HOLLAND&HART LLP

Adam G. Rankin
agrankin@hollandhart.com

February 28, 2012

VIA HAND DELIVERY

Case 14808

Jami Bailey, 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 Legacy Reserves Operating LP for approval of a salt water disposal well, Eddy County, New Mexico.

Dear Ms. Bailey:

Enclosed in triplicate is the above-referenced administrative application of Legacy Reserves Operating LP, as well as a copy of a new legal advertisement. The Division received an objection to this administrative application when it was originally filed on November 8, 2011. Consequently, Legacy Reserves Operating LP hereby requests that this matter be placed on the docket for the March 29, 2012, examiner hearing.

Very truly yours,

Adam G. Rankin

Enclosures
cc: Rusty Holt, Legacy Reserves Operating LP

CASE 14808: **Application of Legacy Reserves Operating LP for approval of a salt water disposal well, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order authorizing injection for purposes of salt water disposal in the Andrew Arnquist Estate No. 2 Well, at a surface location 330 feet from the North line and 330 feet from the East line of Section 29, Township 18 South, Range 26 East, N.M.P.M., Eddy County, New Mexico. The target injection formation is the Cisco Canyon formation at a depth of approximately 7,750 feet to 8,100 feet. Said well is located approximately 1.5 miles southwest of Dayton, New Mexico.

PTGW

DATE IN 11.9.11	SUSPENSE	ENGINEER WMT	LOGGED IN 11.9.11	TYPE SWD	APP NO. 1131349415

RECEIVED OC

ABOVE THIS LINE FOR DIVISION USE ONLY

Legacy

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505

Case 14808 Andrews Arrowhead #

ADMINISTRATIVE APPLICATION CHECKLIST 30-015-21942

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]

Conv. Order 11-22-11
A-29-18S-26E

[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 _____

7700'-8100'
1200 PSI

[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.

Pat Darden	P. Patrick Darden	Sr. Engineer	11/07/11
Print or Type Name	Signature	Title	Date

pdarden@legacylp.com
e-mail Address

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT

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

FORM C-108
Revised June 10, 2003

Case 14808

APPLICATION FOR AUTHORIZATION TO INJECT

PURPOSE: _____Secondary Recovery _____Pressure Maintenance ___X___Disposal _____Storage
Application qualifies for administrative approval? ___X___Yes _____No

II. OPERATOR: Legacy Reserves, Operating LP

ADDRESS: Box 10848 Midland, TX 79702

CONTACT PARTY: Pat Darden, P.E. PHONE: 432-689-5237

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

IV. Is this an expansion of an existing project? _____Yes ___X___No
If yes, give the Division order number authorizing the project: _____

