Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
10/30/2018	MAm	SWD	DMAM1831B 33631

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: Cowtown Loyd State SWD No.1 **API:** 30-015-23618
Pool: SWD; Wolfcamp-Penn (most appropriate to cover proposed interval) **Pool Code:** 96138

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

1) **TYPE OF APPLICATION:** Check those which apply for [A]

OCT 30 2018 AM11:36

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

10/30/2018
Date

903-488-9850
Phone Number

ben@sosconsulting.us
e-mail Address

October 30, 2018

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

Attn: Ms. Heather Riley, Director

Re: Application of Ray Westall Operating, Inc. to modify its existing permit for salt water disposal the Cowtown Loyd State SWD Well No.1, API No.30-015-23618 located in Section 14, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

Dear Ms. Riley,

Please find enclosed form C-108 Application for Authority to Inject, supporting the above-referenced request to reconfigure the existing Cowtown Loyd State SWD No.1. The well is currently authorized for disposal into the Wolfcamp, Cisco and Canyon formations by division order SWD-1372. This application proposes adding additional Pennsylvanian interval to the lower portion.

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 October 28, 2018 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 revised wellbore schematics, area of review maps, affected party plats and other required information for a complete Form C-108. The well is located on state land and minerals and a copy of this application has been submitted to the State Land Office, Oil and Gas 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 (903) 488-9850

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

IV. ***This is not an expansion of an existing project. It proposes a downward EXTENSION to the PERMITTED interval.***

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. ***(3 AOR well penetrates the subject interval – 1 P&A'd.)*** *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 Cisco/ Canyon 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.***

*X. ***There is no applicable test data on the well however, any previous well logs have been filed with the Division and they need not be resubmitted. A log strip of subject interval is ATTACHED.***

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

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 2 offset 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: ***10/31/2018***

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

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.

C-108 - Items III, IV, V

Item III - Subject Well Data

Wellbore Diagram – PROPOSED

Item IV – Tabulation of AOR Wells

Tabulation includes all construction data for all wells within a one-half mile radius.
3 wells penetrate the proposed injection interval; 2 active and 1 P&A'd.

One of the active wells has been inactive for 16 months and
additional documentation is provided for that well.

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.

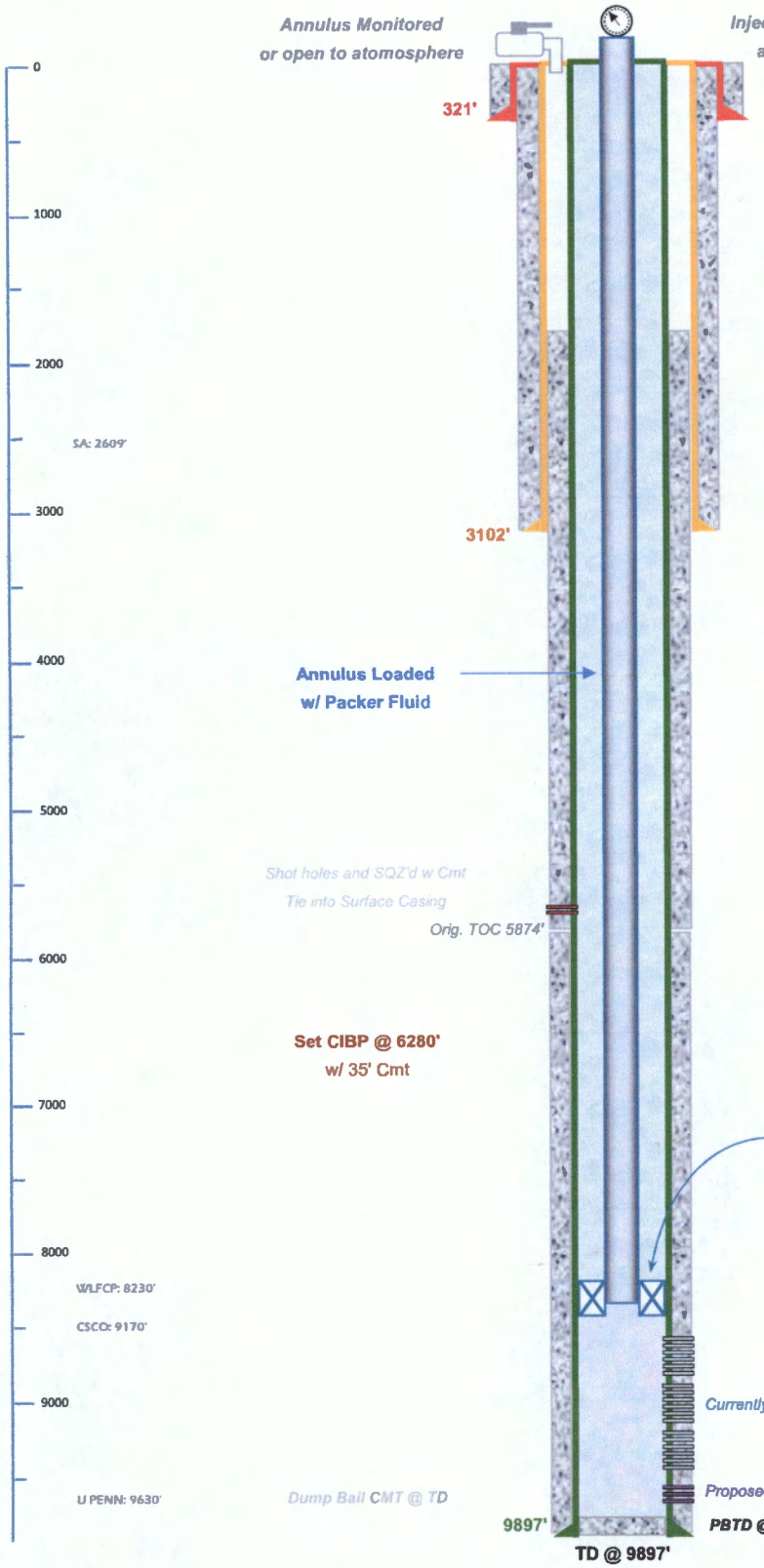
WELL SCHEMATIC - PROPOSED
Cowtown Loyd Well No. 1

API 30-015-23618

1830' FSL & 510' FEL, SEC. 14-T18S-R28E
EDDY COUNTY, NEW MEXICO

SWD; Wolfcamp-Penn (96138)
(Most Appropriate to Cover Proposed Interval)

Spud Date: 2/02/1981
SWD Re-Config Date: 12/01/2018



Injection Pressure Regulated and Volumes Reported
1702 psi Max. Surface (0.2 psi/ft)

Surface Casing
13.375", 48# Csg. (17.5" Hole) @ 321'
325 sx Class 'C' - Circulated

Intermediate Casing
8.625", 32# Csg.(11" Hole) @ 3102'
1635 sxs Class 'C' (Inc. 1" job - circ 15 sx.)

RAY WESTALL OPERATING, INC.

POOH w/ injection tubing, RIH and
spot CMT at TD for PBTD ~9850'.
Perf selected interval from 6160' to 6200'; acidize.
Run PC Tubing and set PKR @ 8410'+ - Conduct MIT.
Commence Disposal Operations.

2.875" IC Tubing (or smaller)
PKR ~8410'+
Note: PRK Set 100' Above Final Uppermost Perf Interval.

Production Casing
5.5" 17.0# Csg. (7.875" Hole) @ 9897'
760 sxs Class 'H' - TOC @ 5874' Calculated

Currently Permitted WC-CIS-CNYN Perfs: 8510'-9540'

Proposed Extension Perfs: 9630'-9780'

PBTD @ 9850'

