

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 _____

Handwritten notes:
 These are all OTHER (OLDER) in Lower/older UPPER TRVRS
 try-wells in THIS area; see R-3488-1
 SWD-573-2
 R-5796-3

RECEIVED
 2008 MAY 19 PM 4 24

- [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.

Eddie W Seay Eddie W Seay Agent 5/19/2008
 Print or Type Name Signature Title Date
 seay24@leaco.net
 e-mail Address

May 14, 2008

RECEIVED
2008 MAY 19 PM 4:24

NMOCD Engineering
ATTN: Will Jones
1220 S. Saint Francis Drive
Santa Fe, NM 87504

RE: Fulfer Oil & Cattle LLC
Maralo Sholes B #2 API 30-025-09806
C-108 Application

Mr. Jones:

Find within the new application as you suggested. We are refileing to inject into the lower Yates and 7 Rivers, all notices have been sent and advertised.

Should you have any questions, please call.

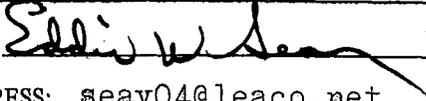
Sincerely,



Eddie W. Seay, Agent
Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242
(575)392-2236
seay04@leaco.net

cc: Fulfer Oil & Cattle

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance Disposal Storage
Application qualifies for administrative approval? Yes No
- II. OPERATOR: Fulfer Oil & Cattle LLC (OGRID-141402)
ADDRESS: P.O. Box 578 Jal, NM 88252
CONTACT PARTY: Eddie W. Seay PHONE: 575-392-2236
- 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: Eddie W. Seay TITLE: Agent
SIGNATURE:  DATE: 5/9/2008
E-MAIL ADDRESS: seay04@leaco.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: _____

ATTACHMENT TO APPLICATION C-108

Maralo Sholes B #2
Unit P, Sect. 25, Tws. 25 S., Rng. 36 E.
API: 30-025-09806
Lea Co., NM

III. WELL DATA

- A.
- 1) See injection well data sheets and attached schematics.
 - 2) See injection well data sheets and attached schematics.
 - 3) 3 1/2" plastic coated tubing.
 - 4) Baker AD-1.
- B.
- 1) Injection formation is the Lower Yates and 7 Rivers.
 - 2) Injection interval 2938' to 3055'.
 - 3) Well was drilled as a producer.
 - 4) The next higher producing zone, none, the base of salt at approximately 2562' .
The next lower producing zone is the Queen at approximately 3400' , but is non-productive.

IV. NO.

V. MAP ATTACHED.

VI. LIST OF WELLS AND DATA ATTACHED.

VII. Fulfer proposes to re-complete the above listed well. Clean out well bore, squeeze existing perms and recomplete in Lower Yates and open hole in 7 Rivers from 2938' to 3055' . Run 3 1/2" plastic coated tubing with 3 1/2" packer and set at approximately 2850' .

- 1) Plan to inject approximately 5000 bpd of produced water from Fulfers own operation and surrounding production of the same waters.
- 2) Closed system.
- 3) Average injection pressure should be approximately 500# to 700# or whatever limit OCD allows.
- 4) Only produced water from formation in this area.

VIII. See Attached.

There is no fresh water found for this area of review. Sample of water well in Section 26 was obtained, see attached.

IX. ACID AS NEEDED.

X. PREVIOUSLY SUBMITTED TO OCD.

XI. ATTACHED.

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

XIII. ATTACHED.

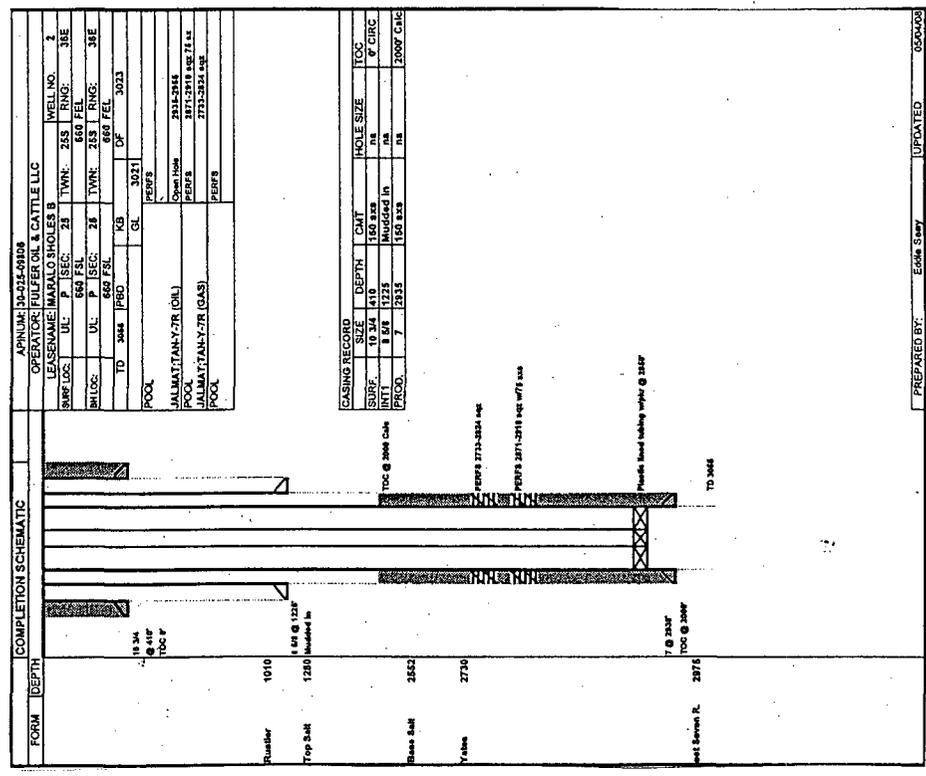
INJECTION WELL DATA SHEET

OPERATOR: Fulfer oil & Cattle Co LLC

WELL NAME & NUMBER: Marulo Sholes B # 2

WELL LOCATION: 660/S 660/E FOOTAGE LOCATION: P UNIT LETTER: 25 SECTION: 25 TOWNSHIP: 36 RANGE: 25

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA
Surface Casing

Hole Size: 13 Casing Size: 10 3/4 @ 410

Cemented with: 150 sx sx. or ft³

Top of Cement: Surface Method Determined: calculated

Intermediate Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. or ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 8 Casing Size: 7 @ 2935

Cemented with: 150 sx sx. or ft³

Top of Cement: 1241 Method Determined: calculated

Total Depth: 2955

Injection Interval

2938 feet to 3055

(Perforated or Open Hole indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 3 1/2 Lining Material: IPC
 Type of Packer: Baker AD-1 Packer
 Packer Setting Depth: 2850 ft.
 Other Type of Tubing/Casing Seal (if applicable): NONE

Additional Data

1. Is this a new well drilled for injection? Yes No
 If no, for what purpose was the well originally drilled? Well was originally drilled and produced from Salmat Gas
2. Name of the Injection Formation: Lower Yates - 7 Rivers
3. Name of Field or Pool (if applicable): Salmat (Yates, Tansill - 7R) Gas Pool
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. yes
2871 to 2910 and squeezed, and is presently perforated from 2733 - 2824
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:
The upper Yates and salt section is above 2562 to 2824
Lower zone are the Queen 3400 No production.

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-09806																															
FORM	DEPTH	OPERATOR: FULFER OIL & CATTLE LLC																															
<p style="position: absolute; top: 10%; left: 10%;">10 3/4 @ 410' TOC 0'</p> <p style="position: absolute; top: 30%; left: 10%;">8 5/8 @ 1225' Mudded in</p> <p style="position: absolute; top: 40%; left: 30%;">TOC @ 2000 Calc</p> <p style="position: absolute; top: 50%; left: 10%;">7 @ 2938' TOC @ 2000'</p> <p style="position: absolute; top: 60%; left: 30%;">Plastic lined tubing w/pkr @ 2850'</p> <p style="position: absolute; top: 70%; left: 30%;">TD 3055</p>		LEASENAME: MARALO SHOLES B		WELL NO. 2																													
		SURF LOC:	UL: P	SEC: 25	TWN: 25S	RNG: 36E																											
		660 FSL		660 FEL																													
		BH LOC:	UL: P	SEC: 25	TWN: 25S	RNG: 36E																											
		660 FSL		660 FEL																													
		TD	3055	PBD	KB	DF 3023																											
				GL	3021																												
		POOL		PERFS																													
		JALMAT; TAN-Y-7R (OIL)		Open Hole 2935-2955																													
		POOL		PERFS 2871-2910 sqz 75 sx																													
JALMAT; TAN-Y-7R (GAS)		2733-2824 sqz																															
POOL		PERFS																															
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th colspan="6">CASING RECORD</th> </tr> <tr> <th></th> <th>SIZE</th> <th>DEPTH</th> <th>CMT</th> <th>HOLE SIZE</th> <th>TOC</th> </tr> </thead> <tbody> <tr> <td>SURF.</td> <td>10 3/4</td> <td>410</td> <td>150 sxs</td> <td>na</td> <td>0' CIRC</td> </tr> <tr> <td>INT1</td> <td>8 5/8</td> <td>1225</td> <td>Mudded in</td> <td>na</td> <td></td> </tr> <tr> <td>PROD.</td> <td>7</td> <td>2935</td> <td>150 sxs</td> <td>na</td> <td>2000' Calc</td> </tr> </tbody> </table>				CASING RECORD							SIZE	DEPTH	CMT	HOLE SIZE	TOC	SURF.	10 3/4	410	150 sxs	na	0' CIRC	INT1	8 5/8	1225	Mudded in	na		PROD.	7	2935	150 sxs	na	2000' Calc
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Top Salt	1280																																
Base Salt	2552																																
Yates	2730	PERFS 2733-2824 sqz																															
		PERFS 2871-2910 sqz w/75 sxs																															
est Seven R.	2975	Plastic lined tubing w/pkr @ 2850'																															
		TD 3055																															

AFTER

DECLARED GROUND WATER BASINS

CAPITAN	LEA COUNTY	PENASCO
CARLSBAD	JAL	PORTALES
FORT SUMMER	HONDO	ROSWELL
SALT BASIN		ARTESIAN

1 MILE RADIUS

1/2 MILE RADIUS

SCALE: 1" = 2000'

SOUTHWEST ROYALTIES INC
MARALO SHOALES B #2

API: 3002509806 TWP: 25S RING: 36E

SEC: 25 UNIT: P 660 FSL 660 FEL

COUNTY: LEA S 42 W - 1.6 MILES FROM Jal, NM

LAT: 32°05.752' N. LON: 103°12.750' W.

NO WARRANTY IS EXPRESSED OR IMPLIED FOR THE ACCURACY AND/OR COMPLETENESS OF THIS MAP

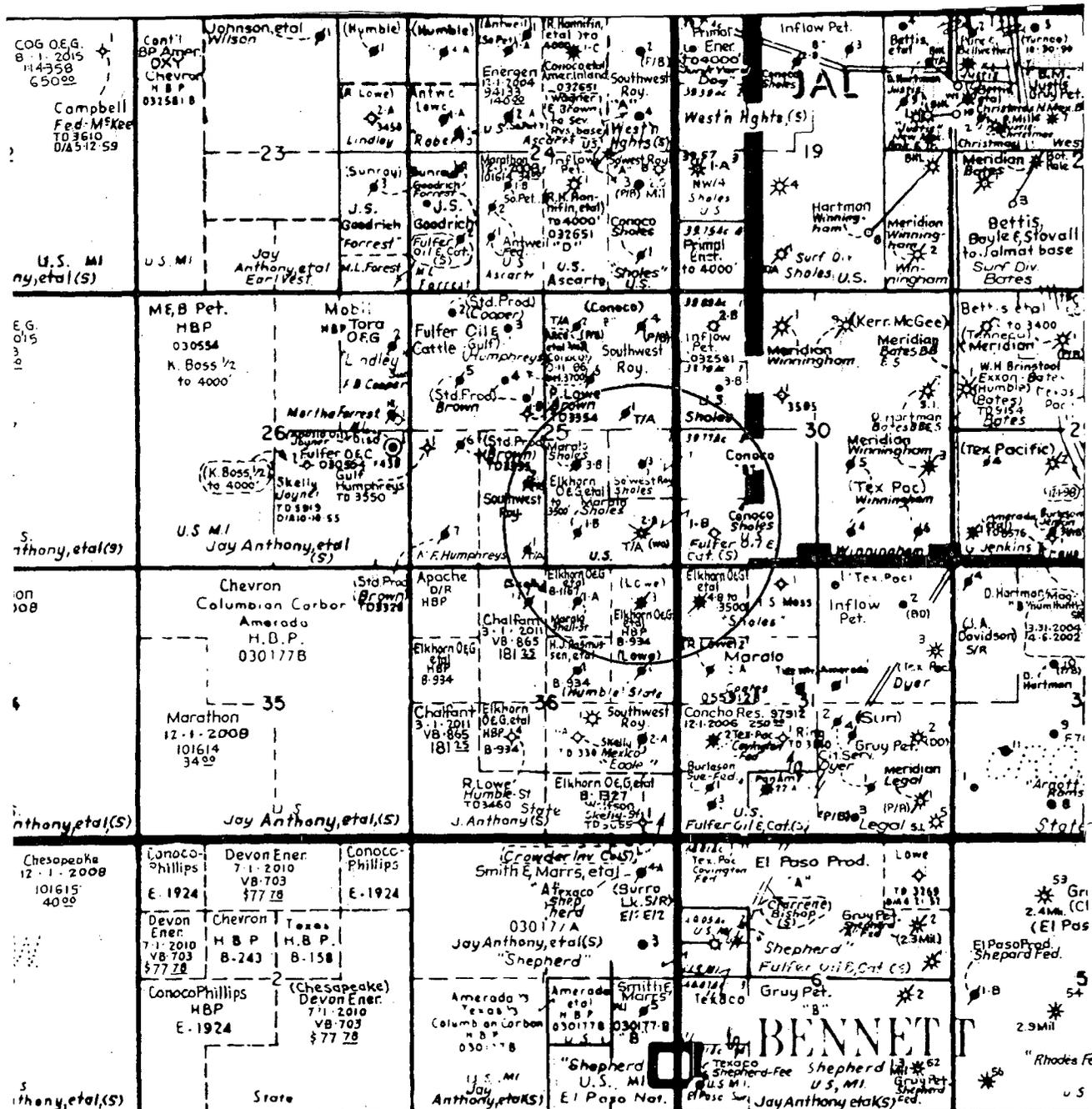
DATE: 11/01/07 www.WELLFROMAPPING.COM COPYRIGHT 2003-2006

SURFACE OWNERSHIP

BLM	STATE	PRIVATE
BUREAU OF RECLAIM.	NATIONAL PARK SERV.	FOREST
PARK	WILDLIFE REFUGE	TRIBAL LANDS

WELL TYPES

ACTIVE OIL	INACTIVE OIL	WATER WELL
ACTIVE GAS	INACTIVE GAS	
ACTIVE INJECTION	INACTIVE INJECTION	
ACTIVE WATER	INACTIVE WATER	
ACTIVE SWD	INACTIVE SWD	



DISPOSAL WELL

API #	PROPERTY NAME	#	OPERATOR	TD	TYPE	STATU	CO	LAND	U/L	SEC	TWN	RNG	N/S	E/W
30-025-09806	MARALO SHOLES B	2	FULFER OIL & CATTLE LLC	3055		TA		F	P	25	25 S	36 E	660 S	660 E

Wells within 1/2 mile of the proposed disposal well.

