

2/05/2014 DATE IN	SUSPENSE	PRG ENGINEER	02/06/2014 LOGGED	SWD TYPE	PMA M1403733146 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

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.

Print or Type Name

PAUL C. THOMPSON

Signature

Paul C. Thompson

Title

AGENT/ENGINEER

Date

1/31/14

e-mail Address

PAUL@WALSHENG.NET

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance X Disposal _____ Storage
Application qualifies for administrative approval? _____ Yes _____ No
- II. OPERATOR: Reliant Holdings, LTD.
ADDRESS: 10817 W. CR 60, Midland, TX 79707
CONTACT PARTY: Vance Vanderburg PHONE: 432-617-4213
- 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: PAUL C. THOMPSON, P.E. TITLE: AGENT / ENGINEER
SIGNATURE: Paul C. Thompson DATE: 1/31/14
E-MAIL ADDRESS: PAUL@WALSHENG.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.

Reliant Holdings, LTD

Hayoz #1 Injection Well

C 108 Data Sheet

V. See Attached Map

VI. See Attached Tabulation Sheet

VII. Operation Data

1. A. Average Daily Injection Rate = 350 bbls
Maximum Daily Injection Rate = 700 bbls
B. Proposed Volume 1,277,500 bbls
2. The system is open (water will be trucked to the facility). ✓
3. Proposed Pressures
A. Average and maximum injection pressures will be determined from a step rate test run after the stimulation.
4. Source of Injection Fluid: Tubb formation water from surrounding wells. Please see the attached water analysis. The Glorieta formation is dry so there should be no compatibility issues in the injection zone. ✓
5. The Glorieta was swabbed dry so a water sample is not available. There is no indication from the State Engineers website that there any water wells drilled to the Glorieta formation.]

VIII. Geology

The Glorieta Sandstone is the shallowest Permian age sandstone of significant thickness. The sand is usually a white to pink fine- to medium-grained slightly gypsiferous unconsolidated sand. There are no known domestic water wells within the area of interest. There is one well listed on the on website of the Office of the State Engineer which is 920 meters away in the SE/4 of Section 12, T19N, R30E but no depth to ground water is listed. The depth of the well is reported as 250'. A water analysis of the proposed injection water is attached. This analysis indicates that the Tubb Formation water has a TDS of approximately 48,800 ppm.

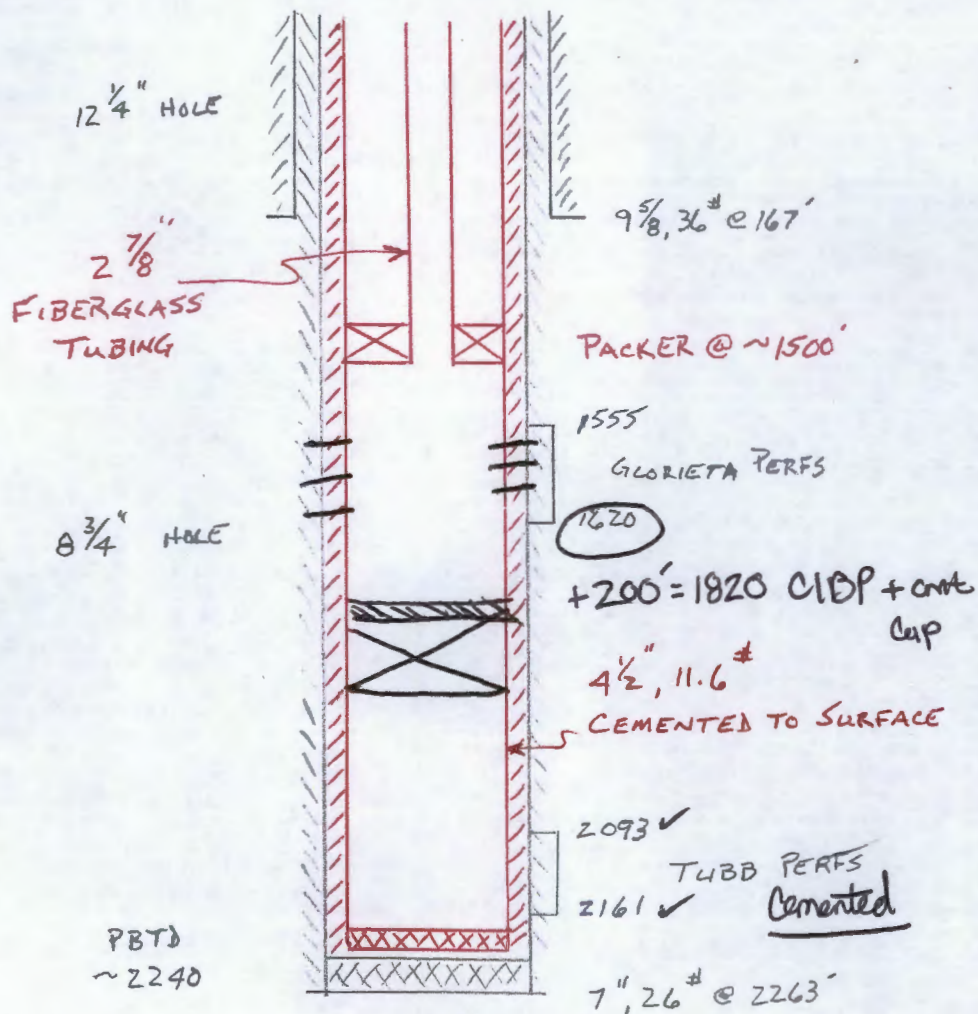
- IX. Operator plans to stimulate the Glorieta with a yet to be determined amount of HCl acid and ball sealers.
- X. Well logs are on file with the NMOCD.
- XI. Analysis of the Tubbs Formation Water is attached

XII. The relatively impermeable San Andres Limestone overlies the Glorieta Sandstone. According to a report prepared by the USGS, which studied the potential of brine contamination from Glorieta Sandstone injection wells into shallower aquifers, there was no evidence of any cross flow from any of the many Glorieta SWD wells in the Texas and Oklahoma panhandle area. (1.)

XIII. See attached certified mail receipts.

(1.) Geologic Information on the Glorieta Sandstone and the Ogallala Formation in the Oklahoma Panhandle and Adjoining Areas as Related to Underground Waste Disposal, James H. Irwin and Robert B. Morton, Geological Survey Circular 630, 1969 & 1978.

INJECTION WELL DATA SHEET

OPERATOR: Reliant Holdings, LTDWELL NAME & NUMBER: Hayoz #1WELL LOCATION: 1980 FNL & 1980 FWL F 12 19N 30E
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGEWELLBORE SCHEMATICWELL CONSTRUCTION DATASurface Casing

Hole Size: 12- $\frac{1}{4}$ " Casing Size: 9-5/8", 36#

Cemented with: 250 sx. or ft³

Top of Cement: Surface Method Determined: Visual

1st Production Casing

Hole Size: 8- $\frac{3}{4}$ " Casing Size: 7", 26#

Cemented with: 500 sx sx. or ft³

Top of Cement: Surface Method Determined: Visual

2nd Production Casing

Hole Size: NA Casing Size: 4-1/2", 11.6#

Cemented with: Approx. 333 sx. or 393 ft³ (50% excess to circulate to surface.)

Top of Cement: Surface Method Determined: Visual

Total Depth: Approx. 2240'No TubbsInjection Interval1555 feet To 1620' perforated at 4 spf

(Perforated or Open Hole; indicate which)

NOTE: ITEMS IN RED ARE PROPOSED

INJECTION WELL DATA SHEET

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

Type of Packer: ArrowSet – 1 with an on-off tool

Packer Setting Depth: Approximately 1500'