Drawn by: Ben Stone, 10/29/2018

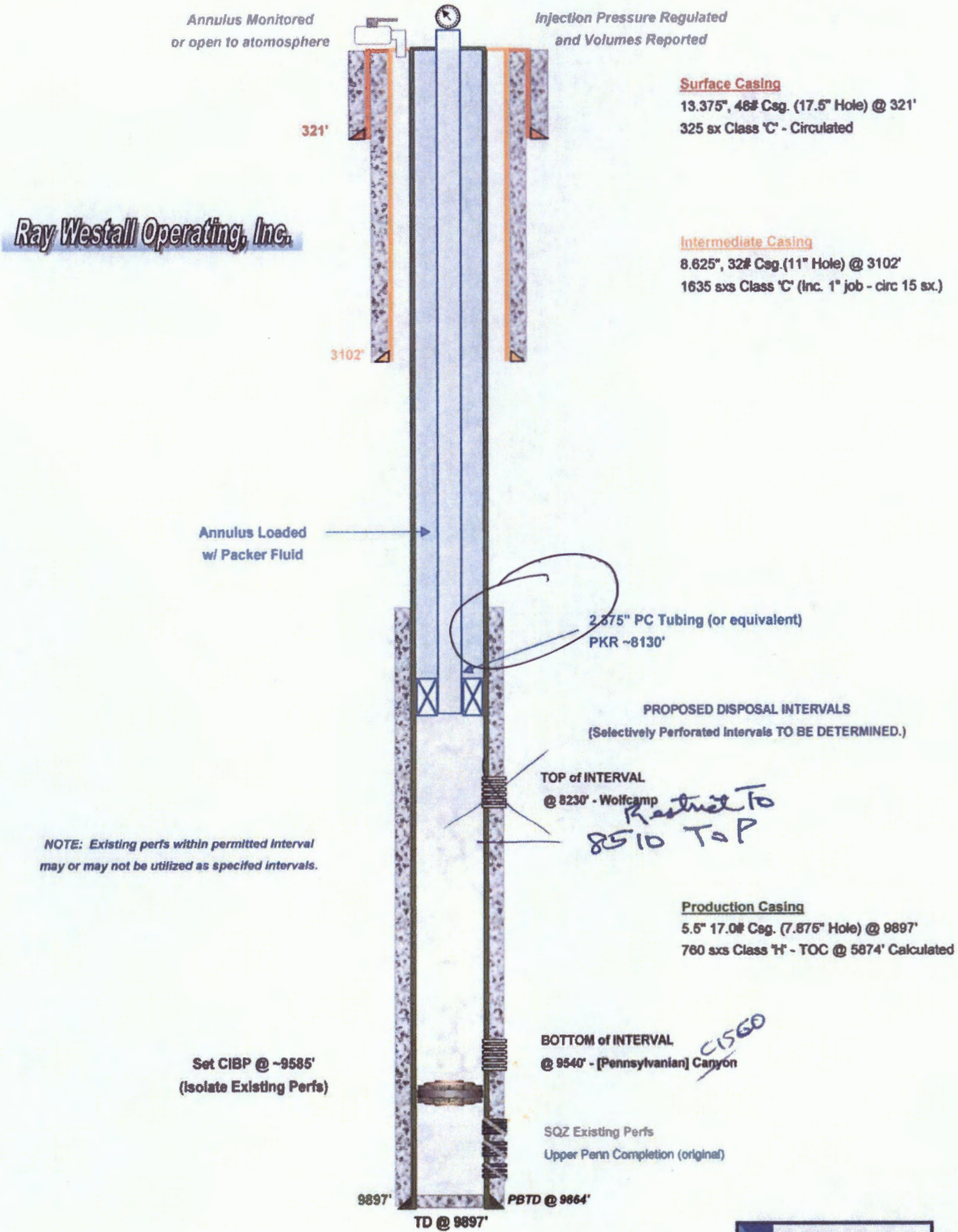
SOS Consulting, LLC

WELL SCHEMATIC - PROPOSED
Cowtown Loyd Well No. 1

Dec. -2012 Application

API 30-015-23618
1830' FSL & 510' FEL, SEC. 14-T18S-R28E
EDDY COUNTY, NEW MEXICO

Spud Date: 2/02/1981
Shut In Date: 2007



SOS Consulting, LLC

Drawn by: Ben Stone, 9/17/2012

Form C-108 Item VI - Tabulation of AOR Wells

Top of Proposed Wolfcamp Interval 8510'

3 Wellbores Penetrate Proposed Interval.

API	Current Operator	Well Name	Well No.	Type	Lease	Status	UL	STR	Total Depth
Section 14 Wells									
30-015-23618	**[119305] RAY WESTALL OPERATING, INC**	**COWTOWN LOYD SWD**	**#001**	**SWD**	**State**	**Active**	**I**	**14-18S-28E**	**9900'**
						See Attached CURRENT and PROPOSED Wellbore Diagrams.			
30-015-23350	**[119305] RAY WESTALL OPERATING, INC**	**STATE B 14 COM**	**#001**	**Oil**	**SWD**	**Active**	**P**	**14-18S-28E**	**11307'**
	SWD; WLFCP-CIS-CNYN Perfs: 8290'-9200'; 13.375" (17.5" hole) @ 459' w 425 sx - circ.; 8.625 (11.0" hole) @ 3084' w/ 1015 sx - circ.; 5.5" (7.875" hole) @ 10078' w/ 875 sx - TOC @ 6610' by CBL.								
30-015-01868	[184860] MELROSE OPERATING COMPANY	STATE 647 AC 713	#123	Oil	State	Plugged, Site Released	J	14-18S-28E	2572'
30-015-01865	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#001	Oil	State	Plugged, Site Released	O	14-18S-28E	2558'
30-015-01864	[370080] BREITBURN OPERATING LP	STATE 14 B	#015	Oil	State	Active	P	14-18S-28E	2665'
30-015-01860	[370080] BREITBURN OPERATING LP	STATE 14 C	#007	Oil	State	Active	G	14-18S-28E	2598'
30-015-01861	[370080] BREITBURN OPERATING LP	STATE 14 C	#008	Oil	State	Active	H	14-18S-28E	2622'
30-015-01869	[370080] BREITBURN OPERATING LP	STATE 647 AC 713	#124	Oil	State	Active	I	14-18S-28E	3054'
Sections 13 and 23 Wells									
30-015-01843	[371484] ROVER OPERATING, LLC	COWTOWN UNIT	#101	Oil	State	Active	K	13-18S-28E	3018'
30-015-01844	[371484] ROVER OPERATING, LLC	COWTOWN UNIT	#102	Oil	State	Active	L	13-18S-28E	2943'
30-015-01849	[371484] ROVER OPERATING, LLC	COWTOWN UNIT	#201	Oil	State	Active	M	13-18S-28E	2904'
30-015-23859	**[10179] HARVEY E YATES CO**	**TRAVIS DEEP OHIO COM**	**#001**	**Gas**	**State**	**Plugged, Site Released**	**M**	**13-18S-28E**	**11000'**
									See P&A Diagram.
30-015-22830	**[228937] MATADOR PRODUCTION COMPANY**	**TRAVIS STATE**	**#001**	**Oil**	**State**	**Active**	**K**	**13-18S-28E**	**11061'**
	****SEE ATTACHED INFO ON WELL; BONE SPRING Perfs: 6202'-6494'***; 13.375" (17.5" hole) @ 380' w 474 sx - circ.; 9.625 (12.25" hole) @ 2900' w/ 2050 sx - circ.; 5.5" (8.75" hole) @ 11061' w/ 1190 sx - TOC @ 2750'.								
30-015-01837	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#001	Oil	State	Plugged, Site Released	M	13-18S-28E	2963'
30-015-01840	[370080] BREITBURN OPERATING LP	STATE 14 B	#016	Oil	State	Active	E	13-18S-28E	2615'
30-015-02021	[243874] QUANTUM RESOURCES MGT, LLC	STATE 647 AC 711	#125	Oil	State	Plugged, Site Released	A	23-18S-28E	2896'

SUMMARY: 3 wells penetrate proposed disposal interval. 1 P&A.

SOS Consulting, LLC

C-108 - Item VI

Area of Review Well Data

PLUGGED WELL SCHEMATICS

There is 1 P&A'd Well Within the AOR

Which Penetrate the Proposed Injection Zone.

Schematics follow this page...

Harvey E. Yate

Tops

T. Yates 853'
T. 7 R.'s - 1153'
T. 9. - 1830'
T. Grb - 2206'
T. SA. - 2614'
T. Glor. - 3910'
* T. BS - 6205'
2nd B S. - 7070'
* T. W.C. - 8330'
T. Penn. - 9158'
T. Strawn - 9515'
* T. Morrow - 10526'

3⅜" - 343'
circ.

8⅝" - 3114'
circ.

TC - 8328'
by CBL

4½" - 11000'
w/ 800sx

* 10sx surface Plug.

* 100' cement Plug 393 - 293.

* 150' cement Plug 3214' - 3064'. TAG

* Cut & Pull 5½" csg @ 3164'.

* Perf. 4½" csg @ 6255'. Squeeze 100' cmt Plug

* 25sx cement Plug 8500' - 8250'.

* Ran set CIBP @ 10,599' w/ 35' cmt.

Perfs - 10705' - 56'

Submit 3 Copies to Appropriate District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P. O. Box 1980 Hobbs, NM 88240

DISTRICT II
P. O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

RECEIVED
OCD - ARTESIA

Well API NO. 30-015-23859

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

6. State Oil & Gas Lease No. B-11594-2

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: TRAVIS DEEP OHIO COM.

1. Type of Well: OIL WELL [ ] GAS WELL [X] OTHER

8. Well No. # 1

2. Name of Operator: Harvey E. Yates Company

9. Pool name or Wildcat: EMPIRE MORROW, SOUTH

3. Address of Operator: P.O. Box 1933 , Roswell, NM 88202 1-505-623-6601

4. Well Location
Unit Letter M : 760 Feet From The SOUTH Line and 660 Feet From The WEST Line

Section 13 Township 18S Range 28E NMPM EDDY County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3539.1' GL

11. Check Appropriate Box to Indicat 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.	[ ]	PLUG AND ABANDONMENT	[X]
PULL OR ALTER CASING	[ ]			CASING TEST AND CEMENT JOB	[ ]		
OTHER:	[ ]			OTHER:			[ ]

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

3-14-2000 PLUGGER NOTIFIED OCD OF MI.
3-15-2000 CIRC HOLE FROM 8509' w/ 10# MUD TO SURFACE.
SPOT 25 SKS PLUG FROM 8509' TO 8159'.
TEST CSG. DID NOT HOLD. PERF @ 6259'. RIH w/ PKR TO 5840'. ESTABLISH INJ RATE & SHUT IN.
3-16-2000 SQZ 35 SKS TO 6150'. WOC. POOH w/ PKR. GIH w/ WIRELINE & TAG CMT @ 6088'.
3-17-2000 CUT BUT UNABLE TO PULL CSG @ 3202'. CUT CSG @ 3100'. LD CSG. SI.
3-20-2000 RIH w/ TBG TO 3265'. CIRC 10# MUD. SPOT 50 SKS @ 3265'. WOC. TAG @ 3094'. RE-SET PLUG w/ 50 SKS @ 3094'. POOH.
3-21-2000 TAG PLUG @ 2895'. SPOT 35 SKS FROM 408-273'. SPOT 10 SK PLUG SURFACE PLUG @ 30'. CUT OFF WH & INSTALL DRY HOLE MARKER.
CUT OFF ANCHORS, BACKFILL WORK PIT & CLEAN LOCATION. P&A COMPLETE.

