

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



Protest by OXY Permia
 - Protest withdrawn
 With higher lower perf

ABOVE THIS LINE FOR DIVISION USE ONLY

ADMINISTRATIVE APPLICATION CHECKLIST

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

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [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 _____

30-025-32108
 Suffron AON State #1
 Crmarek

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- [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

Di Mergo
 Bell/Cherry

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

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

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

Kay Havenor	<i>Kay C Havenor</i>	Consultant	7/22/2013
Print or Type Name	Signature	Title	Date

KHavenor@georesources.com
 e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance X Disposal _____ Storage
Application qualifies for administrative approval? X Yes _____ No
- II. OPERATOR: Cimarex Energy Co. of Colorado
ADDRESS: 600 N. Marienfeld St. Suite 600 Midland, TX 79702
CONTACT PARTY: Kay Havenor PHONE: 575-626-4518
- 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: Kay Havenor TITLE: Agent

SIGNATURE: Kay C Havenor DATE: July 21, 2013

E-MAIL ADDRESS: KHavenor@georesources.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.

Miss	Row	C-108	C-108 disposal application submittals... CHECKLIST to ensure all items are supplied or considered.
	1		<u>Operator, Well, and Contact info:</u>
	2	II	Name of person submitting the application: <u>Kay Havenor</u> Other Contact? _____
	3	II	Did you Include a contact Email in the application? <u>Yes</u> and Mailing Address? <u>Yes</u> and Phone? <u>Yes</u>
	4	II	Operator Name: <u>Cimarex Energy Company of Colorado</u> OGRID Num: <u>162683</u>
	5		RULE 5.9 Compliance...Number of Inactive Wells <u>0</u> vs Total Wells Operated <u>1156</u> Is financial assurance required on any well? <u>Yes-21 wells</u> <u>0</u> wells in violation
	6		Is there any hearing order finding this operator out of compliance with Division Rule 19.15.5.9 NMAC? _____
	7		Are all Rule 5.9 issues OK to allow the Division to issue Disposal Permits? _____
	8	III	Well Name: <u>Saffron AON State #1</u>
	9	III	API Num: <u>30-025-32108</u> Spud Date: <u>8/26/1993</u> _____
	10		Have you included API numbers on all wellbore diagrams and well list(s) in this application? <u>Yes</u>
	11	III	Proposed well...Footages <u>2310' FNL & 1650' FEL</u> Unit <u>G</u> Sec <u>2</u> Tsp <u>23S</u> Rge <u>32E</u> County <u>Lea</u>
	12		General Location (i.e. Y miles NW of Z): <u>located approx 30 miles NW of Jal, NM</u>
	13		Current Well Status: <u>P&A</u>
	14	I	General Summary of Planned Work to Well: <u>Re-enter-in 5-1/2" csg production string, perf and acidize.</u>
	15		<u>INTERVAL TOP and BOTTOM:</u>
	16	IIIB.(2)	Proposed disposal Top Depth: <u>5,468'</u> Formation Name: <u>Delaware Bell Canyon</u>
	17	IIIB.(2)	Proposed disposal Bottom Depth: <u>7,424'</u> Formation Name: <u>Delaware Cherry Canyon</u>
	18	IIIB.(2)	Is the disposal interval OpenHole? _____ or Perfed? <u>X</u> or Both? _____
	19	IIIB.(2)	What will be the disposal tubing size OD? <u>3-1/2"</u> Packer Seat, Feet: <u>approx 5,408'</u>

Miss	Row	C-108	C-108 disposal application submittals... CHECKLIST to ensure all items are supplied or considered.
	20	VII	What max surf inj. psi are you proposing? <u>1,094</u> If differing from 0.2 psi/ft surf. Grad., is supporting data attached such as a Step Rate Test? _____
	21		<u>FRESH WATERS:</u>
	22	VIII	Depth to bottom of Fresh Waters: <u>est less than 175"</u> Formation Name(s)? <u>Quaternary alluvium</u>
	23	XI	Any Fresh Water Wells Within 1 Mile? <u>None reported</u> If so, did you attach an analysis from these Wells? <u>None available</u>
	24		Are all "Fresh" waters isolated with Casing and Cement? <u>Yes</u> ("Fresh" water is defined as less than 10,000 mg/l of TDS)
	25	XII	Included "Affirmative Statement" concerning any Connection from Disposal Depths to existing Fresh Waters? <u>Yes Item XII</u>
	26		<u>WASTE WATERS:</u>
	27	XIV	Will this be a Lease Only disposal well? _____ or only used for the Operator's own waste needs? <u>X</u> or Commercial Disposal? _____
	28	VII	Which formations will supply the waste waters to be disposed into this well... List most common... <u>Bone Springs</u>
	29	VII	Are Waste waters compatible with proposed disposal interval waters? <u>Yes</u> Did you include waste water analysis? <u>Yes (Bone Springs)</u>
	30		<u>AT PROPOSED WELL...INSITU WATERS AND HYDROCARBON POTENTIAL:</u>
	31		Is a discussion included of the potential for future OIL/GAS recovery from the proposed disposal interval? <u>Yes</u>
	32		If your proposed well for disposal is a depleted producer (within the proposed interval); do you know what was the cumulative oil/gas/water? _____ and did you include a Rate-Time plot of this depleted interval? _____
	33	VII	Insitu water analysis Included? <u>No</u> Is the salinity within the disposal interval more than 10,000 mg/l of TDS? _____ or how will you determine this insitu water salinity? <u>Delaware water in the greater area is known to great exceed OCD 10,000 ppm standards. The Delaware in the proposed disposal interval was production tested in original drilling and was non-productive of oil/gas.</u>
	34	VIII	Does the application include a list of Formation tops down to and including the bottom of the target formation? <u>Yes</u>
	35		What is the top <u>2915'</u> and bottom <u>4,655'</u> of the Salado Salt reported in this well.
	36	X	Are all existing Logs (including any CBL over the disposal interval) are on the OCD Web Site? <u>Yes</u> If logs not there, please send _____
	37	IIIA.	Are the wellbore diagrams for this well included in the Application.....Before Conversion? <u>Yes</u> and After Conversion? <u>Yes</u>