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

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

VII. Attach data on the proposed operation, including:

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

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

IX. Describe the proposed stimulation program, if any.

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

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

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

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

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

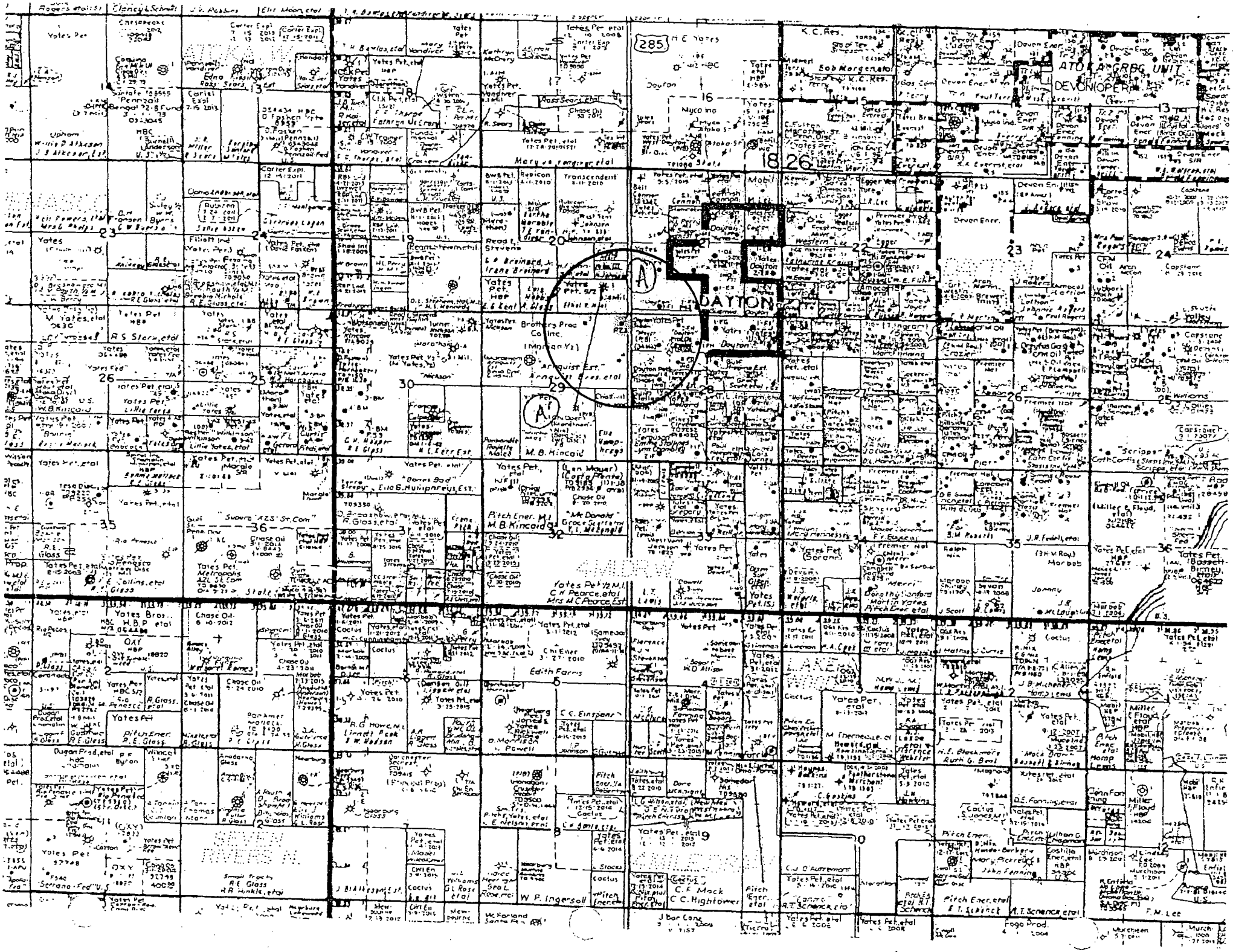
NAME: Pat Darden TITLE: Sr. Engineer

SIGNATURE: P. Patrick Darden DATE: 11/07/11

E-MAIL ADDRESS: pdarden@legacylp.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: _____

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


DAYTON
285
ATOKA-MORROW UNIT
DEVONIAN
A
A'

ATTACHMENT TO APPLICATION C-108

Andrew Arnquist Estate #2 (API 30-015-21942)
Unit A, Sect. 29, Tws. 18 S., Rng. 26 E.
Eddy Co., NM

III. WELL DATA

A. 1) See injection well data sheets and attached schematics.
2) See injection well data sheets and attached schematics.
3) 2 7/8" plastic coated tubing.
4) Baker Tension Packer.

B. 1) Injection formations is the Cisco Canyon.
2) Injection interval perforations from 7750' to 8100'.
3) Well was P & A, will re-enter and perforate.
4) The next higher producing zone is the Abo at approximately 4440'.
The next lower producing zone is the Strawn at approximately 8200'.

IV. NO.

V. MAP ATTACHED.

VI. LIST OF WELLS AND DATA ATTACHED.

VII. Legacy plans to re-enter the P & A Andrew Arnquist #2. Will drill out plug to original TD of 3000', squeeze old San Andres and Yeso perfs and deepen to 8200'. Legacy will run 5 ½" casing to TD and attempt to circulate cement. (run temp. survey)

We propose to perforate 5 ½" from 7750' to 8100', acidize as needed. Run in and set 2 7/8" IPC packer at 7700' and begin injecting into Cisco Canyon.

1) Plan to inject 5000 bpd with a maximum pressure of 1200# or whatever OCD allows.
2) Water will be from Legacy's own production from the Yeso
3) Injection will be a closed system.
4) Produced water analysis attached.

VIII. The proposed disposal formation is interbedded shale and limestone. The primary geologic name is the Cisco Canyon found from 7100′ to 8200′.

The fresh water formation in the area is the Ogallala which ranges in thickness from 100′ to 160′. Analysis of water well attached.

