CITY OF CARLSBAD
PUBLIC WORKS OFFICE

FACSIMILE TRANSMITTAL SHEET

TO: William V. Jones

FROM: Dennis Langlitz

COMPANY: NMOCD

DATE: 7-11-08

FAX NUMBER: 505-476-3462

NO. OF PAGES INCLUDING COVER: 29

PHONE NUMBER: 505-476-3448

SENDER'S REFERENCE NUMBER:

RE:

YOUR REFERENCE NUMBER:

NOTES/COMMENTS:

1702 W. FOX CARLSBAD, NEW MEXICO 88220
505/885-6262 FAX 505/885-2773

WATER FLOODING VALUATIONS RESERVOIR STUDIES

TELEPHONE - 817-723-2166

STEPHENS ENGINEERING
PETROLEUM ENGINEERS
WICHITA FALLS, TEXAS

POST OFFICE BOX - 2249

WICHITA FALLS, TEXAS
76307

August 14, 1978

Barber Oil Company, Inc.
P. O. Box 1658
Carlsbad, New Mexico 88220

Attn: Mr. Robert S. Light

Re: Pressure Limitation
Saladar Unit
Eddy County, New Mexico

Dear Mr. Light:

Reference is made to Mr. George H. Hunker, Jr.'s letter of August 3, 1978 which contained additional information required in the New Mexico Oil Conservation Division Cases 6238 and 6226. Also contained with Mr. Hunker's letter was a memorandum from the Oil Conservation Commission dated August 24, 1977 and referred to as Memo No. 3-77.

As engineer on this project, I must object to the Oil Conservation Commission ruling in their memorandum which in effect places a pressure limitation on the injection program planned for use in the Saladar Unit. In the memorandum it is indicated that "no surface injection pressure greater than 0.2 psi per foot of depth to the top of the injection zone will be permitted unless there is strong evidence that the strata confining injection fluid has a fractured gradient which would support a higher pressure. In effect, this limitation places an approximate 130 psi surface pressure limitation on the Saladar Unit project since the top of the injection zone is at a depth of 660'. Information available in the area not only support the use of additional pressure, but also virtually guarantees that without additional pressure a successful flooding of the Saladar Unit cannot be accomplished.

For the past 25 years, Stephens Engineering has supplied Neil H. Wills and/or Barber Oil Company with consulting engineering

in one of the first water flood programs initiated in New Mexico. This program was initiated in 1953 in the Russell Pool located approximately two miles northeast of the Saladar Unit. Initially, pressures were held to a minimum of approximately 400 psi in this 800' depth project. Later, it became apparent that greater pressures and therefore greater injection rates could be sustained without creating channeling conditions, therefore the pressure was gradually raised to a 700 psi surface pressure reading. Even with this .875 psi per foot of depth gradient, the Barber Oil Company, Russell Pool project has dated approximately 25 years and has several additional years of commercial production still available. Based on this information, it is apparent that if the Oil Conservation Commission continues to restrict injection in the vicinity of the Saladar Unit to the 0.2 psi per foot of depth, it will require a tremendous number of years to completely water flood the zone planned for flooding, if a successful project could be sustained and held in a commercial range at all.

Based on the past performance of the Russell Pool, which is flooding a similar zone as is planned to be flooded in the Saladar Unit, it is strongly recommended that Barber Oil Company request an exemption to the 0.2 psi per foot of depth ruling and request that the Oil Conservation Commission allow use of a 0.875 psi per foot of depth restriction instead. Again, it must be emphasized that with a lower than planned pressure, not only will a large amount of time be necessary to successfully flood and obtain the oil available from the Saladar Unit, but a large question exists as to the commercial ability of installing the project until such a pressure limitation is removed.

Should you desire any additional information concerning the necessity for a greater injection pressure, please do not hesitate to contact us.

Yours very truly,

STEPHENS ENGINEERING

Joe L. Johnson, Jr.

JLJjr/bw

FILED WITH SALADAR8

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 6226
Order No. R-5939

APPLICATION OF BARBER OIL, INC. FOR A WATERFLOOD PROJECT, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 2, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 28th day of February, 1979, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Barber Oil, Inc., seeks authority to institute a waterflood project on its Saladar Lease, Saladar-Yates Pool, by the injection of water into the Yates formation through five injection wells located in Units K, L, N and O of Section 33, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico.

(3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(5) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.

(6) That the Unit Operator should immediately notify the supervisor of the Artesia District Office of the Division of the failure of the tubing, casing, or packer of any well in the Unit Area or of the leakage of water from or around any well within one-half mile of the Saladar Unit Area, including wells which have been plugged and abandoned.

(7) That upon such failure of any well within one-half mile of an injection well in the Saladar Unit Area, the Division Director should be authorized to limit injection pressure in the Yates formation in such injection well to no more than hydrostatic pressure, and to maintain such pressure limitation until such time as workover operations (including re-plugging, if necessary) have been completed correcting such failure.

(8) That the injection wells or system should be equipped with a pressure control device or other acceptable substitute which will limit the surface injection pressure to no more than 557 psi. Provision should be made for the Division Director to administratively authorize a pressure limitation in excess of said 557 psi upon a showing by the Unit Operator that such higher pressure is necessary to effectively and efficiently waterflood the Saladar Unit Area and that such higher pressure limitation will not result in fracturing of the confining strata.

(9) That the subject application should be approved subject to the above conditions, and the project should be governed by the provisions of Rules 701, 702, and 703 of the Division Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Barber Oil, Inc., is hereby authorized to institute a waterflood project on its Saladar Lease, Saladar-Yates Pool, by the injection of water into the Yates formation through the following-described wells in Section 33, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico:

Original Well Name and No.	Unit Well No.	Unit Letter
Riggs Hughes Fed No. 3	1-3	K
Riggs Hughes Fed No. 5	1-5	K
Riggs Hughes Fed No. 7	1-7	N
Conley Mayfield Fed No. 2	2-2	O
Riggs Malco-Keystone No. 1	3-1	L

(2) That injection into each of said wells shall be through internally coated tubing, set in a packer which shall be located as near as practicable to the casing shoe; that the casing-tubing annulus of each injection well shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention-attracting leak detection device.

(3) That the operator shall immediately notify the supervisor of the Division's Artesia district office of the failure of the tubing or packer in any of said injection wells, the leakage of water or oil from around any producing well, or the leakage of water or oil from any plugged and abandoned well within the project area or within one-half mile of the Saladar Unit Area.

(4) That upon such failure of any well within one-half mile of an injection well in the Saladar Unit Area, the Division Director is hereby authorized to limit injection pressure in the Yates formation in such injection well to no more than hydrostatic pressure, and to maintain such pressure limitation until such time as workover operations (including re-plugging, if necessary) have been completed, successfully correcting such failure.

(5) That the injection wells or system shall be equipped with a pressure control device or other acceptable substitute which will limit the surface injection pressure to no more than 557 psi. The Division Director may administratively authorize a pressure limitation in excess of said 557 psi upon a showing by the Unit Operator that such higher pressure is necessary to effectively and efficiently waterflood the Saladar Unit Area and that such higher pressure limitation will not result in fracturing of the confining strata.

(6) That the subject waterflood project is hereby designated the Saladar Unit Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Division Rules and Regulations.

(7) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Division in accordance with Rules 704 and 1120 of the Division Rules and Regulations.