API #	PROPERTY NAME	#	OPERATOR	TD	TYPE	STATU	CO	LAND	U/L	SEC	TWN	RNG	N/S	E/W	Distance
30-025-09809	SHOLES B 25	3	CONOCOPHILLIPS COMPANY	3035		P&A		F	I	25	25 S	36 E	1980 S	660 E	1320 ✓
30-025-09812	SHOLES B 25	1	SOUTHWEST ROYALTIES INC	2950		Active		F	H	25	25 S	36 E	2310 N	990 E	2333 ✓
30-025-09815	HUMPHREYS	1	FULFER OIL & CATTLE LLC	3255		TA		P	N	25	25 S	36 E	330 S	2310 W	2333 ✓
30-025-09816	SHOLES B 25	1	MARALO LLC	3220		P&A		F	O	25	25 S	36 E	660 S	1830 E	1170 ✓
30-025-09817	HUMPHREYS	2	MARALO LLC	3222		P&A		P	K	25	25 S	36 E	1650 S	2310 W	2513 ✓
30-025-09819	SHOLES B 25	3	MARALO LLC	3220		P&A		P	J	25	25 S	36 E	1980 S	1830 E	1763 ✓
30-025-09830	HUMBLE STATE	2	SOUTHWEST ROYALTIES INC	3006		P&A		S	H	36	25 S	36 E	1980 N	660 E	2640 ✓
30-025-09831	HUMBLE STATE	3	MARALO LLC	2950		P&A		S	A	36	25 S	36 E	660 N	660 E	1320 ✓
30-025-09833	SHELL A STATE	1	MARALO INC	3138		P&A		S	B	36	25 S	36 E	660 N	1980 E	1866 ✓
30-025-11852	SHOLES B	4	MARALO LLC	3105		P&A		F	D	31	25 S	37 E	510 N	330 W	1532 ✓

5280

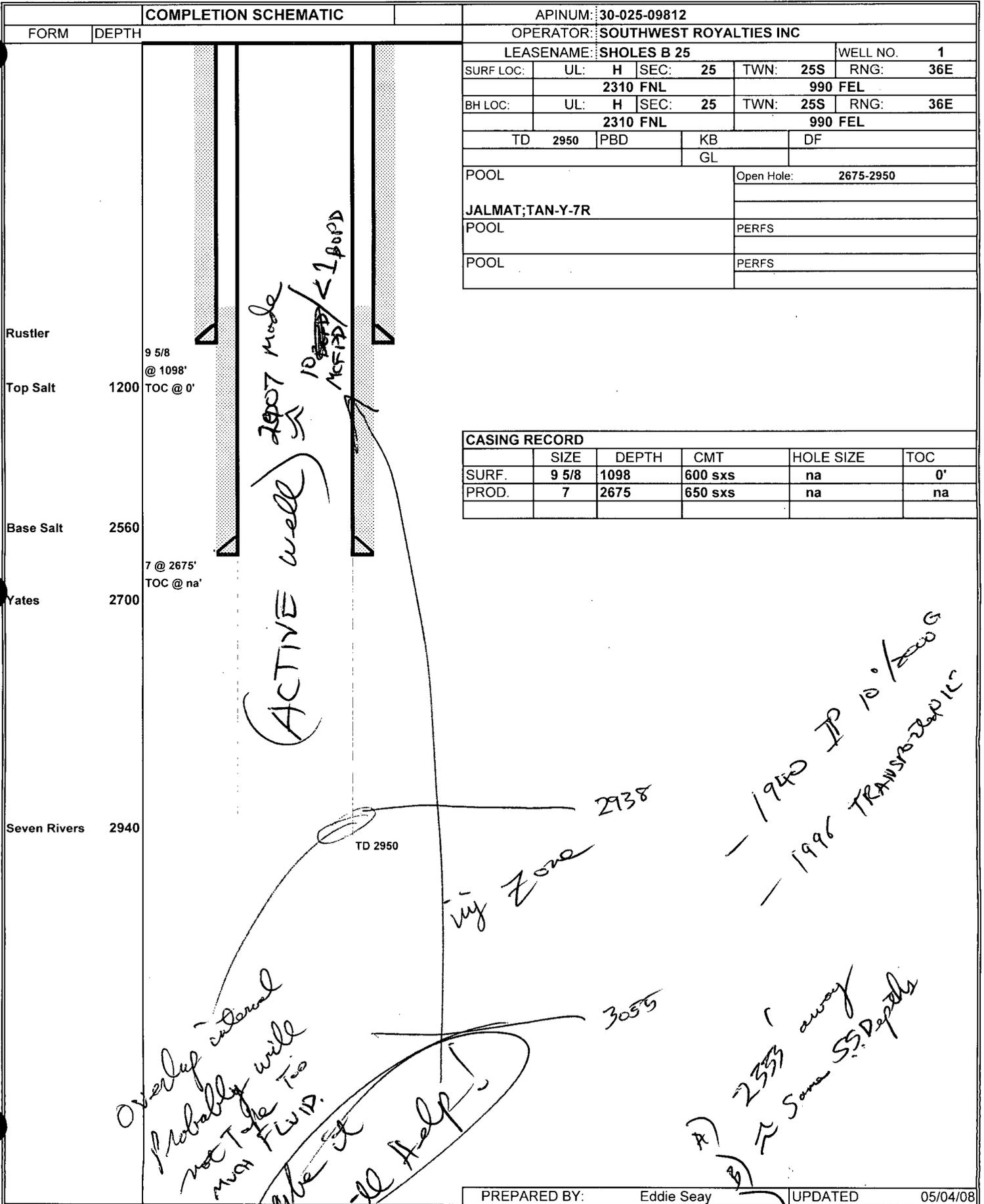
5280

API	WELL_NAME	OPERATOR	FTG_NS	NS_CD	FTG_EW	EW_CD	OCD	ISDIV	Sec	Tsp	Rge	TVD_DEPTH	OGRID_CDE	PROPERTY	LAN_WELL	NBR_C	ACRES	SPUD_DATE	COMPL_STAT
3002509804	BROWN 001	FULFER OIL & CATTLE LLC	1980 N		2310 E	E	F	F	25 25S	36E	36E	3406	141402	29160 P	G	1	160		Active
3002509807	BROWN 005	FULFER OIL & CATTLE LLC	1650 N		990 W	E	E	F	25 25S	36E	36E	3289	141402	29160 S	S	1	40		Active
3002509808	SHOLES B 25 002	SOUTHWEST ROYALTIES INC	660 N		1980 E	B	B	B	25 25S	36E	36E	3375	21355	18085 F	S	1	40		Active
3002509818	BROWN 003	FULFER OIL & CATTLE LLC	365 N		1650 W	C	C	C	25 25S	36E	36E	3225	141402	29160 P	O	1	40	03-May-60	Active
3002509820	BROWN 004	FULFER OIL & CATTLE LLC	1690 N		1870 W	F	F	F	25 25S	36E	36E	3247	141402	29160 P	O	1	40	06-Aug-60	Active
3002509823	BROWN 002	FULFER OIL & CATTLE LLC	330 N		825 W	D	D	D	25 25S	36E	36E	3321	141402	29160 P	O	1	40	18-Dec-59	Active
3002511854	DYER 002	INFLOW PETROLEUM RESOURCES LP	735 N		980 E	A	A	A	31 25S	37E	37E	3440	225789	33728 P	O	1	40	16-Jul-75	Active
3002511854	DYER 002	INFLOW PETROLEUM RESOURCES LP	735 N		980 E	A	A	A	31 25S	37E	37E	3440	225789	33728 P	O	2	200	18-Oct-51	Active
3002511858	LEGAL 003	CIMAREX ENERGY CO OF COLORADO	330 S		1980 E	O	O	O	31 25S	37E	37E	3336	162683	21831 P	O	2	200		Active
3002511857	M F LEGAL 002	CIMAREX ENERGY CO OF COLORADO	1980 S		660 E	I	I	I	31 25S	37E	37E	3350	162683	21767 P	G	1	160	29-Jul-83	Active
3002528289	M F LEGAL 005	CIMAREX ENERGY CO OF COLORADO	330 S		330 E	P	P	P	31 25S	37E	37E	2968	225789	33728 P	G	1	160	10-May-76	Active
3002511855	DYER 003	INFLOW PETROLEUM RESOURCES LP	1650 N		330 E	H	H	H	31 25S	37E	37E	2968	225789	33728 P	G	1	160		Active
3002509812	SHOLES B 25 001	SOUTHWEST ROYALTIES INC	2310 N		990 E	H	H	H	25 25S	36E	36E	2950	21355	18085 F	O	1	40		Active
3002535223	SHOLES B 30 003	INFLOW PETROLEUM RESOURCES LP	1806 N		815 W	E	E	E	30 25S	37E	37E	3000	225789	33755 F	O	1	39.79	05-Jan-01	Active
3002511840	SHOLES B 30 002	INFLOW PETROLEUM RESOURCES LP	660 N		560 W	D	D	D	30 25S	37E	37E	3054	225789	33755 F	G	1	80	06-Feb-50	Active
3002528637	WINNINGHAM 009	CIMAREX ENERGY CO OF COLORADO	660 N		1980 E	B	B	B	30 25S	37E	37E		162683	21830 P	G	1	480		Active
3002528637	WINNINGHAM 009	CIMAREX ENERGY CO OF COLORADO	660 N		1980 E	B	B	B	30 25S	37E	37E		162683	21830 P	G	1	480		Active
3002528637	WINNINGHAM 009	CIMAREX ENERGY CO OF COLORADO	660 N		1980 E	B	B	B	30 25S	37E	37E		162683	21830 P	G	1	480		Active

PLUG	ONE_PRODUCING_POOL_NAME	IspN	IspD	RegN	RgeD	water_ini_2007	water_ini_2006	LAST_PROD	days_prod_2007	gas_prod_2007	gas_prod_2006	oil_prod_2007	oil_prod_2006	water_prod_2007	water_prod_2006
	JALMAT:TAN-YATES-7 RYRS (GAS)	25 S	36 E	36 E				2007-12	85	0	0	41	32	0	1391
		25 S	36 E	36 E		51640	47133		0	0	0	0	0	0	0
		25 S	36 E	36 E			123115		0	0	0	0	0	0	0
	JALMAT:TAN-YATES-7 RYRS (OIL)	25 S	36 E	36 E				2007-10	127	0	0	40	14	24222	9350
		25 S	36 E	36 E				2007-12	168	0	0	3	0	2220	2964
	JALMAT:TAN-YATES-7 RYRS (OIL)	25 S	36 E	36 E				2007-12	179	0	0	7	0	15976	3568
		25 S	37 E	37 E					0	0	0	0	0	0	0
		25 S	37 E	37 E					0	0	0	0	0	0	0
	JALMAT:TAN-YATES-7 RYRS (GAS)	25 S	37 E	37 E				2005-12	0	0	0	0	0	0	0
		25 S	37 E	37 E				2007-12	363	1406	2000	0	10	673	325
	JALMAT:TAN-YATES-7 RYRS (GAS)	25 S	37 E	37 E				2007-12	365	2110	1998	0	9	431	328
		25 S	37 E	37 E				2007-12	365	2514	2587	0	0	0	0
	JALMAT:TAN-YATES-7 RYRS (OIL)	25 S	36 E	36 E				2008-01	365	3848	3529	0	50	0	73
		25 S	37 E	37 E				2007-12	365	11207	7589	98	97	131	317
	JALMAT:TAN-YATES-7 RYRS (GAS)	25 S	37 E	37 E				2007-12	365	11504	2148	30	0	49	0
		25 S	37 E	37 E				2007-12	330	32149	36399	0	0	4179	5156
	JALMAT:TAN-YATES-7 RYRS (GAS)	25 S	37 E	37 E				2007-12	330	32149	36399	0	0	4179	5156
		25 S	37 E	37 E				2007-12	330	32149	36399	0	0	4179	5156
	JALMAT:TAN-YATES-7 RYRS (GAS)	25 S	37 E	37 E				2007-12	330	32149	36399	0	0	4179	5156

