

PTG-W

| | | | | | |
|----------------|----------|-------------|---------------|------|--------------------|
| DATE IN 224.11 | SUBPENSE | ENGINEER WJ | LOGGED 224.11 | TYPE | APP NO. 1105550975 |
|----------------|----------|-------------|---------------|------|--------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY.

1266

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



Rd S

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 _____

3590' - 3600'
 900 PSI

- [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.

| | | | |
|--------------------|-----------|------------------------|---------|
| David Luna | | Operations Manager | 1/12/11 |
| Print or Type Name | Signature | Title | Date |
| | | dluna@read-stevens.com | |
| | | e-mail Address | |

-18917-
READ & STEVENS, INC.
OIL PRODUCERS

PTGW 110555 0925

2-24-11

Mailing address
P. O. Box 1518
Roswell, New Mexico 88202

400 Penn Plaza, Suite 1000
Roswell, New Mexico 88201

Phone: 575/622-3770
Fax: 575/622-8643

December 23, 2010

CERTIFIED MAIL #7002 0460 0000 9372 3058
RETURN RECEIPT REQUESTED

Feb. 23, 2011

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

RE: Application For Permit to Convert to Salt Water Disposal
Marbob State #1 SWD ✓ 30-015-26040
660' FNL & 660' FEL ✓
Section 19, T19S-R29E ✓
Eddy County, NM ✓

3540' - 3600'
900PST

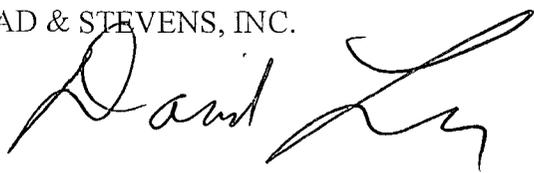
Ladies & Gentlemen:

Enclosed is our application for administrative approval to authorize salt water disposal into the subject well. The landowner and offset operator have received a copy of the application as evidenced by the certified mail receipts enclosed.

If you should have any questions, please advise.

Sincerely,

READ & STEVENS, INC.



David Luna
Operations Manager

kb/word/marbob state #1 documents

Original: OCD Santa Fe & 1 xc
Xc: OCD Artesia
Bob Watson
David Luna
Well File

State of New Mexico
Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, NM 87504-1148

Black Hills Gas Resources
3200 N. 1st Street
Bloomfield, NM 87413-5262

Cimarex Energy Company
600 N. Marienfeld Street, Suite 600
Midland, TX 79701

COG Operating LLC
550 W. Texas Ave., Suite 1300
Midland, TX 70701

Devon Energy Production Co., LP
20N Broadway
Oklahoma City, OK 73102

General Energy Operating, Ltd
1201 Louisiana, Suite 1000
Houston, TX 77002

Nuevo Seis Limited Partnership
P. O. Box 2588
Roswell, NM 88202-2588

Oxy USA, Inc.
P. O. Box 50250
Midland, TX 79710-0250

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance _____ Disposal _____ Storage
Application qualifies for administrative approval? X Yes _____ No
- II. OPERATOR: Read & Stevens, Inc.
ADDRESS: P. O. Box 1518, Roswell, NM 88202-1518
CONTACT PARTY: David Luna PHONE: 575-622-3770 x 305
- 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 X 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: David Luna TITLE: Operations Manager
SIGNATURE: David Luna DATE: 12/3/2010
E-MAIL ADDRESS: dluna@read-stevens.com
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

III. WELL DATA

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

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

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

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

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

XIV. PROOF OF NOTICE

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

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

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

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

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: Read & Stevens, Inc.

WELL NAME & NUMBER: Marbob State #1 SWD

WELL LOCATION: 660' FNL & 660' FEL UNIT LETTER A SECTION 19 TOWNSHIP 19S RANGE 29E
FOOTAGE LOCATION

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17 1/2" Casing Size: 13 3/8" 48#

Cemented with: 375 sx. or ft³

Top of Cement: -0- Method Determined: Circ

Intermediate Casing

Hole Size: 12 1/4" Casing Size: 8 5/8" 32#

Cemented with: 1250 sx. or ft³

Top of Cement: -0- Method Determined: 1"

Production Casing

Hole Size: 8 3/4" Casing Size: 5 1/2" 20#

Cemented with: 1965 sx. or and squeezed ft³

Top of Cement: 375' Method Determined: Calc

Total Depth: 11450

Injection Interval

3580' feet to 4000'

(Perforated or Open Hole; indicate which) **Perforated**

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8" Fiberglass Fiberglass Lining Material: Fiberglass

Type of Packer: 5 1/2" Nickle Plated Lok-Set Stationary Packer

Packer Setting Depth: 3500'

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

Additional Data

1. Is this a new well drilled for injection? _____ Yes X No _____
 If no, for what purpose was the well originally drilled? Morrow Gas

2. Name of the Injection Formation: Delaware

3. Name of Field or Pool (if applicable): Millman; East

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. _____

Attached (next page)

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Overlying: Yates = 1444' -1458', Queen = 1986' -1996'

Grayburg = 2314'-2388', Underlying: Bone Springs = 8284'-9201', Cisco = 9795-10012'

MARBOB STATE #1 SWD
Perforated intervals and
Plugging Details

Cmt Plug: 15 sxs @ surface
Cmt Plug: 181' -- 450' (25 sxs)
Cmt Plug: 1148' – 1400' (60 sxs)
Yates: 1444' – 1458'

Queen: 1986' – 1996'

CIBP @ 2300'

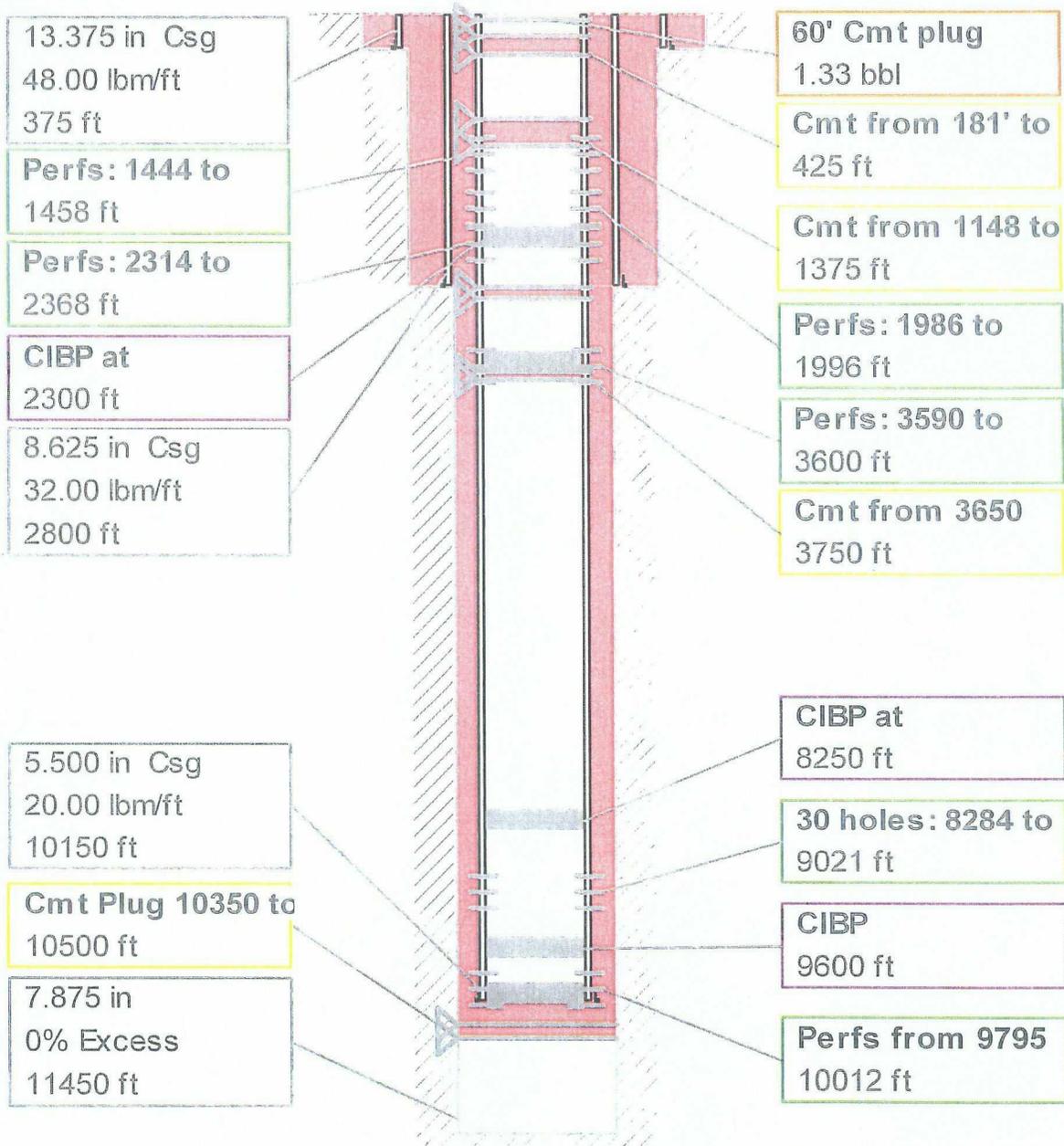
Grayburg: 2314' – 2368'
Cmt Retainer: 2800' w/325 sxs w/full circ during job
CIBP @ 3570'

