

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

| | | |
|---|--|---|
| 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" (FORM C-101) FOR SUCH PROPOSALS.) | | WELL API NO. 30-025-35956 |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other LPG STORAGE WELL | | 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator Western Refining Company, LP | | 6. State Oil & Gas Lease No. 30055 |
| 3. Address of Operator PO Box 1345 Jal, NM 88252 | | 7. Lease Name or Unit Agreement Name 30055 |
| 4. Well Location Unit Letter <u>M</u> : <u>1000</u> feet from the <u>SOUTH</u> line and <u>530</u> feet from the <u>WEST</u> line Section <u>32</u> Township <u>23S</u> Range <u>37E</u> NMPM County <u>LEA</u> | | 8. Well Number <u>3</u> |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3314.5' - KB 3304' - GL | | 9. OGRID Number 248440 |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> | | 10. Pool name or Wildcat Salado |
| Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ | | |
| Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ | | |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:
REMEDIAL WORK ☒ ALTERING CASING ☐
COMMENCE DRILLING OPNS ☐ P AND A ☐
CASING/CEMENT JOB ☒

OTHER: ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

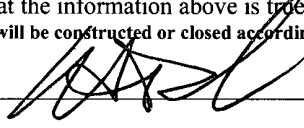
The following activities were completed on Well No. 3:

- 07/20/2007 - Pull 4 1/2" Tubing
 - 1,665.40 - 4 1/2", 16.60 lb/ft, FH Drill Pipe
 - 733.42 - 4 1/2" Casing
 - 2398.82' - Total casing pulled
- 07/21/2007 - Complete casing and cement bond logs
 - See attached logs
- 07/25/2007 - Test for casing integrity
- 07/26/2007 - Complete Casing Squeeze
 - 100 sks of Premium Class C Cement - 14.8 ppg/24 BBL
 - WOC for 48 hours
- 07/28/2007 - Test Casing
 - 300 psi for 30 minutes
 - Drill out cement
- 08/01/2007 - Run 7" Casing Liner @ 1579'
 - 7" Casing - 23 lb/ft, K-55, LT&C
 - Set @ 1579'
 - Cement Liner - 225 sks of Premium Plus Class C Cement - 14.8 ppg/Yield - 1.33
 - Circulated to surface
- 08/03/2007 - Pressure test 7" casing for OCD
 - Pressure test based on NMOCD Rules
 - See attached pressure chart - OCD approved pressure chart
 - Pressure tested to 300 psig
- 08/04/2007 - Completion and testing of 7" liner installation
- 08/07/2007 - Run 4 1/2" Casing



- 4 ½" Casing – 11.6 lb/ft, K-55, LT&C – W/MULE SHOE
- Run casing to 2475'
- 08/13-19/2007 – Complete Nitrogen-Brine MIT
 - Test Results
 - Pressure Gradient – 0.75 psi/ft
 - Minimum Detectable Leak Rate (MDLR) – 827.46 bbls/year
 - Calculated Leak Rate (CLR) – 443.36 bbls/year
 - Test successful - MIT Report to be submitted under separate cover
- 09/05/2007 – Pull 4 ½" casing and lay down bent pipe
- 09/06 – 12/2007 – Run a mixed string of 4 ½" casing and tubing
 - 4 ½", 15.50 lb/ft, PH-6, (2541' – 1481.60')
 - 6 ¼" drill bit on bottom
 - 4 ½", 11.6 lb/ft, LT&C (1481.60' – SURFACE)
- 09/13/2007 – Run deviation survey
- 09/13/2007 – Complete Sonar Survey
 - Measured Cavern TD – 2471'
 - Cavern Roof - 1666'
 - Cavern Volume – 79,691.70 bbls
- 09/14/2007 – Make final casing cut
 - Cut 4 ½" casing @ 2,449'
- Final Sonar Survey will be submitted upon completion of final logs
- Final Cavern MIT to be submitted upon completion of final logs
- Attached Schematic includes all pertinent data

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE  TITLE Operations Manager – Lonquist Field Service DATE 10/30/2007

Type or print name Eric Busch

E-mail address: eric@lonquist.com Telephone No.: 713.559.9953

For State Use Only

APPROVED BY: 

OCD DISTRICT SUPERVISOR/GENERAL MANAGER

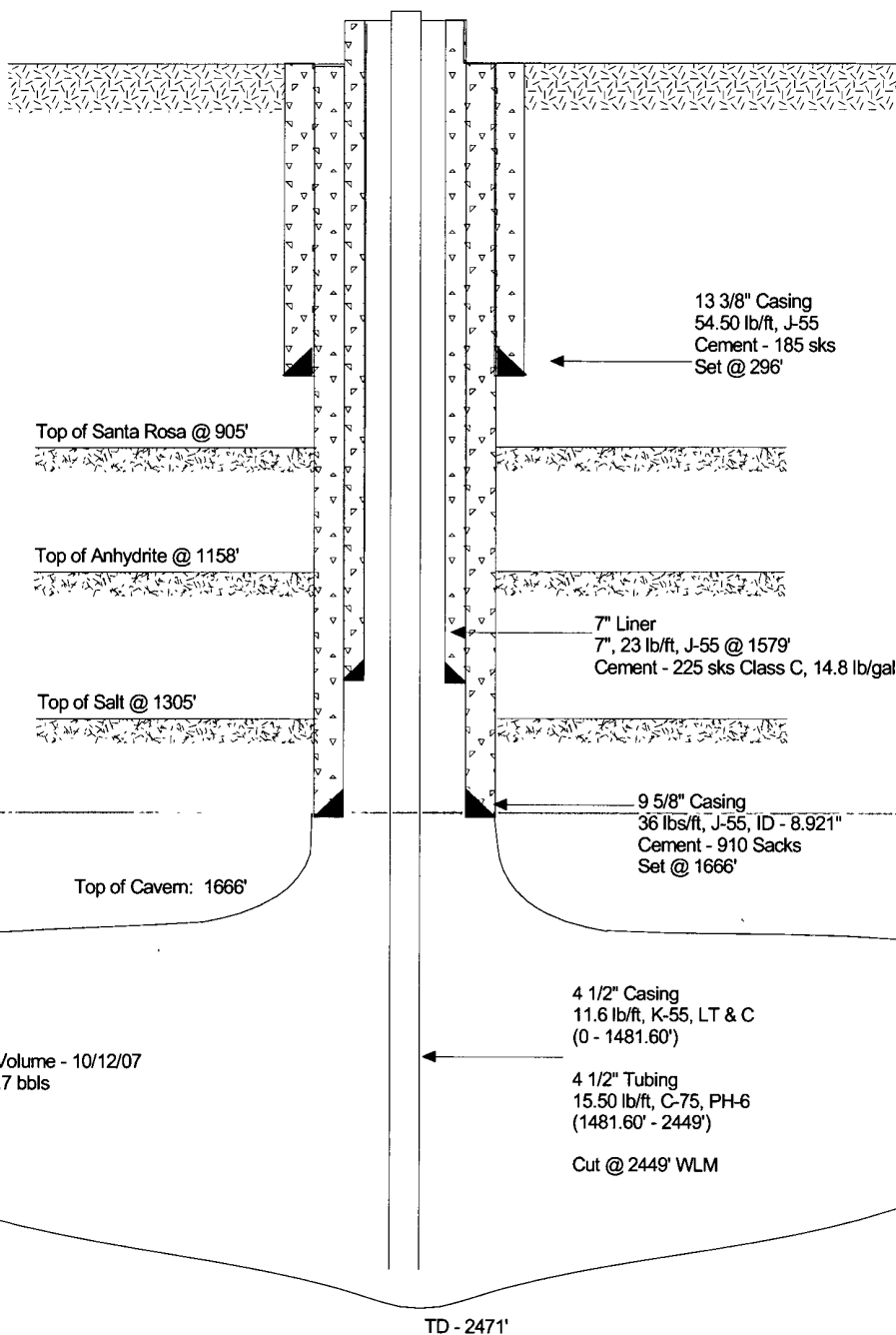
TITLE _____

DATE **NOV 02 2007**

Conditions of Approval (if any): _____

Well Information
Well Name: State LPG Well No. 3
API #: 30-025-35956
County: Lea

G.L. 10.5' BELOW KB



Note: All measurements are from KB

LONQUIST

FIELD

SERVICE

Well No. 3 - 2007 Well Schematic

JAL Storage Facility

PROJECT NUMBER:

F142

DRAWN:
TJB

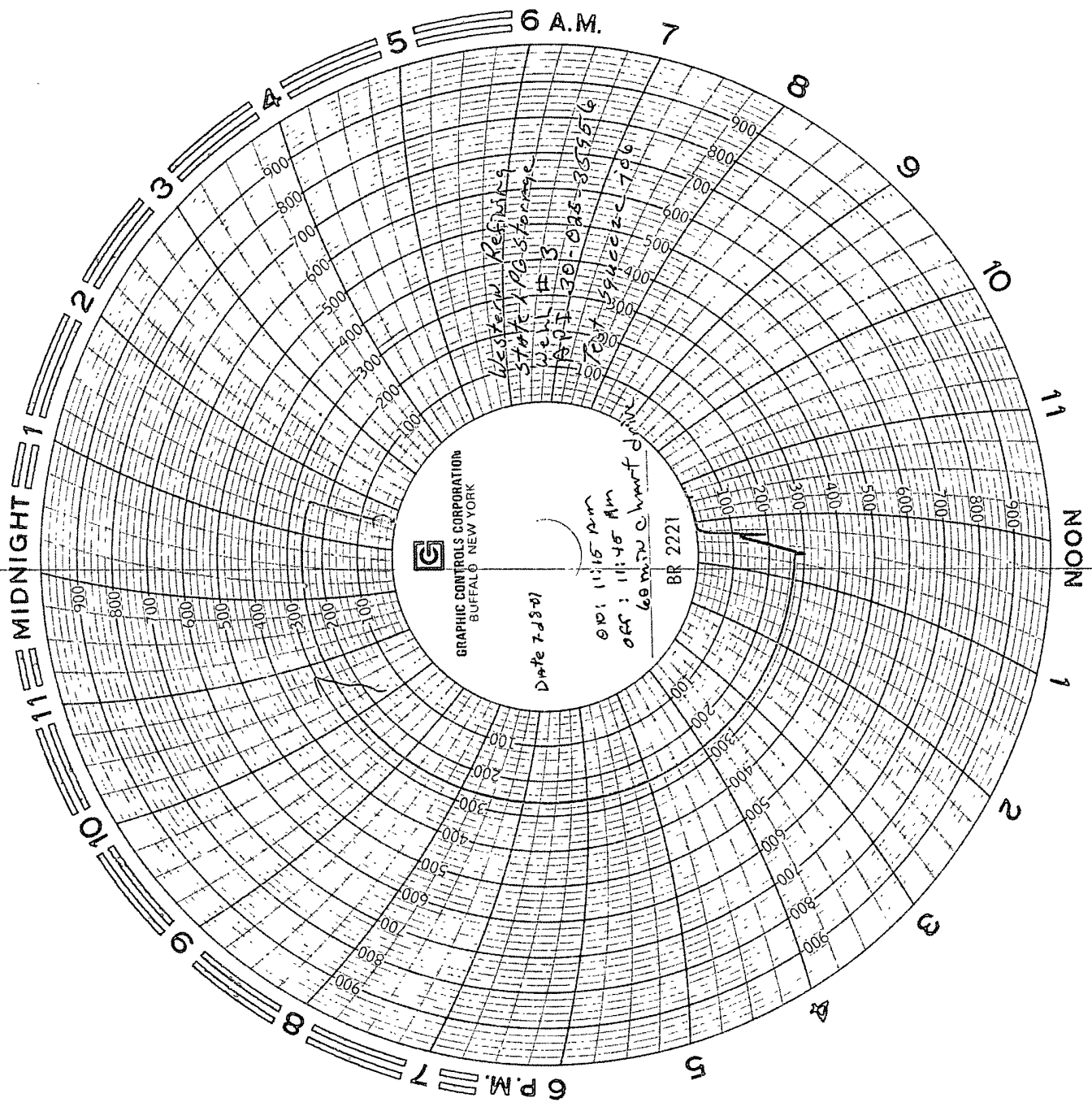
REVIEWED:
ETB

APPROVAL:
NONE

SCALE:
NONE

DATE:
OCTOBER 2007

DRAWING NUMBER:



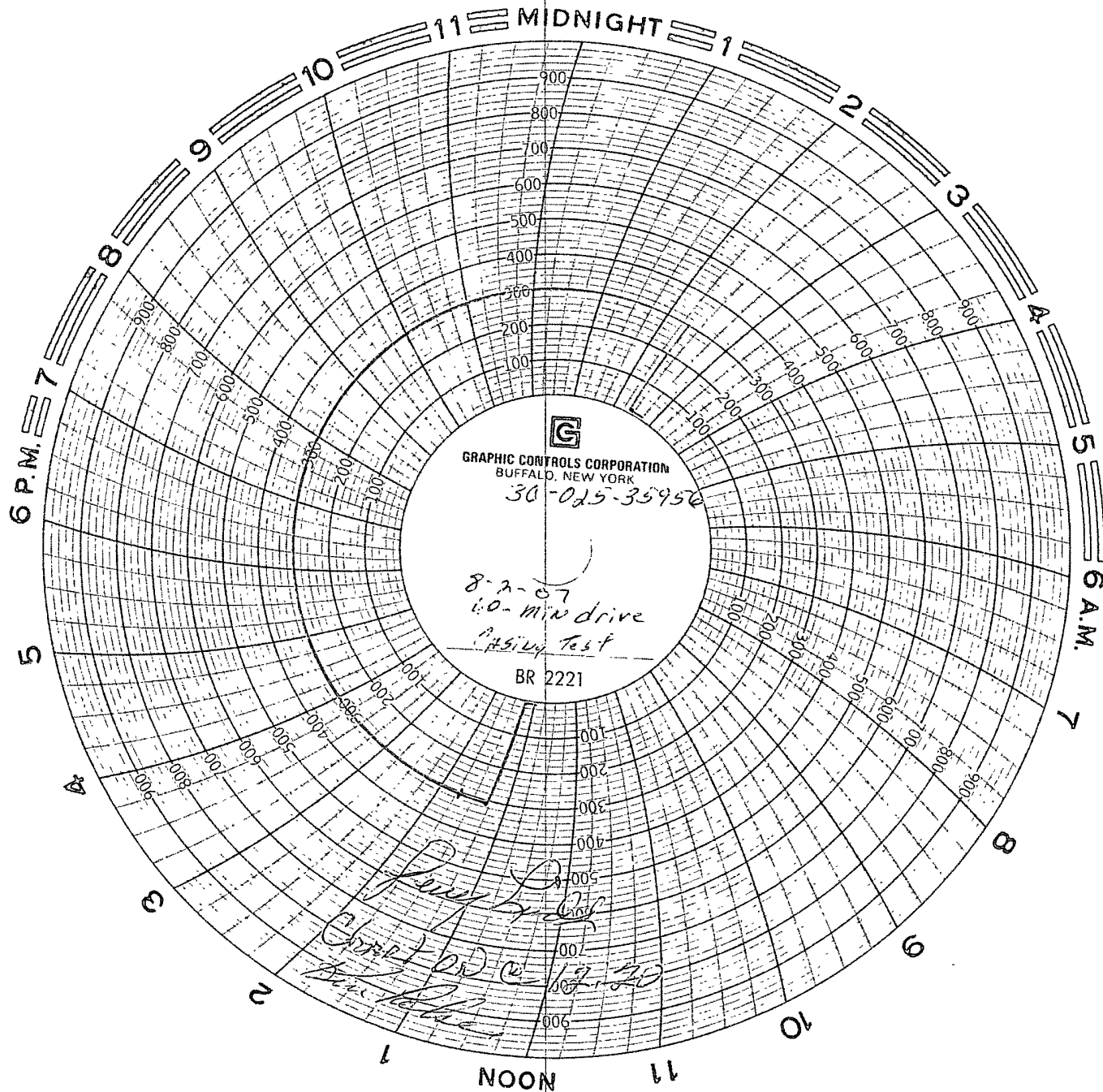
GRAPHIC CONTROLS CORPORATION
BUFFALO NEW YORK

Date 7-2-57

On: 11:15 AM
Off: 11:45 AM
68 min heart drive

BR 2221

Western Refining
State Storage
Unit #3
P.O. Box 30-028-35956
C/O 7594222-706



TO: SWANLUND, ALAN
FROM: ARNOLD, RONALD
REQUESTED ON LOCATION: 26-Jul-2007 06:00 MST
CUSTOMER: LONQUIST FIELD SERVICE LLC
WELL NAME/NBR/LEASE: WESTERN REFINING , 3 / WESTERN REFINING

TABLE OF CONTENTS:

Job Site Documents
Job Summary
EJCS Survey Cementing
KPI Survey Cementing
CPI Log Summary
HSE
MSDS Receipt
Water Analysis

MBU LEADER: BE SURE THAT YOU HAVE RECEIVED EACH OF THE DOCUMENTS LISTED ABOVE. IF NOT, CONTACT CENTRAL DISPATCH IMMEDIATELY.

HALLIBURTON

LONQUIST FIELD SERVICE LLC

WESTERN REFINING 3

Lea County , New Mexico

Squeeze Hole in Casing

Job Site Documents

Cementing Job Summary

The Road to Excellence Starts with Safety

| | | | | | | | | | | | | | | | |
|--------------------------------------|-------------------|-------------------|--------------------|----------------------------------|-------------------|--|-------------------|----------------------|------------------------|------------------------|---------------------------|------------------|---------------|------------------------|--|
| Sold To #: 347563 | | | Ship To #: 2588205 | | | Quote #: | | | Sales Order #: 5256397 | | | | | | |
| Customer: LONQUIST FIELD SERVICE LLC | | | | | | Customer Rep: LINDT, JERRY | | | | | | | | | |
| Well Name: WESTERN REFINING | | | | Well #: 3 | | API/UWI #: | | | | | | | | | |
| Field: | | City (SAP): HOBBS | | County/Parish: Lea | | | State: New Mexico | | | | | | | | |
| Contractor: ??? | | | | Rig/Platform Name/Num: ??? | | | | | | | | | | | |
| Job Purpose: Squeeze Hole in Casing | | | | | | | | | | | | | | | |
| Well Type: Development Well | | | | Job Type: Squeeze Hole in Casing | | | | | | | | | | | |
| Sales Person: THORNTON, PAUL | | | | Srcv Supervisor: SWANLUND, ALAN | | | | MBU ID Emp #: 178558 | | | | | | | |
| Job Personnel | | | | | | | | | | | | | | | |
| HES Emp Name | | Exp Hrs | Emp # | HES Emp Name | | Exp Hrs | Emp # | HES Emp Name | | Exp Hrs | Emp # | | | | |
| HAYTON, GERALD K | | 0.0 | 214504 | HERR, ROBERT | | 0.0 | 324947 | SWANLUND, ALAN J | | 0.0 | 178558 | | | | |
| Equipment | | | | | | | | | | | | | | | |
| HES Unit # | Distance-1 way | | HES Unit # | Distance-1 way | | HES Unit # | Distance-1 way | | HES Unit # | Distance-1 way | | | | | |
| 10918705 | 20 | | 10086615 | 20 | | | | | | | | | | | |
| Job Hours | | | | | | | | | | | | | | | |
| Date | On Location Hours | | Operating Hours | Date | On Location Hours | | Operating Hours | Date | On Location Hours | | Operating Hours | | | | |
| July 26, 2007 | 4 | | 2 | | | | | | | | | | | | |
| TOTAL | | | | | | Total is the sum of each column separately | | | | | | | | | |
| Job | | | | | | Job Times | | | | | | | | | |
| Formation Name | | | | | | | | Date | | Time | | Time Zone | | | |
| Formation Depth (MD) | | Top | | | Bottom | | | Called Out | | July 26, 2007 | | 02:00 MST | | | |
| Form Type | | | | BHST | | | | On Location | | July 26, 2007 | | 07:00 MST | | | |
| Job depth MD | | 282. ft | | Job Depth TVD | | 282. ft | | Job Started | | July 26, 2007 | | 09:23 MST | | | |
| Water Depth | | | | Wk-Ht Above Floor | | 4. ft | | Job Completed | | July 26, 2007 | | 11:00 MST | | | |
| Perforation Depth (MD) | | From | | | To | | | Departed Loc | | July 26, 2007 | | 12:00 MST | | | |
| Well Data | | | | | | | | | | | | | | | |
| Description | | New / Used | Max pressure psig | Size in | ID in | Weight lbm/ft | Thread | | Grade | Top MD ft | Bottom MD ft | Top TVD ft | Bottom TVD ft | | |
| SURFACE CASING | | Used | | 9.625 | 8.921 | 36. | | | | | 500. | | 500. | | |
| TUBING | | Used | | 2.875 | 2.441 | 6.5 | | | | | 282. | | 282. | | |
| Tools and Accessories | | | | | | | | | | | | | | | |
| Type | Size | Qty | Make | Depth | Type | Size | Qty | Make | Depth | Type | Size | Qty | Make | | |
| Guide Shoe | | | | | Packer | | | | 225 | Top Plug | | | | | |
| Float Shoe | | | | | Bridge Plug | | | | 474 | Bottom Plug | | | | | |
| Float Collar | | | | | Retainer | | | | | SSR plug set | | | | | |
| Insert Float | | | | | | | | | | Plug Container | | | | | |
| Stage Tool | | | | | | | | | | Centralizers | | | | | |
| Miscellaneous Materials | | | | | | | | | | | | | | | |
| Gelling Agt | | | | Conc | | | | Surfactant | | | | Conc | | | |
| Treatment Fld | | | | Conc | | | | Inhibitor | | | | Conc | | | |
| | | | | | | | | | | | | Acid Type | | | |
| | | | | | | | | | | | | Sand Type | | | |
| | | | | | | | | | | | | Qty | | | |
| | | | | | | | | | | | | Conc | | | |
| | | | | | | | | | | | | Size | | | |
| | | | | | | | | | | | | Qty | | | |
| Fluid Data | | | | | | | | | | | | | | | |
| Stage/Plug #: 1 | | | | | | | | | | | | | | | |
| Fluid # | Stage Type | | | Fluid Name | | | | Qty | Qty uom | Mixing Density lbm/gal | Yield ft ³ /sk | Mix Fluid Gal/sk | Rate bbl/min | Total Mix Fluid Gal/sk | |

| Stage/Plug #: 1 | | | | | | | | | | |
|--|--------------|--|-----------|-----------------------------------|------------------------|---------------------------|------------------|--------------|------------------------|--|
| Fluid # | Stage Type | Fluid Name | Qty | Qty uom | Mixing Density lbm/gal | Yield ft ³ /sk | Mix Fluid Gal/sk | Rate bbl/min | Total Mix Fluid Gal/sk | |
| 1 | PREMIUM PLUS | CMT - PREMIUM PLUS CEMENT (100012205) | 100.0 | sacks | 14.8 | 1.35 | 6.39 | | 6.39 | |
| 94 lbm | | CMT - PREMIUM PLUS - CLASS C REG OR TYPE III, BULK (100012205) | | | | | | | | |
| 2 % | | CALCIUM CHLORIDE - HI TEST PELLET (100005053) | | | | | | | | |
| 6.387 Gal | | FRESH WATER | | | | | | | | |
| Calculated Values | | | Pressures | | Volumes | | | | | |
| Displacement | 7.5 | Shut In: Instant | | Lost Returns | | Cement Slurry | 24 | Pad | | |
| Top Of Cement | | 5 Min | | Cement Returns | | Actual Displacement | 6 | Treatment | | |
| Frac Gradient | | 15 Min | | Spacers | | Load and Breakdown | | Total Job | | |
| Rates | | | | | | | | | | |
| Circulating | | Mixing | 1.2 | Displacement | 1 | Avg. Job | 1.1 | | | |
| Cement Left In Pipe | Amount | 0 ft | Reason | Shoe Joint | | | | | | |
| Frac Ring # 1 @ | ID | Frac ring # 2 @ | ID | Frac Ring # 3 @ | ID | Frac Ring # 4 @ | ID | | | |
| The Information Stated Herein Is Correct | | | | Customer Representative Signature | | | | | | |

HALLIBURTON**CEMENTING EJCS**

| | | |
|---|------------------------------------|---|
| Sales Order #: 5256397 | Line Item: 10 | Date: 07/26/2007 |
| Customer: LONQUIST FIELD SERVICE LLC | | Job Type (BOM): Squeeze Hole in Casing |
| Customer Rep. / Phone : LINDT, JERRY | | API (If no API; leave blank): |
| H2S Present: Unknown | Well Type: Development Well | Well Name: WESTERN REFINING 3 |

Dear Customer,

We hope that you were satisfied with the service quality of this job performed by Halliburton. It is the aim of our management and service personnel to deliver equipment and service of a standard unmatched in the service sector of the energy industry.

