

DATE IN 4/1/10	SUSPENSE	ENGINEER TW	LOGGED IN 4/1	TYPE WFX	PROJECT 1009 154487
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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



(241598)
 FAIRWAY
 SRLGU #47#52

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]

WFX-863

[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

(2 wells) [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.

Ben Stone

Print or Type Name

Signature

**Agent for Fairway Resources
 Operating, LLC**

Title

3/29/09

Date

ben@sosconsulting.us (agent)
 e-mail Address

2010 APR - 1 A 11:10
 RECEIVED OGD
 Surf. Pipe
 set @ 370'
 5 1/2" CSG
 400SX CIVC.
 TO SURF.



SOS Consulting, LLC

March 29, 2010

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

Attn: Mr. Mark Fesmire, Director

Re: Application of Fairway Resources Operating, LLC for waterflood expansion by two wells in its South Red Lake II (Grayburg) Unit in Section 36, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico.

Dear Mr. Fesmire,

Please find enclosed form C-108 Application for Authority to Inject, supporting the above-referenced request for converting the SRLGU Well Nos. 47 and 52 to injection.

Fairway Resources Operating, LLC seeks to optimize efficiency, both economically and operationally, of its operations. Approval of this application is consistent with that goal as well as the NMOCD's mission of preventing waste and protection of correlative rights.

The subject waterflood has been authorized for injection since March 25, 1965 under division order R-2882 and expanded twice by WFX numbers 263 and 542.

Changes have occurred by the addition of wells in the one-half mile areas of review and these newer wells are documented in this C-108. Published the legal notice ran in the Tuesday, March 30, 2010 edition of the Artesia Daily Press and all offset operators and other interested parties have been notified individually. The legal notice affidavit and certified mail receipts for all notifications will follow this application package as soon as possible. This application also includes new wellbore schematics, new area of review maps and other pertinent updated information. The South Red Lake Grayburg Unit is on state lands and a copy of this application has been submitted to the State Land Office, Division of Oil, Gas and Minerals.


I respectfully request that the approval of this waterflood expansion proceed swiftly and if you or your staff requires additional information or has any questions, please do not hesitate to call or email me.

Best regards,

Ben Stone, Partner
SOS Consulting, LLC
Agent for Fairway Resources Operating, LLC

Cc: Application attachment and file

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: **Enhanced Oil Recovery Injection** and the application **qualifies** for administrative approval.
- II. OPERATOR: **Fairway Operating Resources, LLC**
ADDRESS: **P.O. Box 17088, Ft. Worth, TX 76102**
- CONTACT PARTY: **Agent: SOS Consulting, LLC – Ben Stone (903) 488-9850**
- III. WELL DATA: **All well data and applicable wellbore diagrams are attached hereto.**
- IV. **This is a 2 well expansion of an existing project. Original OCD orders R-2882, WFX-263, WFX-542**
- V. **A map is attached** that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- *VI. **A tabulation is attached** of data on all wells of public record within the area of review which penetrate the proposed injection zone **and have not been previously submitted. The data includes** 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. **(5 active wells and 1 P&A well in current Area of Review and not in previous AORs.)**
- VII. **The following data is attached** on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. **Appropriate geologic data on the injection zone is attached** including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. **No stimulation program is proposed at this time.**
- *X. **There is no applicable logging and test data on the wells however, any previous well logs have been filed with the Division and they need not be resubmitted.**
- *XI. **There is no fresh water well within one mile the proposed injection wells. The nearest is located in NE qtr of S26,T17S,R27E and falls beyond the one-mile radius.**
- XII. **An affirmative statement is attached that available geologic and engineering data has been examined and no evidence was found** of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. **"Proof of Notice" section on the next page of this form has been completed.**
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
NAME: **Ben Stone** TITLE: **Consultant, Agent for Fairway Resources Operating, LLC**
SIGNATURE:  DATE: **3/29/2010**
E-MAIL ADDRESS: **Agent: SOS Consulting, LLC: info@sosconsulting.us**
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal:

III. WELL DATA – *The following information and data is included:*

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

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

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

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

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

XIV. PROOF OF NOTICE *pursuant to the following criteria is attached.*

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

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

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

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

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

Inactive Well List

Total Well Count: 41 Inactive Well Count: 2 Since: 12/31/2008

Printed On: Friday, March 26 2010

District	API	Well	ULSTR	OCD Unit	OGRID	Operator	Lease Type	Well Type	Last Production	Formation/Notes	Status	TA Exp Date
2	30-015-00621	MIDNIGHT MATADOR #010	A-35-17S-27E	A	241598	FAIRWAY RESOURCES OPERATING, LLC	F	I	08/2005		T	12/11/2009
2	30-015-00660	SOUTH RED LAKE II UNIT #012	F-36-17S-27E	F	241598	FAIRWAY RESOURCES OPERATING, LLC	S	O	11/2008			

WHERE Ogrid:241598, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15, Excludes Wells Under ACOI, Excludes Wells in Approved TA Period



