

DATE IN: <u>7/27/06</u>	LOGGED IN: <u>[Signature]</u>	ENGINEER: <u>WILL JONES</u>	TYPE: <u>SWD</u>	APP NO: <u>PDS0619429711</u>
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10/1/06

ABOVE THIS LINE FOR DIVISION USE ONLY

PVJ0629032939

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau SWD-1050  
 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]

*6/1/06*

- [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.

Print or Type Name	Signature	Title	Date
		e-mail Address	

July 10, 2006

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

Attn: Mr. Will Jones

Re: Request for Administrative Approval  
For Water Disposal Well.  
Carthel Federal #2  
API # 30-015-23389  
Section 5G, T-23-S, and R-29-E  
Eddy County, New Mexico

2006 JUL 12 PM 3 38

Dear Mr. Jones:

Please find attached a Form C-108 requesting approval to utilize the Carthel Federal #2 as a salt-water disposal well. If all attachments are satisfactory and no offset Owners object, Mesquite SWD, Inc. respectfully requests approval be granted administratively.

Mesquite SWD, Inc. requests permission to inject water into the Delaware Formation from 6040-50 and 6400-30' and into the Bone Spring Formation from 6830-7030, 7370-7390, 7400-30, 8370-8460, 8625-8700, 9100-9200, 9370-9450' and 9600-22'. The 3 1/2" plastic lined injection tubing will be set at 6000' with a plastic coated AD-1 Packer.

The maximum anticipated injection rate is 4000 BWPD with an injection pressure not to exceed 1200 PSI. If injection pressures need to be increased, a State witnessed step-rate test will be performed.

A copy of the log for this well is enclosed with this application. This well will be utilized as a commercial salt water disposal well. The water to be disposed into this well could potentially come from any nearby production. It would be reasonable to assume most water coming into the system would be similar to Pennsylvanian age or Permian age reservoirs. An analysis is attached for Penn age and Permian age waters. The water going into a commercial system may come from a wide variety of locations and reservoirs. If it would be helpful to analyze some samples once the system is in operation that can certainly be arranged.

Once the Delaware and Bone Spring zones have been perforated they will be swab tested and a sample of that water will be analyzed and submitted to the OCD. There does

not appear to be any fresh water wells within 1 mile of the proposed injection well. There is a windmill about 1.5 miles north northeast across Hwy. 128. There is a large salt playa about 1 mile southeast of the proposed injection well.

Based on previous correspondence, Mesquite is willing to replug the Carthel Federal #1, API #30-015-26446 according to current OCD requirements. Scott Sorensen with the BLM was contacted concerning who is the nearest potash leaseholder in this area. Notice was sent to Mosaic Potash. Proof of notice is attached.

If you have any questions or if I can be of any assistance, please do not hesitate to call me at (432)682-1251. My e-mail address is: [robertlee5@att.net](mailto:robertlee5@att.net).

Sincerely,

  
Robert Lee (rm)

**CARTHEL FEDERAL**

**#2**

**SALT WATER DISPOSAL WELL**

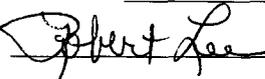
**OCD FORM C-108**

**OPERATOR**

**MESQUITE SWD, INC.**

May 2006

**APPLICATION FOR AUTHORIZATION TO INJECT**

- I. PURPOSE: \_\_\_\_\_ Secondary Recovery \_\_\_\_\_ Pressure Maintenance  Disposal \_\_\_\_\_ Storage  
Application qualifies for administrative approval?  Yes \_\_\_\_\_ No
- II. OPERATOR: Mesquite Saltwater Disposal, LLC  
ADDRESS: P. O. Box 1479 Carlsbad, NM 88220  
CONTACT PARTY: Mr. Clay Wilson PHONE: 505-706-1869
- 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  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:
- Proposed average and maximum daily rate and volume of fluids to be injected;
  - Whether the system is open or closed;
  - Proposed average and maximum injection pressure;
  - Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
  - 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: Robert Lee TITLE: Consulting Engineer  
SIGNATURE:  DATE: May 11, 2006  
E-MAIL ADDRESS: robertlee5@att.net
- \* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: \_\_\_\_\_

### III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

### XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

**NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.**

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

CARTHEL FEDERAL #2  
APPLICATION FOR INJECTION  
NMOCD Form C-108 Section III

III. Data on injection well(s)

A. Injection well information (see attached schematic)

Tabular data

1. Lease: Carthel Federal  
Well No: 2  
Location: 2030' FNL & 2080' FEL,  
Section 5  
T-23-S, R-29-E  
Eddy County, NM
2. Casing: 30" csg @ 30' w/15 sx  
20" csg @ 496' w/700 sx  
13 3/8" surface csg. @ 2,863', cemented w/4200 sx. TOC @ surface,  
circulated.  
9 5/8", intermediate casing @ 10,249' cemented w/ 3900 sx. TOC @  
surface, Circulated  
7" Liner 9,846-12,298' cemented w/ 600 sx. cement.  
4 1/2" Liner 12,119-13,270'
3. Injection tubing: + or - 188 jts 3 1/2", 9.2 lb/ft, J-55 Plastic coated tubing set @  
6,000'.
4. Packer: Plastic coated Model R Lokset Packer set at +/-6000'.

B. Other well information

1. Injection formation: Delaware and Bone Spring.
2. The injection intervals will be from 6040-6430' and 6830-9622'. It is proposed to perforate the Delaware 6040-50 and 6400-30' and the Bone Spring 6830-7030, 7370-7390, 7400-30, 8370-8460, 8625-8700, 9100-9200, 9370-9450, 9600-9622'.
3. This well was drilled as a Morrow producer in 1984. It was recompleted to the Atoka in 12/1985.
4. The perfs in the well are 11,990-12,014' and 12,726-13,208'. These perfs are separated by a plug set @ 12,119'. There are no other perfs or tested intervals in this well. We intend to set a CIBP with 20' of cmt @ 9700' and add perfs as listed in item #2.
5. There are no other productive wells in the area of this well.

**CARTHEL FEDERAL #2**  
**CONVERT TO INJECTION**  
NMOCD Form C-108 Sections VII thru XII

**VII. Data on proposed operation.**

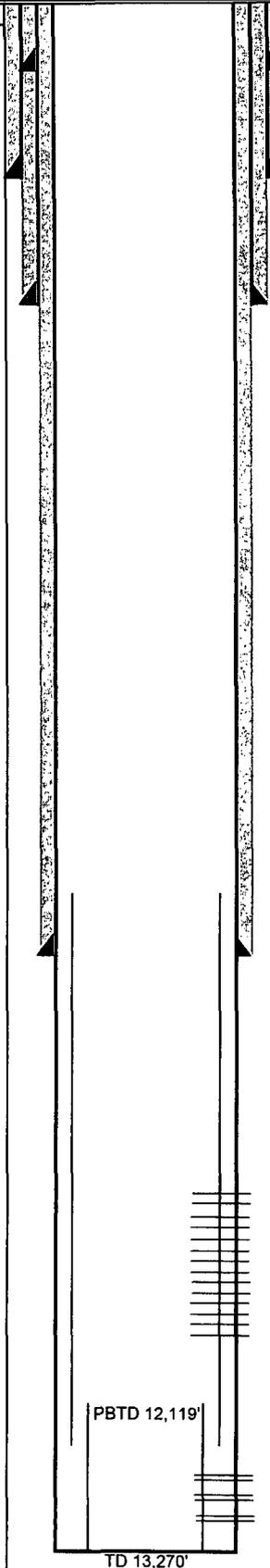
1. Proposed average injection rate: 2000 BWPD per well  
Proposed maximum injection rate: 4000 BWPD per well
2. The system will be a closed system.
3. Proposed average injection pressure: 1000 PSI  
Proposed maximum injection pressure: 1200 PSI (This is based on a .2 psi/ft gradient).
4. The proposed injection fluid is produced water from other leases. Water analysis of these waters is not available.
5. There is no production from these intervals within 1 mile of this well.

