

5/5/08 DATE IN	SUSPENSE	Jones ENGINEER	5/6/08 LOGGED IN	SWD TYPE	PKUR0812730550 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.

Ronald M. Senty Ronald M. Senty Prod. Manager 5/2
 Print or Type Name Signature Title Date

ronald@realexploration.com
 e-mail Address

RECEIVED
 2008 MAY 5 PM 2 40

Resume Review



1901 North Central Expressway, Suite 300
Richardson, Texas 75080
972-437-6792

July 16, 2008

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

Ref: State "2" #8 Conversion to Salt Water Disposal

Attn: William V. Jones PE. (505-476-3448)

Dear William,

I have been just covered up but after evaluating the additional requests you had made for information I felt that you had not received the package I had asked to be delivered to you. I had sent e-mail information to a consultant to check and see if I had everything I needed for the filings and was working on some additional data at the time. I hope you don't mind but I have sent the complete package that you should have received along with the additional information you have requested; it may be more then what you wanted but I trying to make sure I am covered this time.

The schematic for the proposed conversion, which is attachment "C" shows the perforations Reef is proposing:

[Delaware & Cherry Canyon: Bench 1) 5760' to 5770', 5860' to 5880',
Bench 2) 5550' to 5580', Bench 3) 5150' to 5170',
Bench 4) 4600' to 4620']

and also shows the Bridge Plug to abandon the lower perforations will be set at 6080' with 35' of cement on top (lowest injection perforation will be at 5880'). The injection packer will be set at 4500' (highest injection perforation will be at 4600').

2008 JUL 22 PM 2 17
RECEIVED

Page 2

I have also included a schematic on the Barclay State #4 along with a survey showing that the is well is outside the ½ mile radius but it is so close I felt I should send it. I have also included the additional notifications for the Potash Company, BLM, Yates and the Department of Energy in Carlsbad. I have indicated in the attachment to the C-108 that the only wells that will be disposing of water in this well are Reef Exploration wells that are currently drilled and producing and future wells that Reef will drill on the leases we have adjacent to the State "2" #8 lease.

I have also included a indicating that the closest boundary for the WIPP area is 3350' to the north of the State "2" #8. Previously I had sent an open hole log that had the tops marked on it but I have included another one. You will also find a chart showing all the perforations and treatments on the producing wells in the ½ mile radius.

Please let me know if there is anything else you need; feel free to call me on my cell phone.

Thanks William

Ronald M. Sentz

Reef Exploration, L.P.
1901 N. Central Expressway
Suite 300
Richardson, Texas 75080

Production Manager

Off: 972-437-6792 x3037
Cell: 214-850-8741
E-Mail: ronald@reefexploration.com



May 6, 2008

Eddie Seay

Reference: Filings for conversion of State "2" #8 to a salt water disposal well

Dear Eddie,

I have enclosed the material needed to file with the NMOCD to convert the above referenced well to a Salt Water Disposal Well. Please contact me if there is anything else you need for the filings.

Enclosed:

- 1) C 108 form with back up information.
- 2) Attachment "A" (Item III well data).
- 3) Attachment "B", current well bore schematic.
- 4) Attachment "C", proposed well bore schematic.
- 5) Attachment "C", map with ½ mile radius and 1 mile radius circles with well names and leases.
- 6) Attachments "E, E-1, E-2 and E-3", the well bore schematics of the wells within the ½ mile circle.
- 7) Attachment "G", wells we will be injecting water from.
- 8) Attachments "H-1, H-2, H-3", water analysis from wells and tank battery.
- 9) Attachment "I", notification to surface owner and offset operators.
- 10) Attachment "J", legal advertisement in Eddy County news paper.
- 11) Open hole logs and Cement Bond Logs for the State "2" #3, #4, #5, #8 & #9

Please let me know when you get this package.

Ronald M. Sentsz

Reef Exploration, L.P.
1901 N. Central Expressway
Suite 300
Richardson, Texas 75080

Production Manager
Off: 972-437-6792 x3037
Cell: 214-850-8741
E-Mail: ronald@reefexploration.com

Ronald Sentz

From: Rimmer Covington [rimmer@covingtonassociates.net]
Sent: Wednesday, July 09, 2008 4:27 PM
To: Ronald Sentz
Subject: RE: State "2" #8 conversion to water disposal well

The location is 3350 feet from the SE corner of Section 34, which is the WIPP Boundary.

Please email me a copy of THE MAP that they are viewing.

Thanks
Rimmer

From: Ronald Sentz [mailto:ronald@reefogc.com]
Sent: Wednesday, July 09, 2008 1:23 PM
To: Rimmer Covington
Subject: State "2" #8 conversion to water disposal well

Rimmer,

Here is the notice I had sent some time back. I need you to check out the notifications and if we need to send notice to them, please do. They are talking about Yates, Potash people, BLM and Wipp.

What a nightmare this has been.

Ronald M. Sentz

Reef Exploration, L.P.
1901 N. Central Expressway
Suite 300
Richardson, Texas 75080

Production Manager

Off: 972-437-6792 x3037
Cell: 214-850-8741
E-Mail: ronald@reefexploration.com

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Reef Oil and Gas Companies
Reef Oil & Gas Partners, L.P.
Reef Exploration, L.P.

Please visit our new website @ <http://www.reefogc.com>.

7/19/2008

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance Disposal Storage
Application qualifies for administrative approval? Yes No
- II. OPERATOR: Reef Exploration, Lp.
ADDRESS: 1901 N. Central Expressway, ste 300, Richardson, Texas 75080
CONTACT PARTY: Ronald M. Sentz PHONE: 972-437-6792
- 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:
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. Describes 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: Ronald M. Sentz TITLE: Production Manager
SIGNATURE:  DATE: March 1, 2008
E-MAIL ADDRESS: ronald@reefexploration.com
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

III. WELL DATA

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

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

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

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

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

XIV. PROOF OF NOTICE

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

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

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

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

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

INJECTION WELL DATA SHEET

Side 1

OPERATOR: Reef Exploration, L.P.

WELL NAME & NUMBER: State "2" #8

WELL LOCATION: 1980' FSL & 660' FWL FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA Surface Casing

Hole Size: 17 1/4" Casing Size: 13 3/8"
Cemented with: 555 sx. or ft^3
Top of Cement: Surface Method Determined: Observation

Intermediate Casing

Hole Size: 11" Casing Size: 8 5/8"
Cemented with: 1040 sx. or ft^3
Top of Cement: Surface Method Determined: Observation

Production Casing

Hole Size: 7 7/8" Casing Size: 5 1/2"
Cemented with: 2 stage, 1200 sx. or ft^3
Top of Cement: 2320 Method Determined: Cement Bond log

Total Depth: 8559'

Injection Interval

4500 feet to 5900' (Perforating)

4800 (Perforated or Open Hole; indicate which) 5830

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8" Lining Material: Fiberglass

Type of Packer: 2 7/8" x 5 1/2" Baker Lok Set or similar

Packer Setting Depth: 4406'

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

Additional Data

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

If no, for what purpose was the well originally drilled? Originally drilled as an Oil & Gas

Producer. _____

2. Name of the Injection Formation: Bell Canyon & Cherry Canyon

3. Name of Field or Pool (if applicable): Livingston Ridge; Delaware, SE (96149)

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. Brushy Canyon

7234' - 7242', 7381' - 7390', 7400' - 7405', 7778' - 7784', 7792' - 7798', 8004' - 8006', 8011' - 8018', 8023' - 8029', 8035' - 8039', 8047' - 8050', 8151' - 8157', 8163' - 8167', 8180' - 8183',

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Lower Brushy Canyon - 8000' to 8250', Middle Brushy Canyon - 7500' to

Brushy Canyon 6955' to 7450'

Form C-108
Application for Authorization to Inject

Reef Exploration, L.P., Operator
State "2" #8
Section 2, T 23S, R 31E
Eddy County, New Mexico

- I) The purpose of the well is as a disposal well for area Delaware produced water.

- II) Operator: Reef Exploration, L.P.
1901 North central Expressway, Suite 300
Richardson, Texas 75080
Contact: Ronald M. Sentz 972-437-6792

- III) Well Data: See attachments A, B, and C

- IV) This is not an expansion of an existing project.

- V) Map of wells and leases within 2 miles and ½ mile radius: (Attachment D).

- VI) Data on wells within ½ mile area of review: See attachments E, E1, E2 and E3.

- VII)

1.	Proposed average daily injection volume:	4000 BWPD
	Proposed maximum daily injection volume:	10,000 BWPD
2. This will be a closed system.		
3.	Proposed averaged daily injection pressure:	1000#
	Proposed maximum daily injection pressure:	1140#

Halliburton e-mail confirming the cement integrity of the State "2" #3
(Attachment F)

Form C-108 Continued
Application for Authorization to Inject

Reef Exploration, L.P., Operator
State "2" #8

- 4) The sources of injection water will be produced water from area Delaware wells that Reef Exploration has drilled and completed and wells that Reef Exploration has scheduled to be drilled on the Barclay State (Section 2, T23S, R31E), Barclay Federal (Sections 1 and 12, T23S, R31E) and Medano State leases (Section 36, T22S, R31E). (see list of source wells/Attachment G). A water analysis from nearby Delaware production (see attachments H1, H2 & H3).
- 5) Chlorides in all the source wells is expected to be similar to the attached water analysis (see Attachments H1, H2, & H3)
- VIII) The proposed injection zone is the Bell Canyon and Cherry Canyon interval from 4600' to 5750'. The Bell Canyon and Cherry Canyon which are part of the Delaware are sandstones (containing siltstone and shale) of Permian age approximately 3800' thick found at a depth of 4450' to 8250'. Possible fresh drinking water zones overlie the proposed injection formation at depths to approximately 700'. No drinking water sources are found below the proposed injection zone. The sections of the Bell Canyon and Cherry Canyon Sands above 5900' were evaluated using the open hole logs and the water saturations were found to be in the range of 80 to 100% and therefore not oil potential productive zones. NMOCD and Forest Oil records were also checked and no wells in the area were found that produced from the intervals we are proposing to inject into.
- IX) Projected Perforations: Bench 1) 5760' to 5770' & 5860' to 5880', Bench 2) 5550' to 5580', Bench 3) 5150' to 5170', Bench 4) 4600' to 4620'. The proposed intervals will be acidized with 2500 gallons of 15% acid and may be frac'd with up to 100,000# of sand per bench.
- X) All well logs and test data available have been previously submitted to the NMOCD; once the well is re-completed, a copy of any additional logs run will be forwarded to the NMOCD.

Form C-108 Continued
Application for Authorization to Inject

Reef Exploration, L.P., Operator
State "2" #8

- XI) No fresh water wells were found within 1 mile of the proposed injection well.
- XII) The applicant has examined geological and engineering data and find there is no evidence of open faults or other hydrologic connection between the proposed disposal zone and any underground source of drinking water.
- XIII) Proof of Notice
- A. A copy of the legal application has been sent by certified mail to the surface owner and offset operators of leases within ½ mile. (see list attached- Attachment I)
 - B. A copy of the legal advertisement is attached (Attachment J). Proof of publication in an Eddy County newspaper will be forwarded once available.
- XIV) Certification: See signature on form C-108.

Ronald M. Sentz

Reef Exploration, L.P.
1901 N. Central Expressway
Suite 300
Richardson, Texas 75080

Production Manager

Off: 972-437-6792 x3037
Cell: 214-850-8741
E-Mail: ronald@reefexploration.com

**Reef Exploration, L.P.
 State "2" #8
 660' FSL & 1980' FWL
 Section 2, T 23S, R 31E
 Eddy County New Mexico**

Attachment A

III Well Data

Section A:

1. Lease Name: State "2" #8 (Barclay State)
 Location: 1980' FSL & 660' FWL, Section 2, T 23S, R 31E, Eddy County,
 New Mexico
2. Casing and Cement:

Existing

<u>Casing Size</u>	<u>Setting Depth</u>	<u>Sks Cement</u>	<u>Hole Size</u>	<u>TOC</u>
13 3/8"	701'	555	17 1/4"	Circ. To Surface
8 5/8"	4380'	1000	11"	Circ. To Surface
5 1/2"	8510'	1200	7 7/8"	2320' by CBL

Proposed

<u>Casing Size</u>	<u>Setting Depth</u>	<u>Sks Cement</u>	<u>Hole Size</u>	<u>TOC</u>
13 3/8"	701'	555	17 1/4"	Circ. To Surface
8 5/8"	4380'	1000	11"	Circ. To Surface
5 1/2"	8510'	1200	7 7/8"	2320' by CBL

NOTE: It is proposed to plug and abandoned existing Lower Delaware perforations from 7234' to 8183' with a Cast Iron Bridge Plug set at 6850' with 35' of cement on to of the CIBP.

**Reef Exploration, L.P.
State "2" #8**

Attachment A (Continued)

3. Tubing: 2 7/8", 6.5# fiberglass lined, set at 4400'.
4. Packer: 2 7/8" x 5 1/2" @ 4406'

III Well Data

Section B

1. Injection formation: Delaware Sand
Field or Pool Name: Livingston Ridge (Delaware SE)
2. Injection Interval: **Delaware & Cherry Canyon: Bench 1) 5760' to 5770',
5860' to 5880', Bench 2) 5550' to 5580',
Bench 3) 5150' to 5170', Bench 4) 4600' to 4620'.**
3. Original purpose of well: Drilled to test Lower Delaware formation
4. Other perforated intervals: None
5. Next higher oil and gas zone: none
Next lower oil and gas zone: Bone Springs

See current and proposed well bore schematic (Attachments B & C)

REEF EXPLORATION, LP.

State "2" #8

1980' FSL & 660' FWL

Sec 2, T23S, R31E

Livingston Ridge; Delaware, SE (96149)

Eddy County, New Mexico

Permanent Wellbore Data

Spud Date: 11/17/07 Weatherford 912 Unit

Compl Date: 1/12/08

KB Elev., Ft : 3429'

GL Elev., Ft : 3411' Set 40' of 20" conductor

KB 18'

DF 3428' 17-1/4" hole

Surface Casing

Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
13 3/8"	16	48.0	H-40	ST&C	701

Cement: 555 Sx. TOC: Surface (146 Sks)

Date: 11/19/2007

11" hole

8 5/8", 32#, J-55, ST&C

Top of Cement 5 1/2" 2320'

Intermediate Casing

Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
8 5/8"	102	32.0	J-55	LT&C	4380

Cement: 1,040 Sx. TOC: Surface Circ 157 sks

Date: 11/24/2007

Tubing :

(222) joints 2 7/8", J-55, EUE, 8 Rd

(1) Anchor catcher

(6) Joints 2 7/8" tubing

(1) Seating Nipple

(1) 2 7/8" X 4' Perforate Pup Jt

(1) joint 2 7/8" Mud Anchor

7215' Bottom of tubing

**** Tubing or Rod count may be incorrect

7 7/8" Hole

Seating Nipple @ 7182'

EOT: 7215' with bull plug

01/11/08: Ran insert pump and rods

14.00' 1 1/4" x 22' polish rod

(1) 4.00' 1" x 4' Pony Rod

(1) 6.00' 1" x 6' Pony Rod

(1) 8.00' 1" x 8' Pony Rod

(81) 2025.00' 1" Sucker rods

(86) 2150.00' 7/8" sucker RodsS

(114) 2850.00' 3/4" Sucker Rods

(3) 75.00' 1" Sucker rods

(1) 25.00' 1" Sucker rod w/ on/off tool

25.00' 2" x 1.75" x 25' RHBC pump with on/off tool

7182.00' to Seating Nipple

12' gas anchor

Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
5 1/2"	192	17.0	I-80	LT&C	8443
5 1/2"	3	17.0	I-80	LT&C	66.57
Total depth					8509.57

The 3 joints are flag joints (short for logging)

ID - 4.892", drift - 4.767", IYP - 7740#, JS - 338,000#

Capacity - .0232 bbls/ft

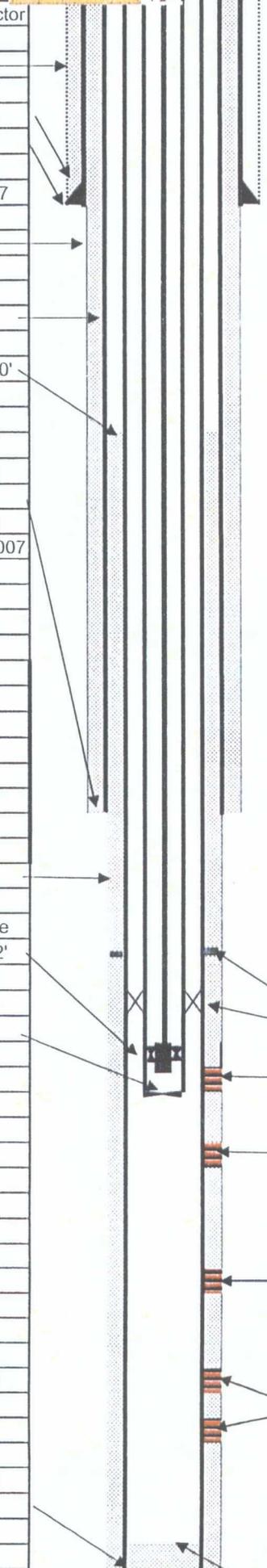
Cement: 500 Sx. TOC: DV tool

Cement: 700 Sx. TOC: 2320'

TD: 8510' PBTD: 8461' Date: 12/2/2007

Set Weight, Lb: 120,000#

Tank Battery:



Data On This Completion

Current

API #: 30-015-35749

Property Code:

OGRID #:

Drilling AFE #: 07DC018

Date: Activity

Reached TD on 11/29/07

11/29/07: Halliburton Services ran Spectral Density, Dual Spaced Neutron Log Dual Laterolog, Micro-Guard, log from TD to 4576'

12/21/07: Halliburton ran an Radial Cement Bond, CCL, GR Log From: 8452' to 2570'

01/04/08 Halliburton Frac'd Lower Brushy Canyon with 42,000 gals SilverStem Basic (11) 100,000# 16/30 sand, w/Expitite Avg Inj Rate 27.2 BPM, Avg Pressure 551#, ISIP 1186#, CIP 5 Min 420#, CIP 10 Min 420#, CIP 15 Min 420#

01/04/08 Halliburton Frac'd Middle Brushy Canyon with 21,375 gal Silverstem, W/ 42,000# 16/30 sand w/Expitite, Avg rate 15.5 BPM, avg press 1347#

01/04/08 Halliburton Frac'd Brushy Canyon with 25,375 gals, SilverStim 49,000# 16/30 sand with Expitite, Avg Inj Rate 14.7 BPM, Avg Press 614#

01/04/08 Halliburton Frac'd Brushy Canyon with 14,250 gals, SilverStim 28,000 16/30 sand with Expitite, Avg Inj Rate 9.9 BPM, Avg Press 825#

DV TOOL (6421')
Tubing anchor catcher @ 7090'

Perf: Brushy Canyon (01/04/08)
7234' to 7242', 1 SPF

Perf: Brushy Canyon (01/04/08)
7381' to 7390, 7400' to 7405', 1 SPF

Perf: Middle Brushy Canyon (01/04/08)
7778' to 7784, 7792' to 7798', 1 SPF

Perf: Lower Brushy Canyon (12/27/07)
8004' to 8006', 8011' to 8018',
8023' to 8029', 8035' to 8039',
8047' to 8050', 8151' to 8157',
8163' to 8157', 8180' to 8183', 1 SPF

PBTD: 8461'

TD: = 8510'

Attachment B

Prepared By: Ronald M. Sentz 03-11-08

REEF EXPLORATION, LP.

