⊋orm 3160-5 (September 2001)

UNITED STATES DEPARTMENT OF THE INTERIOR OCCUPAND MANAGEMENT



FORM APPROVED OMB No 1004-0135 Expires January 31, 2004

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

5. Lease Serial No.

NIM	18264	

NM-18264	_
6. If Indian, Allottee or Tribe Name	

SUNDRY NOTICES AND REPORTS ON WELLS MAR 02 ZUID Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals BBSOUD

SUBMIT IN TR	IPLICATE - Other Instruc	tions on revers	se side	7. If Ollit of CA/Agreement, Name and of 110
1 Type of Well	Other			8. Well Name and No
	Paloma 28 Federal Com #1			
2 Name of Operator	AA			9. API Well No.
Mewbourne Oil Company 147	44	3b. Phone No. (incli	ude area code)	30-025-38658
3a Address	(ac area come,	10 Field and Pool, or Exploratory Area OSUGO
PO Box 5270 Hobbs, NM 88	2-10	575-393-5905		Wildeat Morrow (Gas) South
4 Location of Well (Footage, Sec.,	T, R., M., or Survey Description)			11. County or Parish, State
10201 ENH 9 ((0) ENH Eng 20	T205 B26E (Unit F) /			,, , , , , , , , , , , , , , , , ,
1830' FNL & 660' FWL, Sec 28	-1205-R30E (UIII E)			Lea, Co., NM
12. CHECK API	PROPRIATE BOX(ES) TO	NDICATE NAT	URE OF NOTICE, F	REPORT, OR OTHER DATA
TYPE OF SUBMISSION			TYPE OF ACTION	
	Acidize	Deepen	Production (Sta	rt/Resume)
Notice of Intent		Fracture Treat	Reclamation	Well Integrity
Notice of fixeh	Alter Casing	-		Other:
✓ Subsequent Report	Casing Repair	New Construction	= :	
	Change Plans	Plug and Abandon		
Final Abandonment Notice	Convert to Injection	Plug Back	Water Disposal	any proposed work and approximate duration thereof rue vertical depths of all pertinent markers and zones ired subsequent reports shall be filed within 30 days
determined that the site is ready 02/01/10 MOC requests approx	for final inspection.) val to truck haul produced water ase call Robin Terrell @ 575-39.	to Key Energy's Pu		ACCEPTED FOR RECORD FEB 2 6 2010 /s/ JD Whitlock Jr BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE
14. I hereby certify that the foregoin Name (PrintedlTyped)	ng is true and correct			
Jackie Lathan		Title	Hobbs Regulatory	
Signature Con C +	: Lathan	Date	02/01/10	
	THIS SPACE FO	-	STATE OFFICE US	E .
Approved by (Signature)		93-4-10	1	ETO REPRESENTATIVE MANAGER
Conditions of approval, if any, are certify that the applicant holds leg which would entitle the applicant to	al or equitable title to those rights	does not warrant or in the subject lease	Office	Date

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.

ATTACHMENT to Incident of Noncompliance # KAH - 124 - 10

The following information is needed before your disposal of produced water can be approved, per Onshore Oil & Gas Order #7.

You may attach this information to your Sundry Notice (3160-5). Submit all required information as per this attachment, submit a Sundry Notice (3160-5), one original and five copies to this office within the required time.

1	. Name(s) of all formation(s) producing water on the lease011()W	,	
_ 2.	Aroount of water produced from all formations in barrels per day	1 BPD		
3.	A CURRENT water analysis of produced water from all zones showing and the concentrations of chlorides and sulfates.	at least the total of	dissolved sol	ids, pl
4.	How water is stored on the lease, 300 bbl Fiberial	usa tunk	T-	T-4,
5.	How water is moved to the disposal facility. Truck haw			, ,
	Identify the Division of the Control		r 1 1	
1	Identify the Disposal Facility by: A. Operators' Name Rey Encry 3. Well Name Annie Christmas C. Well type and well number SWn # 3 D. Location by quarter/quarter, section, township, and range Unit B	VIII.	B 22.5	4177

7. A copy of the Underground Injection Control Permit - issued for the injection well by the Environmental Protection Agency or New Mexico Oil Conservation Division where the State has achieved primacy.

NEW MEXICO ENERGY, MINERALS SID STURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

ADMINISTRATIVE ORDER SWD-606

APPLICATION OF GOLD STAR SWD LTD. COMPANY FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Gold Star SWD Ltd. Company made application to the New Mexico Oil Conservation Division on August 23, 1995, for Permission to complete for salt water disposal its Christmas Well No.3 located 330 feet from the North line and 2310 feet from the East line (Unit B) of Section 28, Township 22 South, Range 37 East, NMPM, Lea 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 herein, is hereby authorized to complete its Christmas Well No.3 located 330 feet from the North line and 2310 feet from the East line (Unit B) of Section 28, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, in such manner as to permit the injection of salt water for disposal purposes into the San Andres formation at approximately 3905 feet to 6002 feet through 2 3/8-inch plastic-lined tubing set in a packer located at approximately 3850 feet.

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IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 781 psi.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the San Andres formation. Such proper showing shall consist of a valid steprate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment and of the mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Hobbs district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon faiture of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall submit monthly reports of the disposal operations in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

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575-393-9023

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 13th day of September, 1995.

WILLIAM . LEMAY, Director

WJL/BES

Oil Conservation Division - Hobbs x¢: