

12.7.10 WJ. 12.7.10 TYPE SWD 1034040002

PTG-W

1254

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



Mesquite
161988

Paducah Unit Com #1

30-025-27616

ABOVE THIS LINE FOR DIVISION USE ONLY

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]

Fed.

- [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 _____

Patented by
DEVON
Counselled

- [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.

Kay Havenor	<i>Kay Havenor</i>	Agent	11/16/2010
Print or Type Name	Signature	Title	Date
		KHavenor@georesources.com	
		e-mail Address	

Mesquite SWD, Inc. - 161968 ✓
P.O. Box 1479
Carlsbad, NM 88221

PTGW
1034040002

Contact party: Kay Havenor 575-626-4518
KHavenor@georesources.com

C-108 Ancillary Data

1. API 3002527616
- 2.. Original Lease Name: Paduca Federal Unit Com #1 New name used here: No
3. Legal publication lay distance description: "27.2 miles due west of Jal, NM off CR-1"
4. AOR data: All wells are shown in summary and detail in **Item VI**: Data on wells in AOR
EOG Paduca Fed Com Unit #1 is the only well in the AOR
5. AOR well count as shown in **Item VI**: 1 well (the target re-entry).
6. P&A wells in AOR count: One (the target re-entry).
7. List of formation tops applicable to AOR:
 - Rustler 755
 - Banded anhydrite 1110
 - Base salt 4440 (logs poor)
 - Lamar (T/Delaware Mtn Group) 4648
 - Bell Canyon 4722
 - Cherry Canyon 5808 (Opr) 6470 (KH)
 - Brushy Canyon 6902 (Opr) 7460 (KH)
 - Bone Springs 8705
 - Wolfcamp 11828 (Opr)
 - Permo-Penn 13502 (Opr)
 - Atoka 13997 (Opr)
 - Morrow 14559 (Opr)
8. Producing or non-P&A wells in proposed disposal AOR: None.
9. Is proposed SWD in a depleted zone/well? Non-commercial Morrow gas abandoned 2004
10. Why is proposed interval non-productive? Logs indicate intervals water wet. Well is down-dip from watered-out Bell Canyon wells. Dry holes to the east.
11. Notification and related acreage is shown in **Item XIII**: **Item XIII Notification List** and in **Item V** Land plat.
 - Yates Petroleum Corp E/2 E/2 Sec 22, NW/4, SW/4 Sec. 23
 - Devon Energy W/2 E/2 Sec. 22
 - Chevron/Devon E/2 E/2 Sec. 15
 - Exxon Mobil Corp. SW/4 Sec. 14
 - Sahara Operating Co. W/2 Sec. 22
12. Surface owner, as shown in Item XIII, is: BLM Surface leasee (Robins) notified.
13. Rule 5.9 status of applicant: Financial status in compliance: All in compliance. Inactive wells include: 1) 30-015-23389 CARTHEL FEDERAL COM #002 G-5 -23S-29E
Note: This property was sold to COG within the last 60 days. C-104A not yet filed/posted as of 11/16/2010.
- 14: Location of well as to Potash or other sensitive areas: Not within R-111-P area.

RECEIVED OGD
200 NOV 31 P 1:39

well plugged in 2004

APPLICATION FOR AUTHORIZATION TO INJECT

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

II. OPERATOR: Mesquite SWD, Inc.

ADDRESS: P.O. Box 1479 Carlsbad, NM 88221

CONTACT PARTY: Kay Havenor PHONE: 575-622-0283

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: Kay Havenor TITLE: Agent

SIGNATURE: Kay Havenor DATE: 11/16/2010

E-MAIL ADDRESS: KHavenor@georesources.com 575-626-4518

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

III. WELL DATA

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

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

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

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

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

XIV. PROOF OF NOTICE

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

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

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

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

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

INJECTION WELL DATA SHEET

OPERATOR: Mesquite SWD, Inc.

WELL NAME & NUMBER: Paduca Federal Unit Com No. 1

30-025-2766

WELL LOCATION: 1980' FNL & 660' FEL
FOOTAGE LOCATION

H UNIT LETTER 22 SECTION 25S TOWNSHIP 32E RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA
Surface Casing

Hole Size: 26" Casing Size: 20"
Cemented with: 1850 sx. or ft³
Top of Cement: Surface Method Determined: Circulated

See attached well diagram

Intermediate Casing

Hole Size: 17-1/2" Casing Size: 13-3/8"
Cemented with: 4120 sx. or ft³
Top of Cement: Surface Method Determined: Circulated

Production Casing

Hole Size: 12-1/4" Casing Size: 9-5/8"
Cemented with: 2860 sx. or ft³
Top of Cement: Surface - See P&A Method Determined: Circulated

Production Liner

Hole Size: NR Casing Size: 7-5/8" (2643')

Cemented with: 225 sx. *or* ft³

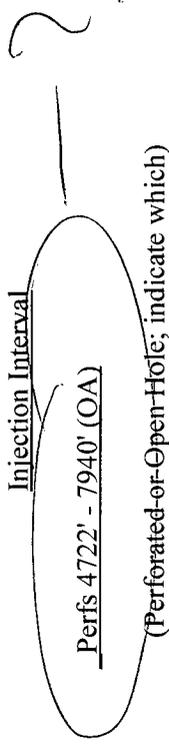
Top of Cement: Top of liner 11913' Method Determined: Drilled-out cmt

Production Liner #2

Hole Size: NR Casing Size: 5"

