

11/22/05	12/8/05	WVS	11/22/05	SWD-1011	PWVS0536149507
DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.

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.

Print or Type Name

Signature

Title

Date

e-mail Address

North of Carlsbad - Below Capital Reef (no logs or Rooms) See CIRP @ 4400
581 PSI
2904-4440 Delaware
Run BLM Lower Stage DID NOT CIRC
Turn in MVDLG/CBL/UGS

November 21, 2005

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

Attn: Mr. Will Jones

Re: Request for Administrative Approval
For Water Disposal Well.
Big Eddy Unit No. 99
API # 30-015-24808
Section 16F, T-21-S, and R-28-E
Eddy County, New Mexico

Re: Withdrawal of Request for Administrative Approval
For Water Disposal Well.
Big Eddy Unit No. 86
API # 30-015-23624
Section 9 E, T-21-S, and R-28-E
Eddy County, New Mexico

Dear Mr. Jones,

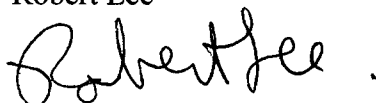
This letter is to inform you that Mesquite SWD, Inc. is withdrawing its application to convert the Big Eddy #86 to SWD. As you know, Mesquite originally filed an application to convert the Big Eddy #86 and the Big Eddy #99 to SWD wells. Bass Enterprises Production Co. objected to these applications via a letter from Mr. Jim Bruce on September 28, 2005.

Since that time we contacted Mr. Brad Glasscock, a landman for Bass Enterprises Production Co. Both parties have agreed to concessions in which Mesquite will withdraw their application for the Big Eddy #86 conversion and Bass will withdraw their objection to the Big Eddy #99 conversion.

You should receive a letter from Bass confirming their decision to rescind their objection to the conversion of the Big Eddy #99 well. Mesquite therefore, respectfully requests the resumption of the administrative process for the approval of the Big Eddy #99 conversion once you receive notification from Bass Enterprises.

Thank you for your help in this matter.

Sincerely,
Robert Lee



11-22-05

SWD-1011

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

RECEIVED

DEC 1 - 2005

OIL CONSERVATION DIVISION
DIVISION DIVISION

November 29, 2005

Mark E. Fesmire, P.E.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

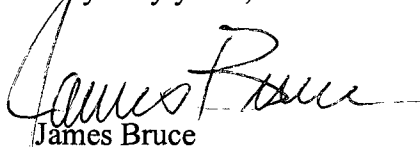
Re: Administrative application of Mesquite SWD, Inc. for approval of a salt water disposal well, Eddy County, New Mexico (Big Eddy Unit Well No. 99, located 1980 feet FNL & 2080 feet FWL §16-21S-28E)

Dear Mr. Fesmire:

By letter dated September 28, 2005, Bass Enterprises Production Co., the operator of the Big Eddy Unit, objected to the above application. It now withdraws that objection.

It does not withdraw its objection to the Big Eddy Unit Well No. 86, located 1980 feet FNL & 660 feet FWL §9-21S-28E.

Very truly yours,



James Bruce

Attorney for Bass Enterprises Production Co.

cc: Mesquite SWD, Inc.
P.O. Box 1479
Carlsbad, New Mexico 88221

Lee Engineering
P.O. Box 10523
Midland, Texas 79702

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

2005 SEP 28 PM 1 35

September 28, 2005

Hand Delivered

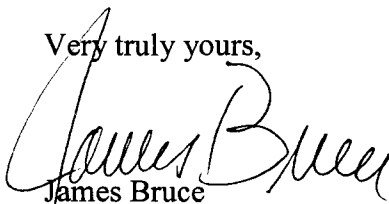
Mark E. Fesmire, P.E.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Administrative applications of Mesquite SWD, Inc. for approval of two salt water disposal wells, Eddy County, New Mexico (Big Eddy Unit Well No. 86, located 1980 feet FNL & 660 feet FWL §9-21S-28E; and Big Eddy Unit Well No. 99, located 1980 feet FNL & 2080 feet FWL §16-21S-28E)

Dear Mr. Fesmire:

Bass Enterprises Production Co., the operator of the Big Eddy Unit, objects to the above applications.