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

Additional Data

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

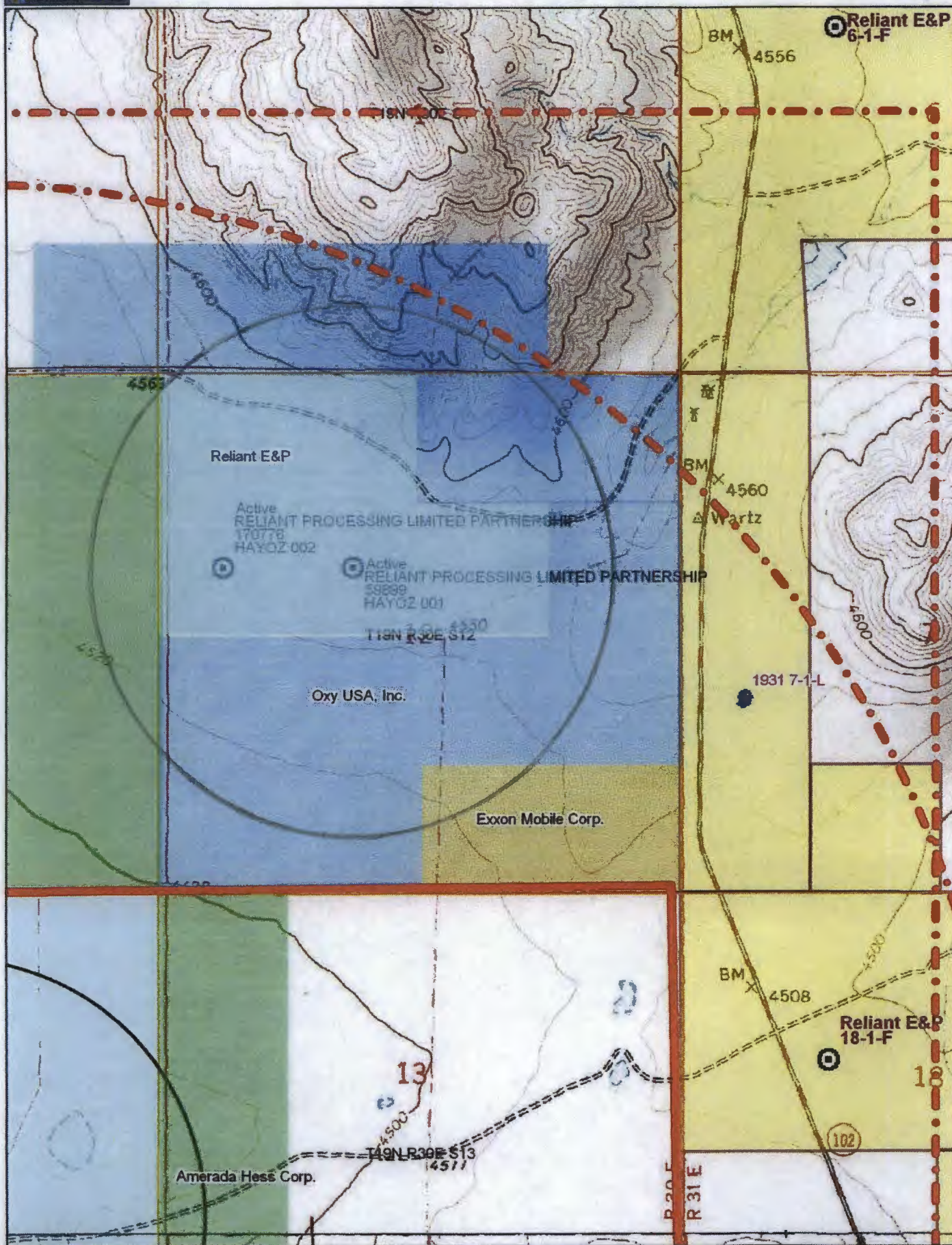
If no, for what purpose was the well originally drilled? As a Tubb formation CO₂ well.

2. Name of the Injection Formation: Glorieta

3. Name of Field or Pool (if applicable): Bravo Dome

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. Well was perforated in the Tubb formation from 2093' – 2161'. Operator plans to run a string of 4-1/2" casing inside the existing 7" casing and cement it to surface with approximately 333 sx of neat cement. This cement job will squeeze the existing Tubb and Glorieta perfs in the 7" casing.

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: No oil or gas zones above the Glorieta formation. The Tubb formation top is below the Glorieta formation at 2058'.

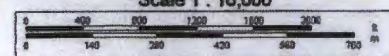


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www.delorme.com

Scale 1 : 16,000


$$1'' = 1,333.3 \text{ ft}$$

Data Zoom 13-0

Well Tabulation Sheet

Wells Within One-Half Mile of the Hayoz #1

Unit	Section	Operator	Well	Location		Spud Date	GL Elev.	Casing	Production	T.D.	Status	Perfs	Notes
				N - S	E - W			Surface					
E	12	Reliant Exploration & Production, LLC	Hayoz #2	1980 FNL	660 FWL	2/14/1980	4540	9-5/8" @ 157' 5-1/2" @ 2154"		2240'	Producing CO2 well	2030- 2134' Tubb Formation	Set plug at 2077' in 1984.



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(A CLW##### in the
POD suffix indicates the
POD has been replaced
& no longer serves a
water right file.)