Cemented with: 215 sx. *or* ft³

Top of Cement: Top of liner 14256' Method Determined: NR



Side 2 continued

INJECTION WELL DATA SHEET

Tubing Size: 3-1/2" J-55 Lining Material: IPC 1850 coated

Type of Packer: Lok-Set

Packer Setting Depth: Approx 4700 ft

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

Additional Data

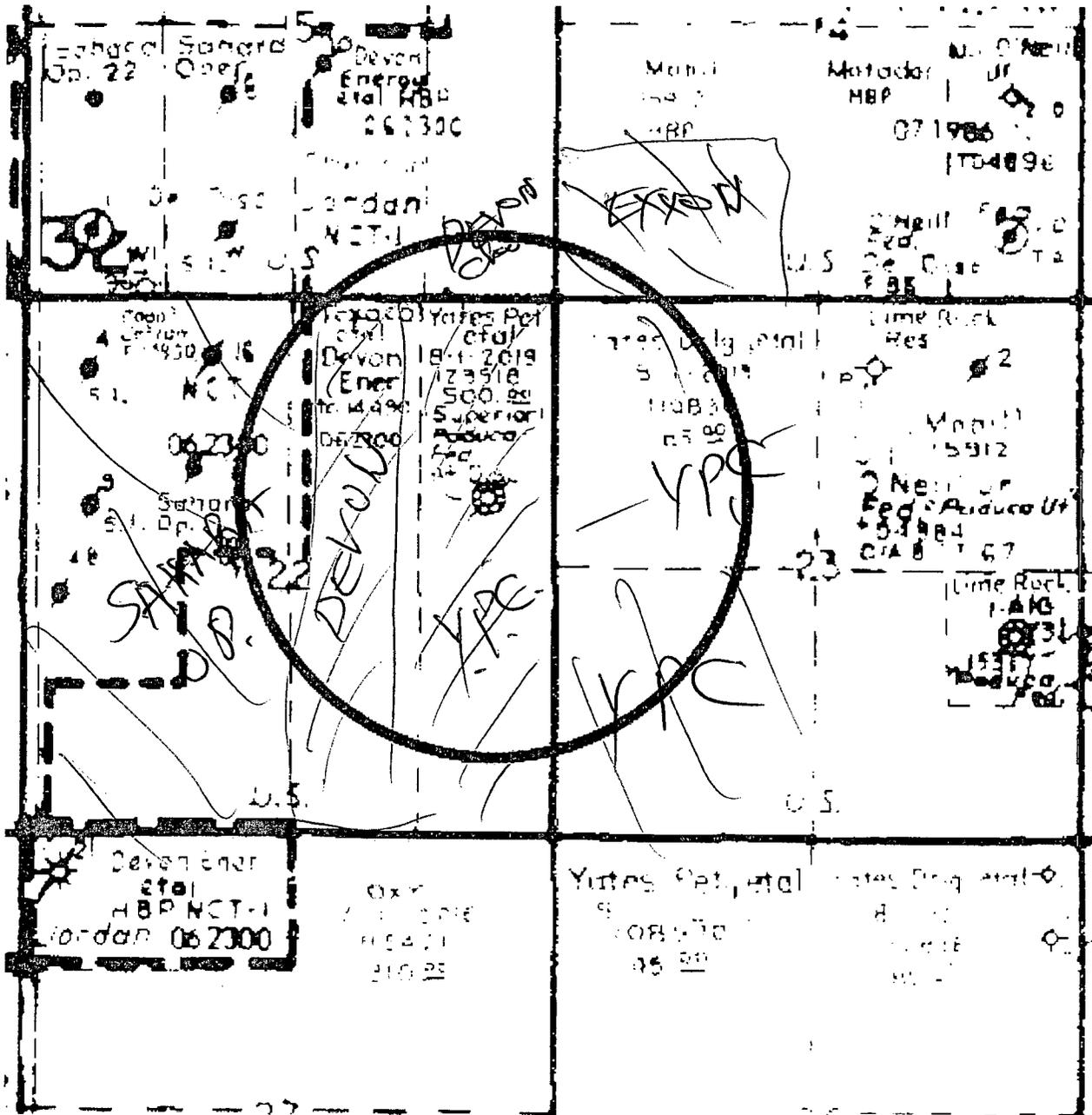
1. Is this a new well drilled for injection? Yes No
If no, for what purpose was the well originally drilled? Oil/gas

2. Name of the Injection Formation: Delaware Mountain Group
3. Name of Field or Pool (if applicable): Red Hills, Atoka, Northwest (Gas) - abandoned
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. Yes. Morrow 14585' - 15000' BP 14233' +35' cement, Atoka 14135' to 14317', CIBP 6975' +25 sxs cement. Full details listed below in Item VI (a) 1.
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Abandoned Delaware Bell Canyon wells and production NW. Abnd Bell Canyon and Atoka to the east in the 2-mile radius.

Paduca Federal Com Unit No. 1
1980' FNL & 660' FEL
Sec. 22, T25S-R32E
Lea County, NM

Enlarged View of AOR
Centered in Unit H Sec. 22, T25S-R32E
Lea Co., NM

Item V(a):



Paduca Federal Com Unit No. 1
 1980' FNL & 660' FEL
 Sec. 22, T25S-R32E
 Lea County, NM

Item VI: Data on wells in AOR.

All Known Wells in AOR

API	WELL NAME	STATUS	UNIT	SEC	TWNS	RANGE	NS	EW	OPERATOR	LAND	SPUD DATE	PLUG DATE	ELEV-GL	TVD_DEPTH	Highest Perf
3002527616	Paduca Fed Com Unit No.1 P&A	H		22	25S	32E	1980-N	660-E	EOG Resources, Inc.	Federal	6/29/1982	7/28/2004	3409	15850	14135

3002527616 Target conversion to SWD

Item VI(a): Construction of well in the AOR:

1. 30-025-27616 EOG Paduca Federal Unit Com No. 1, Unit H-Sec. 22-T21S-R32E Spudded 6/19/1982. 30" @ 40' Redi-mix. 20" 94# K-55 @ 650' w/1850 sxs circulated. 13-3/8" @ 4,630" w/4120 sxs, circulated to surface. 9-5/8" @12,250' 2860 sxs in two DV stages, circulated. 7-7/8" liner 11,913'-14,556' w/225 sxs, circulated to top of string. 5" liner 14,246'-15,489' w/ 215 sxs, circulated (tagged cmt 14,138'). Perf Morrow 14,585'-14,595' w/2 jspf (34 holes). Acid 2,500 gal 7-1/2% MS. CIBP @14,298 & CIBP + 35' cmt @14,233' (tagged). Perf Atoka 14,135'-14,318' w/40 holes, acidized w/3000 gal. CIBP in 9-5/8" @6975'. 40 sxs cmt @4850' to 4725', tagged @4730'. Cut 9-58" @4680' could not pull. 50 sxs cmt 4730'-4558', tagged @4577'. Cut 9-5/8" @2400', could not pull. 80 sxs cmt (base salt) 2450'-2193', tagged @2180'. Perf 700' sqxd 260 sxs cmt 700'-500' - cmt circulated up 13-3/8" annulus to surface. Tagged cmt in 9-5/8" @2471' Circulated 25 sxs smt from 60' to surface. P&A 7/28/2004.

Paduca Federal Com Unit No. 1
 1980' FNL & 660' FEL
 Sec. 22, T25S-R32E
 Lea County, NM

Item VII:

1. The maximum injected volume anticipated is 5,000 BWPD. Average anticipated is 2,500 BWPD.
2. Injection will be through a closed system.
3. Maximum injection pressure is expected to be 944 PSI.
4. Sources will be produced water. These will be compatible with known waters in the disposal zones.
5. Water sample analyses from the OXY Cotton Draw Unit No. 4, Unit D, Sec. 22, T25S-R32E, Lea Co., is shown below, TDS 276,839 mg/l (Source: NM WAIDS):



Water Samples for Well COTTON DRAW UNIT 004

API = 3002508221

Formation = DEL

Field = PADUCA

Current Water Production Information

Instructions:

- Click  For general information about this sample.
- Click  For scale calculation pages (Stiff-Davis or Odde Tomson methods).
- Click  To select **this water sample** for water mixing. It will lead to the main page, and add the sample ID to the mixing table.
- Click **664** Click the hyperlinked sample number to make a .csv for that sample, **or** select several check boxes and click Submit for multiple samples
 The ions are in (mg/L) units.

SampleID	T	R	S	SO4	CL	CO3	HCO3	K	Na	Ca	Mg
----------	---	---	---	-----	----	-----	------	---	----	----	----

<input type="checkbox"/>	4293			25S 32E 22 552	170500	null	198	null	null	null	null
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Paduca Federal Com Unit No. 1
1980' FNL & 660' FEL
Sec. 22, T25S-R32E
Lea County, NM

Item VIII:

Disposal will be into the Delaware Mountain Group (Delaware). The Delaware is comprised of sandstones, dolomites, and shales. The proposed disposal intervals are in the Bell Canyon, Cherry Canyon and uppermost Brushy Canyon Formations. All the Delaware members are interbedded sandstones and shales with occasional dolomite horizons. The lateral transmissivities of the sandstone beds are highly variable and often form selective barriers to the movement of hydrocarbons while allowing down-gradient movement of water. The transmissivity variations are fundamentally due to 1) the very-fine grained nature of the sands and 2) the local percentage of silt and clay. The Delaware sandstone members are typically overlain and underlain by bounding shale, dolomite, and/or silty shale horizons. The depth to the Delaware Mountain Group (top of Lamar) in this well is 4,650'. The base of the Delaware (top of Bone Springs Formation) is 8,705'.

There is no known fresh, potable or stock water within a 2-mile radius. Records from the New Mexico Office of the State Engineer on 11/13/2010 show no known water wells within the 2-mile radius of the proposed Mesquite SWD disposal well.



New Mexico Office of the State Engineer
Wells with Well Log Information

No wells found.

Basin/County Search:

Basin: Carlsbad

UTM/ADBS Radius Search (in meters):

Easting (X): 626811

Northing (Y): 3654072

Radius: 3300

The data is furnished by the NMOSE/NSC and is accepted by the recipient with the expressed understanding that the OSE/NSC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

Paduca Federal Com Unit No. 1
1980' FNL & 660' FEL
Sec. 22, T25S-R32E
Lea County, NM

The surface geology of the greater area, including the 2-mile radius as shown in Item V above, is Quaternary eolian and piedmont deposits of Holocene to middle Pleistocene age. These are underlain by the Permian Rustler Formation and Permian evaporites. The base of the anhydrite sequence in the subject re-entry is at 4,650' (msl -1241'). 13-3/8" csg is cemented to 4,630'. 9-5/8" csg cement was circulated to the surface.

Item IX:

Acidize perforations in the Delaware between 4722' and 7940' in the 9-5/8" casing with a total maximum 7,500 gal 15% HCl.

Item X:

Logs are on file with the OCD.

Item XI:

No water wells located in the 2-mile area surrounding the proposed disposal. Please note Item VIII above.

Item XII:

There is no geological evidence of open faults nor hydrologic connection between the disposal zone and any possible underground sources of protectable water.