Miss	Row	C-108	C-108 disposal application submittals... CHECKLIST to ensure all items are supplied or considered.
	38		Are the top and bottom footage of the proposed disposal interval marked on the "after" diagram? <u>Yes</u>
	39		<u>NOTICE:</u>
	40	XIV	Date of the Newspaper Notice in the County: <u>7/24/2013</u> <u>Lea Co.</u>
	41	V	Within 1/2 mile, did you clearly identify (either on a map or by legal description) all separately owned tracts of lands within the disposal interval? <u>Yes</u>
	42	XIII	Did you identify the owner(s) of each of these separately owned tracts? <u>Yes</u> , in _____ Were they all formally noticed? <u>Yes</u>
	43	XIII	If reentering a P&Aed well, are there depth divisions of ownership within that well? <u>No</u>If so, have you also noticed all the shallower interests of the intent to use the well for disposal?
	44	XIII	Is the proposed well within the R-111-P defined Potash Area or the BLM Secretaries Potash Area? <u>No</u> If so, did you send notice to the nearest Potash lessee?
	45	XIV	Who owns the surface lands at the disposal well site (BLM, SLO, or who)? <u>SLO - Surface leased</u> <u>Yes</u> Was that party formally noticed? <u>Yes</u>
	46		<u>Area of Review:</u>
	47	V	Did you include a map identifying all wells within 2 miles? <u>Yes</u>
	48	VI	Did you include a list of all AOR wells? <u>Yes</u> Is the list available to be emailed (if requested) in spreadsheet format? <u>Yes - Included in Item VI list</u>
	49	VI	Does this list identify all wells penetrating (at least the top of) the disposal interval within 1/2 mile of the proposed well? <u>Yes</u>
	50	VI	Did you include wellbore diagrams for all P&Aed wells that exist within the 1/2 mile AOR that penetrate the disposal interval? <u>Yes</u>
	51	VI	How many wells exist within the 1/2 mile AOR that penetrate the disposal interval? <u>2</u> How many of these are Plugged/Dry and Abandoned? <u>1 P&A</u>
	52	VI	Are details included on cement coverage of the proposed disposal interval for all wells penetrating the disposal interval within 1/2 mile of the proposed well? <u>Yes</u>
	53	VI	Do all reported cement tops describe how that "top" was determined? <u>If Available</u> If you calculated any tops, what fillup efficiency factor did you use?
	54	VI	Did you identify the presence and depth of all Cement Stage Tools (DV) in the subject well and in the AOR wells? <u>Yes, when info was available</u>
	55	VIII	For the target formation, is there significant formation structural depth changes within the 1/2 mile AOR? <u>No</u>
	56	VIII	Is there any Karst or Massive Limestone in this target formation? <u>No</u> ...or in the formations directly above or below? <u>No</u>

Miss	Row	C-108	C-108 disposal application submittals... CHECKLIST to ensure all items are supplied or considered.
	57		<u>Administrative or Hearing:</u>
	58	VI	How many wells within the 1/2 mile AOR currently are producing (or still have open perforations) within the disposal interval? None is it "gas" or "oil"?
	59		<u>.... NOTE: If the proposed disposal interval is a "Gas" interval or if any AOR wells are producing or have open perforations within this interval then this application may not be properly classified as a "disposal". These types of applications must be processed at an examiner hearing.</u>
	60		Any other Issues..?

INJECTION WELL DATA SHEET

OPERATOR: Cimarex Energy Co. of Colorado (OGRID 162383)

WELL NAME & NUMBER: Saffron AON State #1 30-025-32108

WELL LOCATION: 2310' FNL & 1650' FEL G 2 23S 32E
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC

See attached diagram

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17-1/2" Casing Size: 13-3/8" 54.5# J-55

Cemented with: 1100 sx. *or* _____ ft³

Top of Cement: Surface Method Determined: Opr Report

Intermediate Casing

Hole Size: 11" Casing Size: 8-5/8" 32# HC 80/J-55

Cemented with: 1850 sx. *or* _____ ft³

Top of Cement: Surface Method Determined: Opr Report

Production Casing

Hole Size: 7-7/8" Casing Size: 5-1/2" 17# N-80

Cemented with: 1340 sx. *or* _____ ft³

Top of Cement: 3165' Method Determined: Opr CBL

Total Depth: 10,320'

Opr CBL

not located

Injection Interval

5,468' To 7,070
7,424'

(Perforated or Open Hole; indicate which) Perforated

INJECTION WELL DATA SHEET

INJECTION WELL DATA SHEET

Tubing Size: 3-1/2" 9.3# J-55 Lining Material: Fiberglass coated

Type of Packer: Lok-Set or equivalent

Packer Setting Depth: Approx 5,418 ft

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

Additional Data

1. Is this a new well drilled for injection? Yes No

If no, for what purpose was the well originally drilled? Originally drilled as oil/gas well

2. Name of the Injection Formation: Delaware lower Bell Canyon and upper Cherry Canyon

3. Name of Field or Pool (if applicable): _____

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. Yes, see detail in Item VI (a) 1

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Brushy Canyon 7695- Bone Springs 8837, Morrow 14600'

Cimarex Energy Company of Colorado
 Saffron AON State #1
 2310' FNL & 1650' FEL
 Sec. 2, T23S-R32E Lea County, NM

API 30-025-32108

Item VI: Data on wells in AOR:

API	WELL_NAME	STATUS	SDIV	SEC	TWN	RANGE	FTG	NS	FTG	EW	OCD	OPERATOR	WELL	LAND	PLUG_DATE	SPUD	ELEVGL	TVD_DEPTH
3002540438	THYME APY FEDERAL 004	New	4	1	23.0S	32E	330	N	375	W	D	CIMAREX ENERGY CO. OF	O	F			3736	0
3002540181	REDTAIL STATE COM 001H	New ✓	1	2	23.0S	32E	330	N	660	E	A	VPR OPERATING, LLC	O	S		08-Nov-11	3755	14600
3002532108	SAFFRON AON STATE 001	Plugged	G	2	23.0S	32E	2310	N	1650	E	G	YATES PETROLEUM	O	S	31-Aug-06		3739	10320

Status
Red Tank; Bone Springs
Not Spudded
10/15/13

Item VI(a): Known wells in the AOR that penetrate the proposed disposal interval:

1. 30-025-32108 Yates Petroleum Corp. Saffron AON State #1 Unit G Sec.2, T23S-R32E, 2310 FNL & 1650 FEL, TD 10,320'. Spud 8/26/1993. 17½" hole set 13⅜" 54.5# J-55 @1169' w/1100 sx cmt, circ 240 sx. 11" hole set 8⅝" 32# HC-80/J-55 @ 4765' w/1850 sx cmt, circ 186 sx. 7⅞" hole set 5½" 17# N-80 @10320' w/515 sx cmt, circ 31 sx thru DV @7517' and stage 2 w/825 sx. TOC 3165' CBL. Perf Bone Springs Perf 10197-209' w/4 0.42" shots. Acid 400 gal 7½% NEFE acid. Perf 9974-10059' w/13 0.42" shots. Acid 9974'-10209' w/93,000 gal 30# crosslink jell, 193,000# Ottawa sd + 48,000# resin coated sd. Perf 9215'-9229' w/7 shots 0.42", Acid w/700 gal 7½%. Swb dry. Perf 9118'-9124' w/5 shots 0.42", Acid w/500 gal 7½%. RBP @9000'. Perf 8732'-8794' w/7 shots 0.42", Acid 150 gal 15%. Perf 8545'-8582' w/9 shots 0.42", Acid 1000 gal 7½%. Frac 8542'-8792' 60,000 gal SL gel +120,000# 16/20 sd +48,000# 16/30 RC sd. Perf 7410'-7424' w/24 shots, 7544'-7546' w/4 shots, 7580'-7598' w/36 shots. Acid 3 zones w/2050 gal 7½%. Set 5½" CIBP 7535' +35' cmt. Perf 7046'-7070' w/16 shots. Acid 1000 gal. Frac w/20# cross link borate. Perf 6604'-6667' (OA) w/14 shots. Acid 3300 gal 7½%. Sqzd 6604'-6667' w/120 sx cmt. Spotted 25 sx cmt 6676'-6451'. Tested perf sqz, held. CIBP 6590' +35' cmt. Perf 5036'-5068' (OA) w/44 shots. Acid 2000 gal 7½%. CIBP at 5010 +35' cmt . 25 sx cmt @4725' tagged @4530'. Perf @2200', set 35 sx cmt plug, tagged @1920'. Perf @1219' set 35 sx cmt plug, tagged @990'. Perf @400', set 35 sx cmt plug, tagged @240'. Set 60' cmt plug @surface. P&A 8/31/2006.

2. 30-025-40181 VPR Operating, LLC. Redtail State Com #001H Unit A Sec 2, T23S-R32E. 330 FNL & 660' FEL to 5229' FNL & 327' FEL. TVD 10,000' MD 14,600'. Spud 11/8/2011. 17½" hole set 13⅜" 54.5# J-55 BTC @1188' w/1400 sx cm, circ 30 sx. 12¼" hole set 9⅝" 40# J-55 LTC 4966' w/1400 sx cmt, circ 265 sx. 12¼" (SIC?) hole set 7" P110 Ultra Flush @10,000' TVD w/1300 sx cmt, circ 83 sx. 4½" 11.6# in 6½" hole @ MD 14,600' w/TVD 9960' w/500 sx cmt. Completed oil/gas 10490-14360 MD Bone Springs 4/15/2012.

3. 30-025-40438 Cimarex Energy Co. of Colo. Thyme APY Federal #4 Unit D Sec. 1, T23S-R32E Abandoned location Permit expired.

Expires 12/21/2013

Cimarex Energy Company of Colorado
 Saffron AON State #1
 2310' FNL & 1650' FEL
 Sec. 2, T23S-R32E Lea County, NM

API 30-025-32108

Item VII:

1. The maximum injected volume anticipated is 7,000 BWPD. Average anticipated is 4,500 BWPD.
2. Injection will be through a closed system.
3. Maximum injection pressure is expected to be 1,093 psi, or as allowed by depth.
4. Sources will be produced water. These will be compatible with waters in the disposal zone.
5. Water sample analysis from the Cimarex Thyme APY Federal #2 Bone Springs. This water quality will be similar and compatible with proposed disposal into the Cimarex Saffron #1. This sample has TDS of approximately 109,000 mg/l.

NM WAIDS



Water Samples for Well THYME APY FEDERAL 002

API = 3002533529

Formation = B SPG

Field = RED TANK

Current Water Production Information

Instructions:

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

	SampleID	T	R	S	SO4	CL	CO3	HCO3	K	Na	Ca	Mg
<input checked="" type="checkbox"/>	6681	23S	32E	01	1150	104976	mil	781	mil	mil	0	2025

SELECT/DESELECT ALL



Cimarex Energy Company of Colorado
 Saffron AON State #1
 2310' FNL & 1650' FEL
 Sec. 2, T23S-R32E Lea County, NM

API 30-025-32108

Item VIII:

The surface of the area included in the 2-mile radius, as shown in Item V above, is Quaternary alluvium and Recent blow-sand deposited on Cretaceous/Triassic Dewey Lake redbeds. No shallow samples have been found in the greater area to clearly define shallow tops. E-logs show the top of Rustler Formation about 1220'.

The surface geology of the greater area, including the 2-mile radius is Quaternary eolian and piedmont deposits of Holocene to middle Pleistocene age. These are underlain by the Permian Rustler Formation and evaporites. E-logs suggest the Quaternary deposits could be as much as 310' thick.



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	Code	POD Sub-basin	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Distance	Depth	Well Depth	Water Column
<u>C 02349</u>			ED	2	3	03	23S	32E		625678	3578004*	2158		525	
													Average Depth to Water:		--
													Minimum Depth:		--
													Maximum Depth:		--

Record Count: 1

UTM NAD83 Radius Search (in meters):

Easting (X): 627833

Northing (Y): 3578128

Radius: 3212

*UTM location was derived from PLSS - see Help

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

7/11/13 1:30 PM

WATER COLUMN/ AVERAGE DEPTH TO WATER

A stock water well is located approximately 1.65 miles west of Saffron AON State #1 well. Depth to water or thickness of water column not reported.

Cimarex Energy Company of Colorado
Saffron AON State #1
2310' FNL & 1650' FEL
Sec. 2, T23S-R32E Lea County, NM

API 30-025-32108

Item IX:

Acidize perforations 5,468' to 7,424' in 5-½" casing with approximately 20,000 gal of 15% Hcl.

Item X:

Logs are on file with the OCD.

Item XI:

No water wells are reported within a 1-mile radius of the proposed SWD. Please note Item VIII discussion above.

Item XII:

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

Addendum:

Extensive geophysical logging/evaluation and mud logging with sample examination of the mid- Delaware Bell Canyon and upper Cherry Canyon has not indicated evidence for viable hydrocarbon production. Production quality porosity in these intervals is accompanied by low resistivity yielding high water saturations.