Very truly yours,


James Bruce

Attorney for Bass Enterprises Production Co.

cc: Mesquite SWD, Inc.
P.O. Box 1479
Carlsbad, New Mexico 88221

Lee Engineering
P.O. Box 10523
Midland, Texas 79702

Jones, William V., EMNRD

From: Robert Lee [robertlee5@worldnet.att.net]
Sent: Friday, October 07, 2005 7:39 AM
To: Jones, William V., EMNRD
Subject: RE: SWD proposal for the Big Eddy Unit #99 30-015-24808

Will,

I have spoke with Jim Bruce and Brad Glasscock, the Bass landman, about their concerns. He did not know what the problems were and was only told to object to the application. Brad said the guy with the problem was out of town and would be back next week. I'll advise my client, Mesquite SWD, to try to resolve any issues with Bass and then proceed. I'm not really wanting to go to hearing with a protesting party objecting to our application.

Thanks

Robert Lee

-----Original Message-----

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]
Sent: Thursday, October 06, 2005 5:08 PM
To: robertlee5@att.net
Cc: Arrant, Bryan, EMNRD
Subject: SWD proposal for the Big Eddy Unit #99 30-015-24808

Hello Robert:

As you probably know, we received a protest letter from Bass Enterprises through their attorney - Mr. James Bruce

I cannot proceed on this administratively, and must cancel this application.

If Mesquite SWD, Inc. wants to apply through the hearing process, please have them contact Florene Davidson of this office and supply her with an abstract of the case for publication with an upcoming docket.

Regards,

William V. Jones Engineering Bureau Oil Conservation Division Santa Fe

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. - This email has been scanned by the Sybari - Antigen Email System.

10/7/2005

Jones, William V., EMNRD

From: Arrant, Bryan, EMNRD
Sent: Monday, October 03, 2005 10:16 AM
To: Jones, William V., EMNRD
Subject: Big Eddy Unit #99-SWD proposal

Will,

In regards to the proposed SWD well, I came across some points of interest:

With the data I am reviewing, in the same unit (F) at one time the same proposed SWD well produced out of the Delaware in the proposed injection interval.

It potentialed at 31 BO, 29 MCF AND 26 BW w/perfs2904-2924'.

The other well in the same section (In Unit G) was PxA'd.

I did not go any further @ the proposed SWD well into other sections.

It is interesting that when one enters data with the State Engineer's web-site that one can bring up different data.

I queried for sections: 8,9,10,15,16,17,20,21 and 22 and got (9) water wells in the SW/4 of section 17 as opposed to (2) as reported from the application. Lee Engineering went a different way and entered all of 21S-28E. That is Odd the way one gets different data.

Lee Engineering must have data that I am unaware of. as they report salt and anhydrite in the Captain Reef from 1870-2200'. If they have data that supports this I could use the information. Can you have them submit this supporting data?

Thanks, Bryan

10/5/2005

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



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 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
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☐ 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

Completed 12/16/05
Returned as new application 1/12/06

[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 _____ Signature _____ Title _____ Date _____
 e-mail Address _____

LEE ENGINEERING

P.O. BOX 10523, MIDLAND, TX 79702 (432) 682-1251

September 26, 2005

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

RECEIVED
OCT 3 2005
OIL CONSERVATION
DIVISION

Attn: Mr. Will Jones

Re: Request for Administrative Approval
For Water Disposal Well.
Big Eddy Unit No. 99
API # 30-015-24808
Section 16F, T-21-S, and R-28-E
Eddy County, New Mexico

Dear Mr. Jones:

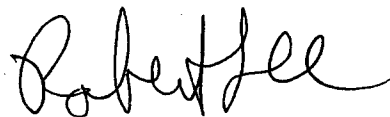
Please find attached a Form C-108 requesting approval to utilize the Big Eddy Unit #99 as a salt-water disposal well. If all attachments are satisfactory and no offset Owners object, Mesquite SWD, Inc. respectfully requests approval be granted administratively.