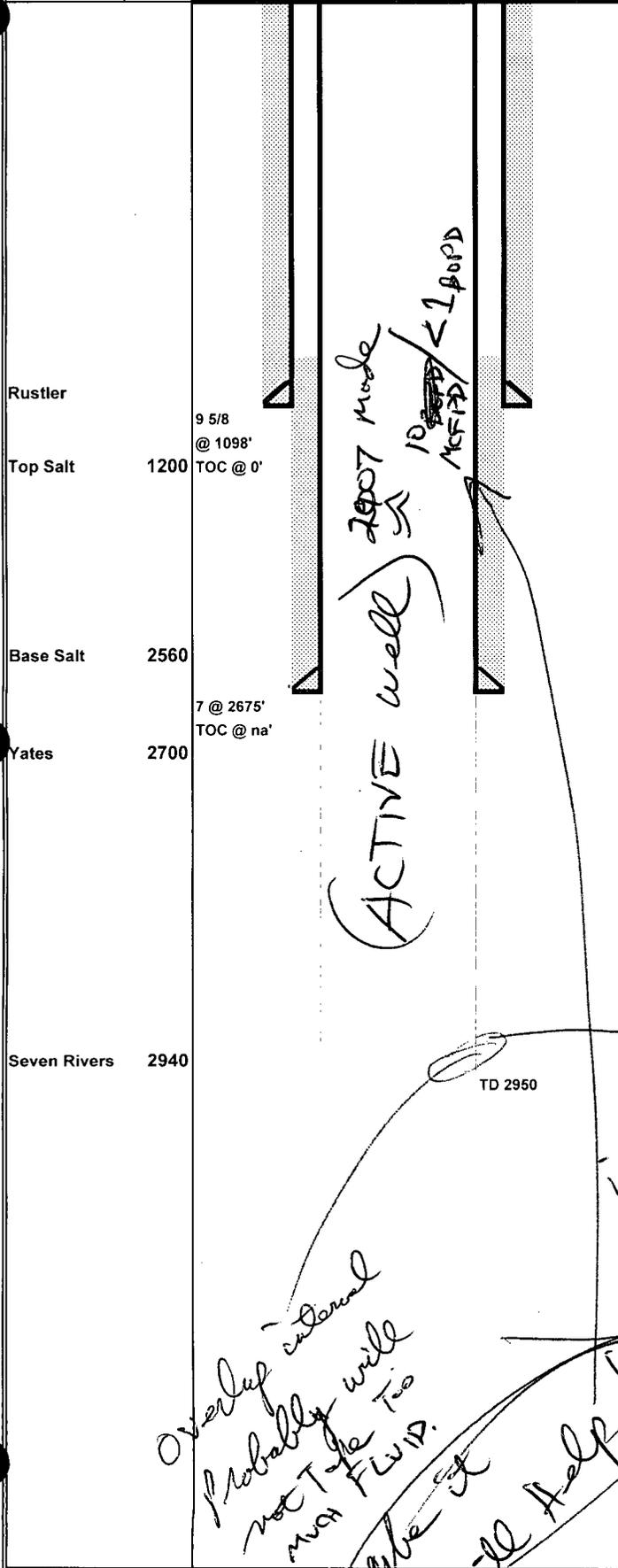


WELLBORE SCHEMATIC AND HISTORY



COMPLETION SCHEMATIC

FORM DEPTH



APINUM: 30-025-09812

OPERATOR: SOUTHWEST ROYALTIES INC

LEASENAME: SHOLES B 25 WELL NO. 1

SURF LOC: UL: H SEC: 25 TWN: 25S RNG: 36E

2310 FNL 990 FEL

BH LOC: UL: H SEC: 25 TWN: 25S RNG: 36E

2310 FNL 990 FEL

TD 2950 PBD KB DF

GL

POOL Open Hole: 2675-2950

JALMAT; TAN-Y-7R

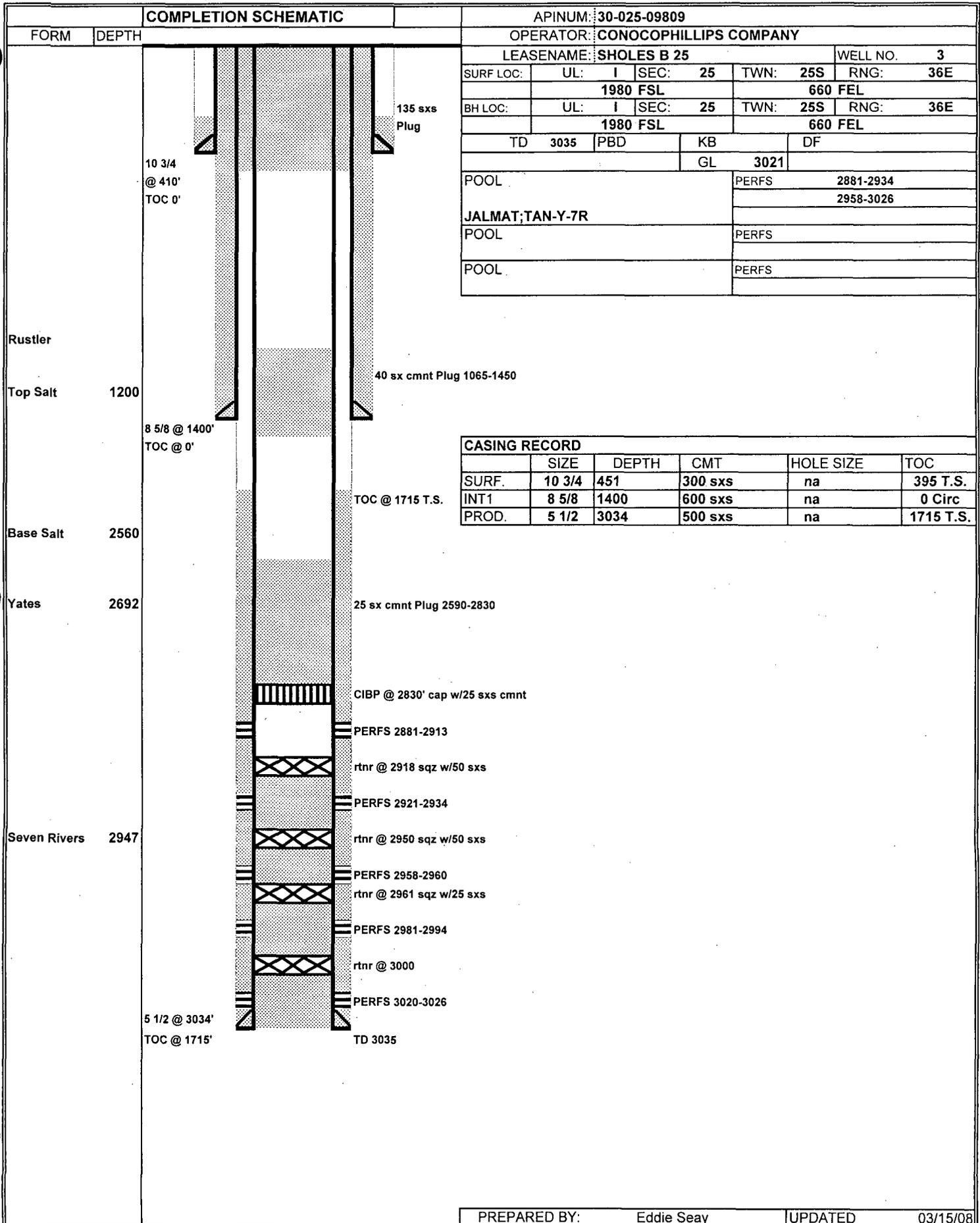
POOL PERFS

POOL PERFS

CASING RECORD

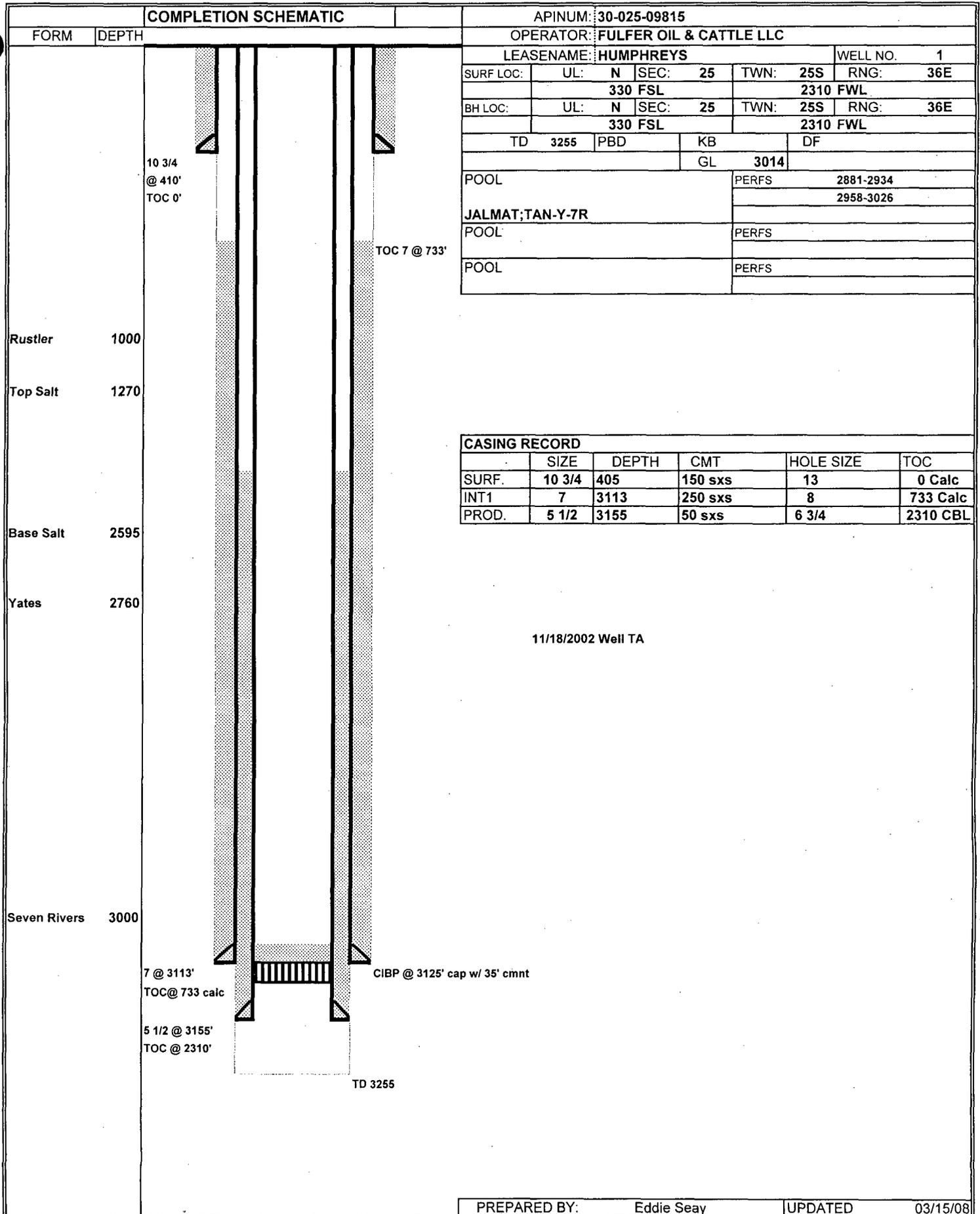
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	9 5/8	1098	600 sxs	na	0'
PROD.	7	2675	650 sxs	na	na

WELLBORE SCHEMATIC AND HISTORY



CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	10 3/4	451	300 sxs	na	395 T.S.
INT1	8 5/8	1400	600 sxs	na	0 Circ
PROD.	5 1/2	3034	500 sxs	na	1715 T.S.

WELLBORE SCHEMATIC AND HISTORY



COMPLETION SCHEMATIC

APINUM: 30-025-09815

FORM DEPTH

OPERATOR: FULFER OIL & CATTLE LLC

LEASENAME: HUMPHREYS

WELL NO. 1

SURF LOC: UL: N SEC: 25 TWN: 25S RNG: 36E

330 FSL 2310 FWL

BH LOC: UL: N SEC: 25 TWN: 25S RNG: 36E

330 FSL 2310 FWL

TD 3255 PBD KB DF

GL 3014

POOL PERFS 2881-2934

2958-3026

JALMAT; TAN-Y-7R

POOL PERFS

POOL PERFS

TOC 7 @ 733'

CASING RECORD

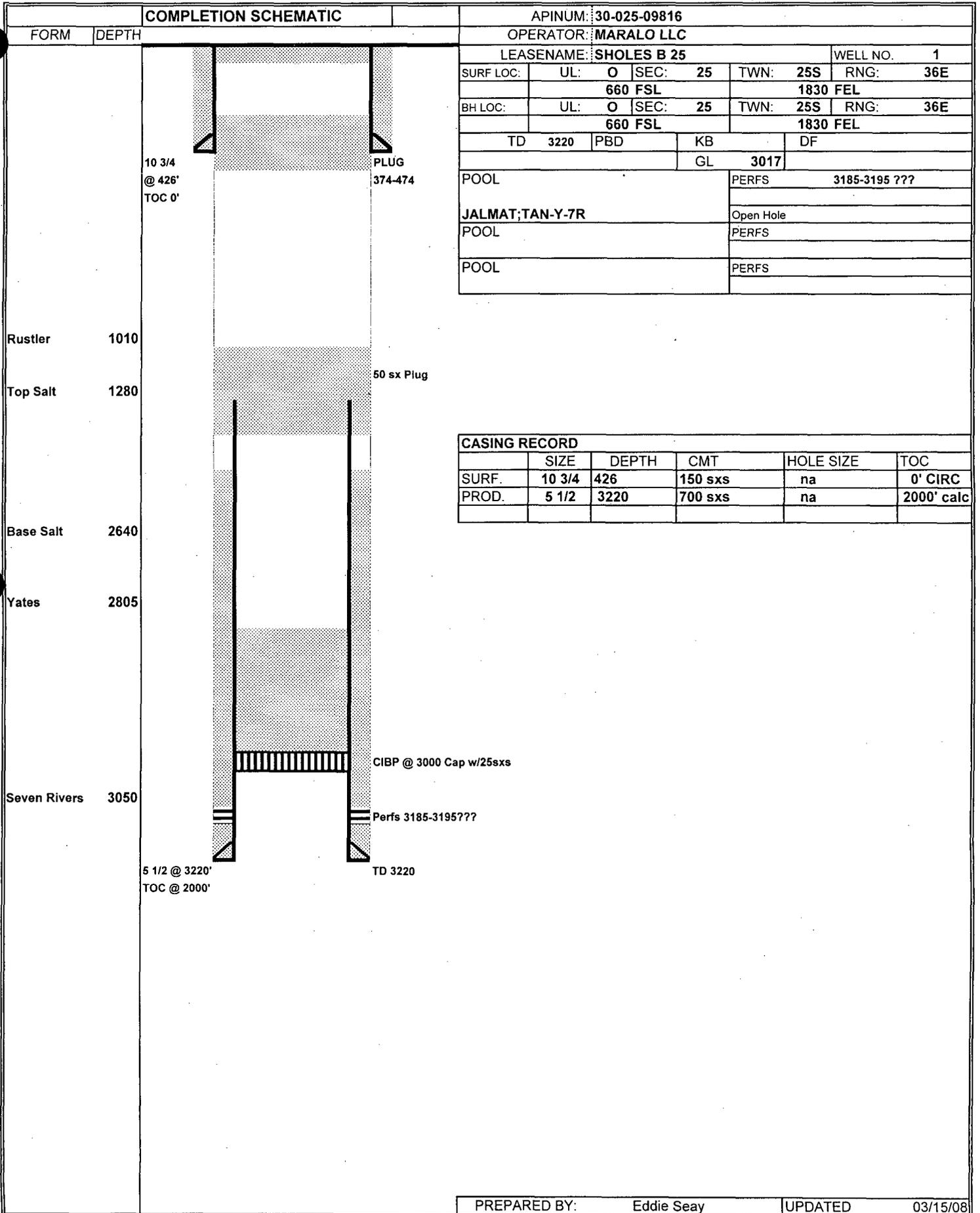
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	10 3/4	405	150 sxs	13	0 Calc
INT1	7	3113	250 sxs	8	733 Calc
PROD.	5 1/2	3155	50 sxs	6 3/4	2310 CBL

