

Advertising Receipt

Hobbs Daily News-Sun
201 N Thorp
P O Box 850
Hobbs, NM 88241-0850
Phone: (505) 393-2123
Fax: (505) 397-0610

Don Shackelford
Shackelford Oil Company
P.O. Box 10665
MIDLAND, TX 79702

Cust#: 01102319-000
Ad#: 67525771
Phone: (915)682-9784
Date: 10/15/04

Ad taker: C2

Salesperson: 05

Classification: 672

Description	Start	Stop	Ins.	Cost/Day	Surcharges	Total
07 07 Daily News-Sun	10/16/04	10/16/04	1	23.03		23.03
Bold						1.00
Affidavit for legals						3.00

Payment Reference:

Total: 27.03

LEGAL NOTICE
October 19, 2004

Tax: 1.66

Net: 28.69

Prepaid: 0.00

Shackelford Oil Company, P.O. Box 10665, Midland, Texas, 79702, has submitted an application to inject salt water, to the New Mexico Oil Conservation Division, for the Lebow Federal #9, located 2310' FNL & 330' FEL of Sec. 25, T19S, R30E, Eddy County, New Mexico. We propose to inject into the Yates and Seven Rivers formation at a depth between 1900' - 1910' at a maximum injection rate of 1400 BWPD and maximum pressure of 1000 PSI. Any party interested in filing an objection or request a hearing must contact the New Mexico Oil Conservation in writing t 1220 S. St. Francis, Santa Fe, New Mexico 87504 within 15 days of this notice. For additional information contact Don Shackelford at (432) 682-9784.
#21032

Total Due	28.69
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RECEIVED

OCT 18 2004

OCD-ARTESIA

Shackelford Oil Company

P. O. Box 10665
Midland, Texas 79702

Phone (432) 682-9784
Fax (432) 684-5026

October 15, 2004

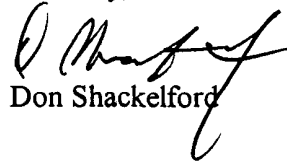
Rodney B. Webb
dba Webb Oil Company
2409 Cerrod Rd
Artesia, New Mexico 88210

Dear Mr. Webb,

This letter shall constitute official notice that Shackelford Oil Company proposes to convert the Lebow Federal #9, located 2301' FNL and 330' FEL, Sec. 25, T19S, R30E, Lea County, New Mexico, into a salt water disposal well with water to be disposed into the Yates, Seven Rivers Formation from 1900' - 1910'.

Should you have any questions related to this application, please contact the New Mexico Oil Conservation Division within fifteen (15) days of the date of this letter.

Sincerely,



Don Shackelford

DGS/llh

rwebb.soc

Shackelford Oil Company

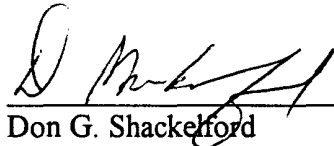
P. O. Box 10665
Midland, Texas 79702

Phone (432) 682-9784
Fax (432) 684-5026

October 15, 2004

I hereby state that the persons listed on the foregoing attached list have been sent a copy on October 15, 2004 of the form C-108 entitled Application for Authorization to Inject for the Lebow Federal #9, located 2310' FNL and 330' FEL, Eddy County, New Mexico.

Shackelford Oil Company


Don G. Shackelford

XIII. PROOF OF NOTICE

- 1. Bureau of Land Management**
- 2. State Land Office**

List of Operators

- 1. Jim Pierce**
#859 Petroleum Building
Roswell, NM 88201
- 2. Rodney D. Webb**
dba Webb Oil Company
2409 Cerrod Rd.
Artesia, N.M. 88210

Shackelford Oil Company

P. O. Box 10665
Midland, Texas 79702

Phone (432) 682-9784
Fax (432) 684-5026

October 15, 2004

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

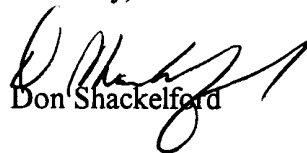
Re: Saltwater Disposal Well
LEBOW FEDERAL #9
Yates, Seven Rivers

Dear Sirs:

This letter shall constitute official notice that Shackelford Oil Company proposes to convert the Lebow Federal #9, located at 2310' FNL and 330' FEL, Sec. 25, T19S, R30E, Lea County, New Mexico, into a salt water disposal well with water disposed into the Yates and Seven Rivers Formation from, 1900' - 1910'.