State "2" #8

1980' FSL & 660' FWL

Sec 2, T23S, R31E

Livingston Ridge; Delaware, SE (96149)

Eddy County, New Mexico

Permanent Wellbore Data

Spud Date:	11/17/07	
Compl Date:	1/12/08	
KB Elev., Ft :	3429'	
GL Elev., Ft :	3411'	Set 40' of 20" conductor

KB	18'	
DF	3428'	17-1/4 " hole

Surface Casing					
Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
13 3/8"	16	48.0	H-40	ST&C	701
Cement: 555 Sx.		TOC: Surface (146 Sks)			
Date: 11/19/2007					

11" hole					
8 5/8", 32#, J-55, ST&C					
Top of Cement 5 1/2" 2320'					

Intermediate Casing					
Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
8 5/8"	102	32.0	J-55	LT&C	4380
Cement: 1,040 Sx.		TOC: Surface Circ 157 sks			
Date: 11/24/2007					

Tubing :					
2 7/8", J-55, EUE, 8 Rd, set @ 4400'					

Baker Packer @ 4500'					
7 7/8" Hole					

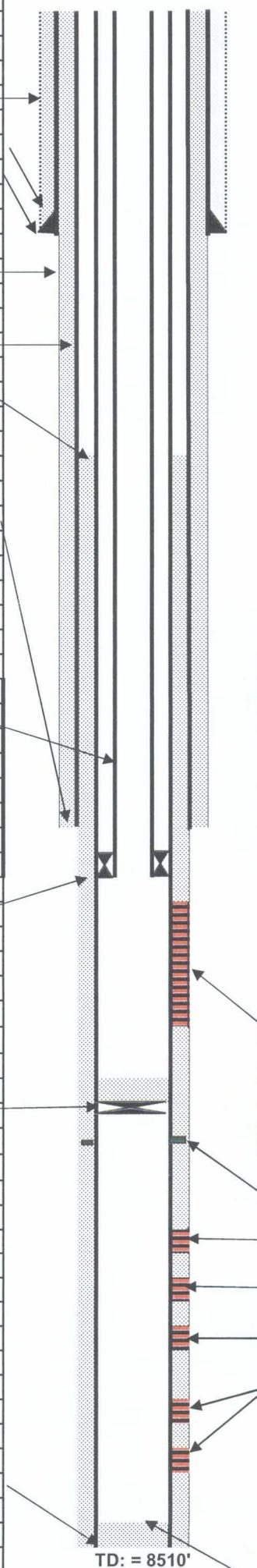
Bridge Plug @ 6080' with 35' of cement on top					
---	--	--	--	--	--

Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
5 1/2"	192	17.0	I-80	LT&C	8443
5 1/2"	3	17.0	I-80	LT&C	66.57
Total depth					8509.57

The 3 joints are flag joints (short for logging)

ID - 4.892" , drift - 4.767" , IYP - 7740# , JS - 338,000#					
Capacity - .0232 bbls/ft					
Cement: 500 Sx.		TOC: DV tool			
Cement: 700 Sx.		TOC: 2320'			
TD: 8510'	PBTD: 8461'	Date: 12/2/2007			
Set Weight, Lb: 120,000#					
Tank Battery:					

Proposed



Data On This Completion

API #:	30-015-35749
Property Code:	
OGRID #:	
Drilling AFE #:	07DC018
Date:	Activity

Reached TD on 11/29/07

11/29/07: Halliburton Services ran Spectral Density, Dual Spaced Neutron Log
Dual Laterolog, Micro-Guard,
log from TD to 4576'

12/21/07: Halliburton ran an Radial Cement Bond, CCL, GR Log
From: 8452' to 2570'

01/04/08 Halliburton Frac'd Lower Brushy Canyon with 42,000 gals SilverStem Basic (11)
100,000# 16/30 sand, w/Expitite
Avg Inj Rate 27.2 BPM,
Avg Pressure 551#, ISIP 1186#,
CIP 5 Min 420#, CIP 10 Min 420#,
CIP 15 Min 420#

01/04/08 Halliburton Frac'd Middle Brushy Canyon with 21,375 gal Silverstem, W/ 42,000# 16/30 sand w/Expitite,
Avg rate 15.5 BPM, avg press 1347#

01/04/08 Halliburton Frac'd Brushy Canyon with 25,375 gals, SilverStim
49,000# 16/30 sand with Expitite,
Avg Inj Rate 14.7 BPM, Avg Press 614#

01/04/08 Halliburton Frac'd Brushy Canyon with 14,250 gals, SilverStim
28,000 16/30 sand with Expitite,
Avg Inj Rate 9.9 BPM, Avg Press 825#

Proposed Injection Perforation Areas
Perf Delaware: 5760' to 5770' & 5860' to 5880',
5550' to 5580',
5150' to 5170'
4600' to 4620'

DV TOOL (6421')

Perf: Brushy Canyon (01/04/08)
7234' to 7242', 1 SPF

Perf: Brushy Canyon (01/04/08)
7381' to 7390', 7400' to 7405', 1 SPF

Perf: Middle Brushy Canyon (01/04/08)
7778' to 7784', 7792' to 7798', 1 SPF

Perf: Lower Brushy Canyon (12/27/07)
8004' to 8006', 8011' to 8018',
8023' to 8029', 8035' to 8039',
8047' to 8050', 8151' to 8157',
8163' to 8157', 8180' to 8183', 1 SPF

PBTD: 8461'

Attachment C

Attachment D

Reef Exploration Wells (in 1/2 Mile Radius)

State "2" #3

Sections Producing

Perf:	Brushy Canyon (10/17/2007)
	8172'-8178', 8198'-8204', 1 JSPF w/ 120 Degree Phasing
	10/26/07 Haliburton Frac Brushy Canyon
	27,800 Gals SilverStim LT Basic R(11) w/ 49,000#, 16/30 Mesh Ottawa Sand Coated w/ Expedite Lite, Max PSI: 5225, Avg PSI: 1883, Avg Rate: 15.6, Max Rate: 17.51, ISIP: 4793, 5 MIN: 4884, 10 MIN: 4801, 15 MIN: 4777

State "2" #4

Sections Producing

Perf:	Lower Brushy Canyon (11/09/2007)
	8162'-8166', 8180'-8184', 8192'-8200', 8210'-8214', 8220'-8224', 1 JSPF
	11/17/07 Haliburton Frac'd Lower Brushy Canyon.
	27,800 gals Silverstim LT R(11) w/ 22,120#, 16/30 sand w/ expedite & 26,880# 20/40 sand w/ expedite lite Max PSI: 1024, Avg PSI: 558, Max Rate: 16.5, Avg Rate: 15.2, ISIP: 747, 5 min 536, 10 min 456, 15 min 398, LTR 1,011 gals

State "2" #4 Continued

Sections Producing

Perf:	Upper Brushy Canyon (02/09/2008)
	6970' to 6980', 7074' to 7080', 1 SPF
	2/9/08 Haliburton Frac'd Upper Brushy Canyon.
	23,900 gals Silverstim LT R(13) w/ 50,000# of 16/30 Arizona sand coated with Expedite lite, Max PSI: 994, Avg PSI: 505, Max Rate: 27.4, Avg Rate: 20.7, ISIP: 477, 5 min 396, 10 min 362, 15 min 351, LTR 39,852 gals

Perf: Brushy Canyon (10/30/2007)

8021'-8034', 2 JSPF w/ 120 Degree Phasing

12/6/07 Haliburton Frac Brushy Canyon

25,400 gals SilverStim LT Basic (11) w/ 45,500#, 16/30 Mesh Ottawa Sand coated w/ Expedite Lite, Max PSI: 1384, Avg PSI: 498, Max Rate: 18.5, Avg Rate: 13.4, ISIP: 965, 5 MIN: 552, 10 MIN: 512, 15 MIN: 487

Perf: Lower Brushy Canyon (11/17/2007)

8007'-8010', 8088'-8092', 8110'-8114', 1 JSPF

11/17/07 Haliburton Frac'd Lower Brushy Canyon.

25,400 gals Silverstim LT basic R(11) w/ 45,500# 16/30 Mesh Ottawa sand coated w/ expedite lite, Max PSI: 889, AVG PSI: 577, Max Rate: 15.7, AVG Rate: 15.0, ISIP: 526, 5 MIN 393, 10 MIN 366, 15 MIN 355

Perf: Middle Brushy Canyon (02/05/2008)

7570' - 7580', 1 JSPF

2/8/08 Haliburton Frac'd Middle Brushy Canyon.

18,500 gals Silverstim LT R(13) w/ 13,500# Arizona sand coated w/ Expedite lite, Max PSI: 4171, Avg PSI: 1620, Max Rate: 16.46, Avg Rate: 9.79, ISIP: 4156, 5 min 3280, 10 min 3306, 15 min 3341, LTR 29,416 gals

Continued

Reef Exploration Wells (in 1/2 Mile Radius)

State "2" #5

Sections Producing

Perf:	Lower Brushy Canyon (12/07/2007)
	8150' - 8155', 8179' - 8184', 8204' - 8208', 8219' - 8224', 8229' - 8232' w/ 1 JSPF
	12/21/07 Halliburton Frac
	27,800 gals SilverStim LT Basic R(11) w/ 49,000#, 16/30 Ottawa Sand coated w/ Expidite Lite. Avg PSI: 2,047, Mas PSI: 3,076, Avg Rate: 14.1, Max Rate: 28.3, ISIP: 914, 5 Min: 763, 10 Min: 680, 15 Min: 607, LTR: 948 BLW

State "2" #8

Sections to be abandoned

Perf:	Lower Brushy Canyon (12/27/07)
	8004' to 8006', 8011' to 8018',
	8023' to 8029', 8035' to 8039',
	8047' to 8050', 8151' to 8157',
	8163' to 8157', 8180' to 8183', 1 SPF
	01/04/08 Halliburton Frac'd Lower
	Brushy Canyon with 42,000 gals
	SilverStem Basic (11)
	100,000# 16/30 sand, w/Expidite
	Avg Inj Rate 27.2 BPM,
	Avg Pressure 551#, ISIP 1186#,
	CIP 5 Min 420#, CIP 10 Min 420#,
	CIP 15 Min 420#

State "2" #9

Sections Producing

Perf:	Lower Brushy Canyon (01/07/08)
	8139' to 8144', 8151' to 8157',
	8162' to 8167', 8171' to 8176',
	8181' to 8186', 8202' to 8206', 1 SPF
	09/11/07 Halliburton Frac'd Lower
	Brushy Canyon with 42,2000 gals
	SilverStem Basic (11)
	100,000# 16/30 sand, w/Expidite
	Avg Inj Rate 30 BPM,
	Avg Pressure 929#, ISIP 687#,
	CIP 5 Min 638#, CIP 10 Min 607#,
	CIP 15 Min 607#

Lower Brushy Canyon (12/21/2007)

8024'-8028', 8034'-8036', 8044'-8055', 8050'-8055' 1 JSPF
12/21/07 Halliburton Frac Upper Delaware Zone
25,400 gals SilverStim LT Basic R(11) w/ 45,500# 16/30 Mesh Ottawa Sand coated w/ Expidite Lite, Avg PSI: 1007, Max PSI: 1486, Avg Rate: 14.5 BPM, Max Rate: 27.3, ISIP: 940, 5 Min: 852, 10 Min: 829, 15 Min: 815, LTR: 997

Brushy Canyon (01/04/08)

7234' to 7242, 1 SPF
01/04/08 Halliburton Frac'd Brushy Canyon
with 14,250 gals, SilverStim
28,000 16/30 sand with Expidite,
Avg Inj Rate 9.9 BPM, Avg Press 825#

Lower Brushy Canyon (01/24/08)

8007' to 8013', 8020' to 8026',
8032' to 8036', 8044' to 8058', 1 SPF
01/24/08 Halliburton Frac'd Lower Brushy
Canyon with 33,375 gals, SilverStim
45,000 16/30 sand with Expidite,
Avg Inj Rate 30 BPM, Avg Press 961#

Brushy Canyon (01/04/08)

7381' to 7390, 7400' to 7405', 1 SPF
01/04/08 Halliburton Frac'd Brushy Canyon
with 25,375 gals, SilverStim
49,000# 16/30 sand with Expidite,
Avg Inj Rate 14.7 BPM, Avg Press 614#

Middle Brushy Canyon (01/04/08)

7778' to 7784, 7792' to 7798', 1 SPF
01/04/08 Halliburton Frac'd Middle Brushy
Canyon with 21,375 gal Silverstem,
W/ 42,000# 16/30 sand w/Expidite,
Avg rate 15.5 BPM, avg press 1347#

Middle Brushy Canyon (01/31/08)

7568' to 7577', 7588' to 7592', 1 SPF
02/01/08 Halliburton Frac'd Middle Brushy
Canyon with 25,375 gal Silverstem,
W/ 49,000# 16/30 sand w/Expidite,
Avg rate 16 BPM, avg press 771#

REEF EXPLORATION, LP.

State "2" #3

1980' FNL & 1980' FWL

F-S2-T23S-R31E

Livingston Ridge; Delaware, SE

Eddy County, New Mexico

Permanent Wellbore Data

Spud Date:	9/6/07	Weatherford 912 Unit
Compl Date:	11/5/07	
KB Elev., Ft :	3439.0	
GL Elev., Ft :	3421.0	Set 40' of 20' conductor
KB	18	RKB to BH 19.5 BH 3419.5
DF Elev., Ft :	3438	17.50 " hole

Surface Casing					
Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
13 3/8"	17	48#	H-40	STC	715
Cement: 555 Sx.		TOC: Surface (150 sacks)			
Date: 9/27/2007					

11" hole					
8 5/8", 32#, J-55, LT&C					
Production Csg. TOC @		3776.00'			

Intermediate Casing					
Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
8 5/8"	103	32#	J-55	LT&C	4410
Cement: 1,500 Sx.		TOC: Surface 290			
Date: 10/30/2007					

Tubing :

- (265) joints 2 7/8", 8 rd
- (1) TAC w/ 15 points
- (6) joints 2 7/8" tubing
- (1) Seating Nipple
- (1) 4' Perforated sub
- (1) Mud joint
- (1) 2 7/8" Bulplug

7 7/8" hole					
Seating Nipple @ ' 8117					

EOT: @ 8153' with bull plug

3/6/2008 : Ran insert pump and rods

Qty	Length	Depth	Description
Polish rod			
1	8	8	1x8' Sub
1	6	14	2x6' Sub
3	75	89	1" Sucker Rods
98	2450	2539	7/8" Sucker Rods
130	3250	5789	3/4" Sucker Rods
92	2300	8089	1" Sucker Rods
1	25	8114	1" Sucker Rod with on/off tool
	25	8139	1.75 RHBC 20-5-4 Pump
		8139	to Seating Nipple
			12' Gas anchor

Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
5 1/2"	194	17#	I-80	LT&C	8430.01
5 1/2"	3	17#	I-80	LT&C	66.47
Total depth					8496.48

There are 3 flag joints (short for logging)

ID - 4.892" , drift - 4.767" , IYP - 7740# , JS - 356,000#

Capacity - .0232 bbls/ft

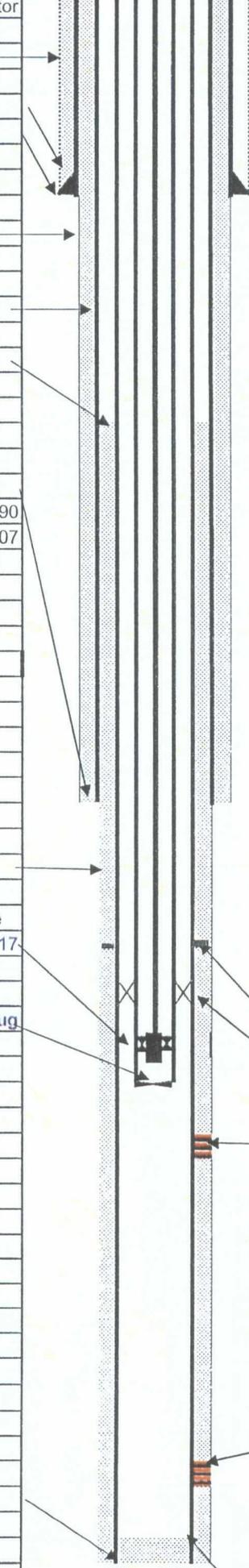
Cement: 400 Sx. TOC: DV Tool

Cement: 610 Sx. TOC: 3776

TD: 8,500 PBD: 8439.7 Date: 9/18/2007

Set Weight, Lb: 120,000#

Tank Battery:



Attachment E

Data On This Completion

API #:	30-015-35675
Property Code:	36570 Pool Number: 39380
OGRID #:	246083
Drilling AFE #:	07DC008
Date:	Activity

Reached TD on: 9/18/2007

10/8/07 Haliburton services ran Spectral Density, Dual Spaced Neutron Log Dual Laterolog, Micro-Guard, Log from TD' to 4300'

10/17/07 Ran Radial Cement Bond Log, CCL, GR Log from TD' to 3680'

12/6/07 Haliburton Frac Brushy Canyon

25,400 gals SilverStim LT Basic (11) w/ 45,500#, 16/30 Mesh Ottawa Sand coated w/ Expedite Lite, Max PSI: 1384, Avg PSI: 498, Max Rate: 18.5, Avg Rate: 13.4, ISIP: 965, 5 MIN: 552, 10 MIN: 512, 15 MIN: 487

10/26/07 Haliburton Frac Brushy Canyon

27,800 Gals SilverStim LT Basic R(11) w/ 49,000#, 16/30 Mesh Ottawa Sand Coated w/ Expedite Lite, Max PSI: 5225, Avg PSI: 1883, Avg Rate: 15.6, Max Rate: 17.51, ISIP: 4793, 5 MIN: 4884, 10 MIN: 4801, 15 MIN: 4777

DV Tool set @ 6366.00'

Tubing anchor catcher @ 7929'

Perf: Brushy Canyon (10/30/2007)

8021'-8034', 2 JSPF w/ 120 Degree Phasing

Perf: Brushy Canyon (10/17/2007)

8172'-8178', 8198'-8204', 1 JSPF w/ 120 Degree Phasing

PBD ' 8440

Prepared by: JLV (03/20/2008)

(Attachment F)**Ronald Sentz**

From: Jay Degen
Sent: Monday, March 31, 2008 3:15 PM
To: Ronald Sentz
Cc: Kellam Colquitt; Walt Dunagin; Lawrence J. Harrison, Jr; 'Lars Larson'
Subject: FW: Sate 2 No. 3 Cement Bond Log Analysis

From: Dennis Page [mailto:Dennis.Page@Halliburton.com]
Sent: Monday, March 31, 2008 2:56 PM
To: Jay Degen
Cc: Ronald Sentz
Subject: Sate 2 No. 3 Cement Bond Log Analysis

Jay,

We discussed the bond log integrity on the State 2 No. 3 After review, Doug Scott, Richard Kelley and I (all senior employees with Halliburton Energy Services) believe the cement bond log indicates 100% isolation between 4720' and 4920'. That would be the worst case scenario. Isolation will likely occur at 4720' to 4810'. Again, this is an expert opinion of Halliburton Energy Services. You will also receive a squeeze recommendation in the event the State of New Mexico requires that additional cement work be done to the well.