11/18/2002 Well TA

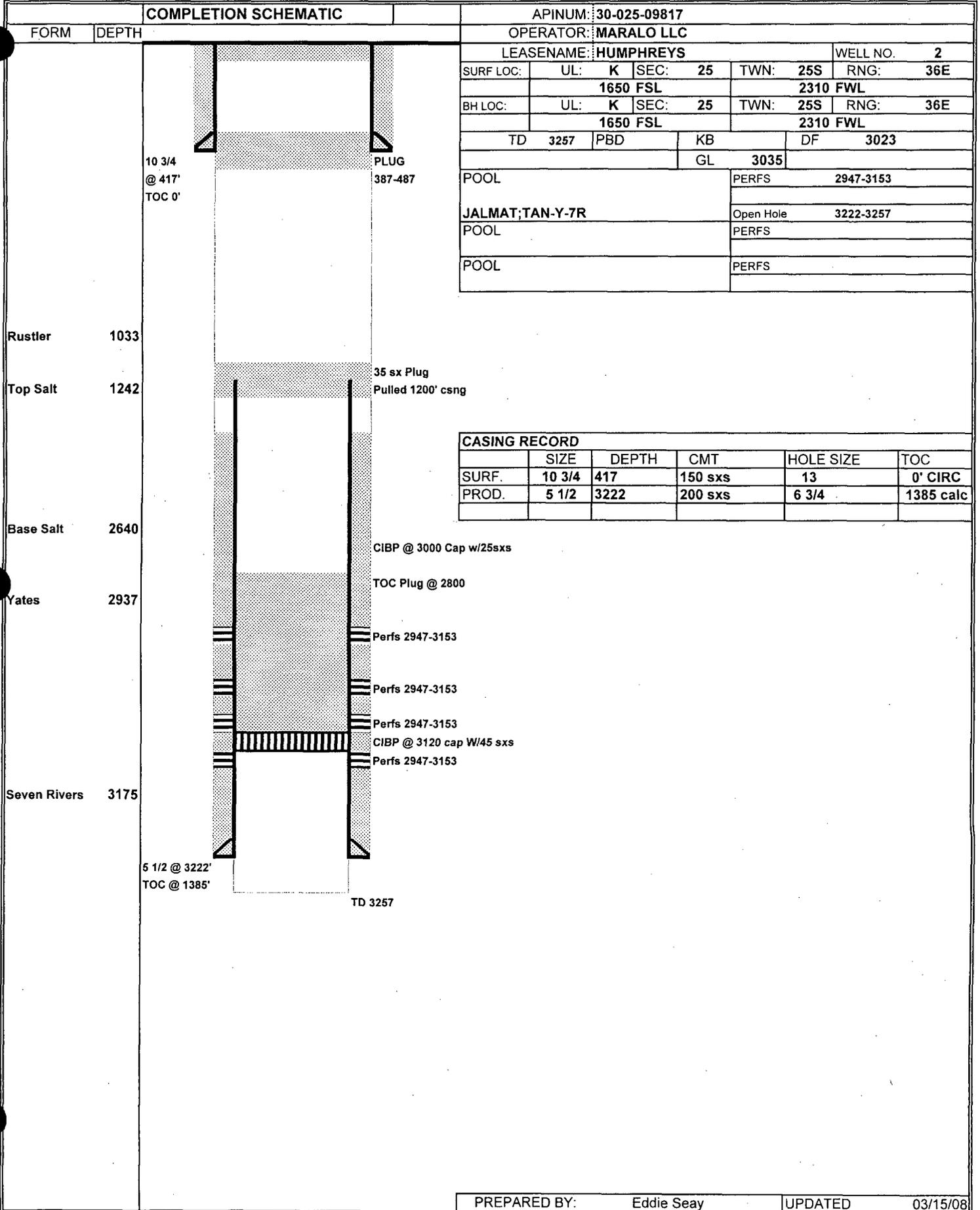
PREPARED BY: Eddie Seay

UPDATED 03/15/08

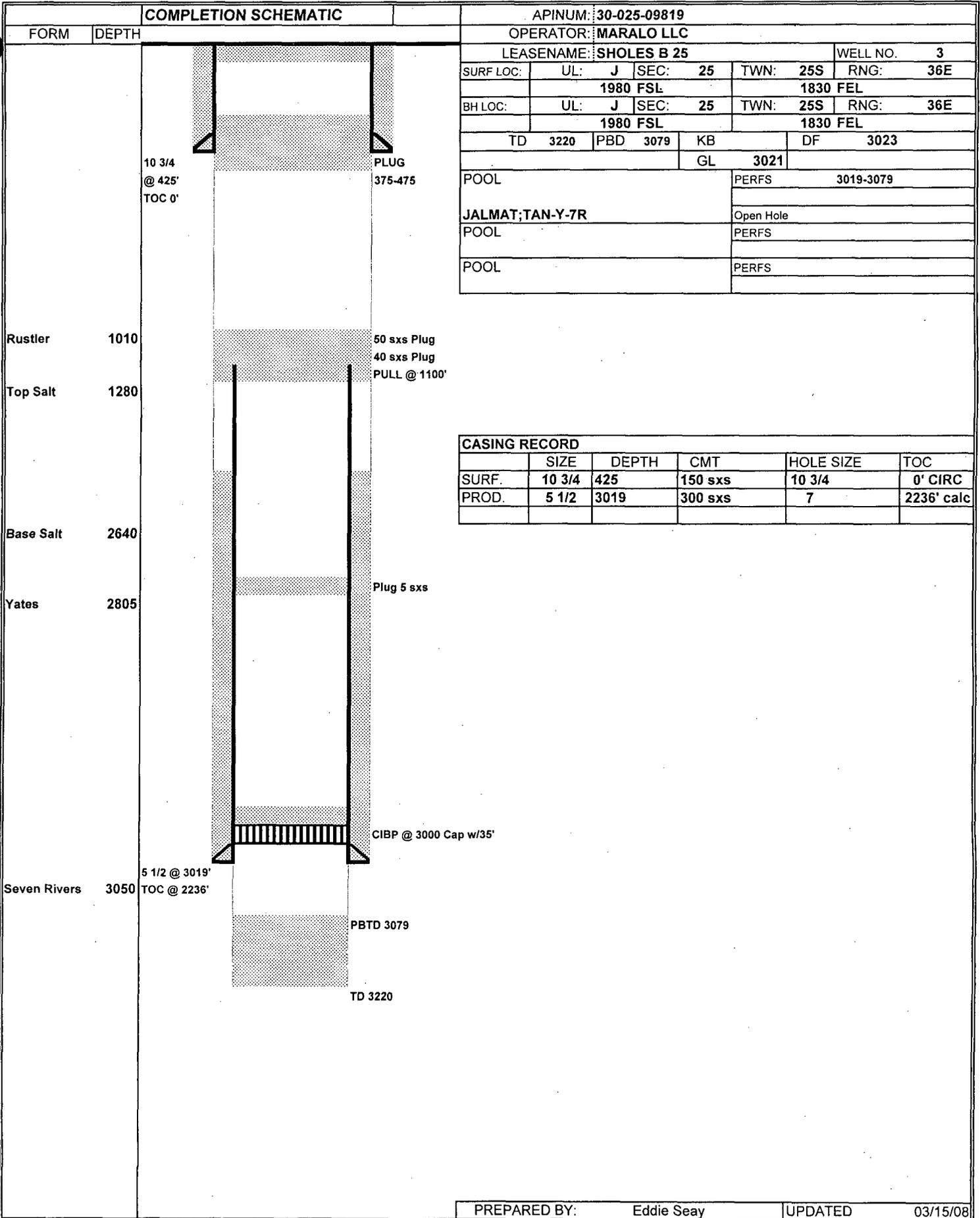
WELLBORE SCHEMATIC AND HISTORY



WELLBORE SCHEMATIC AND HISTORY



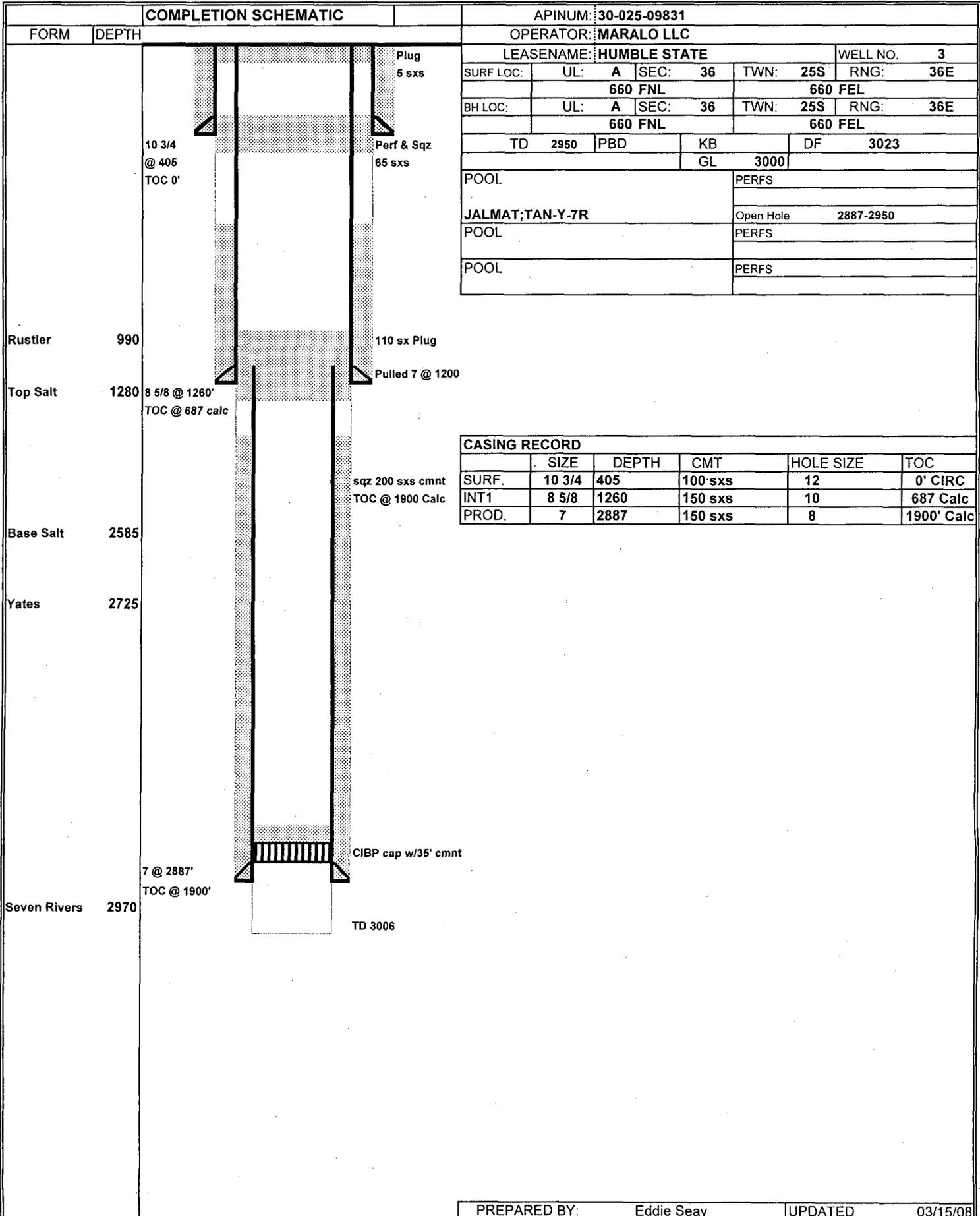
WELLBORE SCHEMATIC AND HISTORY



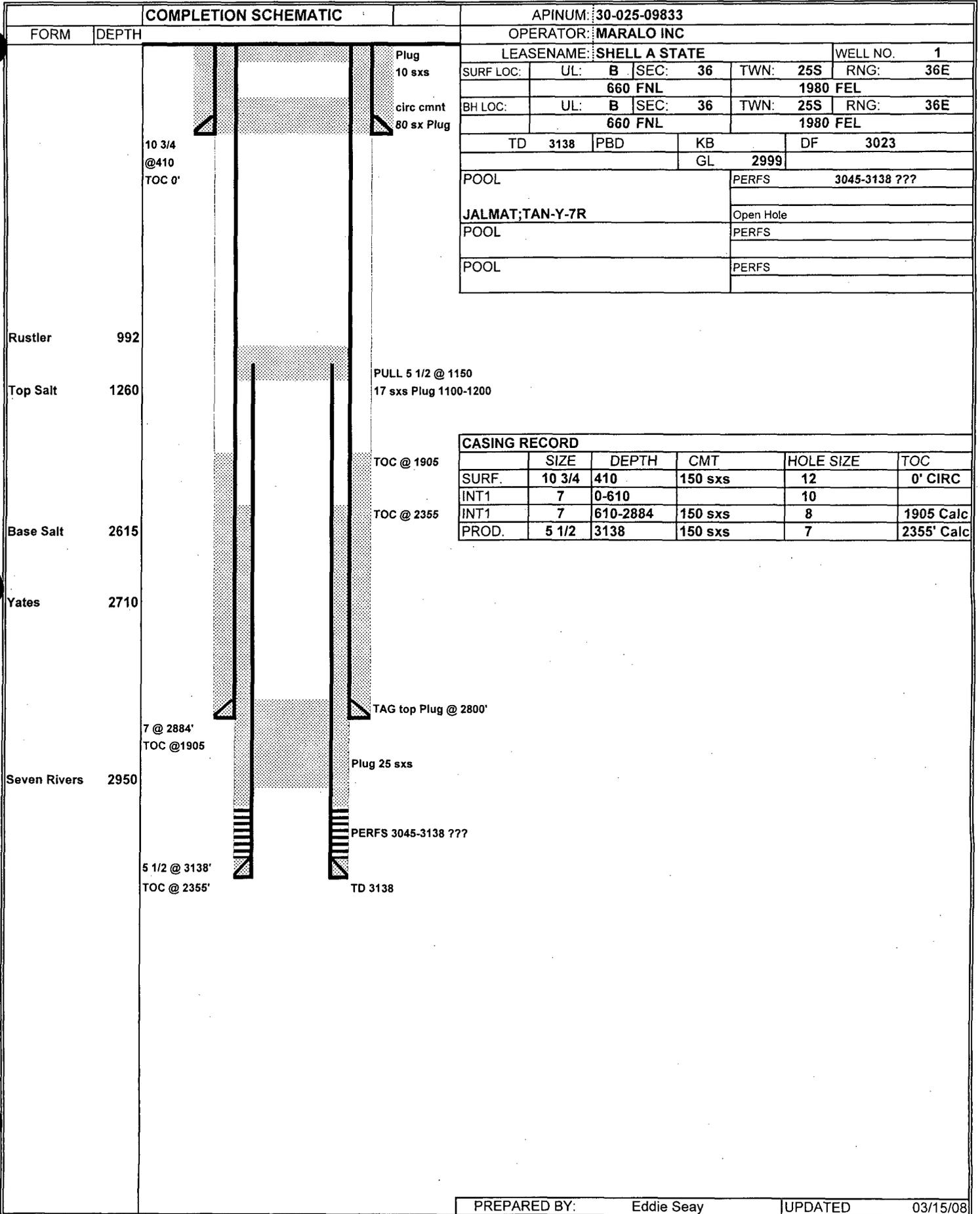
WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC		APINUM: 30-025-09830																																	
FORM	DEPTH	OPERATOR: SOUTHWEST ROYALTIES INC																																	
		LEASENAME: HUMBLE STATE		WELL NO. 2																															
		SURF LOC: UL: H SEC: 36 TWN: 25S RNG: 36E		1980 FNL 660 FEL																															
		BH LOC: UL: H SEC: 36 TWN: 25S RNG: 36E		1980 FNL 660 FEL																															
		TD 3006 PBD		KB DF																															
				GL 2987																															
		POOL		PERFS																															
		JALMAT; TAN-Y-7R		Open Hole 2887-3006																															
		POOL		PERFS																															
		POOL		PERFS																															
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th colspan="6">CASING RECORD</th> </tr> <tr> <th></th> <th>SIZE</th> <th>DEPTH</th> <th>CMT</th> <th>HOLE SIZE</th> <th>TOC</th> </tr> </thead> <tbody> <tr> <td>SURF.</td> <td>10</td> <td>200</td> <td>100 sxs</td> <td>12</td> <td>0' CIRC</td> </tr> <tr> <td>INT1</td> <td>8</td> <td>1500</td> <td>200 sxs</td> <td>10</td> <td>0' CIRC</td> </tr> <tr> <td>PROD.</td> <td>7</td> <td>2887</td> <td>200 sxs</td> <td>8</td> <td>2127' Calc</td> </tr> </tbody> </table>						CASING RECORD							SIZE	DEPTH	CMT	HOLE SIZE	TOC	SURF.	10	200	100 sxs	12	0' CIRC	INT1	8	1500	200 sxs	10	0' CIRC	PROD.	7	2887	200 sxs	8	2127' Calc
CASING RECORD																																			
	SIZE	DEPTH	CMT	HOLE SIZE	TOC																														
SURF.	10	200	100 sxs	12	0' CIRC																														
INT1	8	1500	200 sxs	10	0' CIRC																														
PROD.	7	2887	200 sxs	8	2127' Calc																														
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">PREPARED BY:</th> <th colspan="2">Eddie Seay</th> <th colspan="2">UPDATED</th> <th colspan="2">03/15/08</th> </tr> </thead> <tbody> <tr> <td colspan="2"></td> <td colspan="2"></td> <td colspan="2"></td> <td colspan="2"></td> </tr> </tbody> </table>						PREPARED BY:		Eddie Seay		UPDATED		03/15/08																							
PREPARED BY:		Eddie Seay		UPDATED		03/15/08																													

WELLBORE SCHEMATIC AND HISTORY



WELLBORE SCHEMATIC AND HISTORY



COMPLETION SCHEMATIC

APINUM: 30-025-09833

FORM DEPTH

OPERATOR: MARALO INC

LEASENAME: SHELL A STATE WELL NO. 1

SURF LOC: UL: B SEC: 36 TWN: 25S RNG: 36E

660 FNL 1980 FEL

BH LOC: UL: B SEC: 36 TWN: 25S RNG: 36E

660 FNL 1980 FEL

TD 3138 PBD KB DF 3023

GL 2999

POOL PERFS 3045-3138 ???