Should you have any questions related to this application, please contact the New Mexico Oil Conservation Division with fifteen (15) days of the date of this letter.

Sincerely,


Don Shackelford

DGS/llh

Shackelford Oil Company

P. O. Box 10665
Midland, Texas 79702

Phone (432) 682-9784
Fax (432) 684-5026

October 15, 2004

New Mexico State Land Office
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Dear Sir/Madam:

This letter shall constitute official notice that Shackelford Oil Company proposes to convert the Lebow Federal #9, located 2301' FNL and 330' FEL, Sec. 25, T19S, R30E, Lea County, New Mexico, into a salt water disposal well with water to be disposed into the Yates, Seven Rivers Formation from 1900' - 1910'.

Should you have any questions related to this application, please contact the New Mexico Oil Conservation Division within fifteen (15) days of the date of this letter.

Sincerely,


Don Shackelford

DGS/llh

Shackelford Oil Company

P. O. Box 10665
Midland, Texas 79702

Phone (432) 682-9784
Fax (432) 684-5026

October 15, 2004

New Mexico Oil Conservation
1301 W. Grand
Artesia, New Mexico 88210

RECEIVED
OCT 18 2004
RPM-ARTESIA

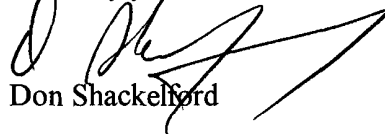
Re: Application for Saltwater Disposal
LEBOW FEDERAL #9
Yates, Seven Rivers

Dear Sir/Madam:

Enclosed is Shackelford Oil Company's Application For Authorization to Inject (Form C-108) and required supporting data for salt water disposal in the referenced well bore. I trust this will fulfill the data needed for the administrative approval of Shackelford Oil Company's application.

Should you need additional data or have any questions, please contact me.

Sincerely yours,


Don Shackelford

DGS/lh

oilconvd.soc

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance ☒ Disposal Storage
Application qualifies for administrative approval? ☒ Yes No
- II. OPERATOR: SHACKELFORD OIL CO.
ADDRESS: P.O. BOX 10665 MIDLAND, TX 79702
CONTACT PARTY: DON SHACKELFORD PHONE: 432-682-9784
- 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: OCE-ART-001
- 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. Filed Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. None 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. Attached
- 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: DON SHACKELFORD TITLE: OWNER
SIGNATURE: [Signature] DATE: OCT. 15, 2004
E-MAIL ADDRESS: dg-shack@swbell.net
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

III. WELL DATA

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

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

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

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

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

XIV. PROOF OF NOTICE

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

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

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

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

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

OPERATOR: SHACKELFORD OIL CO.WELL NAME & NUMBER: LEBOW FEDERAL #9WELL LOCATION: 2310' FNL + 330' FEL H 25 T19S R30E
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGEWELLBORE SCHEMATIC

SEE ATTACHED

WELL CONSTRUCTION DATASurface CasingHole Size: _____ Casing Size: 8 7/8" 29" 506'Cemented with: 700 sx. or _____ ft³Top of Cement: Circulated Method Determined: _____Intermediate Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. or _____ ft³

Top of Cement: _____ Method Determined: _____

Production CasingHole Size: _____ Casing Size: 4 1/2" 9.50"Cemented with: 350 sx. or _____ ft³Top of Cement: 525' Method Determined: Temp. Sug.Total Depth: 1916'Injection Interval1896' feet to 1916' 0/4

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8" Lining Material: plastic coated
Type of Packer: 4 1/2" MODEL AD-1 plastic coated
Packer Setting Depth: 1800'
Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? _____ Yes X No
If no, for what purpose was the well originally drilled? Producing oil well

2. Name of the Injection Formation: Yates
3. Name of Field or Pool (if applicable): NORTH HACKBERRY (YATES)
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. No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: SEVEN RIVERS (below), NONE ABOVE

Proposed Disposal Well
Lebow Federal #9

2310' FNL + 330' FEL

Sec. 25 T19S R30E

December 10, 1961.

