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**RECEIVED**  
Form 3160-3  
(April 2004)  
**JUN 10 2010**  
**NM OGD ARTESIA**

**OCD-ARTESIA**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No 1004-0137  
Expires March 31, 2007

**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.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator  
**Resaca Operating Company**

3a. Address  
**2509 Maurice Road, Odessa, TX 79763**

3b. Phone No. (include area code)  
**432-580-8500**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2300 FNL, 330 FEL, Sec. 25, T-24S, R-31E.**

5. Lease Serial No.  
**NM 89055**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**BTBN '25' Federal 2**

9. API Well No.  
**30-015-29551**

10. Field and Pool, or Exploratory Area  
**Brushy Canyon**

11. County or Parish, State  
**Eddy County, NM**

**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 checked="" 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 checked="" type="checkbox"/> Other <b>Site Security Diagram</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>H2S Info, Water</b>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<b>Disposal</b>

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.)

**BLM Notice of Written Order # 10DH003WTA**

Please see attachments to Sundry with all information requested on BLM Written Order.

*H2O Disposal is*

**ACCEPTED FOR RECORD**  
**JUN 8 2010**  
*/s/ JD Whitlock Jr*  
**BUREAU OF LAND MANAGEMENT**  
**CARLSBAD FIELD OFFICE**

*Diagram's*  
**Accepted for Record Purposes.**  
**Approval Subject to Onsite Inspections.**  
**Date: 6/8/10 JDM**

**SEE ATTACHED FOR CONDITIONS OF APPROVAL**

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

Name (Printed/Typed) **Melanie Reyes** Title **Engineer Assistant**

Signature *[Signature]* Date **05/25/2010**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

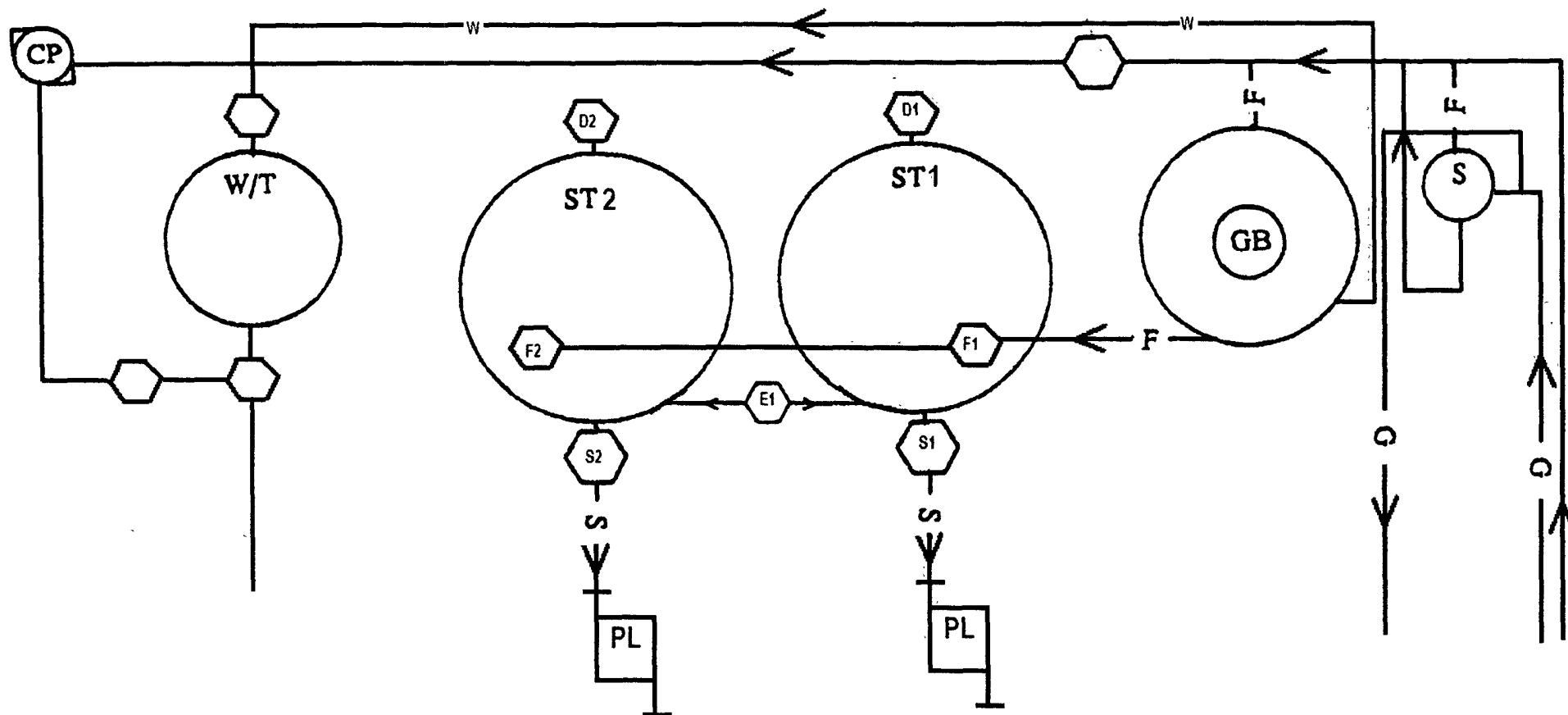
Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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 page 2)

*M2*



Resaca Operating Company  
 Lease: BTBN 25 Federal A 2  
 Location: Sec 25, T 24 S, R 31 E

This lease is subject to the site security plan  
 for Northwest New Mexico Operations. The plan  
 is located at: Resaca Operating Company  
 2509 Maurice Road  
 Odessa, Tx 79763

Attachment to the Site Facility Diagram – Lease BTBN 25 Federal A 2

General sealing of valves, sales by tank gauging.

