

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OM B 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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No NM-04591
2. Name of Operator Seely Oil Company <i>< 20497 ></i>		6. If Indian, Allottee or Tribe Name
3a. Address 815 W. 10th St., Ft. Worth, TX 76102	3b. Phone No. (include area code) 817-332-1377	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UL: C 330' FNL & 1980' FWL Sec. 18-T18S-R34E		8. Well Name and No Mescalero Ridge Federal "E" #1
		9. API Well No. 30-025-38060
		10. Field and Pool, or Exploratory Area Mescalero Escarpe; Bone Spring
		11. County or Parish, State Lea County, New Mexico

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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

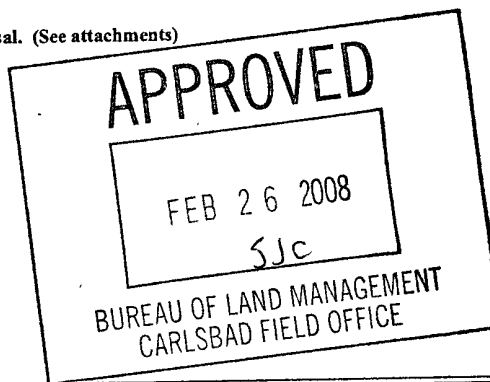
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths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

Seely Oil Company respectfully requests approval of its method of water disposal. (See attachments)

RECEIVED

FEB 28 2008

HOBBS OCD



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) David L. Henderson		Title Executive Vice President
Signature <i>David L. Henderson</i>		Date 1-2-08

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 <i>[Signature]</i>		

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)

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. Bone Spring
2. Amount of water produced from all formations in barrels per day. 17
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 the water is commingled)
4. How water is stored on the lease. 210 bbl water tank
5. How water is moved to the disposal facility. Trucked
6. Identify the Disposal Facility by :
 - A. Facility operators name. Ø Judah Oil
 - B. Name of facility or well name & number. Oxy T-Bone Federal #1
 - C. Type of facility or well (WDW) (WIW) etc. WDW
 - D. Location by 1/4 1/4 NE NW section 33 township 18S range 31E
7. Attach a copy of the State issued permit for the Disposal Facility.

See Attached

Submit to this office, 414 West Taylor, Hobbs, NM 88240, the above required information on a Sundry Notice 3160-5. Submit 1 original and 5 copies, within the required time frame. (This form may be used as an attachment to the Sundry Notice.) Call me at 505-393-3612 if you need to further discuss this matter.



CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603
(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: <u>Seely Oil Co</u> Project Manager: <u>David Henderson</u> Address: <u>815 W 10th ST.</u> City: <u>Ft Worth</u> State: <u>Tx</u> Zip: <u>76102</u> Phone #: <u>817-332-1372</u> Fax #: <u>1-817-332-1426</u> Project #: _____ Project Owner: <u>Seely Oil Co</u> Project Name: <u>Mescalero Fed "E & F" #1 Water</u> Project Location: <u>529 mm #17</u> Sampler Name: <u>Mike Frasier</u>				BILL TO P.O. #: _____ Company: <u>Seely Oil Co</u> Attn: <u>David Henderson</u> Address: <u>815 W 10th ST.</u> City: <u>Ft Worth</u> State: <u>Tx</u> Zip: <u>76102</u> Phone #: <u>1-817-332-1372</u> Fax #: <u>1-817-332-1426</u>		ANALYSIS REQUEST																			
FOR LAB USE ONLY		Lab I.D.		Sample I.D.		MATRIX		PRESERV		SAMPLING															
						(GRAB OR C/COMP) # CONTAINERS		GROUNDWATER WASTEWATER SOIL SLUDGE OTHER		ACID/BASE ICE / COOL OTHER		DATE		TIME											
												<u>12-11-02</u>		<u>10:45 AM</u>											

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analysis. Cardinal's liability shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client. Its satisfaction of such obligations shall not be construed as an endorsement of services rendered by Cardinal. Regardless of whether such claim is based upon any of the above stated remedies or otherwise.

Relinquished By: <u>Mike Frasier</u> Date: <u>12-11-02</u> Time: <u>1:00 PM</u>		Received By: <u>[Signature]</u> Date: _____ Time: _____		Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Phone #: _____ Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Fax #: _____ REMARKS:	
Delivered By: (Circle One) Sampler - UPS - Bus - Other:		Sample Condition Cool Intact <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		CHECKED BY: (Initials) <u>[Signature]</u>	

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
SEELY OIL CO.
ATTN: DAVID HENDERSON
815 W. 10TH ST.
FORT WORTH, TX 76102
FAX TO: (817) 332-1426

Receiving Date: 12/11/07
Reporting Date: 12/20/07
Project Number: NOT GIVEN
Project Name: MESCALERO FED "E" & "F" #1 WATER
Project Location: 529 MM #17