8 $\frac{7}{8}$ " 30[#]

Cement w/ 700 SX

Circulated

506'

TOC 525'

Temperature sup.

7 $\frac{7}{8}$ " Bit to 1825'

4 $\frac{1}{2}$ " 9.50[#]

Cement w/ 350 SKS.

1896'

Open hole 6 $\frac{1}{8}$ " to 1916'

TD 1916

**SHACKELFORD OIL COMPANY
WATER DISPOSAL APPLICATION
WELL DATA SHEET**

III.

- A. 1. Lease Name: Lebow Federal Location: 2310' FNL & 330' FEL**
Well No: 9 Sec. 25, T19S, R30E
Lease No: NM06767
- 2. Casing Data: 8 5/8", 20#, J-55 to 506', 700 sxs cement**
9 7/8" hole, TOC 190'
4 1/2", 9.50#, J-55 to 1896'. 350 sxs cement
6 3/4" & 6 1/2" hole, top of cement @ 1000'
- 3. Tubing Data: 2 3/8" Plastic Coated, 4.70#, J-55 set at 1800'**
- 4. Packer Data: 4 1/2" Plastic Coated Arrow AD-1 packer**
- B. 1. Injection Formation: Yates and Seven Rivers Formation**
- 2. Open hole Interval: 1900' - 1910'**
- 3. Original purpose of well: To test Yates and Seven Rivers formation for**
production of oil and gas in commercial quantities.
- 4. Plugged back perforations: None**
- 5. Next higher productive zone: Rustler**
Next lower productive zone: Seven Rivers

VII.

- 1. Proposed average daily rate: 1000 bwpd**
Proposed maximum daily rate: 1400 bwpd
- 2. The system will be a closed system.**
- 3. Proposed average injection pressure: 200 psi**
Proposed maximum injection pressure: 1000 psi
- 4. Water to be disposed of in this well will be from wells in the same field and**
producing from the same formation, and wells from the Keyes Federal Lease in
Sec. 15, T20S, R30E, Eddy County, New Mexico.

