AE Order Number Banner

Application Number: pMSG2308251724

SWD-2526

RAY WESTALL OPERATING, INC. [119305]

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

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

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Ray Westall Operating, Inc. **OGRID Number:** 119305
Well Name: DHY State B No.1 SWD **API:** 30-015-21971
Pool: SWD; San Andres-Glorieta **Pool Code:** 96127

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]
A. Location – Spacing Unit – Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]
[I] Commingling – Storage – Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

FOR OCD ONLY
☐ Notice Complete
☐ Application Content Complete

2) **NOTIFICATION REQUIRED TO:** Check those which apply.
A. ☒ Offset operators or lease holders
B. ☐ Royalty, overriding royalty owners, revenue owners
C. ☒ Application requires published notice
D. ☒ Notification and/or concurrent approval by SLO
E. ☒ Notification and/or concurrent approval by BLM
F. ☒ Surface owner
G. ☒ For all of the above, proof of notification or publication is attached, and/or,
H. ☐ No notice required

3) **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.

Ben Stone
Print or Type Name

Signature

3/14/2023
Date

936-377-5696
Phone Number

ben@sosconsulting.us
e-mail Address

SOS Consulting, LLC
16 Years of Quality Service
Oil & Gas Accounting - Regulatory Processing Assistance - Oil Field Technical Assistance

March 14, 2023

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

Attn: Mr. Dylan Fuge, Acting Director

Re: Application of Ray Westall Operating, Inc. to permit for salt water disposal RECOMPLETION the DHY State B Well No.1, API No.30-015-21971 located in Section 11, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico.

Dear Mr. Fuge,

Please find enclosed form C-108 Application for Authority to Inject, supporting the above-referenced request to RECOMPLETE for disposal, the DHY State B Well No.1. The well is currently permitted for SWD into the Cisco/ Canyon; the proposal is to recomplete it uphole in the San Andres and Glorieta formations for improved injectivity.

Ray Westall Operating seeks to optimize efficiency, both economically and operationally, of its operations. Approval of this application is consistent with that goal as well as the NMOCD's mission of preventing waste and protection of correlative rights.

Published legal notice ran in the January 26, 2023 edition of the Artesia Daily Press and all offset operators and other interested parties have been notified individually. The legal notice affidavit is included herein. This application also includes wellbore schematics, area of review maps, leaseholder plats and other required information for a complete Form C-108. The well is located on state lands and a copy of this application has been submitted to the State Land Office, Oil, Gas and Minerals Division.

I respectfully request that the approval of this salt water disposal well proceed swiftly and if you or your staff requires additional information or has any questions, please do not hesitate to call or email me.

Best regards,

Ben Stone, Partner
SOS Consulting, LLC
Agent for Ray Westall Operating, Inc.

Cc: Application attachment and file

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

FORM C-108
Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: ***Salt Water Disposal*** and the application ***qualifies*** for administrative approval.

II. OPERATOR: ***Ray Westall Operating, Inc. Ogrid - 119305***
ADDRESS: ***P.O. Box 4, Loco Hills, NM 88255***

CONTACT PARTY: ***Donnie Mathews (575) 677-2372***
Agent: SOS Consulting, LLC – Ben Stone (936) 377-5696

III. WELL DATA: ***All well data and applicable wellbore diagrams are ATTACHED hereto.***

IV. ***This is not an expansion of an existing project.***

V. ***A map is ATTACHED*** 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. ***A tabulation is ATTACHED*** of data on all wells of public record within the area of review which penetrate the proposed injection zone. ***(19 AOR wells penetrate the subject interval - 3 P&As penetrate.***
The data includes a description of each well's type, construction, date drilled, location, depth, and a schematic of any plugged well illustrating all plugging detail.

VII. ***The following data is ATTACHED*** 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. ***Appropriate geologic data on the injection zone is ATTACHED*** 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. ***The well may be acidized to clean perforations and formation wall w/ 15% HCl w/ up to 3500 gals.***

*X. ***There is no applicable test data on the well however, any previous well logs (1 well log available via OCD Online) have been filed with the Division and they need not be resubmitted. A X-Section of subject interval is ATTACHED.***

*XI. ***State Engineer's records indicate there are NO water wells within one mile the proposed salt water disposal well.***

XII. ***An affirmative statement is ATTACHED that available geologic and engineering data has been examined and no evidence was found*** of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. ***"Proof of Notice" section on the next page of this form has been completed and ATTACHED.***
There are 6 offset lessees and/or operators plus state minerals within one mile - all have been noticed.

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: ***Ben Stone*** TITLE: ***SOS Consulting, LLC agent / consultant for Ray Westall Operating, Inc.***

SIGNATURE:  DATE: ***3/14/2023***

E-MAIL ADDRESS: ***ben@sosconsulting.us***

* 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:

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

Page 2

III. WELL DATA – ***The following information and data is included and ATTACHED:***

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 ***pursuant to the following criteria is ATTACHED.***

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.

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate District Office

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-015-21971	96127	SWD; San Andres-Glorieta

[4] Property Code	[5] Property Name	[6] Well Number
TBD	DHY State B	1

[7] OGRID No.	[8] Operator Name	[9] Elevation
119305	Ray Westall Operating, Inc.	3477'

[10] Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	11	19S	28E		1980'	FSL	990'	FWL	Eddy

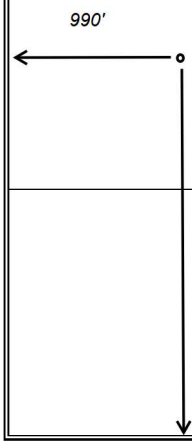
[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
same									

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
n/a			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

[16]



[17] OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature — Date: 3/06/2023

Ben Stone
Printed Name

ben@sosconsulting.us
E-mail Address

[18] SURVEYOR CERTIFICATION

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

November 10, 1976
Date of Survey

Signature and Seal of Professional Surveyor:

Herschel L. Jones
3640
Certificate Number

C-108 - Items III, IV, V

Item III - Subject Well Data

Wellbore Diagram - CURRENT
Wellbore Diagram – PROPOSED

Item IV – Tabulation of AOR Wells

19 Wells Penetrate the Proposed Injection Interval, 3 P&A
(Construction Data for all Active Wells)

Item V – Area of Review Maps

1. Two Mile AOR Map with One-Mile Fresh Water Well Radius

2. One-Half Mile AOR Map

All Above Exhibits follow this page.

WELL SCHEMATIC - CURRENT

DHY State 'B' Well No.1 SWD

API 30-015-21971

1980' FSL & 990' FWL, SEC. 11-T19S-R28E
EDDY COUNTY, NEW MEXICO

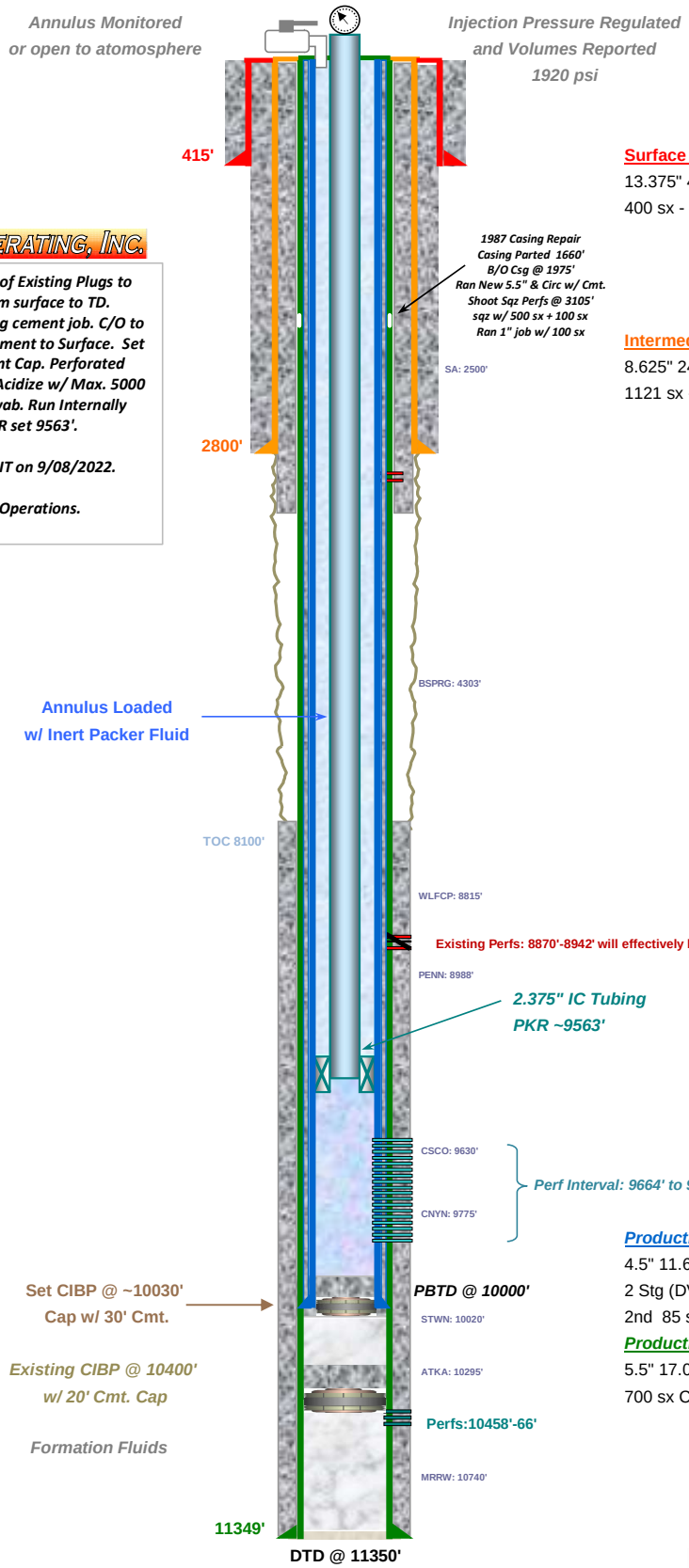
P&A Date: 3/22/2007
SWD Config Date: 4/20/2022
MIT Date: 9/08/2022

RAY WESTALL OPERATING, INC.

Convert to SWD: D/O & C/O of Existing Plugs to 10050'. Run 4.5" liner from surface to TD. Existing Perfs will be SQZ during cement job. C/O to 10061' and Ran CBL - GOOD Cement to Surface. Set CIBP @ 10030' w/ 30' Cement Cap. Perforated Selected Interval 9646'-9948'. Acidize w/ Max. 5000 gals. 15% HCl - Flowback/Swab. Run Internally Coated Tubing w/ PKR set 9563'.

Perform OCD Witnessed MIT on 9/08/2022.

Commence Disposal Operations.



Surface Casing
13.375" 48.0# Csg. (17.5" Hole) @ 415'
400 sx - Circulated to Surface

Intermediate Casing
8.625" 24.0/28.0# Csg. (11.0" Hole) @ 2800'
1121 sx - TOC @ 541' by Temp

Production LINER
4.5" 11.6# FJ P-110 Csg (5.0" Hole) @ ~10,177'
2 Stg (DV @ ~6500'); 1st Stg 140 sx Cls H (25% ex.);
2nd 85 sx Cls C (50% ex.) - Circulate 25 sx to Surface

Production Casing
5.5" 17.0/20.0# Csg (7.875" Hole) @ 11349'
700 sx Cls H - TOC @ 8100' by Temp

Drawn by: Ben Stone, Rvs'd 12/07/2022

SOS Consulting, LLC

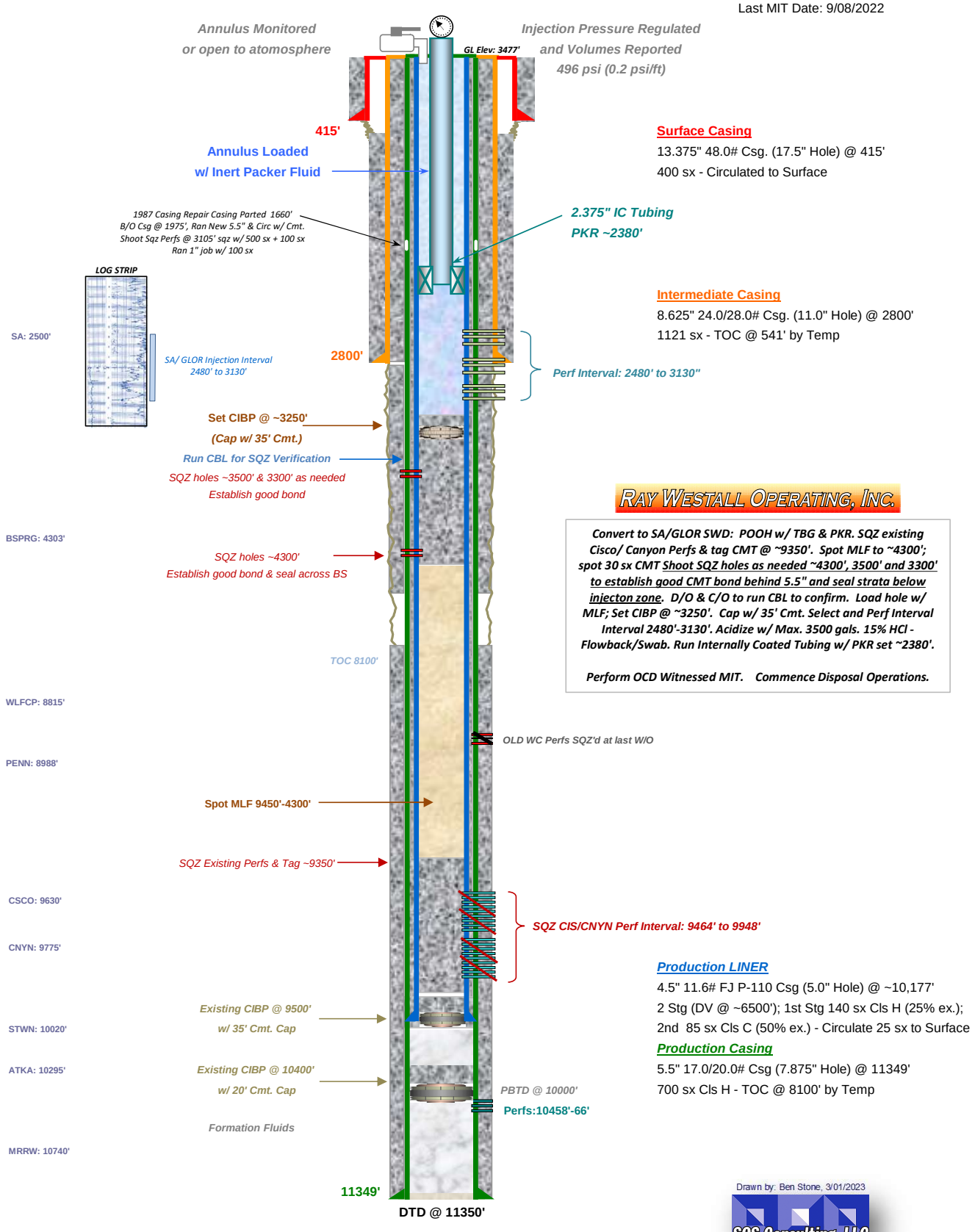
WELL SCHEMATIC - PROPOSED

DHY State 'B' Well No.1 SWD

API 30-015-21971 ***SWD; San Andres-Glorieta (96127)***

1980' FSL & 990' FWL, SEC. 11-T19S-R28E
EDDY COUNTY, NEW MEXICO

SWD Config Date: 6/15/2023
Last MIT Date: 9/08/2022



Surface Casing
13.375" 48.0# Csg. (17.5" Hole) @ 415'
400 sx - Circulated to Surface

Intermediate Casing
8.625" 24.0/28.0# Csg. (11.0" Hole) @ 2800'
1121 sx - TOC @ 541' by Temp

RAY WESTALL OPERATING, INC.