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

SIGNATURE Ray F. Nokes TITLE PROD. MGR. / ENGINEER. Date 3/29/00

TYPE OR PRINT NAME RAY F. NOKES TELEPHONE NO. 1-505-623-6601

(This space for State use)

Approved by Title Field Rep I Date 5-23-00

Conditions of approval, if any:

PLUGGED WELL SCHEMATIC
Travis Deep Ohio Com Well No. 1

API 30-015-23859

760' FSL & 660' FWL, SEC. 13-T18S-R28E
EDDY COUNTY, NEW MEXICO

Spud Date: 9/19/1981
P&A Date: 3/21/2000

Well plugged by:
Harvey E. Yates Company

<PLUGGING ITEMS LISTED LEFT>

PLUGS:
Spot 10 sx 30'-0'
Spot 35 sx 408'-273'
Spot 50 sxs 3094'-2975'
Spot 50 sxs 3265'-3094' (Tagged)

P&A Marker
GL 3539'
343'
3114'
Shot & Pulled 4.5" @ 3100'
Shot Csg. @ 3202' (Unable to Pull)
Circ. Hole w/ 10# Mud
Shot Sqz. Holes @ 6259'
Sqz. w/ 35 sx
(Tag @ 6088')
CIBP @ 10599'
Cap w/ 35' Cement
Formation Fluid
CIBP @ 10840'
Recomplete Uphole
Perfs 10709'-56' (Recompletion)
Perfs 10850'-58' (Original Comp.)
11000'
PBTD @ 10995'
TD @ 11000'

<PRE-P&A EXISTING ITEMS LISTED RIGHT>

Surface Casing
13.375", 54.5# Csg. (17.5" Hole) @ 343'
390 sx Class 'C' - Circulated

Intermediate Casing
8.625", 24 & 32# Csg.(11" Hole) @ 3114'
4780 sxs Class 'C' - Circulated

<P&A SUBSEQUENT SUNDRY>

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.	PLUG AND ABANDONMENT X
PULL OR ALTER CASING		CASING TEST AND CEMENT JOB	
OTHER:		OTHER:	

3-14-2000 PLUGGER NOTIFIED OCD OF MI.
3-15-2000 CIRC HOLE FROM 8509' w/ 10# MUD TO SURFACE.
SPOT 25 SKS PLUG FROM 8509' TO 8159'.
TEST CSG. DID NOT HOLD. PERF @ 6259'. RIH w/ PKR TO 5840'. ESTABLISH INJ RATE & SHUT IN.
3-16-2000 SQZ 35 SKS TO 6159'. WOC. POOH w/ PKR. GIH w/ WIRELINE & TAG CMT @ 6088'.
3-17-2000 CUT BUT UNABLE TO PULL CSG @ 3202'. CUT CSG @ 3100'. LD CSG. RI.
3-20-2000 RIH w/ TBG TO 3265'. CIRC 10# MUD. SPOT 50 SKS @ 3265'. WOC. TAG @ 3094'. SZ-SET PLUG w/ 50 SKS @ 3094'. POOH.
3-21-2000 TAG PLUG @ 3095'. SPOT 35 SKS FROM 408-273'. SPOT 10 SK PLUG SURFACE PLUG @ 30'.
CUT OFF WH & INSTALL DRY HOLE MARKER.
CUT OFF ANCHORS, BACKFILL WORK PIT & CLEAN LOCATION. P&A COMPLETE.

SIGNATURE [signature] TITLE PROD. MGR. / ENGINEER. DATE 3/29/00
TYPE OR PRINT NAME RAY F. NOKES TELEPHONE NO.
Approved by [signature] Title Field Rep I Date 5-23-00

-8328'

Production Casing
4.5" 10.5 & 11.6# Csg. (5.5" Hole) @ 11000'
800 sxs Class 'H' - TOC @ 8328' CBL

SOS Consulting, LLC

Drawn by: Ben Stone, 9/13/2012

PLUGGED WELL SCHEMATIC

State 'B-14' Com Well No. 1

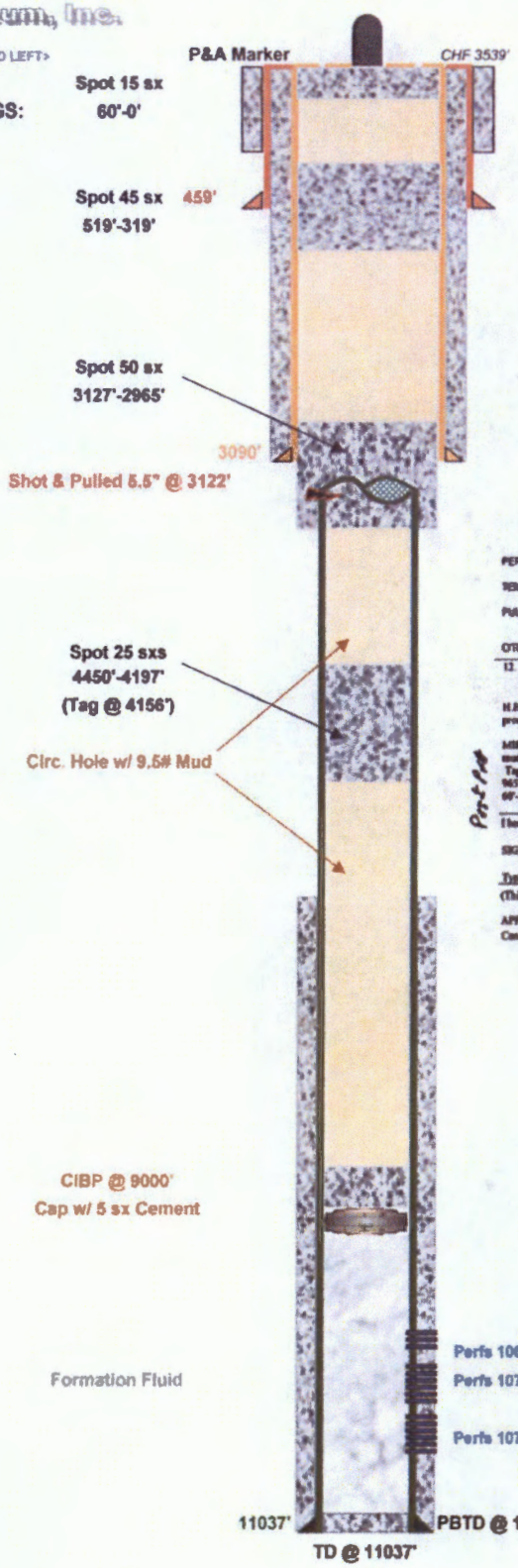
API 30-015-23350

660' FSL & 990' FEL, SEC. 14-T18S-R28E
EDDY COUNTY, NEW MEXICO

Spud Date: 6/27/1980
P&A Date: 11/13/2002

Well plugged by:
H.E.C. Petroleum, Inc.

<PLUGGING ITEMS LISTED LEFT>



<PRE-P&A EXISTING ITEMS LISTED RIGHT>

Surface Casing
13.375", 48# Csg. (17.5" Hole) @ 459'
425 sx Class 'C' - Circulated 10 sx

Intermediate Casing
8.625", 32# Csg.(11" Hole) @ 3090'
800 sxs Class 'C' - Circulated 66 sx

<P&A SUBSEQUENT SUNDRY>

11. 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. ☐		PLUG AND ABANDONMENT ☒	
PULL OR ALTER CASING ☐		MULTIPLE COMPLETION ☐		CASING TEST AND CEMENT JOBS ☐			
OTHER ☐				OTHER ☐			

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

H.E.C. Petroleum, Inc. Plugged and Abandoned the State B 14 Comm Well No. 1 on November 13, 2002 per the following procedure:

MIRU BCM Rig #22; POH with 301 jts 2-3/8" tbg and pkr; Set CIBP @ 9,000' and capped with 5sks cmt; Circ hole with 9.5 PPG mud; Spot 25 sks Class "C" cmt from 4,450'-4,197'; WOC; Tag Plug, not there; Spot 25 sks Class "C" cmt from 4,450'-4,197'; WOC; Tag plug @ 4,156'; Cut 5-1/2" csg @ 3,122' POH and LD 91 jts 5-1/2" csg; RIH with tbg; Spot 50 sks Class "C" cmt from 3,177'-2,965'; WOC; Tag plug @ 2,958'; Spot 45 sks Class "C" cmt from 519'-319'; WOC; Tag plug @ 354'; Spot 15 sks Class "C" cmt from 60'-Surface; ND WH; Install Dry Hole Marker; P&A 11/13/02.

Post-it Note

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

SIGNATURE: Mark Bobbitt TITLE Regulatory Analyst DATE 12/04/2002

Type or print name Alan W. Bobbitt Telephone No. (915)498-8662

(This space for State use)

APPROVED BY: TITLE Field Rep II MAR 24 2003

Conditions of approval, if any:

Production Casing
5.5" 17 & 20# Csg. (7.875" Hole) @ 11037'
875 sxs Class 'H' - TOC @ 6610' Reported

SOS Consulting, LLC

Drawn by: Ben Stone, 9/13/2012

PLUGGED WELL SCHEMATIC
Travis Deep Ohio Com Well No. 1

API 30-015-23859

760' FSL & 660' FWL, SEC. 13-T18S-R28E
EDDY COUNTY, NEW MEXICO

Spud Date: 9/19/1981
P&A Date: 3/21/2000

Well plugged by:
Harvey E. Yates Company

<PLUGGING ITEMS LISTED LEFT>

PLUGS:

Spot 10 sx
30'-0'

Spot 35 sx
408'-273'

Spot 50 sxs
3094'-2975'

Spot 50 sxs
3265'-3094' (Tagged)

Shot & Pulled 4.5" @ 3100'

Shot Csg. @ 3202'
(Unable to Pull)

Circ. Hole w/ 10# Mud

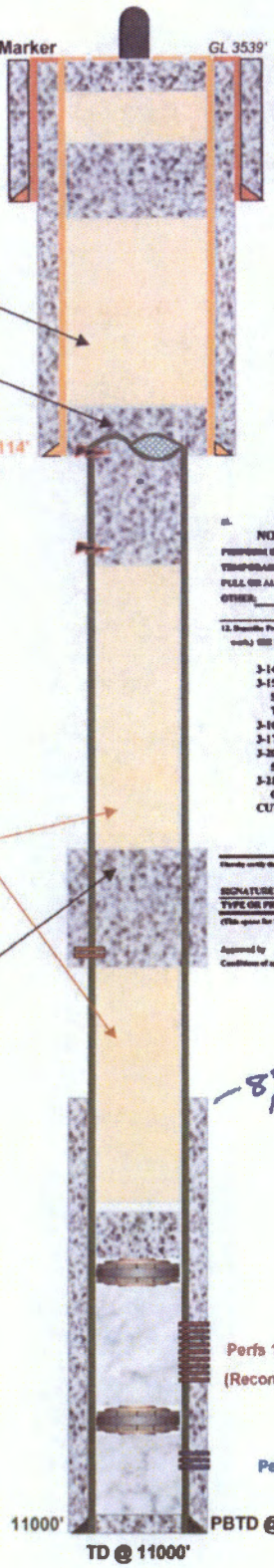
Shot Sqz. Holes @ 6259'
Sqz. w/ 35 sx
(Tag @ 6088')