Delaware: 3590' – 3600'
Cmt Retainer: 3656' w/50 sxs Class C
Delaware 3684' – 88' CIBP @ 8250'

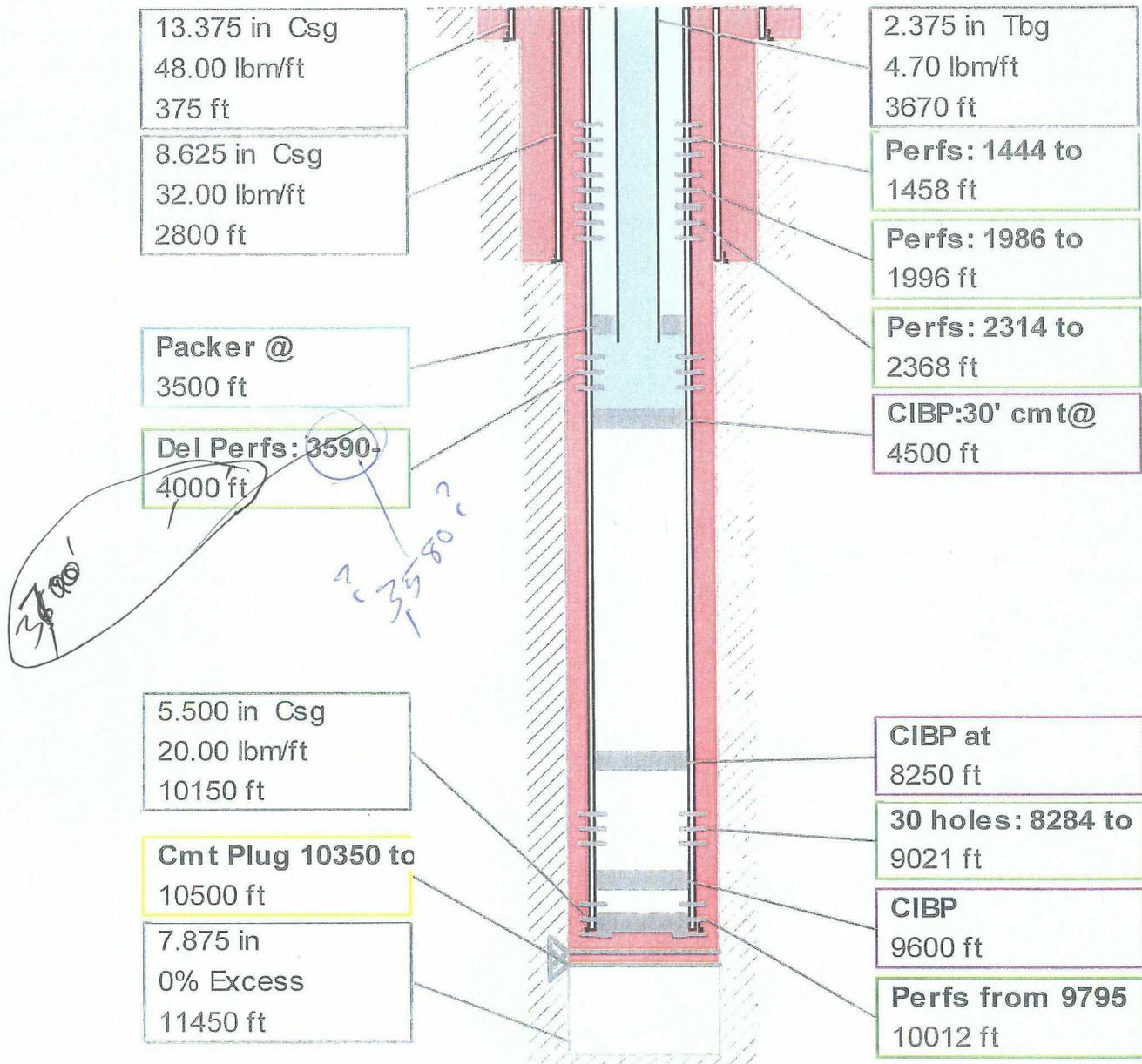
Bone Springs: 8284' – 9021'
CIBP @ 9600'

Cisco: 9795' – 10012'

Marbob State #1
Read Stevens, Inc.
Eddy Co., NM
660'FNL 660'FEL
Sec. 19, T19S-R34E
API: 30-015-26040
Field: Turkey Track (Queen)
Exhibit A: Current Well (PA Wellbore)



Marbob State #1 SWD
 Read Stevens, Inc.
 Eddy Co., NM
 660'FNL 660'FEL
 Sec. 19, T19S-R34E
 API: 30-015-26040
 Field: Turkey Track
 Exhibit B: Proposed SWD



ITEM VI FORM C108

Marbob State #1 SWD
(FORMERLY MARBOB STATE #1)