Paduca Federal Com Unit No. 1
 1980' FNL & 660' FEL
 Sec. 22, T25S-R32E
 Lea County, NM

Plugging diagram of EOG Paduca Federal Com Unit No. 1 API 30-25 27616 Sec. 22-25S-32E Lea Co. New Mexico

PLUG AND ABANDON WELL DIAGRAM

API: 3002527616
 Operator: Enron Oil & Gas Company
 Lease: Paduca Federal Unit Com
 Location: Sec 22, T25S-R32E Lea Co., NM
 Footage: 1980 FNL, 660 FEL

Well No: 1

KB: 3439
 GL: 3409
 Spud date: 6/29/1982
 Plugged date: July 28, 2004
 MSL of TD: -12411

Surface Csg

Size: 20" 94# K-55
 Set @: 650
 Sxs cmt: 1850
 Circ: Yes
 TOC: Surface
 Hole Size: 26"

Intermediate Csg

Size: 13-3/8" 40#
 Set @: 4630
 Sxs cmt: 4120
 Circ: Yes
 TOC: Surface
 Hole Size: 17-1/2"

Production Csg

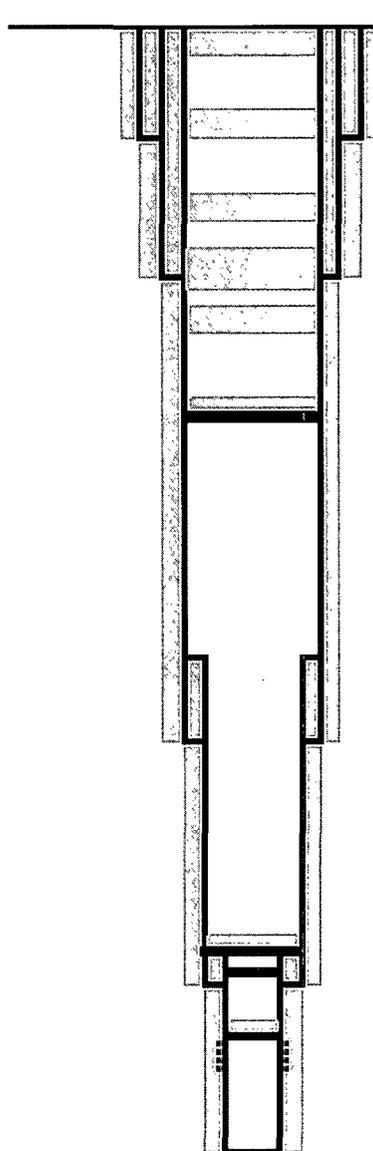
Size: 9-5/8" 47# S-95
 Set @: 12,250
 Sxs cmt: 2000 +110 on P&A
 Circ: Yes
 TOC: Surf
 Hole Size: NR

Production Liner

Size: 7-5/8" 18#
 Set @: 11913-14556'
 Sxs cmt: 175 +sqz 300
 Circ: Yes
 TOC: 11913
 Hole Size: NR

Production Liner

Size: 5"
 Set @: 14246-15849'
 Sxs cmt: 250
 Circ: Yes
 TOC: 14246
 Hole Size: NR



0
 Circ 25 sxs 60' to surface
 650
 Perf 700' sqd 260 sxs 700-500' -
 cmt circ up 13-3/8" annulus to surf
 Cut 9-5/8" @2400' could not pull.
 80 sxs (base salt) 2450-2193' Tagged 2180'
 4620
 Top Lamar Ls 4650'
 40 sxs 4850'-4725' tagged @ 4730',
 Cut 9-5/8" @4680' could not pull'
 50 sxs 4730-4558' tagged @4577'
 CIBP in 9-5/8" @6975 spot 25 sxs 6975-6875'
 Top Bone Springs 7470'
 11913
 11913-14556' 225 sxs circ top liner
 12250
 Base 9-5/8" DV #1 10172' circ w/900 sxs
 DV #2 w/1960 sxs
 CIBP 14233 +35' cmt
 CIBP 14238
 14585-15000 w/2 jcpf
 15850

Paduca Federal Com Unit No. 1
 1980' FNL & 660' FEL
 Sec. 22, T25S-R32E
 Lea County, NM

Proposed Re-entry and Re-completion:

API: 3002527616
 Operator: Mesquite SWD, Inc.
 Lease: Paduca Federal Unit Com
 Location: Sec 22, T25S-R32E Lea Co., NM
 Footage: 1980 FNL, 660 FEL

Well No: 1

KB: 3439
 GL: 3409
 Spud date: 6/29/1982
 Plugged date : July 28, 2004
 MSL of TD: -12411

Surface Csg

Size: 20" 94# K-55
 Set @: 650
 Sxs cmt: 1850
 Circ: Yes
 TOC: Surface
 Hole Size: 26"

Intermediate Csg

Size: 13-8/8" 40#
 Set @: 4630
 Sxs cmt: 4120
 Circ: Yes
 TOC: Surface
 Hole Size: 17-1/2"

Production Csg

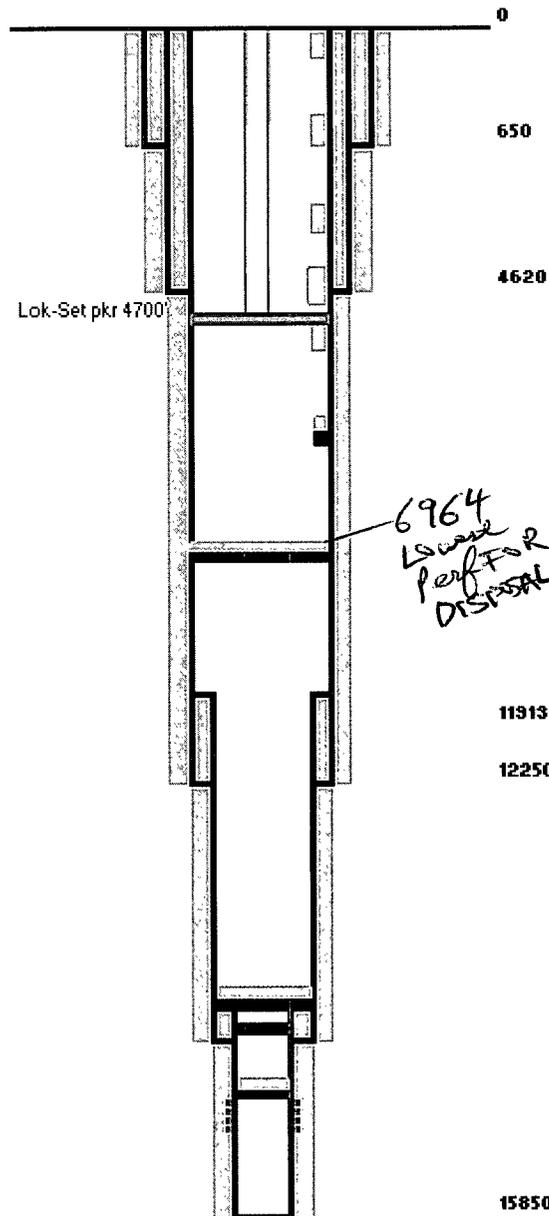
Size: 9-5/8" 47# S-95
 Set @: 12,250
 Sxs cmt: 2000 +110 on P&A
 Circ: Yes
 TOC: Surf
 Hole Size: NR