Convert to SA/GLOR SWD: POOH w/ TBG & PKR. SQZ existing Cisco/ Canyon Perfs & tag CMT @ ~9350'. Spot MLF to ~4300'; spot 30 sx CMT Shoot SQZ holes as needed ~4300', 3500' and 3300' to establish good CMT bond behind 5.5" and seal strata below injecton zone. D/O & C/O to run CBL to confirm. Load hole w/ MLF; Set CIBP @ ~3250'. Cap w/ 35' Cmt. Select and Perf Interval Interval 2480'-3130'. Acidize w/ Max. 3500 gals. 15% HCl - Flowback/Swab. Run Internally Coated Tubing w/ PKR set ~2380'.

Perform OCD Witnessed MIT. Commence Disposal Operations.

Production LINER
4.5" 11.6# FJ P-110 Csg (5.0" Hole) @ ~10,177'
2 Stg (DV @ ~6500'); 1st Stg 140 sx Cls H (25% ex.);
2nd 85 sx Cls C (50% ex.) - Circulate 25 sx to Surface

Production Casing
5.5" 17.0/20.0# Csg (7.875" Hole) @ 11349'
700 sx Cls H - TOC @ 8100' by Temp

Drawn by: Ben Stone, 3/01/2023
SOS Consulting, LLC

Form C-108 Item VI - Tabulation of AOR Wells

Top of Proposed SA/GLTA Interval 2480'

19 Wells (3 P&A) Penetrate Proposed Interval.

API	OGRID Name	Well Name	Type	Lease	Status	ULSTR	M or V Depth	SPUD Date	Plug Date
Subject Well									
30-015-21971	RAY WESTALL OPERATING, INC.	DHY STATE B SWD #001	SWD	State	Active	L-11-19S-28E	11350'	2/7/1977	
							Current and Proposed Wellbore Diagrams Attached...		
Section 10 Wells									
30-015-02675	PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL #075	Oil	State	P&A-R	H-10-19S-28E	2140*	11/12/1937	9/29/1983
30-015-45809	APACHE CORPORATION	PALMILLO 10 STATE #334H	Oil	State	Active	H-10-19S-28E	V-8422'**	10/23/2019	
	HZTL Bone Spring: 8925'-11,289'; 13.375" (17.5" hole) @ 399' w/ 400 sx - circ.; 9.625" (12.25" hole)@ 3044' w/ 1100 sx - calc to circ.; 5.5" (8.75" hole) @ 13413' w/ 2050 sx - Est @ 2500'								
30-015-45791	APACHE CORPORATION	PALMILLO 10 STATE #233H	Oil	State	Active	H-10-19S-28E	V-7263'**	6/27/2022	
	HZTL Bone Spring: 7576'-12,114'; 13.375" (17.5" hole) @ 396' w/ 400 sx - circ.; 9.625" (12.25" hole)@ 3025' w/ 1030 sx - calc to circ.; 5.5" (8.75" hole) @ 12238' w/ 1900 sx - Est @ 2500'								
30-015-45785	APACHE CORPORATION	PALMILLO 10 STATE #232H	Oil	State	Active	I-10-19S-28E	V-7264'*	10/29/2019	
	HZTL Bone Spring: 7670'-12,162'; 13.375" (17.5" hole) @ 395' w/ 400 sx - circ.; 9.625" (12.25" hole)@ 3028' w/ 1030 sx - calc to circ.; 5.5" (8.75" hole) @ 12281' w/ 2100 sx - Est @ 2500'								
30-015-45808	APACHE CORPORATION	PALMILLO 10 STATE #333H	Oil	State	Active	I-10-19S-28E	V-8350'*	10/29/2019	
	HZTL Bone Spring: 8787'-13,336'; 13.375" (17.5" hole) @ 394' w/ 400 sx - circ.; 9.625" (12.25" hole)@ 3030' w/ 1090 sx - calc to circ.; 5.5" (8.75" hole) @ 13445' w/ 2170 sx - Est @ 2500'								
30-015-02206	PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL #069	Oil	State	P&A-R	O-10-19S-28E	0'	11/10/1933	10/29/1983
							Plugged and Abandoned - P&A Diagram Attached...		
30-015-45790	APACHE CORPORATION	PALMILLO 10 STATE COM #231H	Oil	State	Active	P-10-19S-28E	V-7297'**	10/13/2019	
	HZTL Bone Spring: 7700'-12,094'; 13.375" (17.5" hole) @ 393' w/ 400 sx - circ.; 9.625" (12.25" hole)@ 3020' w/ 1090 sx - calc to circ.; 5.5" (8.75" hole) @ 12218' w/ 2100 sx - Est @ 2500'								
30-015-45807	APACHE CORPORATION	PALMILLO 10 STATE COM #332H	Oil	State	Active	P-10-19S-28E	V-8547'**	10/13/2019	
	HZTL Bone Spring: 8730'-13,325'; 13.375" (17.5" hole) @ 395' w/ 400 sx - circ.; 9.625" (12.25" hole)@ 3000' w/ 1190 sx - calc to circ.; 5.5" (8.75" hole) @ 13641' w/ 2300 sx - Est @ 2500'								
Section 11 Wells									
30-015-48899	MEWBOURNE OIL CO	BOURBON RED 11 12 B2EH STATE COM #002H	Oil	State	New	D-11-19S-28E	V-8900'*	10/23/2019	
	HZTL Bone Spring: 8925'-11,289'; 13.375" (17.5" hole) @ 400' w/ 340 sx - circ.; 9.625" (12.25" hole)@ 900' w/ 250 sx - calc to circ.; 7.0" (8.75" hole)@ 7800' w/ 825 sx - calc to 700'.; 4.5" (6.125" hole) @ 17523' w/ 400								
30-015-44952	MEWBOURNE OIL CO	BOURBON RED 11 B2DA STATE COM #001C	Oil	State	Never Drilled	D-11-19S-28E	0'	10/25/2019	
30-015-48071	MEWBOURNE OIL CO	BOURBON RED 11 12 B3DA STATE COM #001H	Oil	State	New	D-11-19S-28E	8621'	10/29/2019	
	HZTL Bone Spring: ~8500'-18,700'; 13.375" (17.5" hole) @ 412' w/ 450 sx - circ.; 9.625" (12.25" hole)@ 2815' w/ 700 sx -142 sx circ to pit.; 7.0" (8.75" hole)@ 8019' w/ 850 sx - 100 sx circ to pit.; 4.5" (6.125" hole) @								
30-015-48898	MEWBOURNE OIL CO	BOURBON RED 11 12 B2DA STATE COM #002H	Oil	State	New	E-11-19S-28E	V-8500'**	12/31/9999	
		HZTL Bone Spring: ~8500'-18,700'; SIMILAR COMPLETION AS OTHER BOURBON RED WELLS - NOT YET CRILLED OR COMPLETED.							
30-015-44953	MEWBOURNE OIL CO	BOURBON RED 11 B2EH STATE COM #001C	Oil	State	Never Drilled	E-11-19S-28E	0'	5/2/2022	
30-015-48073	MEWBOURNE OIL CO	BOURBON RED 11 12 B3EH STATE COM #001H	Oil	State	New	E-11-19S-28E	V-8500'**	6/2/2022	
	HZTL Bone Spring: ~8500'-18,700'; 13.375" (17.5" hole) @ 400' w/ 340 sx - calc to circ.; 9.625" (12.25" hole)@ 2800' w/ 590 sx -calc to circ.; 7.0" (8.75" hole)@ 9035' w/ 750 sx - est @ 2600'; 4.5" (6.125" hole) @ 18762'								
30-015-31771	MEWBOURNE OIL CO	TURKEY TRACK 11 STATE #004	Oil	State	Active	F-11-19S-28E	8705'	6/5/2021	
							PLANNED Plugged and Abandoned for 2023 - Approved P&A Diagram Attached...		
30-015-10882	PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL #001	Oil	State	P&A-R	G-11-19S-28E	2302'*	11/1/1966	2/13/1969

SOS Consulting, LLC

Form C-108 Item VI - Tabulation of AOR Wells (cont.)

Section 11 Wells

30-015-44954	MEWBOURNE OIL CO	BOURBON RED 11 B2LI STATE COM #001C	Oil	State	Never Drilled	I-11-19S-28E	0'	12/31/9999	
30-015-48072	**MEWBOURNE OIL CO**	**BOURBON RED 11 12 B3LI STATE COM #001H**	**Oil**	**State**	**New**	**I-11-19S-28E**	**V-8500'****	**5/11/2021**	
HZTL Bone Spring: ~8500'-18,600'; *13.375" (17.5" hole) @ 410' w/ 450 sx - calc to circ.; 9.625" (12.25" hole)@ 910' w/ 300 sx -calc to circ.; 7.0" (8.75" hole)@ 8980' w/ 1050 sx - est @ 2600'; 4.5" (6.125" hole) @ 18608'*									
30-015-02213	STEPHENS & JOHNSON OP CO	STATE BN #004	Oil	State	Active	J-11-19S-28E	2230'*	6/2/2022	
30-015-29043	**STEPHENS & JOHNSON OP CO**	**MILLMAN 11 STATE #003**	**Oil**	**State**	**P&A-R**	**J-11-19S-28E**	**2746'**	**3/17/2018**	**8/19/2011**
Plugged and Abandoned - P&A Diagram Attached...									
30-015-02216	SDX RESOURCES INC	EAST MILLMAN UNIT #160	Injection	State	P&A-R	K-11-19S-28E	2245'*	4/18/1995	6/30/2000
30-015-48900	**MEWBOURNE OIL CO**	**BOURBON RED 11 12 B2LI STATE COM #002H**	**Oil**	**State**	**New**	**L-11-19S-28E**	**6630'**	**11/22/1962**	
HZTL Bone Spring: ~8500'-18,700'; *13.375" (17.5" hole) @ 412' w/ 450 sx - circ.; 9.625" (12.25" hole)@ 2815' w/ 700 sx -142 sx circ to pit.; 7.0" (8.75" hole)@ 8019' w/ 850 sx - 100 sx circ to pit.; 4.5" (6.125" hole) @*									
30-015-48897	**MEWBOURNE OIL CO**	**BOURBON RED 11 12 B2MP STATE COM #002H**	**Oil**	**State**	**New**	**M-11-19S-28E**	**V-8500'***	**12/31/9999**	
HZTL Bone Spring: ~8500'-18,700'; *SIMILAR COMPLETION AS OTHER BOURBON RED WELLS - NOT YET CRILLED OR COMPLETED.*									
30-015-44955	MEWBOURNE OIL CO	BOURBON RED 11 B2MP STATE COM #001C	Oil	State	Never Drilled	M-11-19S-28E	8705'	12/31/9999	
30-015-48070	**MEWBOURNE OIL CO**	**BOURBON RED 11 12 B3MP STATE COM #001H**	**Oil**	**State**	**New**	**M-11-19S-28E**	**V-8500'****	**6/5/2021**	
HZTL Bone Spring: ~8500'-18,700'; *13.375" (17.5" hole) @ 427' w/ 450 sx - calc to circ.; 9.625" (12.25" hole)@ 903' w/ 350 sx -calc to circ.; 7.0" (8.75" hole)@ 9075' w/ 950 sx - est @ 2600'; 4.5" (6.125" hole) @ 18720'*									
30-015-28457	**STEPHENS & JOHNSON OP CO**	**EAST MILLMAN UNIT #301**	**Oil**	**State**	**Active**	**M-11-19S-28E**	**6630'**	**4/18/1995**	
YATES-SR-QN-GB-SA, EAST Perfs: 2474'-2607' (SQZ'd Bone Spring Perfs: 6315'-6462'); *13.375" (17.5" hole) @ 820' w/ 660 sx - circ.; 4.5" (7.875" hole) @ 6630' w/ 830 sx - cirx to surface.*									
30-015-10110	STEPHENS & JOHNSON OP CO	EAST MILLMAN UNIT #189	Injection	State	Active	M-11-19S-28E	2264'*	11/22/1962	
30-015-02215	STEPHENS & JOHNSON OP CO	EAST MILLMAN UNIT #155	Oil	State	Active	N-11-19S-28E	2260'*	6/21/1959	
30-015-27309	SDX RESOURCES INC	STATE BN #006	Oil	State	P&A-R	O-11-19S-28E	2350'*	8/19/1959	3/21/2001
30-015-02211	STEPHENS & JOHNSON OP CO	STATE BN #002	Injection	State	Active	O-11-19S-28E	2225'*	6/21/1959	

Section 14 Wells

30-015-44669	**APACHE CORPORATION**	**PALMILLO 14 15 STATE COM #208H**	**Oil**	**State**	**Active**	**D-14-19S-28E**	**V-7233'***	**3/17/2018**	
HZTL Bone Spring: 7589'-12,536'; *13.375" (17.5" hole) @ 436' w/ 550 sx - circ.; 9.625" (12.25" hole)@ 3007' w/ 1130 sx - calc to circ.; 5.5" (8.75" hole) @ 12615' w/ 2200 sx - TOC @ 1184'*									
30-015-02253	STEPHENS & JOHNSON OP CO	EAST MILLMAN UNIT #159	Oil	State	Active	D-14-19S-28E	2256'*	1/9/1960	
30-015-34859	**STEPHENS & JOHNSON OP CO**	**EAST MILLMAN UNIT #231**	**Oil**	**State**	**Active**	**C-14-19S-28E**	**3024'**	**5/23/2006**	
YATES-SR-QN-GB-SA, EAST Perfs: 2021'-2626'; *8.625" (12.25" hole) @ 392' w/ 350 sx - circ.; 5.5" (7.875" hole) @ 3024' w/ 530 sx, circ to surface.*									