Please take the time to let us know if our performance met with your satisfaction. Please be as critical as possible to ensure we constantly improve our service. Your comments are of great value to us and are intended for the exclusive use of Halliburton.

| RATING | DESCRIPTION | OPPORTUNITY |
|--------|---|-------------------------|
| 5 | Superior Performance (Establish new quality/performance standards) | Best Practice |
| 4 | Exceeded Expectations (Provided more than what was required/expected) | Potential Best Practice |
| 3 | Met Expectations (Did what was expected) | Prevention/Improvement |
| 2 | Below Expectations (Did not do what was expected - *Recovery made) | CPI Required |
| 1 | Poor Performance (Job problems/failures occurred - Some *recovery made) | CPI Required |
| | * Recovery : resolved issue(s) on jobsite in a timely and professional manner | |

END OF JOB CUSTOMER SURVEY

| CATEGORY | CUSTOMER SATISFACTION RATING (1-5) |
|------------------------------|--|
| PERSONNEL | Did our personnel perform to your satisfaction? |
| EQUIPMENT | Did our equipment perform to your satisfaction? |
| JOB DESIGN | Did we Perform the job to the agreed upon design? |
| PRODUCT / MATERIAL | Did our products and materials perform as you expected? |
| HEALTH & SAFETY | Did we perform in a safe and careful manner (Pre/post mtgs., PPE, JSA, etc.)? |
| ENVIRONMENTAL | Did we perform in an environmentally sound manner (Spills, leaks, cleanup, etc.)? |
| TIMELINESS | Was job performed as scheduled (On time to site, accessible to customer, completed on time)? |
| CONDITION/ APPEARANCE | Did the equipment condition and appearance meet your expectations? |
| COMMUNICATION | How well did our personnel communicate during mobilization, rig-up and job execution? |
| IMPROVEMENT | What can we do to improve our service? _____ _____ |
| COMMENT | _____ _____ _____ |

| | | |
|--|------------------------------|-----------------------------|
| Overall, I was satisfied with your job performance | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
|--|------------------------------|-----------------------------|

| | |
|---------------------------|--|
| CUSTOMER SIGNATURE | |
|---------------------------|--|

HALLIBURTON

CEMENTING KPI SURVEY

| | | |
|---|------------------------------------|---|
| Sales Order #: 5256397 | Line Item: 10 | Survey Date: 07/26/2007 |
| Customer: LONQUIST FIELD SERVICE LLC | | Job Type (BOM): Squeeze Hole in Casing |
| Customer Rep. / Phone : LINDT, JERRY | | API (If no API; leave blank): |
| H2S Present: Unknown | Well Type: Development Well | Well Name: WESTERN REFINING 3 |

DEFINITION OF JOB – DEFINED AS A PUMPING SESSION

(Complete these sections for ALL jobs.)

| | |
|-------------------------------------|--|
| CEMENTING/MISC (Required) | OPERATION TIME (hrs) (Total hours on location, including no rig up, pumping, rig down.) 4 HSE INCIDENT, ACCIDENT, INJURY: (Recordable incidents only) NO WAS THE JOB DELIVERED CORRECTLY AS PER CUSTOMER AGREED JOB DESIGN? : (Definition: Pumping performed correctly and desired job outcome achieved.) YES PUMPING HOURS: (Total number of hours pumping fluid on this job) 2 TYPE OF RIG (CLASSIFICATION) JOB WAS PERFORMED ON : (Drill Ship, Platform, Jack-Up, Semi-Submersible, Submersible, Land Drlg, Land Work Over, Land None) Workover |
| CEMENTING/MISC (Optional) | NUMBER OF JSAs PERFORMED : (Job Safety Analysis) 1 |
| CEMENTING/MISC (Optional) | NON-PRODUCTIVE RIG TIME (Cementing PSL responsibility) (hrs) : (Time that rig was delayed (hours) due to Cementing responsibility) 0 |
| CEMENTING/MISC (Optional) | REASON FOR NON-PRODUCTIVE RIG TIME (Cementing PSL responsibility) : (If appropriate, describe the reason for non-productive rig time due to Cementing PSL) |
| CEMENTING/MISC (Optional) | NUMBER OF UNPLANNED SHUTDOWNS (After starting to pump) : (Number of unplanned pumping operation shutdowns) 0 |
| CEMENTING/MISC (Optional) | REASON FOR UNPLANNED SHUTDOWNS (After starting to pump) : (If appropriate, describe the reason for unplanned shutdown(s) after starting to pump) |

KEY PERFORMANCE INDICATORS – CEMENTING

(Complete these sections ONLY for Cement Jobs.)

| | |
|--|---|
| | WAS THIS A PRIMARY CEMENT JOB? : (Primary Cement Job = Casing job, Liner job or Tie-back job) NO |
| | WAS THIS A PRIMARY PLUG JOB? : (Was this the first attempt to obtain a cement plug at a specific well depth.) (E.g. Kick Off Plug, Plug to Abandon Plug or LCM Plug) NO |
| | WAS THIS A PRIMARY SQUEEZE CEMENT JOB? : (Definition: Planned Liner Top Squeeze, Squeeze of existing perforations, Squeeze of casing leak.) YES |
| | MIXING DENSITY - PERCENT(%) OF JOB STAYED IN DESIGNED DENSITY RANGE (0 - 100%) : (Density range defined as +/- 0.20ppg ie. 2/10ppg) (Calculation: Total BBLs cement mixed at designed density divided by total BBLs of cement pumped multiplied by 100) 99 |

| | | |
|--------------------------------|--|-----|
| | WAS AUTOMATED DENSITY CONTROL (ADC) USED? : | YES |
| | PUMP RATE - PERCENT(%) OF JOB STAYED AT DESIGNED PUMP RATE : (Pump rate range defined as +/- 1bbl/min) (Calculation: Total BBLS of fluid pumped at the designed rate divided by total BBLS of fluid pumped, multiplied by 100) | 99 |
| | NUMBER OF REMEDIAL SQUEEZE JOBS REQUIRED AFTER PRIMARY JOB PERFORMED BY HES : (Remedial Squeeze Job = Shoe Squeeze, Block Squeeze or Unplanned Liner Top Squeeze) | 0 |
| CEMENTING (Optional) | NUMBER OF REMEDIAL SQUEEZE JOBS REQUIRED AFTER PRIMARY JOB PERFORMED BY COMPETITION : | 0 |
| CEMENTING (Optional) | NUMBER OF REMEDIAL PLUG JOBS NEEDED AFTER PRIMARY PLUG PUMPED BY HES : (Number of additional plugs set at the same well depth following the FIRST plug pumped by HES) | 0 |
| CEMENTING (Optional) | DID WE RUN TOP AND BOTTOM CASING WIPER PLUGS? : | NO |

| | | | |
|---|--|--|-------------------|
| Ticket # 5256397 | | Ticket date July 26, 2007 | |
| NWA/Country United States of America | BDA/State New Mexico | Parish/County Lea | |
| MBU ID/EMPL # 178558 | HES Employee Name SWANLUND, ALAN | PSL Department Squeeze Hole in Casing | |
| Location Hobbs, NM, USA | Company LONQUIST FIELD SERVICE LLC | Customer Rep LINDT, JERRY | |
| Ticket Amount | Well Type Development Well | Customer Rep Phone | |
| Field/Area | Well Name WESTERN REFINING | Well # 3 | |
| API/UWI # | Job Purpose Code Squeeze Hole in Casing | Well Category Development | SEC TWN RNG |

CPI Job Log Summary

| Lost Time | |
|---|---|
| Operating Non Conformance | Equipment Non Conformance |
| Lost Time – Halliburton | Materials Non Conformance |
| | Design Non Conformance |
| Standby Time | |
| Standby – Rig | |
| Standby | |
| Standby – Customer | |
| Standby – Hours Policy | |
| Job Time | |
| Call Taken – Date/Time/Zone | Start Rig Up – Date/Time/Zone |
| Call Out Crew – Date/Time/Zone | Complete Rig Up – Date/Time/Zone |
| Crew Called Actual – Date/Time/Zone | Rqstd Job Start – Date/Time/Zone |
| Crew Arrive Service Center – Date/Time/Zone | 26 - Jul - 2007 07:00 (GMT-07:00) Mountain Time |
| Crew Leave Service Center – Date/Time/Zone | Actual Job Start – Date/Time/Zone |
| Crew Rqstd On Location – Date/Time/Zone | July 26, 2007 09:23 GMT |
| 26 - Jul - 2007 06:00 (GMT-07:00) Mountain Time | Job Complete – Date/Time/Zone |
| Crew Arrive On Location – Date/Time/Zone | July 26, 2007 11:30 GMT |
| | Start Rig Down – Date/Time/Zone |
| | Crew Leave Location – Date/Time/Zone |
| | July 26, 2007 12:00 |
| | Crew Return Service Center – Date/Time/Zone |
| Hours | |
| Total Man Hours 0 | Location Hours 4 |

| | | | |
|---|---|--|---|
| 1. Location Information: Which PSL? (Cement, Stim, WL, L&P) | | | |
| DATE | TICKET NUMBER 5256397 | CUSTOMER LONQUIST FIELD SERVICE LLC | WELL NAME / NBR / LEASE WESTERN REFINING , 3/ WESTERN REFINING |
| LIST OF EMPLOYEES ON SITE. (In case of evacuation, check boxes as employees are accounted for – use additional paper if needed) | | | |
| <input type="checkbox"/> HAYTON, GERALD K (214504) | <input type="checkbox"/> HERR, ROBERT (324947) | <input type="checkbox"/> SWANLUND, ALAN J (178558) | <input type="checkbox"/> |
| 2. Discussion of Hazards Found at the Job Site | | | |
| <input checked="" type="checkbox"/> Electrical Discuss location of electrical lines and power sources in relation to equipment and lines. | <input checked="" type="checkbox"/> Confined Spaces Discuss any required entry into confined spaces (e.g. cellars, tanks, pits.). | | |
| <input checked="" type="checkbox"/> Chemicals Discuss possible exposures to substances such as dusts, Chemicals , vapors, radioactive materials, explosives, and Fla./combustible materials. Provide MSDS sheets, H2S, Gas Flammable gasses. | <input checked="" type="checkbox"/> Noise Discuss areas with high noise levels and avoid these areas or provide hearing protection. | | |
| <input checked="" type="checkbox"/> Overhead Discuss overhead hazards (e.g. guy wires, DME, chains, pulleys hazards while on the rig floor or under the rig floor). | <input checked="" type="checkbox"/> Walking / working surfaces Discuss the terrain where the rig up and job will occur (e.g. boards, limestone, mud, stairways, walkways, the derrick, and the rig floor). | | |
| <input checked="" type="checkbox"/> Cranes, Masts, Booms Discuss hazards associated with overhead lifting devices | <input checked="" type="checkbox"/> Lifting Discuss proper lifting techniques and ways to eliminate or reduce heavy lifting such as forklifts, cranes, and sharing the load. | | |
| <input checked="" type="checkbox"/> Weather Discuss weather conditions (e.g. heat, cold, ice, snow, rain, wind, dust, visibility, etc.) | <input checked="" type="checkbox"/> Falling Discuss job procedures requiring work at heights greater than 10 ft. (3.3 m). | | |
| <input checked="" type="checkbox"/> Chemical spills & releases Tote tanks, frac tanks, drums, hose connections and pumps. | <input checked="" type="checkbox"/> Pressure Discuss pressure hazards such as DME and bulk tanks. | | |
| <input checked="" type="checkbox"/> Ignition Sources Discuss possible ignition sources (e.g. engines, electrical equipment, open flames, smoking, etc.) | <input checked="" type="checkbox"/> LO / TO Discuss equipment that has been locked or tagged out | | |
| <input checked="" type="checkbox"/> Well bore fluids or gasses Discuss shale shaker, frac tanks, return lines and vent lines. | <input checked="" type="checkbox"/> RA Handling Discuss hazards working around different types of radiation. Restrict the work area to those with the proper training. Follow approved Procedures | | |
| <input checked="" type="checkbox"/> Explosives Handling Discuss hazards of working with and around explosive materials. Restrict the work area to those that have proper training. Follow approved procedures. | | | |
| 3- Hazard Controls | | | |
| <input checked="" type="checkbox"/> Personal protective equipment Discuss required PPE such as respirators, head protection, hearing protection, protective footwear, hand and skin protection, and fall protection. | <input checked="" type="checkbox"/> Vents Discuss vent lines for frac tanks and bulk tanks. | | |
| <input checked="" type="checkbox"/> Physical barriers Discuss items such as hose covers, line tiedowns, guards, railings, and inert gas blankets. | <input checked="" type="checkbox"/> Equipment monitored for leaks during job and contained | | |
| <input checked="" type="checkbox"/> Weather Discuss control measures for weather factors such as temperature, wind, ice, rain, snow, etc | <input checked="" type="checkbox"/> Equipment wash-up per customers instructions. | | |
| <input checked="" type="checkbox"/> Ignition source controls Discuss control measures for ignition sources such as the use of spark arrestors, emergency shutdown procedures, and NO SMOKING rules. | <input checked="" type="checkbox"/> Equipment drain pans drained in approved containers prior to leaving location. | | |
| <input checked="" type="checkbox"/> Crane, Masts, Booms Safe working capacities have been calculated per charts on equipment and will not be overloaded | <input checked="" type="checkbox"/> All empty containers must be returned to facility I e empty sacks, pails, and drums. | | |
| <input checked="" type="checkbox"/> Safety equipment Discuss safety items such as pop-off valves, fire extinguishers, and communication devices. | <input checked="" type="checkbox"/> Waste handling Discussion of chemical and waste handling procedures. | | |

4. Contingency Plans for Emergencies

| | | | | | | | |
|---|---|-----------|---|-------|----|-------|----|
| <input checked="" type="checkbox"/> Location of eyewash/safety shower station Discuss the location of the eyewash/safety shower station and how to use it. | <input checked="" type="checkbox"/> Contaminated soil Discuss procedures for spill / leak cleanup. | | | | | | |
| <input checked="" type="checkbox"/> Assembly points Discuss where to gather in the event of an emergency. | <input checked="" type="checkbox"/> Injury and accident procedures Discuss personnel responsibilities and procedures in the event of an injury or accident. | | | | | | |
| <input checked="" type="checkbox"/> Fire fighting Discuss fire fighting responsibilities with the appropriate personnel (trained and equipped personnel only). | <input checked="" type="checkbox"/> Rescue procedures Discuss rescue procedures with the appropriate personnel (trained and equipped). | | | | | | |
| <input checked="" type="checkbox"/> Wind direction Discuss the wind direction and how it may change the contingency plan such as the assembly area location, and discuss how to detect wind direction on the job site (e.g. windsocks, streamers, etc.). | <input checked="" type="checkbox"/> Emergency shut down procedures Discuss when, how, and what to shut down in the event of an emergency. | | | | | | |
| <input checked="" type="checkbox"/> First aid station Point out the location of the first aid kit and who is responsible for administering first aid. | <input checked="" type="checkbox"/> Recovery procedures Discuss how to return to normal operating procedures after an emergency. | | | | | | |
| <input checked="" type="checkbox"/> Reporting Spills Discuss measures used for spill reporting. | <input checked="" type="checkbox"/> Nearest hospital The best route of travel along with everyone understanding which vehicle will be used as the ambulance. | | | | | | |
| <input checked="" type="checkbox"/> Spill Response Kit Review location of Spill Response Kit. | <input type="checkbox"/> Head count <table border="1"> <tr> <td>Employees</td> <td>5</td> </tr> <tr> <td>Other</td> <td>11</td> </tr> <tr> <td>Total</td> <td>16</td> </tr> </table> | Employees | 5 | Other | 11 | Total | 16 |
| Employees | 5 | | | | | | |
| Other | 11 | | | | | | |
| Total | 16 | | | | | | |

5. Roles and Responsibilities

| | | |
|--|---------------------|-----------------|
| | Communicated | Assigned |
|--|---------------------|-----------------|

6. Emergency Escape Procedures (Communicate the following information with all employees on location).

Safe Refuge Area and / or Meeting Point:

Note: If wind direction changes do not proceed to gathering point, but rather proceed upwind after observing wind direction indicator.