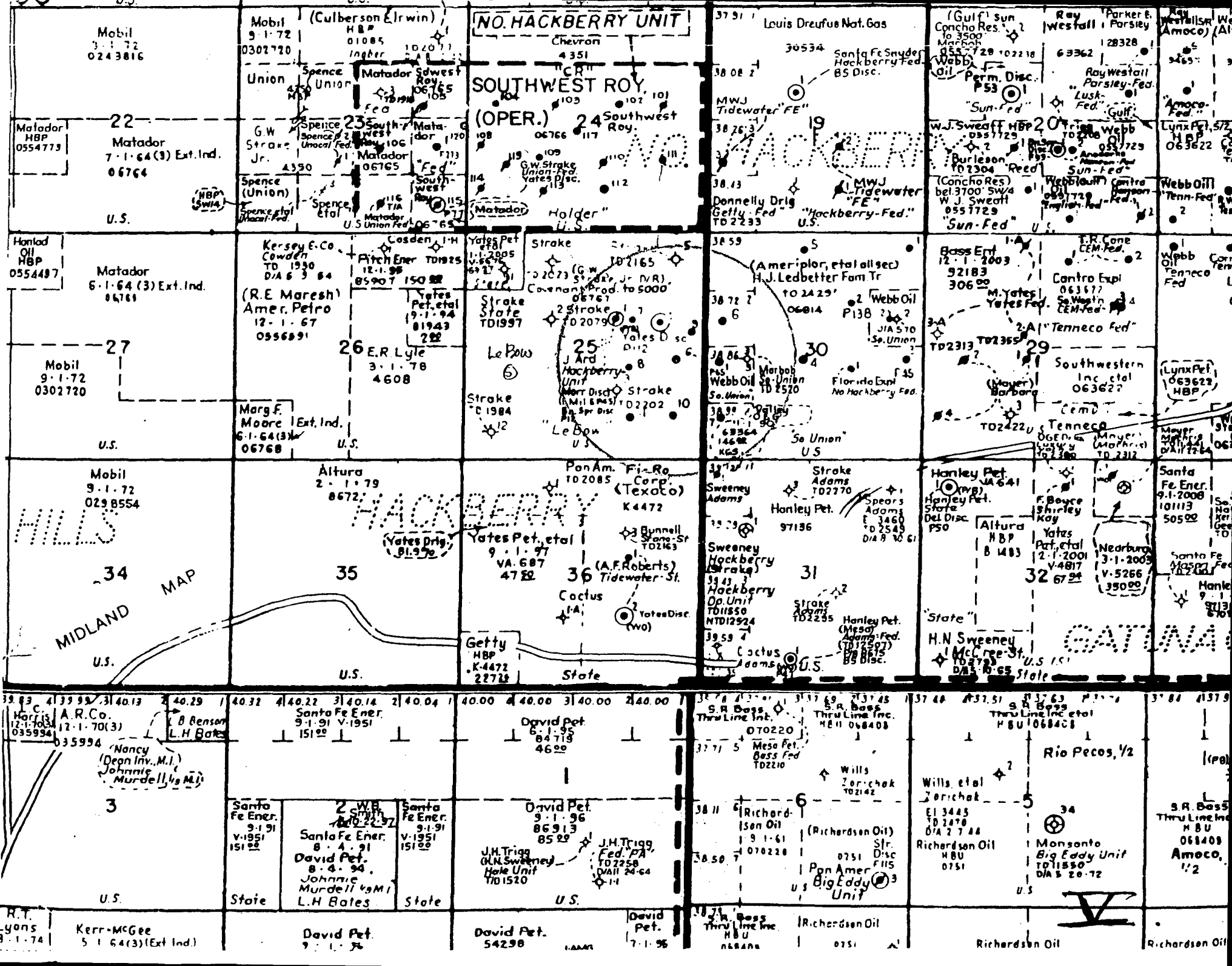
VIII.

- 1. Formation Name: Yates and Seven Rivers**
Lithology: DOLOMITE, SAND DOLOMITE W/SHALE LAMINATION
Thickness: 10'
Depth: 1900' - 1910'
- 2. There are no water wells permitted for use in this area to the best of our knowledge.**

- IX. 1. Acidize with 1000 gallons of 15% NEFE acid.**

- XII. 1. Based on our review of available geologic and engineering data, there is no evidence of open faults or other hydrologic connection between the disposal zone and any underground sources of drinking water.**

Don G. Shackelford



AREA of REVIEW Well Data 1/2 Mile of Well

Well Name	Location	Type	TD	Status
1. LeBow FED #5	660' FNL 660' FEL	Oil	2165	P&A

Casing Program

8 5/8" 24.7" 485' 300 SK.

4 1/2" 9.5 2165' 255 SK

P&A

Pulled 1400' CS9.

BP@ 2107', cement 2107-2095,

2095-1975, 1450-1350, 535-435
15 ft. to top

2. LeBow #3	1650 FSL + 1980 FEL	2188'	P&A
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8 5/8" 24.7 612' 400 SK

Cut AND pulled from 340'

P&A

Plugged w/ 25 SKL from 2188-2088

37 SKL from 1816'-1666' 55 SKL from

675'-525', 80 SKL 492-300, 80 SKL 300-200

5 SKL top of hole

3. LeBow FED #4	2310' FNL + 990 FEL	2126'	P&A
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8 5/8" 24.7" 485' 400 SK