Mesquite SWD, Inc. requests permission to inject water into the Delaware Formation from 2900-24, 2985-3005, 3025-55, 3230-65, 3365-80, 3398-3405, 3515-70, 3710-70, 4054-62, 4190-4280, 4300-20 & 4420-40. The 2 7/8" cement lined injection tubing will be set at 2875' with a plastic coated AD-1 Packer.

The maximum anticipated injection rate is 6000 BWPD with an injection pressure not to exceed 580 PSI. If injection pressures need to be increased, a State witnessed step-rate test will be performed.

If you have any questions or if I can be of any assistance, please do not hesitate to call me at (432)-682-1251. My e-mail address is: robertlee5@att.net.

Sincerely,



Robert Lee

BIG EDDY UNIT #99

SALT WATER DISPOSAL WELL

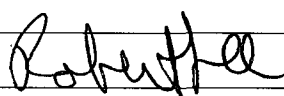
OCD FORM C-108

OPERATOR

MESQUITE SWD, INC.

September 2005

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance ☒ Disposal _____ Storage
Application qualifies for administrative approval? ☒ Yes _____ No
- II. OPERATOR: _____ Mesquite SWD Inc. _____
ADDRESS: _____ P. O. Box 1479 Carlsbad, NM 88220 _____
CONTACT PARTY: _____ Mr. Clay Wilson _____ PHONE: _____ 505-706-1869 _____
- 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:
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: _____ Robert Lee _____ TITLE: _____ Consulting Engineer _____
SIGNATURE: _____  _____ DATE: _____ September 9, 2005 _____
E-MAIL ADDRESS: _____ robertlee5@att.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.

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Dawn Higgins, being first duly sworn, on oath says:

That she is Business Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

September 14	2005
_____	2005
_____	2005
_____	2005

That the cost of publication is \$ 41.45
and that payment thereof has been made and will be
assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this

14 day of September 2005
Stephanie Dobson

My commission expires 12-13-05

Notary Public

September 14, 2005

This is to advise all parties concerned, Mesquite SWD, Inc. seeks permission to inject salt water into the following well:

Big Eddy Unit #99
1980' FNL & 2080'
FWL
Section 16, T-21-S,
R-28-E, Eddy County,
New Mexico

The formation to be injected into is the Delaware Formation. The Delaware interval will encompass various intervals from:
2900-4440

The maximum expected injection rate is 6000 BWPD per well at a maximum injection pressure of 580 psi. Questions can be addressed to:

Lee Engineering
P.O. Box 10523
Midland, TX. 79702
Attn: Robert Lee
(432)-682-1251

Interested parties must file objections or requests for hearing within 15 days of this notice to the:

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

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bass Enterprises Production Co
P O Box 2760
Midland TX 79702