Cimarex Energy Company of Colorado
 Saffron AON State #1
 2310' FNL & 1650' FEL
 Sec. 2, T23S-R32E Lea County, NM

API 30-025-32108

Present P&A Configuration of Yates Saffron AON State No. 1

PLUG AND ABANDON WELL DIAGRAM

API: 3002532108
 Operator: Yates Petroleum Corp
 Lease: Saffron AON State Well No: 1
 Location: Sec 2, T23S-R32E Lea Co., NM
 Footage: 2310 FNL, 1650 FEL

KB: 3754
 GL: 3739
 Spud date: August 26, 1993
 Plugged: August 31, 2006
 MSL of TD: -6566

Surface Csg

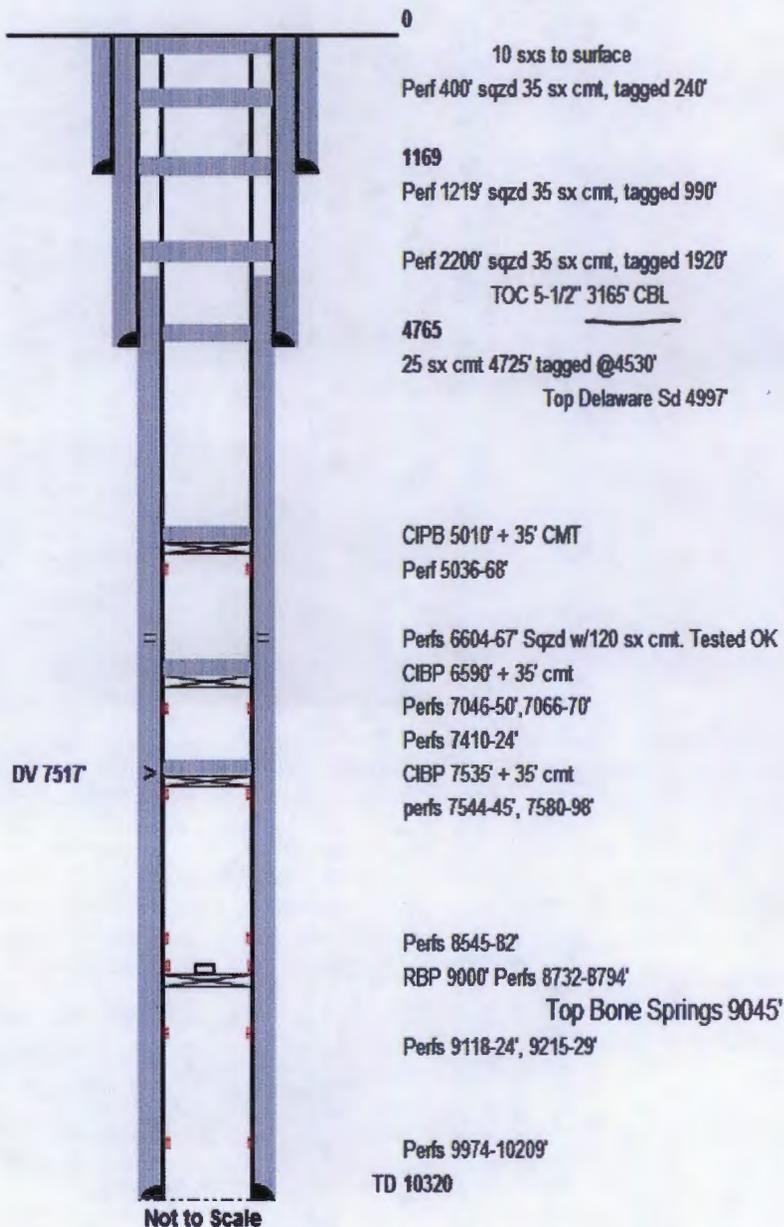
Size: 13-3/8" 54.5#
 Set @: 1169
 Sxs cmt: 1100
 Circ: Yes
 TOC: Surf
 Hole Size: 17-1/2"

Intermediate Csg

Size: B-5/8" 32# HC80/J55
 Set @: 4,765
 Sxs cmt: 1850
 Circ: Yes
 TOC: Surf
 Hole Size: 11"

Production Csg

Size: 5-1/2" 17# N-80
 Set @: 10320
 Sxs cmt: 1340
 Circ: No
 Hole Size: 7-7/8"



Cimarex Energy Company of Colorado
 Saffron AON State #1
 2310' FNL & 1650' FEL
 Sec. 2, T23S-R32E Lea County, NM

API 30-025-32108

Proposed Configuration for Saffron AON State #1 SWD Conversion

Proposed Cimarex Saffron AON State #1 SWD

API:	3002532108	KB:	3754
Operator:	Cimarex Energy Co. of Colo.	GL:	3739
Lease:	Saffron AON State	Well No:	
Location:	Sec 2, T23S-R32E Lea Co., NM	Spud date:	August 26, 1993
Footage:	2310 FSL, 1650 FEL	Plugged :	August 31, 2006
		MSL of TD:	-6566

Surface Csg

Size: 13-3/8" 54.5#
 Set @: 1169
 Sxs cmt: 1100
 Circ: Yes
 TOC: Surf
 Hole Size: 17-1/2"

Intermediate Csg

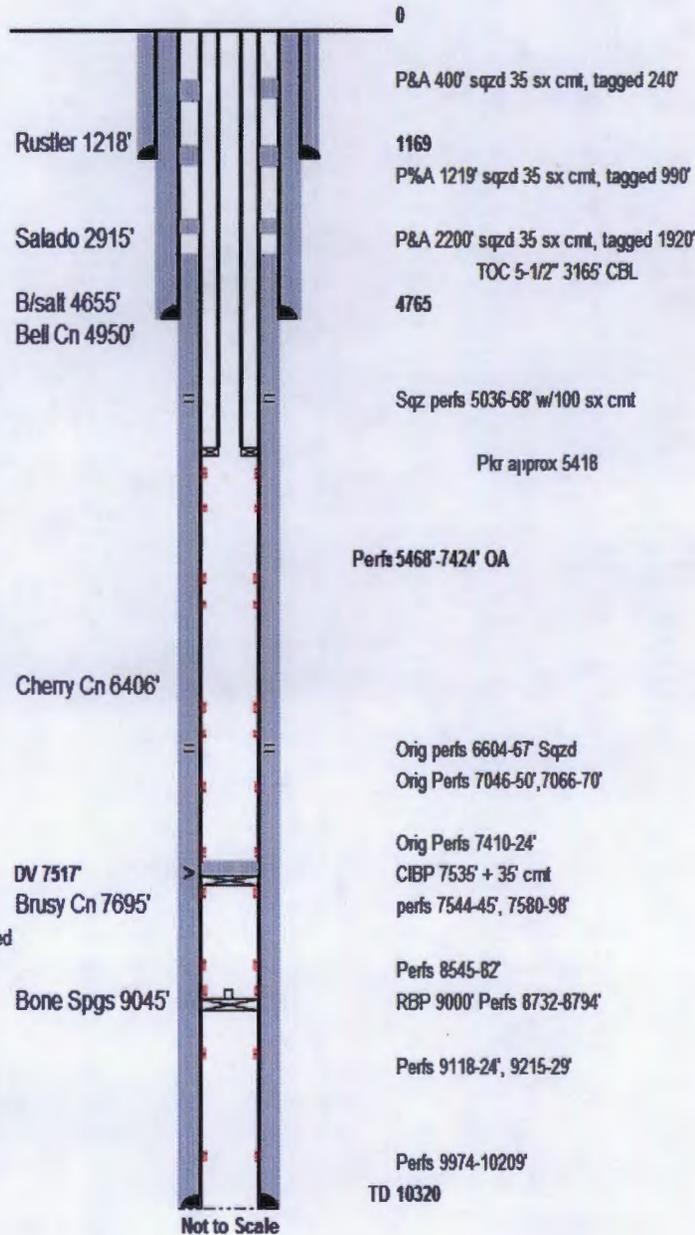
Size: 8-5/8" 32# HC80/J55
 Set @: 4,765
 Sxs cmt: 1850
 Circ: Yes
 TOC: Surf
 Hole Size: 11"

