez:

This application by Reef for renewal of an expired SWD permit into the Delaware is about 3300 feet from the 16 sq mile WIPP project and also in or near the defined Potash area. You have applied for renewal without sending formal notice to the same group of affected parties as was required in the original submittal a couple of years ago.

Please let me know why Halliburton was asked to review the cement bond in the interval from 4720 to 4920. Is this a thief zone?

Please send formal notice of this application (a complete copy of the submittal) to:

- a. the nearest Potash leaseholder
- b. The DOE manager of the WIPP site
- c. The New Mexico Manager of the WIPP site: Anne Clark (at this address)
- d. The BLM in Carlsbad
- e. The State Land Office in Santa Fe as the surface owner
- f. To Marathon Oil and
- g. To Yates Petroleum – please ask Yates for a waiver (they protested your previous application, so we want to be sure they are OK with this on.)

Please note, the OCD requires injection intervals to be bounded on the bottom within 200 feet with a valid plug and on the top within 100 feet with an injection packer. Your application said in one point that the injection packer would be set at 4406 which would be too high.

Send a signed form "Administrative Application Checklist" available on the OCD web site under "forms".

Please send the cement treatment reports from the service company for both the 8-5/8 inch and the 5-1/2 inch casings. (if you can locate them)

Send a wellbore diagram showing all casing and cement on the Dunes State #1 30-015-24112

Please estimate what injection rates and injection volumes you will need to put into this well.

Why didn't Reef get this well started injecting after the last permit was granted?

Thank you in advance for addressing this, please note: I will be out for the next 2 weeks, so address questions to Terry Warnell:

<http://www.emnrd.state.nm.us/OCD/engineergeology.htm>

Regards,

William V. Jones PE

New Mexico Oil Conservation Division

1220 South St. Francis

Santa Fe, NM 87505

505-476-3448



Thursday, October 08, 2009

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

Re: **Injection Permit Application
State 2 Well No. 8
API #30-015-35749**

William,

Please find below and attached to this letter responses to your email dated Thursday, October 01, 2009 (copy also attached).

- a. Reef asked Halliburton to evaluate the Bond Log to confirm that we had a good cement job throughout the production string. The particular interval listed on the e-mail was to verify that the frac in the Bell Canyon interval Reef intends to perforate would stay in the zone. We have no concern with it being a thief zone.
- b. Formal notice has been sent to the following parties:
 - a. Mosaic Potash Carlsbad, Inc.
 - b. David Moody, Department of Energy
 - c. Anne deLain W. Clark, WIPP Site Manager
 - d. Carlsbad BLM
 - e. New Mexico State Land Office
 - f. Marathon Oil
 - g. Yates Petroleum
- c. The application has been modified to include a plug at 6080', which is 200' below the injection interval. The packer setting depth has also been modified and will be set at 4506'.
- d. A signed "Administrative Application Checklist" has been provided
- e. Copies of the cement treatment reports provide by Halliburton have been attached per your request
- f. The Dunes State #1 (API #30-015-24112) was never drilled. Copies of NMOCD records have been attached.

2009 OCT 13 AM 9:49
RECEIVED OGD

**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.reefocg.com



g. The proposed injection rates and injection volumes will be, as outlined in Section VII of the application:

- a. Proposed average daily injection volumes: 4,000 BWPD
- b. Proposed maximum daily injection volume: 10,000 BWPD
- c. Proposed average daily injection pressure: 1,000#
- d. Proposed maximum daily injection pressure: 1,140#

h. Reef did not undergo conversion of the State 2 #8 well last year as a result of poor economics given the plunge in oil prices. However, with prices stabilizing at current levels the economics are present. We anticipate conversion as soon as possible once the injection permit has been approved.

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

Regards,

Jose L. Velez
Regulatory Affairs

Enclosures

```

E75408      OCT 5, 2009      ACT WT  LTR      #PK 1
SERVICE 1DA                    BILL WT  LTR
TRACKING# 1ZE754080148540846    ALL CURRENCY USD
RETURN NO.: REEF OFFICE
REF 2:STATE 2 #8 INJ PERMIT

HANDLING CHARGE 0.00          FRT: SHP
SHIPMENT NR RATE CHARGES:    SVC 13.00 USD
DV 0.00                      COD 0.00      RS 0.00
DC 0.00                      DGD 0.00
AH 0.00                      PR 0.00     ROD 0.00
TOT NR CHG 13.00             NR+HANDLING 13.00
TOT PUB CHG 21.66           PUB+HANDLING 21.66

```

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

Jose L. Velez

From: Jones, William V., EMNRD [William.V.Jones@state.nm.us]
Sent: Thursday, October 01, 2009 12:06 PM
To: Jose L. Velez
Cc: Ezeanyim, Richard, EMNRD; Brooks, David K., EMNRD; Clark, Anne, EMNRD; Reeves, Jacqueta, EMNRD; Wesley_Ingram@blm.gov; Warnell, Terry G, EMNRD
Subject: SWD Application from Reef Exploration, LP: State 2 #8 30-015-35749

Hello Mr. Velez:

This application by Reef for renewal of an expired SWD permit into the Delaware is about 3300 feet from the 16 sq mile WIPP project and also in or near the defined Potash area. You have applied for renewal without sending formal notice to the same group of affected parties as was required in the original submittal a couple of years ago.

- a. Please let me know why Halliburton was asked to review the cement bond in the interval from 4720 to 4920. Is this a thief zone?
- b. Please send formal notice of this application (a complete copy of the submittal) to:
 - a. the nearest Potash leaseholder
 - b. The DOE manager of the WIPP site
 - c. The New Mexico Manager of the WIPP site: Anne Clark (at this address)
 - d. The BLM in Carlsbad
 - e. The State Land Office in Santa Fe as the surface owner
 - f. To Marathon Oil and
 - g. To Yates Petroleum – please ask Yates for a waiver (they protested your previous application, so we want to be sure they are OK with this on.)
- c. Please note, the OCD requires injection intervals to be bounded on the bottom within 200 feet with a valid plug and on the top within 100 feet with an injection packer. Your application said in one point that the injection packer would be set at 4406 which would be too high.
- d. Send a signed form “Administrative Application Checklist” available on the OCD web site under “forms”.
- e. Please send the cement treatment reports from the service company for both the 8-5/8 inch and the 5-1/2 inch casings. (if you can locate them)
- f. Send a wellbore diagram showing all casing and cement on the Dunes State #1 30-015-24112
- g. Please estimate what injection rates and injection volumes you will need to put into this well.
- h. Why didn’t Reef get this well started injecting after the last permit was granted?

Thank you in advance for addressing this, please note: I will be out for the next 2 weeks, so address questions to Terry Warnell:

<http://www.emnrd.state.nm.us/OCD/engineergeology.htm>

Regards,

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

The Road to Excellence Starts with Safety					
Sold To #: 304971		Ship To #: 2613045		Primary Sales Order #: 5498493	
Customer: REEF EXPLORATION, INC. EBUS			Job Purpose: Cement Surface Casing		
Well Name: STATE 2			Well #: 8		API/UWI #:
Field:		City: LOVING		County/Parish: Eddy	
State/Prov: New Mexico					
Customer Rep: PRUITT, ROGER Office:432-425-4939, Mobile:432-289-3213 ORLANDO					
Ordered By: PRUITT, ROGER Office:432-425-4939, Mobile:432-289-3213 ORLANDO					
Contractor: PATTERSON;					
Rig/Platform Name/Num: 512					Location: Land
Sales Person: PAGE, DENNIS				Status: Job Scheduled	
PPE, Safety Huddles, JSA's, HOC & Near Miss Reporting, BBP Observations					
Distance/Mileage(1 way) Srvc:		50.0 miles		Distance/Mileage(1 way) Mtls:	
				50.0 miles	
Call Taken By:		DAVID RODRIGUEZ		Call Taken Date/Time:	
Call Out Crew Date/Time:				Rqstd On Location Date/Time:	
				18-Nov-2007 23:00 MST	
				Rqstd Job Start Date/Time:	
				18-Nov-2007 23:59 MST	
HSE Information					
H2S Present:		Unknown		CO2 Present:	
				Unknown	
Drive Safely, Lights On for Safety, Wear Seat Belts, Observe all HES/ Customer Safety Policies.					
Directions: FROM 62/180 HIGH WAY GO 35.2 MILES TO CABELL RD (C29) GO SOUTH ON CABELL FOR 16 MILES TO RIG SIGN. TURN RIGHT FOR .3 MILES TURN RIGHT TO RIG.					
Remarks					
General: WILL TRUCK LEAD, TAIL CEMENT TO LOCATION WHEN JOB CALLS IN!!!!					
MARIO DELIVERED FE AND CIRCULATING IRON 11/17					
11/18/07 PER BILLY GIDEON, PLEASE LOAD AND HOLD ALL CEMENT (KW)					
Tie on Connection: Take Quick Latch Head if Possible!					
Surface Equipment (Generic): NEED MAKE SURE TAKE 13 3/8 RUBBER PLUG					
Materials: COMPANYMAN REQUESTED THAT YOU PICK UP ALL TRASH BEFORE LEAVING LOCATION. IF YOU HAVE WATER ON PUMP TRUCK AFTER YOU ARE DONE WITH JOB MAKE SURE YOU GO TO ONE OF REEF LOCATIONS THAT HAS A PIT AND YOU DRAIN PUMP WATER THERE.					
HSE Information: Remember.....Dont find out about safety by Accident!!! Identify & communicate all hazards on location. Look out for our new employees!					
Job Procedures					
Pump 20 bbl H2O Spacer Ahead, Pump Lead Cement, Pump Tail Cement, Shut down & drop plug! Start Displacement H2O, Bump Plug! DO NOT OVER DISPLACE PLUG!					
Pumping Equipment (Generic)					
Description	Qty	Comments	Description	Qty	Comments
75-TC4 W/ADC	1		PICK UP TRUCK	1	
BULK TRUCKS	2				
Surface Equipment (Generic)					
Description	Qty	Comments	Description	Qty	Comments
PLUG CONTAINER	1	13 3/8 QUICK LATCH	SWAGE	2	8rd

Job Info / Well Data												
Job Depth (MD) ft	Job Depth (TVD) ft	Max Pressure psig	Well Fluid Type			Well Fluid Weight lbm/gal	Displacement Fluid			Displ Fluid Weight lbm/gal		
900.0	900.0		Brine			9.0						
BHST degF	Source		BHCT degF	Source		Log Temp degF	Time Since Circ Stopped					
85												
Job Tubulars/Tools												
Description	Size in	Weight lbm/ft	ID in	Thread	Grade	Top MD ft	Btm MD ft	Top TVD ft	Btm TVD ft	Shoe Jnt ft	% Excess	
Surface Casing	13.375	54.5	12.615			0.0	900.0			40.0	0	
17-1/2" Hole			17.5			0.0	900.0				0	
Tie on Connection												
Size: 13 3/8 in		Thread: 8 RD (LT&C)			Type: Casing			Cross Over Required: No				
Materials												
Stage/Plug #: 1												
Fluid #	Fluid Name	Package/SBM/Material Name			Rqstd Del Qty	UOM	Density lbm/gal	Yield ft ³ /sk	Mix Fluid Gal/sk	Rate bbl/min	Fluid+Liq AddGal/sk	
1	HL Premium Plus	HALLIBURTON LIGHT PREMIUM PLUS - SBM (14241)			255	sacks	12.6	1.92	10.49			
10.491 Gal		FRESH WATER Mix-On-Fly to Slurry										
1 %		CALCIUM CHLORIDE - HI TEST PELLET (100005053) Pre-Mix Dry										
0.125 lbm		POLY-E-FLAKE (101216940) Pre-Mix Dry										
Fluid #	Fluid Name	Package/SBM/Material Name			Rqstd Del Qty	UOM	Density lbm/gal	Yield ft ³ /sk	Mix Fluid Gal/sk	Rate bbl/min	Fluid+Liq AddGal/sk	
2	Premium Plus	Premium Plus			300	sacks	14.8	1.33	6.33			
94 lbm		CMT - PREMIUM PLUS - CLASS C REG OR TYPE III, BULK (100012205) Pre-Mix Dry										
6.328 Gal		FRESH WATER Mix-On-Fly to Slurry										
1 %		CALCIUM CHLORIDE - HI TEST PELLET (100005053) Pre-Mix Dry										
Sales/Rental/3 rd Party												
SAP #	Description				Qty	Qty uom	Supplier		Comments/ Tech ID #			
101235693	PLUG,CMTG, TOP, 13 3/8, HWE, 11.79 MIN/12.72				1	EA						
2	MILEAGE FOR DELIVERY OF IRON				100	MI						
86954	ZI FUEL SURCHG-CARS/PICKUPS<1 1/2TON				100	MI						
45	FILLUP IRON CHARGE				1	EA						

Price Book 9/1/2007

Date: Sold

To #:

SUMMIT Version: 7.20.130

Price Permian Basin

Book/Cntrct

#:

Prpsl #:

Sales Order #:

7.20.130

Tuesday, October 06, 2009 09:26:00

Page 2 of 4

The Road to Excellence Starts with Safety			
Sold To #: 304971	Ship To #: 2613045	Primary Sales Order #: 5498493	
Customer: REEF EXPLORATION, INC. EBUS		Job Purpose: Cement Surface Casing	
Well Name: STATE 2	Well #: 8	API/UWI #:	
Field:	City: LOVING	County/Parish: Eddy	State/Prov: New Mexico
Customer Rep: PRUITT, ROGER Office:432-425-4939, Mobile:432-289-3213 ORLANDO			
Ordered By: PRUITT, ROGER Office:432-425-4939, Mobile:432-289-3213 ORLANDO			
Contractor: PATTERSON;			
Rig/Platform Name/Num: 512			Location: Land
Sales Person: PAGE, DENNIS			Status: Job Scheduled

Job Totals			
Total Job Weight (Blended):	52253	lbm	26.13 tons
Total Job Volume (Blended):	590	ft3	

Stage/Plug #: 1			Fluid #: :1				
Blend/Slurry Name: HALLIBURTON LIGHT PREMIUM PLUS - SBM (14241)			Display Name: HL Premium Plus				
Quantity:	255 sacks	Blend Volume:	286 ft3	Blend Weight:	23771 lbm		
Final Qty Confirmed By:		Date/Time:	Loader:				
SBM/SAP #	Material	Conc.	UOM	Qty	UOM	Grind	Lab Specified Lot #
100012205	CMT - PREMIUM PLUS - CLASS C REG OR TYPE III, BULK Pre-Mix Dry	61.1	lbm	15580.5	lbm		
100003690	POZMIX A (BULK) FLYASH (100003690) Pre-Mix Dry	25.9	lbm	6604.5	lbm		
100003682	BENTONITE, BULK (100003682) Pre-Mix Dry	6	%	1331.1	lbm		
	FRESH WATER Mix-On-Fly to Slurry	10.491	Gal	2675.21	Gal		
100005053	CALCIUM CHLORIDE - HI TEST PELLET (100005053) Pre-Mix Dry	1	%	222.84	lbm		
101216940	POLY-E-FLAKE (101216940) Pre-Mix Dry	0.125	lbm	31.88	lbm		

Stage/Plug #: 1			Fluid #: :2				
Blend/Slurry Name: Premium Plus			Display Name: Premium Plus				
Quantity:	300 sacks	Blend Volume:	304 ft3	Blend Weight:	28482 lbm		
Final Qty Confirmed By:		Date/Time:	Loader:				
SBM/SAP #	Material	Conc.	UOM	Qty	UOM	Grind	Lab Specified Lot #
100012205	CMT - PREMIUM PLUS - CLASS C REG OR TYPE III, BULK Pre-Mix Dry	94	lbm	28200.0	lbm		
	FRESH WATER Mix-On-Fly to Slurry	6.328	Gal	1898.4	Gal		
100005053	CALCIUM CHLORIDE - HI TEST PELLET (100005053) Pre-Mix Dry	1	%	282.0	lbm		