(R=POD has
been replaced,
O=orphaned,
C=the file is
closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest)

(NAD83 UTM in meters)

(In feet)

POD Number	POD Sub-		Q Q Q				Rng	X	Y	Distance	Depth	Depth	Water
	Code	basin	County	64	16	4	Sec	Tws			Well	Water	Column
<u>TU 01913 POD1</u>		HA		4	3	4	12	19N	30E	617252	3972037	920	250
<u>TU 00503</u>		HA		4	4	3	34	20N	30E	613503	3975192*	4034	80
<u>TU 01740 POD1</u>		HA		2	4	3	34	20N	30E	613570	3975305	4049	300
<u>TU 00513</u>		HA		1	3	2	04	19N	30E	612104	3974571*	4980	60

Average Depth to Water: --

Minimum Depth: --

Maximum Depth: --

Record Count: 4

UTMNAD83 Radius Search (in meters):

Easting (X): 616766

Northing (Y): 3972819

Radius: 5000

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



New Mexico Office of the State Engineer

Point of Diversion Summary

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters)

POD Number	Q64	Q16	Q4	Sec	Tws	Rng	X	Y
TU 01913 POD1	4	3	4	12	19N	30E	617252	3972037

Driller License: DESERT SAND WATER WELL

Driller Name:

Drill Start Date:

Drill Finish Date:

Plug Date:

Log File Date:

PCW Rcv Date:

Source:

Pump Type:

Pipe Discharge Size:

Estimated Yield:

Casing Size:

Depth Well: 250 feet

Depth Water:

709 W. INDIANA
MIDLAND, TEXAS 79701
FAX (432) 682-8819

LABORATORY NO.	1013-305
SAMPLE RECEIVED	10-15-13
RESULTS REPORTED	10-24-13

**WALSH**

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping7415 East Main
Farmington, New Mexico 87402
(505) 327-4892 • Fax: (505) 327-9834

February 10, 2014

VIA CERTIFIED MAILPatricia H. Rivera
PO Box 192
Ocate, NM 87734**Re: Application of Reliant Holdings, LTD for Authorization to Convert
the Hayoz #1 to a Salt Water Injection Well, Harding County, New
Mexico.**

Dear Ms. Rivera

Reliant Holdings, LTD has applied to the New Mexico Oil Conservation Division to dispose of produced water from the Tubb Formation into the Glorieta formation in the Hayoz #1. The Hayoz #1 is located 1980 feet from the North line and 1980 feet from the West line in Unit F, Section 12, Township 19 North, Range 30 East, Harding County, New Mexico. As a surface owner you are being notified of this application pursuant to NMOCD rules

If you have no objection to this Application then no further action is required on your part. If you would like to file an objection or to request a hearing please notify the NMOCD at 1220 South St. Francis, St., Santa Fe, NM 87505 within 20 days of receipt of this notice.

If you have any questions or need additional information please feel free to call me at (505) 327-4892.

Sincerely,

Paul Thompson
Walsh Engineering & Production

**WALSH**

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Petroleum Engineering Consulting
Lease Management
Contract Pumping7415 East Main
Farmington, New Mexico 87402
(505) 327-4892 • Fax: (505) 327-9834

February 10, 2014

VIA CERTIFIED MAILLynette N. Hayoz Walker
3822B Roberts Road
Kershaw, SC 29067**Re: Application of Reliant Holdings, LTD for Authorization to Convert
the Hayoz #1 to a Salt Water Injection Well, Harding County, New
Mexico.**

Dear Ms. Hayoz

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Farmington, New Mexico 87402
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February 10, 2014

VIA CERTIFIED MAILWilliam J. Hayoz, Jr
PO Box 118
Mosquero, NM 87733**Re: Application of Reliant Holdings, LTD for Authorization to Convert
the Hayoz #1 to a Salt Water Injection Well, Harding County, New
Mexico.**

Dear Mr. Hayoz

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Petroleum Engineering Consulting
Lease Management
Contract Pumping7415 East Main
Farmington, New Mexico 87402
(505) 327-4892 • Fax: (505) 327-9834

February 10, 2014

VIA CERTIFIED MAILVictoria A. Hayoz
115 Alamo #2
Las Vegas, NM 87701**Re: Application of Reliant Holdings, LTD for Authorization to Convert
the Hayoz #1 to a Salt Water Injection Well, Harding County, New
Mexico.**

Dear Ms. Hayoz

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Sincerely,

Paul Thompson
Walsh Engineering & Production



March 1, 2012

WALSH

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping

7415 East Main
Farmington, New Mexico 87402
(505) 327-4892 • Fax: (505) 327-9834

February 10, 2014

VIA CERTIFIED MAIL

Nicholas J. Hayoz
PO Box 3883
Las Vegas, NM 87701

**Re: Application of Reliant Holdings, LTD for Authorization to Convert
the Hayoz #1 to a Salt Water Injection Well, Harding County, New
Mexico.**

Dear Mr. Hayoz

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Sincerely,

Paul Thompson
Walsh Engineering & Production



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7415 East Main
Farmington, New Mexico 87402
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February 10, 2014