Production Csg

Size: 5-1/2" 17# N-80
 Set @: 10320
 Sxs cmt: 1340
 Circ: No
 Hole Size: 7-7/8"

Tubular requirements (made-up):
 5408' 3-1/2" J55 9.3# upset Fiberglass coated
 Lok-Set equiv packer set approx 5408

Perf and acidized selectively
 Load tubing annulus w/corrosion inhibitor
 Complete surface head for disposal



Not to Scale

Cimarex Energy Company of Colorado
 Saffron AON State #1
 2310' FNL & 1650' FEL
 Sec. 2, T23S-R32E Lea County, NM

API 30-025-32108

Proposed Configuration for Saffron AON State #1 SWD Conversion

Proposed Cimarex Saffron AON State #1 SWD

API: 3002532108
 Operator: Cimarex Energy Co. of Colo.
 Lease: Saffron AON State Well No:
 Location: Sec 2, T23S-R32E Lea Co., NM
 Footage: 2310 FSL, 1650 FEL

KB: 3754
 GL: 3739
 Spud date: August 26, 1993
 Plugged: August 31, 2006
 MSL of TD: -6566

Surface Csg

Size: 13-3/8" 54.5#
 Set @: 1169
 Sxs cmt: 1100
 Circ: Yes
 TOC: Surf
 Hole Size: 17-1/2"

Intermediate Csg

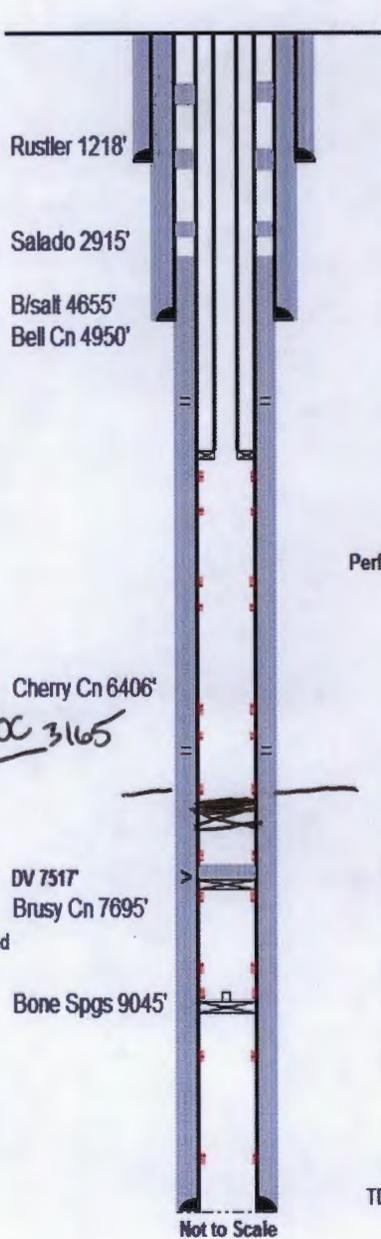
Size: 8-5/8" 32# HC80/J55
 Set @: 4,765
 Sxs cmt: 1850
 Circ: Yes
 TOC: Surf
 Hole Size: 11"

Production Csg

Size: 5-1/2" 17# N-80
 Set @: 10320
 Sxs cmt: 1340
 Circ: No
 Hole Size: 7-7/8"

Tubular requirements (made-up):
 5408' 3-1/2" J55 9.3# upset Fiberglass coated
 Lok-Set equiv packer set approx 5408

Perf and acidized selectively
 Load tubing annulus w/corrosion inhibitor
 Complete surface head for disposal



P&A 400' sqzd 35 sx cmt, tagged 240'
 1169
 P&A 1219' sqzd 35 sx cmt, tagged 990'
 P&A 2200' sqzd 35 sx cmt, tagged 1920'
 TOC 5-1/2" 3165' CBL
 4765
 Sqz perfs 5036-68' w/100 sx cmt

Pkr approx 5418

Perfs 5468'-7424' OA 08/05/13 e-mail

Orig perfs 6604-67' Sqzd
 Orig Perfs 7046-50', 7066-70'

Orig Perfs 7410-24'
 CIBP 7535' + 35' cmt
 perfs 7544-45', 7580-98'

Perfs 8545-82'
 RBP 9000' Perfs 8732-8794'

Perfs 9118-24', 9215-29'

Perfs 9974-10209'
 TD 10320

Noted in Yates diagram & accepted by OED - no CBL in log file

Change In Design Bottom to 7,070 CIBP at 7390 + 35' Amt

Final Order Make CIBP within 260' of lowest Perf

Mr. Phillip Goetze
NM OCD
Santa Fe, NM

August 5, 2013

Re: Cimarex Energy Co. C-108 application on Saffron AON State #1, 30-025-32108, Sec. 2,
T23S-R32E Lea Co.

OXY USA, Inc., (OXY Permian Primary Development) has advised Cimarex through the undersigned of it's concern that the lowermost perforations proposed in the re-entry may be in or close to a zone planned for lateral drilling in the near future. Based upon OXY's request Cimarex wishes to revise upward the bottom perforation from 7,424' to 7,070'.

The plan is now to re-enter and set a CIBP in the 5-1/2" approximately 7390' +35' cmt, and tagged. The lowest perforation will be the presently existing shot at 7,070'.

As this plan simply reduces the requested bottom perforation depth it is assumed re-notification and/or publication will not be required.

Your assistance in this adjustment is appreciated.