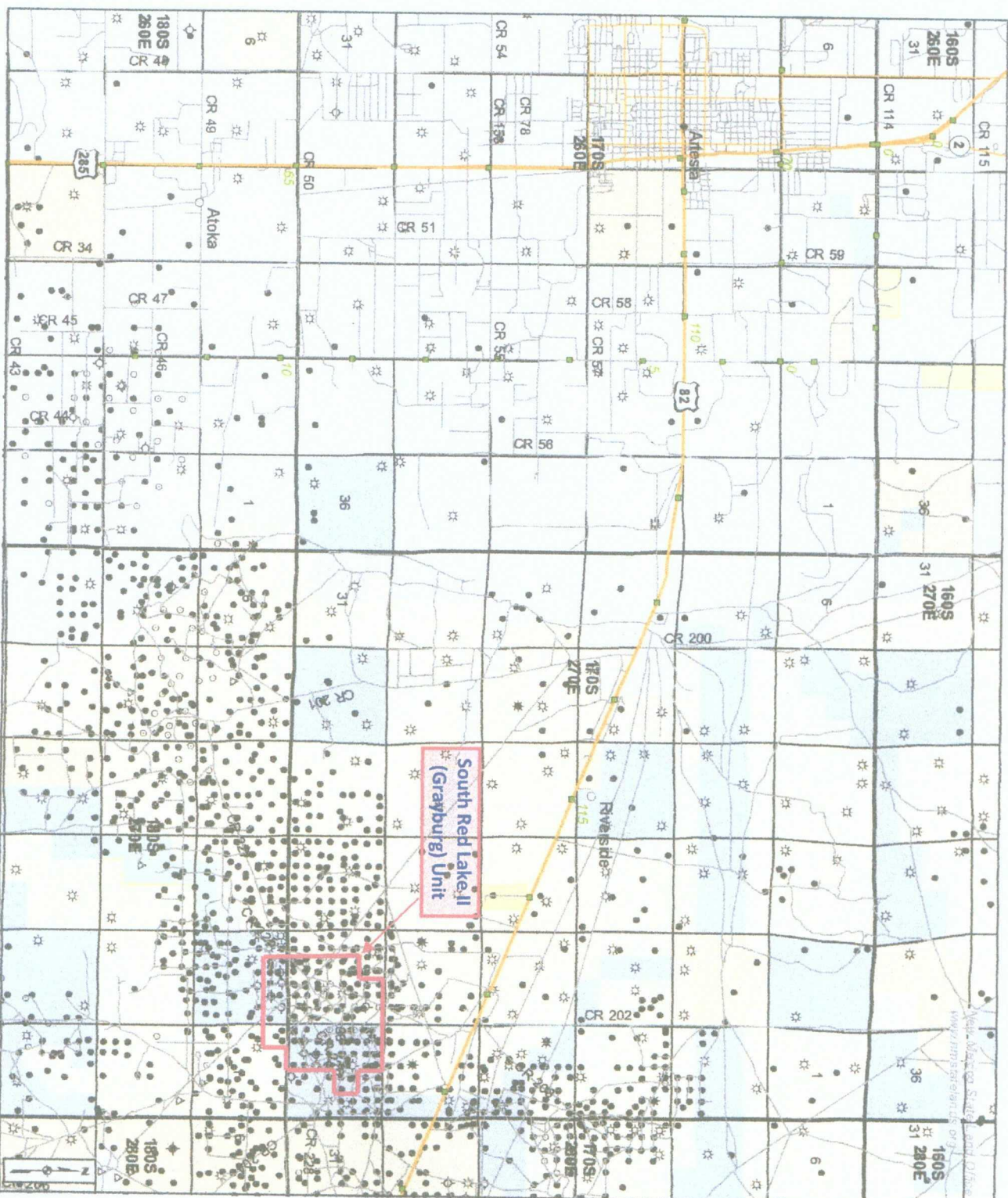
C-108 ITEM XII – GEOLOGIC AFFIRMATION

We have examined available geologic and engineering data and have found no evidence of open faults or other hydrologic connection between the disposal interval and any underground sources of drinking water.

A handwritten signature in black ink, appearing to read "Ben Stone", is written over a horizontal line.

Ben Stone, Partner
SOS Consulting, LLC

Form C-108 Attachment - South Red Lake II (Grayburg) Unit - Location Overview



LEGEND

- County Seats
- ▲ S.O District Offices
- City, Town or Village
- ★ Volcanic Vents
- Highway Mileposts
- NMOC Oil, Gas Wells
- Carbon Dioxide
- Gas
- Injection
- Miscellaneous
- Oil
- ▲ Salt Water Disposal
- Water
- ◇ DA or PA

Federal Subsurface Ownership

- All Minerals
- Coal Only
- Oil and Gas Only
- Oil, Gas and Coal Only
- Other Minerals

State Trust Lands Ownership

- Surface Estate
- Subsurface Estate
- Both Estates

State Lease Types

- Commercial Leases
- Minerals Leases
- Oil and Gas Leases
- Agricultural Leases
- Oil, Gas Leasing Influenced By Restriction
- Not Available for Oil, Gas Leasing

GIS Map generated 3/29/2010
for Fairway Resources Operating, LLC by
SOS Consulting, LLC. Well spots and
associated data provided by OCD to State
Land Office. Currency and validity is per
those agencies policy and protocol for
data generation, migration and sharing.

New Mexico State Land Office

Oil, Gas, and Minerals Land/Lease Information Map

0 0.204 0.8 1.2 1.6 Miles

Universal Transverse Mercator Projection Zone 13
1983 North American Datum

The New Mexico State Land Office assumes no responsibility or liability for, or in connection with, the accuracy, reliability or use of the information provided here, in State Land Office data layers or any other data layer.