VIA CERTIFIED MAIL

Loretta E. Hayoz Trustee
August J. Hayoz, Jr. Trust
PO Box 93663
Albuquerque, NM 87199

**Re: Application of Reliant Holdings, LTD for Authorization to Convert
the Hayoz #1 to a Salt Water Injection Well, Harding County, New
Mexico.**

Dear Ms. Hayoz

Reliant Holdings, LTD has applied to the New Mexico Oil Conservation Division to dispose of produced water from the Tubb Formation into the Glorieta formation in the Hayoz #1. The Hayoz #1 is located 1980 feet from the North line and 1980 feet from the West line in Unit F, Section 12, Township 19 North, Range 30 East, Harding County, New Mexico. As a surface owner you are being notified of this application pursuant to NMOCD rules

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Paul Thompson
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Farmington, New Mexico 87402
(505) 327-4892 • Fax: (505) 327-9834

February 10, 2014

VIA CERTIFIED MAILLoretta E. Hayoz
PO Box 93663
Albuquerque, NM 87199**Re: Application of Reliant Holdings, LTD for Authorization to Convert
the Hayoz #1 to a Salt Water Injection Well, Harding County, New
Mexico.**

Dear Ms. Hayoz

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Paul Thompson
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Farmington, New Mexico 87402
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February 10, 2014

VIA CERTIFIED MAILChristine M. Hayoz
PO Box 38
Mosquero, NM 87733**Re: Application of Reliant Holdings, LTD for Authorization to Convert
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Sincerely,

Paul Thompson
Walsh Engineering & Production

7012 2920 0002 4431 5352

7012 2920 0002 4431 5420

7012 2920 0002 4431 5413

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINEPLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINEPLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE**CERTIFIED MAIL™****CERTIFIED MAIL™****CERTIFIED MAIL™**7012 2920 0002 4431 5352
7012 2920 0002 4431 53527012 2920 0002 4431 5420
7012 2920 0002 4431 54207012 2920 0002 4431 5413
7012 2920 0002 4431 5413**U.S. Postal Service™
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Return Receipt Fee (Endorsement Required)	\$ 2.70
Restricted Delivery Fee (Endorsement Required)	
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PS Form 3800, August 2006

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Return Receipt Fee (Endorsement Required)	\$ 2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.48

Postmark
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Sent To Christine M. Hays
 Street, Apt. No.,
 or PO Box No. P.O. Box 38
 City, State, ZIP+4 Mosquero, NM 87733

PS Form 3800, August 2006

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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.48

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 Street, Apt. No.,
 or PO Box No. P.O. Box 93663
 City, State, ZIP+4 Albuquerque, NM 87109

PS Form 3800, August 2006

See Reverse for Instructions

7012 2920 0002 4431 5406

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL™



7012 2920 0002 4431 5390

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

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7012 2920 0002 4431 5383

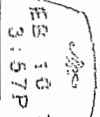
PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

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Return Receipt Fee (Endorsement Required)	2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.48

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Sent To Joretta E. Hayez
 Street, Apt. No.,
 or PO Box No. P.O. Box 93663
 City, State, ZIP+4 Albuquerque, NM 87101

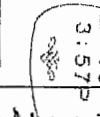
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Certified Fee	3.30
Return Receipt Fee (Endorsement Required)	2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.48

Postmark
Here

Sent To Nicholas J. Hayez
 Street, Apt. No.,
 or PO Box No. P.O. Box 3883
 City, State, ZIP+4 Las Vegas, NM 87701

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Certified Fee	3.30
Return Receipt Fee (Endorsement Required)	2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.48

Postmark
Here

Sent To Victoria A. Hayez
 Street, Apt. No.,
 or PO Box No. US Adams #2
 City, State, ZIP+4 Las Vegas, NM 87701

PS Form 3800, August 2006

See Reverse for Instructions

7012 2920 0002 4431 5376

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

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7012 2920 0002 4431 5376

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Postage	\$ 48
Certified Fee	3.30
Return Receipt Fee (Endorsement Required)	2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.48

Postmark
Here

Sent To William J. Hays JR.
 Street, Apt. No.,
 or PO Box No. P.O. Box 18
 City, State, ZIP+4 Masqueville NM 87733

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7012 2920 0002 4431 5369

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

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Postage	\$ 48
Certified Fee	3.30
Return Receipt Fee (Endorsement Required)	2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.48

Postmark
Here

Sent To Junette N. Hays Walker
 Street, Apt. No.,
 or PO Box No. 3822 B Roberts Rd
 City, State, ZIP+4 Kershaw SC 29067

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WALSH

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting

Lease Management

Contract Pumping

7415 East Main

Farmington, New Mexico 87402

(505) 327-4892 • Fax: (505) 327-9834

February 11, 2014

Mr. Phillip Goetze
NMOCD
1220 South St. Francis St.
Santa Fe, NM 87505

Re: Reliant Holding, LTD.
Hayoz #1 SWD Application

Dear Mr. Goetze,

Please add the attached certified surface owner notices to the Reliant Holding, LTD., SWD application for the Hayoz #1. I received the additional names and addresses from Ms. Loretta Hayoz.

