

10/14/2015 DATE	P. RG ENGINEER	10/14/2015 LOGGED IN	SWD TYPE	PRMAM1528757630 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- 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

Application Acronyms:

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

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☒ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

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

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

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

Eddie W. Searcy
Print or Type Name

Eddie W. Searcy
Signature

Agent
Title

9/11/15
Date

searcy04@leaco.net
e-mail Address

RECEIVED OOD
2015 OCT - 2 P 2:50

well
- Laguna Grande #1
30-015-21636
- P001
- SWD, Del Norte
96100

- SWD 1614
- Cherokee Disposal, LLC
3 70866

APPLICATION FOR AUTHORIZATION TO INJECT

PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage
Application qualifies for administrative approval? X Yes No

II. OPERATOR: Cherokee Disposal LLC

ADDRESS: 301 Hinson Rd., Lovington, NM 88260

CONTACT PARTY: Kenneth Boss PHONE: 575-390-0344

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? Yes X No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

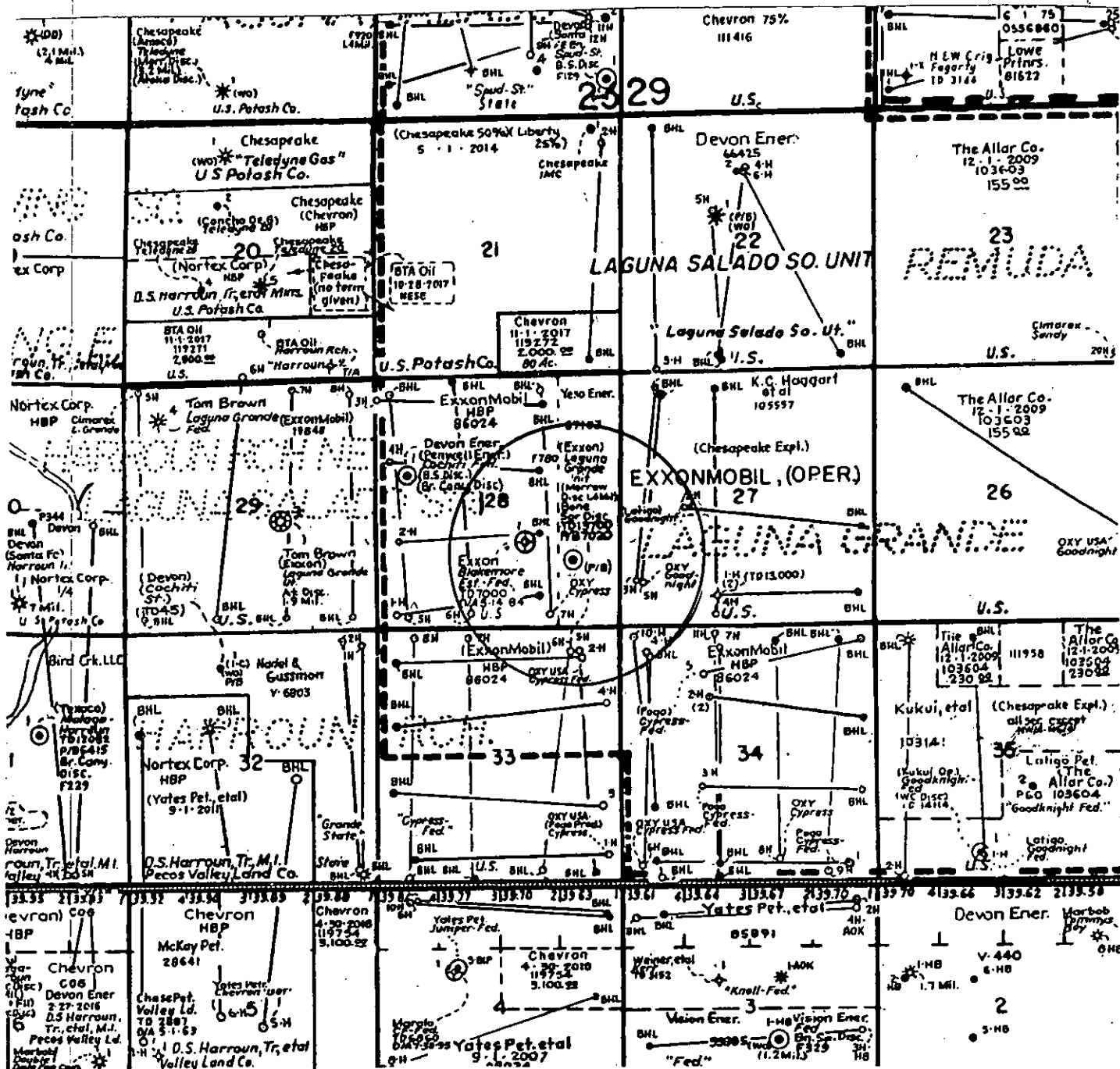
NAME: Kenneth Boss TITLE: Owner-Operator

SIGNATURE:  DATE: 9/25/15

E-MAIL ADDRESS: Bmb Rentals @ yahoo . com

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted.
Please show the date and circumstances of the earlier submittal: Filed when drilled

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



ATTACHMENT TO APPLICATION C-108

Laguna Grande #1 (API 30-015-21636)
Unit I, Sect. 28, Tws. 23 S., Rng. 29 E.
Eddy Co., NM

III. WELL DATA

- A.
 - 1) See injection well data sheets and attached schematics.
 - 2) See injection well data sheets and attached schematics.
 - 3) 4 1/2" coated tubing.
 - 4) Baker lock set or the equivalent.
- B.
 - 1) Injection formation is the Bell Canyon.
 - 2) Injection interval 2950' to 3400'.
 - 3) This is an existing well converted to SWD.
 - 4) The next higher producing zone is the base of salt at 2900'.
The next lower producing zone is the Cherry Canyon at approximately 3900'.

IV. NO.

V. MAP ATTACHED.

VI. LIST OF WELLS AND DATA ATTACHED.

VII. Cherokee plans to convert the Laguna Grande #1 to a SWD, to dispose of water from various producers. Will pull production equipment, plug well back as schematic points out and as approved, selectively perforate from 3000' - 3400', acidize as needed. Run in hole with 4 1/2" coated tubing and packer set at approximately 2900' or within 100 ft. of top perms. Load backside with packer fluid, run MIT as OCD requires and put on injection. File sundry report.

- 1) Plan to inject approximately 10,000 bls per day.
- 2) Commercial, closed system.
- 3) Average injection pressure should be approximately 600# or whatever limit OCD allows.
- 4) Produced water from various operations.

VIII. The proposed disposal formation is interbedded sand and limestone. The primary geologic formation is the Bell Canyon from 2950' to 3400'.

The fresh water formation for this area would be the Santa Rosa which would be between 300' to 400' below surface, no sampling points available.

IX. ACID AS NEEDED.

X. PREVIOUSLY SUBMITTED TO OCD.

XI. ATTACHED.

XII. I, Eddie W. Seay, have examined all available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zones and any underground source of drinking water pertaining to this well.

XIII. ATTACHED.

INJECTION WELL DATA SHEET

WELL NAME & NUMBER: Laguna Grande #1 (API 30-015-21636)

WELL LOCATION: 1380 | S 990 | E
FOOTAGE LOCATION

I
UNIT LETTER

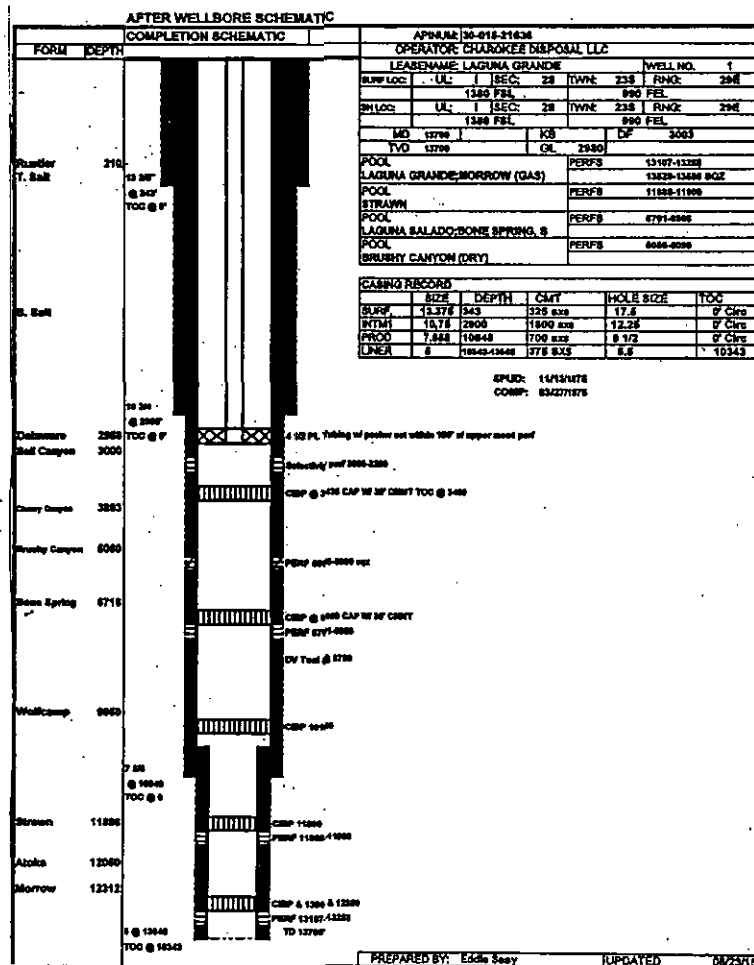
28
SECTION

23
TOWNSHIP

29
RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA
Surface Casing



Hole Size: 17.5 Casing Size: 13.375
Cemented with: 325 sq. or ft³
Top of Cement: surface Method Determined: Core

Intermediate Casing

Hole Size: 12.25 Casing Size: 10.75
Cemented with: 1800 or _____ ft³
Top of Cement: Surface Method Determined: Cut

Production Casing

Hole Size: 9 1/2
Cemented with: 700 SK SK
Top of Cement: Surface
Total Depth: 13,700

Casing Size: 7.45
or _____ ft³
Method Determined: Cum
Sin liner 10343 - 13645

Injection Interval

3000 feet to 3400

(Perforated) or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 4 1/2 in Lining Material: IPC
Type of Packer: Baker lock set or the equivalent
Packer Setting Depth: App 2900 or within 100 ft. of top of pack.
Other Type of Tubing/Casing Seal (if applicable): None

Additional Data

1. Is this a new well drilled for injection? Yes ☒ No
If no, for what purpose was the well originally drilled? oil & gas
tested several zones
2. Name of the Injection Formation: Bell Canyon
3. Name of Field or Pool (if applicable): Laguna
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. Morrow,
Strawn, Bone Spring, Brushy Canyon - see schematic
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:
B. Salt at 2900
Cherry Canyon 3893

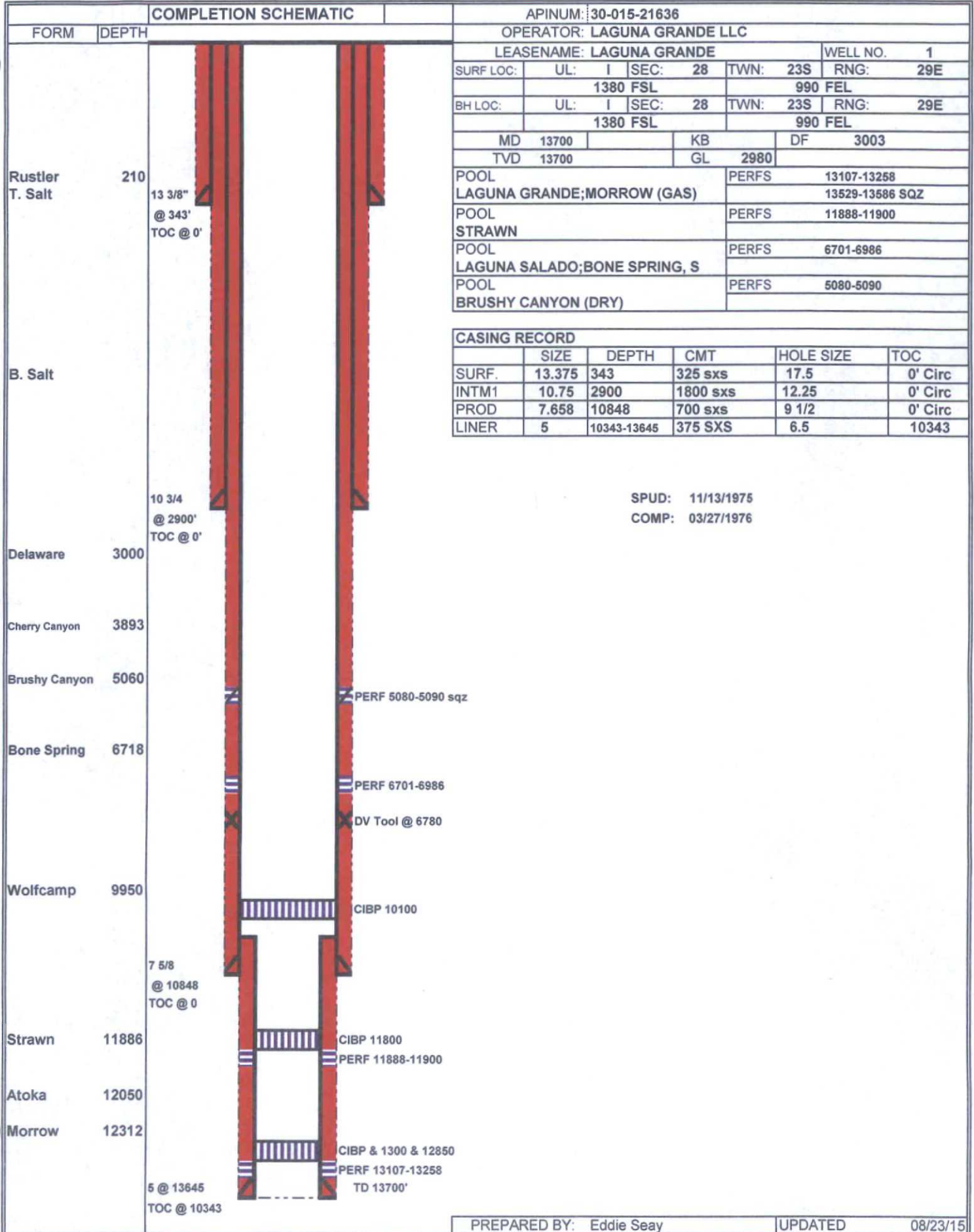
DISPOSAL WELL

30-015-21636	LUGUNA GRANDE	1	CHEROKEE DISPOSAL LLC	0		O	A	Eddy	F	I	28	23	S	29	E	1380	S	990	E
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Wells within 0.5 miles of proposed disposal well

API #	PROPERTY NAME	#	OPERATOR	MD	TVD	TYPE	STAT	CO	LAND	U/L	SEC	TWN		RNG		N/S		E/W		Dist
30-015-24577	BLAKEMORE ESTATE FEDERAL	1	EXXON MOBIL CORP	7000	7000	O	P	Eddy	F	J	28	23	S	29	E	1780	S	1980	E	1067
30-015-41138	CYPRESS 28 FEDERAL	6H	OXY USA INC	11425	6574	O	A	Eddy	F	N	28	23	S	29	E	330	S	2000	W	2519
30-015-41303	CYPRESS 28 FEDERAL	7H	OXY USA INC	0	0	O	N	Eddy	F	O	28	23	S	29	E	330	S	1400	E	1127
30-015-36137	GOODNIGHT 27 FEDERAL	2H	OXY USA INC	11160	7846	O	A	Eddy	F	L	27	23	S	29	E	2460	S	1330	W	2559
30-015-39220	GOODNIGHT 27 FEDERAL	3H	OXY USA INC	11419	7789	O	A	Eddy	F	M	27	23	S	29	E	962	S	364	W	1417
30-015-39431	GOODNIGHT 27 FEDERAL	5H	OXY USA INC	10409	6661	O	A	Eddy	F	M	27	23	S	29	E	906	S	459	W	1524
30-015-37308	CYPRESS 33 FEDERAL	2H	OXY USA INC	11400	7649	O	A	Eddy	F	A	33	23	S	29	E	635	N	765	E	2027
30-015-40768	CYPRESS 33 FEDERAL COM	5H	OXY USA INC	12929	8737	O	A	Eddy	F	A	33	23	S	29	E	453	N	803	E	1842
30-015-41557	CYPRESS 33 FEDERAL COM	6H	OXY USA INC	13152	8744	O	A	Eddy	F	A	33	23	S	29	E	466	N	1040	E	1846
30-015-42616	CYPRESS 33 FEDERAL COM	7H	OXY USA INC	13592	8746	O	A	Eddy	F	C	33	23	S	29	E	150	N	1900	E	1780
30-015-35742	CYPRESS 34 FEDERAL	4H	OXY USA INC	10758	7839	O	A	Eddy	F	D	34	23	S	29	E	480	N	560	W	2421
30-015-43076	CYPRESS 34 FEDERAL	10H	OXY USA INC	0		O	N	Eddy	F	D	34	23	S	29	E	210	N	330	W	2066

WELLBORE SCHEMATIC AND HISTORY



PREPARED BY: Eddie Seay

UPDATED

08/23/15

AFTER WELLBORE SCHEMATIC

COMPLETION SCHEMATIC

APINUM: 30-015-21636

OPERATOR: CHAROKEE DISPOSAL LLC

LEASENAME: LAGUNA GRANDE

WELL NO. 1

SURF LOC: UL: I SEC: 28 TWN: 23S RNG: 29E

1380 FSL 990 FEL

BH LOC: UL: I SEC: 28 TWN: 23S RNG: 29E

1380 FSL 990 FEL

MD 13700

KB

DF 3003

TVD 13700

GL

2980

POOL LAGUNA GRANDE;MORROW (GAS)

PERFS 13107-13258

13529-13586 SQZ

POOL STRAWN

PERFS 11888-11900

POOL LAGUNA SALADO;BONE SPRING, S

PERFS 6701-6986

POOL BRUSHY CANYON (DRY)

PERFS 5080-5090

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13.375	343	325 sxs	17.5	0' Circ
INTM1	10.75	2900	1800 sxs	12.25	0' Circ
PROD	7.658	10848	700 sxs	9 1/2	0' Circ
LINER	5	10343-13645	375 SXS	6.5	10343

SPUD: 11/13/1975

COMP: 03/27/1976

Rustler T. Salt

210

13 3/8"
@ 343'
TOC @ 0'

B. Salt

10 3/4

@ 2900'

TOC @ 0'

Delaware Bell Canyon

2950

3000

4 1/2 PL Tubing w/ packer set within 100' of upper most perf

Selectivly perf 3000-3200

Cherry Canyon

3893

CIBP @ 3435 CAP W/ 35' CMNT TOC @ 3400

Brushy Canyon

5060

PERF 5080-5090 sqz

Bone Spring

6718

CIBP @ 6650 CAP W/ 35' CMNT

PERF 6701-6986

DV Tool @ 6780

Wolfcamp

9950

CIBP 10100

7 5/8

@ 10848

TOC @ 0

Strawn

11886

CIBP 11800

PERF 11888-11900

Atoka

12050

Morrow

12312

CIBP & 1300 & 12850

PERF 13107-13258

TD 13700'