2. Article Number
(Transfer from service label)

7004 1160 0000 4928 1623

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

x *Glenn Robertson*☐ Agent☐ Addressee

B. Received by (Printed Name)

G. Robertson

C. Date of Delivery

SEP 12 2005

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

USPS

3. Service Type

☒ Certified Mail ☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

New Mexico State Land Office
P O Box 1148
Santa Fe NM 87504-1148

2. Article Number
(Transfer from service label)

7004 1160 0000 4928 1630

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

BIG EDDY UNIT #99
APPLICATION FOR INJECTION
NMOCD Form C-108 Section III

III. Data on injection well(s)

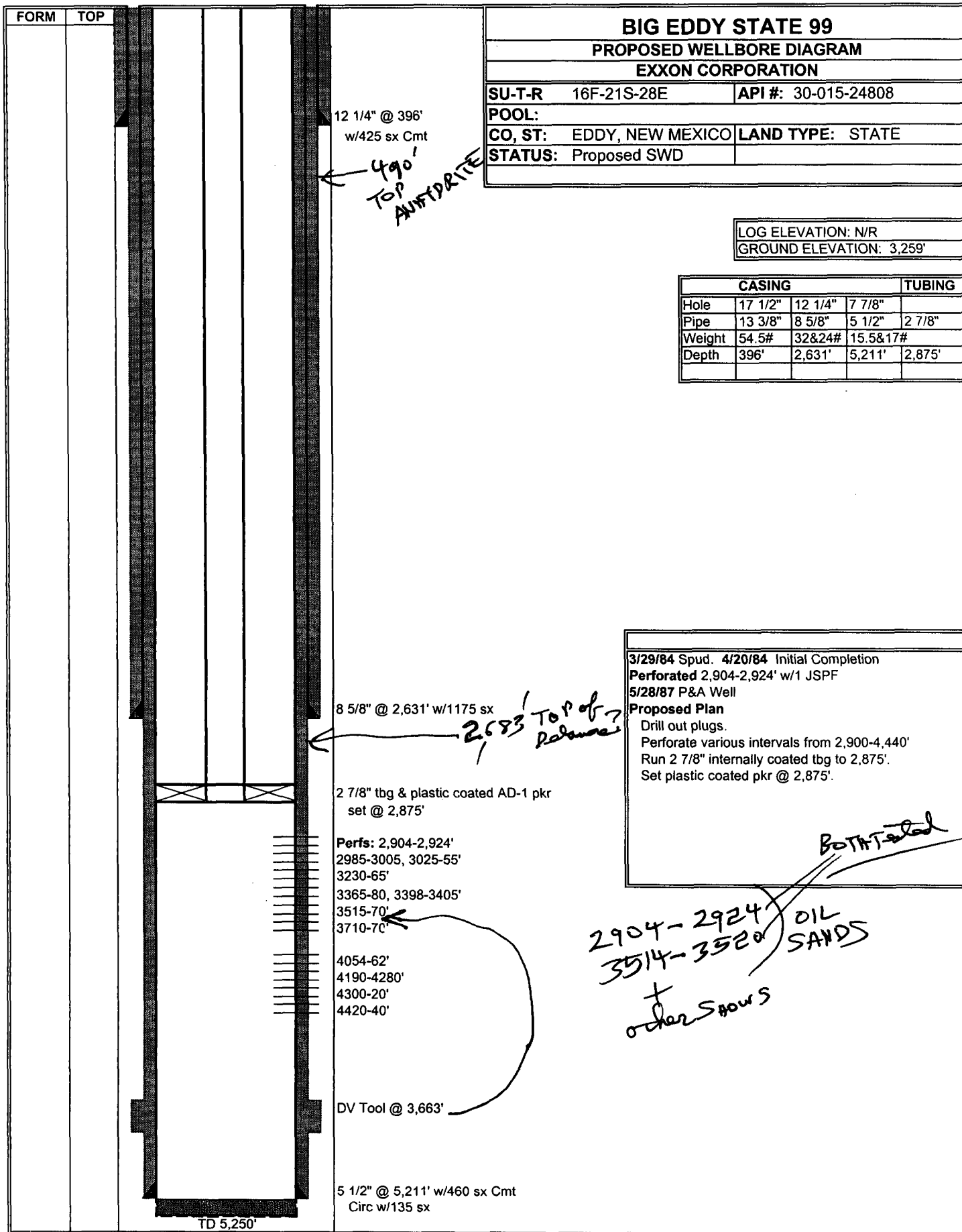
A. Injection well information (see attached schematic)