(8) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY
Director

S E A L

fd/

Side 1

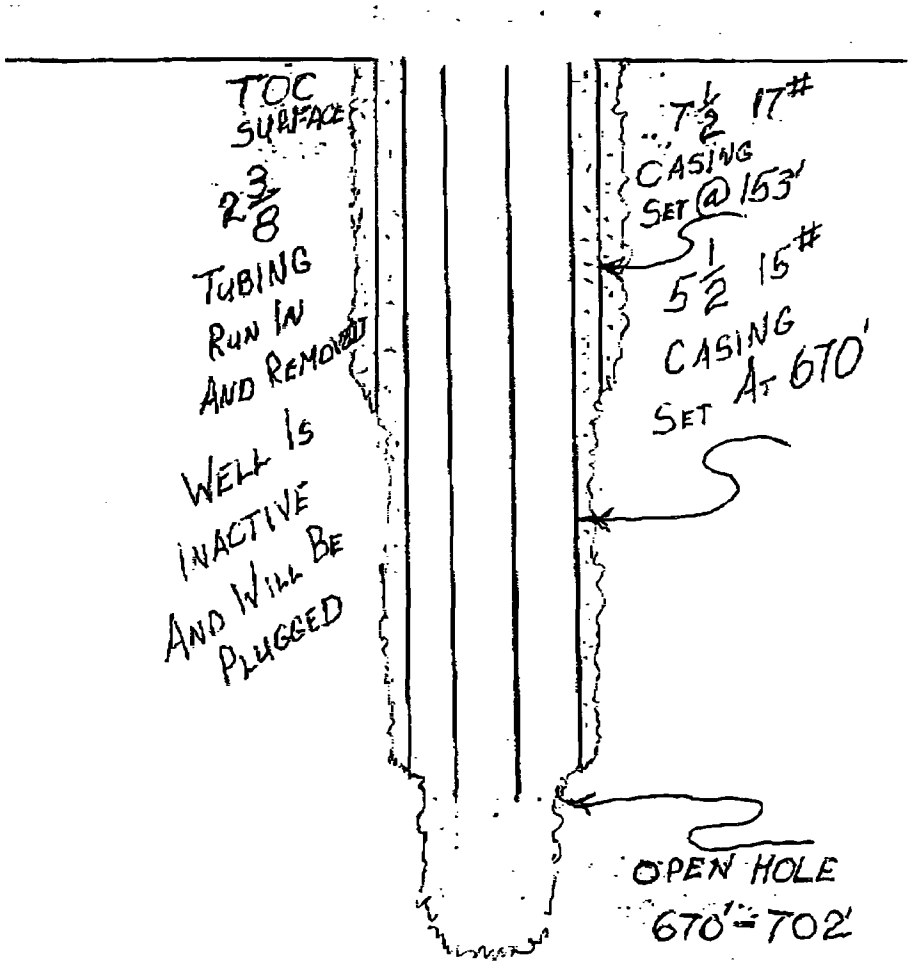
WELL DATA SHEET

OPERATOR: DENNIS LANGLITZ

WELL NAME & NUMBER: SALADAR 1 OIL WELL SALADAR YATES COMPLETED 9/24/56 API 30 015 02451

WELL LOCATION:	2310 FSL 990 FWL	L	33	20S	28E
	FOOTAGE LOCATION	UNIT LETTER	SECTION	TOWNSHIP	RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 8 3/4 Casing Size: 7 1/2 17#

Cemented with: 10 sx. ~~or~~ SET @ 153 ft. ft³

Top of Cement: SURFACE Method Determined: CALCULATION

Intermediate Casing

NONE

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. *or* _____ ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 6 1/2 Casing Size: 5 1//2 15#

Cemented with: 45 sx. ~~or~~ SET @ 670 ft. ft³

Top of Cement: SURFACE Method Determined: CALACATION

Total Depth: 702 ft.

_____ _____

(Perforated or Open Hole; indicate which)

Side 1

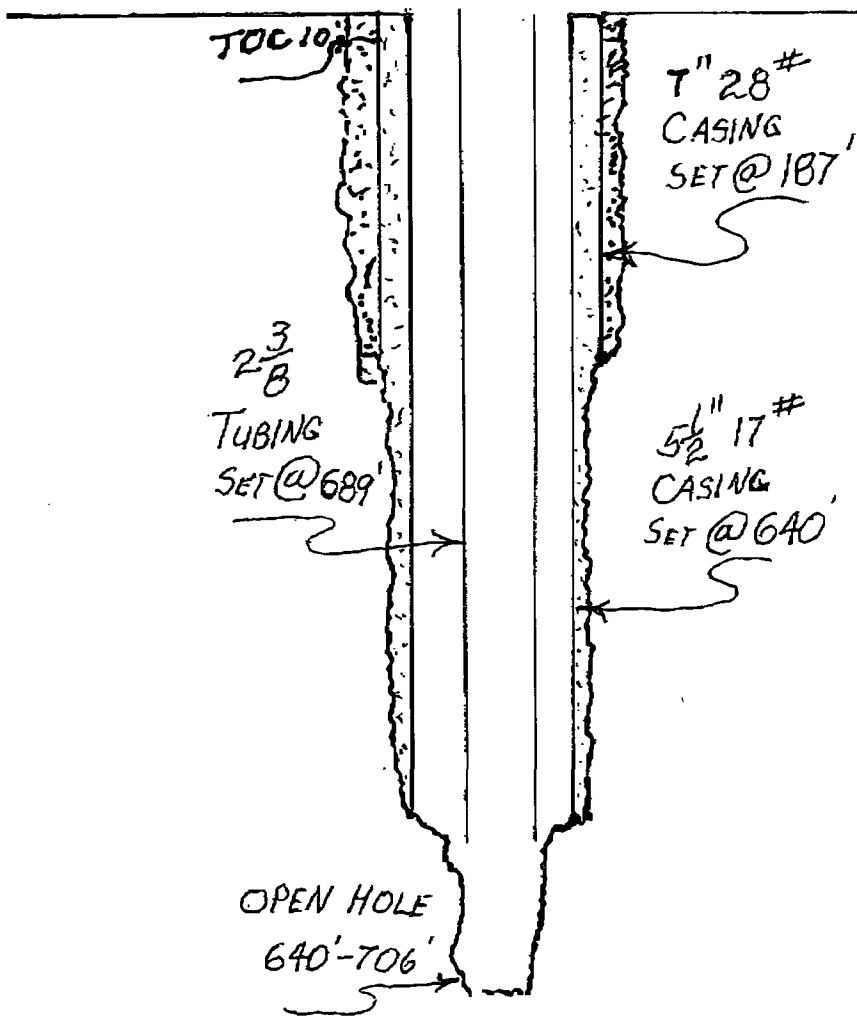
WELL DATA SHEET

OPERATOR: DENNIS LANGLITZ

WELL NAME & NUMBER: SALADAR 3 OIL WELL SALADAR YATES COMPLETED 11/25/56 API 30 015 02447

WELL LOCATION:	2310 FNL 1650 FEL	F	33	20S	28E
	FOOTAGE LOCATION	UNIT LETTER	SECTION	TOWNSHIP	RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 8 3/4 Casing Size: 7 28#

Cemented with: 8 sx. or SET @ 187 ft. ft³

Top of Cement: 10 Method Determined: CALCULATED

Intermediate Casing

Hole Size: NONE Casing Size: _____

Cemented with: _____ sx. or _____ ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 6 1/4 Casing Size: 5 1/2 17#

Cemented with: 45 sx. or SET @ 640 ft. ft³

Top of Cement: surface Method Determined: CALCULATION

Total Depth: 706 ft.