IX. ACID AS NEEDED.

X. WILL RE-LOG AND SEND UPON RE-ENTRY.

XI. ATTACHED.

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

XIII. ATTACHED.

Side 1

INJECTION WELL DATA SHEET

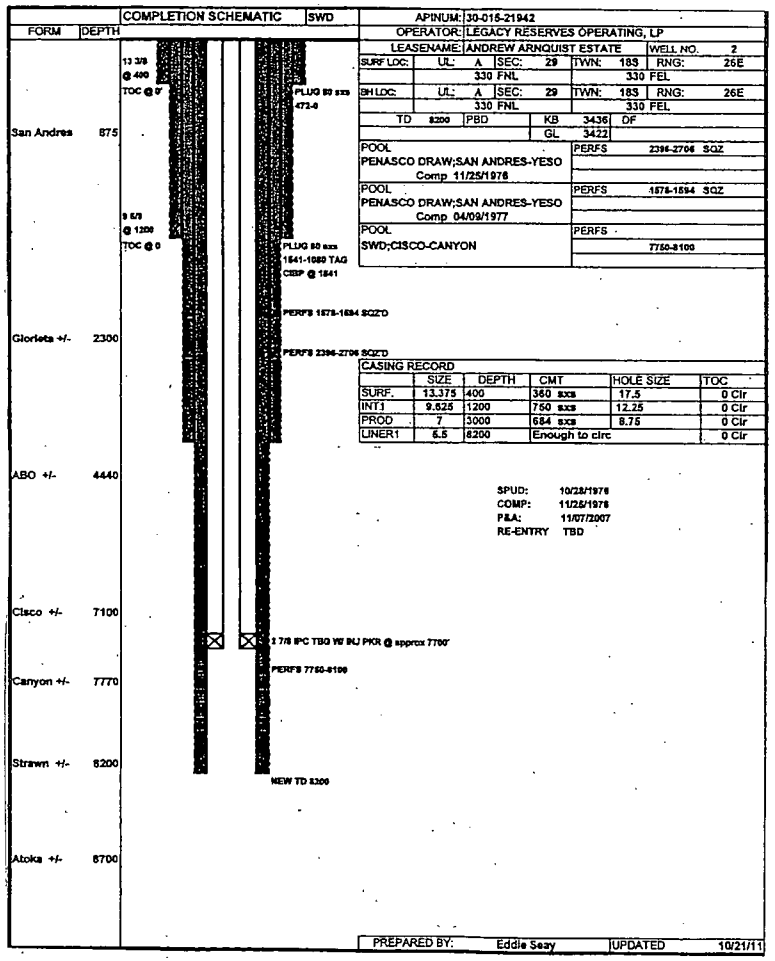
OPERATOR: Legacy Reserves Operating

WELL NAME & NUMBER: Andrew Arnquist #2

WELL LOCATION: 330/N 330/E A 29 18 26

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17.5 Casing Size: 13.375

Cemented with: 360 sx. *or* _____ ft³

Top of Cement: Surface Method Determined: Circ

Intermediate Casing

Hole Size: 12.25 Casing Size: 9.625

Cemented with: 750 sx. *or* _____ ft³

Top of Cement: Surface Method Determined: Circ

Production Casing

Hole Size: 8.75 Casing Size: 7

Cemented with: 684 sx. *or* _____ ft³

Top of Cement: Surface Method Determined: Circ.

* Total Depth: (See Attached)

Injection Interval

_____ feet to _____

(Perforated or Open Hole; indicate which)

Side 1

INJECTION WELL DATA SHEET

OPERATOR: Legacy Reserves Operating

WELL NAME & NUMBER: Andrew Arnquist # 2

WELL LOCATION: 330/N 330/E A 29 18 26

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. *or* _____ ft^3

Top of Cement: _____ Method Determined: _____

Intermediate Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. *or* _____ ft^3

Top of Cement: _____ Method Determined: _____

Production Casing

2

Hole Size: 6.5 Casing Size: 5.5

Cemented with: enough to Circ sx. *or* _____ ft^3

Top of Cement: Surface Method Determined: Circ

Total Depth: 8200

Injection Interval

7750 feet to 8100

(Perforated or Open Hole; indicate which)

Side 2

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8 Lining Material: IPC

Type of Packer: Baker Tension Type

Packer Setting Depth: 7700

Other Type of Tubing/Casing Seal (if applicable): NONE

Additional Data

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

   If no, for what purpose was the well originally drilled? Producer

2. Name of the Injection Formation: Cisco Canyon

3. Name of Field or Pool (if applicable): Penasco Draw

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. See attached schematic.

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

   Abo at 4440

   Strawn at 8200

DISPOSAL WELL

API #	PROPERTY NAME	#	OPERATOR	TD	TYPE	STAT	CO	LAND	U/L	SEC	TWN		RNG		N/S		E/W	
30-015-21942	LEGACY RESERVES OPERATI	2	ANDREW ARNQUIST ESTATE	3000					A	29	18	S	26	E	330	N	330	E

Wells within 1/2 mile of the proposed disposal well penatrating the proposed dispasal interval. 5280 5280

API #	PROPERTY NAME	#	OPERATOR	TD	TYPE	STAT	CO	LAND	U/L	SEC	TWN		RNG		N/S		E/W		< 1/2 mile
30-015-00212	ETHEL V NOEL	1	YATES PETROLEUM CORPORATION	9157	Gas	A	Eddy	P	P	20	18	S	26	E	990	S	990	E	1/2 mile
30-015-05926	LEN MAYER	1	YATES PETROLEUM CORPORATION	9225	Oil	A	Eddy	P	D	28	18	S	26	E	990	N	990	W	1/2 mile

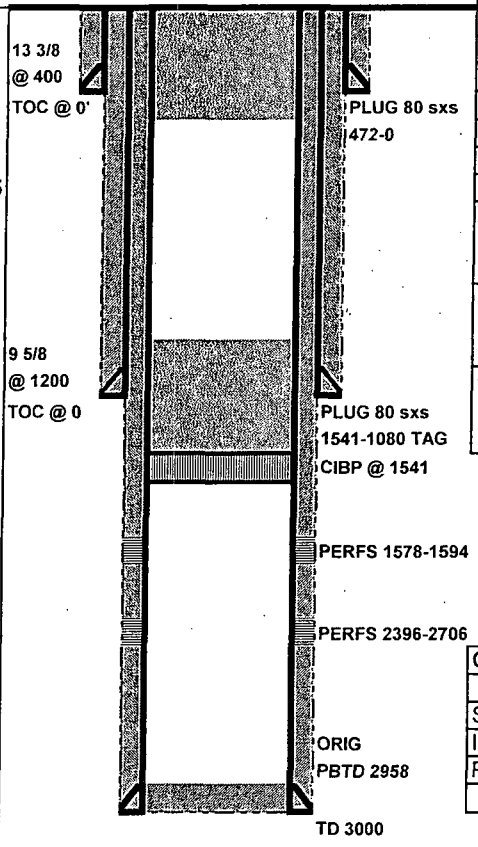
Wells within 1/2 mile which do not penatrate proposed disposal interval