4 1/2" 9.5" 2126' 250 SK

P&A 2/13/02

4. LeBow FED #6	2310' FSL + 660 FEL	2172'	Oil Prod
-----------------	---------------------	-------	----------

8 5/8" 24.7" 544' 350 SK

5 1/2" 15.5" 2172' 300 SK

5. LeBow FED #7	1980' FNL + 1650' FEL	2103'	Oil Prod
-----------------	-----------------------	-------	----------

8 5/8" 24" 514' 350 SK

4 1/2" 9.50" 2103' 300 SK

6. LeBow FED #8	2090' FSL + 1650' FEL	1886'	P&A
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8 5/8" 24" 519' 400 SK

4 1/2" 9.5 1886' 350 SK

P&A

Perf @ 569'

Cement 1674 - 1601 (TAG) 30 SK

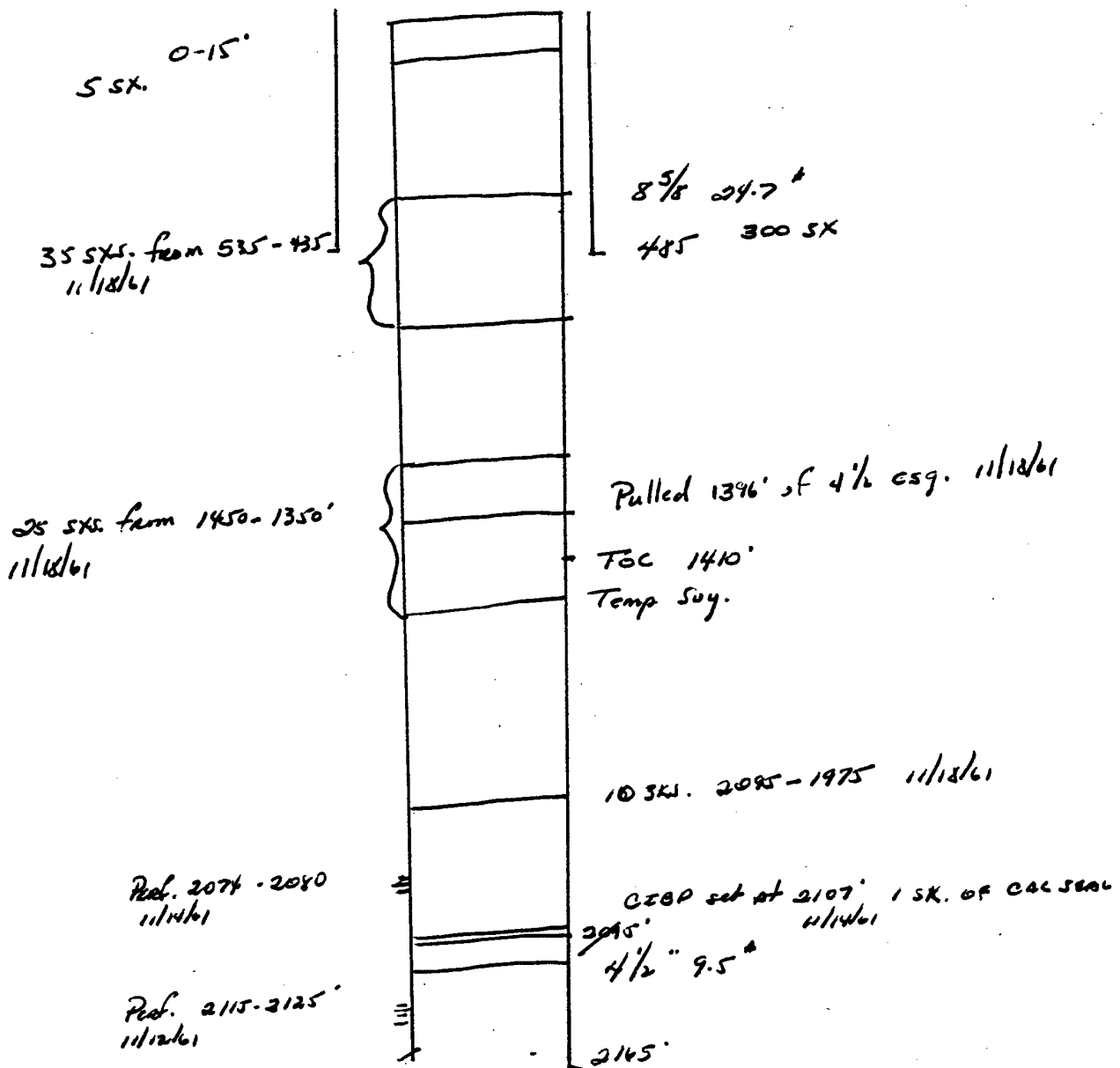
Fill hole w/ Class Cement circulated

Schematic of Plugged Well

1. Le Bow Fed #5

Drilled: 11/12/61

Plugged:



AREA of REVIEW CONTD.

Well Name	Location	Type	TD	Status	Casing Program
7. Le Bow Fed #10	990' FSL + 660' FEL	Oil Prod	1950	Oil Prod	8 5/8" 24" 594' 400 SX 4 1/2" 9.5" 1950' 350 SX
8. Le Bow Fed #11	990' FSL + 1650' FEL	PLA	1988 2101' 1988' 2022' PBD	PLA	8 5/8" 24" 566' 700 SX 4 1/2" 9.5" 1988' 400 SX PLA 2/14/02 TIH w/ tubing to 1984' Filled w/ cement to 200' Perf holes at 75' fill w/ 139 SX class C Circulated out 8 5/8" x 4 1/2" annulus
9. Le Bow Fed #12	660' FSL + 660' FWL	PLA	1984 1929' PBD	PLA	8 5/8" x 20" 513' 375 SX 4 1/2" 9.5" 1910' 375 SX PLA 4/13/02 15 sack plug from 1929'-1800' Backed off 4 1/2" CSG. at 106' Placed 5 SX in surface CSG.
