

N M

WALSH AND WATTS, INC.

OIL PRODUCERS
1111 SEVENTH STREET
WICHITA FALLS, TEXAS 76301
940-723-2104

RECEIVED OCD
2013 FEB 06
February 21, 2013 A 11:06

United States Department of Interior
Bureau of Land Management
Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292

Attn: Mr. Don Peterson

Refer to: NM71001X

Re: 2013 Plan of Operations
North Square Lake Premier Unit
Eddy County, New Mexico

Gentlemen:

Summary of 2012 Operations:

Treated wells for corrosion, scale and paraffin. Abandoned 1 WIW #11. Evaluating 1 WIW for repair or P&A. Painted battery and repaired injection station.

Plan of Operations 2013:

Injection and production rates to be maintained. Monitor wells for necessity to treat for paraffin, corrosion and scale. Evaluate for clean out and stimulation. Evaluate for additional make up water. Repair or abandon 1 injection well. Revamp facilities as needed.

Attached is statistical production data updated to present.

If you require additional information, please advise.

Yours very truly,

Walsh and Watts, Inc.

By:


Alfred B. Guinn

ABG:tw
Enclosures

FIELD	SQUARE LAKE (G-S/A) NORTH
UNIT	NORTH SQUARE LAKE PREMIER UNIT
YEAR	2012

STATISTICAL DATA

Unit Effective	3/1/1966	Injection Started	09/66
Est. Ult. Rec.	450,000	Primary +	650,000
		Secondary =	1,100,000

MONTHLY PRODUCTION

	January	February	March	April	May	June
Oil BBLs	141	96	412	143	221	342
Gas MCF	108	108	108	108	108	108
Producing GOR, SCF/BBL	765	1125	262	755	488	316
Net GOR, SCF/BBL	765	1125	262	755	488	316
Water, BBL	2573	2175	2325	2250	2325	2250
Withdrawals, Res. BBL	3003	2560	3026	2682	2835	2881
Producing WOR, BBL/BBL	18.248	22.656	5.643	15.734	10.52	6.579

MONTHLY INJECTION

Water, BBL	4650	3522	3751	3630	3751	3640
Gas, MCF	0	0	0	0	0	0
Gas, Reservoir BBL	0	0	0	0	0	0
Total Injection, Res. BBL	4650	3522	3751	3630	3751	3640
Net Voidage, Res. BBL	1647	962	725	948	916	761

CUMULATIVE - PRODUCTION

Since Inj.	Oil, BBL	660679	660775	661187	661330	661551	661893
	Gas, MCF	----	----	----	----	----	----
	Wtr. BBL	1509522	1511697	1514022	1516272	1518597	1520847
Since Unit	Oil, BBL	660679	660775	661187	661330	661551	661893
	Gas, MCF	----	----	----	----	----	----
	Wtr. BBL	1509522	1511697	1514022	1516272	1518597	1520847
Since Disc.	Oil, BBL	1086930	1087026	1087438	1087581	1087802	1088141

CUMULATIVE - INJECTION

Since Unit	Wtr. BBL	9815451	9818973	9822724	9826354	9830105	9833745
	Gas, MCF	----	----	----	----	----	----
Since Unit	Wtr. BBL	----	----	----	----	----	----
	Gas, MCF	----	----	----	----	----	----

PHASE II OF II

Production to Date	1080632	1080728	1081140	1081283	1081504	1081846
Remaining Production	13059	12963	12551	12408	12187	11845

WELL STATUS

Producer	7	7	7	7	7	7
Injector	7	7	7	7	7	7
Shut-In	0	0	0	0	0	0
T.A.	0	0	0	0	0	0
P&A	7	7	7	7	7	7
WSW	0	0	0	0	0	0
TOTAL	21	21	21	21	21	21

FIELD	SQUARE LAKE (G-S/A) NORTH
UNIT	NORTH SQUARE LAKE PREMIER UNIT
YEAR	2012

STATISTICAL DATA

Unit Effective	3/1/1966	Injection Started	09/66
Est. Ult. Rec.	450,000	Primary +	650,000
		Secondary =	1,100,000

MONTHLY PRODUCTION

	July	August	September	October	November	December
Oil BBLs	115	68	90	121	208	157
Gas MCF	108	108	108	108	108	108
Producing GOR, SCF/BBL	939	1588	1200	893	519	688
Net GOR, SCF/BBL	939	1588	1200	893	519	688
Water, BBL	2325	2325	2250	2325	2250	2325
Withdrawals, Res. BBL	2729	2682	2629	2735	2747	2771
Producing WOR, BBL/BBL	20.217	34.191	25.000	19.215	10.817	14.809