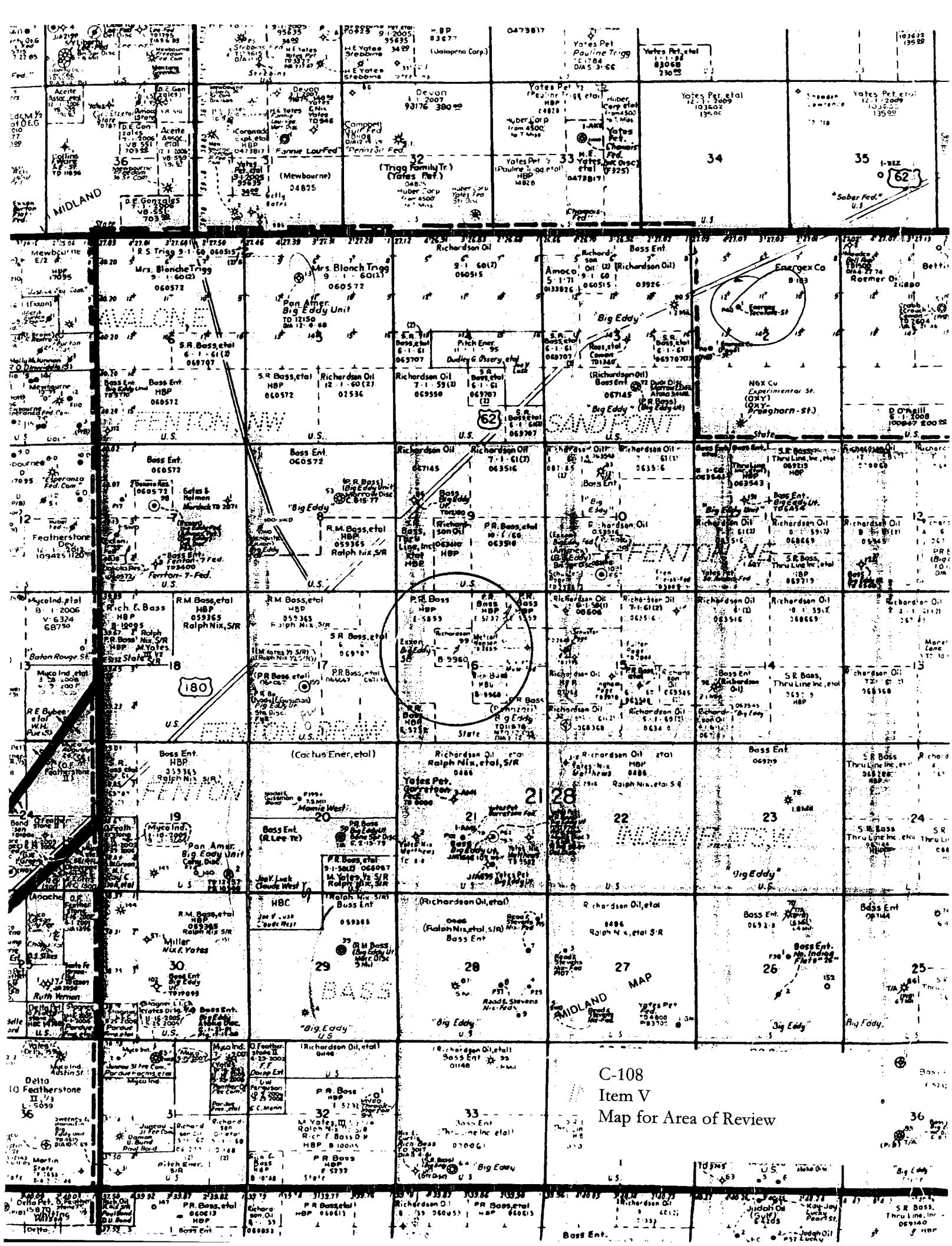
Tabular data

1. Lease: Big Eddy Unit
Well No: 99
Location: 1980' FNL & 2080' FWL,
Section 16
T-21-S, R-28-E
Eddy County, NM
2. Casing: 12 1/4" surface csg. @ 396', cemented w/ 425 sx. TOC @ surface, circulated.
8 5/8", intermediate casing @ 2631' cemented w/ 1175 sx. TOC @ surface, Circulated
5 1/2" production casing, @ 5211' cemented w/ 460 sx. cement. A DV tool was set at 3663. The first stage of 230 sx did not circulate. The second stage of 230 sx did circulate.
3. Injection tubing: + or - 91 jts 2 7/8", 4.6 lb/ft, J-55 Rice Duoline internally cement lined tubing set @ 2875'.
4. Packer: Plastic coated AD-1 Packer set at 2875'.

