

**Jones, William V., EMNRD**

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**From:** billy@pwillc.net  
**Sent:** Friday, December 24, 2010 4:30 AM  
**To:** Jones, William V., EMNRD  
**Subject:** RE: Disposal application from BC & D Operating Inc. : Santa Fe Federal Well No. 1 30-025-26563 San Andres interval

Will, Thanks for the note, I made my client aware of the stipulations you listed below, before we submitted the permit app. They have dropped the idea to deepen the Santa Fe Federal and are going in a different direction now.. I will submit another application for them on another well after the first of the year.

Thanks again..

Hope you and yours have a Merry Christmas and Happy and Prosperous New Year.

Billy(Bill)E.Prichard

----- Original Message -----

Subject: Disposal application from BC & D Operating Inc. : Santa Fe Federal Well No. 1 30-025-26563 San Andres interval  
From: "Jones, William V., EMNRD" <William.V.Jones@state.nm.us>  
Date: Thu, December 23, 2010 3:57 pm  
To: "billy@pwillc.net" <billy@pwillc.net>  
Cc: "Ezeanyim, Richard, EMNRD" <richard.ezeanyim@state.nm.us>, "Wesley\_Ingram@blm.gov" <Wesley\_Ingram@blm.gov>, "Hill, Larry, EMNRD" <larry.hill@state.nm.us>, "Altomare, Mikal, EMNRD" <Mikal.Altomare@state.nm.us>, "Sanchez, Daniel J., EMNRD" <daniel.sanchez@state.nm.us>

Hello Bill:

Just reviewed this C-108 application submitted by yourself on behalf of the above named operator.

It appears that the operator which is still recorded as the Operator of Record is Westbrook and they have too many wells inactive. BC & D has 1 inactive well out of 2 total wells – which is OK for rule 5.9. However, since Westbrook is the current operator and they are out of compliance with Rule 5.9, we need a note from the Compliance and Enforcement folks allowing us to grant any SWD permit for this well. I am not sure they would even allow a change of operator, but that could be discussed with Daniel Sanchez and or the BLM.

We have a letter from the BLM lodging a protest of this application – please work with the BLM and if agreement is reached, let me know. I can't proceed on this until that happens.

The older records in our well file show the surface to be owned by Clyde Cooper. Your application says it is now George Willis. (Just a comment...)

Apparently the minerals are federally owned.

You noticed numerous affected parties. Please in the future for C-108 applications, list all the tracts within the ½ mile AoR and the legal location for

each tract and then the owners of each tract (whomever controls the minerals). Our legal people are asking for this to be a part of C-108 applications.

The 30-025-11887 well within the AoR will need to be re-entered and re-plugged back to isolate this proposed disposal interval. This well is owned by a third party. Please ask your client if it is OK with this stipulation and if the third party agrees.

The San Andres interval which will be drilled, will need to be logged and swab tested for a water analysis and for oil and gas productivity. Please also run this by your client.

Hope all is well with you.  
Happy Holidays,

William V Jones, P.E.  
Engineering, Oil Conservation Division  
1220 South St. Francis Drive, Santa Fe, NM 87505  
Tel 505.476.3448 ~ Fax 505.476.3462



**Jones, William V., EMNRD**

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**From:** Wesley\_Ingram@blm.gov  
**Sent:** Wednesday, December 01, 2010 5:10 PM  
**To:** Jones, William V., EMNRD  
**Cc:** billy@pwwlc.net; Don\_Peterson@nm.blm.gov  
**Subject:** Re: Santa Fe Federal #001

Will,

The BLM just received a document prepared by Billy E. Pritchard to convert the Santa Fe Federal #001 (30-025-26563) to an SWD.  
The current owner is Westbrook Oil Corporation and the one submitting for the SWD is BC&D Operating Inc.

We have not received any change of operator for this well.  
Also, it appears that BC & D Operating, Inc. is not recognized as an operator by the BLM in southeast NM.  
They are not listed in the BLM customer database.

Therefore, the BLM will object to this conversion until all documentation has been submitted to the BLM and all conditions are satisfied.

Thanks,

Wesley