CIBP @ 10599'
Cap w/ 35' Cement

Formation Fluid

CIBP @ 10840'
Recomplete Uphole

11000'
TD @ 11000'



<PRE-P&A EXISTING ITEMS LISTED RIGHT>

Surface Casing
13.375", 54.5# Csg. (17.5" Hole) @ 343'
390 sx Class 'C' - Circulated

Intermediate Casing
8.625", 24 & 32# Csg.(11" Hole) @ 3114'
4780 sxs Class 'C' - Circulated

<P&A SUBSEQUENT SUNDRY>

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.	PLUG AND ABANDONMENT
PULL OR ALTER CASING		CASING TEST AND CEMENT JOB	
OTHER:		OTHER:	

3-14-2000 PLUGGER NOTIFIED OCD OF MI.
3-15-2000 CIRC HOLE FROM 8509' w/ 10# MUD TO SURFACE.
SPOT 25 SKS PLUG FROM 8509' TO 8159'.
TEST CSG. DID NOT HOLD. PERF @ 6259'. RIH w/ PKR TO 5840'. ESTABLISH INJ RATE & SHUT IN.
3-16-2000 SQZ 35 SKS TO 6159'. WOC. POOH w/ PKR. GIH w/ WIRELINE & TAG CMT @ 6088'.
3-17-2000 CUT BUT UNABLE TO PULL CSG @ 3202'. CUT CSG @ 3100'. LD CSG. RI.
3-20-2000 RIH w/ TBG TO 3265'. CIRC 100 MUD. SPOT 50 SKS @ 3265'. WOC. TAG @ 3094'. RE-SET PLUG w/ 50 SKS @ 3094'. POOH.
3-21-2000 TAG PLUG @ 2995'. SPOT 35 SKS FROM 408-273'. SPOT 10 SK PLUG SURFACE PLUG @ 30'.
CUT OFF WH & INSTALL DRY HOLE MARKER.
CUT OFF ANCHORS, BACKFILL WORK PIT & CLEAN LOCATION. P&A COMPLETE.

SIGNATURE [signature] TITLE PROD. MGR. / ENGINEER. Date 3/29/00
TYPE OR PRINT NAME RAY F. NOKES TELEPHONE NO. 1-505-623-6601
Approved by [signature] Title Field Rep I Date 5-23-00

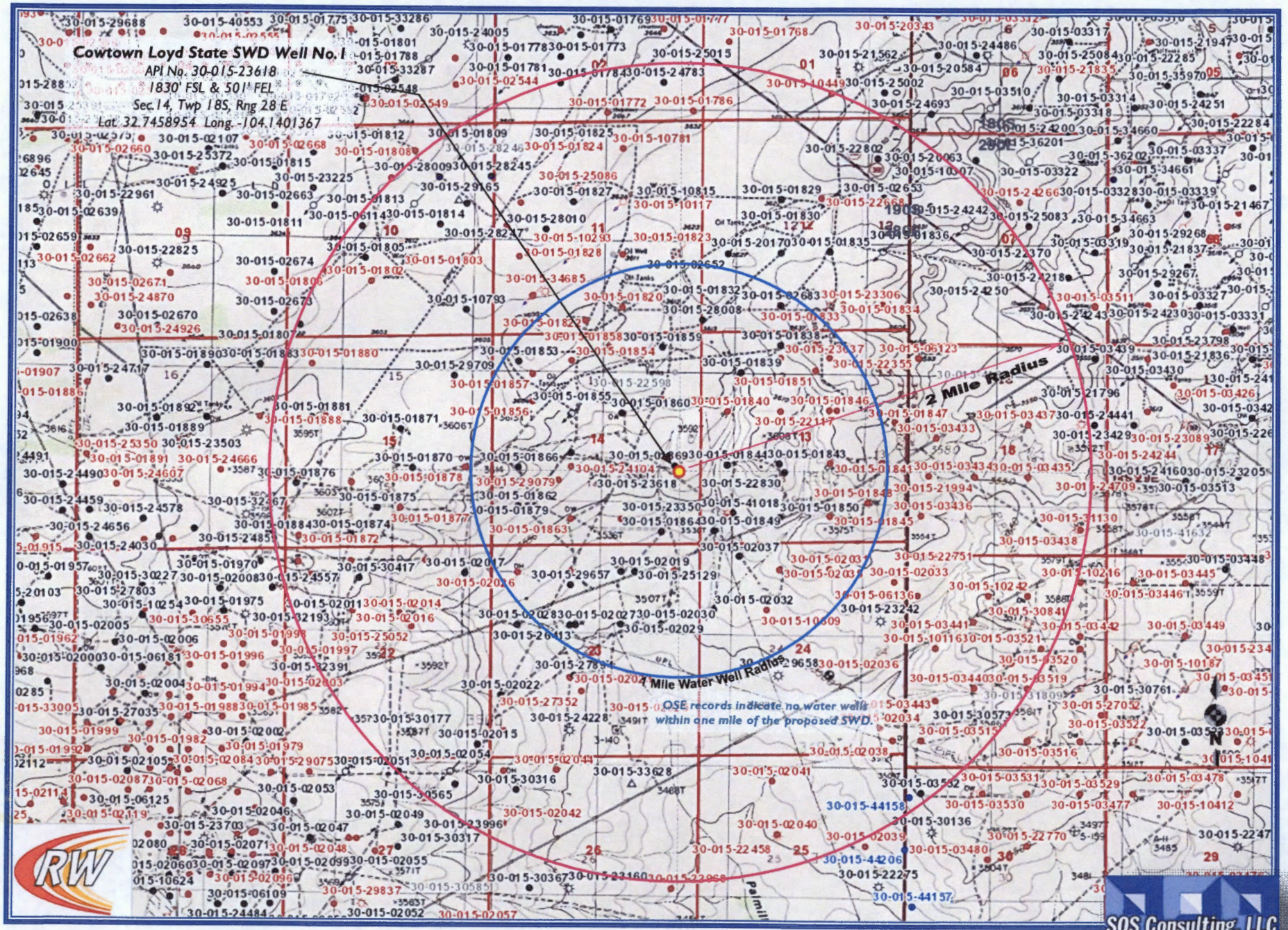
Production Casing
4.5" 10.5 & 11.6# Csg. (5.5" Hole) @ 11000'
800 sxs Class 'H' - TOC @ 8328' CBL

SOS Consulting, LLC

Drawn by: Ben Stone, 9/13/2012

Cowtown Loyd State SWD Well No.1 - Area of Review - 2 Miles

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

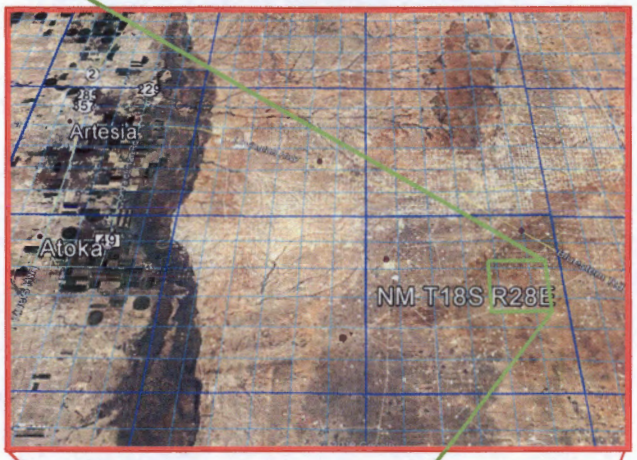


Cowtown Loyd State SWD Well No.1 - Area of Review / Overview Map

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



~16.3 miles Southeast of Artesia, NM





Eddy County, New Mexico

RAY WESTALL OPERATING,

SOS Consulting, LLC

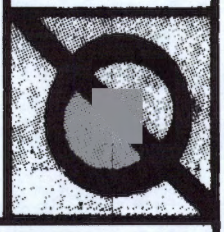
C-108 ITEM X

LOGS and AVAILABLE TEST DATA

A log strip from the subject well is attached
With annotations.

LOG STRIP FOLLOWS

Densilog® Neutron Gamma Ray



ILLY ENERGY

NWTOWN LOYD #1

NUTH EMPIRE

Davis Upper Penn

IDY STATE NEW MEXICO

. 510' FEL (9)

VP 18-S RGE 28-E

Other Services

DLL MLL GR
PROLOG

Elev.
KB 3587.6
DF 3586.6
GL 3573.1

L Elev. 3573.1
.5 Ft. Above Permanent Datum

@ °F @ °F @ °F @ °F cc @

FOLD HERE

Remarks VOLUMETRIC COMPUTER - EACH PIP EQUALS 10 CU/FT.
DUE TO AN O-NAN POWER GENERATOR THAT CUT OUT TEMPORARILY, TWO REPEAT SECTIONS WERE RUN.