_____ _____

(Perforated or Open Hole; indicate which)

Side 1

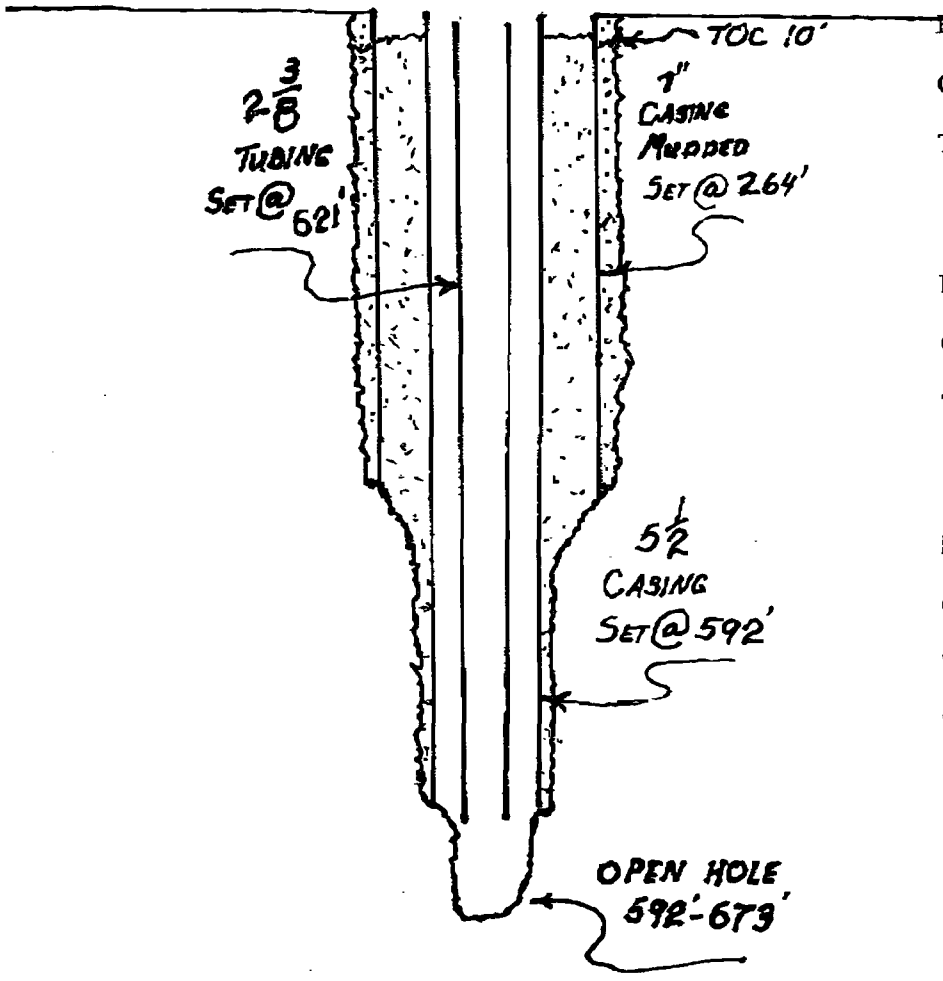
WELL DATA SHEET

OPERATOR: DENNIS LANGLITZ

WELL NAME & NUMBER: SALADAR 5 OIL WELL SALADAR YATES COMPLETED 6/30/56 API 30 015 02444

WELL LOCATION:	1650 FSL 1650 FWL	K	33	20S	28E
	FOOTAGE LOCATION	UNIT LETTER	SECTION	TOWNSHIP	RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 8 1/4 Casing Size: 7

Cemented with: HUDDED IN sx. ~~or~~ SET @ 264 ft. ft³

Top of Cement: _____ Method Determined: _____

Intermediate Casing

Hole Size: NONE Casing Size: _____

Cemented with: _____ sx. *or* _____ ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 6 1/4 Casing Size: 5 1/2

Cemented with: 25 sx. ~~or~~ SET @ 592 ft. ft³

Top of Cement: 10 Method Determined: CALCULATION

Total Depth: 673 ft.

_____ _____

(Perforated or Open Hole; indicate which)

Side 1

WELL DATA SHEET

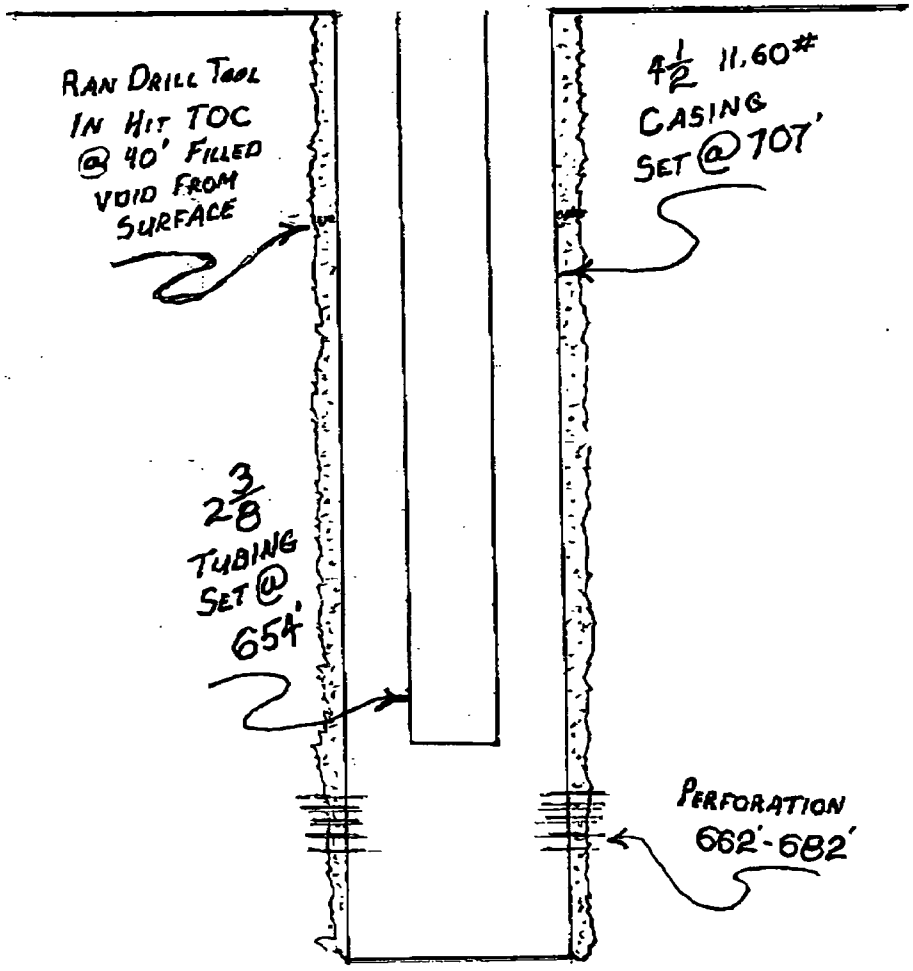
OPERATOR: DENNIS LANGLITZ

WELL NAME & NUMBER: SALADAR 11 OIL WELL SALADAR YATES COMPLETED 7/12/82 top pay 625 ft. API 30 015 24178

WELL LOCATION: _____

FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 6 3/4 Casing Size: 4 1/2 11.60#

Cemented with: 250 sx. *or*: SET @ 707 ft. ft³

Top of Cement: SURFACE, RAN IN DRILL TOOL, HIT @ 40ft. FILLED FROM SURFACE Method Determined: SURFACE

Intermediate Casing

Hole Size: NONE Casing Size: _____

Cemented with: _____ sx. *or* _____ ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: SAME AS SURFACE CASING Casing Size: _____

Cemented with: _____ sx. *or* _____ ft³

Top of Cement: _____ Method Determined: _____

Total Depth: 707 ft.