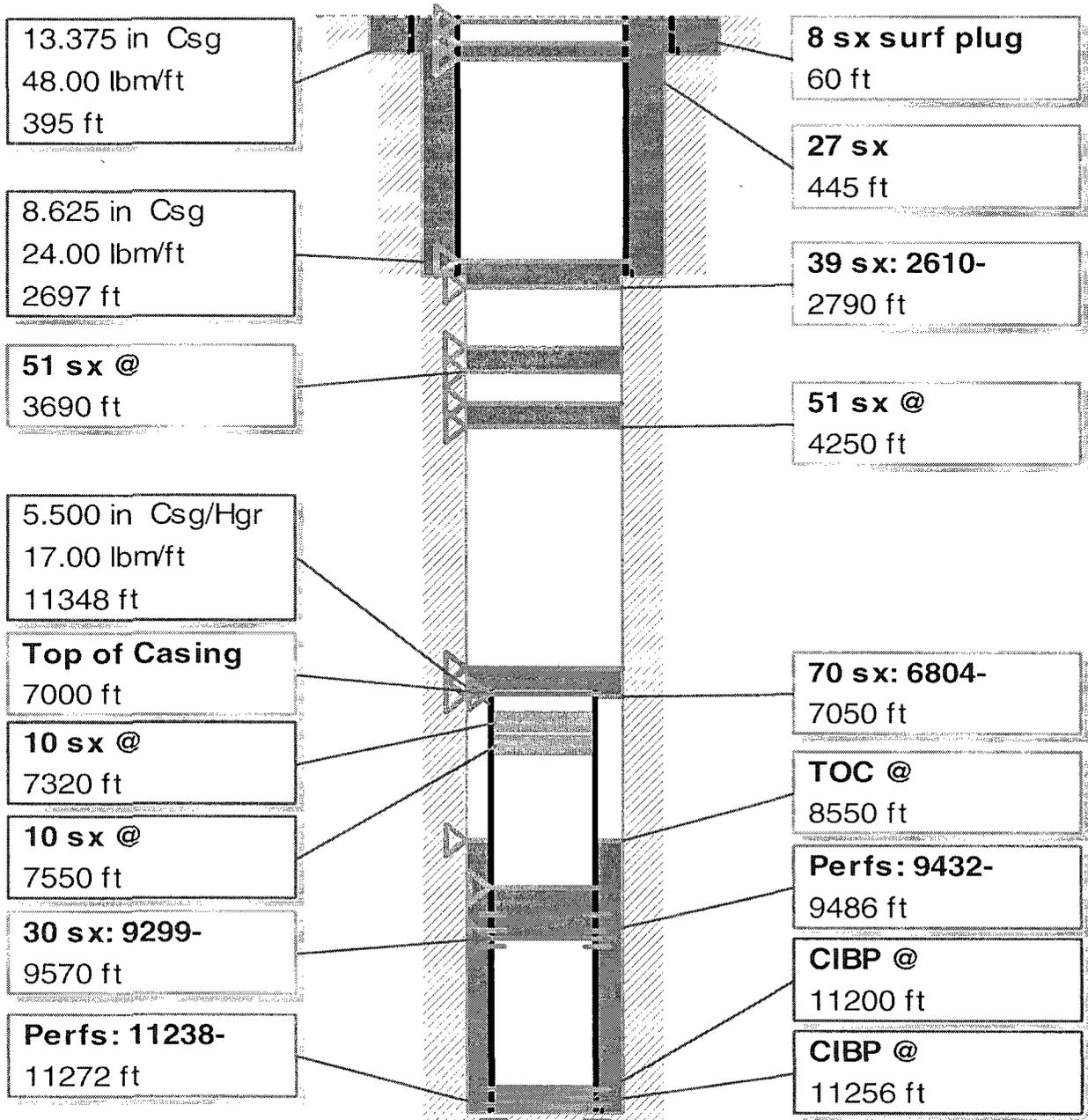
AREA OF INTEREST
WELL DATE SHEET

| WELL NAME /NO OPERATOR | TYPE | CASING | LOCATION | DATE DRILLED | TOTAL DEPTH | COMPLETION |
|--|------|---|---|---------------------------------------|----------------|--|
| Sivley State #1 Pool Oil Company | O | 8 5/8" csg @ 436', 300 sxs 4 1/2" csg @ 2,048', 225 sxs. TOC 900' | UL M, Sec 17, T19S-R29E 330' FSL & 330' FWL Eddy County, NM | 09/13/91 | 2,048' | Perf from 2,001' - 2,020' Frac w/18,000 gal YF130, 32,000# 12/20 sand Acidz w/1,250 gal HCL P/A on 04/28/10 |
| New Mexico DC State #002 COG Operating, LLC | O | 13 3/8" csg @ 612', 500 sxs 8 5/8" csg @ 1,586', 600 sxs 5 1/2" @ csg 4,407', 795 sxs | UL I, Sec 18, T19S-R29E 1,780 FSL & 660' FEL Eddy County, NM | 01/29/83 <i>OK after well file</i> | 4,419' | Perf from 3,974' - 1,956' Frac w/32,000 gal foam, 34,000# sand Acidz w/6,500 gal 15% HCl Producing Oil Well <i>7468</i> |
| Hannafin State #1 Pronghorn Management Corp. | O | 8 5/8" csg @ 250', 200 sxs 4 1/2" csg @ 2112', 250 sxs | UL: L, Sec 17, T19S-R29E 330' FWL & 1650' FLS Eddy County, NM | 05/15/91 | 2112' | P/A 04/22/10 |
| Palmillo 18 State #1 Mewbourne Oil Corp. | G | 13 3/8" csg @ 360', 400 sxs 8 5/8" csg @ 2840', 1200 sxs 5 1/2" csg @ 11430', 1650 sxs <i>DUE 8830 above 975 pot + 1100' OK face</i> | UL: I, Sec 18, T19S-R29E 1548' FSL & 660' FEL Eddy County, New Mexico | 10/30/99 | 11430' | Perf from 10657' - 84' <i>1400</i> |

| WELL NAME /NO | OPERATOR | TYPE | CASING | LOCATION | DATE DRILLED | TOTAL DEPTH | COMPLETION |
|--|----------|------|--|---|--------------|-------------|---|
| New Mexico DC State #6 | | O | 8 5/8" csg @ 348', 300 sxs 5 1/2" csg @ 2649', 525 sxs 2 7/8" csg @ 2486' | UL: O, Sec 18, T19S-R29E 660' FSL & 1980" FEL Eddy County, New Mexico | 12/21/09 | 2650' | Perf from 1966' - 2084'; 2240' - 2390'. Acdz w/2300 gal 15% NeFe Frac w/249,565# 16/30 sand & 206,317 gal F1 |
| COG Energy Corp. New Mexico DC State #7 | | O | 8 5/8" csg @ 352', 300 sxs 5 1/2" csg @ 2650', 750 sxs 2 7/8" csg @ 2471' | UL: P, Sec 18, T19S-R29E 660' FSL & 660' FEL Eddy County, New Mexico | 06/26/09 | 2650' | Perf from 1987' - 2360'. Acdz w/2500 gal 15% HCl Frac w/203,043# 16/30 brn sand & 160,713 gal fl |
| COG Energy Corp. Marbob State #1 <i>S. Stevens</i> Read & Stevens, Inc. | | O | 13 3/8" csg @ 375', 375 sxs, circ surf 8 5/8" csg @ 2800', 1250 sxs, circ surf 5 1/2" csg @ 10,150', 1965 sxs, | UL: A, Sec 19, T19S-R29E 660' FNL & 660' FEL Eddy County, New Mexico | 04/26/90 | 11450' | Perf from 8284' - 9021'. Acdz w/2500 gal NeFe Frac w/280,000# sand, 90,000 H2O P/A 02/2009 |

Scanlon Draw 19 St #1
Southland Royalty
Sec 19, 19S, 29E 660 FNL 1980 FWL
Eddy Co. API: 30-015-25116
Lease L-6367
Dry Hole: PAed 11/7/85

*CLOSE TO LIMIT
of AOR*



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

RECEIVED

NEW MEXICO OIL CONSERVATION COMMISSION
DEC 14 1977

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

O. C. C.
ARTESIA, OFFICE

| |
|--|
| 5a. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> |
| 5. State Oil & Gas Lease No. K-3153 |
| 7. Unit Agreement Name Parkway West |
| 8. Farm or Lease Name Parkway West Unit |
| 9. Well No. 4 |
| 10. Field and Pool, or Wildcat West Parkway Morrow Gas |
| 12. County EDDY |

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. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> |
| 2. Name of Operator THE PETROLEUM CORPORATION ✓ |
| 3. Address of Operator 3303 Lee Parkway, Dallas, Texas 75219 |
| 4. Location of Well UNIT LETTER C 660 FEET FROM THE North LINE AND 1980 FEET FROM THE West LINE, SECTION 20 TOWNSHIP 19 S RANGE 29 E NMPM. |
| 15. Elevation (Show whether DF, RT, GR, etc.) GL 3547 |