Please call me if you have any questions.

Thanks,

D. Page
432-557-7191

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4/8/2008

REEF EXPLORATION, LP.

State "2" #4

1980' FSL & 1980' FWL

S2-T23S-R31E

Livingston Ridge; Deleware, South

Eddy County, New Mexico

Permanent Wellbore Data

Spud Date:	10/12/07	Weatherford	Unit
Compl Date:	11/26/07		
KB Elev., Ft :	3432.0		
GL Elev., Ft :	3414.0	Set 40' of	20' conductor
KB	18	RKB to BH	21.5 BH 3410.5
DF Elev., Ft :	3431		17.50 " hole

Surface Casing	
Size	No Jts
13 3/8"	16
Wt.	48#
Grade	H-40
Jt Type	STC
Depth, Ft	700
Cement:	555 Sx.
TOC:	Surface (143 sacks)
Date:	10/13/2007

Intermediate Casing	
Size	No Jts
8 5/8"	102
Wt.	32#
Grade	J-55
Jt Type	LT&C
Depth, Ft	4399
Cement:	1,125 Sx.
TOC:	Surface Circ 241 sx
Date:	10/18/2007

Tubing :

- (215) joints 2 7/8", J-55, 8 rnd
- (1) Anchor Catcher
- (6) joints 2 7/8" tubing
- (1) Seating Nipple
- (1) Perforated sub
- (1) Mud joint

7 7/8" hole
Seating Nipple @ ' 6870
EOT: @ 6901' with bull plug

2/14/2008 : Ran insert pump and rods

Qty	Length	Depth	Description
??	??		Polish rod
1	4	4	1" x 4' Pony Rod
1	8	12	1" x 8' Pony Rod
74	1850	1862	1" Sucker Rods
84	2100	3962	7/8" Sucker Rods
110	2750	6712	3/4" Sucker Rods
2	50	6762	1" Sucker Rods
1	25	6787	1" Sucker Rod with on/off tool
1	25	6812	1.75 RWBC 20-5-4 Pump
		6812	to Seating Nipple
			12' Gas anchor

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
5 1/2"	189	17#	I-80	LT&C	8401.78
5 1/2"	3	17#	I-80	LT&C	66.22
Total depth					8468

There are 3 flag joints (short for logging)

ID - 4.892" , drift - 4.767" , IYP - 7740# , JS - 338,000#

Capacity - .0232 bbls/ft

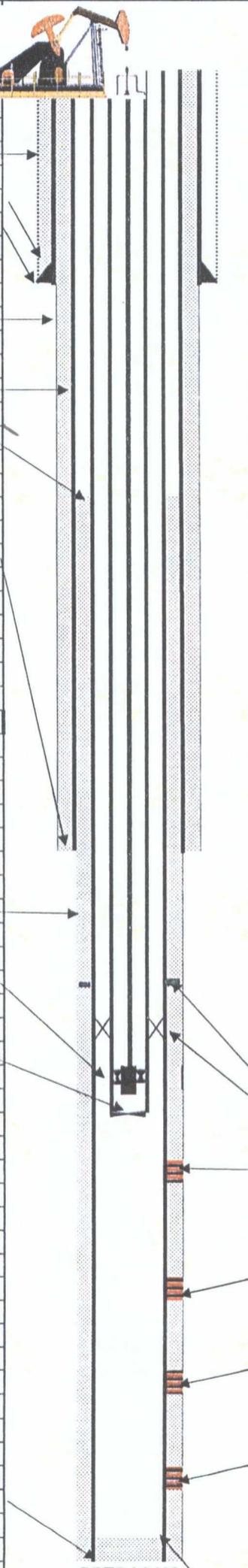
Cement: 425 Sx. TOC: DV-Tool

Cement: 550 Sx. TOC: 0

TD: 8,468 PBTB: 8420 Date: 10/25/2007

Set Weight, Lb: 120,000#

Tank Battery:



Data On This Completion

API #:	30-015-35676
Property Code:	36570
OGRID #:	246083
Drilling AFE #:	07DC009
Date:	Activity
Reached TD on:	10/25/2007
10/26/07	Haliburton services ran Spectral Density, Dual Spaced Neutron Log Dual Laterolog, Micro-Guard, Log from TD' to 4377'
11/8/07	Ran Radial Cement Bond Log, CCL, GR Log from 8424' to 5400'
2/9/08	Haliburton Frac'd Upper Brushy Cany. 23,900 gals Silverstim LT R(13) w/ 50,000# of 16/30 Arizona sand coated with Expedite lite, Max PSI: 994, Avg PSI: 505, Max Rate: 27.4, Avg Rate: 20.7, ISIP: 477, 5 min 396, 10 min 362, 15 min 351, LTR 39,852 gals
2/8/07	Haliburton Frac'd Middle Brushy Cany. 18,500 gals Silverstim LT R(13) w/ 13,500# Arizona sand coated w/ Expedite lite, Max PSI: 4171, Avg PSI: 1620, Max Rate: 16.46, Avg Rate: 9.79, ISIP: 4156, 5 min 3280, 10 min 3306, 15 min 3341, LTR 29,416 gals
11/17/07	Haliburton Frac'd Lower Brushy Cany. 25,400 gals Silverstim LT basic R(11) w/ 45,500# 16/30 Mesh Ottawa sand coated w/ expedite lite, Max PSI: 889, AVG PSI: 577, Max Rate: 15.7, AVG Rate: 15.0, ISIP: 526, 5 MIN 393, 10 MIN 366, 15 MIN 355
11/17/07	Haliburton Frac'd Lower Brushy Cany. 27,800 gals Silverstim LT R(11) w/ 22,120#, 16/30 sand w/ expedite & 26,880# 20/40 sand w/ expedite lite Max PSI: 1024, Avg PSI: 558, Max Rate: 16.5, Avg Rate: 15.2, ISIP: 747, 5 min 536, 10 min 456, 15 min 398, LTR 1,011 gals
	DV Tool set @ 6460.00'
	Tubing anchor catcher @ 6684'
Perf:	Upper Brushy Canyon (02/09/2007) 6970' to 6980', 7074' to 7080', 1 SPF
Perf:	Middle Brushy Canyon (02/05/2007) 7570' - 7580', 1 JSPF
Perf:	Lower Brushy Canyon (11/17/2007) 8007'-8010', 8088'-8092', 8110'-8114', 1 JSPF
Perf:	Lower Brushy Canyon (11/09/2007) 8162'-8166', 8180'-8184', 8192'-8200', 8210'-8214', 8220'-8224', 1 JSPF
TD: =	'8420
Set 5 1/2" csg at	8464'
Prepared by:	JLV

Attachment E-1

REEF EXPLORATION, LP.

State "2" #5

660' FSL & 1980' FWL

N-S2-T23S-R31E

Livingston Ridge; Deleware, SE

Eddy County, New Mexico

Permanent Wellbore Data

Spud Date: 10/31/07 Weatherford 912 Unit

Compl Date: 11/26/07

KB Elev., Ft : 3434.0

GL Elev., Ft : 3416.0 Set 40' of 20' conductor

KB	18	RKB to BH	20.5	BH	3413.5
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DF Elev., Ft : 3433 17.50 " hole

Surface Casing

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
13 3/8"	16	48#	H-40	STC	700

Cement: 555 Sx. TOC: Surface (169 sacks)

Date: 11/2/2007

11" hole

8 5/8", 32#, J-55, LT&C

Production Csg. TOC @ 3093.00'

Intermediate Casing

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
8 5/8"	100	32#	J-55	LT&C	4300

Cement: 1,100 Sx. TOC: Surface 210

Date: 11/7/2007

Tubing :

(254) joints 2 7/8", J-55, 8 rd

(1) 5 1/2" x 2 7/8" TAC

(6) joints 2 7/8" tubing

(1) Seating Nipple

(1) 4' Perforated sub

(1) Mud joint

(1) 2 7/8" Bulplug

7 7/8" hole

Seating Nipple @ ' 8123

EOT: @ 8232' with bull plug

2/14/2008 : Ran insert pump and rods

Qty	Length	Depth	Description
			Polish rod
		0	1" x 4' Pony Rod
		0	1" x 8' Pony Rod
91	2275	2275	1" Sucker Rods
98	2450	4725	7/8" Sucker Rods
131	3275	8000	3/4" Sucker Rods
4	100	8100	1" Sucker Rods
1	25	8125	1" Sucker Rod with on/off tool
		8125	1.75 RHBC 20-5-4 Pump
		8125	to Seating Nipple
			12' Gas anchor

Size	No Jts	Wt.	Grade	Jt Type	Depth, Ft
5 1/2"	191	17#	I-80	LT&C	8483.78
5 1/2"	3	17#	I-80	LT&C	66.8
Total depth					8550.58

There are 3 flag joints (short for logging)

ID - 4.892", drift - 4.767", IYP - 7740#, JS - 356,000#

Capacity - .0232 bbls/ft

Cement: 550 Sx. TOC: DV Tool

Cement: 650 Sx. TOC: 3093

TD: 8,550 PBTD: 8501 Date: 11/14/2007

Set Weight, Lb: 120,000#

Tank Battery:

Data On This Completion

API #: 30-015-35677

Property Code: 36570 Pool Number: 96149

OGRID #: 246083

Drilling AFE #: 07DC010

Date: Activity

Reached TD on: 11/14/2007

11/13/07 Haliburton services ran Spectral Density, Dual Spaced Neutron Log
Dual Laterolog, Micro-Guard,
Log from TD' to 4300'

12/5/07 Ran Radial Cement Bond Log,
CCL, GR Log from 8474' to 3000'

12/21/07 Haliburton Frac Upper Delaware Zone

25,400 gals SilverStim LT Basic R(11) w/ 45,500#
16/30 Mesh Ottawa Sand coated w/ Expedite Lite,
Avg PSI: 1007, Max PSI: 1486, Avg Rate: 14.5
BPM, Max Rate: 27.3, ISIP: 940, 5 Min: 852, 10
Min: 829, 15 Min: 815, LTR: 997

12/21/07 Haliburton Frac

27,800 gals SilverStim LT Basic R(11) w/ 49,000#,
16/30 Ottawa Sand coated w/ Expedite Lite. Avg
PSI: 2,047, Mas PSI: 3,076, Avg Rate: 14.1, Max
Rate: 28.3, ISIP: 914, 5 Min: 763, 10 Min: 680, 15
Min: 607, LTR: 948 BLW

DV Tool set @ 6374.00'
Tubing anchor catcher @ 7933'

Perf: Lower Brushy Canyon (12/21/2007)
8024'-8028', 8034'-8036', 8044'-8055', 8050'-8055'
1 JSPF

Perf: Lower Brushy Canyon (12/07/2007)
8150' - 8155', 8179' - 8184', 8204' - 8208', 8219'
8224', 8229' - 8232' w/ 1 JSPF

TD = '8550

Attachment E-2

PBTD ' 8501

Prepared by: JLV (03/13/2008)

REEF EXPLORATION, LP.

State "2" #9

660' FSL & 660' FWL

Sec 2, T23S, R31E

Livingston Ridge; Delaware, SE (96149)

Eddy County, New Mexico

(36 State #9)

Permanent Wellbore Data

Spud Date:	12/4/07	Weatherford 912 Unit
Compl Date:	2/11/08	
KB Elev., Ft :	3426'	
GL Elev., Ft :	3407'	Set 40' of 20" conductor
KB	19'	
DF	3425'	17-1/4 " hole

Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
13 3/8"	16	48.0	H-40	ST&C	705
Cement: 555 Sx.			TOC: Surface (225 Sks)		
			Date: 12/5/2007		

11" hole					
8 5/8", 32#, J-55, ST&C					
Top of Cement 5 1/2"			2320'		

Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
8 5/8"	102	32.0	J-55	LT&C	4370
Cement: 1,125 Sx.			TOC: Surface Circ 318 sks		
			Date: 12/11/2007		

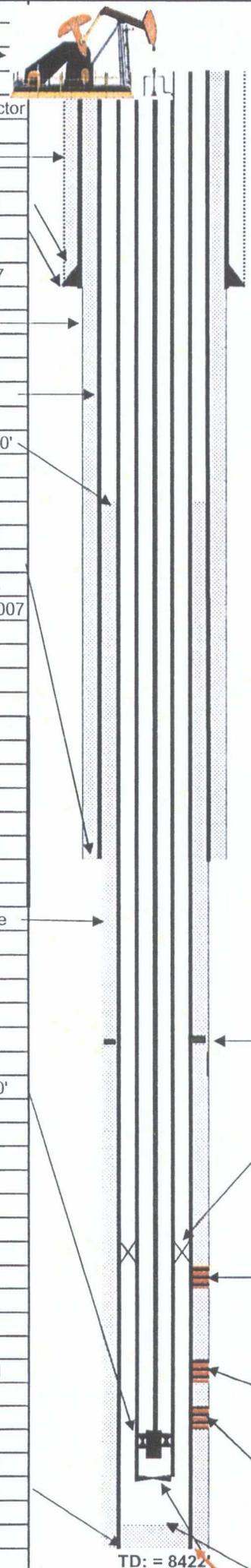
Tubing :					
(236) joints 2 7/8", J-55, EUE, 8 Rd					
(1) 2 7/8" X 5 1/2" Anchor catcher					
(18) Joints 2 7/8" tubing					
(1) Seating Nipple					
(1) 2 7/8" X 4' Perforate Pup Jt					
(1) joint 2 7/8" Mud Anchor					
8194' Bottom of tubing					

7 7/8" hole					
Seating Nipple @ 8160'					

02/08/08: Ran insert pump and rods					
14.00' 1 1/4" x 22' polish rod					
(1)	6.00'	1"	x 6'	Pony Rod	
(1)	8.00'	1"	x 8'	Pony Rod	
(95)	2375.00'	1"		Sucker rods	
(94)	2350.00'	7/8"		sucker RodsS	
(130)	3250.00'	3/4"		Sucker Rods	
(3)	75.00'	1"		Sucker rods	
(1)	25.00'	1"		Sucker rod w/ on/off tool	
16.00' 2" x 1.75" x 32' RHBC pump with on/off tool					
8160.00' to Seating Nipple					
12' gas anchor					

*** may be error in rod or tubing count					
Size	No Jts	Wt.	Grade	Jt Type	Depth,Ft
5 1/2"	188	17.0	I-80	LT&C	8355.43
5 1/2"	3	17.0	I-80	LT&C	66.57
Total depth					8422

The 3 joints are flag joints (short for logging)					
ID - 4.892", drift - 4.767", IYP - 7740#, JS - 338,000#					
Capacity - .0232 bbls/ft					
Cement: 500 Sx.			TOC: DV tool		
Cement: 700 Sx.			TOC: 2320'		
TD:	8422'	PBTD:	8371'	Date:	12/15/2007
Set Weight, Lb: 120,000#					
Tank Battery:					



Data On This Completion

API #:	30-015-35750
Property Code:	
OGRID #:	
Drilling AFE #:	07DC019
Date:	Activity
Reached TD on 12/15/07	
12/15/07: Halliburton Services ran Spectral Density, Dual Spaced Neutron Log Dual Laterolog, Micro-Guard, log from TD to 4354'	
01/04/08: Halliburton ran an Radial Cement Bond, CCL, GR Log From: 8298' to 2100'	
09/11/07 Halliburton Frac'd Lower Brushy Canyon with 42,2000 gals SilverStem Basic (11) 100,000# 16/30 sand, w/Expilte Avg Inj Rate 30 BPM, Avg Pressure 929#, ISIP 687#, CIP 5 Min 638#, CIP 10 Min 607#, CIP 15 Min 607#	
01/24/08 Halliburton Frac'd Lower Brushy Canyon with 33,375 gals, SilverStim 45,000 16/30 sand with Expidite, Avg Inj Rate 30 BPM, Avg Press 961#	
02/01/08 Halliburton Frac'd Middle Brushy Canyon with 25,375 gal Silverstem, W/ 49,000# 16/30 sand w/Expidite, Avg rate 16 BPM, avg press 771#	
DV TOOL (6420')	
Tubing anchor catcher @ 7562'	
Perf:	Middle Brushy Canyon (01/31/08) 7568' to 7577', 7588' to 7592', 1 SPF
Perf:	Lower Brushy Canyon (01/24/08) 8007' to 8013', 8020' to 8026', 8032' to 8036', 8044' to 8058', 1 SPF
Perf:	Lower Brushy Canyon (01/07/08) 8139' to 8144', 8151' to 8157', 8162' to 8167', 8171' to 8176', 8181' to 8186', 8202' to 8206', 1 SPF
PBTD:	8371'
Landed casing at 8407'	
EOT:	8194' with bull plug
Prepared By: Ronald M. Sentz 03-10-08	