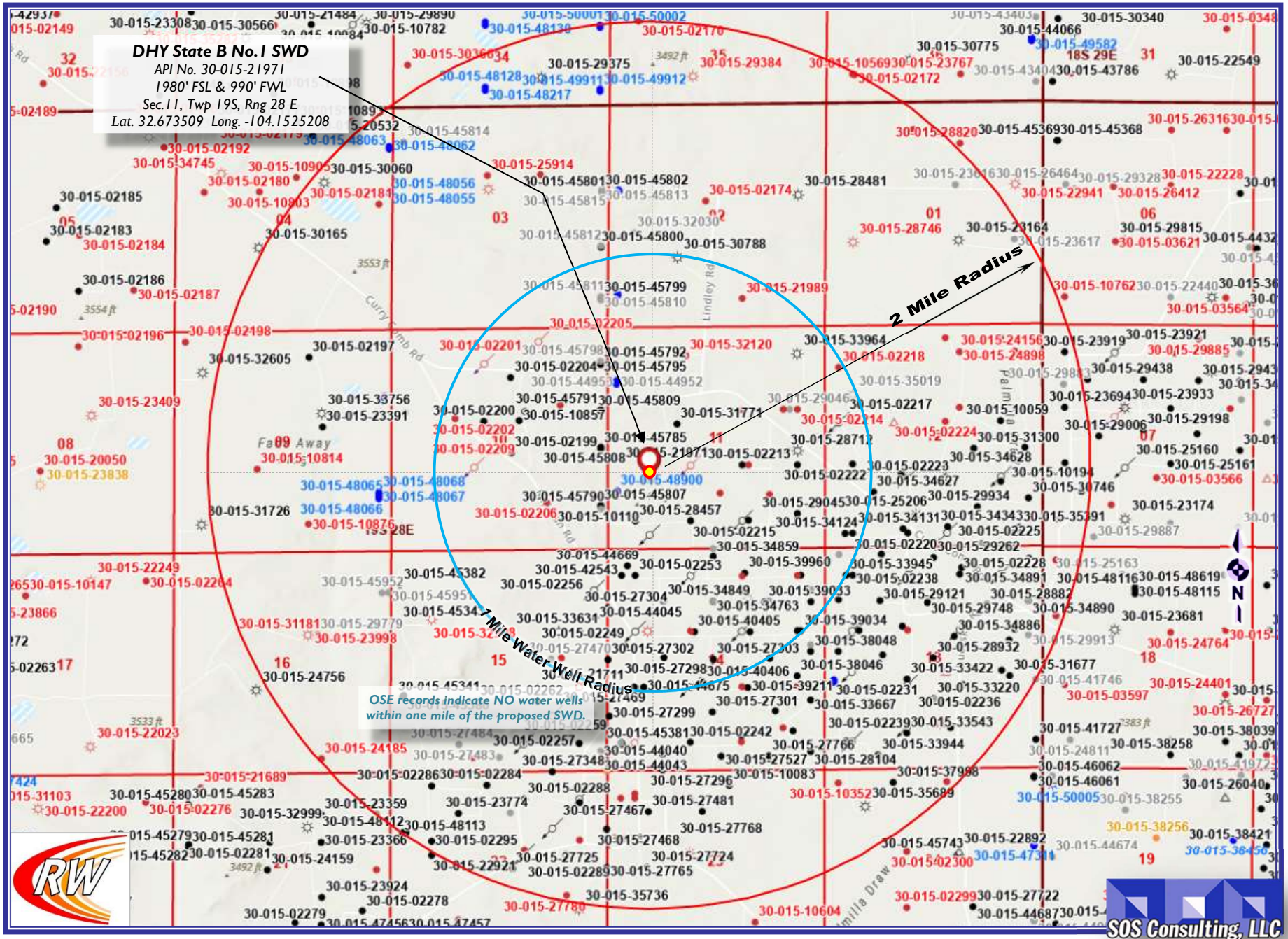
** Does NOT Penetrate Proposed Interval*

***** Completion may vary +/- 50 feet or more of TVD***

SUMMARY: 19 wells penetrate proposed disposal interval; 3 P&A.

DHY State A SWD Well No.1 - Area of Review - 2 Miles

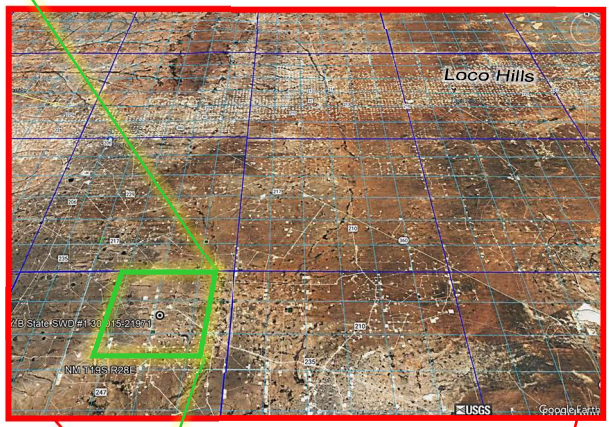
(Attachment to NMOCD Form C-108 - Item V)

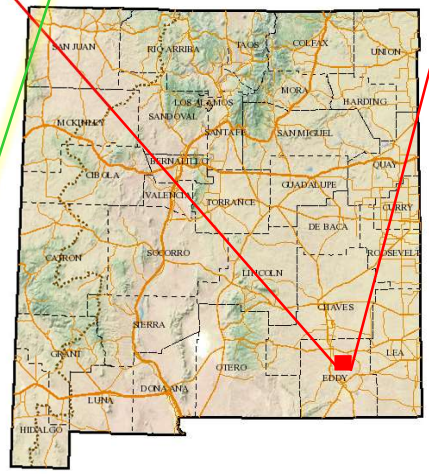


DHY State 'B' No.1 SWD - Area of Review / Overview Map

(Attachment to NMOCD Form C-108 - Item V)

~17.2 miles SW of Loco Hills, NM





Eddy County, New Mexico

RAY WESTALL OPERATING, INC.

SOS Consulting, LLC

C-108 ITEM VI

AOR Well Information

Plugged Well Schematics

There are 3 P&A'd Wells Within the AOR Which

Penetrate the Proposed Injection Zone.

30-015-02206
30-015-31771 *(planned)*
30-015-29043

Well Diagrams and Sundries (as applicable) follow this page…

PLUGGED WELL SCHEMATIC

State 648 AC 811 No.69

API 30-015-02206

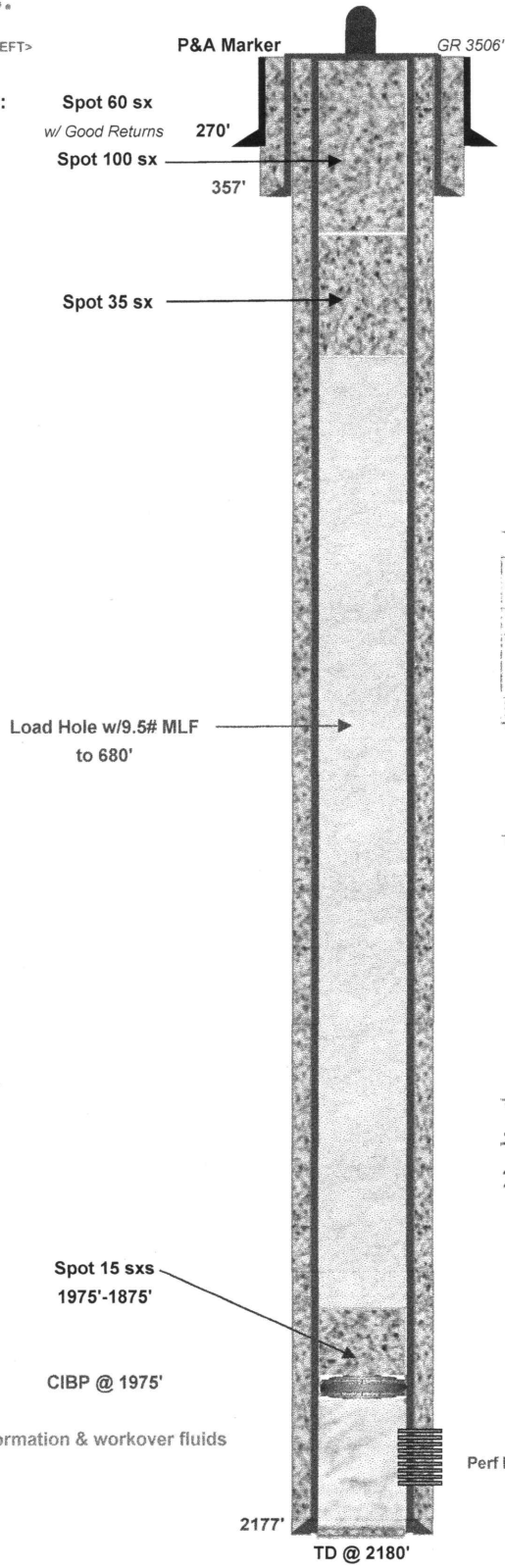
1117' FSL & 1461' FEL, SEC. 10-T19S-R28E
EDDY COUNTY, NEW MEXICO

Spud Date: 11/10/1933
Reentry Dt: 1/10/1963
P&A Date: 9/29/1983

Well Plugged by:
DEPCO, Inc.

<PLUGGING ITEMS LISTED LEFT>

<PRE-P&A EXISTING ITEMS LISTED RIGHT>



Surface Casing
10.0", ?# Csg. (Assumed 14.0" Hole) @ 270'
275 sxs - Circulated to Surface

New Surface Casing
7.0", 17.0# Csg.; 8.75" Hole) @ 357'
50 sx - Calc. to Circ. (Not Rpt'd)

<P&A SUBSEQUENT SUNDRY>

OIL CONSERVATION DIVISION, P. O. BOX 2088, SANTA FE, NEW MEXICO 87501
RECEIVED OCT 17 1983 O. C. D. ARTESIA, OFFICE

Form C-103 Revised 10-1-78

SUNDRY NOTICES AND REPORTS ON WELLS

Injector
DEPCO, Inc.
800 Central, Odessa, TX 79761
Unit Letter O, 1117 FEET FROM THE South LINE AND 1461 FEET FROM THE East LINE, SECTION 10, TOWNSHIP 19-S, RANGE 28-E
5a. Indicate Type of Lease: State [X] Fee [ ]
5. State Oil & Gas Lease No. 648
7. Unit Agreement Name
8. Farm or Lease Name: State 648 Ac. 811
9. Well No. 69
10. Field and Pool, or Wildcat: Artesia, Q,G, SA
11. Elevation (Show whether DF, RT, GR, etc.) 3506 GR
12. County Eddy

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

NOTICE OF INTENTION TO: / SUBSEQUENT REPORT OF:

PLUG AND ABANDONMENT [X]

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.

9-23-83: Set CIBP at 1975'.

9-28-83: Spotted 15 sxs cement plug on top of CIBP. Loaded hole to 680' w/9# mud laden fluid. Spotted 35 sxs cement plug. Pulled tbg. and pumped 75 sxs cement. Did not circulate.

9-29-83: Pumped 100 sxs cement. No returns. Pumped 60 sxs cement with good returns. Left 4 1/2" & 7" csg. full of cement.

Installed dry hole marker and cleaned location.

Mr. Mike Williams with the Oil Commission witnessed the plugging procedure.

Rpt ID-2 10-31-83 P+A

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

SIGNED Leon Standard TITLE Field Engineer DATE 10-14-83

APPROVED BY Mary Brooks TITLE Geologist DATE 2-13-84

CONDITIONS OF APPROVAL, IF ANY:

Production Casing
4.5", 10.5# Csg. (Assumed 6.25" Hole) @ 2177'
200 sxs - Calc. to Circulate (Not Rpt'd)

Perf Interval: 1997'-2129'

Drawn by: Ben Stone, 3/06/2023

SOS Consulting, LLC

Submit One Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
Revised July 18, 2013

WELL API NO. 30-015-31771

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No. 648

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.)

7. Lease Name or Unit Agreement Name: TURKEY TRACK 11 STATE

1. Type of Well: Oil Well [✓] Gas Well [ ] Other

8. Well Number 4

2. Name of Operator: MEWBOURNE OIL COMPANY

9. OGRID Number: 14744

3. Address of Operator: PO BOX 5270; HOBBS, NM 88260

10. Pool name or Wildcat: PALMILLO; BONE SPRINGS, SW

4. Well Location
Unit Letter F : 2310 feet from the N line and 1650 feet from the W line
Section 11 Township 19S Range 28E NMPM County EDDY

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3458' GL

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[X]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	P AND A	[ ]
PULL OR ALTER CASING	[ ]	MULTIPLE COMPL	[ ]	CASING/CEMENT JOB	[ ]		
DOWNHOLE COMMINGLE	[ ]						
CLOSED-LOOP SYSTEM	[ ]						
OTHER:	[ ]			OTHER:			[ ]

Notify OCD 24 hrs. prior to any work done

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Mewbourne Oil Company requests permission to permanently plug & abandon the subject wellbore. Please see attached wellbore schematics & operational procedure.

SEE CHANGES TO PROCEDURE

Spud Date: Rig Release Date:

****SEE ATTACHED COA's****

MUST BE PLUGGED BY 11/29/2023

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

SIGNATURE Klay H Kirkes TITLE Engineer DATE 9/8/22

Type or print name Klay H Kirkes E-mail address: kkirkes@mewbourne.com PHONE: 575-393-5905

For State Use Only

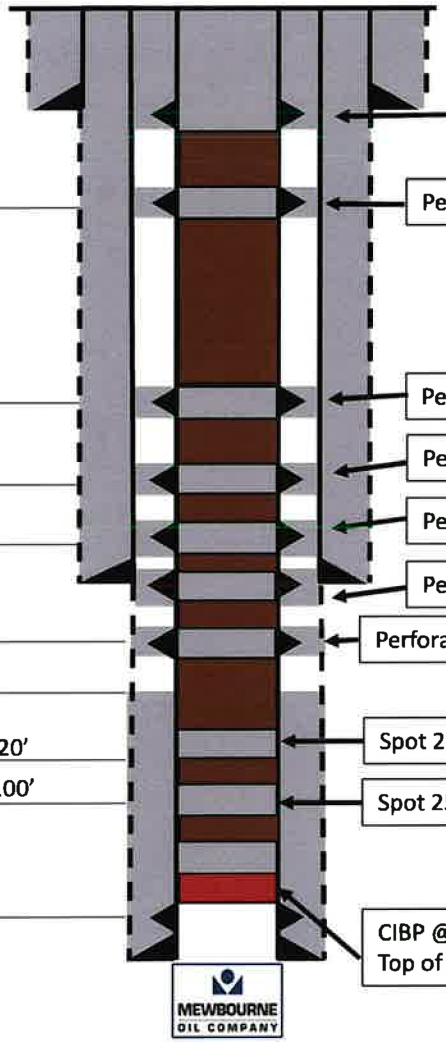
APPROVED BY: TITLE Staff Manager DATE 11/29/22

Conditions of Approval (if any):

Turkey Track 11 State # 004 Final WBS

2310' FNL & 1650' FWL, Sec 11 - T19S - R28E - Eddy Co, NM

API 30-015-31771



17 ½" hole w/ 13 3/8" 48# Csg set @ 423'. CMT to surface

Perforate @ 473' & circulate cement to surface

Yates Top @ 1058'

Perforate @ 1108' & spot 39 sks Class C Neat cement. Min top of plug 1008'.

11" hole w/ 8 5/8" 32# Csg set @ 2798'. CMT to surface

Queen Top @ 1687'

Perforate @ 1737' & spot 39 sks Class C Neat cement. Min top of plug 1637'.

Greyburg Top @ 2047'

Perforate @ 2097' & spot 39 sks Class C Neat cement. Min top of plug 1997'.

San Andres Top @ 2472'

Perforate @ 2522' & spot 39 sks Class C Neat cement. Min top of plug 2422'.