B. Other well information

1. Injection formation: Delaware
Field: Fenton Delaware
2. The injection intervals will be from 2250-8145'. The well is currently plugged. It is proposed to drill out the plugs and perforate 2900-24, 2985-3005, 3025-55, 3230-65, 3365-80, 3398-3405, 3515-70, 3710-70, 4054-62, 4190-4280, 4300-20 & 4420-40.
3. This well was drilled as a Delaware producer in 1984. It was plugged in 5/1987. All casing was left in the ground.
4. The perfs in the well are 2904-2924'. There are no other perfed or tested intervals in this well. We intend to add perfs as listed in item #2.
5. There are no other productive wells in the area of this well.





C-108
Item V
Map for Area of Review

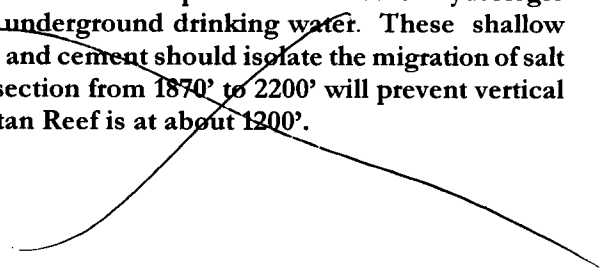
Mesquite SWD, Inc. C-108 ITEM VI Tabulation of Wells Within the Area of Review

OPERATOR	CURRENT WELL NAME	API #	LOC'N	S-T-R T-21-S R-28-E	STATUS	SPUD DATE	COMP DATE	TD	PBTD	ZONE	CASING PROGRAM	TOC (Calc.)	COMP. INTERVAL	TRTMT.	IP
1 Mesquite SWD Inc	Big Eddy #99	24808	1980 FNL 2080 FWL	Section 16	P & A	3/29/1984	4/20/1984	5250		Delaware	12 1/4" @ 396' w/ 425 sx 8 5/8" @ 2631' w/ 1175 sx 5 1/2" @ 5211' w/ 460 sx	Circ Circ Surf* *DV tool at 3663'. Did not circ. 1st stage.	2904-2924	1500 gal. acid Frac w/ 32 Mgal & 11.6 M# Sand	31 BOPD, 29 MCFD 26 BWPD

BIG EDDY UNIT #99
CONVERT TO INJECTION
NMOCD Form C-108 Sections VII thru XII

VII. Data on proposed operation.

1. Proposed average injection rate: 3000 BWPD per well
Proposed maximum injection rate: 6000 BWPD per well
2. The system will be a closed system.
3. Proposed average injection pressure: 500 PSI
Proposed maximum injection pressure: 580 PSI (This is based on a .2 psi/ft gradient)
4. The proposed injection fluid is produced water from other leases. Water analysis of these waters is not available.
5. There is no production from these intervals within 1 mile of this well.

- VIII. The proposed injection interval is located in the Delaware formation. The Delaware is a Permian age reservoir that about 3300' thick in this area. The top of the Delaware is at 2683' and the base is about 6000'. The Big Eddy #99 did not reach the base of the Delaware. The intervals to be injected into are 2900-24, 2985-3005, 3025-55, 3230-65, 3365-80, 3398-3405, 3515-70, 3710-70, 4054-62, 4190-4280, 4300-20 & 4420-40. There are no fresh water wells within one mile of the proposed salt-water disposal well based on the attached information provided by the State Engineer.
- IX. The injection zone will be perforated intervals in the Delaware at 2900-24, 2985-3005, 3025-55, 3230-65, 3365-80, 3398-3405, 3515-70, 3710-70, 4054-62, 4190-4280, 4300-20 & 4420-40. The injection string will be 2 7/8" cement lined tubing set at 2875' with a plastic coated AD-1 packer. No stimulation is planned for the injection interval.
- X. Logs have been submitted to the OCD.
- XI. There are no fresh water wells within one mile of the proposed conversion. The information for this area as provide by the State Engineer is attached
- XII. An examination of this area has determined there are no open faults or other hydrologic connection between the disposal zone and any underground drinking water. These shallow formations are generally not faulted. The casing and cement should isolate the migration of salt water up the borehole. The salt and anhydrite section from 1870' to 2200' will prevent vertical migration in the formation. The top of the Capitan Reef is at about 1200'.
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New Mexico Office of the State Engineer
Well Reports and Downloads