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

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

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

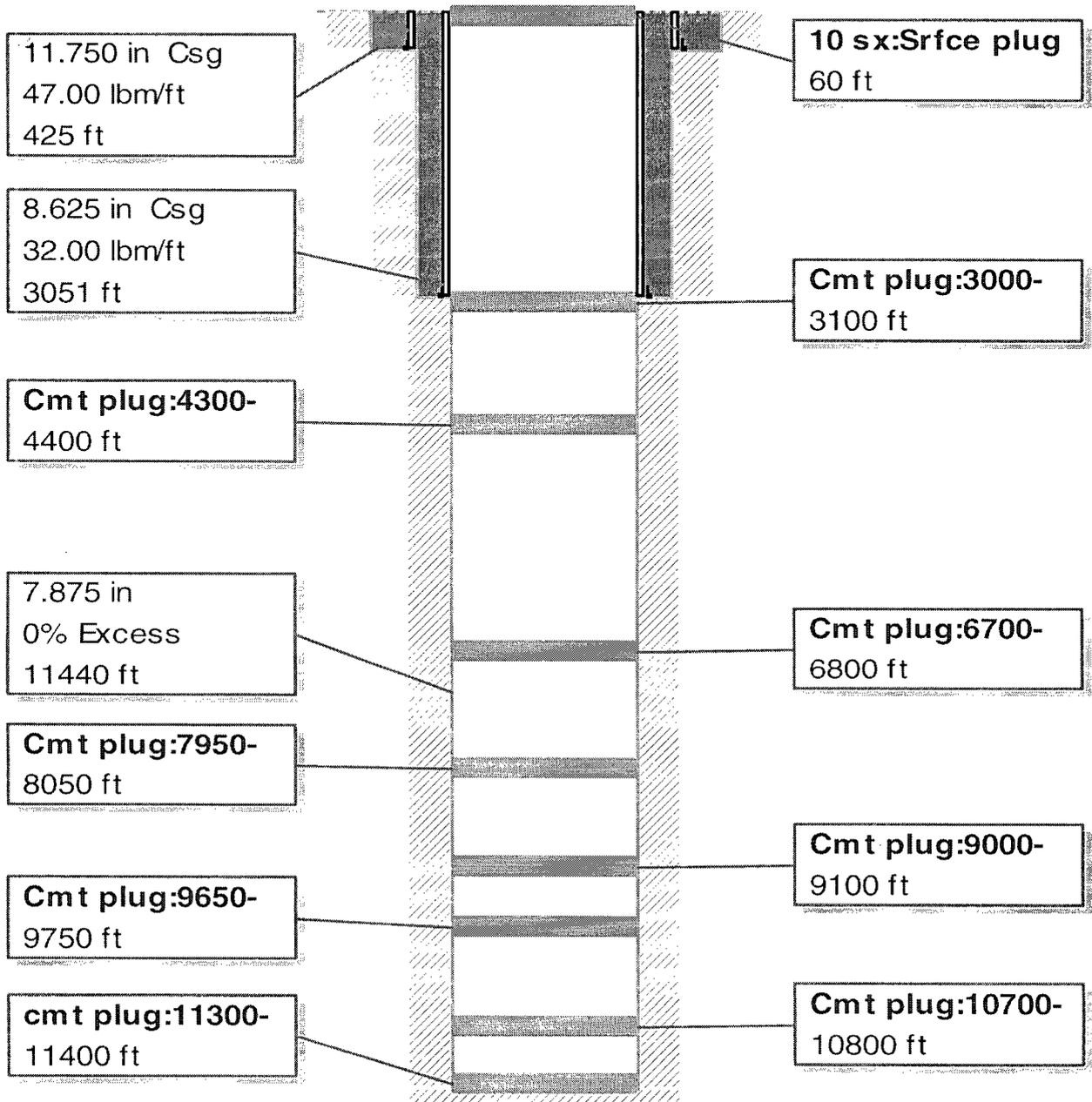
A 7-7/8" hole was drilled to 11,440'. Total depth was reached on December 1, 1977. Ran Compensated Formation Density Log and Dual Laterolog to total depth. Ran DST #1 from 11,328' to 11,440'. Recovered 558' of drilling mud, no show of oil or gas. Ran DST #2 from 11,060' to 11,135'. Recovered 614' of drilling mud, no show of oil or gas. Plugged well on December 9, 1977, per instructions from Artesia office as follows: 40 sacks Class H cement, each plug, at 11,400'-11,300'; 10,800'-10,700'; 9,750'-9,650'; 9,100'-9,000'; 8,050'-7,950'; 6,800'-6,700'; 4,400'-4,300'; and 3,100'-3,000'. Spotted 10 sacks for top plug. Released rig at 10:30 am December 8, 1977.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.
Don F. Tankersley
Vice President of Operations
SIGNED: Don F. Tankersley TITLE: Vice President of Operations DATE: 12/12/77

APPROVED BY: Mae Stubbfield TITLE: OIL AND GAS DATE: DEC 16 1977
CONDITIONS OF APPROVAL, IF ANY:

Parkway West Unit #4
The Petroleum Corp.
660 FN 1980 FW, Sec 20 19S 29E
API: 30-015-22319
Lease: K-3153
PAed 12/12/1977

≈ 1/2 mile away



ITEM VII of NEW MEXICO OCD Form C-108
DATA on PROPOSED OPERATIONS

MARBOB STATE #1 SWD

1. The proposed average and maximum daily injection rate is expected to be 1000 BWPD and 1800 BWPD, respectively.
2. The injection system will be operated as a closed system. With tank level monitoring to prevent overflow of tanks.
3. The average injection pressure is expected to be 700 psi. The maximum injection pressure should not be over 900 psi.
4. The source for the disposal water will be all wells that Read & Stevens, Inc. operates or owns an interest in: Section 19 of T19S-R29E, Eddy County, NM. Water analysis for the Grayburg/Queen water in the Marbob State #3 is attached as Exhibit VII 4a.
5. Attached is a fluid analysis of water in the Delaware. It is on a Sieta Oil & Gas Corporation well in the Parkway Delaware. (Exhibit VII 5)

Pro-Kem, Inc. WATER ANALYSIS REPORT

SAMPLE

Oil Co. : Read & Stevens

Lease : Marbob St.

Well No.: 3

Location:

Attention: *Queen / Grayburg Formation water*

Date Sampled : 02-November-2010

Date Analyzed: 05-November-2010

Lab ID Number: Nov0510.002- 4

Salesperson :

File Name : Nov0510.002

ANALYSIS

- 1. Ph 5.900
- 2. Specific Gravity 60/60 F. 1.090
- 3. CACO3 Saturation Index @ 80F

@140F

-0.227 Negligible
0.663 Moderate

Dissolved Gasses

- 4. Hydrogen Sulfide MG/L. 240
- 5. Carbon Dioxide 280
- 6. Dissolved Oxygen Not Determined

EQ. WT. *MEQ/L

Cations

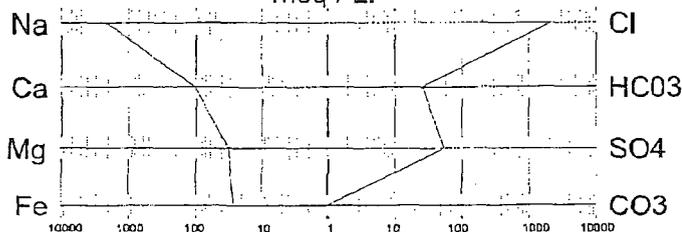
- 7. Calcium (Ca++) 2,010 / 20.1 = 100.00
- 8. Magnesium (Mg++) 371 / 12.2 = 30.41
- 9. Sodium (Na+) (Calculated) 47,420 / 23.0 = 2,061.74
- 10. Barium (Ba++) Not Determined

Anions

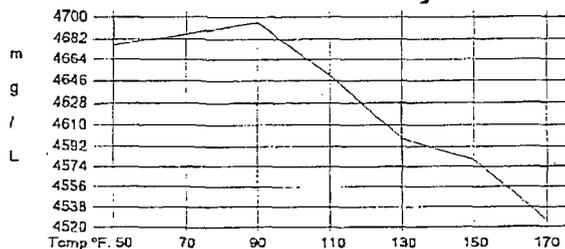
- 11. Hydroxyl (OH-) 0 / 17.0 = 0.00
- 12. Carbonate (CO3=) 0 / 30.0 = 0.00
- 13. Bicarbonate (HCO3-) 1,548 / 61.1 = 25.34
- 14. Sulfate (SO4=) 2,550 / 48.8 = 52.25
- 15. Chloride (Cl-) 74,983 / 35.5 = 2,112.20
- 16. Total Dissolved Solids 128,882
- 17. Total Iron (Fe) 465.00 / 18.2 = 25.55
- 18. Manganese (Mn++) Not Determined
- 19. Total Hardness as CaCO3 6,546
- 20. Resistivity @ 75 F. (Calculated) 0.060 Ohm · meters

LOGARITHMIC WATER PATTERN

*meq / L.



Calcium Sulfate Solubility Profile



PROBABLE MINERAL COMPOSITION

| COMPOUND | *meq/L | X | EQ. WT. | = | mg/L. |
|-----------|----------|---|---------|---|---------|
| Ca(HCO3)2 | 25.34 | | 81.04 | | 2,053 |
| CaSO4 | 52.25 | | 68.07 | | 3,557 |
| CaCl2 | 22.41 | | 55.50 | | 1,244 |
| Mg(HCO3)2 | 0.00 | | 73.17 | | 0 |
| MgSO4 | 0.00 | | 60.19 | | 0 |
| MgCl2 | 30.41 | | 47.62 | | 1,448 |
| NaHCO3 | 0.00 | | 84.00 | | 0 |
| NaSO4 | 0.00 | | 71.03 | | 0 |
| NaCl | 2,059.38 | | 58.46 | | 120,391 |

* milliequivalents per Liter

David Chavez, Analyst

EXHIBIT VII 4a
WATER ANALYSIS REPORT
Read & Stevens, Inc.
MARBOB STATE #1 SWD
660' FNL & 660' FEL
Sec. 19, T19S-R29E
Eddy County, NM

PARKWAY DELAWARE
Ralph Worthington & Bruce Uszynski
Siete Oil & Gas Corporation

FIELD LOCATION: Secs 26, 34, 35, 36, T-19-S, R-29-E; Sec 31, T-19-S, R-30-E; Sec 2, T-20-S, R-29-E and Sec 6, T-20-S, R30-E,
Eddy County, New Mexico

EXPLORATION METHODS LEADING TO DRILLING OF DISCOVERY WELL: Subsurface geology

PRESENT STATUS OF FIELD: Producing

DISCOVERY WELL: SIETE OIL & GAS CORP., Osage Fed No. 1, Sec 35, T-19-S, R-19-E

Completion Date 8/12/88 Total Depth 5910' Producing Interval 4135-4168'

Initial Production 123 BOPD + 153 MCFGPD

Producing Formation Brushy Canyon

OLDEST FORMATION PENETRATED: Mississippian

FLUID DATA:

Oil: Type Sweet Gravity 40.6 ° @ °F G.O.R. 1200

Gas: Analysis (percent) Methane 67 % Gravity .816 BTU 1255 /cu.ft.