_____ _____

(Perforated or Open Hole; indicate which)

Side 1

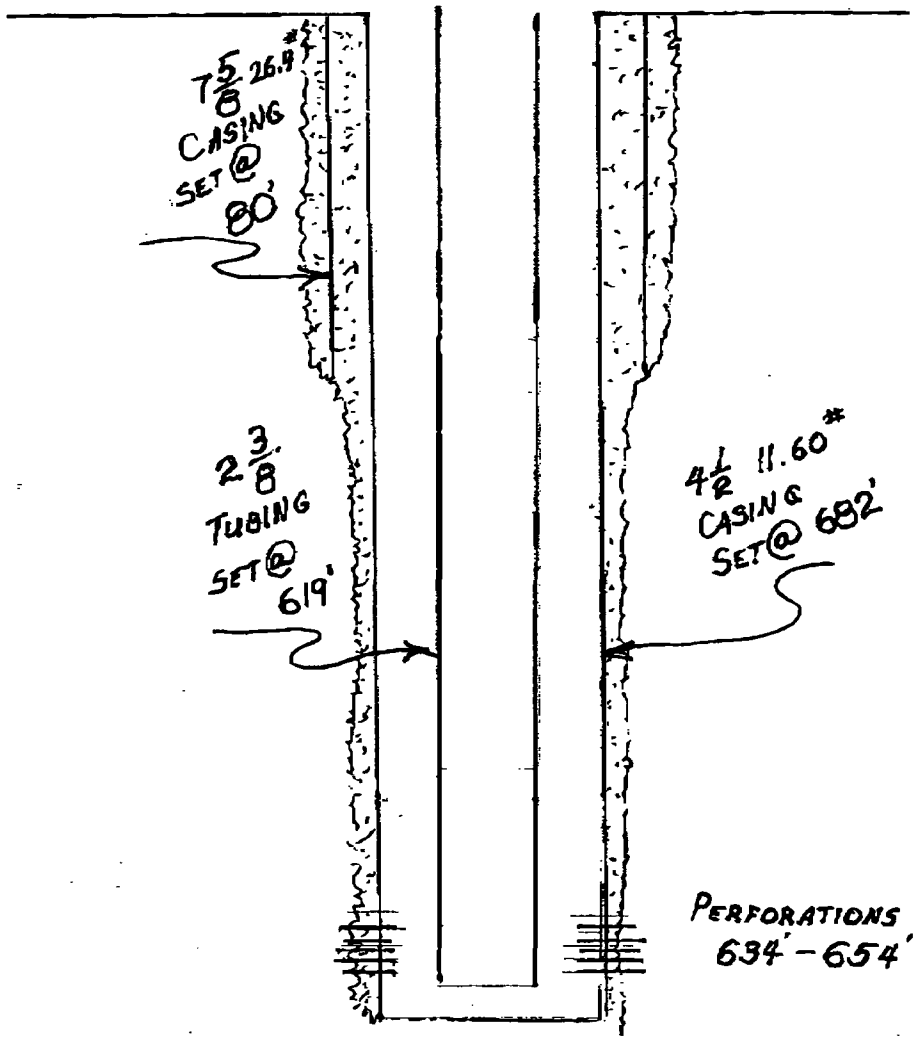
WELL DATA SHEET

OPERATOR: DENNIS LANGLITZ

WELL NAME & NUMBER: SALADAR 13 OIL WELL SALADAR YATES COMPLETED 8/3/82 API 30 015 24180

WELL LOCATION:	1315 FSL 1980 FWL	H	33	20S	28E
	FOOTAGE LOCATION	UNIT LETTER	SECTION	TOWNSHIP	RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 9 5/8 Casing Size: 7 5/8 26.40#

Cemented with: 15 sx. ~~or~~ SET @ 80 ft. ft³

Top of Cement: SURFACE Method Determined: CALUCATION

Intermediate Casing

Hole Size: NONE Casing Size: _____

Cemented with: _____ sx. *or* _____ ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 6 3/4 Casing Size: 4 1/2 11.60#

Cemented with: 230 sx. ~~or~~ SET @ 682 ft. ft³

Top of Cement: SURFACE Method Determined: CALCULATED

Total Depth: 682 ft.

_____ _____

(Perforated or Open Hole; indicate which)

Side 1

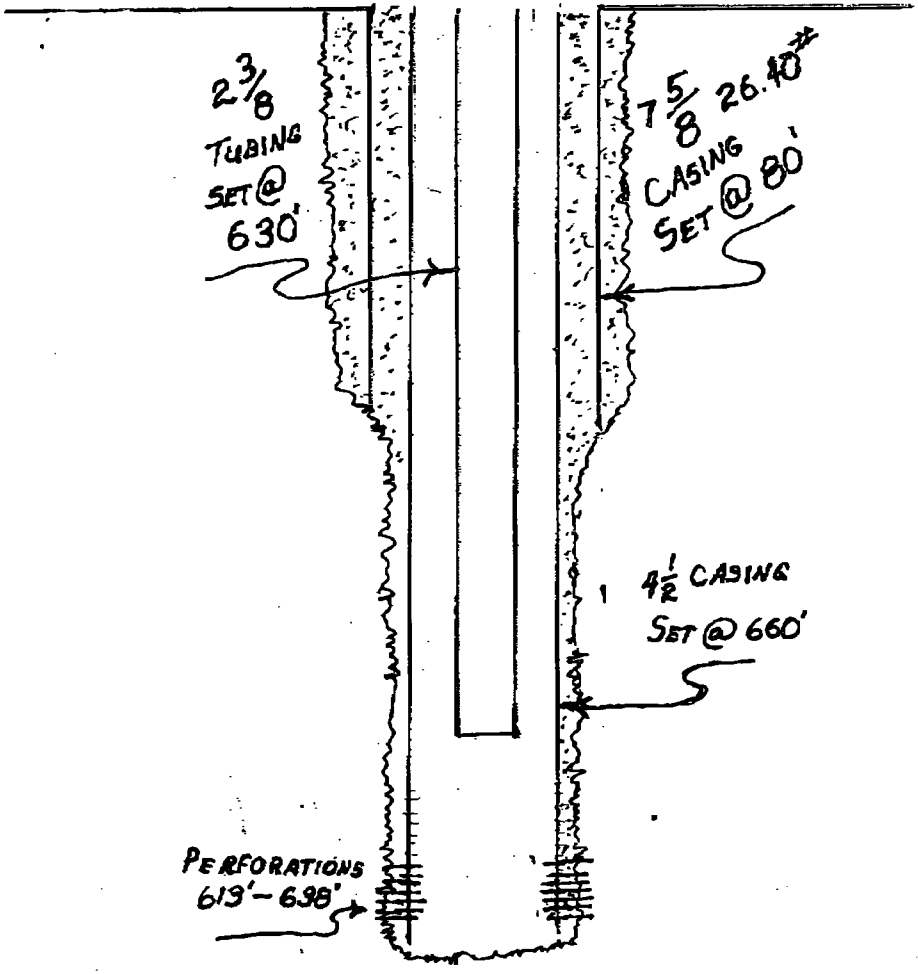
WELL DATA SHEET

OPERATOR: DENNIS LANGLITZ

WELL NAME & NUMBER: SALADAR 14 OIL WELL SALADAR YATES COMPLETED 11/9/82 TD 660 ft. API 30 015 24181

WELL LOCATION:	1315 FSL 1325 FWL	H	33	20S	28E
	FOOTAGE LOCATION	UNIT LETTER	SECTION	TOWNSHIP	RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 9 5/8 Casing Size: 7 5/8 26.40#

Cemented with: 15 sx. ~~or~~ SET @ 82 ft. ft³

Top of Cement: SURFACE Method Determined: CALCULATION

Intermediate Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. *or* _____ ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 6 3/4 Casing Size: 4 1//2 11.60#

Cemented with: 250 sx. ~~or~~ SET @ 660 ft. ft³

Top of Cement: S RFACE Method Determined: CALUCATION

Total Depth: 660 ft.