JALMAT; TAN-Y-7R

POOL PERFS

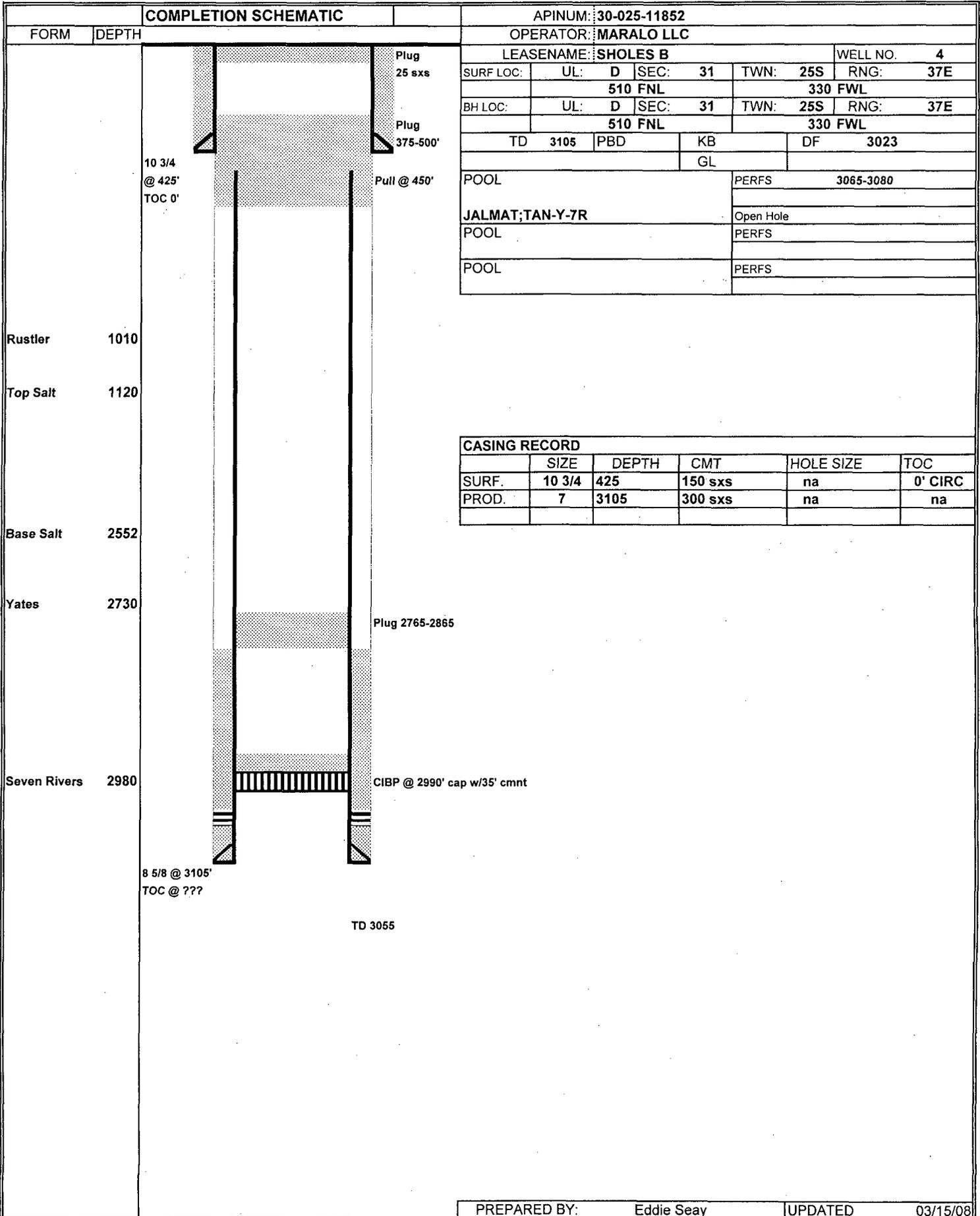
POOL PERFS

POOL PERFS

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	10 3/4	410	150 sxs	12	0' CIRC
INT1	7	0-610		10	
INT1	7	610-2884	150 sxs	8	1905 Calc
PROD.	5 1/2	3138	150 sxs	7	2355' Calc

WELLBORE SCHEMATIC AND HISTORY



COMPLETION SCHEMATIC

APINUM: 30-025-11852

FORM DEPTH

OPERATOR: MARALO LLC

LEASENAME: SHOLES B

WELL NO. 4

SURF LOC: UL: D SEC: 31 TWN: 25S RNG: 37E

510 FNL 330 FWL

BH LOC: UL: D SEC: 31 TWN: 25S RNG: 37E

510 FNL 330 FWL

TD 3105 PBD KB DF 3023

GL

POOL PERFS 3065-3080

JALMAT; TAN-Y-7R

Open Hole

POOL PERFS

POOL PERFS

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	10 3/4	425	150 sxs	na	0' CIRC
PROD.	7	3105	300 sxs	na	na

PREPARED BY: Eddie Seay

UPDATED 03/15/08

Geology

The proposed disposal interval is in the lower 40 feet of the Yates Formation and in the Upper 80 feet of the Seven Rivers Formation. The Yates is a dolomitic sandstone and the upper Seven Rivers consists of dolomite with some interbedded sandstone. As is shown by the structure maps on the Yates, Seven Rivers and Queen formations and the schematic section indicates that the Capitan Reef lies 1.5 miles to 3.0 miles west of the proposed disposal well. The injection into the lower Yates and upper Seven Rivers will not have any impact on the reef.

Jones, William V., EMNRD

From: Kautz, Paul, EMNRD
Sent: Friday, May 16, 2008 2:44 PM
To: Jones, William V., EMNRD
Subject: Fulfer SWD revised application

Will

Eddie Seay was in my office this morning. He gave me a copy of the revised Fulfer Sholes B #2 application. He asked me to review it per your request in your last e-mail. I reviewed the geology and the structure maps correspond real close to some old GEOMAP structure maps I have and to maps in the Roswell Geologic society Field maps for southeastern New Mexico. I also looked several logs online and at the Xerox copy of a log he is submitting with the application. I agree that the reef is not present in the area of the proposed disposal. I agree the Reef is probably at least a mile or more to the west. The Capitan reef is younger than the Queen formation and therefore probably is not present vertically below the well.

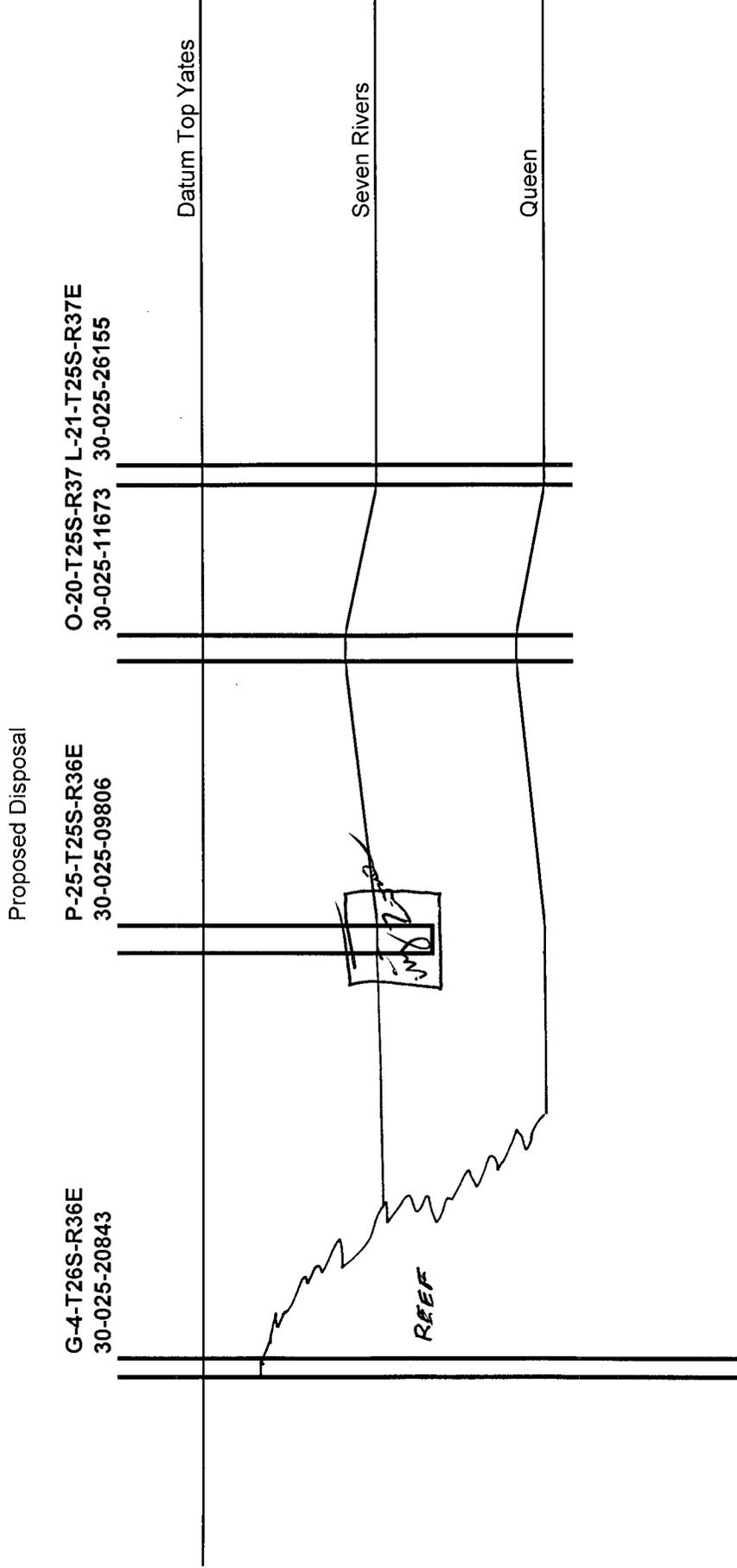
If you have any questions call or e-mail me.

Paul Kautz

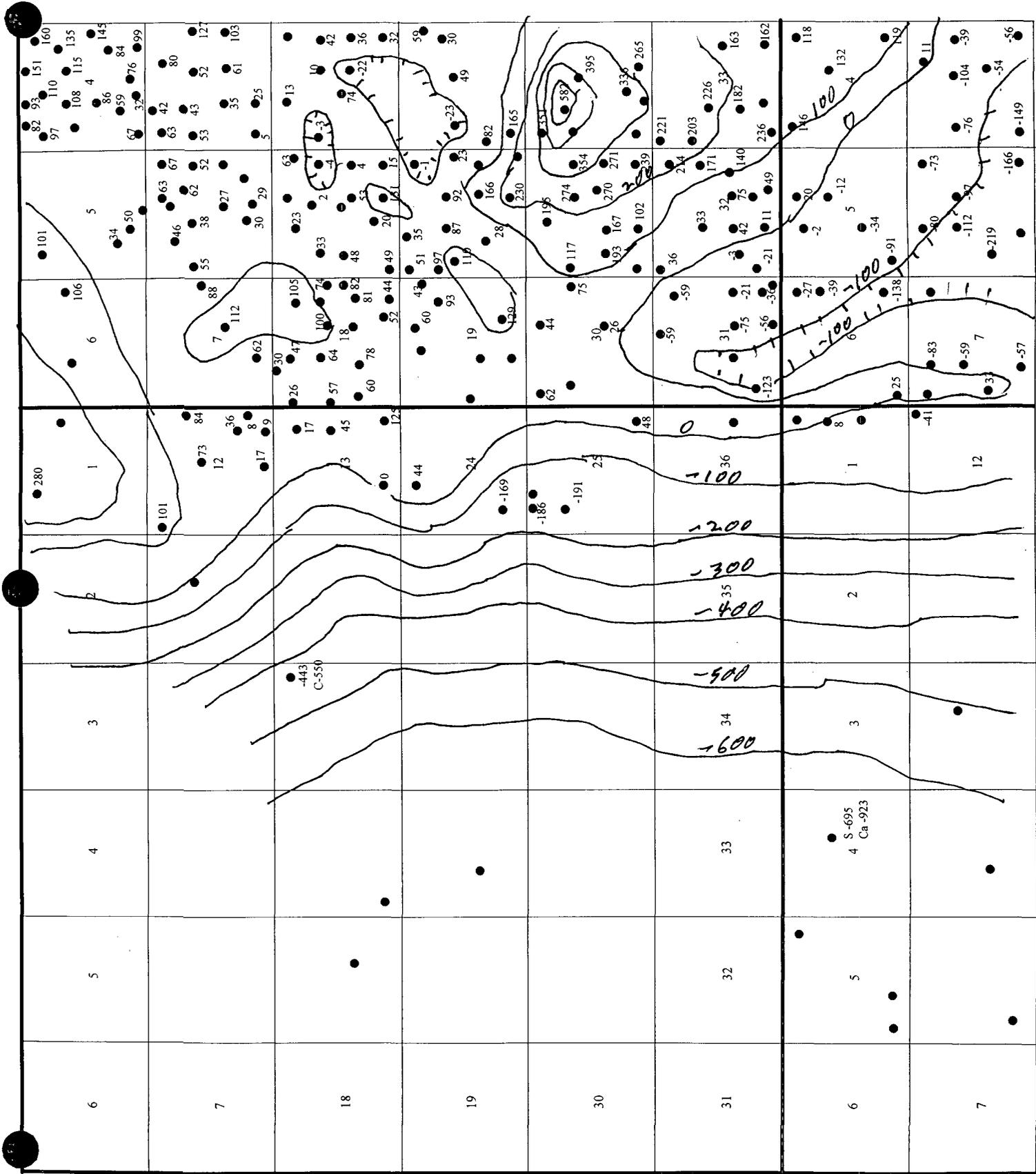
5/16/2008

W

E



Schematic section



C.I. = 100'

Structure Top on Seven Rivers Formation

WELL: SHOLES B-25 #2

COMPANY: CONOCO, INC.