EQUIPMENT DATA

	RUN NO. 1			RUN NO. 2			RUN NO. 3		
	CDL	CNLog	GR	CDL	CNLog	GR	CDL	CNLog	GR
Tool Series No.	2212	2413	1306						
Serial No.	50107	42567	31944						
Diameter	5 1/2"	3 5/8"	3 5/8"						
Tool Position	50107	42567	31944						
Detect. Model No.	1G10X	D6N3	D6G4						
Type	GEIGER	SCINT.	SCINT.						
Source Model No.	S3T30	S17S20							
Serial No.	631	34368							
Panel Series No.	3752	3752	3752						
Serial No.	50514	50514	50514						

LOGGING DATA

General				Compensated Densilog						Gamma Ray			
Run No.	Depths From	Depths To	Speed Ft./Min.	T.C. Sec.	Density Scale	ρ_{ma}	ρ_f	Porosity Scale	Correction Scale	T.C. Sec.	Sens. Settings	Zero Div. L or R	API Units/Div.
1	9873	SURF.	REC.		2.0-3.0	2.71	1.1	30%-0%	.1 C/D			0	10

General				Compensated Neutron					Caliper
Run No.	Depths From	Depths To	Speed Ft./Min.	T.C. Sec.	Sens. LS	Sens. SS	Porosity Lithology	Porosity Scale	Hole Size Scale
1	9873	SURF.	REC.				LIMESTONE	30 - 0	6"-16"

GAMMA RAY
CALIPER

DEPTH

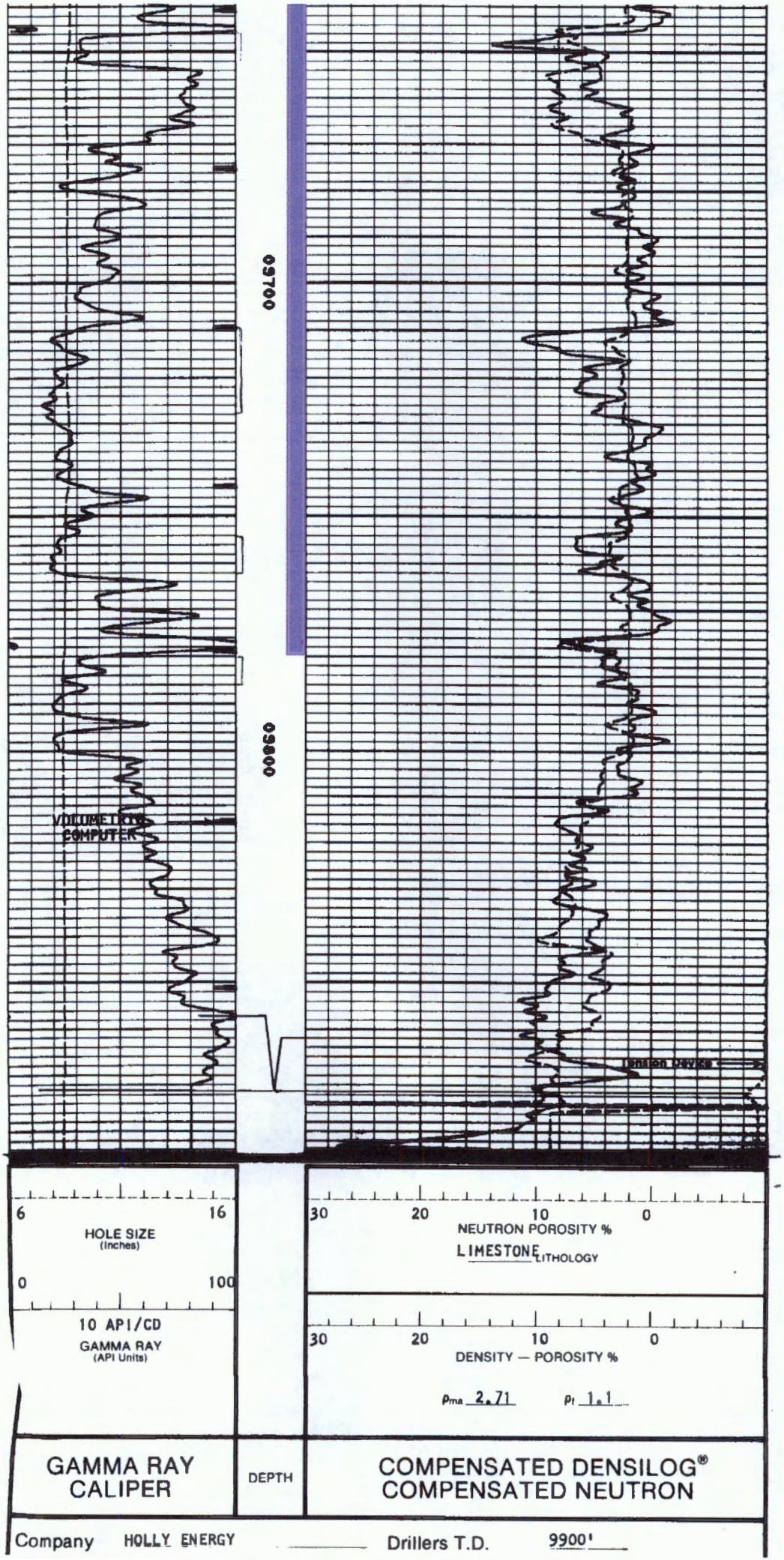
COMPENSATED DENSILOG®
COMPENSATED NEUTRON

FORM 925322A

08100
08200
08300
08400

08500
08600
08700

09200
09300
09400



PROPO
EXTEN
OF INJE
INTER
9630' to

C-108 ITEM VII

PROPOSED OPERATION

The Cowtown SWD No.1 has been operated as a commercial disposal service to area operators to facilitate in disposal of produced water from typical producing formations in the area. (Analyses are on file and need not be resubmitted.) RWO intends to recomplete the currently permitted Cisco/Canyon (SWD-1372) interval by adding additional Pennsylvanian interval from 9630 feet to 9780 feet.

The system will be closed utilizing a tank battery facility located on the well site and possible future delivery via pipeline.

Injection pressure is currently permitted at 1702 psi and will not change; rates limited only by that pressure but are not expected to be greater than approximately 3500 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 VII – PRODUCED WATER ANAYLSES

Item VII.4 – Water Analysis of Source Zone Water

Grayburg/ San Andres
Bone Spring

Item VII.5 – Water Analysis of Disposal Zone Water

Cisco/ Canyon

All Analyses have been previously submitted.

Per OCD Rules, this information need not be resubmitted.

C-108 - Item VII.5

Water Analysis - Source Water - SAN ANDRES

B J Services Water Analysis

Artesia District Laboratory
(505)-746-3140

Date: 6-Nov-00
Company: SDX Resources
Lease: Chalk Federal #2
State: N.M.
Depth: 2900

Test #:
Well #:
County: Eddy
Formation San Andres
Source:

pH:	6.51
Specific Gravity	1.12

Temp (F): 80.3

CATIONS	mg/l	me/l	ppm
Sodium (calc.)	54502	2370.7	48862
Calcium	3206	160.1	2664
Magnesium	1458	120.0	1302
Barium	< 25	—	—
Potassium	< 10	—	—
Iron	3	0.1	2
ANIONS			
Chloride	93000	2623.4	83036
Sulfate	1071	22.3	957
Carbonate	< 1	—	—
Bicarbonate	878	14.4	784
Total Dissolved Solids(calc.)	154120		137607
Total Hardness as CaCO3	14014	280.0	12513

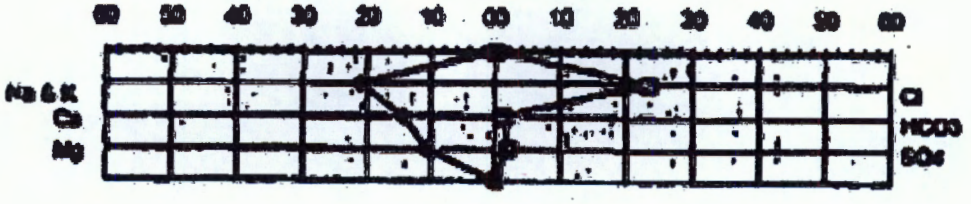
COMMENTS:

Rw= 0.0647@81.1 deg.

SCALE ANALYSIS:

CaCO3 Factor	22117907	Calcium Carbonate Scale Probability->	Probabl
CaSO4 Factor	3840600	Calcium Sulfate Scale Probability -->	Remain

Stiff Plot



C-108 - Item VII.5

Water Analysis - Source Water - DELAWARE

BJ SERVICES

Water Analysis

Date: 11-Jan-05

2708 West County Road, Hobbs NM 88240
Phone (505) 392-5556 Fax (505) 392-7307

Analyzed For

Devon	Spud 16 State #1	Lea	New Mexico

Sample Source Sample **Sample #** 1

Formation **Depth**

Specific Gravity	1.186	SG @ 60 °F	1.196
pH	5.88	Sulfides	Absent
Temperature (°F)	68	Reducing Agents	

Cations

Sodium (Calc)	in Mg/L	73,985	in PPM	61,859
Calcium	in Mg/L	34,000	in PPM	28,428
Magnesium	in Mg/L	5,040	in PPM	4,214
Soluable Iron (FE2)	in Mg/L	50.0	in PPM	42

Anions

Chlorides	in Mg/L	188,000	in PPM	157,191
Sulfates	in Mg/L	550	in PPM	460
Bicarbonates	in Mg/L	78	in PPM	65
Total Hardness (as CaCO3)	in Mg/L	106,000	in PPM	88,629
Total Dissolved Solids (Calc)	in Mg/L	301,703	in PPM	252,268
Equivalent NaCl Concentration	in Mg/L	254,733	in PPM	212,998

Scaling Tendencies

*Calcium Carbonate Index 2,684,720

Below 500,000 Remote / 500,000 - 1,000,000 Possible / Above 1,000,000 Probable

*Calcium Sulfate (Gyp) Index 16,700,000

Below 500,000 Remote / 500,000 - 10,000,00 Possible / Above 10,000,000 Probable

*This Calculation is only an approximation and is only valid before treatment of a well or several weeks after treatment.

Remarks rw=.040@63f

C-108 - Item VII.5

Water Analysis - Source Water - MORROW

HALLIBURTON

CENTRAL OPERATIONS LABORATORY
WATER ANALYSIS REPORT
HOBBS, NEW MEXICO

COMPANY Marbob

REPORT W02-128
DATE June 18, 2002
DISTRICT Hobbs

SUBMITTED BY Jim Trela

WELL Ruger St. #1
COUNTY

DEPTH
FIELD

FORMATION
SOURCE

SAMPLE	Morrow Prod. Water			
Sample Temp.	84 °F	°F	°F	°F
RESISTIVITY	0.13			
SPECIFIC GR.	1.040			
pH	6.90			
CALCIUM	4,500 mpl	mpl	mpl	mpl
MAGNESIUM	6,300 mpl	mpl	mpl	mpl
CHLORIDE	34,993 mpl	mpl	mpl	mpl
SULFATES	light mpl	mpl	mpl	mpl
BICARBONATES	18 mpl	mpl	mpl	mpl
SOLUBLE IRON	0 mpl	mpl	mpl	mpl
Sodium	mpl	0 mpl	0 mpl	0 mpl
TDS	mpl	0 mpl	0 mpl	0 mpl
OIL GRAVITY	@ °F	@ °F	@ °F	@ °F

REMARKS

MPL = Milligrams per liter
Resistivity measured in: Ohmm2/m

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management. It may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Co.

