Case No.

7360

Application

Transcripts.

Small Exhibits

ETC

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

October 14, 1981

Re: CASE NO. 7360
ORDER NO. R-6799

Mr. Thomas Kellahin
Kellahin & Kellahin
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Applicant:

L. J. Buck

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD

Other

LONNIE J. BUCK
Oil Properties

901 North Jefferson
Bus. (505) 392-7538
Res. (505) 393-0425
Hobbs, New Mexico 88240

Monco #2
Sec. 25-25S-36E
Lea County, New Mexico

Exhibit - 1 - Map required by Paragraph V C-108

Exhibit - 2 - Tubular summary required by Paragraph VI C-108

Exhibit - 3 - Data Sheet required by Paragraph VII C-108

Exhibit - 4 - Geological Data, Paragraph VIII C-108

Exhibit - 5 - Data Sheet on Disposal Well

Exhibit - 6 - Schematic SWD Well

Exhibit - 7 - Water Quality

Exhibit - 8- Statement per Paragraph XII C-108

Exhibit - 9 - Notice Requirements

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501

Case 736 FORM C-108
Revised 7-1-81

Monco #2
Sec. 25-25S-36E
Lea County, New Mexico

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose: ☐ Secondary Recovery ☐ Pressure Maintenance ☒ Disposal ☐ Storage
Application qualifies for administrative approval? ☐ yes ☐ no

II. Operator: Lonnie J. Buck

Address: Box 129 Hobbs, New Mexico

Contact party: Lonnie J. Buck Phone: 505-397-4583

III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? ☐ yes ☒ no
If yes, give the Division order number authorizing the project _____.

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

* VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

* X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)

* XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

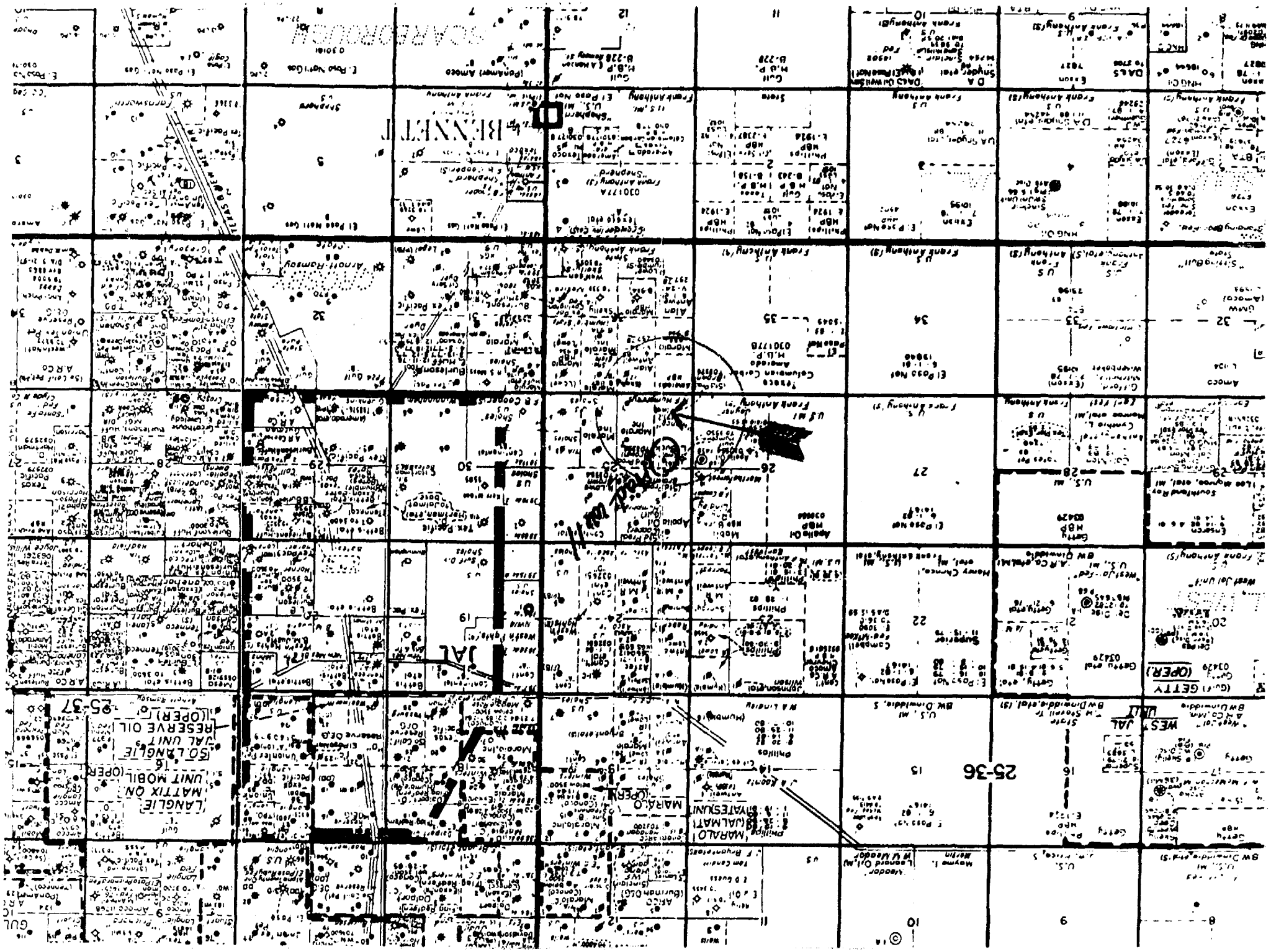
Name: Lonnie J. Buck Title Owner-Operator

Signature: Lonnie J. Buck Date: 9-8-81

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal. _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate Division district office.

RECEIVED
SEP 10 1981
OIL CONSERVATION DIVISION



25-36
25-37
WEST JAL UNIT
GETTY (OPER)
MARALO (JALMAT) YATES UNIT
MARALO (OPER)
JAL
BENNETT
LANGLIE MATTIX ON UNIT MOBIL (OPER)
SO. LANGLIE JAL UNIT RESERVE OIL (OPER)
TEXAS NEW MEX
Frank Anthony
El Paso Nat'l Gas
U.S.
ARCO
Gulf
Phillips
Amoco
Exxon
Texaco
Tex. Pacific

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO

23 September 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of L. J. Buck for salt water disposal, Lea County, New Mexico. CASE **7360**

BEFORE: **Richard L. Stamets**

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division: W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant: W. Thomas Kellahin, Esq.
KELLAHIN & KELLAHIN
500 Don Gaspar
Santa Fe, New Mexico 87501

I N D E X

L. J. BUCK

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MR. STAMETS: Call next Case 7360.

MR. PEARCE: Application of L. J. Buck for salt water disposal, Lea County, New Mexico.

MR. KELLAHIN: If the Examiner please, I'm Tom Kellahin from Santa Fe, appearing on behalf of the applicant and I have one witness.

(Witness sworn.)

L. J. BUCK

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q. Mr. Buck, would you please state your name for the record?

A. Lonnie J. Buck.

Q. And where do you reside, sir?

A. 901 North Jefferson, Hobbs, New Mexico.

Q. And what is your business or occupation?

A. Independent oil operator.

Q. All right, sir, and as an independent oil and gas operator have you previously testified before

the Division?

A. Yes.

Q. And what is your purpose in being here today, Mr. Buck?

A. Make application to convert a producing well to a salt water disposal well.

Q. All right, sir, you'll have to speak up just a little for us.

MR. KELLAHIN: We tender Mr. Buck as a practical oil and gas operator.

MR. STAMETS: The witness is considered qualified.

Q. Mr. Buck, let me direct your attention to the packet of exhibits that have previously been submitted to the Division and direct your attention to the first page of those exhibits and have you simply identify that for me.

A. That's the application I submitted to the Oil Conservation Division to convert this well.

Q. All right, sir, and if you'll turn to the next page, this is a list of your exhibits that you're presenting today, is it not?

A. That's correct.

Q. All right, let's turn to Exhibit One, then, in the packet of exhibits, which is the plat of this

area, and have you identify for me the well that you seek to convert as a disposal well.

A. It's the Monco No. 2 in the southwest quarter of the southwest quarter of Section 25, 25 South, 36 East.

Q. Would you tell us what formation you propose to dispose of produced salt water into?

A. Queen-Seven River.

Q. Would you give us a little background on this Monco Well No. 2, please?

A. It's a well that was originally drilled as a dry hole and I re-entered it and it had 7-inch surface pipe and I ran 4-1/2 casing and I had to install a submersible pump in it to produce it, and I've been producing about 800 barrels of water a day from it with about 13 to 15 oil.

And the installation for a submersible and 4-1/2 is much more expensive than it is in 5-1/2. The installation in that well cost me $65,000.

And in the latter part of July it was struck by lightning and burned the cable in several places all the way up and down the hole and burned all three motors up, and minimum repairs would be $40,000.

Total revenue from the well prior to that was about $10,500 to $11,000 a month, and it was costing

me about $62 or $6300 a month to operate it. So just to put it back in production it would -- I would be looking at 10 or 11 months to get the repair bill back.

So the well to the north of it is also mine and I -- what I propose to do is convert this one to a salt water disposal well and put a submersible pump in the other one, which is currently on a beam unit, and I think it will make more oil by quite a bit -- quite a -- considerably more oil than both of them put together have been making.

Q. All right, the disposal well that you're seeking to convert for disposal purposes, this Monco No. 2, produced at one time from the Seven Rivers and that also produced oil in that formation, along with water?

A. That's correct.

Q. All right. Now, would you specifically locate for us the producing well that will be the source of the water that you're going to put in the disposal well?

A. It's in the northwest quarter of the southwest quarter of Section 25, 25, 36, a direct offset.

Q. Can you give us a --

MR. STAMETS: Let me make sure I've got the right one. That would be the well in the --

A. Letter L.

MR. STAMETS: Okay, and there's a dry

hole and there's a producing well shown --

A. Right. The old Gypsy Oil Company drilled a dry hole to 2900 feet, approximately, in 1928 there.

MR. STAMETS: Okay. Thank you.

Q. Does structure play any significance in production from the Seven Rivers formation, Mr. Buck?

A. Yes, it does. Both of these wells are lower structurally. This one I propose to convert is approximately 25 feet lower structurally than my other well to the north of it, but it is also about 25 feet low to the better producers in the field, which are north and east of that.