Original Water: ppm Na + K 67,848 Cl 146,894 Other Ca 18,720, Mg 3,450, SO₄ 1,420, Ba 330

Resistivity .052 Ohms @ 77 °F Rw @ BHT

RESERVOIR DATA:

Nature of trap: Stratigraphic, with structural closure due to differential compaction

Average Pay 343 Gross ft. 157 Net ft.

Lithology: Sandstone, fine-grained to very fine-grained, lt to med gray, slightly argillaceous, well sorted, finely laminated, mostly consolidated

Porosity 15 % to 23.5 % Permeability .16 md to 8.1 md

Average Porosity 18 % Average Permeability 1.5 md Reservoir Sw 38-52%

Reservoir Drive Solution Gas Initial BHP 1838 @ -875'

Btn Hole Temp 110 °

Original O/W Contact Transitional Original G/W Contact Hydrocarbon Column, Ft.

COMPLETION DATA:

Well Spacing 40 acres Proven area 1320 acres

Other producing reservoirs in field: Morrow, Atoka, Strawn, Upper Penn, Wolfcamp, Bone Spring, Cherry Canyon & Yates

Normal Completion Program: Drill through pay. Run open-hole logs. Selectively perforate and acidize w/1000 gal HCl. Frac w/± 18,000 gal and ± 42,000# sand.

PRODUCTION DATA:

Best Well in Field: Apache "A" Fed #2 (PDU #202)

| YEAR | #WELLS @ YR-END | | BBLs | MMCF |
|--------------|-----------------|--------|------------------|--------------|
| | PROD | SI/ABN | | |
| 1986 | | | | |
| 1987 | 1 | | 8,027 | 12 |
| 1988 | 5 | | 34,760 | 14 |
| 1989 | 24 | | 397,626 | 511 |
| 1990 | 28 | | 438,702 | 808 |
| 1991 | 30 | | 343,927 | 807 |
| 1992 | 27 | 3 | 336,367 | 1,002 |
| 1993 | 27 | 4 | 323,284 | 1,547 |
| EST 1994 | 27 | 4 | 268,173 | 1,326 |
| TOTAL | | | 2,150,865 | 6,027 |

EXHIBIT VII 5
Read & Stevens, Inc.
Parkway Delaware Water Analy.
660' FNL & 660' FEL
Section 19, T19S-R29E
Eddy County, NM

ITEM VIII of NEW MEXICO OCD Form C-108
Geologic Data of the Injection Zone & Underground Drinking Water

Marbob State #1 SWD

The proposed interval for salt water disposal is the Delaware between the depth of 3,580' and 4,000' in the Marbob State #1 SWD. The Delaware is a sequence of well consolidated sandstone, siltstone and shale strata of Permian age.

Based on information from the New Mexico State Engineers Office in Roswell, the nearest fresh water well is about 1 ½ miles NW from the proposed saltwater disposal well. It is called the "West Well" on the attached topo map (Exhibit XI). This water has a total depth of 290' and is located in the E/2 NE SE/4 of Section 13, T19S-R28E. The fresh water zone in this well is the Capitan found at a depth of 80' to 250' from surface. The chlorides are 1601 ppm.

There are no known fresh water strata underlying the Delaware formation.

ITEMS IX through XIII of NEW MEXICO OCD Form C-108

Marbob State #1 SWD

- Item IX. The proposed Delaware disposal zones from 2,750' to 3,660' will be acidized with 7 ½% acid solution and if needed stimulated with 30# gel carrying 16/30 sand. Volumes to be determined at later date.
- Item X. Attached (Exhibit X, pages 1-4) is the well test for the upper Delaware (3590' – 3688'). Logs were previously filed with the OCD.
- Item XI. The attached map (Exhibit XI) has the water from the "West" well at having chlorides of 1601 ppm. This came from R. T. Hicks Consultants website.
- Item XII. Read & Stevens, Inc. has examined all applicable geological and engineering data in the surrounding area of the proposed disposal well and finds no evidence of open faults or any other hydraulic connection between the disposal zone and any underground source of drinking water.
- Item XIII. Notice of this application has been furnished by certified mail to the owner of the surface of the land on which the well is located and to each leasehold operator within one-half mile of the well location. The landowner and leasehold operators are listed below. Since this application is subject to administrative approval, proof of publication is also attached to this application and was published in the Carlsbad Current-Argus, Eddy County, New Mexico.

Landowner State of New Mexico Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87504-1148

Leasehold Operators Black Hills Gas Resources
1515 Wynkoop Street, Ste 500
Denver, CO 80208
Lease #LG-3968
UL: N, Section 18

Cimarex
600 N. Marienfeld Street, Ste 600
Midland, TX 79701
Lease #KO-4093
UL: M,N Section 17

COG Operating, LLC
550 W. Texas Ave., Suite 1300
Midland, TX 70701
Lease #LG-1637
UL: I,J,O,P Section 18

Devon Energy Prod Co., LP
20N Broadway
Oklahoma City, OK 73102
Lease #KO-3153
UL: C,D,F Section 20

General Energy Operating, Ltd.
1201 Louisiana, Ste 1000
Houston, TX 77002
Lease #KO-3702
UL: E,L Section 20

Nuevo Seis LP
P. O. Box 2588
Roswell, NM 88202-2588
Lease #KO-6851
UL: L, Section 17

Oxy USA, Inc.
P. O. Box 27570
Houston, TX 77227-7570
Lease #LO-6367
UL: C,F Section 19

AFE#301

Daily Drilling Report

Read & Stevens, Inc.
Marbob State #1
Eddy County, New Mexico
Plug Back & Test Delaware & ~~Queen~~ Formations

660' FNL & 660' FEL
Section 19 T19S-R29E
Elev: 3,358'

Perfs: 3590 - 3600'

05/18/00 SITP vacuum. SICP vacuum. Open well. RU & RIH w/ 2" tbg swab. BFL @ 1,100'. Swab back 182 BW to tank in 10 hrs lowering fluid level to 1,900'. Load recovered. Light gas and oil show final 3 hrs. SWIFN. Prep to continue swabbing well this AM. DWC 2,159 CWC 73,620.

05/19/00 SITP 200 psi. SICP 490 psi. Open well to tank. Blow down in 30 min w/ no fluid recovery. RU & RIH w/ 2" tbg swab. BFL @ 1,500' (400' fluid rise overnight). Swab back 40 BF to tank in 2 hrs and well began flowing. Flowed one hr recovering 15 BF. Well died. Swab back 64 BF to tank in 4 hrs and well began flowing. Unloaded to 16 BPH to tank for two hrs w/ steady 20 psi FTP on 2" line. Install choke and open well to sales on 32/64" choke selling 32 MCFGPD and increasing w/ 60 psi FTP. Left well to sales overnight. DWC 1,965 CWC 75,585.

05/20/00 FTP 90 psi. Selling 287 MCFGPD. Recover 7 BW to tank in one hr. Clean location. RDMOSU. Left well flowing to sales. DWC 845 CWC 76,430.

05/21/00 Flowing 3 BO, 173 BW, 279 MCF in 24 hrs. FTP 100 psi.

05/22/00 Flowing 3 BO, 128 BW, 302 MCF in 24 hrs. FTP 100 psi.

05/23/00 Flowing 3 BO, 87 BW, 296 MCF in 24 hrs. FTP 80 psi

05/24/00 Flowing 2 BO, 108 BW, 278 MCF in 24 hrs. FTP 90 psi.

05/25/00 Flowing 2 BO, 108 BW, 278 MCF in 24 hrs. FTP 80 psi.

05/26/00 Flowing 3 BO, 118 BW, 232 MCF in 24 hrs. FTP 80 psi.

05/27/00 Flowing 2 BO, 113 BW, 206 MCF in 24 hrs. FTP 65 psi.

05/28/00 Flowing 2 BO, 73 BW, 186 MCF in 24 hrs. FTP 60 psi.

05/29/00 Flowing 2 BO, 68 BW, 166 MCF in 24 hrs. FTP 60 psi.

05/30/00 Flowing 2 BO, 109 BW, 148 MCF in 24 hrs. FTP 60 psi.

05/31/00 Flowing 2 BO, 88 BW, 118 MCF in 24 hrs. FTP 50 psi.

