

Submit 2 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO. 300430561
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. SF081161A
7. Lease Name or Unit Agreement Name SAN LUIS FEDERAL
8. Well Number #15
9. OGRID Number 023334
10. Pool name or Wildcat SAN LUIS MESA VERDE

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator NOEL REYNOLDS d/b/a TORREON OIL COMPANY	
3. Address of Operator 1316 JUNIPER LANE, FORT WORTH, TX 76126	
4. Well Location Unit Letter K : 2340 feet from the W line and 1520 feet from the S line Section 21 Township 18N Range 3W NMPM County SANDOVAL	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR. 6740	
Pit or Below-Grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type Production Depth to Groundwater * Distance from nearest fresh water well * Distance from nearest surface water *	
Pit Liner Thickness: nil Below-Grade Tank: Volume SEE ATTACHED bbls; Construction Material	

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

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

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

WE REQUEST PERMISSION TO CONTINUE TO USE THE EXISTING ^{Earth} PIT DESCRIBED ON THE ATTACHED DOCUMENT. PRODUCED WATER IS FRESH WATER. *NO KNOWN WATER ON THE PROPERTY OTHER THAN PRODUCED WATER. INFORMATION HAS BEEN REQUESTED ABOUT NEIGHBORING PROPERTIES. AS SOON AS RECEIVED WE WILL PROVIDE THAT INFO TO YOU. ENCLOSED ARE COPIES OF TWO WATER ANALYSIS FOR #15 PRODUCED WATER.

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

SIGNATURE *W. R. Reed* TITLE AGENT DATE 2-4-05

Type or print name W. R. Reed E-mail address: Telephone No. FEB - 7 2005

APPROVED BY: *Denny Fout* TITLE DEPUTY OIL & GAS INSPECTOR, DIST. IV DATE FEB - 7 2005

Conditions of Approval (if any):

TORREON OIL COMPANY

1316 Juniper Lane,
Fort Worth, TX 76126

817-249-2675
Fax 817-249-2628

January 28, 2005

Tank Battery pit for produced water from Wells #1 and #15:

Pit No. 1:

The pit was created by pushing soil in the center of the pits to create a berm surrounding the pit which is approximately 20' wide and 60' long. The pit was partitioned into a small pit to serve as a containment pond to receive water from the tank battery. It has a fixed water level that will trap any accidental oil discharge in the small pit while the water flows into the larger pit for evaporation. The surrounding berm is topped by a steel post and wire fence to keep livestock out.

The separation pond will hold an estimated 100 bbls, of water and the larger pit approximately 300 bbls.

The containment berm surrounding the tank battery appears to meet the criteria indicated in your letter of January 13, 2005, under "Special Notes (1.)"

Approximately 900 feet west or northwest of the Tank Battery pit is a soil erosion dam for erosion control; apparently constructed by the Navajo Nation or another Agency.

On occasion a water analysis has been provided to OCD as requested, however, the most convincing evidence of potability is that numerous times cattle, horses and sheep have knocked the fence down and watered with no known problems over the 25 year period. Each time we rebuild the fences.

These wells are normally not produced during the winter because of the freezing temperatures. The current plan is to include these two wells in a waterflood program for the two leases, including some additional drilling. Planning is not complete at this time; progress is expected during 2005.

A handwritten signature in black ink, appearing to be 'M. J. P.', is located in the bottom right corner of the document.

BJ SERVICES

API WATER ANALYSIS

Company: NOEL REYNOLDS	W.C.N.A. Sample No.:
Field: SAN LUIS MV	Legal Description: S21/T18N/R03W
Well: TORREON #15	Lease or Unit:
Depth: 1000'	Water.B/D:
Formation: MENEFE	Sampling Point: TANK
State: NM	Sampled By:
County: SANDOVAL	Date Sampled: 08/15/95
Type of Water(Produced,Supply, ect.): PROD.	

PROPERTIES

pH: 7.48	Iron, Fe(total): 0
Specific Gravity: 1.001	Sulfide as H ₂ S: 0
Resistivity (ohm-meter): .80	Total Hardness:
Temperature: 80F	(see below)

DISSOLVED SOLIDS

CATIONS	mg/l	me/l	
Sodium, Na:	851	37	
Calcium, Ca:	8	0	Sample(ml): 10.0 ml of EDTA: .20
Magnesium, Mg:	2	0	Sample(ml): 10.0 ml of EDTA: .10
Barium, Ba:	N/A	N/A	
Potassium, K:	5	0	
ANIONS	mg/l	me/l	
N: .5000Chloride, Cl:	177	5	Sample(ml): 10.0 ml of AgNO ₃ : .10
Sulfate, SO ₄ :	16	0	
Carbonate, CO ₃ :			Sample(ml): 1.0 ml of H ₂ SO ₄ :
Bicarbonate, HCO ₃ :	1952	32	Sample(ml): 50.0 ml of H ₂ SO ₄ : 16.00
Total Dissolved			
Solids (calculated):	3011		
Total Hardness:	30		Sample(ml): 10.0 ml of EDTA: .30

REMARKS AND RECOMMENDATIONS:



BJ SERVICES

Farmington District Lab

Water Analysis Report

Test # FW01-0009

Customer/Well Information

Company: Noel Reynolds
Well Name: Torreon #15
Location:
State: Sandoval County, NM
Formation: Menefee
Depth: ft

Date: 8/27/01
Prepared for: Mr. Noel Reynolds
Submitted by: Noel Reynolds
Prepared by: Dave Shepherd
Water Type: Produced

Background Information

Reason for Testing: Routine Water Analysis
Completion type:
Well History:
Special Considerations:

Sample Characteristics

Sample Temp: 76 (°F) **Viscosity:** 1 cp
pH: 7.57 **Color:** Clear
Specific Gravity: 1.000 **Odor:** None
S.G. (Corrected): 1.003 @ 60 °F **Turbidity:** Trace
Resistivity (Calc): 3.76 Ω-m **Resistivity (meas.):** 2.4

Sample Composition

CATIONS

	mg/l	me/l	ppm
Sodium (calc.)	725	31.5	725
Calcium	16	0.8	16
Magnesium	2	0.2	2
Barium	0	0.0	0
Potassium	46	1.2	46
Iron	0.00	0.0	0.00

ANIONS

Chloride	100	2.8	100
Sulfate	0	0.0	0
Hydroxide	0	0.0	0
Carbonate	< 1	---	---
Bicarbonate	1891	31.0	1891

SUMMARY

Total Dissolved Solids(calc.)	2734		2734
Total Hardness as CaCO3	50	1.0	50

Scaling Tendencies

CaCO3 Factor 30331.64 **Calcium Carbonate Scale Probability** → REMOTE
CaSO4 Factor 0 **Calcium Sulfate Scale Probability** → REMOTE