Land Office Geographic Information Center

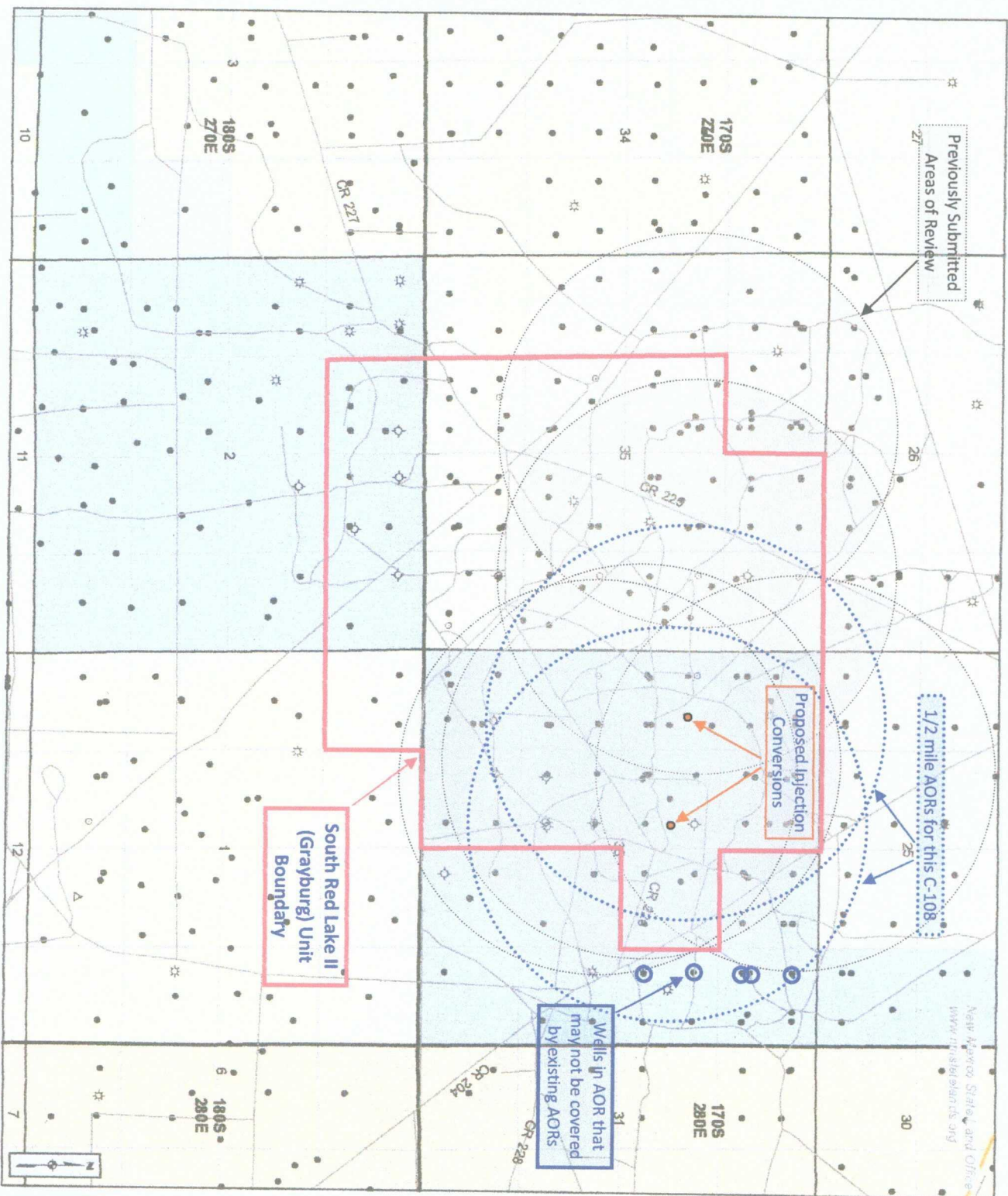
kgc@sls.state.nm.us

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SOS Consulting, LLC

Form C-108 Attachment - South Red Lake II (Grayburg) Unit with Previous AORs



LEGEND

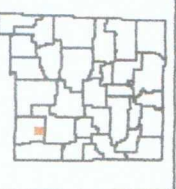
- County Seats
- SL O District Offices
- City, Town or Village
- Volcanic Vents
- Highway Mileposts
- NMOCD Oil, Gas Wells**
 - Carbon Dioxide
 - Gas
 - Injection
 - Miscellaneous
 - Oil
 - Salt Water Disposal
 - Water
 - DA or PA
- Federal Subsurface Ownership**
 - All Minerals
 - Coal Only
 - Oil and Gas Only
 - Oil, Gas and Coal Only
 - Other Minerals
- State Trust Lands Ownership**
 - Surface Estate
 - Subsurface Estate
 - Both Estates
- State Lease Types**
 - Commercial Leases
 - Minerals Leases
 - Oil and Gas Leases
 - Agricultural Leases
 - Oil, Gas Leasing Influenced By Restriction

GIS Map generated 3/29/2010
for Fairway Resources Operating, LLC by
SOS Consulting, LLC. Well spots and
associated data provided by OCD to State
Land Office. Currency and validity is per
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New Mexico State Land Office
Oil, Gas, and Minerals Land/Lease Information Map

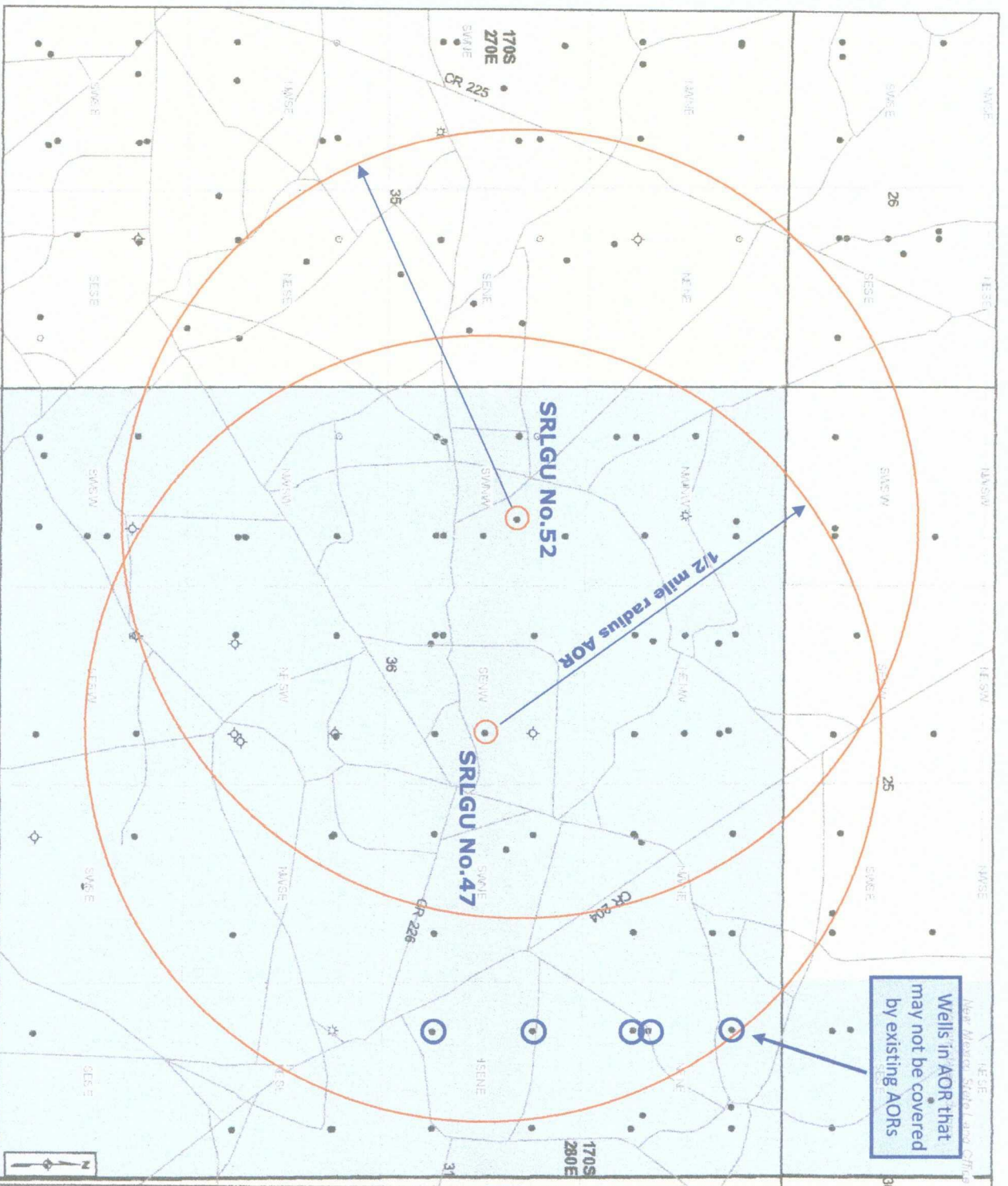
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Land Office Geographic Information Center
kgc@sla.state.nm.us
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SOS Consulting, LLC