5 @ 13645

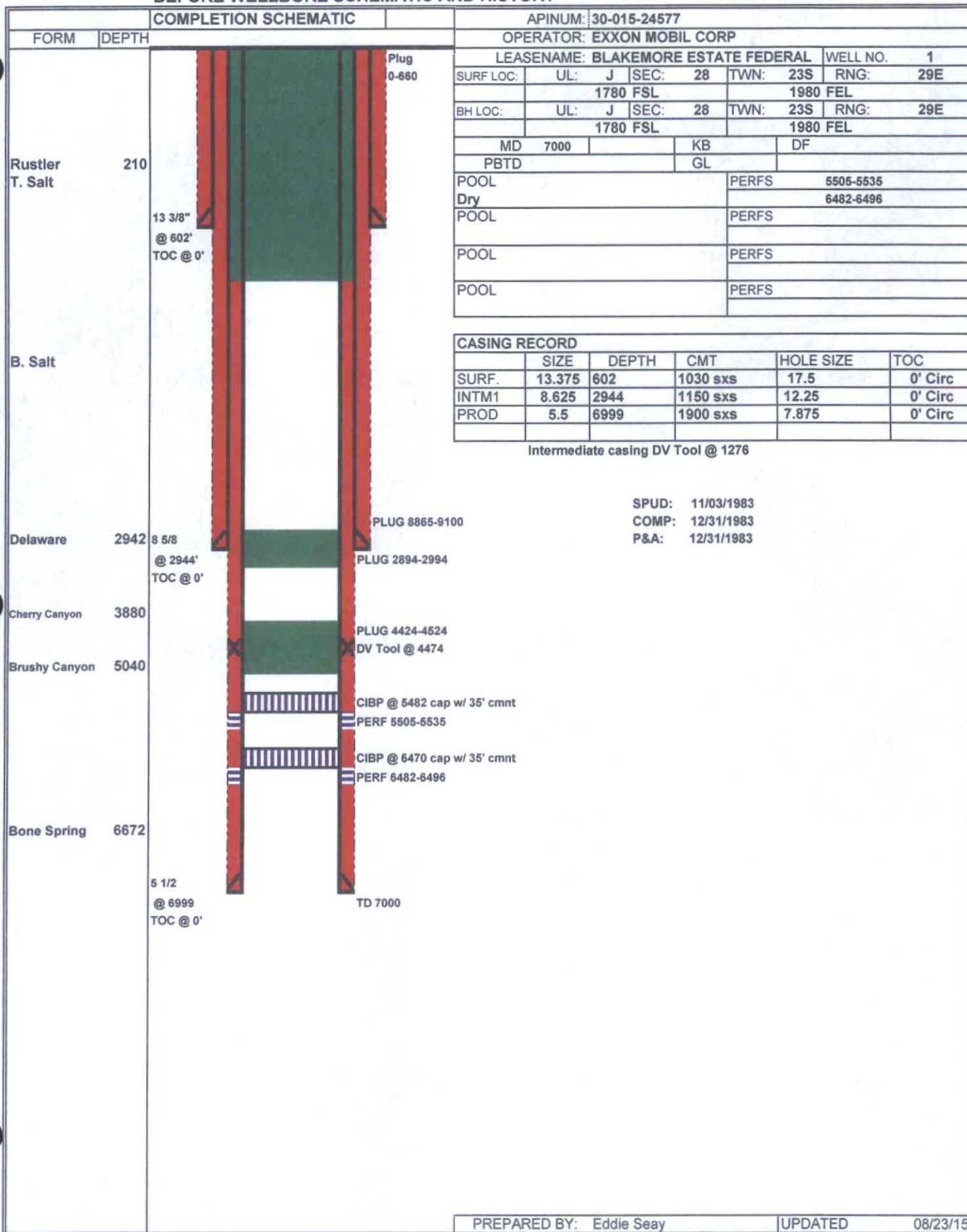
TOC @ 10343

PREPARED BY: Eddie Seay

UPDATED

08/23/15

BEFORE WELLBORE SCHEMATIC AND HISTORY

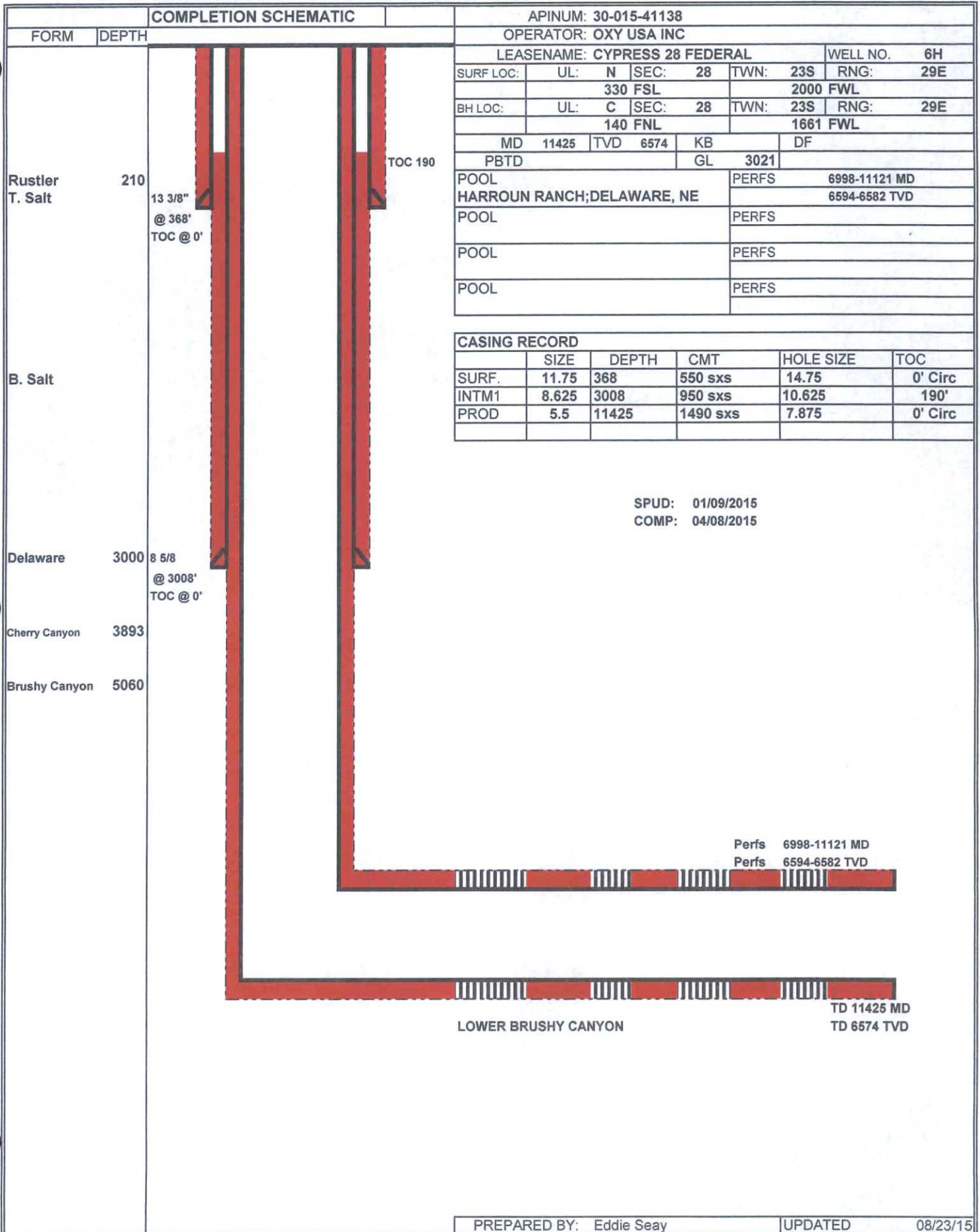


PREPARED BY: Eddie Seay

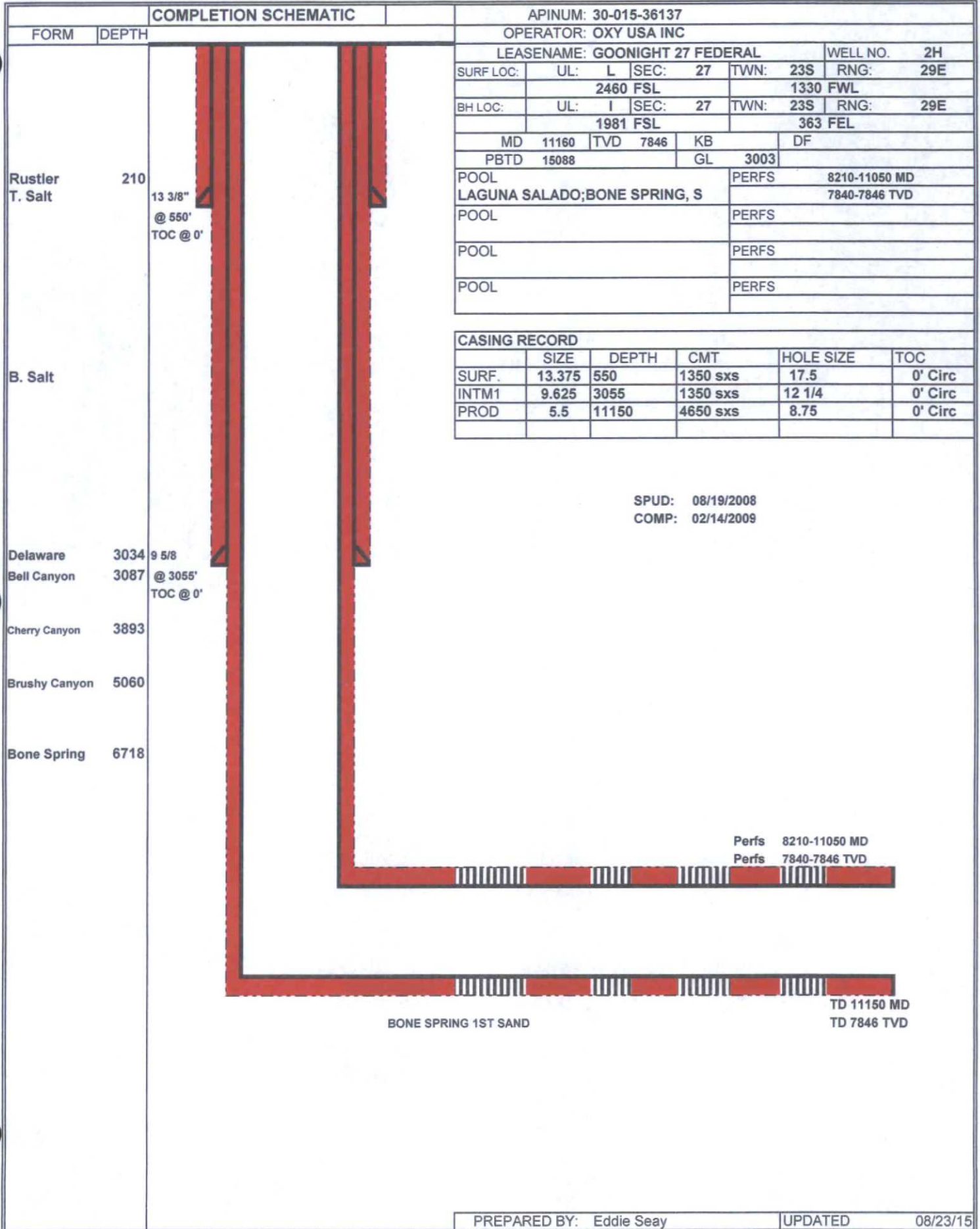
UPDATED

08/23/15

WELLBORE SCHEMATIC AND HISTORY



WELLBORE SCHEMATIC AND HISTORY



PREPARED BY: Eddie Seay

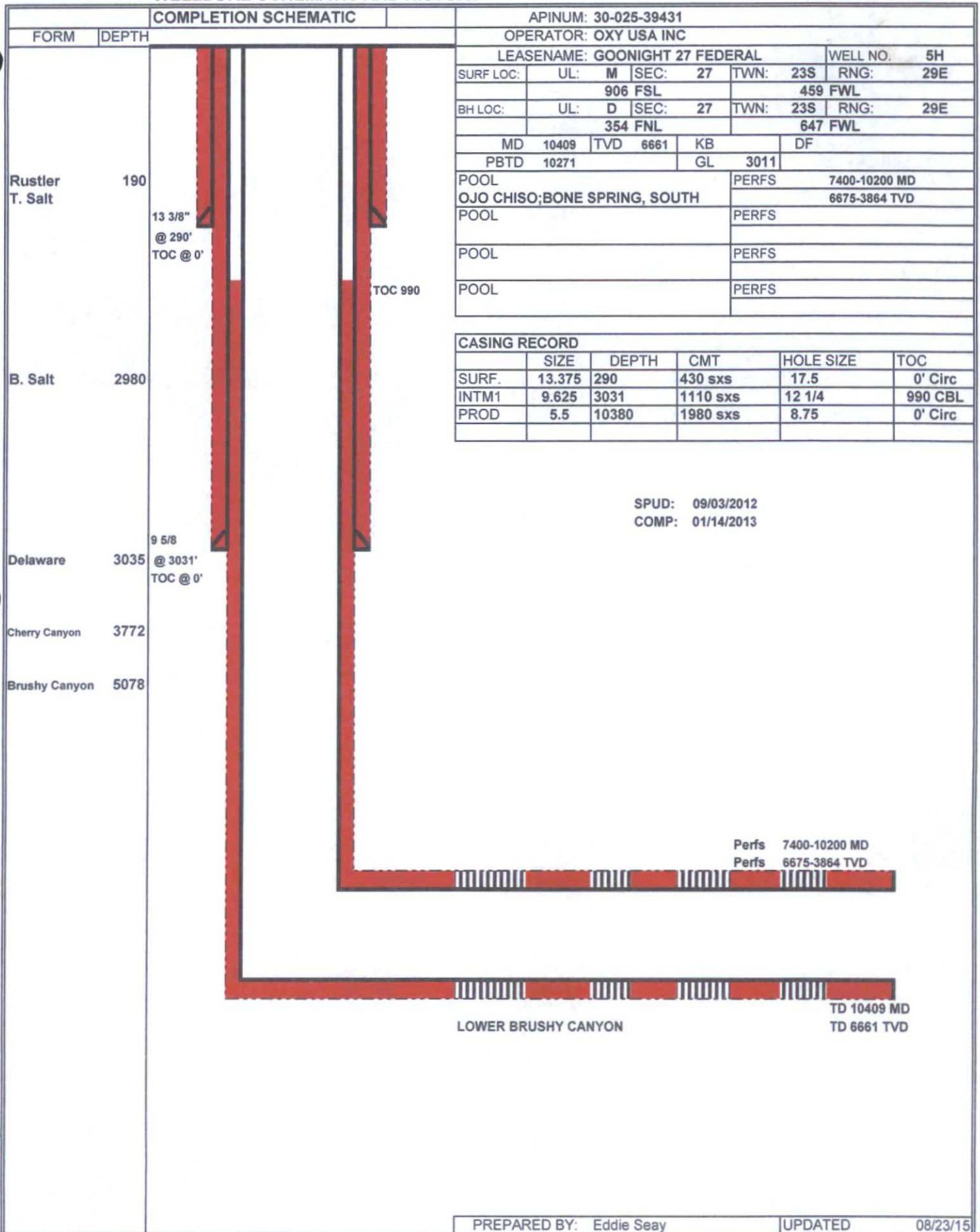
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COMPLETION SCHEMATIC

08/23/15

WELLBORE SCHEMATIC AND HISTORY



PREPARED BY: Eddie Seay

UPDATED

08/23/15

COMPLETION SCHEMATIC

OPERATOR: OXY USA INC

LEASENAME: CYPRESS 33 FEDERAL

WELL NO.	2H
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SURF LOC:	UL: A	SEC: 33	TWN: 23S	RNG: 29E
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635 FNL

765 FEL

BH LOC:	UL:	D	SEC:	33	TWN:	23S	RNG:	29E
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689 FNL

399 FWL

MD	11400	TVD	7649	KB		DF
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PBTD	11309	GL	2996
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PERFS	8500-11200 MD
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7700-7650 TVD

POOL	PERFS
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PERFS	
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POOL	PERES
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PERFS	
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POOL	PERES
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PERFS	
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CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13.375	470	570 sxs	17.5	0' Circ
INTM1	9.625	3006	990 sxs	12 1/4	0' Circ
PROD	5.5	11390	3130 sxs	8.75	0' Circ

SPUD: 10/20/2009

COMP: 11/26/2009

9 5/8

@ 3006'

TOC @ 0'

1000

1

10

10

100

10

100

100

Perfs 8500-11200 MD

Perfs 7700-7650 TVD

TD 11400 MD

TD 7649 TVD

BONE SPRING 1ST SAND

PREPARED BY: Eddie Seay

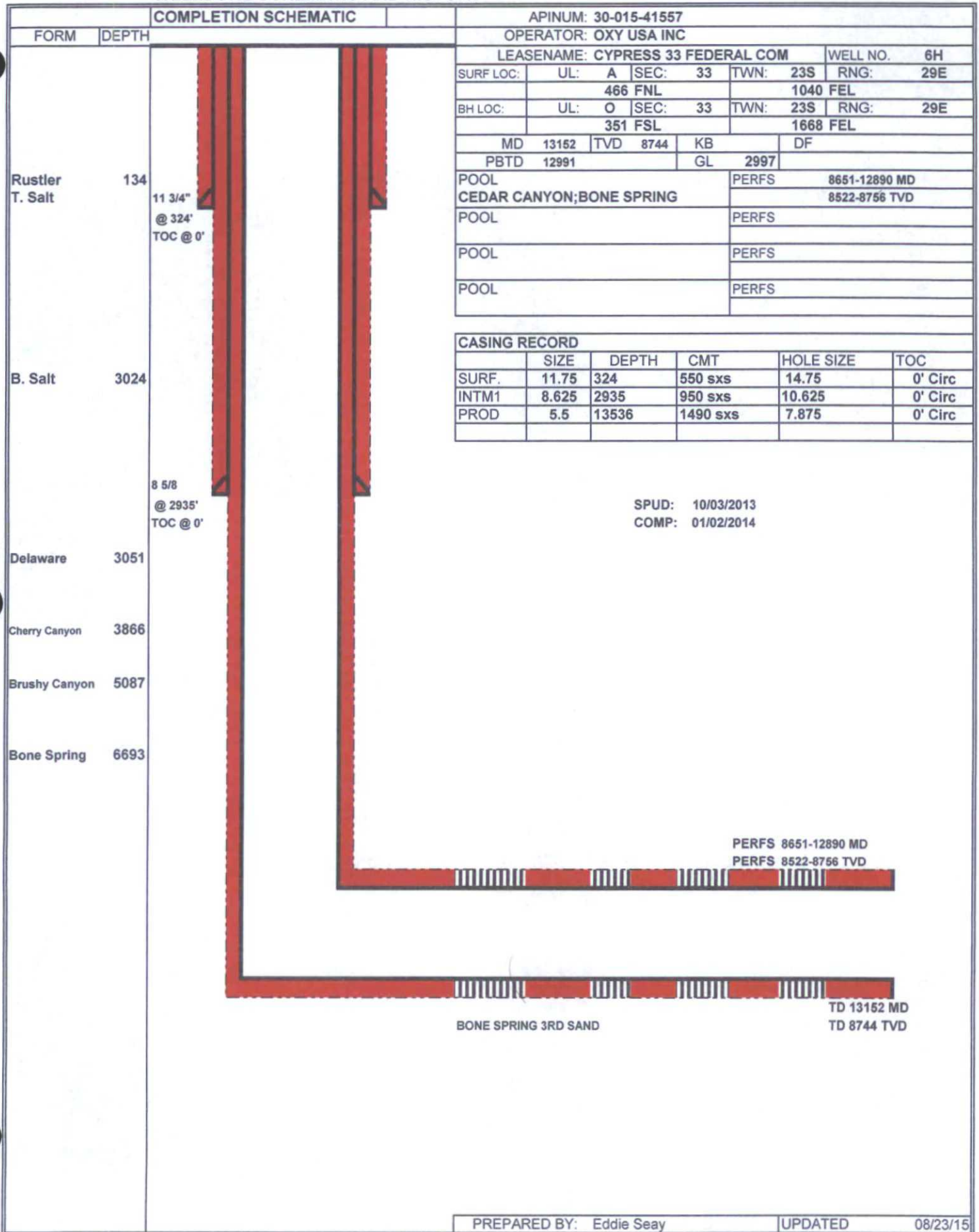
UPDATED

08/23/15

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-015-40768			
FORM	DEPTH	OPERATOR: OXY USA INC			
Rustler T. Salt	285	LEASENAME: CYPRESS 33 FEDERAL COM			
		WELL NO. 5H			
		SURF LOC: UL: A SEC: 33 TWN: 23S RNG: 29E			
		453 FNL 803 FEL			
		BH LOC: UL: D SEC: 33 TWN: 23S RNG: 29E			
		353 FNL 357 FWL			
		MD 12929 TVD 8737 KB DF			
		PBDT 12831 GL 2996			
		POOL CEDAR CANYON;BONE SPRING			
		PERFS 8814-12770 MD			
8646-8740 TVD					
POOL		PERFS			
POOL		PERFS			
POOL		PERFS			
POOL		PERFS			
Casing Record					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13.375	295	650 sxs	17.5	0' Circ
INTM1	9.625	3046	1250 sxs	12 1/4	0' Circ
PROD	5.5	12905	2670 sxs	8.75	0' Circ
SPUD: 11/30/2012					
COMP: 03/20/2013					
B. Salt	2440				
Delaware	3047	9 5/8 @ 3046' TOC @ 0'			
Cherry Canyon	3890				
Brushy Canyon	5060				
Bone Spring	6700				
		Perfs 8814-12770 MD			
		Perfs 8646-8740 TVD			
		TD 12929 MD			
		TD 8737 TVD			
		BONE SPRING 3RD SAND			
		PREPARED BY: Eddie Seay			
		UPDATED 08/23/15			

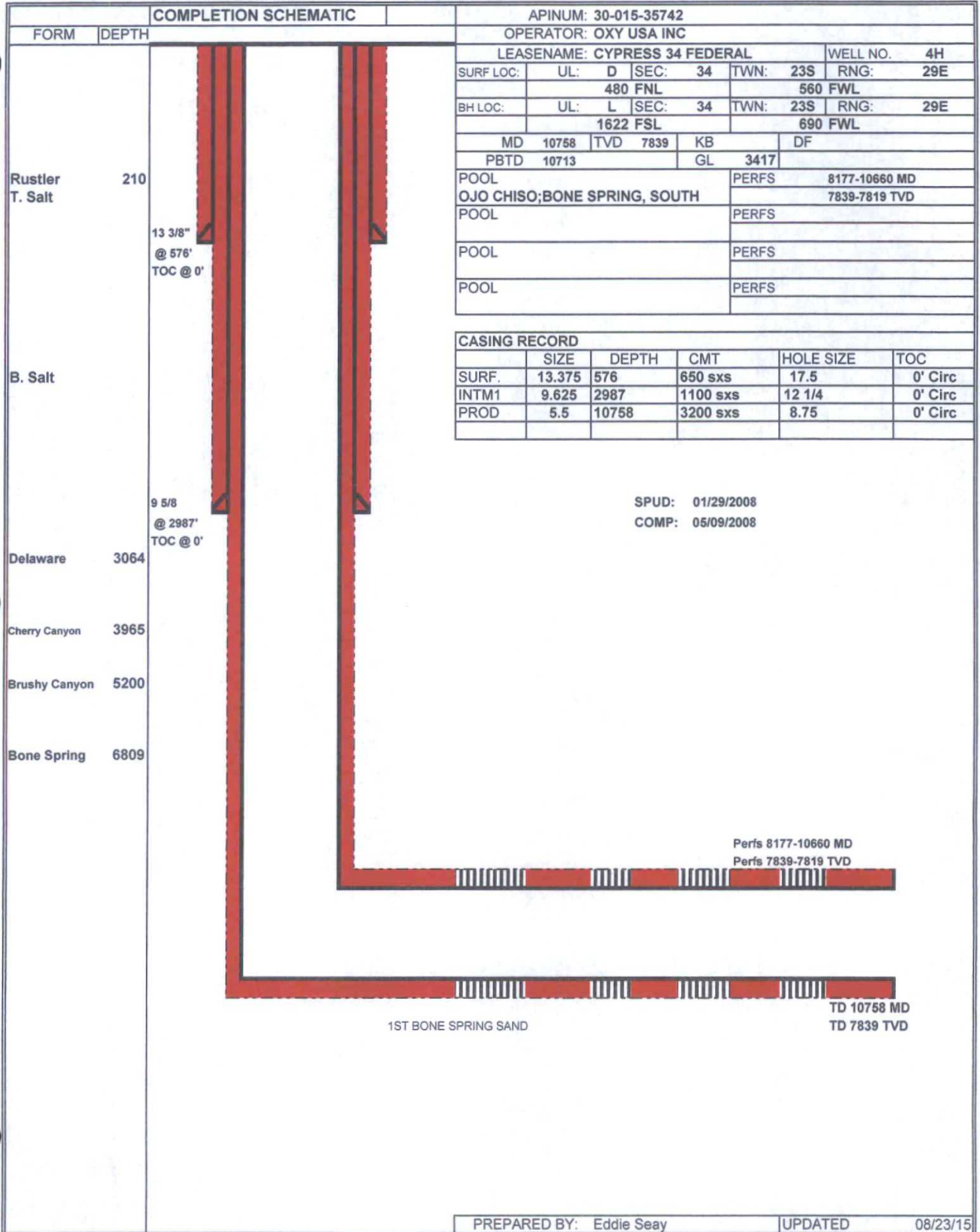
WELLBORE SCHEMATIC AND HISTORY



WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-015-42616			
FORM	DEPTH	OPERATOR: OXY USA INC			
Rustler T. Salt	210	LEASENAME: CYPRESS 33 FEDERAL COM			
		WELL NO. 7H			
		SURF LOC:	UL: C SEC: 33 TWN: 23S RNG: 29E		
		150 FNL 1900 FEL			
		BH LOC:	UL: N SEC: 33 TWN: 23S RNG: 29E		
		180 FSL 1983 FWL			
		MD 13592 TVD 8746 KB DF			
		PBTD 13454 GL 3022			
		POOL CEDAR CANYON;BONE SPRING			
		PERFS 8882-13370 MD			
8693-8741 TVD					
B. Salt		POOL			
		PERFS			
		POOL			
		PERFS			
		POOL			
		PERFS			
CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	11.75	324	550 sxs	14.75	0' Circ
INTM1	8.625	2935	950 sxs	10.625	0' Circ
PROD	5.5	13536	1490 sxs	7.875	0' Circ
SPUD: 09/10/2014					
COMP: 12/25/2014					
Delaware	3000	8 5/8 @ 2935' TOC @ 0'			
Cherry Canyon	3893				
Brushy Canyon	5060				
Bone Spring	6718				
Perfs 8882-13370 MD					
Perfs 8693-8741 TVD					
BONE SPRING 3RD SAND					
TD 13592 MD					
TD 8746 TVD					
PREPARED BY: Eddie Seay					
UPDATED 08/23/15					

WELLBORE SCHEMATIC AND HISTORY



PREPARED BY: Eddie Seay

UPDATED

08/23/15

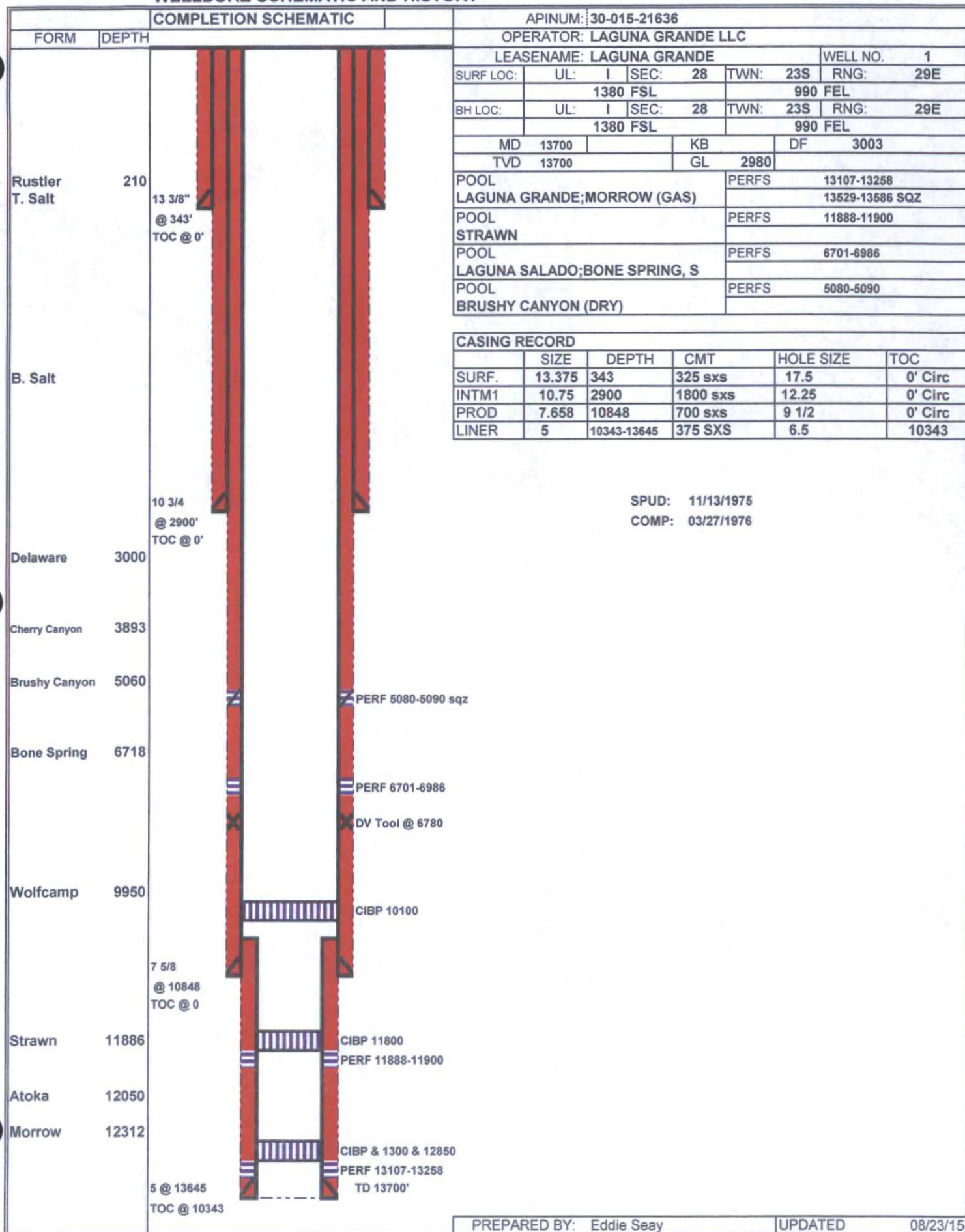
DISPOSAL WELL

30-015-21636	LUGUNA GRANDE	I	CHEROKEE DISPOSAL LLC	0	O	A	Eddy	F	I	28	23	S	29	E	1380	S	990	E
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Wells within 0.5 miles of proposed disposal well

API #	PROPERTY NAME	#	OPERATOR	MD	TVD	TYPE	STAT	CO	LAND	U/L	SEC	TWN		RNG		N/S		E/W		Dist	
30-015-24577	BLAKEMORE ESTATE FEDERAL	I	EXXON MOBIL CORP		7000	7000	O	P	Eddy	F	J	28	23 S		29 E		1780 S		1980 E		1067
30-015-41138	CYPRESS 28 FEDERAL	6H	OXY USA INC		11425	6574	O	A	Eddy	F	N	28	23 S		29 E		330 S		2000 W		2519
30-015-41303	CYPRESS 28 FEDERAL	7H	OXY USA INC		0	0	O	NA	Eddy	F	O	28	23 S		29 E		330 S		1400 E		1127
30-015-36137	GOODNIGHT 27 FEDERAL	2H	OXY USA INC		11160	7846	O	A	Eddy	F	L	27	23 S		29 E		2460 S		1330 W		2559
30-015-39220	GOODNIGHT 27 FEDERAL	3H	OXY USA INC		11419	7789	O	A	Eddy	F	M	27	23 S		29 E		962 S		364 W		1417
30-015-39431	GOODNIGHT 27 FEDERAL	5H	OXY USA INC		10409	6661	O	A	Eddy	F	M	27	23 S		29 E		906 S		459 W		1524
30-015-37308	CYPRESS 33 FEDERAL	2H	OXY USA INC		11400	7649	O	A	Eddy	F	A	33	23 S		29 E		635 N		765 E		2027
30-015-40768	CYPRESS 33 FEDERAL COM	5H	OXY USA INC		12929	8737	O	A	Eddy	F	A	33	23 S		29 E		453 N		803 E		1842
30-015-41557	CYPRESS 33 FEDERAL COM	6H	OXY USA INC		13152	8744	O	A	Eddy	F	A	33	23 S		29 E		466 N		1040 E		1846
30-015-42616	CYPRESS 33 FEDERAL COM	7H	OXY USA INC		13592	8746	O	A	Eddy	F	C	33	23 S		29 E		150 N		1900 E		1780
30-015-35742	CYPRESS 34 FEDERAL	4H	OXY USA INC		10758	7839	O	A	Eddy	F	D	34	23 S		29 E		480 N		560 W		2421
30-015-43076	CYPRESS 34 FEDERAL	10H	OXY USA INC		0		O	NA	Eddy	F	D	34	23 S		29 E		210 N		330 W		2066