Sincerely,

Paul C. Thompson, P.E.

7012 2920 0002 4431 5338

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Postage	\$ 48
Certified Fee	\$ 3.30
Return Receipt Fee (Endorsement Required)	\$ 2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To Mr. William J Hayoz - 1st cl
 Street, Apt. No.,
 or PO Box No. P.O. Box 38
 City, State, ZIP+4 Mosquero, NM 87733

PS Form 3800, August 2006

See Reverse for Instructions

7012 2920 0002 4431 5345

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Postage	\$ 48
Certified Fee	\$ 3.30
Return Receipt Fee (Endorsement Required)	\$ 2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.48



Sent To Exxon Mobil Exp. p.d. opor
 Street, Apt. No.,
 or PO Box No. alta land dept 800 Bell St
 City, State, ZIP+4 Houston TX 77010

PS Form 3800, August 2006

See Reverse for Instructions

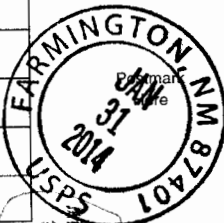
7012 2920 0002 4431 5314

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Postage	\$ 48
Certified Fee	\$ 3.30
Return Receipt Fee (Endorsement Required)	\$ 2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.48



Sent To Ms. Tanya Ekins Hess Corp
 Street, Apt. No.,
 or PO Box No. 1501 McKinney office 22-083
 City, State, ZIP+4 Houston TX 77010

PS Form 3800, August 2006

See Reverse for Instructions

7012 2920 0002 4431 5321

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OFFICIAL USE

Postage	\$ 48
Certified Fee	\$ 3.30
Return Receipt Fee (Endorsement Required)	\$ 2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.48



Sent To Mr. Michael Main - Hess Corp
 Street, Apt. No.,
 or PO Box No. 5 greenway plaza Suite 110
 City, State, ZIP+4 Houston TX 77046-0521

PS Form 3800, August 2006

See Reverse for Instructions



WALSH

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting

Lease Management

Contract Pumping

7415 East Main

Farmington, New Mexico 87402

(505) 327-4892 • Fax: (505) 327-9834

April 10, 2014

Mr. Phillip Goetze
NMOCD
1220 South St. Francis St.
Santa Fe, NM 87505

Re: Reliant Holdings, LTD.
Hayoz #1 SWD Application

Dear Mr. Goetze,

Please add the attached Public Notice to the Reliant Holdings, LTD., SWD application for the Hayoz #1. The notice was published in the Union County Leader on April 2, 2014. If you need any more information, please don't hesitate to call.

Sincerely,

Paul C. Thompson, P.E.

AFFIDAVIT OF PUBLICATION

State of New Mexico
County of Union

SS.

The undersigned, being first duly sworn according to law, on her oath deposes and says that she is the office manager of the newspaper named the *Union County Leader* and that she has personal knowledge of the facts stated herein: That the said *Union County Leader* is a weekly newspaper of general paid circulation in Union and Harding Counties published in the County of Union and State of New Mexico; entered under the second class privilege at the U.S. Post Office at Clayton, Union County, New Mexico and having been uninterruptedly and continuously so printed and published during a period of more than six months next to the date of the printing of the first publication concerning which this affidavit is made and a copy of which is hereto attached; that the said publication, a printed copy of which is hereto attached and made part of this affidavit, was published in said newspaper once each week for one successive weeks, and that payment for said publication has been made or assessed as part of the court costs to which it relates; said publications having been made on the following dates, to wit:

1st publication: the 2 day of April, 2014
2nd publication: the _____ day of _____, 20____

3rd publication: the _____ day of _____, 20____
4th publication: the _____ day of _____, 20____

Union County Leader

Terry Martin
Terry Martin, CEO/Publisher/Editor

Publisher's Bill

<u>39</u> lines,	_____ times	\$ <u>24.57</u>
_____ lines, display	_____ times	\$ _____
	Tax	\$ <u>1.93</u>
	Total	\$ <u>26.50</u>

Subscribed and sworn to before me this 7 day of April, 2014.