Production Liner

Size: 7-5/8" 18#
 Set @: 11913-14556'
 Sxs cmt: 175 +sqz 300
 Circ: Yes
 TOC: 11913
 Hole Size: NR

Production Liner

Size: 5"
 Set @: 14246-15849'
 Sxs cmt: 250
 Circ: Yes
 TOC: 14246
 Hole Size: NR



0 Drill surf plug to 60'
 650 Drill-out sqzd area 500'-700'
 Drill-out cmt 2180'-2450'. Test csg.
 4620 Drill-out cmt 4577'-4850'. Test csg.
 Top Lamar Ls 4650'
 Drill-out cmt 4730' - 4850'. Test csg.
 Drill-out cmt & CIBP 6875'-6975'
 Plan: OA perms 9-5/8" csg 4722' - 7940'
 CO to 8100'. Test csg.
 Set ~~CIBP @ 8040' - 850' cmt - (25-sxs)~~ Tag
 Top Bone Springs 8632'

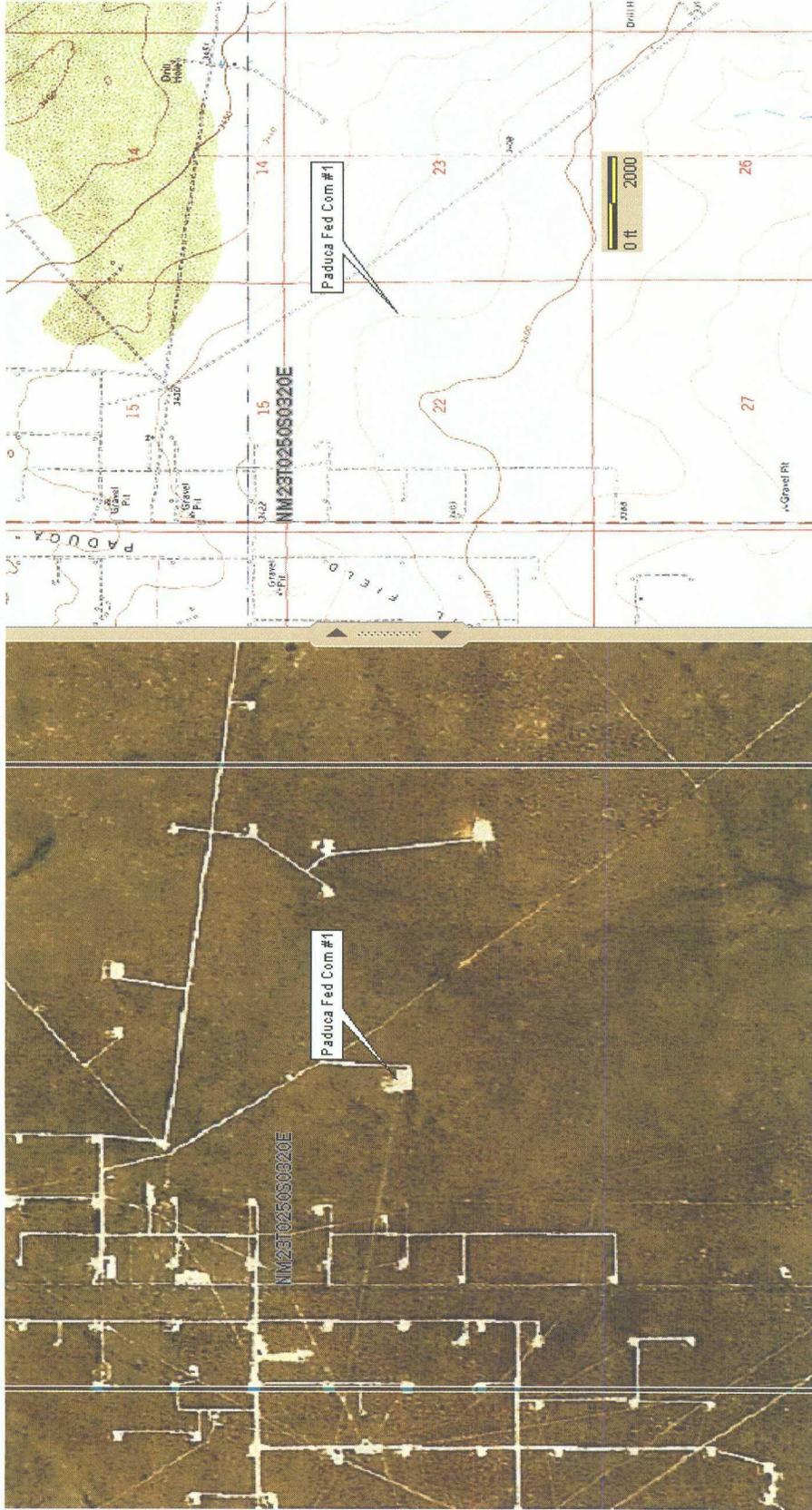
11913 11913-14556' 225 sxs circ top liner
 12250 Base 9-5/8" DV #110172' circ w/300 sxs
 DV #2 w/1960 sxs
 CIBP 14233 +35' cmt
 CIBP 14236
 BP 14283 +35' cmt
 14585-15000 w/2 jspf
 15850

Lok-set pkr approx 4700' in 9-5/8" on 3-1/2"
 IPC 1850 coated tbq.
 OA perms in 9-5/8" csg 4722' to 7940'.