WELLBORE SCHEMATIC AND HISTORY

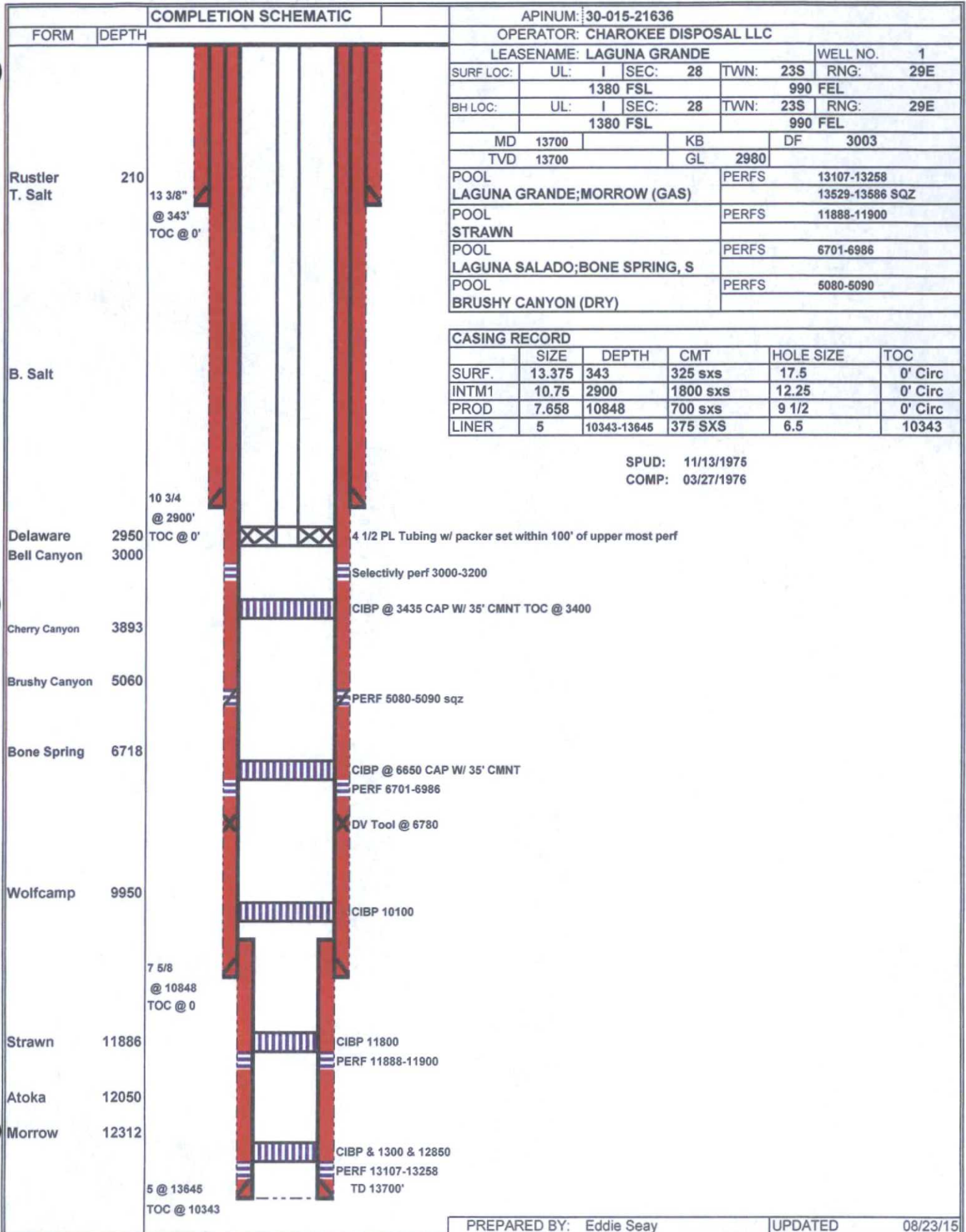


PREPARED BY: Eddie Seay

UPDATED

08/23/15

AFTER WELLBORE SCHEMATIC

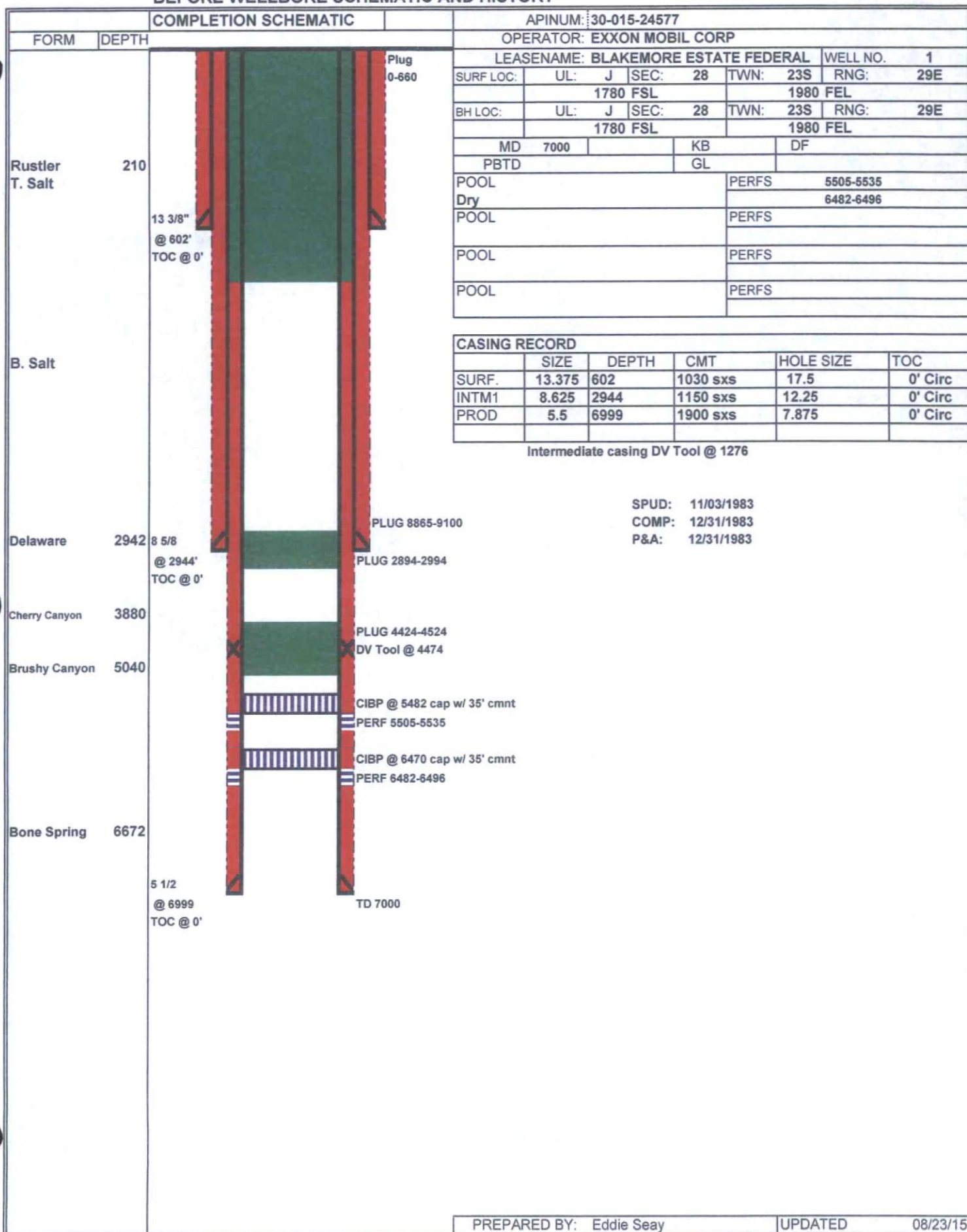


PREPARED BY: Eddie Seay

UPDATED

08/23/15

BEFORE WELLBORE SCHEMATIC AND HISTORY

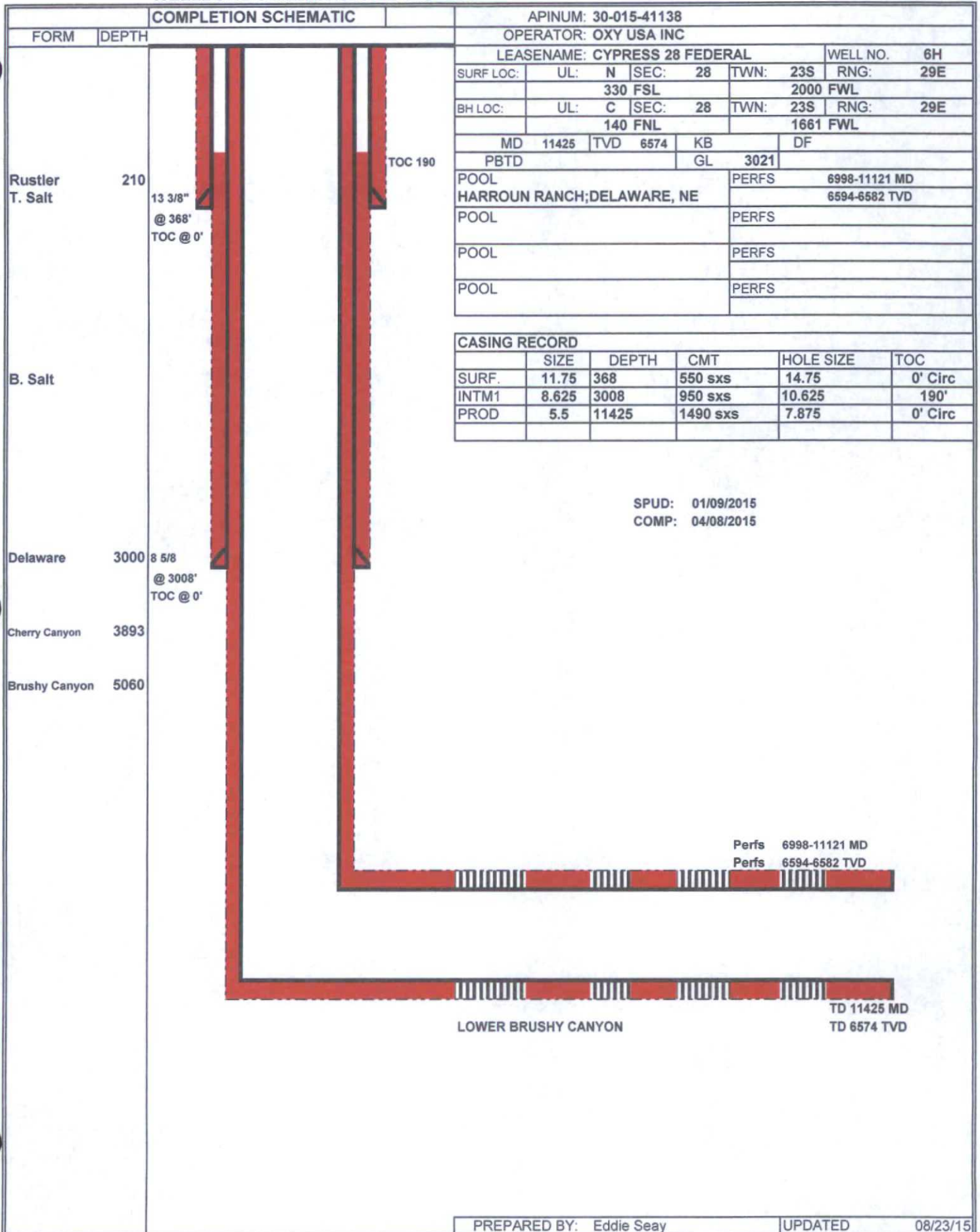


PREPARED BY: Eddie Seay

UPDATED

08/23/15

WELLBORE SCHEMATIC AND HISTORY



PREPARED BY: Eddie Seay

UPDATED

08/23/15

COMPLETION SCHEMATIC

OPERATOR: OXY USA INC

WELL NO.	2H
----------	----

2460 FSL

1330 FWL

1981 FSL

363 FEL

TVD	7840
-----	------

DF

PBTD	15088
------	-------

GL

SCHOOL

PERFS

8210-11050 MD

7840-7846 TVD

PERFS

PERFS	
-------	--

PERFS

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13.375	550	1350 sxs	17.5	0' Circ
INTM1	9.625	3055	1350 sxs	12 1/4	0' Circ
PROD	5.5	11150	4650 sxs	8.75	0' Circ

COMP: 02/14/2009

210

3034 | 9 5/8

Bell Canyon

Cherry Canyon

3893

Brushy Canyon

5060

Bone Spring

6718

Perfs 8210-11050 MD

Perfs 7840-7846 TVD

TD 11150 MD

TD 7846 TVD

BONE SPRING 1ST SAND

PREPARED BY: Eddie Seay

UPDATED

08/23/15

COMPLETION SCHEMATIC

OPERATOR: OXY USA INC

WELL NO.	3H
----------	----

962 FSL	364 FWL
---------	---------

333 FNL	729 FWL
---------	---------

TVD	7789	KB	DF
-----	------	----	----

BTD	11258	GL	3007
-----	-------	----	------

OL	PERFS
----	-------

LAGUNA SALADO;BONE SPRING, S	7776-7791 TVD
------------------------------	---------------

POOL	PERFS
------	-------

POOL	PERIOD

POOL	PERFS
------	-------

1. 001	1. 001

POOL	PERFS
------	-------

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
--	------	-------	-----	-----------	-----

SURF.	13.375	293	580 sxs	17.5	0' Cir
-------	--------	-----	---------	------	--------

INTM1	9.625	3069	1080 sxs	12 1/4	0' Cir
-------	-------	------	----------	--------	--------

PROD	5.5	11419	3630 sxs	8.75	0' Cir
------	-----	-------	----------	------	--------

SPUD: 12/23/2011

COMP: 02/09/2012

Rustler	268
T. Salt	

268

13 3/8"
@ 293'
TOC @ 0'

B. Salt	2780
---------	------

2780

Delaware	3010
----------	------

3010

Bell Canyon	3064
-------------	------

9 5/8
@ 3069'
TOC @ 0'

Cherry Canyon 3893

3893

Brushy Canyon	5060
---------------	------

5060

Bone Spring	6718
-------------	------

6718

Perfs 8520-11101 MD

Perfs 7776-7791 TVD

TD 11419 MD

TD 7789 TVD

BONE SPRING 1ST SAND

PREPARED BY: Eddie Seay

UPDATED

08/23/15

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-39431																							
FORM	DEPTH	OPERATOR: OXY USA INC																							
Rustler T. Salt	190	LEASENAME: GOONIGHT 27 FEDERAL																							
		WELL NO. 5H																							
		SURF LOC: UL: M SEC: 27 TWN: 23S RNG: 29E																							
		906 FSL 459 FWL																							
		BH LOC: UL: D SEC: 27 TWN: 23S RNG: 29E																							
		354 FNL 647 FWL																							
		MD 10409 TVD 6661 KB DF																							
		PBTD 10271 GL 3011																							
		POOL OJO CHISO; BONE SPRING, SOUTH																							
		PERFS 7400-10200 MD																							
POOL																									
PERFS																									
POOL																									
PERFS																									
POOL																									
PERFS																									
Casing Record																									
<table border="1"> <thead> <tr> <th></th> <th>SIZE</th> <th>DEPTH</th> <th>CMT</th> <th>HOLE SIZE</th> <th>TOC</th> </tr> </thead> <tbody> <tr> <td>SURF.</td> <td>13.375</td> <td>290</td> <td>430 sxs</td> <td>17.5</td> <td>0' Circ</td> </tr> <tr> <td>INTM1</td> <td>9.625</td> <td>3031</td> <td>1110 sxs</td> <td>12 1/4</td> <td>990 CBL</td> </tr> <tr> <td>PROD</td> <td>5.5</td> <td>10380</td> <td>1980 sxs</td> <td>8.75</td> <td>0' Circ</td> </tr> </tbody> </table>			SIZE	DEPTH	CMT	HOLE SIZE	TOC	SURF.	13.375	290	430 sxs	17.5	0' Circ	INTM1	9.625	3031	1110 sxs	12 1/4	990 CBL	PROD	5.5	10380	1980 sxs	8.75	0' Circ
	SIZE	DEPTH	CMT	HOLE SIZE	TOC																				
SURF.	13.375	290	430 sxs	17.5	0' Circ																				
INTM1	9.625	3031	1110 sxs	12 1/4	990 CBL																				
PROD	5.5	10380	1980 sxs	8.75	0' Circ																				
B. Salt	2980	SPUD: 09/03/2012 COMP: 01/14/2013																							
Delaware	3035	9 5/8 @ 3031' TOC @ 0'																							
Cherry Canyon	3772																								
Brushy Canyon	5078																								
		Perfs 7400-10200 MD Perfs 6675-3864 TVD																							
		TD 10409 MD TD 6661 TVD																							
		LOWER BRUSHY CANYON																							

PREPARED BY: Eddie Seay

UPDATED

08/23/15

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-015-37308																									
FORM	DEPTH	OPERATOR: OXY USA INC																									
Rustler T. Salt	285 13 3/8" @ 470' TOC @ 0'	LEASENAME: CYPRESS 33 FEDERAL																									
		WELL NO. 2H																									
		SURF LOC: UL: A SEC: 33 TWN: 23S RNG: 29E																									
		635 FNL 765 FEL																									
		BH LOC: UL: D SEC: 33 TWN: 23S RNG: 29E																									
		689 FNL 399 FWL																									
		MD 11400 TVD 7649 KB DF																									
		PBTD 11309 GL 2996																									
		POOL CEDAR CANYON;BONE SPRING	PERFS 8500-11200 MD																								
		POOL	PERFS 7700-7650 TVD																								
POOL	PERFS																										
POOL	PERFS																										
POOL	PERFS																										
Casing Record																											
<table border="1"> <thead> <tr> <th></th> <th>SIZE</th> <th>DEPTH</th> <th>CMT</th> <th>HOLE SIZE</th> <th>TOC</th> </tr> </thead> <tbody> <tr> <td>SURF.</td> <td>13.375</td> <td>470</td> <td>570 sxs</td> <td>17.5</td> <td>0' Circ</td> </tr> <tr> <td>INTM1</td> <td>9.625</td> <td>3006</td> <td>990 sxs</td> <td>12 1/4</td> <td>0' Circ</td> </tr> <tr> <td>PROD</td> <td>5.5</td> <td>11390</td> <td>3130 sxs</td> <td>8.75</td> <td>0' Circ</td> </tr> </tbody> </table>					SIZE	DEPTH	CMT	HOLE SIZE	TOC	SURF.	13.375	470	570 sxs	17.5	0' Circ	INTM1	9.625	3006	990 sxs	12 1/4	0' Circ	PROD	5.5	11390	3130 sxs	8.75	0' Circ
	SIZE	DEPTH	CMT	HOLE SIZE	TOC																						
SURF.	13.375	470	570 sxs	17.5	0' Circ																						
INTM1	9.625	3006	990 sxs	12 1/4	0' Circ																						
PROD	5.5	11390	3130 sxs	8.75	0' Circ																						
B. Salt		SPUD: 10/20/2009 COMP: 11/26/2009																									
Delaware	3028	9 5/8 @ 3006' TOC @ 0'																									
Cherry Canyon	3890																										
Brushy Canyon	5060																										
Bone Spring	6743																										
		Perfs 8500-11200 MD Perfs 7700-7650 TVD																									
		TD 11400 MD TD 7649 TVD																									
		BONE SPRING 1ST SAND																									

PREPARED BY: Eddie Seay

UPDATED

08/23/15

WELLBORE SCHEMATIC AND HISTORY

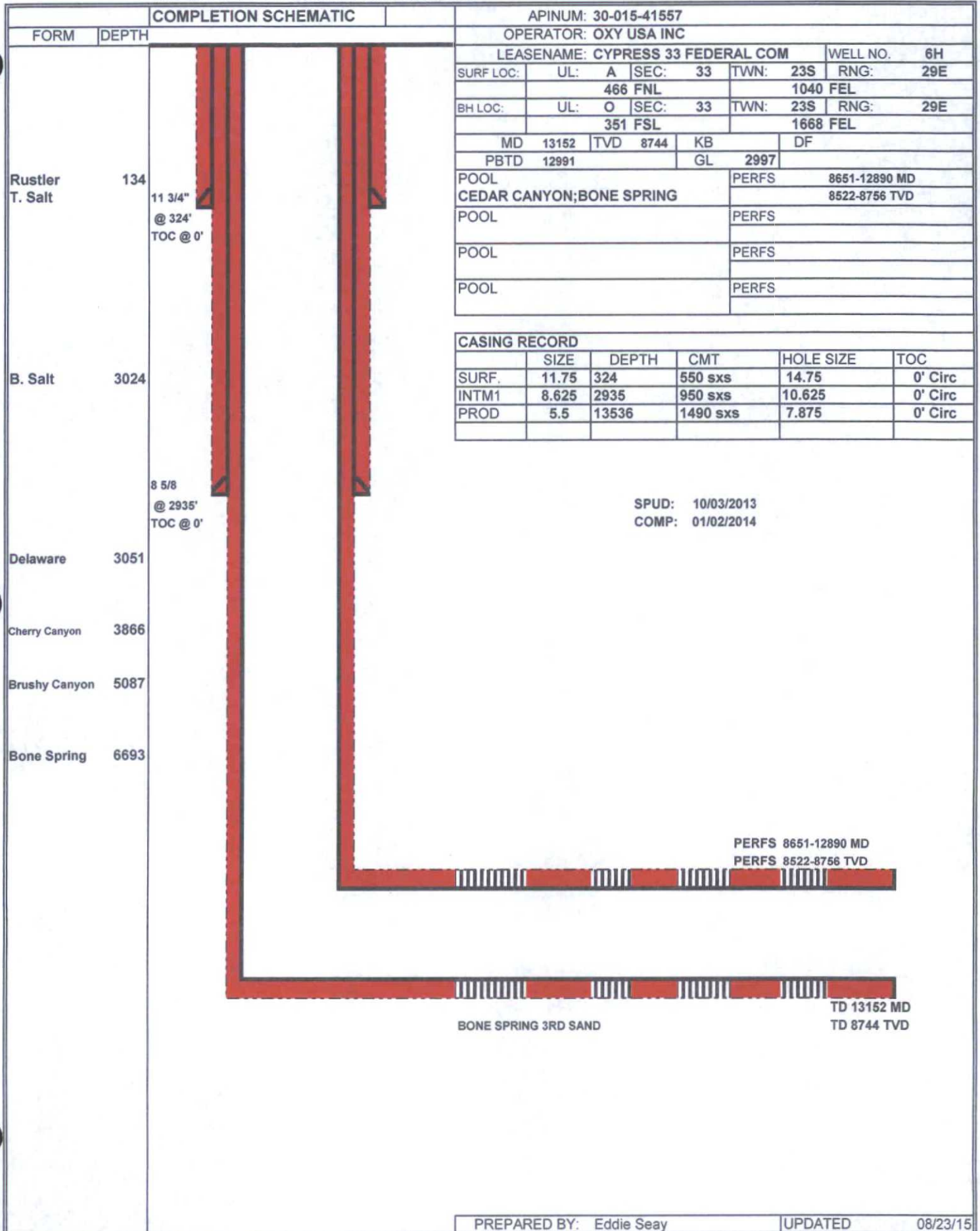
COMPLETION SCHEMATIC		APINUM: 30-015-40768			
FORM	DEPTH	OPERATOR: OXY USA INC			
Rustler T. Salt	285	LEASENAME: CYPRESS 33 FEDERAL COM			
		WELL NO. 5H			
		SURF LOC: UL: A SEC: 33 TWN: 23S RNG: 29E			
		453 FNL 803 FEL			
		BH LOC: UL: D SEC: 33 TWN: 23S RNG: 29E			
		353 FNL 357 FWL			
		MD 12929 TVD 8737 KB DF			
		PBTD 12831 GL 2996			
		POOL CEDAR CANYON;BONE SPRING	PERFS 8814-12770 MD		
		POOL	PERFS 8646-8740 TVD		
POOL	PERFS				
POOL	PERFS				
POOL	PERFS				
POOL	PERFS				
CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13.375	295	650 sxs	17.5	0' Circ
INTM1	9.625	3046	1250 sxs	12 1/4	0' Circ
PROD	5.5	12905	2670 sxs	8.75	0' Circ
<div style="text-align: right;"> SPUD: 11/30/2012 COMP: 03/20/2013 </div>					
B. Salt	2440				
Delaware	3047	9 5/8 @ 3046' TOC @ 0'			
Cherry Canyon	3890				
Brushy Canyon	5060				
Bone Spring	6700				
		Perfs 8814-12770 MD Perfs 8646-8740 TVD			
		TD 12929 MD TD 8737 TVD			
		BONE SPRING 3RD SAND			

PREPARED BY: Eddie Seay

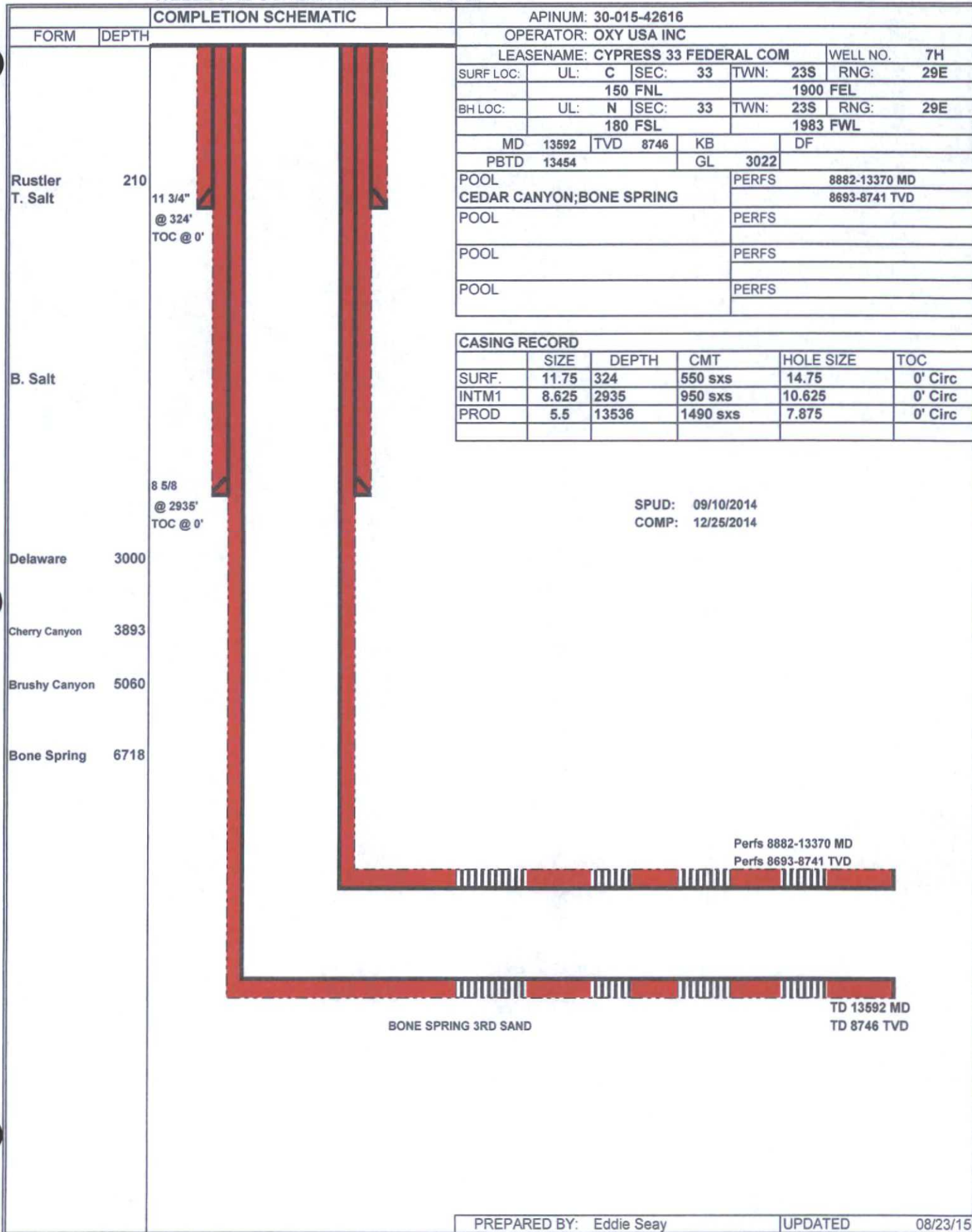
UPDATED

08/23/15

WELLBORE SCHEMATIC AND HISTORY



WELLBORE SCHEMATIC AND HISTORY

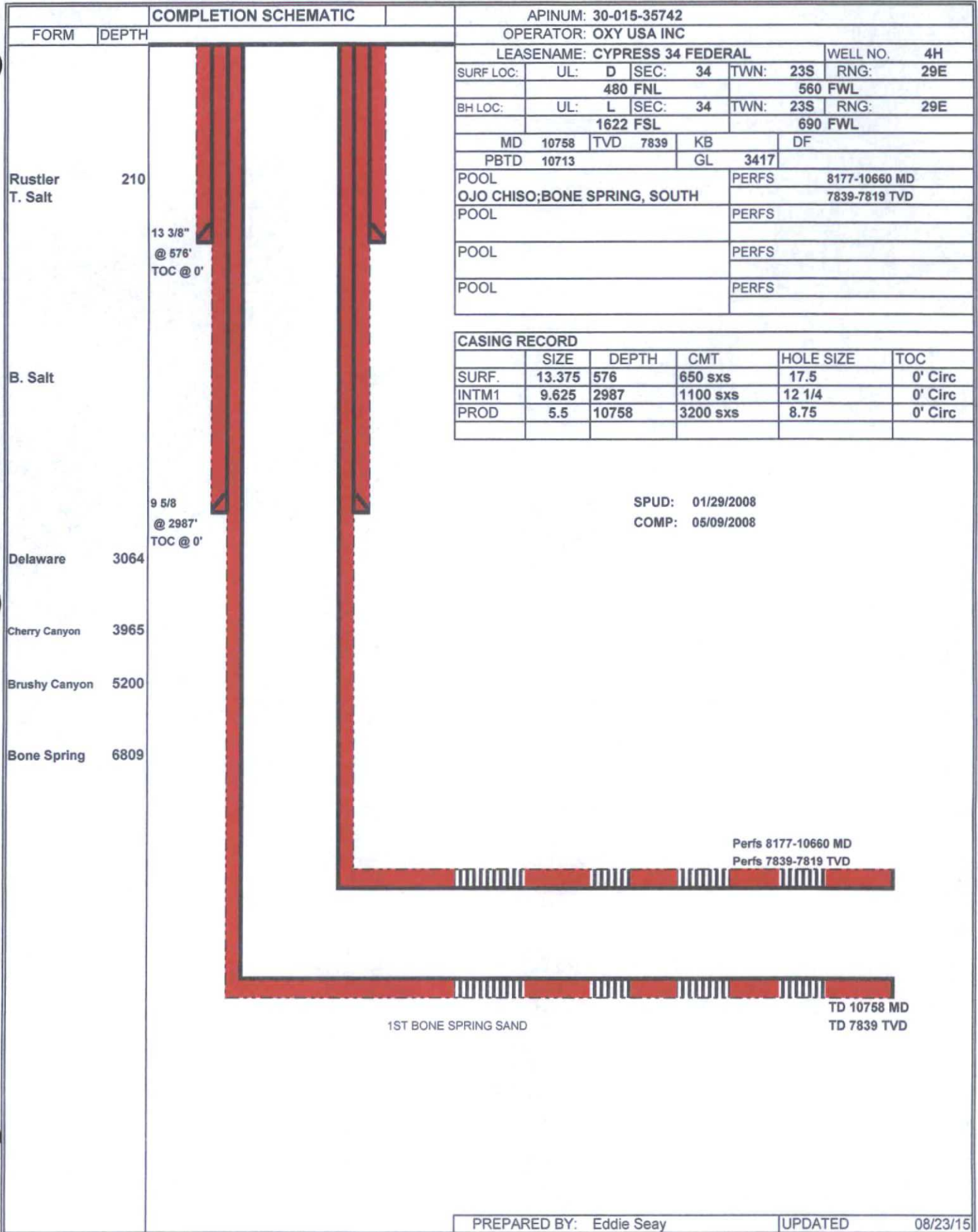


PREPARED BY: Eddie Seay

UPDATED

08/23/15

WELLBORE SCHEMATIC AND HISTORY



Water Sample Analysis

Pool	Section	Location Township	Range	Chlorides
North Justis Montoya	2	25S	37E	45440
North Justis McKee	2	25S	37E	58220
North Justis Fusselman	2	25S	37E	68533
North Justis Ellenburger	2	25S	37E	34151
Fowler Blinbry	22	24S	37E	116085
Skaggs Grayburg	18	20S	38E	84845
Warren McKee	18	20S	38E	85910
Warren Abo	19	20S	39E	91600
DK Drinkard	30	20S	39E	108855
Littman San Andres	8	21S	38E	38695
East Hobbs grayburg	29	18S	39E	6461
Halfway Yates	16	20S	32E	14768
Arkansas Junction San Andres	12	18S	38E	7171
Pearl Queen	28	19S	35E	114310
Midway Abo	17	17S	37E	38494
Lovinton Abo	31	16S	37E	22933
Lovington San Andres	3	16S	37E	4899
Lovington Paddock	31	16S	37E	93720
Mesa Queen	17	16S	32E	172530
Kemnitz Wolfcamp	27	16S	34E	49345
Hume Queen	9	16S	34E	124960
Anderson Ranch Wolfcamp	2	16S	32E	11040
Anderson Ranch Devonian	11	16S	32E	25702
Anderson Ranch Unit	11	16S	32E	23768
Caudill Devonian	9	15S	36E	20874
Townsend Wolfcamp	6	16S	36E	38695
Dean Perno Penn	5	16S	37E	44730
Dean Devonian	35	15S	38E	19525
South Denton Wolfcamp	26	15S	37E	54315
South Denton Devonian	36	15S	37E	34080
Medicine Rock Devonian	15	15S	38E	39760
Little Lucky Lake Devonian	29	15S	30E	23288
Wantz Abo	26	21S	37E	132770
Crosby Devonian	18	25S	37E	58220
Scarborough Yates Seven Rivers	7	26S	37E	3443(Reef)
Teague Simpson	34	23S	37E	114665
Teague Ellenburger	34	23S	37E	120345
Rhodes Yates 7 Rivers	27	26S	37E	144485
House SA	11	20S	38E	93365
House Drinkard	12	20S	38E	49700
South Leonard Queen	24	26S	37E	115375
Elliot Abo	2	21S	38E	55380
Scharb Bone Springs	5	19S	35E	30601
EK Queen	13	18S	34E	41890
East EK Queen	22	18S	34E	179630
Maljamar Grayburg SA	22	17S	32E	46079
Maljamar Paddock	27	17S	32E	115375
Maljamar Devonian	22	17S	32E	25418

MITCHELL ANALYTICAL LABORATORY

2638 Faudree
Odessa, Texas 79765-8538
561-5579

Company: **WadeCo Specialties, LLC**

Well Number: Giant Superior St. #3
Lease: Harvard
Location: WC9434
Date Run: 1/14/2013
Lab Ref #: 13-jan-h10083

*Ball Canyon
Deleware*

Sample Temp: 70
Date Sampled: 1/7/2013
Sampled by: Wade Havens
Employee #:
Analyzed by: GR

Dissolved Gases

		Mg/L	Eq. Wt.	MEq/L
Hydrogen Sulfide (H2S)		.00	16.00	.00
Carbon Dioxide (CO2)	NOT ANALYZED			
Dissolved Oxygen (O2)	NOT ANALYZED			

Cations

		Mg/L	Eq. Wt.	MEq/L
Calcium (Ca++)		7,147.56	20.10	355.60
Magnesium (Mg++)		1,761.68	12.20	144.40
Sodium (Na+)		44,424.72	23.00	1,931.51
Barium (Ba++)	NOT ANALYZED			
Manganese (Mn+)		4.70	27.50	.17