Patricia A Herrera
Notary Public, Union County, New Mexico
My commission expires 11-5-14

Received payment:

Reliant Holdings, al to convert the 1,620' and the max- the NM Oil Conser-
LTD, 10817 W. CR Hayoz #1, 1980 FNL imum anticipated vation Division, 1220
60, Midland, TX & 1980 FWL, Section injection rate is 700 St. Francis Dr., San-
79707, represented 12, T19N, R30E, BPD. The maximum ta Fe, NM 87505.
by Paul Thompson County, New Mexico injection. ~~Comments must be~~
~~(504) 327-2897, has submitted water use~~ will be determined received within 15 of
applied to the New posal well in the Glo- from a step rate test. the data of this pub-
Mexico Oil Conserva- rieta formation. The Interested parties lication.
tion Division for ad- estimated injection can make comments
ministrative approv- depths are 1,555' to this application to

4-2-14

APR 09 2014

Goetze, Phillip, EMNRD

From: Goetze, Phillip, EMNRD
Sent: Monday, February 03, 2014 2:33 PM
To: Paul Thompson (paul@walsheng.net)
Cc: Pete Domenici; Sylvia Rubby; 'Loretta H'; Martin, Ed, EMNRD
Subject: RE: Reliant - Hayoz

Paul:

I was contacted by Ms. Hayoz regarding the notification of a C-108 application for conversion of the Hayoz No.1 (API 30-021-20061) to a salt water disposal well under 19.15.26.8E. NMAC. As required under 19.15.26.8B.(2) NMAC, the applicant shall furnish a copy the application to each owner of the land surface where the well is located. After conversations with Ms. Hayoz, the surface ownership for unit letter F in Section 12 is diverse and will require additional effort by Walsh Engineering to satisfy the notification requirement. Ms. Hayoz recommends that you contact her attorney, Pete Domenici, Jr., regarding the proper parties to contact for this parcel. If you have any questions about this e-mail, please contact me at your convenience. PRG

Phillip R. Goetze, P.G.

Engineering and Geological Services Bureau, Oil Conservation Division
1220 South St. Francis Dr., Santa Fe, NM 87505
O: 505.476.3466 F: 505.476.3462

From: Loretta H [mailto:rettah1@gmail.com]
Sent: Monday, February 03, 2014 1:44 PM
To: Goetze, Phillip, EMNRD
Cc: Pete Domenici; Sylvia Rubby
Subject: Reliant - Hayoz

Dear Mr. Goetze,

RE: API: 30-021-20061

I am Loretta Hayoz and Trustee of August J. Hayoz, Jr. Trust. Find attached your letter with the word surface which should state:

As owners you are being notified of this application pursuant to NMOCD rules.

Find attached your letter, the two special warranty deeds signed over by my fathers (August) sister Theresa, with the acknowledgement of SUBJECT TO which I have underlined. Included find the Warranty Deed these are referenced to which all goes back to the estate.

If you have any questions in regards to the attachments please contact me.

My address is:

Loretta E. Hayoz
PO Box 93663
Albuquerque, NM 87199

My telephone Number is 505-710-3841

Trustee of August J. Hayoz, Jr.
PO Box 93663
Albuquerque, NM 87199

My Attorney is Pete V. Domenici, Jr.
320 Gold ve. SW Suite #1000
Albuquerque, NM 87102

505-883-6250
pdomenici@domenicilaw.com

Thank you for all of your assistance.

Loretta E. Hayoz

--

"In God We Trust"



C-108 Review Checklist:

Received: 02/06/14 Add. Request: Needed publication paper - April / Problems w/ notification Reply Date: 06/04/14 Suspended: None [Ver 13]

PERMIT TYPE: WFX / PMX / SWD Number: 1485 Permit Date: 06/04/14 Legacy Permits/Orders: None

Well No. 1 Well Name(s): Hayoz

API: 30-0 21-20061 Spud Date: 11/15/1983 New or Old: N (UIC Class II Primacy 03/07/1982)

Footages 1980 FNL/1980 FNL Lot — or Unit E Sec 12 Tsp 19N Rge 30E County Harding

General Location: SE of Mesa Quintaras Pool: SWD; Glorieta Pool No.: 96106

BLM 100K Map: Mosquero Operator: Rekant Exploration & Production LLC OGRID: 251905 Contact: Paul Thompson / Walsh Engineering