FIELD: NMFCU

COUNTY: LEA STATE: NEW MEXICO

LOCATION: 660' ENCL 8 1980' SEL

API SERIAL NO: 25 SEC: 25-5 TWP: 36-E RANGE: 36-E

Other Services: _____

Int Datum: GL Elev: 3080

Measured From: KB 10 ft. Above Perm. Datum

Measured From: KB Elev: KB 3090

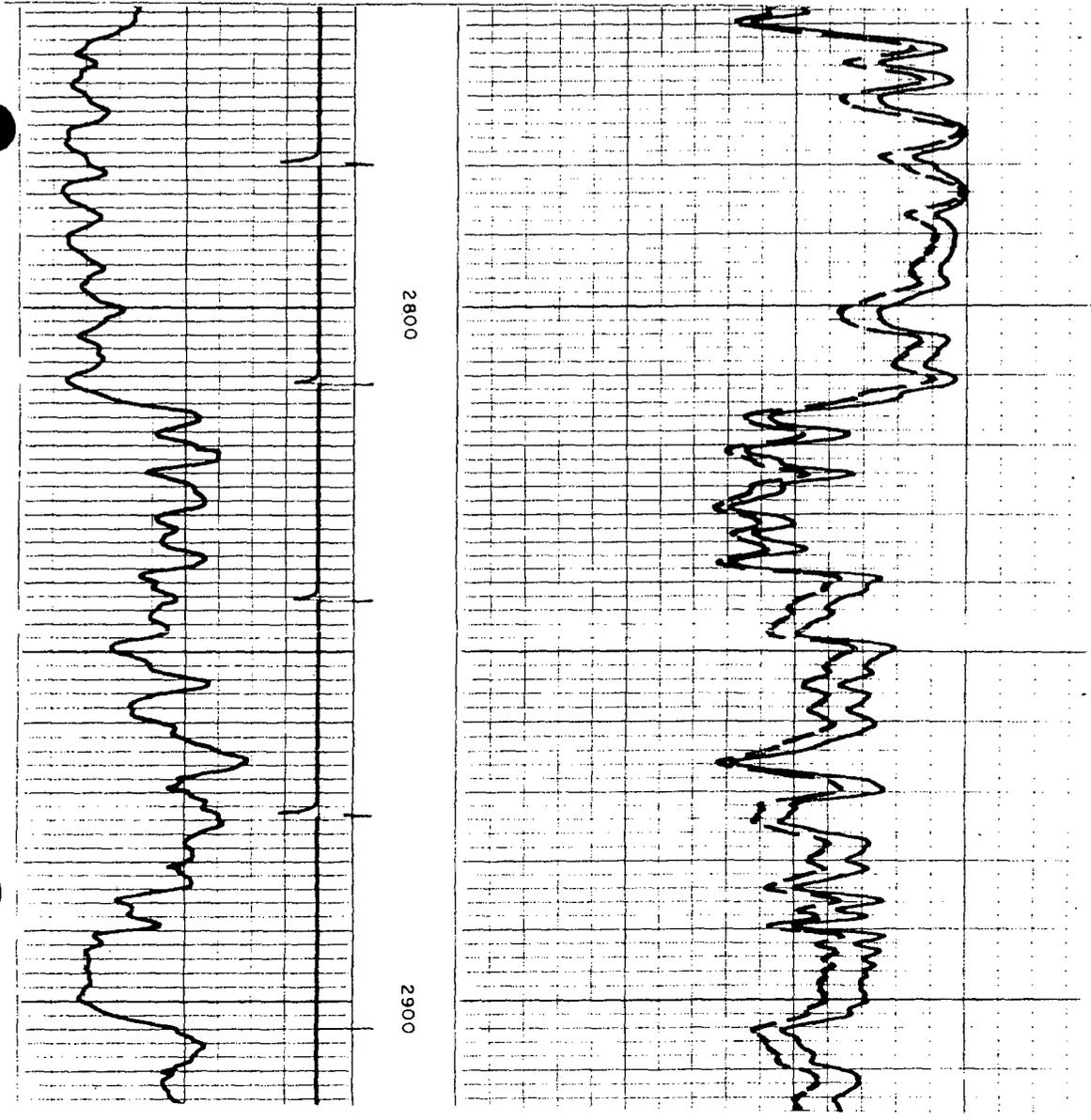
DF: 3090

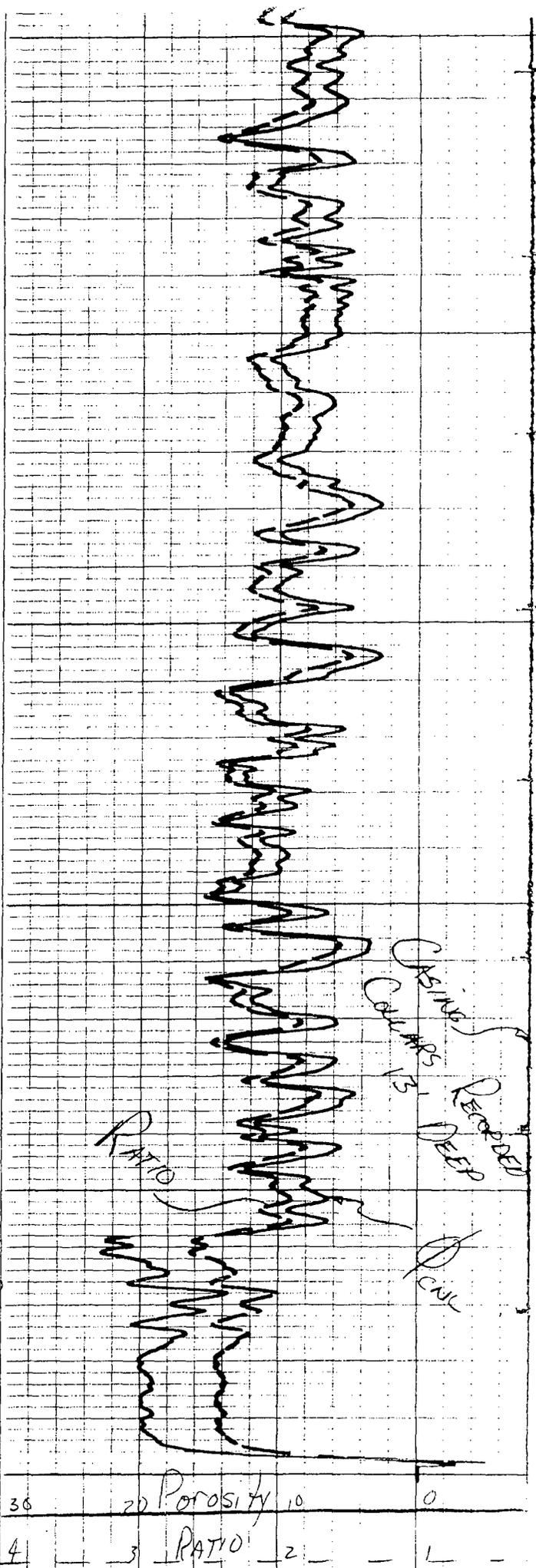
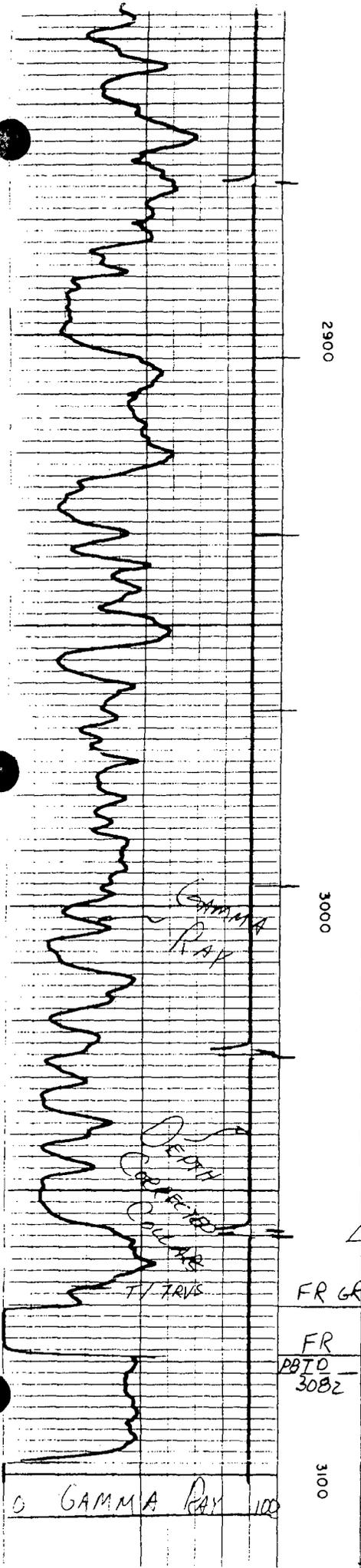
GL: 3080

6-28-79							
Filter	<u>ONE</u>						
Logger (Schl.)	<u>3087</u>						
Interval	<u>3082</u>						
Driller	<u>3079</u>						
Logger	<u>2500</u>						
Water	<u>WATER</u>						
Fluid Loss							
Sample							
Meas. Temp							
Meas. Temp							
Meas. Temp							
Rmt Rmc							
BHT							
Position Stopped							
on Bottom							
Temp							
Location							
By							

FOLD HERE

The well name, location and borehole reference data were furnished by the customer.





OCA - Hobbs

Form 3160-5
(September 2001)

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

RECEIVED
2003 AUG 19 PM 2 07
RECEIVED
2003 AUG 18 AM 2 07
SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on BLM Field Office

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 Southwest Royalties, Inc.

3a. Address
 P.O. Box 11390 Midland Tx 79707

3b. Phone No. (include area code)
 432-686-9927

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 UTP, 660' FEASL Sec 25, T25S, R36E.

5. Lease Serial No.
 LC0325816

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
 Marale Shales "B" No 2

9. API Well No.
 30-025-09806

10. Field and Pool, or Exploratory Area
 Jalmat

11. County or Parish, State
 Lea

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

MIRU WS. TOH & lay down injection log & pkr. RU WL.
T1H & set CIBP @ ± 2900'. Cap CIBP w/ 35' of cement.
Fill (sq w) treated w/ wtr & test to 500 psig. TA well. RD
WS.

ACCEPTED FOR RECORD
Hera
SEP 30 2003
CARLSBAD, NEW MEXICO

RECEIVED
SEP 19 2003
BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

Well History
Page 1

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
C.M. Bloodworth, P.E.

Signature
[Signature]

Title
Area Supervisor

Date
08/18/03

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

GW

OCA - Hobbs

Form 3160-5
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
LC 0325B1-(b)

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Shales B No 2

9. API Well No.
30-025-09806

10. Field and Pool, or Exploratory Area
Talmat

11. County or Parish, State
Lea, Nm

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Southwest Regalins, Inc.

3a. Address P.O. Box 11390 Midland TX 79702 3b. Phone No. (include area code) 432-686-9927

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FSL & EL
WTP, Sec 25, T25S, R34E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

8/20-8/22/03 MIRU WS. TO H & lay down Hwy & PKR. PU WH.
TIH & set CIRBP @ 3055'. Capped CIRBP w/ 35' of cont. RD WC.
Secure well. RD WS.
9/5/03 PU pmp truck. load csq w/ treated wtr. Press to 540psig
Hold OK (see attached chart). Released pressure. RD prep
truck. Well TA'd.

ACCEPTED FOR RECORD
[Signature]
SEP 30 2003

OCCO
HOBBS
SEP 15 2003
DEPT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) C.M. Bloodworth P.E. Title Area Supervisor
Signature [Signature] Date 09/11/03

CARLSBAD, NEW MEXICO

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by [Signature] Title _____ Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant has legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

Form C-104
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 5 Copies

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-104
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 5 Copies

AMENDED REPORT

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address HAL J. RASMUSSEN OPERATING, INC. 310 WEST WALL, SUITE 906 MIDLAND, TX 79701		OGRID Number 009809
API Number 30 - 0 25-09806		Pool Name JALMAT TANSILL YATES SEVEN RIVERS
Property Code 006350 14976		Pool Code 33820
Property Name Maralo Sholes "B" No. 2		Well Number 2

10 Surface Location

Tr or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
P	25	25S	36E		660	SOUTH	660	EAST	LEA

11 Bottom Hole Location

Tr or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Lea Code	Producing Method Code	Gas Connection Date	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date
----------	-----------------------	---------------------	---------------------	----------------------	-----------------------

Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
022628	TEXAS NEW MEXICO PIPELINE COMPANY	1238610	0	
007057	EL PASO NATURAL GAS COMPANY Sid Richardson	1238630	G	

Produced Water

POD 1238650	<p><i>This well is used for a water supply well but it produces a little gas so it needs an allowable</i></p>	Perforations
Well Completion 1		Cement
Spud Date		
Hole Size		
Well Test Data		Pressure
Date New Oil		Test Method
Choke Size		

hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Tyson Dunn*
 Name: TYSON DUNN
 Title: PRODUCTION ENGINEER
 Date: 4/15/94
 Phone: (915) 687-1664

Approved by: *Paul Kantz*
 Title: Geologist
 Approval Date: 4/15/94

OIL CONSERVATION DIVISION

If this is a change of operator fill in the OGRID number and name of the previous operator

114007 MARALO, INC. *Dorothea Owens* DOROTHEA OWENS, REGULATORY ANALYST APRIL 6, 1994

Previous Operator Signature Printed Name Title Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPlicate*
(Other instruction
verse side)

Form approved.
Budget Bureau No. 1004-1-1-1
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

LC 032581-(b)
6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT--" for such proposals.)

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Sholes "B"

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT

Cooper - Jal Waterflood
11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA

Sec. 25, 25-S, 36-E
12. COUNTY OR PARISH 13. STATE

Lea NM

1. OIL WELL GAS WELL OTHER Water Source Well

2. NAME OF OPERATOR
Maralo, Inc.

3. ADDRESS OF OPERATOR
P.O. Box 832, Midland, TX 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface
660' FSL & 660' FEL

14. PERMIT NO. --- 15. ELEVATIONS (Show whether DF, RT, GR, etc.)
3021 GL

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF PULL OR ALTER CASING
FRACTURE TREAT MULTIPLE COMPLETE
SHOOT OR ACIDIZE ABANDON*
REPAIR WELL CHANGE PLANS

WATER SHUT-OFF REPAIRING WELL
FRACTURE TREATMENT ALTERING CASING
SHOOTING OR ACIDIZING ABANDONMENT*
(Other)

(Other) Convert to water source well

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Well has reached its economic limit. The last test was 1/2 BO; 20 BW and 30 MCF gas. We propose to convert to water source well for Jalmat Waterflood Unit.

Proposed Operation

1. RUPU cement squeeze Yates perforations 2733 - 2824'. WOC. Pull equipment. Clean out to T. D. Deepen approximately 50'.
2. Set RTTS @ 2830' and acid treat open hole w/2500 gals 15% HCl acid.
3. Run Centrilift Variable Speed 125 HP series 544 submersible pump.
4. Lay water line and pump water to Jalmat Unit.

RECEIVED

MAY 16 1986

HOBBS, NEW MEXICO

18. I hereby certify that the foregoing is true and correct

SIGNED Brenda Coffman TITLE - Agent

DATE 5/15/86

(This space for Federal or State office use)

APPROVED BY Scott Adams TITLE Asst. Dir.

DATE 6-19-84

CONDITIONS OF APPROVAL, IF ANY:

Subject to
Like Approval
by State

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

(See instructions on reverse side)

Form approved,
Budget Bureau No. 42-R355.6.

5. LEASE DESIGNATION AND SERIAL NO.

LC 032581 (b)

6. IF INDIAN ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Sholes B

9. WELL NO.

2

10. FIELD AND POOL, OR WILDCAT

Salinas
Cooper-Jal

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec. 25, 25S, 36E

12. COUNTY OR PARISH

Lea

13. STATE

N.M.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESRV. Other _____

2. NAME OF OPERATOR

Maralo, Inc.

3. ADDRESS OF OPERATOR

P. O. Box 832, Midland, Texas 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 660' FSL & 660' FEL
At top prod. Interval reported below 660' FSL & 660' FEL
At total depth same

14. PERMIT NO. DATE ISSUED

15. DATE SPUNDED 16. DATE T.D. REACHED 17. DATE COMPL. (Ready to prod.) 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 19. ELEV. CASINGHEAD

- - - 10-27-81 3021 GL -

20. TOTAL DEPTH, MD & TVD 21. PLUG BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY ROTARY TOOLS CABLE TOOLS

2955 2832 - - - X

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 25. WAS DIRECTIONAL SURVEY MADE

2733 - 2824' Upper Yates

26. TYPE ELECTRIC AND OTHER LOGS RUN

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
10 3/4"		410'		150 SX	
7"		2935'		150 SX	

ACCEPTED FOR RECORD
PETER W. CHESPER
JUN 28 1982
U.S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 3/8"	2800	

31. PERFORATION RECORD (Interval, size and number) 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
2733' - 2824'	2000 gals 15% HCl acid

33.* PRODUCTION

DATE FIRST PRODUCTION 11-7-81 PRODUCTION METHOD (Flooding, gas lift, pumping—size and type of pump) 2" x 1 1/2" x 12' pump WELL STATUS (Producing or shut-in) producing

DATE OF TEST 11-9-81 HOURS TESTED 24 CHOKER SIZE PRODN. FOR TEST PERIOD OIL—BBL. 5 GAS—MCF. 105 WATER—BBL. 5 GAS-OIL RATIO 210

FLOW. TUBING PRESS. CASING PRESSURE CALCULATED 24-HOUR RATE OIL—BBL. GAS—MCF. WATER—BBL. OIL GRAVITY-API (CORR.) 25.9

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) TEST WITNESSED BY

Sold - El Paso Natural Gas Company

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Brenda Cuffman TITLE Agent DATE 5-10-82

*(See Instructions and Spaces for Additional Data on Reverse Side)

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
N. M. CIVIL RIGHTS COMMISSION
P. O. BOX 1980
HOBBS, NEW MEXICO 88240

Form approved.
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.