Perforate @ 2848' & spot 34 sks Class C Neat cement. Min top of plug 2748'.

BSPG Top @ 3150'

Perforate @ 3200' & spot 34 sks Class C Neat cement. Min top of plug 3100'.

TOC @ 6280'

1st Bone Spring Sand Top @ 6320'

Spot 25 sks Class C Neat cement. Min Top of plug 6220'.

2nd Bone Spring Sand Top @ 7100'

7 7/8" hole w/ 5 1/2" 17# N-80 Csg set @ 8705'

Spot 25 sks Class C Neat cement. Min Top of plug 7050'.

Perf Top @ 8339'

CIBP @ 8335' w/25 sks Class H Neat cement. Min Top of plug 8235'.

MEWBOURNE OIL COMPANY

Stephens + Johnson Operating Co.

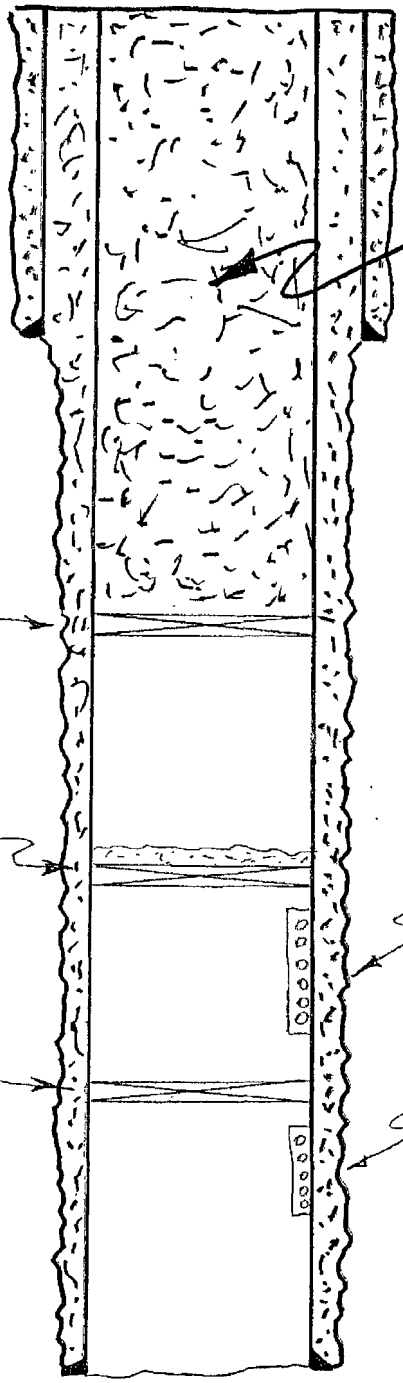
Millman "11" State No. 3 (WELL) Millman Yates-SR-QN-GB-SA East (FIELD) 8-19, 2011 (DATE)

— Plug and Abandonment —

KB ELEVATION 3,442' DF ELEVATION _____ GL ELEVATION 3437'

PERMANENT WELL BORE DATA

DATA ON THIS COMPLETION



8 5/8" 24# Surface Csg Set @ 423' w/ 350 sx Cmt. Circ to surface Hole size = 12¼"

CIBP @ 1400'

CIBP @ 2330' w/ 35' cmt on top (2-12-2002)

CIBP @ 2505' (9-6-96)

5½" 15.5# casing set at 2746' w/ 640 sx. Pumped 75 sx down 5½" - 8⅝" annulus to bring cmt to surface Hole size = 7⅞"

165 sx Cement Plug 0' - 1400'

Grayburg & San Andres Perfs 2402 - 2471'

San Andres Perfs: 2513 - 2545

PBTD - 2700
TD - 2746

Submit 1 CopY 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

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

Form C-103
January 20, 2011

WELL API NO. 30-015-29043
5. Indicate Type of Lease STATE [X] FEE [ ]
6. State Oil & Gas Lease No.

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.)

RECEIVED OCT 06 2011 NMOCD ARTESIA

7. Lease Name or Unit Agreement Name: Millman "11" State
8. Well Number 3
9. OGRID Number 019958
10. Pool name or Wildcat Millman-Yates-SR-QN-GB-SA East

1. Type of Well: [X] Oil Well [ ] Gas Well [ ] Other
2. Name of Operator: Stephens & Johnson Operating Co.
3. Address of Operator: P.O. Box 2249 Wichita Falls TX 76307-2249
4. Well Location
Unit Letter J : 1980 feet from the South line and 1830 feet from the East line
Section 11 Township 19S Range 28E NMPM County Eddy

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3442' KB; 3437' GR

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[ ]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	P AND A	[ ]
PULL OR ALTER CASING	[ ]	MULTIPLE COMPL	[ ]	CASING/CEMENT JOB	[ ]		
OTHER:	[ ]			[X] Location is ready for OCD inspection after P&A			

[X] All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.
[X] Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.
[X] A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. All INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.

[X] The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
[X] Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
[X] If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
[X] All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
[X] All other environmental concerns have been addressed as per OCD rules.
[X] Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed fromnon-retrieved flow lines and pipelines.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE William M. Kincaid TITLE Petroleum Engineer DATE 10/5/11
TYPE OR PRINT NAME William M. Kincaid E-MAIL mkincaid@sjoc.net PHONE 940-723-2166

For State Use Only
APPROVED BY [signature] TITLE P/A OK to Release DATE 10/11/2011
Conditions of Approval, if any.

C-108 ITEM X – LOGS and AVAILABLE TEST DATA

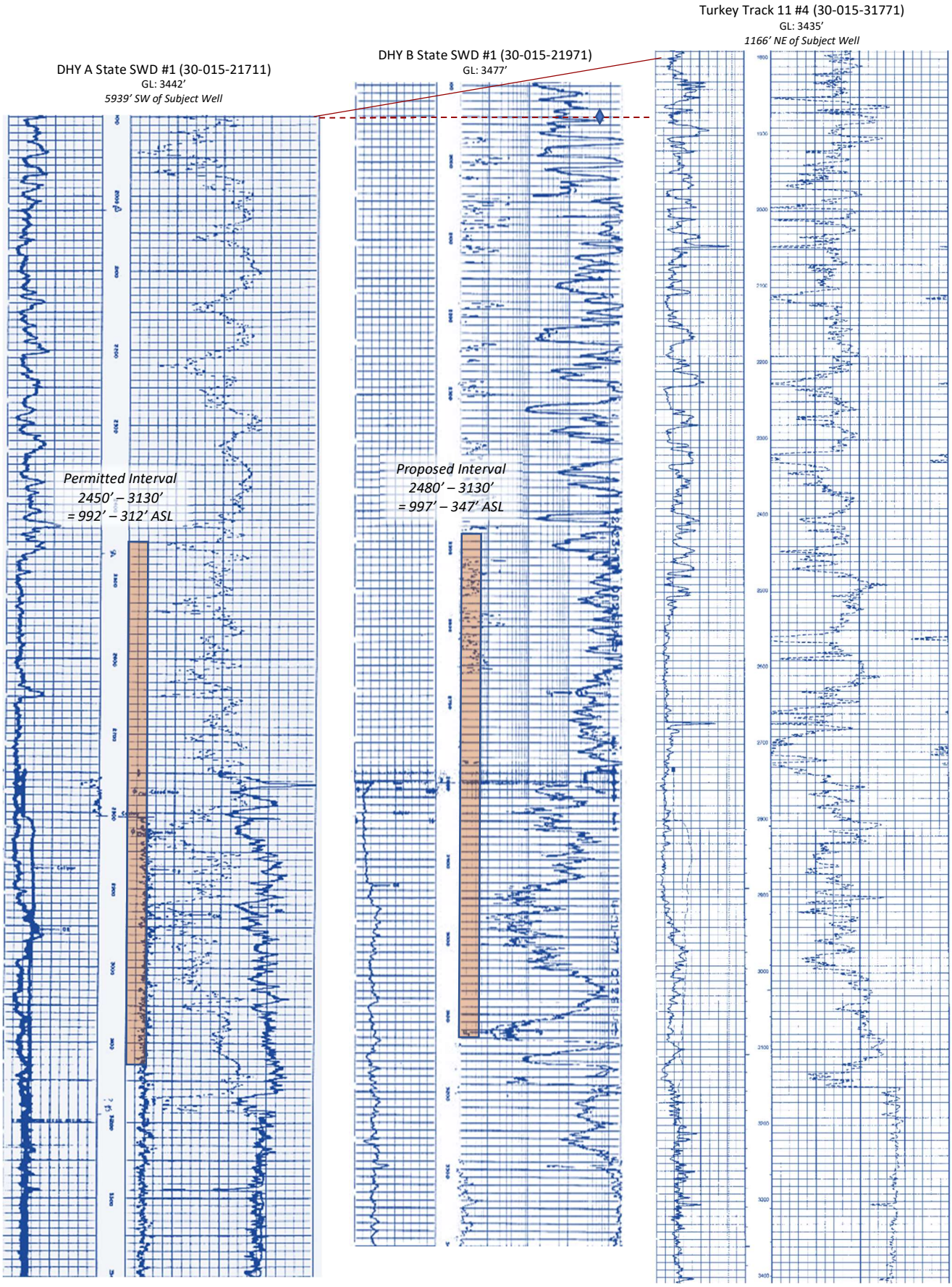
A Cross-Section presentation with offsetting wells to the SW and NE of the subject well to identify the approximate San Andres/ Glorieta interval.

New logs will be run to positively identify the target intervals within the described maximum top and bottom depths.

Cross-Section follows…

Ray Westall Operating, Inc. – DHY B State #1 SWD

Logs from 2 offsetting wells were reviewed. Based on the correlation, RWO expects the interval to be approximately 2480 feet to 3130 feet however, new porosity logs will be run to determine the exact intervals. If the logs indicate a depth adjustment needs to be made, RWO will re-notice affected parties and republish the new interval.



C-108 ITEM VII – PROPOSED OPERATION

The DHY B State Well No.1 SWD will be operated as a commercial disposal service to area operators to facilitate in disposal of produced water from typical producing formations in the area. (Samples are included in this application from Artesia Group and Bone Spring formation waters - chlorides and TDS are relative compatible with San Andres/ Glorieta formation waters.)

The system will be closed utilizing flowlines from area production and augmented with a tank battery off-load facility located on the well site.

Injection pressure will be 496 psi and a maximum rate of 3500 bwpd and an average rate of 2000 bwpd. In the future, Ray Westall Operating, Inc. may opt to conduct a step rate test if it is determined that greater rates may be required. This would be submitted to OCD as a request to increase the injection pressure.

Routine maintenance will be ongoing and any releases will be reported within 24 hours to OCD on form C-141 pursuant to various portions of 19.15.30 NMAC.

The facility will not be manned but will be available to Ray Westall's customers 24/7. The facility will be available for inspections at any time deemed necessary by OCD.

e-Permitting

C-108 Submittal

Attachment Category

Seismicity Analysis

For High Volume Devonian Wells

(NOT APPLICABLE TO THIS APPLICATION)

C-108 ITEM VII – PRODUCED WATER ANAYLSES

Item VII.4 – Water Analysis of Source Zone Water

Tansill-Yates-Seven Rivers
Grayburg/ San Andres
Bone Spring

Item VII.5 – Water Analysis of Disposal Zone Water

San Andres

Water Analyses follow this page.

C-108 Item VII.5 - Produced Water Data
Ray Westall Operating, Inc. - DHY B State No.1

SOURCE ZONE

ARTESIA GROUP - TNSL-YTS-7RVRS

Lab ID
Sample ID 5134
Sample No

API No 3001503449
Well Name SOUTH LOCO HILLS UNIT 010

Location ULSTR 20 18 S 29 E
1980 N 1980 W

Lat / Long 32.73421 -104.09836
County Eddy

Operator (when sampled)

Field LOCO HILLS
Unit F

Sample Date
Analysis Date

Sample Sourc DST
Water Typ
Depth (if known)

ph		alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity		hardness_mgL	
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	174689	resistivity_ohm_cm_temp	
tds_mgL_180C		conductivity	
chloride_mgL	107000	conductivity_temp_F	
sodium_mgL		carbonate_mgL	
calcium_mgL		bicarbonate_mgL	189
iron_mgL		sulfate_mgL	1000
barium_mgL		hydroxide_mgL	
magnesium_mgL		h2s_mgL	
potassium_mgL		co2_mgL	
strontium_mgL		o2_mgL	
manganese_mgL		anionremarks	

Remarks

(Produced water data courtesy of NMT Octane NM WAIDS database.)

SOS Consulting, LLC

C-108 Item VII.5 - Produced Water Data

Ray Westall Operating, Inc. - Federal 33 Com SWD #1

SOURCE ZONE

ARTESIA GROUP - TNSL-YTS-7RVRS

Lab ID

Sample ID 5345

Sample No

API No 3001503042

Well Name M DODD A 008

Location ULSTR 22 17 S 29 E **Lat / Long** 32.81353 -104.05878

330 S 1650 E **County** Eddy

Operator (when sampled)

Field GRAYBURG JACKSON Unit O

Sample Date Analysis Date

Sample Sourc WELLHEAD Depth (if known)

Water Typ

ph	6.8	alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity		hardness_mgL	
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	178711	resistivity_ohm_cm_temp	
tds_mgL_180C		conductivity	
chloride_mgL	104425	conductivity_temp_F	
sodium_mgL		carbonate_mgL	
calcium_mgL		bicarbonate_mgL	402
iron_mgL		sulfate_mgL	4600
barium_mgL		hydroxide_mgL	
magnesium_mgL		h2s_mgL	
potassium_mgL		co2_mgL	
strontium_mgL		o2_mgL	
manganese_mgL		anionremarks	

Remarks

(Produced water data courtesy of NMT Octane NM WAIDS database.)

SOS Consulting, LLC

C-108 Item VII.5 - Produced Water Data

Ray Westall Operating, Inc. - DHY B State No.1 SWD

SOURCE ZONE

BONE SPRING

Lab ID

Sample ID 5975

API No 3001527288

Sample No

Well Name COLT FEDERAL 001

Location ULSTR 04 20 S 28 E **Lat / Long** 32.59869 -104.17523

990 S 660 E **County** Eddy

Operator (when sampled) OXY USA INC

Field OLD MILLMAN RANCH Unit P

Sample Date 4/9/1998 Analysis Date 4/22/1998

Sample Sourc Depth (if known)

Water Typ

ph	7.22	alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity	1.004	hardness_mgL	
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	6037.86	resistivity_ohm_cm_temp_I	
tds_mgL_180C		conductivity	
chloride_mgL	3352.36	conductivity_temp_F	
sodium_mgL	2217.84	carbonate_mgL	0
calcium_mgL	26.104	bicarbonate_mgL	220.88
iron_mgL	36.144	sulfate_mgL	141.564
barium_mgL	0.0502	hydroxide_mgL	
magnesium_mgL	6.024	h2s_mgL	
potassium_mgL	58.232	co2_mgL	
strontium_mgL	3.012	o2_mgL	
manganese_mgL		anionremarks	

Remarks

(Produced water data courtesy of NMT Octane NM WAIDS database.)