Anions

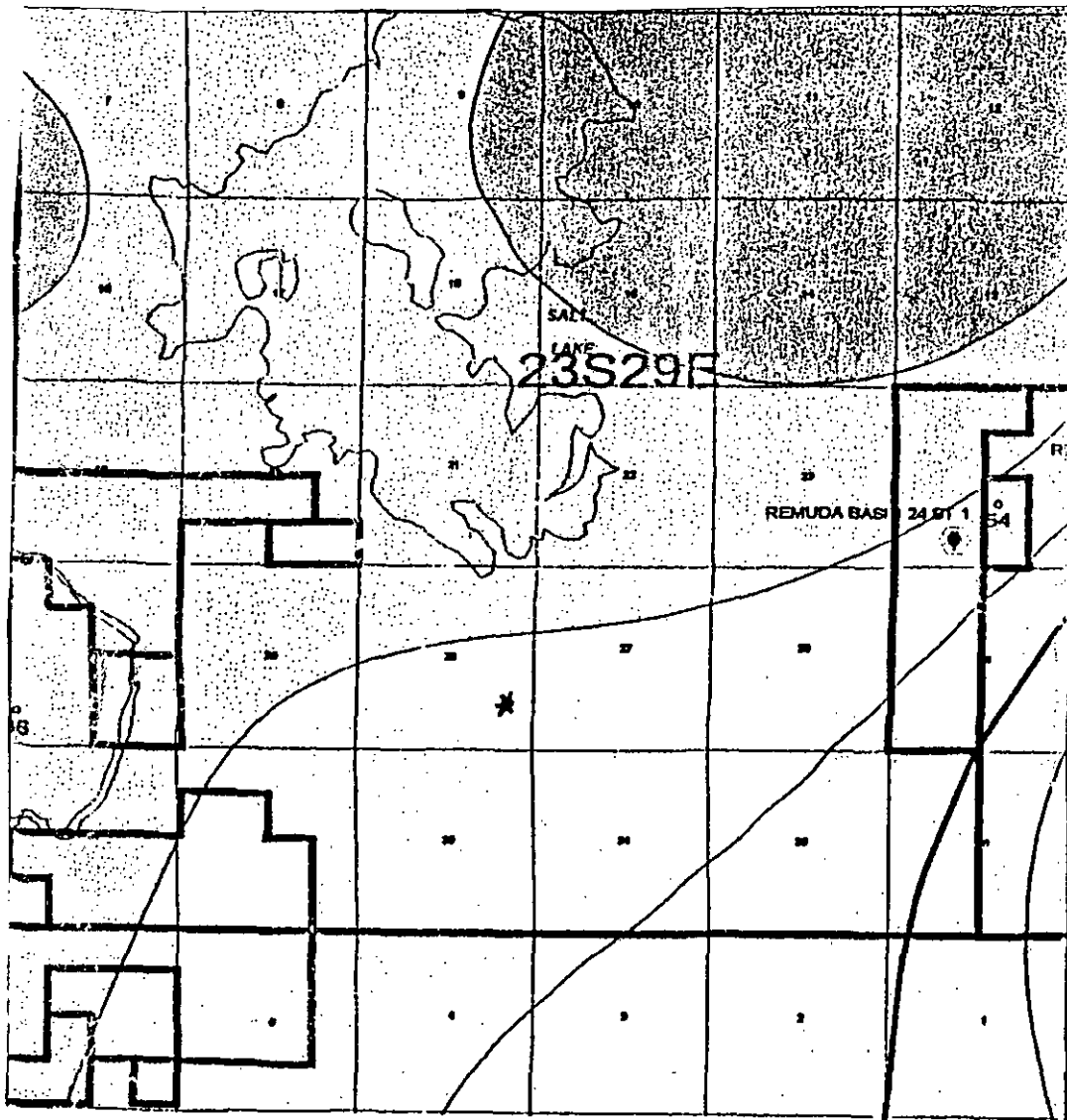
		Mg/L	Eq. Wt.	MEq/L
Hydroxyl (OH-)		.00	17.00	.00
Carbonate (CO3=)		.00	30.00	.00
BiCarbonate (HCO3-)		48.88	61.10	.80
Sulfate (SO4=)		10.00	48.80	.20
Chloride (Cl-)		86,294.82	35.50	2,430.84
Total Iron (Fe)		3.06	18.60	.16
Total Dissolved Solids		139,695.42		
Total Hardness as CaCO3		25,091.79		
Conductivity MICROMHOS/CM		169,200		

pH 7.230 Specific Gravity 60/60 F. 1.097

CaSO4 Solubility @ 80 F. 31.49MEq/L, CaSO4 scale is unlikely

CaCO3 Scale Index

70.0	.336	100.0	.666	130.0	1.236
80.0	.426	110.0	.946	140.0	1.236
90.0	.666	120.0	.946	150.0	1.576



Groundwater Map

NOTICES
MINERAL INTEREST AND OFFSET OPERATORS

SURFACE OWNER AND MINERAL INTEREST OWNER

U.S. Government (BLM)
620 E. Green St.
Carlsbad, NM 88220

OFFSET OPERATIONS

Laguna Grande, LLC
601 W. 2nd Street, Suite 18
Roswell, NM 88201

Exxon Mobile Corp.
Box 4358
Houston, TX 77210-4358

Devon Energy Production Co., LP
20 N. Broadway
Oklahoma City, OK 73102

Oxy USA, Inc.
Box 4294
Houston, TX 77210

Intrepid Potash
210 Red Cloud
Carlsbad, NM 88220

Mosaic Potash
1361 Potash Mine Road
Carlsbad, NM 88220

Intercontinental Potash Corp.
600 W. Bender
Hobbs, NM 88240

CHEROKEE DISPOSAL, LLC

September 2015

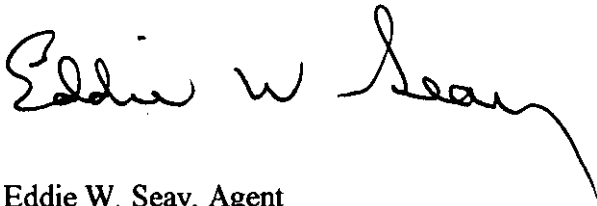
RE: Laguna Grande #1 (API 30-015-21636)
Unit I, Sect. 28, T. 23 S., R. 29 E.
Eddy County

Dear Sir:

In accordance with the Rules and Regulations of the Oil Conservation Division of the State of New Mexico, you are being provided a copy of the C-108, Application for Authorization to Inject into the above captioned well to be drilled.

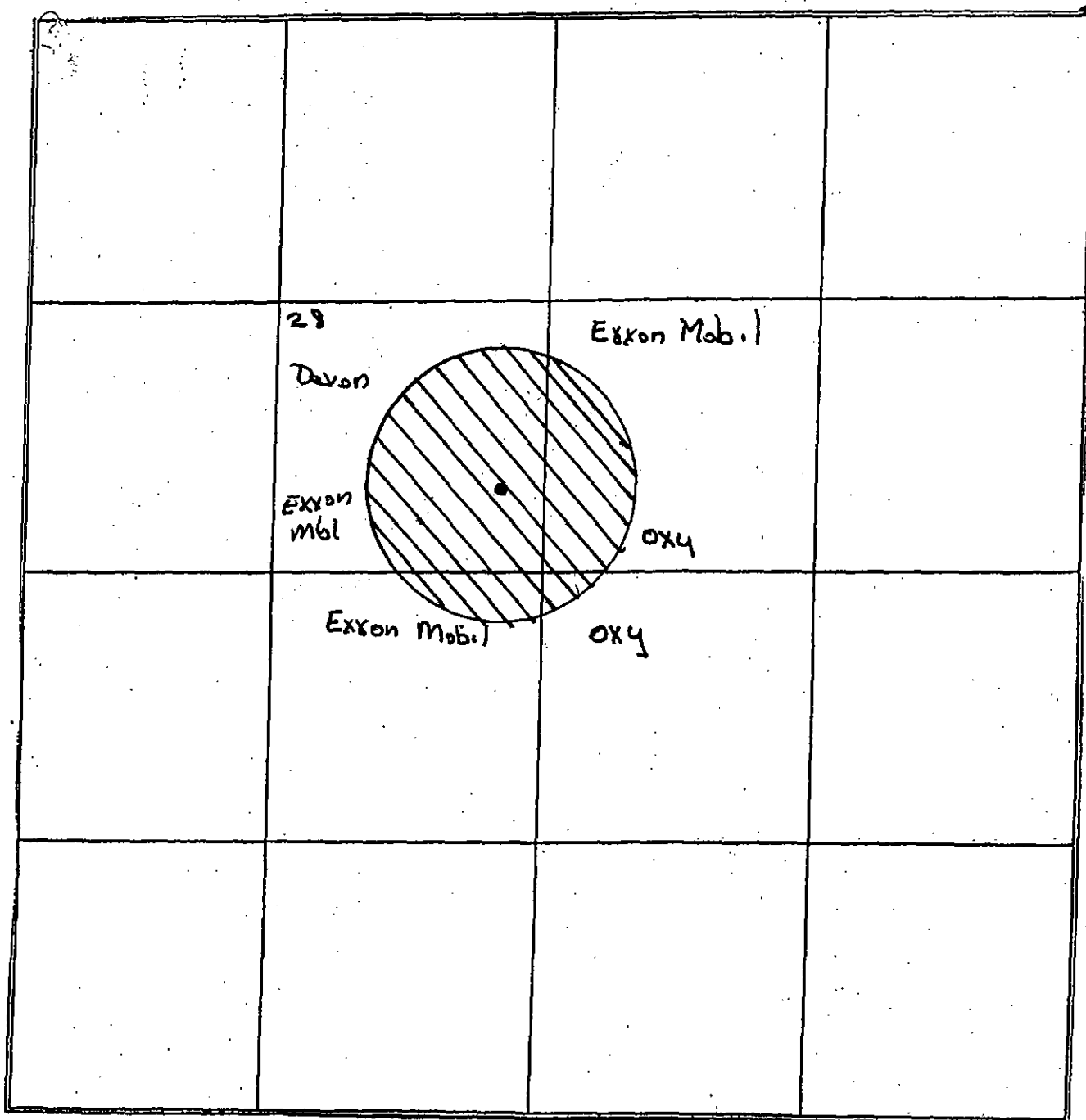
Any questions about the permit can be directed to Eddie W. Seay, (575)392-2236. Any objections or request for hearing must be filed with the Oil Conservation Division within fifteen (15) days from the date received. The OCD address is 1220 S. Saint Francis Drive, Santa Fe, NM 87504, (505)476-3440.


Thank you,

A handwritten signature in black ink that reads "Eddie W. Seay". The signature is fluid and cursive, with the first name "Eddie" being the most prominent.

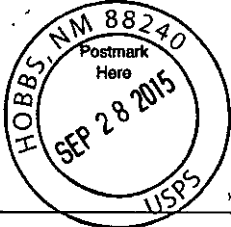
Eddie W. Seay, Agent
Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242
(575)392-2236
seay04@leaco.net

Unit I Sect 28 Tws 23 Rng 29 E
Eddy Co.

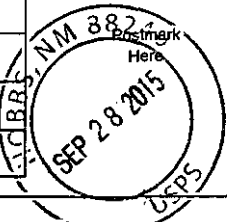


 All: Federal surface and Mineral

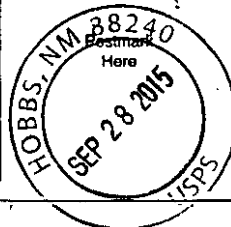
7014 3490 0002 2315 6906

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Certified Fee	3.45
Return Receipt Fee (Endorsement Required)	2.80
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 9.59
	
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PS Form 3800, July 2014 See Reverse for Instructions	

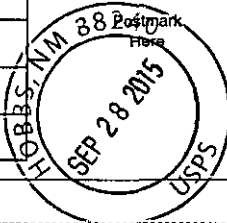
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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 9.39
	
Sent To Devon Energy Productions Co., LP Street, Apt. No., or PO Box 20 N. Broadway City, State, ZIP+4 Oklahoma City, OK 73102	
PS Form 3800, August 2006 See Reverse for Instructions	

7014 3490 0002 2315 6888

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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 9.39
	
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PS Form 3800, July 2014 See Reverse for Instructions	

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Return Receipt Fee (Endorsement Required)	2.80
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 9.39
	
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PS Form 3800, August 2006 See Reverse for Instructions	

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Return Receipt Fee (Endorsement Required)	2.80
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 8.99

Sent To
 Laguna Grande, LLC
 Street, Apt. No.,
 or PO Box 2nd Street, Ste. 18
 City, State, ZIP+4
 Roswell, NM 88201

PS Form 3800, July 2014 See Reverse for Instructions

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Postage	\$ 2.74
Certified Fee	3.45
Return Receipt Fee (Endorsement Required)	2.80
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 8.99

Sent To
 Intrepid Potash
 Street, Apt. No.,
 or PO Box 210 Red Cloud
 City, State, ZIP+4
 Carlsbad, NM 88220

PS Form 3800, August 2006 See Reverse for Instructions

7012 1640 0000 2270 9564

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Postage	\$ 2.74
Certified Fee	3.45
Return Receipt Fee (Endorsement Required)	2.80
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 8.99

Sent To
 Mosaic Potash
 Street, Apt. No.,
 or PO Box 361 Potash Mine Road
 City, State, ZIP+4
 Carlsbad, NM 88220

PS Form 3800, August 2006 See Reverse for Instructions

7012 1640 0000 2270 9557

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OFFICIAL USE

Postage	\$ 2.74
Certified Fee	3.45
Return Receipt Fee (Endorsement Required)	2.80
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 8.99

Sent To
 Intercontinental Potash Corp.
 Street, Apt. No.,
 or PO Box 600 W. Bender
 City, State, ZIP+4
 Hobbs, NM 88240

PS Form 3800, August 2006 See Reverse for Instructions

LEGAL NOTICE

Pursuant to the rules and regulations of the Oil Conservation Division of the State of New Mexico, Cherokee Disposal, LLC, 301 Hinson Rd, Lovington, NM 88260, is filing a C-108 to convert an existing well to a Salt Water Disposal. The well being applied for is the Laguna Grande #1, API 30-015-21636, located in Unit I, Section 28, Township 23 South, Range 29 East, Eddy Co., NM. The injection formation is the Bell Canyon from 2950' to 3400' below surface. Expected maximum injection rate is 10,000 bpd., and the expected maximum injection pressure is 600 psi or what the OCD allows. Any questions about the application can be directed to Eddie W. Seay, (575)392-2236, or any objection or request for hearing must be directed to the Oil Conservation Division, (505)476-3440, 1220 South Saint Francis Drive, Santa Fe, NM 87504, within fifteen (15) days.

Affidavit of Publication

No. 23635

State of New Mexico

County of Eddy:

Danny Scott

being duly sworn says that she 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 Notice

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 September 13, 2015

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Sixth Publication

Subscribed and sworn before me this

14th day of September 2015



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

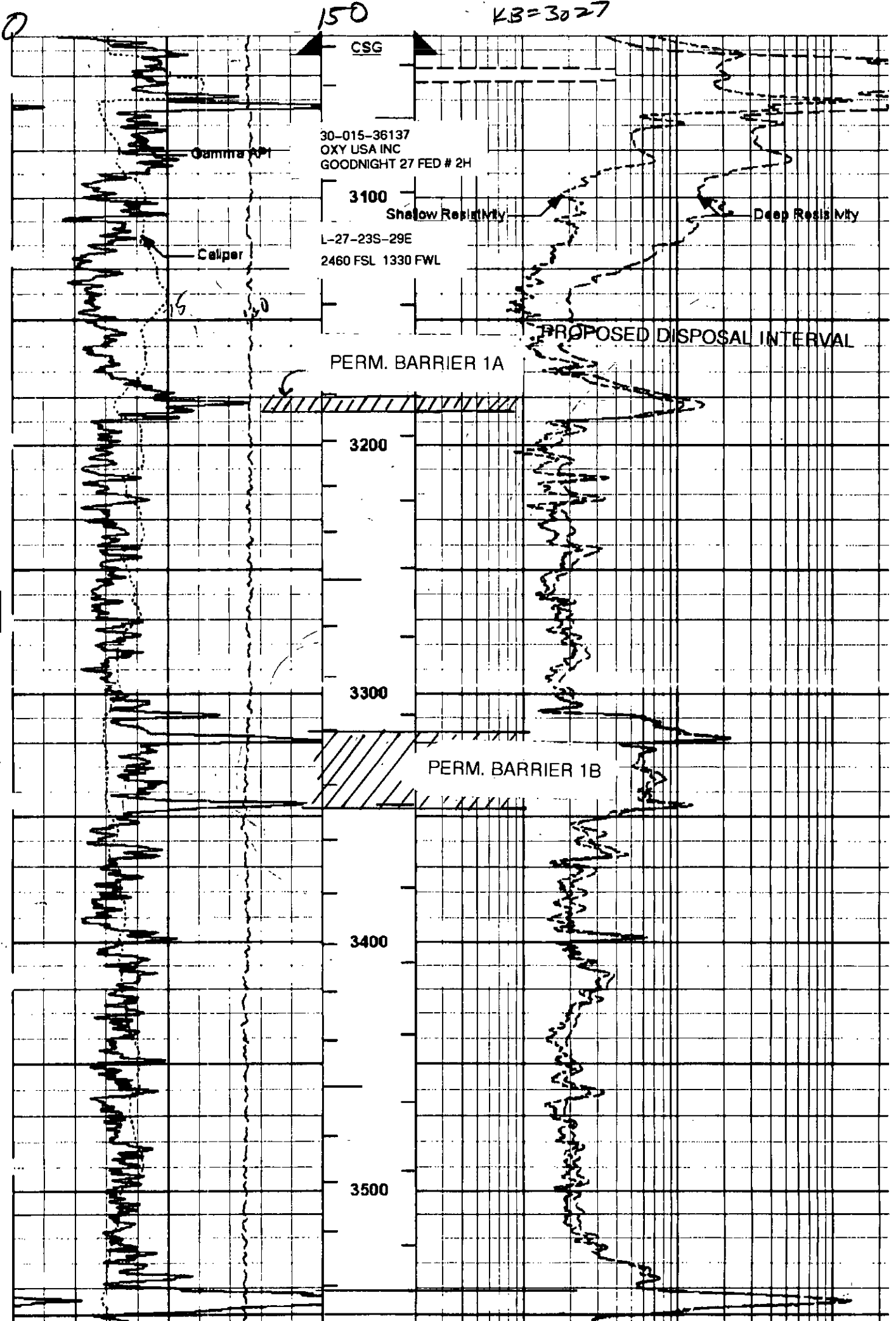
Copy of Publication:

LEGAL NOTICE

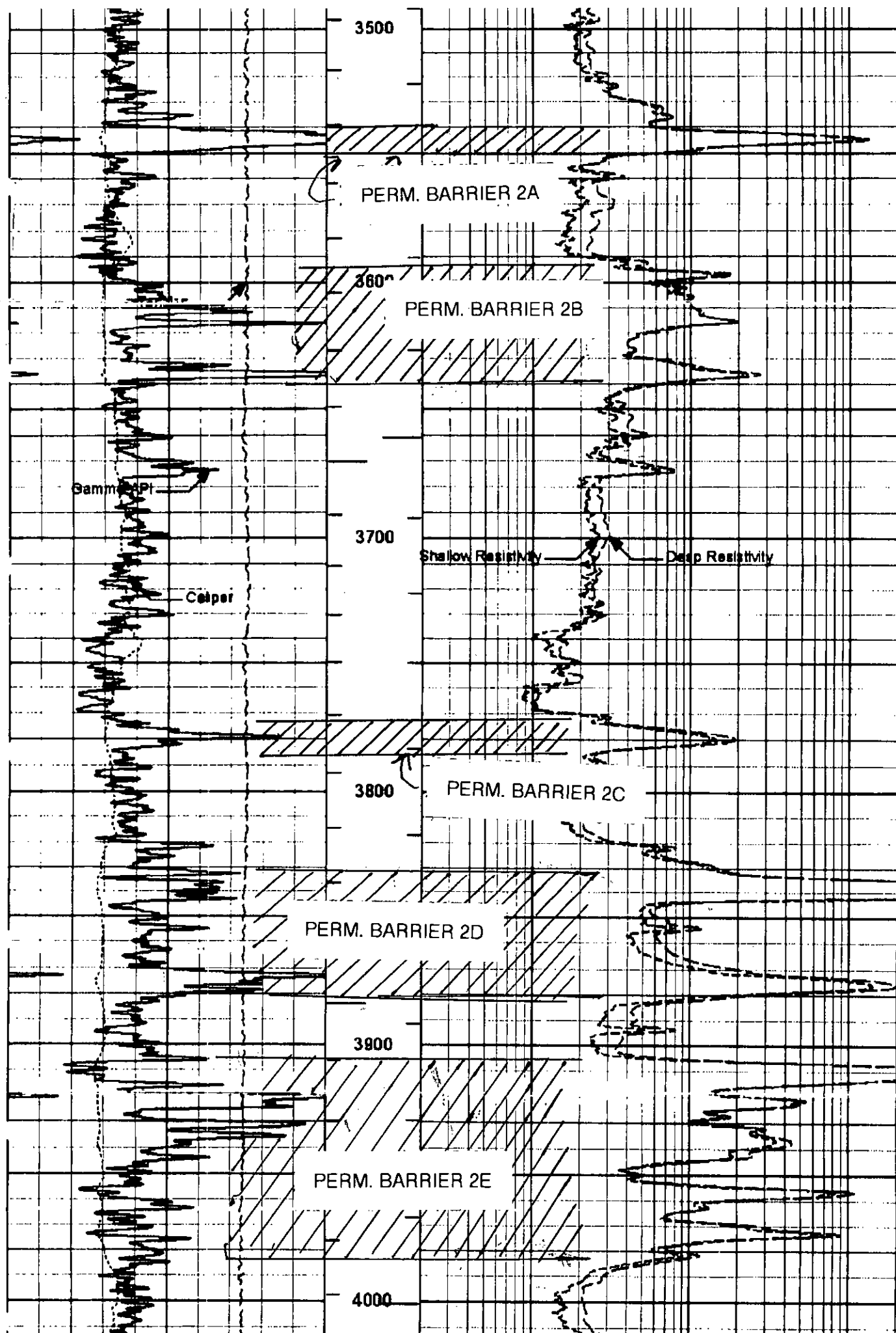
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Published in the Artesia Daily Press, Artesia, N.M., Sept. 13, 2015 Legal No. 23635.