Q. There are other Seven Rivers wells that do produce in this area?

A. Right.

Q. And your disposal well will be structurally lower than any of the other producing wells?

A. Than anything else in the field.

Q. All right, sir.

Now, concerning your producing well from the Seven Rivers, can you give us an indication of what volumes of production that you anticipate in terms of barrels of oil and barrels of water?

A. Hopefully, I think I can produce a total of about 800 barrels of fluid per day, and hopefully,

I can -- I can maintain the current ratio that I am producing on the beam unit. I can produce about 60 to 70 barrels of oil per day. I'm currently producing about 15 with the beam unit.

Q. Once you get this producing well fixed up with a pump you anticipate fluid production of 800 barrels a day, is that what you told me?

A. Yes.

Q. Out of which you will get how many barrels of oil?

A. 60 or 70, hopefully.

Q. All right, sir. Let's turn to the next exhibit in the packet of exhibits, which is some information on the Skelly Oil Company well? What is this?

A. This is a Getty well that they -- Skelly well, that they drilled in 1928.

Q. This is one of the wells that has penetrated the Seven Rivers and is within a half mile radius of the disposal well?

A. That's correct. It is owned by Apollo Oil Company and this one is in the northeast of the southeast of Section 26.

Q. What is the status of this well?

A. It's a producing well.

Q. It produces from what formation?

A. Seven Rivers, Queen. It makes about 3 barrels of oil a day.

Q. All right, sir, let's go to the next exhibit, which is the Monco No. 2 Well.

A. That's right. That's the one I'm proposing to convert.

Q. This is the information on the proposed disposal well.

A. Right.

Q. All right.

A. I ran a DV tool at 2500 feet and circulated cement to the surface in two stages.

Q. You have a subsequent schematic of downhole completion on this well?

A. Yes.

Q. All right, sir, we'll come to that in a minute, then.

Let's go to the next page, which is the Monco No. 1 Well.

A. That's correct.

Q. What -- is this well located within the half mile radius?

A. Yes.

Q. And tell me about this well.

A. It's producing from the Queen-Seven Rivers.

Q. It continues to produce from that formation?

A. Right. It's the one that I haven't abandoned it. I'm producing about 200 barrels total fluid a day, and approximately 15 oil, and I can't lower the fluid level below 1300 foot from the surface.

Q. What will you do with the produced water or what do you now to with the produced water from this well?

A. I'm going to a disposal well, what is north of you there. It's in Section 25, and it's -- on this plat it's the Brown No. 5, Standard production. It's owned by Apollo Oil Company.

Q. If the Monco No. 2 Well is approved for disposal, will you take the water produced from this well and put it in that disposal well?

Will you put it in your new disposal well?

A. Yes, in the Monco No. 2. I'd put the water from Monco No. 1 into Monco No. 2.

Q. Okay.

MR. STAMETS: Let me ask one question on that exhibit.

The copy I have, the Xerox machine missed the far lefthand side and I don't have the first number on the perforations. Is that 3252?

A. Yes. You're talking -- you're speaking of Monco No. 1, now?

MR. STAMETS: Yes.

A. Yes, 3252 to 58.

MR. STAMETS: Thank you.

Q. Are there any other wells, Mr. Buck, that will be sources of water to put in the disposal well?

A. I don't know. Maralo, Mike has tried to contact me twice within the last week and one of his engineers made an appointment to come by and never did show. They own several wells just east of me there and the water they're producing is being hauled. It isn't a large amount but I have good relations with them and most of their people, and I was assuming that they probably were contacting me to maybe dispose of it in this well, if I do make a disposal well.

Q. At this point your intention is to take Seven Rivers produced water and reinject it in the disposal well in the Seven Rivers.

A. In the Seven Rivers, that's right.

Q. Let's go on to the next exhibit, then, Mr. Buck, and have you tell me what that is.

A. That is a record of a well, plugged well, of Skelly Oil Company that is in Section 36, 25 South, Range --

Q. This is also one of the wells that penetrates the Seven Rivers that's in the half mile radius.

A. That's correct.

Q. All right, and this well has been plugged and abandoned?

A. Yes.

Q. In your opinion is the method of abandonment of this well adequate that it will insure that water disposed of in the Seven Rivers won't migrate up through this wellbore into any other formation?

A. That's correct.

Q. Let's go on to the next --

A. It was originally completed above this one structurally, anyway.

Q. All right, sir. The next exhibit is for the Skelly State "Z" No. 1 Well.

A. That is also the same well, isn't it? It's just where they went back and finished plugging it.

Q. All right, sir, there's two pages, then,

to --

A. Right.

Q. -- the information on the State "Z" No. 1 Well.

A. That's correct.

Q. All right, let's move along then and have you tell me what the next exhibit is.

A. That's the completion record of one of Maralo's wells within the -- within the half mile radius. It's within the same section.

That one shows No. 1, which is letter O.

Q. Yes, sir, it's O.

A. Couldn't see it on the -- yeah, here it is on the top.

Q. All right, tell me about that well.

A. Well, they -- it was completed in 1946 and is currently producing.

Q. This is in what formation?

A. Queen-Seven Rivers.

Q. Next exhibit?

A. Is the Humphrey No. 2 of Maralo that is letter K, and it also produces from the Queen-Seven Rivers.

Q. All right, sir, and the next one?

A. Is the Humphrey No. 1, letter M, that

also produces from the Queen-Seven Rivers.

Q. All right, sir. That information, is that all the information you have on any well within a half mile radius of the disposal well?

A. That's all of the wells within it. There aren't any others.

Q. All right. Let's go on to Exhibit Number Three. What is Exhibit Number Three?

A. That's the proposed operation of the disposal well.

Q. All right, let's go through that and have you tell me what you anticipate to be the maximum daily rates of disposal of fluids into the disposal well.

A. The maximum would be 2000 barrels a day, anticipated I think probably less than 1000.

Q. Are you going to inject these fluids under pressure or under gravity?

A. I don't think any pressure. It will -- it will take it on a vacuum.

Q. All right, so the Oil Division's memorandum with regards to the pressure limitation would not be a problem for you?

A. No.

Q. All right. You also show the source of

the injection fluid as the Monco No. 1, it's the Seven Rivers-Queen formation, and you have an analysis of that fluid?

A. That's correct.

Q. All right, sir. Let's go on to Exhibit Number Four. Would you summarize the information contained on that exhibit for me?

A. Well, it's geological information that is a matter of record. The Jalmat Pool, Seven Rivers. You know, some people call it Seven Rivers, some Queen, and a lot of people call it Seven Rivers-Queen.

It's approximately 58 foot thick and I have it perforated, 19 perfs between 3221 and 3250.

Q. All right, sir, and you've given a copy of the well log for this well to the Examiner this morning?

A. Yes.

Q. All right, sir. Let's go to Exhibit Number Six and have you identify that.

A. That's a schematic of pipe program and cement. It had some 500 foot of 7-inch surface pipe in it when I re-entered it, so consequently I had to run 4-1/2 oil string, and it shows the perfs. At the bottom I ran 4-1/2 plug and 60 pound casing and circulated cement and it also shows I intend to set a packer at approximately 3150 to isolate the zone where I'll be injecting.

Q. Have you circulated the cement behind the 7-inch casing all the way to the surface?

A. Yes.

Q. And how about circulating the cement behind the 4-1/2 inch?

A. Yes. That's, I ran a DV tool at 2500 feet and it took almost 1000 sacks to circulate cement.

Q. In your opinion, Mr. Buck, will the method of completion for this disposal well be such that water injected into the disposal formation will not migrate up into any shallow fresh water sands?

A. I think it's an ideal situation.

Q. All right, sir, Exhibit Number Eight. Have you studied the geology and well information in the area and determined whether or not there are any hydrologic connections or faults between the disposal zone and any fresh water sources?

A. There are none that I know of.

Q. In addition, have you notified the surface owner of the disposal well and offset operators within a half mile radius?

A. Yes.

Q. Are those the individuals named on Exhibit Number Nine?

A Mr. Fred Cooper is the surface owner and Apollo Oil Company operates this one well that they bought from Skelly, and then Maralo has three within this area.

Q And in your opinion, Mr. Buck, will approval of this application be in the best interests of conservation, the prevention of waste, and the protection of correlative rights?

A Yes.

MR. KELLAHIN: If the Examiner please, we move the introduction of the applicant's exhibits.

MR. STAMETS: These exhibits will be admitted.

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Buck, a number of times during the course of the hearing you have referred to the Queen-Seven Rivers zone, and the advertisement in this case is for the Seven Rivers only.

A That's what I that's what I filed it as, for the Seven Rivers, and I -- on the completion. I call it the Seven Rivers and I think most people do.

Q Okay, and then --

A. But --

Q. Okay, and then the Oil Conservation Commission didn't amend that, so I would assume that that is correct.

So you're really not seeking authority to inject into the Queen today.

A. No, into the Seven Rivers.

Q. Okay.

In essence, what you will be doing is simply returning water that is produced in the immediate vicinity of your well back into the same horizon --

A. That's correct.

Q. -- so you do not have any great pressure effect on that horizon.

A. That's correct.

Q. And would it be safe to say that you only intend to accept water produced from the Jalmat Pool in the immediate vicinity of your well?

A. That's correct.

Q. Okay. It's not your intention to go out and solicit water from other --

A. I don't want that headache.

Q. What size tubing is to be used in the injection?

A. 2-3/8ths.

Q. And what type of --

A. Plastic coated.

Q. Okay. And I presume the wellhead will be fixed up so that you can determine if there's any leakage in the system.

A. You bet.

Q. And you intend to run some sort of treated fluid behind the tubing?

A. Yes.

Q. On the first of the series of sheets that deal with the wells within a half mile radius is this Skelly well and I had a hard time looking at that seeing how that well was completed, at least as far as the casing set through the producing horizon. Does that show that that casing was cemented at all?

A. My records don't. This is a -- there is no record in the well file at the Commission office in Hobbs.

Skelly, I mean Getty, just happened to have some old well files still and this is the only record they have of it.

Q. And which well is this on the plat?

A. This is the one in the northeast of the

southeast of 26.

Q. The one with the circle around it, indicating --

A. Right, right.

The same company that now owns that well has a disposal well that would be much closer to it than my disposal well would be. It would be a diagonal offset to the northeast. It shows on the map as Brown No. 5 of Standard Production. It's now owned by Apollo. Both those wells are.