Sampling Date: 12/11/07
Sample Type: WASTEWATER
Sample Condition: COOL & INTACT
Sample Received By: HM
Analyzed By: HM/KS

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (uS/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:		12/17/07	12/17/07	12/17/07	12/17/07	12/12/07	12/12/07
H13890-1	WATER TANK	41,135	2,950	686	2,065	142,200	380
Quality Control		NR	49.2	54.0	3.19	1,421	NR
True Value QC		NR	50.0	50.0	3.00	1,413	NR
% Recovery		NR	98.5	108	106	101	NR
Relative Percent Difference		NR	< 0.1	6.1	10.2	1.2	NR
METHODS:		SM3500-Ca-D 3500-Mg E					
					6049	120.1	310.1

	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:	12/14/07	12/17/07	12/12/07	12/12/07	12/12/07	12/12/07
H13890-1	71,000	1,830	0	484	6.17	112,830
Quality Control	500	23.4	NR	1000	7.04	NR
True Value QC	500	25.0	NR	1000	7.00	NR
% Recovery	100	93.5	NR	100	101	NR
Relative Percent Difference	< 0.1	18.0	NR	1.2	< 0.1	NR
METHODS		SM4500-Cl-B				
		375.4	310.1	310.1	150.1	160.1

Chemist

Date

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



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

ILL. RICHARDSON
Governor
Josana Prukop
Cabinet Secretary

Mark E. Fesmire, P
Director
Oil Conservation Div

ADMINISTRATIVE ORDER SWD-950

APPLICATION OF JUDAH OIL FOR PRODUCED WATER DISPOSAL, EDDY COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Judah Oil made application to the New Mexico Oil Conservation Division on October 8, 2004, for permission to utilize for produced water disposal its Oxy T-Bone Federal Well No. 1 (API No. 30-015-32122) located 660 feet from the North line and 1,980 feet from the West line of Section 33, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations,
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT

The applicant is hereby authorized to utilize its Oxy T-Bone Federal Well No. 1 (API No. 30-015-32122) located 660 feet from the North line and 1,980 feet from the West line of Section 33, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico, in such manner as to permit the injection of produced water for disposal purposes into the Grayburg and San Andres formations through perforations from 3,980 feet to 4,310 feet and through plastic-lined tubing set with a packer located within 100 feet of the top of the injection interval

Oil Conservation Division • 1220 South St. Francis Drive • Santa Fe, New Mexico 87505
Phone: (505) 476-3440 • Fax: (505) 476-3462 • <http://www.snmnr.state.nm.us>

C 18, 2007 01:49P

pag

Administrative Order SWD-950

Judah Oil
November 19, 2004
Page 3 of 3

The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on this 19th day of November 2004.

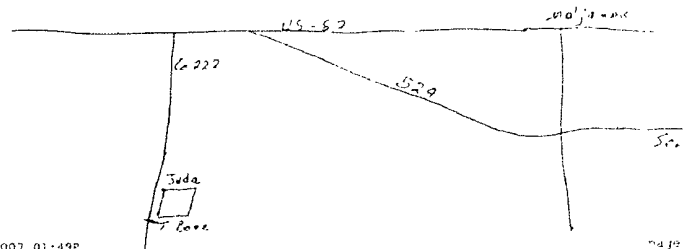
Mark E. Fesmire
MARK E. FESMIRE, P.E.
Director

MEF/wvj

cc: Oil Conservation Division - Artesia
Bureau of Land Management - Carlsbad

Judah is Named Operator

*located on Eddy County Road 222 7 miles South of
N. State Hwy 82 on the East Side of the Road*



C 18, 2007 01:49P

m4 30



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

ADMINISTRATIVE ORDER SWD-950

APPLICATION OF JUDAH OIL FOR PRODUCED WATER DISPOSAL, EDDY COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Judah Oil made application to the New Mexico Oil Conservation Division on October 8, 2004, for permission to utilize for produced water disposal its Oxy T-Bone Federal Well No. 1 (API No. 30-015-32122) located 660 feet from the North line and 1,980 feet from the West line of Section 33, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.


IT IS THEREFORE ORDERED THAT:

The applicant is hereby authorized to utilize its Oxy T-Bone Federal Well No. 1 (API No. 30-015-32122) located 660 feet from the North line and 1,980 feet from the West line of Section 33, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico, in such manner as to permit the injection of produced water for disposal purposes into the Grayburg and San Andres formations through perforations from 3,980 feet to 4,310 feet and through plastic-lined tubing set with a packer located within 100 feet of the top of the injection interval.

The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on this 19th day of November 2004.


MARK E. FESMIRE, P.E.
Director

MEF/wvj

cc: Oil Conservation Division - Artesia
Bureau of Land Management - Carlsbad

Judah is Named Operator

*Located on Eddy County Road 222 7 miles South of
N.M. State Hwy 82 on the East Side of the Road*