**VIII.** The proposed injection interval is located in the Delaware and Bone Spring formations. The Delaware is a Permian age reservoir that is about 3600' thick in this area. The top of the Delaware is at 2920' and the base is about 6568'. The intervals to be injected into are 6040-50 and 6400-30'. The Bone Spring is a Permian Age formation that is about 3,300' thick in this area. The top is at 6568' and the base at 9860'. The intervals to be injected into are 6830-7030, 7370-7390, 7400-30, 8370-8460, 8625-8700, 9100-9200, 9370-9450, 9600-22'. There are no fresh water wells within one mile of the proposed salt-water disposal well based on the attached information provided by the State Engineer and a visual inspection.

- IX.** The injection zone will be perforated intervals in the Delaware and Bone Spring. The injection string will be 3 1/2" plastic coated tubing set at 6000' with a plastic coated Model R packer. The packer will be set at 6000'. No stimulation is planned for the injection interval.
- X.** Logs have been submitted to the OCD.
- XI.** There are no fresh water wells within one mile of the proposed conversion. The information for this area as provide by the State Engineer is attached. A visual inspection of the area also did not reveal any fresh water wells.
- XII.** An examination of this area has determined there are no open faults or other hydrologic connection between the disposal zone and any underground drinking water. These shallow formations are generally not faulted. The casing and cement should isolate the migration of salt water up the borehole.

CURRENT

FORM TOP



30" @ 30' w/15 sx

20" @ 496' w/700 sx

13 3/8" @ 2,863'  
w/ 4200 sx Cmt

7" Liner 9,846-12,298' w/600 sx Cmt

9 5/8" @ 10,249'  
w/ 3900 sx Cmt

Perfs: 11,990-12,014' 48 shots

4 1/2" Liner 12,119-13,270' w/600 sx Cmt

Perfs: 12,726-734'  
Perfs: 13,182-192'  
Perfs: 13,200-208'

PBD 12,119'

TD 13,270'

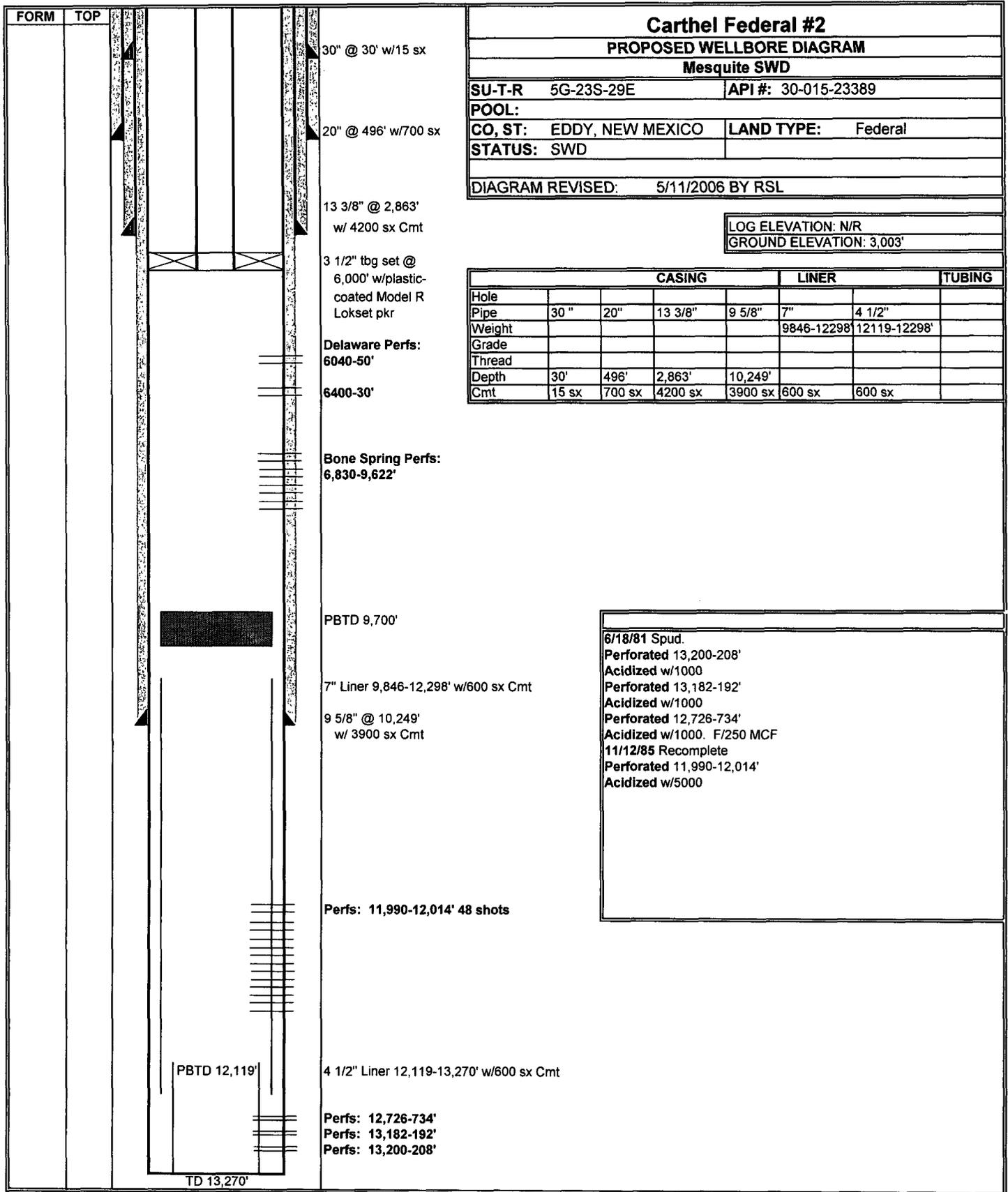
<b>Carthel Federal #2</b>	
<b>CURRENT WELLBORE DIAGRAM</b>	
<b>Mesquite SWD</b>	
<b>SU-T-R</b> 5G-23S-29E	<b>API #:</b> 30-015-23389
<b>POOL:</b>	
<b>CO, ST:</b> EDDY, NEW MEXICO	<b>LAND TYPE:</b> Federal
<b>STATUS:</b> SI	
<b>DIAGRAM REVISED:</b> 1/16/2006 BY RSL	