Evacuation may occur on site because of:

(Check appropriate boxes)

| |
|---|
| <input checked="" type="checkbox"/> Release of H2S above 10 ppm |
| <input checked="" type="checkbox"/> Blowout |
| <input checked="" type="checkbox"/> Release of flammable gasses |
| <input checked="" type="checkbox"/> Release of other gasses |
| <input checked="" type="checkbox"/> Fire |

The following equipment is required on location:

(Check appropriate boxes)

| |
|---|
| <input checked="" type="checkbox"/> H2S monitors |
| <input checked="" type="checkbox"/> Combustible gas monitors |
| <input checked="" type="checkbox"/> Wind direction indicator (windsocks, streamers, etc.) |
| <input checked="" type="checkbox"/> Escape respirators (one for each employee) |
| <input checked="" type="checkbox"/> Full facepiece positive pressure SCBA |

7. Emergency Telephone Numbers and / or Method of Contact

| | |
|--|---|
| Sheriff: | Hospital (Actual phone numbers other than 911): |
| Supervisor: | Customer: |
| First Aid Responders on this site (Names): | Designated emergency vehicle & mobile phone # |

Rescue Procedures If emergency rescue is necessary, the following is required: (Check appropriate boxes)

| | |
|---|---|
| <input checked="" type="checkbox"/> Full facepiece SCBA (30 Minute) | <input checked="" type="checkbox"/> Escape respirators |
| <input checked="" type="checkbox"/> Protective clothing: | <input checked="" type="checkbox"/> Monitoring Equipment: |
| List: | List: |

HALLIBURTON

Job Site HSE Meeting Report

Site Plan

(Draw the location, indicate the wind direction, and mark the safe area / meeting point.)

10. Postjob HSE Meeting

(Note: Enter information into IJR)

Date: July 26, 2007

Time: 11:30

Check Appropriate box for each incident event

Vehicle Accident

x

No Vehicle Accident

Injury

x

No Injury

Spill

Near Miss

x

No Near Miss

Location is as clean as when we arrived.

JSA Complete

Is follow up with customer needed?

Yes

No

COMMENTS

CUSTOMER REPRESENTATIVE

HALLIBURTON REPRESENTATIVE

ALAN SWANLUND

HALLIBURTON

**HALLIBURTON ENERGY
SERVICES**

M. S. D. S. RECEIPT DOCUMENT

This receipt page is intended for use with Material Safety Data Sheets supplied by Halliburton Energy Services. The recipients of these data sheets should consult the OSHA Safety and Health Standards (29 CFR 1910), particularly subpart G - Occupational Health and Environmental Control, and subpart I - Personal Protective Equipment, for general guidance on control of potential Occupational Health and Safety Hazards.

This document provides the customer the instructions necessary to utilize the M. S. D. S. Safety Sheets and confirms that Halliburton Energy Services offers the Customer the communication for discussion on Chemical Safety of the provided materials.

Customer Signature

Company :

LONQUIST FIELD SERVICE LLC

Lease, Well Name, Nbr :

WESTERN REFINING, WESTERN REFINING, 3

Ticket # :

5256397

Location :

HOBBS, NM, USA

(To be completed by Service Supervisor)

Company: LONQUIST FIELD Lease: WESTERN REFINING Well Name, Nbr: WESTERN REFINING, 3
SERVICE LLC
Rig Name/Nbr: ??? API No. /UWI
County: Lea State: New Mexico Country: United States of America

FIELD TEST KIT

NOTE: These tests are an indication of POTENTIAL contamination and are not conclusive.
For more comprehensive results, a sample should be submitted to the Local Area Lab

Date July 26, 2007
Service Supervisor SWANLUND, ALAN

Ticket Number 5256397
Water Source TANKER

Temperature 75

[<80 F]

pH. 7

[between 6-8 pH]

Specific Gravity

[1.000 - 1.005 see Chart]

Chart in Kit shows comparisons of: Chlorides
Calcium

[<3,000 ppm @ 1.004 S.G.]

[<500 ppm @ 1.004 S.G.]

PASS

FAIL

Nessler's Nitrogen

[Passing Parameters]

☐

☐

Color of Yellow

[<4.5 ppm (mg/L)]

Tannin-Lignin

☐

☐

Color of Blue

[<25.0 ppm]

Sulfate

Degree of Clarity

[200 ppm]

☐

☐

Black X Visible

[if NO >200 ppm = FAIL]

Iron (Fe)

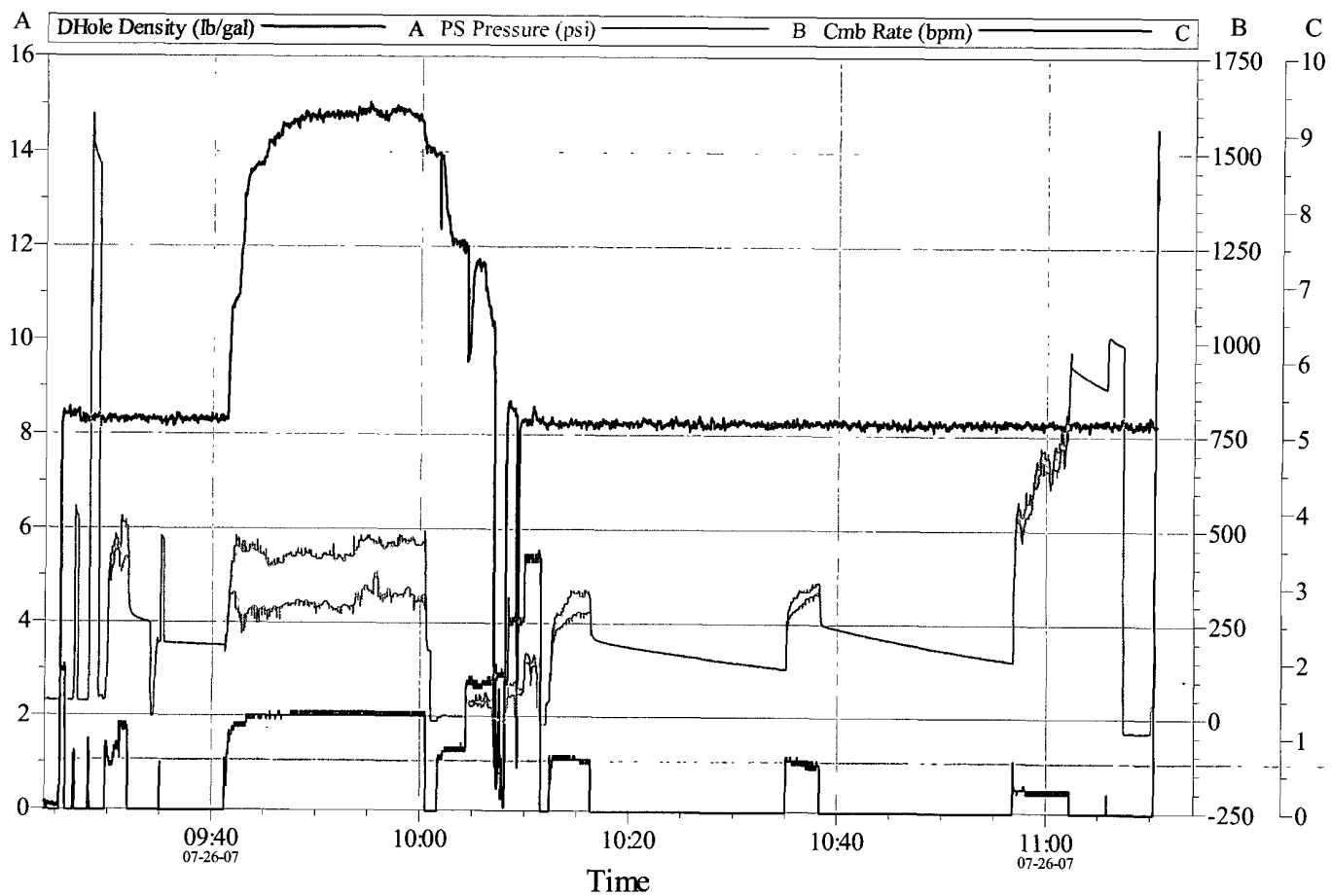
☐

☐

Degree of Orange

[<20.0 ppm]

Job Graph



Customer: Lonquist Field Service
Well Desc: Western Refining #3

Job Date: 07/26/2007
Job Type: Squeeze

HALLIBURTON
CemWin v1.7.0
24-Oct-07 13:57

Cementing Job Log

| | | | |
|---|---------------------------|---|-------------------------------|
| Sold To #: 347563 | Ship To #: 2588205 | Quote #: | Sales Order #: 5256397 |
| Customer: LONQUIST FIELD SERVICE LLC | | Customer Rep: LINDT, JERRY | |
| Well Name: WESTERN REFINING | Well #: 3 | API/UWI #: | |
| Field: | City (SAP): HOBBS | County/Parish: Lea | State: New Mexico |
| Contractor: ??? | | Rig/Platform Name/Num: ??? | |
| Job Purpose: Squeeze Hole in Casing | | | Ticket Amount: |
| Well Type: Development Well | | Job Type: Squeeze Hole in Casing | |
| Sales Person: THORNTON, PAUL | | Srvs Supervisor: SWANLUND, ALAN | MBU ID Emp #: 178558 |

Sold To # : 347563 Ship To # :2588205 Prpsl # : Sales Order # : 5256397
SUMMIT Version: 7.20.130 Thursday, July 26, 2007 11:15:00

HALLIBURTON

LONQUIST FIELD SERVICE LLC

WESTERN REFINING 3

Lea County , New Mexico

Cement Liner

31-Jul-2007

Job Site Documents

HALLIBURTON

Cementing Job Summary

The Road to Excellence Starts with Safety

| | | | | | | | |
|--------------------------------------|-------------------|--|----------------|----------------------------|------------------------|------------------------|------------------------|
| Sold To #: 347563 | | Ship To #: 2588205 | | Quote #: | | Sales Order #: 5263876 | |
| Customer: LONQUIST FIELD SERVICE LLC | | | | Customer Rep: LINDT, JERRY | | | |
| Well Name: WESTERN REFINING | | Well #: 3 | | API/UWI #: | | | |
| Field: | | City (SAP): HOBBS | | County/Parish: Lea | | State: New Mexico | |
| Contractor: ??? | | Rig/Platform Name/Num: ??? | | | | | |
| Job Purpose: Cement Liner | | | | | | | |
| Well Type: Development Well | | | | Job Type: Cement Liner | | | |
| Sales Person: THORNTON, PAUL | | Srv Supervisor: SOSA, LOUIS | | MBU ID Emp #: 350525 | | | |
| Job Personnel | | | | | | | |
| HES Emp Name | Exp Hrs | Emp # | HES Emp Name | Exp Hrs | Emp # | HES Emp Name | Exp Hrs |
| ALVARADO, RUDY | 7.0 | 417376 | ATCHISON, BRAD | 5.0 | 324339 | SOSA, LOUIS | 5.0 |
| SOTO, MOISES | 5.0 | 401377 | | | | | |
| Hinojos | | | | | | | |
| Equipment | | | | | | | |
| HES Unit # | Distance-1 way | HES Unit # | Distance-1 way | HES Unit # | Distance-1 way | HES Unit # | Distance-1 way |
| | | | | | | | |
| Job Hours | | | | | | | |
| Date | On Location Hours | Operating Hours | Date | On Location Hours | Operating Hours | Date | On Location Hours |
| July 31, 2007 | 5 | 1 | | | | | |
| TOTAL | | Total is the sum of each column separately | | | | | |
| Job | | | | Job Times | | | |
| Formation Name | | | | | Date | Time | Time Zone |
| Formation Depth (MD) | Top | Bottom | | Called Out | | | |
| Form Type | BHST | | | On Location | 31 - Jul - 2007 | 11:00 | MST |
| Job depth MD | 1608. ft | Job Depth TVD | 1608. ft | Job Started | 31 - Jul - 2007 | 13:41 | MST |
| Water Depth | | Wk Ht Above Floor | 5. ft | Job Completed | 31 - Jul - 2007 | 14:26 | MST |
| Perforation Depth (MD) | From | To | | Departed Loc | 31 - Jul - 2007 | 16:00 | MST |
| Well Data | | | | | | | |
| Description | New / Used | Max pressure psig | Size in | ID in | Weight lbm/ft | Thread | Grade |
| Top MD ft | Bottom MD ft | Top TVD ft | Bottom TVD ft | | | | |
| LINER 7" | Used | | 7. | 6.366 | 23. | | |
| SURFACE CASING | Used | | 9.625 | 8.921 | 36. | | |
| Tools and Accessories | | | | | | | |
| Type | Size | Qty | Make | Depth | Type | Size | Qty |
| Guide Shoe | | | | | Packer | | |
| Float Shoe | | | | | Bridge Plug | | |
| Float Collar | | | | | Retainer | | |
| Insert Float | | | | | | | |
| Stage Tool | | | | | | | |
| Miscellaneous Materials | | | | | | | |
| Gelling Agt | Conc | | Surfactant | Conc | Acid Type | Qty | Conc % |
| Treatment Fld | Conc | | Inhibitor | Conc | Sand Type | Size | Qty |
| Fluid Data | | | | | | | |
| Stage/Plug #: 1 | | | | | | | |
| Fluid # | Stage Type | Fluid Name | Qty | Qty uom | Mixing Density lbm/gal | Yield ft3/sk | Mix Fluid Gal/sk |
| | | | | | | | Rate bbl/min |
| | | | | | | | Total Mix Fluid Gal/sk |