10. Hackberry #1	1980' FWL + 1980' FEL	PLA	12500' 12200' PBD		13 3/8" 48" 820' 650 SX LW 200 SX C 8 5/8" 32 1/2" 24" 10943' 2 of 100 500 SX LW + 150 C TOC 475' 5 1/2" 30" 17" 12187' 100 SX C/H + 250 SX C/H TOC 12000' PLA CISG @ 9200' 35' on top Cut 5 1/2" @ 7180' 150 plug top 8 5/8" 21013

AREA of Review Well Data 1/2 mile of well

WELL NAME	LOCATION	TYPE	T D	STATUS	Casing Program
11. Southern FED #6	1980 FNL + 330 FNL Sec. 30 T19S R31E	OIL	2175	Producing PWA	7" 20" 565' 50 SX 4 1/2" 9.5" 2175' 125 SX
12. Southern FED #3	2310 FSL + 950 FNL PWA Sec. 30 T19S R31E		2520'	PWA	8 5/8" 24" 477' 400 SX 4 1/2" 10.50" 2520' 400 SX PWA Spd. 25 SX plug Spd. 50 SX plug at 1350' Circ cmt to surface from 525'
13. Southern Union FED #1	2310' FSL + 330' FNL Sec. 30 T19N R31E	oil	2150' 2148' PBD	oil prod.	8 5/8" 24" 574' 200 SX 5 1/2" 14" 2150' 200 SX
14. Southern FED #7	990' FSL + 330' FNL Sec. 30 T12N R31E	oil	2150' 2125' PBD	oil prod.	7" 20" 565' 100 SX 4 1/2" 9.50" 2150' 125 SX

2. LE BOW FED. #3

Drilled 5/16/61

Plugged 5/17/71

5. 80 SX. 300' - 200'

4. 80 SX. 492' - 300'

3. 55 SX. 675' - 525'

6. 5 SX. plug at surface

Pulled 8 jts. from 340'

340'

TOC 480'

8 5/8" 247'

612' 400 SX. cement

2. 37.5 SX. 1816 - 1666

1. 25 SX. 2188 - 2088

TD 2193

3. Le Bow Federal #4

Drilled 10/61

Plugged 2/13/02

Plugged 2/13/02
See attached report

Pumped 187 SX Class Crest