LOG ELEVATION: N/R  
GROUND ELEVATION: 3,003'

	CASING		LINER		TUBING	
Hole						
Pipe	30 "	20"	13 3/8"	9 5/8"	7"	4 1/2"
Weight					9846-12298	12119-12298'
Grade						
Thread						
Depth	30'	496'	2,863'	10,249'		
Cmt	15 sx	700 sx	4200 sx	3900 sx	600 sx	600 sx

6/18/81 Spud.  
Perforated 13,200-208'  
Acidized w/1000  
Perforated 13,182-192'  
Acidized w/1000  
Perforated 12,726-734'  
Acidized w/1000. F/250 MCF.  
11/12/85 Recomplete  
Perforated 11,990-12,014'  
Acidized w/5000

PROPOSED



**Carthel Federal #2**  
**PROPOSED WELLBORE DIAGRAM**  
**Mesquite SWD**

**SU-T-R** 5G-23S-29E      **API #:** 30-015-23389

**POOL:**

**CO, ST:** EDDY, NEW MEXICO      **LAND TYPE:** Federal

**STATUS:** SWD

**DIAGRAM REVISED:** 5/11/2006 BY RSL

**LOG ELEVATION:** N/R  
**GROUND ELEVATION:** 3,003'

	CASING		LINER		TUBING	
Hole						
Pipe	30"	20"	13 3/8"	9 5/8"	7"	4 1/2"
Weight					9846-12298'	12119-12298'
Grade						
Thread						
Depth	30'	496'	2,863'	10,249'		
Cmt	15 sx	700 sx	4200 sx	3900 sx	600 sx	600 sx

**6/18/81 Spud.**  
**Perforated 13,200-208'**  
**Acidized w/1000**  
**Perforated 13,182-192'**  
**Acidized w/1000**  
**Perforated 12,726-734'**  
**Acidized w/1000. F/250 MCF**  
**11/12/85 Recomplete**  
**Perforated 11,990-12,014'**  
**Acidized w/5000**



### Mesquite SWD C-108 ITEM VI

OPERATOR	CURRENT WELL NAME	API #	LOC'N	S-T-R T-23-S R-29-E	STATUS	SPUD DATE	COMP DATE	TD	PBTD	ZONE	CASING PROGRAM	TOC (Calc.)	LINER	COMP. INTERVAL	TRTMT.	IP
Mesquite SWD	Carthel Fed #2	23389	2030' FNL 2080' FEL	5	SI	6/18/1981	11/8/1981	13,270'	12,119'	Morrow	30" @ 30' w/15sx 20" @ 496' w/700 sx 13 3/8" @ 2,863" w/4200 sx 9 5/8" @ 10,249' w/3900sx	surf surf surf surf	7" @ 9,846-12,298' w/600 sx 4 1/2" @ 12,119-13,270' w/600 sx	13,200-208' 13,182-192' 12,726-734' 11,990-12,014'	A/1000 A/1000 A/1000 A/5000	Dry Wtr 250 MCF
Bird Creek Resources	Carthel Fed #1	26446	2310' FSL 1650' FEL	5	D&A	8/19/1990	8/29/1990	6,590'		Delaware	13 3/8" @ 424' w/420 sx 8 5/8" @ 2800' w/1240 sx	Circ Circ	<b>REP LUG TWS well</b>			
Coronado Exploration	Carthel Fed #1	22994	1980' FSL 1980' FEL	5	P&A	11/10/1979	2/18/1980	3,163'		Morrow	10 3/4" @ 378' w/10 sx 7" @ 2801', 50 sx	Circ 2550' calc				

UNITED STATES M.O.C.D. **COPY** TRIPPLICATE\*  
DEPARTMENT OF THE INTERIOR (Other instructions on reverse side)  
GEOLOGICAL SURVEY

5F/file  
Form approved.  
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.  
NM 0556291

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.)

RECEIVED

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		7. UNIT AGREEMENT NAME
2. NAME OF OPERATOR Cibola Energy Corporation		8. FARM OR LEASE NAME Carthel Fed.
3. ADDRESS OF OPERATOR P.O. Box 1668, Albuquerque, NM 87103		9. WELL NO. 2
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 2030 FNL & 2080 FEL		10. FIELD AND POOL, OR WILDCAT Wildcat
14. PERMIT NO.		11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA 5-23S-29E
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 3003.4 Gr.		12. COUNTY OR PARISH 13. STATE Eddy NM

16. 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)  casing report

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.)\*

7-20-81

Ran 70 joints of 13 3/8" 61# and 54.5# K-55 casing to 2863' KB. Cemented with 8#/sack salt. Followed by 200 SX Class "C" neat. Circulated 430 SX to surface. Bumped plug at 6:00 a.m. Float held ok. Nipped down 20" Hydrill. Installed slips.

JUL 27 1981

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

SIGNED Gay Gunnels TITLE Production Secretary DATE 7-23-81

(This space for Federal or State office use)  
ACCEPTED FOR RECORD

APPROVED BY ROGER A. CHAPMAN TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

JUL 28 1981

U.S. GEOLOGICAL SURVEY

\*See Instructions on Reverse Side

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	1
FILE	1
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
OPERATOR	XX
PRODUCTION OFFICE	

NEW MEXICO OIL CONSERVATION COMMISSION  
**REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS**

Form C-104  
 Supersedes Old C-104 and C-1  
 Effective 1-1-65

**RECEIVED**  
**APR 16 1982**

**O. C. D.**  
**ARTESIA, OFFICE**

**I. OPERATOR**  
 Operator: Cibola Energy Corporation  
 Address: P. O. Box 1668, Albuquerque, New Mexico 87103  
 Reason(s) for filing (Check proper box):  
 New Well  Change in Transporter of: Oil  Dry Gas   
 Recompletion  Casinghead Gas  Condensate   
 Change in Ownership

If change of ownership give name and address of previous owner: \_\_\_\_\_

**II. DESCRIPTION OF WELL AND LEASE**

Lease Name <u>Carthel Federal Corn</u>	Well No. <u>#2</u>	Pool Name, including Formation <u>Wildcat Morrow</u>	Kind of Lease State, Federal or Fee Federal	Lease No. <u>NM-055629</u>
Location Unit Letter <u>G</u> ; <u>2030</u> Feet From The <u>North</u> Line and <u>2080</u> Feet From The <u>East</u> Line of Section <u>5</u> Township <u>23S</u> Range <u>29E</u> , NMPM, <u>Eddy</u> County				

**III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS**

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
<u>El Paso Natural Gas Company</u>	<u>P. O. Box 1492, El Paso, TX 79978</u>
If well produces oil or liquids, give location of tanks.	Is gas actually connected? When <u>3-31-82</u> <u>April 12, 1982</u>

If this production is commingled with that from any other lease or pool, give commingling order number: \_\_\_\_\_