EXHIBIT X (4Pages)
Read & Stevens, Inc.
Daily Drilling Report
MARBOS STATE #1
660' FNL & 660' FEL
Eddy County, NM

AFE#301

Daily Drilling Report

Read & Stevens, Inc.
Marbob State #1
Eddy County, New Mexico
Plug Back & Test Delaware & Queen Formations

660' FNL & 660' FEL
Section 19 T19S-R29E
Elev: 3,358'

06/01/00 Flowing 2 BO, 119 BW, 120 MCF in 24 hrs. FTP 50 psi.

06/02/00 Flowing 2 BO, 90 BW, 110 MCF in 24 hrs. FTP 50 psi.

06/03/00 Flowing 0 BO, 0 BW, 47 MCF in 24 hrs. FTP 30 psi.

06/04/00 Flowing 0 BO, 14 BW, 0 MCF in 24 hrs. FTP 0 psi.

06/05/00 Flowing 0 BO, 0 BW, 0 MCF in 24 hrs. Well dead.

06/06/00 Flowing 0 BO, 0 BW, 0 MCF in 24 hrs. SI. Prep to put on pump.

06/07/00 SI. Prep to put on pump. SICP 640 psi.

06/08/00 Blow well down sales overnight. MIRUSU. Open well. NDWH, NUBOP. POH w/ 2 3/8" tbg. PU & RIH w/ 3" OD BPMA, 2 3/8" x 4' perf'd sub, 2 3/8" OD SN and 113 jts 2 3/8" tbg. SWIFN. Prepare to run pump, rods this AM. DWC 1,239 CWC 77,669.

06/09/00 SITP 0 psi. Open well. NDBOP. NUWH. PU & RIH w/ 2" x 1 1/4" x 21' pump, (139) 3/4" rods and 3/4" x 8' x 8' x 4' pony rods. Seat and space pump. Hang well on w/ good pump action. Well pumped up in one hr. Broke out rods on ground into singles. RD MOSU. DWC 2,009 CWC 79,678.

06/10/00 Pumped 0 BO, 71 BW, 2 MCF in 19 hrs.

06/11/00 Pumped 0 BO, 111 BW, 4 MCF in 24 hrs.

06/12/00 Pumped 0 BO, 135 BW, 5 MCF in 24 hrs.

06/13/00 Pumped 0 BO, 98 BW, 5 MCF in 24 hrs.

06/14/00 Pumped 0 BO, 130 BW, 5 MCF in 24 hrs.

06/15/00 Pumped 0 BO, 60 BW, 10 MCF. Unit down on arrival. Restart.

06/16/00 Pumped 0 BO, 110 BW, 15 MCF in 24 hrs. Speed unit up to 11 SPM.

AFE#301

Daily Drilling Report

Read & Stevens, Inc.
Marbob State #1
Eddy County, New Mexico
Plug Back & Test Delaware & ~~Queen~~ Formations

660' FNL & 660' FEL
Section 19 T19S-R29E
Elev: 3,358'

06/17/00 Pumped 0 BO, 175 BW, 33 MCF in 24 hrs.
06/18/00 Pumped 0 BO, 131 BW, 48 MCF in 24 hrs.
06/19/00 Pumped 0 BO, 148 BW, 48 MCF in 24 hrs.
06/20/00 Pumped 0 BO, 127 BW, 49 MCF in 24 hrs.
06/21/00 Pumped 0 BO, 108 BW, 49 MCF in 24 hrs.
06/22/00 Pumped 8 BO, 120 BW, 129 MCF in 24 hrs.
06/23/00 Pumped 2 BO, 81 BW, 166 MCF in 24 hrs.
06/24/00 Pumped 2 BO, 116 BW, 157 MCF in 24 hrs.
06/25/00 Pumped 2 BO, 93 BW, 143 MCF in 24 hrs.
06/26/00 Pumped 2 BO, 64 BW, 139 MCF in 24 hrs.
06/27/00 Pumped 0 BO, 90 BW, 130 MCF in 24 hrs.
06/28/00 Pumped 2 BO, 65 BW, 122 MCF in 24 hrs. Shot fluid level, 372 FFAP.
06/29/00 Pumped 2 BO, 72 BW, 112 MCF in 24 hrs.
06/30/00 Pumped 2 BO, 59 BW, 110 MCF in 24 hrs.
07/01/00 Pumped 2 BO, 74 BW, 109 MCF in 24 hrs.
07/02/00 Pumped 2 BO, 75 BW, 100 MCF in 24 hrs.
07/03/00 Pumped 2 BO, 57 BW, 95 MCF in 24 hrs.
07/04/00 Pumped 0 BO, 61 BW, 91 MCF in 24 hrs.
07/05/00 Pumped 0 BO, 36 BW, 87 MCF in 24 hrs.

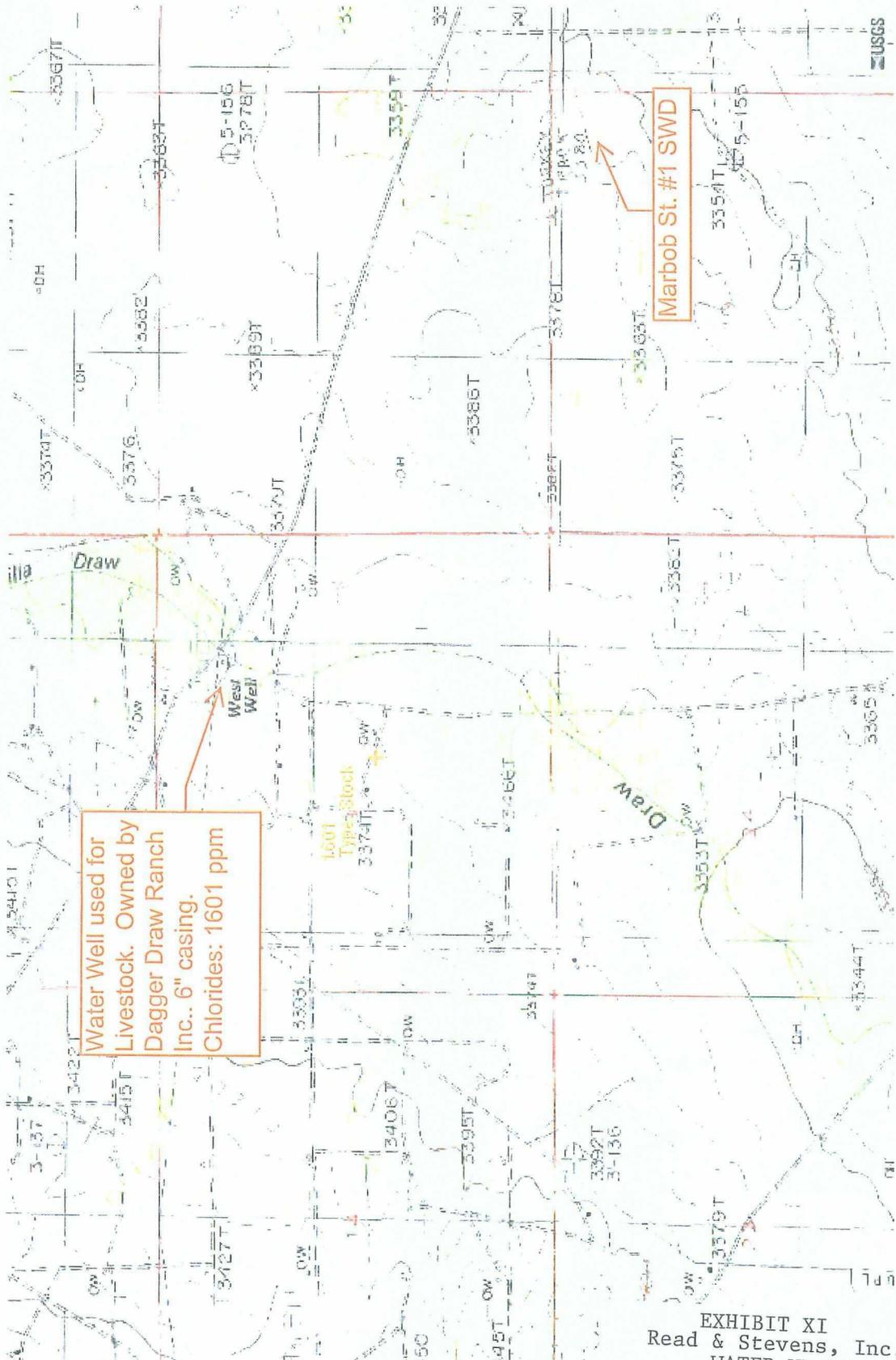
AFE#301

Daily Drilling Report

Read & Stevens, Inc.
Marbob State #1
Eddy County, New Mexico
Plug Back & Test Delaware & ~~Queen~~ Formations