Not to Scale

Paduca Federal Com Unit No. 1
1980' FNL & 660' FEL
Sec. 22, T25S-R32E
Lea County, NM

SPOT10 Satellite and Matching Topographic Map



Delorme Xmap6

Paduca Federal Com Unit No. 1
1980' FNL & 660' FEL
Sec. 22, T25S-R32E
Lea County, NM

Item XIII:

Surface and Minerals Owner:

Bureau of Land Management
c/o Carlsbad Field Office
620 E. Greene Street
Carlsbad, NM 88220

Operators:

Yates Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210

Devon Energy Operating Corp.
20 N. Broadway
Oklahoma City, OK 73102

Sahara Operating Co..
P.O. Box 4130
Midland, TX 79704

Exxon Mobile Corporation
P.O. Box 4358
Houston, TX 77210-435

Chevron USA, Inc.
15 Smith Rd.
Midland, TX 79705

BLM Grazing Leasee

Mr. Jeff Robbins
301 Orla Rd.
Jal, NM 88252

Paduca Federal Com Unit No. 1
1980' FNL & 660' FEL
Sec. 22, T25S-R32E
Lea County, NM

Legal Notice Publication

Affidavit of Publication

STATE OF NEW MEXICO)
) ss.
COUNTY OF LEA)

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterrupted for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled

Legal Notice

was published in a regular and entire issue of **THE LOVINGTON LEADER** and not in any supplement thereof, for one (1) day, beginning with the issue of November 30, 2010 and ending with the issue of November 30, 2010.

And that the cost of publishing said notice is the sum of \$ 34.34 which sum has been (Paid) as Court Costs.

Joyce Clemens

Subscribed and sworn to before me this 30th day of November 2010

Gina Fort

Gina Fort
Notary Public, Lea County, New Mexico
My Commission Expires June 30, 2014

Legal Notice
Mesquite SWD, Inc., c/o Kay Havenor, 904 Moore Ave, Roswell, NM 88201, (575) 626-4518, email: KHavenor@georesources.com, is seeking approval from the New Mexico Oil Conservation Division to re-enter the EOG Resources, Inc. Paduca Federal Unit Com No. 1 well API: 30-025-27616, located 1980 feet from the north line and 660 feet from the east line of Section 22, T25S,

R32E, Lea County, NM, 27.2 miles due west of Jal, NM, off CR-1, and re-enter for commercial produced water disposal as the Mesquite SWD, Inc. Paduca Federal Unit Com No. 1. The proposed disposal interval is in the Delaware Mountain Group through 9-5/8" casing perforations 4,722 feet to ~~2,940~~ 2,940 feet (OA). Mesquite SWD, Inc plans to dispose of a maximum of 5,000 BWPD at a maximum pressure of 944 psi. Parties with questions

regarding this proposal are urged to contact Kay Havenor at the email address or phone number above. Interested parties must file objections or requests for hearing within 15 days to the New Mexico Oil Conservation Division, 1220 S. St. Francis Dr., Santa Fe, NM 87505.

Published in the Lovington Leader November 30, 2010.

6964



Paduca Federal Com Unit No. 1
 1980' FNL & 660' FEL
 Sec. 22, T25S-R32E
 Lea County, NM

Certified Mail Receipts

7008 1830 0002 6040 4354

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For delivery information visit our website at www.usps.com	
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Return Receipt Fee (Endorsement Required)	\$ 2.30
Restricted Delivery Fee (Endorsement Required)	\$ 0.00
Total Postage & Fees	\$ 6.49

0602
ROSWELL, NM 88201
NOV 16 2010
USPS

Sent To
 BLM Carlsbad Field Office
 Street, Apt. No.,
 or PO Box No. 620 E. Greene St
 City, State, ZIP+4 Carlsbad, NM 88220

PS Form 3800, August 2006 See Reverse for Instructions

7008 1830 0002 6040 4373

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Restricted Delivery Fee (Endorsement Required)	\$ 0.00
Total Postage & Fees	\$ 6.49

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USPS

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

PS Form 3800, August 2006 See Reverse for Instructions

09EH 0409 2000 0380

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Restricted Delivery Fee (Endorsement Required)	\$ 0.00
Total Postage & Fees	\$ 6.49

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ROSWELL, NM 88201
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Sent To
 Devon Energy Operating Corp.
 Street, Apt. No.,
 or PO Box No. 20 N. Broadway
 City, State, ZIP+4 Oklahoma City, OK 73102

PS Form 3800, August 2006 See Reverse for Instructions

7008 1830 0002 6040 4427

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Total Postage & Fees	\$ 6.49

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ROSWELL, NM 88201
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Sent To
 Mr. Jeff Robbins
 Street, Apt. No.,
 or PO Box No. 301 Orla Rd.
 City, State, ZIP+4 Jal, NM 88252

PS Form 3800, August 2006 See Reverse for Instructions

Continued on next page

Paduca Federal Com Unit No. 1
 1980' FNL & 660' FEL
 Sec. 22, T25S-R32E
 Lea County, NM

Certified Mail Receipts

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Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$ 6.49	

ROSWELLO, NM 88201
 NOV 16 2010
 11/16/2010
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Sent To: Exxon Mobile Corporation
 Street, Apt. No. or PO Box No. P.O. Box 4358
 City, State, ZIP+4 Houston, TX 77210-435

PS Form 3800, August 2006 See Reverse for Instructions

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Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$ 6.49	

ROSWELLO, NM 88201
 NOV 16 2010
 11/16/2010
 USPS

Sent To: Chevron USA, Inc.
 Street, Apt. No. or PO Box No. 15 Smith Rd.
 City, State, ZIP+4 Midland, TX 79705

