

# Initial Application Part I

Received: 7/28/2022

*This application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete*

|                            |           |                  |                               |
|----------------------------|-----------|------------------|-------------------------------|
| RECEIVED: <u>7/28/2022</u> | REVIEWER: | TYPE: <u>SWD</u> | APP NO: <u>pJZT2221032736</u> |
|----------------------------|-----------|------------------|-------------------------------|

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:** Saguaro 28 State No.1 SWD **API:** 30-015-34001  
**Pool:** SWD; Wolfcamp **Pool Code:** 96135

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

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]  
 A. Location – Spacing Unit – Simultaneous Dedication  
 NSL       NSP (PROJECT AREA)       NSP (PRORATION UNIT)       SD
- B. Check one only for [ I ] or [ II ]  
 [ I ] Commingling – Storage – Measurement  
 DHC    CTB    PLC    PC    OLS    OLM  
 [ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery  
 WFX    PMX    SWD    IPI    EOR    PPR

- 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

|   |
|---|
| <b>FOR OCD ONLY</b>                                   |
| <input type="checkbox"/> Notice Complete              |
| <input type="checkbox"/> Application Content Complete |

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

7/28/2022  
Date

903-488-9850  
Phone Number

ben@sosconsulting.us  
e-mail Address

July 28, 2022

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

Attn: Ms. Adrienne Sandoval, Director

*Re: Application of Ray Westall Operating, Inc. to permit for salt water disposal in the Saguario 28 State Well No.1, API No.30-015-34001 located in Section 28, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.*

Dear Ms. Sandoval,

Please find enclosed form C-108 Application for Authority to Inject, supporting the above-referenced request to covert for disposal, the Saguario 28 State No.1.

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 July 28, 2022 edition of the Artesia Daily Press and all offset operators and other interested parties have been notified individually. The legal notice affidavit is included herein. This application also includes wellbore schematics, area of review maps, leaseholder plats and other required information for a complete Form C-108. The well is located on state 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

**APPLICATION FOR AUTHORIZATION TO INJECT**

- I. PURPOSE: ***Salt Water Disposal*** and the application ***qualifies*** for administrative approval.
- II. OPERATOR: ***Ray Westall Operating, Inc. (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.***
- 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. ***(0 (NO) AOR wells penetrate the subject interval.)*** *The data includes a description of each well's type, construction, date drilled, location, depth, and a schematic of any plugged well illustrating all plugging detail.*
- VII. ***The following data is ATTACHED*** on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
  2. Whether the system is open or closed;
  3. Proposed average and maximum injection pressure;
  4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
  5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- \*VIII. ***Appropriate geologic data on the injection zone is ATTACHED*** including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. ***The well may be acidized to clean perforations and formation wall w/ 15% HCl w/ up to 3500 gals.***
- \*X. ***There is no applicable test data on the well however, any previous well logs 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 is 1 water well within one mile the proposed salt water disposal well.***
- XII. ***An affirmative statement is ATTACHED that available geologic and engineering data has been examined and no evidence was found*** of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. ***"Proof of Notice" section on the next page of this form has been completed and ATTACHED.***  
***There are 2 offset 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: ***7/28/2022***

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:

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.

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NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

|   |  |   |  |   |                                 |
|---|--|---|--|---|---------------------------------|
| <sup>1</sup> API Number<br>30-015-34001 |  | <sup>2</sup> Pool Code<br>96135                           |  | <sup>3</sup> Pool Name<br>SWD; Wolfcamp |                                 |
| <sup>4</sup> Property Code<br>TBD       |  | <sup>5</sup> Property Name<br>Saguaro 28 State            |  |   | <sup>6</sup> Well Number<br>1   |
| <sup>7</sup> OGRID No.<br>119305        |  | <sup>8</sup> Operator Name<br>Ray Westall Operating, Inc. |  |   | <sup>9</sup> Elevation<br>3542' |

<sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| L             | 28      | 18S      | 28E   |         | 1606'         | FSL              | 518'          | FWL            | Eddy   |

<sup>11</sup> Bottom Hole Location If Different From Surface

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

|                                      |                               |                                  |  |
|--------------------------------------|-------------------------------|----------------------------------|--|
| <sup>12</sup> Dedicated Acres<br>n/a | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No.<br>SWD pending |
|--------------------------------------|-------------------------------|----------------------------------|--|

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

|   |   |  |  |
|---|---|--|--|
| <sup>16</sup><br><br><br><br><br><br><br><br><br><br><br> | <sup>17</sup> OPERATOR CERTIFICATION<br><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i><br><br>Signature <span style="float: right;">7/21/2022</span><br>Date<br><b>Ben Stone</b><br>Printed Name<br><b>ben@sosconsulting.us</b><br>E-mail Address |  |  |
|   | <sup>18</sup> SURVEYOR CERTIFICATION<br><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i><br><b>November 30, 2004</b><br>Date of Survey<br>Signature and Seal of Professional Surveyor:  |  |  |
|   | <b>Macon McDonald</b><br><b>12185</b><br>Certificate Number   |  |  |

# **C-108 - Items III, IV, V**

## **Item III - Subject Well Data**

Wellbore Diagram – PROPOSED

## **Item IV – Tabulation of AOR Wells**

No Wells (0) Penetrate the Proposed Injection Interval.

## **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

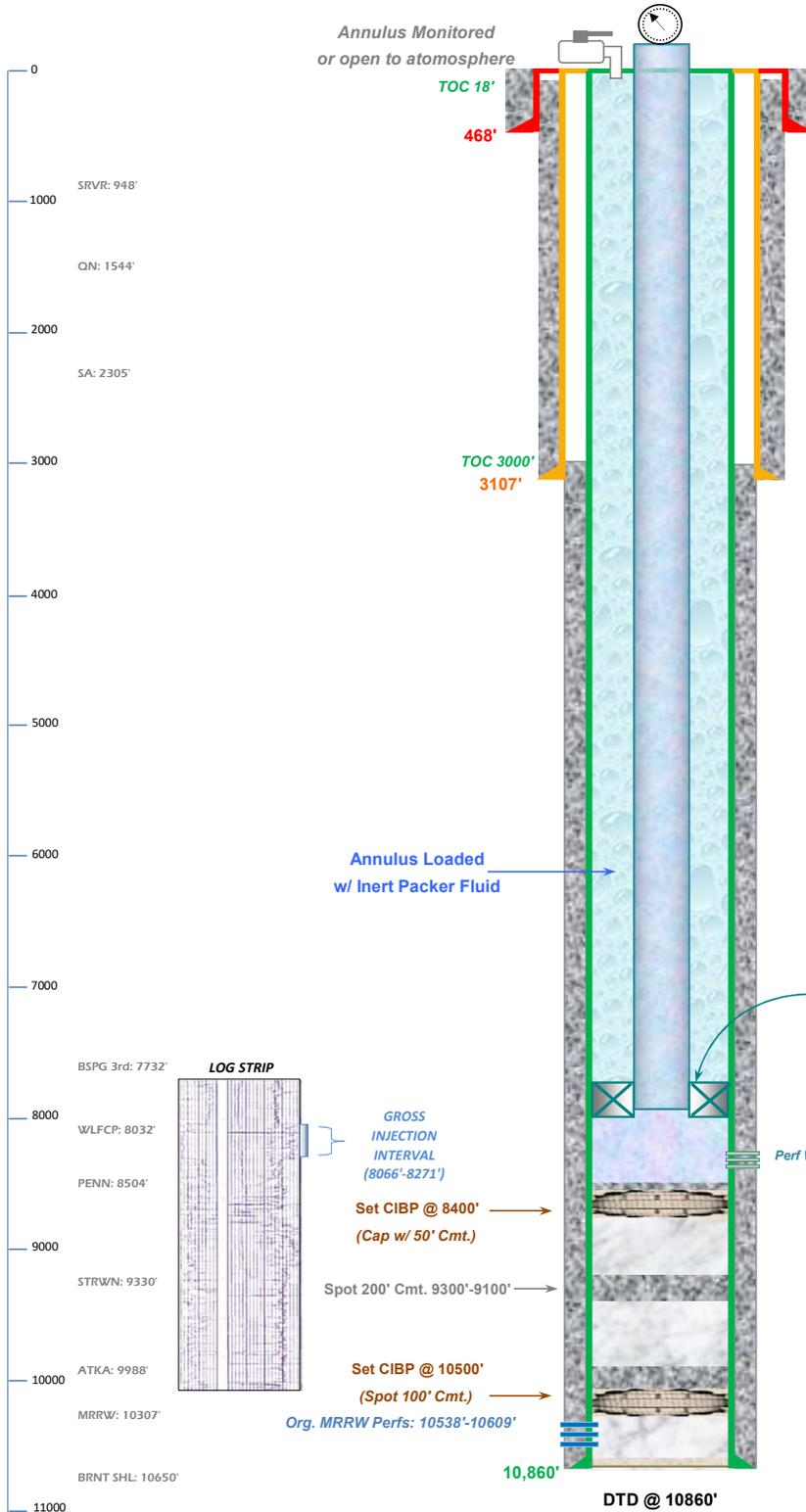
## Saguaro 28 State Well No.1 SWD

SWD; Wolfcamp (96135)

API 30-015-34001

1606' FSL & 518' FWL, SEC. 28-T18S-R28E  
EDDY COUNTY, NEW MEXICO

Spud Date: 5/06/2005  
Config SWD Dt (Est): ~9/15/2



Injection Pressure Regulated  
and Volumes Reported  
1613 psi Max. Surface (0.2 psi/ft)

**Surface Casing**

13.375", 48.0# H-40 STC Csg. (17.5" Hole) @ 468'  
595 sx - Circulated to Surface

**Intermediate Casing**

8.625", 32.0# J-55 Csg. (11.0" Hole) @ 3107'  
910 sx - TOC @ 18' Mtd N/R

**RAY WESTALL OPERATING, INC.**

Convert to SWD: D/O & C/O Existing Plugs.