**IV. COMPLETION DATA**

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Some Rest'v.	Diff. Rest'v.
		X	X					
Date Spudded <u>June 18, 1981</u>	Date Compl. Ready to Prod. <u>November 7, 1981</u>	Total Depth <u>13,270'</u>	P.B.T.D. <u>12,800'</u>					
Elevations (DF, RKB, RT, GR, etc.) <u>3003.4 Gr</u>	Name of Producing Formation <u>Morrow</u>	Top Oil/Gas Pay <u>12,726'</u>	Tubing Depth <u>12,687'</u>					
Perforations <u>12,727 -- 12,734' 2 spf</u>			Depth Casing Shoe <u>13270</u>					
<b>TUBING, CASING, AND CEMENTING RECORD</b>								
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT					
<u>40"</u>	<u>30"</u>	<u>30'</u>						
<u>26"</u>	<u>20" 94 5#</u>	<u>496'</u>	<u>700 sx</u>					
<u>17 1/2"</u>	<u>13 3/8" 54 5#</u>	<u>2863'</u>	<u>4000sx</u>					
<u>12 1/4"</u>	<u>9 5/8" 43 5#</u>	<u>10249'</u>	<u>3400sx</u>					

**V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL**

(Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run to Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil-Bbls.	Water-Bbls.	Gas-MCF

**GAS WELL**

Actual Prod. Test-MCF/D <u>380.8</u>	Length of Test	Bbls. Condensate/MMCF <u>NONE</u>	Gravity of Condensate <u>N/A</u>
Testing Method (pitot, back pr.) <u>back pr.</u>	Tubing Pressure (shut-in) <u>2859</u>	Casing Pressure (shut-in) <u>-0-</u>	Choke Size <u>.500</u>

**VI. CERTIFICATE OF COMPLIANCE**

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

*Alfonso J. Gomez*  
 (Signature)  
**PRODUCTION SECRETARY**  
 (Title)  
APRIL 14, 1982  
 (Date)

**OIL CONSERVATION COMMISSION**  
 APPROVED APR 22 1982, 19\_\_\_\_  
 BY *W.A. Sussett*  
 TITLE **SUPERVISOR, DISTRICT #**

This form is to be filed in compliance with RULE 1104.  
 If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviated tests taken on the well in accordance with RULE 111.  
 All sections of this form must be filled out completely for allowable on new and recompleted wells.  
 Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.  
 Separate Forms C-104 must be filed for each pool in multiple completed wells.

WORKOVER PLAN  
THE EASTLAND OIL COMPANY  
CARTEL FEDERAL NO. 2  
2030' FNL & 2080' FEL, Sec. 5, T23S, R29E  
Eddy County, New Mexico

- 1) Moved in and rigged up workover rig.
- 2) Nipple up 11" hydraulic double ram 5M BOP's on 9-5/8" casing head.
- 3) Rig up reverse unit and drilling head.
- 4) Test BOP and wellhead.
- 5) Pick up 8-1/2" bit and drill collar.
- 6) Drill out cement in 9-5/8" casing to 3032' using 3-1/2" tubing and brine water for drilling fluid.
- 7) Run bit to top of cement plug at 3993' and test casing and perms from 2994' to 3018' w/1500 psi for 30 minutes.
- 8) Drill cement plug from 3993' to 4113'.
- 9) Clean out and circulate hole to plug at 5950' and test casing to 1500 psi.
- 10) Drill cement plug from 5953' to 6102' (DV tool @ 6040').
- 11) Circulate hole and clean out to 9800'. → *Drill out plug 6602'*
- 12) Test casing to 1500 psi. *6772'*
- 13) Clean out to top of 7" liner @ 9846'. *R.J.P.*
- 14) Check top of liner for junk, etc.
- 15) Trip out of hole and pick up 6-1/2" bit and drill collars.
- 16) Trip in hole and drill cement plug inside 7" liner from 9846' to 10,288'.
- 17) Wash and circulate 7" liner to top of plug @ 12,010'.
- 18) Drill out cement to top of 4-1/2" liner @ 12,100'.
- 19) Test casing w/1500 psi.
- 20) Trip out of hole and lay down 3-1/2" tubing and drill collars.
- 21) Pick up 2" EUE N-80 tubing with 7" packer and test in hole to 8,000 psi.
- 22) Circulate hole at 11,970' with packer fluid in annulus and spot acid to perforate.
- 23) Nipple up wellhead.
- 24) Run Gamma Ray correlation log and collar log.  
Perforate as indicated in Atoka from open hole logs.
- 25) Acidize as necessary for production and test by swabbing and flowing.

C18 1/2

UNITED STATES DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Drawer DD  
Albuquerque, NM 88210

**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 well  gas well  other

2. NAME OF OPERATOR  
Cibola Energy Corporation

3. ADDRESS OF OPERATOR  
P.O. Box 1668, Albuquerque, NM 87103.

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)  
AT SURFACE: 2030' FNL & 2080' FEL  
AT TOP PROD. INTERVAL:  
AT TOTAL DEPTH:

RECEIVED BY  
JUN 18 1984  
O. C. D.  
ARTESIA, OFFICE

5. LEASE  
NM 0556291

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Carthel Federal Com

9. WELL NO.  
2

10. FIELD OR WILDCAT NAME  
Wildcat - Morrow

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec. 5-23S-29E

12. COUNTY OR PARISH  
Chaves - EDDY

13. STATE  
New Mexico

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)  
3003.4 Gr.

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

REQUEST FOR APPROVAL TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>		<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>		<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>		<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>		<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>		<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>		<input type="checkbox"/>
ABANDON* (other)	<input type="checkbox"/>		<input checked="" type="checkbox"/>

NOTE: Report results of multiple completion or zone change on Form 9-330  
APR 29 1983  
OIL & GAS

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.)\*

- Plugged well as follows:
1. CIBP with 35 sacks Class C Cement at 12,700'.
  2. 30 sacks Class H Cement at 12,210', tagged at 12,010'.
  3. 85 sacks Class H Cement at 10,288-9,800'.
  4. 90 sacks Class H Cement at 6,772 - 6602'.
  5. 60 sacks Class H Cement at 6,102 - 5953'.
  6. 45 sacks Class C Cement at 4,113 - 3993'.
  7. 725 sacks Class C Cement with 2% gel at 3032' - surface.

Dry hole marker was set at surface.

Location will cleaned and reclaimed as stated in Application to Drill by 6-30-83

Subsurface Safety Valve: Manu. and Type \_\_\_\_\_ Set @ \_\_\_\_\_ Ft.

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

SIGNED \_\_\_\_\_ TITLE Oper. Manager DATE 4-22-83

(This space for Federal or State office use)

APPROVED BY [Signature] TITLE Acting Asst. Mgr. DATE 6-12-84  
CONDITIONS OF APPROVAL, IF ANY:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

CONTACT RECEIV'  
OFFICE FOR NUM  
OF COPIES REQUIRED

BLM Roswell District  
Modified Form No.