PS Form 3800, August 2006 See Reverse for Instructions

7008 1830 0002 6040 4397

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Return Receipt Fee (Endorsement Required)	\$2.30	
Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$ 6.49	

ROSWELLO, NM 88201
 NOV 16 2010
 11/16/2010
 USPS

Sent To: Sahara Operating Co.
 Street, Apt. No. or PO Box No. P.O. Box 4130
 City, State, ZIP+4 Midland, TX 79704

PS Form 3800, August 2006 See Reverse for Instructions

Jones, William V., EMNRD

From: Dustin_Winkler@blm.gov
Sent: Friday, December 03, 2010 2:40 PM
To: Jones, William V., EMNRD
Subject: Paduca Federal Unit Com #1
Attachments: SWD Appl - Paduca Fed Unit Com 1 - 253222H 112310.docx

Will,

Attached is a letter regarding the SWD application of the subject well.

Thanks,

Dusty Winkler
Petroleum Engineer
Bureau of Land Management
Carlsbad Field Office
575-234-5914

(See attached file: SWD Appl - Paduca Fed Unit Com 1 - 253222H 112310.docx)

November 23, 2010

RE : Review of the Class II SWD commercial injection well application for the Mesquite SWD, Inc.'s, Paduca Federal Unit Com #1 , 1980' FNL & 660' FEL (Ut H) Section 22-25S-32E, Lea County, New Mexico; re-entry of the plugged and abandoned Paduca Fed Com Unit #1, API No. 3002527616.

Comments: There are no wells within the ½ mile area of review (AOR) and four within 2 miles of the subject well. All the wells in the 2 mile AOR are plugged or constructed properly.

The top of the injection zone (4722 ft) is only about 170 ft below the base of the Salado (4550 ft), which is within reason. The BLM has noted that the plugging of this well did not follow regulations and/or guidelines. The BLM recommends once the CIBP at 6975 ft is drilled out, the operator plug back the well properly with the following plugs:

CIBP at 14085 ft with 25 sx of Class H on top.

520 ft plug of approximately 160 sx of Class H from 12300 ft to 11780 ft.

190 ft plug of approximately 85 sx of Class H from 8724 ft to 8555 ft.

DHW 112310

Jones, William V., EMNRD

From: Cromer, James [James.Cromer@dvn.com]
Sent: Friday, January 14, 2011 8:07 AM
To: Jones, William V., EMNRD
Cc: Burdick, Carl; Gray, Ken; Kay Havenor; Kline, Adam
Subject: FW: Mesquite SWD - Paduca
Attachments: 3002527616_37_WF[1].TIF

Mr. Jones,
Mesquite SWD has agreed to limit their injection interval in the Delaware to zones above 6964' (PBSD 7020'). Subject to that condition of approval, Devon hereby withdraws its objection to the proposed injection permit for the EOG PADUCA FEDERAL UNIT COM No. 001 in Section 22 of T25S R32E.

Regards,

Jim Cromer

Senior Operations Advisor
Devon Energy Production Company, LP
Western Division Operations
Permian District, PB New Mexico
405-228-4464
james.cromer@dvn.com

From: Kay Havenor [<mailto:kay.havenor@gmail.com>]
Sent: Thursday, January 06, 2011 3:54 PM
To: Cromer, James
Subject: Mesquite SWD - Paduca

Please forgive if this is a repeat of my email from KHavenor@georesource.com. It appears that I have had a host in-coming and out-going email failure and wanted to be sure you received this message.

Mr. Cromer,

In my discussions of the SWD interval in the Sec. 22, T25S-R32E C-108 application with Carl Burdick, it is my understanding that our excluding the Brushy Canyon satisfied his concerns. Mesquite will set a CIBP about 7070' plus a 50' of cement on top. Mr. Burdick calls the Brushy Canyon at 7100'. That arrangement means our lowest perf would be at 6964'. That will allow us a reasonable amount of rathole and still fully isolate the Brushy Canyon.

It would be greatly appreciated if you will email Will Jones (William.V.Jones@state.nm.us) and withdraw Devon's protest conditional upon the above modifications.

Thank you. Have a great New Year.

Kay

--

Kay C. Havenor, Ph.D., P.G.
GeoScience Technologies
904 Moore Ave

Roswell, NM 88201-1144
(575) 622-0283

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s), are confidential, and may be privileged. If you are not the intended recipient, you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of all or any portion of this message and any attachments is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return e-mail, and delete this message and any attachments from your system.

Jones, William V., EMNRD

From: Kay Havenor [khavenor@georesources.com]
Sent: Friday, January 14, 2011 8:31 AM
To: Jones, William V., EMNRD
Subject: Mesquite SWD - 30-025-27616

Good morning, Mr. Jones,

This is simply to advise you the modifications to the depths setout in Mr. Cromer's email are correct and those to which Mesquite worked out with Devon's geologist. Mesquite respectfully requests renewal of processing the C-108 modified with to the limitation on depth outlined.

Again, thank you for your efforts and repeated assistance.

Kay Havenor

Delivered-To: khavenor@georesources.com

Mr. Jones,
Mesquite SWD has agreed to limit their injection interval in the Delaware to zones above 6964? (PBD 7020?). Subject to that condition of approval, Devon hereby withdraws its objection to the proposed injection permit for the EOG PADUCA FEDERAL UNIT COM No. 001 in Section 22 of T25S R32E.

Regards,

Jim Cromer

Senior Operations Advisor
Devon Energy Production Company, LP
Western Division Operations
Permian District, PB New Mexico
405-228-4464
james.cromer@dvn.com

Snip . . .