Attachment G

WELLS THAT PRODUCED WATER WILL COME FROM FOR DISPOSAL

State "2" #1, 1980' FNL & 1980' FEL, Sec 2, T 23S, R 31E, Eddy County, New Mexico

State "2" #2, 660' FNL & 1980' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico

State "2" #3, 1980' FNL & 1980' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico

State "2" #4, 1980' FSL & 1980' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico

State "2" #5, 660' FSL & 1980' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico

State "2" #9, 660' FSL & 660' FWL, Sec 2, T 23S, R 31E, Eddy County, New Mexico

State "36" #5, 660' FSL & 660' F WL, Sec 36, T 22S, R 31E, Eddy County, New Mexico

HALLIBURTON

PERMAIN BASIN OPERATIONS LABORATORY
 WATER ANALYSIS REPORT
 HOBBS, NEW MEXICO

Attachment-H1

COMPANY Reef Exploration

REPORT W07-236
 DATE December 17, 2007
 DISTRICT Hobbs

SUBMITTED BY _____

WELL State 2 #5 DEPTH _____ FORMATION _____
 COUNTY _____ FIELD _____ SOURCE _____

SAMPLE	_____	_____	_____	_____
Sample Temp.	<u>70</u> °F	_____ °F	_____ °F	_____ °F
RESISTIVITY	<u>0.53</u>	_____	_____	_____
SPECIFIC GR.	<u>1.162</u>	_____	_____	_____
pH	<u>6025.00</u>	_____	_____	_____
CALCIUM	<u>22,500</u> mpl	_____ mpl	_____ mpl	_____ mpl
MAGNESIUM	<u>12,000</u> mpl	_____ mpl	_____ mpl	_____ mpl
CHLORIDE	<u>149,008</u> mpl	_____ mpl	_____ mpl	_____ mpl
SULFATES	<u>Light</u> mpl	_____ mpl	_____ mpl	_____ mpl
BICARBONATES	<u>183</u> mpl	_____ mpl	_____ mpl	_____ mpl
SOLUBLE IRON	<u>50</u> mpl	_____ mpl	_____ mpl	_____ mpl
KCL	<u>Positive</u>	_____	_____	_____
Sodium	_____ mpl	<u>0</u> mpl	<u>0</u> mpl	<u>0</u> mpl
TDS	_____ mpl	<u>0</u> mpl	<u>0</u> mpl	<u>0</u> mpl
OIL GRAVITY	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F

REMARKS _____

MPL = Milligrams per liter
 Resitivity measured in: Ohm/m2/m

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

ANALYST: JH/JE

HALLIBURTON

Attachment-H-2

PERMAIN BASIN OPERATIONS LABORATORY
 WATER ANALYSIS REPORT
 HOBBS, NEW MEXICO

COMPANY Reef Exploration

REPORT DATE W08-030
March 3, 2008
 DISTRICT Artesia

SUBMITTED BY _____

WELL COUNTY St. 2 Leases DEPTH FIELD _____ FORMATION SOURCE _____

SAMPLE	#001	#3	#004	#005
Sample Temp.	65 °F	65 °F	65 °F	65 °F
RESISTIVITY	0.058	0.055	0.055	0.057
SPECIFIC GR.	1.137	1.148	1.148	1.141
pH	6.49	6.33	6.44	6.32
CALCIUM	25,000 mpl	21,500 mpl	23,000 mpl	23,500 mpl
MAGNESIUM	13,500 mpl	12,600 mpl	13,200 mpl	12,000 mpl
CHLORIDE	121,446 mpl	133,380 mpl	133,380 mpl	128,115 mpl
SULFATES	heavy mpl	heavy mpl	heavy mpl	heavy mpl
BICARBONATES	153 mpl	140 mpl	171 mpl	153 mpl
SOLUBLE IRON	10 mpl	10 mpl	10 mpl	10 mpl
KCL	Negative	Negative	Negative	Negative
Sodium	_____ mpl	_____ mpl	_____ mpl	_____ mpl
TDS	_____ mpl	_____ mpl	_____ mpl	_____ mpl
OIL GRAVITY	@ °F	@ °F	@ °F	@ °F

REMARKS _____

MPL = Milligrams per litter
 Resitivity measured in: Ohm/m2/m

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

ANALYST: MB/MA

HALLIBURTON

Attachment- H-3

PERMAIN BASIN OPERATIONS LABORATORY
 WATER ANALYSIS REPORT
 HOBBS, NEW MEXICO

COMPANY Reef Exploration

REPORT DATE W08-031
March 3, 2008
 DISTRICT Artesia

SUBMITTED BY _____

WELL St. 2 36 #005 DEPTH _____ FORMATION _____
 COUNTY _____ FIELD _____ SOURCE _____

SAMPLE	_____	_____	_____	_____
Sample Temp.	<u>65</u> °F	_____ °F	_____ °F	_____ °F
RESISTIVITY	<u>0.056</u>	_____	_____	_____
SPECIFIC GR.	<u>1.146</u>	_____	_____	_____
pH	<u>6.30</u>	_____	_____	_____
CALCIUM	<u>22,500</u> mpl	_____ mpl	_____ mpl	_____ mpl
MAGNESIUM	<u>15,000</u> mpl	_____ mpl	_____ mpl	_____ mpl
CHLORIDE	<u>131,625</u> mpl	_____ mpl	_____ mpl	_____ mpl
SULFATES	<u>heavy</u> mpl	_____ mpl	_____ mpl	_____ mpl
BICARBONATES	<u>92</u> mpl	_____ mpl	_____ mpl	_____ mpl
SOLUBLE IRON	<u>100</u> mpl	_____ mpl	_____ mpl	_____ mpl
KCL	<u>Negative</u>	_____	_____	_____
Sodium	_____ mpl	_____ mpl	_____ mpl	_____ mpl
TDS	_____ mpl	_____ mpl	_____ mpl	_____ mpl
OIL GRAVITY	_____ @ _____ °F	_____ @ _____ °F	_____ @ _____ °F	_____ @ _____ °F

REMARKS _____

MPL = Milligrams per litter
 Resitivity measured in: Ohm/m2/m

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

ANALYST: MB/MA

To: 'Rimmer Covington'
Cc: 'Eddie Seay (seayo4@leaco.ne)'; Lawrence J. Harrison, Jr; Walt Dunagin; Jay Degen; Michael Mauceli; Kellam Colquitt
Subject: FW: SWD Notifications - New Mexico

Rimmer,

I have Eddie Seay set up to do the filings and we are just waiting for the notification letter conformations and the published article and affidavit. Eddy has done filings for us in the past and was with the NMOCD; he has reviewed the preliminary information and is on go to do the rest.

Eddie Seay
601 W Illinois
Hobbs, New Mexico 88242

Off: 505-397-2236
Cell: 505-392-6949
Fax: 505-390-2454

I will need copies of all data that is sent to Eddie.

Please call me if you have any thoughts or questions.

Ronald M. Sentz

Reef Exploration, L.P.
1901 N. Central Expressway
Suite 300
Richardson, Texas 75080

Production Manager

Off: 972-437-6792 x3037
Cell: 214-850-8741
E-Mail: ronald@reefexploration.com

From: Walt Dunagin
Sent: Monday, April 28, 2008 6:52 PM
To: Lawrence J. Harrison, Jr; Ronald Sentz
Cc: Michael Mauceli; Kellam Colquitt
Subject: FW: SWD Notifications - New Mexico

FYI

H. Walt Dunagin
Executive Vice President and Land Manager
Reef Exploration, L.P.
972-437-6792 x3014

From: Rimmer Covington [<mailto:rimmer@covingtonassociates.net>]
Sent: Monday, April 28, 2008 5:58 PM
To: Walt Dunagin
Subject: SWD Notifications - New Mexico

Walt

The Sand Dunes notification is finished. The regulation refers to "evidence of mailing", and we have receipts that show

5/5/2008

Attachment I**Ronald Sentz**

From: Rimmer Covington [rimmer@covingtonassociates.net]
Sent: Tuesday, April 29, 2008 9:44 AM
To: seay04@leaco.net
Cc: Ronald Sentz; Walt Dunagin; Lawrence J. Harrison, Jr
Subject: RE: SWD Notifications - New Mexico
Attachments: Sand Dunes SWD Notification Letters.pdf; 2nd Forest Oil Letter.pdf; Ad and Affidavit.pdf

Eddie

There are three PDF files attached.

1. Ad and Affidavit.pdf – copy of advertisement and affidavit of publication
2. Sand Dunes SWD Notification Letters.pdf – Copies of 5 letters and receipts for each letter showing the date mailed (BP America Production Company, Devon Energy Production Company, LP, Samson Resources Company, New Mexico State Land Office, and Forest Oil Corporation. On April 28, 2008 I used the US Postal Service "Track and Confirm" web feature to determine that four of the five letters was delivered. The fifth letter "Forest Oil" showed only proof of mailing. We sent the letter to Forest Oil Co., address of record on file with the State of NM. Later we found through State of Texas records a new address for Forest Oil Co, and we sent them a letter via Federal Express yesterday, April 28, 2008.
3. 2nd Forest Oil Letter.pdf – This is a copy of the 2nd Forest Oil Co letter and Fedex receipt dated April 28, 2008.

What else do you need from us regarding the notification? Will the copies suffice or do you want us to send you the originals?

From: Ronald Sentz [mailto:ronald@reefogc.com]
Sent: Tuesday, April 29, 2008 7:08 AM
To: seay04@leaco.net
Cc: Rimmer Covington
Subject: FW: SWD Notifications - New Mexico

Eddie,

I typed in your address but left off the t in net.

Ronald M. Sentz

Reef Exploration, L.P.
 1901 N. Central Expressway
 Suite 300
 Richardson, Texas 75080

Production Manager

Off: 972-437-6792 x3037
 Cell: 214-850-8741
 E-Mail: ronald@reefexploration.com

From: Ronald Sentz
Sent: Tuesday, April 29, 2008 7:06 AM

5/5/2008

that each letter was mailed via certified mail to the address of record. In addition to the receipts, we have proof of delivery for all but one letter Forest Oil. Today we send Forest a letter via Fedex.

The required 15 days applies to the time before Reef can get its "administrative approval" for the SWD well, AND the 15 day period begins the day that Reef's application is received by the NM authorities.

Last week Mr. Sentz sent me a request for information required by the form C108 to show wells, name of wells and current leases within a two mile radius of the disposal well –placed on a map. I will have the information tomorrow (Tuesday) afternoon and will post the info on his map Wednesday. We should be able to file the full application by Wednesday or Thursday.

Rim

Attachment J

Clay Johnson Oil & Gas Properties

203 WEST WALL, SUITE 202 MIDLAND, TEXAS 79701 * (432) 684-4110* FAX (432) 684-5166



AAPL-CPL

April 18, 2008

Forest Oil Corporation
1600 Broadway, Suite 2200
Denver, CO 80202

Via Certified Mail

Re: State "2" #8
Application for Authorization to Inject
1980' FSL & 660' FWL of Section 2,
T-23-S, R-31-E, N.M.P.M., Eddy
County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

Mary Kay Brasuel
Attachments.

7007 0220 0002 4962 6665

U.S. Postal Service	
CERTIFIED MAIL RECEIPT	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information, visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 58
Certified Fee	2.40
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.73

Sent To: Forest Oil Corporation
Street, Apt. No., or PO Box No.: 1600 Broadway, Ste 220
City, State, ZIP+4: Denver, CO 80202

MIDLAND TX
Postmark Here: APR 17 2008
514

April 13, 2008

LEGAL NOTICE
NOTICE OF
APPLICATION FOR
FLUID INJECTION
WELL PERMIT

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

April Hernandez, being first duly sworn,
on oath says:

That she is HR Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

April 18 2008

That the cost of publication is \$ 56.37 that Payment Thereof has been made and will be assessed as court costs.

April Hernandez

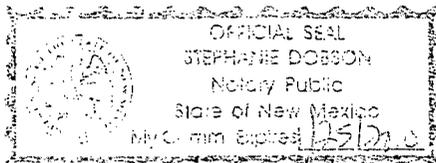
Subscribed and sworn to before me this

18 day of April, 2008

Stephanie Dobson

My commission Expires on 1/25/2010

Notary Public



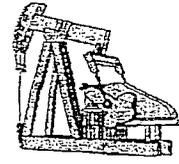
REEF EXPLORATION, L.P., 1901 North Central Expressway, Suite 300, Richardson, Texas 75080-3610, Ronald M. Santz, phone number 972-437-6792, has applied to the New Mexico Oil Conservation Division for Authorization to inject.

The Applicant Proposes to inject salt water into the Delaware Formation, State "2" #8 Well. The proposed injection well is located 1980' from the South line and 660' from the West line of Section 2, T-23-S, R-31-E, N.M.P.M., Eddy County, New Mexico. Fluid will be injected in the State "2" Well #8 in the subsurface depth interval from 4450 feet to 8250 feet. The purpose of the well is as a disposal well for area Delaware produced water. The proposed average daily injection volume is 4000 barrels of water per day with a proposed average daily injection pressure of 1000#.

Requests for a public hearing from persons who can show that they are adversely affected, or requests for further information concerning any aspect of the application should be submitted in writing, within fifteen days of publication, to the New Mexico Oil Conservation, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505.

Clay Johnson Oil & Gas Properties

203 WEST WALL, SUITE 202* MIDLAND, TEXAS 79701 *(432) 684-4110* FAX (432) 684-5166



AAPL-CPL

April 18, 2008

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

Via Certified Mail

Re: State "2" #8
Application fore Authorization to Inject
1980' FSL & 660' FWL of Section 2,
T-23-S, R-31-E, N.M.P.M., Eddy
County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as the surface owner. A copy of the application is attached. As a surface owner you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

Mary Kay Brasuel
Attachments.

U.S. Postal Service	
CERTIFIED MAIL RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 58
Certified Fee	2652.40
Return Receipt Fee (Endorsement Required)	2157.75
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 473

7007 0220 0002 4962 6638 R399 2964 2000

MIDLAND, TX DOWNTOWN STA. Apr 21 2008 USPS

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

PS Form 3800 August 2005 See Reverse for Instructions

Clay Johnson Oil & Gas Properties

203 WEST WALL, SUITE 202 MIDLAND, TEXAS 79701 * (432) 684-4110 * FAX (432) 684-5166



AAPL-CPL

April 18, 2008

Samson Resources Company
Samson Plaza
Two West Second Street
Tulsa, OK 74103

Via Certified Mail

Re: State "2" #8
Application fore Authorization to Inject
1980' FSL & 660' FWL of Section 2,
T-23-S, R-31-E, N.M.P.M., Eddy
County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentsz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

Mary Kay Brasuel
Attachments.

5499 2964 0002 4962 6645 0007 0220 2000 0220 2001

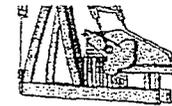
U.S. Postal Service	
CERTIFIED MAIL RECEIPT	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 1.58
Certified Fee	2652.40
Return Receipt Fee (Endorsement Required)	2157.75
Restricted Delivery Fee (Endorsement Required)	538.00
Total Postage & Fees	\$ 4.75

APR 21 2008
DOWNTOWN STA.
Postmark Here
USPS

Sent To: Samson Resources Company
Street, Apt. No.: ...

Clay Johnson Oil & Gas Properties

203 WEST WALL, SUITE 202 MIDLAND, TEXAS 79701 * (432) 684-4110 * FAX (432) 684-5166



AAPL-CPL

April 18, 2008

Devon Energy Production Company, LP
20 Broadway, Suite 1500
Oklahoma City, OK 73102-8260

Via Certified Mail

Re: State "2" #8
Application fore Authorization to Inject
1980' FSL & 660' FWL of Section 2,
T-23-S, R-31-E, N.M.P.M., Eddy
County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

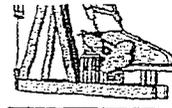
Mary Kay Brasuel
Attachments.

7007 0220 0002 4962 6652

U.S. Postal Service	
CERTIFIED MAIL RECEIPT	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$.58
Certified Fee	2657.40
Return Receipt Fee (Endorsement Required)	217.75
Restricted Delivery Fee (Endorsement Required)	5.28
Total Postage & Fees	\$ 4.73

MIDLAND, TX DOWNTOWN 574
APR 21 2008
USPS

Sent To: Devon Energy Prod. Co.
Street, Apt. No.: 20 N. Broadway Suite 1500
City, State, ZIP+4: _____



AAPL-CPL

April 18, 2008

BP America Production Company
P.O. Box 4587
Houston, TX 77210-4587

Via Certified Mail

Re: State "2" #8
Application fore Authorization to Inject
1980' FSL & 660' FWL of Section 2,
T-23-S, R-31-E, N.M.P.M., Eddy
County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

Mary Kay Brasuel
Attachments.

U.S. Postal Service	
CERTIFIED MAIL RECEIPT	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 1.58
Certified Fee	2652.40
Return Receipt Fee (Endorsement Required)	257.75
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.73

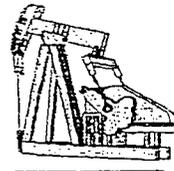
1007 0220 0002 4962 6676

MIDLAND, TX DC (N1) QW
Postmark Here
APR 21 2008
USPS

Sent To BP America Production Co.
Street, Apt. No. PO Box 4587

Clay Johnson Oil & Gas Properties

203 WEST WALL, SUITE 202* MIDLAND, TEXAS 79701 *(432) 684-4110* FAX (432) 684-5166



AAPL-CPL

April 18, 2008

Forest Oil Corporation
707 17th Street, Suite 3600
Denver, CO 80202

Via Federal Express

Re: State "2" #8
Application fore Authorization to Inject
1980' FSL & 660' FWL of Section 2,
T-23-S, R-31-E, N.M.P.M., Eddy
County, New Mexico

Gentlemen:

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Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

A handwritten signature in cursive script that reads "M. K. Brasuel".

Mary Kay Brasuel
Attachments.



FedEx Tracking Number

8634 0602 5190

1 From *Please print and print in black*
Sender's FedEx Account Number
Date 04-28-08 2362-2237-3

Sender's Name Mary Kay Brasuel Phone (432) 684-4110

Company CLAY JOHNSON OIL & GAS CO

Address 203 W WALL STE 202

Day/Evening/Weekend

City MIDLAND State TX ZIP 79701-4510

2 Your Internal Billing Reference REF ID: A123456789

3 To Recipient's Name
Company Forest Oil Corporation Phone 303.812.1607

Recipient's Address 707 17th St

We cannot deliver to P.O. boxes or P.O. ZIP codes.
Address Suite 3600

To request a package at this specific FedEx location, print FedEx address here.

City Denver State CO ZIP 80202

0372720993



4a Express Package Service
 FedEx Priority Overnight
 FedEx Standard Overnight
 FedEx First Overnight
 FedEx 2Day
 FedEx 3Day Freight
 FedEx 2Day Freight
 FedEx 3Day Freight

4b Express Freight Service
 FedEx 1Day Freight
 FedEx 2Day Freight
 FedEx 3Day Freight

5 Packaging
 FedEx Envelope
 FedEx Pak
 FedEx Tube
 FedEx Box
 Other

6 Special Handling
 SATURDAY Delivery
 HOLD Weekday at FedEx Location
 HOLD Saturday at FedEx Location
 NOT Available for FedEx Priority Overnight and FedEx 2Day in select locations.

7 Payment Bill to:
 Sender
 Recipient
 Third Party
 Credit Card
 Cash/Check

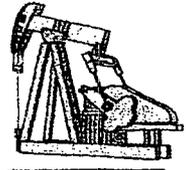
Total Packages
Total Weight
Total Declared Value \$.00

8 Residential Delivery Signature Options
 No Signature Required
 Direct Signature
 Indirect Signature

Rev Date 10/08/04 1/02/07 1/04/08 1/08/08 FedEx-PRINTED IN U.S.A. 4816

Clay Johnson Oil & Gas Properties

203 WEST WALL, SUITE 202* MIDLAND, TEXAS 79701 *(432) 684-4110* FAX (432) 684-5166



AAPL-CPL

July 14, 2008

Mosaic Potash Carlsbad Inc.
1361 Potash Mines Rd.
Carlsbad, New Mexico 88220

Via Federal Express

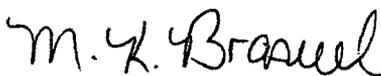
Re: State "2" #8
Application for Authorization to Inject
1980' FSL & 660' FWL of Section 2,
T-23-S, R-31-E, N.M.P.M., Eddy
County, New Mexico

Gentlemen:

Reef Exploration, Lp. is applying to the New Mexico Oil Conservation Division for a permit to inject fluid into a reservoir productive of oil and gas. This letter is to provide notification to you as an offset operator. A copy of the application is attached. As an offset operator you have the option to object in writing to the New Mexico Oil Conservation Division.

Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,



Mary Kay Brasuel
Attachments.



US Airbill
8652 0849 4170

1 From Please print and print from
 Date 07-14-08 Sender's FedEx Account Number 2362-2237-3
 Sender's Name MaryKay Brasuel Phone (432) 684-4110
 Company CLAY JOHNSON OIL & GAS CO
 Address 203 W WALL STE 202
 City MIDLAND State TX ZIP 79701-4510
Dept./Floor/Suite/Room

2 Your Internal Billing Reference
First 24 characters will appear on invoice.

3 To Recipient's Name
 Company Mosaic Potash Carlsbad Inc. Phone 575.887-2871
 Recipient's Address 1361 Potash Mines Rd.
We cannot deliver to P.O. boxes or P.O. ZIP codes.
 Address Carlsbad State NM ZIP 88220
Dept./Floor/Suite/Room

To request a package be held at a specific FedEx location, print FedEx address here.
 City Carlsbad State NM ZIP 88220
 0377328488



Find drop-off locations at fedex.com
 Simplify your shipping. Manage your account. Access all the tools you need.



4a Express Package Service
 Packages up to 150 lbs.
 FedEx Priority Overnight
Next business day delivery, guaranteed by 10:00 a.m. Monday through Saturday. Delivery times may vary by destination. Saturday Delivery NOT available.
 FedEx Standard Overnight
Next business day delivery, guaranteed by 3:00 p.m. Monday through Saturday. Delivery times may vary by destination. Saturday Delivery NOT available.
 FedEx 2Day
Second business day delivery, guaranteed by 7:00 a.m. Monday through Saturday. Delivery times may vary by destination. Saturday Delivery NOT available.
 FedEx Express Saver
Third business day delivery, guaranteed by 4:00 p.m. Monday through Saturday. Delivery times may vary by destination. Saturday Delivery NOT available.
* To meet business days, Thursday shipments will be delivered on Monday unless SATURDAY Delivery is selected.
** FedEx Envelope not available. Minimum charge: One-pound rate.

4b Express Freight Service
 Packages over 150 lbs.
 FedEx 1Day Freight
Next business day delivery, guaranteed by 10:00 a.m. Monday through Saturday. Delivery times may vary by destination. Saturday Delivery NOT available.
 FedEx 2Day Freight
Second business day delivery, guaranteed by 7:00 a.m. Monday through Saturday. Delivery times may vary by destination. Saturday Delivery NOT available.
 FedEx 3Day Freight
Third business day delivery, guaranteed by 4:00 p.m. Monday through Saturday. Delivery times may vary by destination. Saturday Delivery NOT available.
* To meet business days, Thursday shipments will be delivered on Monday unless SATURDAY Delivery is selected.
** Call for Confirmation.

5 Packaging
 FedEx Envelope*
* Includes FedEx Small Pak, FedEx Large Pak, and FedEx Sturdy Pak.
 FedEx Pak*
* Includes FedEx Small Pak, FedEx Large Pak, and FedEx Sturdy Pak.
 FedEx Tube
 Other
** Declared value limit \$500.

6 Special Handling
 Include FedEx address in Section 3.
 SATURDAY Delivery
NOT Available for FedEx Standard Overnight, FedEx 2Day, FedEx Express Saver, or FedEx 1Day Freight. Does this shipment contain dangerous goods? No Yes
 HOLD Weekday at FedEx Location
Available only for FedEx Priority Overnight and FedEx 2Day to select locations.
 HOLD Saturday at FedEx Location
Available ONLY for FedEx Priority Overnight and FedEx 2Day to select locations.
 Dry Ice
Dry Ice 3, 4, 5, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
 Cargo Aircraft Only
 Dangerous goods (including dry ice) cannot be shipped in FedEx packaging.
One box must be checked. Yes No

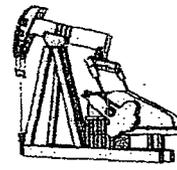
7 Payment Bill to
 Sender
 Recipient
 Third Party
 Credit Card
 Cash/Check
 Enter FedEx Acct. No. or Credit Card No. below.
 FedEx Acct. No. _____
 Credit Card No. _____
 Total Packages _____ Total Weight _____ Total Declared Value \$ _____
 Total Packages _____ Total Weight _____ Total Declared Value \$ _____
Your ability is limited to \$500 unless you declare a higher value. See back for details. By using this Airbill you agree to the service conditions on the back of this Airbill and to the current FedEx Service Guide, including terms that limit our liability.

8 Residential Delivery Signature Options
 If you require a signature, check Direct or Indirect.
 No Signature Required
Package may be left at delivery location unless signature is required for delivery.
 Direct Signature
Someone at recipient's address must sign for delivery. For address at a pickup location, delivery times may vary.
 Indirect Signature
Someone at recipient's address must sign for delivery. For address at a pickup location, delivery times may vary.
 Fed. Doc. 1009-Form 415279-0194-2008 FedEx-PRINTED IN U.S.A.-SFF

PULL AND RETAIN THIS COPY BEFORE AFFIXING TO THE PACKAGE. NO POUCH NEEDED.

Clay Johnson Oil & Gas Properties

203 WEST WALL, SUITE 202* MIDLAND, TEXAS 79701 *(432) 684-4110* FAX (432) 684-5166



AAPL-CPL

July 10, 2008

Yates Petroleum Corporation
105 South 4th Street
Artesia, New Mexico 88210

Via Federal Express

Re: State "2" #8
Application for Authorization to Inject
1980' FSL & 660' FWL of Section 2,
T-23-S, R-31-E, N.M.P.M., Eddy
County, New Mexico

Gentlemen:

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Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

A handwritten signature in cursive script that reads "Mary Kay Brasuel".

Mary Kay Brasuel
Attachments.



US Airbill
FedEx Tracking Number 8634 0602 5374

1 From *Please print and press hard.*
Date 07-10-08 Sender's FedEx Account Number 2362-2237-3
Sender's Name Mary Kay Brosuel Phone (432) 684-4110
Company CLAY JOHNSON OIL & GAS CO
Address 203 W WALL STE 202
City MIDLAND State TX ZIP 79701-4510
Dept./Rm./Sub/Rm

2 Your Internal Billing Reference
First 24 characters will appear on invoice.
3 To Recipient's Name YATES Petroleum Corp.
Address 105 S. 4th St.
City Artesia State NM ZIP 88210
Dept./Rm./Sub/Rm

Address To request a package be held at a specific FedEx location, print FedEx address here.
City Artesia State NM ZIP 88210
Dept./Rm./Sub/Rm



4a Express Package Service
FedEx Priority Overnight Next business morning delivery to select business locations. Saturday Delivery NOT available.
FedEx Standard Overnight Next business afternoon delivery to select business locations. Saturday Delivery NOT available.
FedEx 2Day Second business day delivery to select business locations. Saturday Delivery NOT available.
FedEx Express Saver Second business day delivery to select business locations. Saturday Delivery NOT available.

4b Express Freight Service
FedEx 1Day Freight* Next business day delivery to select business locations. Saturday Delivery NOT available.
FedEx 2Day Freight* Second business day delivery to select business locations. Saturday Delivery NOT available.
FedEx 3Day Freight* Third business day delivery to select business locations. Saturday Delivery NOT available.

5 Packaging
FedEx Envelope*
FedEx Pak*
FedEx Tube
FedEx Box
FedEx Other

6 Special Handling
SATURDAY Delivery
HOLD at FedEx Location
HOLD at FedEx Location
HOLD Saturday at FedEx Location
Dry Ice
Cargo Aircraft Only

7 Payment Bill to:
Sender
Recipient
Third Party
Credit Card
Cash/Check

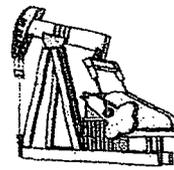
Total Packages
Total Weight
Total Declared Value
Exp. Unit

8 Residential Delivery Signature Options
No Signature Required
Direct Signature
Indirect Signature
Signature Required

Rev. Date 10/09/07 15/09/08 FedEx-PRINTED IN U.S.A.-GSS

Clay Johnson Oil & Gas Properties

203 WEST WALL, SUITE 202* MIDLAND, TEXAS 79701 *(432) 684-4110* FAX (432) 684-5166



AAPL-CPL

July 10, 2008

Bureau of Land Management
620 E. Greene St.
Carlsbad, New Mexico 88220

Via Federal Express

Re: State "2" #8
Application for Authorization to Inject
1980' FSL & 660' FWL of Section 2,
T-23-S, R-31-E, N.M.P.M., Eddy
County, New Mexico

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Respectfully,

A handwritten signature in cursive script that reads "M. K. Brasuel".

Mary Kay Brasuel
Attachments.



US Airbill
Tracking Number 8634 0602 5385

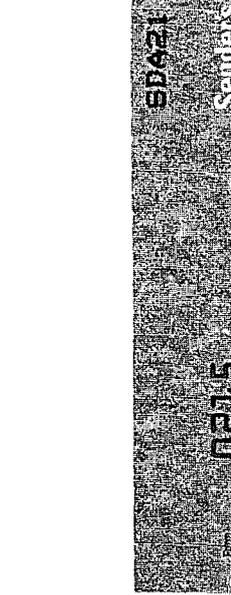
1 From *Please print and press hard.*
Date 07-10-08 Sender's FedEx Account Number 2362-2237-3
Sender's Name Mary Kay Brasuel Phone (432) 684-4110
Company CLAY JOHNSON OIL & GAS CO
Address 203 W WALL STE 202
City MIDLAND State TX ZIP 79701-4510
Dept./Rm./Suite/Rm

2 Your Internal Billing Reference
The 24 characters will appear on invoice.
3 To
Company Bureau of Land Management
Address 620 E. Greene St.
City Carlsbad State NM ZIP 88220
Dept./Rm./Suite/Rm

4a Express Package Service
FedEx Priority Overnight
Next business morning
Shipments will be delivered on Monday through Friday unless SATURDAY Delivery is selected.
FedEx Standard Overnight
Next business afternoon
Shipments will be delivered on Monday through Friday unless SATURDAY Delivery is selected.
FedEx 2Day
Second business day
Shipments will be delivered on Monday through Friday unless SATURDAY Delivery is selected.
FedEx Express Saver
Third business day
Shipments will be delivered on Monday through Friday unless SATURDAY Delivery is selected.
4b Express Freight Service
FedEx 1Day Freight
Next business day
Shipments will be delivered on Monday through Friday unless SATURDAY Delivery is selected.
FedEx 2Day Freight
Second business day
Shipments will be delivered on Monday through Friday unless SATURDAY Delivery is selected.
FedEx 3Day Freight
Third business day
Shipments will be delivered on Monday through Friday unless SATURDAY Delivery is selected.
5 Packaging
FedEx Envelope
FedEx Pak
FedEx Tube
Other
6 Special Handling
SATURDAY Delivery
HOLD Saturday at FedEx Location
HOLD Weekday at FedEx Location
HOLD Saturday at FedEx Location
7 Payment Bill to
Sender
Recipient
Third Party
Credit Card
Cash/Check
Total Packages Total Weight Total Declared Value
Exp. Date

8 Residential Delivery Signature Options
No Signature Required
Direct Signature
Indirect Signature
Total Packages Total Weight Total Declared Value
Exp. Date

Find drop-off locations at fedex.com
Simplify your shipping. Manage your account. Access all the tools you need.



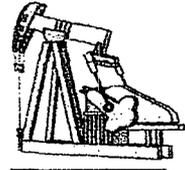
SDAZI
0215
Sender's City
Packages up to 150 lbs.
FedEx First Overnight
Earliest next business morning
Shipments will be delivered on Monday through Friday unless SATURDAY Delivery is selected.
FedEx Standard Overnight
Next business afternoon
Shipments will be delivered on Monday through Friday unless SATURDAY Delivery is selected.
FedEx 2Day
Second business day
Shipments will be delivered on Monday through Friday unless SATURDAY Delivery is selected.
FedEx Express Saver
Third business day
Shipments will be delivered on Monday through Friday unless SATURDAY Delivery is selected.
4b Express Freight Service
FedEx 1Day Freight
Next business day
Shipments will be delivered on Monday through Friday unless SATURDAY Delivery is selected.
FedEx 2Day Freight
Second business day
Shipments will be delivered on Monday through Friday unless SATURDAY Delivery is selected.
FedEx 3Day Freight
Third business day
Shipments will be delivered on Monday through Friday unless SATURDAY Delivery is selected.
5 Packaging
FedEx Envelope
FedEx Pak
FedEx Tube
Other
6 Special Handling
SATURDAY Delivery
HOLD Saturday at FedEx Location
HOLD Weekday at FedEx Location
HOLD Saturday at FedEx Location
7 Payment Bill to
Sender
Recipient
Third Party
Credit Card
Cash/Check
Total Packages Total Weight Total Declared Value
Exp. Date

8 Residential Delivery Signature Options
No Signature Required
Direct Signature
Indirect Signature
Total Packages Total Weight Total Declared Value
Exp. Date

Find drop-off locations at fedex.com
Simplify your shipping. Manage your account. Access all the tools you need.

Clay Johnson Oil & Gas Properties

203 WEST WALL, SUITE 202* MIDLAND, TEXAS 79701 *(432) 684-4110* FAX (432) 684-5166



AAPL-CPL

July 10, 2008

Department of Energy
Carlsbad Field Office
Attn: David Moody
4021 National Park Highway
Carlsbad, New Mexico 88221

Via Federal Express

Re: State "2" #8
Application for Authorization to Inject
1980' FSL & 660' FWL of Section 2,
T-23-S, R-31-E, N.M.P.M., Eddy
County, New Mexico

Dear Mr. Moody:

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Should you have any questions or comments, please direct them to Ronald M. Sentz, production manager for Reef Exploration, Lp. at 972-437-6792.

Respectfully,

A handwritten signature in cursive script that reads "Mary Kay Brasuel".

Mary Kay Brasuel
Attachments.

Fed Express **US Airbill**

FedEx Tracking Number

8652 0849 4J80

1 From Passes point and cross hand Sender's FedEx Account Number 07-10-08 2362-2237-3

Sender's Name Mary Kay Brasuel Phone (432) 684-4110

Company CLAY JOHNSON OIL & GAS CO

Address 203 W WALL STE 202

City MIDLAND State TX ZIP 79701-4510

2 Your Internal Billing Reference OPTIC/MAL

3 To Recipient's Name David Moody Phone ()

Company Department of Energy

Recipient's Address 4021 National Park Highway

Address Dept./Rec/Suite/Room

City Carlsbad State NM ZIP 88221

To request a package be held at a specific FedEx location, print FedEx address here. 0377328488



Schedule a pickup at fedex.com
Simplify your shipping. Manage your account. Access all the tools you need.

SDA11

0215

4a Express Package Service

FedEx Priority Overnight Next business morning* Friday delivery unless SATURDAY Delivery is selected.
 FedEx Standard Overnight Next business day* Monday through Friday unless SATURDAY Delivery is selected.
 FedEx 2Day Second business day* Thursday unless SATURDAY Delivery is selected.
 FedEx Express Saver Third business day* Monday through Friday unless SATURDAY Delivery is selected.
*FedEx Envelope rate not available. Minimum charge: One-pound rate.

4b Express Freight Service

FedEx 1Day Freight* Next business day** Friday shipments will be delivered on Monday unless SATURDAY Delivery is selected.
 FedEx 2Day Freight Second business day* Thursday unless SATURDAY Delivery is selected.
 FedEx 3Day Freight Third business day* Monday through Friday unless SATURDAY Delivery is selected.
*Call for confirmation.

5 Packaging

FedEx Envelope*
 FedEx Pak* Includes FedEx Small Pak, FedEx Large Pak, and FedEx Sturdy Pak.
 FedEx Tube
 FedEx Box
 Other
*Declared value limit \$500

6 Special Handling

SATURDAY Delivery
 HOLD Weekday at FedEx Location
 HOLD Saturday at FedEx Location
 Fragile
 Dry Ice
 Dry Ice & UN 185
 Cargo Aircraft Only
Perishable goods (including dry ice) cannot be shipped in FedEx packaging.