Q. Now, one of the things that has little to do with your application but something that I noticed before, this is a new system that we have for filing, and Form C-108 anticipates, or I thought it anticipated, that it tells you to take information that you presented on these sheets and put it on a tabular summary, and also I thought it said that you should take any well which had been plugged and abandoned and do a diagrammatic sketch of it to show where the plugs were.

And yet this is the second instance where that has not been done. So I'm curious --

A. Well, that's -- that's my fault because I gathered this information up and I was assuming that -- at the time that a copy of the records would be better than a transfer tabulation, so that's my mistake.

Q Okay, I didn't know if the form was poorly written in that respect, and if there was some change that needed to be made there.

MR. KELLAHIN: No, sir, we understood the rule of the form to require a tabulation and a schematic.

MR. STAMETS: Okay.

MR. KELLAHIN: We'll be happy to furnish them in this case if you think it necessary.

MR. STAMETS: In going through the records I think there are not so many and they're not so detailed that those won't be acceptable in this case.

Any other questions of this witness? He may be excused.

Anything further in this case?

MR. KELLAHIN: No, sir.

MR. STAMETS: The case will be taken under advisement.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. _____, heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 7360
Order No. R-6799

APPLICATION OF L. J. BUCK FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 23, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 13th day of October, 1981, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, L. J. Buck, is the owner and operator of the Monco Well No. 2, located in Unit M of Section 25, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Seven Rivers formation, with injection into the perforated interval

from approximately 3221 feet to 3250 feet.

(4) That the injection should be accomplished through 2 3/8-inch plastic lined tubing installed in a packer set at approximately 3150 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge or approved leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(5) That if injection is under pressure, the injection well or system should be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 645 psi.

(6) That the Director of the Division should be authorized to administratively approve an increase in the injection pressure upon a proper showing by the operator that such higher pressure will not result in migration of the injected waters from the Seven Rivers formation.

(7) That the well should be used only to reinject water produced from the Jalmat Pool from applicant's wells in said pool and from nearby offset acreage in said pool.

(8) That the operator should notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(9) That the operator should 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.

(10) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, L. J. Buck, is hereby authorized to utilize its Monco Well No. 2, located in Unit M of Section 25, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 3150 feet, with injection into the perforated interval from approximately 3221 feet to 3250 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus or the annulus shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

PROVIDED FURTHER, that the well shall be used only to reinject water produced from the Jalmat Pool from applicant's wells in said pool and from nearby offset acreage in said pool.

(2) That if injection is under pressure, the injection well or system shall be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 645 psi.

(3) That 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 Seven Rivers formation.

(4) That 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 so that the same may be inspected.

(5) That the operator shall immediately notify the supervisor of the Division's Hobbs district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

(6) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Division Rules and Regulations.

(7) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY
DIRECTOR

SEAL

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
23 September 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of L. J. Buck for salt water disposal, Lea County, New Mexico. CASE 7360

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division:	W. Perry Pearce, Esq. Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 87501
For the Applicant:	W. Thomas Kellahin, Esq. KELLAHIN & KELLAHIN 500 Don Gaspar Santa Fe, New Mexico 87501

I N D E X

L. J. BUCK

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Applicant Exhibit Eight, Statement 16

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MR. STAMETS: Call next Case 7360.

MR. PEARCE: Application of L. J. Buck for salt water disposal, Lea County, New Mexico.

MR. KELLAHIN: If the Examiner please, I'm Tom Kellahin from Santa Fe, appearing on behalf of the applicant and I have one witness.

(Witness sworn.)

L. J. BUCK

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q. Mr. Buck, would you please state your name for the record?

A. Lonnie J. Buck.

Q. And where do you reside, sir?

A. 901 North Jefferson, Hobbs, New Mexico.

Q. And what is your business or occupation?

A. Independent oil operator.

Q. All right, sir, and as an independent oil and gas operator have you previously testified before

the Division?

A. Yes.

Q. And what is your purpose in being here today, Mr. Buck?

A. Make application to convert a producing well to a salt water disposal well.

Q. All right, sir, you'll have to speak up just a little for us.

MR. KELLAHIN: We tender Mr. Buck as a practical oil and gas operator.

MR. STAMETS: The witness is considered qualified.

Q. Mr. Buck, let me direct your attention to the packet of exhibits that have previously been submitted to the Division and direct your attention to the first page of those exhibits and have you simply identify that for me.

A. That's the application I submitted to the Oil Conservation Division to convert this well.

Q. All right, sir, and if you'll turn to the next page, this is a list of your exhibits that you're presenting today, is it not?

A. That's correct.

Q. All right, let's turn to Exhibit One, then, in the packet of exhibits, which is the plat of this

area, and have you identify for me the well that you seek to convert as a disposal well.

A. It's the Monco No. 2 in the southwest quarter of the southwest quarter of Section 25, 25 South, 36 East.

Q. Would you tell us what formation you propose to dispose of produced salt water into?

A. Queen-Seven River.

Q. Would you give us a little background on this Monco Well No. 2, please?

A. It's a well that was originally drilled as a dry hole and I re-entered it and it had 7-inch surface pipe and I ran 4-1/2 casing and I had to install a submersible pump in it to produce it, and I've been producing about 800 barrels of water a day from it with about 13 to 15 oil.

And the installation for a submersible and 4-1/2 is much more expensive than it is in 5-1/2. The installation in that well cost me $65,000.

And in the latter part of July it was struck by lightning and burned the cable in several places all the way up and down the hole and burned all three motors up, and minimum repairs would be $40,000.

Total revenue from the well prior to that was about $10,500 to $11,000 a month, and it was costing

me about $62 or $6300 a month to operate it. So just to put it back in production it would -- I would be looking at 10 or 11 months to get the repair bill back.

So the well to the north of it is also mine and I -- what I propose to do is convert this one to a salt water disposal well and put a submersible pump in the other one, which is currently on a beam unit, and I think it will make more oil by quite a bit -- quite a -- considerably more oil than both of them put together have been making.

Q. All right, the disposal well that you're seeking to convert for disposal purposes, this Monco No. 2, produced at one time from the Seven Rivers and that also produced oil in that formation, along with water?

A. That's correct.

Q. All right. Now, would you specifically locate for us the producing well that will be the source of the water that you're going to put in the disposal well?

A. It's in the northwest quarter of the southwest quarter of Section 25, 25, 36, a direct offset.

Q. Can you give us a --

MR. STAMETS: Let me make sure I've got the right one. That would be the well in the --

A. Letter L.

MR. STAMETS: Okay, and there's a dry

hole and there's a producing well shown --

A. Right. The old Gypsy Oil Company drilled a dry hole to 2900 feet, approximately, in 1928 there.

MR. STAMETS: Okay. Thank you.

Q. Does structure play any significance in production from the Seven Rivers formation, Mr. Buck?

A. Yes, it does. Both of these wells are lower structurally. This one I propose to convert is approximately 25 feet lower structurally than my other well to the north of it, but it is also about 25 feet low to the better producers in the field, which are north and east of that.

Q. There are other Seven Rivers wells that do produce in this area?

A. Right.

Q. And your disposal well will be structurally lower than any of the other producing wells?

A. Than anything else in the field.

Q. All right, sir.

Now, concerning your producing well from the Seven Rivers, can you give us an indication of what volumes of production that you anticipate in terms of barrels of oil and barrels of water?

A. Hopefully, I think I can produce a total of about 800 barrels of fluid per day, and hopefully,

I can -- I can maintain the current ratio that I am producing on the beam unit. I can produce about 60 to 70 barrels of oil per day. I'm currently producing about 15 with the beam unit.

Q. Once you get this producing well fixed up with a pump you anticipate fluid production of 800 barrels a day, is that what you told me?

A. Yes.

Q. Out of which you will get how many barrels of oil?

A. 60 or 70, hopefully.

Q. All right, sir. Let's turn to the next exhibit in the packet of exhibits, which is some information on the Skelly Oil Company well? What is this?

A. This is a Getty well that they -- Skelly well, that they drilled in 1928.

Q. This is one of the wells that has penetrated the Seven Rivers and is within a half mile radius of the disposal well?

A. That's correct. It is owned by Apollo Oil Company and this one is in the northeast of the southeast of Section 26.

Q. What is the status of this well?

A. It's a producing well.

Q. It produces from what formation?

A. Seven Rivers, Queen. It makes about 3 barrels of oil a day.

Q. All right, sir, let's go to the next exhibit, which is the Monco No. 2 Well.

A. That's right. That's the one I'm proposing to convert.

Q. This is the information on the proposed disposal well.

A. Right.

Q. All right.

A. I ran a DV tool at 2500 feet and circulated cement to the surface in two stages.

Q. You have a subsequent schematic of downhole completion on this well?

A. Yes.

Q. All right, sir, we'll come to that in a minute, then.

Let's go to the next page, which is the Monco No. 1 Well.

A. That's correct.

Q. What -- is this well located within the half mile radius?

A. Yes.

Q. And tell me about this well.

A. It's producing from the Queen-Seven Rivers.

Q. It continues to produce from that formation?

A. Right. It's the one that I haven't abandoned it. I'm producing about 200 barrels total fluid a day, and approximately 15 oil, and I can't lower the fluid level below 1300 foot from the surface.

Q. What will you do with the produced water or what do you now to with the produced water from this well?

A. I'm going to a disposal well, what is north of you there. It's in Section 25, and it's -- on this plat it's the Brown No. 5, Standard production. It's owned by Apollo Oil Company.

Q. If the Monco No. 2 Well is approved for disposal, will you take the water produced from this well and put it in that disposal well?

Will you put it in your new disposal well?

A. Yes, in the Monco No. 2. I'd put the water from Monco No. 1 into Monco No. 2.

Q. Okay.

MR. STAMETS: Let me ask one question on that exhibit.

The copy I have, the Xerox machine missed the far lefthand side and I don't have the first number on the perforations. Is that 3252?

A. Yes. You're talking -- you're speaking of Monco No. 1, now?

MR. STAMETS: Yes.

A. Yes, 3252 to 58.

MR. STAMETS: Thank you.

Q. Are there any other wells, Mr. Buck, that will be sources of water to put in the disposal well?

A. I don't know. Maralo, Mike has tried to contact me twice within the last week and one of his engineers made an appointment to come by and never did show. They own several wells just east of me there and the water they're producing is being hauled. It isn't a large amount but I have good relations with them and most of their people, and I was assuming that they probably were contacting me to maybe dispose of it in this well, if I do make a disposal well.