ANALYST: Mike Armstrong

C-108 Item VII.5 - Produced Water Data

Ray Westall Operating, Inc. - Cowtown SWD Project

SOURCE ZONE

BONE SPRING

Lab ID

Sample ID 5847

API No 3001520225

Well Name BIG EDDY UNIT 012 Sample No

Location ULSTR 21 20 S 31 E **Lat / Long** 32.56399 -103.87994

660 N 660 W **County** Eddy

Operator (when sampled) MALLON OIL COMPANY

Field BIG EDDY Unit D

Sample Date 8/27/1999 Analysis Date 8/31/1999

Sample Source

Water Typ

Depth (if known)

ph	5.2	alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity	1.125	hardness_mgL	
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	181697	resistivity_ohm_cm_temp	
tds_mgL_180C		conductivity	
chloride_mgL	123750	conductivity_temp_F	
sodium_mgL	73895.6	carbonate_mgL	
calcium_mgL	5625	bicarbonate_mgL	13.725
iron_mgL	337.5	sulfate_mgL	787.5
barium_mgL		hydroxide_mgL	
magnesium_mgL		h2s_mgL	0
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 Wolfcamp formation is a mixed lithology system of interbedded carbonate and shale including considerable dolomite of medium to fine grains and minor sandstone. The formation thickness varies from about 400 to 500 feet.

The Cisco Formation (Upper Penn) is a gray micritic (fine grained) fossiliferous limestone with vugular porosity as well as dolomite. The reservoirs in this area are usually limited in size with up dip porosity loss due to shelf margin carbonate build up. The upper portion becomes very shaley and is not proposed for injection.

The [Pennsylvanian] Canyon formation consists of similarly medium-grained carbonates, primarily dolomite and porous and permeable sandstone interbedded with shale and is generally 150 to 200 feet in thickness.

The combined zones offer some good porosity in the proposed injection interval located from 7640 feet to 7916 feet with some very good porosity interspersed throughout the overall interval.

The Wolfcamp is overlain by the Bone Spring and the Delaware Group is underlain by the Strawn and Atoka. (See Pool Map and Data exhibit included.)

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.

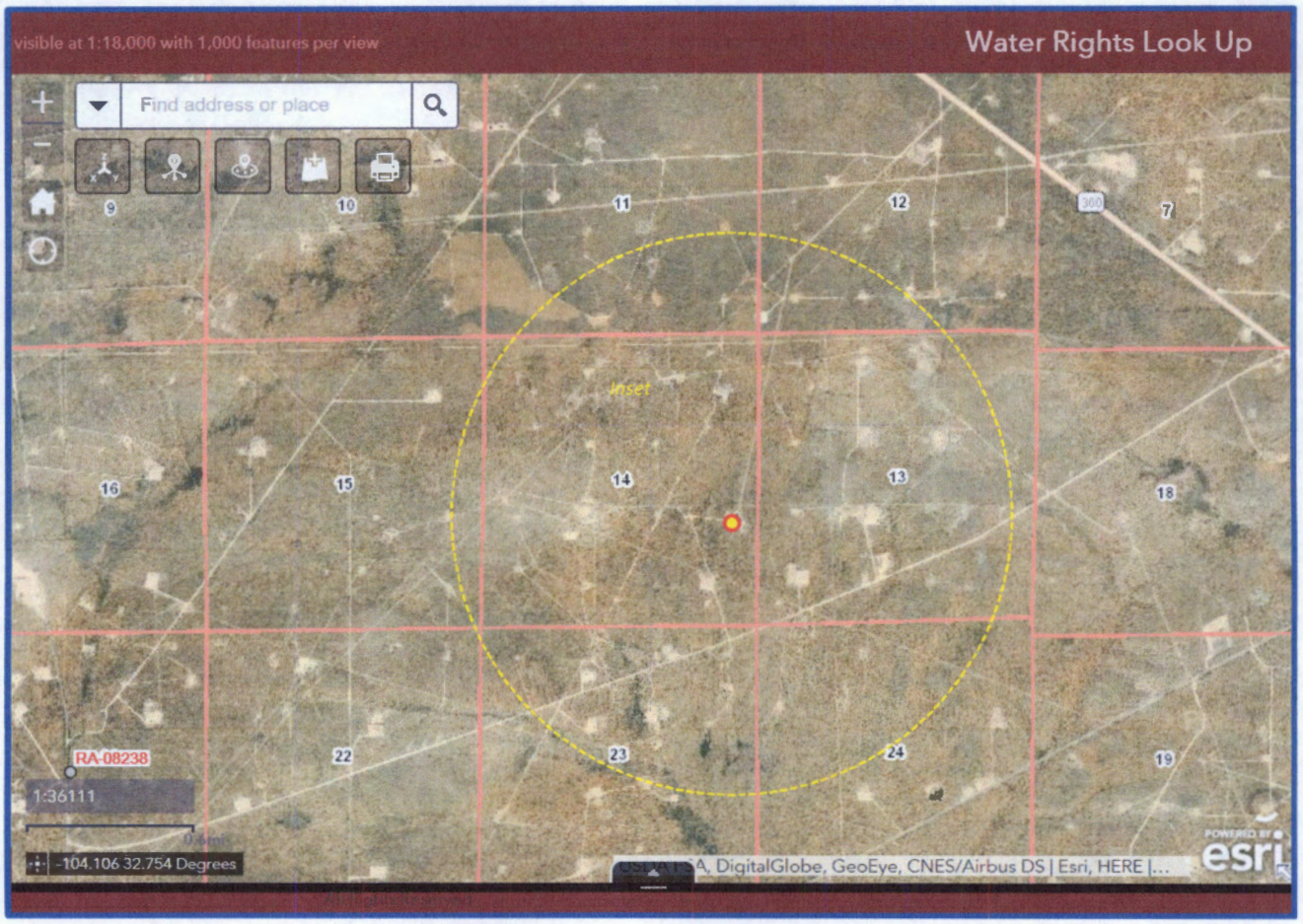
There are no known sources of water <10,000 mg/l TDS which underlie the injection zones.

C-108 Item XI

Water Wells Within One Mile

Cowtown State SWD No.1 - Water Well Locator Map

There are NO water wells/ PODs within a one-mile radius of the proposed SWD.



Data from NM Office of the State Engineer displayed in OSE-GIS System.

SOS Consulting, LLC

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.
Cowtown Loyd SWD Well No.1
Reviewed 8/30/2018

C-108 ITEM XIII – PROOF OF NOTIFICATION

IDENTIFICATION AND NOTIFICATION OF AFFECTED PARTIES

Exhibits for Section

Affected Parties Map

List of Affected Parties

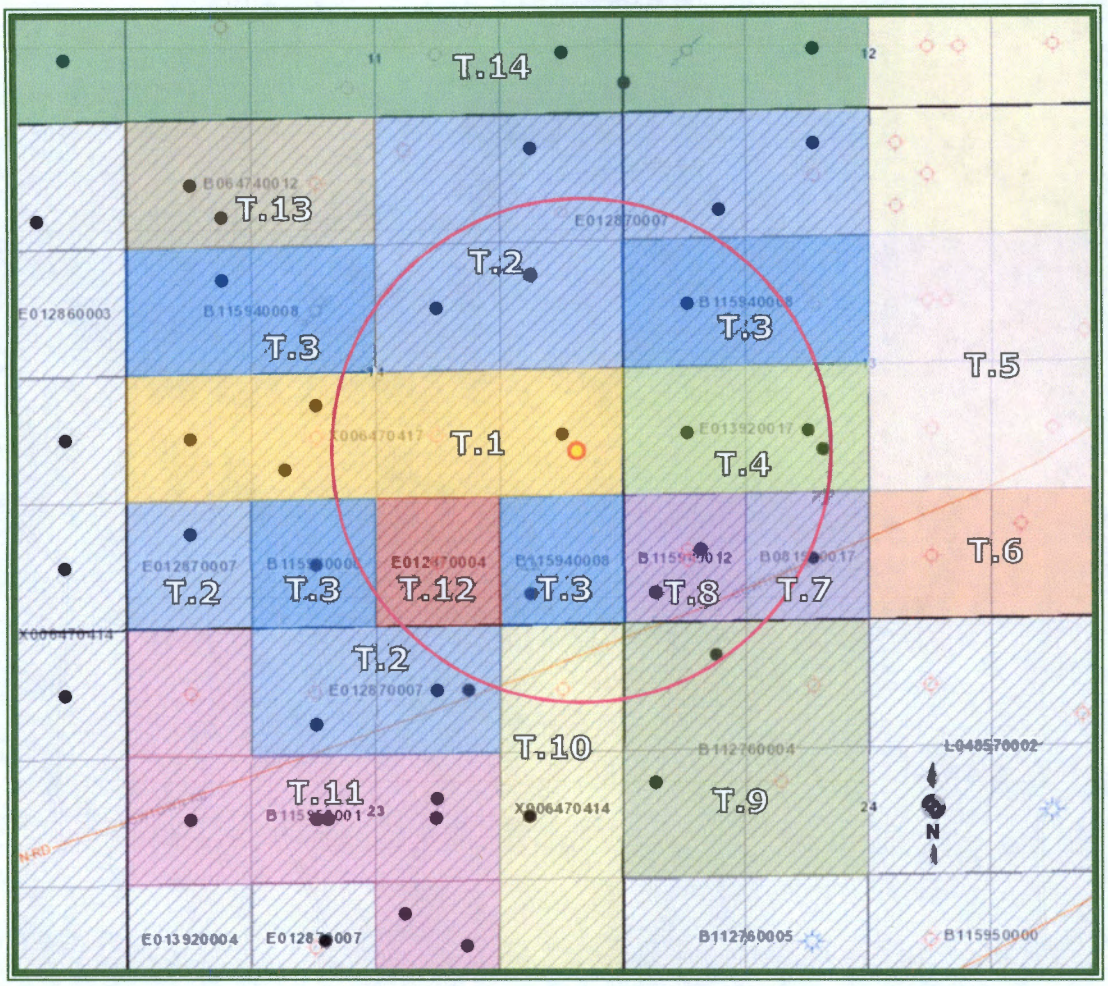
Notification Letter to Affected Parties

Proof of Certified Mailing

Affidavit Published Legal Notice

Cowtown Loyd State SWD No.1 – Affected Parties Plat

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



RAY WESTALL OPERATING, INC.