660' FNL & 660' FEL
Section 19 T19S-R29E
Elev: 3,358'

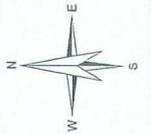
07/06/00 Pumped 2 BO, 54 BW, 82 MCF in 24 hrs.
07/07/00 Pumped 2 BO, 37 BW, 79 MCF in 24 hrs.
07/08/00 Pumped 2 BO, 47 BW, 76 MCF in 24 hrs.
07/09/00 Pumped 2 BO, 24 BW, 72 MCF in 24 hrs.
07/10/00 Pumped 2 BO, 29 BW, 69 MCF in 24 hrs.
07/11/00 Pumped 0 BO, 28 BW, 67 MCF in 24 hrs.
07/12/00 Pumped 0 BO, 13 BW, 64 MCF in 24 hrs.
07/13/00 Pumped 3 BO, 25 BW, 62 MCF in 24 hrs.
07/14/00 Pumped 2 BO, 33 BW, 59 MCF in 24 hrs.
07/15/00 Pumped 3 BO, 13 BW, 60 MCF in 24 hrs.
07/16/00 Pumped 0 BO, 15 BW, 56 MCF in 24 hrs.
07/17/00 Pumped 2 BO, 20 BW, 55 MCF in 24 hrs.
07/18/00 Pumped 3 BO, 52 BW, 53 MCF in 24 hrs.
07/19/00 Pumped 2 BO, 28 BW, 51 MCF in 24 hrs.
07/20/00 Pumped 2 BO, 26 BW, 49 MCF in 24 hrs.
07/21/00 Pumped 0 BO, 43 BW, 49 MCF in 24 hrs.
07/22/00 Pumped 2 BO, 27 BW, 48 MCF in 24 hrs.
07/23/00 Pumped 2 BO, 24 BW, 47 MCF in 24 hrs.
07/24/00 Pumped 2 BO, 25 BW, 48 MCF in 24 hrs.



Water Well used for Livestock. Owned by Dagger Draw Ranch Inc.. 6" casing. Chlorides: 1601 ppm

Marbob St. #1 SWD

EXHIBIT XI
 Read & Stevens, Inc.
 WATER WELLS
 Marbob State #1 SWD
 660' FNL & 660' FEL
 Section 19, T19S-R29E
 Eddy County, NM



R.T. Hicks Consultants, Ltd

Marbob St. #1 SWD

Water wells

Figure: ##

Nov 17, 2010

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:

December 8 2010

That the cost of publication is \$47.25 and that payment thereof has been made and will be assessed as court costs.

Kathy J. Carroll

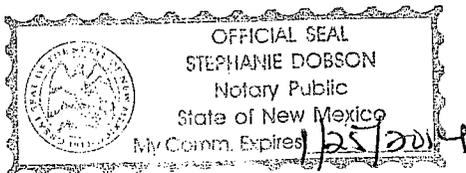
Subscribed and sworn to before me this

10th day of December, 2010

Stephanie Dobson

My commission Expires on 11/25/2014

Notary Public



December 8, 2010

Read & Stevens, Inc.,
400 Penn Plaza, Suite
1000, Roswell, NM
88201, Attn: David
Luna, Operations
Manager, Phone
#575-622-3770 proposes
to convert the
Marbob State #1 well
from a plugged and
abandoned well to a
produced water dis-
posal well. The
Marbob State #1 well
is located 660' FNL &
660' FEL, Section 19,
T19S-R29E, Eddy
County, NM.

The maximum pro-
posed rate of infec-
tion is 1800 barrels of
water per day and
the maximum pro-
posed injection pres-
sure is 900 psi. Water
will be disposed of in-
to the Delaware for-
mation at a depth of
3,580' to 4,000'.

Interested parties
must file objections
or request a hearing
with the New Mexico
Oil Conservation Di-
vision, 1220 South St
Francis Drive, Santa
Fe, NM 87505 within
15 days.

RECEIVED

DEC 15 2010

R&S

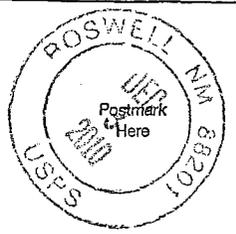
*Different
depth.*

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OFFICIAL USE

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|---|----------------|
| Postage | \$ 1.56 |
| Certified Fee | 2.80 |
| Return Receipt Fee (Endorsement Required) | 2.30 |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 6.66 |



Sent To
 State of NM, Comm of Public Lands
 Street, Apt. No., or PO Box No. 310 Old Santa Fe Trail
 City, State, ZIP+4 Santa Fe, NM 87504-1148
 PS Form 3800, January 2001. See Reverse for instructions.

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:
 State of NM
 Commissioner of Public Lands
 310 Old Santa Fe Trail
 Santa Fe, NM 87504-1148

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
 X [Signature]
 B. Received by (Printed Name) C. Date of Delivery
 D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:
 DEC 08 2004
 3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.
 4. Restricted Delivery? (Extra Fee) Yes

2. Article Number *KB* 7002 0460 0000 9372 3065
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| Return Receipt Fee (Endorsement Required) | 2.30 | |
| Restricted Delivery Fee (Endorsement Required) | | |
| Total Postage & Fees | \$ 6.66 | |

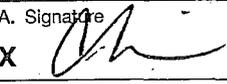
Sent To
 Black Hills Gas Resources
 Street, Apt. No.;
 or PO Box No. 3200 N. 1st Street
 City, State, ZIP+4
 Bloomfield, NM 87413-5262
 PS Form 3800, January 2001 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:
 Black Hills Gas Resources
 3200 N. 1st Street
 Bloomfield, NM 87413-5262

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
 X 

B. Received by (Printed Name) C. Date of Delivery
 Cindy Slim 12/22/10

D. Is delivery address different from item 1? Yes NO
 If YES, enter delivery address below:
 PO Box 249
 Bloomfield NM

3. Service Type 87413
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Transfer from service label) **7002 0460 0000 9372 3072**

0952 0000 2230 3890

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|--|---------|
| Postage | \$ 1.56 |
| Certified Fee | 2.80 |
| Return Receipt Fee (Endorsement Required) | 2.30 |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$6.66 |

Postmark Here: POSWELL NM 88201 JUN 10 2010 USPS

Sent To: Cimarex Energy Co.
 Street, Apt. No., or PO Box No.: 600 N. Marienfeld St., Ste 600
 City, State, ZIP+4: Midland, TX 79701
 PS Form 3800, August 2006 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:
 Cimarex Energy Co.
 600 N. Marienfeld St., Suite 600
 Midland, TX 79701

COMPLETE THIS SECTION ON DELIVERY

A. Signature: *Bonnie Russell* Agent Addressee

B. Received by (Printed Name): *Bonnie Russell*

C. Date of Delivery: *12-6-10*

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

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

4. Restricted Delivery? (Extra Fee) Yes

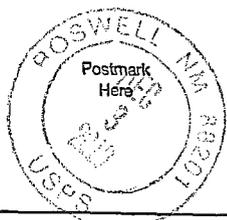
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U.S. Postal Service
CERTIFIED MAIL RECEIPT
 (Domestic Mail Only. No Insurance Coverage Provided)

7002 0460 0000 9372 3041

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| | |
|---|----------------|
| Postage | \$ 1.56 |
| Certified Fee | 2.80 |
| Return Receipt Fee (Endorsement Required) | 2.30 |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 6.66 |



Sent To
 COG Operating LLC
 Street, Apt. No.;
 or PO Box No. 550 W. Texas Ave, Suite 1300
 City, State, ZIP+ 4
 Midland TX 70701
 PS Form 3800, January 2001 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:
 COG Operating, LLC
 550 W. Texas Ave, Suite 1300
 Midland, TX 70701

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee
 B. Received by (Printed Name) C. Date of Delivery
 M. [Signature] 1/16/04
 D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

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

2. Article Number *KB* 7002 0460 0000 9372 3041
 (Transfer from service label)

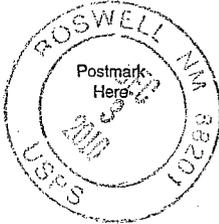
CERTIFIED MAIL™ RECEIPT
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For delivery information, visit our website at www.usps.com