_____ _____

(Perforated or Open Hole; indicate which)

Side 1

WELL DATA SHEET

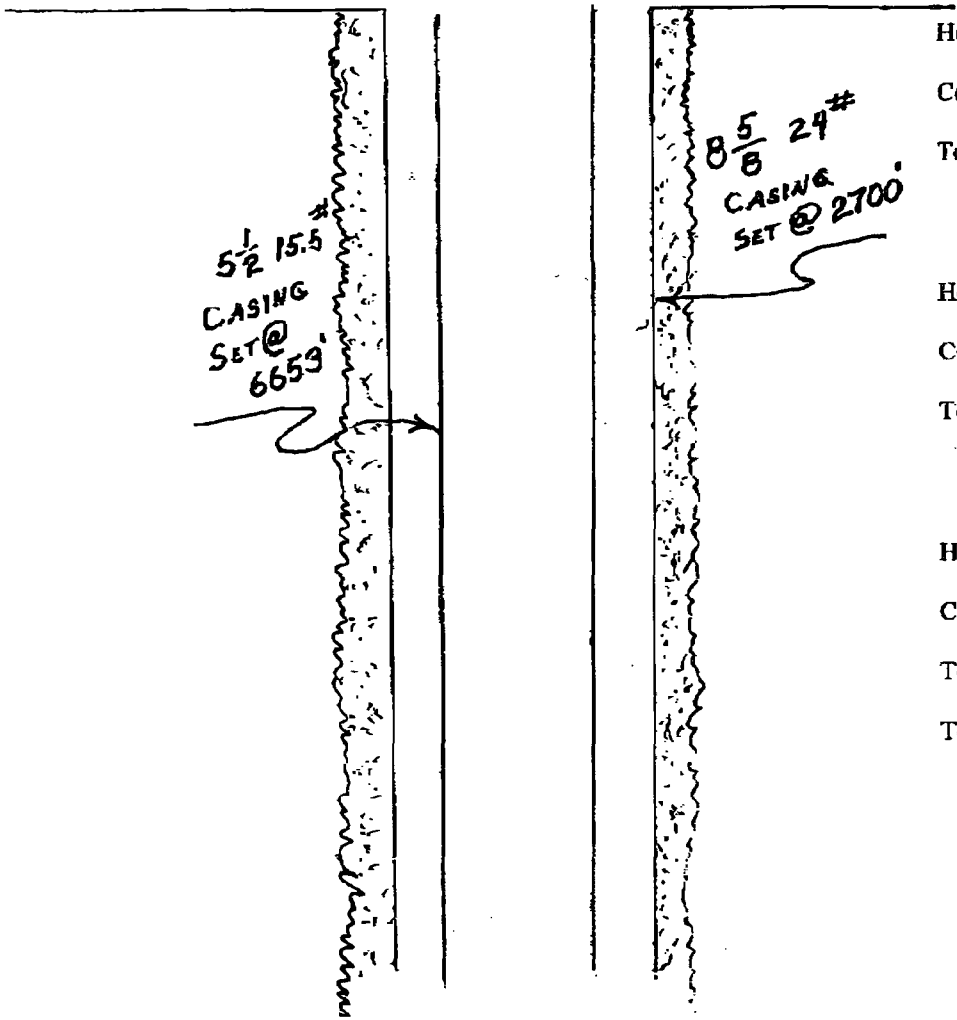
OPERATOR: CHESAPEAKE OPERATING INC. API 30 015 31579

WELL NAME & NUMBER: FED. 4 WELL 4 OIL WELL AVALON BONE SPRINGS EAST SPUDDED 2/18/01 COMPLETED 2/26/01

WELL LOCATION: 660 FEL 1298 FNL TD 6653 ft. A 4 21S 27E

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 11 Casing Size: 8 5/8 24#

Cemented with: 1200 sx. ~~or~~ SET @ 2700 ft. ft³

Top of Cement: SURFACE Method Determined: CIRCULATED

Intermediate Casing

Hole Size: NONE Casing Size: _____

Cemented with: _____ sx. *or* _____ ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 7 7/8 Casing Size: 5 1/2 15.5#

Cemented with: _____ sx. *or* _____ ft³

Top of Cement: _____ Method Determined: _____

Total Depth: _____

_____ _____

(Perforated or Open Hole; indicate which)

Side 1

WELL DATA SHEET

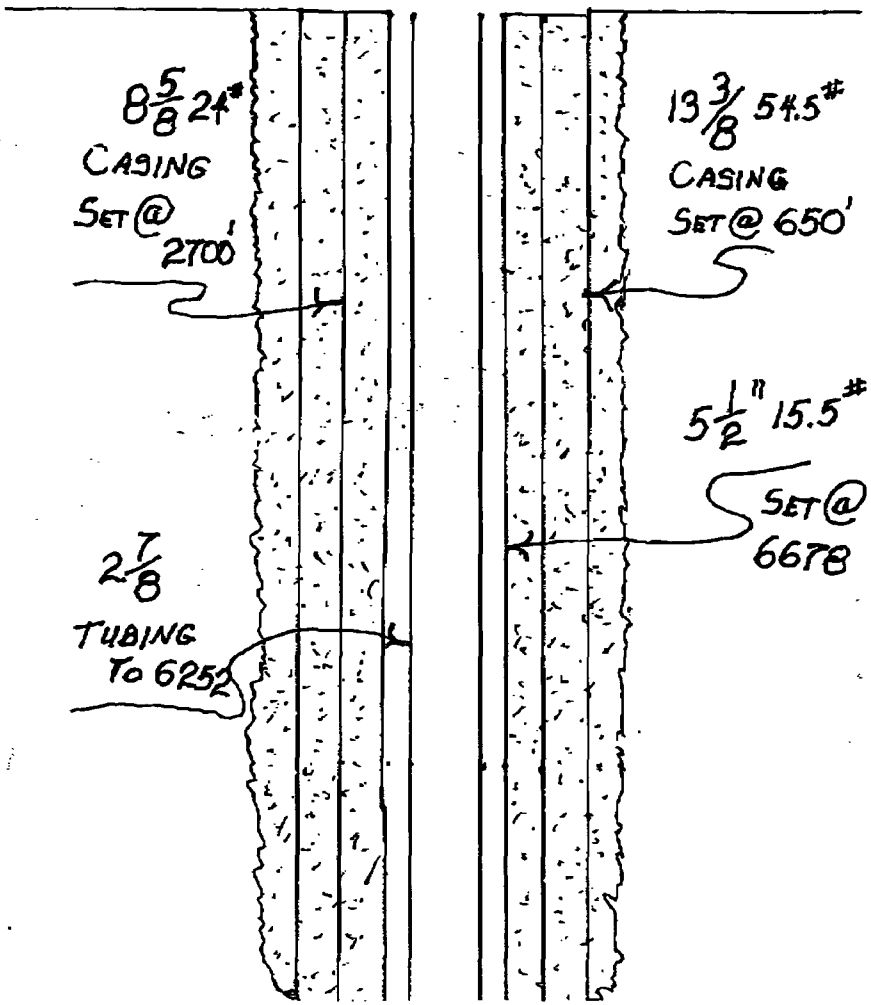
OPERATOR: CHESAPEAKE OPERATING INC. API 30 015 29422

WELL NAME & NUMBER: FED. 4 WELL 2 OIL WELL BURTON FLATS, BONE SPRINGS SPUDDED 4/16/97 COMPLETED 5/14/97

WELL LOCATION: 660 FNL 1980 FEL 6678 total depthC C 4 21S 27E

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17 1/2 Casing Size: 13 5/8 54.5#

Cemented with: 570 sx. ~~or~~ SET & 650ft. ft³

Top of Cement: SURFACE Method Determined: CIRCULATION

Intermediate Casing

Hole Size: 11 Casing Size: 8 5/8 24#

Cemented with: 1305 sx. ~~or~~ SET & 2700 ft. ft³

Top of Cement: SURFACE Method Determined: CIRCULATION

Production Casing

Hole Size: 7 7/8 Casing Size: 5 1/2 15.5#

Cemented with: 874 sx. ~~or~~ SET @ 6678 ft. ft³

Top of Cement: SURFACE Method Determined: CIRCULATION

Total Depth: 6678 ft.