SOS Consulting, LLC

C-108 Item VII.5 - Produced Water Data

Ray Westall Operating, Inc. - DHY B State No.1

DISPOSAL ZONE

GRAYBURG-SAN ANDRES

Lab ID

Sample ID 5366

API No 3001502873

Sample No

Well Name GULF STATE 002

Location ULSTR 03 17 S 29 E **Lat / Long** 32.86987 -104.06746

330 N 990 W **County** Eddy

Operator (when sampled)

Field SQUARE LAKE Unit 4

Sample Date Analysis Date

Sample Sourc WELLHEAD Depth (if known)

Water Typ

ph		alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity		hardness_mgL	
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	109000	resistivity_ohm_cm_temp_	
tds_mgL_180C		conductivity	
chloride_mgL	63070	conductivity_temp_F	
sodium_mgL		carbonate_mgL	
calcium_mgL		bicarbonate_mgL	339
iron_mgL		sulfate_mgL	3538
barium_mgL		hydroxide_mgL	
magnesium_mgL		h2s_mgL	
potassium_mgL		co2_mgL	
strontium_mgL		o2_mgL	
manganese_mgL		anionremarks	

Remarks

(Produced water data courtesy of NMT Octane NM WAIDS database.)

SOS Consulting, LLC

C-108 ITEM VIII

GEOLOGIC INFORMATION

The San Andres formation consists of subtidal porous dolostones characterized by an upward-shallowing succession of outer- to inner-ramp carbonate lithofacies. The trapping mechanism for the San Andres play in the Northwest Shelf results mainly from porosity pinch-outs defined by an increase in the anhydrite content or in the degree of the dolomitization. The San Andres is overlain by the Grayburg and then Queen formations.

The Glorieta formation is a shallow water carbonate and sandstone that occurs between the prolific Clear Fork (Leonardian) and San Andres (Leonardian-Guadalupian) formations on the Central Basin Platform and northwestern shelf and has been considered basal to the San Andres. The Glorieta is underlain by the Yeso and then Abo.

There is a potential source of drinking water in the overlying sands occurring at a depth from surface of up to 250 feet. (Note: there are no known domestic water wells within one mile of the proposed SWD well.) The upper part of the section on average consists of 200 ft of Holocene alluvial deposits of caliche, sand, gravel, and clay. Included in this interval are red sandstone and shale of the Chinle formation and Santa Rosa sandstone and similar deposits of the Dewey Lake formation. These formations are underlain by the Rustler and Salado formations.

There are no known sources of water <10,000 mg/l TDS which underlie the injection zones.

C-108 ITEM XII – GEOLOGIC AFFIRMATION

We have examined available geologic and engineering data and have found no evidence of open faults or other hydrologic connection between the disposal interval and any underground sources of drinking water.

Ben Stone, Partner
SOS Consulting, LLC

Project: Ray Westall Operating, Inc.
DHY State B No.1 SWD
Reviewed 12/16/2022

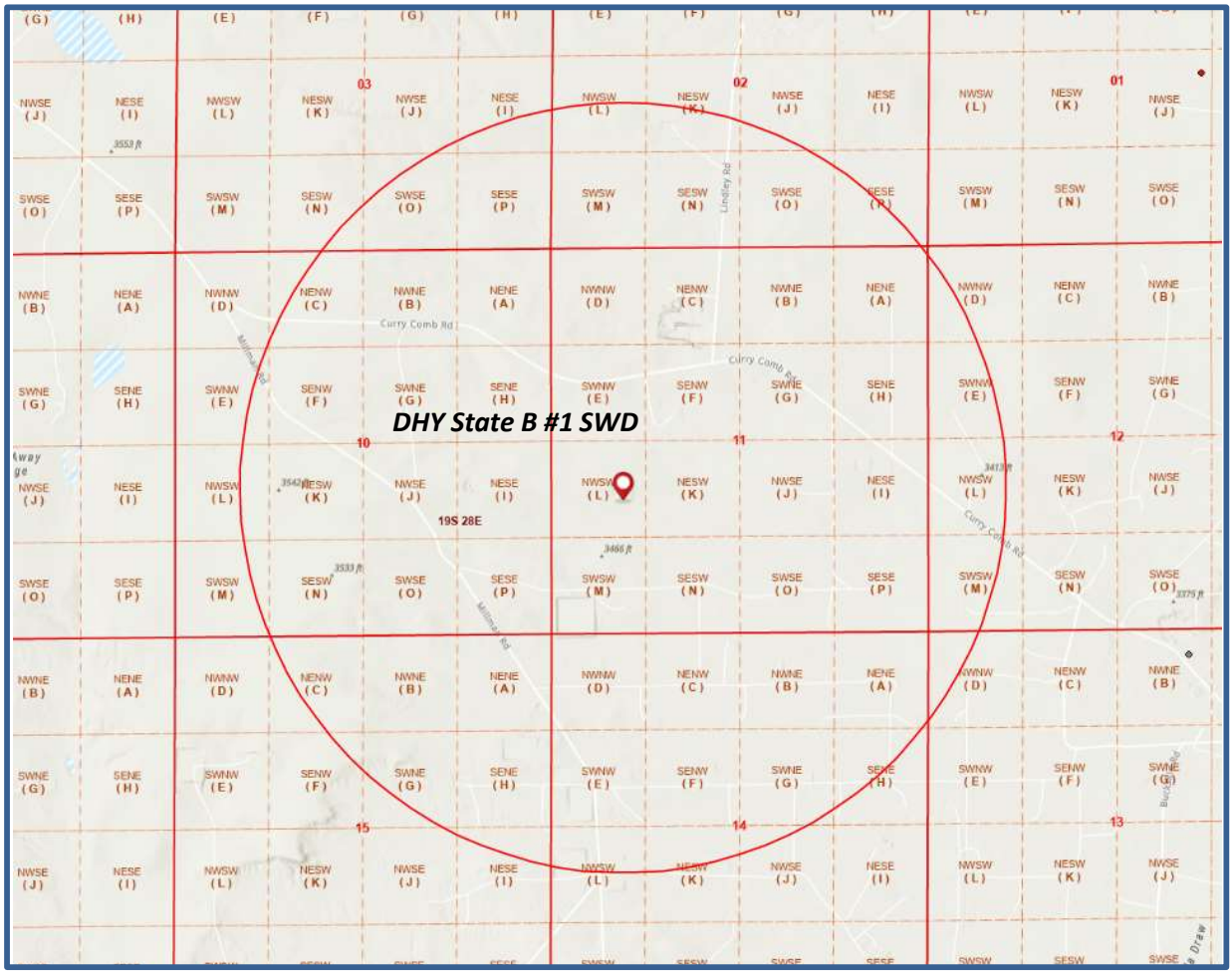
C-108 Item XI

Water Wells Within One Mile

DHY State B No.1 SWD - Water Well Locator Map

There are NO water wells shown within one mile radius of proposed SWD.
(As indicated by NM Office of the State Engineer's OSE POD Location GIS application.)

Depth to GW for 19S-28E is shown for 9 wells in the township with an average depth to water at 144 feet.



SOS Consulting, LLC

New Mexico Office of the State Engineer

Active & Inactive Points of Diversion

(with Ownership Information)

No PODs found.

PLSS Search:

Section(s): 2, 3, 10, 11, 14, 15 **Township:** 19S **Range:** 28E

New Mexico Office of the State Engineer
Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced, O=orphaned, C=the file is closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters) (In feet)

POD Number	POD Sub-basin Code	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Depth Well	Depth Water	Water Column
CP 00361 POD1	CP	ED	3	1	3	09	19S	28E	576094	3615246*	365	265	100
CP 00478 POD1	CP	ED	1	1	4	05	19S	28E	575300	3617036*	312	145	167
CP 00502	CP	ED		1	1	18	19S	28E	573001	3614478*	100	91	9
CP 00836 POD1	CP	ED		1	1	18	19S	28E	573001	3614478*	110		
CP 00837 POD1	CP	ED		1	1	18	19S	28E	573001	3614478*	110		
CP 00838 POD1	CP	ED		1	1	18	19S	28E	573001	3614478*	110		
CP 01231 POD1	CP	ED	4	4	2	36	19S	28E	582311	3609372	300	75	225
CP 01858 POD1	CP	ED	4	1	4	01	19S	28E	581872	3617163	55		
CP 01915	CP	ED	3	2	2	33	19S	28E	577309	3609734			

Average Depth to Water: **144 feet**
Minimum Depth: **75 feet**
Maximum Depth: **265 feet**

Record Count: 9

PLSS Search:

Township: 19S **Range:** 28E

***UTM location was derived from PLSS - see Help**

C-108 ITEM XIII – PROOF OF NOTIFICATION

IDENTIFICATION AND NOTIFICATION OF AFFECTED PARTIES

Exhibits for Section

Affected Parties Map

List of Affected Parties

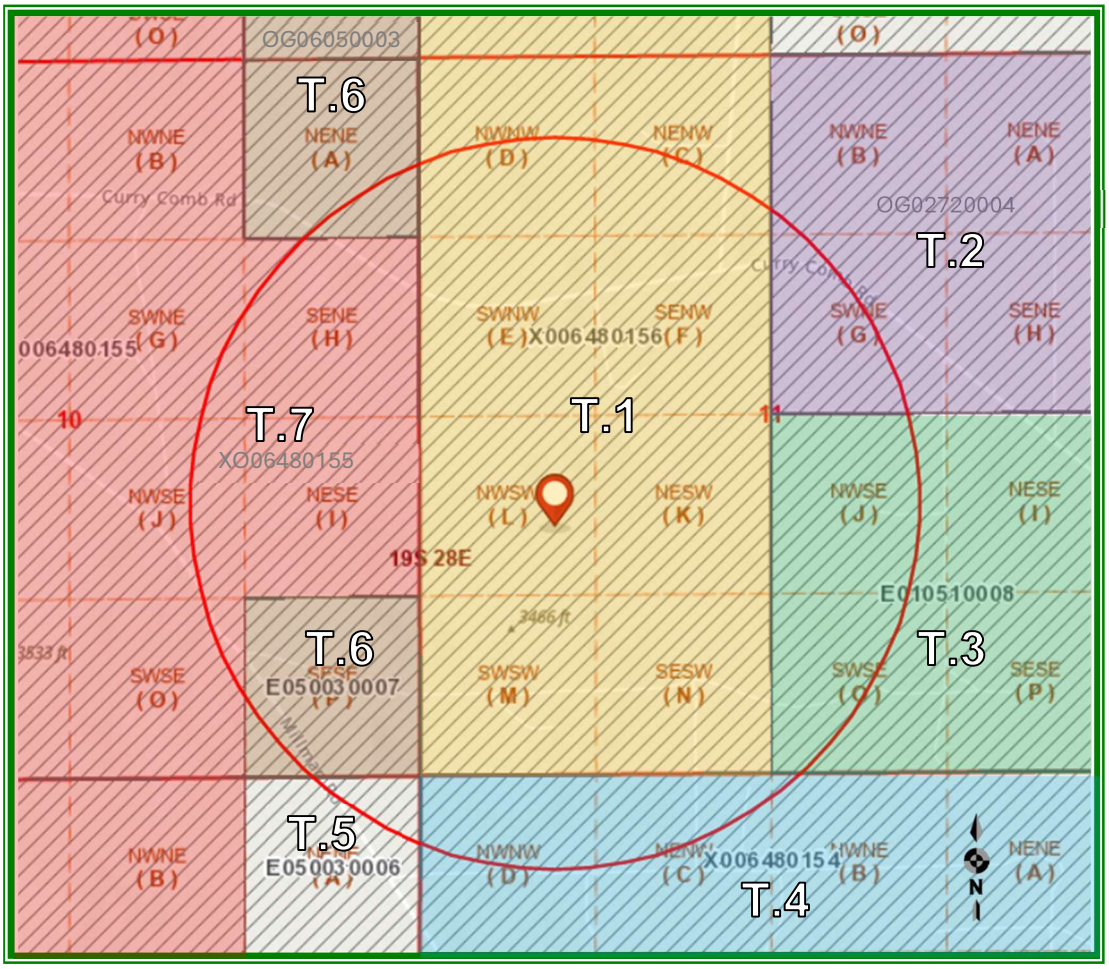
Notification Letter to Affected Parties
(Pre-notice letter to Apache)

Proof of Certified Mailing

Affidavit Published Legal Notice

DHY State 'B' SWD No.1 – Affected Parties Plat

(Attachment to NMOCD Form C-108, Application for Authority to Inject.)



RAY WESTALL OPERATING, INC.

LEGEND

T.1 – X0-0648-0156 – Mewbourne Oil Company

T.2 – OG-0272-0004 – COG Operating, LLC

T.3 – E0-1051-0008 – Steve Sell

T.4 – X0-0648-0154 – [WPX] – Devon Energy Prod. Co.

T.5 – X0-5003-0006 – [WPX] – Devon Energy Prod. Co.

T.6 – X0-5003-0007 – Apache Corp.

T.7 – X0-0648-0154 – Apache Corp.

Research performed by CG&L Records & Research

SOS Consulting, LLC

C-108 ITEM XIII – PROOF OF NOTIFICATION
AFFECTED PARTIES LIST

ALL AFFECTED PARTIES ARE PROVIDED A NOTICE LETTER VIA US CERTIFIED MAIL CONTAINING UNIQUE 6 CHARACTER DOCUMENT ACCESS CODES FOR SECURE DOWNLOAD OF A PDF COPY OF THE SUBJECT C-108 APPLICATION. AFFECTED PARTIES MAY ALSO REQUEST A PDF COPY VIA SENT EMAIL.

"AFFECTED PERSON" MEANS THE DIVISION DESIGNATED OPERATOR; IN THE ABSENCE OF AN OPERATOR, A LESSEE WHOSE INTEREST IS EVIDENCE BY A WRITTEN CONVEYANCE DOCUMENT EITHER OF RECORD OR KNOWN TO THE APPLICANT AS OF THE DATE THE APPLICANT FILES THE APPLICATION; OR IN THE ABSENCE OF AN OPERATOR OR LESSEE, A MINERAL INTEREST OWNER WHOSE INTEREST IS EVIDENCED BY A WRITTEN CONVEYANCE DOCUMENT EITHER OF RECORD OR KNOWN TO THE APPLICANT AS OF THE DATE THE APPLICANT FILED THE APPLICATION FOR PERMIT TO INJECT.; PER OCD RULES NMAC 19.15.26.7, A. AND 19.15.26.8, B.2.

SURFACE OWNER

1 STATE OF NEW MEXICO
Oil, Gas and Minerals Division
310 Old Santa Fe Trail
Santa Fe, NM 87504
Certified Mail: 7018 1130 0000 8738 2483

OFFSET MINERALS LESSEES and OPERATORS (All Notified via USPS Certified Mail)

State Lease X0-0648-0156 (T.1 on plat.)
Lessee & Operator
2 MEWBOURNE OIL COMPANY
P.O. Box 7698
Tyler, TX 75711
Certified: 7018 1130 0000 8738 2550

State Lease OG-0272-0004 (T.2 on plat.)
Lessee & Operator
3 COG OPERATING, LLC
600 W. Illinois Avenue
Midland, TX 79701
Certified: 7018 1130 0000 8738 2681

State Lease E0-1051-0008 (T.3 on plat.)
Lessee
4 STEVE SELL
PO Box 5061
Midland , TX, 79704
Operator
STEPHENS & JOHNSON OPERATING CO.
P.O. Box 2249
Wichita Falls, TX 76307
Certified: 7018 1130 0000 8738 2490

State Lease X0-0648-0154, X0-5003-0006 (T.4 & T.5 on plat.)
Lessee & Operator
5 APACHE CORPORATION
Attn: Blake Johnson
2000 Post Oak Blvd #100
Houston, Texas 77056
Certified Mail: 7018 1130 0000 8738 2506

C-108 ITEM XIII – PROOF OF NOTIFICATION INTERESTED PARTIES LIST (cont.)