API #	PROPERTY NAME	#	OPERATOR	TD	TYPE	STAT	CO	LAND	U/L	SEC	TWN		RNG		N/S		E/W		< 1/2 mile
30-015-21741	DAYTON FT	1	YATES PETROLEUM CORPORATION	1867	Oil	A	Eddy	P	M	21	18	S	26	E	330	S	990	W	1/2 mile
30-015-21770	DAYTON FY	1	YATES PETROLEUM CORPORATION	1775	Oil	A	Eddy	F	L	21	18	S	26	E	1650	S	990	W	1/2 mile
30-015-22040	ANDREW ARNQUIST ESTATE	4	LEGACY RESERVES OPERATING, LP	2825	Oil	P	Eddy	P	H	29	18	S	26	E	1650	N	430	E	1/2 mile
30-015-22041	ANDREW ARNQUIST ESTATE	3	LEGACY RESERVES OPERATING, LP	2763	Oil	P	Eddy	P	B	29	18	S	26	E	330	N	1650	E	1/2 mile
30-015-22306	YATES IQ	1	YATES PETROLEUM CORPORATION	2900	Oil	A	Eddy	P	E	28	18	S	26	E	2310	N	990	W	1/2 mile
30-015-22331	DAYTON FO	2	YATES PETROLEUM CORPORATION	2800	Oil	A	Eddy	P	F	28	18	S	26	E	1652	N	1650	W	1/2 mile
30-015-28878	DAYTON FN	2	YATES PETROLEUM CORPORATION	1885	Oil	A	Eddy	P	C	28	18	S	26	E	330	N	1650	W	1/2 mile

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC	O-P

FORM	DEPTH
San Andres	875
Glorieta +/-	2300
ABO +/-	4440
Cisco +/-	7100
Canyon +/-	7770
Strawn +/-	8200
Atoka +/-	8700



APINUM:	30-015-21942						
OPERATOR:	LEGACY RESERVES OPERATING, LP						
LEASENAME:	ANDREW ARNQUIST ESTATE					WELL NO.	2
SURF LOC:	UL: A	SEC: 29		TWN: 18S		RNG: 26E	
	330 FNL			330 FEL			
BH LOC:	UL: A	SEC: 29		TWN: 18S		RNG: 26E	
	330 FNL			330 FEL			
TD 3000	PBD		KB 3436	DF			
			GL 3422				

POOL	PERFS
PENASCO DRAW;SAN ANDRES-YESO Comp 11/25/1976	2396-2706
POOL	PERFS
PENASCO DRAW;SAN ANDRES-YESO Comp 04/09/1977	1578-1594
POOL	PERFS

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13.375	400	360 sxs	17.5	0 Cir
INT1	9.625	1200	750 sxs	12.25	0 Cir
PROD	7	3000	684 sxs	8.75	0 Cir

SPUD: 10/28/1976
COMP: 11/25/1976
P&A: 11/07/2007

PREPARED BY:	Eddie Seay	UPDATED	10/21/11

WELLBORE SCHEMATIC AFTER

COMPLETION SCHEMATIC	SWD

APINUM:	30-015-21942
OPERATOR:	LEGACY RESERVES OPERATING, LP
LEASENAME:	ANDREW ARNQUIST ESTATE
WELL NO.	2

SURF LOC:	UL:	A	SEC:	29	TWN:	18S	RNG: 26E
	330 FNL				330 FEL		
BH LOC:	UL:	A	SEC:	29	TWN:	18S	RNG: 26E
	330 FNL				330 FEL		

TD	8200	PBD		KB 3436	DF
				GL 3422	

POOL	PERFS
PENASCO DRAW;SAN ANDRES-YESO Comp 11/25/1976	2396-2706 SQZ
POOL	PERFS
PENASCO DRAW;SAN ANDRES-YESO Comp 04/09/1977	1578-1594 SQZ
POOL	PERFS
SWD;CISCO-CANYON	7750-8100

FORM	DEPTH
San Andres	875
Glorieta +/-	2300
ABO +/-	4440
Cisco +/-	7100
Canyon +/-	7770
Strawn +/-	8200
Atoka +/-	8700

13 3/8 @ 400
TOC @ 0'

9 5/8 @ 1200
TOC @ 0

PLUG 80 sxs 472-0

PLUG 80 sxs 1541-1080 TAG

CIBP @ 1541

PERFS 1578-1594 SQZ'D

PERFS 2396-2706 SQZ'D

2 7/8 IPC TBG W/ INJ PKR @ approx 7700'

PERFS 7750-8100

NEW TD 8200

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13.375	400	360 sxs	17.5	0 Cir
INT1	9.625	1200	750 sxs	12.25	0 Cir
PROD	7	3000	684 sxs	8.75	0 Cir
LINER1	5.5	8200	Enough to circ		0 Cir

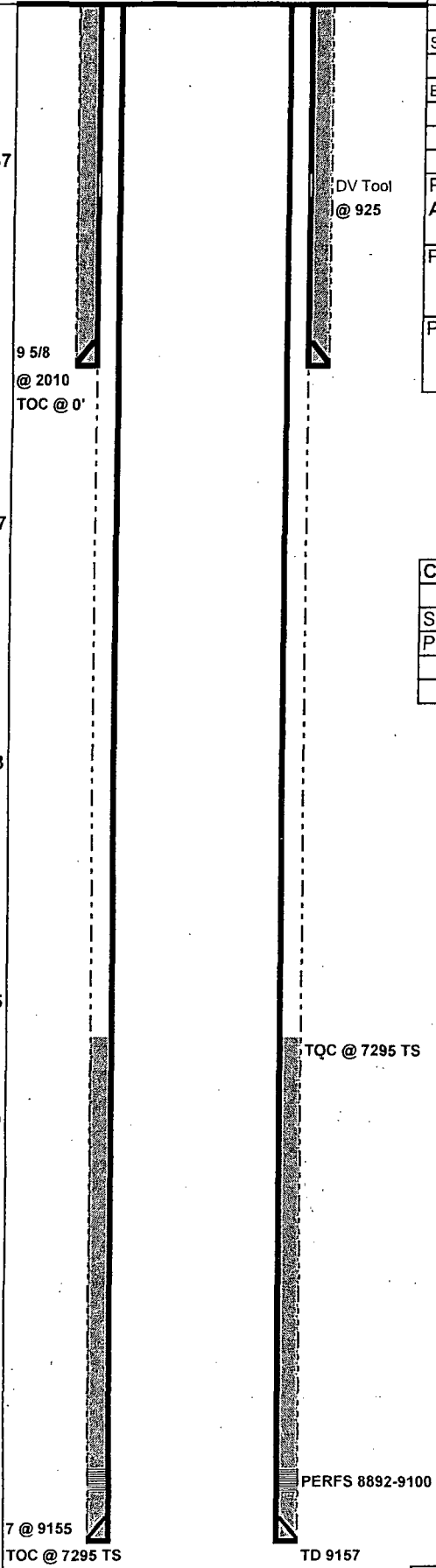
SPUD: 10/28/1976
COMP: 11/25/1976
P&A: 11/07/2007
RE-ENTRY TBD