HALLIBURTON

Cementing Job Summary

| Stage/Plug #: 1 | | | | | | | | | | |
|--|--------------|--|-----------|-----------------------------------|------------------------|---------------------------|------------------|--------------|------------------------|--|
| Fluid # | Stage Type | Fluid Name | Qty | Qty uom | Mixing Density lbm/gal | Yield ft ³ /sk | Mix Fluid Gal/sk | Rate bbl/min | Total Mix Fluid Gal/sk | |
| 1 | PREMIUM PLUS | CMT - PREMIUM PLUS CEMENT (100012205) | 225.0 | sacks | 14.8 | 1.33 | 6.34 | 7.5 | 6.34 | |
| 94 lbm | | CMT - PREMIUM PLUS - CLASS C REG OR TYPE III, BULK (100012205) | | | | | | | | |
| 6.336 Gal | | FRESH WATER | | | | | | | | |
| Calculated Values | | | Pressures | | Volumes | | | | | |
| Displacement | 63 | Shut In: Instant | | Lost Returns | NONE | Cement Slurry | 53 | Pad | | |
| Top Of Cement | SURFACE | 5 Min | | Cement Returns | 8 | Actual Displacement | 63 | Treatment | | |
| Frac Gradient | | 15 Min | | Spacers | 8 | Load and Breakdown | | Total Job | 124 | |
| Rates | | | | | | | | | | |
| Circulating | 0 | Mixing | 7.5 | Displacement | 7.5 | Avg. Job | 7.5 | | | |
| Cement Left In Pipe | Amount | 0 ft | Reason | Shoe Joint | | | | | | |
| Frac Ring # 1 @ | ID | Frac ring # 2 @ | ID | Frac Ring # 3 @ | ID | Frac Ring # 4 @ | ID | | | |
| The Information Stated Herein Is Correct | | | | Customer Representative Signature | | | | | | |

HALLIBURTON

Cementing Job Log

The Road to Excellence Starts with Safety

The Road to Excellence Starts with Safety

| | | | |
|--------------------------------------|--------------------|------------------------------|------------------------|
| Sold To #: 347563 | Ship To #: 2588205 | Quote #: | Sales Order #: 5263876 |
| Customer: LONQUIST FIELD SERVICE LLC | | Customer Rep: LINDT, JERRY | |
| Well Name: WESTERN REFINING | | Well #: 3 | API/UWI #: |
| Field: | City (SAP): HOBBS | County/Parish: Lea | State: New Mexico |
| Legal Description: | | | |
| Lat: | | Long: | |
| Contractor: ??? | | Rig/Platform Name/Num: ??? | |
| Job Purpose: Cement Liner | | | Ticket Amount: |
| Well Type: Development Well | | Job Type: Cement Liner | |
| Sales Person: THORNTON, PAUL | | Srvs Supervisor: SOSA, LOUIS | MBU ID Emp #: 350525 |

| Activity Description | Date/Time | Cht # | Rate bbl/ min | Volume bbl | | Pressure psig | | Comments |
|--|---------------------|----------|---------------------|---------------|-------|------------------|--------|---|
| | | | | Stage | Total | Tubing | Casing | |
| Call Out | 07/31/2007 07:00 | | | | | | | |
| Safety Meeting - Service Center or other Site | 07/31/2007 09:50 | | | | | | | |
| Depart from Service Center or Other Site | 07/31/2007 10:00 | | | | | | | |
| Arrive at Location from Service Center | 07/31/2007 11:00 | | | | | | | |
| HES Resources on Location and Available to Perform | 07/31/2007 11:00 | | | | | | | |
| Safety Meeting - Assessment of Location | 07/31/2007 11:05 | | | | | | | |
| Safety Meeting - Pre Rig-Up | 07/31/2007 11:10 | | | | | | | |
| Rig-Up Equipment | 07/31/2007 11:15 | | | | | | | |
| Rig-Up Completed | 07/31/2007 12:15 | | | | | | | |
| Time Customer is Ready to Turn Control Over to HES | 07/31/2007 13:30 | | | | | | | |
| Safety Meeting - Pre Job | 07/31/2007 13:35 | | | | | | | |
| Start Job | 07/31/2007 13:41 | | | | | | | |
| Circulate Well | 07/31/2007 13:42 | | 3 | | 13 | | 160.0 | H2O |
| Test Lines | 07/31/2007 13:56 | | 3 | | 3 | | 3500.0 | H2O |
| Pump Spacer | 07/31/2007 13:59 | | 4 | | 20 | | 131.0 | H2O |
| Pump Cement | 07/31/2007 14:01 | | 7.5 | | 53 | | 600.0 | MIXED 225 SKS OF PREM. PLUS @ 14.8 PPG. |
| Drop Plug | 07/31/2007 14:11 | | | | | | | 7 HWE. |

Sold To # : 347563

Ship To # :2588205

Quote # :

Sales Order # : 5263876

SUMMIT Version: 7.20.130

Tuesday, July 31, 2007 02:52:00

HALLIBURTON

Cementing Job Log

| Activity Description | Date/Time | Cht # | Rate bbl/ min | Volume bbl | | Pressure psig | | Comments |
|---|---------------------|----------|---------------------|---------------|-------|------------------|--------|---|
| | | | | Stage | Total | Tubing | Casing | |
| Pump Displacement | 07/31/2007 14:12 | | 7.5 | | 63 | | 671.0 | H2O |
| Bump Plug | 07/31/2007 14:25 | | 2 | | 63 | | 851.0 | BUMPED PLUG AND SHUT DOWN AS PER CUSTOMER. |
| Check Floats | 07/31/2007 14:26 | | | | | | | FLOATS HELD. 1BBL BACK TO THE STEEL PIT. |
| End Job | 07/31/2007 14:26 | | | | | | | CIRCULATED 33 SKS (8BBLS) TO THE STEEL PIT. |
| Safety Meeting - Pre Rig- Down | 07/31/2007 14:27 | | | | | | | |
| Rig-Down Equipment | 07/31/2007 14:30 | | | | | | | |
| Rig-Down Completed | 07/31/2007 15:30 | | | | | | | |
| Safety Meeting - Departing Location | 07/31/2007 15:45 | | | | | | | |
| Depart Location for Service Center or Other Site | 07/31/2007 16:00 | | | | | | | |
| Return to Service Center from Job | 07/31/2007 17:00 | | | | | | | THANKS LOUIS SOSA AND CREW! |

Sold To # : 347563

Ship To # :2588205

Quote # :

Sales Order # : 5263876

SUMMIT Version: 7.20.130

Tuesday, July 31, 2007 02:52:00

HALLIBURTON**CEMENTING EJCS**

| | | |
|---|------------------------------------|--------------------------------------|
| Sales Order #: 5263876 | Line Item: 5263876 | Date: 7/30/2007 |
| Customer: LONQUIST FIELD SERVICE LLC | | Job Type (BOM): Cement Liner |
| Customer Rep. / Phone : LINDT, JERRY | | API (If no API; leave blank): |
| H2S Present: Unknown | Well Type: Development Well | Well Name: WESTERN REFINING 3 |

Dear Customer,

We hope that you were satisfied with the service quality of this job performed by Halliburton. It is the aim of our management and service personnel to deliver equipment and service of a standard unmatched in the service sector of the energy industry.

Please take the time to let us know if our performance met with your satisfaction. Please be as critical as possible to ensure we constantly improve our service. Your comments are of great value to us and are intended for the exclusive use of Halliburton.

| RATING | DESCRIPTION | OPPORTUNITY |
|--------|---|-------------------------|
| 5 | Superior Performance (Establish new quality/performance standards) | Best Practice |
| 4 | Exceeded Expectations (Provided more than what was required/expected) | Potential Best Practice |
| 3 | Met Expectations (Did what was expected) | Prevention/Improvement |
| 2 | Below Expectations (Did not do what was expected - *Recovery made) | CPI Required |
| 1 | Poor Performance (Job problems/failures occurred - Some *recovery made) | CPI Required |
| | * Recovery : resolved issue(s) on jobsite in a timely and professional manner | |

END OF JOB CUSTOMER SURVEY

| CATEGORY | CUSTOMER SATISFACTION RATING (1-5) |
|-----------------------|--|
| PERSONNEL | Did our personnel perform to your satisfaction? |
| EQUIPMENT | Did our equipment perform to your satisfaction? |
| JOB DESIGN | Did we Perform the job to the agreed upon design? |
| PRODUCT / MATERIAL | Did our products and materials perform as you expected? |
| HEALTH & SAFETY | Did we perform in a safe and careful manner (Pre/post mtgs., PPE, JSA, etc.)? |
| ENVIRONMENTAL | Did we perform in an environmentally sound manner (Spills, leaks, cleanup, etc.)? |
| TIMELINESS | Was job performed as scheduled (On time to site, accessible to customer, completed on time)? |
| CONDITION/ APPEARANCE | Did the equipment condition and appearance meet your expectations? |
| COMMUNICATION | How well did our personnel communicate during mobilization, rig-up and job execution? |
| IMPROVEMENT | What can we do to improve our service? _____ _____ |
| COMMENT | _____ _____ _____ |

| | | |
|--|------------------------------|-----------------------------|
| Overall, I was satisfied with your job performance | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
|--|------------------------------|-----------------------------|

| | |
|---------------------------|--|
| CUSTOMER SIGNATURE | |
|---------------------------|--|

HALLIBURTON

CEMENTING KPI SURVEY

| | | |
|---|------------------------------------|--------------------------------------|
| Sales Order #: 5263876 | Line Item: 5263876 | Survey Date: 7/30/2007 |
| Customer: LONQUIST FIELD SERVICE LLC | | Job Type (BOM): Cement Liner |
| Customer Rep. / Phone : LINDT, JERRY | | API (If no API; leave blank): |
| H2S Present: Unknown | Well Type: Development Well | Well Name: WESTERN REFINING 3 |

DEFINITION OF JOB – DEFINED AS A PUMPING SESSION

(Complete these sections for ALL jobs.)

| | |
|-------------------------------------|---|
| CEMENTING/MISC (Required) | OPERATION TIME (hrs) (Total hours on location, including no rig up, pumping, rig down.) 5 HSE INCIDENT, ACCIDENT, INJURY: (Recordable incidents only) NO WAS THE JOB DELIVERED CORRECTLY AS PER CUSTOMER AGREED JOB DESIGN? : (Definition: Pumping performed correctly and desired job outcome achieved.) YES PUMPING HOURS: (Total number of hours pumping fluid on this job) 1 TYPE OF RIG (CLASSIFICATION) JOB WAS PERFORMED ON : (Drill Ship, Platform, Jack-Up, Semi-Submersible, Submersible, Land Drg, Land Work Over, Land None) Workover |
| CEMENTING/MISC (Optional) | NUMBER OF JSAs PERFORMED : (Job Safety Analysis) 1 |
| CEMENTING/MISC (Optional) | NON-PRODUCTIVE RIG TIME (Cementing PSL responsibility) (hrs) : (Time that rig was delayed (hours) due to Cementing responsibility) 0 |
| CEMENTING/MISC (Optional) | REASON FOR NON-PRODUCTIVE RIG TIME (Cementing PSL responsibility) : (If appropriate, describe the reason for non-productive rig time due to Cementing PSL) NONE |
| CEMENTING/MISC (Optional) | NUMBER OF UNPLANNED SHUTDOWNS (After starting to pump) : (Number of unplanned pumping operation shutdowns) 0 |
| CEMENTING/MISC (Optional) | REASON FOR UNPLANNED SHUTDOWNS (After starting to pump) : (If appropriate, describe the reason for unplanned shutdown(s) after starting to pump) NONE |

KEY PERFORMANCE INDICATORS – CEMENTING

(Complete these sections ONLY for Cement Jobs.)

| | | |
|--|--|-----|
| | WAS THIS A PRIMARY CEMENT JOB? : (Primary Cement Job = Casing job, Liner job or Tie-back job) | YES |
| | WAS THIS A PRIMARY PLUG JOB? : (Was this the first attempt to obtain a cement plug at a specific well depth.) (E.g. Kick Off Plug, Plug to Abandon Plug or LCM Plug) | NO |
| | WAS THIS A PRIMARY SQUEEZE CEMENT JOB? : (Definition: Planned Liner Top Squeeze, Squeeze of existing perforations, Squeeze of casing leak.) | NO |
| | MIXING DENSITY - PERCENT(%) OF JOB STAYED IN DESIGNED DENSITY RANGE (0 - 100%) : (Density range defined as +/- 0.20ppg ie. 2/10ppg) (Calculation: Total BBLS cement mixed at designed density divided by total BBLS of cement pumped multiplied by 100) | 95 |