Form C-108 Attachment - Area of Review Map



Wells in AOR that may not be covered by existing AORs

LEGEND

- County Seats
- ▲ S.O District Offices
- City, Town or Village
- ★ Volcanic Vents
- Highway Mileposts
- NMOCD Oil, Gas Wells
 - ☆ Carbon Dioxide
 - ☆ Gas
 - Injection
 - Miscellaneous
 - Oil
 - △ Salt Water Disposal
 - ★ Water
 - ◇ DA or PA
- Federal Subsurface Ownership
 - All Minerals
 - Coal Only
 - Oil and Gas Only
 - Oil, Gas and Coal Only
 - Other Minerals
- State Trust Lands Ownership
 - Surface Estate
 - Subsurface Estate
 - Both Estates
- State Lease Types
 - Commercial Leases
 - Minerals Leases
 - Oil and Gas Leases
 - Agricultural Leases
 - Oil, Gas Leasing
 - Influenced By Restriction
 - Not Available for Oil, Gas Leasing

GIS Map generated 3/26/2010
for Fairway Resources Operating, LLC by
SOS Consulting, LLC. Well spots and
associated data provided by OCD to State
Land Office. Currency and validity is per
those agencies policy and protocol for
data generation, migration and sharing.

SOS Consulting, LLC

New Mexico State Land Office Oil, Gas, and Minerals Land/Lease Information Map

00 02805 0.1 0.15 0.2

Miles

Universal Transverse Mercator Projection, Zone 13
1983 North American Datum

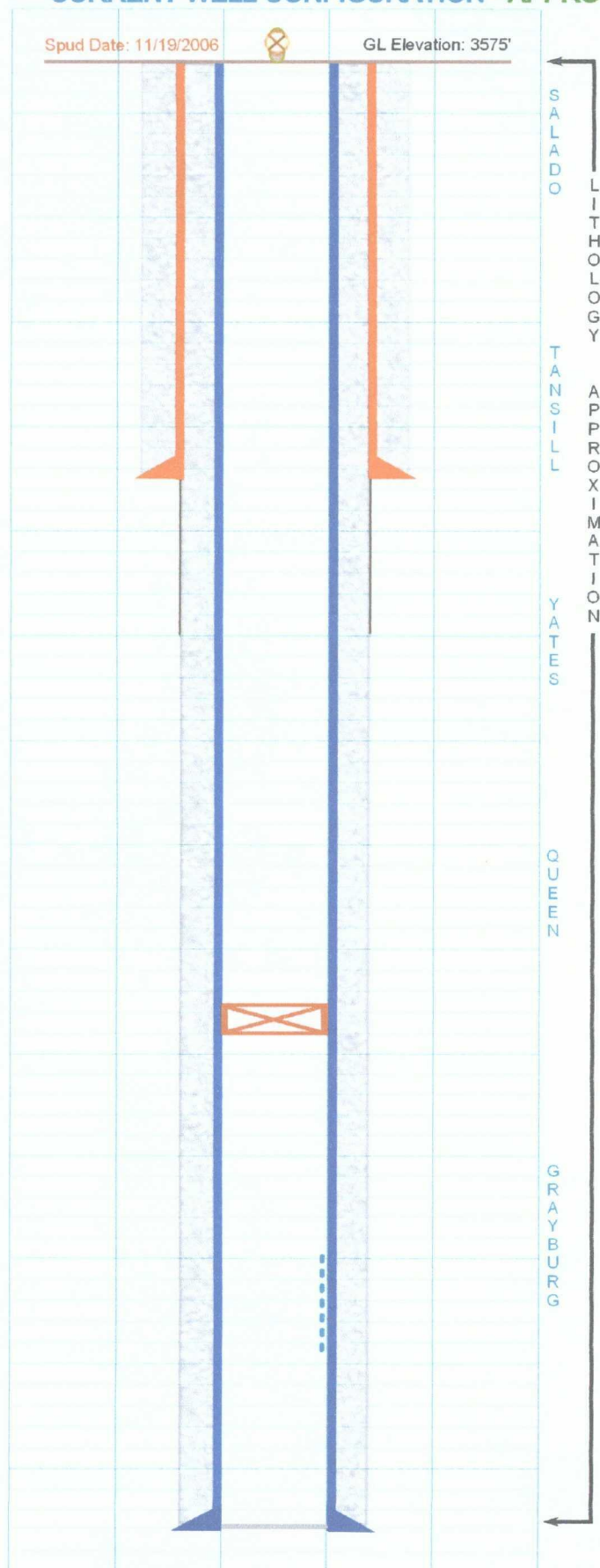
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or in connection with, the accuracy, reliability or use of the information
provided here, in State Land Office data layers or any other data layer.