LEGEND

T.1 – X0-0647-0417 – WPX Energy Permian, LLC

T.2 – E0-1287-0007 – EOG Resources and Read & Stevens

T.3 – B1-1594-0008 – EOG Resources and Read & Stevens

T.4 – E0 -1392-0017 – Rover Operating, LLC

~~T.5 – NMNM-023417~~ – Anadarko E&P & Southland Royalty

~~T.6 – NMNM-056429~~ – Square Lake Prtnrs & Chase Oil Corp.

T.7 – B0-8196-0017 – Rover Operating, LLC

T.8 – B1-1594-0012 – Fair Oil, LTD and Eako, LLC

T.9 – B1-1276-0004 – Chevron Midcontinent, LP

T.10 – X0-0647-0414 – RKI Exploration & Production, LLC

~~T.11 – B1-1595-0001~~ – SDX Resources, Inc.

T.12 – E0-1287-0004 – Della Sheldon

~~T.13 – B0-6474-0012~~ – EOG Resources and Read & Stevens

~~T.14 – NMNM-054184~~ – ZPZ Delaware I, EOG Y, others

OPERATORS SHOWN ON AFFECTED PARTIES LIST – Next page…

Research performed by CG&L Records & Research

SOS Consulting, LLC

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

SOS Consulting is providing electronic delivery of C-108 applications.
ALL APPLICABLE AFFECTED PARTIES ARE PROVIDED A LINK IN THE NOTICE LETTER TO A SECURE SOS/ CITRIX SHAREFILE® SITE TO VIEW AND DOWNLOAD A FULL COPY OF THE SUBJECT C-108 APPLICATION IN PDF FORMAT.

SURFACE OWNER

1 STATE OF NEW MEXICO (FedEx'ed copy)
Oil, Gas and Minerals Division
310 Old Santa Fe Trail
Santa Fe, NM 87504
Certified: 7018 0360 0001 8569 5166

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

T.1 & T.3 Operators

2 BREITBURN OPERATING, LP
1111 Bagby St., Ste.1600
Houston, TX 77002
Certified: 7018 0360 0001 8569 5173

RAY WESTALL OPERATING, INC. *(Applicant)*
303 Veterans Airpark Lane
Midland, TX 79701

T.2, T.4, T.9 & T.12 Operator

BREITBURN OPERATING, LP
1111 Bagby St., Ste.1600
Houston, TX 77002

T.7 Operator

3 MATADOR PRODUCTION COMPANY
One Lincoln Center
5400 LBJ Freeway, Ste.1500
Dallas, TX 75240
Certified: 7018 0360 0001 8569 5180

REGULATORY

NEW MEXICO OIL CONSERVATION DIVISION (FedEx'ed original and copy)
1220 S. St. Francis Dr.
Santa Fe, NM 87505

NEW MEXICO OIL CONSERVATION DIVISION (FedEx'ed copy)
811 S. First St.
Artesia, NM 88210

NEW MEXICO STATE LAND OFFICE (FedEx'ed copy)
Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, NM

October 30, 2018

NOTIFICATION TO INTERESTED PARTIES
via U.S. Certified Mail – Return Receipt Requested

To Whom It May Concern:

Ray Westall Operating, Inc., Loco Hills, New Mexico, has made application to the New Mexico Oil Conservation Division to recomplete for salt water disposal the Cowtown Loyd State SWD No.1. The well is currently permitted as an SWD into the Cisco/ Canyon formations. This application is to propose adding additional Pennsylvanian interval. The operation will remain as a commercial produced water disposal option for area operators. As indicated in the notice below, the well is located in Section 14, Township 18 South, Range 28 East in Eddy County, New Mexico.

The published notice states that the new interval will be from 9630 feet to 9780 feet.

Following is the notice published in the Artesia Daily Press, New Mexico on or about October 28, 2018.

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 modify its permit for salt water disposal in its Cowtown Loyd SWD Well No.1. The well is currently permitted by SWD-1372 for 8510 feet to 9540 feet in the Wolfcamp, Cisco/ Canyon formations, RWO, Inc. is proposing to extend the Upper Penn interval down to include perforations from 9630 feet to 9780 feet. Maximum injection pressure will remain as currently permitted; 1702 psi and a maximum rate limited only by such pressure. API No.30-015-23618 is located 1830 FSL & 510 FEL in Section 14, Township 18 South, Range 28 East in Eddy County, New Mexico.

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, (903)488-9850 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. A full copy in PDF format is posted on the SOS Consulting ***ShareFile*** site and is available for immediate download.

Use the URL link https://sosconsulting.sharefile.com/d-s4a104be567848578

(Please Note: The ShareFile service is powered by Citrix Systems and is completely secure.*)

The link to this file will be active for 30 days from the date of this letter. Your company can access and download the file a maximum of five (5) times. (Copies may be downloaded and shared as needed among your company.)

If preferred, you may call SOS Consulting, LLC at 903-488-9850, or email info@sosconsulting.us, and the same PDF file copy will be expedited to you via email.

Please use a subject like, "**Cowtown SWD October 2018 PDF Copy Request**".

Thank you for your attention in this matter.

Best regards,

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

Cc: Application File

SOS Consulting is committed to providing superior quality work using technology to assist clients and interested parties in obtaining the documentation required. SOS will continue to utilize methods for reducing papers copies and are less energy and resource intensive.

We hope you'll partner with us and appreciate these efforts.

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citrix ShareFile

C-108 - Item XIV

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310 Old Santa Fe Trail
Santa Fe, NM 87504

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Houston, TX 77002

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Santa Fe, NM 87504

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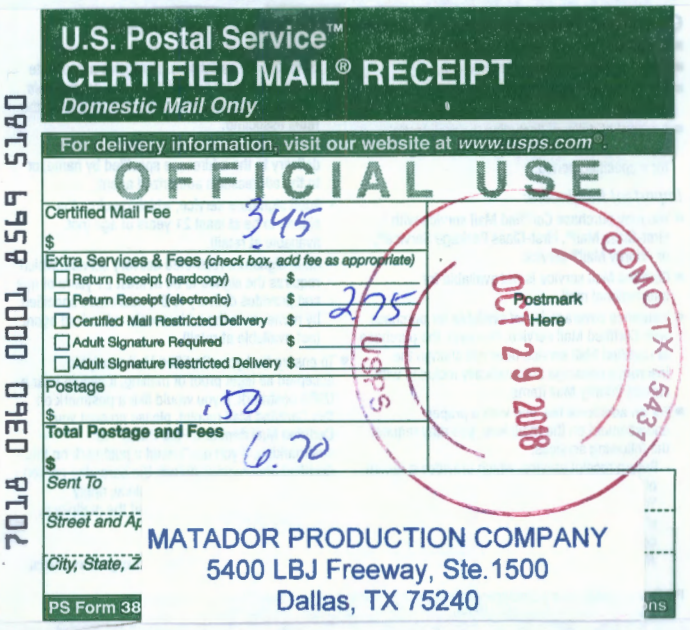
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C-108 - Item XIV

Proof of Notice – Legal Notice
Newspaper of General Circulation

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 modify its permit for salt water disposal in its Cowtown Loyd SWD Well No.1. The well is currently permitted by SWD-1372 for 8510 feet to 9540 feet in the Wolfcamp, Cisco/ Canyon formations, RWO, Inc. is proposing to extend the Upper Penn interval down to include perforations from 9630 feet to 9780 feet. Maximum injection pressure will remain as currently permitted; 1702 psi and a maximum rate limited only by such pressure. API No.30-015-23618 is located 1830 FSL & 510 FEL in Section 14, Township 18 South, Range 28 East in Eddy County, New Mexico.

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, (903)488-9850, info@sosconsulting.us.

Published in the Artesia Daily Press, Artesia, N.M., Oct. 28, 2018 Legal No. 24885.

The above is the "Proof Copy" sent from the Artesia Daily Press.
The affidavit of publication will be forwarded as soon as it is received.

Affidavit of Publication

No. 24885

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	October 28, 2018
Second Publication	
Third Publication	
Fourth Publication	
Fifth Publication	
Sixth Publication	
Seventh Publication	

Subscribed and sworn before me this

29th day of October 2018

OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO
My commission expires: 5/12/2019

Latisha Romine

Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:

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 modify its permit for salt water disposal in its Cowtown Loyd SWD Well No.1. The well is currently permitted by SWD-1372 for 8510 feet to 9540 feet in the Wolfcamp, Cisco/Canyon formations, RWO, Inc. is proposing to extend the Upper Penn interval down to include perforations from 9630 feet to 9780 feet. Maximum injection pressure will remain as currently permitted; 1702 psi and a maximum rate limited only by such pressure. API No.30-015-23618 is located 1830 FSL & 510 FEL in Section 14, Township 18 South, Range 28 East in Eddy County, New Mexico.

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Published in the Artesia Daily Press, Artesia, N.M., Oct. 28, 2018 Legal No. 24885.