Set CIBP @ 8400' w/ 50' Cmt Cap.

Perforate Specific Intervals TBD.

Run PC Tubing and PKR - Conduct MIT.

Commence Disposal Operations.

3.5" IC Tubing (or smaller)

PKR ~7966'

Note: PKR Set 100' Above Final Uppermost Perf Interval.

Perf WC (8066'-8271')

Specific Perf Intervals To Be Determined

Between Max Top 8066' and Max Bottom 8271'

**Production Casing**

5.5", 17.0# P-110 Csg. (7.875" Hole) @ 10,860'  
DV @ 7461; w. 540 sx; 525 sx - TOC @ 3000' by Mth N

DTD @ 10860'

Drawn by: Ben Stone, Rvs'd 8/23/2021



Form C-108 Item VI - Tabulation of AOR Wells

Top of Proposed WOLFCAMP Interval 806'

NO (0) Wells Penetrate Proposed Interval.

| API   | Current Operator                         | Well Name        | Well Number | Type      | Lease | Status   | ULSTR        | Depth         | Plugged On |
|---|--|------------------|-------------|-----------|-------|----------|--------------|---------------|------------|
| <i>Subject Well</i>   |  |                  |             |           |       |          |              |               |            |
| 30-015-34001  | [225437] SBKF, LLC                       | SAGUARO 28 STATE | #001        | Gas       | State | P&A-Rlsd | L-28-18S-28E | 10860'        | 2/11/2010  |
| <i>See attached CURRENT (P&amp;A) and PROPOSED Wellbore Diagrams.</i> |  |                  |             |           |       |          |              |               |            |
| <i>Section 28 Wells</i>   |  |                  |             |           |       |          |              |               |            |
| 30-015-06125  | [154329] SANDLOTT ENERGY (J. BREWER DBA) | WELCH DUKE STATE | #018        | Oil       | State | Active   | C-28-18S-28E | 2320'         |            |
| 30-015-02090  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #014        | Oil       | State | P&A-Rlsd | E-28-18S-28E | 2022'         | 1/1/1900   |
| 30-015-06173  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #013        | Oil       | State | P&A-Rlsd | E-28-18S-28E | 2018'         | 1/1/1900   |
| 30-015-06124  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #017        | Oil       | State | P&A-Rlsd | E-28-18S-28E | 2035'         | 1/1/1900   |
| 30-015-02088  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #011        | Oil       | State | P&A-Rlsd | F-28-18S-28E | 2000'         | 1/1/1900   |
| 30-015-02083  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #004        | Oil       | State | P&A-Rlsd | F-28-18S-28E | 2043'         | 1/1/1900   |
| 30-015-02080  | [154329] SANDLOTT ENERGY (J. BREWER DBA) | WELCH DUKE STATE | #001        | Oil       | State | Active   | F-28-18S-28E | 2300'         |            |
| 30-015-02081  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #002        | Oil       | State | P&A-Rlsd | F-28-18S-28E | 2061'         | 1/1/1900   |
| 30-015-06108  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #026        | Oil       | State | P&A-Rlsd | G-28-18S-28E | 2075'         | 1/1/1900   |
| 30-015-02094  | [371169] GFG OPERATING LLC               | TOOMEY ALLEN     | #001        | Oil       | State | P&A-Rlsd | J-28-18S-28E | 2078'         | 4/9/2018   |
| 30-015-02095  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #002        | Oil       | State | P&A-Rlsd | J-28-18S-28E | 2297'         | 1/1/1900   |
| 30-015-02078  | [225437] SBKF, LLC                       | TWIN LAKES       | #013        | Injection | State | P&A-Rlsd | K-28-18S-28E | 2060'         | 12/10/2008 |
| 30-015-02064  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #004        | Oil       | State | P&A-Rlsd | K-28-18S-28E | 2052'         | 1/1/1900   |
| 30-015-02060  | [225437] SBKF, LLC                       | TWIN LAKES       | #005        | Oil       | State | Active   | K-28-18S-28E | 2493'         |            |
| 30-015-02061  | [225437] SBKF, LLC                       | TWIN LAKES       | #006        | Oil       | State | Active   | K-28-18S-28E | 2300'         |            |
| 30-015-10624  | [225437] SBKF, LLC                       | TWIN LAKES       | #011        | Oil       | State | Active   | K-28-18S-28E | 2074'         |            |
| 30-015-06112  | [225437] SBKF, LLC                       | TWIN LAKES       | #010        | Oil       | State | Active   | L-28-18S-28E | 2068'         |            |
| 30-015-02059  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #003        | Oil       | State | P&A-Rlsd | L-28-18S-28E | 2110'         | 1/1/1901   |
| 30-015-02063  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #008        | Oil       | State | P&A-Rlsd | L-28-18S-28E | 2015'         | 1/1/1900   |
| 30-015-02066  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #002        | Oil       | State | P&A-Rlsd | M-28-18S-28E | Assm'd ~2100' | 1/1/1901   |
| 30-015-02058  | [225437] SBKF, LLC                       | TWIN LAKES       | #002        | Oil       | State | Active   | M-28-18S-28E | 2029'         |            |
| 30-015-02062  | [225437] SBKF, LLC                       | TWIN LAKES       | #007        | Injection | State | Active   | M-28-18S-28E | 2050'         |            |
| 30-015-02077  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #012        | Oil       | State | P&A-Rlsd | M-28-18S-28E | 2041'         | 1/1/1900   |
| 30-015-06110  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #001        | Oil       | State | P&A-Rlsd | M-28-18S-28E | 2036'         | 1/1/1901   |
| 30-015-10196  | [225437] SBKF, LLC                       | TWIN LAKES       | #014        | Oil       | State | Active   | M-28-18S-28E | 2057'         |            |
| 30-015-10198  | [225437] SBKF, LLC                       | TWIN LAKES       | #015        | Oil       | State | Active   | N-28-18S-28E | 2083'         |            |
| 30-015-02101  | [225437] SBKF, LLC                       | TWIN LAKES       | #009        | Oil       | State | Active   | N-28-18S-28E | 2820'         |            |
| <i>Section 29 Wells</i>   |  |                  |             |           |       |          |              |               |            |
| 30-015-02130  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #003        | Oil       | State | P&A-Rlsd | G-29-18S-28E | 2060'         | 1/1/1900   |
| 30-015-06131  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #034        | Oil       | State | P&A-Rlsd | H-29-18S-28E | 2100'         | 1/1/1900   |
| 30-015-02118  | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL  | #015        | Oil       | State | P&A-Rlsd | H-29-18S-28E | 2050'         | 1/1/1901   |



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

*Section 29 Wells (cont.)*

|              |  |                    |      |     |       |          |              |       |          |
|--------------|--|--------------------|------|-----|-------|----------|--------------|-------|----------|
| 30-015-02119 | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL    | #029 | Oil | State | P&A-Rlsd | H-29-18S-28E | 2032' | 1/1/1900 |
| 30-015-02120 | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL    | #040 | Oil | State | P&A-Rlsd | I-29-18S-28E | 2047' | 1/1/1901 |
| 30-015-10233 | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL    | #338 | Oil | State | P&A-Rlsd | I-29-18S-28E | 2043' | 1/1/1900 |
| 30-015-02124 | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL    | #058 | Oil | State | P&A-Rlsd | J-29-18S-28E | 1986' | 1/1/1900 |
| 30-015-02116 | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL    | #011 | Oil | State | P&A-Rlsd | J-29-18S-28E | 2040' | 1/1/1901 |
| 30-015-02110 | [154329] SANDLOTT ENERGY (J. BREWER DBA) | RESLER YATES STATE | #343 | Oil | State | Active   | O-29-18S-28E | 2052' |          |
| 30-015-02117 | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL    | #012 | Oil | State | P&A-Rlsd | P-29-18S-28E | 2025' | 1/1/1901 |
| 30-015-02121 | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL    | #048 | Oil | State | P&A-Rlsd | P-29-18S-28E | 2047' | 1/1/1900 |
| 30-015-02115 | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL    | #008 | Oil | State | P&A-Rlsd | P-29-18S-28E | 2024' | 1/1/1900 |
| 30-015-23393 | [154329] SANDLOTT ENERGY (J. BREWER DBA) | RESLER YATES STATE | #344 | Oil | State | Active   | P-29-18S-28E | 2066' |          |
| 30-015-02122 | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL    | #049 | Oil | State | P&A-Rlsd | P-29-18S-28E | 2052' | 1/1/1900 |