Q. At this point your intention is to take Seven Rivers produced water and reinject it in the disposal well in the Seven Rivers.

A. In the Seven Rivers, that's right.

Q. Let's go on to the next exhibit, then, Mr. Buck, and have you tell me what that is.

A. That is a record of a well, plugged well, of Skelly Oil Company that is in Section 36, 25 South, Range --

Q. This is also one of the wells that penetrates the Seven Rivers that's in the half mile radius.

A. That's correct.

Q. All right, and this well has been plugged and abandoned?

A. Yes.

Q. In your opinion is the method of abandonment of this well adequate that it will insure that water disposed of in the Seven Rivers won't migrate up through this wellbore into any other formation?

A. That's correct.

Q. Let's go on to the next --

A. It was originally completed above this one structurally, anyway.

Q. All right, sir. The next exhibit is for the Skelly State "Z" No. 1 Well.

A. That is also the same well, isn't it? It's just where they went back and finished plugging it.

Q. All right, sir, there's two pages, then,

to --

A. Right.

Q. -- the information on the State "Z" No. 1 Well.

A. That's correct.

Q. All right, let's move along then and have you tell me what the next exhibit is.

A. That's the completion record of one of Maralo's wells within the -- within the half mile radius. It's within the same section.

That one shows No. 1, which is letter O.

Q. Yes, sir, it's O.

A. Couldn't see it on the -- yeah, here it is on the top.

Q. All right, tell me about that well.

A. Well, they -- it was completed in 1946 and is currently producing.

Q. This is in what formation?

A. Queen-Seven Rivers.

Q. Next exhibit?

A. Is the Humphrey No. 2 of Maralo that is letter K, and it also produces from the Queen-Seven Rivers.

Q. All right, sir, and the next one?

A. Is the Humphrey No. 1, letter M, that

also produces from the Queen-Seven Rivers.

Q. All right, sir. That information, is that all the information you have on any well within a half mile radius of the disposal well?

A. That's all of the wells within it. There aren't any others.

Q. All right. Let's go on to Exhibit Number Three. What is Exhibit Number Three?

A. That's the proposed operation of the disposal well.

Q. All right, let's go through that and have you tell me what you anticipate to be the maximum daily rates of disposal of fluids into the disposal well.

A. The maximum would be 2000 barrels a day, anticipated I think probably less than 1000.

Q. Are you going to inject these fluids under pressure or under gravity?

A. I don't think any pressure. It will -- it will take it on a vacuum.

Q. All right, so the Oil Division's memorandum with regards to the pressure limitation would not be a problem for you?

A. No.

Q. All right. You also show the source of

the injection fluid as the Monco No. 1, it's the Seven Rivers-Queen formation, and you have an analysis of that fluid?

A. That's correct.

Q. All right, sir. Let's go on to Exhibit Number Four. Would you summarize the information contained on that exhibit for me?

A. Well, it's geological information that is a matter of record. The Jalmat Pool, Seven Rivers. You know, some people call it Seven Rivers, some Queen, and a lot of people call it Seven Rivers-Queen.

It's approximately 58 foot thick and I have it perforated, 19 perfs between 3221 and 3250.

Q. All right, sir, and you've given a copy of the well log for this well to the Examiner this morning?

A. Yes.

Q. All right, sir. Let's go to Exhibit Number Six and have you identify that.

A. That's a schematic of pipe program and cement. It had some 500 foot of 7-inch surface pipe in it when I re-entered it, so consequently I had to run 4-1/2 oil string, and it shows the perfs. At the bottom I ran 4-1/2 plug and 60 pound casing and circulated cement and it also shows I intend to set a packer at approximately 3150 to isolate the zone where I'll be injecting.

Q. Have you circulated the cement behind the 7-inch casing all the way to the surface?

A. Yes.

Q. And how about circulating the cement behind the 4-1/2 inch?

A. Yes. That's, I ran a DV tool at 2500 feet and it took almost 1000 sacks to circulate cement.

Q. In your opinion, Mr. Buck, will the method of completion for this disposal well be such that water injected into the disposal formation will not migrate up into any shallow fresh water sands?

A. I think it's an ideal situation.

Q. All right, sir, Exhibit Number Eight. Have you studied the geology and well information in the area and determined whether or not there are any hydrologic connections or faults between the disposal zone and any fresh water sources?

A. There are none that I know of.

Q. In addition, have you notified the surface owner of the disposal well and offset operators within a half mile radius?

A. Yes.

Q. Are those the individuals named on Exhibit Number Nine?

A. Mr. Fred Cooper is the surface owner and Apollo Oil Company operates this one well that they bought from Skelly, and then Maralo has three within this area.

Q. And in your opinion, Mr. Buck, will approval of this application be in the best interests of conservation, the prevention of waste, and the protection of correlative rights?

A. Yes.

MR. KELLAHIN: If the Examiner please, we move the introduction of the applicant's exhibits.

MR. STAMETS: These exhibits will be admitted.

CROSS EXAMINATION

BY MR. STAMETS:

Q. Mr. Buck, a number of times during the course of the hearing you have referred to the Queen-Seven Rivers zone, and the advertisement in this case is for the Seven Rivers only.

A. That's what I -- that's what I filed it as, for the Seven Rivers, and I -- c the completion. I call it the Seven Rivers and I think most people do.

Q. Okay, and then --

A. But --

Q. Okay, and then the Oil Conservation Commission didn't amend that, so I would assume that that is correct.

So you're really not seeking authority to inject into the Queen today.

A. No, into the Seven Rivers.

Q. Okay.

In essence, what you will be doing is simply returning water that is produced in the immediate vicinity of your well back into the same horizon --

A. That's correct.

Q. -- so you do not have any great pressure effect on that horizon.

A. That's correct.

Q. And would it be safe to say that you only intend to accept water produced from the Jalmat Pool in the immediate vicinity of your well?

A. That's correct.

Q. Okay. It's not your intention to go out and solicit water from other --

A. I don't want that headache.

Q. What size tubing is to be used in the injection?

A. 2-3/8ths.

Q. And what type of --

A. Plastic coated.

Q. Okay. And I presume the wellhead will be fixed up so that you can determine if there's any leakage in the system.

A. You bet.

Q. And you intend to run some sort of treated fluid behind the tubing?

A. Yes.

Q. On the first of the series of sheets that deal with the wells within a half mile radius is this Skelly well and I had a hard time looking at that seeing how that well was completed, at least as far as the casing set through the producing horizon. Does that show that that casing was cemented at all?

A. My records don't. This is a -- there is no record in the well file at the Commission office in Hobbs.

Skelly, I mean Getty, just happened to have some old well files still and this is the only record they have of it.

Q. And which well is this on the plat?

A. This is the one in the northeast of the

southeast of 26.

Q. The one with the circle around it, indicating --

A. Right, right.

The same company that now owns that well has a disposal well that would be much closer to it than my disposal well would be. It would be a diagonal offset to the northeast. It shows on the map as Brown No. 5 of Standard Production. It's now owned by Apollo. Both those wells are.

Q. Now, one of the things that has little to do with your application but something that I noticed before, this is a new system that we have for filing, and Form C-108 anticipates, or I thought it anticipated, that it tells you to take information that you presented on these sheets and put it on a tabular summary, and also I thought it said that you should take any well which had been plugged and abandoned and do a diagrammatic sketch of it to show where the plugs were.

And yet this is the second instance where that has not been done. So I'm curious --

A. Well, that's -- that's my fault because I gathered this information up and I was assuming that -- at the time that a copy of the records would be better than a transfer tabulation, so that's my mistake.

Q Okay, I didn't know if the form was poorly written in that respect, and if there was some change that needed to be made there.

MR. KELLAHIN: No, sir, we understood the rule of the form to require a tabulation and a schematic.

MR. STAMETS: Okay.

MR. KELLAHIN: We'll be happy to furnish them in this case if you think it necessary.

MR. STAMETS: In going through the records I think there are not so many and they're not so detailed that those won't be acceptable in this case.

Any other questions of this witness? He may be excused.

Anything further in this case?

MR. KELLAHIN: No, sir.

MR. STAMETS: The case will be taken under advisement.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7366, heard by me on 9-23, 1981.

Richard L. Stamets, Examiner
Oil Conservation Division

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Phone (505) 455-7409

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OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Revised 10-1-78

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Operator: Lonnie J. Buck

Address: 901 North Jefferson Hobbs, New Mexico 88240

Reason(s) for filing (Check proper box)

New Well [XX]
Recompletion [ ]
Change in Ownership [ ]

Change in Transporter of:
Oil [ ] Dry Gas [ ]
Casinghead Gas [ ] Condensate [ ]

Other (Please explain)

CASINGHEAD GAS MUST NOT BE FLARED AFTER 11-1-79 UNLESS AN EXCEPTION TO R-4070 IS OBTAINED.

If change of ownership give name and address of previous owner _____

DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, Including Formation	Kind of Lease	Lease No.
Monco	#2	Jalmat	State, Federal or Fee Fee	

Location

Unit Letter M : 670 Feet From The South Line and 660 Feet From The West

Line of Section 25 Township 25S Range 36E , NMPM, Lea County

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil [ ] or Condensate [ ]: Western Oil Transportation

Address (Give address to which approved copy of this form is to be sent): Box 833 Hobbs, New Mexico

Name of Authorized Transporter of Casinghead Gas [ ] or Dry Gas [ ]: El Paso Natural Gas Co.

Address (Give address to which approved copy of this form is to be sent): Midland, Texas

If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected?	When
	M	25	25S	36E	Not tested	

If this production is commingled with that from any other lease or pool, give commingling order number: _____

COMPLETION DATA

Designate Type of Completion – (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
	XX				Re-entry			

Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.
7-30-79	8-22-79	3327'	3303'

Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth
	Seven Rivers	3066'	3288'

Perforations	Depth Casing Shoe
3264-70; 81-91; 96-98	3326'

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
6¼'	~~3326'~~ 4½"-11.60#	~~3326~~ 3326'	
	DV tool at 2501'. Cemented in 2 stages. Circulated cement w/ 980 sx cement.		
2-3/8" tubing		3288'	SN @ 3253'

TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL

(Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
8-24-79	8-30-79	Pumping	
Length of Test	**Tubing Pressure**	**Casing Pressure**	**Choke Size**
24 hrs.	---	vented	-
Actual Prod. During Test	**Oil - Bbls.**	**Water - Bbls.**	**Gas - MCF**
26 bbls.	22 oil	4 water	not tested

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	**Tubing Pressure (shut-in)**	**Casing Pressure (shut-in)**	**Choke Size**

CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Lonnie J. Buck
(Signature)

Owner Operator
(Title)

9-5-79
(Date)

OIL CONSERVATION DIVISION

APPROVED SEP 7 1979, 19____

BY John W. Runyan
Geologist

TITLE _____

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.