LC 032581 (b)

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL GAS WELL OTHER

7. UNIT AGREEMENT NAME

2. NAME OF OPERATOR

8. FARM OR LEASE NAME

Maralo, Inc.

Sholes B

3. ADDRESS OF OPERATOR

9. WELL NO.

P. O. Box 832, Midland, Texas 79702

2

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.
See also space 17 below.)
At surface

10. FIELD AND POOL, OR WILDCAT

Gallop
Cooper-Jai

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

660' FSL and 660' FEL

Sec. 25, 25S, 36E

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, HT, GR, etc.)

12. COUNTY OR PARISH

13. STATE

3021 GL

Lea

New Mexico

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other) Plug back & re-perf

REPAIRING WELL

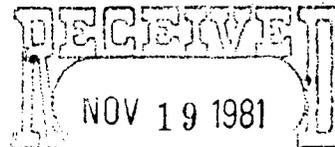
ALTERING CASING

ABANDONMENT*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

- 10-20-81 - Squeezed perfs 2871 to 2910 w/75 sx Class C 3% Halad 4 + 75 sacks Class C 5#/ sack flocele 2% CaCl₂. Squeezed @ 2000#'s. Pressured tubing to 1000 psi and casing to 500 psi - held ok. WOC 12 hours.
- 10-21-81 - Tagged top cement @ 2832' (New PBTD). Spotted 150 gals 15% HCl from 2822-2734'. Perf'd Upper Yates gas sands w/4" cased gun w/1 JSPF @:2733; 2734;2735;2736;2742;2746;2747; 2748;2754;2755;2772;2773;2778;2779;2780;2785;2786;2791;2811;2812;2813;2814;2817;2818;2819; 2820;2821;2822;2823;& 2824': (30 holes). Set packer @ 2673'. Pressured annulus to 500 psi - held ok. Acidized w/1800 gals of 15% acid. Dropped 4 ball sealers after each 250 gals acid.
- 10-23-81 - Sand frac'd Upper Yates perfs 2733-2824' (30 holes) w/20,000 gal gelled fresh water & 200 sx 20-40 mesh sand & 100 sx 10-20 mesh sand in two stages.
- 10-31-81 - Ran 2" x 1 1/2" x 12' pump on 110 - 3/4" rods.
- 11-9-81 - Put well on production.



OIL & GAS
U.S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

18. I hereby certify that the foregoing is true and correct

SIGNED

Brenda Coffman

TITLE

Production Clerk

DATE

11-11-81

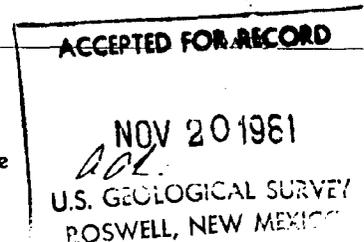
(This space for Federal or State office use)

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side



**WEST TEXAS OIL REPORTS
AND ENGINEERING SERVICE**

TELEPHONE MU 4-6381 — P. O. BOX 953

401 WILKINSON-FOSTER BUILDING

MIDLAND, TEXAS

EVERETT L. SMITH

REGISTERED PROFESSIONAL ENGINEER

LAMAR ESCHBERGER

REGISTERED PROFESSIONAL ENGINEER

March 22, 1962

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: application for Non-Standard
Gas Proration Unit in Jalmat
Pool, Lea County, New Mexico

Gentlemen:

Please consider this letter a formal application by Ralph Lowe for a 160-acre Non-Standard Gas Proration Unit for his Shoals "B" 2 well located in the Jalmat Pool, 660 feet from the South and East lines of Section 25, Township 25S, Range 36E, Lea County, New Mexico.

The Shoals "B" 2 was originally completed on August 25, 1947, as an oil well in the lower Yates dolomite. As the result of being flooded out by water due to natural causes, the well is no longer capable of producing oil. However, a sand section behind the casing, but still in the lower Yates formation, is capable of commercial dry gas production.

Since the sand section exists throughout the entire Shoals "B" Lease and is productive, it is requested that Shoals "B" 2 be assigned the 160 acres outlined in red on the attached plat for gas well proration purposes.

Yours truly,


Archie A. Farr
Petroleum Engineer

APP:jvb

Attachment

cc: Oil Conservation Commission (2)
P. O. Box 2045
Hobbs, New Mexico

REQUEST FOR (OIL) - (GAS) ALLOWABLE

New Well
Recompletion

HOBBS OFFICE OCC

This form shall be submitted by the operator before an initial allowable will be assigned to any completed Oil or Gas well. Form C-104 is to be submitted in QUADRUPPLICATE to the same District Office to which Form C-101 was sent. The allowable will be assigned effective 7:00 A.M. on date of completion or recompletion, 1962 APR 30 AM 7:26. The completion date shall be that date in the case of an oil well when new oil is delivered into the stock tanks. Gas must be reported on 15.025 psia at 60° Fahrenheit.

Midland, Texas 4/27/62
(Place) (Date)

WE ARE HEREBY REQUESTING AN ALLOWABLE FOR A WELL KNOWN AS:

Ralph Lowe Sholes "B" -25 Well No. 2 in SE 1/4 SE 1/4
(Company or Operator) (Lease)
P, Sec. 25, T. 25-S, R. 36-E, NMPM, Jalmat Pool
Unit Letter

Lea

Please indicate location:

D	C	B	A
E	F	G	H
L	K	J	I
M	N	O	P X

County. Date Spudded 5/25/47 Date Drilling Completed 6/25/47
Elevation 3021 Total Depth 2955 PBD 2915
Top Oil/Gas Pay 2871 Name of Prod. Form. Yates

PRODUCING INTERVAL -

Perforations 2871-75; 2880-82; 2884-94; 2902-10

Open Hole Depth 2915 Casing Shoe 2918 Depth Tubing 2840

OIL WELL TEST -

Natural Prod. Test: _____ bbls. oil, _____ bbls water in _____ hrs, _____ min. Choke Size _____

Test After Acid or Fracture Treatment (after recovery of volume of oil equal to volume of load oil used): _____ bbls. oil, _____ bbls water in _____ hrs, _____ min. Choke Size _____

GAS WELL TEST -

Natural Prod. Test: _____ MCF/Day; Hours flowed _____ Choke Size _____

Tubing, Casing and Cementing Record

Size	Feet	Sax
10 3/4	410	150
8 5/8	1225	-
7	2918	150
2 1/2	2840	-

Method of Testing (pitot, back pressure, etc.): _____

Test After Acid or Fracture Treatment: 780 MCF/Day; Hours flowed 24

Choke Size 1/2 Method of Testing: Orifice meter

Acid or Fracture Treatment (Give amounts of materials used, such as acid, water, oil, and sand): acidized 1000 gal. 10/9/61

Casing Tubing Date first new oil run to tanks
Press. Pkr. 165

Oil Transporter None

Gas Transporter El Paso Natural Gas Company

Remarks: Well plugged back from oil zone @ 2950-55 to gas zone shown above.

I hereby certify that the information given above is true and complete to the best of my knowledge.

Approved: _____, 19____

Ralph Lowe
(Company or Operator)

OIL CONSERVATION COMMISSION

By: *[Signature]*
(Signature)

By: _____

Title: Agent

Title: _____

Send Communications regarding well to:

Name: Ralph Lowe

Address: Box 832, Midland, Texas

NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

MISCELLANEOUS NOTICES

Submit this notice in triplicate to the Oil Conservation Commission or its proper agent before the work specified is to begin. A copy will be returned to the sender on which will be given the approval, with any modifications considered advisable, or the rejection by the Commission or agent, of the plan submitted. The plan as approved should be followed, and work should not begin until approval is obtained. See additional instructions in the Rules and Regulations of the Commission.

Indicate nature of notice by checking below:

NOTICE OF INTENTION TO TEST CASING SHUT-OFF	X	NOTICE OF INTENTION TO SHOOT OR CHEMICALLY TREAT WELL	
NOTICE OF INTENTION TO CHANGE PLANS		NOTICE OF INTENTION TO PULL OR OTHERWISE ALTER CASING	
NOTICE OF INTENTION TO REPAIR WELL		NOTICE OF INTENTION TO PLUG WELL	
NOTICE OF INTENTION TO DEEPEN WELL			

Midland, Texas

June 30, 1947

Place

Date

OIL CONSERVATION COMMISSION, Santa Fe, New Mexico.

Gentlemen:

Following is a notice of intention to do certain work as described below at the

Ralph Lowe Sholes Well No. 2 in SE of SE
 Company or Operator Lease
 of Sec. 25, T. 25, R. 36, N. M. P. M., Jal Field,
Lea County.

FULL DETAILS OF PROPOSED PLAN OF WORK

FOLLOW INSTRUCTIONS IN THE RULES AND REGULATIONS OF THE COMMISSION

Set 410 feet of 10 3/4" casing - cemented with 150 sacks

Set 1225 feet of 8 5/8" casing - mudded in

Set 2935 feet of 7" casing - cemented with 150 sacks

Approved _____, 19____
except as follows:

Ralph Lowe
 Company or Operator
 By [Signature]
 Position Agent
 Send communications regarding well to
 Name Ralph Lowe
 Address Box 832
Midland, Texas

OIL CONSERVATION COMMISSION,

By _____
Title _____



ARDINAL LABORATORIES

PHONE (915) 873-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
EDDIE SEAY CONSULTING
ATTN: EDDIE SEAY
601 W. ILLINOIS
HOBBS, NM 88240
FAX TO:

Receiving Date: 03/08/00
Reporting Date: 03/14/00
Project Owner: Fulfer
Project Name: Brown SWD
Project Location: JAL, NM

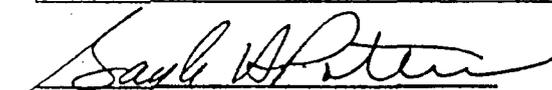
Sampling Date: 03/08/00
Sample Type: PRODUCED WATER
Sample Condition: COOL 7 INTACT
Sample Received By: BC
Analyzed By: AH

LAB NUMBER	SAMPLE ID	P-Alkalinity (mg/L)	T-Alkalinity (mg/L)	Hardness (mg/L)	Chloride (mg/L)	Sulfates (mg/L)	pH (s.u.)
ANALYSIS DATE		03/13/00	03/13/00	03/13/00	03/13/00	03/13/00	03/13/00
H4702-1	7 RIVERS	0	144	3650	8460	3080	7.41
H4702-2	QUEEN	0	820	1550	5640	529	7.20
H4702-3	DEVONIAN	0	1500	15400	20700	10600	7.55
H4702-4	LM	0	710	11500	38500	2340	6.93
Quality Control		NR	NR	53	958	50.5	6.99
True Value QC		NR	NR	50	1000	50.0	7.00
% Recovery		NR	NR	106	96	101	100
Relative Percent Difference		NR	NR	7.5	4.0	0.2	0.4

METHODS:	EPA 600/4-79-02	-	-	130.2	325.3	375.4	150.1
Standard Method	2320 B	2320 B	-	-	-	-	-

LAB NUMBER	SAMPLE ID	Hydroxides (mg/L)	Carbonates (mg/L)	Bicarbonates (mg/L)	Conductivity (u mhos/cm)	TDS (mg/L)
ANALYSIS DATE		03/13/00	03/13/00	03/13/00	03/13/00	03/13/00
H4702-1	7 RIVERS	0	0	177	14300	8200
H4702-2	QUEEN	0	0	1000	10300	5000
H4702-3	DEVONIAN	0	0	1830	48400	42800
H4702-4	LM	0	0	866	98000	75000
Quality Control		NR	NR	871	1392	NR
True Value QC		NR	NR	1000	1413	NR
% Recovery		NR	NR	97	99	NR
Relative Percent Difference		NR	NR	-	0.2	NR

METHODS:	EPA 600/4-79-02	-	-	-	120.1	160.1
Standard Method	2320 B	2320 B	2320 B	-	-	-


Gayle Potter, Chemist

03/14/2000
Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



ANALYTICAL RESULTS FOR
 EDDIE SEAY CONSULTING
 ATTN: EDDIE SEAY
 601 W. ILLINOIS
 HOBBS, NM 88242
 FAX TO: (575) 392-6949

Receiving Date: 05/07/08
 Reporting Date: 05/09/08
 Project Owner: G. FULFER
 Project Name: FULFER OIL - SWD
 Project Location: JAL, NM

Sampling Date: 05/07/08
 Sample Type: GROUNDWATER
 Sample Condition: INTACT
 Sample Received By: ML
 Analyzed By: HM/KS

LAB NUMBER SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (μ S/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:	05/09/08	05/09/08	05/09/08	05/07/08	05/07/08	05/07/08
H14760-1 FOS - WW #1	150	42	35	8.78	988	296
Quality Control	NR	52.9	48.6	2.57	1,410	NR
True Value QC	NR	50.0	50.0	3.00	1,413	NR
% Recovery	NR	106	97.2	85.7	99.8	NR
Relative Percent Difference	NR	3.1	7.7	4.0	0.1	NR

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
----------	-------------	-----------	------	-------	-------

	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:	05/07/08	05/08/08	05/07/08	05/07/08	05/07/08	05/06/08
H14760-1 FOS - WW #1	60	197	0	361	7.57	620
Quality Control	500	42.6	NR	988	7.05	NR
True Value QC	500	40.0	NR	1000	7.00	NR
% Recovery	100	106	NR	98.8	101	NR
Relative Percent Difference	4.1	5.2	NR	1.2	< 0.1	NR

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
----------	-------------	-------	-------	-------	-------	-------