RECEIVED

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL:  OIL WELL  GAS WELL  DRY  Other P & A

b. TYPE OF COMPLETION:  NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DIFF. REGRV.  Other

2. NAME OF OPERATOR Bird Creek Resources, Inc. 3a. Area Code & Phone No. 918-582-3855

3. ADDRESS OF OPERATOR 810 S. Cincinnati, Suite 110, Tulsa, Ok 74119

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 2310' FSL, 1650' FEL  
At top prod. interval reported below  
At total depth

5. LEASE DESIGNATION AND SERIAL NO.  
NM 59383  
DEC 20 10 53 AM '90

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Carthel Federal

9. WELL NO.  
1

10. FIELD AND POOL, OR WILDCAT  
Wildcat Delaware

11. SEC., T., R., S., OR BLOCK AND SURVEY OR AREA  
Sec. 5 23S 29E

9a. API Well No. 30-015-26446 14. PERMIT NO. DATE ISSUED 8-8-90 12. COUNTY OR PARISH Eddy 13. STATE NM

15. DATE SPUDDED 8-17-90 16. DATE T.D. REACHED 8-27-90 17. DATE COMPL. (Ready to prod.) P&A 8-29-90 18. ELEVATION (OF RKB, RT, OR, ETC.)\* 2998' KB 19. ELEV. CABINHEAD

20. TOTAL DEPTH, MD & TVD 6590' 21. PLUG. BACK T.D., MD & TVD P&A 22. IF MULTIPLE COMPL., HOW MANY\* 23. INTERVAL DRILLED BY ROTARY TOOLS 10-6590' CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION-- TOP, BOTTOM, NAME (MD AND TVD)\* 25. WAS DIRECTIONAL SURVEY MADE Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN GR-CNL-ZDL, GR-DLL-MLL-CAL 27. WAS WELL CORED No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT FILLED
13 3/8"	52.75, J-55	420'	17 1/2"	420 sxs. "C", 2% CaCl	-----
8 5/8"	24, 32, J-55	2800'	12 1/4"	1140sxs. Lite, 100sxs. "C"	-----

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)

Cmt: 30sxs. @ 6590-6490'  
30sxs. @ 3550-3450'  
30sxs. @ 2850-2750'  
30sxs. @ 450-350'  
15sxs @ 50-0'

32. ACID. SHOT. FRACTURE. CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33.\* PRODUCTION

DATE FIRST PRODUCTION PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) WELL STATUS (Producing or shut-in) P&A

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL--BBL.	GAS--MCF.	WATER--BBL.	GAS-OIL RATIO

FLOW, TUBING PRBM. CASING PRESSURE CALCULATED 24-HOUR RATE OIL--BBL. GAS--MCF. WATER--BBL. OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) TEST WITNESSED BY

35. LIST OF ATTACHMENTS  
Deviation survey

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Bill M. Burks Bill M. Burks TITLE Agent DATE 12-26-90

\* (See Instructions and Summary for Additional Information)

N.M.O.C.D. COPY  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

TE-  
re-

Form approved.  
Budget Bureau No. 42-R1424

5. LEASE DESIGNATION AND SERIAL NO.

NM 0556291

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Carthel Federal

9. WELL NO.

#1

10. FIELD AND POOL, OR WILDCAT

Wildcat

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

Sec. 5, T23S, R29E

12. COUNTY OR PARISH

Eddy

13. STATE

NM

**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  Dry

2. NAME OF OPERATOR  
Coronado Exploration Corp.

3. ADDRESS OF OPERATOR  
1005 Marquette NW Albuquerque, NM 87102

4. LOCATION OF WELL (Report location clearly and in accordance with any State laws. See also space 17 below.)  
At surface  
1980 FSL and 1980 FEL

RECEIVED BY  
  
JUN 18 1984  
  
O. C. D.  
ARTESIA, OFFICE

14. PERMIT NO.  
30-015-22994

15. ELEVATIONS (Show whether of, at, or, etc.)  
2983.9 Gr

16. 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)

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.)

TD: 3154'

02-01-80 Filled hole from 3154' to 2800' with cement. Pulled tubing up above top of cement. WOC 4 hrs. Tagged cement top at 2800'.

02-02-80 Pulled 2000' 7" casing.

02-03-80 Filled hole with cement. Set dry hole marker.

Location cleared and ready for inspection by Monday, February 18, 1980.

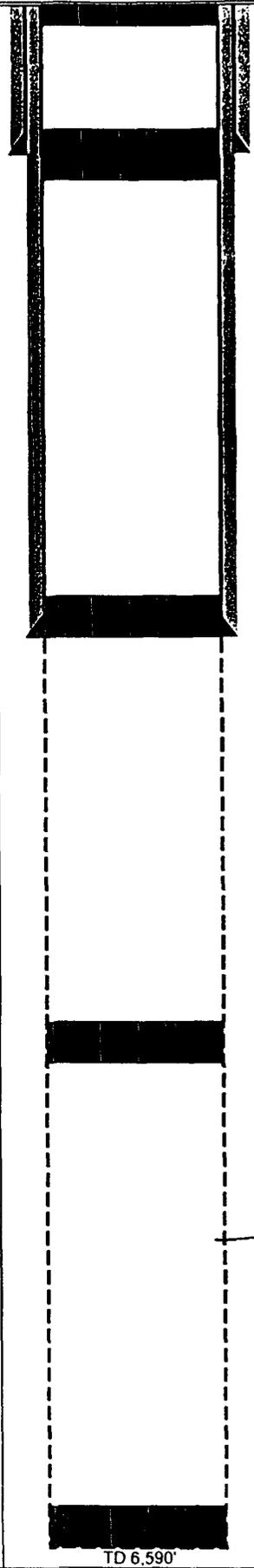
18. I hereby certify that the foregoing is true and correct.  
CORONADO EXPLORATION CORP.

SIGNED BY: [Signature] TITLE: ENGINEER DATE: FEB. 15, 1980

(This space for Federal or State office use)

APPROVED BY: [Signature] TITLE: Acting Area Mgr. DATE: 6-12-84

FORM TOP



15 sx plug 50-0'

30 sx plug 450-350'  
13 3/8" @ 424'  
w/420 sx Cmt,  
circ 115 sx

30 sx plug 2850-2750'  
8 5/8" @ 2,800'  
w/1240 sx Cmt,  
circ 150 sx

30 sx plug 3550-3450'

30 sx plug 6590-6490'

TD 6,590'

**Carthel Federal #1**

**CURRENT WELLBORE DIAGRAM**

**BIRD CREEK RESOURCES, INC.**

SU-T-R	5-23S-29E	API #: 30-015-26446
POOL:	DELAWARE	
CO, ST:	EDDY, NEW MEXICO	LAND TYPE: Federal
STATUS:	P&A	
DIAGRAM REVISED: 2/16/2006 BY RSL		

LOG ELEVATION: N/R  
GROUND ELEVATION: 2,986'

	CASING	LINER	TUBING
Hole	17 1/2"	12 1/4"	
Pipe	13 3/8"	8 5/8"	
Weight	52.75#	24, 32#	
Grade	J-55	J-55	
Thread			
Depth	424'	2800'	
Cmt	420 sx	1240 sx	

8/17/90 Spud.  
8/27/90 Ran Logs  
8/29/90 P&A well  
Set 30 sx cmt plug 6590-6490'  
Set 30 sx cmt plug 3550-3450'  
Set 30 sx cmt plug 2850-2750'  
Set 30 sx cmt plug 450-350'  
Set 15 sx cmt plug 50-0'  
Install dry hole marker.