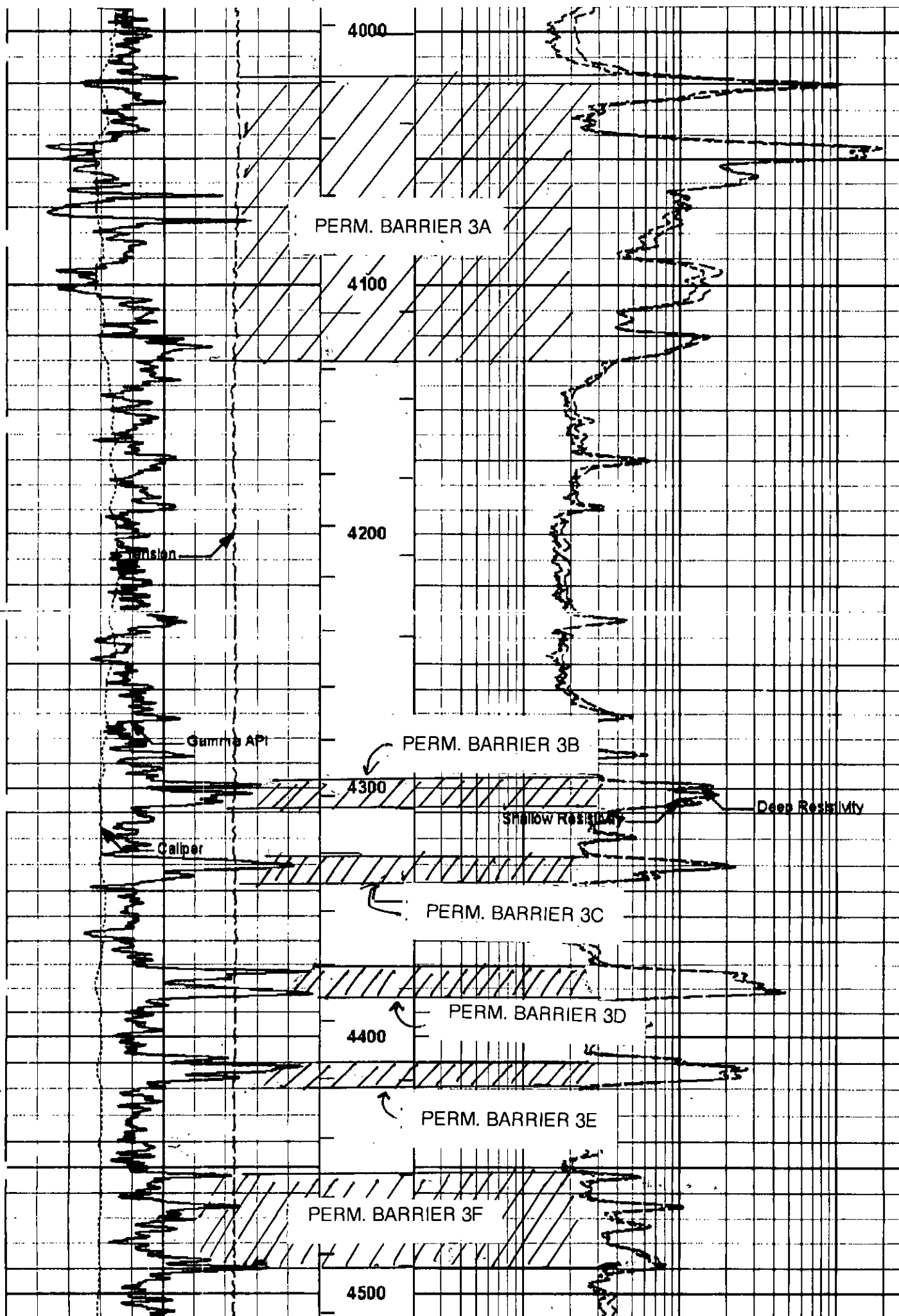
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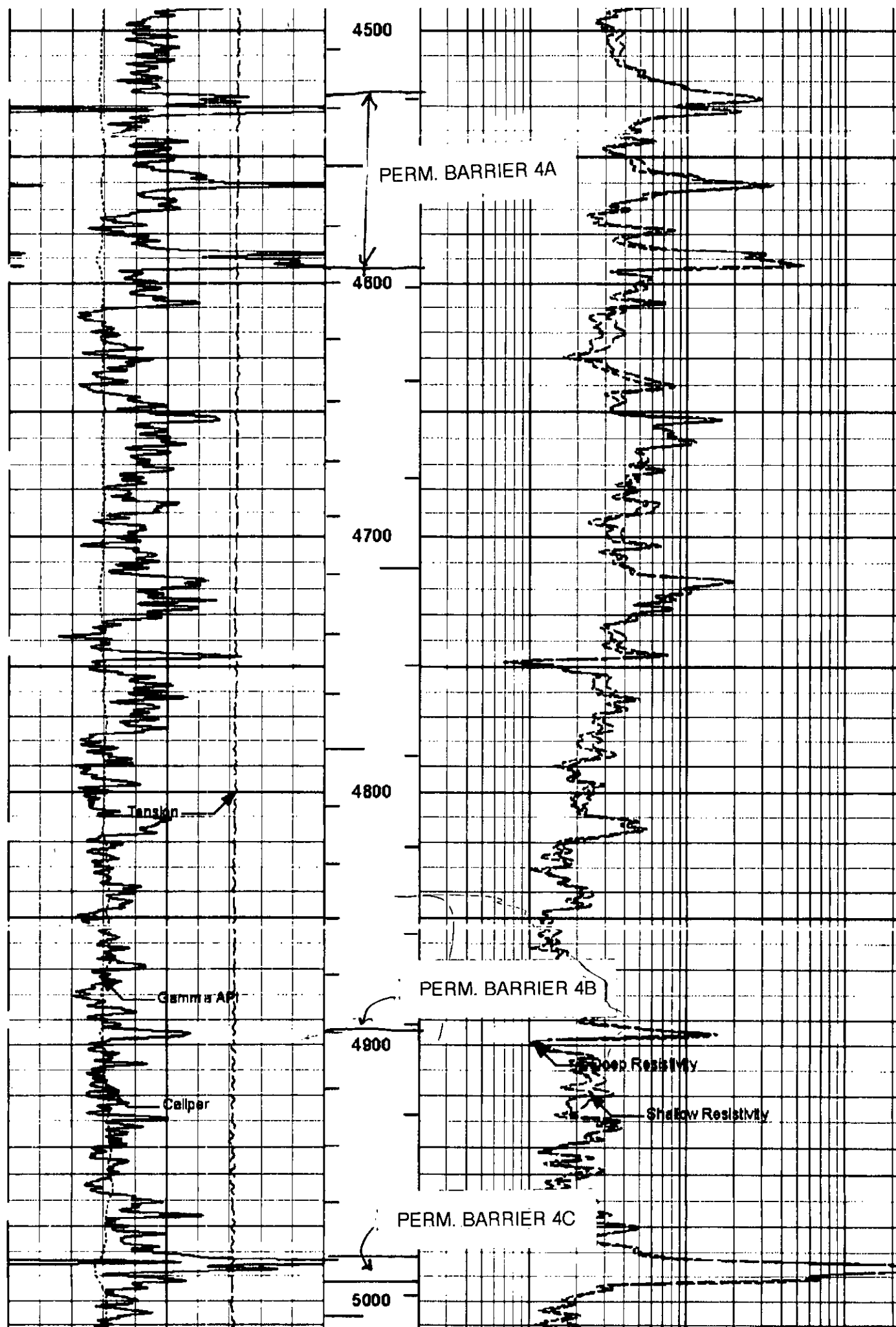
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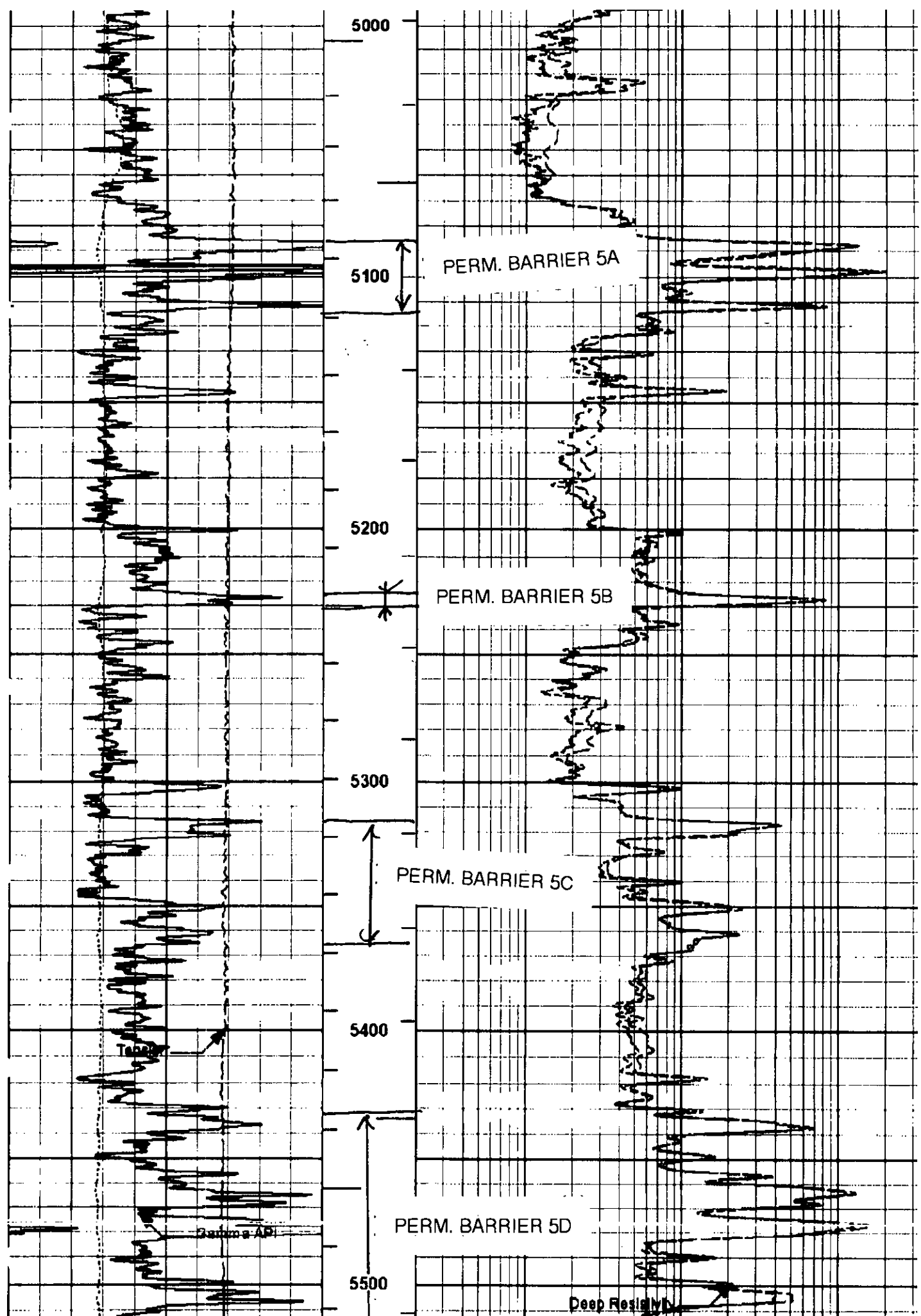
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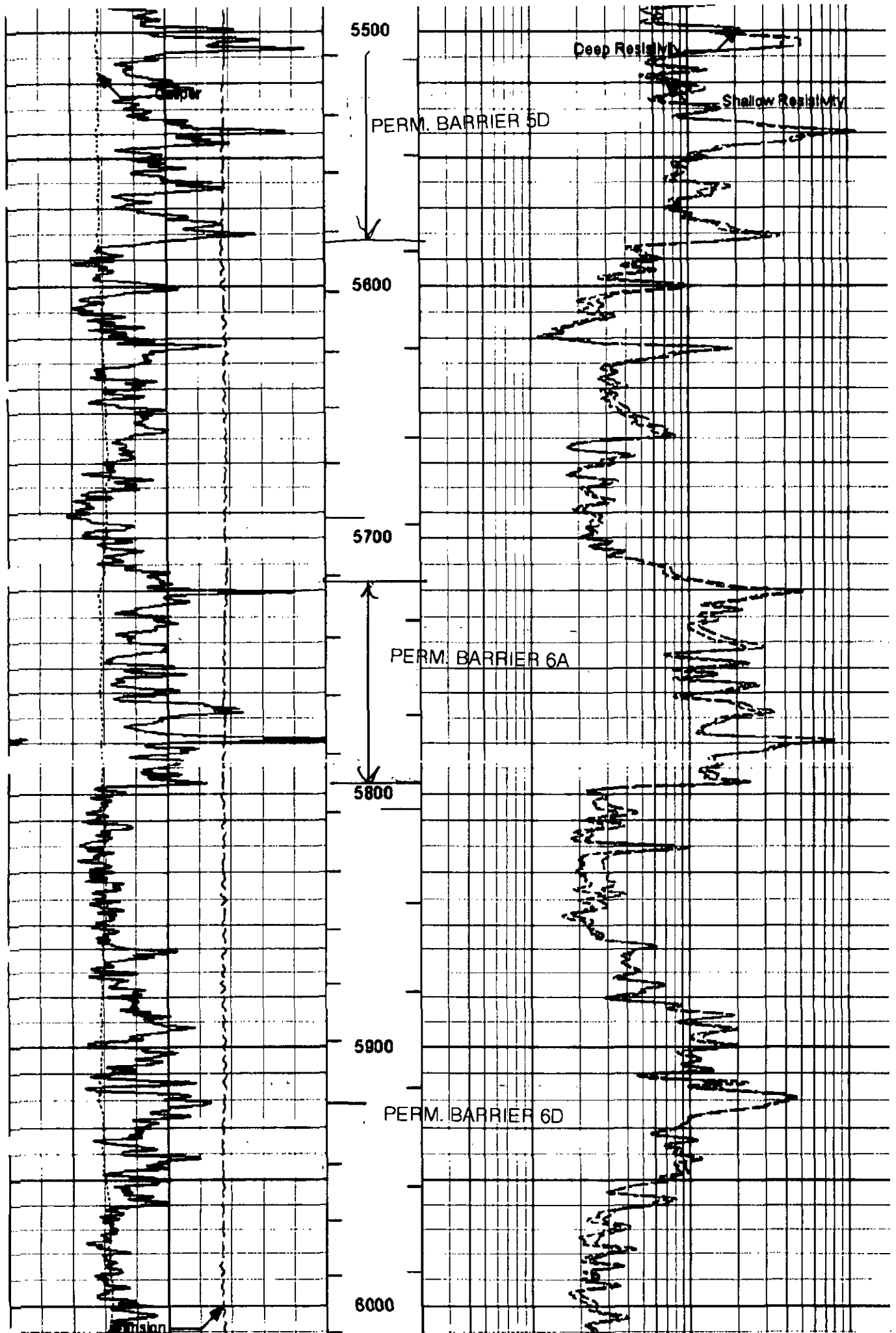
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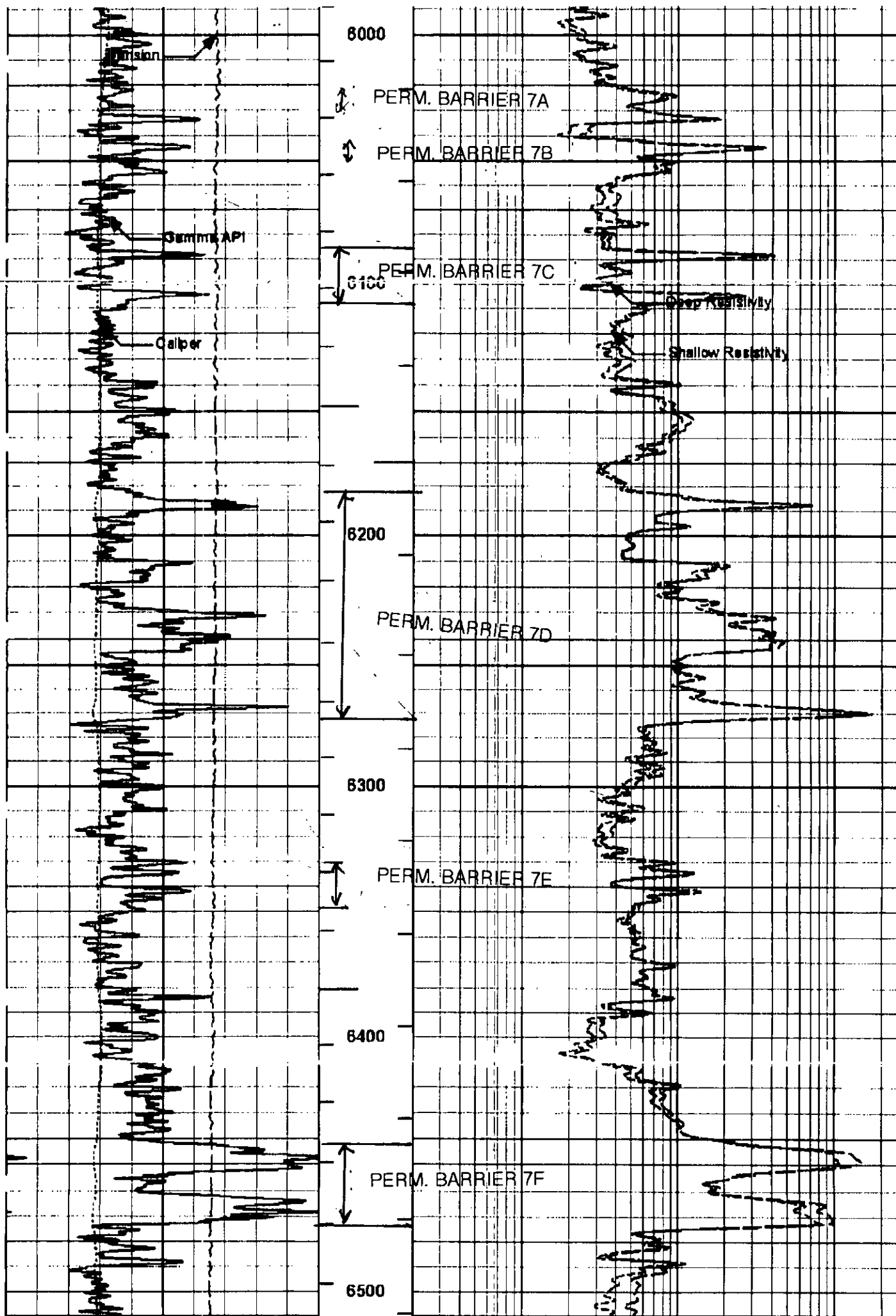
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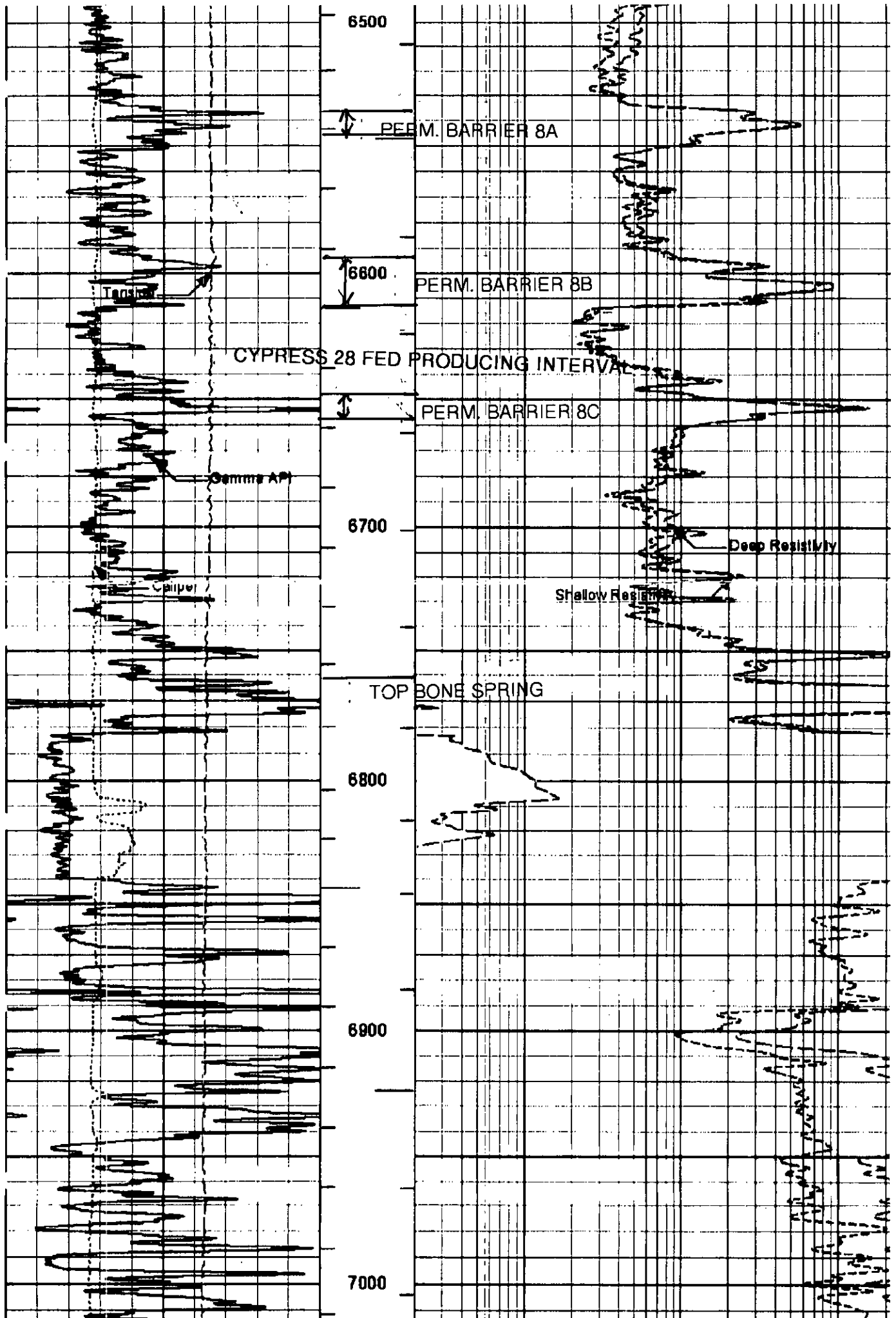
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30-015-36137