Production Summary Report
API: 30-015-23618
COWTOWN LOYD #001

		Injection				
Year	Pool	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
1/1/2018	[96136] SWD;WOLFCAMP-CISCO	2125	0	0	0	0
2/1/2018	[96136] SWD;WOLFCAMP-CISCO	34	0	0	0	0
3/1/2018	[96136] SWD;WOLFCAMP-CISCO	0	0	0	0	0
4/1/2018	[96136] SWD;WOLFCAMP-CISCO	0	0	0	0	0
5/1/2018	[96136] SWD;WOLFCAMP-CISCO	1122	0	0	0	0
6/1/2018	[96136] SWD;WOLFCAMP-CISCO	356	0	0	0	0
7/1/2018	[96136] SWD;WOLFCAMP-CISCO	0	0	0	0	0
8/1/2018	[96136] SWD;WOLFCAMP-CISCO	0	0	0	0	0
Cum		168190				

McMillan, Michael, EMNRD

From: ben@sosconsulting.us
Sent: Thursday, December 6, 2018 12:48 PM
To: McMillan, Michael, EMNRD
Subject: RE: [EXT] BONE SPRING...RE: Ray Westall Operating Inc. Cowtown Loyd State Well No. 1
Attachments: 009b_SourceZonesWaterAnalyses_BS.pdf

Mike,

This was omitted… had it in the assembly for the previous month's iteration but it didn't get moved over with the rest of the exhibits for whatever reason… cranial rectitus I suppose.

Thanks,
Ben

From: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Sent: Thursday, December 06, 2018 1:40 PM
To: ben@sosconsulting.us
Subject: RE: [EXT] RE: Ray Westall Operating Inc. Cowtown Loyd State Well No. 1

Thanks for clarifying notification-You only notified the operator, not necessarily the affected parties on the tract map.

I did not see a Bone Spring water sample-Your claimed the initial application had one, but I did not see one.

Be nice I am a state employee

Mike

From: ben@sosconsulting.us <ben@sosconsulting.us>
Sent: Thursday, December 6, 2018 12:23 PM
To: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Subject: [EXT] RE: Ray Westall Operating Inc. Cowtown Loyd State Well No. 1

Notified the operator…

Ben

From: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Sent: Thursday, December 06, 2018 1:07 PM
To: Ben Stone <ben@sosconsulting.us>
Subject: Ray Westall Operating Inc. Cowtown Loyd State Well No. 1

Ben:
I am confused about your tract map and the affected parties.
Your tract map does not match the mailing to the affected parties. As an example, Tract 1 shows that WPX is the affected party, and you sent notice to Breitburn Operating. Tract 2 Map shows that EOG Resources and Read and Stevens are the affected parties. However, Your proof of mailing was for Breitburn was the affected parties.

There is the same relationship between the Tract maps and mailing of affected parties.

McMillan, Michael, EMNRD

From:	ben@sosconsulting.us
Sent:	Friday, October 12, 2018 9:57 AM
To:	McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD
Cc:	'Andy Juett'
Subject:	[EXT] Withdrawal of Ray Westall's Cowtown Loyd C-108...

Mike and Phillip,

Please withdraw the subject C-108 application from further review. We have reassessed the project and will submit a new C-108 to modify this well.

Thanks,
Ben

SOS Consulting, LLC
Ph. 903.488.9850 Fax 866.400.7628
P.O. Box 300 - Como, TX 75431 *Visit us on the web at www.sosconsulting.us!*

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McMillan, Michael, EMNRD

From: Holm, Anchor <aholm@slo.state.nm.us>
Sent: Friday, December 7, 2018 10:56 AM
To: McMillan, Michael, EMNRD
Cc: Martin, Ed; Crosby, Faith
Subject: [EXT] FW: Cowtown Llyd SWD#1 (30-015-23618) Proposed Deepening to U.Penn

Michael,

Below is my latest email sent to Ed Martin and Faith Crosby. I am not sure how it was forwarded.

Anchor E. Holm
Geoscientist/Petroleum Engineering Specialist
Oil Gas & Minerals Division
505.827.5759
New Mexico State Land Office
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, NM 87504-1148
aholm@slo.state.nm.us
nmstatelands.org

***The New Mexico State Land Office will be closed from 12/21/2018 at 1:OO PM – 01/01/2019. The office will reopen on 01/02/2019. Happy Holidays!**

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From: Holm, Anchor
Sent: Thursday, November 8, 2018 10:42 AM
To: Martin, Ed <emartin@slo.state.nm.us>; Crosby, Faith <fcrosby@slo.state.nm.us>
Subject: Cowtown Llyd SWD#1 (30-015-23618) Proposed Deepening to U.Penn

The State Land Office (SLO) has reviewed the application of Ray Westhall Operating, Inc. to deepen the Cowtown Lloyd SWD#1 (30-015-23618) well located 1,830' FSL, 510' FEL, Section 14, Township 18 South, Range 28 East, in Eddy County, New Mexico. The proposed additional saltwater disposal (SWD) injection interval is 9630'-9780' into the Upper Penn formation.

This Cowtown Lloyd oil well (30-015-22830) has produced oil from 9630'-9786 from 1981 to before plugging back to the Wolfcamp in 2004. Approximately 10 oil wells have produced oil and gas from the same interval, all located within 1 mile of the well in question.

The State Land Office plans to oppose this SWD revised application and will recommend that the New Mexico OCD deny this application to dispose of salt water into known producing oil and gas zone.

Anchor E. Holm
Geoscientist/Petroleum Engineering Specialist
Oil Gas & Minerals Division
505.827.5759
New Mexico State Land Office
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, NM 87504-1148
aholm@slo.state.nm.us
nmstatelands.org

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FORM C-108 Technical Review Summary [Prepared by reviewer and included with application; V16.2]

DATE RECORD: First Rec: 10/30/2018 **Admin Complete:** _____ **or Suspended:** _____ Add. Request/Reply: _____

ORDER TYPE: WFX / PMX / SWD Number: _____ Order Date: _____ Legacy Permits/Orders: _____

Well No. _____ Well Name(s): _____

API : 30-0 1 5 23618 (180 FSL) Spud Date: 2-21-18 New or Old (EPA): O (*UIC Class II Primacy 03/07/1982*)

Footages 330 FEL Lot ___ or Unit I Sec 14 Tsp 18S Rge 28E County Eddy

General Location: ~~330 FEL~~ 1830 FSL & 15 miles E/ Artesia Pool: SWD; WOLFCAMP-PERM Pool No.: _____

BLM 100K Map: Artesia Operator: Ray Westall Operating, Inc OGRID: 119305 Contact: Ben Stone; Agent

COMPLIANCE RULE 5.9: Total Wells: _____ Inactive: _____ **Fincl Assur:** _____ Compl. Order? _____ **IS 5.9 OK?** ___ **Date:** _____

WELL FILE REVIEWED ○ Current Status: Active

WELL DIAGRAMS: NEW: Proposed ○ or **RE-ENTER:** Before Conv. ○ After Conv. ○ Logs in Imaging: _____

Planned Rehab Work to Well: _____

Well Construction Details	Sizes (in) Borehole / Pipe	Setting Depths (ft)	Stage Tool	Cement Sx or Cf	Cement Top and Determination Method
Planned __or Existing __ Surface	17 1/2" / 13 3/8"	321'		325	Surface / Visual
Planned __or Existing __ Interm/Prod	11" / 8 5/8"	3102		1635	Surface / Visual
Planned __or Existing __ Interm/Prod	7 7/8" / 5 1/2"			760	
Planned __or Existing __ Prod/Liner					
Planned __or Existing __ Liner					
Planned __or Existing __ OH / PERF	8570' / 9750 ~~9500~~		Inj Length		

Injection Lithostratigraphic Units:	Depths (ft)	Injection or Confining Units	Tops
Adjacent Unit: Litho. Struc. Por.		Mc	9230
Confining Unit: Litho. Struc. Por.		Dn	9170
Proposed Inj Interval TOP:			
Proposed Inj Interval BOTTOM:			
Confining Unit: Litho. Struc. Por.			
Adjacent Unit: Litho. Struc. Por.			

Completion/Operation Details:

Drilled TD 9500 PBTD _____

NEW TD _____ NEW PBTD 9564

NEW Open Hole ○, or NEW Perfs ✓

Tubing Size 2 3/8 in. Inter Coated? _____

Proposed Packer Depth 8410 ft

Min. Packer Depth 8410 (100-ft limit) AS Permitted

Proposed Max. Surface Press. 1372 psi

Admin. Inj. Press. ~~1500~~ 1402 (0.2 psi per ft)

AOR: Hydrologic and Geologic Information

POTASH: R-111-P ___ *Noticed?* ___ **BLM Sec Ord** ○ **WIPP** ○ *Noticed?* ___ **Salt/Salado** T: ___ B: ___ **NW: Cliff House fm** ___

FRESH WATER: Aquifer ~~Alluvium~~ Quaternary Max Depth 200' **HYDRO AFFIRM STATEMENT By Qualified Person** ✓

NMOSE Basin: Capitan **CAPITAN REEF:** thru ___ adj (NA) **No. GW Wells in 1-Mile Radius?** 0 FW Analysis? N/A

Disposal Fluid: Formation Source(s) ~~Bell Canyon~~ Morrow Analysis? Y On Lease ○ Operator Only ○ or Commercial ✓

Disposal Interval: Inject Rate (Avg/Max BWPD): 3500 Protectable Waters? ___ Source: ___ System: Closed or Open

HC Potential: Producing Interval? ___ Formerly Producing? ___ Method: Logs/DST/P&A/Other ___ 2-Mi Radius Pool Map ○

AOR Wells: 1/2-M Radius Map and Well List? ___ **No. Penetrating Wells:** 3 [AOR Horizontals: ___ AOR SWDs: ___]

Penetrating Wells: No. Active Wells 2 Num Repairs? ___ on which well(s)? ___ Diagrams? ___

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

NOTICE: Newspaper Date 10-25-2018 Mineral Owner NMSLO Surface Owner NMSLO N. Date 10-29-2018

RULE 26.7(A): Identified Tracts? Y Affected Persons: Breitburn, MRC Permian N. Date 10-29-2018

Order Conditions: **Issues:** _____

Additonal COAs: _____