COMPLIANCE RULE 5.9: Total Wells: 59 Inactive: 0 Fincl Assur: OK Compl. Order? No IS 5.9 OK? ✓ Date: 6/4/14

WELL FILE REVIEWED ✓ Current Status: Former Tubbs CO₂ well; shut-in for conversion

WELL DIAGRAMS: NEW: Proposed ○ or RE-ENTER: Before Conv. ○ After Conv. ✓ Logs in Imaging: Dual LL / Micro SFL

Planned Rehab Work to Well: Add liner to production casing; cont liner to surface; perf

Well Construction Details:	Sizes (in) Borehole / Pipe	Setting Depths (ft)	Cement (S) or Cf	Cement Top and Determination Method	
Planned ___ or Existing <u>✓</u> Surface	12 1/4 / 9 5/8	0 to 167	Stage Tool	250	Circulated to surf.
Planned ___ or Existing <u>✓</u> Interm/Prod	8 3/4 / 7	0 to 2263	None	500	Circulated to surf.
Planned ___ or Existing ___ Interm/Prod	Add	liner to existing	Casing (7-inch)		—
Planned <u>✓</u> or Existing ___ Prod/Liner	— 4 1/2	0 to 2240	None	333	Circulate to surface
Planned <u>✓</u> or Existing ___ Liner	—	Tubing perf to be	cemented	with liner	—
Planned <u>✓</u> or Existing ___ OH / PERF	use	1555 to 1620	Inj Length 6.5	Completion/Operation Details:	

Injection Stratigraphic Units:	Depths (ft)	Injection or Confining Units	Tops	Completion/Operation Details:
Adjacent Unit: Litho. Struc. Por.				Drilled TD <u>2263</u> PBDT <u>2240</u>
Confining Unit: Litho. Struc. Por.	<u>+15</u>	<u>San Andres</u>	<u>1300</u>	NEW TD <u>—</u> NEW PBDT <u>2240</u>
Proposed Inj Interval TOP:	<u>1555</u>	<u>Glorieta</u>	<u>1540</u>	NEW Open Hole <u>○</u> or NEW Perfs <u>✓</u>
Proposed Inj Interval BOTTOM:	<u>1620</u>			Tubing Size <u>2 7/8</u> in. Inter Coated? <u>Yes</u>
Confining Unit: Litho. Struc. Por.	<u>φ</u>	<u>Yeso</u>	<u>1620</u>	Proposed Packer Depth <u>1500</u> ft
Adjacent Unit: Litho. Struc. Por.		<u>PE</u>	<u>2200</u>	Min. Packer Depth <u>1455</u> (100-ft limit)
				Proposed Max. Surface Press. <u>—</u> psi
				Admin. Inj. Press. <u>—</u> (0.2 psi per ft)

AOR: Hydrologic and Geologic Information

POTASH: R-111-P NA Noticed? NA BLM Sec Ord NA WIPP NA Noticed? NA SALT/SALADO T: NA B: NA CLIFF HOUSE NA

FRESH WATER: Aquifer Ogallala in area Max Depth 5200' HYDRO AFFIRM STATEMENT By Qualified Person ✓

NMOSE Basin: Tucumanari CAPITAN REEF: thru ○ adj ○ NA ✓ No. Wells within 1-Mile Radius? ○ FW Analysis NA

Disposal Fluid: Formation Source(s) Tubbs fm / CO₂ / Brine Analysis? Yes On Lease ○ Operator Only ✓ or Commercial ○

Disposal Int: Inject Rate (Avg/Max BWPD): 350/700 Protectable Waters? Unknown Source: None System: Closed ✓ or Open ○

HC Potential: Producing Interval? No Formerly Producing? No Method: Logs/DST/P&A/Other History 2-Mile Radius Pool Map NA

AOR Wells: 1/2-M Radius Map? Yes Well List? Yes Total No. Wells Penetrating Interval: 1 Horizontals? No

Penetrating Wells: No. Active Wells φ Num Repairs? φ on which well(s)? — Diagrams? No

Penetrating Wells: No. P&A Wells 1 Num Repairs? φ on which well(s)? — Diagrams? NA

NOTICE: Newspaper Date April 2, 2014 Mineral Owner Private Surface Owner Private [Numerous private] N. Date 02/10/2014

RULE 26.7(A): Identified Tracts? Yes Affected Persons: Only USA/ Exxon Mobil/ Amerada Hess N. Date 02/10/2014

Permit Conditions: Issues: too much open casing below bottom perfs / unknown w/o CBL if no circ.

Add Permit Cond: Sample formation if sand / CIBP within 200' / CBL