Eddie Seay
 Chemist

05-12-08
 Date



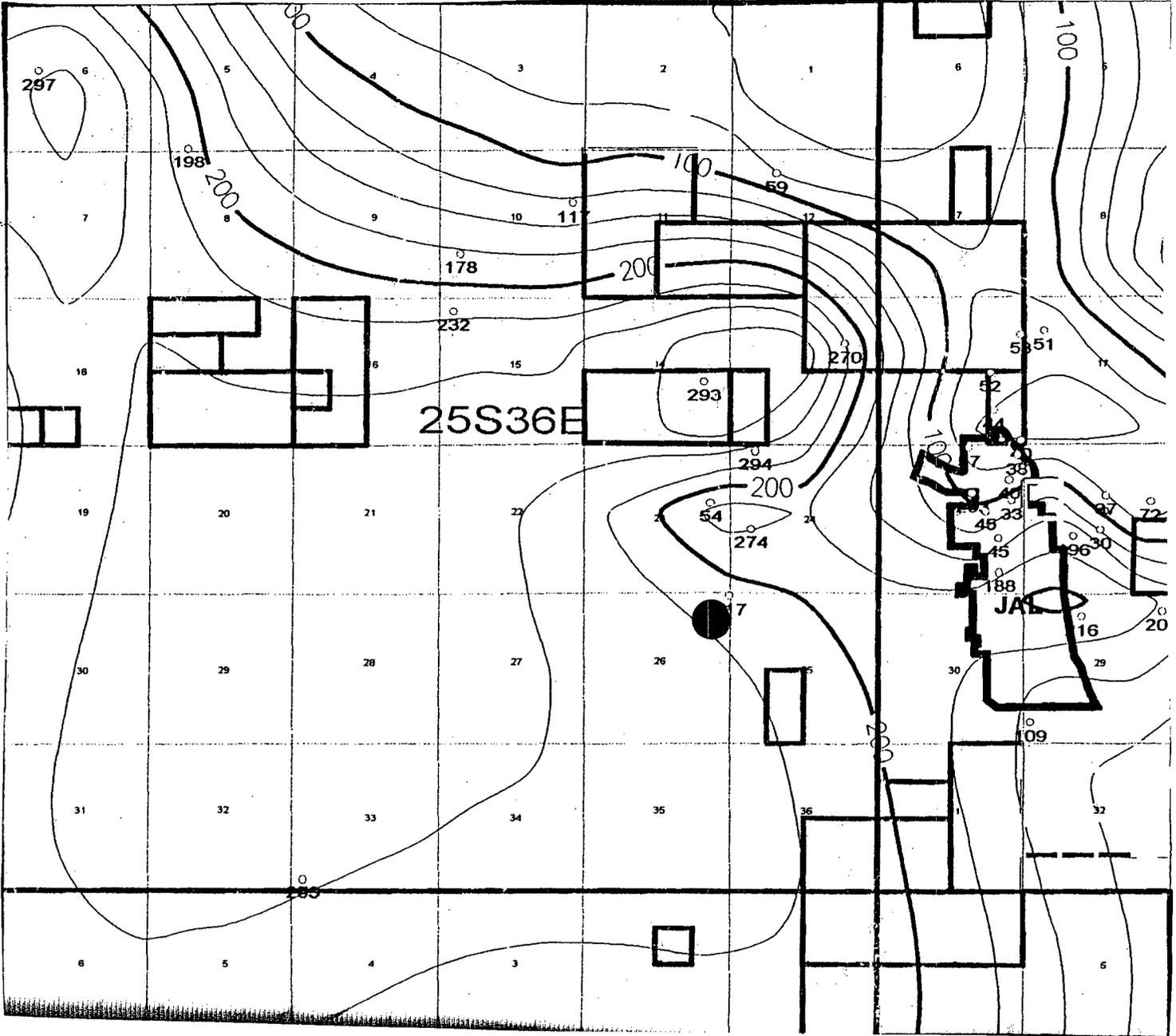
ARDINAL LABORATORIES
 101 East Marland, Hobbs, NM 88240
 (505) 393-2326 Fax (505) 393-2476

BILL TO		ANALYSIS REQUEST											
Company Name: <i>Cardinal Safety Consulting</i>		<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Project Manager: <i>Eddie Swan</i></p> <p>Address: <i>601 W Illinois</i></p> <p>City: <i>Alamosa</i> State: <i>NM</i> Zip: <i>88240</i></p> <p>Phone #: <i>2-2236</i> Fax #: <i>2-6949</i></p> <p>Project #: <i>Fulford Oil</i> Project Owner: <i>G. Fulford</i></p> <p>Project Name: <i>Fulford Oil - SWD</i></p> <p>Project Location: <i>Just N of NM</i></p> <p>Sampler Name: <i>Eddie Swan</i></p> </div> <div style="width: 45%;"> <p>P.O. #: _____</p> <p>Company: SAME</p> <p>Attn: <i>John</i></p> <p>Address: _____</p> <p>City: _____ State: _____ Zip: _____</p> <p>Phone #: _____</p> <p>Fax #: _____</p> </div> </div>											
Project Manager: _____													
Address: _____													
City: _____ State: _____ Zip: _____													
Phone #: _____ Fax #: _____													
Project #: _____ Project Owner: _____													
Project Name: _____													
Project Location: _____													
Sampler Name: _____													
FOR LAB USE ONLY													
Lab I.D. Sample I.D.		MATRIX		PRESERV		SAMPLING		DATE		TIME			
H14760-1 FOS-WW #1		GROUNDWATER		OTHER:		ICE / COOL		5/7		9:50			
		WASTEWATER		ACID/BASE:									
		SLUDGE		OTHER:									
		OIL											
		SOIL											
		# CONTAINERS											
		(GRAV OR (C)OMP)											

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Sampler Relinquished: <i>Eddie Swan</i>		Date: <i>9/7</i>		Received By: <i>Eddie Swan</i>		Phone Result: <input type="checkbox"/> No <input type="checkbox"/> Add'l Phone #:	
Relinquished By: _____		Time: <i>11:30</i>		Received By: _____		Fax Result: <input type="checkbox"/> No <input type="checkbox"/> Add'l Fax #:	
Delivered By: (Circle One)		Date: _____		Temp. _____		REMARKS:	
Sampler - UPS - Bus - Other:		Time: _____		Sample Condition		CHECKED BY: <i>MSB</i>	
				Cool <input type="checkbox"/> Intact <input type="checkbox"/>			
				Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
				Yes <input type="checkbox"/> No <input type="checkbox"/>			

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.



Groundwater

FULFER OIL & CATTLE LLC

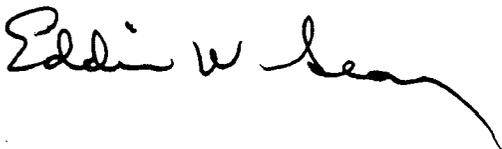
RE: Maralo Sholes B #2
Unit P, Sect.25, T. 25 S., R. 36 E.
API #30-025-09806

Dear Sir:

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

Any questions about the permit can be directed to Eddie W. Seay, (575)392-2236. Any objections or request for hearing must be filed with the Oil Conservation Division within fifteen (15) days from the date received. The OCD address is 1220 S. Saint Francis Drive, Santa Fe, NM 87504, (505)476-3440.

Thank you,



Eddie W. Seay, Agent
601 W. Illinois
Hobbs, NM 88242
(575)392-2236
seay04@leaco.net

LEASE OWNERS AND OFFSETS

LAND OWNER:

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

OFFSETS:

Southwest Royalties Inc.
6 Desta Drive, Suite 2100
Midland, TX 79705

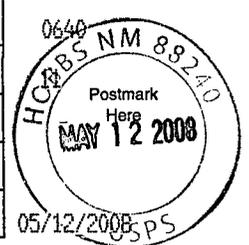
7007 2560 0000 4575 3124

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

MIDLAND TX 79705 **OFFICIAL USE**

Postage	\$ 1.17
Certified Fee	\$2.70
Return Receipt Fee (Endorsement Required)	\$2.20
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 6.07



Sent to **Southwest Royalties Inc.**
 Street, Apt. or P.O. **Destra Drive, Suite 2100**
 City, State, ZIP+4 **Midland, TX 79705**

PS Form 3800, August 2006 See Reverse for Instructions

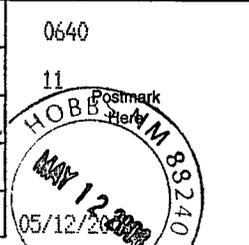
7007 2560 0000 4575 3131

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

CARLSBAD NM 88220 **OFFICIAL USE**

Postage	\$ 1.34
Certified Fee	\$2.70
Return Receipt Fee (Endorsement Required)	\$2.20
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 6.24



Sent to **Bureau of Land Management**
 Street, Apt. or P.O. **620 E. Greene St.**
 City, State, ZIP+4 **Carlsbad, NM 88220**

PS Form 3800, August 2006 See Reverse for Instructions

LEGAL NOTICE

Fulfer Oil & Cattle LLC, P.O. Box 578, Jal, New Mexico 88252, has filed a form C-108, Application for Authorization to Inject, with the Oil Conservation Division seeking administrative approval to convert the Maralo Sholes B Well No. 2, API No. 30-025-09806, located 660 feet from the South line and 660 feet from the East line, Unit P, of Section 25, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico, to a commercial produced water disposal well. Injection of produced water originating from various formations and/or pools in Southeast New Mexico will be injected into the Lower Yates and Seven Rivers formations through the open hole interval from 2938' to 3055' through 3 1/2" plastic lined injection tubing installed in a packer set at approximately 2850'. The maximum injection rate is anticipated to be 5000 barrels of produced water per day at an initial maximum surface injection pressure of 500 psi.

Interested parties must file objections with the New Mexico Oil Conservation Division, 1220 S. St. Francis Drive, Santa Fe, NM 87504, within fifteen (15) days of the date of this publication. Additional information can be obtained by contacting Eddie W. Seay, (575)390-2454.

Affidavit of Publication

STATE OF NEW MEXICO)
) ss.
COUNTY OF LEA)

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled

Legal Notice

was published in a regular and entire issue of **THE LOV-**

INGTON LEADER and not in any supplement thereof, for

one (1) day, beginning with the issue of May 10, 2008 and ending with the issue of May 10, 2008.

And that the cost of publishing said notice is the sum of \$32.24 which sum has been (Paid) as Court Costs.

Joyce Clemens

Subscribed and sworn to before me this 13th day of May 2008

Debbie Schilling

Debbie Schilling

Notary Public, Lea County, New Mexico

My Commission Expires June 22, 2010

LEGAL NOTICE
Fulfer Oil & Cattle LLC, P.O. Box 578, Jal, New Mexico 88252, has filed a form C-108, Application for Authorization to Inject, with the Oil Conservation Division seeking administrative approval to convert the Maralo Sholes B Well No. 2, API No. 30-025-09806, located 660 feet from the South line and 660 feet from the East line, Unit P, of Section 25, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico, to a commercial produced

water disposal well. Injection of produced water originating from various formations and/or pools in Southeast New Mexico will be injected into the Lower Yates and Seven Rivers formations through the open hole interval from 2938' to 3055' through 3 1/2" plastic lined injection tubing installed in a packer set at approximately 2850'. The maximum injection rate is anticipated to be 5000 barrels of produced water per day at an initial maximum surface injection

pressure of 500 psi. Interested parties must file objections with the New Mexico Oil Conservation Division, 1220 S. St. Francis Drive, Santa Fe, NM 87504, within fifteen (15) days of the date of this publication. Additional information can be obtained by contacting Eddie W. Seay, (575)390-2454. Published in the Lovington Leader May 10, 2008.

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Monday, May 05, 2008 2:41 PM
To: 'seay04@leaco.net'
Cc: Ezeanyim, Richard, EMNRD; Warnell, Terry G, EMNRD; Kautz, Paul, EMNRD; Sanchez, Daniel J., EMNRD
Subject: SWD Application on behalf of Fulfer Oil & Cattle LLC: Maralo Sholes B #2 API No. 30-025-09806 Unit P Sec 25 T25S R36E Lea County

(FIRST)

575-395-9970
631-0522

Hello Eddie:

The OCD received your application and after reviewing have the following questions and comments:

- 1) Rule 40 looks OK for Fulfer. ✓
- 2) AOR well 30-025-09812 reported transporting as late as 1996. The status of this well must be verified. Please ask SW Royalties whether this well is inactive with open perfs in the Yates/7Rivers or whether it has been TAed or P&Aed. If open in the injection interval and inactive, the well must be either TAed or P&Aed prior to injection. OK
- 3) Please attempt to find the nearest windmill or house water and get a recent analysis for our files. ✓
- 4) Within this general area there have been at least three wells permitted for injection and all of these have been into the Lower Yates Seven Rivers. ✓
- 5) Your application asks to inject into the Upper Yates abandoned Gas intervals, but is inconsistent with the geology write-up which mentions injection into the Lower Yates Seven Rivers.
- 6) There are two other operators in this general area with active Upper Yates gas wells: Cimarex Energy Co of Colorado and Inflow Petroleum Res. LP. These operators should also be noticed of your intention to inject into the Gas interval. OK, changed
- 7) Please send more evidence of the boundary of the Capitan Reef in this area and more discussion from a geologist about this. The map I am using shows this area to be within the Reef boundaries. Does Paul Kautz agree this well is 1-1/2 mile east of the Reef? Can you tell me which well's logs to look at to verify this? Is the reef present below the 7 rivers in this well but dipping upward to the West - so not a problem in the Upper Yates?

If you really intended to inject into the open hole in this well from 2938 to 3055 please send in revised paperwork showing this and revise the newspaper notice and notices to the BUM and to Southwest Royalties, Inc. Be sure and verify this interval was always oil bearing and not part of the Upper Yates Gas and not connected to the Reef.

The application as it is written to inject into the Upper Yates abandoned gas interval must be denied. You do have the option to present this at an examiner hearing.

Let me know what you and Gregg Fulfer decide on this.

They Re-Filed a new application into the Lower Yates / UPPER 7 RIVERS

Regards,

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

Injection Permit Checklist 2/8/07

SWD Order Number 1127 Dates: Division Approved _____ District Approved _____

Well Name/Num: Manda SHOLES "B" #2 Date Spudded: 6 LP

API Num: (30-) 025-09806 County: Law

Footages 660 FSL/660 FEL Sec 25 Tsp 25 S Rge 36 E

Operator Name: FULFER OIL & Co LLC Contact EDDIE W. Seay

Operator Address: PO Box 578, JAL, NM, 88252

Current Status of Well: TAED Planned Work: Commercial WWR Inj. Tubing Size: 3/2 @ 2850'

UNIT P
OK/D
4140
Rwd 40 = OK
2/55 = OK
FA = OK

	Hole/Pipe Sizes	Depths	Cement	Top/Method
Surface	13" 1 3/4	410'	150	
Intermediate	8 5/8"	1225' MUDED in.		
Production	8" 7"	2935'	150	
Last DV Tool				
Open Hole/Liner				
Plug Back Depth		(2955' TD)	(Open Hole 3055' TD)	

Diagrams Included (Y/N): Before Conversion After Conversion

Checks (Y/N): Well File Reviewed ELogs in Imaging

Intervals	Depths	Formation	Producing (Yes/No)
Salt/Potash	1180 to 2562'	1020'	1180'
Capitan Reef	Reef is 1.5 to 3 miles west		
Cliff House, Etc:			
Formation Above			
Top Inj Interval	2938	Lower 7 RVRS	588 PSI Max. WHIP
Bottom Inj Interval	2824-3055	Upper 7 RVRS	Open Hole (Y/N)
Formation Below	2975	7 RVRS	Deviated Hole (Y/N)

OLD JALMAT 60 well

Fresh Water: Depths: _____ Wells (Y/N) None Analysis Included (Y/N): _____ Affirmative Statement

Salt Water Analysis: Injection Zone (Y/N/NA) _____ Disp Waters (Y/N/NA) _____ Types: _____

Notice: Newspaper (Y/N) Surface Owner BLM Mineral Owner(s) _____

Other Affected Parties: Southern Kayak

AOR/Repairs: NumActiveWells 2 Repairs? _____ Producing in Injection Interval in AOR NO

AOR Num of P&A Wells 8 Repairs? _____ Diagrams Included? RBDMS Updated (Y/N)

Well Table Adequate (Y/N) _____ AOR STRs: Sec _____ Tsp _____ Rge _____ UIC Form Completed (Y/N)

New AOR Table Filename _____ Sec _____ Tsp _____ Rge _____ This Form completed

Conditions of Approval: Sec _____ Tsp _____ Rge _____ Data Request Sent Yes, new appl. Filed

Which Pools/analysis to be injected
Run CBL, Verify bottom PLUG or Set
Run INJ Survey offshore

AOR Required Work: Send Structure Map

Required Work to this Well: why does Geology write "upper 80' of 7 RVRS"?
Nearest wellbore or plastic house with well SHOULD BE PLUGGED OR TAED
Find out from SW Kayak about 30-025-09812

NOTICE Cimrex Energy Co., Inflow Petr. Res. LP