State Lease X0-5003-0007, X0-0648-0154 (T.6 & T.7 on plat.)
Lessee & Operator

6 DEVON ENERGY CORPORATION
(Attn: WPX New Mexico Leases)
333 West Sheridan Avenue
Oklahoma City, Oklahoma 73102-5015
Certified Mail: 7018 1130 0000 8738 2513

REGULATORY

NEW MEXICO OIL CONSERVATION DIVISION (Filed via OCD Online e-Permitting)
1220 S. St. Francis Dr.
Santa Fe, NM 87505

NEW MEXICO STATE LAND OFFICE
Commissioner of Public Lands
Oil, Gas and Minerals Division
310 Old Santa Fe Trail
Santa Fe, NM

RWO, INC. DHY B STATE #1 SWD

USPS Certified Tracking:
7018 1130 0000 8738 2483,
7018 1130 0000 8738 2520,
7018 1130 0000 8738 2681,
7018 1130 0000 8738 2490,
7018 1130 0000 8738 2506,
7018 1130 0000 8738 2513

Doc Access Codes:
(Hidden)

SOS Consulting, LLC
Oil & Gas Accounting - Regulatory Processing Assistance - Oil Field Technical Assistance
16 Years of Quality Service

March 10, 2023

NOTIFICATION TO INTERESTED PARTIES
via U.S. Certified Mail

To Whom It May Concern:

Ray Westall Operating, Inc., Loco Hills, New Mexico, is filing a C-108 application to the New Mexico Oil Conservation Division to RECOMPLETE for salt water disposal its DHY B State Well No.1 SWD. The well is currently completed for SWD into the Wolfcamp but will be recompleted uphole into the San Andres and Glorieta formations. The proposed commercial operation will be for produced water disposal from area operators. As indicated in the notice below, the well is in Section 11, Township 19 South, Range 28 East in Eddy County, New Mexico.

The published notice states that the interval will be from 4910 feet to 5135 feet in the Paddock formation. Following is the notice published in the Artesia Daily Press, Artesia, New Mexico on or about January 26, 2023.

LEGAL NOTICE

Ray Westall, Inc., P.O. Box 4, Loco Hills, NM 88255 is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division for administrative approval to RECOMPLETE for salt water disposal in its DHY State 'B' No.1. The well, API No.30-015-21971 is located 1980 FSL & 990 FWL in Section 11, Township 19 South, Range 28 East in Eddy County, New Mexico. Produced water from area production will be commercially disposed into the San Andres and Glorieta formations through selected perforated intervals between a maximum applied for top of 2480 feet to maximum depth of 3130 feet and based on further log analysis. Maximum injection pressure will be 496 psi with a maximum daily rate of 3500 bwpd and an average rate of 2000 bwpd.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87505, (505)476-3460 within 15 days of the date of this notice. Additional information may be obtained from the applicant's agent, SOS Consulting, LLC, (936) 377-5696 or, email *info@sosconsulting.us*.

You have been identified as a party who may be interested as an offset lessee or operator.

You are entitled to a full copy of the application. SOS Consulting has deployed a new app for the explicit secure delivery of a full PDF copy of the application. Any user employed with **Company Name** may log into the system and when prompted for a *Document Access Code*, enter **1234XX** to View or Download the document as desired. Using the *SOS Client and Affected Party Document Access* app takes about one minute, start to finish – instructions are included, and only name, email and company name are needed to access the system.

Thank you for your attention in this matter.

Best regards,

Ben Stone, SOS Consulting, LLC
Agent for Ray Westall Operating, Inc.

Cc: Application File

User Information for the SOS Client & Affected Party Portal

Thank you for using the new SOS Document Portal. This system allows for the ***secure delivery of all types of applications and any resulting permits****. The system is built in and stored in the cloud using the best available platforms and code for a secure and robust app. We hope you appreciate our efforts to reduce printed paper copies and deliver pertinent documents in a much more efficient way. If you're a client, you may use the portal to view all the applications that SOS Consulting, LLC has generated on behalf of you or your organization.*

1

Open the SOS Consulting website at: **www.sosconsulting.us**

Click the ***App Icon*** in the upper right corner of the screen…

The secure ***SOS Client & Affected Party Portal*** site will open…

2

Become a user of the site by entering your email address and basic info for your profile – minimal information is required although we ask that you provide your company name so we may view who and which companies have reviewed a particular document.

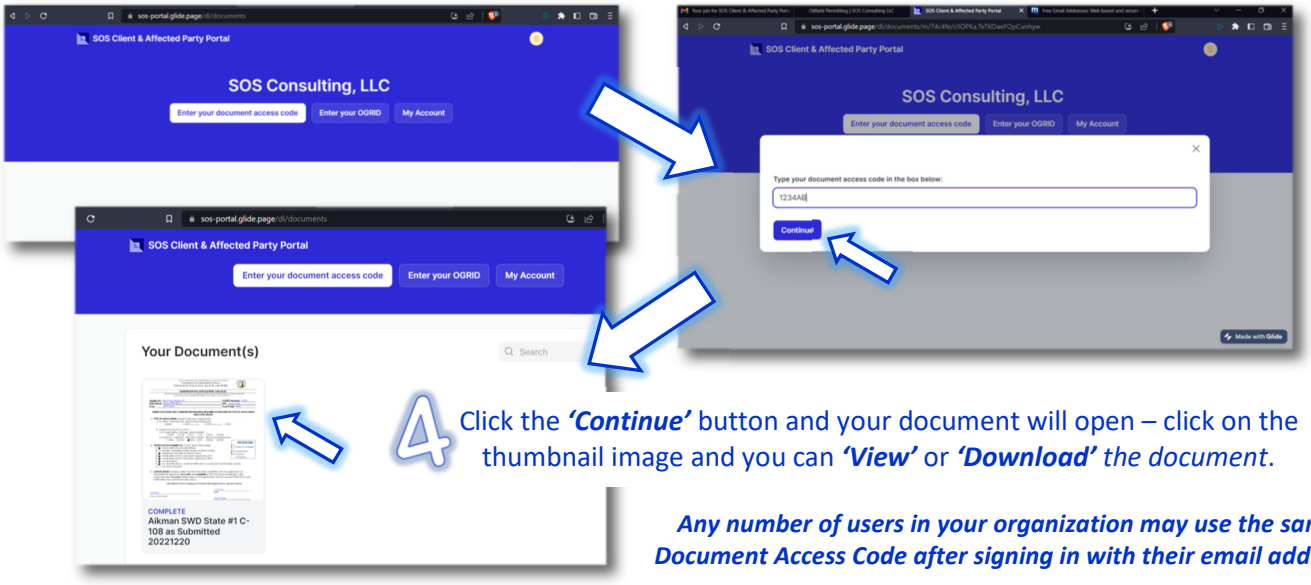
(Please note that nothing is done with your information – it is only for access to this portal.)

Each time you log into the SOS Portal, you will be sent a pin code for ***2-Step Verification*** *to your email within 15 seconds. Enter the code for access to the portal.*

3

The SOS portal will open to your user page or the portal home. If you don't see this screen, simply click on the SOS Client & Affected Party title and the home page will open. This page allows you to enter a ***'Document Access Code'*** or if a client, ***'Enter your OGRID'***. ***(When entering an OGRID, you will also be prompted for a Client ID for security – SOS Consulting will have already provided this to its clients.)***

Note: The unique ***Document Access Code*** *is provided in your* ***'Notice Letter to Affected Parties'****.*



4

Click the ***'Continue'*** button and your document will open – click on the thumbnail image and you can ***'View'*** or ***'Download'*** *the document.*

Any number of users in your organization may use the same Document Access Code after signing in with their email address!

SOS Consulting, LLC
15 Years of Quality Service
Oil & Gas Accounting - Regulatory Processing Assistance - Oil Field Technical Assistance

January 29, 2023

To: Apache Corp. – SWD Review Team

From: SOS Consulting, LLC

Subject: Ray Westall's DHY State B #1 SWD, L-11-19S-28E – RECOMPLETION to San Andres/ Glorieta

---

Background: RWO, Inc. permitted this well as an SWD into the [Upper Penn] Cisco/ Canyon formations through perforations from 9600' to 9950'. Commercial disposal rates have not been achieved into this interval.

Apache operates its Palmilla 10 State wells in the one-half mile Area of Review.

RWO is proposing to come up to the San Andres & Glorieta formations. This is based on good performance of its offsetting DHY-A State #1 SWD in J-15-19W-28E through perforations from 2450' to 3130' in the San Andres/ Glorieta interval.

Please Note: Mewbourne Oil Company has the state lease where the DHY B SWD is located, and they have APPROVED RWO's proposal to recomplete to the San Andres/ Glorieta through perfs from 2480' to 3130'.

Status of C-108: Legal notice was published in the Artesia Daily Press on January 26, 2023. The C-108 is in progress.

This notice is being made in advance of the notification effort for all Affected Parties which is expected to go out in the next couple of weeks as the remaining portions of the C-108 application are assembled. (*The Area of Review map is attached to this request.)*

Request: On behalf of Ray Westall Operating, Inc., please consider this information amongst whomever at Apache Corp. and let us know back at your convenience if the proposal recompletion in the subject well into the San Andres/ Glorieta interval is acceptable to Apache Corp.

Respectfully,

Ben Stone, Partner
SOS Consulting, LLC

C-108 - Item XIV

Proof of Notice (Certified Mail Receipts)

7018 1130 0000 8738 2483

U.S. Postal Service™
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Santa Fe, NM 87504

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- Adult Signature Required $0.00
- Adult Signature Restricted Delivery $

Postage $0.63

Total Postage and Fees $8.13

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Street and

City, State

PS Form

STATE OF NEW MEXICO
Oil, Gas and Minerals Division
310 Old Santa Fe Trail
Santa Fe, NM 87504

0360
05

Postmark Here

USPS
MAR 2023
ONALASKA TX 77360

7018 1130 0000 8738 2490

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Wichita Falls, TX 76307

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STEPHENS & JOHNSON OP. CO.
P.O. Box 2249
Wichita Falls, TX 76307

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05

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MAR 2023
ONALASKA TX 77360

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- Adult Signature Restricted Delivery $

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Total Postage and Fees $8.13

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MEWBOURNE OIL COMPANY
P.O. Box 7698
Tyler, TX 75711

0360
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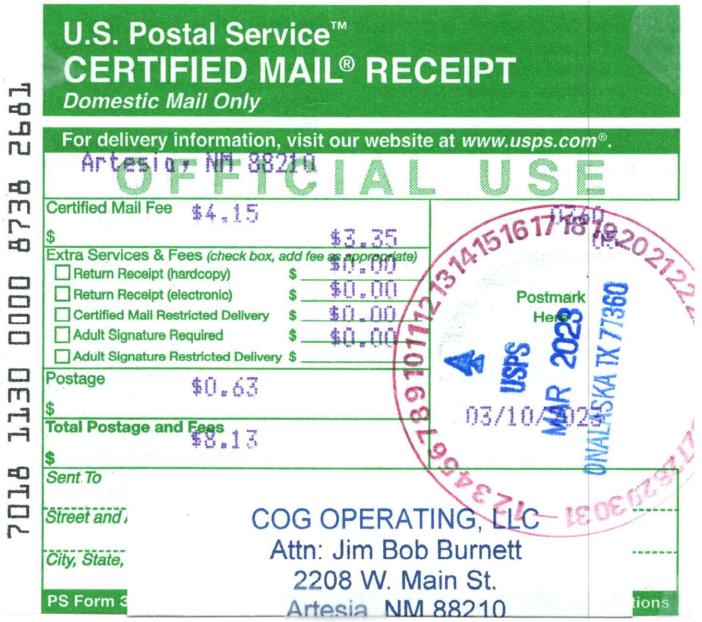
USPS
MAR 2023
ONALASKA TX 77360

C-108 - Item XIV

Proof of Notice (Certified Mail Receipts – cont.)



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Artesia, NM 88210

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City, State,

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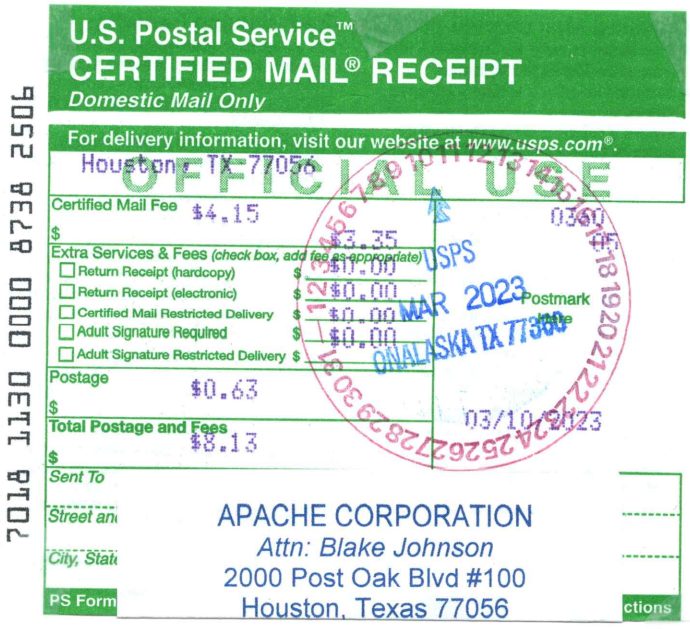
COG OPERATING, LLC
Attn: Jim Bob Burnett
2208 W. Main St.
Artesia, NM 88210

USPS MAR 2023 ONALASKA TX 77360 03/10/2023 Postmark Here

7018 1130 0000 8738 2681



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Houston, TX 77056

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City, State

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APACHE CORPORATION
Attn: Blake Johnson
2000 Post Oak Blvd #100
Houston, Texas 77056

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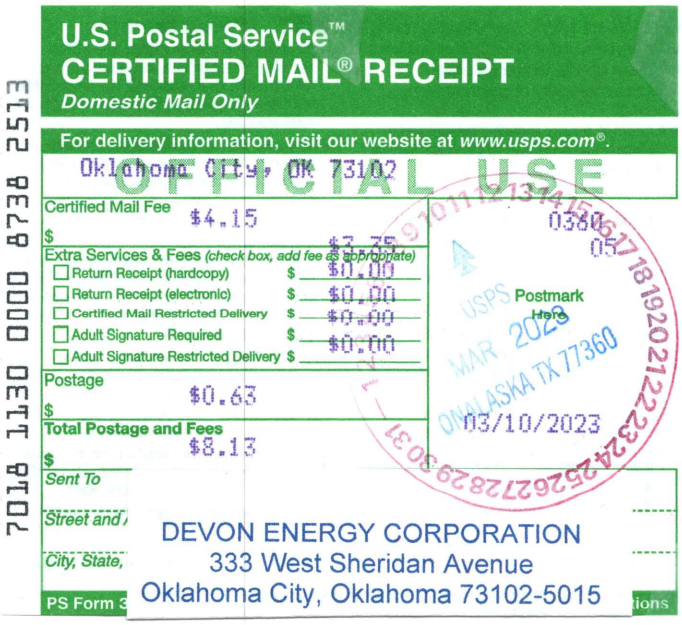
7018 1130 0000 8738 2506