Land Office Geographic Information Center
logis@state.nm.us

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CURRENT WELL CONFIGURATION - APPROVED TA



SRLGU Well No. 52

API No. 30-015-35193

Location: 1780' FNL & 875' FWL

Section 36, Twp 17S, Rng 27E, NMPM

Latitude: 32.792946 Longitude: -104.237961

Eddy County, New Mexico

Red Lake; Qn-Grbg-SA (Pool No. 51300)

Formation: Salado (Anhydrite/Mix)

Surface: 8.625" 24# @ 360' (Borehole 12.25")

Cement: 225 Sacks Class 'C' w/ 2% CaCl and additives
from 360' to 0' (Circulated)

Formation: Tansill (Top ~340' Dolomite/Anhydrite)

Formation: Yates (Top ~450')

Casing loaded with Packer Fluid w/ corrosion inhibitor
and oxygen scavenger additives.

Formation: Queen (Top ~1150')

Tubing: 2.875" Plastic Coated @ ~1450'

Packer: 5.5" PKR @ ~1455'

APPROVED TA (Expires 2012)
CIBP @ 1475'

Production: 5.5" 15.5# @ 1814' (Borehole 7.875")

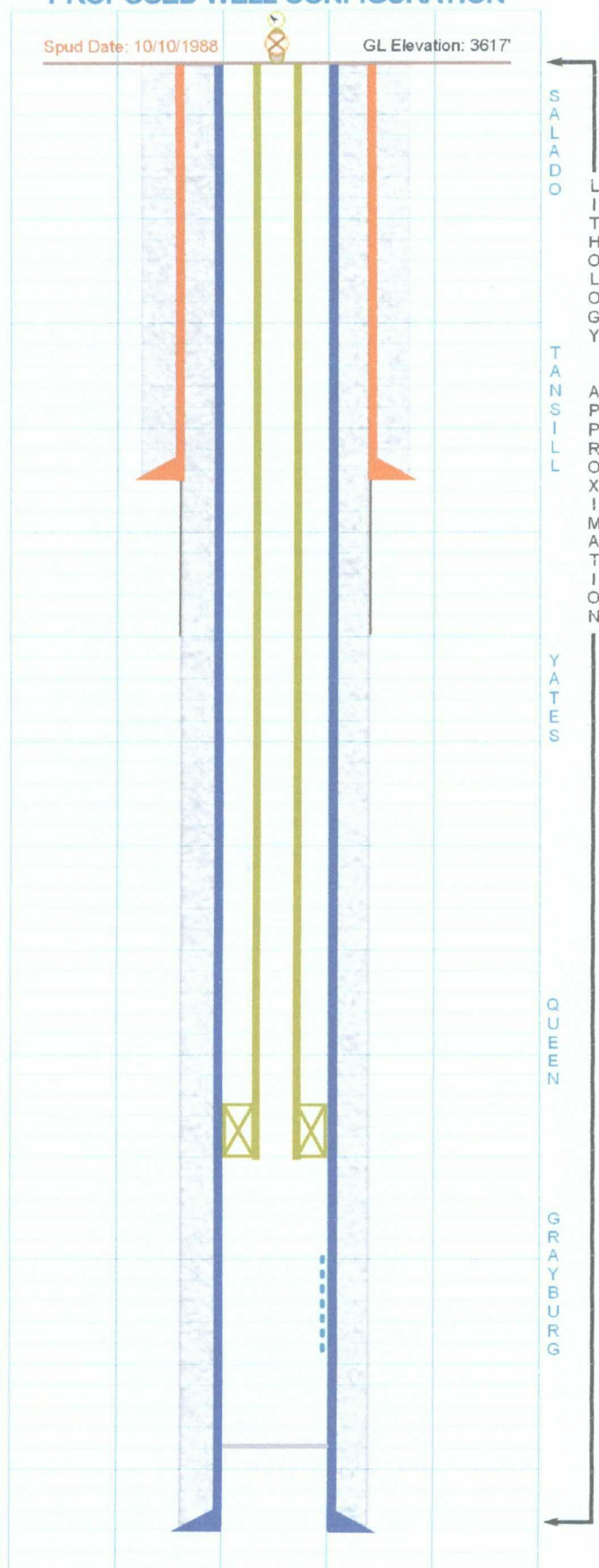
Cement: 100 Sacks Class 'C' and 300 Sacks Class 'H'
w/ additives from 1814' to 0' (Circulated)

Formation: Grayburg (Top ~1500')

Perforations: 1519' - 1523'
1619' - 1628'
1647' - 1651'

DTD: 1814'

PROPOSED WELL CONFIGURATION



SRLGU Well No. 47

API No. 30-015-25969

Location: 1980' FNL & 2310' FWL
Section 36, Twp 17S, Rng 27E, NMPM
Latitude: 32.792361 Longitude: -104.233268
Eddy County, New Mexico
Red Lake; Qn-Grbg-SA (Pool No.51300)

Formation: Salado (Anhydrite/Mix)

Surface: 8.625" 28# @ 370' (Borehole 12.25")

Cement: 225 Sacks Premium Plus w/ 2% CaCl
from 370' to 0' (Circulated)

Formation: Tansill (Top ~350' Dolomite/Anhydrite)

Formation: Yates (Top 490')

Casing/Tubing Annulus loaded with Packer Fluid.