*Section 32 Wells*

|              |  |                    |      |           |       |          |              |       |          |
|--------------|--|--------------------|------|-----------|-------|----------|--------------|-------|----------|
| 30-015-02147 | [214263] PRE-ONGARD WELL OPERATOR        | PRE-ONGARD WELL    | #028 | Oil       | State | P&A-Rlsd | A-32-18S-28E | 3126' | 1/1/1900 |
| 30-015-02148 | [154329] SANDLOTT ENERGY (J. BREWER DBA) | RESLER YATES STATE | #355 | Injection | State | Active   | A-32-18S-28E | 2064' |          |
| 30-015-02151 | [154329] SANDLOTT ENERGY (J. BREWER DBA) | RESLER YATES STATE | #020 | Oil       | State | Active   | A-32-18S-28E | 2100' |          |

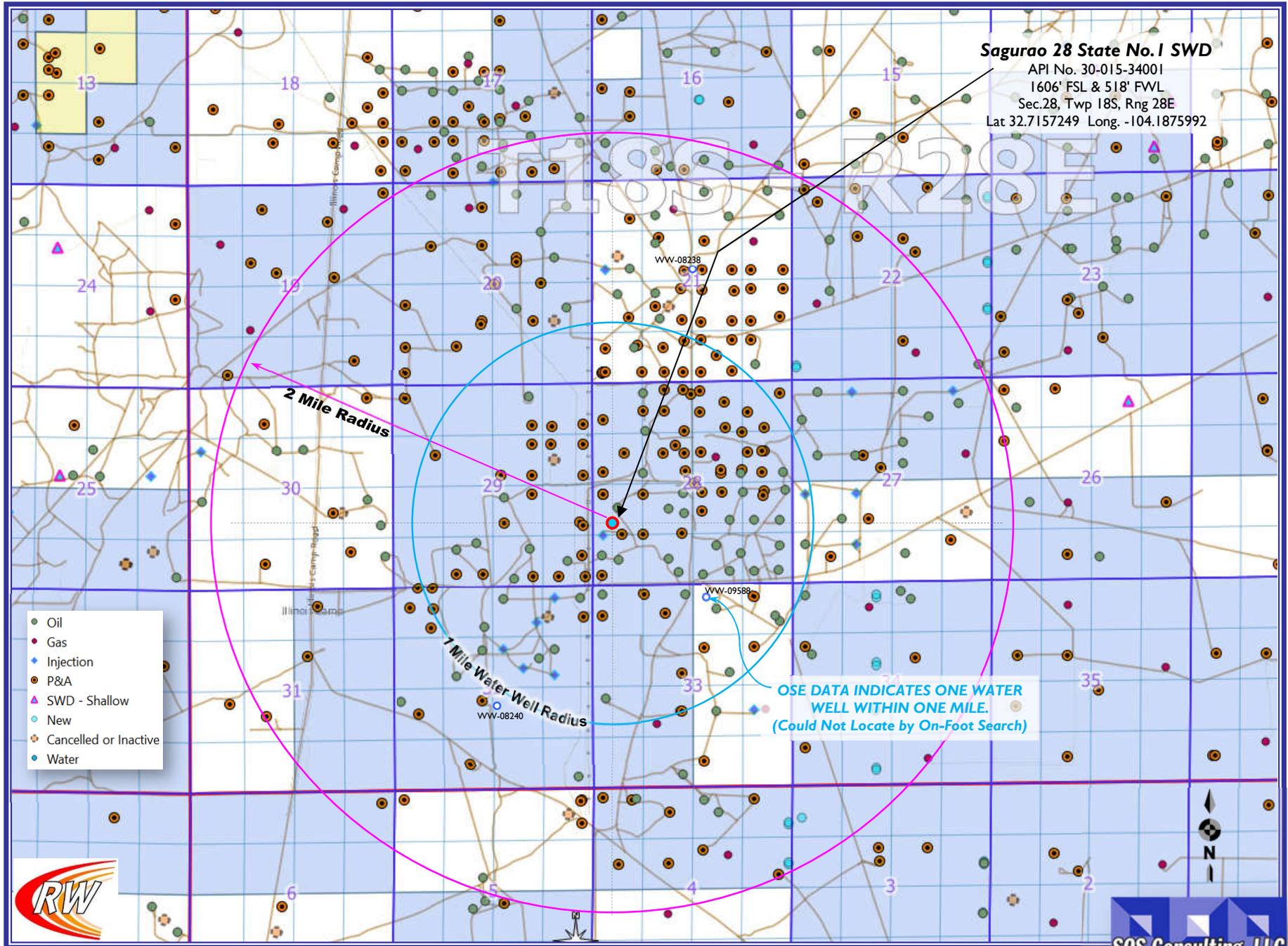
*Section 33 Wells*

|              |                                   |                 |      |     |       |          |              |       |          |
|--------------|-----------------------------------|-----------------|------|-----|-------|----------|--------------|-------|----------|
| 30-015-02163 | [214263] PRE-ONGARD WELL OPERATOR | PRE-ONGARD WELL | #002 | Oil | State | P&A-Rlsd | C-33-18S-28E | 2700' | 1/1/1900 |
| 30-015-02166 | [225437] SBKF, LLC                | YATES           | #004 | Oil | State | Active   | C-33-18S-28E | 2110' |          |
| 30-015-02164 | [225437] SBKF, LLC                | YATES           | #001 | Oil | State | Active   | D-33-18S-28E | 2050' |          |
| 30-015-02165 | [214263] PRE-ONGARD WELL OPERATOR | PRE-ONGARD WELL | #003 | Oil | State | P&A-Rlsd | D-33-18S-28E | 2055' | 1/1/1900 |

**SUMMARY: NO (0) wells penetrate proposed disposal interval.**

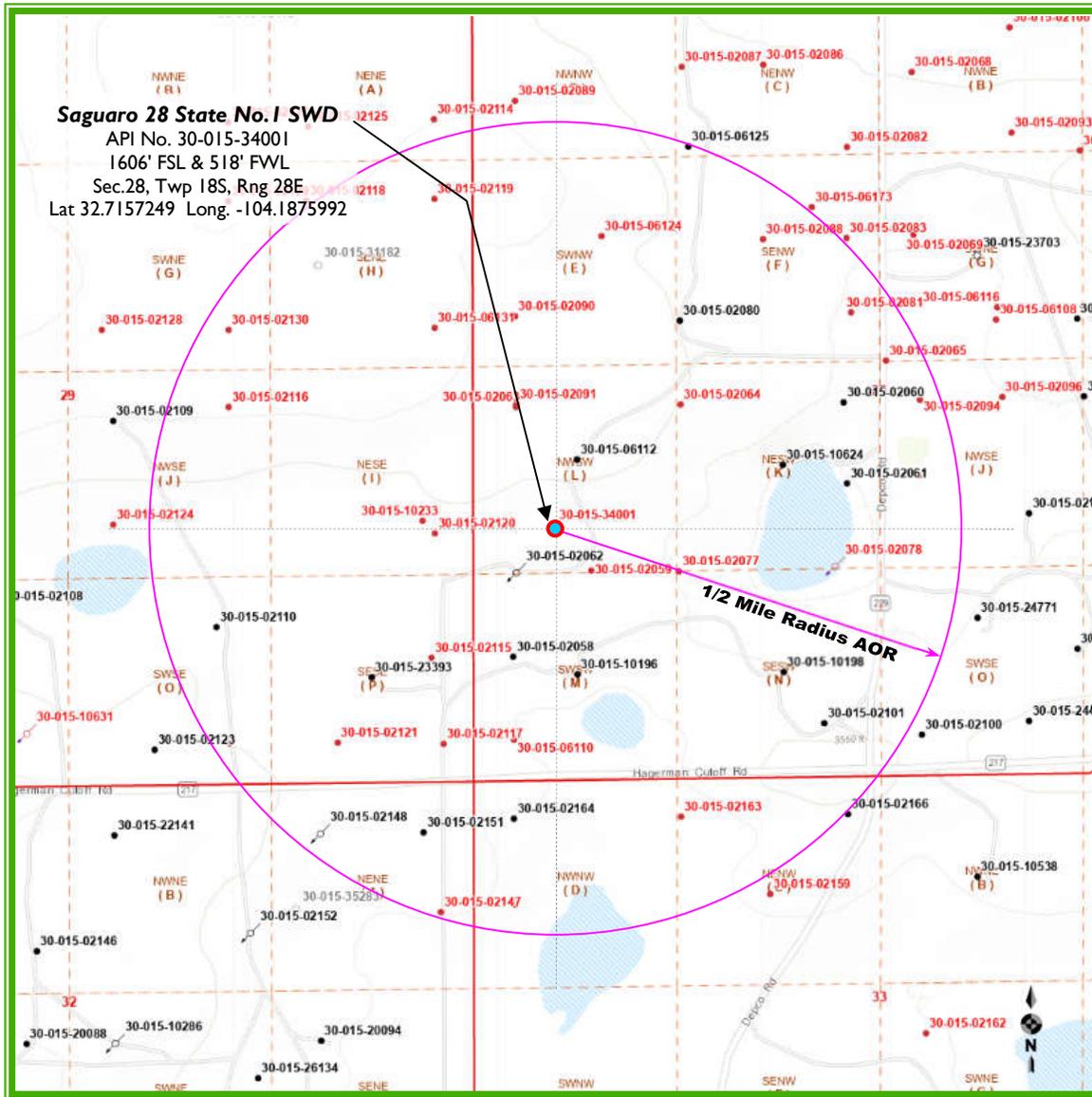
# Saguaro State 28 No.1 SWD - Area of Review / 2 Miles