OFFICIAL USE

7006 2150 0001 7527 1336

| | |
|---|----------------|
| Postage | \$ 1.56 |
| Certified Fee | 2.80 |
| Return Receipt Fee (Endorsement Required) | 2.30 |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 6.66 |



Sent To
 Devon Energy Prod Co., LP
 Street, Apt. No.;
 or PO Box No. 20N Broadway
 City, State, ZIP+4
 Oklahoma City, OK 73102
 PS Form 3800, August 2006 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Devon Energy Prod Co. LP
 20N Broadway
 Oklahoma City, OK 73102

2. Article Number *K3*
 (Transfer from service label)

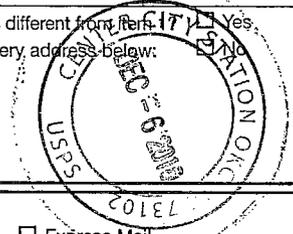
COMPLETE THIS SECTION ON DELIVERY

A. Signature *Wanda K...* Agent Addressee
 B. Received by (Printed Name) C. Date of Delivery

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

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

4. Restricted Delivery? (Extra Fee) Yes



7006 2150 0001 7527 1336

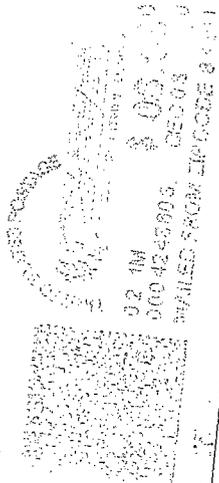
7006 2150 0001 7527 1343

RECEIVED

DEC 13 2010

R&S

DEC 1 11 4



READ & STEVENS, INC.

P.O. BOX 1518

400 N. PENN - SUITE 1000

ROSWELL, NEW MEXICO 88202-1518

To General Energy Operati
1201 Louisiana, Suite 1000
Houston, TX 77002



UNKNOWN
12/16/10
M/S

7007 2560 0002 2230 3883

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CERTIFIED MAIL™ RECEIPT
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| | |
|---|----------------|
| Postage | \$ 1.56 |
| Certified Fee | 2.80 |
| Return Receipt Fee (Endorsement Required) | 2.30 |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 6.66 |

Postmark Here
 ROSWELL NM 88201
 2010

Sent To
 Nuevo Seis Limited Partnership
 Street, Apt. No.,
 or PO Box No. P. O. Box 2588
 City, State, ZIP+4
 Roswell, NM 88202-2588

PS Form 3800, August 2006 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Nuevo Seis Limited Partnership
 P. O. Box 2588
 Roswell, NM 88202-2588

2. Article Number *KB*
 (Transfer from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
Mona C. Kelly

B. Received by (Printed Name) / Date of Delivery
Mona C. Kelly / *12-8-10*

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

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

4. Restricted Delivery? (Extra Fee) Yes

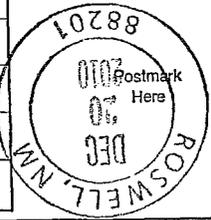
7007 2560 0002 2230 3883

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

7002 0460 0000 9372 3089

OFFICIAL USE

| | |
|---|----------------|
| Postage | \$ 1.56 |
| Certified Fee | 2.80 |
| Return Receipt Fee (Endorsement Required) | 2.30 |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 6.66 |



Sent To **OXY USA, Inc.**

Street, Apt. No.;
 or PO Box No. **P. O. Box 50250**

City, State, ZIP+4 **Midland, TX 79710-0250**

PS Form 3800, January 2001 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

OXY USA, Inc.
 P. O. Box 50250
 Midland, TX 79710-0250

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
[Handwritten Signature]

B. Received by (Printed Name) **JAY MONRDE** C. Date of Delivery **12-21-10**

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

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

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Transfer from service label) **7002 0460 0000 9372 3089**

Jones, William V., EMNRD

From: David Luna [dluna@read-stevens.com]
Sent: Wednesday, March 02, 2011 9:09 PM
To: Jones, William V., EMNRD
Cc: Ezeanyim, Richard, EMNRD; Warnell, Terry G, EMNRD; Reeves, Jacqueta, EMNRD
Subject: Re: Disposal application from Read & Stevens, Inc. : Marbob State #1 30-015-26040
Attachments: Scanlon PAed well.docx; Parkway West PAed well.docx

Will,

Sorry for the mistake. Attached are the wellbore diagrams for the 2 PAed wells.

From: Jones, William V., EMNRD
Sent: Tuesday, March 01, 2011 10:21 AM
To: David Luna
Cc: Ezeanyim, Richard, EMNRD ; Warnell, Terry G, EMNRD ; Reeves, Jacqueta, EMNRD
Subject: Disposal application from Read & Stevens, Inc. : Marbob State #1 30-015-26040

Hello David:
How are you today?

Our database is keyed on API numbers, for future C-108 submittals, please include API numbers on all well plats, diagrams, and well lists.
In addition, please put cement tops for all wells included in the well list – except for those wells not penetrating the disposal interval.

For this application, would you please send wellbore diagrams for the:

- a. 30-015-25116 and
- b. 30-015-22319 plugged wells

Must look those two wells to make sure they isolate the top and bottom of your proposed disposal interval.

Everything else seems fine.

Regards,

William V Jones, P.E.
Engineering, Oil Conservation Division
1220 South St. Francis Drive, Santa Fe, NM 87505
Tel 505.476.3448 ~ Fax 505.476.3462



Injection Permit Checklist (11/15/2010)

WFX _____ PMX _____ SWD 1266 Permit Date 3/23/11 UIC Qtr (T/F/M)

Wells 1 Well Name(s): Marbob State #1 SWD

API Num: 30-0 15-26040 Spud Date: 2/2/89 New/Old: N (UIC primacy March 7, 1982)

Footages 660 FNL / 650 TEL Unit A Sec 19 Tsp 19S Rge 29E County EDDY

General Location: NE of Corb, land, N of Reef

Operator: Red Steam, INC. Contact DAVID LUNA

OGRID: 18917 RULE 5.9 Compliance (Wells) 1/19 (Finan Assur) OK IS 5.9 OK? OK

Well File Reviewed Current Status: P&A

Planned Work to Well: Re-enter

Diagrams: Before Conversion After Conversion Elogs in Imaging File:

| Well Details: | Sizes | | Setting Depths | Stage Tool | Cement Sx or Cf | Determination Method |
|---|-----------|--------|-----------------|------------|-----------------|----------------------|
| | Hole..... | Pipe | | | | |
| New ___ Existing <input checked="" type="checkbox"/> Surface | 12 1/2 | 13 3/8 | 375 | | 375 SK | 0 |
| New ___ Existing <input checked="" type="checkbox"/> Interm | 12 1/4 | 8 5/8 | 2800' | | 1250 SK | 0 |
| New ___ Existing <input checked="" type="checkbox"/> LongSt | 8 3/4 | 5 1/2 | 10,150 | | 1965 SK | (375' / 3366') |
| New ___ Existing ___ Liner | | | | | 1125/840 | (257922) |
| New ___ Existing <input checked="" type="checkbox"/> OpenHole | 7 7/8 | 8 | 10,150 - 11,450 | | | |

| Depths/Formations: | Depths, Ft. | Formation | Tops? |
|--------------------|--------------|------------|-------------------------------------|
| Formation(s) Above | 3145 2196 | Dol GBC | <input checked="" type="checkbox"/> |
| Injection TOP: | 2561 3580 | Perf A | <input checked="" type="checkbox"/> |
| Injection BOTTOM: | 4000' | | |
| Formation(s) Below | 3962 8284 | BS BS | <input checked="" type="checkbox"/> |

Capitan Reef? (Potash? Notified?) (WIPP? Notified?) Salado Top/Bot (430 - 840) Cliff House?

Fresh Water: Depths: 0-290 Formation Capitan Wells? yes Analysis? yes Affirmative Statement 1600 1PM

Disposal Fluid Analysis? Sources: Surrounding RES operations QN/GBC

Disposal Interval: Analysis? Production Potential/Testing: Tested upper interval 2590'-3600'

Notice: Newspaper Date 12/8/10 Surface Owner SLO Mineral Owner(s) _____

RULE 26.7(A) Affected Persons: Blair AUSG / Cimarron / COG / Daron / Gary OP / Avenue S / CRT

AOR: Maps? Well List? Producing in Interval? NO Wellbore Diagrams? Send 2 more

.....Active Wells 2 Repairs? 0 Which Wells? _____

.....P&A Wells 2 Repairs? 0 Which Wells? _____

Issues: Set better CIBP closer to interval Request Sent _____ Reply: _____