7 Payment

Sender Account No. in Section 1 will bill.
 Recipient
 Third Party
 Credit Card
 Cash/Check

Total Packages Total Weight Total Declared Value \$.00

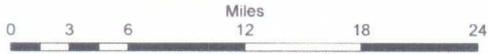
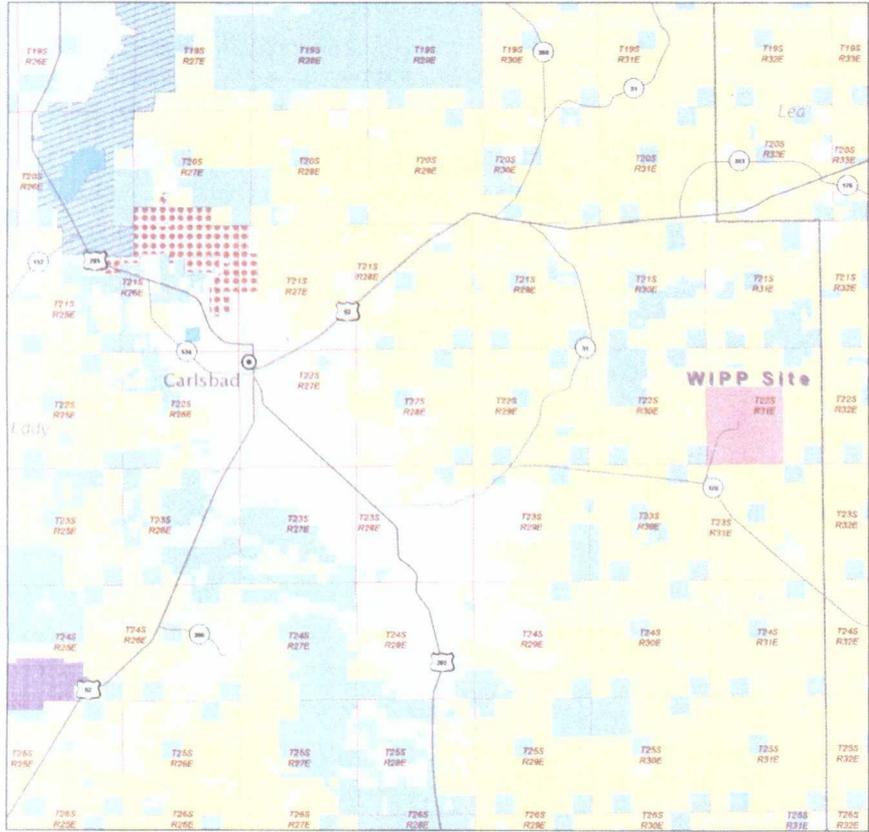
8 Residential Delivery Signature Options

No Signature Required
 Direct Signature
 Indirect Signature
 Signature Required
If no one is available at recipient's address, someone at a neighboring address may sign for delivery.

519

Rev. Date 10/06/04 Fed 418229-0001-0001 FedEx-PRINTED IN U.S.A.-SFE

DOE WIPP General Area (w/ detail of affected sections)



Detail Showing Affected Sections within T22S R31E

	36	31	32	33 T21S R31E	34	35	36	31
2	1	6	5	4	3	2	1	6
11	12	7	8	9	10	11	12	7
14	13	18	17	16	15	14	13	18
23	24	19	20	21	22	23	24	19
26	25	30	29	28	27	26	25	30
35	36	31	32	33	34	35	36	31
2	1	6	5	4	3	2	1	6



Legend

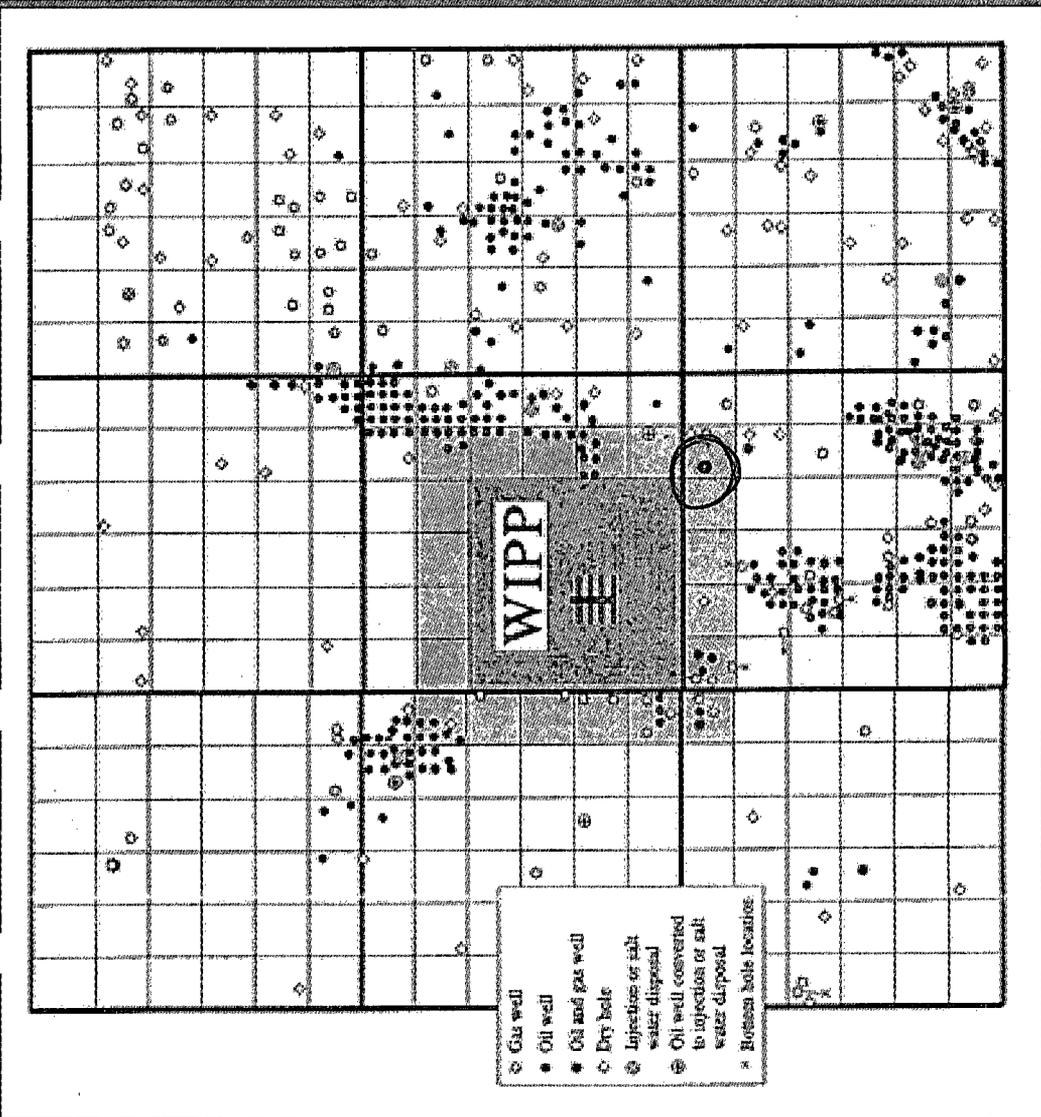
- Cities
- Interstate
- U.S.
- N.M.
- Local
- Counties
- BLM
- BOR
- DOA
- DOD
- DOE
- FS
- FWS
- I
- NPS
- P
- State
- SGF
- SP
- VCNP
- Townships

Map by EMNRD GIS 02/2008; land ownership data from BLM

1993

Wells Surrounding WIPP, 1993

Source: EDC

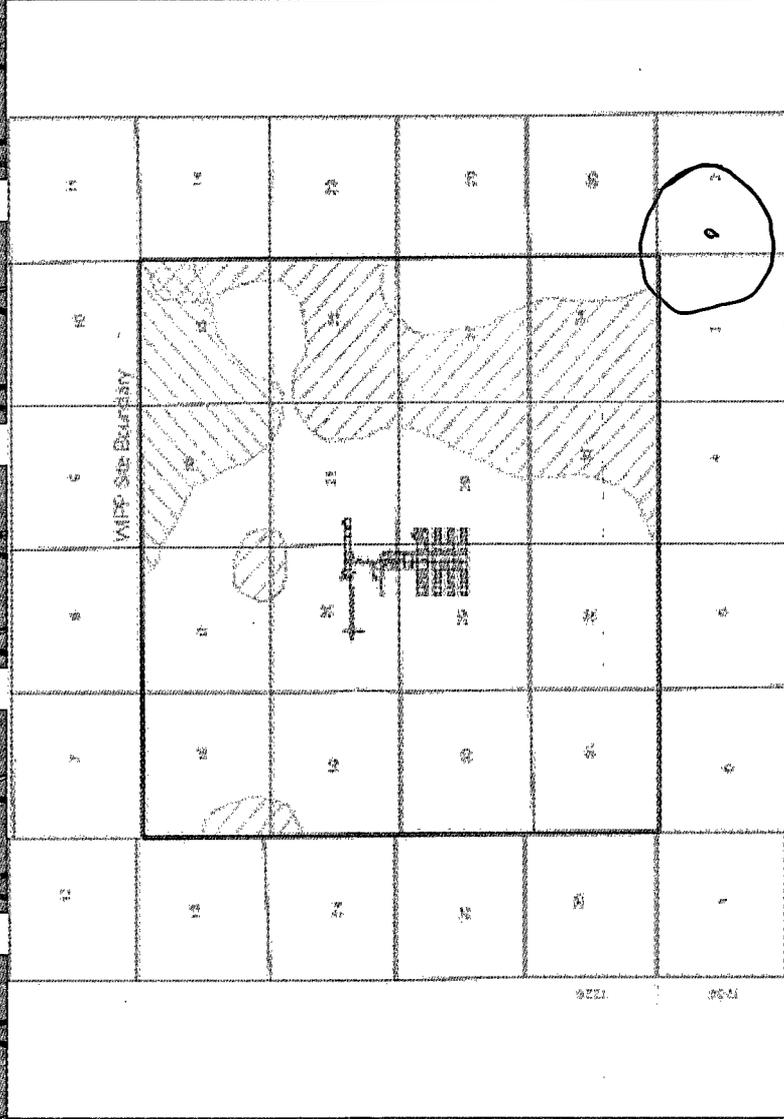


Potash

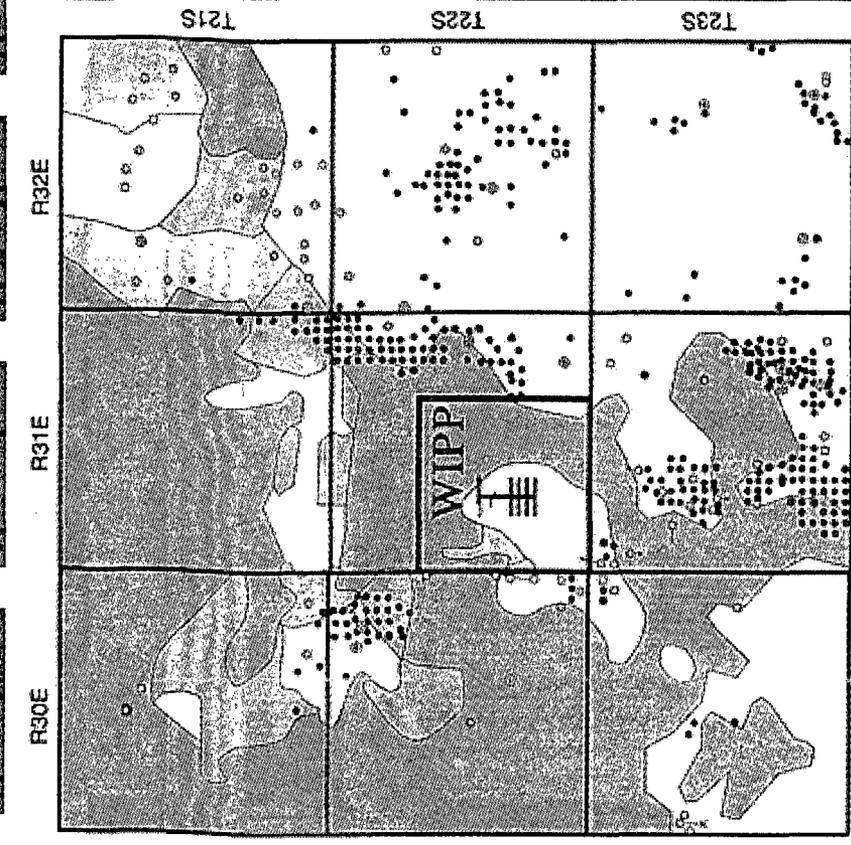
Zones in

WIPP

LWA



Reserves, Oil & Gas



- ◉ Gas Well
- Oil Well
- ◉ Oil and Gas Well
- ◻ Potash Reserves
- ▨ Indicated Reserves
- ◻ Inferred Reserves
- ◻ Barren or Minor
- ◉ Injection or salt water disposal
- ◉ Oil well converted to injection or salt water disposal

Source: BEG

Potash Wells

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Wednesday, July 23, 2008 1:48 PM
To: 'ronald@reefexploration.com'
Cc: Ezeanyim, Richard, EMNRD; William F Carr (wcarr@hollandhart.com); Warnell, Terry G, EMNRD
Subject: SWD application on behalf of Reef Exploration, LP: State 2 Well No. 8 API No. 30-015-35749 Unit L of Section 2, T23S, R31E

Hello Ronald:

The OCD just received a protest to this proposal to inject from Yates Petroleum Corporation. Mary Kay Brasuel in Midland with Reef Exploration was copied on this protest letter. If you don't receive a copy, please ask her or ask Yates to send you one. The review process here in the engineering bureau is NOT complete and the outcome of this application is still undecided.

However, since a protest has been received, the OCD cannot continue to process this application administratively - so your application will be cancelled from our database.

You have the option of negotiating with Yates. If successful, ask Yates to send a retraction letter and let us know, formally in writing if you want the application review to resume.

You also have the option of asking your attorney to immediately set this application to hearing. The administrative correspondence from the engineering bureau will be included in the case file. Please let Bill Carr and myself know who your attorney will be.

Regards,

William V. Jones PE
 New Mexico Oil Conservation Division
 1220 South St. Francis
 Santa Fe, NM 87505
 505-476-3448

*Protest
 Cancelled
 TODAY*

From: Jones, William V., EMNRD
Sent: Thursday, July 10, 2008 9:30 AM
To: 'ronald@reefexploration.com'
Cc: Ezeanyim, Richard, EMNRD; Warnell, Terry G, EMNRD; Clark, Anne, EMNRD; Chavez, Carl J, EMNRD; Brooks, David K., EMNRD
Subject: RE: SWD application on behalf of Reef Exploration, LP: State 2 Well No. 8 API No. 30-015-35749 Unit L of Section 2, T23S, R31E, Eddy County

Ron:

We talked last week and I still have not received anything from you concerning the questions below.

Looked at this again today and talked to our Division Director - and have additional requests:

- 1) Would you please formally notify the DOE manager of the WIPP site with a complete copy of your application and send proof of notice to me?
- 2) Please look at the OCD ONLINE Imaging Site and make sure the CBL run on the 5-1/2 inch casing is there - if not, please send a copy of the entire log to Paul Kautz in Hobbs to Scan into our files.
- 3) Send the cementing treatment report from the service company that cemented the 8-5/8 inch casing - should show all details on this cement, volumes, pressures, type, etc.
- 4) Why do you need this injection well? Will it be injecting only your produced fluid from surrounding wells? Or is this meant to be a commercial disposal facility? The concern would be imposing additional pore pressure into formations near the WIPP Site. Injection pressures from any permit here would likely be limited.

7/23/2008

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Tuesday, June 03, 2008 12:06 PM
To: 'ronald@reefexploration.com'
Cc: Ezeanyim, Richard, EMNRD; Warnell, Terry G, EMNRD; Clark, Anne, EMNRD
Subject: SWD application on behalf of Reef Exploration, LP: State 2 Well No. 8 API No. 30-015-35749 Unit L of Section 2, T23S, R31E, Eddy County

*Richard Talked
 To Thom
 6/23/08
 of 15.
 REMOVED*

Hello Ronald:

We have the following requests:

- 1) I can't very well read the detail on your AOR map. Please send a more detailed 1/2 mile Area of Review map showing all lands within this 1/2 mile and all existing wells that were drilled to at least 4600 feet. ✓
- 2) Your wellbore diagrams are very detailed on the offset wells, but I don't see the "status" of each well or the locations of existing perforations. Please send this info anyway you would like. ✓
- 3) NOTICE: (Please read Rule 701B(2))
 From your existing map, it appears that Yates and the BLM should also be noticed. ✓
 Also, since this is very near the Potash Area as defined in R-111-P, please send proof of notice to the nearest Potash leaseholder. ✓
 How close is this to the WIPP site? *3360 Feet*
 Your notice in the newspaper seems to say the entire Delaware may be used for injection - was that intentional? ✓
- 4) The Division will require the well to be plugged back to within 200 feet of the lowermost injection perforation AND the injection packer must be set within 100 feet of the top perforation - your Post Conversion Wellbore Diagram should reflect this. It should also show the injection perforations. Please be advised, any injection permit will be "formation" specific AND "depth" specific - so any additional perforations Reef would add above or below the permitted injection interval will require a new injection application. ✓
- 5) Questions for your geologist:
 Has there been no production in this upper Delaware interval in this area? How was it evaluated for hydrocarbons? ✓
 Please coordinate with the OCD Artesia District geologist and pick formation tops (including members in the Delaware) from the Rustler down to the Bone Spring. e
- 6) Fresh Water: What is the depths to fresh water here? (Fresh meaning anything less than 10,000 TDS) Send a current water analysis from the nearest well or windmill if not more than a mile away. ✓

Thank You for answering these questions and sending proof of additional notices. The Division must wait 15 days after the last notice is provided prior to possibly releasing this permit. If protests arrive before the permit is issued (even if after 15 days), the processing will stop.

Regards,

William V. Jones PE
 New Mexico Oil Conservation Division
 1220 South St. Francis
 Santa Fe, NM 87505
 505-476-3448

Mailed 6/23/08

6/3/2008

Jones, William V., EMNRD

From: Clark, Anne, EMNRD
Sent: Wednesday, July 09, 2008 11:51 AM
To: Jones, William V., EMNRD; Koehler, Rick, EMNRD
Cc: Ezeanyim, Richard, EMNRD
Subject: RE: WIPP Site Map

Hi Will:

I have a map on the wall in the WIPP library. I thought I also had it electronically, but I'm having trouble finding it. Come see me after 2PM.