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Oklahoma City, OK 73102

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- Return Receipt (electronic) $0.00
- Certified Mail Restricted Delivery $0.00
- Adult Signature Required $0.00
- Adult Signature Restricted Delivery $

Postage $0.63

Total Postage and Fees $8.13

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Street and

City, State,

PS Form

DEVON ENERGY CORPORATION
333 West Sheridan Avenue
Oklahoma City, Oklahoma 73102-5015

USPS MAR 2023 ONALASKA TX 77360 03/10/2023 Postmark Here

7018 1130 0000 8738 2513

C-108 - Item XIV

Proof of Notice
AFFIDAVIT – 1/26/2023
Newspaper of General Circulation

Affidavit of Publication

No. 26430

State of New Mexico

County of Eddy:

Danny Scott

being duly sworn sayes that he is the **Publisher**

of the Artesia Daily Press, a daily newspaper of General circulation, published in English at Artesia, said county and state, and that the hereto attached

Legal Ad

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for

1 Consecutive weeks/day on the same day as follows:

First Publication	January 26, 2023
Second Publication	
Third Publication	
Fourth Publication	
Fifth Publication	
Sixth Publication	
Seventh Publication	

Subscribed and sworn before me this

26th day of January 2023

STATE OF NEW MEXICO
NOTARY PUBLIC
Latisha Romine
Commission Number 1076338
My Commission Expires May 12, 2023

Latisha Romine

Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:

Legal Notice

LEGAL NOTICE

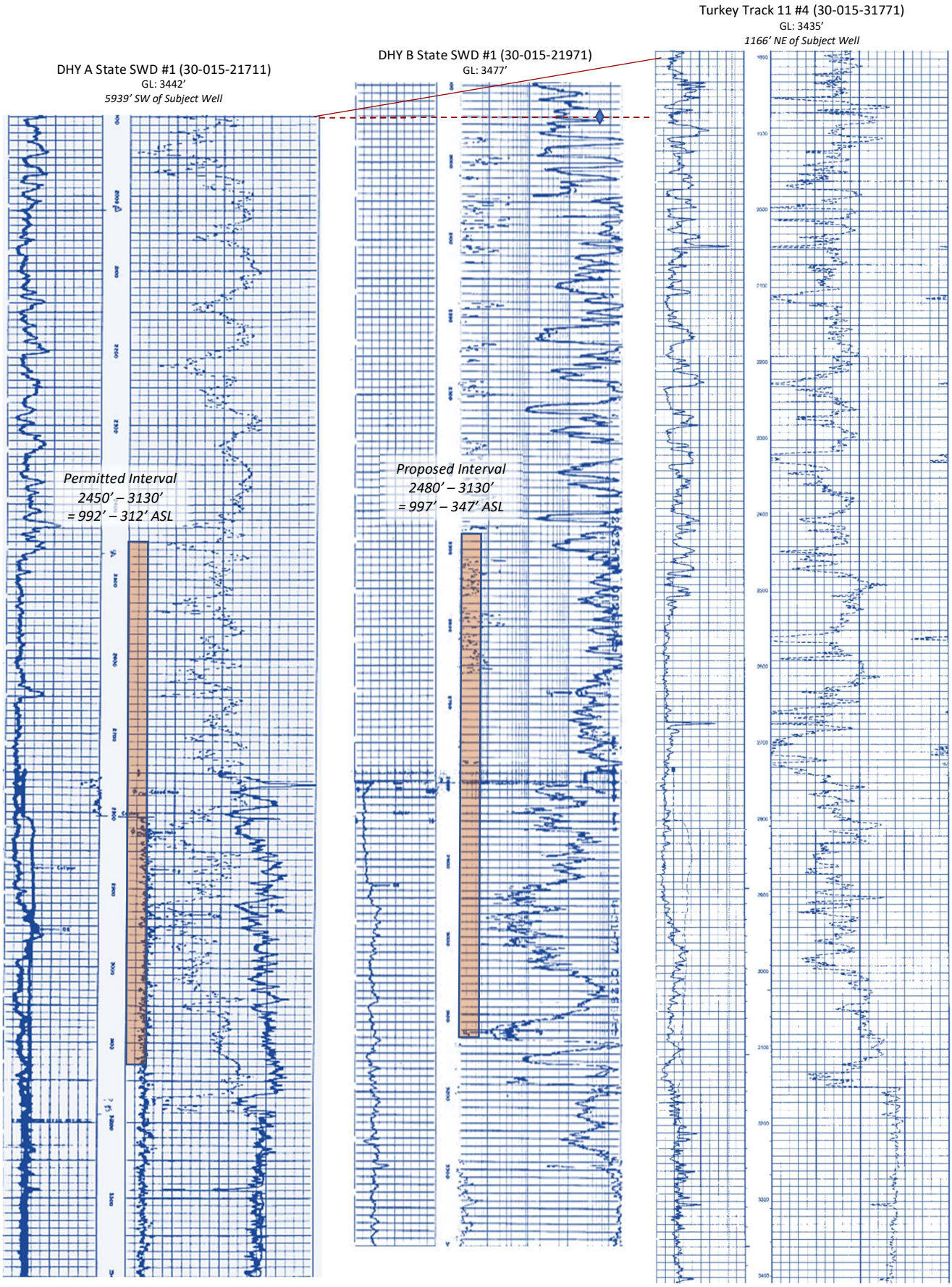
Ray Westall, Inc., P.O. Box 4, Loco Hills, NM 88255 is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division for administrative approval to RECOMPLETE for salt water disposal in its DHY State 'B' No.1. The well, API No.30-015-21971 is located 1980 FSL & 990 FWL in Section 11, Township 19 South, Range 28 East in Eddy County, New Mexico. Produced water from area production will be commercially disposed into the San Andres and Glorieta formations through selected perforated intervals between a maximum applied for top of 2480 feet to maximum depth of 3130 feet and based on further log analysis. Maximum injection pressure will be 496 psi with a maximum daily rate of 3500 bwpd and an average rate of 2000 bwpd.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87505, (505)476-3460 within 15 days of the date of this notice. Additional information may be obtained from the applicant's agent, SOS Consulting, LLC, (936)377-5696 or, email info@sosconsulting.us.

Published in the Artesia Daily Press, Artesia, N.M., Jan. 26, 2023 Legal No. 26430.

Ray Westall Operating, Inc. – DHY B State #1 SWD

Logs from 2 offsetting wells were reviewed. Based on the correlation, RWO expects the interval to be approximately 2480 feet to 3130 feet however, new porosity logs will be run to determine the exact intervals. If the logs indicate a depth adjustment needs to be made, RWO will re-notice affected parties and republish the new interval.



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate District Office

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-015-21971	96127	SWD; San Andres-Glorieta

[4] Property Code	[5] Property Name	[6] Well Number
TBD	DHY State B	1

[7] OGRID No.	[8] Operator Name	[9] Elevation
119305	Ray Westall Operating, Inc.	3477'

[10] Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	11	19S	28E		1980'	FSL	990'	FWL	Eddy

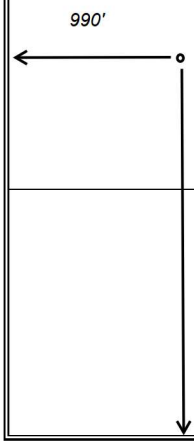
[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
same									

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
n/a			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

[16]



[17] OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature — Date: 3/06/2023

Ben Stone
Printed Name

ben@sosconsulting.us
E-mail Address

[18] SURVEYOR CERTIFICATION

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

November 10, 1976
Date of Survey

Signature and Seal of Professional Surveyor:

Herschel L. Jones
3640
Certificate Number

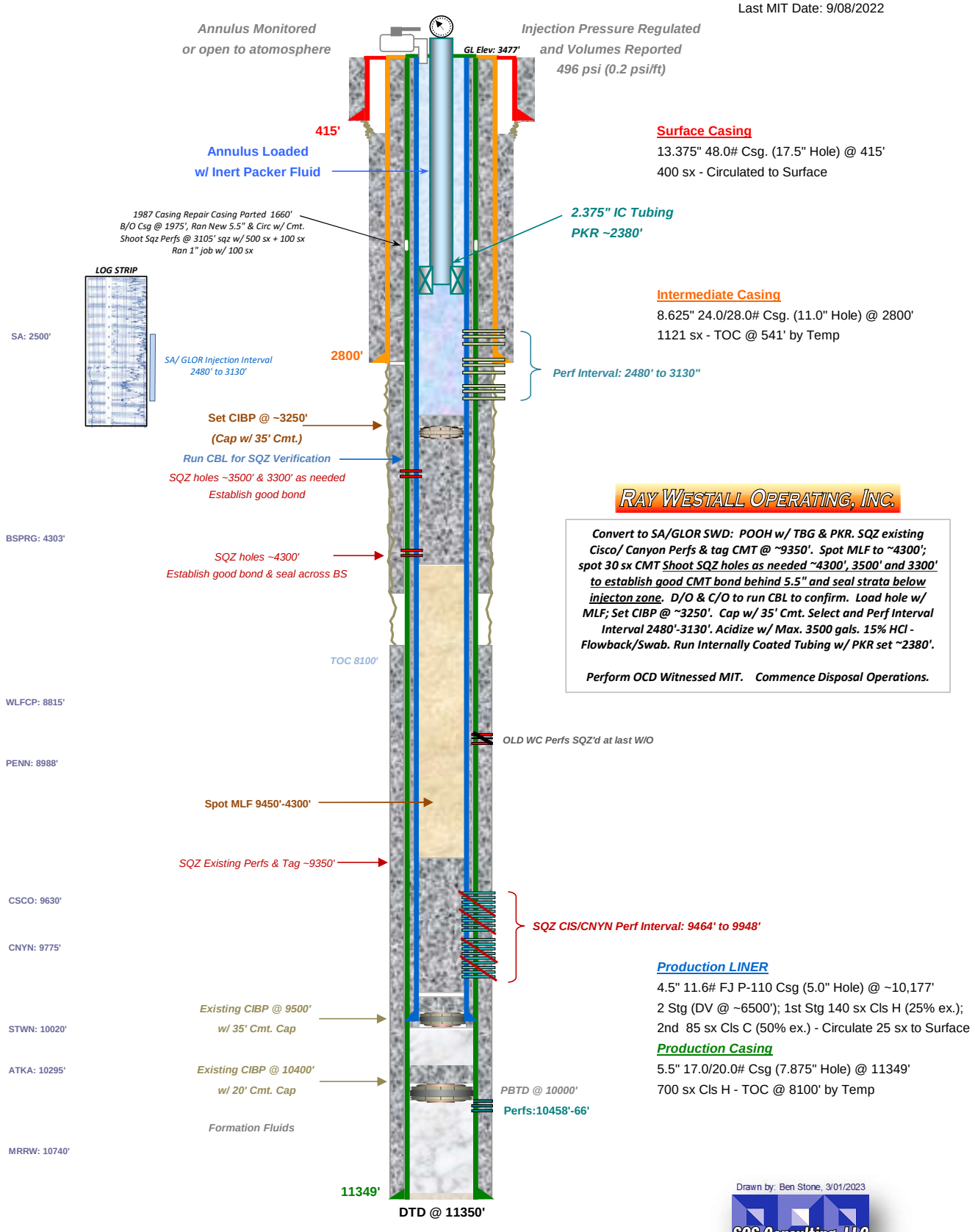
WELL SCHEMATIC - PROPOSED

DHY State 'B' Well No.1 SWD

API 30-015-21971 ***SWD; San Andres-Glorieta (96127)***

1980' FSL & 990' FWL, SEC. 11-T19S-R28E
EDDY COUNTY, NEW MEXICO

SWD Config Date: 6/15/2023
Last MIT Date: 9/08/2022



Surface Casing
13.375" 48.0# Csg. (17.5" Hole) @ 415'
400 sx - Circulated to Surface

Intermediate Casing
8.625" 24.0/28.0# Csg. (11.0" Hole) @ 2800'
1121 sx - TOC @ 541' by Temp

RAY WESTALL OPERATING, INC.

Convert to SA/GLOR SWD: POOH w/ TBG & PKR. SQZ existing Cisco/ Canyon Perfs & tag CMT @ ~9350'. Spot MLF to ~4300'; spot 30 sx CMT Shoot SQZ holes as needed ~4300', 3500' and 3300' to establish good CMT bond behind 5.5" and seal strata below injecton zone. D/O & C/O to run CBL to confirm. Load hole w/ MLF; Set CIBP @ ~3250'. Cap w/ 35' Cmt. Select and Perf Interval Interval 2480'-3130'. Acidize w/ Max. 3500 gals. 15% HCl - Flowback/Swab. Run Internally Coated Tubing w/ PKR set ~2380'.

Perform OCD Witnessed MIT. Commence Disposal Operations.

Production LINER
4.5" 11.6# FJ P-110 Csg (5.0" Hole) @ ~10,177'
2 Stg (DV @ ~6500'); 1st Stg 140 sx Cls H (25% ex.);
2nd 85 sx Cls C (50% ex.) - Circulate 25 sx to Surface

Production Casing
5.5" 17.0/20.0# Csg (7.875" Hole) @ 11349'
700 sx Cls H - TOC @ 8100' by Temp

Drawn by: Ben Stone, 3/01/2023
SOS Consulting, LLC

C-108 ITEM XIII – PROOF OF NOTIFICATION

IDENTIFICATION AND NOTIFICATION OF AFFECTED PARTIES

Exhibits for Section

Affected Parties Map

List of Affected Parties

Notification Letter to Affected Parties
(Pre-notice letter to Apache)

Proof of Certified Mailing

Affidavit Published Legal Notice

C-108 - Items III, IV, V

Item III - Subject Well Data

Wellbore Diagram - CURRENT
Wellbore Diagram – PROPOSED

Item IV – Tabulation of AOR Wells

19 Wells Penetrate the Proposed Injection Interval, 3 P&A
(Construction Data for all Active Wells)

Item V – Area of Review Maps

1. Two Mile AOR Map with One-Mile Fresh Water Well Radius

2. One-Half Mile AOR Map

All Above Exhibits follow this page.