<i>The Road to Excellence Starts with Safety</i>			
Sold To #: 304971	Ship To #: 2613045	Primary Sales Order #: 5498493	
Customer: REEF EXPLORATION, INC. EBUS		Job Purpose: Cement Surface Casing	
Well Name: STATE 2	Well #: 8	API/UWI #:	
Field:	City: LOVING	County/Parish: Eddy	State/Prov: New Mexico
Customer Rep: PRUITT, ROGER Office:432-425-4939, Mobile:432-289-3213 ORLANDO			
Ordered By: PRUITT, ROGER Office:432-425-4939, Mobile:432-289-3213 ORLANDO			
Contractor: PATTERSON;			
Rig/Platform Name/Num: 512			Location: Land
Sales Person: PAGE, DENNIS			Status: Job Scheduled

Equipment					
SAP #	Description	Qty	Qty uom	Supplier	Comments/ Tech ID #
101235693	PLUG,CMTG, TOP, 13 3/8, HWE, 11.79 MIN/12.72	1	EA		
2	MILEAGE FOR DELIVERY OF IRON	100	MI		
86954	ZI FUEL SURCHG-CARS/PICKUPS<1 1/2TON	100	MI		
45	FILLUP IRON CHARGE	1	EA		

The Road to Excellence Starts with Safety					
Sold To #: 304971	Ship To #: 2613045	Primary Sales Order #: 5512771			
Customer: REEF EXPLORATION, INC. EBUS		Job Purpose: Cement Multiple Stages			
Well Name: STATE 2		Well #: 8	API/UWI #:		
Field:	City: LOVING	County/Parish: Eddy		State/Prov: New Mexico	
Customer Rep: Pruitt, Roger Office:432-425-4939 , Mobile:Orlando Lozano432-288-3213					
Ordered By: Pruitt, Roger Office:432-425-4939 , Mobile:Orlando Lozano432-288-3213					
Contractor: PATTERSON;					
Rig/Platform Name/Num: 512				Location: Land	
Sales Person: PAGE, DENNIS			Status: Active		
PPE, Safety Huddles, JSA's, HOC & Near Miss Reporting, BBP Observations					
Distance/Mileage(1 way) Srvc:		50.0 miles	Distance/Mileage(1 way) Mtls:		50.0 miles
Call Taken By:	BILLY GIDEON		Call Taken Date/Time:		
Call Out Crew Date/Time:	01-Dec-2007 22:00 MST	Rqstd On Location Date/Time:		02-Dec-2007 03:00 MST	
		Rqstd Job Start Date/Time:		02-Dec-2007 04:00 MST	
HSE Information					
H2S Present:	Unknown		CO2 Present:	Unknown	
Drive Safely. Lights On for Safety. Wear Seat Belts. Observe all HES/ Customer Safety Policies.					
Directions: FROM 62/180 HIGH WAY GO 35.2 MILES TO CAMPBELL RD (C29) GO SOUTH ON CAMPBELL FOR 16 MILES TO RIG SIGN. TURN RIGHT FOR .3 MILES TURN RIGHT FOR .2 MILE, TURN LEFT AT RIG SIGN TO RIG.					
Remarks					
General: FINAL VOLUMES WILL BE BASED OFF OF E-LOGS, WILL CALL TO SPOT AND LOAD CEMENT.					
11/29/07 PER BILLY DELIVER THE FE, SWAGE, SINGLE/DOUBLE ASAP TODA					
LOAD FIRST STAGE CEMENT IN TIERS 2 & 3 AND SECOND STAGE LEAD IN TIER #1. ASAP PER B. GIDEON					
12/01/2007 AS PER BILLY GIDEON NEED TO HAVE TRUCKS ON LOCATION BY 0300 MST READY FOR JOB TIME AT 0400 MST 12/02/2007					
Job Info/Well Data: 11/29/07 MARIO SAUCEDO WILL DELIVER FE, DOUBLE/SINGLE AND SWAGE THIS AM (KW)					
Materials: Remember.....Dont find out about safety by Accident!!! Identify & communicate all hazards on location. Look out for our new employees!					
HSE Information: Remember.....Dont find out about safety by Accident!!! Identify & communicate all hazards on location. Look out for our new employees!					
Job Procedures					
10 bbl H2O Spacer ahead, 1000 Gal. Superflush 102, 10 bbl Spacer behind, Mix Cement, Shut down & drop plug & wash pumps & lines to the pit! Start displacement H2O to DV Tool. Then finish displacement with mud, Bump Plug & Check Float. Drop Bomb & open DV tool & circulate cement off top of tool before switching over to the rig to circulate the remainder of the 4 HRS. Start 2nd Stage. 10 bbl H2O Spacer ahead, 1000 Gal. Superflush 102, 10 bbl Spacer behind, Mix Lead Cement, Mix Tail Cement, Shut down & drop plug & wash pumps & lines to the pit! Start displacement H2O Bump Plug & close DV Tool.					
Pumping Equipment (Generic)					
Description	Qty	Comments	Description	Qty	Comments
75-TC4 W/ADC	1		FIELD STORAGE BIN	1	
BULK TRUCKS	2		PICK UP TRUCK	2	

Pumping Equipment (Generic)												
Description	Qty	Comments			Description	Qty	Comments					
BOOSTER PUMP	1				TRANSPORTS	1						
STAND-BY UNIT	1											
Surface Equipment (Generic)												
Description	Qty	Comments			Description	Qty	Comments					
PLUG CONTAINER	1				SWAGE	2						
Job Info / Well Data												
Job Depth (MD) ft	Job Depth (TVD) ft	Max Pressure psig	Well Fluid Type			Well Fluid Weight lbm/gal	Displacement Fluid			Displ Fluid Weight lbm/gal		
8577.6	8577.6		Water Based Mud			9.8	Fresh Water			8.33		
BHST degF	Source		BHCT degF	Source		Log Temp degF	Time Since Circ Stopped					
140	Calculated using customer formula											
Job Tubulars/Tools												
Description	Size in	Weight lbm/ft	ID in	Thread	Grade	Top MD ft	Btm MD ft	Top TVD ft	Btm TVD ft	Shoe Jnt ft	% Excess	
Intermediate Casing	8.625	32.	7.921			0.0	4,500.0			40.0		
Multiple Stage Cementer						6,418.0	6,418.0					
7-7/8" Hole			7.875			4,500.0	8,468.0					
Production Casing	5.5	17.	4.892			0.0	8,474.0			47.4		
Tie on Connection												
Size: 5 1/2 in		Thread: 8 RD (LT&C)			Type: Casing			Cross Over Required: No				
Materials												
Stage/Plug #: 1												
Fluid #	Fluid Name	Package/SBM/Material Name			Rqstd Del Qty	UOM	Density lbm/gal	Yield ft3/sk	Mix Fluid Gal/sk	Rate bbl/min	Fluid+Liq AddGal/sk	
1	Fresh Water				10.00	bbl	8.33					
Fluid #	Fluid Name	Package/SBM/Material Name			Rqstd Del Qty	UOM	Density lbm/gal	Yield ft3/sk	Mix Fluid Gal/sk	Rate bbl/min	Fluid+Liq AddGal/sk	
2	PUMP 1000 GALLONS SUPER FLUSH 102	SUPER FLUSH 102 - SBM (12200)			1,000.00	Gal	9.4					
Fluid #	Fluid Name	Package/SBM/Material Name			Rqstd Del Qty	UOM	Density lbm/gal	Yield ft3/sk	Mix Fluid Gal/sk	Rate bbl/min	Fluid+Liq AddGal/sk	
3	Fresh Water				10.00	bbl	8.33					
Fluid #	Fluid Name	Package/SBM/Material Name			Rqstd Del Qty	UOM	Density lbm/gal	Yield ft3/sk	Mix Fluid Gal/sk	Rate bbl/min	Fluid+Liq AddGal/sk	
4	1st Stage Cement	POZ PREMIUM 50/50 - SBM (12302)			500	sacks	14.4	1.29	5.95			
	0.6 %	HALAD(R)-9, 50 LB (100001617) Pre-Mix Dry										
	3 lbm	POTASSIUM CHLORIDE 7% (100001585) Pre-Mix Dry										
	0.4 %	SUPER CBL, 50 LB PAIL (100003668) Pre-Mix Dry										
	0.2 %	HR-7 (100005055) Pre-Mix Dry										
	5.948 Gal	FRESH WATER Mix-On-Fly to Slurry										