Anne deLain W. Clark

office: 505-476-3224
cell: 505-660-9912

From: Jones, William V., EMNRD
Sent: Wednesday, July 09, 2008 11:13 AM
To: Koehler, Rick, EMNRD
Cc: Ezeanyim, Richard, EMNRD; Clark, Anne, EMNRD
Subject: WIPP Site Map

Hey Rick:
Came down to see you in your new location... but you weren't there.

I am evaluating a permit to inject oil field waste water somewhere close to the WIPP site but I don't know how close this is.

Do you have any Land maps of the WIPP site - simply showing Section Township Range location of this site?

Let me know if you do.

Thank YOU

Will Jones

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

Jones, William V., EMNRD

From: Zappe, Steve, NMENV
Sent: Thursday, July 10, 2008 2:39 PM
To: Jones, William V., EMNRD
Cc: Chavez, Carl J, EMNRD; Clark, Anne, EMNRD
Subject: RE: WIPP Setbacks

*MARK FOSMIE
CALLED THEM*

Hi -

There is no oil/gas drilling allowed within the 16 square mile land withdrawal area (LWA). DOE evaluates all potential drilling activities within a one-mile buffer surrounding the LWA to determine any adverse impact on their activities. I'm not sure who DOE's contact is, and I'm on vacation right now so I don't have access to that information. You might call their public information officer at 800-336-WIPP and ask. Here's their web page:
<http://www.wipp.energy.gov/>

Steve

From: Jones, William V., EMNRD
Sent: Thu 7/10/2008 8:48 AM
To: Zappe, Steve, NMENV
Cc: Chavez, Carl J, EMNRD; Clark, Anne, EMNRD
Subject: WIPP Setbacks

Hello Steve Zappe:
I was referred to you by Carl Chavez. He mentioned you may have knowledge of setback requirements for oil and gas operations near the WIPP site. Specifically I am evaluating an oil field waste water injection well (into the Delaware formation) near the WIPP site.

Appreciate any knowledge you have.

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

From: Chavez, Carl J, EMNRD
Sent: Tuesday, June 10, 2008 12:44 PM
To: Jones, William V., EMNRD
Subject: WIPP Maps

Will:

Try the link below the WIPP power points. Thx.

WIPP
<D:\Word\CarlC\HWB\WIPP\Maps\Presentations>

Let me know if you can't access the power points.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.

7/11/2008

Jones, William V., EMNRD

From: Ronald Sentz [ronald@reefogc.com]
Sent: Thursday, July 10, 2008 9:55 AM
To: Jones, William V., EMNRD
Subject: RE: SWD application on behalf of Reef Exploration, LP: State 2 Well No. 8 API No. 30-015-35749 Unit L of Section 2, T23S, R31E, Eddy County

I'll will work on this also; thanks for your help.

Ronald M. Sentz

Reef Exploration, L.P.
 1901 N. Central Expressway
 Suite 300
 Richardson, Texas 75080

Production Manager

Off: 972-437-6792 x3037
 Cell: 214-850-8741
 E-Mail: ronald@reefexploration.com

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]
Sent: Thursday, July 10, 2008 10:29 AM
To: Ronald Sentz
Cc: Ezeanyim, Richard, EMNRD; Warnell, Terry G, EMNRD; Clark, Anne, EMNRD; Chavez, Carl J, EMNRD; Brooks, David K., EMNRD
Subject: RE: SWD application on behalf of Reef Exploration, LP: State 2 Well No. 8 API No. 30-015-35749 Unit L of Section 2, T23S, R31E, Eddy County

Ron:
 We talked last week and I still have not received anything from you concerning the questions below.

Looked at this again today and talked to our Division Director - and have additional requests:

- 1) Would you please formally notify the DOE manager of the WIPP site with a complete copy of your application and send proof of notice to me? *330' offset + waiver or cert. Receipt!!*
- 2) Please look at the OCD ONLINE Imaging Site and make sure the CBL run on the 5-1/2 inch casing is there - if not, please send a copy of the entire log to Paul Kautz in Hobbs to Scan into our files.
- 3) Send the cementing treatment report from the service company that cemented the 8-5/8 inch casing - should show all details on this cement, volumes, pressures, type, etc.
- 4) Why do you need this injection well? Will it be injecting only your produced fluid from surrounding wells? Or is this meant to be a commercial disposal facility? The concern would be imposing additional pore pressure into formations near the WIPP Site. Injection pressures from any permit here would likely be limited.

We will be also looking at any State or DOE imposed buffer zone around the WIPP.

Also, this permit may need to be processed through an examiner hearing - but that has not been decided yet.

Thanks Again
 William V. Jones PE
 New Mexico Oil Conservation Division
 1220 South St. Francis
 Santa Fe, NM 87505
 505-476-3448

7/10/2008



August 5, 2008

VIA HAND DELIVERY

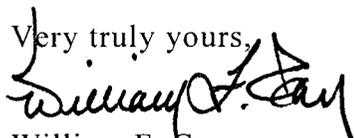
Mark E. Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

**Re: Application of Reef Exploration, LP
Application for Authorization to Inject
State "2" Well No. 8
1980' FSL & 660' FWL
Section 23 South, Township 31 East, N.M.P.M.
Eddy County, New Mexico.**

2008 AUG 6 PM 3 52
RECEIVED

Dear Mr. Fesmire:

By letter dated July 22, 2008 Yates Petroleum Corporation protested the above-referenced application and requested that it be scheduled for hearing before an Examiner of the Oil Conservation Division. Since that date, representatives of Reef Exploration have shared information with Yates Petroleum Corporation on Reef's application for Authorization to Inject. As a result of these discussions, Yates Petroleum Corporation hereby withdraws its protest and its and request for hearing.

Very truly yours,

William F. Carr

cc: Ms. Janet Richardson
Ms. Kathy Porter
Yates Petroleum Corporation

Ms. Mary Kay Brasuel
Johnson Oil & Gas Properties/Reef Exploration, LP
203 West Wall, Suite 202
Midland, Texas 79701

Jones, William V., EMNRD

From: Ronald Sentz [ronald@reefogc.com]
Sent: Tuesday, July 29, 2008 11:48 AM
To: Jones, William V., EMNRD
Subject: RE: SWD application on behalf of Reef Exploration, LP: State 2 Well No. 8 API No. 30-015-35749 Unit L of Section 2, T23S, R31E

Thanks William, I hope we won't need to get into that. I am in touch with J.O. Barnett of Yates and have sent him information. Yates was thinking that we might be injecting in to the Lower Basil Brushy Canyon; maybe with the data I have sent them we can get an approval.

I will keep you posted; thanks for your help in this matter.

Ronald M. Sentz

Reef Exploration, L.P.
1901 N. Central Expressway
Suite 300
Richardson, Texas 75080

Production Manager

Off: 972-437-6792 x3037
Cell: 214-850-8741
E-Mail: ronald@reefexploration.com

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]
Sent: Tuesday, July 29, 2008 11:32 AM
To: Ronald Sentz
Subject: RE: SWD application on behalf of Reef Exploration, LP: State 2 Well No. 8 API No. 30-015-35749 Unit L of Section 2, T23S, R31E

Hey Ron:
Here is Yates' attorney:

William F. Carr, Esq.
with Holland and Hart LLC
PO Box 2208 Santa Fe 87504-2208
505-988-4421

Regards,

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

From: Ronald Sentz [mailto:ronald@reefogc.com]
Sent: Monday, July 28, 2008 9:20 AM
To: Jones, William V., EMNRD
Subject: RE: SWD application on behalf of Reef Exploration, LP: State 2 Well No. 8 API No. 30-015-35749 Unit L of Section 2, T23S, R31E

7/29/2008

July 22, 2008

VIA HAND DELIVERY

Mark E. Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

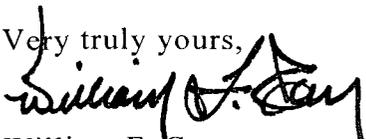
2008 JUL 22 PM 4 39
RECEIVED

**Re: Application of Reef Exploration, LP
Application for Authorization to Inject
State "2" Well No. 8
1980' FSL & 660' FWL
Section 23 South, Township 31 East, N.M.P.M.
Eddy County, New Mexico.**

Dear Mr. Fesmire:

Yates Petroleum Corporation hereby protests the above-referenced application and requests that it be scheduled for hearing before an Examiner of the Oil Conservation Division at the earliest possible date.

Your attention to this request is appreciated.

Very truly yours,

William F. Carr

cc: Ms. Janet Richardson
Ms. Kathy Porter
Yates Petroleum Corporation

Ms. Mary Kay Brasuel
Johnson Oil & Gas Properties/Reef Exploration, LP
203 West Wall, Suite 202
Midland, Texas 79701

General Geological Prognosis

Sand Dunes Area

Sections 1, 2, 12 & 36 of
T22 & T23 31E

<u>Tops/Bases</u>	<u>Formation</u>	<u>Lithology</u>	<u>Comments</u>
0' - 180'	Ogalalla	Shaly sand	Seepage, caving
180' - 380'	Santa Rosa	Sand	
380' - 580'	Dewey Lake	Shaly sand	Heavy seepage, lost circulation, differential sticking
580' - 860'	Rustler	Anhydritic sandy dolomite	Casing seat
860' - 1060'	Rustler	Anhydritic sandy dolomite	Casing seat
1,060' - 2,840'	Salado	Salt, w/anhydrite stringers	Dissolution, hole enlargement
2,840' - 4,550'	Castile	Banded limey anhydrite	Key seats
4,550' - 4,600'	Lamar	Limestone	Int. csg seat
4,600' - 4,650'	Lamar	Limestone	Int. csg seat
4,650' - 5,277'	Bell Canyon	Shaly sand, limey sand base	
5,277' - 5,352'	Cherry Canyon/ Manzanita	Sandy dolomite	
5,352' - 7,294'	Cherry Canyon	Shaly sand	Seepage
7,294' - 8,312'	Brushy Canyon	Cleaner sand, some clay/ shale	Seepage
8,312' - 8,450'	U. Bone Spring	Limestone & limey shale stringers	Deviation

Reef Exploration, LP Injection into the Bell and Cherry Canyons near the WIPP Site.														
API	WELL NAME	OPERATOR	FTG_NS	NS_CD	FTG_EW	EW_CD	SDIV	Sec	Tsp	Rge	Dist	TVD_DEPTH	WL_S	SOGRID_CDE
3001535749	STATE 008	REEF EXPLORATION, L.P.	1980 S		660 W		L		2 23S	3 1E	30-015-35749		0 A	246083
3001535748	STATE 007	REEF EXPLORATION, L.P.	1980 N		660 W		E		2 23S	3 1E	1,310		0 N	246083
3001531078	BARCLAY STATE 006A	BP AMERICA PRODUCTION COMPANY	1980 S		1980 W		K		2 23S	3 1E	1,370		0 C	778
3001535676	STATE 2 004	REEF EXPLORATION, L.P.	1980 S		1980 W		K		2 23S	3 1E	1,320		0 A	246083
3001535750	STATE 009	REEF EXPLORATION, L.P.	660 S		660 W		M		2 23S	3 1E	1,320		0 A	246083
3001535675	STATE 2 003	REEF EXPLORATION, L.P.	1980 N		1980 W		F		2 23S	3 1E	1,867		0 A	246083
3001535677	STATE 2 005	REEF EXPLORATION, L.P.	660 S		1980 W		N		2 23S	3 1E	1,867		0 A	246083
3001524112	DUNES ST 001	THE SUPERIOR OIL CO	1980 S		1980 E		J		2 23S	3 1E	2,640		0 P	214263
3001529590	BARCLAY STATE 002	FOREST OIL CORPORATION	1980 S		1980 E		J		2 23S	3 1E	2,640	8470	A	8041
3001530089	BARCLAY 11 D FEDERAL 004	DEVON ENERGY PRODUCTION COMPANY, LP	660 N		660 W		D		11 23S	3 1E	2,640		0 C	6137
Nearby Injection Wells														
3001529792	BARCLAY STATE 004	FOREST OIL CORPORATION	660 S		1980 E		O		2 23S	3 1E	2,952	8450	A	8041
3001505840	STATE AA-2 001	FOREST OIL CORPORATION	660 N		660 E		I		2 23S	3 1E	4,754	5800	A	8041
3001525410	BARCLAY 11 H FEDERAL 001	DEVON ENERGY PRODUCTION COMPANY, LP	2180 N		660 E		H		11 23S	3 1E	5,743	9104	A	6137

L was Flowing Suke Water when Open Hole LOGGED
 SWD-TEST 10/20/98 4500-5850 NOT USED
 CRT Top Below DV = ? Producing From 6058-) L. Brady C.
 See WBD

Reef Exploration, LP Injection into the Bell and Cherry									
API	WELL_NAME	PROPERTY	OCCLAND	LAND_TYPE	WELL_TYPE	NBR_GACRES	SPUD_DATE	COMPL_STATU	
3001535749	36 STATE 008	36538 L	S		O	1	40	Unknown	
3001535748	36 STATE 007	36538 E	S		O	1	40	Unknown	
3001531078	BARCLAY STATE 006A	29382 K	S		G			Unknown	
3001535676	STATE 2 004	36570 K	S		O	1	40	Unknown	
3001535750	36 STATE 009	36538 M	S		O	1	40	Unknown	
3001535675	STATE 2 003	36570 F	S		O	1	40	Unknown	
3001535677	STATE 2 005	36570 N	S		O	1	40	Unknown	
3001524112	DUNES ST 001	30041 J	S		O			Plugged	
3001529590	BARCLAY STATE 002	32711 J	S		O	1	40	05-Aug-97 Active	
3001530089	BARCLAY 11 D FEDERAL 004	22889 D	F		O			Unknown	
Nearby Injection Wells									
3001529792	BARCLAY STATE 004	32711 O	S		S	2	80	07-Sep-97 Active	
3001505840	STATE AA-2 001	32712 A	S		S	1	40	22-May-97 Active	
3001525419	BARCLAY 11 H FEDERAL 001	13218 H	F		S	2	80	28-Jun-03 Active	

CISF
RLM
BGM
STK

Submit to Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-105
Revised 1-1-89

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.
30-015-29590

5. Indicate Type Of Lease
STATE FEE

6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL GAS WELL DRY OTHER

b. Type of Completion: NEW WELL WORK OVER DEEPEN PLUG BACK DIFF RESVR OTHER

2. Name of Operator
ARCO Permian

3. Address of Operator
P.O. Box 1610 Midland, TX 79702

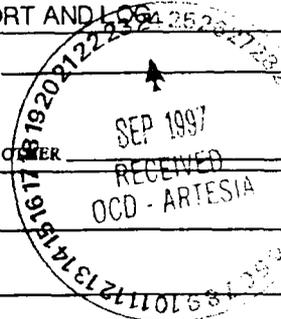
4. Well Location
Unit Letter J : 1980 Feet From The SOUTH Line and 1980 Feet From The EAST Line

Section 2 Township 23S Range 31E NMPM EDDY County

7. Lease Name or Unit Agreement Name
BARCLAY STATE

8. Well No.
2

9. Pool name or Wildcat
LIVINGSTON RIDGE SOUTH (DELAWARE)



10. Date Spudded: 8/5/97

11. Date T.D. Reached: 8/18/97

12. Date Compl.(Ready to Prod.): 9/4/97

13. Elevations(DF & RKB, RT, GR, etc.): 3436

14. Elev. Casinghead

15. Total Depth: 8470

16. Plug Back T.D.: 8429

17. If Multiple Compl. How Many Zones?

18. Intervals Drilled By: Rotary Tools Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name
8043-8244 (DELAWARE)

20. Was Directional Survey Made
NO

21. Type Electric and Other Logs Run
GR-DDL-CNL-NGT-LDT

22. Was Well Cored
YES

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

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	54.5	845	17 1/2"	775 SX CLASS "C" CIRC.	0
8-5/8	32	4525	12 1/4"	1300 SX CLASS C CIRC.	0
5-1/2	17	8470	7-7/8	875 SX CLASS C CEMENT	0
				DV @ 5491 TOC 3580' TS	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-7/8"	7908	

26. Perforation record (interval, size, and number)
8043-8244 DELAWARE (CURRENTLY OPEN)

27. ACID, SHOT, FRACTURE, CEMENT, SOBBEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
8043-8244	ACID W/2000 GAL 15-FRAC W/58,800 GAL VIK I-30: 204,000 #SD

28. PRODUCTION

Date First Production: 9-5-97

Production Method (Flowing, gas lift, pumping - Size and type pump): PUMPING

Well Status (Prod. or Shut-in): PRODUCING

Date of Test: 7-10-97

Hours Tested: 24

Choke Size

Prod'n For Test Period

Oil - Bbl.: 42

Gas - MCF

Water - Bbl.: 250

Gas - Oil Ratio

Flow Tubing Press.: 150

Casing Pressure: 45

Calculated 24-Hour Rate

Oil - Bbl.

Gas - MCF

Water - Bbl.

Oil Gravity - API (Corr.): 42.3

29. Disposition of Gas (Sold, used for fuel, vented, etc.): VENTED

Test Witnessed By

30. List Attachments

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature: Elizabeth A. Casbeer Printed Name: ELIZABETH A. CASBEER Title: REG./COMP. ANALYST Date: 9/19/97

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

clst

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs NM 88241-1980

2040 Pacheco St.
Santa Fe, NM 87505

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-015-29590
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 20761
7. Lease Name or Unit Agreement Name BARCLAY STATE
8. Well No. 2
9. Pool name or Wildcat LIVINGSTON RIDGE SOUTH (DELAWARE)
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3436

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER
2. Name of Operator ARCO Permian
3. Address of Operator P.O. Box 1610 Midland, TX 79702
4. Well Location Unit Letter J : 1980 Feet From The SOUTH Line and 1980 Feet From The EAST Line Section 2 Township 23S Range 31E NMPM EDDY County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: ADD PERES <input checked="" type="checkbox"/>	

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

6-21-98 MIRU PULLING UNIT.
 6-22-98 POOH W/RODS AND PUMP. SET CIBP @ 6960' & DUMP 35' CMT.
 6-23-98 PERF UPPER BRUSHY CANYON 6657-6746' AND 6039-6219'.
 6-24-98 FRAC 6657-6746' W/35500 GAL 15x; 70000 #SD.
 FRAC 6039-6219' W/27000 GAL 15x; 48000 #SD.