30-015-36137



30-015-37249

100

KR=3030

CASING-

3000

30-015-37249
OXY USA INC
CYPRESS 28 FED # 1

M-28-23S-29E
330 FSL 440 FWL

PROPOSED DISPOSAL INTERVAL

PERM. BARRIER 1A

3100

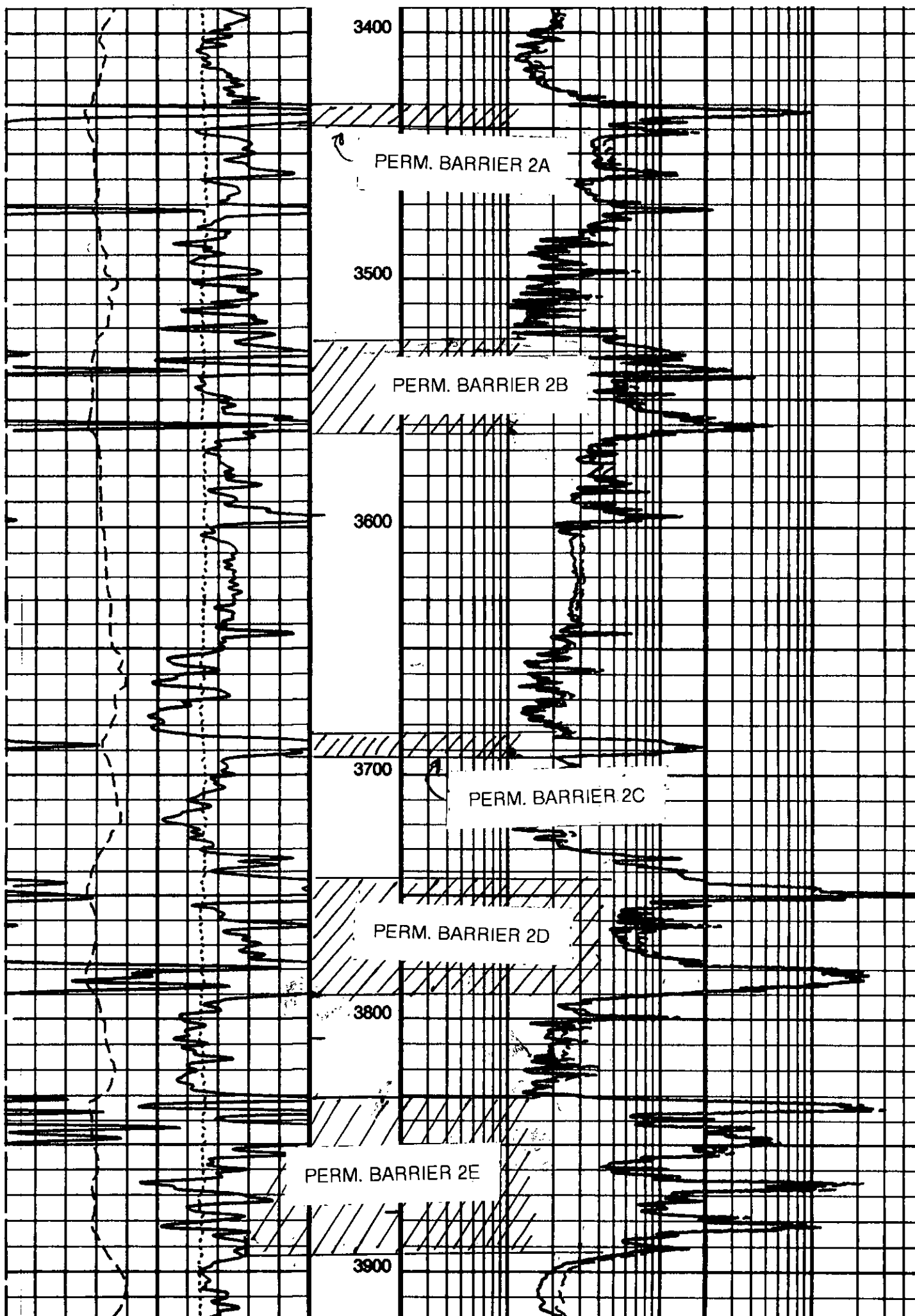
3200

PERM. BARRIER 1B

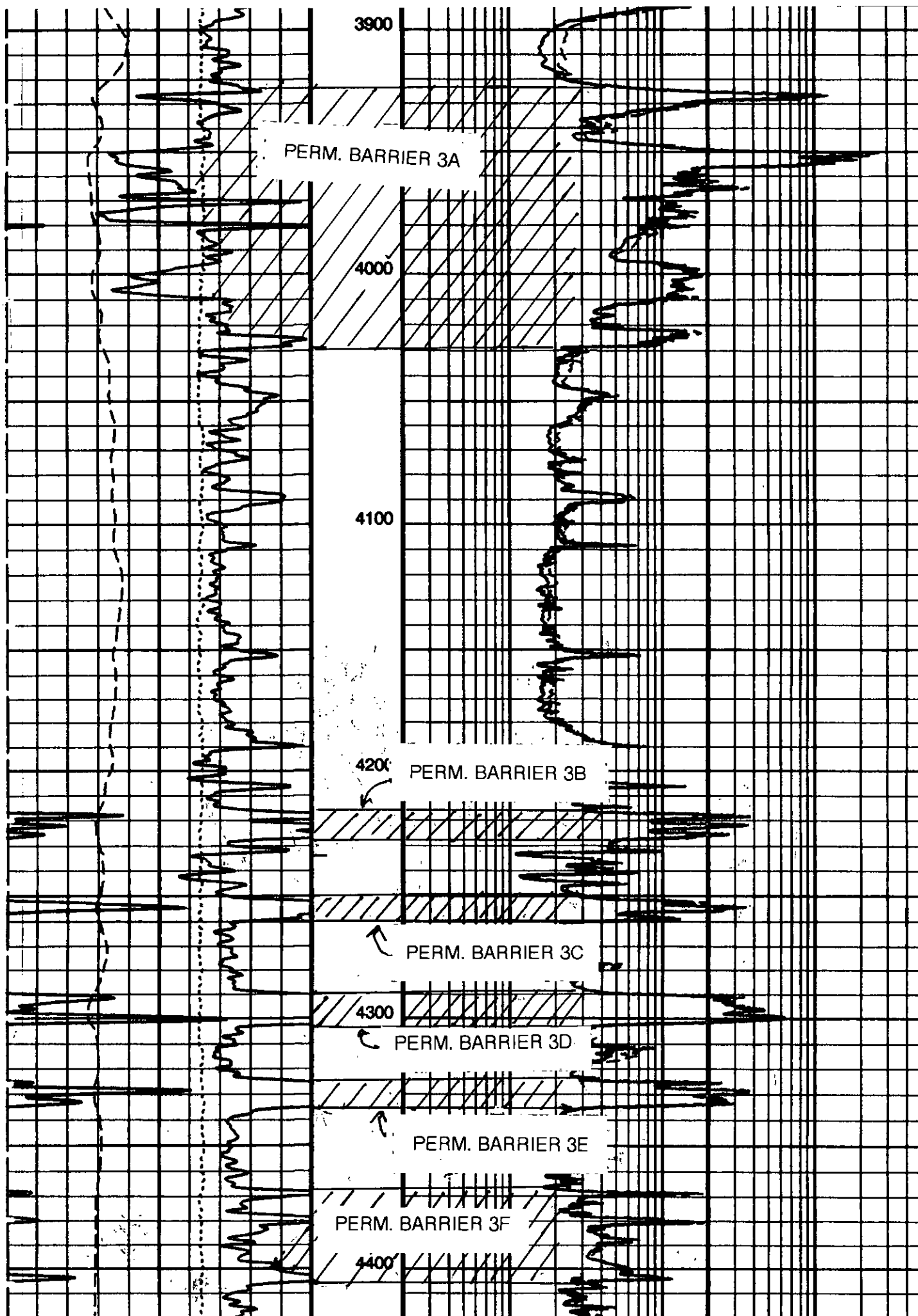
3300

3400

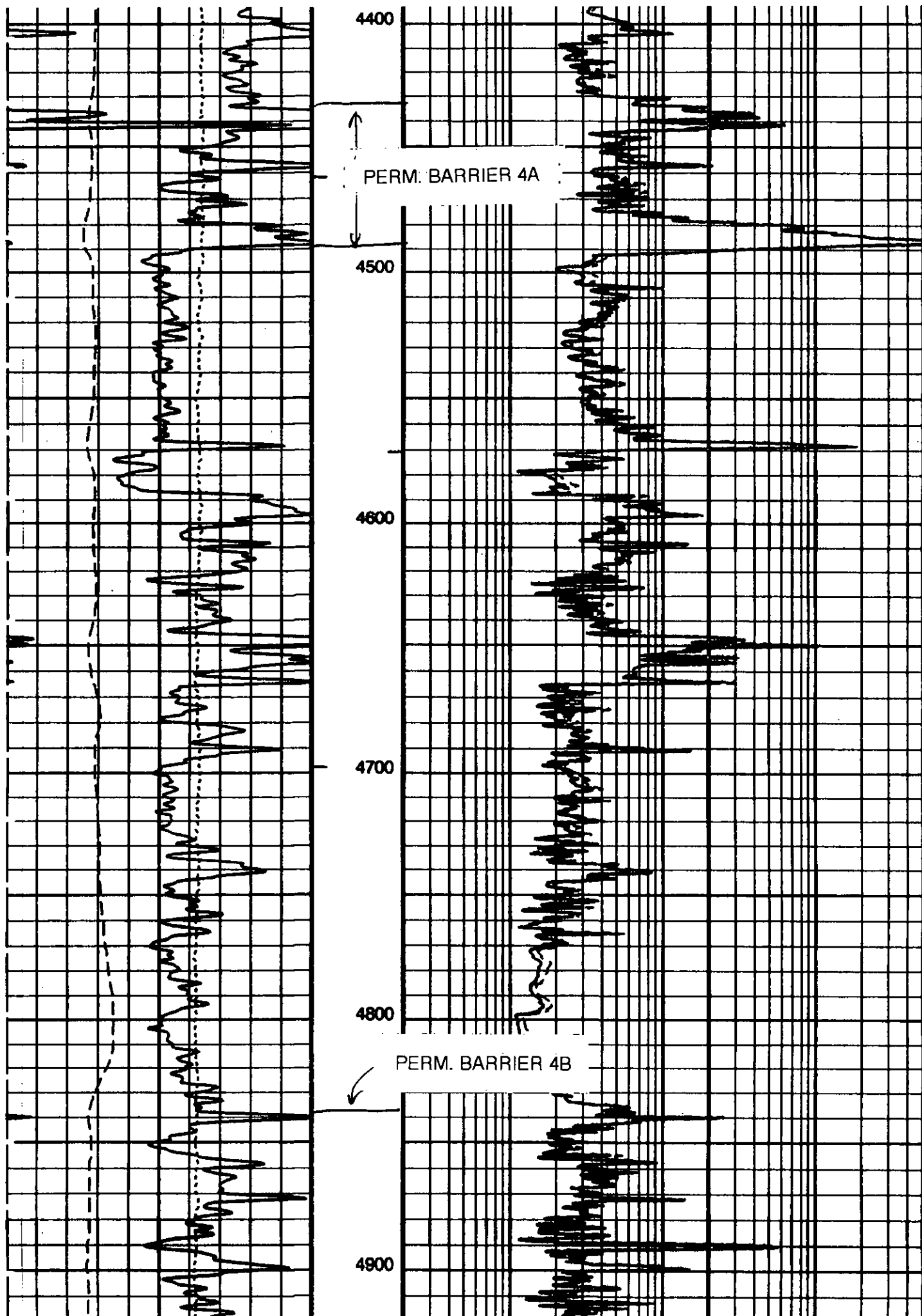
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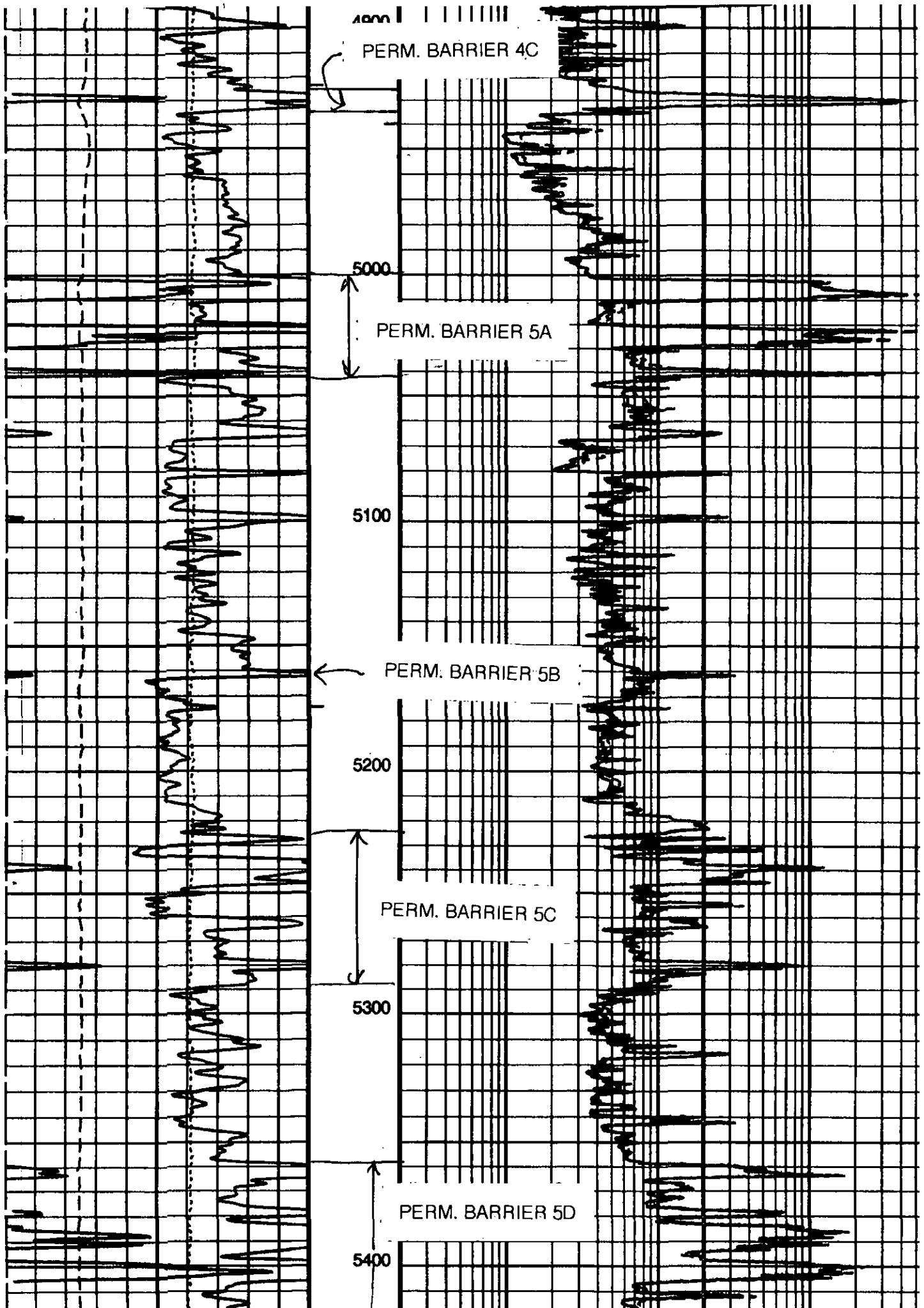
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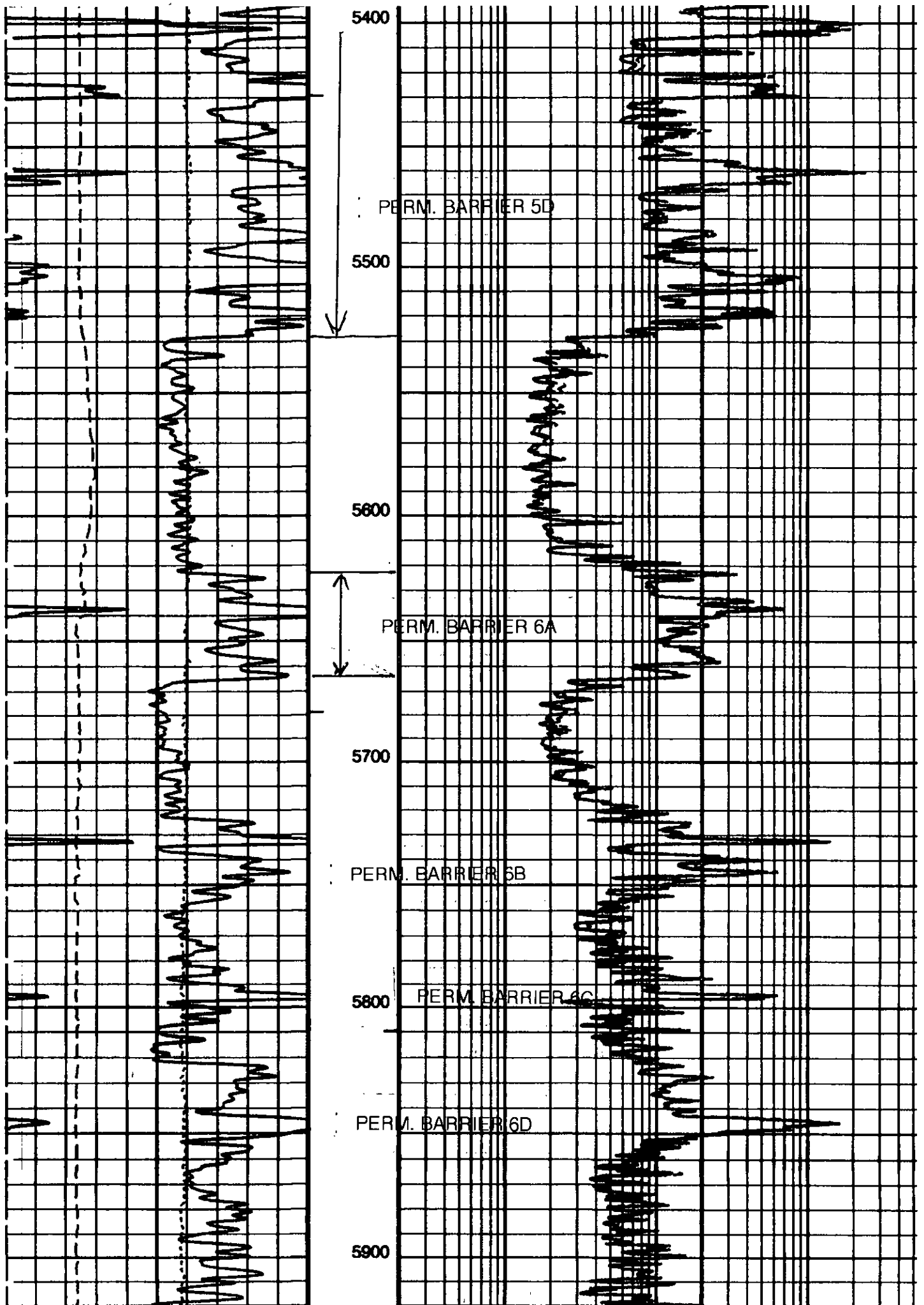
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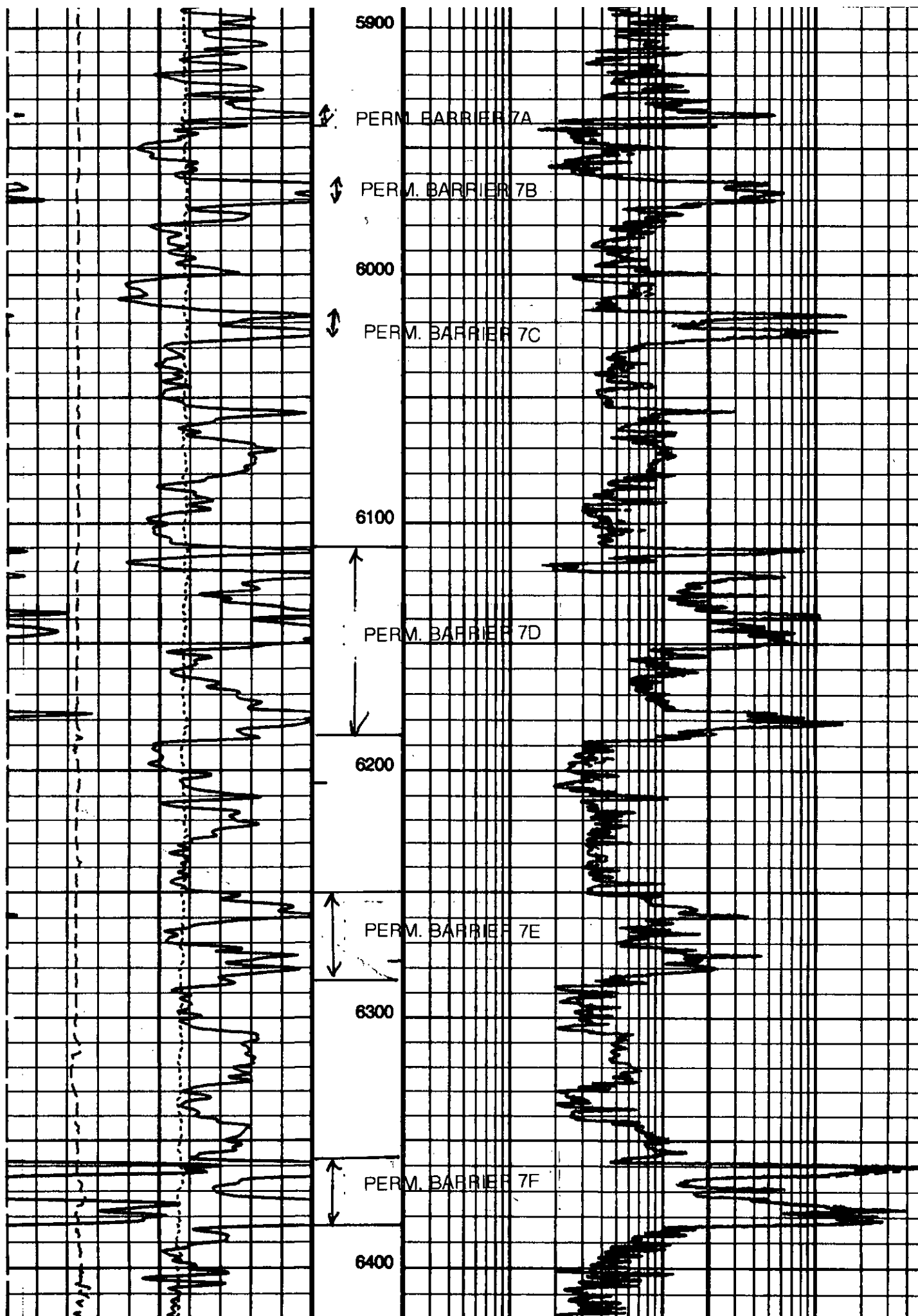
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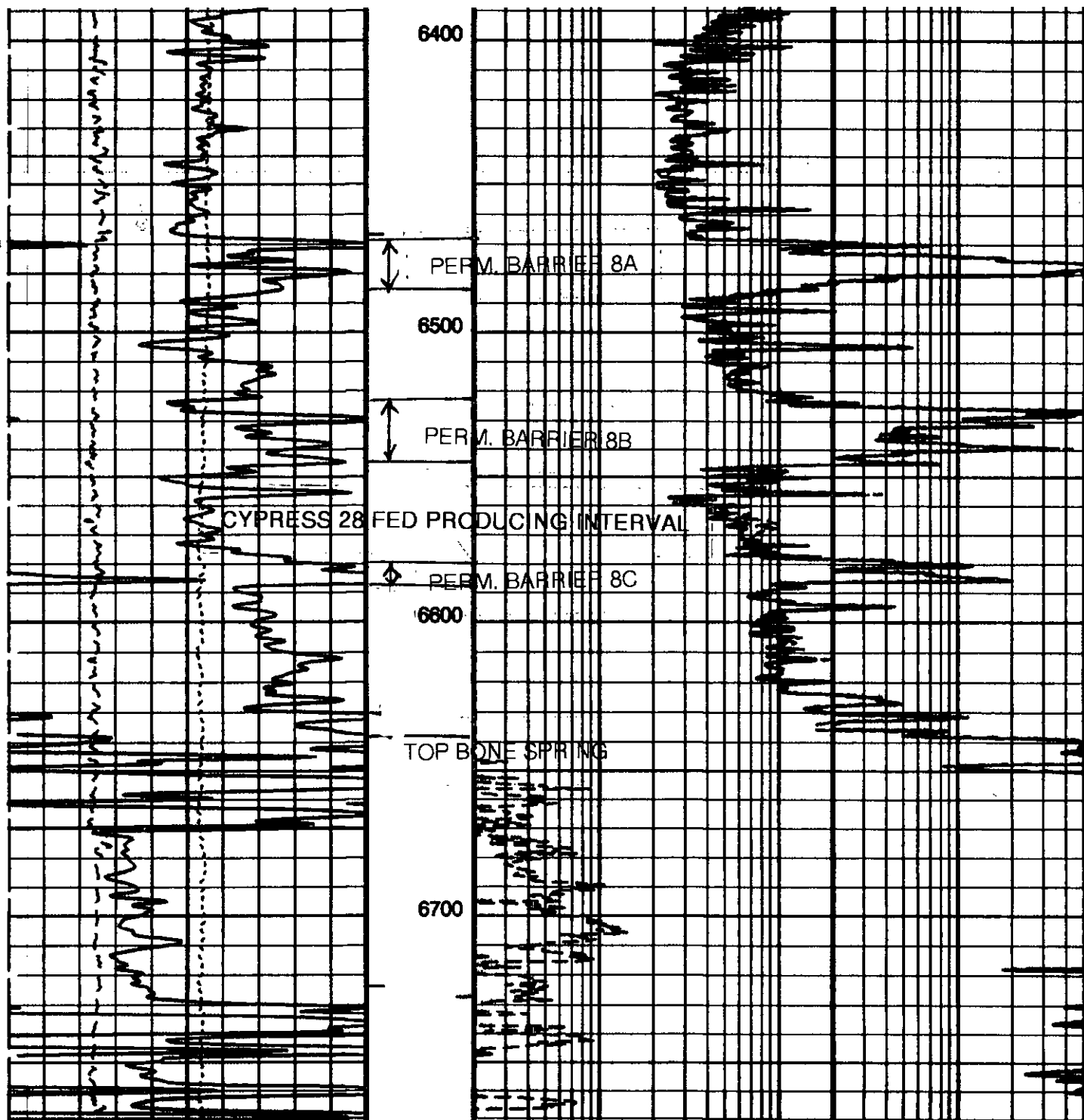
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30-015-37249

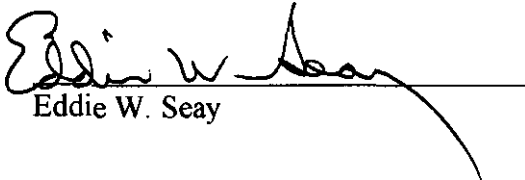


30-015-37249



LAGUNA GRANDE SWD #1
API 30-015-21636

I, Eddie W. Seay, have examined all available geologic and engineering data pertaining to the Laguna Grande #1, and find no evidence of open faults or any other hydrologic connection between the disposal zones and any underground source of drinking water.


Eddie W. Seay

The fresh water formation for this area would be the Santa Rosa which would be between 300' to 400' below surface, no sampling points available.

IX. ACID AS NEEDED.

X. PREVIOUSLY SUBMITTED TO OCD.

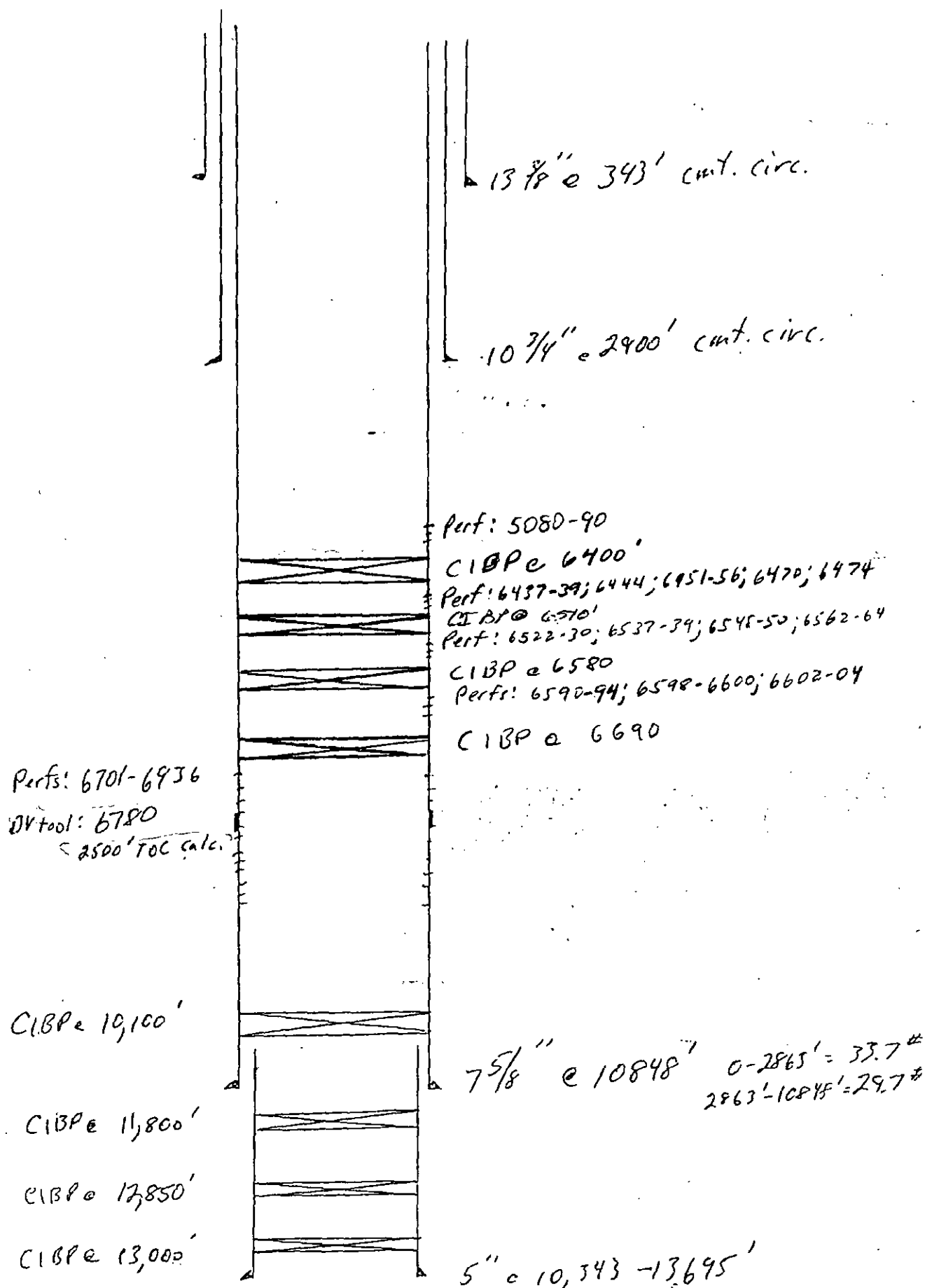
XI. ATTACHED.

XII. I, Eddie W. Seay, have examined all available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zones and any underground source of drinking water pertaining to this well.

XIII. ATTACHED.

in clay
(Exxon, Eastland, BBS)

2-1-1-1



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
PALOMA RESOURCES, INC.

3. Address and Telephone No.
P.O. Box 1814 Roswell, NM 80202 505 622-0770

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1380' FSL & 990' FEL
Sec. 28-T235-R29E

RECEIVED
1997 AUG 19 A 10:41

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No
NM-67103

6. If Indian, Allotment or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No
Laguna Grande Fed. #1

9. API Well No
30-015-21636

10. Field and Pool, or Exploratory Area
Laguna Grande Morrow

11. County or Parish, State
Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Operator proposes to squeeze off the current Delaware perforations from 5080-6604, then squeeze off Bone Springs perforations from 6701'-6936'. Drill out Squeezes and test casing and BOP equipment to 5000#. Drill out CIBP at 10,100' above the liner top and continue in the hole. Clean out wellbore to 13,695'. Casing integrity will be maintained by squeezing the Strawn, Aroka, and Upper Morrow Perforations, then drilling out cement and testing casing. Paloma Resources, Inc. plans to perforate the lower Morrow interval for commercial production. If no commercial production is obtained, the well will be plugged back testing each prospective interval in the wellbore.

Brine Water will be utilized to drill with.

Wellhead equipment and BOP's will consist of Double Ram BOP with 5000# WP.

Operator plans to start work immediately upon approval by the BLM and NMOC.

RECEIVED
AUG 20 97
BLM
ROSWELL, NM

14. I hereby certify that the foregoing is true and correct

Signed DAVID R. GLASS Title Agent Date 7-20-97

(This space for Federal or State office use)

Approved by (ORIG. SGD.) DAVID R. GLASS Title PETROLEUM ENGINEER Date AUG 22 1997

Conditions of approval, if any



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

30-015-21636

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 8, 2000

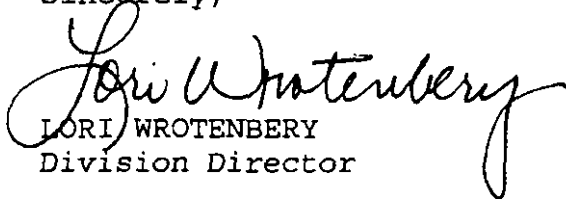


Mr. Ernest L. Carroll
Losee, Carson, Haas & Carroll
Attorneys at Law
P. O. Box 1720
Artesia, New Mexico 88211-1720

Dear Mr. Carroll:

Based upon the reasons stated in your letter of March 7, 2000, and in accordance with the provisions of Division Order No R-11292, Prairie Sun, Inc. is hereby granted an extension of time until June 10, 2000, in which to begin drilling the well pooled by this order.

Sincerely,


LORI WROTENBERY
Division Director

fd/

cc: Case No. 12236
LOCD - Artesia

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
811 S. 1st S. set
Artesia, NM 88210-2834

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

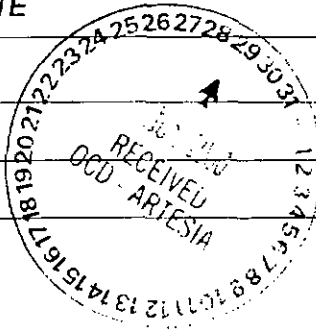
C/SF

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other
2. Name of Operator
Prairie Sun, Inc.
3. Address and Telephone No.
P.O. Box 8280 Roswell, NM 88202-8280 505-622-7355
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1380' FSL & 990' FEL
Sec. 28-T23S-R29E



5. Lease Designation and Serial No.
NM-67103
6. If Indian, Allottee or Tribe Name
7. If Unit or CA, Agreement Designation
8. Well Name and No.
Laguna Grande Fed. #1
9. API Well No.
30-015-21636
10. Field and Pool, or Exploratory Area
Wildcat
11. County or Parish, State
Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Test Csg, test Delaware perms.</u>	<input type="checkbox"/> Dispose Water

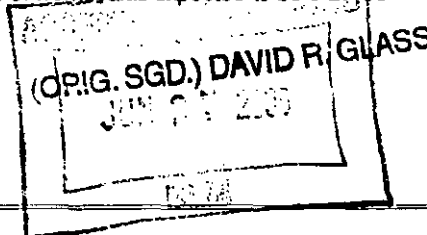
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)
6-9-00 thru 6-12-00

Move in and rig up Key Energy Services pulling unit. Run bit & scraper to 6245'. NU BOP. POH and TIH w/ packer. Set packer at 5025'. Test 7 5/8" casing to 2500# for 30 minutes. Lost 150# in 12 minutes and held steady with 2350# for 18 minutes. Swab test Delaware, perforations 5060-80. Make total of 3 bbls oil and 250 bbls salt water with slight show of gas. POH laying down rental tubing and packer. ND BOP. Flange up wellhead. Rig down and release pulling unit. Prepare to clean well out to test Wolfcamp & Morrow when larger completion rig is available.

NOTE:

Prairie Sun, Inc. has previously been approved to clean well out to test Morrow or Wolfcamp formations. Acreage dedicated is E/2 Sec. 28-T23S-R29E by Pooling Order from NMOC. Anticipated start date of workover is expected to be 6-27-00



14. I hereby certify that the foregoing is true and correct

Signed

Title Agent

Date 06/12/00

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

S

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5 Lease Serial No NM-67103
2 Name of Operator Ycso Energy, Inc.	6 If Indian, Allottee or Tribe Name
3a Address P.O. Box 2248 Roswell, New Mexico 88202	7 If Unit or CA/Agreement, Name and/or No
3b Phone No (include area code) 575-622-7355	8 Well Name and No Laguna Grande Fed #1
4 Location of Well (Footage, Sec, T, R, M, or Survey Description) 1380' FSL & 990' FEL Sec 28-T23S-R29E	9 API Well No. 30-015-21636
	10 Field and Pool, or Exploratory Area Wildcat
	11 County or Parish, State Eddy County, NM

AUG 27 2008

OCD-ARTESIA

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

- 13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplet horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

7/28/2008 thru 8/7/2008.

MIRU Zia Well Service workover rig. SITP--2000 psi, SICP--2000 psi. Bleed off pressure and kill well with 10# Brine water. ND tree & NU 5M Hyd BOP. Test BOP to 4500 psi--OK. Attempt to release packer. Release packer and pull up hole 45' and hung up in casing. Work packer and tbg. POH with 2 3/8" tbg. Left packer and 30 jts tailpipe in hole. Fish for packer with no success. TIH w/ 7 5/8" packer. Set at 10,200' and establish injection rate of 3 bpm at 2000 psi. TOH w/ packer. RIH w/ 7 5/8" csg scraper testing tbg in hole. Lay down 3 bad joints. Make up 7 5/8" cement retainer on 2 3/8" tubing. TIH w/ cement retainer and set at 10, 196'. MIRU Superior Well Services cement equipment. Squeeze Wolfcamp perforations in 5" liner at 11,182'--11,378', 5" liner, 5" liner top and packer w/ 30 jts tailpipe with 314.5 sx Class "H" + 0.2% CR1 + 0.4% AirOut. Yld--1.18 cu ft, Wt--15.6#/gal. Squeeze to 1400 psi. Sting out of cement retainer and leave 118 sx Class "H" + 0.2% CR1 + 0.4% AirOut (Yld--1.18 cu ft, Wt--15.6#/gal) on top of cement retainer inside 7 5/8" csg. Pull tubing to 8840'. Flush tubing w/ 15 bbls brine water. Pull up to 8400' and reverse tubing clean. POH w/ 2 3/8" tbg. Squeeze completed at 11:38 am 8/6/2008. WOC overnight. TIH with tubing and tag cement at 8647' by tubing tally. POH w/ tbg. Secure well. Shut in and secure well. Rig down and release Zia Well Service workover rig. Release all rental equipment. Clean location. Squeeze cementing and tagging cement plug witnessed by BLM Carlsbad Resource Office representative.

- 14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Gene Lee

Title Oper Mgr

Signature

Date

08/09/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

AUG 24 2008

Title 18 USC Section 1001 and Title 43 USC Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

(Instructions on page 2)

FOR RECORDS ONLY



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well ☒ Oil Well ☐ Gas Well ☐ Other

OCT 07 2008

2 Name of Operator Laguna Grande, LLC

OCD-ARTESIA

3a Address
601 W. 2nd Street, Suite #18, Roswell, NM 882013b Phone No. (include area code)
575-622-1100

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)

1380' FSL & 990' FEL
Sec 28-T23S-R29E5 Lease Serial No
NMNM-67103

6 If Indian, Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No.

8 Well Name and No
Laguna Grande Fed. #19. API Well No.
30-015-2163610 Field and Pool, or Exploratory Area
Undesignated Bone Spring11 County or Parish, State
Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other Change of Operator

13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleting horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleting in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This is notification of the Change of Operator from Yeso Energy, Inc. to Laguna Grande, LLC. The effective date of the new operator is 9/1/2008. Laguna Grande, LLC has single well plugging bond on file in Santa Fe, NM and is Bond #: NM B000556 and accepted for record at the BLM New Mexico State Office in Santa Fe, NM.

Laguna Grande, LLC hereby accepts all responsibility for and plugging responsibility for the Laguna Grande Fed #1 well and accepts / agrees to the terms and regulations of the Bureau of Land Management covering this lease and well.

CONTACT INFO:
Laguna Grande, LLC
601 W. 2nd Street, Suite 18
Roswell, NM 88201
575-622-1100

Ron Rutherford
505-269-4810
oagman@aol.com

ACCEPTED FOR RECORD

NO CHANGE OF OPER SUBMITTED

OCT 8 2008

Gerry Guye, Deputy Field Inspector
NMOC-District II ARTESIA

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Ron Rutherford

Title Agent

Signature

Date

9/29/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

APPROVED

OCT - 3 2008

Date

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

2/5

Form 3160-5
 (June 1990)

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

RECEIVED

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or re-enter a different reservoir.
 Use "APPLICATION FOR PERMIT—" for such proposals

FORM APPROVED
 Budget Bureau No. 1004-0135
 Expires: March 31, 1993

5. Lease Designation and Serial No.
 NM 67103

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
 LAGUNA GRANDE UNIT

8. Well Name and No.
 LAGUNA GRANDE FED. #1

9. API Well No.
 30-015-21636

10. Field and Pool, or Exploratory Area
 WILDCAT BONE SPRINGS

11. County or Parish, State
 EDDY, NM

SUBMIT IN TRIPLICATE

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
 THE EASTLAND OIL COMPANY

3. Address and Telephone No.
 P. O. DRAWER 3488, MIDLAND, TX 79702 915/683-6293

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 1380' FSL and 990' FEL of Section 28
 T-23S, R-29E

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
Revised from	<input type="checkbox"/> Casing Repair
Previously Approved	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

13-3/8" csg. @343' cement circulated.
 10-3/4" csg. @2900' cement circulated.
 7-5/8" csg. @10,848' w/DV tool @6748', cement w/1350 sx. est. top of cement @2550'

Propose to plug as follows:

- 1) Set CIBP @6650': Cap w/35' cement. Present perms: @6701'-6936' - 30 shots
- 2) Load hole w/mud laden fluid
- 3) Free point 7-5/8" csg. Shoot off @ approximately 2500'.]
- 4) Spot 200' plug inside & outside stub and tag. (Will also serve as 10 3/4" csg. shoe plug)
- 5) Spot 100' plug @393' and tag.
- 6) Spot 10' plug @surface.
- 7) Cut off wellhead, install 4" x 4' marker
- 8) Clean & restore location.

14. I hereby certify that the foregoing is true and correct

Signed Travis Reed Title Production Superintendent Date 2-7-94

(This space for Federal or State office use)

Approved by Orig. Signed by Shannon Title PETROLEUM ENGINEER Date 2/8/94

Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL CON. COMMISSION
APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993
Clerk Designation and Serial No.
NM-67103
ckf

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Bettis, Boyle & Stovall

3. Address and Telephone No.
P O Box 1240, Graham, TX 76450

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1380' FSL & 990' FEL, Sec 28, T23S, R29E

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Laguna Grande #1

9. API Well No.
30-015-21636

10. Field and Pool, or Exploratory Area
Wildcat-Bone Springs

11. County or Parish, State
Eddy Co., NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Well Data: 13-3/8" @ 343', cement circulated (Wellbore Diagram attached)

10-3/4" @ 2900', cement circulated

7-5/8" @ 10,848 with a DV tool @ 6780, TOC=2500' calc.)

5-1/2" liner from 10,343 - 13,695'

Hole size: 7-5/8" Open Perfs: 5080-90'

Open ended 2-7/8" N-80 tbg in hole.

1) MURU pulling unit, NU BOP.

2) Circulate hole w/ 9#/gal. mud from 6400'.

3) Pump 10 sx cement on top of CIBP @ 6400'.

4) Pull tbg to 5050' & pump 35 sx plug from 5050' to 4900'.

5) Pull tbg to 2950' & pump 35 sx plug from 2950' to 2800'.

6) Pull tbg to 50' & pump 10 sx plug from 50' to surface.

7) RDMO.

8) Remove all equipment from location.

9) Clean up location & install dry hole marker.

RECEIVED

APR 18 1995

OIL CON. DIV.
DIST. 2

14. I hereby certify that the foregoing is true and correct

Signed

Title Regulatory Analyst

Date 3/16/95

(This space for Federal or State office use)

Approved by (ORIG. SGD.) JOE G. LARA Title PETROLEUM ENGINEER

Date 4/13/95

Conditions of approval, if any: See attached. Also free point 75' csg. Shoot & pull csg = 2520'.
Spot 100' plug @ stub & tag. Spot 100' plug @ 393'.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

Form 3160-5
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other Instructions on reverse side.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
Laguna Grande, LLC3a. Address
601 W. 2nd Street, Suite #18, Roswell, NM 882013b. Phone No. (include area code)
575-624-1100

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1380' FSL & 990' FEL
Sec 28-T23-R29E

DEC 31 2009

5. Lease Serial No.
NMNM-67103

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Laguna Grande Federal #19. API Well No.
30-015-2163610. Field and Pool, or Exploratory Area
Und Laguna Salado Bone Spring11. County or Parish, State
Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE TYPE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

11-25-2009 thru 12-07-2009

Move in and rig up Mustang Well Service workover rig. GIH w/ 2 X 1.5 X 24 RHBC pump with 1.25" X 16' gas anchor, 6-1.5" K Bars and then 160-3/4" rods + 107-7/8" rods. Seat pump and space out. Hang well on clamp. Rig down and move out workover rig. Move in and set concrete base for pumping unit. Set new Snelson Permian 456-305-144 pumping unit. Install new Deutz DEU-GF31.913-7656-M natural gas engine as prime mover. Hang well on pumping unit and balance unit. Plumb in natural gas engine. Run engine and stroke pumping unit. Pressure up to 500 psi in 3 strokes. Execute natural gas contract with Las Animas pipeline. Calibrate Total Flow gas meter on 12/4/2009 and witnessed by BLM CRO Richard Carrasco.