Form C-108 Item VI - Tabulation of AOR Wells

Top of Proposed SA/GLTA Interval 2480'

19 Wells (3 P&A) Penetrate Proposed Interval.

API	OGRID Name	Well Name	Type	Lease	Status	ULSTR	M or V Depth	SPUD Date	Plug Date
Subject Well									
30-015-21971	RAY WESTALL OPERATING, INC.	DHY STATE B SWD #001	SWD	State	Active	L-11-19S-28E	11350'	2/7/1977	
							Current and Proposed Wellbore Diagrams Attached...		
Section 10 Wells									
30-015-02675	PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL #075	Oil	State	P&A-R	H-10-19S-28E	2140*	11/12/1937	9/29/1983
30-015-45809	APACHE CORPORATION	PALMILLO 10 STATE #334H	Oil	State	Active	H-10-19S-28E	V-8422'**	10/23/2019	
	HZTL Bone Spring: 8925'-11,289'; 13.375" (17.5" hole) @ 399' w/ 400 sx - circ.; 9.625" (12.25" hole)@ 3044' w/ 1100 sx - calc to circ.; 5.5" (8.75" hole) @ 13413' w/ 2050 sx - Est @ 2500'								
30-015-45791	APACHE CORPORATION	PALMILLO 10 STATE #233H	Oil	State	Active	H-10-19S-28E	V-7263'**	6/27/2022	
	HZTL Bone Spring: 7576'-12,114'; 13.375" (17.5" hole) @ 396' w/ 400 sx - circ.; 9.625" (12.25" hole)@ 3025' w/ 1030 sx - calc to circ.; 5.5" (8.75" hole) @ 12238' w/ 1900 sx - Est @ 2500'								
30-015-45785	APACHE CORPORATION	PALMILLO 10 STATE #232H	Oil	State	Active	I-10-19S-28E	V-7264'*	10/29/2019	
	HZTL Bone Spring: 7670'-12,162'; 13.375" (17.5" hole) @ 395' w/ 400 sx - circ.; 9.625" (12.25" hole)@ 3028' w/ 1030 sx - calc to circ.; 5.5" (8.75" hole) @ 12281' w/ 2100 sx - Est @ 2500'								
30-015-45808	APACHE CORPORATION	PALMILLO 10 STATE #333H	Oil	State	Active	I-10-19S-28E	V-8350'*	10/29/2019	
	HZTL Bone Spring: 8787'-13,336'; 13.375" (17.5" hole) @ 394' w/ 400 sx - circ.; 9.625" (12.25" hole)@ 3030' w/ 1090 sx - calc to circ.; 5.5" (8.75" hole) @ 13445' w/ 2170 sx - Est @ 2500'								
30-015-02206	PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL #069	Oil	State	P&A-R	O-10-19S-28E	0'	11/10/1933	10/29/1983
							Plugged and Abandoned - P&A Diagram Attached...		
30-015-45790	APACHE CORPORATION	PALMILLO 10 STATE COM #231H	Oil	State	Active	P-10-19S-28E	V-7297'**	10/13/2019	
	HZTL Bone Spring: 7700'-12,094'; 13.375" (17.5" hole) @ 393' w/ 400 sx - circ.; 9.625" (12.25" hole)@ 3020' w/ 1090 sx - calc to circ.; 5.5" (8.75" hole) @ 12218' w/ 2100 sx - Est @ 2500'								
30-015-45807	APACHE CORPORATION	PALMILLO 10 STATE COM #332H	Oil	State	Active	P-10-19S-28E	V-8547'**	10/13/2019	
	HZTL Bone Spring: 8730'-13,325'; 13.375" (17.5" hole) @ 395' w/ 400 sx - circ.; 9.625" (12.25" hole)@ 3000' w/ 1190 sx - calc to circ.; 5.5" (8.75" hole) @ 13641' w/ 2300 sx - Est @ 2500'								
Section 11 Wells									
30-015-48899	MEWBOURNE OIL CO	BOURBON RED 11 12 B2EH STATE COM #002H	Oil	State	New	D-11-19S-28E	V-8900'*	10/23/2019	
	HZTL Bone Spring: 8925'-11,289'; 13.375" (17.5" hole) @ 400' w/ 340 sx - circ.; 9.625" (12.25" hole)@ 900' w/ 250 sx - calc to circ.; 7.0" (8.75" hole)@ 7800' w/ 825 sx - calc to 700'.; 4.5" (6.125" hole) @ 17523' w/ 400								
30-015-44952	MEWBOURNE OIL CO	BOURBON RED 11 B2DA STATE COM #001C	Oil	State	Never Drilled	D-11-19S-28E	0'	10/25/2019	
30-015-48071	MEWBOURNE OIL CO	BOURBON RED 11 12 B3DA STATE COM #001H	Oil	State	New	D-11-19S-28E	8621'	10/29/2019	
	HZTL Bone Spring: ~8500'-18,700'; 13.375" (17.5" hole) @ 412' w/ 450 sx - circ.; 9.625" (12.25" hole)@ 2815' w/ 700 sx -142 sx circ to pit.; 7.0" (8.75" hole)@ 8019' w/ 850 sx - 100 sx circ to pit.; 4.5" (6.125" hole) @								
30-015-48898	MEWBOURNE OIL CO	BOURBON RED 11 12 B2DA STATE COM #002H	Oil	State	New	E-11-19S-28E	V-8500'**	12/31/9999	
							HZTL Bone Spring: ~8500'-18,700'; SIMILAR COMPLETION AS OTHER BOURBON RED WELLS - NOT YET CRILLED OR COMPLETED.		
30-015-44953	MEWBOURNE OIL CO	BOURBON RED 11 B2EH STATE COM #001C	Oil	State	Never Drilled	E-11-19S-28E	0'	5/2/2022	
30-015-48073	MEWBOURNE OIL CO	BOURBON RED 11 12 B3EH STATE COM #001H	Oil	State	New	E-11-19S-28E	V-8500'**	6/2/2022	
	HZTL Bone Spring: ~8500'-18,700'; 13.375" (17.5" hole) @ 400' w/ 340 sx - calc to circ.; 9.625" (12.25" hole)@ 2800' w/ 590 sx -calc to circ.; 7.0" (8.75" hole)@ 9035' w/ 750 sx - est @ 2600'; 4.5" (6.125" hole) @ 18762'								
30-015-31771	MEWBOURNE OIL CO	TURKEY TRACK 11 STATE #004	Oil	State	Active	F-11-19S-28E	8705'	6/5/2021	
							PLANNED Plugged and Abandoned for 2023 - Approved P&A Diagram Attached...		
30-015-10882	PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL #001	Oil	State	P&A-R	G-11-19S-28E	2302'*	11/1/1966	2/13/1969

SOS Consulting, LLC

Form C-108 Item VI - Tabulation of AOR Wells (cont.)

Section 11 Wells

30-015-44954	MEWBOURNE OIL CO	BOURBON RED 11 B2LI STATE COM #001C	Oil	State	Never Drilled	I-11-19S-28E	0'	12/31/9999	
30-015-48072	**MEWBOURNE OIL CO**	**BOURBON RED 11 12 B3LI STATE COM #001H**	**Oil**	**State**	**New**	**I-11-19S-28E**	**V-8500'****	**5/11/2021**	
HZTL Bone Spring: ~8500'-18,600'; *13.375" (17.5" hole) @ 410' w/ 450 sx - calc to circ.; 9.625" (12.25" hole)@ 910' w/ 300 sx -calc to circ.; 7.0" (8.75" hole)@ 8980' w/ 1050 sx - est @ 2600'; 4.5" (6.125" hole) @ 18608'*									
30-015-02213	STEPHENS & JOHNSON OP CO	STATE BN #004	Oil	State	Active	J-11-19S-28E	2230'*	6/2/2022	
30-015-29043	**STEPHENS & JOHNSON OP CO**	**MILLMAN 11 STATE #003**	**Oil**	**State**	**P&A-R**	**J-11-19S-28E**	**2746'**	**3/17/2018**	**8/19/2011**
Plugged and Abandoned - P&A Diagram Attached...									
30-015-02216	SDX RESOURCES INC	EAST MILLMAN UNIT #160	Injection	State	P&A-R	K-11-19S-28E	2245'*	4/18/1995	6/30/2000
30-015-48900	**MEWBOURNE OIL CO**	**BOURBON RED 11 12 B2LI STATE COM #002H**	**Oil**	**State**	**New**	**L-11-19S-28E**	**6630'**	**11/22/1962**	
HZTL Bone Spring: ~8500'-18,700'; *13.375" (17.5" hole) @ 412' w/ 450 sx - circ.; 9.625" (12.25" hole)@ 2815' w/ 700 sx -142 sx circ to pit.; 7.0" (8.75" hole)@ 8019' w/ 850 sx - 100 sx circ to pit.; 4.5" (6.125" hole) @*									
30-015-48897	**MEWBOURNE OIL CO**	**BOURBON RED 11 12 B2MP STATE COM #002H**	**Oil**	**State**	**New**	**M-11-19S-28E**	**V-8500'***	**12/31/9999**	
HZTL Bone Spring: ~8500'-18,700'; *SIMILAR COMPLETION AS OTHER BOURBON RED WELLS - NOT YET CRILLED OR COMPLETED.*									
30-015-44955	MEWBOURNE OIL CO	BOURBON RED 11 B2MP STATE COM #001C	Oil	State	Never Drilled	M-11-19S-28E	8705'	12/31/9999	
30-015-48070	**MEWBOURNE OIL CO**	**BOURBON RED 11 12 B3MP STATE COM #001H**	**Oil**	**State**	**New**	**M-11-19S-28E**	**V-8500'****	**6/5/2021**	
HZTL Bone Spring: ~8500'-18,700'; *13.375" (17.5" hole) @ 427' w/ 450 sx - calc to circ.; 9.625" (12.25" hole)@ 903' w/ 350 sx -calc to circ.; 7.0" (8.75" hole)@ 9075' w/ 950 sx - est @ 2600'; 4.5" (6.125" hole) @ 18720'*									
30-015-28457	**STEPHENS & JOHNSON OP CO**	**EAST MILLMAN UNIT #301**	**Oil**	**State**	**Active**	**M-11-19S-28E**	**6630'**	**4/18/1995**	
YATES-SR-QN-GB-SA, EAST Perfs: 2474'-2607' (SQZ'd Bone Spring Perfs: 6315'-6462'); *13.375" (17.5" hole) @ 820' w/ 660 sx - circ.; 4.5" (7.875" hole) @ 6630' w/ 830 sx - cirx to surface.*									
30-015-10110	STEPHENS & JOHNSON OP CO	EAST MILLMAN UNIT #189	Injection	State	Active	M-11-19S-28E	2264'*	11/22/1962	
30-015-02215	STEPHENS & JOHNSON OP CO	EAST MILLMAN UNIT #155	Oil	State	Active	N-11-19S-28E	2260'*	6/21/1959	
30-015-27309	SDX RESOURCES INC	STATE BN #006	Oil	State	P&A-R	O-11-19S-28E	2350'*	8/19/1959	3/21/2001
30-015-02211	STEPHENS & JOHNSON OP CO	STATE BN #002	Injection	State	Active	O-11-19S-28E	2225'*	6/21/1959	

Section 14 Wells

30-015-44669	**APACHE CORPORATION**	**PALMILLO 14 15 STATE COM #208H**	**Oil**	**State**	**Active**	**D-14-19S-28E**	**V-7233'***	**3/17/2018**	
HZTL Bone Spring: 7589'-12,536'; *13.375" (17.5" hole) @ 436' w/ 550 sx - circ.; 9.625" (12.25" hole)@ 3007' w/ 1130 sx - calc to circ.; 5.5" (8.75" hole) @ 12615' w/ 2200 sx - TOC @ 1184'*									
30-015-02253	STEPHENS & JOHNSON OP CO	EAST MILLMAN UNIT #159	Oil	State	Active	D-14-19S-28E	2256'*	1/9/1960	
30-015-34859	**STEPHENS & JOHNSON OP CO**	**EAST MILLMAN UNIT #231**	**Oil**	**State**	**Active**	**C-14-19S-28E**	**3024'**	**5/23/2006**	
YATES-SR-QN-GB-SA, EAST Perfs: 2021'-2626'; *8.625" (12.25" hole) @ 392' w/ 350 sx - circ.; 5.5" (7.875" hole) @ 3024' w/ 530 sx, circ to surface.*									

** Does NOT Penetrate Proposed Interval*

***** Completion may vary +/- 50 feet or more of TVD***

SUMMARY: 19 wells penetrate proposed disposal interval; 3 P&A.

SOS Consulting, LLC

C-108 ITEM VII – PRODUCED WATER ANAYLSES

Item VII.4 – Water Analysis of Source Zone Water

Tansill-Yates-Seven Rivers
Grayburg/ San Andres
Bone Spring

Item VII.5 – Water Analysis of Disposal Zone Water

San Andres

Water Analyses follow this page.

e-Permitting

C-108 Submittal

Attachment Category

Seismicity Analysis

For High Volume Devonian Wells

(NOT APPLICABLE TO THIS APPLICATION)

C-108 ITEM VII – PROPOSED OPERATION

The DHY B State Well No.1 SWD will be operated as a commercial disposal service to area operators to facilitate in disposal of produced water from typical producing formations in the area. (Samples are included in this application from Artesia Group and Bone Spring formation waters - chlorides and TDS are relative compatible with San Andres/ Glorieta formation waters.)

The system will be closed utilizing flowlines from area production and augmented with a tank battery off-load facility located on the well site.

Injection pressure will be 496 psi and a maximum rate of 3500 bwpd and an average rate of 2000 bwpd. In the future, Ray Westall Operating, Inc. may opt to conduct a step rate test if it is determined that greater rates may be required. This would be submitted to OCD as a request to increase the injection pressure.

Routine maintenance will be ongoing and any releases will be reported within 24 hours to OCD on form C-141 pursuant to various portions of 19.15.30 NMAC.

The facility will not be manned but will be available to Ray Westall's customers 24/7. The facility will be available for inspections at any time deemed necessary by OCD.

C-108 ITEM VIII

GEOLOGIC INFORMATION

The San Andres formation consists of subtidal porous dolostones characterized by an upward-shallowing succession of outer- to inner-ramp carbonate lithofacies. The trapping mechanism for the San Andres play in the Northwest Shelf results mainly from porosity pinch-outs defined by an increase in the anhydrite content or in the degree of the dolomitization. The San Andres is overlain by the Grayburg and then Queen formations.

The Glorieta formation is a shallow water carbonate and sandstone that occurs between the prolific Clear Fork (Leonardian) and San Andres (Leonardian-Guadalupian) formations on the Central Basin Platform and northwestern shelf and has been considered basal to the San Andres. The Glorieta is underlain by the Yeso and then Abo.

There is a potential source of drinking water in the overlying sands occurring at a depth from surface of up to 250 feet. (Note: there are no known domestic water wells within one mile of the proposed SWD well.) The upper part of the section on average consists of 200 ft of Holocene alluvial deposits of caliche, sand, gravel, and clay. Included in this interval are red sandstone and shale of the Chinle formation and Santa Rosa sandstone and similar deposits of the Dewey Lake formation. These formations are underlain by the Rustler and Salado formations.

There are no known sources of water <10,000 mg/l TDS which underlie the injection zones.

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 196879

CONDITIONS

Operator: RAY WESTALL OPERATING, INC. P.O. Box 4 Loco Hills, NM 88255	OGRID: 119305
	Action Number: 196879
	Action Type: [C-108] Fluid Injection Well (C-108)

CONDITIONS

Created By	Condition	Condition Date
mgebremichael	None	3/23/2023