MONTHLY INJECTION

Water, BBL	3751	3751	3630	3751	3630	3751
Gas, MCF	0	0	0	0	0	0
Gas, Reservoir BBL	0	0	0	0	0	0
Total Injection, Res. BBL	3751	3751	3630	3751	3630	3751
Net Voidage, Res. BBL	1022	1070	1001	1016	883	980

CUMULATIVE - PRODUCTION

Since Inj.	Oil, BBL	662008	662076	662166	662287	662495	662652
	Gas, MCF	----	----	----	----	----	----
	Wtr. BBL	1523097	1525422	1527672	1529997	1532247	1534572
Since Unit	Oil, BBL	662008	662076	662166	662287	662495	662652
	Gas, MCF	----	----	----	----	----	----
	Wtr. BBL	1523097	1525422	1527672	1529997	1532247	1534572
Since Disc.	Oil, BBL	1088259	1088327	1088417	1088538	1088746	1088903

CUMULATIVE - INJECTION

Since Unit	Wtr. BBL	9837496	9841247	9844877	9848628	9852258	9856009
	Gas, MCF	----	----	----	----	----	----
Since Unit	Wtr. BBL	----	----	----	----	----	----
	Gas, MCF	----	----	----	----	----	----

PHASE II OF II

Production to Date	1081961	1082029	1082119	1082240	1082448	1082605
Remaining Production	11730	11662	11572	11451	11243	11086

WELL STATUS

Producer	7	7	7	7	7	7
Injector	7	7	7	7	7	7
Shut-In	0	0	0	0	0	0
T.A.	0	0	0	0	0	0
P&A	7	7	7	7	7	7
WSW	0	0	0	0	0	0
TOTAL	21	21	21	21	21	21

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WALSH AND WATTS, INC.
1111 SEVENTH STREET
WICHITA FALLS, TX 76301

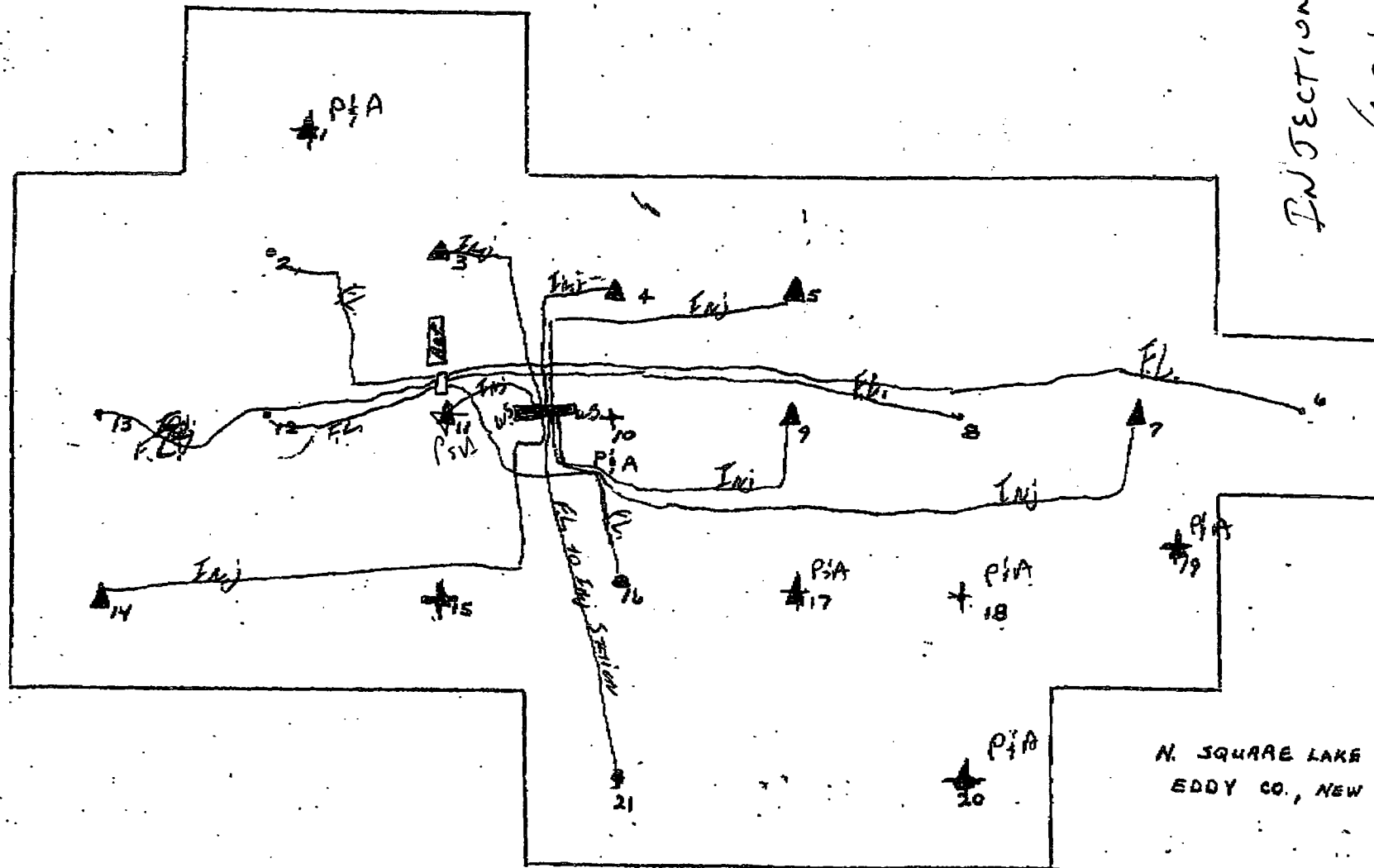
NORTH SQUARE LAKE PREMIER UNIT - 2012 TEST DATA