Tubing: 2.875" Plastic Coated @ 1700'

Packer: 5.5" PKR @ 1705'

Formation: Queen (Top 1192')

Production: 5.5" 15.5# @ 1774' (Borehole 7.875")

Cement: 440 Sacks 65% Class C & 35% Pozimix
from 1774' to 0' (Circulated - Pump & Plug)

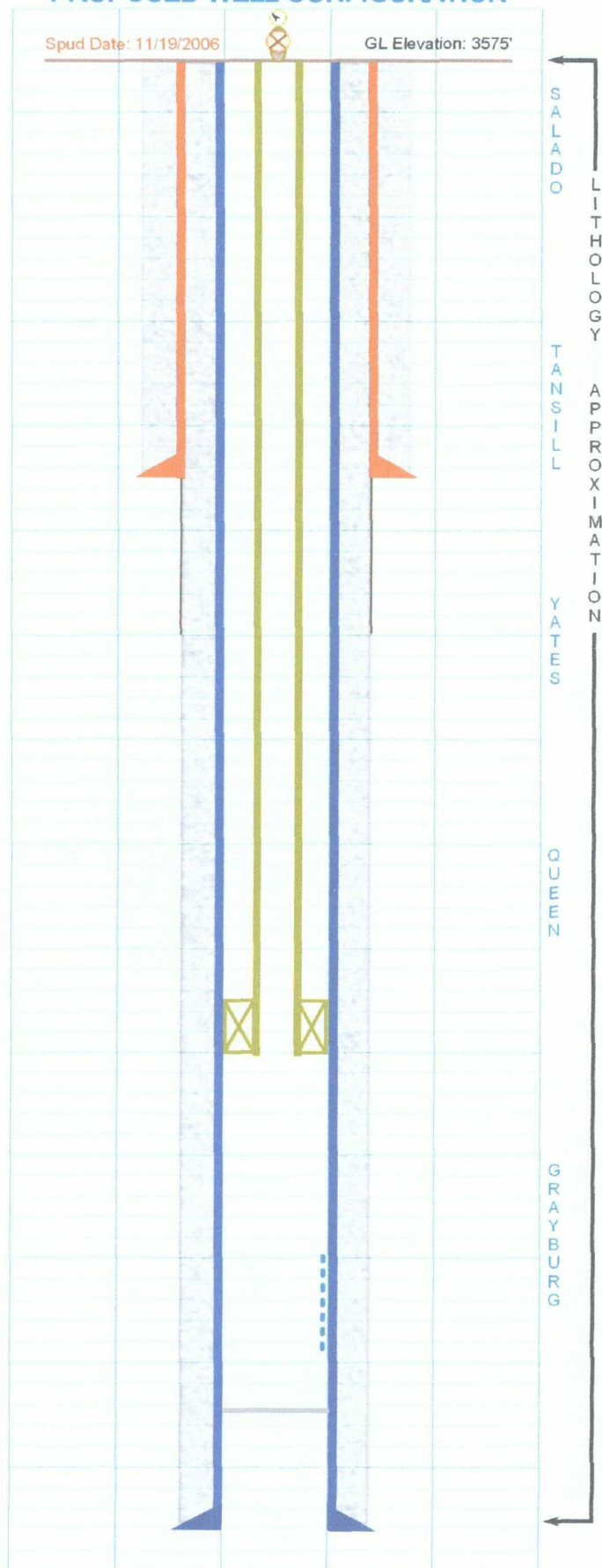
Formation: Grayburg (Top 1626')

Perforations: 1697' - 1708'
1729' - 1733'

PBTD: 1755'

DTD: 1775'

PROPOSED WELL CONFIGURATION



SRLGU Well No. 52

API No. 30-015-35193

Location: 1780' FNL & 875' FWL

Section 36, Twp 17S, Rng 27E, NMPM

Latitude: 32.792946 Longitude: -104.237961

Eddy County, New Mexico

Red Lake; Qn-Grbg-SA (Pool No.51300)

Formation: Salado (Anhydrite/Mix)

Surface: 8.625" 24# @ 360' (Borehole 12.25")

Cement: 225 Sacks Class 'C' w/ 2% CaCl and additives
from 360' to 0' (Circulated)

Formation: Tansill (Top ~340' Dolomite/Anhydrite)

Formation: Yates (Top ~450')

Casing/Tubing Annulus loaded with Packer Fluid.

Formation: Queen (Top ~1150')

Tubing: 2.875" Plastic Coated @ ~1450'

Packer: 5.5" PKR @ ~1455'

Production: 5.5" 15.5# @ 1814' (Borehole 7.875")

Cement: 100 Sacks Class 'C' and 300 Sacks Class 'H'
w/ additives from 1814' to 0' (Circulated)

Formation: Grayburg (Top ~1500')

Perforations: 1519' - 1523'

1619' - 1628'

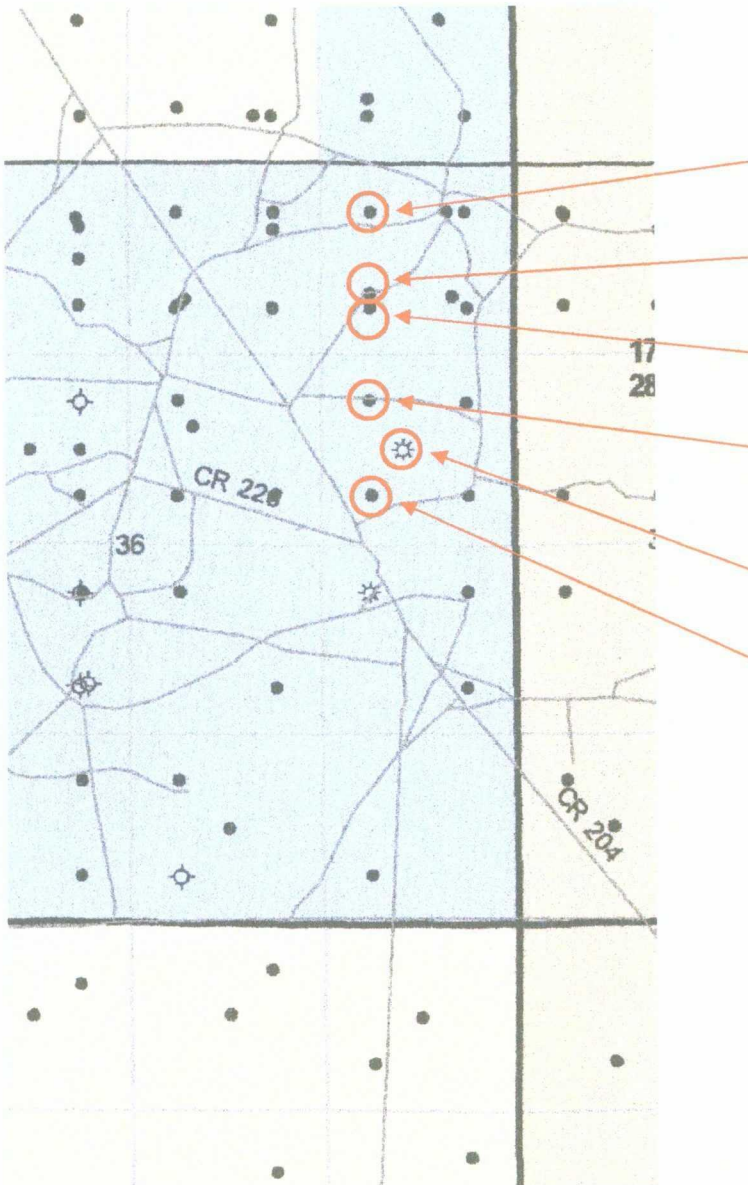
1647' - 1651'