Make repairs to separator and open well to gas sales on 12/7/2009 at 1500 hrs. First gas sales through meter run on 12/07/2009 with 218 mcf/d rate with 2000 psi FCP. Contact Wildcat Measurement for gas analysis. Gas analysis and well completion report to follow. Move off unused two phase separator and move tank into fire wall area for additional water tank. New site security diagram will be submitted with completion report.

Well is currently back into a producing status as POW.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Ron Rutherford

Title: Operations / Managing Member

Signature

Date

12/07/2009

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

DEC 29 2009

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

WESLEY W. INGRAM

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

742

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on Items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for Items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES:

SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Brushy Canyon	5060	6718	DST #1 5033-5129 GTS at end of Final Shut in period. Rec. 20' oil and 2444' Oil & gas cut water. ISIP 2329, FP 982-1057 FSIP 2255/240 min.
Wolfcamp	9950	11886	DST #2 11209-11432 WC 2000' to 133 min. GTS 15 min. FO.300 MMCFG/D Rec. 6 bbls gas cut mud. ISIP 5902/60 min. FP 1304-1037. FSIP 6153/445 min.
Strawn	11886	12050	DST #3 11880-11922 WC 5040' to 130 min. GTS 42 min. Fl. 256 MMCFG/D with spray of water. Rec. 4 bbl gas cut water. ISIP 7486/60 min. FP 2785-1701 FSIP 7450/180 min.
Morrow	12312	13700	DST #7 13086-13297 WC 6500' to 138 min. GTS 68 min. Fl. 250 MMCFG/D. Rec. 94' gas cut mud. ISIP 5921/60 min. FP 3347-1796 FSIP 5826/242 min.

38. GEOLOGIC MARKERS

NAME	TOP	
	MEAN. DEPTH	TRUE VERT. DEPTH
Rustler	210	
Bell Canyon	3000	
Cherry Canyon	3893	
Brushy Canyon	5060	
Bonespring	6718	
Wolfcamp	9950	
Strawn	11886	
Atoka	12050	
Morrow	12312	
Base Salt	22720	
Salt	400	



New Mexico Office of the State Engineer Point of Diversion Summary

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest)

(NAD83 UTM in meters)

POD Number

Q64 Q16 Q4 Sec Tws Rng

X

Y

C 03587 POD1

1 4 3 29 23S 29E

593338

3570754



Driller License: 1348

Driller Name: TAYLOR, CLINTON E. (LD)

Drill Start Date: 04/13/2013

Drill Finish Date: 04/14/2013

Plug Date:

Log File Date: 05/07/2013

PCW Rcv Date:

Source: Shallow

Pump Type:

Pipe Discharge Size:

Estimated Yield: 1 GPM

Casing Size: 4.00

Depth Well: 99 feet

Depth Water: 44 feet

Water Bearing Stratifications:

Top Bottom Description

98

99

Limestone/Dolomite/Chalk

Casing Perforations:

Top Bottom

89

99

deepest H₂O is 100'

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.



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

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

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

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters)

(In feet)

POD Number	POD Sub-Code	basin	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Depth Well	Depth Water	Water Column
C 00571	C	ED		1	3	3	30	23S	29E	591241	3570957*	90	38	52
C 00571 CLW241602	O	ED		3	3	3	30	23S	29E	591241	3570757*	89	38	51
C 01627	C	ED		1	4	4	28	23S	29E	595649	3570959*	170		
C 02182	C	ED				4	30	23S	29E	592328	3571048*	75	30	45
C 02707	C	ED				2	28	23S	29E	595535	3571868*	40	18	22
C 03587 POD1	CUB	ED		1	4	3	29	23S	29E	593338	3570754	99	44	55

Average Depth to Water: **33 feet**

Minimum Depth: **18 feet**

Maximum Depth: **44 feet**

Record Count: 6

PLSS Search:

Section(s): 28-30, 31-33

Township: 23S

Range: 29E

*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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

000 Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Laguna Grande LLC

3a. Address
601 W. 2nd Street, Suite 18, Roswell, NM 88201

3b. Phone No. (include area code)
575-622-1100

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**1380' FSL & 990' FEL
Sec 28-T23S-R29E**

5. Lease Serial No.
NMNM-67103

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Laguna Grande Federal #1

9. API Well No.
30-015-21636

10. Field and Pool, or Exploratory Area
Und Laguna Salado Bone Spring

11. County or Parish, State
Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Laguna Grande, LLC is submitting this Sundry Notice to place the above well back into a producing well status. This well has been idle and shut in for over a year after having been plugged back from the Wolfcamp. BLM officials from the CRO witnessed the plug back operations and the new PBTD is 8647' inside the 7 5/8" casing.

Laguna Grande LLC is placing the Laguna Grande Federal #1 well on pump to produce the previous Bone Spring perforations from the depths of 6701 to 6986'. This interval was recently swab tested and is deemed to be commercial. A new pumping unit is scheduled to be set on Wed, December 2, 2009 and the well placed on pump. The pumping unit will be powered by a natural gas engine.

The BLM will be notified of commencement of production immediately upon placing the well back in service with another Sundry Notice. A new updated site security diagram will be submitted also at this point accurately reflecting the location and equipment in use. Any other equipment that may be idle will be removed from location. Gas contract negotiations are currently underway and a gas analysis will be obtained with the chromatograph readings submitted when the sundry notice is submitted placing well in a producing status.

After a 72 hour test is performed, the proper completion form will be submitted for your review.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Ron Rutherford

Title

Managing Manager

Signature

Ron Rutherford

Date

11/25/09

11/25/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

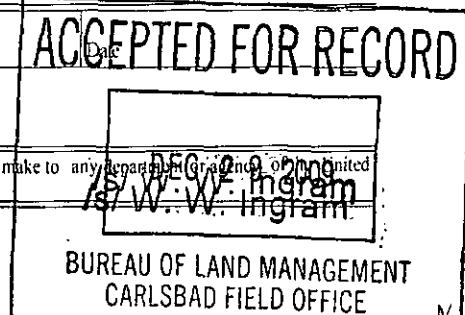
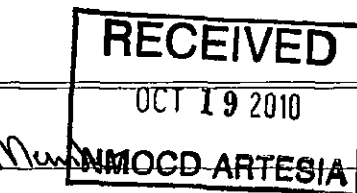
Title

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**Accepted for record
NMOCD**





NMOC-ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO 1004-0137
Expires March 31, 20071a Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Otherb Type of Completion ☐ New Well ☐ Work Over ☐ Deepen ☒ Plug Back ☐ Diff Resvr.

Other _____

2 Name of Operator **Laguna Grande LLC**3 Address **601 W. 2nd Street, Suite #18, Roswell, NM 88201**

3a Phone No. (include area code)

4 Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface **1380' FSL & 990' FEL**At top prod interval reported below **1380' FSL & 990' FEL**At total depth **1380' FSL & 990' FEL**14 Date Spudded
08/25/200915 Date T D Reached
09/02/200916 Date Completed **12/07/2009**
☐ D & A ☒ Ready to Prod17 Elevations (DF, RKB, RT, GL)*
2980' GL18. Total Depth MD **13700**
TVD **13700**19 Plug Back T D MD **8647**
TVD **8647**20 Depth Bridge Plug Set MD **10196 & Squeezed**
TVD **10196 & Squeezed**

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

None during plug back. See Original Logs in well file.22 Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☒ No ☐ Yes (Submit copy)

23 Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt (#/ft)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No of Sks & Type of Cement	Slurry Vol (BBL)	Cement Top*	Amount Pulled
17 1/2	13.375 J	54.50	0	343	---	325		Circ	None
12 1/4	10.75 K	45.5, 51	0	2900	---	1800 + 200 C		Circ	None
9.5	7 5/8 N8	29.7, 33.	0	10848	6784	1450 sx H		3900 Est Calc	None
6.5	5" P110	18	10343	13695	---	375 sx 50/50H		10343 CBL	None

24 Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 3/8	7022	N/A						

25 Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No Holes	Perf Status
A) Bone Spring	6681	9949	6701-6986	.41"	30	Open / Producing
B)						
C)						
D)						

26 Perforation Record

27 Acid, Fracture, Treatment, Cement Squeeze, etc

Depth Interval	Amount and Type of Material
6701-6986	Acidize w/ 5200 gal 15% HCL, Frac with 123,000 gal Gel/H2O + 248,000# 20/40 Brady Sand + 119,000# 10/20 Brady Sand.

28 Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
12/07/2009	12/08/2009	24	→	15	148	128	40	0.62	Pumping
Choke Size	Tbg Press Flwg SI	Csg Press SI	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
-	-	52	→	15	148	128	9866:1		

28a Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
			→						
Choke Size	Tbg Press Flwg SI	Csg Press SI	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

*(See instructions and spaces for additional data on page 2)

RECEIVED
DEC 23 2009
NMOC-ARTESIAACCEPTED FOR RECORD
DEC 21 2009
/s/ Myles Kristof
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

712

CONTR Sharp OPN' ELEV 2980' GL, 3003' DF to 14,000' RT

F.R. 9-1-75
(Pennsylvanian)
11-18-75 Drlg 2190'
12-2-75 Drlg 5226'
DST (Cherry Canyon) 5033-5129', open 2 hrs 10 mins,
rec 20' oil + 2400' O&GCW, 1 hr 30 min ISIP 2329#,
FP 920-1057#, 4 hr FSIP 2255#, HP 2417-2417#
12-9-75 Drlg 7870'
12-16-75 Drlg 9784'
1-6-76 Drlg 11,415
Sidewall Cored (Delaware) 6437-6660' (8 Cores)
1-8-76 TD 11,432'; Prep Drill
DST (Wolfcamp) 11,209-432', open 3 hrs 5 mins,
(2000' WB), GTS in 10 mins @ 300 MCFGPD, rec WB
+ 6 BGCM (Sampler rec 450 cc's Cond + 2.78 CFG),
1 hr ISIP 5902#, FP 1037-1306#, 7 hr 25 min FSIP
6153#, HP 6728-6692#

4-4-12 NM

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL CON. COMMISSION
APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993
Designation and Serial No.
NM-67103
c/sf

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Bettis, Boyle & Stovall

3. Address and Telephone No.

P O Box 1240, Graham, TX 76450

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1380' FSL & 990' FEL, Sec 28, T23S, R29E

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Laguna Grande #1

9. API Well No.

30-015-21636

10. Field and Pool, or Exploratory Area

Wildcat-Bone Springs

11. County or Parish, State

Eddy Co., NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☒ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other _____
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Well Data: 13-3/8" @ 343', cement circulated (Wellbore Diagram attached)

10-3/4" @ 2900', cement circulated

7-5/8" @ 10,848 with a DV tool @ 6780, TOC=2500' calc.

5-1/2" liner from 10,343 - 13,695'

Hole size: 7-5/8" Open Perfs: 5080-90'

Open ended 2-7/8" N-80 tbg in hole.

- 1) MIRU pulling unit, NU BOP.
- 2) Circulate hole w/ 9#/gal. mud from 6400'.
- 3) Pump 10 sx cement on top of CIBP @ 6400'.
- 4) Pull tbg to 5050' & pump 35 sx plug from 5050' to 4900'.
- 5) Pull tbg to 2950' & pump 35 sx plug from 2950' to 2800'.
- 6) Pull tbg to 50' & pump 10 sx plug from 50' to surface.
- 7) RDMD.
- 8) Remove all equipment from location.
- 9) Clean up location & install dry hole marker.

RECEIVED

APR 18 1995

OIL CON. DIV.
DIST. 2

14. I hereby certify that the foregoing is true and correct

Signed

Title Regulatory Analyst

Date 3/16/95

(This space for Federal or State office use)

Approved by

(ORIG. SGD.) JOE G. LARA

Title

PETROLEUM ENGINEER

Date

4/13/95

Conditions of approval, if any:

See attached. Also free point 758' csg. Shoot & pull csg = 2520'. Spot 100' plug @ stub & tag. Spot 100' plug @ 39.3'.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
NM OIL CONS. COMMISSION
SUBMIT IN TRIP
Other instruction
vase side
11-0512, NM 88210

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

45F

5. LEASE DESIGNATION AND SERIAL NO.

NM23177

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Laguna Grande Unit

8. FARM OR LEASE NAME

Laguna Grande Unit (Federal)

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Wildcat - FC

11. SEC., T., R., M., OR BLK. AND
SURVEY OR AREA

Sec 28, T23S, R29E

12. COUNTY OR PARISH

Eddy

13. STATE

New Mexico

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—" for such proposals.)

1.

OIL WELL ☐ GAS WELL ☒ OTHER

2. NAME OF OPERATOR

The Eastland Oil Company

3. ADDRESS OF OPERATOR

P.O. Drawer 3488, Midland, Texas 79702 ARTESIA, OFFICE

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

See also space 17 below.
At surface

At Surface: 1380' FSL and 990' FEL of Section

14. PERMIT NO.

15. ELEVATIONS (Show whether OF, RT, GR, etc.)

3003 GR

10.

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other) Change Ownership

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

The Eastland Oil Company is taking over this well along with 160 acres, purchased thru sale 9-24-86, of which was previously held by Exxon Corporation. Eastland will assume responsibility for plugging or operating.

18. I hereby certify that the foregoing is true and correct

SIGNED Travis Reed

TITLE Production Supt.

DATE 10-15-86

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

Post 10-3
11-21-86
why up

Form 9-331
Dec. 1973

NM OIL CON. COMMISSION
Drawer DD
Artesia, NM 88210
UNITED STATES

Form Approved.
Budget Bureau No. 42-R1424

DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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 Form 9-331-C for such proposals.)

1. oil ☒ gas ☐ other ☐
2. NAME OF OPERATOR
EXXON CORPORATION
3. ADDRESS OF OPERATOR
P.O. Box 1600 MIDLAND, TEXAS 79702
4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1380' FSL AND 990' FEL OF SECTION
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:

TEST WATER SHUT-OFF ☐
FRACTURE TREAT ☐
SHOOT OR ACIDIZE ☐
REPAIR WELL ☐
PULL OR ALTER CASING ☐
MULTIPLE COMPLETE ☐
CHANGE ZONES ☐
ABANDON* ☒
(other)

SUBSEQUENT REPORT OF:

☐
☐
☐
☐
☐
☐
☐
☐
☐

RECEIVED BY

FEB 06 1984

O. C. D.
ARTESIA, OFFICE

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

15. ELEVATIONS (SHOW DF, KDB, AND WD)

3003 GR

5. LEASE
NM-23177

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

LAGUNA GRANDE UNIT

8. FARM OR LEASE NAME

LAGUNA GRANDE UNIT (FEDERAL)

9. WELL NO.

10. FIELD OR WILDCAT NAME

BOHE SPRING

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

SEC 28 T23S R29E

12. COUNTY OR PARISH

EDDY

13. STATE

NEW MEXICO

14. API NO.

RECEIVED

JAN 25 2 08 PM '84

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

1. PULL PRODUCTION EQUIPMENT
2. SET CIBP AT 6610± AND CAP WITH A MINIMUM 35' OF CMT, TEST 4500 PSI.
3. SET 35SX CLASS C AT 3000' (TOP OF DELAWARE).
4. RUN FREE-POINT ON 75/8" CSG TO DETERMINE TOP OF CMT.
 - A. IF FREE-POINT IS AT 2850' OR SHALLOWER, RIG W/O OPEN ENDED TBG TO 2950' AND SPOT 35SX CMT PLUG.
 - B. IF FREE-POINT IS BELOW 2850', PLUG 10 3/4" SHOE AS FOLLOWS:
 1. PERF 2SHOTS AT TOC OR 2950' WHICHEVER IS SHALLOWER.

Subsurface Safety Valve: Manu. and Type (CONTINUED ON BACK) Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED PETER W. CHESTER TITLE SR ADMIN DATE 1-11-84

APPROVED BY (Signature) (This space for Federal or State office use)

APPROVED BY (Signature) TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

FEB 3 1984

N.M.O.C.D. COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

(See instructions on
reverse side)Form approved.
Budget Bureau No. 42-R355.5.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-23177			
1b. TYPE OF COMPLETION: NEW WELL <input type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME -----			
2. NAME OF OPERATOR Exxon Corporation		7. UNIT AGREEMENT NAME Laguna Grande Unit			
3. ADDRESS OF OPERATOR Box 1600, Midland, Texas 79702		8. FARM OR LEASE NAME Laguna Grande Unit (Federal)			
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 1380' FSL and 990' FEL of Sec. At top prod. interval reported below At total depth		9. WELL NO. 1			
14. PERMIT NO. ARTESIA, NEW MEXICO		10. FIELD AND POOL, OR WILDCAT Wildcat			
15. DATE SPUDDED 11-13-75		11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA Sec. 28, T-23S, R-29-E			
16. DATE T.D. REACHED 3-2-76		12. COUNTY OR PARISH Eddy			
17. DATE COMPL. (Ready to prod.) 5-22-79		13. STATE New Mexico			
18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* DF 3003 GR 2980		19. ELEV. CASINGHEAD -----			
20. TOTAL DEPTH, MD & TVD 13700		21. PLUG BACK T.D., MD & TVD 12965			
22. IF MULTIPLE COMPL., HOW MANY* -----		23. INTERVALS DRILLED BY 10-13700			
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 13107-13258 (Plugged & Abandoned) set CIBP at 13000' W/35' cmt. on top 11,888-11900		25. WAS DIRECTIONAL SURVEY MADE -----			
26. TYPE ELECTRIC AND OTHER LOGS RUN GR Sonic. Dual Laterolog CL-FPC		27. WAS WELL CORED -----			
28. CASING RECORD (Report all strings set in well)					
CASING SIZE		WEIGHT, LB./FT.		DEPTH SET (MD)	
13 3/8		54.5#		343	
10 3/4		45.5 & 51.0		2900	
7 5/8		29.7		10848	
* 5		18		13695	
HOLE SIZE		CEMENTING RECORD		AMOUNT PULLED	
17 1/2		325 Circ.		-----	
12 1/4		1800		-----	
9 1/2		700		-----	
6 1/2		375		-----	
29. LINER RECORD					
SIZE		TOP (MD)		BOTTOM (MD)	
* 5		10343		13645	
BACKS CEMENT*		SCREEN (MD)		TUBING RECORD	
375		----		SIZE	
				DEPTH SET (MD)	
				11520	
				PACKER SET (MD)	
				11520	
30. TUBING RECORD					
31. PERFORATION RECORD (Interval, size and number)					
13529-13586 (Set retainer at 13400) cmt. w/100 sacks					
13107-13258 (25 Holes CIBP set at 13,000' w/35' cmt. on top)					
11888-11900 (20 holes)					
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.					
DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED			
13529-13586		Acid 5600 Gal.			
13107-13258		Acid 6700 gal.			
13107-13258		Frac 4400 gal. gelled 3% HCL Aci			
11888-11900		None and liquid CO2 and 63,500#			
33. PRODUCTION					
DATE FIRST PRODUCTION 4-30-79		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flow		proppant	
DATE OF TEST 5-22-79		HOURS TESTED 1		WELL STATUS (Producing or shut-in) -----	
CHOKE SIZE 10/64		PROD'N. FOR TEST PERIOD -----		GAS-OIL RATIO -----	
FLOW, TUBING PRESS. 240		CASING PRESSURE PRR		OIL—BSL. -----	
CALCULATED 24-HOUR RATE -----		OIL—BSL. -----		GAS—MCF. 19	
				WATER—BSL. -----	
				OIL GRAVITY-API (CORR.) -----	
				468	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold-El Paso Natural Gas					
35. LIST OF ATTACHMENTS -----					
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records					
SIGNED <u>C. J. Jackson</u>		TITLE <u>Unit Head</u>		DATE <u>6-8-79</u>	

*(See Instructions and Spaces for Additional Data on Reverse Side)

McMillan, Michael, EMNRD

From: McMillan, Michael, EMNRD
Sent: Friday, January 22, 2016 9:19 AM
To: 'Rena Seay'
Cc: Goetze, Phillip, EMNRD; Jones, William V, EMNRD; Lowe, Leonard, EMNRD
Subject: RE: Laguna Grande SWD Well No.1

Eddie:

If I do not received the required cross-section by 8:00 AM. Thursday January 21, 2016, I will cancel your application, and you will have to resubmit your application.

Thank You

Michael A. McMillan

Engineering and Geological Services Bureau, Oil Conservation Division
1220 South St. Francis Dr., Santa Fe NM 87505
O: 505.476.3448 F. 505.476.3462
Michael.mcmillan@state.nm.us

From: McMillan, Michael, EMNRD
Sent: Monday, January 04, 2016 11:27 AM
To: 'Rena Seay'
Subject: RE: Laguna Grande SWD Well No.1

Eddie:

I did not see the signed signature for the hydrologic connectivity-resend that to me.
Since there are Bone Spring wells in the vicinity, I will require a Bone Spring water sample in the vicinity.

Thank You

Mike

From: Rena Seay [<mailto:seay04@leaco.net>]
Sent: Monday, January 04, 2016 10:28 AM
To: McMillan, Michael, EMNRD
Subject: Re: Laguna Grande SWD Well No.1

1/4/2016

RE: Laguna Grande SWD #1

Mr. McMillan:

McMillan, Michael, EMNRD

From: Rena Seay <seay04@leaco.net>
Sent: Friday, January 22, 2016 11:04 AM
To: McMillan, Michael, EMNRD
Subject: Re: Laguna Grande SWD Well No.1

Mr. McMillan:

As per our conversation today, all requested information is in the mail today, January 22, 2016.
Thanks for your help.

Eddie Seay

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

From: McMillan, Michael, EMNRD
To: Rena Seay
Cc: Goetze, Phillip, EMNRD ; Jones, William V, EMNRD ; Lowe, Leonard, EMNRD
Sent: Friday, January 22, 2016 9:18 AM
Subject: RE: Laguna Grande SWD Well No.1

Eddie:

If I do not received the required cross-section by 8:00 AM. Thursday January 21, 2016, I will cancel your application, and you will have to resubmit your application.

Thank You

Michael A. McMillan

Engineering and Geological Services Bureau, Oil Conservation Division
1220 South St. Francis Dr., Santa Fe NM 87505
O: 505.476.3448 F. 505.476.3462
Michael.mcmillan@state.nm.us

From: McMillan, Michael, EMNRD
Sent: Monday, January 04, 2016 11:27 AM
To: 'Rena Seay'
Subject: RE: Laguna Grande SWD Well No.1

Eddie:

I did not see the signed signature for the hydrologic connectivity-resend that to me.
Since there are Bone Spring wells in the vicinity, I will require a Bone Spring water sample in the vicinity.

Thank You

Mike

January 22, 2016

RECEIVED OGD

2016 JAN 23 P 2:33

NMOCD Engineering
ATTN: Michael McMillan
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Laguna Grande #1 SWD
Cross-Section
Bone Springs Water Analysis
Signature page of hydrologic connection

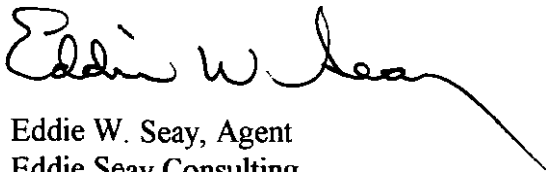
Mr. McMillan:

Find enclosed cross-section from two offset wells as you requested.

Also within is a Bone Spring water analysis from Oxy Cypress 33 lease, and a signature page from Part XII of application. I hope this will help in the permit process.

If you need anything further, please let me know.

Thanks for your patience.

A handwritten signature in black ink, appearing to read "Eddie W. Seay", with a long, sweeping underline that extends to the right.

Eddie W. Seay, Agent
Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242
575-392-2236
seay04@leaco.net

November 27, 2015

RECEIVED OCD
2015 DEC -2 P 2: 46

NMOCD Engineering
ATTN: Michael A. McMillan
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Laguna Grande SWD #1
Application C-108

Mr. McMillan:

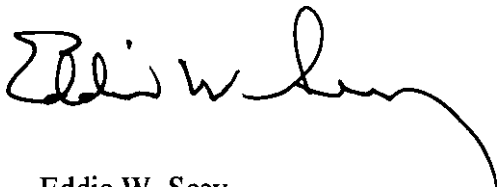
In response to your problems with the above application.

In checking the Legal Notice, the newspaper left out that sentence. I have requested paper to re-run advertisement, the original and a copy are within.

In reviewing the well files, I found the notice of intent to P & A and BLM requested that casing be pulled at 2500' ; the well was never plugged, a change of operator was filed and well put back on production, find copies of files within.

I hope this answers any questions you may have as you continue to review application.

Thanks,



Eddie W. Seay
Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242
575-392-2236
seay04@leaco.net

Rena Seay

From: "McMillan, Michael, EMNRD" <Michael.McMillan@state.nm.us>
To: <seay04@leaco.net>
Sent: Friday, November 20, 2015 4:20 PM
Subject: Laguna Grande SWD Well No.1
Eddie:

I am reviewing your administrative application for the Laguna Grande SWD Well No.1.

There are two problems in your application.

First, the legal notice does not say the formation or the top and bottom of the perforated interval.

Next, look at the well file. I believe the casing is shot off at 2500 feet-the well file is confusing, because it had at seven different operators.

Thank You

Michael A. McMillan

Engineering and Geological Services Bureau, Oil Conservation Division
1220 South St. Francis Dr., Santa Fe NM 87505
O: 505.476.3448 F. 505.476.3462
Michael.mcmillan@state.nm.us

11/23/2015

LEGAL NOTICE

Pursuant to the rules and regulations of the Oil Conservation Division of the State of New Mexico, Cherokee Disposal, LLC, 301 Hinson Rd, Lovington, NM 88260, is filing a C-108 to convert an existing well to a Salt Water Disposal. The well being applied for is the Laguna Grande #1, API 30-015-21636, located in Unit I, Section 28, Township 23 South, Range 29 East, Eddy Co., NM. The injection formation is the Bell Canyon from 2950' to 3400' below surface. Expected maximum injection rate is 10,000 bpd., and the expected maximum injection pressure is 600 psi or what the OCD allows. Any questions about the application can be directed to Eddie W. Seay, (575)392-2236, or any objection or request for hearing must be directed to the Oil Conservation Division, (505)476-3440, 1220 South Saint Francis Drive, Santa Fe, NM 87504, within fifteen (15) days.

This is what was originally
sent to Newspaper. They left
out one sentence.

Attached is new ad.

Affidavit of Publication

No. 23635

State of New Mexico

County of Eddy:

Danny Scott

being duly sworn says that she 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 November 24, 2015

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Sixth Publication

Subscribed and sworn before me this

24th day of November 2015



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

Pursuant to the rules and regulations of the Oil Conservation Division of the State of New Mexico, Cherokee Disposal, LLC, 301 Hinson Rd, Lovington, NM 88260, is filing to convert an existing well to a Salt Water Disposal. The well being converted is the Laguna Grande #1, API 30-015-21636, located in Unit 1 Sedfor is the Bell Canyon from 2950' to 3400' below surface. The injection formation is 28. Township 23 South, Range 29 East, Eddy Co, NM. Expected maximum rate is 10,000 bpd., and the expected maximum injection pressure is 600 psi or what the OCD allows. Any questions about the application can be directed to Edie W. Seay, (575) 392-2236, or any objection or request for hearing must be directed to the Oil Conservation Division; (505) 824-4763. Published in the Artesia Daily Press, Santa Fe, NM 87504, within fifteen (15) days. Published in the Artesia Daily Press, Artesia, N.M., Nov. 24 2015. Legal No. 23635.

Affidavit of Publication

No. 23635

State of New Mexico

County of Eddy:

Danny Scott

being duly sworn says that she 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 November 24, 2015

Second Publication _____

Third Publication _____

Fourth Publication _____

Fifth Publication _____

Sixth Publication _____

Subscribed and sworn before me this

24th day of November 2015



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

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL CON. COMMISSION
APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993
Lease Designation and Serial No.
NM-67103
cbsf

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	6. If Indian, Allottee or Tribe Name
2. Name of Operator Bettis, Boyle & Stovall	7. If Unit or CA, Agreement Designation
3. Address and Telephone No. P O Box 1240, Graham, TX 76450	8. Well Name and No. Laguna Grande #1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1380' FSL & 990' FEL, Sec 28, T23S, R29E	9. API Well No. 30-015-21636
	10. Field and Pool, or Exploratory Area Wildcat-Bone Springs
	11. County or Parish, State Eddy Co., NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Well Data: 13-3/8" @ 343', cement circulated (Wellbore Diagram attached)

10-3/4" @ 2900', cement circulated

7-5/8" @ 10,848 with a DV tool @ 6780, TOC=2500' calc.

5-1/2" liner from 10,343 - 13,695'

Hole size: 7-5/8" Open Perfs: 5080-90'

Open ended 2-7/8" N-80 tbg in hole.

1) MIRU pulling unit, NU BOP.

2) Circulate hole w/ 9#/gal. mud from 6400'.

3) Pump 10 sx cement on top of CIBP @ 6400'.

4) Pull tbg to 5050' & pump 35 sx plug from 5050' to 4900'.

5) Pull tbg to 2950' & pump 35 sx plug from 2950' to 2800'.

6) Pull tbg to 50' & pump 10 sx plug from 50' to surface.

7) RDMO.