7

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

Form C-104
Revised 10-1-78

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Operator: Lonnie J. Buck

Address: 901 North Jefferson, Hobbs, New Mexico 88240

Reason(s) for filing (Check proper box)

New Well [X]
Recompletion [ ]
Change in Ownership [ ]

Change in Transporter of:
Oil [ ] Dry Gas [ ]
Casinghead Gas [ ] Condensate [ ]

Other (Please explain): CASINGHEAD GAS MUST NOT BE FLARED AFTER 8/6/79 UNLESS AN EXCEPTION TO R-4070 IS OBTAINED.

If change of ownership give name and address of previous owner

DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, Including Formation	Kind of Lease: State, Federal or Fee	Lease No.
Monco	#1	Jalmat	Fee	

Location

Unit Letter L ; 990 Feet From The West Line and 2310 Feet From The South

Line of Section 25 Township 25S Range 36E , NMPM, Lea County

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil [X] or Condensate [ ]	Address (Give address to which approved copy of this form is to be sent)
Cities Service Co., Trucks	Box 1919 Midland, Texas 79701
Name of Authorized Transporter of Casinghead Gas [ ] or Dry Gas [ ]	**Address (Give address to which approved copy of this form is to be sent)**
El Paso Natural Gas	Midland, Texas

If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected?	When
	L	25	25S	36E	not tested	

If this production is commingled with that from any other lease or pool, give commingling order number:

COMPLETION DATA

Designate Type of Completion – (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
	XX		Re-Entry					

Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.
4-30-79	6-5-79	3339'	3307'
Elevations (DF, RKB, RT, GR, etc.)	**Name of Producing Formation**	**Top Oil/Gas Pay**	**Tubing Depth**
	Seven-Rivers	3050'	3293
Perforations			**Depth Casing Shoe**
3252-58; 61-63; 67-69; 72-83; 88-90; 95-99		28 holes 1 JSPF	3339'

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
7-5/8"	5½"-15.5#	3339'	920
	2-3/8" tubing	3293'	

Set DV tool at 2546'-cement 1st stage w/ 260 sx Halliburton Class C-Circulated 2nd stage w/ 660 sx Halliburton lite.

TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

OIL WELL

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
6-5-79	6-6-79	Pumping	
Length of Test	**Tubing Pressure**	**Casing Pressure**	**Choke Size**
24 hrs.	-	-	-
Actual Prod. During Test	**Oil-Bbls.**	**Water-Bbls.**	**Gas-MCF**
165 bbls.	15 BOPD	150 BWPD	TSTM

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	**Tubing Pressure (shut-in)**	**Casing Pressure (shut-in)**	**Choke Size**

CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Lonnie J. Buck
(Signature)
[signature]
(Title)
6-28-79
(Date)

OIL CONSERVATION DIVISION

APPROVED JUL 6 1979, 19

BY [signature]

TITLE SUPERVISOR DISTRICT I

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.

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Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease
State [X] Fee [ ]

5. State Oil & Gas Lease No.
B-6880

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.)

OIL WELL [X] GAS WELL [ ] OTHER-

7. Unit Agreement Name

Name of Operator
SKELLY OIL COMPANY

8. Farm or Lease Name
State "Z"

Address of Operator
P. O. Box 730 - Hobbs, New Mexico 88240

9. Well No.
1

Location of Well
UNIT LETTER C, 660 FEET FROM THE North LINE AND 2310 FEET FROM THE West LINE, SECTION 36 TOWNSHIP 25S RANGE 36E NMPM.

10. Field and Pool, or Wildcat
Jalmat

15. Elevation (Show whether DF, RT, GR, etc.)
3001' DF

12. County
Lea

6.

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK [ ]	PLUG AND ABANDON [ ]	REMEDIAL WORK [ ]	ALTERING CASING [ ]
TEMPORARILY ABANDON [ ]		COMMENCE DRILLING OPNS. [ ]	PLUG AND ABANDONMENT [X]
PULL OR ALTER CASING [ ]	CHANGE PLANS [ ]	CASING TEST AND CEMENT JOB [ ]	
OTHER [ ]		OTHER [ ]	

17. 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.

Moved in casing pullers 8-6-68. Pulled rods & pump. Pulled 2-3/8"OD tubing and seating nipple. Reran tubing open ended to 3260', displaced oil and water with mud. Spotted 35 sacks cement 3265' to 3100'. Pulled tubing. Shot off casing at 2264', unable to pull; shot off at 2201', pulled loose. Pulled 72 jts. (2218') of 7"OD 8-R 20# SS J-55 R-2 ST&C Casing. Ran open end tubing to 2275', spotted cement and 10# mud as follows:

3100-2275'		-	Heavy mud-laden Fluid
2275-2125'		-	30 Sacks Regular Cement
2125-1385'		-	Heavy mud-laden Fluid
1385-1345'		-	20 Sacks Regular Cement
1345-20'		-	Heavy mud-laden Fluid
20'	Surface	-	20 Sack cement Surface Cap.

Installed 4" pipe as a dry hole marker. Plugging operations complete and well abandoned 3 P.M. August 13, 1968.

Left in hole: 1054' of 7"OD 20# 8R Casing from 2201-3265'; 1269' of 10-3/4"OD 40# & 32# 8R Casing from 96' to 1365'

The pits have been filled and the location cleared and levelled.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED (ORIGINAL SIGNED) V. E. Fletcher TITLE District Production Manager DATE 8-16-68

APPROVED BY [signature] TITLE [ ] DATE [ ]

CONDITIONS OF APPROVAL, IF ANY: //

2

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

AUG 5 8 10 AM '68

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease: State [X] Fee [ ]

5. State Oil & Gas Lease No.: B-8880

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.)

1. OIL WELL [X] GAS WELL [ ] OTHER-

7. Unit Agreement Name

2. Name of Operator: SHELL OIL COMPANY

8. Farm or Lease Name: State "Z"

3. Address of Operator: P. O. Box 730 - Hobbs, New Mexico 88240

9. Well No.: 1

4. Location of Well: UNIT LETTER C, 660' FEET FROM THE North LINE AND 2310' FEET FROM THE West LINE, SECTION 36 TOWNSHIP 25S RANGE 36E NMPM.

10. Field and Pool, or Wildcat: Jalmat

15. Elevation (Show whether DF, RT, GR, etc.): 3001' DF

12. County: Lea

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[X]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]			COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[ ]
PULL OR ALTER CASING	[ ]	CHANGE PLANS	[ ]	CASING TEST AND CEMENT JOB	[ ]		
OTHER	[ ]			OTHER			

17. 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.

State "Z" Well No. 1 is a producing well in the Jalmat pool. We propose to plug and abandon this well as follows:

1. Rig up pulling unit. Pull rods & tubing.
2. Run tubing open ended to 3260'.
3. Spot cement plug from 3265'-3100' (35 sacks), and pull tubing.
4. Shoot 7"OD casing at 2400' and pull out of hole with casing pulling rig.
5. Run tubing and spot 30-sack cement from 2475'-2325'.
6. Spot 20-sack plug in 10-3/4" casing from 1385'-1345'.
7. Spot 10-sack plug in top of 10-3/4" casing from 20 to surface.

NOTE: Intervals not cemented will be filled with heavy mud-laden fluid. This well has now reached an uneconomical status to operate. A study of the well indicated that remedial work cannot be justified.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED (ORIGINAL SIGNED) V. E. Fletcher TITLE District Production Manager DATE 8-2-68

APPROVED BY John W. Runyan TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

2

Revised Completion

Place Midland, Texas
Date Date Rec'd 19, 1946

D	C	B	A
E	F	G	H
L	K	J	I
M	N	O	P

Glenn Staley
Conservation Office
Hobbs, New Mexico.

Designate UNIT well is located in
) O

WELL IS LOCATED IN: (Lease) Sholes Well No. 1
660 feet from South line: 1830 feet from East line; Sec. 6 R
25-25-36 .

DATE STARTED July 1, 1946
DATE COMPLETED August 29, 1946
ELEVATION 3017
TOTAL DEPTH O.H. 3220
CABLE TOOLS Cable ROTARY TOOLS

CASING RECORD

SIZE	10 3/4"	DEPTH	426	SAX CEMENT	150
SIZE	5 1/2"	DEPTH	3226	SAX CEMENT	700
SIZE		DEPTH		SAX CEMENT	

TUBING RECORD

SIZE 2" DEPTH 3200

ACID RECORD

NO. GALS 500 (mud)
NO. GALS 1000
NO. GALS 1000

NO. QTS.
NO. QTS.
NO. QTS.

FORMATION TOPS

	Anhydrite	1305
	Top Salt	1380
	Base Salt	2605
	Red Sand	
	Brown Lime	2640
Top of Yates	White Lime	2805
	Oil or Gas Pay	3185 to 3195 (Oil)
	Water	

Initial Production Test 41 bbl oil
77 bbl water Pumping Pumping Flowing
Test After Acid or Shot Pumped 102 bbl oil & 204 bbl water per day

Initial GAS VOLUME 250 MCF

SAMPLE NO. DATE

PIPE LINE TAKING OIL Texas-New Mexico Pipe Line Co.

REMARKS COMPANY Ralph Lowe

SIGNED BY: Ralph Lowe Agent

Prod Well

2

Place Midland, Texas
Date May 28, 1945

D	C	B	A
E	F	G	H
L	K	J	I
M	N	O	P

Glenn Staley
Proration Office
Hobbs, New Mexico.

Designate UNIT well is located in K

NOTICE OF COMPLETION OF: (Lease) Humphreys Well No. 2
1650 feet from South line; 2310' feet from West line; S.T. & R
25-25-36.