Respectfully,



Kay Havenor
for Cimarex Energy Co.

cc: Mark Boehm, OXY Permian, Houston
Jesse Parkison, Cimarex Energy, Midland

Goetze, Phillip, EMNRD

From: Christopher_Canon@oxy.com
Sent: Friday, August 02, 2013 8:24 AM
To: Goetze, Phillip, EMNRD
Cc: Donna_Havins@oxy.com
Subject: Saffron AON State #1 C-108 Application Notice - Sec. 2, T23S-R32E, Lea Co., NM

Importance: High

Dear Phillip,

OXY USA Inc. (hereinafter "OXY"), submits this protest of the Saffron AON State #1 C-108 application offered by Cimarex Energy Company and lying in the above described lands. Based on review of the application, OXY has determined that injection to a depth of 7,424' would impact the Upper Brushy Canyon formation in addition to the lower Bell Canyon and Cherry Canyon Formations that are the target formations of the application. As a result, OXY's interest in the Upper Brushy Canyon may be impacted.

Please note our protest of the subject application. If you need anything additional, please contact me either by email or my information below. Thank you.

Sincerely,
Christopher J. Canon
Land Negotiator Sr.
OXY USA, Inc.
5 Greenway Plaza, Suite 110, Houston, Texas, 77046-0521 Direct 713.366.5226
Christopher_canon@oxy.com<mailto:Christopher_canon@oxy.com>

Goetze, Phillip, EMNRD

From: Christopher_Canon@oxy.com
Sent: Wednesday, September 25, 2013 9:30 AM
To: Goetze, Phillip, EMNRD
Subject: RE: Saffron AON State #1 C-108 Application Notice - Sec. 2, T23S-R32E, Lea Co., NM

Phillip,

I apologize for just now getting back to you. The revision satisfies our concerns and we will refrain from further pursuit of the matter if the approved permit meets these revisions as to depths. If you should need anything additional from our end, please let me know. Thank you.

Regards,
Chris Canon
Senior Land Negotiator
OXY USA, Inc.
5 Greenway Plaza, Suite 110, Houston, Texas, 77046-0521 Direct 713.366.5226 Christopher_canon@oxy.com

-----Original Message-----

From: Goetze, Phillip, EMNRD [<mailto:Phillip.Goetze@state.nm.us>]
Sent: Monday, September 09, 2013 1:50 PM
To: Canon, Christopher J
Subject: RE: Saffron AON State #1 C-108 Application Notice - Sec. 2, T23S-R32E, Lea Co., NM

Chris:

Thank you for contacting me regarding this matter. At this point, my review of this particular application has been delayed by the significant increase in SWD activity. Attached is an e-mail correspondence submitted by Dr. Havenor regarding changes in the perforation interval that satisfied OXY's concerns for their interest in the Brushy. Would you please review the proposed change with input from your colleagues and confirm that this is the case. Meanwhile, the C-108 will stay in the "hold" mode pending a response from you. PRG

Phillip R. Goetze, P.G.
Engineering Bureau, Oil Conservation Division
1220 South St. Francis Dr., Santa Fe, NM 87505
O: 505.476.3466 F: 505.476.3462

-----Original Message-----

From: Christopher_Canon@oxy.com [mailto:Christopher_Canon@oxy.com]
Sent: Monday, September 09, 2013 11:43 AM
To: Goetze, Phillip, EMNRD
Subject: RE: Saffron AON State #1 C-108 Application Notice - Sec. 2, T23S-R32E, Lea Co., NM

Mr. Goetze,

I wanted to follow up on my email to you below and see if there was anything else that you required from us. If so, please feel free to email or call me. Thank you.

Chris Canon

From: Canon, Christopher J
Sent: Friday, August 02, 2013 9:24 AM
To: 'phillip.goetze@state.nm.us'
Cc: Havins, Donna
Subject: Saffron AON State #1 C-108 Application Notice - Sec. 2, T23S-R32E, Lea Co., NM
Importance: High

Dear Phillip,

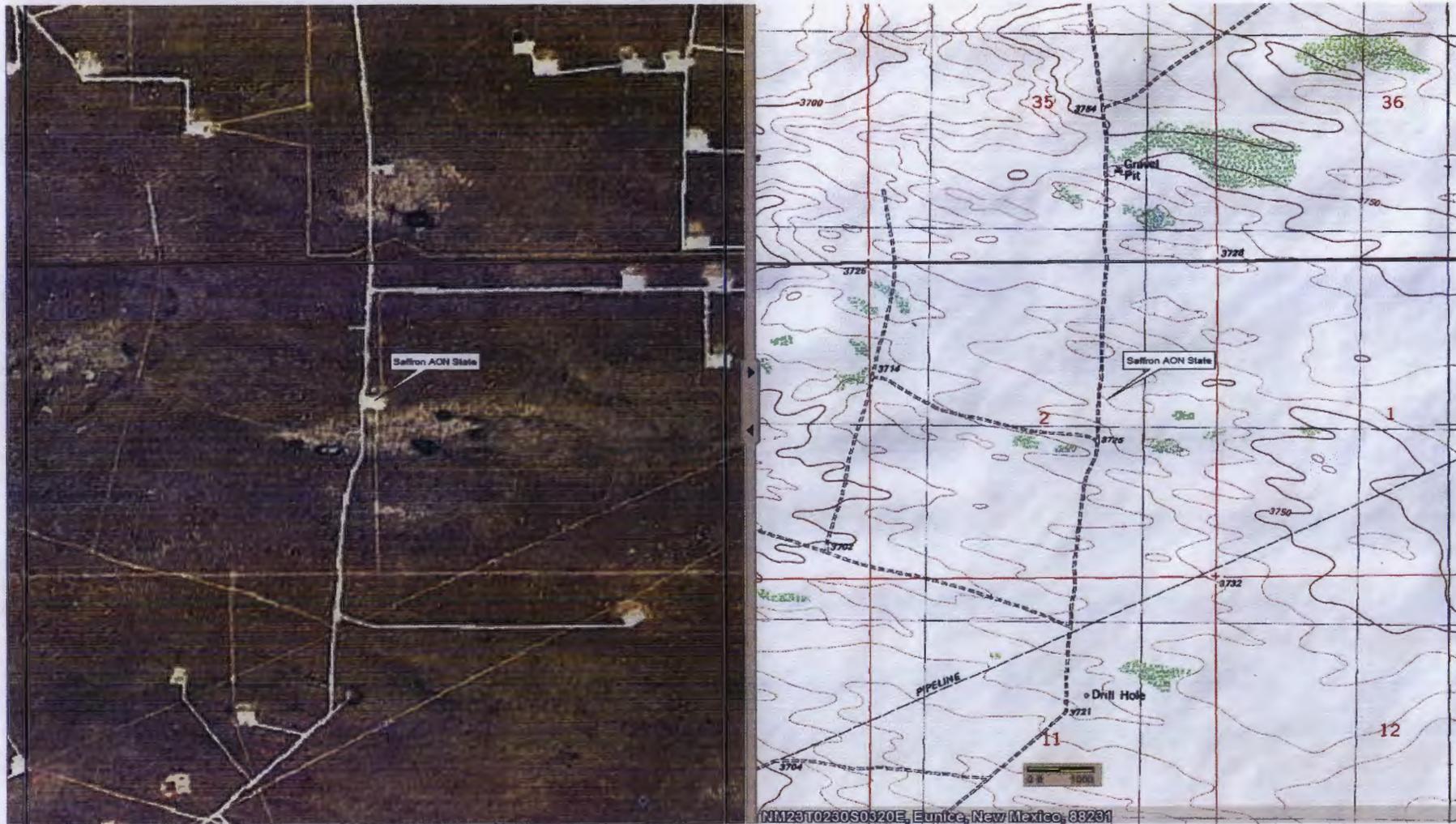
OXY USA Inc. (hereinafter "OXY"), submits this protest of the Saffron AON State #1 C-108 application offered by Cimarex Energy Company and lying in the above described lands. Based on review of the application, OXY has determined that injection to a depth of 7,424' would impact the Upper Brushy Canyon formation in addition to the lower Bell Canyon and Cherry Canyon Formations that are the target formations of the application. As a result, OXY's interest in the Upper Brushy Canyon may be impacted.

