

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

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.**

5 Lease Serial No
NM0775

6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE -- Other instructions on page 2

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

1 Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8 Well Name and No
Federal Davis # 03

2 Name of Operator
Saber Resources, LLC

9 API Well No
30-025-29806

3a Address
400 W Illinois, Suite 950
Midland, TX 79701

3b Phone No (include area code)
432-685-0169

10 Field and Pool or Exploratory Area
Knowles, S (Devonian)

4 Location of Well (Footage, Sec., T, R, M., or Survey Description)
2130' FSL & 660' FEL,
Section 13, T17S, R38E

11 Country or Parish, State
Lea County, NM

12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" 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 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 must 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 must be filed once testing has been completed Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection)

- 1) All water is produced from the Devonian formation.
- 2) Federal Davis #3 produces +/- 2000 BWPd from the Devonian formation.
- 3) Water analysis is attached.
- 4) Water is stored on lease in a 500 bbl fiberglass water tank.
- 5) Water is transported via polypipe flowline to the disposal facility.
- 6) Disposal facility is
 - a) Saber Resources, LLC is operator
 - b) F M Holloway #1
 - c) SWD #1
 - d) NW/4 NE/4, Section 13, T17S, R38E, Lea County, NM

RECEIVED

FEB - 5 2008

HOBBS OCD

APPROVED

FEB 3 2008

JAMES A. AMOS
SUPERVISOR-EPS

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)
Doug Keathley

Title VP of Operations

Signature

Date 01/16/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chris Williams

OCD DISTRICT SUPERVISOR/GENERAL MANAGER

Title

Date

APR 14 2008

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)

Permian Treating Chemicals, Inc.

WATER ANALYSIS REPORT

SAMPLE

Oil Co. : **Saber**
Lease : **Davis Fed**
Well No.: **3**
Location:
Attention:

Date Sampled : **03-January-2006**
Date Analyzed: **09-January-2006**
Lab ID Number: **Jan0906.002- 4**
Salesperson :
File Name : **G:\ANALYSES\DATA\Jan0906.002**

ANALYSIS

1. Ph **7.150**
2. Specific Gravity 60/60 F. **1.032**
3. CACO3 Saturation Index **@ 80F 0.400**
@140F 1.370

Dissolved Gasses

- | | MG/L. | EQ. WT. | *MEQ/L |
|---------------------|----------------|---------|--------|
| 4. Hydrogen Sulfide | Present | | |
| 5. Carbon Dioxide | Not Determined | | |
| 6. Dissolved Oxygen | Not Determined | | |

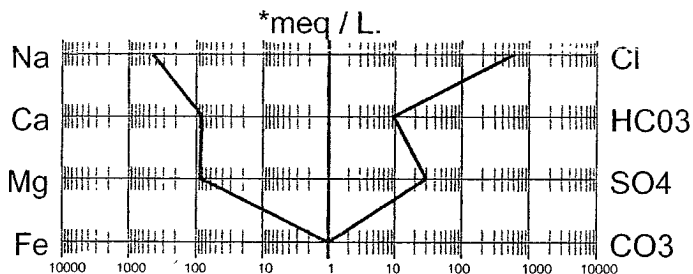
Cations

- | | | | |
|------------------------------|----------------|----------|---------------|
| 7. Calcium (Ca++) | 1,603 | / 20.1 = | 79.75 |
| 8. Magnesium (Mg++) | 1,033 | / 12.2 = | 84.67 |
| 9. Sodium (Na+) (Calculated) | 10,057 | / 23.0 = | 437.26 |
| 10. Barium (Ba++) | Not Determined | | |

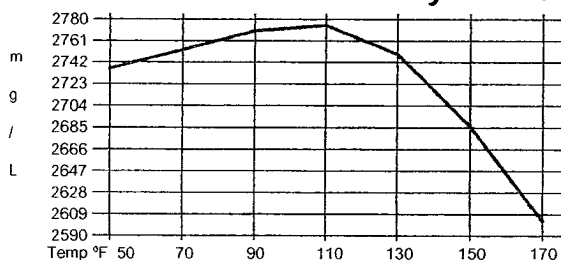
Anions

- | | | | |
|--------------------------------------|---------------|--------------|---------------|
| 11. Hydroxyl (OH+) | 0 | / 17.0 = | 0.00 |
| 12. Carbonate (CO3=) | 0 | / 30.0 = | 0.00 |
| 13. Bicarbonate (HCO3-) | 567 | / 61.1 = | 9.28 |
| 14. Sulfate (SO4=) | 1,400 | / 48.8 = | 28.69 |
| 15. Chloride (Cl-) | 19,995 | / 35.5 = | 563.24 |
| 16. Total Dissolved Solids | 34,655 | | |
| 17. Total Iron (Fe) | 3 | / 18.2 = | 0.14 |
| 18. Total Hardness as CaCO3 | 8,257 | | |
| 19. Resistivity @ 75 F. (Calculated) | 0.233 | Ohm · meters | |

LOGARITHMIC WATER PATTERN



Calcium Sulfate Solubility Profile



PROBABLE MINERAL COMPOSITION

| COMPOUND | *meq/L | X | EQ. WT. = | mg/L. |
|-----------|--------|-------|-----------|--------|
| Ca(HCO3)2 | 9.28 | 81.04 | | 752 |
| CaSO4 | 28.69 | 68.07 | | 1,953 |
| CaCl2 | 41.78 | 55.50 | | 2,319 |
| Mg(HCO3)2 | 0.00 | 73.17 | | 0 |
| MgSO4 | 0.00 | 60.19 | | 0 |
| MgCl2 | 84.67 | 47.62 | | 4,032 |
| NaHCO3 | 0.00 | 84.00 | | 0 |
| NaSO4 | 0.00 | 71.03 | | 0 |
| NaCl | 436.78 | 58.46 | | 25,534 |

* milliequivalents per Liter

Rebekah Norris

Rebekah Norris, Analyst

SUBJECT: SALT WATER DISPOSAL WELL

ORDER NO. SWD-51

THE APPLICATION OF JAKE L. HAMON
FOR A SALT WATER DISPOSAL WELL.

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 701 (C) Jake L. Hamon made application to the New Mexico Oil Conservation Commission on November 23, 1964, for permission to complete for salt water disposal the F. M. Holloway Well No. 1 located in Unit B of Section 13, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico.

The Secretary-Director finds:

- (1) That application has been duly filed under the provisions of Rule 701 (C) of the Commission Rules and Regulations;
- (2) That satisfactory information has been provided that all offset operators, surface owners and the New Mexico State Engineer Office have been duly notified; and
- (3) That the applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 (C) will be met.
- (4) That no objections have been received within the waiting period as prescribed by said rule.

IT IS THEREFORE ORDERED:

That the applicant herein, Jake L. Hamon, is hereby authorized to complete the F. M. Holloway Well No. 1 located in Unit B of Section 13, Township 17 South, Range 38 East, NMPM, Lea County, New Mexico, in such a manner as to permit the injection of salt water for disposal purposes into the San Andres, Glorieta and Yeso formations at approximately 5,000 feet to approximately 9,000 feet.

IT IS FURTHER ORDERED:

That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirements of this order after notice and hearing the Commission may terminate the authority hereby granted in the interests of conservation. That applicant shall submit monthly reports of its disposal operation in accordance with Rules 704 and 1119 of the Commission Rules and Regulations.

APPROVED at Santa Fe, New Mexico, on this 8th day of December, 1964.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

A. L. PORTER, Jr.,
Secretary-Director

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