(Perforated or Open Hole; indicate which)

Side 1

WELL DATA SHEET

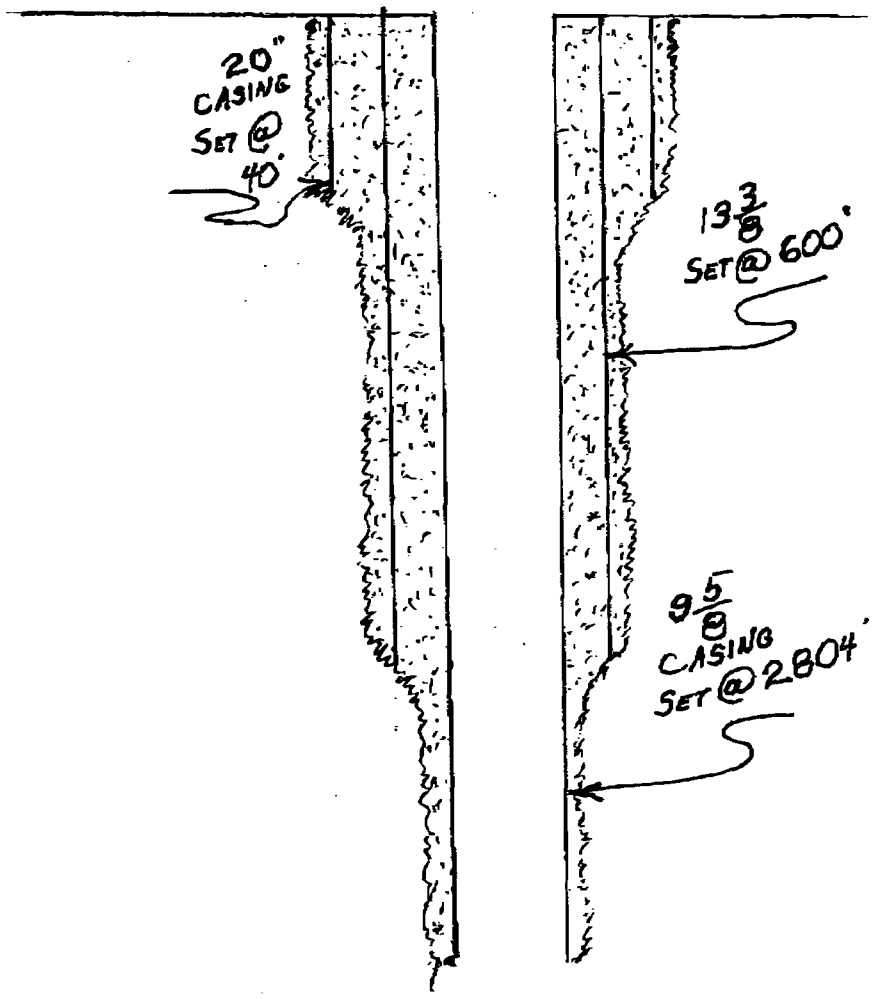
OPERATOR: CIL EXPLORATION

WELL NAME & NUMBER: MILLER FED. 1 BURTON FLATS MORROW GAS WELL SPUDDED 1/14/04 API 30-015 33060

WELL LOCATION: 840 FSL 1830 FWL | D | 3 | 21S | 27E

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 25 Casing Size: 20

Cemented with: READY MIX sx. ~~or~~ SET @ 40 ft. ft³

Top of Cement: SURFACE Method Determined: VISUAL

Intermediate Casing

Hole Size: 17 1/2 Casing Size: 13 3/8

Cemented with: 500 sx. ~~or~~ SET @ 600 ft. ft³

Top of Cement: SURFACE Method Determined: CIRCULATION

Production Casing

Hole Size: _____ Casing Size: 9 5/8

Cemented with: 1200 sx. ~~or~~ SET @ 2804 ft. ft³

Top of Cement: SURFACE Method Determined: CIRCULATION

Total Depth: 11570 ft.

_____ _____

(Perforated or Open Hole; indicate which)

Side 1

WELL DATA SHEET

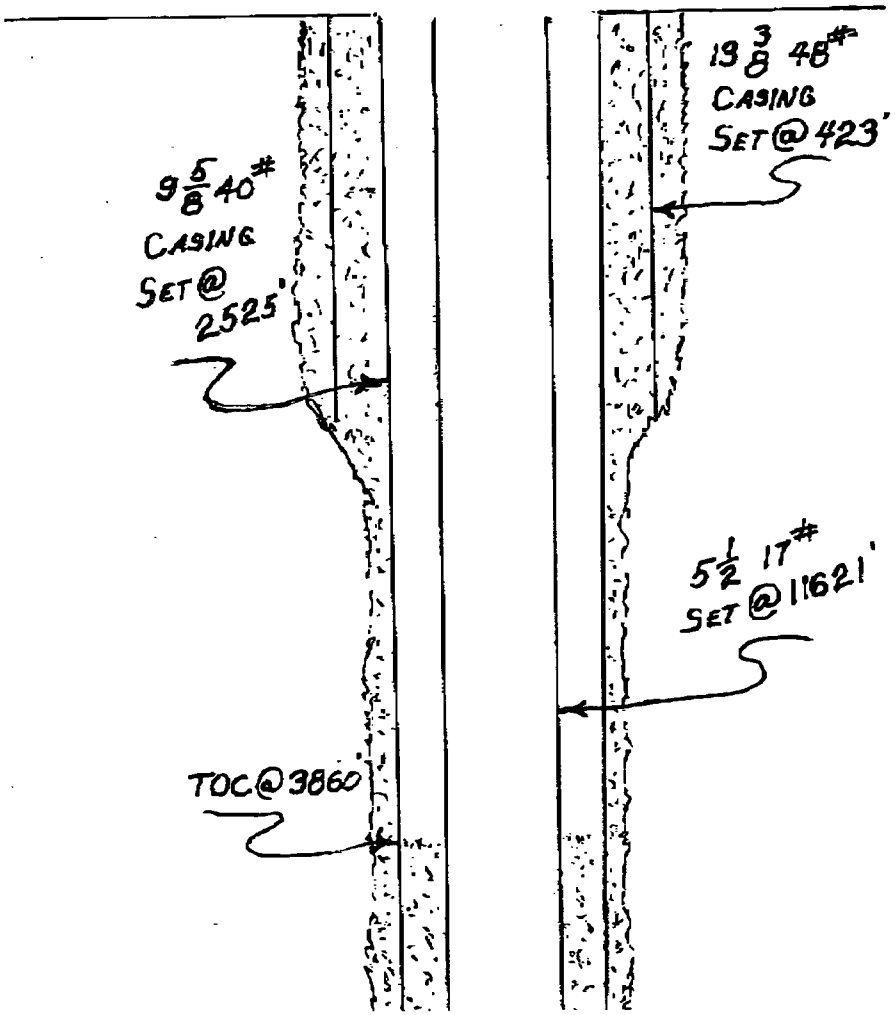
OPERATOR: MEWBOURNE OIL CO.

WELL NAME & NUMBER: SALADAR 33 FEE COM 1 GAS WELL BURTON FLATS MORROW COMPLETED/9/02/04 API # 30 015 33416

WELL LOCATION: 660 FSL 1650 FEL | M | 33 | 20S | 28E

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17 3/4 Casing Size: 13 3/8 48#

Cemented with: 400 sx. or SET @ 423 ft. ft³

Top of Cement: surface Method Determined: circulated

Intermediate Casing

Hole Size: 12 3/4 Casing Size: 9 5/8 40#

Cemented with: 1200 sx. or SET @ 2525 ft. ft³

Top of Cement: SURFACE Method Determined: CIRCULATED

Production Casing

Hole Size: 8 3/4 Casing Size: 5 1/2 17#

Cemented with: 1750 sx. or SET @ 11621 ft. ft³

Top of Cement: 3860 Method Determined: DRILL BIT TAG

Total Depth: 11361 ft. PLUGGED BACK

(Perforated or Open Hole; indicate which)