PREPARED BY:	Eddie Seay	UPDATED	10/21/11

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC | G-A

FORM	DEPTH
San Andres	887
Glorieta	2257
Abo	4433
Cisco +/-	7075
Canyon	7770
Strawn	8180
Atoka	8668



APINUM:	30-015-00212
OPERATOR:	YATES PETROLEUM CORP
LEASENAME:	ETHAL V NOEL
WELL NO.	1

SURF LOC:	UL:	P	SEC:	20	TWN:	18S	RNG: 26E
	990 FSL				990 FEL		
BH LOC:	UL:	P	SEC:	20	TWN:	18S	RNG: 26E
	990 FSL				990 FEL		

TD 9157	PBD	KB	DF 3439
		GL	

POOL ATOKA;PENNSYLVANIAN (GAS)	PERFS 8892-9100
POOL	PERFS
POOL	PERFS

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	9.625	2010	1237 sxs	12.25	0 Cir
PROD	7	9155	275 sxs	8.75	7295 TS

SPUD: 10/28/1976
COMP: 11/25/1976
P&A: 11/07/2007

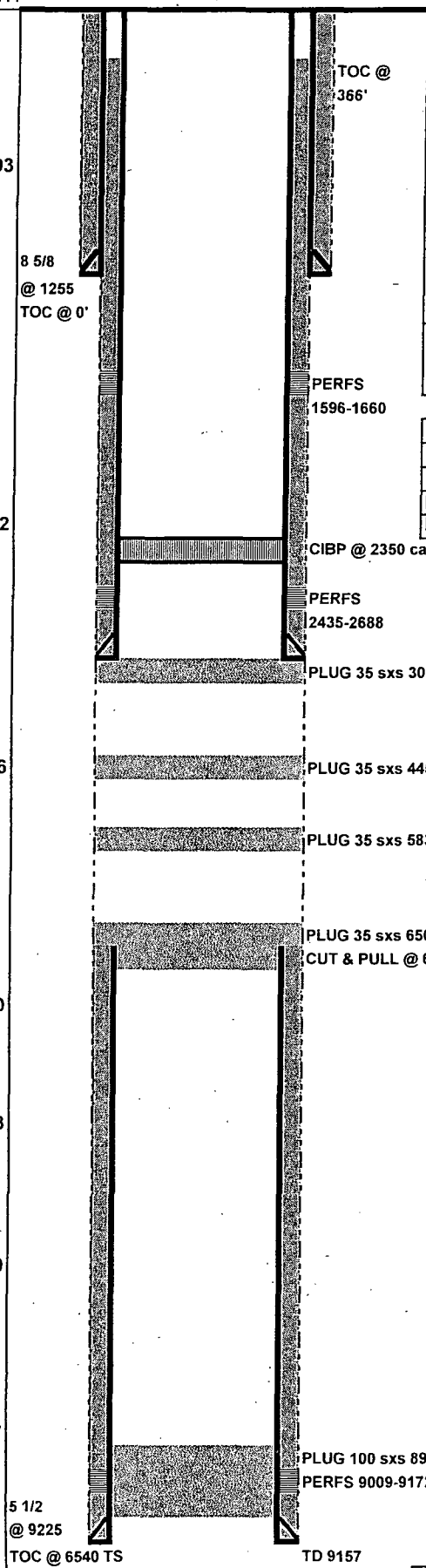
DV Tool @ 925 Stg 1 467 sxs circ
Stg 2 770 sxs circ

PREPARED BY: Eddie Seay | UPDATED 10/21/11

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC	G-A

FORM	DEPTH
San Andres	893
Glorieta	2282
Abo	4506
Cisco	7130
Canyon	7803
Strawn	8250
Atoka	8737



APINUM:	30-015-05926				
OPERATOR:	YATES PETROLEUM CORP				
LEASENAME:	LEN MAYER			WELL NO.	1
SURF LOC:	UL: D	SEC: 28	TWN: 18S	RNG:	26E
	990 FNL		990 FWL		
BH LOC:	UL: D	SEC: 28	TWN: 18S	RNG:	26E
	990 FNL		990 FWL		

TD	PBD	KB	DF
9225		GL	

POOL	PERFS
ATOKA;PENNSYLVANIAN (GAS)	9009-9172
ATOKA;GLORIETA-YESO	2435-2688
ATOKA;SAN ANDRES	1596-1660

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	8 5/8	1255	400 sxs	11	0 Cir
PROD	5.5	6550-9225	600 sxs	7.785	6540 TS
PROD	5.5	0-3000	600 sxs	7.785	366 TS