Stage/Plug #: 2									
Fluid #	Fluid Name	Package/SBM/Material Name	Rqstd Del Qty	UOM	Density lbm/gal	Yield ft3/sk	Mix Fluid Gal/sk	Rate bbl/min	Fluid+Liq AddGal/sk
1	SUPER FLUSH 102	SUPER FLUSH 102 - SBM (12200)	1,000.00	Gal	9.4				
2	2ND STAGE LEAD	HALLIBURTON LIGHT PREMIUM - SBM (12311)	200	sacks	12.7	1.94	10.62		
	0.6 %	HALAD(R)-9, 50 LB (100001617) Pre-Mix Dry							
	3 lbm	POTASSIUM CHLORIDE 7% (100001585) Pre-Mix Dry							
	0.125 lbm	POLY-E-FLAKE (101216940) Pre-Mix Dry							
	10.616 Gal	FRESH WATER Mix-On-Fly to Slurry							
3	2ND STAGE TAIL CEMENT	POZ PREMIUM 50/50 - SBM (12302)	500	sacks	14.4	1.31	5.93		
	5.927 Gal	FRESH WATER Mix-On-Fly to Slurry							
	5 lbm	SALT, BULK (100003695) Pre-Mix Dry							
	0.4 %	HALAD(R)-9, 50 LB (100001617) Pre-Mix Dry							
	0.4 %	CFR-3, W/O DEFOAMER, 50 LB SK (100003653) Pre-Mix Dry							
Packaged Materials									
SAP #	Material	Qty	UOM	Comments					
13451	FLO-CHEK A , BULK	665.98	Gal						
Sales/Rental/3 rd Party									
SAP #	Description	Qty	Qty UOM	Supplier	Comments/ Tech ID #				
45	CIRCULATING IRON RENTAL	1	EA						
Personnel									
Employee No.	Employee Name	Employee No.	Employee Name	Employee No.	Employee Name				
393392	CABALLERO, DANIEL								

The Road to Excellence Starts with Safety			
Sold To #: 304971	Ship To #: 2613045	Primary Sales Order #: 5508357	
Customer: REEF EXPLORATION, INC. EBUS		Job Purpose: Cement Intermediate Casing	
Well Name: STATE 2	Well #: 8	API/UWI #:	
Field:	City: LOVING	County/Parish: Eddy	State/Prov: New Mexico
Customer Rep: Pruitt, Roger Office:432-425-4939 , Mobile:Orlando Lozano432-288-3213			
Ordered By: Pruitt, Roger Office:432-425-4939 , Mobile:Orlando Lozano432-288-3213			
Contractor: PATTERSON;			
Rig/Platform Name/Num: 512			Location: Land
Sales Person: PAGE, DENNIS		Status: Job Scheduled	
PPE, Safety, Huddles, JSA's, HOC & Near Miss Reporting, BBP Observations			
Distance/Mileage(1 way) Srvc:	50.0 miles	Distance/Mileage(1 way) Mtls:	50.0 miles
Call Taken By:	BILLY GIDEON	Call Taken Date/Time:	
Call Out Crew Date/Time:		Rqstd On Location Date/Time:	24-Nov-2007 03:00 MST
		Rqstd Job Start Date/Time:	24-Nov-2007 04:00 MST
HSE Information			
H2S Present:	Unknown	CO2 Present:	Unknown
Drive Safely. Lights On for Safety. Wear Seat Belts. Observe all HES/ Customer Safety Policies.			
Directions: FRON 62/180 HIGH WAY GO 35.2 MILES TO CAMBELL RD (C29) GO SOUTH ON CAMBELL FOR 16 MILES TO RIG SIGN. TURN RIGHT FOR .3 MILES TURN RIGHT FOR .2 MILE, TURN LEFT AT RIG SIGN TO RIG.			
Remarks			
<p>General: Final cement volumes will be based off of a fluid caliper!</p> <p>SET OUT AND DELIVER fe 11/21/07 AFTER 1200</p> <p>SPOT AND LOAD BIN WITH 600 LEAD AND 300 TAIL, DO NOT TAKE TRUCKS OUT TO SPOT UNTIL AFTER 1200 HOURS ON 11/21. bin MUST BE SPOTTED AND LOADED 11/21 AFTER 1200 HRS.</p> <p>DO NOT BOOST OUT PUMP TRUCKS ON GROUND OR NEXT LOCATION FOLLOWING JOB COMPLETION.</p> <p>REVISED PER BILLY GIDEON NEED TO LOAD 500 LEAD 300 TAIL</p> <p>AS PER B.GIDEON 11/23 @ 0935 NEED TO LOAD AND HOLD REMAINING CEMENT. JOB SHOULD BE UP LATER.</p> <p>NEED TO BE ON LOCATION AT 0300 MST PER BILLY GIDEON JOB TIME WILL BE AT 0400 MST 11/24/2007</p>			
Materials: COMPANY REQUESTED THAT YOU PICK UP ALL TRASH BEFORE LEAVING LOCATION.			
HSE Information: Remember.....Dont find out about safety by Accident!!! Identify & communicate all hazards on location. Look out for our new employees!			
Job Procedures			
Pump 20 bbl H2O Spacer Ahead, Pump Lead Cement, Pump Tail Cement, Shut down & drop plug! Start Displacement H2O, Bump Plug! DO NOT OVER DISPLACE PLUG!			

Pumping Equipment (Generic)												
Description	Qty	Comments	Description	Qty	Comments							
75-TC4 W/ADC	1		FIELD STORAGE BIN	1								
BULK TRUCKS	3											
Surface Equipment (Generic)												
Description	Qty	Comments	Description	Qty	Comments							
PLUG CONTAINER	1		SWAGE	2								
Job Info / Well Data												
Job Depth (MD) ft	Job Depth (TVD) ft	Max Pressure psig	Well Fluid Type	Well Fluid Weight lbm/gal	Displacement Fluid	Displ Fluid Weight lbm/gal						
4500.0	4500.0		Water Based Mud	8.33	Fresh Water	8.33						
BHST degF	Source	BHCT degF	Source	Log Temp degF	Time Since Circ Stopped							
112	Calculated using customer formula											
Job Tubulars/Tools												
Description	Size in	Weight lbm/ft	ID in	Thread	Grade	Top MD ft	Btm MD ft	Top TVD ft	Btm TVD ft	Shoe Jnt ft	% Excess	
Surface Casing	13.375	54.5	12.615			0.0	900.0			40.0		
Intermediate Casing	8.625	32.	7.921			0.0	4,500.0			40.0		
11" Hole			11.			900.0	4,500.0					
Tie on Connection												
Size: 8 5/8 in	Thread: 8 RD	Type: Casing	Cross Over Required: No									
Materials												
Stage/Plug #: 1												
Fluid #	Fluid Name	Package/SBM/Material Name	Rqstd Del Qty	UOM	Density lbm/gal	Yield ft ³ /sk	Mix Fluid Gal/sk	Rate bbl/min	Fluid+Liq AddGal/sk			
1	INTERFILL C	INTERFILL C - SBM (14210)	740	sacks	11.9	2.47	14.3					
14.297 Gal		FRESH WATER Mix-On-Fly to Slurry										
Fluid #	Fluid Name	Package/SBM/Material Name	Rqstd Del Qty	UOM	Density lbm/gal	Yield ft ³ /sk	Mix Fluid Gal/sk	Rate bbl/min	Fluid+Liq AddGal/sk			
2	Premium Plus	Premium Plus	300	sacks	14.8	1.32	6.32					
94 lbm		CMT - PREMIUM PLUS - CLASS C REG OR TYPE III, BULK (100012205) Pre-Mix Dry										
6.315 Gal		FRESH WATER Mix-On-Fly to Slurry										
Sales/Rental/3 rd Party												
SAP #	Description	Qty	Qty uom	Supplier	Comments/ Tech ID #							
101227839	PLUG,CMTG,TOP,8 5/8,HWE,7.20 MIN/8.09 MA	1	EA									
45	CIRCULATING IRON CHARGE	1	EA									

Sold To #: 304971

Ship To #: 2613045

Lab Project #:

Sales Order #: 5508357

SUMMIT Version: 7.20.130

Tuesday, October 06, 2009 09:28:00

Page 2 of 2

Halliburton Cement Report

Permian Basin Area Laboratory

5801 Lovington Highway, Hobbs, New Mexico Phone: (505) 392-0717 Fax: (505) 392-0750

TOA:

Customer: Reef Exploration	Depth: 900 ft	Test Date: 16-Nov-07
Well St. 2 #8	BHST: 80 degrees	Requested By: David Rodriguez
County/Stat Eddy, NM	BHCT: 80 degrees	Stage Number: 1
District: Hobbs	Job Type: Surface	Slurry: Tail
Blend: Pilot Test	Base Cement: Cemex	Water: Location Water

Slurry Information

Cement:

Premium Plus

Mixed with the following additives:

1 % CaCl₂

Consistency Information

Time	Temp	Press	Consistency
2:46	80 degs	600 psi	70 BCU

Compressive Strengths

Time	Unit	Temp	Strength	Method
12	hours	80 degs	650 psi	Crush
24	hours	80 degs	1200 psi	Crush
48	hours	80 degs	1650 psi	Crush

Water Amt: **6.52 gals/sk**

Density: **14.8 ppg**

Yield: **1.35 ft³/sk**

Fluid Properties

Temp	Fluid Loss	Free H ₂ O	Settling	300	200	100	6	3	PV	YP	N'	K'
80 degs	677 cc's	0.0%		57	46	29	19	10	33	25.6	0.62	0.013

Comments

Signed:

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Halliburton Cement Report

Permian Basin Area Laboratory

5801 Lovington Highway, Hobbs, New Mexico Phone: (505) 392-0717 Fax: (505) 392-0750

TOA:

Customer: Reef Exploration	Depth: 900 ft	Test Date: 16-Nov-07
Well St. 2 #8	BHST: 80 degrees	Requested By: David Rodriguez
County/Stat Eddy, NM	BHCT: 80 degrees	Stage Number: 1
District: Hobbs	Job Type: Surface	Slurry: Lead
Blend: Pilot Ref	Base Cement: Cemex	Water: Location Water

Slurry Information

Cement: **Premium Plus HLC**
Mixed with the following additives:

1	%	CaCl2
0.125	lb/sk	Pol E Flake

Consistency Information

Time	Temp	Press	Consistency
6:05	80 degs	600 psi	70 BCU

Compressive Strengths

Time	Unit	Temp	Strength	Method
12	hours	80 degs	50 psi	Crush
24	hours	80 degs	160 psi	Crush
48	hours	80 degs	210 psi	Crush

Water Amt: **10.78 gals/sk**

Density: **12.6 ppg**

Yield: **1.94 ft3/sk**

Fluid Properties

Temp	Fluid Loss	Free H2O	Settling	300	200	100	6	3	PV	YP	N'	K'
80 degs	673 cc's	0.0%		53	46	35	21	15	21	34.1	0.38	0.056

Comments

Signed:

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Halliburton Cement Report

C07- 554-02-00-07

Permian Basin Area Laboratory

5801 Lovington Highway, Hobbs, New Mexico Phone: (575) 392-0717 Fax: (575) 392-0750

TOA:

Customer: Reef Exploration	Depth: 6650 ft	Test Date: 29-Nov-07
Well Name: St. 2 #8	BHST: 127 degrees	Requested By: Billy Gideon
County/State: Eddy, NM	BHCT: 97 degrees	Stage Number: 2
District: Hobbs	Job Type: Production	Slurry: Tail
Blend: Plant Blend	Base Cement: Cemex	Water: Location Water

Slurry Information

Cement: **50/50 Premium/Poz**
Mixed with the following additives:

5	lb/sk	Salt
0.4	%	Halad-9
0.4	%	CFR-3

Consistency Information

Time	Temp	Press	Consistency
3:15	97 degs	3900 psi	70 BCU

Compressive Strengths

Time	Unit	Temp	Strength	Method
------	------	------	----------	--------

Water Amt: **6.18 gals/sk**

Density: **14.4 ppg**

Yield: **1.33 ft3/sk**

Fluid Properties

Temp	Fluid Loss	Free H2O	Settling	300	200	100	6	3
97 degs	160 cc's	0.0%		55	42	35	20	7

Comments

Signed:

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Halliburton Cement Report

C07- 554-01-00-07

Permian Basin Area Laboratory

5801 Lovington Highway, Hobbs, New Mexico Phone: (575) 392-0717 Fax: (575) 392-0750

TOA:

Customer: Reef Exploration	Depth: 6650 ft	Test Date: 29-Nov-07
Well Name: St. 2 #8	BHST: 127 degrees	Requested By: Billy Gideon
County/State: Eddy, NM	BHCT: 97 degrees	Stage Number: 2
District: Hobbs	Job Type: Production	Slurry: Lead
Blend: Plant Blend	Base Cement: Cemex	Water: Location Water

Slurry Information

Cement:

Premium HLC

Mixed with the following additives:

3	lb/sk	KCL
0.6	%	Halad-9
0.125	lb/sk	Pol E Flake

Consistency Information

Time	Temp	Press	Consistency
4:00	97 degs	3900 psi	5 BCU

Compressive Strengths

Time	Unit	Temp	Strength	Method
------	------	------	----------	--------

Water Amt: **10.53 gals/sk**

Density: **12.7 ppg**

Yield: **1.93 ft3/sk**

Fluid Properties

Temp	Fluid Loss	Free H2O	Settling	300	200	100	6	3
97 degs	306 cc's	0.0%		41	33	27	12	8

Comments

Signed:

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Halliburton Cement Report

C07- 553-01-00-07

Permian Basin Area Laboratory

5801 Lovington Highway, Hobbs, New Mexico Phone: (575) 392-0717 Fax: (575) 392-0750

TOA:

Customer: **Reef Exploration** Depth: **8570 ft** Test Date: **29-Nov-07**
Well Name: **St. 2 #8** BHST: **139 degrees** Requested By: **Billy Gideon**
County/State: **Eddy, NM** BHCT: **104 degrees** Stage Number: **1**
District: **Hobbs** Job Type: **Production** Slurry: **Lead**
Blend: **Plant Blend** Base Cement: **Cemex** Water: **Location Water**

Slurry Information

Cement: **50/50 Premium/Poz**
Mixed with the following additives:

0.4 % Super CBL
0.6 % Halad-9
3 lb/sk KCL
0.2 % HR-7

Consistency Information

Time	Temp	Press	Consistency
4:07	104 degs	4700 psi	30 BCU

Compressive Strengths

Time	Unit	Temp	Strength	Method
------	------	------	----------	--------

Water Amt: **5.87 gals/sk**

Density: **14.4 ppg**

Yield: **1.29 ft³/sk**

Fluid Properties

Temp	Fluid Loss	Free H2O	Settling	300	200	100	6	3
104 degs	220 cc's	0.0%		66	50	31	8	4

Comments

Signed:

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Halliburton Cement Report

C07- 545-02-00-07

Permian Basin Area Laboratory

5801 Lovington Highway, Hobbs, New Mexico Phone: (575) 392-0717 Fax: (575) 392-0750

TOA:

Customer: **Reef Exploration** Depth: **6650 ft** Test Date: **25-Nov-07**
Well Name: **State 2 #8** BHST: **127 degrees** Requested By: **Billy Gideon**
County/State: **Eddy, NM** BHCT: **97 degrees** Stage Number: **2**
District: **Hobbs** Job Type: **Production** Slurry: **Tail**
Blend: **Pilot Test** Base Cement: **Cemex** Water: **Location Water**

Slurry Information

Cement: **50/50 Premium/Poz**
Mixed with the following additives:

5	lb/sk	Salt
0.4	%	Halad-9
0.4	%	CFR-3

Consistency Information

Time	Temp	Press	Consistency
3:17	97 degs	3900 psi	58 BCU

Compressive Strengths

Time	Unit	Temp	Strength	Method
12	hours	127 degs	580 psi	Crush
24	hours	127 degs	950 psi	Crush
48	hours	127 degs	1385 psi	Crush

Water Amt: **6.17 gals/sk**

Density: **14.4 ppg**

Yield: **1.33 ft³/sk**

Fluid Properties

Temp	Fluid Loss	Free H2O	Settling	300	200	100	6	3
97 degs	291 cc's	0.0%		63	47	30	8	4