Township:	21S	Range:	28E	Sections:	All				
NAD27 X:		Y:		Zone:	<input type="button" value="v"/>	Search Radius:			
County:	ED	<input type="button" value="v"/>	Basin:		<input type="button" value="v"/>	Number:		Suffix:	
Owner Name: (First)			(Last)			<input type="radio"/> Non-Domestic	<input type="radio"/> Domestic	<input checked="" type="radio"/> All	
<input type="button" value="Well / Surface Data Report"/>			<input type="button" value="Avg. Depth to Water Report"/>			<input type="button" value="Water Column Report"/>			
<input type="button" value="Clear Form"/>			<input type="button" value="WATERS Menu"/>			<input type="button" value="Help"/>			

WATER COLUMN REPORT 09/07/2005

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

Well Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Depth Well	Depth Water	Water (in feet) Column
CP 00569	21S	28E	17	3	4					71	50	21
CP 00576	21S	28E	17	3	4	2				295	32	263

Record Count: 2

NAME Big Eddy #99 COUNTY Eddy, NM
DRLG. CONTR. Sierra RIG # 3

4/3/84

6 days 2650' Drill shoe jt.

mud 8.8, vis. 28

Bit #3: in @ 1939', out @ 2650', 711'/24½ hrs

Bit #4: 7 7/8" Reed HPSN, in @ 2650', 0'/0 hrs

32# & 24# J-55 ecp & DV tool. Land @

2631'. Pkr @ 410', DV @ 406'. Cmt 1st

stage w/800 sx LW, 200 sx "C" + 1% CaCl.

Pressure up to 1600# to set pkr. Pkr

set & btm plug gave way. WOC 6 hrs.

Pressure csg to 1500#, ok. Open DV tool

& broke circ. Cmt 2nd stage w/175 sx "C".

Circ 30 sx cmt. PD @ 4:00 pm 4/2/84.

WOC NU

Daily cost \$49,085

Total well \$133,187

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APR 25 1984

O. C. D.

ARTESIA, OFFICE

4/4/84

7 days 3197' lime drlg (547')

mud 8.9, vis. 28

Bit #4: in @ 2650', 547'/15 hrs

Drlg DV @ 406'. Tested stage tool to

1500# 15 min ok. GIH & drlg cmt 2565'-

2631'. Drlg formation. Show #1: 6'

2754'-60', drlg 2 min/ft: down to 1½ min/

ft, BG gas 4 units increased to 28 units,

max 32 decreased to 4-6 units, 20% bright

yellow florescence, very slight cut, no

stain, good intergranular porosity, 100%

sand. Show #2: 22' 2908'-2930', drlg 2

min/ft down to ½ min/ft, resume 2 min/ft,

BG gas 6 units increased to 340 units, 350

max, 70% bright yellow florescence, good

cmt, no stain, intergranular porosity, 100%

sand. C₁ 80, C₂ 160, C₃ 20, C₄ 50, C₅ 10.

Oil on pits.