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

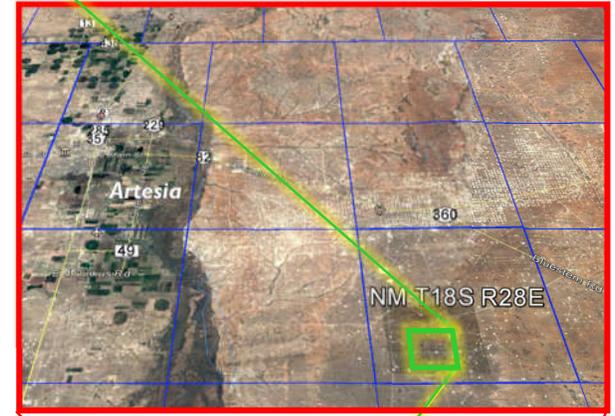


# Saguaro 28 State Well No.1 SWD - Area of Review / Overview Map

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



14.9 miles Southeast of Artesia, NM



Eddy County, New Mexico



**RAY WESTALL OPERATING, INC.**



**C-108 ITEM X – LOGS and AVAILABLE TEST DATA**

A log strip from subject well is attached.

**LOG STRIP FOLLOWS**

|   |  |  |  |
|---|--|--|--|
| <b>BP</b><br>Saguaro State 28 #1<br>Central Eddy<br>Eddy  |  | State: New Mexico                                  |  |
| <b>PLATFORM EXPRESS</b><br>Three Detector Litho-Density<br>Compensated Neutron / Spectral Gamma Ray   |  |  |  |
| LOCATION<br>1806 FSL & 318' FWL<br>Section 26, T18S, R28E   |  | Elev: K.B. 3556 ft<br>G.L. 3542 ft<br>D.F. 3555 ft |  |
| Permanent Datum<br>Log Measured From<br>Drilling Measured From  |  | Ground Level<br>Kelly Bushing<br>Kelly Bushing     |  |
| API Serial No<br>30-015-34001   |  | Section<br>28                                      |  |
| Logging Date<br>8-Jun-2005  |  | Township:<br>18S                                   |  |
| Run Number<br>One   |  | Range:<br>28E                                      |  |
| <b>RECEIVED</b><br>JUN 18 2005<br>INTERMOUNTAIN   |  |  |  |
| Logging Date: 8-Jun-2005<br>Run Number: One<br>Depth Driller: 10980 ft<br>Schlumberger Depth: 10980 ft<br>Bottom Log Interval: 10942 ft<br>Top Log Interval: 200 ft<br>Casing Driller Size @ Depth: 8.625 in<br>Casing Schlumberger: 3107 ft<br>Bit Size: 7.875 in<br>Type Fluid In Hole: Brine - Polymer / Barite<br>Density: 10.7 lbm/gal<br>Viscosity: 40 s<br>Fluid Loss: 3.5 cm3<br>Source Of Sample: Calculator Tank<br>RMF @ Measured Temperature: 0.046 ohm/m<br>RMC @ Measured Temperature: 0.035 ohm/m<br>Source RMF: 0.046<br>Source RMC: 0.035<br>RMF @ MRT: 0.028<br>RMC @ MRT: 0.020<br>Maximum Recorded Temperature: 159 degF<br>Circulation Stopped: 8-Jun-2005 19:30<br>Logger On Bottom: 8-Jun-2005 14:00<br>Unit Number: 5076<br>Recorded By: PVE-WAYNE<br>Witnessed By: Mr. John Elbert |  |  |  |