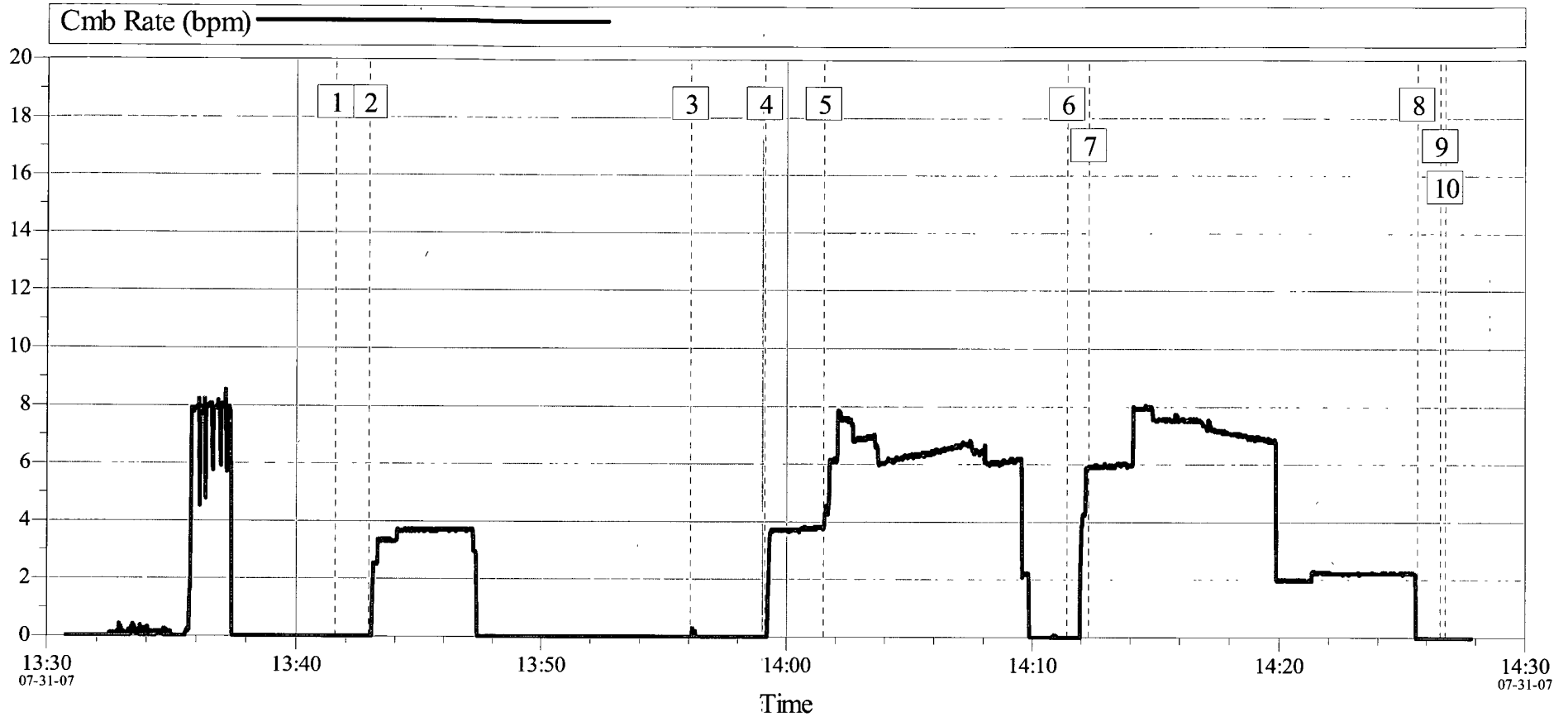
| | | |
|--------------------------------|--|-----|
| | WAS AUTOMATED DENSITY CONTROL (ADC) USED? : | YES |
| | PUMP RATE - PERCENT(%) OF JOB STAYED AT DESIGNED PUMP RATE : (Pump rate range defined as +/- 1bbl/min) (Calculation: Total BBLS of fluid pumped at the designed rate divided by total BBLS of fluid pumped, multiplied by 100) | 96 |
| | NUMBER OF REMEDIAL SQUEEZE JOBS REQUIRED AFTER PRIMARY JOB PERFORMED BY HES : (Remedial Squeeze Job = Shoe Squeeze, Block Squeeze or Unplanned Liner Top Squeeze) | 0 |
| CEMENTING (Optional) | NUMBER OF REMEDIAL SQUEEZE JOBS REQUIRED AFTER PRIMARY JOB PERFORMED BY COMPETITION : | 0 |
| CEMENTING (Optional) | NUMBER OF REMEDIAL PLUG JOBS NEEDED AFTER PRIMARY PLUG PUMPED BY HES : (Number of additional plugs set at the same well depth following the FIRST plug pumped by HES) | 0 |
| CEMENTING (Optional) | DID WE RUN TOP AND BOTTOM CASING WIPER PLUGS? : | NO |

| | | | | | | |
|---|----------------------------------|---------------------------------------|---------------------|--------------------------------|---------------------------|-----|
| | | | Ticket # 5263876 | | Ticket date 07/31/2007 | |
| NWA/Country United States of America | | BDA/State New Mexico | | Parish/County Lea | | |
| MBU ID/EMPL # 350525 | | HES Employee Name SOSA, LOUIS | | PSL Department Cement Liner | | |
| Location Hobbs, NM, USA | | Company LONQUIST FIELD SERVICE LLC | | Customer Rep LINDT, JERRY | | |
| Ticket Amount | | Well Type Development Well | | Customer Rep Phone | | |
| Field/Area | | Well Name WESTERN REFINING | | Well # 3 | | |
| API/UWI # | Job Purpose Code Cement Liner | Well Category Development | | SEC | TWN | RNG |

CPI Job Log Summary

| Lost Time | |
|---|---|
| Operating Non Conformance | Equipment Non Conformance |
| Lost Time – Halliburton | Materials Non Conformance |
| | Design Non Conformance |
| Standby Time | |
| Standby – Rig | |
| Standby | |
| Standby – Customer | |
| Standby – Hours Policy | |
| Job Time | |
| Call Taken – Date/Time/Zone | Start Rig Up – Date/Time/Zone |
| Call Out Crew – Date/Time/Zone | 31 - Jul - 2007 11:15 (GMT-07:00) Mountain Time |
| Crew Called Actual – Date/Time/Zone | Complete Rig Up – Date/Time/Zone |
| Crew Arrive Service Center – Date/Time/Zone | Rqstd Job Start – Date/Time/Zone |
| Crew Leave Service Center – Date/Time/Zone | 31 - Jul - 2007 12:00 (GMT-06:00) Central Time |
| Crew Rqstd On Location – Date/Time/Zone | Actual Job Start – Date/Time/Zone |
| 31 - Jul - 2007 11:00 (GMT-06:00) Central Time | 31 - Jul - 2007 13:41 (GMT-07:00) Mountain Time |
| Crew Arrive On Location – Date/Time/Zone | Job Complete – Date/Time/Zone |
| 31 - Jul - 2007 11:00 (GMT-07:00) Mountain Time | 31 - Jul - 2007 14:26 (GMT-07:00) Mountain Time |
| | Start Rig Down – Date/Time/Zone |
| | 31 - Jul - 2007 14:30 (GMT-07:00) Mountain Time |
| | Crew Leave Location – Date/Time/Zone |
| | 31 - Jul - 2007 16:00 (GMT-07:00) Mountain Time |
| | Crew Return Service Center – Date/Time/Zone |
| Hours | |
| Total Man Hours | Location Hours 5 |

Treatment Data



Event Log

| | | | | | | | | |
|----|-------------------|----------|---|----------------|----------|---|------------|----------|
| 1 | Start Job | 13:41:34 | 2 | Circulate Well | 13:42:56 | 3 | Test Lines | 13:56:04 |
| 4 | Pump Spacer 1 | 13:59:06 | 5 | Pump Cement | 14:01:31 | 6 | Drop Plug | 14:11:25 |
| 7 | Pump Displacement | 14:12:18 | 8 | Bump Plug | 14:25:38 | 9 | Other | 14:26:34 |
| 10 | End Job | 14:26:46 | | | | | | |

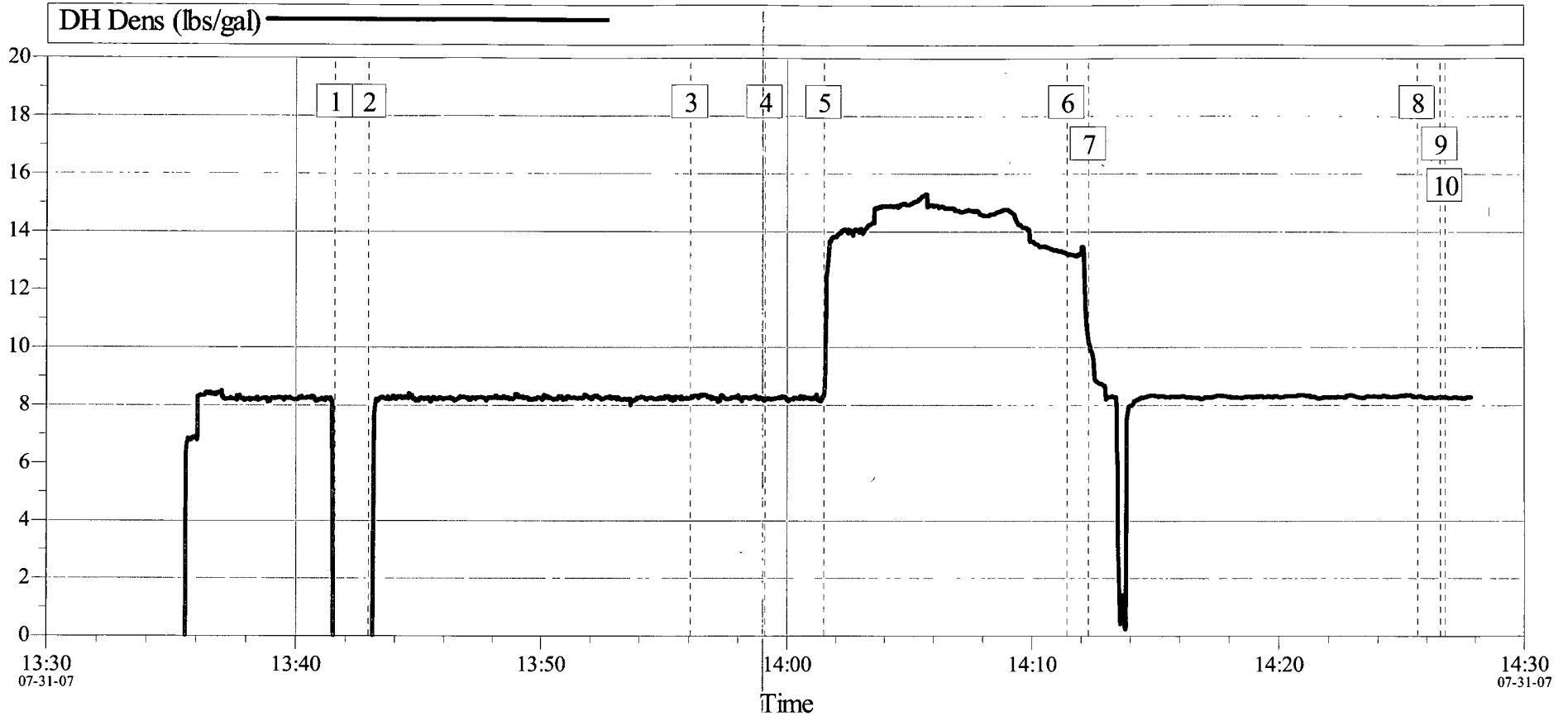
Customer: Lonquist Field Service
Well Description: Western Refining #3

Job Date: 07-31-2007
Job Type: 7 inch Liner

Ticket #:

HALLIBURTON
CemWin v1.4.0
14-Aug-07 09:40

Treatment Data



Event Log

| | | | | | | | | |
|----|-------------------|----------|---|----------------|----------|---|------------|----------|
| 1 | Start Job | 13:41:34 | 2 | Circulate Well | 13:42:56 | 3 | Test Lines | 13:56:04 |
| 4 | Pump Spacer 1 | 13:59:06 | 5 | Pump Cement | 14:01:31 | 6 | Drop Plug | 14:11:25 |
| 7 | Pump Displacement | 14:12:18 | 8 | Bump Plug | 14:25:38 | 9 | Other | 14:26:34 |
| 10 | End Job | 14:26:46 | | | | | | |