DATE STARTED April 14, 1945
DATE COMPLETED May 26, 1945
ELEVATION 3035
TOTAL DEPTH D.D.F. 3257
CABLE TOOLS Cable ROTARY TOOLS

CASING RECORD

SIZE 10 3/4" DEPTH 617 SAX CEMENT 150
SIZE 5 1/2" DEPTH 3222 SAX CEMENT 200
SIZE DEPTH SAX CEMENT

TUBING RECORD

SIZE 2" DEPTH 3240

ACID RECORD

NO. GALS NO. QTS.
NO. GALS NO. QTS.
NO. GALS NO. QTS.

FORMATION TOPS

Anhydrite 1010
Top Salt 1145
Base Salt 2740
~~Red Rock~~ Top Yates 2924
Brown Lime 2785
White Lime 0
Oil or Gas Pay 3209- 3222 3248-3257
Water 0

Initial Production Test 120 Pumping Flowing X
Test After Acid or Shot

Initial GAS VOLUME

SCHEDULE NO. DATE

PIPE LINE TAKING OIL Texas-New Mexico Pipe Line Company

REMARKS COMPANY Ralph Lowe

SIGNED BY: Ralph Lowe

Prodwell

2

Place Midland, Texas
Date April 7, 1945

D	C	B	A
E	F	G	H
L	K	J	I
M	N	O	P

Mr. Ben Staley
Conservation Office
Hobbs, New Mexico.

Designate UNIT well is located in
N

RECORD OF COMPLETION OF: (Lease) Ralph Lowe Humphreys Well No. 1
230 feet from South line; 2310' feet from West line; Sec. 4 R
25-25-36.

DATE STARTED February 18, 1945
DATE COMPLETED April 7, 1945
ELEVATION 3014
TOTAL DEPTH S.L.M. 3255
CABLE TOOLS Cable ROTARY TOOLS

CASING RECORD

SIZE	10 3/4"	DEPTH	405	SAX CEMENT	150
SIZE	7"	DEPTH	3113	SAX CEMENT	250
SIZE	5 1/2"	DEPTH	3155	SAX CEMENT	50

TUBING RECORD

SIZE 2" DEPTH 3235

ACID RECORD

NO. GALS		NO. GALS.	
NO. GALS		NO. GALS.	
NO. GALS		NO. GALS.	

FORMATION TOPS

Anhydrite	1040
Top Salt	1285
Base Salt	2740
Red Sand	
Brown Lime	2775
White Lime	
Oil or Gas Pay	3214-55
Water	No water

Initial Production Test 180 Pumping Flowing X
Test After Acid or Shot

Initial GAS VOLUME

SCHEDULE NO. DATE

PIPE LINE TAKING OIL Texas-New Mexico Pipe Line Co.

REMARKS COMPANY Ralph Lowe

SIGNED BY: Ralph Lowe

Prod

2

LONNIE J. BUCK
Oil Properties

901 North Jefferson
Bus. (505) 392-7538
Res. (505) 393-0425
Hobbs, New Mexico 88240

Exhibit 3

Monco #2
Salt Water Disposal Well
Sec. 25-25S-36E
Lea County, New Mexico

Data On Proposed Operation of Well

1. **Proposed average and maximum daily rate and volume of fluids to be injected:**

   Average daily rate of 1,000 B/D
   Maximum daily rate of 2,000 B/D

2. System will be closed.

3. **Proposed average and maximum injection pressure:**

   Average injection pressure: 0 (Vacuum)
   Maximum injection pressure: 250 psi

4. (A) Source of injection Fluid: Monco #1

   Seven Rivers-Queen Formation

   (B) Analysis of Formation Fluid:
   (milligrams per liter)

   Resistivity .190 @ 75 Degrees
   Specific Gravity 1.025
   Ph 6.5
   Calcium 3,250
   Magnesium 840
   Chlorides 17,500
   Sulfates 2,750
   Bicarbonate 1,025
   Iron - nil

5. Zone of disposal is productive of oil and gas within one mile of proposed disposal well, but those wells are much higher structurally than proposed disposal well.

LONNIE J. BUCK
Oil Properties

901 North Jefferson
Bus. (505) 392-7538
Res. (505) 393-0425
Hobbs, New Mexico 88240

Exhibit 4

Ref: Para VIII - C-108

Monco #2
Salt Water Disposal Well
Section 25-25S-36E, NMPM
Lea County, New Mexico

Geological Data on Injection Zone

Pool: Jalmat

Formation: Seven Rivers

Geological Name: Seven Rivers

Thickness: 58 feet

Depth: 3221 feet

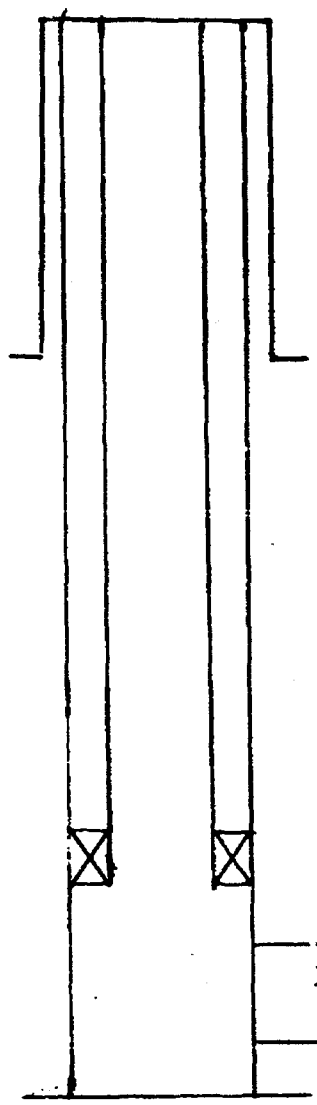
Injection Interval: 19 perforations
3221 feet to 3250 feet

LONNIE J. BUCK
Oil Properties

901 North Jefferson
Bus. (505) 392-7538
Res. (505) 393-0425
Hobbs, New Mexico 88240

Exhibit B

Proposed Water Disposal Well
Monco #2
Section 25-25S-36E
Lea County, New Mexico.



500 feet 7" csg., circ w/ 350 sx.

3221
2
6442

Baker loc-set packer @ 3150

Perfs @ 3221-3250

4½"-11.60 csg @ 3326', circ w/ 980 sx

LONNIE J. BUCK
Oil Properties

901 North Jefferson
Bus. (505) 392-7538
Res. (505) 393-0425
Hobbs, New Mexico 88240

Exhibit 8

Lonnie J. Buck researched available geologic and engineering data and finds no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water

LONNIE J. BUCK
Oil Properties

901 North Jefferson
Bus. (505) 392-7538
Res. (505) 393-0425
Hobbs, New Mexico 88240

Exhibit 9

In accordance with Section XIV-C-108, applicant has mailed copies of the application to the following:

Surface Owner:

Mr. Fred Cooper
Route I
Blossom, Texas 75416

Leasehold Operators within one-half mile:

Apollo Oil Company
Box 1737
Hobbs, New Mexico

MARALO
Box 832
Midland, Texas

Applicant has caused to be published in the Lovington Leader, a newspaper of general circulation in Lea County, the attached notice.

Form N-???

SKELLY OIL COMPANY

Request No. 1037.

Lease #4494.

NORTH / WEST / EAST / SOUTH

Record of Well No. 1 [illegible] Joiner Farm

Lease Description E/2 Sec. 19, all Sec. 20, W/2 Sec.21, W/2 & SE/4 Sec.26, N/2 & SE/4 Sec.28 & N/2 Sec.33

Section ______ Township 25S Range 36E

County Lea State New Mexico Acres 2560

Location Made July 25, 19 25 By T. C. Farquhar

330 feet from North line 330 feet from East line of SE/4 Sec. 26.

______ feet from South line ______ feet from West line

Rig com'd July 25, 19 28 Rig com'pd July 30, 19 28

Drilling com'd July 31, 19 28 Drilling com'd Jan. 30, 19 29

J. A. Long Rig Cont'r

______ Rotary Drilling Cont'r

Flaherty Bros. Standard Drilling Cont'r

Total depth of well ______ feet @ ______ per foot

Commenced Producing January 30, 19 29

Natural Production (1st 5 hours 180 Bbls. (2d 5 hours 272 Bbls.

After Shot (1st 24 hours ______ Bbls. (2d 24 hours ______ Bbls.

Gas Pressure ______ lbs. Volume ______ Cu. ft.

Oil at ______ ft. CASING POINT

Best Oil at ______ ft. 20" 94'

Water at ______ ft. 15½" 449'

Top of Break 12½" 965'

Bottom of Break 10" 2974'

Top of 2nd Sand 8¼" 3248'

Ft. in 2nd Sand ______

Bottom of 2nd Sand ______

TOTAL DEPTH: 3331'

Record of Sand	To Top	To Bot.	Thickness
1st or White Lime	3200	3233	33'
2d or Soft Brkn Lime	3248	3251	3'
3d or Gray Lime	3266	3281	15'
4th or Gray Lime	3318	3323	5'
5th or Gray Lime	3328	3331	3'

Torpedo Record	1st Shot	Qts.	2d Shot	Qts.
Shot between	Ft.	Ft.	Ft.	Ft.
Date of Shot		19		19
Put in by				
No. ft. of Shell				
Size of Shell				
No. ft. Anchor				
Distance below casing				
Any damage to casing or casing shoulder				

Packer set at ______ ft. Size & Kind ______

Packer set at ______ ft. Size & Kind ______

Wooden Conductor: Size ______ Feet

Drive Pipe Casing, Tubing and Sucker Rods

Size	Weight per Foot	Left in Well Jts.	Left in Well Feet	Left in Well In.	Put in Well but pulled out Feet	Put in Well but pulled out In.
20"	90		94	9		
15½"	70		443	0		
12½"	50				964	4
10"	40		2997	5		
8¼"	32.		3271	11	3271	11

FLT WELL PUMPING Where Set ______

Hole reduced at ______ Perforated at ______

Liner ______ Size ______ Length ______ Where Set ______

Hole reduced at ______ Perforated at ______

CLEANING OUT RECORD

Date commenced cleaning out September 14, 1948

Date cleaning out was completed September 16, 1948

Drilled deeper No. of feet ______

Production prior to cleaning 10 bbls. oil, 11 bbls. water

Production after cleaning 13 bbls. oil, 12 bbls. water

REMARKS: ______

DEEPENING RECORD

Date commenced deepening ______

Date completed ______

Drilled deeper No. of feet ______

Production prior to deepening ______

Production after deepening ______

NOTE: If well is dry, state under remarks, When, How, and by Whom plugged.