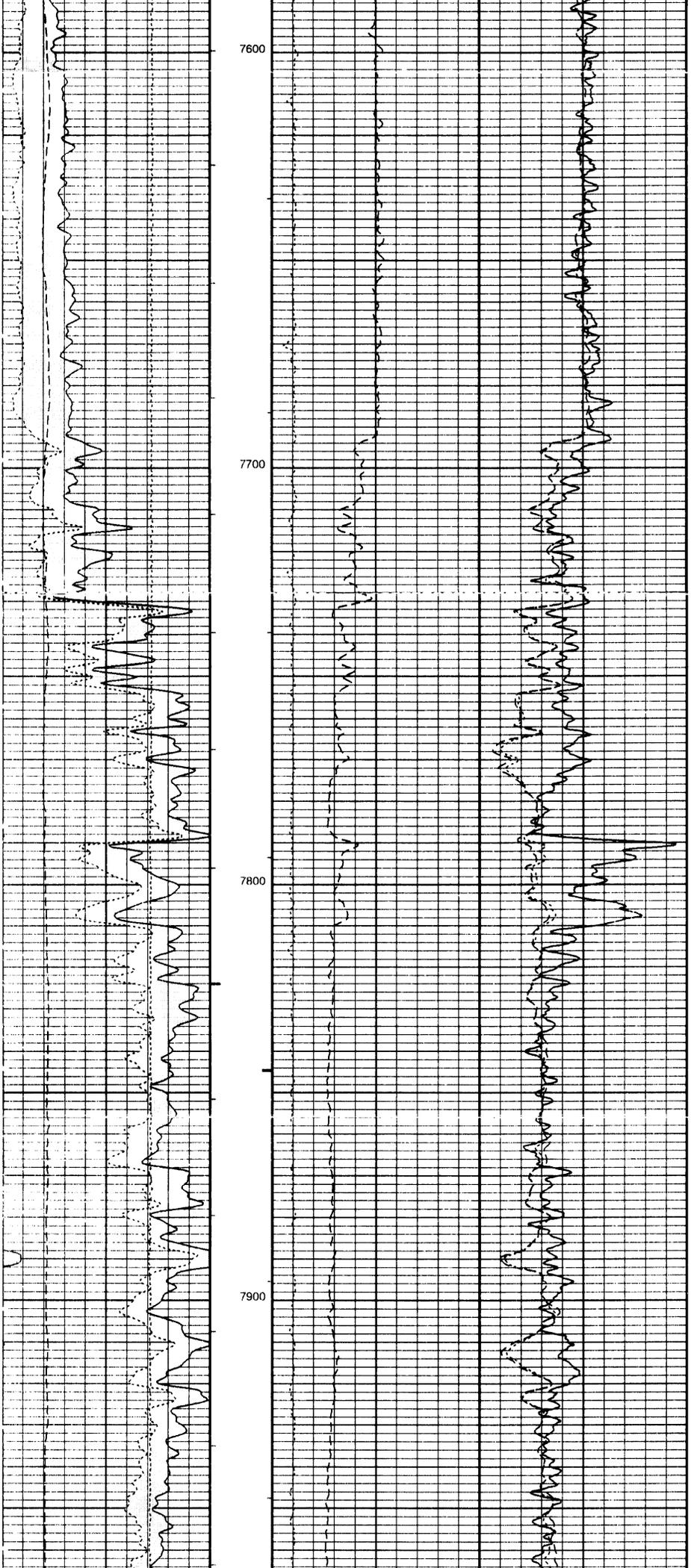
**DEPTH SUMMARY LISTING**

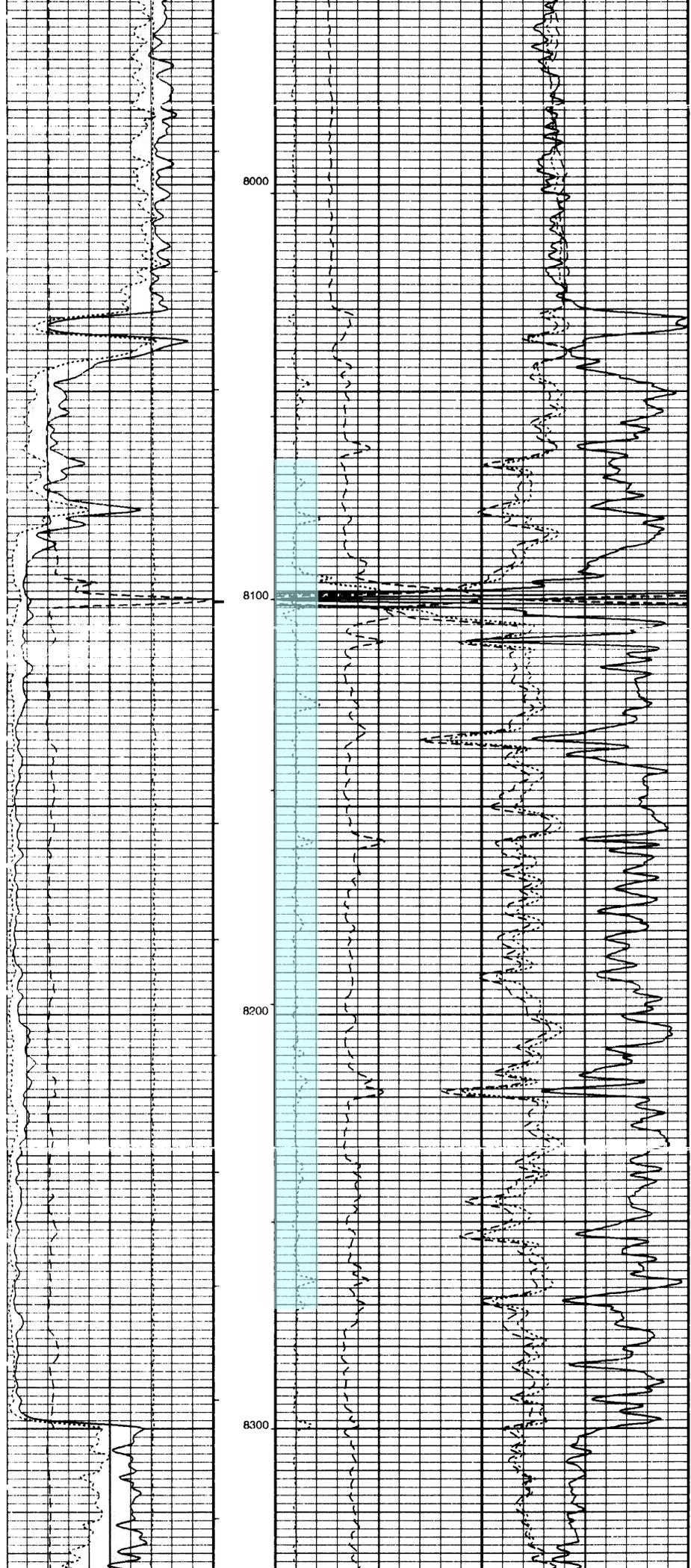
Date Created: 8-JUN-2005 13:17:31

| Depth System Equipment   |  |  |
|--|--|--|
| Depth Measuring Device   | Tension Device   | Logging Cable  |
| Type: IDW-B<br>Serial Number: 800804<br>Calibration Date: 3-Mar-2005<br>Calibrator Serial Number: 1<br>Calibration Cable Type: 7-39P-LXS<br>Wheel Correction 1: -1<br>Wheel Correction 2: -4 | Type: CMTD-B/A<br>Serial Number: 1740<br>Calibration Date: 13-May-2005<br>Calibrator Serial Number: 1017<br>Calibration Gain: 0.92<br>Calibration Offset: 293.00 | Type: 7-39P-LXS<br>Serial Number: 3156<br>Length: 17600.00 FT<br>Conveyance Method: Wireline<br>Rig Type: LAND |

| Depth Control Parameters    |                       |
|-----------------------------|-----------------------|
| Log Sequence:               | First Log In the Well |
| Rig Up Length At Surface:   | 248.70 FT             |
| Rig Up Length At Bottom:    | 248.50 FT             |
| Rig Up Length Correction:   | 0.20 FT               |
| Stretch Correction:         | 3.50 FT               |
| Tool Zero Check At Surface: | 0.20 FT               |

- Depth Control Remarks**
1. Standard Schlumberger depth policy followed for first run in hole.
  2. Rig up length measured at surface and bottom; difference added to depth.
  3. Stretch determined by comparing the uplog to the reference downlog.
  4. Tool zeroed at surface to verify depth control.
  - 5.
  - 6.





Proposed  
Injection  
Interval  
8066 feet  
to  
8271 feet

## **C-108 ITEM VII – PROPOSED OPERATION**

The Saguaro 28 State No.1 SWD will be operated as a commercial disposal service to area operators to facilitate in disposal of produced water from typical producing formations in the area. (Samples are included in this application from San Andres, Delaware and Morrow potential source waters and Wolfcamp and Penn proposed disposal formation waters - chlorides and TDS are relative compatible.)

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

Injection pressure will be 1613 psi with rates limited only by that pressure but are not expected to be greater than approximately 1500 bwpd. In the future, Ray Westall Operating, Inc. may opt to conduct a step rate test if it is determined that greater rates may be required. This would be submitted to OCD as a request to increase the injection pressure.

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

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

e-Permitting  
C-108 Submittal

Attachment Category

Seismicity Analysis

For High Volume Devonian Wells

**(NOT APPLICABLE TO THIS APPLICATION)**

## **C-108 ITEM VII – PRODUCED WATER ANALYSES**

### Item VII.4 – Water Analysis of Source Zone Water

San Andres  
Delaware  
Morrow

### Item VII.5 – Water Analysis of Disposal Zone Water

Penn (Canyon)  
Wolfcamp

**Water Analyses follow this page.**

C-108 - Item VII.5

Water Analysis - Source Water - SAN ANDRES

## B J Services Water Analysis

Artesia District Laboratory  
(505)-746-3140

|                         |                       |
|-------------------------|-----------------------|
| Date: 8-Nov-00          | Test #:               |
| Company: SDX Resources  | Well #:               |
| Lease: Chalk Federal #2 | County: <u>Eddy</u>   |
| State: N.M.             | Formation: San Andres |
| Depth: 2900             | Source:               |

|                  |      |           |      |
|------------------|------|-----------|------|
| pH:              | 6.51 | Temp (F): | 58.3 |
| Specific Gravity | 1.12 |           |      |

| <u>CATIONS</u> | mg/l  | me/l   | ppm   |
|----------------|-------|--------|-------|
| Sodium (calc.) | 64602 | 2370.7 | 48862 |
| Calcium        | 3208  | 160.1  | 2864  |
| Magnesium      | 1458  | 120.0  | 1302  |
| Barium         | < 25  | ---    | ---   |
| Potassium      | < 10  | ---    | ---   |
| Iron           | 3     | 0.1    | 2     |

| <u>ANIONS</u>                        | mg/l          | me/l         | ppm           |
|--------------------------------------|---------------|--------------|---------------|
| Chloride                             | 83000         | 2623.4       | 83038         |
| Sulfate                              | 1071          | 22.3         | 957           |
| Carbonate                            | < 1           | ---          | ---           |
| Bicarbonate                          | 878           | 14.4         | 764           |
| <b>Total Dissolved Solids(calc.)</b> | <b>154120</b> |              | <b>137607</b> |
| <b>Total Hardness as CaCO3</b>       | <b>14014</b>  | <b>280.0</b> | <b>12513</b>  |

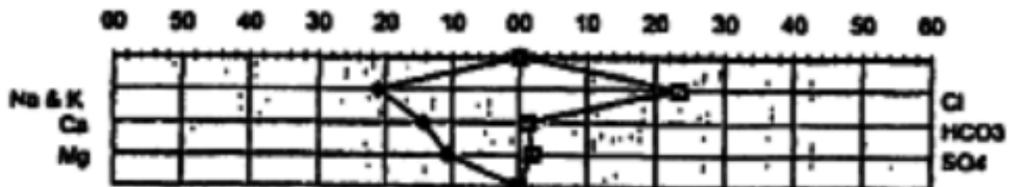
**COMMENTS:**

Rw= 0.0647 @ 51.1 deg.

**SCALE ANALYSIS:**

|              |         |  |                   |
|--------------|---------|--|-------------------|
| CaCO3 Factor | 2817907 | Calcium Carbonate Scale Probability -> |                   |
| CaSO4 Factor | 3849600 | Calcium Sulfate Scale Probability ->   | Probabl<br>Remote |

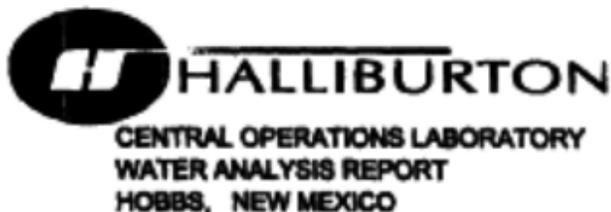
Stiff Plot





C-108 - Item VII.5

Water Analysis - Source Water - MORROW



COMPANY Marbob REPORT DATE W02-128  
June 18, 2002  
DISTRICT Hobbs

SUBMITTED BY Jim Trele

WELL Ruger St. #1 DEPTH \_\_\_\_\_ FORMATION \_\_\_\_\_  
COUNTY \_\_\_\_\_ FIELD \_\_\_\_\_ SOURCE \_\_\_\_\_

SAMPLE Morrow Prod. Water

|              |                   |              |              |              |
|--------------|-------------------|--------------|--------------|--------------|
| Sample Temp. | <u>84</u> °F      | _____ °F     | _____ °F     | _____ °F     |
| RESISTIVITY  | <u>0.13</u>       | _____        | _____        | _____        |
| SPECIFIC GR. | <u>1.040</u>      | _____        | _____        | _____        |
| pH           | <u>6.93</u>       | _____        | _____        | _____        |
| CALCIUM      | <u>4,500</u> mpl  | _____ mpl    | _____ mpl    | _____ mpl    |
| MAGNESIUM    | <u>6,300</u> mpl  | _____ mpl    | _____ mpl    | _____ mpl    |
| CHLORIDE     | <u>34,983</u> mpl | _____ mpl    | _____ mpl    | _____ mpl    |
| SULFATES     | <u>light</u> mpl  | _____ mpl    | _____ mpl    | _____ mpl    |
| BICARBONATES | <u>18</u> mpl     | _____ mpl    | _____ mpl    | _____ mpl    |
| SOLUBLE IRON | <u>0</u> mpl      | _____ mpl    | _____ mpl    | _____ mpl    |
| Sodium       | _____ mpl         | <u>0</u> mpl | <u>0</u> mpl | <u>0</u> mpl |
| TDS          | _____ mpl         | <u>0</u> mpl | <u>0</u> mpl | <u>0</u> mpl |
| OIL GRAVITY  | <u>0</u> °F       | <u>0</u> °F  | <u>0</u> °F  | <u>0</u> °F  |

REMARKS \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MPL = Milligrams per liter  
Resistivity measured in: Ohm-cm/25°C

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 persons and employees thereof receiving such report from Halliburton Co.