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

SIGNATURE *Laurie Cherry* TITLE REGULATORY COMPLIANCE DATE 7/1/98
 TYPE OR PRINT NAME Laurie Cherry TELEPHONE NO. 915-688-5532

(This space for State Use)

APPROVED BY *Jim W. Brown B60* TITLE District Supervisor DATE 7-6-98
 CONDITIONS OF APPROVAL, IF ANY:

DRILLING PROGRAM

Attached to Form 3160-3
Devon Energy Corporation (Nevada)
BARCLAY "11D" FEDERAL #4
660' FNL & 660' FWL
Section 11-T23S-R31E, Unit D
Eddy County, New Mexico

1. Geologic Name of Surface Formation

Permian

2. Estimated Tops of Important Geologic Markers

Rustler	800'
Top of Salt	1100'
Base of Salt	3900'
Bell Canyon	4435'
Cherry Canyon	5610'
Brushy Canyon	6970'
Bone Spring Lime	8265'
Total Depth	8750'

← should be appropriate if

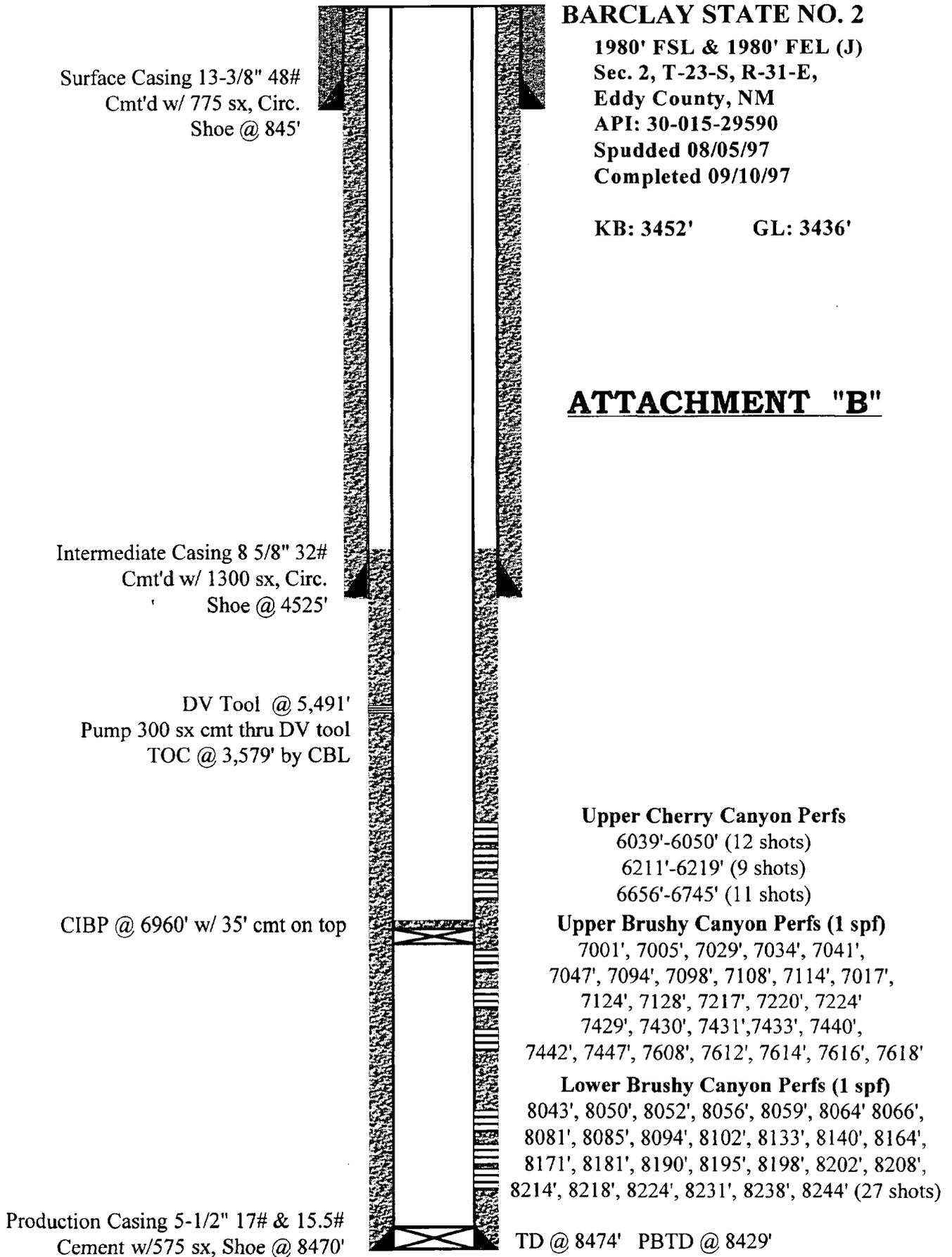
3. Estimated Depths of Possible Fresh W

Upper Permian Sands	fresh wat
Delaware	4435' oi
Delaware (Cherry Canyon)	6010' oir
Delaware (Brushy Canyon)	8025' oil

Depth can be held to 8365 ormations
(100' into/through Bone Springs)

No other formations are expected to yield oil, gas or fresh water in measurable volumes. The surface fresh water sands will be protected by setting 13 3/8" casing at 850' and circulating cement back to surface. The Potash and Salt intervals will be protected by setting 8 5/8" casing at 4350' and circulating cement to surface. The Delaware intervals will be isolated by setting 5 1/2" casing to total depth and circulating cement above the base of the 8 5/8" casing.

CURRENT WELLBORE SCHEMATIC



BARCLAY STATE NO. 2

1980' FSL & 1980' FEL (J)
Sec. 2, T-23-S, R-31-E,
Eddy County, NM
API: 30-015-29590
Spudded 08/05/97
Completed 09/10/97

KB: 3452' GL: 3436'

ATTACHMENT "B"

Intermediate Casing 8 5/8" 32#
Cmt'd w/ 1300 sx, Circ.
Shoe @ 4525'

DV Tool @ 5,491'
Pump 300 sx cmt thru DV tool
TOC @ 3,579' by CBL

CIBP @ 6960' w/ 35' cmt on top

Production Casing 5-1/2" 17# & 15.5#
Cement w/575 sx, Shoe @ 8470'

Upper Cherry Canyon Perfs

6039'-6050' (12 shots)

6211'-6219' (9 shots)

6656'-6745' (11 shots)

Upper Brushy Canyon Perfs (1 spf)

7001', 7005', 7029', 7034', 7041',

7047', 7094', 7098', 7108', 7114', 7017',

7124', 7128', 7217', 7220', 7224'

7429', 7430', 7431', 7433', 7440',

7442', 7447', 7608', 7612', 7614', 7616', 7618'

Lower Brushy Canyon Perfs (1 spf)

8043', 8050', 8052', 8056', 8059', 8064' 8066',

8081', 8085', 8094', 8102', 8133', 8140', 8164',

8171', 8181', 8190', 8195', 8198', 8202', 8208',

8214', 8218', 8224', 8231', 8238', 8244' (27 shots)

TD @ 8474' PBTD @ 8429'

CMD :
OG5SEC2

ONGARD
VIEW LAND BY ULSTR

08/26/08 16:50:44
OGOWVJ -TPKW
PAGE NO: 7

Sec : 2 Twp : 23S Rng : 31E Cnty1 : WIP
Cnty2 : Eddy Cnty3 :

U Lot/ Qtr	SRF SUB	ACTIVE	Bene	REMARKS
L Trct Qtr	ACREAGE	OWNER	LEASE #	(may show restrictions codes)
J	NW4SE4	40.00	ST ST R2 6739 0000	WIP
			R2 6740 0000	
			V0 0302 0005	
K	NE4SW4	40.00	ST ST GM 1701 0000 CS	WIP
			MP 0024 0003	
			V0 0302 0005	
L	NW4SW4	40.00	ST ST GM 1701 0000 CS	POT WIP
			MP 0024 0003	
			V0 0302 0005	
M	SW4SW4	40.00	ST ST GM 1701 0000 CS	POT WIP
			MP 0024 0003	

PF01 HELP PF02 PREV PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SEC2

ONGARD
VIEW LAND BY ULSTR

08/26/08 16:52:00
OGOWVJ -TPKW
PAGE NO: 8

Sec : 2 Twp : 23S Rng : 31E Cnty1 : WIP
Cnty2 : Eddy Cnty3 :

U Lot/ Qtr	SRF SUB	ACTIVE	Bene	REMARKS
L Trct Qtr	ACREAGE	OWNER	LEASE #	(may show restrictions codes)
M SW4SW4	40.00	ST ST V0	0302 0005	POT WIP
N SE4SW4	40.00	ST ST GM	1701 0000 CS	WIP
		MP 0024 0003		
		V0 0302 0005		
O SW4SE4	40.00	ST ST GM	1701 0000 CS	WIP
		MP 0024 0003		
		R2 5430 0000		
		R2 6740 0000		
		SW 0192 0003		
		V0 0302 0005		
P SE4SE4	40.00	ST ST GM	1701 0000 CS	WIP

PF01 HELP PF02 PREV PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SEC2

ONGARD
VIEW LAND BY ULSTR

08/26/08 16:52:04
OGOWVJ -TPKW
PAGE NO: 9

Sec : 2 Twp : 23S Rng : 31E Cnty1 : WIP
Cnty2 : Cnty3 :

U Lot/ Qtr	SRF SUB	ACTIVE	Bene	REMARKS
L Trct Qtr	ACREAGE	OWNER	LEASE #	(may show restrictions codes)
P	SE4SE4	40.00	ST ST MP	0024 0003 WIP
			R2	4785 0000
			R2	5430 0000
			R2	6471 0000
			R2	6626 0000
			R2	7166 0000
			V0	0302 0005

M0001: This is the last page

PF01 HELP PF02 PREV PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

PROPOSED SWD LOCATION

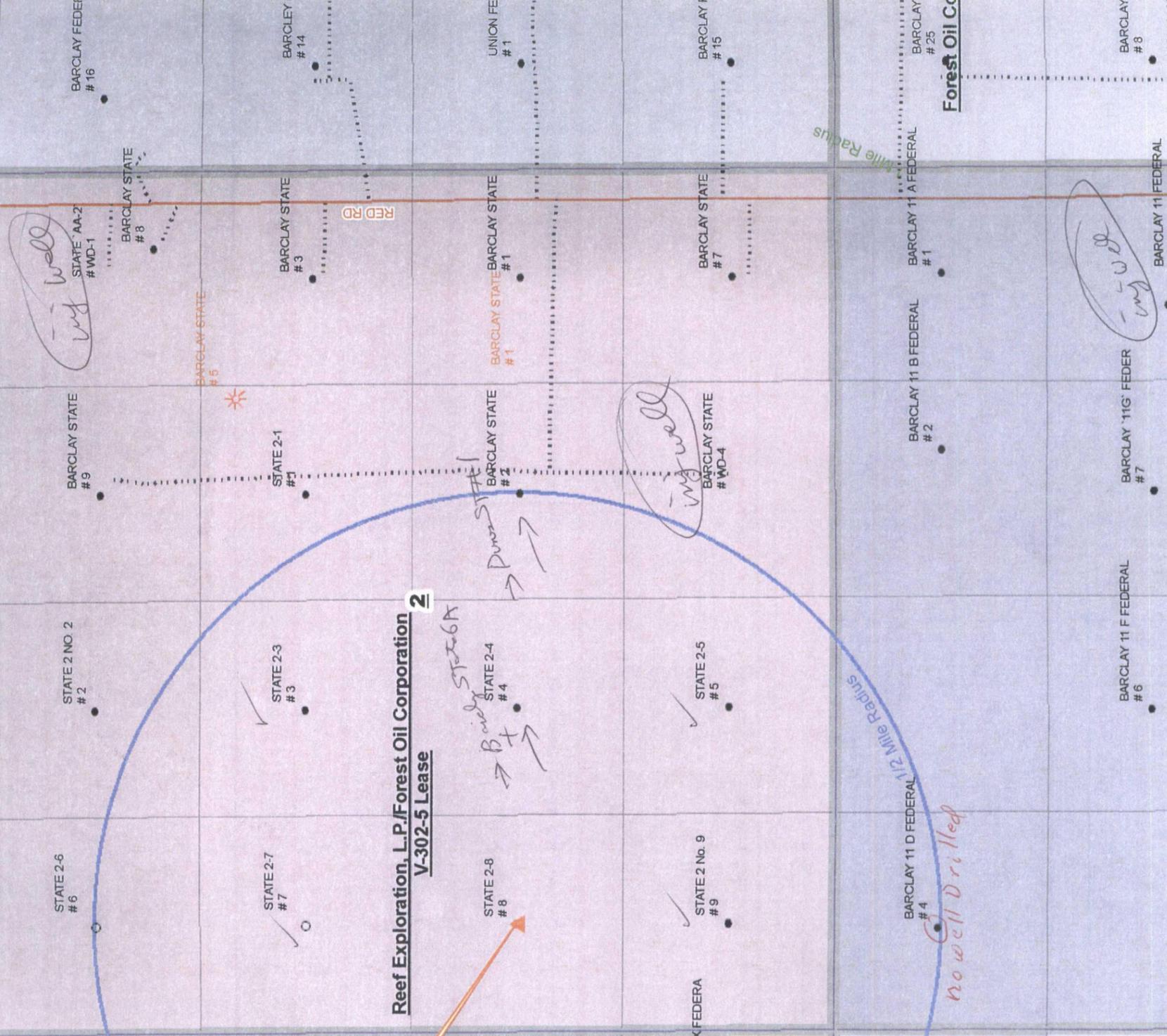
ALX FEDER #14
GLOW WORM ALX FEDER #12
GLOW WORM ALX FEDER #11

3
Yates Petroleum Corporation
NM-81953 Lease

2
Reef Exploration, L.P./Forest Oil Corporation
V-302-5 Lease

Devon Energy Production Co. LP
NM-77046 Lease

USA - BLM
Open Lease



nowell drilled

nowell drilled

Bridger State #1

ing well

ing well

ing well

1/2 Mile Radius

RED RD

Forest Oil Co.

Devon Energy Production Co. LP
NM-77046 Lease

USA - BLM
Open Lease

3
Yates Petroleum Corporation
NM-81953 Lease

2
Reef Exploration, L.P./Forest Oil Corporation
V-302-5 Lease

ALX FEDER #14
GLOW WORM ALX FEDER #12
GLOW WORM ALX FEDER #11

GLOW WORM ALX FEDER #4

STATE 2-6 #6

STATE 2-7 #7

STATE 2-8 #8

STATE 2 No. 9 #9

STATE 2 NO. 2 #2

STATE 2-3 #3

STATE 2-4 #4

STATE 2-5 #5

BARCLAY STATE #9

STATE 2-1 #1

BARCLAY STATE #2

BARCLAY STATE #WD-4

STATE AA-2 #WD-1

BARCLAY STATE #3

BARCLAY STATE #1

BARCLAY STATE #7

BARCLAY FEDER #16

BARCLAY F #14

UNION FEDER #1

BARCLAY F #15

BARCLAY F #25

BARCLAY F #8

BARCLAY 11 A FEDERAL #1

BARCLAY 11 B FEDERAL #2

BARCLAY 11 C FEDERAL #1

BARCLAY 11 D FEDERAL #4

BARCLAY 11 E FEDERAL #1

BARCLAY 11 F FEDERAL #6

BARCLAY 11 G FEDERAL #7

BARCLAY 11 H FEDERAL #1

BARCLAY 11 I FEDERAL #2

BARCLAY 11 J FEDERAL #1

BARCLAY 11 K FEDERAL #1

BARCLAY 11 L FEDERAL #1

BARCLAY 11 M FEDERAL #1

BARCLAY 11 N FEDERAL #1

BARCLAY 11 O FEDERAL #1

BARCLAY 11 P FEDERAL #1

BARCLAY 11 Q FEDERAL #1

BARCLAY 11 R FEDERAL #1

#005

Injection Permit Checklist 2/8/07

SWD Order Number 1140 Dates: Division Approved 8/26/08 District Approved _____

Well Name/Num: State 2" #8 (BARCLAY State) Date Spudded: 11/17/07

API Num: (30-) 015-35749 County: EDDY

Footages 660 FWL / 1980 FBL Sec 2 Tsp 22S Rge 31E

Operator Name: Reef EXPLORATION, LP Contact Ronald M. SENTZ

Operator Address: 1901 N. Central EXPRESSWAY, SUITE 300, RICHARDSON, TX, 75080

Current Status of Well: Lower Del Well (BRUSHY Comp) Planned Work: PLUG BACK Inj. Tubing Size: 2 7/8" @ 4400'

UNIT L
Rule 40 = OK
FA = OK

GRID = 248083
0/19

	Hole/Pipe Sizes	Depths	Cement	Top/Method
Surface	17 1/4 13 3/8	701	555	CIRC
Intermediate	11 8 5/8	4380	1000	CIRC
Production	7 7/8 5 1/2	8510	1200	2320 CBL
Last DV Tool		6421		
Open Hole/Liner				
Plug Back Depth				

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

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

Intervals:	Depths	Formation	Producing (Yes/No)
Salt/Potash			
Capitan Reef			
Chinle House, Etc.			
Formation Above			
Top Inj Interval	4500	Bell Del	TOP
Bottom Inj Interval	5250	Cherry Del	5262
Formation Below			

920
PSI Max. WHIP
NO Open Hole (Y/N)
NO Deviated Hole (Y/N)

Fresh Water: Depths: NO Wells(Y/N) NO Analysis Included (Y/N): ? Affirmative Statement

Salt Water Analysis: Injection Zone (Y/N/NA) NO Disp Waters (Y/N/NA) 1/2 Types: Brackish Coarse

Notice: Newspaper(Y/N) Surface Owner SLG Mineral Owner(s) _____

Other Affected Parties: Valdez / FORMER OIL / BP / DECON / SOMER / STO

AOR/Repairs: Num Active Wells 5 Repairs? NO Producing in Injection Interval in AOR NO

AOR Num of P&A Wells 0 Repairs? — Diagrams Included? — RBDMS Updated (Y/N) _____

Well Table Adequate (Y/N) _____ AOR STRs: Sec _____ Tsp _____ Rge _____ UIC Form Completed (Y/N) _____

New AOR Table Filename _____ Sec _____ Tsp _____ Rge _____ This Form completed _____

Conditions of Approval: Sec _____ Tsp _____ Rge _____ Data Request Sent _____

SET CIBP w/in 200'
SEC PKR w/in 100'

Who is current Lessee?

AOR Required Work: What number of Del is TOPS office Prod? above Del = ?
BLM notice?

Required Work to this Well: Send Batten 1/2 mile AOR Map.