PBTD: 1700' (Approximate depth after plug drill out and C/O)

DTD: 1814'

**C-108 Attachment - Wells in Area of Review
(Not Covered by Previous AORs)**

**Shaded wells
DO NOT PENETRATE
Injection Interval**



**Red Lake 36 A State No.1
30-015-33580**

**Red Lake 36 A State No.3
30-015-34379**

**Pre-Ongard P&A Well
30-015-00694**

**Gates State No.1
30-015-00647**

**No Bluff 36 State Com No.2
30-015-31123**

**Gates State No.3
30-015-31036**

For locational illustration only.

**Well construction tabulated on
next page.**

C-108 ATTACHMENT - WELLS IN AOR

WELLS IN AOR PENETRATING INJECTION INTERVAL

30-015-33580 RED LAKE 36 A STATE #001 [34237]

Operator: Edge Petroleum Operating, Inc.

General Well Information Status: Active

Well Type: Oil Work Type: New

Lease Type: State

Surface Location: A-36-17S-27E 330 FNL 990 FEL

Lat/Long: 32.7968477295626 -104.226865059259

GL Elevation: 3615

Proposed Formation and/or Notes

RED LAKE GLORIETA-YESO NE

Depths Proposed: 3700 Measured: 3650

30-015-34379 RED LAKE 36 A STATE #003 [34237]

Operator: Edge Petroleum Operating, Inc.

General Well Information Status: Active

Well Type: Oil Work Type: New

Lease Type: State

Surface Location: A-36-17S-27E 890 FNL 990 FEL

Lat/Long: 32.7953084071107 -104.226856817717

GL Elevation: 3619

Proposed Formation and/or Notes

Yeso Formation

Depths Proposed: 3800 Measured: 3650



30-015-31123 NO BLUFF 36 STATE COM #002 [306140]

Operator: Lime Rock Resources, L.P.

General Well Information Status: Active

Well Type: Gas Work Type: New

Direction:

Lease Type: State

Surface Location: H-36-17S-27E 1980 FNL 760 FEL

Lat/Long: 32.7923065481517 -104.22608877805

GL Elevation: 3634

Proposed Formation and/or Notes

WILDCAT MISSISSIPPIAN

Depths Proposed: 10050 Measured: 10050

**C-108 Attachment - Tabulation of Wells in AOR
(Wells Penetrating Injection Formation)**

Red Lake Well No.1 - 30-015-33580

Casing													
			Boreholes, Strings and Equipment Specifications			Specifications for Strings and Tubing			Strings Cemented and Intervals			Cement and Plug Description	
String/Hole Type	Taper	Date Set	Diameter	Top	Bottom (Depth)	Grade	Length	Weight	Bot of Cem	Top of Cem	Meth	Class of Cement	Pressure Test (Y/N)
Hole 1	1		12.25	0	420		0	0.0	0	0		0	No
Surface Casing	1		8.625	0	420	J-55	0	24.0	420	0		Class C Cement	No
Hole 2	1		7.875	0	3642		0	0.0	0	0		0	No
Production Casing	1		5.5	0	3642	J-55	0	17.0	3642	0		Class C Cement	No

Red Lake Well No.3 - 30-015-34379

Casing													
			Boreholes, Strings and Equipment Specifications			Specifications for Strings and Tubing			Strings Cemented and Intervals			Cement and Plug Description	
String/Hole Type	Taper	Date Set	Diameter	Top	Bottom (Depth)	Grade	Length	Weight	Bot of Cem	Top of Cem	Meth	Class of Cement	Pressure Test (Y/N)
Hole 1	1		12.25	0	406		0	0.0	0	0		0	No
Surface Casing	1		8.625	0	406	J-55	0	24.0	406	0		Class C Cement	No
Hole 2	1		7.875	0	3650		0	0.0	0	0		0	No
Production Casing	1		5.5	0	3650	J-55	0	15.5	3650	0		Class C Cement	No

Bluff 36 State Com Well No.2 - 30-015-31123

Casing													
			Boreholes, Strings and Equipment Specifications			Specifications for Strings and Tubing			Strings Cemented and Intervals			Cement and Plug Description	
String/Hole Type	Taper	Date Set	Diameter	Top	Bottom (Depth)	Grade	Length	Weight	Bot of Cem	Top of Cem	Meth	Class of Cement	Pressure Test (Y/N)
Surface Casing	1		13.375	0	425		425	61.0	425	0		Class C Cement	No
Hole 1	1		13.375	0	425		0	0.0	0	0		0	No
Intermediate 1 Casing	1		8.625	0	2002		2002	32.0	2002	0		Class C Cement	No
Hole 2	1		8.625	0	2002		0	0.0	0	0		0	No
Production Casing	1		5.5	0	10050		10050	17.0	10050	0		Class C Cement	No
Hole 3	1		5.5	0	10050		0	0.0	0	0		0	No
Packer	1		5.5	9920	9925		5	0.0	0	0		0	No
Tubing 1	1		2.875	0	9920		9920	0.0	0	0		0	No

**C-108 ITEM XIII – PROOF OF NOTIFICATION
INTERESTED PARTIES LIST**

SURFACE OWNER & MINERAL OWNER

STATE OF NEW MEXICO
State Land Office
Oil, Gas & Minerals Division
310 Old Santa Fe Trail
Santa Fe, NM 87504

SURFACE LESSEE

BOGLE LTD COMPANY
P.O. Drawer 460
Dexter, NM 88230-0460

OFFSET OPERATORS and/or MINERALS LESSEES

UNITED STATES OF AMERICA
Bureau of Land Management
2909 West Second Street
Roswell, NM 88201