Side 1

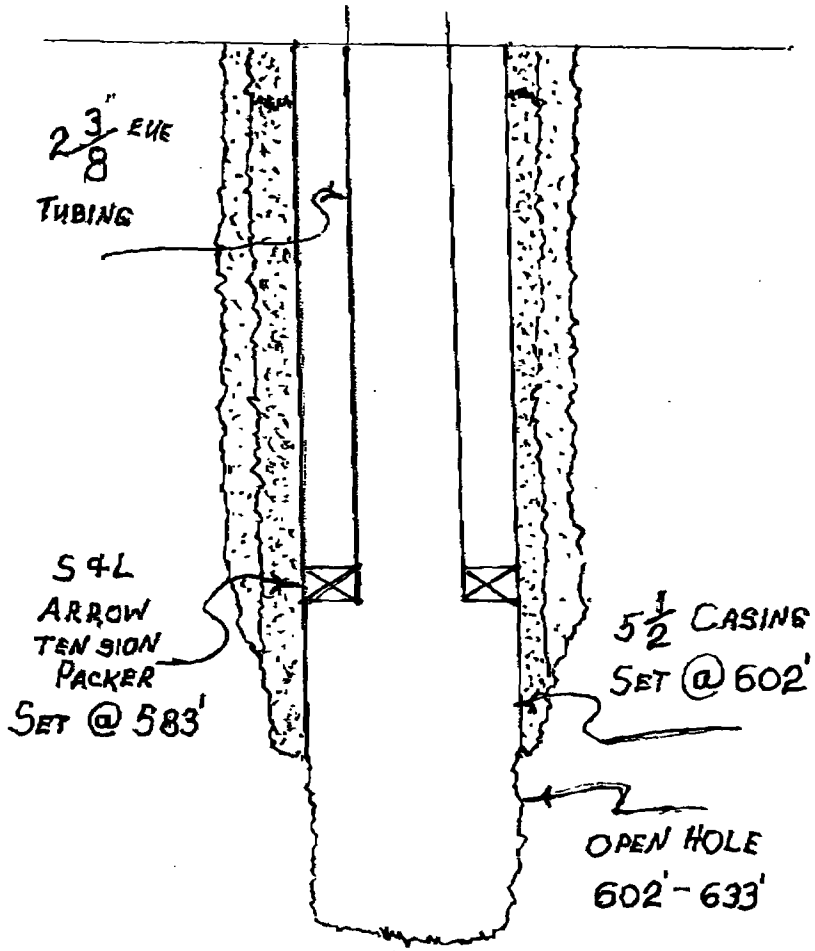
INJECTION WELL DATA SHEET

OPERATOR: DENNIS LANGLITZ

WELL NAME & NUMBER: SALADAR 7 SALADAR UNIT API 30 015 10468

WELL LOCATION:	990 FSL 1808 FWL	N	33	20S	28E
	FOOTAGE LOCATION	UNIT LETTER	SECTION	TOWNSHIP	RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 8 1/4 Casing Size: 7 1/2

Cemented with: MUDDED AND PULLED ~~MUDDED~~ sx. *or* _____ ft³

Top of Cement: _____ Method Determined: _____

Intermediate Casing

Hole Size: NONE Casing Size: _____

Cemented with: _____ sx. *or* _____ ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 6 1/4 Casing Size: 5 1/2

Cemented with: 100 sx. *or* _____ ft³

Top of Cement: 10 Method Determined: CALCULATION

Total Depth: 602

Injection Interval

602 feet to 633

(Perforated or Open Hole; indicate which)

Side 2

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8 EUE Lining Material: PLASTIC COATED

Type of Packer: 2X5 1/2 S&L ARROW TENSION

Packer Setting Depth: 583 ft.

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

Additional Data

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

   If no, for what purpose was the well originally drilled? OIL WELL

2. Name of the Injection Formation: YATES SAND

3. Name of Field or Pool (if applicable): SALADAR YATES

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. NONE

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

   QUEEN SAND: APPROXIMATELY 1800 ft.

INJECTION WELL DATA SHEET

SIDE 1

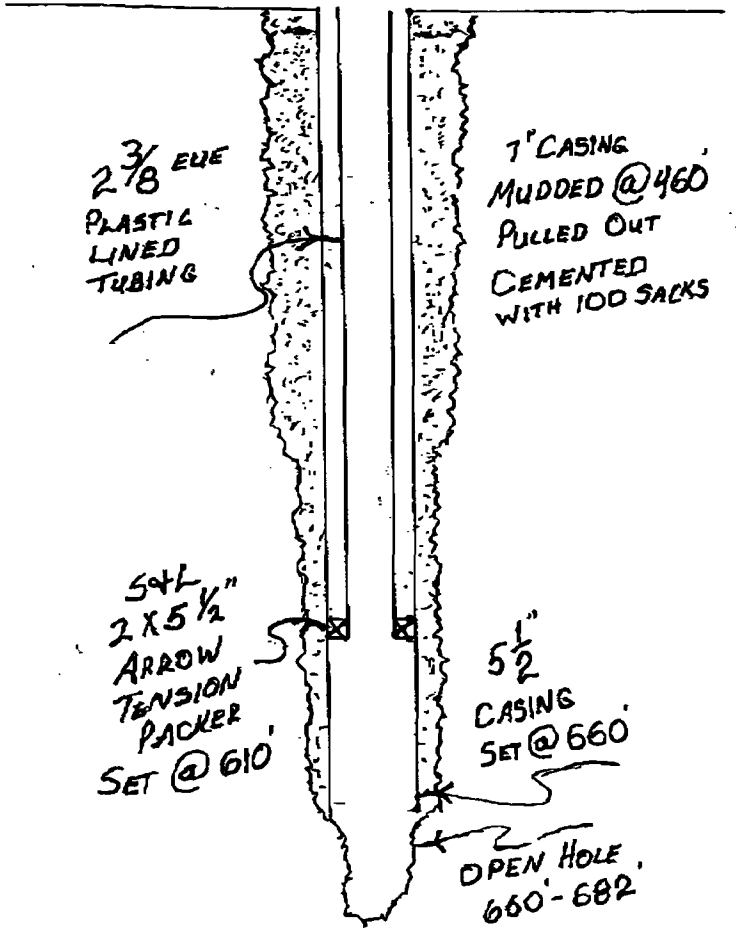
DENNIS LANGLEY — SALADAR UNIT
OPERATOR — LEASE

SALADAR 6	1650 FSL 2185 FWL		33	20S	28E
WELL NO.	FOOTAGE LOCATION	UNIT	SECTION	TOWNSHIP	RANGE

API 30 015 02448

UNIT LETTER K

Schematic



Tabular Data

Surface Casing

Size 7" Cemented with MUDDED AT 460 sx. PULLED

TOC _____ feet determined by _____

Hole size 8

Intermediate Casing NONE

Size _____" Cemented with _____ sx.

TOC _____ feet determined by _____

Hole size _____

Long string

Size 5 1/2" Cemented with 100 sx.

TOC SURFACE feet determined by CIRCULATION

Hole size 6 1/4

Total depth 660

Injection interval

660 feet to 682 feet
(perforated or open-hole, indicate which)

Side 2

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8 EUE Lining Material: PLASTIC LINED

Type of Packer: 2X5 1/2 S&L ARROW TENSION

Packer Setting Depth: 610 ft.

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

Additional Data

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

   If no, for what purpose was the well originally drilled? OIL WELL

2. Name of the Injection Formation: YATES SAND

3. Name of Field or Pool (if applicable): SALADAR YATES

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. NONE

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

   QUEEN SAND: APPROXIMATELY 1800 ft.