SPUD: 11/25/1960
COMP: *01/18/1961*

PREPARED BY:	Eddie Seay	UPDATED	10/21/11

BJ SERVICES

Water Analysis

Date: 2/24/2005

2401 Sivley, Artesia NM 88210
Phone (505) 746-3140 Fax (505) 746-2293

Analyzed For

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

Sample Source **Sample #** 1

Formation Canyon **Depth**

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

Cations

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

Anions

Chlorides	in Mg/L	24,000	in PPM	22,835
Sulfates	in Mg/L	2,000	in PPM	1,903
Bicarbonates	in Mg/L	185	in PPM	176
Total Hardness (as CaCO3)	in Mg/L	15,000	in PPM	14,272
Total Dissolved Solids (Calc)	in Mg/L	41,844	in PPM	39,813
Equivalent NaCl Concentration	in Mg/L	38,410	in PPM	36,546

Scaling Tendencies

*Calcium Carbonate Index 1,038,464

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

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

Below 500,000 Remote / 500,000 - 10,000,00 Possible / Above 10,000,000 Probable

***This Calculation is only an approximation and is only valid before treatment of a well or several weeks after treatment.**

Remarks FAX 677-2361

POOL	CHLORIDES
Dean Permo Pennsylvanian	44,730
Dean Devonian	19,525
Denton Wolfcamp	37,275
Denton Devonian	37,062
South Denton Wolfcamp	54,315
South Denton Devonian	34,080
Medicine Rock Devonian	39,760
Little Lucky Lake Devonian	23,288
Wantz Abo	132,770
Crosby Devonian	58,220
Scarborough Yates Seven Rivers	3,443 (Reef)
Teague Simpson	114,665
Teague Ellenburger	120,345
Rhodes Yates Seven Rivers	144,485
House San Andres	93,365
House Drinkard	49,700
South Leonard Queen	115,375
Elliott Abo	55,380
Scharb Bone Springs	30,601
EK Queen	41,890
East EK Queen	179,630
Maljamar Grayburg San Andres	46,079
Maljamar Paddock	115,375
Maljamar Devonian	25,418
Salt Lake Yates	6,781 (Reef)
Teas Yates Seven Rivers	22,152 (Reef?)

CARDINAL Laboratories

PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

Analytical Results For:

Eddie Seay Consulting
Eddie Seay
601 W. Illinois
Hobbs NM, 88242
Fax To: (505) 392-6949

Received:	01/06/2011	Sampling Date:	01/05/2011
Reported:	01/18/2011	Sampling Type:	Water
Project Name:		Sampling Condition:	Cool & Intact
Project Number:		Sample Received By:	Jodi Henson
Project Location:	ECS - 1 W		

Sample ID: E C S - 1 W (H100028-01)

Bicarbonate 310.1M mg/L **Analyzed By: HM**

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Alkalinity, Bicarbonate	**185**	5.00	01/07/2011	ND	964	96.4	1000	7.79	

Calcium SM3500Ca-D mg/L **Analyzed By: HM**

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Calcium	**70.5**	1.60	01/13/2011	ND	52.1	104	50.0	4.83	

rbonate 310.1M mg/L **Analyzed By: HM**

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Alkalinity, Carbonate	<0.00	0.00	01/07/2011	ND	ND		0.00		

Chloride, SM4500Cl-B mg/L **Analyzed By: HM**

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	**48.0**	4.00	01/10/2011	ND	104	104	100	3.77	

Conductivity 120.1 uS/cm **Analyzed By: HM**

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Conductivity	**600**	1.00	01/07/2011	ND	1410	100	1410	0.333	

Magnesium SM3500MgE mg/L **Analyzed By: HM**

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Magnesium	**17.5**	1.00	01/13/2011	ND	55.9	112	50.0	0.00	

pH pH Units **Analyzed By: HM**

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
pH	**7.88**	0.100	01/07/2011		7.03	100	7.00	0.253	

Potassium 8049 mg/L **Analyzed By: HM**

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier

Cardinal Laboratories

*=Accredited Analyte

Celey D. Keene

CARDINAL Laboratories

PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

Analytical Results For:

Eddie Seay Consulting
Eddie Seay
601 W. Illinois
Hobbs NM, 88242
Fax To: (505) 392-6949

Received:	01/06/2011	Sampling Date:	01/05/2011
Reported:	01/18/2011	Sampling Type:	Water
Project Name:		Sampling Condition:	Cool & Intact
Project Number:		Sample Received By:	Jodi Henson
Project Location:	ECS - 1 W		

Sample ID: E C S - 1 W (H100028-01)

Potassium 8049 mg/L **Analyzed By: HM**

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Potassium	**1.60**	1.00	01/13/2011	ND	7.61	95.1	8.00	9.11	

Sodium Calculated mg/L **Analyzed By: HM**

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Sodium	**18.0**	1.00	01/13/2011	ND					

fate 375.4 mg/L **Analyzed By: HM**

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Sulfate	**67.5**	10.0	01/11/2011	ND	40.4	101	40.0	7.90	

TDS 160.1 mg/L **Analyzed By: HM**

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TDS	**407**	5.00	01/06/2011	ND				0.00	