RECORD OF FORMATIONS

FORMATION	TOP	BOTTOM	REMARKS Indicate Showing of Oil, Gas, Water and Describe Formation.
Sand, red	0	15	
Sand, hard	15	30	
Shale, sandy	30	35	
Sand, red	35	80	
Shale, blue	80	85	
Rock, red	85	140	Set 20" casing at 94'.
Shale, light sandy	140	160	
Rock, red	160	205	
Sand	205	230	
Rock, red	230	235	
Sand, light	235	265	
Rock, red	265	275	
Sand, white.	275	440	[illegible] at 760'.
Shale, light	440	455	Set & cemented 15½" casing with 200 sacks cement at 449' and while trying raise casing to allow cement to circulate around bottom of pipe, rig front was pulled in. Then bailed cement out of casing before repairing rig. Repaired rig and tried raise 15½" to recement but couldn't do so. Continued drilling [illegible] at 449 [illegible] hole showing about 6 bailers water per hour.
Sand, light	455	490	
Rock, red	490	615	
Sand, light	615	675	
Gyp	675	690	
Rock, red	690	710	

Prod Well

LONNIE J. BUCK
Oil Properties

901 North Jefferson
Bus. (505) 392-7538
Res. (505) 393-0425
Hobbs, New Mexico 88240

Notice Of Publication

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
Santa Fe, New Mexico

NOTICE: To all persons having any right, title, interest or claim in the following:

Pursuant to the Rules and Regulations of the New Mexico Oil Conservation Commission, Lonnie J. Buck hereby gives public notice that he has applied to the Division for an order approving his Monco #2 well Located 660 feet from the west line and 670 feet from the south line of Section 25, 25S, R36E, NMPM, Lea County, New Mexico as a disposal well in Seven Rivers-Queen formation in the Jalmat Pool at a depth of 3221 feet to 3250 feet at a maximum rate of 2,000 barrels per day at a maximum injection pressure of 250 psi.

Any interested party must file objections or requests for hearing with the Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico 87501 within fifteen (15) days of the date of publication of this notice.

KELLAHIN & KELLAHIN
Attorneys at Law
P.O. Box 1769
Santa Fe, New Mexico 87501
(505) 982-4285
Attorneys for Lonnie J. Buck

P 335 765 492

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO: Marao
STREET AND NO.: Box 832
P.O. STATE AND ZIP CODE: Midland, Tex 79702

POSTAGE	$.18
CERTIFIED FEE	.75 ¢
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	¢
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	$.93
POSTMARK OR DATE	SEP 9 1981

CONSULT POSTMASTER FOR FEES
OPTIONAL SERVICES
RETURN RECEIPT SERVICE

PS Form 3800, Apr. 1976

P 335 765 493

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO: Mr. Fred Cooper
STREET AND NO.: Route I
P.O. STATE AND ZIP CODE: Blossom, Tex. 75416

POSTAGE	$.18
CERTIFIED FEE	.75 ¢
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	¢
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	$.93
POSTMARK OR DATE	SEP 9 1981

CONSULT POSTMASTER FOR FEES
OPTIONAL SERVICES
RETURN RECEIPT SERVICE

PS Form 3800, Apr. 1976

P15 3873644

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO: Apollo Oil Company
STREET AND NO.: Box 1737
P.O. STATE AND ZIP CODE: Hobbs, N.M. 88240

POSTAGE	$.18
CERTIFIED FEE	.75 ¢
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	¢
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	$.93
POSTMARK OR DATE	SEP 9 1981

CONSULT POSTMASTER FOR FEES
OPTIONAL SERVICES
RETURN RECEIPT SERVICE

PS Form 3800, Apr. 1976

Dockets Nos. 31-81 and 32-81 are tentatively set for October 7, and October 21, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY -SEPTEMBER 23, 1981

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner or Daniel S. Nutter, Alternate Examiner:

CASE 7353: Application of Texaco, Inc., for the amendment of Division Order No. R-5530, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5530, which authorized its Central Vacuum Unit Area Pressure Maintenance Project, to increase the total project area allowable, or as an alternative, to reclassify the project as a waterflood project.

CASE 7354: Application of Corona Oil Company, for a pilot steam-enhanced oil recovery project, Guadalupe County, New Mexico.
Applicant, in the above-styled cause, seeks authority to institute a pilot steam-enhanced oil recovery project in the Santa Rosa formation by using two existing wells and three additional wells to be drilled to complete a five spot pattern located in the NE/4 NW/4 of Section 17, Township 11 North, Range 26 East.

CASE 7355: Application of Doyle Hartman for directional drilling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill his Bates Well No. 3, the surface location of which is 1635 feet from the South line and 1210 feet from the West line of Section 20, Township 25 South, Range 37 East, in such a manner as to bottom it at a depth of 3500 feet in the Jalmat Gas Pool at an unorthodox location 2310 feet from the South line and 1650 feet from the West line of Section 20. The SW/4 of said Section 20 would be dedicated to the well.

CASE 7356: Application of S & I Oil Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the W/2 SW/4 of Section 12, Township 29 North, Range 15 West, Cha Cha-Gallup Oil Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7357: Application of Union Oil Company of California for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Atoka and Morrow formations underlying the W/2 of Section 16, Township 22 South, Range 33 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7343: (Continued from September 9, 1981, Examiner Hearing)

Application of Caribou Four Corners, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cha Cha Gallup Oil Pool underlying the E/2 NW/4 of Section 18, Township 29 North, Range 14 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7358: Application of John Yuronka for compulsory pooling, Lea County, New Mexico.
Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Langley Mattix Pool underlying the SW/4 of Section 6, Township 23 South, Range 37 East, to form four 40-acre tracts, each to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for risk involved in drilling said wells.

CASE 7359: Application of Energy Reserves Group for creation of a new gas pool and an unorthodox location, Roosevelt County, New Mexico.

Applicant, in the above-styled cause, seeks creation of a new Cisco gas pool for its Miller Com Well No. 1, located in Unit M of Section 12, Township 6 South, Range 33 East.

Applicant further seeks approval of an unorthodox location for its Miller "A" Well No. 1-Y, to be drilled 1800 feet from the South line and 1700 feet from the East line of Section 11 of the same township. The S/2 of said Section 11 to be dedicated to the well.

CASE 7345: (Continued from September 9, 1981, Examiner Hearing)

Application of Bass Enterprises Production Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Lovington Penn Pool underlying the N/2 NE/4 of Section 13, Township 16 South, Range 36 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7360: Application of L. J. Buck for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause seeks authority to dispose of produced salt water into the Seven Rivers formation in the interval from 3221 feet to 3250 feet in his Monco Well No. 2 in Unit M of Section 25, Township 25 South, Range 36 East.

CASE 7352: (Continued from September 9, 1981 Examiner Hearing)

Application of Yates Petroleum Corporation for designation of a tight formation, Eddy County, New Mexico. Applicant, in the above-styled cause, pursuant to Section 107 of the Natural Gas Policy Act 18-CFR Section 271.701-705, seeks the designation as a tight formation of the Permo-Penn and formation underlying all of the following townships:

Township 17 South, Ranges 24 thru 26 East;

18 South, 24 and 25 East;

19 South, 23 thru 25 East;

20 South, 21 thru 24 East;

20½ South, 21 and 22 East;

21 South, 21 and 22 East;

Also Sections 1 thru 12 in 22 South, 21 and 22 East,

All of the above containing a total of 315,000 acres more or less.

CASE 7329: (Readvertised)

Application of Loco Hills Water Disposal Company for an exception to Order No. R-3221, Eddy County, New Mexico

Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit the commercial disposal of produced brine into several unlined surface pits located in the N/2 SW/4 SW/4 of Section 16, Township 17 South, Range 30 East.

Dockets Nos. 31-81 and 32-81 are tentatively set for October 7, and October 21, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - SEPTEMBER 29, 1981

9 A.M. - OIL CONSERVATION DIVISION - MORGAN HALL
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 7116: (DE NOVO)

Application of Southland Royalty Company for designation of a tight formation, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Dakota formation underlying portions of Township 31 and 32 North, Ranges 10, 11, 12, and 13 west, containing 93,860 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

Upon application of Consolidated Oil & Gas, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 7361: Application of Southland Royalty Company for designation of a tight formation, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Dakota formation underlying all or portions of Township 31 North, Ranges 10 and 11 West, and Township 32 North, Ranges 10, 11, 12, and 13 West, containing 92,871 acres more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271. 701-705.

CASE 7362: Application of R. A. Mendenhall Associates, Ltd., for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Delaware Mountain Group formation underlying the NW/4 SE/4 of Section 10, Township 22 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

September 23, 1981

Memo

From

FLORENE DAVIDSON
ADMINISTRATIVE SECRETARY

To Called in by L. J. Buck 393-0425
8/25/81

Salt Water Disposal

Monco #2-M SW/4 SW/4

25-255-36E

Lea County

Seven Rivers formation

3081' - 3108'

901 N. Jefferson
88240

OIL CONSERVATION COMMISSION-SANTA FE

3221-3250

OIL CONSERVATION COMMISSION-SANTA FE

ROUGH

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 7360

Order No. R-6799

APPLICATION OF L. J. BUCK FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 23, 1981 19____, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this_____day of _____, 19 81 , the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, L. J. Buck, is the owner and operator of the Monco Well No. 2, located in Unit M of Section 25, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Seven Rivers formation, with injection into the perforated interval from approximately 3221 feet to 3250 feet.

(4) That the injection should be accomplished through 2 3/8 -inch plastic lined tubing installed in a packer set at approximately 3150 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge or approved leak detection device should be attached to the annulus in order

to determine leakage in the casing, tubing, or packer.

(5) That if injection is under pressure, the injection well or system should be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 645 psi.

(6) That the Director of the Division should be authorized to administratively approve an increase in the injection pressure upon a proper showing by the operator that such higher pressure will not result in migration of the injected waters from the Seven Rivers formation.

(7) That the well should be used only to reinject water produced from the Jalmat Pool from applicant's wells in said pool and from nearby offset acreage in said pool.

Seven

(10) ~~(9)~~ That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, L. J. Buck, is hereby authorized to utilize its Monco Well No. 2, located in Unit M of Section 25, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 3150 feet, with injection into the perforated interval from approximately 3221 feet to 3250 feet:

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus or the annulus shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

Provided Further, That the well shall be used only to reinject water produced from the Jalmat Pool from applicant's wells in said pool and from nearby offset acreage in said pool.