ANALYST: Mike Armstrong

## Water Analysis - Disposal Zone



# Water Analysis

Date: 2/24/2005

2401 Sivley, Artesia NM 88210

Phone (505) 746-3140 Fax (505) 746-2293

## Analyzed For

| Company | Well Name | County | State      |
|---------|-----------|--------|------------|
| Westall | State G#1 | Eddy   | New Mexico |

## Sample Source

Sample #

1

## Formation

Canyon

## Depth

|                  |       |                 |            |
|------------------|-------|-----------------|------------|
| Specific Gravity | 1.050 | SG @ 60 °F      | 1.051      |
| pH               | 6.30  | Sulfides        | Not Tested |
| Temperature (°F) | 65    | Reducing Agents | Not Tested |

## Cations

|                    |         |       |        |       |
|--------------------|---------|-------|--------|-------|
| Sodium (Calc)      | in Mg/L | 9,518 | in PPM | 9,056 |
| Calcium            | in Mg/L | 5,600 | in PPM | 5,328 |
| Magnesium          | in Mg/L | 240   | in PPM | 228   |
| Soluble Iron (FE2) | in Mg/L | 300.0 | in PPM | 285   |

## Anions

|                               |         |        |        |        |
|-------------------------------|---------|--------|--------|--------|
| Chlorides                     | in Mg/L | 24,000 | in PPM | 22,835 |
| Sulfates                      | in Mg/L | 2,000  | in PPM | 1,903  |
| Bicarbonates                  | in Mg/L | 185    | in PPM | 178    |
| Total Hardness (as CaCO3)     | in Mg/L | 15,000 | in PPM | 14,272 |
| Total Dissolved Solids (Calc) | in Mg/L | 41,844 | in PPM | 39,813 |
| Equivalent NaCl Concentration | in Mg/L | 38,410 | in PPM | 36,548 |

## Scaling Tendencies

\*Calcium Carbonate Index 1,038,464

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

\*Calcium Sulfate (Gyp) Index 11,200,000

Below 500,000 Remote / 500,000 - 10,000,000 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** FAX 677-2361

Report # 1732

**C-108 – Item VII.5**  
**Water Analysis – Disposal Zone – Wolfcamp**

**WATER ANALYSIS REPORT**

Lab ID No. : \_\_\_\_\_ Analysis Date: June 9, 1992  
 =====

|                                 |                                      |
|---------------------------------|--------------------------------------|
| Company : B.T. Oil Production   | Sampled By : Pro - Kem               |
| Field : Corbin, Wolfcamp, South | Sample Date: 5/28/92                 |
| Lease/Unit : French             | Salesperson: Curtis Baze             |
| Well ID. : 1                    | Formation : Wolfcamp                 |
| Sample Loc.: Well Head          | Location : SE/SE, Sec 24, T18S, R32E |

=====

| CATIONS                          | MG/L           | MEQ/L | ANIONS                            | MG/L   | MEQ/L |
|----------------------------------|----------------|-------|-----------------------------------|--------|-------|
| Calcium as Ca <sup>++</sup>      | 7,699          | 385   | Hydroxyl as OH-                   | 0      | 0     |
| Magnesium as Mg <sup>++</sup>    | 1,895          | 155   | Carbonate as CO <sub>3</sub> =    | 0      | 0     |
| Sodium as Na <sup>+</sup> (Calc) | 52,740         | 2,293 | Bicarbonate as HCO <sub>3</sub> - | 180    | 3     |
| Barium as Ba <sup>++</sup>       | Not Determined |       | Sulfate as SO <sub>4</sub> =      | 500    | 10    |
| Oil Content                      | 0              |       | Chloride as Cl-                   | 99,977 | 2,820 |

Total Dissolved Solids, Calculated: 162,993 mg/L.

=====

|  |                                  |
|--|----------------------------------|
| Calculated Resistivity: 0.062 ohm-meters | pH: 7.000                        |
| mg/L. Hydrogen Sulfide: 0                | Specific Gravity 60/60 F.: 1.118 |
| mg/L. Carbon Dioxide: 120                | Saturation Index @ 80 F.: +0.435 |
| mg/L. Dissolved Oxygen: Not Determined   | @ 140 F.: +1.340                 |

|                 |        |                            |
|-----------------|--------|----------------------------|
| Total Hardness: | 27,000 | mg/L. as CaCO <sub>3</sub> |
| Total Iron:     | 5.00   | mg/L. as Fe <sup>++</sup>  |

=====

| PROBABLE MINERAL COMPOSITION  |                                    |         |         |
|---|------------------------------------|---------|---------|
|   | COMPOUND                           | MG/L    | MEQ/L   |
|   | Ca(HCO <sub>3</sub> ) <sub>2</sub> | 240     | 3.0     |
|   | CaSO <sub>4</sub>                  | 709     | 10.4    |
| Calcium Sulfate Scaling Potential<br>Not Present                      | CaCl <sub>2</sub>                  | 20,623  | 371.6   |
|   | Mg(HCO <sub>3</sub> ) <sub>2</sub> | 0       | 0.0     |
| Estimated Temperature of Calcium<br>Carbonate Instability is<br>61 F. | MgSO <sub>4</sub>                  | 0       | 0.0     |
|   | MgCl <sub>2</sub>                  | 7,398   | 155.4   |
|   | NaHCO <sub>3</sub>                 | 0       | 0.0     |
|   | Na <sub>2</sub> SO <sub>4</sub>    | 0       | 0.0     |
|   | NaCl                               | 134,052 | 2,293.1 |

*Craig Sarpetto*  
 \_\_\_\_\_  
 Analyst 01:54 PM

**C-108 - Item VIII**  
Geological Data

The Wolfcamp is a light gray-brown fine to medium crystalline fossiliferous limestone with inter-crystalline vugular porosity interbedded with gray shale. Additional porosity can be found when the well bore encounters detrital carbonates which were shed off shelf and foreslope areas and transported down the Wolfcamp paleoslope.

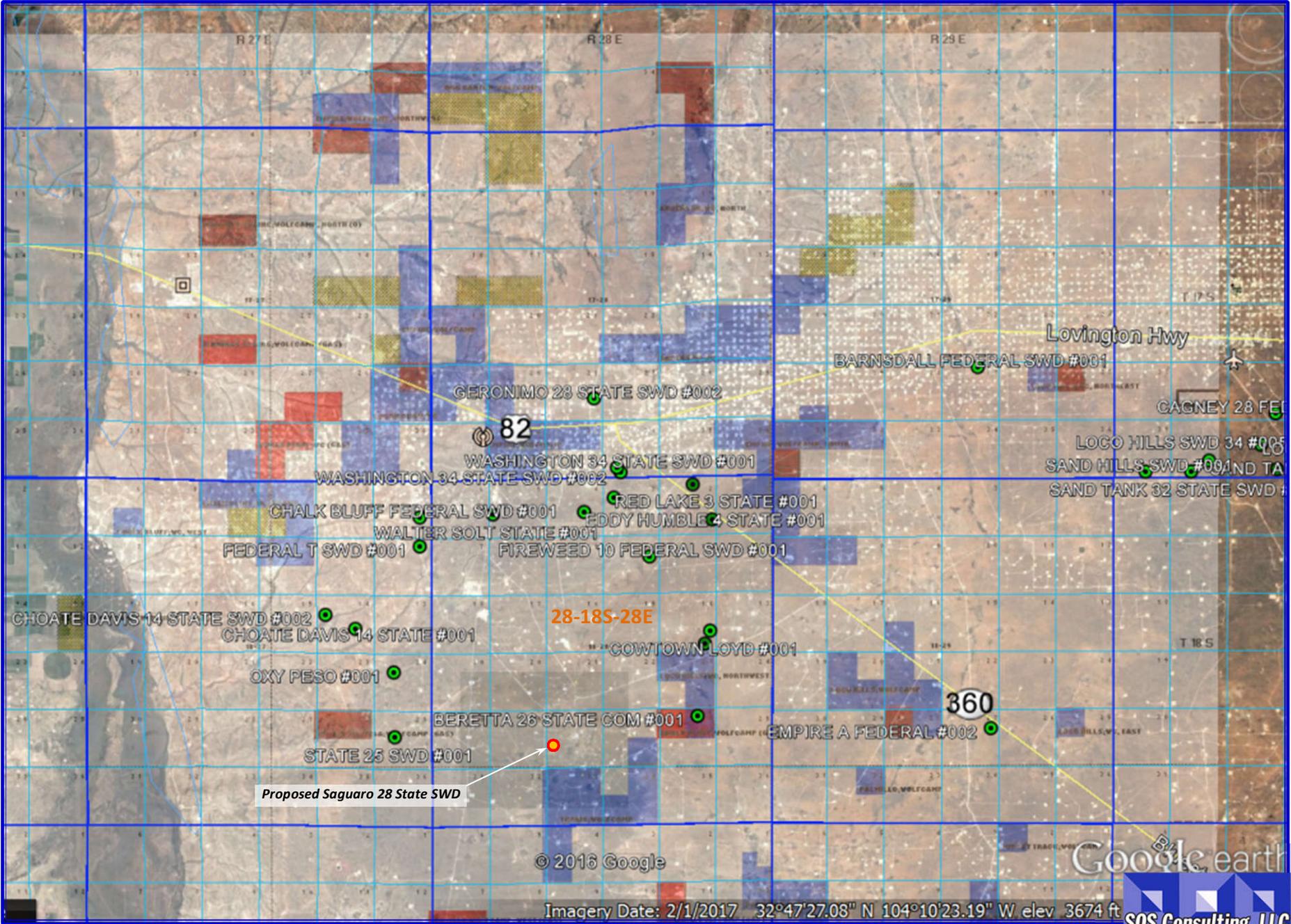
The zone offers good porosity in the proposed injection interval located from 8066' to 8272' with very good porosity interspersed throughout the overall interval.