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NORTH SQUARE LAKE PREMIER UNIT - 2011 TEST DATA

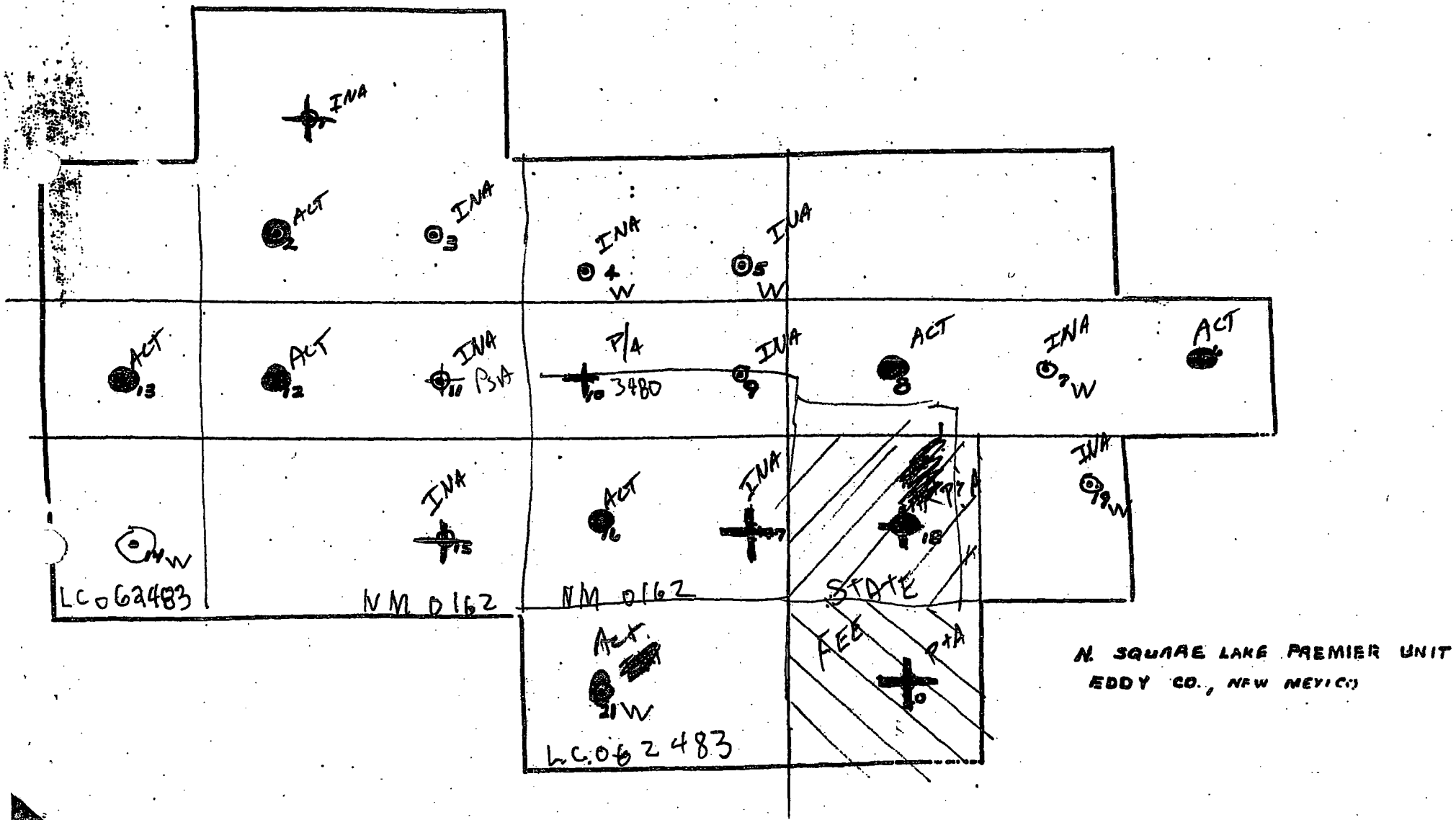
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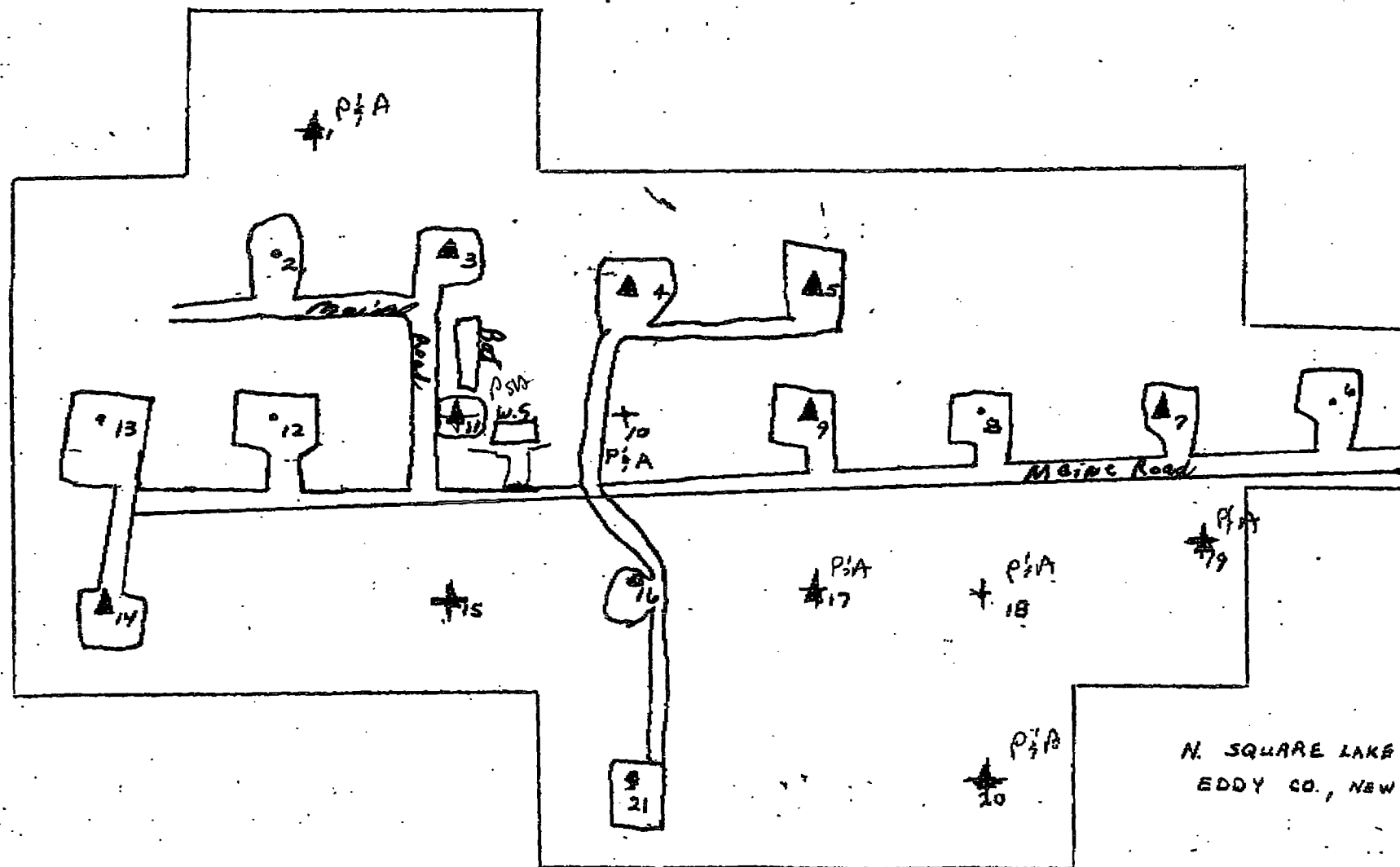