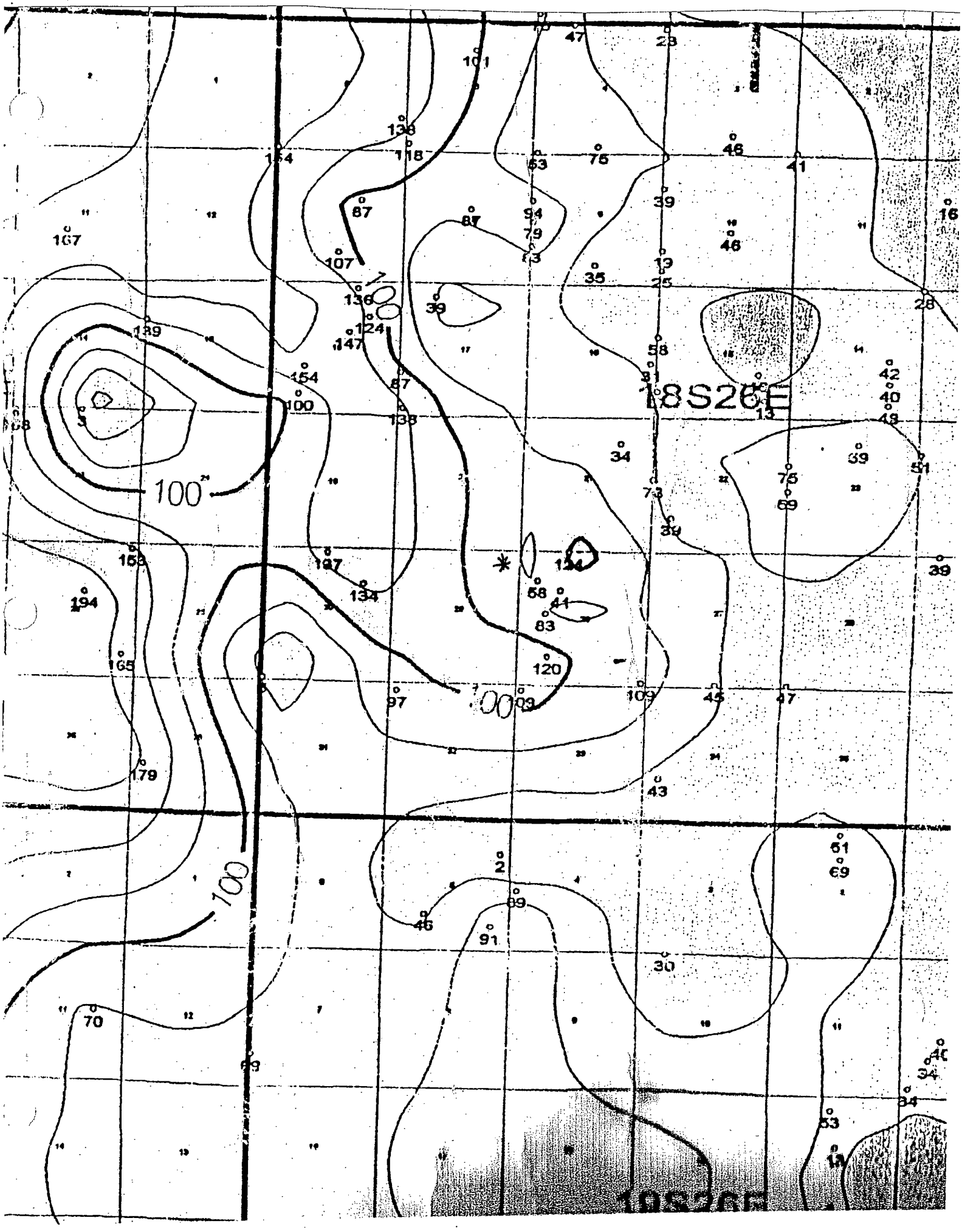
Total Alkalinity 310.1M mg/L **Analyzed By: HM**

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Alkalinity, Total	**152**	4.00	01/07/2011	ND	790	96.3	820	7.59	

Cardinal Laboratories

*=Accredited Analyte

Celey D. Keene


18S26E
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100
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LEGACY RESERVES, LP

RE: Andrew Arnquist Estate #2 (API 30-015-21942)
Unit A, Section 29, Tws. 18 S., Rng. 26 E.
Eddy Co. New Mexico

Dear Sir:

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

Any questions about the permit can be directed to Pat Darden, (432)689-5237. Any objections or request for hearing must be filed with the Oil Conservation Division within fifteen (15) days from the date received. The OCD address is 1220 S. Saint Francis Drive, Santa Fe, NM 87504, (505)476-3440.