The Wolfcamp is overlain by the Bone Spring and the Strawn is underlain by the Pennsylvanian.

Fresh water in the area is generally available from the Santa Rosa formation (Capitan Basin). Based on State Engineer's records for a water well in Twp 18S, Rng 28E, groundwater is at a depth to water of 300 feet or greater.

The one water well indicated as located within one mile of the proposed SWD could not be found.

**AERIAL VIEW WITH WOLFCAMP POOL MAP OVERLAY AND EXISTING WOLFCAMP SWDs**



(Note: Pool Image Overlay for Reference Only - Registration is Approximate.)

# C-108 - Item XI

## Water Wells Within One Mile

### AFFIRMATIVE STATEMENT

State Engineer's records indicate that there is one water well located in the NW/NE Qtr of Section 33 based on the lat/long coordinates provided. I relayed this information along with a map to Mr. Donnie Mathews, Superintendent of Ray Westall Operating, Inc. so that a water sample could be obtained and analysis conducted. The map showed the well should be located just off a road.

On April 17, 2017, Mr. Mathews conducted a foot search of area and found no evidence of an operating or a plugged water well as indicated on the map and determined that if the well had existed, it must have been plugged out and there is no indication at surface that would confirm its existence.

This information was relayed to me by Mr. Mathews via a telephone conversation on 4/17/2017.



Ben Stone



## New Mexico Office of the State Engineer Active & Inactive Points of Diversion (with Ownership Information)

| WR File Nbr              | Sub basin | Use  | Diversion            | Owner | County                   | POD Number | Code Grant | Source | q q q |     |        | X        | Y      |          |
|--------------------------|-----------|------|----------------------|-------|--------------------------|------------|------------|--------|-------|-----|--------|----------|--------|----------|
|                          |           |      |                      |       |                          |            |            |        | 6416  | 4   | 4      |          |        |          |
| <a href="#">RA 08238</a> | STK       | 1.47 | BOGLE FARMS          | ED    | <a href="#">RA 08238</a> |            |            | 21     | 18S   | 28E | 576766 | 3621980* |        |          |
| <a href="#">RA 08240</a> | STK       | 1.52 | BOGLE FARMS          | ED    | <a href="#">RA 08240</a> |            |            | 32     | 18S   | 28E | 575220 | 3618733* |        |          |
| <a href="#">RA 09588</a> | DOM       | 0    | MARATHON OIL COMPANY | ED    | <a href="#">RA 09588</a> |            |            | 1      | 2     | 33  | 18S    | 28E      | 576976 | 3619384* |

Record Count: 3

PLSS Search:

Section(s): 20, 21, 28, 29, Township: 18S Range: 28E  
32, 33

Sorted by: File Number

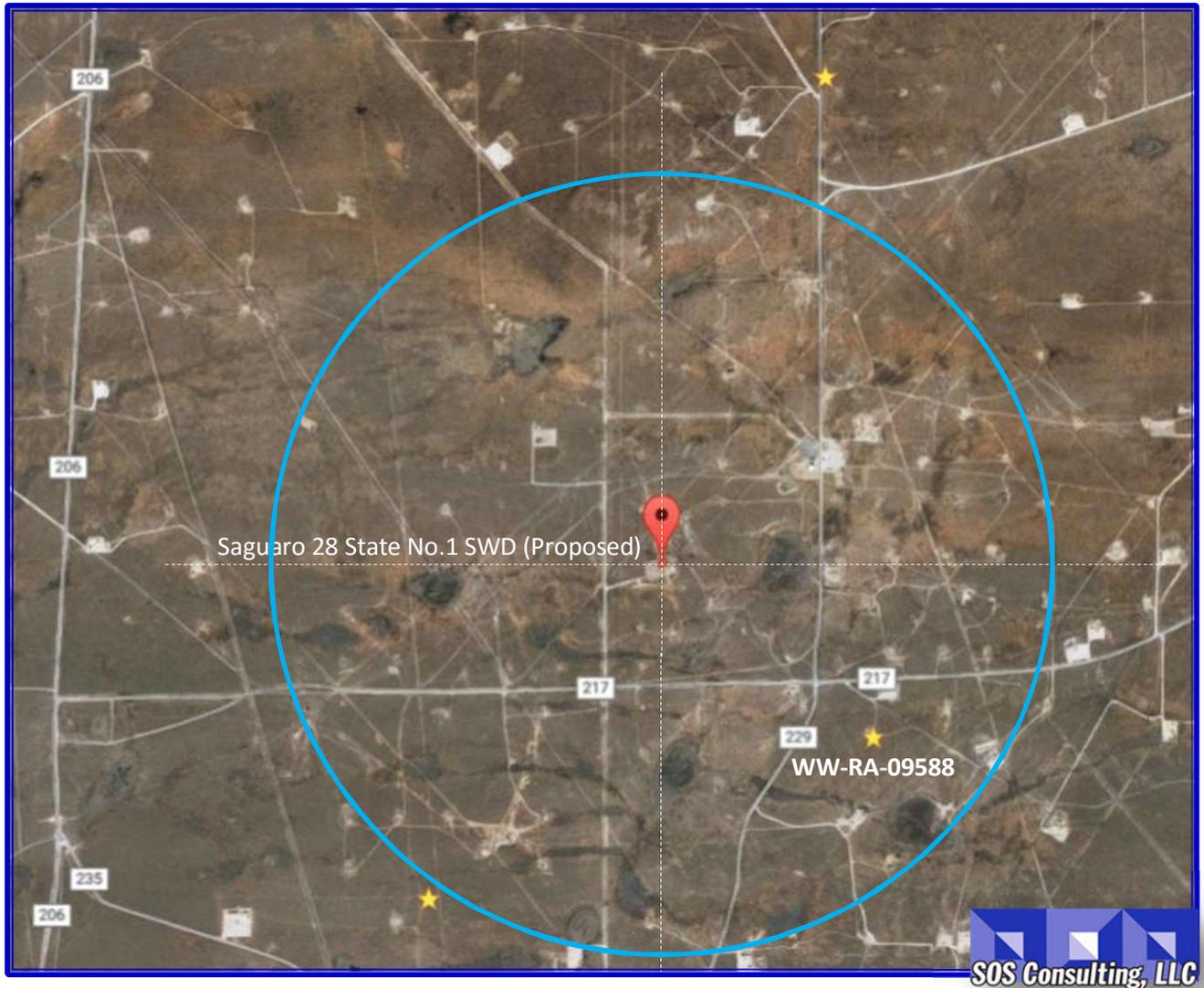
\*UTM location was derived from PLSS - see Help

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

## C-108 Item XI

### Water Wells Within One Mile

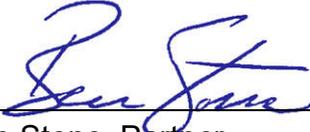
*One well (RA-09588) is shown to be within one mile of the proposed SWD...*



This aerial map was provided to RWO personnel so that the subject water wells could be sampled. Despite the reported location to be clearly very near a road, a foot search on 4/17/17 was not successful in locating the well or any signs of its existence.