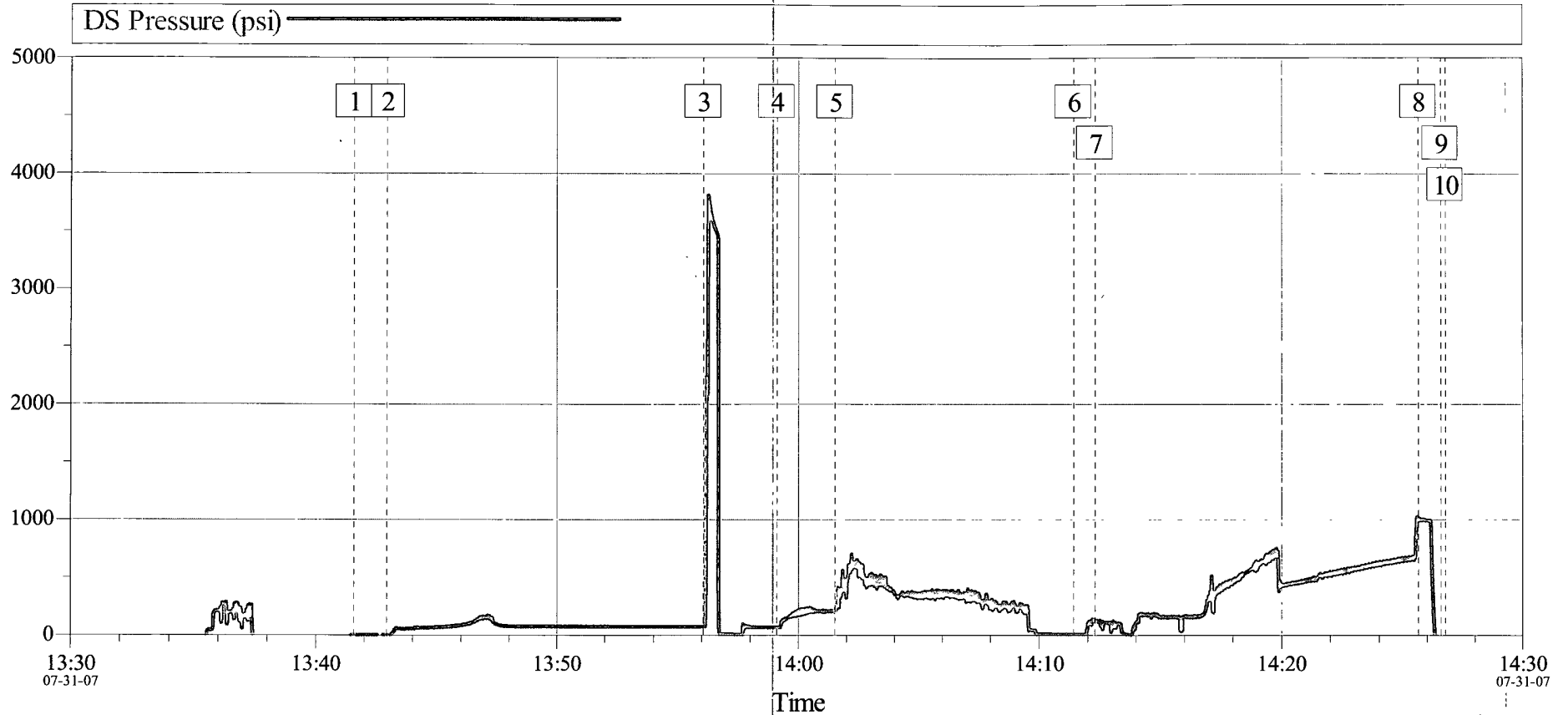
Customer: Lonquist Field Services
Well Description: Western Refining #3

Job Date: 07-31-2007
Job Type: 7 inch Liner

Ticket #:

HALLIBURTON
CemWin v1.4.0
14-Aug-07 09:42

Treatment Data



Event Log

| | | | | | | | | |
|----|-------------------|----------|---|----------------|----------|---|------------|----------|
| 1 | Start Job | 13:41:34 | 2 | Circulate Well | 13:42:56 | 3 | Test Lines | 13:56:04 |
| 4 | Pump Spacer 1 | 13:59:06 | 5 | Pump Cement | 14:01:31 | 6 | Drop Plug | 14:11:25 |
| 7 | Pump Displacement | 14:12:18 | 8 | Bump Plug | 14:25:38 | 9 | Other | 14:26:34 |
| 10 | End Job | 14:26:46 | | | | | | |

Customer: Lonquist Field Service
Well Description: Western Refining #3

Job Date: 07-31-2007
Job Type: 7 inch Liner

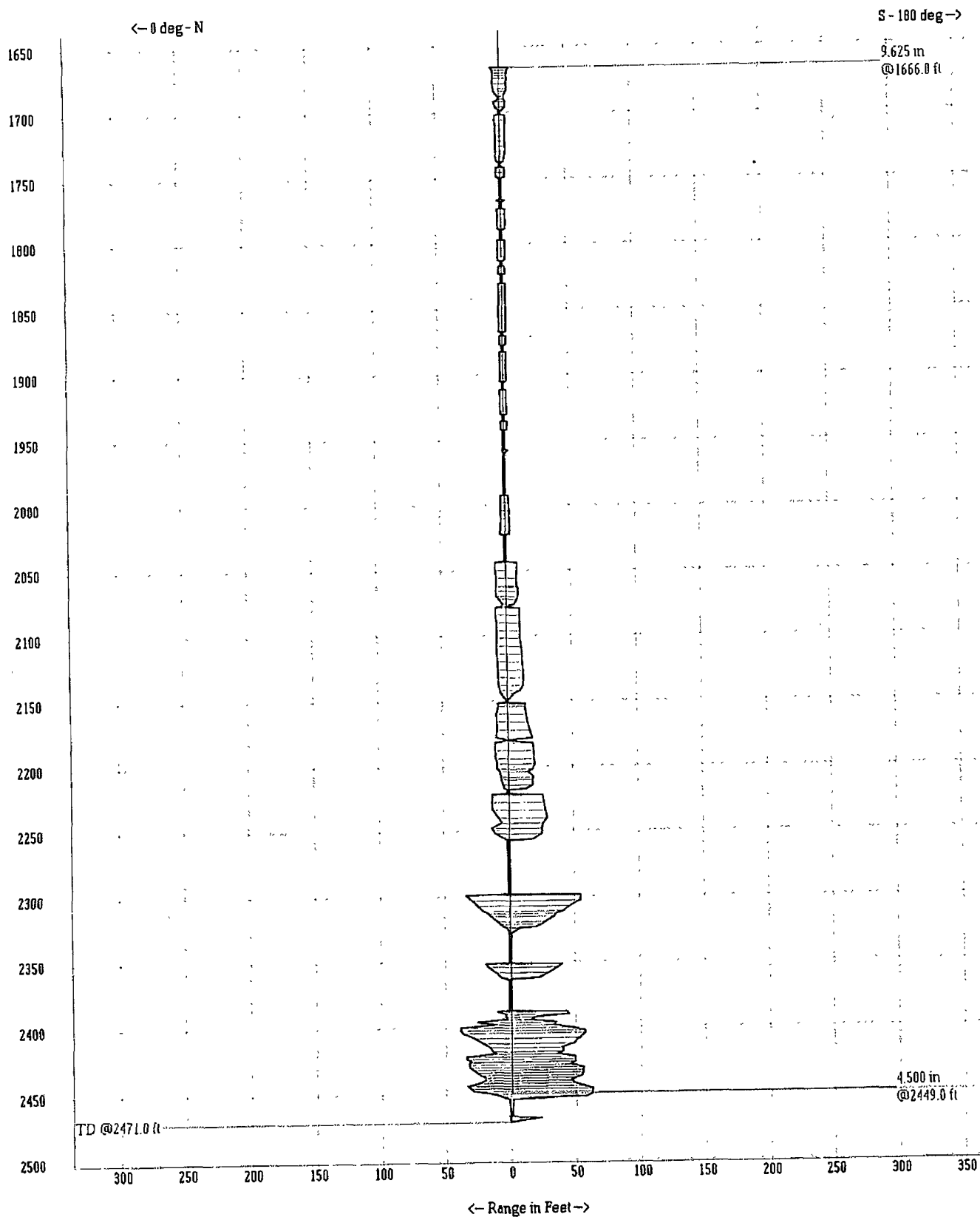
Ticket #:

HALLIBURTON
CemWin v1.4.0
14-Aug-07 09:43

WESTERN REFINING
JAL. NM

SONARWIRE, INC
Vertical Cross Section

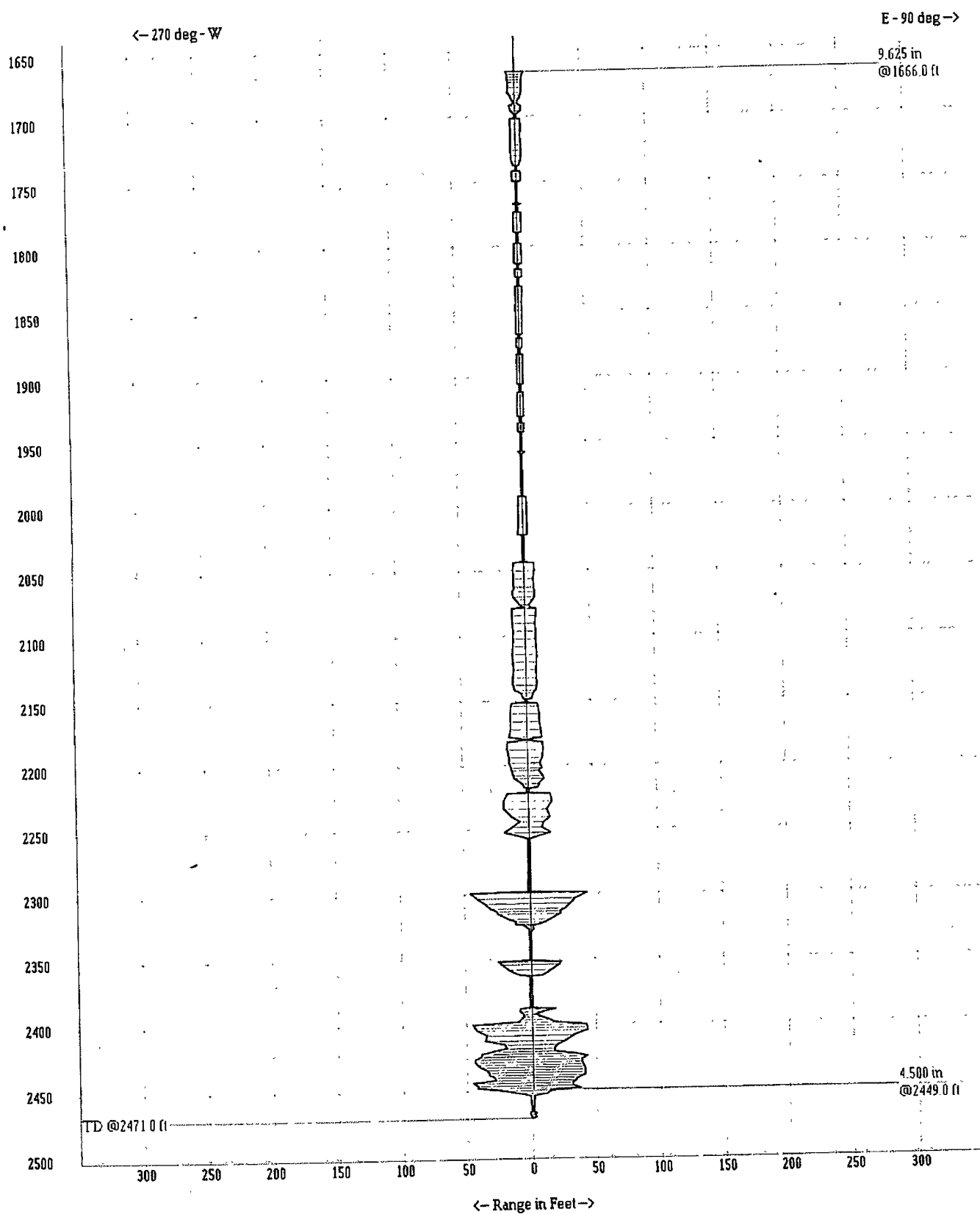
STATE LPG WELL NO. 3
Wed, Sep 12, 2007



WESTERN REFINING
JAL, NM

SONARWIRE, INC
Vertical Cross Section

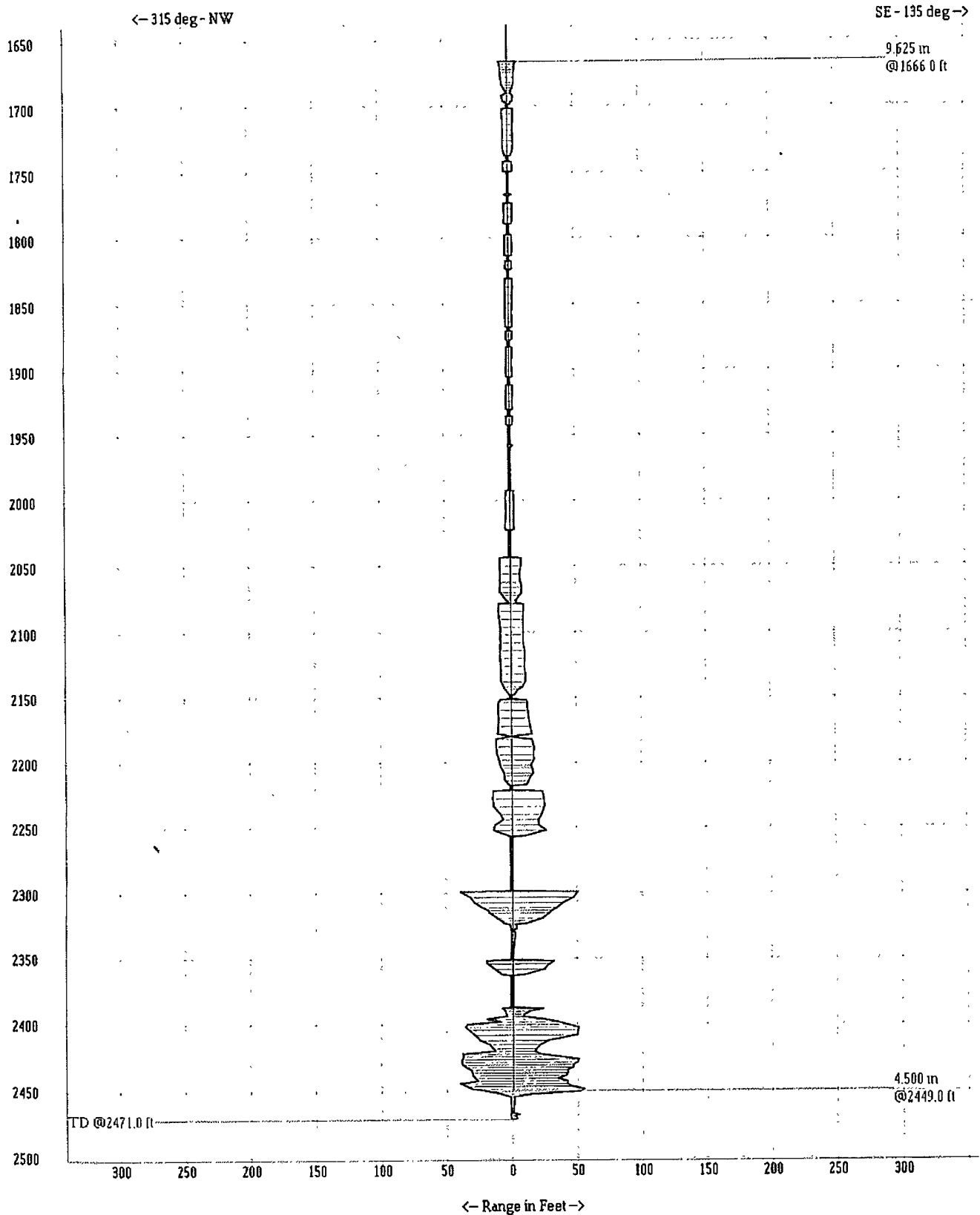
STATE LPG WELL NO. 3
Wed, Sep 12, 2007



WESTERN REFINING
JAL, NM

SONARWIRE, INC
Vertical Cross Section

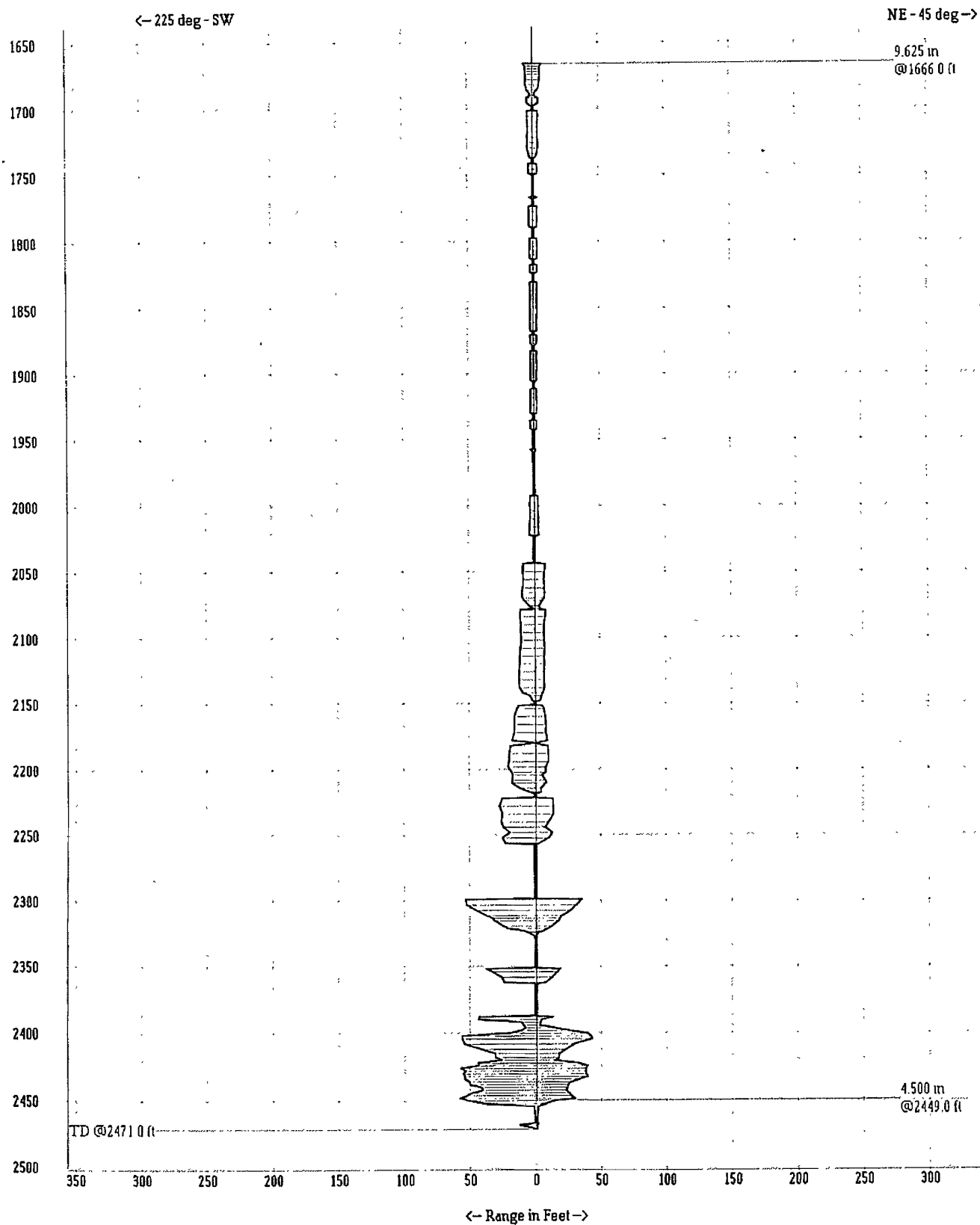
STATE LPG WELL NO. 3
Wed, Sep 12, 2007



WESTERN REFINING
JAL, NM

SONARWIRE, INC
Vertical Cross Section

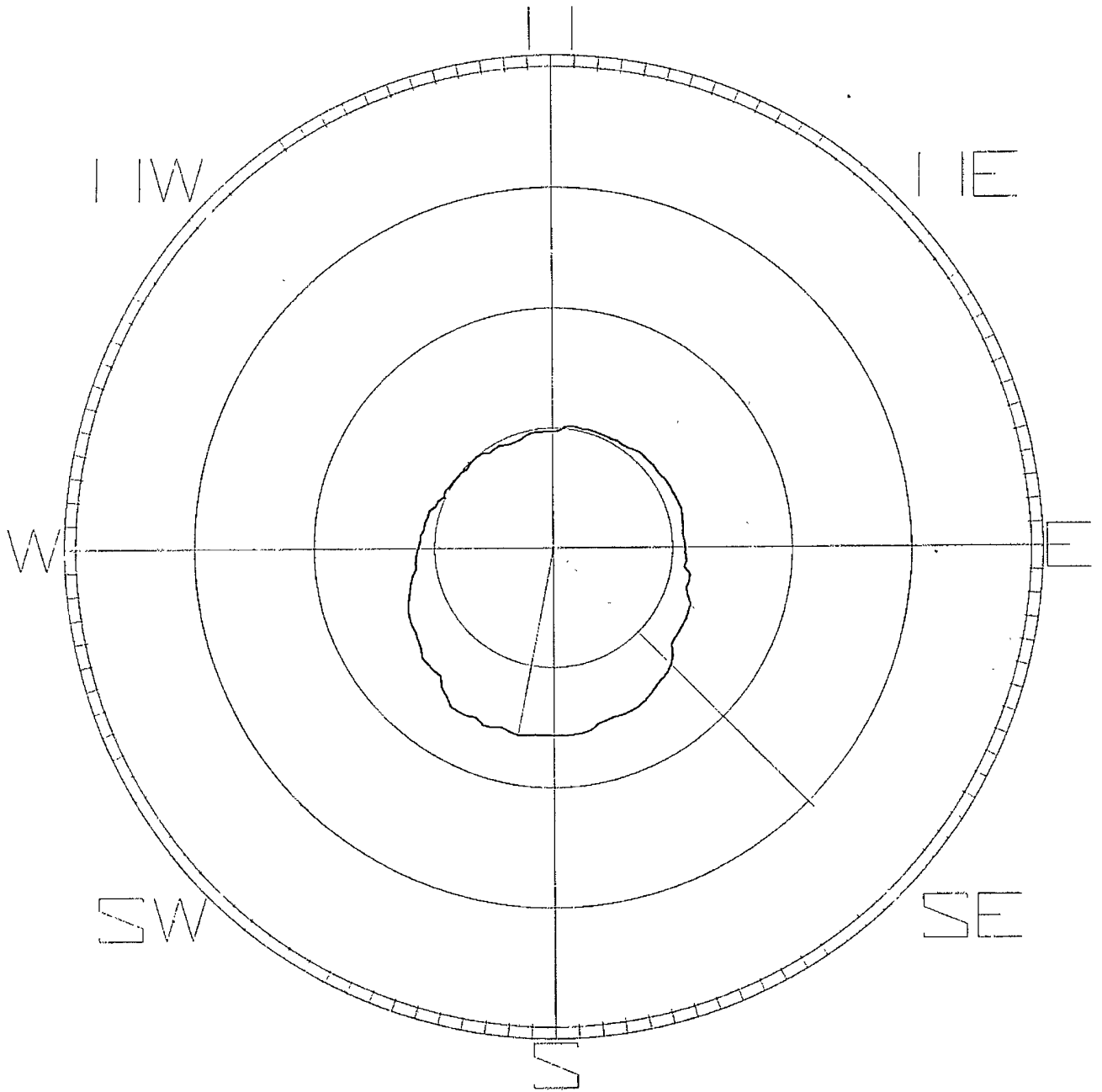
STATE LPG WELL NO. 3
Wed, Sep 12, 2007



WESTERN REFINING
STATE LPG WELL NO. 3
JAL, NM

SONARWIRE, INC
Max Range vs Bearing

Max Radius= 63.6 ft @ 191.3 deg
Depth= 2448 ft. Wed, Sep 12, 2007

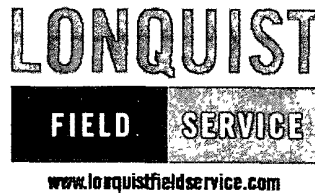


1 inch = 50.0 ft.
160 140 120 100 80 60 40 20 0 20 40 60 80 100 120 140 160

Executive Summary

Lonquist Field Service, LLC. (LFS) was contracted to conduct a Mechanical Integrity Test on Well No. 3 for Western Refining Company, LP (Western Refining) from August 13-19, 2007. A nitrogen-interface test method was used for this test. Nitrogen was injected into Well No. 3 on August 16, 2006 and there was a stabilization period until August 17, 2007. The well was then shut in for a period of 48 hours to conduct the actual test. After observing the change in the nitrogen interface depth the total volume change was calculated. Using an average temperature and pressure across the effected well depth and by extrapolating the time an annual net loss could be calculated. This calculation yielded a loss of 443.36 bbls of nitrogen per year and a Minimum Detectable Leak Rate (MDLR) 827.46 bbls/year. The well was tested to a test gradient of 0.75 psi/ft at the 9 5/8" casing shoe. Considering these results and the guidelines set forth by the Oil Conservation Division, Well No. 3, at the time of this test, demonstrated the mechanical integrity required for LPG storage.

AUSTIN
3345 Bee Cave Road
Suite 201
Austin, Texas 78746 USA
Tel 512.732.9812
Fax 512.732.9816



HOUSTON
1001 McKinney
Suite 1445
Houston, Texas 77002 USA
Tel 713.559.9950
Fax 713.559.9959

October 31, 2007

Mr. Carl J. Chavez
Oil Conservation District
1220 South St. Francis Drive
Santa Fe, NM 87505



RE: Western Refining Company, LP – Well No. 3 (30-025-35956) Form C-103

Dear Mr. Chavez:

Lonquist Field Service, LLC (LFS) has recently completed the workover and testing of Well No. 3, (API No. 30-025-35956), on September 14, 2007. This transmittal letter includes the following attachments:

- Form C-103
 - (3) Copies to be submitted to District I Office
- ~~Pressure recorder charts from casing pressure test~~
- Digital Vertilog and Cement Bond Log – 9 5/8" Casing
- Cement Report – 9 5/8" Cement Squeeze
- Cement Report – 7" Liner
- Wellbore Schematic

A sonar survey was completed on Well No. 3 and the results are summarized as follows:

- Cavern TD – 2471'
- Cavern Roof – 1666'
- Cavern Volume – 79,691.7 bbls
- Cavern Cross Sections are attached to this letter

The complete sonar survey will be submitted to NMOCD upon completion of the final sonar report.

The Mechanical Integrity Test was also completed using the Nitrogen-Brine Interface Test Method. The test results are summarized as follows:

- Test Gradient – 0.75 psi/ft
- Minimum Detectable Leak Rate – 827.46 bbls/year
- Calculated Leak Rate – 443.36 bbls/year

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Tel 713.559.9950
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- MIT Executive Summary is attached to this letter

The complete MIT report will be submitted upon completion and receipt of MIT logs.

Please feel free to contact me (832-216-0785) or via email (eric@lonquist.com) if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric Busch".

Eric Busch
Operations Manager

Cc: NM OCD – District I, Hobbs, NM
Bruce Davis – Western Refining, El Paso, TX
Ken Parker – Western Refining, Jal, NM
LFS – Project Files