Side 1

INJECTION WELL DATA SHEET

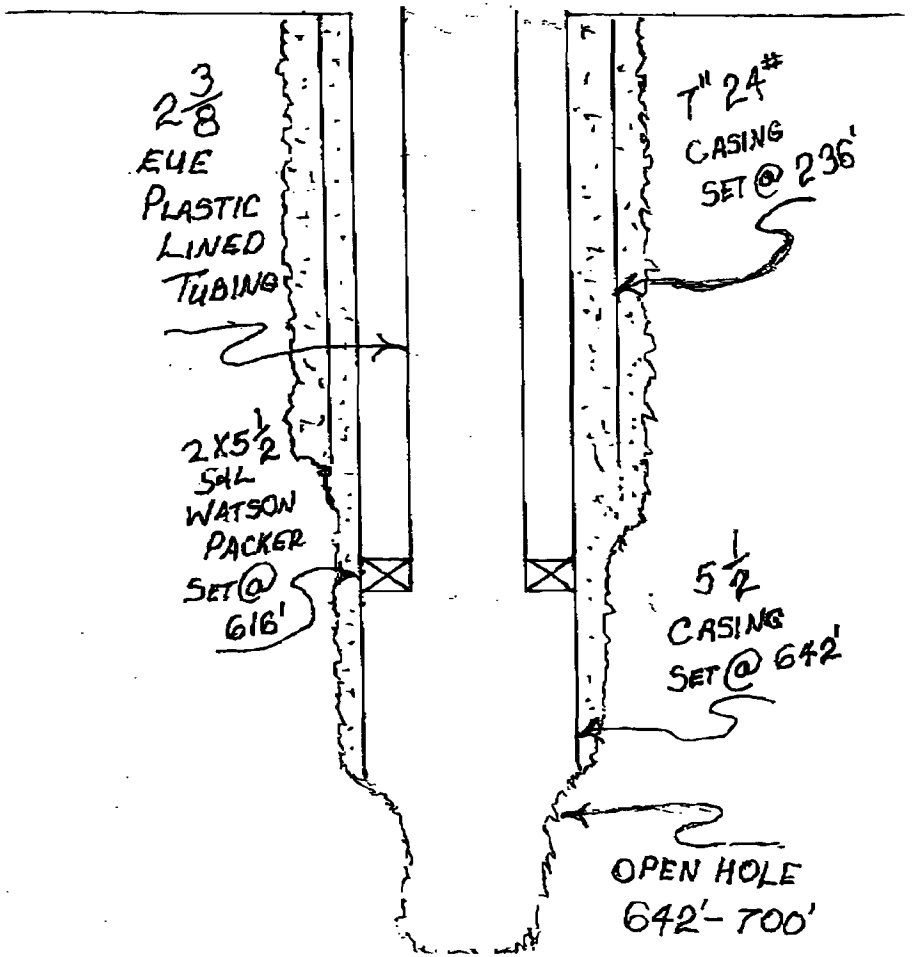
OPERATOR: DENNIS LANGLITZ

WELL NAME & NUMBER: SALADAR 4 SALADA UNIT API 30 015 02446

WELL LOCATION: 2310 FSL 1650 FWL K 33 20S 28E

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 8 3/4 Casing Size: 7

Cemented with: HEAVY MUD sx. or DOWN TO236 ft. ft³

Top of Cement: _____ Method Determined: _____

Intermediate Casing

Hole Size: NONE Casing Size: _____

Cemented with: _____ sx. or _____ ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 6 1/2 Casing Size: 5 1/2

Cemented with: 40 sx. or _____ ft³

Top of Cement: SURFACE Method Determined: CALCULATION

Total Depth: 642

Injection Interval

642 feet to 633

(Perforated or Open Hole; indicate which)

Side 2

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8 EUE Lining Material: PLASTIC COATED

Type of Packer: 2X5 1/2 S&L WATSON TENSION

Packer Setting Depth: 616 ft.

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

Additional Data

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

   If no, for what purpose was the well originally drilled? oil well

2. Name of the Injection Formation: YATES SAND

3. Name of Field or Pool (if applicable): SALADAR YATES

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. NONE

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

   QUEEN SAND: APPROXIMATELY 1800 ft.

Side 1

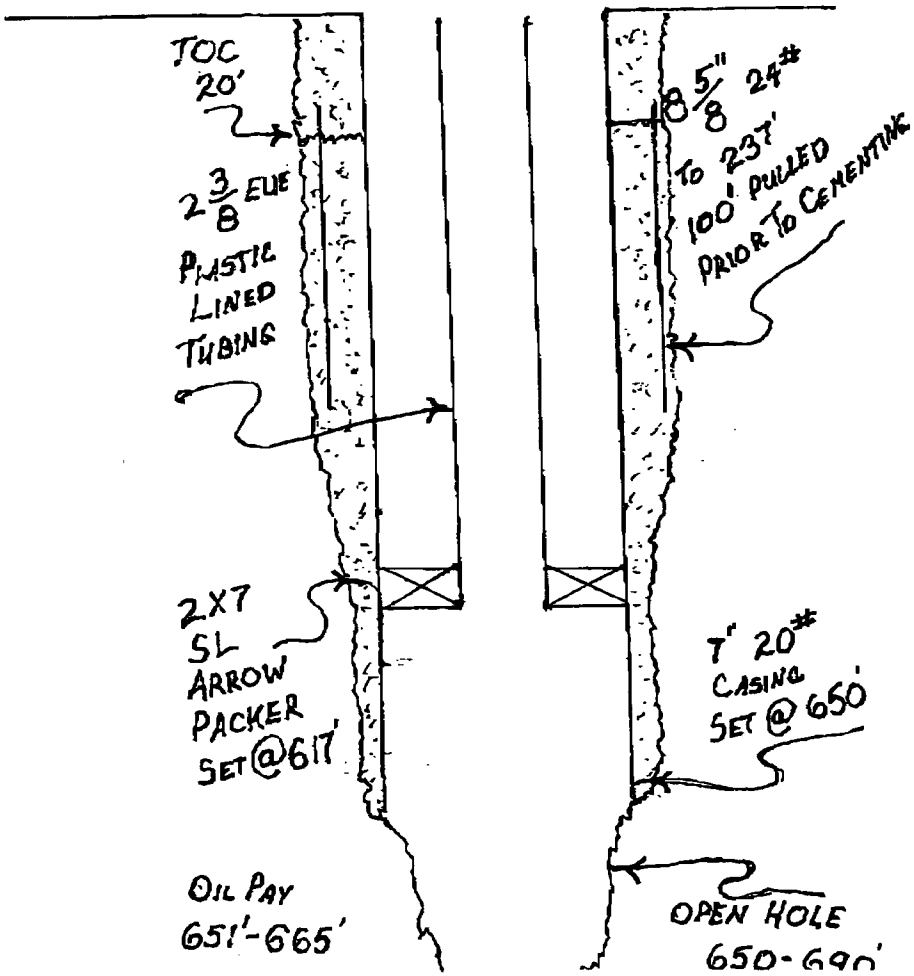
INJECTION WELL DATA SHEET

OPERATOR: DENNIS LANGLITZ

WELL NAME & NUMBER: SALADAR 2 SALADAR UNIT API 30 015 02450

WELL LOCATION:	1650 FSL 990 FWL	L	33	20S	28E
	FOOTAGE LOCATION	UNIT LETTER	SECTION	TOWNSHIP	RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 8 3/4 Casing Size: 8 5/8

MUDDED IN 137 ft. CASING

Cemented with: _____ sx. *or* _____ ft³

Top of Cement: _____ Method Determined: _____

Intermediate Casing

Hole Size: NONE Casing Size: _____

Cemented with: _____ sx. *or* _____ ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 8 Casing Size: 7

Cemented with: 70 sx. *or* _____ ft³

Top of Cement: 20 ft. Method Determined: CALCULATION

Total Depth: 650 ft.

Injection Interval

650 feet to 690

(Perforated or Open Hole; indicate which)

Side 2

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8 EUE Lining Material: PALSTIC LINED

Type of Packer: 2X7 S&L ARROW TENSION

Packer Setting Depth: 617 ft.

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

Additional Data

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

   If no, for what purpose was the well originally drilled? OIL WELL

2. Name of the Injection Formation: YATES SAND

3. Name of Field or Pool (if applicable): SALADAR YATES

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. NONE

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

   QUEEN SAND: APPROXIMATELY 1800 ft.

P.01

TRANSACTION REPORT

JUL-11-2008 FRI 03:55 PM

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