Kay C. Havenor, Ph.D., PG. CPG
GeoScience Technologies
904 Moore Ave
Roswell, NM 88201-1144
(575) 626-4518



Ken Gray
Senior Advisor, Land

Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260
Office: (405) 552-4633
Fax: (405) 552-8113

December 1, 2010

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attn: David Brooks

Re: EOG Paduca Federal Unit Com #1
Section 22-T25S-R32E
Lea County, New Mexico
API 30-025-27616

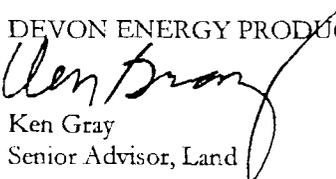
Gentlemen:

Devon Energy Production Company, L.P. ("Devon") is in receipt of an administrative Application For Authorization To Inject Form C-108 on behalf of Mesquite SWD, Inc. covering the referenced well, a copy of which is attached. As an offset leasehold operator and in accordance with applicable New Mexico Oil Conservation Division rules and regulations, Devon hereby objects to this administrative application.

If there are any questions feel free to contact Jim Cromer, Operations Engineering at 405-228-4464.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.


Ken Gray
Senior Advisor, Land

cc: Kay C. Havenor, Ph.D.
904 Moore Avenue
Roswell, New Mexico 88201-1144



Kay C. Havenor, Ph.D.

Office: 575-626-4518
e-mail: KHavenor@GeoResources.com
904 Moore Ave
Roswell, New Mexico 88201-1144

November 16, 2010

Devon Energy Operating Corp.
20 N. Broadway
Oklahoma City, OK 73102

Re: EOG Paduca Federal Unit Com #1
Sec 22, T25S-R32E, Lea Co., NM
API 30-025-27616

Mesquite SWD, Inc. is filing with NM OCD to re-enter the subject well for salt water disposal. The Legal Notice is to be published November 18, 2010 in the Lovington, NM Lovington Daily Leader. Produced water will be disposed from perforations 4,722 feet to 7,940 feet (over-all) into the Delaware Mountain Group.

As per OCD requirements a copy of the C-108 application is attached.

Should you have questions or concerns regarding this application please contact the undersigned by telephone at the above number, or by e-mail to KHavenor@georesources.com.

Respectfully submitted,

A handwritten signature in cursive script that reads "Kay Havenor".

Kay Havenor, PG
Agent on behalf of Mesquite SWD, Inc.

Encl: C-108 application

Injection Permit Checklist (11/15/2010)

SHILL
EOG paper

WFX _____ PMX _____ SWD 1264 Permit Date 1/24/11 UIC Qtr (U/FM)

Wells 1 Well Name(s): PADUCA F&L UMT COM #1

API Num: 30-0 25-27616 Spud Date: 6/19/82 New/Old: N (UIC primacy March 7, 1982)

Footages 1980 FNL/66 OFEL Unit A Sec 22 Tsp 258 Rge 32E County LEA

General Location: 27 mda west of JAL

Operator: MESQUITE SWD, INC Contact Kay Hovener

OGRID: 161988 RULE 5.9 Compliance (Wells) (Finan Assur) OK IS 5.9 OK? OK

Well File Reviewed _____ Current Status: abandoned (dry) Morrow Form well (2009)

Planned Work to Well: RE-enter

Diagrams: Before Conversion After Conversion Elogs in Imaging File:

Well Details:	Hole.....Pipe	Sizes	Setting Depths	Stage Tool	Cement Sx or Cf	Determination Method
New ___ Existing <input checked="" type="checkbox"/> Surface	<u>26 20</u>	<u>650</u>	<u>—</u>	<u>1850</u>	<u>CIRC</u>	
New ___ Existing <input checked="" type="checkbox"/> Interm	<u>17 1/2 13 3/8</u>	<u>4630</u>	<u>—</u>	<u>4120</u>	<u>CIRC</u>	
New ___ Existing <input checked="" type="checkbox"/> LongSt	<u>12 1/4 9 5/8</u>	<u>12250</u>	<u>(2 stages)</u>	<u>2860</u>	<u>CIRC</u>	
New ___ Existing <input checked="" type="checkbox"/> Liner	<u>7 1/8</u>	<u>(11913-1452)</u>			<u>CIRC</u>	
New ___ Existing <input checked="" type="checkbox"/> <u>Open Hole</u>	<u>5"</u>	<u>(14256-15489)</u>			<u>CIRC</u>	

Depths/Formations:	Depths, Ft.	Formation	Tops?
Formation(s) Above	<u>4648</u>	<u>Dol</u>	<input checked="" type="checkbox"/>
Injection TOP:	<u>4722</u>	<u>Bell</u>	<input checked="" type="checkbox"/>
Injection BOTTOM:	<u>6964</u>	<u>Cherry</u>	
Formation(s) Below	<u>5808</u>	<u>Cherry</u>	<input checked="" type="checkbox"/>
	<u>5902</u>	<u>Brushy</u>	<input checked="" type="checkbox"/>
	<u>875</u>	<u>B.S.</u>	<input checked="" type="checkbox"/>

*round off
4722
6964*

*4722
6964*

Capitan Reef? _____ (Retash? _____ Noticed? _____) (WIPP? _____ Noticed? _____) Salado Top/Bot 755/MO - 4440 (Sh House? _____)

Fresh Water: Depths: _____ Formation None Wells? NO Analysis? _____ Affirmative Statement

Disposal Fluid Analysis? _____ Sources: Commercial

Disposal Interval: Analysis? Production Potential/Testing: Wet on logs/Down dip from wet zone (Dry holes to EAST)

Notice: Newspaper Date 11/30/10 Surface Owner BLM Mineral Owner(s) _____

RULE 26.7(A) Affected Persons: DEVON / Yates / Chevron / Sahara / Exxon

AOR: Maps? Well List? Producing in Interval? NO Wellbore Diagrams? _____

.....Active Wells 0 Repairs? _____ Which Wells? _____

.....P&A Wells 0 Repairs? _____ Which Wells? _____

Issues: BLM requests Mesquite RE-ENTER TO TD ± PLUS properly. Request Sent _____ Reply: _____