Thank You,

Pat Darden, P.E.
Legacy Reserves
Box 10848
Midland, TX 79702
432-689-5237

LEASE OWNERS AND OFFSETS

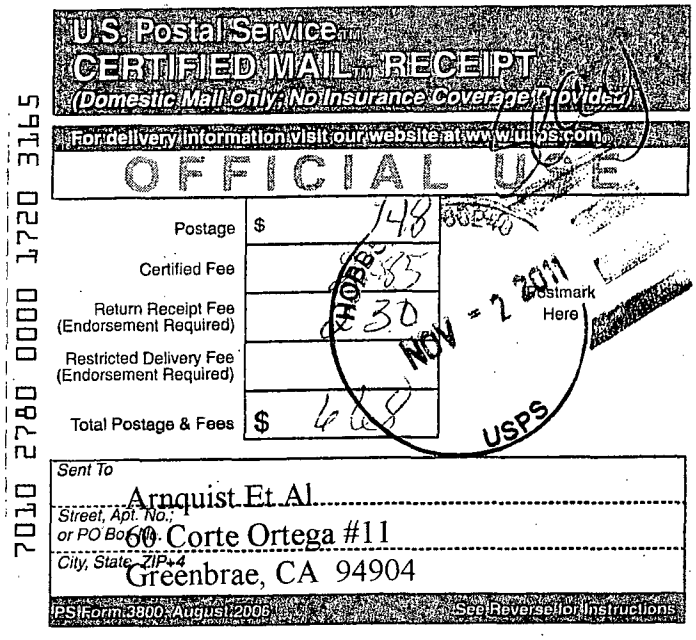
LEASE OWNERS

Arnquist Et Al
60 Corte Ortega #11
Greenbrae, CA 94904

OFFSET OPERATORS OR LEASE OWNERS

Yates Petroleum Corp.
105 S. 4th St.
Artesia, NM 88210

Brothers Production
Box 7515
Midland, TX 79708



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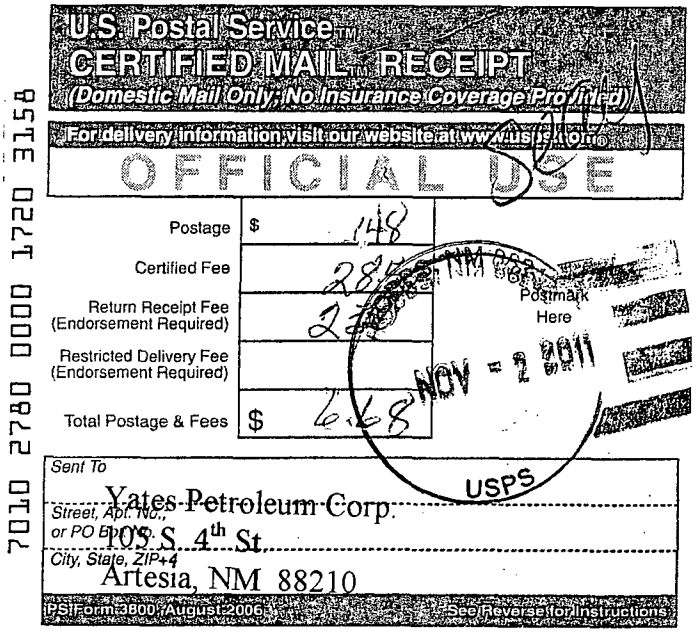
Sent To: Arnquist Et Al
Street, Apt. No., or PO Box No.: 60 Corte Ortega #11
City, State, ZIP+4: Greenbrae, CA 94904

PS Form 3800, August 2006 — See Reverse for Instructions



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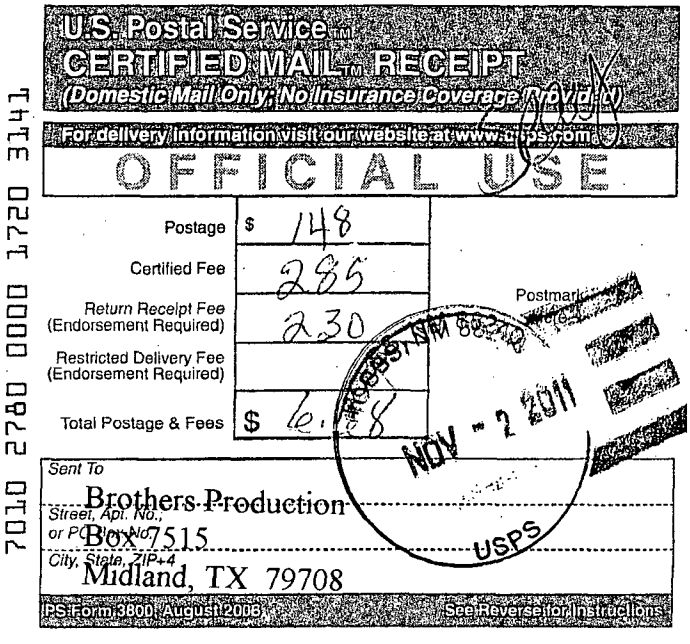
7010 2780 0000 1720 3158

Sent To: Yates Petroleum Corp.
Street, Apt. No., or PO Box No.: 105 S. 4th St.
City, State, ZIP+4: Artesia, NM 88210

PS Form 3800, August 2006 — See Reverse for Instructions



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Sent To: Brothers Production
Street, Apt. No., or PO Box No.: Box 7515
City, State, ZIP+4: Midland, TX 79708

PS Form 3800, August 2006 — See Reverse for Instructions

LEGAL NOTICE

Pursuant to the rules and regulations of the Oil Conservation Division of the State of New Mexico, Legacy Reserves Operating LP, Box 10848, Midland, TX 79702, is filing a C-108, Application for Salt Water Disposal. The well being applied for is the Andrew Arnquist Estate #2 (API 30-015-21942), located in Unit A, Section 29, Township 18 South, Range 26 East, Eddy Co., NM. The injection formation is the Cysco Canyon from 7700′ to 8100′ below surface. Expected maximum injection rate is 5000 bpd., and the expected maximum injection pressure is 1200 psi or what the OCD allows. Any questions about the application can be directed to Eddie W. Seay, (575)392-2236, or any objection or request for hearing must be directed to the Oil Conservation Division, (505)476-3440, 1220 South Saint Francis Drive, Santa Fe, NM 87504, within fifteen (15) days.

Affidavit of Publication

NO. 21899

STATE OF NEW MEXICO

County of Eddy:

Danny Scott

being duly sworn, says that he is the **Publisher**

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

Legal Notice

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

1 Consecutive weeks/days on the same

as follows:

First Publication October 30, 2011

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Subscribed and sworn to before me this

31st day of October 2011

OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO
My commission expires: 5/12/2015

Latisha Romine

Latisha Romine
Notary Public, Eddy County, New Mexico

Copy of Publication:

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