## 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.  
Saguaro 28 State No.1 SWD  
Reviewed 4/11/2017

## **C-108 ITEM XIII – PROOF OF NOTIFICATION**

### IDENTIFICATION AND NOTIFICATION OF INTERESTED PARTIES

#### **Exhibits for Section**

Leasehold Plat

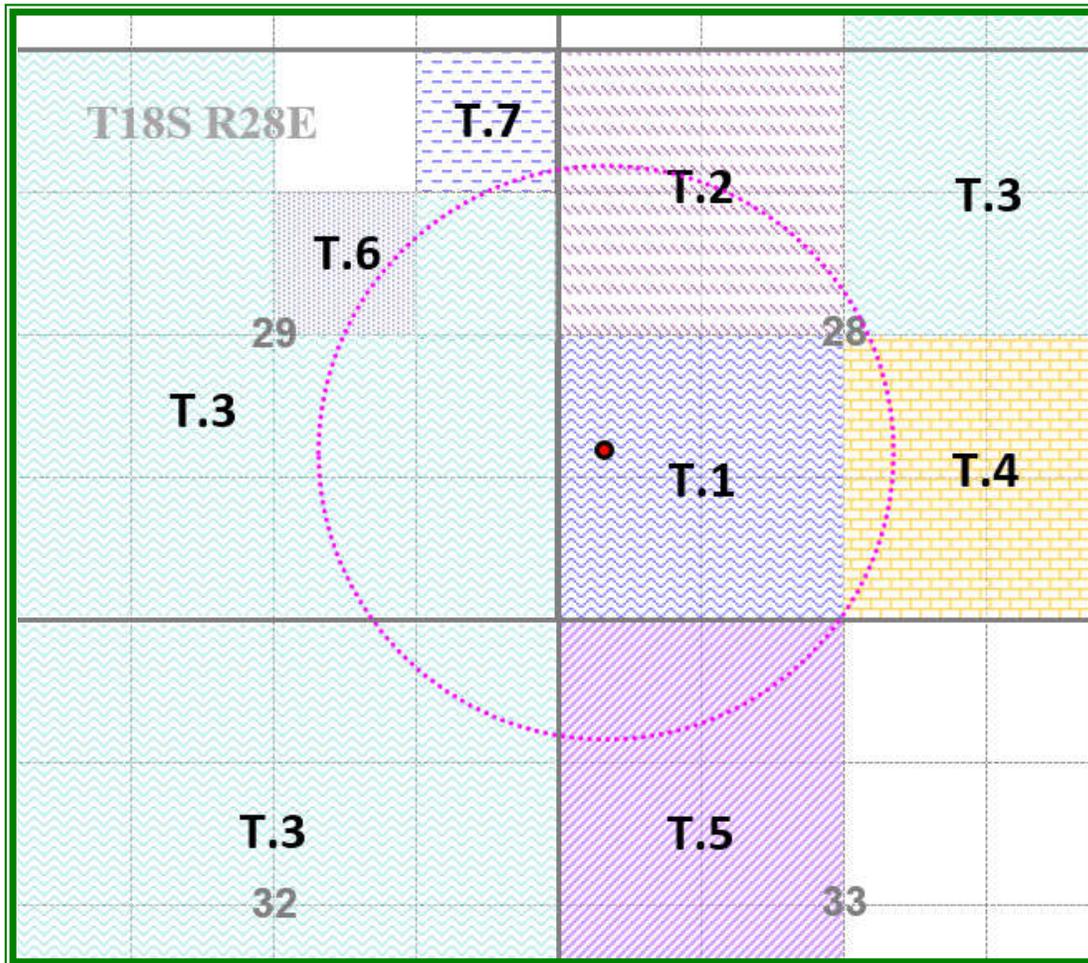
List of Interested Parties

Notification Letter to Interested Parties

Proof of Certified Mailing

Published Legal Notice

Saguaro 28 State Well No.1 SWD - Leasehold Plat  
(Attachment to NMOCD Form C-108, Application for Authority to Inject.)



**RAY WESTALL OPERATING, INC.**

**LEGEND**

- T.1 – X0-0647-0409 – ZPZ Delaware, LLC
- T.2 – X0-0647-0372 – Hanagan & Hanagan
- T.3 – X0-0647-0405 – Mewbourne Oil Company
- T.4 – X0-0647-0141 – Marathon Oil Company
- T.5 – X0-0694-0020 – ZPZ Delaware, LLC
- T.6 – X0-0647-0373 – Hanagan & Hanagan
- T.7 – B0-6811-0016 – Laura Jones & Paul Slayton

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

**ALL AFFECTED PARTIES ARE PROVIDED A NOTICE LETTER VIA US CERTIFIED MAIL AND LINKS TO DOWNLOAD A PDF COPY OF THE SUBJECT C-108 APPLICATION OR EMAIL REQUEST.**

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

## SURFACE OWNER

- 1 STATE OF NEW MEXICO (FedEx'ed copy)  
Oil, Gas and Minerals Division  
310 Old Santa Fe Trail  
Santa Fe, NM 87504  
Certified Mail: 7018 1130 0000 8738 2452

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

### **State Lease X0-0647-0409 (T.1 on plat.)**

#### ***Lessee***

ZPZ DELAWARE, LLC  
Attn: Peggy Clark  
2000 Post Oak Blvd., Ste.100  
Houston, TX 77056

#### ***Operators***

- 2 SBKF, LLC  
P.O. Box 1569  
Artesia, NM 88211  
Certified Mail: 7018 1130 0000 8738 2469

GFG OPERATING, LLC (*Only well is P&A'd*)  
4701 Teakwood Trace  
Midland, TX 79707

### **State Lease X0-0647-0372, X0-0694-0020 (T.2 & T.5 on plat.)**

#### ***Lessee***

HANAGAN & HANAGAN  
P.O. Box 1737  
Roswell, NM 88201

#### ***Operators***

- 3 SANDLOTT ENERGY  
P.O. Box 711  
Lovington, NM 88260  
Certified Mail: 7018 1130 0000 8738 2476

SBKF, LLC  
P.O. Box 1569  
Artesia, NM 88211

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

**State Lease X0-0647-0405 (T.3 on plat.)**

***Lessee***

MEWBOURNE OIL COMPANY  
210 Park Avenue, Ste., 900  
Oklahoma City, OK 73102

***Operator***

SANDLOTT ENERGY  
P.O. Box 711  
Lovington, NM 88260

**State Lease X0-0647-0141 (T.4 on plat.)**

***Lessee***

MARATHON OIL COMPANY  
P.O. Box 22164  
Tulsa, OK 74121-2164

***Operator***

SBKF, LLC  
P.O. Box 1569  
Artesia, NM 88211

**State Lease B0-6811-0016 (T.6 on plat.)**

***Lessee***

LAURA JONES & PAUL SLAYTON  
P.O. Box 2035  
Roswell, NM 88201

***Operator***

SANDLOTT ENERGY  
P.O. Box 711  
Lovington, NM 88260

**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

RWO, INC. – SAGUARO 28 STATE #2  
<https://www.dropbox.com/sh/npustkljoi1lbyr/AADotHV3URXumbIVLBK7N0FOa?dl=0>

USPS Certified Tracking:  
7018 1130 0000 8738 2452,  
7018 1130 0000 8738 2469.  
7018 1130 0000 8738 2476

July 18, 2022

**NOTIFICATION TO INTERESTED PARTIES**  
**via U.S. Certified Mail**

To Whom It May Concern:

Ray Westall Operating, Inc., Loco Hills, New Mexico, has made application to the New Mexico Oil Conservation Division to REINSTATE for salt water disposal the Saguaro 28 State Well No.1. The proposed commercial operation will be for produced water disposal from area operators. As indicated in the notice below, the well is located in Section 28, Township 18 South, Range 28 East in Eddy County, New Mexico. *Please Note: This SWD was permitted previously however, the permit expired before it was completed. OCD mandates that a new C-108 be filed. Nothing has changed with respect to what was previously permitted.*

The published notice states that the interval will be from 8066 feet to 9766 feet. Following is the notice published in the Artesia Daily Press, Artesia, New Mexico on or about April 19, 2017.

**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 REINSTATE salt water disposal in its Saguaro State 28 Well No.1. The well, API No.30-015-34001 is located 1606' FSL & 518' FWL in Section 28, Township 18 South, Range 28 East in Eddy County, New Mexico. Produced water from area production will be commercially disposed into the Wolfcamp, Penn and Strawn formations through selected perforated intervals between a maximum applied for top of 8066 feet to maximum depth of 9766 feet and based on further log analysis. Maximum injection pressure will be 1613 psi with a maximum daily rate of 7500 bwpd and average daily rate of 2500 bwpd. pressure.

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](mailto: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 on a mini-CD will be arriving within a few days of this notice. If you do not receive it, please call or email SOS Consulting, LLC at 903-488-9850, [info@sosconsulting.us](mailto:info@sosconsulting.us), and a copy will be expedited to you and may also be sent via email if preferred.

Thank you for your attention in this matter.

Best regards,



Ben Stone, SOS Consulting, LLC  
Agent for Ray Westall Operating, Inc.  
Cc: Application File

# C-108 - Item XIV

Proof of Notice (Certified Mail Receipts)

7018 1130 0000 8738 2452

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| Total Postage and Fees                                       | \$ 7.85 |

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| <input type="checkbox"/> Adult Signature Required            | \$      |
| <input type="checkbox"/> Adult Signature Restricted Delivery | \$      |
| Postage  | \$ .60  |
| Total Postage and Fees                                       | \$ 7.85 |

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LOVINGTON, NM 88260

# Affidavit of Publication

No. 26236

State of New Mexico

County of Eddy:

**Danny Scott**

being duly sworn says 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   | July 28, 2022 |
| Second Publication  |               |
| Third Publication   |               |
| Fourth Publication  |               |
| Fifth Publication   |               |
| Sixth Publication   |               |
| Seventh Publication |               |

Subscribed and sworn before me this 28th day of July 2022

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

*Latisha Romine*

Latisha Romine

Notary Public, Eddy County, New Mexico

# Copy of Publication:

## Legal Notice LEGAL NOTICE

To correct a previous ad [injection interval]:

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Published in the Artesia Daily Press, Artesia, N.M., July 28, 2022 Legal No. 26236.