Please note our protest of the subject application. If you need anything additional, please contact me either by email or my information below. Thank you.

Sincerely,
Christopher J. Canon
Land Negotiator Sr.
OXY USA, Inc.
5 Greenway Plaza, Suite 110, Houston, Texas, 77046-0521 Direct 713.366.5226
Christopher_canon@oxy.com<mailto:Christopher_canon@oxy.com>

Cimarex Energy Company of Colorado
Saffron AON State #1
2310' FNL & 1650' FEL
Sec. 2, T23S-R32E Lea County, NM

API 30-025-32108



On NM 128 about 0.8 miles west of Eddy/Lea County line, NE on Red Road 5.6-miles, NW 1.5 miles, then NE on Delaware Basin Road 1.25 miles and north 1 mile to the well location on east side of the road. WGS84 N 32.334556, W 103.642234

Cimarex Energy Company of Colorado
Saffron AON State #1
2310' FNL & 1650' FEL
Sec. 2, T23S-R32E Lea County, NM

API 30-025-32108

Item XIII: Proof of Notice

Minerals Owner:

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

Surface Grazing Lessee:

The Jimmy Mills GST Trust
1602 Avenue J
Abernathy, TX 79311

Operators:

Victory Park Resources
VPR Operating, LLC
1406 Camp Craft Road
Austin, TX 78746

All Sec 2 , T23S-R32E Lea Co. NM

OXY USA, Inc.
P.O. Box 27570
Houston, TX 77227-7570

S/2 S/2 Sec. 35, T22S-R32E Lea Co. NM

Cimarex Energy Co. of Colorado

W/2 W/2 Sec. 1, T13S-R32E Lea Co. NM

Item XIII: Legal Publication

Affidavit of Publication

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

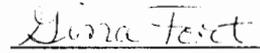
Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Manager of THE LOVINGTON LEADER, a thrice a week newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county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

That the notice which is hereto attached, entitled Legal Notice was published in a regular and entire issue of THE LOVINGTON LEADER and not in any supplement thereof, for one (1) day(s), beginning with the issue of July 25 , 2013 and ending with the issue of July 25 , 2013.

And that the cost of publishing said notice is the sum of \$ 35.01 which sum has been (Paid) as Court Costs.



Joyce Clemens, Advertising Manager
Subscribed and sworn to before me this
31st day of July , 2013.



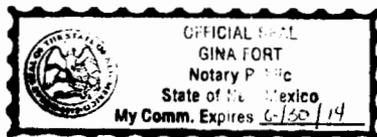
Gina Fort
Notary Public, Lea County, New Mexico
My Commission Expires June 30, 2014

Legal Notice
Cimarex Energy Company of Colorado, 600 N. Marfield St., Ste 600, Midland, Texas, 432-571-7800, is seeking approval from the New Mexico Oil Conservation Division to re-enter the Yate Petroleum Corporation Saffron AON State #1 located 2310 feet from the north line and 1650 feet from the east line of Section 2, T23S, R32E, Lea County, NM, approximately 30 miles

northwest of Jal, NM, adjacent to Delaware Basin Road, and complete for non-commercial produced water disposal as the Cimarex Energy Company Saffron AON State #1. The proposed disposal interval is into the sub-upper Delaware Bell Canyon and upper Cherry Canyon Formations through 5½" casing perforations at 5,468 feet to 7,424 feet (OA). Cimarex Energy Company plans to dispose of a maximum of 7,000 BWPD at a maxi-

mum pressure of 1,093 psi, or as allowed by depth. Parties with questions regarding this proposal are urged to contact Cimarex at the address or phone number above. Interested parties must file objections or requests for hearing within 15 days to the New Mexico Oil Conservation Division, 1220 S. St. Francis Dr., Santa Fe, NM 87505.

Published in the Lovington Leader July 25, 2013.



Cimarex Energy Company of Colorado
 Saffron AON State #1
 2310' FNL & 1650' FEL
 Sec. 2, T23S-R32E Lea County, NM

API 30-025-32108

Item XIII:

Certified Mail Receipts

7009 1410 0001 2564 0068

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

For delivery information visit our website at www.usps.com

SANTA FE, NM 87504

Postage	\$	\$1.52
Certified Fee		\$3.10
Return Receipt Fee (Endorsement Required)		\$2.55
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$7.17

Sent To: **NM State Land Office**
 Street, Apt. No., or PO Box No.: **P.O. Box 1148**
 City, State, ZIP+4: **Santa Fe, NM 87504**

PS Form 3800, August 2006 See Reverse for Instructions

7009 1410 0001 2564 0075

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

For delivery information visit our website at www.usps.com

ABERNATHY, TX 79311

Postage	\$	\$1.52
Certified Fee		\$3.10
Return Receipt Fee (Endorsement Required)		\$2.55
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$7.17

Sent To: **The Jimmy Mills GST Trust**
 Street, Apt. No., or PO Box No.: **1602 Avenue J**
 City, State, ZIP+4: **Abernathy, TX 79311**

PS Form 3800, August 2006 See Reverse for Instructions

7009 1410 0001 2564 0129

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

For delivery information visit our website at www.usps.com

HOUSTON, TX 77277

Postage	\$	\$1.52
Certified Fee		\$3.10
Return Receipt Fee (Endorsement Required)		\$2.55
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$7.17