Production phase. All drain valves, D1 and D2, and all sales valves, S1 and S2,  
Are sealed closed.

Sales phase. The tank from which sales are being made will be isolated by sealing  
Closed the drain valve, fill valve, and the equalizer valve (s) during sales.

Draining phase. The tank being drained will be isolated by sealing closed the sales  
valve, fill valve, equalizer valve (s), and the drain valve on the other tank.

Example:

On going activity. Production going into ST1, ST2 is inactive. Sales are being made  
From ST1.

Sealing of valves.

Tank ST1 – Valves S1 and D2 are sealed closed

Tank ST2 – Vales S2 and D2 are sealed closed



To: Resaca Energy  
Mark Neatherlin

Date: May 12, 2010

From: Terry O'Brain

Subject: Hydrogen Sulfide Concentration Survey.

A hydrogen sulfide concentration survey was conducted on the following well. Samples were taken from the production tanks, water tanks, and the well head and the results are listed below.

Lease Name	H2S (ppm)
BTBN 25 Federal #2	0ppm

Information pertaining to H2S concentrations was obtained and the calculations were determined in accordance with NMOCD Rule 19.15.11 Hydrogen Sulfide Gas.

Terry O'Brain  
Hobbs Manager

## WATER PRODUCTION & DISPOSAL INFORMATION

In order to process your disposal request, the following information must be completed:

1. Name of formations producing water on the lease. Upper Brushy Canyon
2. Amount of water produced from all formations in barrels per day. Average daily water produced is 187 bbls per day.
3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates. (One sample will suffice if water is commingled.)
4. How water is stored on lease. The produced water is stored in 50000 tank
5. How water is moved to the disposal facility. It is Hauled by Truck
6. Identify the Disposal Facility by:
  - A. Facility Operators name. Fulper Oil & Cattle Co. LLC.
  - B. Name of facility or well name and number. Brown # 5
  - C. Type of facility or well (WDW) (WIW) etc. W2DW
  - D. Location by  $\frac{1}{4}$   $\frac{1}{4}$  Section 25 Township 25S Range 34E  
N450N 590 FwL
7. Attach a copy of the State issued permit for the Disposal Facility. R-5196

Submit to this office, 620 EAST GREENE ST, CARLSBAD NM, 88220, the above required information on a Sundry Notice 3160-5. Submit 1 original and 3 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice.)

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SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

## NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103  
Supersedes Old  
C-102 and C-103  
Effective 1-1-65

5a. Indicate Type of Lease  
State ☐ Fee ☒  
5. State Oil & Gas Lease No.

## 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 - A" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Unit Agreement Name
2. Name of Operator FULFER OIL & CATTLE COMPANY	8. Farm or Lease Name Brown
3. Address of Operator P O BOX 1224 JAL, NEW MEXICO 88252	9. Well No. 1 5
4. Location of Well UNIT LETTER <u>E</u> <u>1650</u> FEET FROM THE <u>North</u> LINE AND <u>990</u> FEET FROM THE <u>West</u> LINE, SECTION <u>25</u> TOWNSHIP <u>25 S</u> RANGE <u>36 E</u> NMPM.	10. Field and Pool, or Wildcat Jalmat
11. Elevation (Show whether H.F., RT, CR, etc.) 3066	12. County Lee

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data  
NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐  
TEMPORARILY ABANDON ☐  
PULL OR ALTER CASING ☐

PLUG AND ABANDON ☐  
CHANGE PLANS ☐

OTHER ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐  
COMMENCE DRILLING OPER. ☐  
CASING TEST AND CEMENT JOBS ☐

ALTERING CASING ☐  
PLUG AND ABANDONMENT ☐

OTHER Convert to Water Injection ☒

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1703.

In accordance with OCC Order R-5196, ran 2 3/8 plastic lined tubing with Baker AD-1 Tension type packer set at 3150. The casing-tubing annulus was loaded with fresh water treated with Kontrol-Kem #208. Injection started May 1, 1976.

Permit # R-5196

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

ORIG. SIGNED BY: DONNA HOLLEN

SIGNED \_\_\_\_\_ TITLE Agent DATE 5/7/76

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 5655  
Order No. R-5196

APPLICATION OF APOLLO OIL COMPANY  
FOR SALT WATER DISPOSAL, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 31, 1976, at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 20th day of April, 1976, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Apollo Oil Company, is the owner and operator of the Brown Well No. 5, located in Unit E of Section 25, Township 25 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the lower Yates-Seven Rivers formation, with injection into the open-hole interval from approximately 3289 feet to 3363 feet.

(4) That the injection should be accomplished through 2 3/8-inch plastic-lined tubing installed in a packer set at approximately 3150 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure and/or vacuum gauge or approved leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(5) That if injection into said well should be under pressure, the injection well or system should be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 825 psi.

**BUREAU OF LAND MANAGEMENT  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972**

**Disposal of Produced Water From Federal Wells  
Conditions of Approval**

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
8. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
9. Subject to like approval by NMOCD.

3/25/2010