Daily cost \$10,800

Total well \$143,987

4/5/84

8 days 4085' sd drlg (900')

mud 9.2, vis. 29, ph 10.5

survey: 1 @ 3350', 1½ @ 3855'

Bit #4: in @ 2650', 1435'/37½ hrs

Show #3: 3314'-3324'

Show #4: 3396'-3408'

Show #5: 3518'-3538'

Daily cost \$16,500

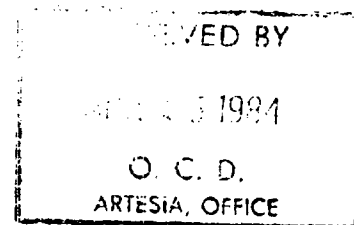
Total well \$160,487

NAME Big Eddy #99 COUNTY Eddy, NM
DRLG. CONTR. Sierra RIG # 3

4/6/84

9 days 4881' Drlg w/partial returns. (796')
mud 8.7, vis. 29
survey: 3/4 @ 4165'
Bit #4: in @ 2650', 2226'/57 hrs
Lost returns @ 4493'. Pumping no circ
slug every hour - goes from partial &
no returns to full returns. Drlg 1 1/2-
2 min/ft.

Daily cost \$20,000
Total well \$180,487



4/7/84

10 days 5153' drlg, no returns (272')
mud 8.5, vis. 29
Bit #4: in @ 2650', 2503'/71 hrs
Circ from 4918'-5008'. Spotted 2 pills.
Had circ approx 15 min. FL 15' below
surface.

Daily cost \$13,800
Total well \$194,287

4/8/84

5250' GIH to LDDP. No returns. (97')
mud 8.5, vis. 29
survey: 1 @ 4410'
Bit #4: in @ 2650', out @ 5250', 2600'
TD & circ 1 hr. Pump 80 bbl gel pill.
POH Log well - GR CNL-LET, DLL MSFL &
HDT. RIH & circ.

Daily cost \$26,800
Total well \$221,087

4/9/84

TD 5250' LDDP & collars. Ran 124' 5 1/2"
15.5# & 17# ST&C J-55. Land @ 5211'.
Stage tool @ 3663'. P/130 BFW. Cmt 1st
stage w/230 sx 1:1 talc, 2% KCL, .5 CFI,
1/2# flocele, 2# hiclele, wgt 13.8#/gal.
PD @ 4:30 pm 4/8/84. Did not circ. WOC
1 hr. Drop bomb, wait 30 min. Open DV.
P/50 BFW. Cmt 2nd stage w/230 sx 1:1
talc, 2% KCL, .5% CFI. Had circ w/135
sx cmt. P/for 10 min, lost circ. PD @
7:15 pm 4/8/84. WOC NU Release Sierra
Rig #3 @ 12:30 am 4/9/84.

Daily cost \$50,450
Total well \$271,537

4/10/84
RDRT

4/11/84

RDRT Prep to run CBL & CCL log.

\$271,537

NAME Big Eddy #99 COUNTY Eddy, NM

DRLG. CONTR. _____ RIG # _____

4/12/84

Run CBL & CCL. Cmt from 3645'-2750'.

Daily cost \$3,000

Total well \$274,537

4/13/84

WORM

4/14-15/84

WORM

4/16/84

Moving rig off.

4/17/84

WORM

4/18/84

TD 5250' MORT MIRUSU NU RIH w/2 3/8"

tbg to 2941'. Prep to perf & acidize.

Daily cost \$2,000

Total well \$276,537

4/19/84

TD 5250' Displace csg & tbg w/2% KCL.

Spot 150 gal 15% HCL acid. Ran basic

GR. Perf 2904'-2924' w/1 jspf. RIH

w/tbg & pkr. Rev out acid. Set pkr

@ 2757'. CP to 500#. Acidize w/1500

gal 15% HCL w/30 BS. Formation broke

@ 1650#, Max 1650#, AP 1300#, Min 1200#.

ISIP 1200#, 15 min 950#, AIR 2 bpm.

Run GR & temp log, 1 run/hr for 2 hrs.

Bled off pressure. S/1½ hrs, rec 9

BLW. SFL full, EFL 2700'. SIFN 43

BLW to recover. All acid in zone.

Daily cost \$22,000

Total well \$298,537

4/20/84

TD 5250' SI 14 hrs, 0 psi. S/10 hrs

rec 9 BO, 4 BLW. SFL 1500' fs, EFL

2700' fs. Made swab run every 2 hrs.

SI Prep to frac.

Daily cost \$2,300

Total well \$300,837