Comments

Signed:

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Halliburton Cement Report

C07- 545-01-00-07

Permian Basin Area Laboratory

5801 Lovington Highway, Hobbs, New Mexico Phone: (575) 392-0717 Fax: (575) 392-0750

TOA:

Customer: **Reef Exploration** Depth: **6650 ft** Test Date: **25-Nov-07**
Well Name: **State 2 #8** BHST: **127 degrees** Requested By: **Billy Gideon**
County/State: **Eddy, NM** BHCT: **97 degrees** Stage Number: **2**
District: **Hobbs** Job Type: **Production** Slurry: **Lead**
Blend: **Pilot Test** Base Cement: **Cemex** Water: **Location Water**

Slurry Information

Cement:

Premium HLC

Mixed with the following additives:

3 lb/sk KCL
0.6 % Halad-9
0.125 lb/sk Pol E Flake

Consistency Information

Time	Temp	Press	Consistency
3:12	97 degs	3900 psi	40 BCU

Compressive Strengths

Time	Unit	Temp	Strength	Method
12	hours	127 degs	100 psi	Crush
24	hours	127 degs	220 psi	Crush
48	hours	127 degs	375 psi	Crush

Water Amt: **10.53 gals/sk**

Density: **12.7 ppg**

Yield: **1.93 ft³/sk**

Fluid Properties

Temp	Fluid Loss	Free H2O	Settling	300	200	100	6	3
97 degs	331 cc's	0.0%		42	33	26	11	6

Comments

Signed:

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Halliburton Cement Report

C07- 541-01-00-07

Permian Basin Area Laboratory

5801 Lovington Highway, Hobbs, New Mexico Phone: (575) 392-0717 Fax: (575) 392-0750

TOA:

Customer: **Reef Exploration** Depth: **8570 ft** Test Date: **21-Nov-07**
Well Name: **St. 2 #8** BHST: **139 degrees** Requested By: **Billy Gideon**
County/State: **Eddy, NM** BHCT: **104 degrees** Stage Number: **1**
District: **Hobbs** Job Type: **Production** Slurry: **Lead**
Blend: **Pilot Test** Base Cement: **Cemex** Water: **Location Water**

Slurry Information

Cement:

50/50 Premium/Poz

Mixed with the following additives:

0.4 % Super CBL
3 lb/sk KCL
0.6 % Halad-9
0.2 % HR-7

Consistency Information

Time	Temp	Press	Consistency
4:30	104 degs	5100 psi	20 BCU

Compressive Strengths

Time	Unit	Temp	Strength	Method
12	hours	139 degs	610 psi	Crush
24	hours	139 degs	1100 psi	Crush
48	hours	139 degs	1510 psi	Crush

Water Amt: **5.87 gals/sk**

Density: **14.4 ppg**

Yield: **1.29 ft3/sk**

Fluid Properties

Temp	Fluid Loss	Free H2O	Settling	300	200	100	6	3
104 degs	242 cc's	0.0%		69	51	32	7	4

Comments: Fluid properties and compressives were done without Super CBL.

Signed:

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Halliburton Cement Report

C07- 535-02-00-07

Permian Basin Area Laboratory

5801 Lovington Highway, Hobbs, New Mexico Phone: (575) 392-0717 Fax: (575) 392-0750

TOA:

Customer: Reef Exploration	Depth: 4500 ft	Test Date: 18-Nov-07
Well Name: St. 2 #8	BHST: 114 degrees	Requested By: Billy Gideon
County/State: Eddy, NM	BHCT: 93 degrees	Stage Number: 1
District: Hobbs	Job Type: Intermediate	Slurry: Tail
Blend: Pilot Test	Base Cement: Cemex	Water: Location Water

Slurry Information

Cement:

Premium Plus

Mixed with the following additives:

Consistency Information

Time	Temp	Press	Consistency
2:40	93 degs	2300 psi	70 BCU

Compressive Strengths

Time	Unit	Temp	Strength	Method
12	hours	114 degs	1029 psi	UCA
24	hours	114 degs	1390 psi	UCA
48	hours	114 degs	1977 psi	UCA

Water Amt: **6.50 gals/sk**

Density: **14.8 ppg**

Yield: **1.34 ft3/sk**

Fluid Properties

Temp	Fluid Loss	Free H2O	Settling	300	200	100	6	3
93 degs	1265 cc's	0.6%		56	38	29	20	12

Comments

Signed:

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Halliburton Cement Report

C07- 535-01-00-07

Permian Basin Area Laboratory

5801 Lovington Highway, Hobbs, New Mexico Phone: (575) 392-0717 Fax: (575) 392-0750

TOA:

Customer: Reef Exploration	Depth: 4500 ft	Test Date: 18-Nov-07
Well Name: St. 2 #8	BHST: 114 degrees	Requested By: Billy Gideon
County/State: Eddy, NM	BHCT: 93 degrees	Stage Number: 1
District: Hobbs	Job Type: Intermediate	Slurry: Lead
Blend: Pilot Test	Base Cement: Cemex	Water: Location Water

Slurry Information

Cement: **Premium Plus Interfill**
Mixed with the following additives:

0.125 lb/sk Pol E Flake

Consistency Information

Time	Temp	Press	Consistency
3:00	93 degs	2300 psi	37 BCU

Compressive Strengths

Time	Unit	Temp	Strength	Method
12	hours	114 degs	121 psi	UCA
24	hours	114 degs	167 psi	UCA
48	hours	114 degs	248 psi	UCA

Water Amt: **14.52 gals/sk**

Density: **11.9 ppg**

Yield: **2.49 ft3/sk**

Fluid Properties

Temp	Fluid Loss	Free H2O	Settling	300	200	100	6	3
93 degs	450 cc's	0.0%		50	41	32	27	19

Comments

Signed:

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Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

clock +

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

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

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

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

AUG 07 1991

U. C. D.

WELL API NO. 38-015-24112
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-302
7. Lease Name or Unit Agreement Name DUNES STATE
8. Well No. 1
9. Pool name or Wildcat MORROW WILDCAT
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3532 EST.

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

1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER
2. Name of Operator Mobil Producing Tx. & N.M. Inc.*
3. Address of Operator *Mobil Exploration & Producing U.S. Inc., as Agent for Mobil Producing TX. & N.M. Inc., P. O. Box 633, Midland, TX 79702.
4. Well Location Unit Letter J : 1980 Feet From The SOUTH Line and 1980 Feet From The EAST Line Section 2 Township 23S Range 31E NMPM EDDY County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3532 EST.

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

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

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

SAID WELL WAS NEVER DRILLED. RATHOLE ONLY APPROXIMATELY 100 FEET DEEP. CSG W/30 INCHES OD PIPE & CAPPED WITH 30 INCHES WELDED ON AT GROUND LEVEL.

2000
9/2/91

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

SIGNATURE J. W. Dixon TITLE Engineering Technician DATE 8/5/91
 TYPE OR PRINT NAME J. W. DIXON TELEPHONE NO. (915) 688-2452

(This space for State Use)

APPROVED BY For Record Only TITLE _____ DATE _____
 CONDITIONS OF APPROVAL, IF ANY:

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	1
FILE	1
U.S.G.S.	2
LAND OFFICE	1
OPERATOR	1

NEW MEXICO OIL CONSERVATION COMM **RECEIVED**

30-015-24112
Form C-101
Revised 1-1-65

MAR 10 1982

O. C. D.
ARTESIA, OFFICE

5A. Indicate Type of Lease
STATE FEE

5. State Oil & Gas Lease No.
V-302

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work b. Type of Well DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. Unit Agreement Name
2. Name of Operator The Superior Oil Company ✓		8. Farm or Lease Name Dunes State
3. Address of Operator P. O. Box 3901, Midland, Texas 79702		9. Well No. 1
4. Location of Well UNIT LETTER J LOCATED 1980 FEET FROM THE South LINE AND 1980 FEET FROM THE East LINE OF SEC. 2 TWP. 23S RGE. 31E NMDM		10. Field and Pool, or Willcat Morrow Wildcat
12. County Eddy		
19. Proposed Depth 16,000	19A. Formation Morrow	20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) 3532' est.	21A. Kind & Status Plug. Bond Blanket	21B. Drilling Contractor Wilbros
22. Approx. Date Work will start March 20, 1982		