5040'

Proposed  
INTERVAL

9622'

Current

**New Mexico Office of the State Engineer  
POD Reports and Downloads**

Township:  Range:  Sections:

NAD27 X:  Y:  Zone:  Search Radius:

County:  Basin:  Number:  Suffix:

Owner Name: (First)  (Last)   Non-Domestic  Domestic  
 All

**AVERAGE DEPTH OF WATER REPORT 02/13/2006**

Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	(Depth Water in Feet)		
								Min	Max	Avg
C	23S	29E	17				1	65	65	65
C	23S	29E	18				1	10	10	10
C	23S	29E	19				1	28	28	28
C	23S	29E	30				3	30	38	35

Record Count: 6

New Mexico Office of the State Engineer  
POD Reports and Downloads

Township:  Range:  Sections:

NAD27 X:  Y:  Zone:  Search Radius:

County: ED  Basin:   Number:  Suffix:

Owner Name: (First)  (Last)  Non-Domestic Domestic  
All

POD / Surface Data Report  Avg Depth to Water Report  Water Column Report

Clear Form  iWATERS Menu  Help

AVERAGE DEPTH OF WATER REPORT 02/13/2006

Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	(Depth Water in Feet)		
								Min	Max	Avg

No Records found, try again

## Water Analysis Report from Baker Petrolite

<i>Summary of Mixing Waters</i>		
<b>Sample Number</b>	29932	135234
<b>Company</b>	EOG RESOURCES	THUNDERBOLT PETROLEUM
<b>Lease</b>	OREO UNIT	CAL-MON UNIT
<b>Well</b>	WELL #25-1	TANK BATTERY
<b>Sample Location</b>	WELLHEAD	WATER TANK OUTLET
	✓ <i>Penn Age Morrow</i>	✓ <i>Permian Age Grayburg</i>
<b>Anions (mg/L)</b>		
Chloride	26,270	83,429
Bicarbonate	683	207
Carbonate	0.00	0.00
Sulfate	339	3,130
Phosphate	0.00	0.00
Borate	0.00	0.00
Silicate	0.00	0.00
<b>Cations (mg/L)</b>		
Sodium	15,105	48,791
Magnesium	316	1,388
Calcium	1,480	3,222
Strontium		116
Barium		2.00
Iron	65.2	6.00
Potassium	0.00	847
Aluminum	0.00	0.00
Chromium	0.00	0.00
Copper	0.00	0.00
Lead	0.00	0.00
Manganese	0.00	0.00
Nickel	0.00	0.00
<b>Anion/Cation Ratio</b>	<b>1.00</b>	<b>1.00</b>
<b>TDS (mg/L)</b>	44,258	141,138
<b>Density (g/cm)</b>	1.04	1.10
<b>Sampling Date</b>	1/23/03	11/17/02
<b>Account Manager</b>	WAYNE PETERSON	WAYNE PETERSON
<b>Analyst</b>	WAYNE PETERSON	SHEILA HERNANDEZ
<b>Analysis Date</b>	3/6/03	11/22/02
<b>pH at time of sampling</b>	6.44	7.70
<b>pH at time of analysis</b>		
<b>pH used in Calculations</b>	6.44	7.70

Martin Water Laboratories, Inc

P.O. BOX 100  
MCKINNEY TEXAS 75069  
PH. 972.329.0000

1001 W. ILLIANA  
MCKINNEY TEXAS 75069  
PHONE 972.329.0001

RESULT OF WATER ANALYSES

TO Mr. Dick Eliyson LABORATORY NO 903-122  
P.O. Box 1229, Carlsbad, NM 89221 SAMPLE RECEIVED 1/23/03  
 RESULTS REPORTED 1/27/03

COMPANY EOG Resources, Inc. LEASE Oreo #25-1  
 FIELD OR POOL Turkey Track  
 SECTION Block SURVEY \_\_\_\_\_ COUNTY Eddy STATE NM  
 SOURCE OF SAMPLE AND DATE TAKEN \_\_\_\_\_

- NO. 1 Produced water - taken from Oreo #25-1.
- NO. 2 \_\_\_\_\_
- NO. 3 \_\_\_\_\_
- NO. 4 \_\_\_\_\_

REMARKS:

Morrow

CHEMICAL AND PHYSICAL PROPERTIES				
	NO. 1	NO. 2	NO. 3	NO. 4
Specific Gravity at 60°F	1.0325			
pH when Normal				
pH when Freezing	6.44			
Bicarbonate as CaCO <sub>3</sub>	683			
Supersaturation as CaCO <sub>3</sub>				
Undersaturation as CaCO <sub>3</sub>				
Total Hardness as CaCO <sub>3</sub>	5,000			
Calcium as Ca	1,480			
Magnesium as Mg	316			
Sodium and/or Potassium	15,159			
Sulfate as SO <sub>4</sub>	339			
Chloride as Cl	26,270			
Iron as Fe	65.2			
Barium as Ba				
Turbidity, Electric				
Color as Pt				
Total Solids, Calculated	44,247			
Temperature, °F				
Carbon Dioxide, Calculated				
Dissolved Oxygen				
Hydrogen Sulfide	0.0			
Resistivity, ohm-cm @ 77°F - calculated	0.182			
Suspended Oil				
Freeze Solids as mg				
Volume Filtered, ml				
Resistivity, ohm-cm @ 77°F-meas.	0.170			

Results Reported As Milligrams Per Liter

Additional Determinations And Remarks: These results show no significant change in the water from this well as compared to the sample taken 9/6/02 and reported on laboratory #902-21. Therefore, it continues to correlate with what we would expect from Morrow water but could be slightly diluted from condensed water vapor based on our records in the general area.

*[Handwritten Signature]*



**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

The Mosaic Company  
Atria Corporate Center, Ste E490  
3033 Campus Dr  
Plymouth MN 55441

2. Article Number  
(Transfer from service label)

7005 0390 0000 6037 2202

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

- A. Signature  Agent  
 Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.
4. Restricted Delivery? (Extra Fee)  Yes

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bass Enterprises Production Co.  
201 Main St., Ste 3100  
Ft Worth TX 76102

2. Article Number  
(Transfer from service label)

7005 0390 0000 6037 2141

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

- A. Signature  Agent  
 Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.
4. Restricted Delivery? (Extra Fee)  Yes

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bureau of Land Management  
P. O. Box 27115  
Santa Fe, NM 87502-0115

2. Article Number  
(Transfer from service label)

7005 0390 0000 6037 2172

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

- A. Signature  Agent  
 Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.
4. Restricted Delivery? (Extra Fee)  Yes

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Eastland Exploration  
 P O Box 3506  
 Midland TX 79702

2. Article Number

(Transfer from service label)

7005 0390 0000 6037 2165

PS Form 3811, February 2004

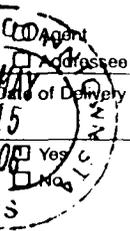
Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

*[Handwritten Signature]*



B. Received by (Printed Name)

Felice L. Davis

C. Date of Delivery

5/15/06

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below:

3. Service Type

- Certified Mail  Express Mail
- Registered  Return Receipt for Merchandise
- Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bureau of Land Management  
 Carlsbad Field Office  
 620 E. Greene St.  
 Carlsbad, NM 88220

2. Article Number

(Transfer from service label)

7005 0390 0000 6037 2189

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

*[Handwritten Signature]*

Agent  
 Addressee

B. Received by (Printed Name)

Sumner

C. Date of Delivery

5-12

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below:

3. Service Type

- Certified Mail  Express Mail
- Registered  Return Receipt for Merchandise
- Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Yates Petroleum Corporation  
 105 S 4<sup>th</sup> St  
 Artesia NM 88210

2. Article Number

(Transfer from service label)

7005 0390 0000 6037 2158

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

*[Handwritten Signature]*

Agent  
 Addressee

B. Received by (Printed Name)

KATHY DONAGHE

C. Date of Delivery

5/12

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below:

3. Service Type

- Certified Mail  Express Mail
- Registered  Return Receipt for Merchandise
- Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

## 1. Article Addressed to:

Strata Production Co.  
P O Box 1030  
Roswell NM 88202-1030

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee

B. Received by (Printed Name) C. Date of Delivery  
 P. Graham 5-12-06

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

2. Article Number  
 (Transfer from service label)

7005 0390 0000 6037 2134

**Jones, William V., EMNRD**

**From:** Jones, William V., EMNRD  
**Sent:** Thursday, April 13, 2006 3:55 PM  
**To:** 'Robert Lee'  
**Cc:** Ezeanyim, Richard, EMNRD; Sanchez, Daniel J., EMNRD; Arrant, Bryan, EMNRD  
**Subject:** SWD Application: Carthel Federal Com #2

7/26/06 *new APPLICATION*

Hello Robert:

We received your application April 4th on behalf of Mesquite SWD, Inc and after Bryan and I reviewed this have the following questions and suggestions:

- 1) The Division records show this well to have Burrell Energy as the operator of record. When will the change of operator occur? Burrell and Mesquite currently show to have no wells out of compliance - so that is fine.
- 2) Will this be a commercial well? *Yes*
- 3) Please estimate which formation waters will be disposed into this well and send estimated TDS concentrations and H2S concentration or tendency for each of these. *✓* If you have water analysis for any of these by analogy, please send it.
- 4) We will require a swab test and water analysis of the injection perforations. *✓*
- 5) Please check on the ground for any windmills or other water wells within 1 mile of this proposed injection well and catch a sample and send in an analysis. *✓*
- 6) Please send a copy of all electric logs including the CNL/FDC/DLL/Natural GR logs to the Hobbs District office to be scanned into our imaging system - make sure the API number is on the logs. Currently, only a CBL exists on our imaged log site for this well. *✓*
- 7) The CBL that does exist shows that the cement below the DV tool did not circulate and the area from 6,040 feet (DV Tool) to 9,622 feet is open. Your application extends from 3,000 feet in the Delaware to 9,450 feet in the Bone Spring. *✓*
- 8) Due to this open interval behind pipe, please consider extending your Bone Spring interval in the application down to 9,622 feet or consider squeezing cement from 9,622 up to the DV tool depth. To extend the interval, re-do the newspaper notice and send the other affected parties a normal letter stating your intended changes. *✓*
- 9) *✓* The Area of Review well with API No. 30-015-26446 will need to be re-entered and re-plugged to the requirements of Division Order R-111-P and with more plugs set in the open hole interval opposite the intended injection interval (or as the District Office directs). This "AOR repair" stipulation can be added to a granted permit.
- 10) *✓* Please notify and send proof of notice to the nearest Potash leaseholder - ask the BLM for this information.

Many Regards,

William V. Jones  
Engineer in Santa Fe

*In the Revised application, (sent 7/12/06)  
They EXTENDED the inj interval to include the  
entire vertical section below the DV TOOL  
that is uncemented. So the well will be perforated  
but the casing is uncemented across the injection interval  
according to the CBL.*

*Will Jones  
7/26/06*

**Jones, William V., EMNRD**

**From:** Arrant, Bryan, EMNRD  
**Sent:** Thursday, April 06, 2006 9:38 AM  
**To:** Jones, William V., EMNRD  
**Subject:** Mesquite SWD, Inc. Proposed SWD Carthel Fed. #2

Hi Will,

I looked over this morning the above note proposed salt water disposal well. Below are some comments about this application:

According to the rules and regulations of R-111-P, it seems that the Bird Creek Resources, Inc's: Carthel Federal #1 (API # 30-015-26446) may not have been plugged in a manner according to R-111-P. Please see section F "Plugging and Abandonment or Wells" in the order. ✓

I do not see in the application a notice to the Potash Lease Holder. R-111-P it is not required for operators to notify the potash lease holder for proposed SWD, injections wells. Does this need to be reviewed as a condition of approval in the application for authorization to inject? ✓

Why doesn't Mesquite SWD, Inc. go and test and provide the OCD with water analysis's from the other leases that they intend to get produced water from? ✓

I would think that one could obtain a chemical analysis (In the Delaware and Bone Spring formations) from offset wells. Although they may be a significant distance away from the proposed application. ✓

I pulled data from the State Engineer's web-site and I found monitor wells in section 9 to the southeast. These monitor well are test wells that IMC drilled and are @ 100' deep. On a topo map in that section it appears that there is a playa salt lake located in that section. ✓

In the applicants' report, I can see why no records were found in T-22-S R-29-E as they left the section entry blank. There is a water well record in section 33. In addition, there are water well records from the NM Waids report. By Lat. and Long. in section 33, there is a water well drilled to 70' with chlorides of @ 2650 from the Rustler formation. It is reported to be used as a stock tank. ✓

From our web-site, we only have a cement bond log on the Carthel Federal # 2 well and it is in the lower zone. Can we have them copy us all the logs ran on this well? ✓

Thanks and I'll visit w/you later,

Bryan

**Jones, William V., EMNRD**

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**From:** Jones, William V., EMNRD  
**Sent:** Tuesday, August 15, 2006 3:14 PM  
**To:** 'Robert Lee'  
**Subject:** RE: SWD Application: Carthel Federal Com #2

Hello Robert:  
Apparently Clay has not done this yet with the OCD. He needs to go to our OCD web site and then to E-Permitting to change the operator for this well from Burrell to Mesquite. If he needs help, have him call Dorothy Phillips 505-476-3461 to walk him through this.

Regards,

Will Jones

William V. Jones - Engineering Bureau                      Oil Conservation Division  
<<http://www.emnrd.state.nm.us/ocd/>>                      Santa Fe  
<<http://www.emnrd.state.nm.us/ocd/general/SFdirectory.htm>>

*Cancelled  
8/15/06*

-----Original Message-----  
From: Robert Lee [mailto:robertlee5@worldnet.att.net]  
Sent: Friday, August 04, 2006 6:14 AM  
To: Jones, William V., EMNRD  
Subject: RE: SWD Application: Carthel Federal Com #2

Will,  
I have been out for a few days. Clay told me last week he went over to the BLM and received his approved change of operator request. I'll call him later this AM and make sure he has sent it in to the OCD. I'll also have him send a copy directly to you.

