

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	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.

Billy Prichard
 Print or Type Name

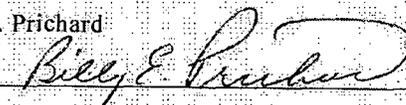
Billy E. Prichard
 Signature

Agent for Star Oil and Gas Company
 Title

3/2/2012
 Date

 e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance Disposal
Storage
Application qualifies for administrative approval? Yes No
- II. OPERATOR: Star Oil and Gas Company Ogrid # 238619
ADDRESS: 4008 N. Grimes # 137 Hobbs, NM 88240
CONTACT PARTY: Billy E. Prichard PHONE: 432-934-7680
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? Yes No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
- Proposed average and maximum daily rate and volume of fluids to be injected;
 - Whether the system is open or closed;
 - Proposed average and maximum injection pressure;
 - Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 - If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: Billy E. Prichard TITLE: Agent for Star Oil and Gas Company
SIGNATURE:  DATE: 3/2/2012
E-MAIL ADDRESS: billy@pwillc.net
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted.
Please show the date and circumstances of the earlier submittal: _____

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

Star Oil and Gas Company
C108(Application for Authorization to Inject)
New Mex A # 1
API 30-025-01268
1983 FSL x 2313 FEL
Unit Letter "K", Section 25, T16S, R33E
Lea County, New Mexico

I.

The purpose of this application is to convert the New Mex A # 1 from a depleted Kemnitz Lower Wolfcamp oil well to a commercial salt water disposal well. The application qualifies for administrative approval.

II.

Operator: Star Oil and Gas Company Ogrid# 238619
Address: 4008 N. Grimes # 137 Hobbs, New Mexico 88240
Contact Party: Billy E. Prichard Phone: 432-934-7680

III.

Please see Exhibit "A" for well data

IV.

This is not an expansion of an existing project.

V.

Please see Exhibit "B" for map of Area of Review

VI.

Please see Exhibit "C" for off set well data

VII.

1. Anticipated disposal rate is 5000 BWPD with a maximum disposal rate of 7500 BWPD.
2. The system will be open.
3. Anticipated disposal press is 0(Zero)psi with a maximum disposal pressure of 2144 psi.
4. Disposed fluid will trucked in from producing wells in southeastern New Mexico.

5.

Please see Exhibit "D" for analysis of possible disposal fluid and for analysis of Wolfcamp produced water.

VIII.

The proposed disposal interval is the Kemnitz Lower Wolfcamp formation. The Kemnitz Lower Wolfcamp was discovered in the 1950s, it is a light to dark gray reefoid limestone of Permian Age. Above the Kemnitz Lower Wolfcamp is the Wolfcamp and above the Wolfcamp is the Abo formation and below the Kemnitz is the Strawn formation.

There is no known fresh water strata below the Kemnitz Lower Wolfcamp. Numerous fresh water wells were identified within the 1 mile Area of review. Fresh water is in the alluvial fill from the surface to the top of the Red Bed.

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IX.

There is no stimulation planned at this time.

X.

Logs and completion data filed by previous operators.

XI.

Please see Exhibit "E" for fresh water analysis.

XII.

Available geological and engineering data have been examined and no evidence of open faults or hydrological connection between the disposal zone and any underground sources of drinking water has been found.

XIII.

Please see Exhibit "F" for Proof of Notice

Star Oil and Gas Company in-active well list is included.

Star Oil and Gas Company
C108(Application for Authorization to Inject)
New Mex A # 1
API 30-025-01268
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Lea County, New Mexico

Well Data- Exhibit "A"

Spud 3/24/1958 by Phillips Petroleum Company as Wolfcamp oil well.

13 3/8" 48# casing set at 374 feet in 17 1/2" hole, cemented with 550 sacks regular cement. Cement circulated to the surface

9 5/8" 36# casing set at 4547 feet in 12 1/4" hole, cemented with 1165 sacks of cement. Cement circulated to the surface.

5 1/2" 23# casing set at 11579 feet in 8 3/4" hole, cemented with 1061 sacks of cement. Top of cement at 4500 feet by temperature survey.

Kennitz Lower Wolfcamp perforations

10720'-10727', 10773'-10785', 10796'-10808'

Production Summary of api:3002501268 pool:KEMNITZ;LOWER WOLFCAMP

producing year	Oil	Gas	Water	Co2
1994	0	0	0	0
1995	0	0	0	0
1996	0	0	0	0
1997	0	0	0	0
1998	2825	0	0	0
1999	2329	0	0	0
2000	2189	0	0	0
2001	2477	0	0	0
2002	1616	0	0	0
2003	1477	0	0	0
2004	1174	0	0	0
2005	1189	0	0	0
2006	770	0	0	0
2007	1022	1949	0	0
2008	221	1354	0	0
2009	691	3767	1500	0
2010	1890	5101	4712	0
2011	303	1718	1386	0
summary	20178	13839	7598	0