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
Rat Hole	30"	310#	40'	Redi Mix	Surface
26"	16"	65#	630'	1500	Surface
14 3/4"	10 3/4"	45.5#	4640'	5500	Surface
* 9 1/2"	7 5/8"	33.7#	12,590	2000	4,000'
6 1/2"	5"	18#	15,500 (TD)	500	12,000'

See me to discuss

*Permit ID-1
APE + DL Bank
3-17-82*

180 DAYS
PERMIT VALID 9-15-82
UNLESS DRILLING UNDERWAY

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed G. E. Tate Title Production Superintendent Date 3/9/82

G. E. Tate (This space for State Use)

APPROVED BY Mark Williams TITLE OIL AND GAS INSPECTOR DATE MAR 16 1982

CONDITIONS OF APPROVAL, IF ANY: * Minimum hole size

N. MEXICO OIL CONSERVATION COMMISS.
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

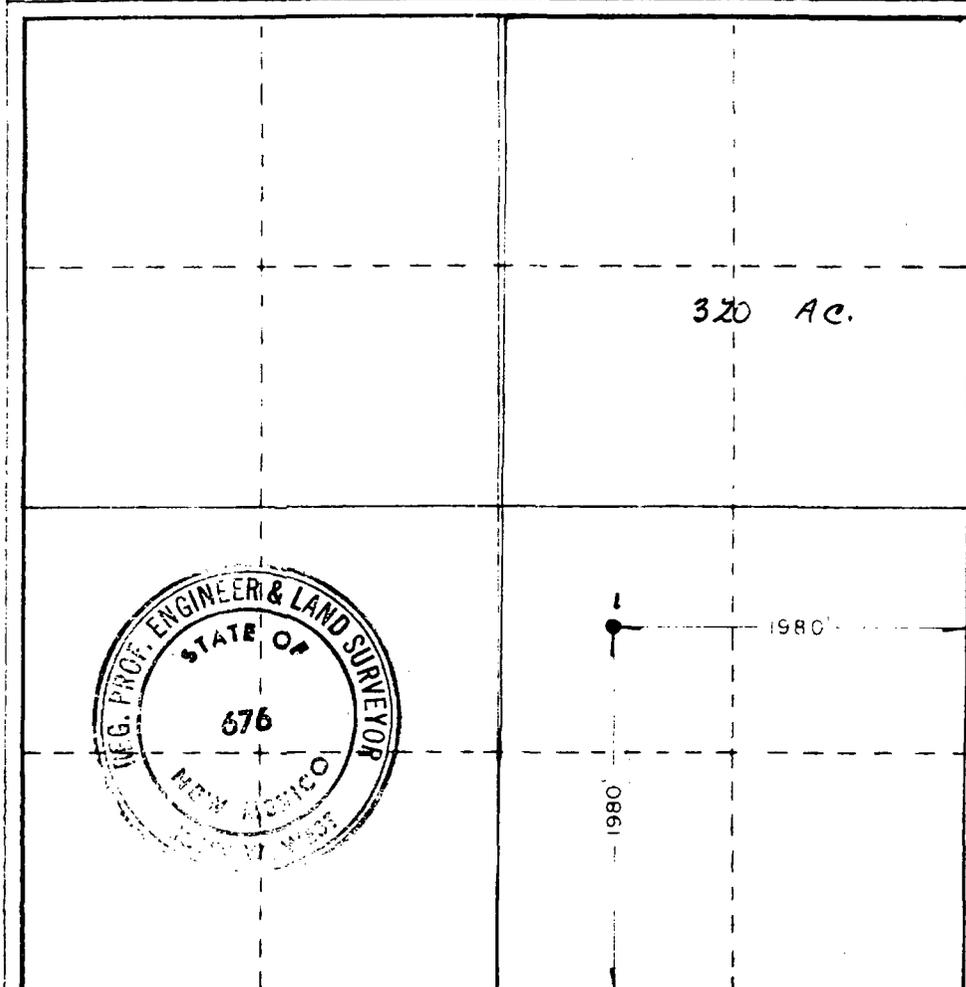
Operator The Superior Oil Company		Lease Dunes State		Well No. 1
Unit Letter J	Section 2	Township 23 South	Range 31 East	County Eddy
Actual Footage Location of Well: 1980 feet from the south line and 1980 feet from the east line				
Ground Level Elev. 3432.7'	Producing Formation Morrison	Pool Wildcat	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name **G. E. Tate**
 Position **Production Superintendent**
 Company **The Superior Oil Company**
 Date **3-10-82**

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

Date Surveyed

3-9-82

Registered Professional Engineer and/or Land Surveyor

John W. West
 Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6668
Ronald J. Eidson 3239

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Wednesday, July 23, 2008 1:48 PM
To: 'ronald@reefexploration.com'
Cc: Ezeanyim, Richard, EMNRD; William F Carr (wcarr@hollandhart.com); Warnell, Terry G, EMNRD
Subject: SWD application on behalf of Reef Exploration, LP: State 2 Well No. 8 API No. 30-015-35749 Unit L of Section 2, T23S, R31E

Hello Ronald:

The OCD just received a protest to this proposal to inject from Yates Petroleum Corporation. Mary Kay Brasuel in Midland with Reef Exploration was copied on this protest letter. If you don't receive a copy, please ask her or ask Yates to send you one. The review process here in the engineering bureau is NOT complete and the outcome of this application is still undecided.

However, since a protest has been received, the OCD cannot continue to process this application administratively - so your application will be cancelled from our database.

You have the option of negotiating with Yates. If successful, ask Yates to send a retraction letter and let us know, formally in writing if you want the application review to resume.

You also have the option of asking your attorney to immediately set this application to hearing. The administrative correspondence from the engineering bureau will be included in the case file. Please let Bill Carr and myself know who your attorney will be.

Regards,

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

*Proposed
 Cancelled
 TODAY*

OLD

From: Jones, William V., EMNRD
Sent: Thursday, July 10, 2008 9:30 AM
To: 'ronald@reefexploration.com'
Cc: Ezeanyim, Richard, EMNRD; Warnell, Terry G, EMNRD; Clark, Anne, EMNRD; Chavez, Carl J, EMNRD; Brooks, David K., EMNRD
Subject: RE: SWD application on behalf of Reef Exploration, LP: State 2 Well No. 8 API No. 30-015-35749 Unit L of Section 2, T23S, R31E, Eddy County

Ron:

We talked last week and I still have not received anything from you concerning the questions below.

Looked at this again today and talked to our Division Director - and have additional requests:

- 1) Would you please formally notify the DOE manager of the WIPP site with a complete copy of your application and send proof of notice to me?
- 2) Please look at the OCD ONLINE Imaging Site and make sure the CBL run on the 5-1/2 inch casing is there - if not, please send a copy of the entire log to Paul Kautz in Hobbs to Scan into our files.
- 3) Send the cementing treatment report from the service company that cemented the 8-5/8 inch casing - should show all details on this cement, volumes, pressures, type, etc.
- 4) Why do you need this injection well? Will it be injecting only your produced fluid from surrounding wells? Or is this meant to be a commercial disposal facility? The concern would be imposing additional pore pressure into formations near the WIPP Site. Injection pressures from any permit here would likely be limited.