Thank

Robert

-----Original Message-----  
From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]  
Sent: Thursday, August 03, 2006 4:49 PM  
To: Robert Lee  
Cc: Arrant, Bryan, EMNRD  
Subject: RE: SWD Application: Carthel Federal Com #2

*Check  
Bond/Rule 40  
Statement before  
release*

Hello Robert:  
Do you have a predicted time for this "change of operator" or for a statement that Burrell Energy is applying for this SWD permit?

Thanks,

Will Jones

-----Original Message-----  
From: Jones, William V., EMNRD  
Sent: Wednesday, July 26, 2006 4:08 PM  
To: 'Robert Lee'  
Cc: Ezeanyim, Richard, EMNRD; Arrant, Bryan, EMNRD; Barton, Van, EMNRD  
Subject: SWD Application: Carthel Federal Com #2

Hello Robert:

## Jones, William V., EMNRD

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**From:** Robert Lee [robertlee5@worldnet.att.net]  
**Sent:** Friday, October 13, 2006 2:16 PM  
**To:** Jones, William V., EMNRD  
**Subject:** Carthel Federal SWD Application

**Attachments:** Approval for Change of Operator.tif



Approval for  
Change of Operato..

Will,

Please find attached the Approval of the change of operator for hte Carthel well from Burrell to Mesquite. Hopefully this is the last brick in the wall that we needed. Thanks for your patience and advice.

RObert Lee

--

No virus found in this outgoing message.

Checked by AVG Free Edition.

Version: 7.1.408 / Virus Database: 268.13.3/473 - Release Date: 10/12/2006

10/11/2006 15:28  
C104AReport

5858858135

MESQUITESWD

PAGE 01

District II  
1301 W. URSER AVE., ARIZONA, NM 88210  
Phone: (505) 748-1303 Fax: (505) 748-9730

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

Form C-145  
Permit 99480

**Change of Operator**

**Previous Operator Information**

**New Operator Information**

OGRID:	<u>3118</u>	OGRID:	<u>161968</u>
Name:	<u>BURRELL ENERGY</u>	Name:	<u>MESQUITE SWD, INC</u>
Address:	<u>PO BOX 2604</u>	Address:	<u>PO BOX 1479</u>
Address:	<u></u>	Address:	<u></u>
City, State, Zip:	<u>MIDLAND, TX 79702</u>	City, State, Zip:	<u>CARLSBAD, NM 88221</u>

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

**Previous Operator**

**New Operator**

Signature:	<u><i>C. Wendel Schoenberger</i></u>	Signature:	<u><i>Chap. h. Wilson</i></u>
Printed Name:	<u>C. Wendel Schoenberger</u>	Printed Name:	<u>Chap. h. Wilson</u>
Title:	<u>CONSULTANT</u>	Title:	<u>V.P.</u>
Date:	<u>11/05/06</u> Phone: <u>432-685-0563</u>	Date:	<u>10/11/06</u> Phone: <u>505 706-1869</u>

<p><b>NMOCD Approval</b>          Electronic Signature: <u>Carmen Reno, District 2</u>          Date: <u>October 11, 2006</u></p>
---

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### ChangeOp Comments

OGRID: [3118] BURRELL ENERGY  
Permit Number: 39480  
Permit Type: ChangeOp

Created By	Comment	Comment Date
DPHILLIPS	Nowells selected.	10/11/2006

# Inactive Well List

**Total Well Count:14 Inactive Well Count:1 Since:7/24/2005**

**Printed On: Tuesday, October 17 2006**

District	API	Well	ULSTR	OCD Unit	OGRID	Operator	Lease Type	Well Type	Last Production	Formation/Notes	Status	Days in TA
2	30-015-01096	EXXON STATE #003	0-15-21S-27E	0	161968	MESQUITE SWD, INC	S	O	03/2005			

WHERE Ogrid:161968, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15

## Injection Permit Checklist

SWD Order Number \_\_\_\_\_ Dates: Division Approved \_\_\_\_\_ District Approved \_\_\_\_\_

Well Name/Num: Carroll Federal #2 Date Spudded: 6/18/81

API Num: (30-) 015-23389 County: EDDY

Footages 2030 FNL 2080 FEL Sec 5 Tsp 23S Rge 29E

Operator Name: MESQUITE SWD, INC Contact CLAY WILSON/Robert Lee

Operator Address: P.O. Box 1479 Carlsbad, NM 88220

*SI monitor well*

*See CBL*

	Hole/Pipe Sizes	Depths	Cement	Top/Method
Surface	20"	496'	700	
Intermediate	13 7/8"	2863'	4200' (1575 Bottom Cement)	CIRC
Production	9 5/8"	10249'	3900' (1900 Top Cement)	CIRC
Last DV Tool		6040'		
Open Hole/Liner	7"	9846-12298'	600	
Plug Back Depth	4"	1219-13270'		

Diagrams Included (Y/N): Before Conversion  After Conversion

Checks (Y/N): ELogs in Imaging  Well File Reviewed

*NAME? Burrell Energy?*  
 - Commercial   
 - Which waters will be injected?   
 - Check WINDMILLS OK   
 - NOTIFY POTASH ASA   
 - RE-PLUG #1 well?   
 TOP 2920-6568' BOT  
 6568-9860' BOT  
 Good logs to release   
 1208 PSI Max. WHIP  
 Open Hole (Y/N)   
 No Deviated Hole (Y/N)

Intervals:	Depths	Formation	Producing (Yes/No)
Sal/Potash			
Capitan Reef			
In Reef, Cliff House, Etc:			
Formation Above	6040-6430'	Delmar	
Top Inj Interval	6430-6568'		
Bottom Inj Interval	6568-9622'	Bona Springs	
Formation Below			

Water Analysis Included (Y/N): Fresh Water  Injection Zone  Disposal Waters

Affirmative Statement Included (Y/N):

*only CBL - 9550' - 12100'*

Surface Owner BLM Mineral Owner(s) \_\_\_\_\_

Checks (Y/N): Newspaper Notice  Well Table  Adequate Well Table

Adequate Certified Notice: Surface Owner  AOR Owners  CID/Potash/Other

AOR Num Active Wells 0 Repairs? \_\_\_\_\_ Producing in Injection Interval \_\_\_\_\_

AOR Number of P&A Wells 2 Diagrams Included?  Repairs Required?

*Need CIVL/FDD/SHOTS  
Nabud ER*

Data to Generate New AOR Table  New Table Generated? (Y/N)

	STR	E-W Footages	N-S Footages
Wellsite			
Northeast			
North			
Northwest			
West			
Southwest			
South			
Southeast			
East			

Conditions of Approval:  
 1. *Swab/catch sample*  
 2. *Repair 30-015-26446*  
 3. *(To Protect POTASH) & To isolate inj interval*  
 Set CIBP WITHIN 200' of BOTM  
 RBDMS Updated (Y/N) \_\_\_\_\_  
 UIC Form Completed (Y/N) \_\_\_\_\_  
 This Form completed \_\_\_\_\_