N. SQUARE LAKE PREMIER
EDDY CO., NEW MEXICO

INJECTION LINES &
FLOW LINES

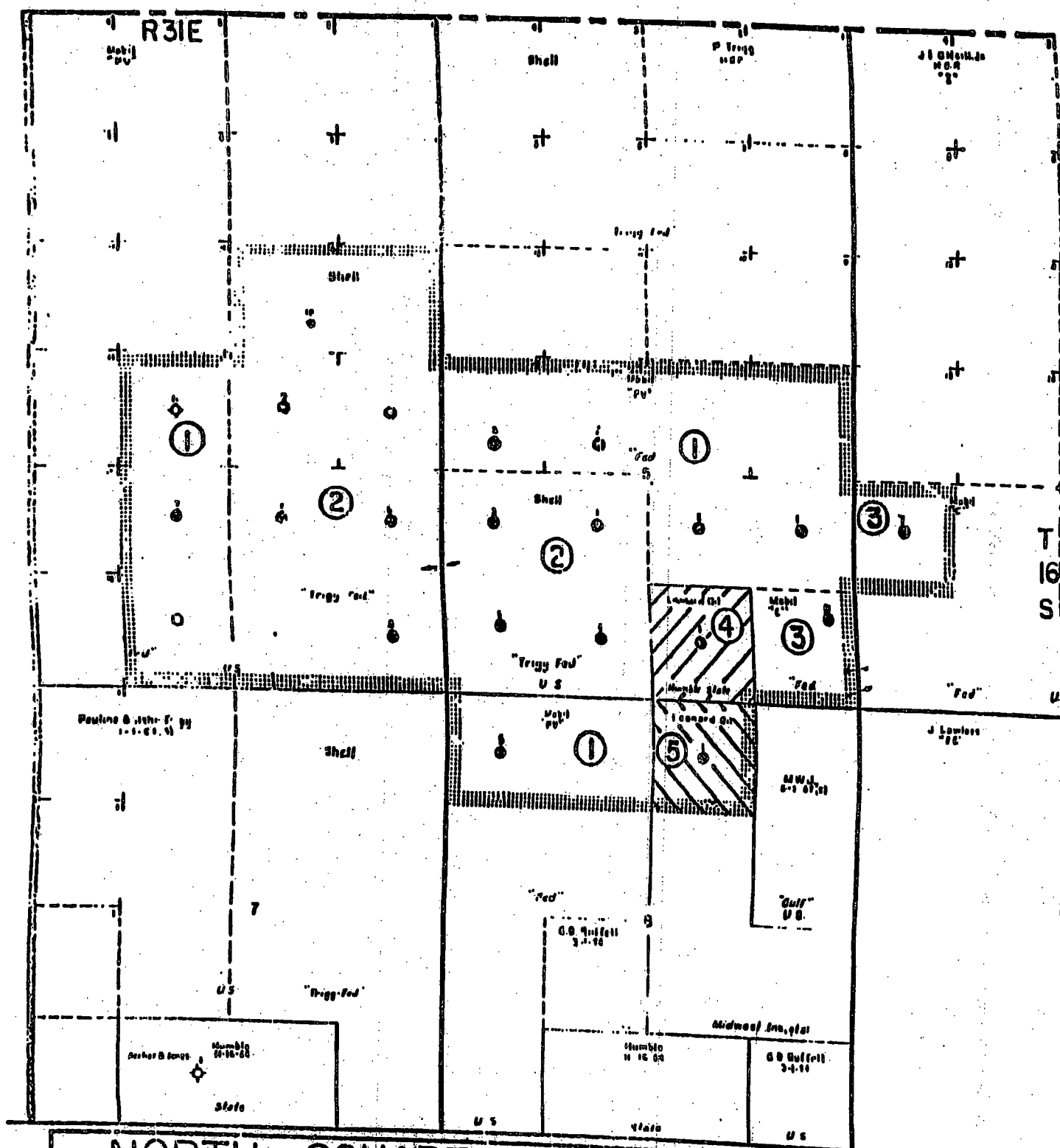
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Roads

N. SQUARE LAKE PREMIER UNIT
EDDY CO., NEW MEXICO



NORTH SQUARE LAKE PREMIER UNIT
EDDY COUNTY, NEW MEXICO
EXHIBIT "A"

LEGEND

-  FEDERAL ACREAGE
 STATE ACREAGE
 FEE ACREAGE
 UNIT BOUNDARY
 TRACT NUMBER