EDGE PETROLEUM OPERATING COMPANY, INC.
1301 Travis Street, Suite 2000
Houston, TX 77002

COG OPERATING, LLC
500 W. Texas, Ste. 1300
Midland, TX 79701

ASPEN OIL COMPANY
P.O. Box 2674
Hobbs, NM 88241

BP AMERICA PRODUCTION COMPANY
P.O. Box 22048
Tulsa, OK 74121

CHEVRON USA INC.
11111 Wilcrest
Houston, TX 77099

DEVON ENERGY OPERATING CORP.
20 North Broadway
Oklahoma City, OK 73102

FINNEY OIL COMPANY
P.O. Box 1569
Artesia, NM 88211

G AND C SERVICE
P.O. Box 1618
Artesia, NM 88211

LIME ROCK RESOURCES A, L.P.
1111 Bagby Street, Suite 4600
Houston, TX 77002

MARBOB ENERGY CORP.
P.O. Box 227
Artesia, NM 88211

MEWBOURNE OIL COMPANY
P.O. Box 5270
Hobbs, NM 88241

OCCIDENTAL PERMIAN LTD
P.O. Box 4294
Houston, TX 77210

REATA RESOURCES, INC.
811 Bullock Avenue
Artesia, NM 88210

REGULATORY

NEW MEXICO OIL CONSERVATION DIVISION
1301 W. Grand Avenue
Artesia, NM 88210

NEW MEXICO STATE LAND OFFICE
Oil, Gas & Minerals Division
310 Old Santa Fe Trail
Santa Fe, NM 87504



March 29, 2010

NOTIFICATION TO INTERESTED PARTIES

To Whom It May Concern:

Fairway Resources Operating, LLC, Southlake, Texas has made application to the New Mexico Oil Conservation Division to convert two wells to injection in its South Red Lake II (Grayburg) Unit.

Following is the notice as published in the Artesia Daily Press , Artesia, New Mexico on Tuesday, March 30, 2010.

LEGAL NOTICE

Fairway Resources Operating, LLC, P.O. Box 17088, Ft. Worth, TX 76102 is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division for administrative approval for a waterflood expansion in its South Red Lake II [Grayburg] Unit. Two wells are proposed for conversion for injection into the Grayburg formation as follows:

SRLGU Well No.47, API No.30-015-25969, located 660' FSL & 1990' FEL, perforated interval from 1697' to 1733' and;

SRLGU Well No.52, API No.30-015-35193, located, 1780' FNL & 875' FWL, perforated interval from 1519' to 1651',
both in Section 36, Township 17 South, Range 27 East in Eddy County, New Mexico.

Produced water from the unit's Red Lake QN-GB-SA pool production will be will be reinjected at maximum injection pressures of 339 psi and 304 psi respectively. Maximum injection rates will be determined and limited only by these pressures.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87505, (505)476-3460 within 15 days of the date of this notice. Additional information may be obtained from Fairway Resources Operating, LLC (575)390-4611 or its agent, SOS Consulting, LLC, (903)488-9850.

Thank you for your attention in this matter.

Regards,

Ben Stone, SOS Consulting, LLC
Agent for Fairway Resources Operating, LLC

Cc: Application File

**C-108 Attachment - Proof of Notification
(Certified Mail Receipts)**

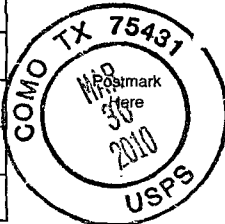
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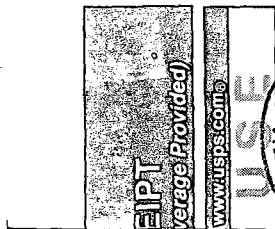
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1111 Bagby Street, Suite 4600
Houston, TX 77002

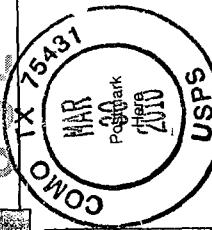
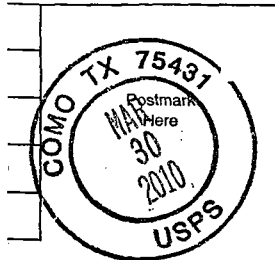
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City, State, ZIP+4

MARBOB ENERGY CORP.
P.O. Box 227
Artesia, NM 88211

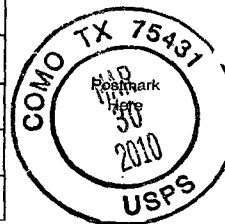
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P.O. Box 5270
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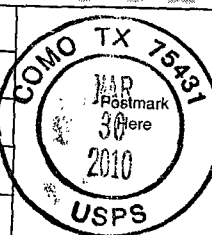
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**C-108 Attachment - Proof of Notification
(Certified Mail Receipts)**

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CHEVRON USA INC. 11111 Wilcrest Houston, TX 77099	
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DEVON ENERGY OPERATING CORP. 20 North Broadway Oklahoma City, OK 73102	
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For publication in the Artesia Daily Press.

Submitted 3/26/2010

Publish one time on earliest possible date.

Contact: Ben Stone, SOS Consulting, LLC,
P.O. Box 300
Como, Texas 75431
(903)488-9850.
Email: ben@sosconsulting.us

LEGAL NOTICE

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1980 FNL 2310 FWL — RBP MS

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Affidavit of Publication

NO. 21086

STATE OF NEW MEXICO

County of Eddy:

GARY D. SCOTT

being duly

sworn, says: That he is the PUBLISHER of The

Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for

1 Consecutive week/days on the same

day as follows:

First Publication March 30, 2010

Second Publication _____

Third Publication _____

Fourth Publication _____

Fifth Publication _____

Subscribed and sworn to before me this

30 Day

March

2010



OFFICIAL SEAL
Jo Morgan
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 6/26/2012

Jo Morgan

Jo Morgan
Notary Public, Eddy County, New Mexico

Copy of Publication:

LEGAL NOTICE

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Published in the Artesia Daily Press, Artesia, NM March 30, 2010.

Legal 21086