7/23/2008

Jones, William V., EMNRD

From: Jones, William V., EMNRD
 Sent: Tuesday, June 03, 2008 12:06 PM
 To: 'ronald@reefexploration.com'
 Cc: Ezeanyim, Richard, EMNRD; Warnell, Terry G, EMNRD; Clark, Anne, EMNRD
 Subject: SWD application on behalf of Reef Exploration, LP: State 2 Well No. 8 API No. 30-015-35749 Unit L of Section 2, T23S, R31E, Eddy County

*Richard Talked
 To Tom, removed
 of 1/5.*

Hello Ronald:
 We have the following requests:

- 1) I can't very well read the detail on your AOR map. Please send a more detailed 1/2 mile Area of Review map showing all lands within this 1/2 mile and all existing wells that were drilled to at least 4600 feet. ✓
- 2) Your wellbore diagrams are very detailed on the offset wells, but I don't see the "status" of each well or the locations of existing perforations. Please send this info anyway you would like. ✓
- 3) NOTICE: (Please read Rule 701B(2))
 From your existing map, it appears that Yates and the BLM should also be noticed. ✓
 Also, since this is very near the Potash Area as defined in R-111-P, please send proof of notice to the nearest Potash leaseholder. ✓
 How close is this to the WIPP site? *3360 Feet*
 Your notice in the newspaper seems to say the entire Delaware may be used for injection - was that intentional? ✓
- 4) The Division will require the well to be plugged back to within 200 feet of the lowermost injection perforation AND the injection packer must be set within 100 feet of the top perforation - your Post Conversion Wellbore Diagram should reflect this. It should also show the injection perforations. Please be advised, any injection permit will be "formation" specific AND "depth" specific - so any additional perforations Reef would add above or below the permitted injection interval will require a new injection application. ✓
- 5) Questions for your geologist:
 Has there been no production in this upper Delaware interval in this area? How was it evaluated for hydrocarbons? ✓
 Please coordinate with the OCD Artesia District geologist and pick formation tops (including members in the Delaware) from the Rustler down to the Bone Spring. e
- 6) Fresh Water: What is the depths to fresh water here? (Fresh meaning anything less than 10,000 TDS) Send a current water analysis from the nearest well or windmill if not more than a mile away. ✓

Thank You for answering these questions and sending proof of additional notices. The Division must wait 15 days after the last notice is provided prior to possibly releasing this permit. If protests arrive before the permit is issued (even if after 15 days), the processing will stop.

Regards,

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

(OLD)

Mailed 6/20/08

Jones, William V., EMNRD

From: Zappe, Steve, NMENV
Sent: Thursday, July 10, 2008 2:39 PM
To: Jones, William V., EMNRD
Cc: Chavez, Carl J, EMNRD; Clark, Anne, EMNRD
Subject: RE: WIPP Setbacks

*MARK Fasmie
Called THEM*

Hi -

There is no oil/gas drilling allowed within the 16 square mile land withdrawal area (LWA). DOE evaluates all potential drilling activities within a one-mile buffer surrounding the LWA to determine any adverse impact on their activities. I'm not sure who DOE's contact is, and I'm on vacation right now so I don't have access to that information. You might call their public information officer at 800-336-WIPP and ask. Here's their web page:
<http://www.wipp.energy.gov/>

Steve

From: Jones, William V., EMNRD
Sent: Thu 7/10/2008 8:48 AM
To: Zappe, Steve, NMENV
Cc: Chavez, Carl J, EMNRD; Clark, Anne, EMNRD
Subject: WIPP Setbacks

Hello Steve Zappe:
I was referred to you by Carl Chavez. He mentioned you may have knowledge of setback requirements for oil and gas operations near the WIPP site. Specifically I am evaluating an oil field waste water injection well (into the Delaware formation) near the WIPP site.

Appreciate any knowledge you have.

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

(150)

From: Chavez, Carl J, EMNRD
Sent: Tuesday, June 10, 2008 12:44 PM
To: Jones, William V., EMNRD
Subject: WIPP Maps

Will:

Try the link below the WIPP power points. Thx.

WIPP
<D:\Word\CarlC\HWB\WIPP\Maps\Presentations>

Let me know if you can't access the power points.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.

7/11/2008

Jones, William V., EMNRD

From: Ronald Sentz [ronald@reefocg.com]
Sent: Thursday, July 10, 2008 9:55 AM
To: Jones, William V., EMNRD
Subject: RE: SWD application on behalf of Reef Exploration, LP: State 2 Well No. 8 API No. 30-015-35749 Unit L of Section 2, T23S, R31E, Eddy County

I'll will work on this also; thanks for your help.

Ronald M. Sentz

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

(OLD)

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]
Sent: Thursday, July 10, 2008 10:29 AM
To: Ronald Sentz
Cc: Ezeanyim, Richard, EMNRD; Warnell, Terry G, EMNRD; Clark, Anne, EMNRD; Chavez, Carl J, EMNRD; Brooks, David K., EMNRD
Subject: RE: SWD application on behalf of Reef Exploration, LP: State 2 Well No. 8 API No. 30-015-35749 Unit L of Section 2, T23S, R31E, Eddy County

Ron:
We talked last week and I still have not received anything from you concerning the questions below.

Looked at this again today and talked to our Division Director - and have additional requests:

- 1) Would you please formally notify the DOE manager of the WIPP site with a complete copy of your application and send proof of notice to me? *330 offset + waiver or cert. Receipt!!*
- 2) Please look at the OCD ONLINE Imaging Site and make sure the CBL run on the 5-1/2 inch casing is there - if not, please send a copy of the entire log to Paul Kautz in Hobbs to Scan into our files.
- 3) Send the cementing treatment report from the service company that cemented the 8-5/8 inch casing - should show all details on this cement, volumes, pressures, type, etc.
- 4) Why do you need this injection well? Will it be injecting only your produced fluid from surrounding wells? Or is this meant to be a commercial disposal facility? The concern would be imposing additional pore pressure into formations near the WIPP Site. Injection pressures from any permit here would likely be limited.

We will be also looking at any State or DOE imposed buffer zone around the WIPP.

Also, this permit may need to be processed through an examiner hearing - but that has not been decided yet.

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

7/10/2008

Injection Permit Checklist (8/14/09)

Case _____ R- SWD 1140-A ~~WEX~~ PMX _____ IPI _____ Permit Date 11/21/09 UIC Qtr (0/N/D)

Wells 1 Well Name: State 2 #8

API Num: (30-) 015-35749 Spud Date: 11/17/07 New/Old: N (UIC primacy March 7, 1982)

Footages 660FWL/1980BSL Unit L Sec 2 Tsp 23S Rge 31E County Eddy

Operator: Keef Exploratory LP. Contact Jose L. Velazquez

OGRID: 24683 RULE 5.9 Compliance (Wells) 1/19 (Finan Assur) _____

Operator Address: 1901 N. Central Expressway SUITE 300 Richardson, TX 75080

Current Status of Well: Inactive

Planned Work to Well:

Planned Tubing Size/Depth: 2 7/8

	Sizes Hole/Pipe	Setting Depths	Cement Sx or Cf	Cement Top and Determination Method
Existing <input checked="" type="checkbox"/> Surface	<u>1 7/8 1 3/8</u>	<u>701</u>	<u>555</u>	<u>CIRC</u>
Existing <input checked="" type="checkbox"/> Intermediate	<u>1 1/8 5/8</u>	<u>4380</u>	<u>1000</u>	<u>CIRC</u>
Existing <input checked="" type="checkbox"/> Long String	<u>7 7/8 5 1/2</u>	<u>8510</u>	<u>1200</u>	<u>CBL</u>

DV Tool _____ Liner _____ Open Hole _____ Total Depth _____

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)			
Injection Interval TOP:	<u>4600</u>	<u>ball</u>	
Injection Interval BOTTOM:	<u>5880</u>	<u>clay</u>	
Below (Name and Top)			

920 PSI Max. WHIP
Open Hole (Y/N) _____
Deviated Hole? _____

Excluded

Sensitive Areas: Capitan Reef Cliff House Salt Depths _____

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

Fresh Water: Depths: _____ Wells _____ Analysis? _____ Affirmative Statement _____

Disposal Fluid Sources: _____ Analysis? _____

Disposal Interval Production Potential/Testing/Analysis Analysis: _____

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

RULE 26.7(A) Affected Parties: Sammy Forest / Perm. BPP

Area of Review: Adequate Map (Y/N) and Well List (Y/N) NO YES

Active Wells 5 Num Repairs 0 Producing in Injection Interval in AOR NO?

..P&A Wells 1 Num Repairs 0 All Wellbore Diagrams Included? NO

Questions to be Answered: Send ~~Perm~~ AOR wells notices/also, SLO, DOE, WIPP, BLM, Monch Set CBL @ 6000 Lower PKR to 100' above Surf.

Send WBD of 30, 015-24112 Duna SE #1

Required Work on This Well: Send signed Admin check Request Sent _____ Reply: _____

AOR Repairs Needed: _____ Request Sent _____ Reply: _____

_____ Request Sent _____ Reply: _____