8) Remove all equipment from location.

9) Clean up location & install dry hole marker.

RECEIVED

APR 18 1995

OIL CON. DIV.
DIST. 2

14. I hereby certify that the foregoing is true and correct

Signed

Title Regulatory Analyst

Date 3/16/95

(This space for Federal or State office use)

Approved by

(ORIG. S&D) JOE G. LARA

Title

PETROLEUM ENGINEER

Date

4/13/95

Conditions of approval, if any:

See attached. Also free point 758' csg. Shoot & pull csg = 2520'

Spot 100' plug @ stub & tag. Spot 100' plug @ 393'

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OIL CONSERVATION DIV

811 S. 1st
ARTESIA, NM 88210-2834

FORM APPROVED
Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

RECEIVED

JUL 11 1995

OIL CON. DIV.
349-0780

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Bettis, Boyle & Stovall

3. Address and Telephone No.

P O Box 1240, Graham, TX 76450

(817) 349-0780

4. Location of Well (Forage, Sec., T., R., M., or Survey Description)

1380' FSL & 990' FEL of Sec. 28-T23S-R29E

5. Lease Designation and Serial No.

NM-67103

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Laguna Grande #1

9. API Well No.

30-015-21636

10. Field and Pool, or Exploratory Area

11. County or Parish, State

Eddy Co., NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other CHANGE OF OPER.
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Change of Operator Notification

Effective Sept. 1, 1995, Paloma Resources, Inc. will take over operations of the above well assuming all plugging responsibility.

14. I hereby certify that the foregoing is true and correct.

Signed

Title Regulatory Analyst

Date 9/25/95

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Analytical Results For:

Eddie Seay Consulting 601 W. Illinois Hobbs NM, 88242	Project: CYPRESS 33 #2 Project Number: LAGUNA GRANDE Project Manager: Eddie Seay Fax To: (505) 392-6949	Reported: 21-Jan-16 16:25
---	--	------------------------------


Total Recoverable Metals by ICP (E200.7) - Quality Control
Green Analytical Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch B601100 - EPA 200.2 Total Rec.										
Blank (B601100-BLK1)				Prepared & Analyzed: 20-Jan-16						
Calcium	ND	0.020	mg/L							
Magnesium	ND	0.100	mg/L							
Potassium	ND	1.00	mg/L							
Sodium	ND	1.00	mg/L							
LCS (B601100-BS1)				Prepared & Analyzed: 20-Jan-16						
Potassium	8.09	1.00	mg/L	8.00		101	85-115			
Calcium	4.01	0.020	mg/L	4.00		100	85-115			
Sodium	7.05	1.00	mg/L	6.48		109	85-115			
Magnesium	19.5	0.100	mg/L	20.0		97.6	85-115			
LCS Dup (B601100-BSD1)				Prepared & Analyzed: 20-Jan-16						
Potassium	8.09	1.00	mg/L	8.00		101	85-115	0.0419	20	
Sodium	6.93	1.00	mg/L	6.48		107	85-115	1.64	20	
Magnesium	19.4	0.100	mg/L	20.0		96.9	85-115	0.759	20	
Calcium	3.96	0.020	mg/L	4.00		99.1	85-115	1.25	20	

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

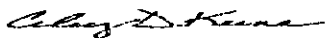
Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C
	Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

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Celey D. Keene, Lab Director/Quality Manager



Page 9 of 9

[illegible]

Relinquished By: <i>[Signature]</i>		Date: <i>1/8</i>	Received By: <i>[Signature]</i>	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Phone #:
Time: <i>5:10</i>			Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Fax #:	
Relinquished By: <i>[Signature]</i>		Date: <i>1/11</i>	Received By: <i>[Signature]</i>	REMARKS:
Time: <i>11:30</i>				<i>Bone Springs Produced Water</i>
Delivered By: (Circle One)		Sample Condition	CHECKED BY: <i>[Signature]</i>	<i>sent to:</i>
Sampler - UPS - Bus - Other:		<i>0.80c</i>	Initials	<i>see 04 @ leaco.net</i>



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

ADMINISTRATIVE ORDER SWD-1070

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, LP FOR PRODUCED WATER DISPOSAL, EDDY COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), DEVON ENERGY PRODUCTION COMPANY, LP made application to the New Mexico Oil Conservation Division for permission to utilize for produced water disposal its Spud 16 State Well No. 4 (API No. 30-015-33923) located 960 feet from the South line and 1800 feet from the East line of Section 16, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

The applicant is hereby authorized to utilize its Spud 16 State Well No. 4 (API No. 30-015-33923) located 960 feet from the South line and 1800 feet from the East line of Section 16, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico, in such manner as to permit the injection of produced water for disposal purposes into the Bell Canyon member of the Delaware Mountain Group through perforations from 3760 feet to 4890 feet and through plastic-lined tubing set with a packer located within 100 feet of the top of the injection interval.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

As preparation for injection, the operator shall plug back the well with cement and cast iron bridge plug to within 200 feet of the bottom permitted injection interval.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

After installing injection tubing, the casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The wellhead injection pressure on the well shall be limited to **no more than 752 psi**. In addition, the injection well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface injection pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the injection formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of disposal equipment and of any mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Artesia district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

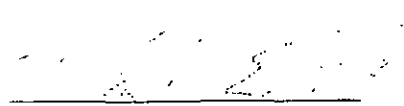
PROVIDED FURTHER THAT, jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall provide written notice of the date of commencement of injection to the Artesia district office of the Division.

The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on February 6, 2007.


MARK E. FESMIRE, P.E.
Director

MEF/wvjj

cc: Oil Conservation Division – Artesia
State Land Office – Oil, Gas, and Minerals Division

Analytical Results For:Eddie Seay Consulting
601 W. Illinois
Hobbs NM, 88242Project: CYPRESS 33 #2
Project Number: LAGUNA GRANDE
Project Manager: Eddie Seay
Fax To: (505) 392-6949Reported:
21-Jan-16 16:25

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
CYPRESS 33 #2	H600050-01	Wastewater	08-Jan-16 15:45	11-Jan-16 11:30

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 Eddie Seay Consulting
 601 W. Illinois
 Hobbs NM, 88242

 Project: CYPRESS 33 #2
 Project Number: LAGUNA GRANDE
 Project Manager: Eddie Seay
 Fax To: (505) 392-6949

 Reported:
 21-Jan-16 16:25

CYPRESS 33 #2
H600050-01 (Wastewater)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
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Cardinal Laboratories
Inorganic Compounds

Alkalinity, Bicarbonate	142		5.00	mg/L	1	5120206	AP	13-Jan-16	310.1	
Alkalinity, Carbonate	<0.00		0.00	mg/L	1	5120206	AP	13-Jan-16	310.1	
Chloride*	104000		4.00	mg/L	1	6010807	AP	12-Jan-16	4500-Cl-B	
Conductivity*	301000		1.00	uS/cm	1	6011307	AP	14-Jan-16	120.1	
pH*	6.56		0.100	pH Units	1	6011306	AP	14-Jan-16	9045	
Sulfate*	576		83.3	mg/L	8.33	6011202	AP	12-Jan-16	375.4	
TDS*	168000		5.00	mg/L	1	6011104	AP	12-Jan-16	160.1	
Alkalinity, Total*	116		4.00	mg/L	1	5120206	AP	13-Jan-16	310.1	

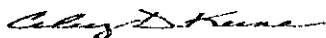
Green Analytical Laboratories
Total Recoverable Metals by ICP (E200.7)

Calcium*	8530		5.00	mg/L	250	B601100	JLM	21-Jan-16	EPA200.7	
Magnesium*	1230		25.0	mg/L	250	B601100	JLM	21-Jan-16	EPA200.7	
Potassium*	833		250	mg/L	250	B601100	JLM	21-Jan-16	EPA200.7	
Sodium*	50300		250	mg/L	250	B601100	JLM	21-Jan-16	EPA200.7	

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Eddie Seay Consulting
601 W. Illinois
Hobbs NM, 88242

Project: CYPRESS 33 #2
Project Number: LAGUNA GRANDE
Project Manager: Eddie Seay
Fax To: (505) 392-6949

Reported:
21-Jan-16 16:25

Inorganic Compounds - Quality Control
Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 5120206 - General Prep - Wet Chem										
Blank (5120206-BLK1)				Prepared & Analyzed: 02-Dec-15						
Alkalinity, Carbonate	ND	0.00	mg/L							
Alkalinity, Bicarbonate	ND	5.00	mg/L							
Alkalinity, Total	ND	4.00	mg/L							
LCS (5120206-BS1)				Prepared & Analyzed: 02-Dec-15						
Alkalinity, Carbonate	ND	0.00	mg/L				80-120			
Alkalinity, Bicarbonate	126	5.00	mg/L				80-120			
Alkalinity, Total	104	4.00	mg/L	100		104	80-120			
LCS Dup (5120206-BSD1)				Prepared & Analyzed: 02-Dec-15						
Alkalinity, Carbonate	ND	0.00	mg/L				80-120		20	
Alkalinity, Bicarbonate	126	5.00	mg/L				80-120	0.00	20	
Alkalinity, Total	104	4.00	mg/L	100		104	80-120	0.00	20	
Batch 6010807 - General Prep - Wet Chem										
Blank (6010807-BLK1)				Prepared & Analyzed: 08-Jan-16						
Chloride	ND	4.00	mg/L							
LCS (6010807-BS1)				Prepared & Analyzed: 08-Jan-16						
Chloride	104	4.00	mg/L	100		104	80-120			
LCS Dup (6010807-BSD1)				Prepared & Analyzed: 08-Jan-16						
Chloride	96.0	4.00	mg/L	100		96.0	80-120	8.00	20	
Batch 6011104 - Filtration										
Blank (6011104-BLK1)				Prepared: 11-Jan-16 Analyzed: 12-Jan-16						
TDS	ND	5.00	mg/L							

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Eddie Seay Consulting
601 W. Illinois
Hobbs NM, 88242

Project: CYPRESS 33 #2
Project Number: LAGUNA GRANDE
Project Manager: Eddie Seay
Fax To: (505) 392-6949

Reported:
21-Jan-16 16:25

Inorganic Compounds - Quality Control
Cardinal Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%RBC Limits	RPD	RPD Limit	Notes
Batch 6011104 - Filtration										
LCS (6011104-BS1)					Prepared: 11-Jan-16 Analyzed: 12-Jan-16					
TDS	578	5.00	mg/L	527		110	80-120			
Duplicate (6011104-DUP1)					Source: H600037-01 Prepared: 11-Jan-16 Analyzed: 12-Jan-16					
TDS	616	5.00	mg/L		588			4.65	20	
Batch 6011202 - General Prep - Wet Chem										
Blank (6011202-BLK1)					Prepared & Analyzed: 12-Jan-16					
Sulfate	ND	10.0	mg/L							
LCS (6011202-BS1)					Prepared & Analyzed: 12-Jan-16					
Sulfate	16.9	10.0	mg/L	20.0		84.5	80-120			
LCS Dup (6011202-BSD1)					Prepared & Analyzed: 12-Jan-16					
Sulfate	17.7	10.0	mg/L	20.0		88.7	80-120	4.85	20	
Batch 6011306 - General Prep - Wet Chem										
LCS (6011306-BS1)					Prepared: 13-Jan-16 Analyzed: 14-Jan-16					
pH	7.05		pH Units	7.00		101	90-110			
Duplicate (6011306-DUP1)					Source: H600032-01 Prepared: 13-Jan-16 Analyzed: 14-Jan-16					
pH	8.25	0.100	pH Units		8.18			0.852	20	
Batch 6011307 - NO PREP										
LCS (6011307-BS1)					Prepared: 13-Jan-16 Analyzed: 14-Jan-16					
Conductivity	490		uS/cm	500		98.0	80-120			

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:Eddie Seay Consulting
601 W. Illinois
Hobbs NM, 88242Project: CYPRESS 33 #2
Project Number: LAGUNA GRANDE
Project Manager: Eddie Seay
Fax To: (505) 392-6949Reported:
21-Jan-16 16:25**Inorganic Compounds - Quality Control****Cardinal Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
---------	--------	--------------------	-------	----------------	------------------	------	----------------	-----	--------------	-------

Batch 6011307 - NO PREP

Duplicate (6011307-DUP1)

Source: H600032-01

Prepared: 13-Jan-16 Analyzed: 14-Jan-16

Conductivity	1010	1.00	uS/cm		1020			1.18	20	
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Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

January 21, 2016

Eddie Seay

Eddie Seay Consulting

601 W. Illinois

Hobbs, NM 88242

RE: CYPRESS 33 #2

Enclosed are the results of analyses for samples received by the laboratory on 01/11/16 11:30.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-15-7. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/ga/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Total Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

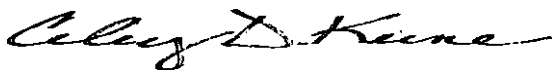
Cardinal Laboratories is accredited through the State of New Mexico Environment Department for:

Method SM 9223-B	Total Coliform and E. coli (Colilert MMO-MUG)
Method EPA 524.2	Regulated VOCs and Total Trihalomethanes (TTHM)
Method EPA 552.2	Total Haloacetic Acids (HAA-5)

Accreditation applies to public drinking water matrices for State of Colorado and New Mexico.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

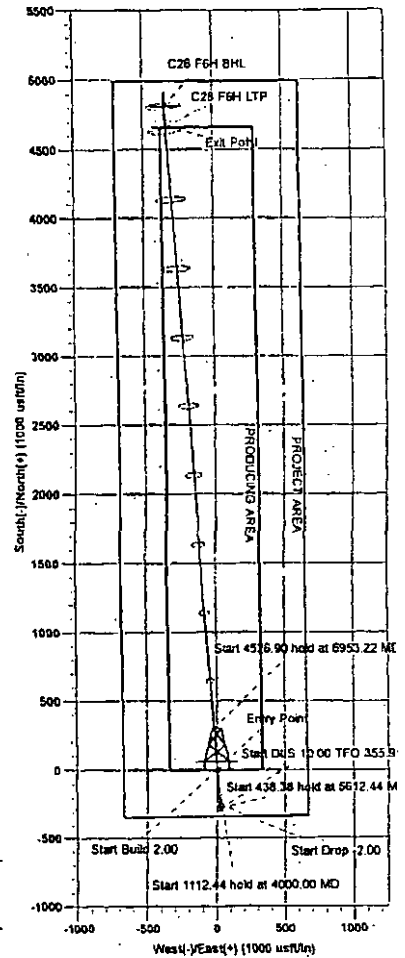
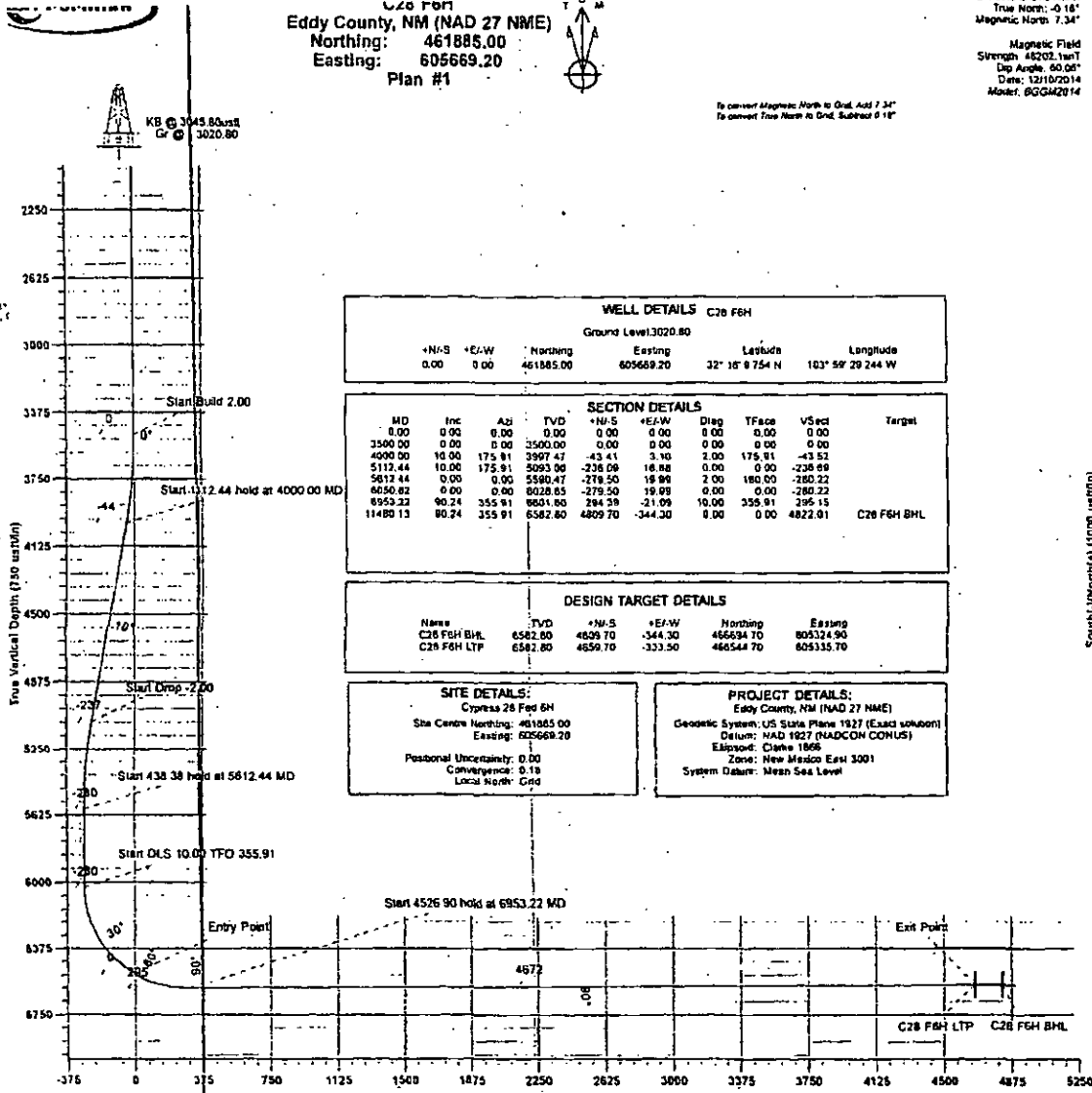
Oxy ~~HARRISON~~ CYPRESS 28 Federal #6H
30-015-41138

C28 F6H
Eddy County, NM (NAD 27 NME)
Northing: 461885.00
Easting: 605669.20
Plan #1



To convert Magnetic North to Grid, Add 7.34°
To convert True North to Grid, Subtract 0.18°

Azimuths to Grid North
True North: -0.18°
Magnetic North: 7.34°
Magnetic Field
Strength: 45202.1 nT
Dip Angle: 60.06°
Date: 12/18/2014
Model: BGGM2014



District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1060 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised August 1, 2011

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

Submit one copy to appropriate District Office

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address OXY USA INC. P.O. BOX 50250 MIDLAND, TX 79710		² OGRID Number 16696
		³ Reason for Filing Code/ Effective Date NW
⁴ API Number 30-015-41138	⁵ Pool Name HARROUN RANCH DELAWARE, NE	⁶ Pool Code 96878
⁷ Property Code: 37803	⁸ Property Name: CYPRESS 28 FEDERAL	⁹ Well Number: 6H

II. ¹⁰ Surface Location

UL or lot no. N	Section 28	Township 23S	Range 29E	Lot Idn	Feet from the 330	North/South Line SOUTH	Feet from the 2000	East/West line WEST	County EDDY
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¹¹ Bottom Hole Location *Top Perf - 727' FSL 1989' FWL Bottom Perf - 443' FNL 1093' FWL*

UL or lot no. C	Section 28	Township 23S	Range 29E	Lot Idn	Feet from the 140	North/South line NORTH	Feet from the 1661	East/West line WEST	County EDDY
¹² Lse Code F	¹³ Producing Method Code: P	¹⁴ Gas Connection Date: 5/1/15	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
239284	OCCIDENTAL ENERGY TRANSPORTATION (BRIDGER LLC)	O
36785	DCP MIDSTREAM, LP NM OIL CONSERVATION ARTESIA DISTRICT MAY 11 2015 RECEIVED	G

IV. Well Completion Data

²¹ Spud Date 1/9/15	²² Ready Date 4/8/15	²³ TD 11425'M 6574'V	²⁴ PBDT 11235'M 6581'V	²⁵ Perforations 6998-11121'	²⁶ DHC, MC
²⁷ Hole Size 14-3/4"	²⁸ Casing & Tubing Size 11-3/4"	²⁹ Depth Set 368'	³⁰ Sacks Cement 630		
10-5/8"	8-5/8"	3008'	1380		
7-7/8"	5-1/2"	11425'	1820		
	2-7/8"	5884'	0		

V. Well Test Data

³¹ Date New Oil 5/1/15	³² Gas Delivery Date 5/1/15	³³ Test Date 5/6/15	³⁴ Test Length 24 HRS.	³⁵ Tbg. Pressure 5	³⁶ Csg. Pressure 45
³⁷ Choke Size -	³⁸ Oil 138	³⁹ Water 2421	⁴⁰ Gas 346	⁴¹ Test Method P	

⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name:

JANA MENDIOLA

Title:

REGULATORY COORDINATOR

E-mail Address:

janalyn_mendiola@oxy.com

Date:

5/6/15

Phone:

432-685-5936

Approved by:

Title:

Approval Date:

OIL CONSERVATION DIVISION

Pending BLM approvals will
subsequently be reviewed
and scanned

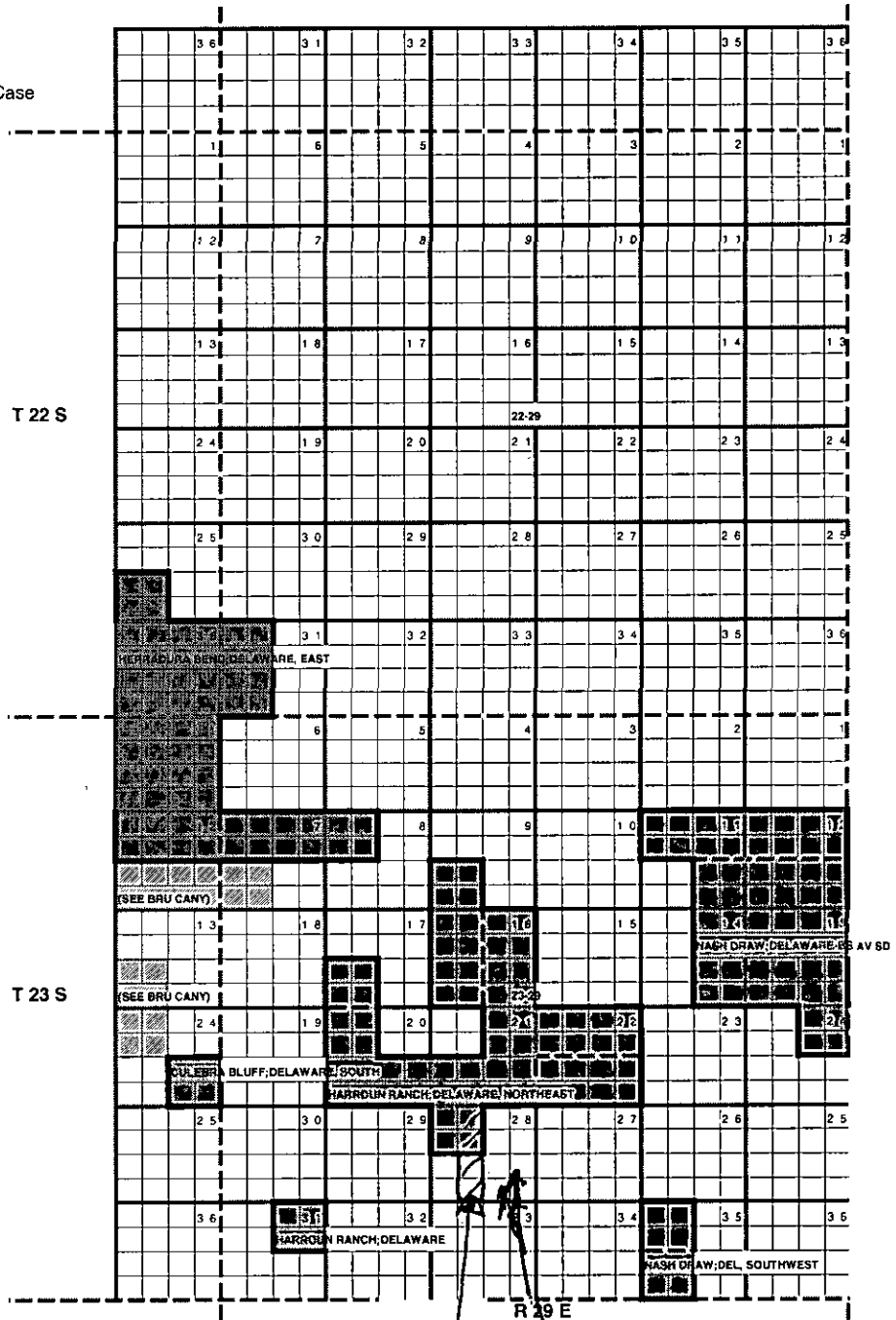
Pool diagram

LAST UPDATE 01/26/2011

R 29 E

0
For Following Nomenclature Case

GAS Pool
ASSOCIATED Pool
OIL Pool



Well location
1380 R 29 E, 9900 S
Delaware
Project area
E/2 W/2 Section 28



C-108 Review Checklist: Received 1400 Add. Request: 12/17 Reply Date: 12/21/2016 Suspended: 12/17 [Ver 15]

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

Well No. 1 Well Name(s): Laguna Grande SWD

API: 30-0 15-21636 Spud Date: 01-13-1975 New or Old: 0 (UIC Class II Primacy 03/07/1982)

Footages 1380 FSL 996 Lot _____ or Unit 2 Sec 28 Tsp 23S Rge 29 County Eddy

General Location: 7 miles East/Louis Pool: SWD, Del Norte Pool No: 5610

BLM 100K Map: 5A1 Operator: Cherokee Disposal, LLC OGRID: 370860 Contact: Agenta

COMPLIANCE RULE 5.9: Total Wells: 0 Inactive: 0 Fincl Assur: Y Compl. Order? NA IS 5.9 OK? Y Date: 1-26-2016

WELL FILE REVIEWED ☐ Current Status: P&A

WELL DIAGRAMS: NEW: Proposed ☐ or RE-ENTER: Before Conv. ☒ After Conv. ☒ Logs in Imaging: Loss in Imaging not in indication

Planned Rehab Work to Well: * They can only perforate 300 - 3400. 2950-300

Well Construction Details		Sizes (in)	Setting	Cement	Cement Top and Determination
		Borehole / Pipe	Depths (ft)	Sx or Cf	Method
Planned ___ or Existing ___ Surface	<u>17 1/2 / 13 3/4</u>	<u>343</u>	Stage Tool	<u>325</u>	<u>Surface / CMC</u>
Planned ___ or Existing ___ Interm/Prod	<u>12 1/4 / 10 3/4</u>	<u>2900</u>		<u>1500</u>	<u>Surface / Visqual</u>
Planned ___ or Existing ___ Interm/Prod	<u>9 1/2 / 7 5/8</u>			<u>700</u>	<u>Surface / Visqual</u>
Planned ___ or Existing ___ Prod/Liner					
Planned ___ or Existing ___ Liner					
Planned ___ or Existing ___ OH / PERF	<u>2950-3400</u>	<u>Perf</u>	Inj Length	<u>62450</u>	Completion/Operation Details:

Injection Lithostratigraphic Units	Depths (ft)	Injection or Confining Units	Tops
Adjacent Unit: Litho. Struc. Por.	<u>17 1/2 / 13 3/4</u>	<u>Bell</u>	<u>3000</u>
Confining Unit: Litho. Struc. Por.		<u>Cherry</u>	<u>3893</u>
Proposed Inj Interval TOP:			
Proposed Inj Interval BOTTOM:			
Confining Unit: Litho. Struc. Por.			
Adjacent Unit: Litho. Struc. Por.			

Drilled TD 13700 PBTD 3435
NEW TD _____ NEW PBTD _____
NEW Open Hole ☐ or NEW Perfs ☒
Tubing Size 4 1/2 In. Inter Coated? X
Proposed Packer Depth 2850 ft
Min. Packer Depth 2850 (100-ft limit)
Proposed Max. Surface Press. 520 psi
Admin. Inj. Press. 520 0.2 psi per ft)

AOR: Hydrologic and Geologic Information

POTASH: R-111-P NA Noticed? _____ BLM Sec Ord ☐ WIPP ☐ Noticed? _____ Salt/Salado T: _____ B: _____ NW: Cliff House fm _____

FRESH WATER: Aquifer Quaternary Max Depth 100' HYDRO AFFIRM STATEMENT By Qualified Person ☒

NMOSE Basin: CANLS CAPITAN REEF: thru del Norte adj NA No. Wells within 1-Mile Radius? _____ FW Analysis _____

Disposal Fluid: Formation Source(s) _____ Analysis? Y On Lease ☐ Operator Only ☐ or Commercial ☒

Disposal Int: Inject Rate (Avg/Max BWPD): 10K Protectable Waters? NA Source: _____ System Closed or Open

HC Potential: Producing Interval? _____ Formerly Producing? _____ Method: Logs/DST/P&A/Other _____ 2-Mile Radius Pool Map ☐

AOR Wells: 1/2-M Radius Map? Y Well List? Y Total No. Wells Penetrating Interval: 2/2 Horizontals? 8

Penetrating Wells: No. Active Wells 11 Num Repairs? _____ on which well(s)? 1 Diagrams? X

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

NOTICE: Newspaper Date 11-24-15 Mineral Owner BLM Surface Owner BLM N. Date 9-28

RULE 26.7(A): Identified Tracts? X Affected Persons: Exxon, Oxy N. Date 9-28

Order Conditions: Issues: need BS 420 Sample, X-section, NUFacts/sk

Add Order Cond: _____