Sent To: **OXY USA, Inc.**
 Street, Apt. No., or PO Box No.: **P.O. Box 27570**
 City, State, ZIP+4: **Houston, TX 77277-7570**

PS Form 3800, August 2006 See Reverse for Instructions

7009 1410 0001 2564 0082

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

For delivery information visit our website at www.usps.com

AUSTIN, TX 78746

Postage	\$	\$1.52
Certified Fee		\$3.10
Return Receipt Fee (Endorsement Required)		\$2.55
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$7.17

Sent To: **Victory Park Resources/VPR Operating, LLC**
 Street, Apt. No., or PO Box No.: **1406 Camo Craft Road**
 City, State, ZIP+4: **Austin, TX 78746**

PS Form 3800, August 2006 See Reverse for Instructions

Protested by OXY Permian / withdrawn with interval change



C-108 Review Checklist: Received 08/07/13 Add. Request: - Reply Date: - Suspended: - [Ver 9]

PERMIT TYPE: WFX / PMX / SWD Number: 1446 Permit Date: 10/16/13 Legacy Permits/Orders: NA

Well No. 1 Well Name(s): Saffron AON State

API: 30-0 25-32108 Spud Date: 08/26/93 New or Old: New (UIC Class II Primacy 03/07/1982)

Footages 2310 FNL / 1650 FEL Lot - Unit G Sec 2 Tsp 23S Rge 32E County Lea

General Location: SE of WIPP/outside R-III-P/ Pool: Diamondtail Delaware Pool No.: 17647
Bone Spring - DST

Operator: Cimarex Energy Company of Colorado OGRID: 162683 Contact: Kay Havenot / consultant

COMPLIANCE RULE 5.9: Inactive Wells: 3 Total Wells: 1089 Fincl Assur: Yes Compl. Order? No IS 5.9 OK? OK

Well File Reviewed Current Status: P&A; former producer from Delaware (8545 to 8794)

Well Diagrams: NEW: Proposed RE-ENTER: Before Conv. After Conv. Are Elogs in Imaging?: CNL/LDT; DLL

Planned Rehab Work to Well: Re-enter / drill out / new CIBP / stimulate after evaluation

Well Construction Details:	Sizes (in) Borehole / Pipe	Setting Depths (ft)	Cement Sx or Cf	Cement Top and Determination Method
Planned ___ or Existing <input checked="" type="checkbox"/> Cond	<u>26" - 20"</u>	<u>0 to 40'</u>	<u>Redmix/visual</u>	<u>-</u>
Planned ___ or Existing <input checked="" type="checkbox"/> Surface	<u>17 1/2 / 13 3/8</u>	<u>0 to 1169'</u>	<u>1100</u>	<u>air to surf.</u>
Planned ___ or Existing <input checked="" type="checkbox"/> Interm/Prod	<u>11" / 8 5/8</u>	<u>0 to 4765'</u>	<u>No</u>	<u>air to surf.</u>
Planned ___ or Existing <input checked="" type="checkbox"/> Long St/Prod	<u>7 7/8 / 5 1/2</u>	<u>0 to 10320'</u>	<u>DI 7517</u>	<u>3165 / CBL - not on file</u>
Planned ___ or Existing ___ Liner	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Planned ___ or Existing <input checked="" type="checkbox"/> OH / PERF	<u>7 7/8 / 5 1/2</u>	<u>5468 - 7070</u>	<u>Inj Length 1602</u>	
Injection Stratigraphic Units:	Depths (ft)	Injection or Confining Units	Tops?	Completion/Operation Details:
Adjacent Unit: Litho. Struc. Por.	<u>-</u>	<u>-</u>	<u>-</u>	Drilled TD <u>10320</u> PBDT <u>NA/P4A</u>
Confining Unit: <input checked="" type="checkbox"/> Litho. <input checked="" type="checkbox"/> Struc. <input checked="" type="checkbox"/> Por.	<u>+ 518</u>	<u>Salado / Castle</u>	<u>4660</u>	NEW TD <u>NA</u> NEW PBDT <u>7270</u>
Proposed Inj Interval TOP:	<u>5468</u>	<u>lower Bell Canyon</u>	<u>4950</u>	NEW Open Hole <input type="checkbox"/> or NEW Perfs <input checked="" type="checkbox"/>
Proposed Inj Interval BOTTOM:	<u>7070</u>	<u>Cherry Canyon</u>	<u>5946</u>	Tubing Size <u>3 1/2</u> in. Inter Coated? <u>Yes</u>
Confining Unit: Litho. Struc. <input checked="" type="checkbox"/> Por.	<u>- 625</u>	<u>Brushy Canyon</u>	<u>7695</u>	Proposed Packer Depth <u>5418</u> ft
Adjacent Unit: Litho. Struc. Por.	<u>-</u>	<u>Bone Spring</u>	<u>8837</u>	Min. Packer Depth <u>5368</u> (100-ft limit)
				Proposed Max. Surface Press <u>1093</u> psi
				Admin Inj. Press <u>1094</u> (0.2 psi per ft)

AOR: Hydrologic and Geologic Information

POTASH: R-111-P Noticed? Not Required BLM Sec Ord NA WIPP Noticed? NA SALADO: T: - B: 4664 CLIFF HOUSE NA

Fresh Water: FW Formation Alluvial Max Depth ~300' Wells? 1 Analysis? No Hydrologic Affirm Statement Yes

Disposal Fluid: Formation Source(s) Bone Spring production Analysis? Yes On Lease Operator Only or Commercial

Disposal Interval: Injection Rate (Avg/Max BWPD): 4500/7000 Protectable Waters: No CAPITAN REEF: thru NA adjacent NA

H/C Potential: Producing Interval? No Formerly Producing? No Method: Log/Mudlog DST/Depleted Other Historical production spudded

AOR Wells: 1/2-M Radius Map? Yes Well List? Yes Total No. Wells Penetrating Interval: 2 Horizontals? Potential / Not

Penetrating Wells: No. Active Wells 1 Num Repairs? 0 on which well(s)? - Diagrams? spudded

Penetrating Wells: No. P&A Wells 1 Num Repairs? 0 on which well(s)? - Diagrams? -

NOTICE: Newspaper Date 07/25/13 Mineral Owner SLO Surface Owner SLO N. Date 07/24/13

RULE 26.7(A): Identified Tracts? Yes Affected Persons: Victory Parks Res/VPR operating/OXY USA N. Date 07/24/13

Permit Conditions: Issues: CIBP proposed for 7390'; distance: 7390' - 7070' = 320'; No CBL on

Add Permit Cond: Move CIBP to within 200ft of deepest perf; CBL for 5 1/2 in casing file

TOC