See Order

... migration of the injected fluid from the Seven Rivers formation.

(4) That 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 so that the same may be inspected.

(5) That the operator shall immediately notify the supervisor of the Division's Hobbs district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

(6) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Division Rules and Regulations.

(7) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501

Case 7360

FORM C-108
Revised 7-1-81

Monco #2
Sec. 25-25S-36E
Lea County, New Mexico

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose: ☐ Secondary Recovery ☐ Pressure Maintenance ☒ Disposal ☐ Storage
Application qualifies for administrative approval? ☐ yes ☐ no

II. Operator: Lonnie J. Buck

Address: Box 129 Hobbs, New Mexico

Contact party: Lonnie J. Buck Phone: 505-397-4583

III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? ☐ yes ☒ no
If yes, give the Division order number authorizing the project _____.

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

* VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

* X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)

* XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Lonnie J. Buck Title Owner-Operator

Signature: Lonnie J. Buck Date: 9-8-81

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal. _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate Division district office.

LONNIE J. BUCK
Oil Properties

901 North Jefferson
Bus. (505) 392-7538
Res. (505) 393-0425
Hobbs, New Mexico 88240

Monco #2
Sec. 25-25S-36E
Lea County, New Mexico

Exhibit - 1 - Map required by Paragraph V C-108

Exhibit - 2 - Tubular summary required by Paragraph VI C-108

Exhibit - 3 - Data Sheet required by Paragraph VII C-108

Exhibit - 4 - Geological Data, Paragraph VIII C-108

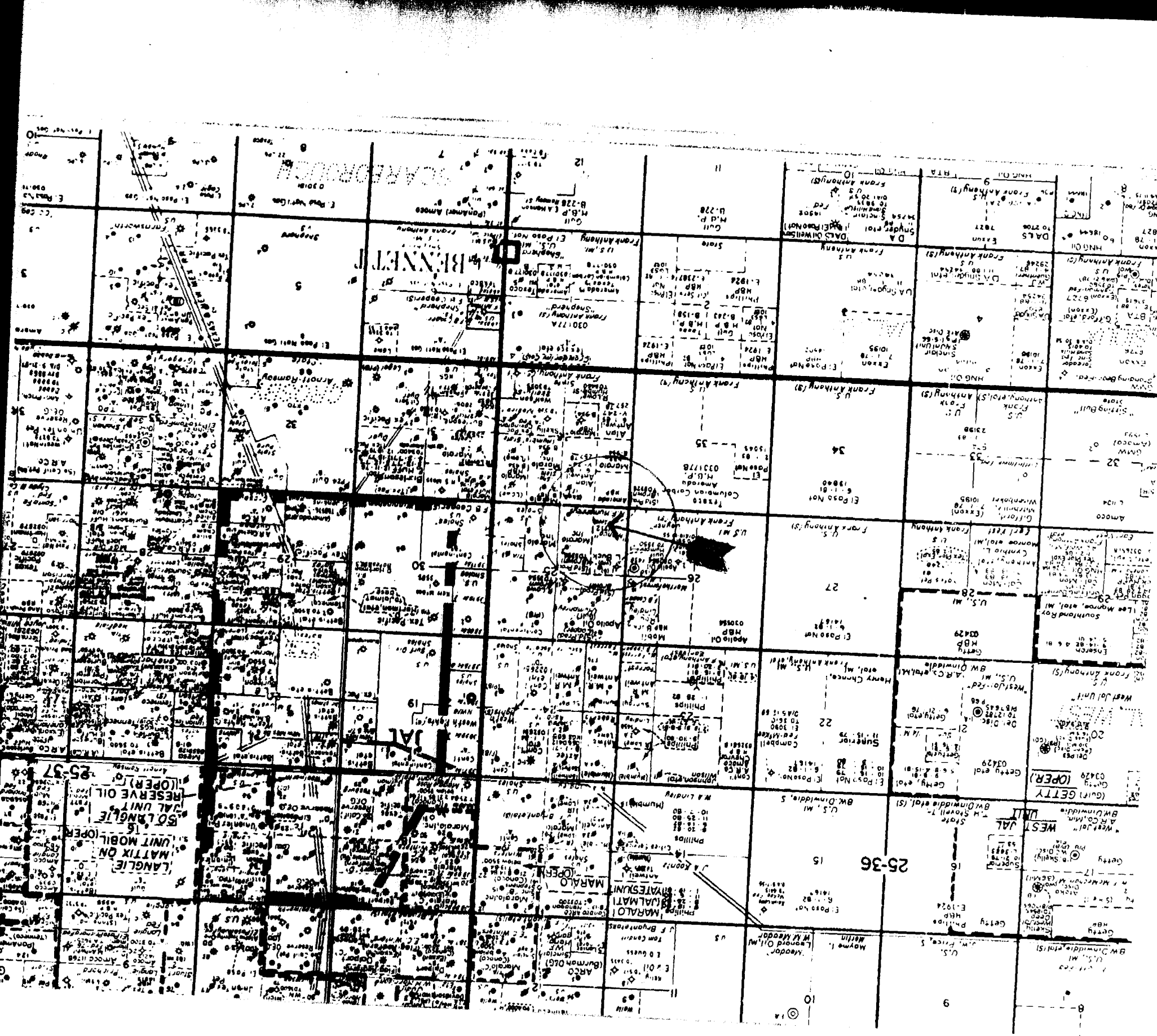
Exhibit - 5 - Data Sheet on Disposal Well

Exhibit - 6 - Schematic SWD Well

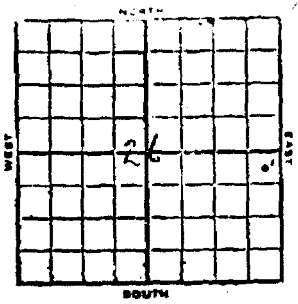
Exhibit - 7 - Water Quality

Exhibit - 8- Statement per Paragraph XII C-108

Exhibit - 9 - Notice Requirements



25-36
25-37
JAL
BENNETT
LANGLIE MATTIX UNIT MOBIL (OPER)
SO. LANGLIE JAL UNIT RESERVE OIL (OPER)
MARALO (JALMAT) YATES UNIT
MARALO (OPER)
WEST JAL UNIT
GETTY (OPER.)
"West Jal Unit"
"Sitting Bull" State
TEXAS
NEW MEX
Frank Anthony
El Paso Nat
U.S.
State



SKELLY OIL COMPANY

Request No. 1037.

Lease #4494.

Form N47-1M-4-28-Petrol

Record of Sand	To Top	To Bot.	Thickness
1st or White Lime	3200	3233	33'
2d or Soft Brkn Lime	3248	3251	3'
3d or Gray Lime	3266	3281	15'
4th or Gray Lime	3318	3323	5'
5th or Gray Lime	3328	3331	3'

Torpedo Record	1st Shot	Qts.	2d Shot	Qts.
Shot between	Ft.	Ft.	Ft.	Ft.
Date of Shot		19		19
Put in by				
No. ft. of Shell				
Size of Shell				
No. ft. Anchor				
Distance below casing				
Any damage to casing or casing shoulder				

Record of Well No. 1 E. T. Jomer Farm

Lease Description S/2 Sec. 19, All Sec. 20, W/2 Sec.21, W/2 & SE/4 Sec.26, N/2 & SW/4 Sec.28 & N/2 Sec.33

Section ______ Township 25S Range 36E

County Lea State New Mexico Acres 2560

Location Made July 25, 1928 By T. C. Farquhar

330 feet from North line 330 feet from East line of SE/4 Sec. 26.

______ feet from South line ______ feet from West line

Rig com'd July 25, 1928 Rig com'pd July 30, 1928

Drilling com'd July 31, 1928 Drilling com'd Jan. 30, 1929

J. A. Long Rig Cont'r

______ Rotary Drilling Cont'r

Flaherty Bros. Standard Drilling Cont'r

Total depth of well ______ feet @ ______ per foot

Commenced Producing January 30, 1929

Natural Production (1st 5 hours 180 Bbls. (2d 5 hours 272 Bbls.

After Shot (1st 24 hours ______ Bbls. (2d 24 hours ______ Bbls.

Gas Pressure ______ lbs. Volume ______ Cu. ft.

Oil at ______ ft. CASING POINTS

Best Oil at ______ ft. 20" 94'

Water at ______ ft. 15½" 449'

Top of Break ______ 12½" 965'

Bottom of Break ______ 10" 2974'

Top of 2nd Sand ______ 8¼" 3248'

Ft. in 2nd Sand ______

Bottom of 2nd Sand ______

TOTAL DEPTH: 3331'

Packer set at ______ ft. Size & Kind ______

Packer set at ______ ft. Size & Kind ______

Wooden Conductor: Size ______ Feet

Drive Pipe Casing, Tubing and Sucker Rods

Size	Weight per Foot	Left in Well			Put in Well but pulled out	
		Jts.	Feet	In.	Feet	In.
20"	90		94	9		
15½"	70		443	0		
12½"	50				964	4
10"	40		2997	5		
8¼"	32.		3271	11	3271	11

PUT WELL PUMPING ______ Where Set ______

Hole reduced at ______ Perforated at ______

Liner ______ Size ______ Length ______ Where Set ______

Hole reduced at ______ Perforated at ______

CLEANING OUT RECORD

Date commenced cleaning out September 14, 1943

Date cleaning out was completed September 16, 1943

Drilled deeper No. of feet ______

Production prior to cleaning 10 bbls. oil, 11 bbls. water

Production after cleaning 13 bbls. oil, 12 bbls. water

REMARKS: ______

DEEPENING RECORD

Date commenced deepening ______

Date completed ______

Drilled deeper No. of feet ______

Production prior to deepening ______

Production after deepening ______

NOTE: If well is dry, state under remarks, When, How, and by Whom plugged.

RECORD OF FORMATIONS

FORMATION	TOP	BOTTOM	REMARKS Indicate Showing of Oil, Gas, Water and Describe Formation.
Sand, red	0	15	
Sand, hard	15	30	
Shale, sandy	30	35	
Sand, red	35	80	
Shale, blue	80	85	
Rock, red	85	140	Set 20" casing at 94'.
Shale, light sandy	140	150	
Rock, red	150	205	
Sand	205	230	
Rock, red	230	235	
Sand, light	235	265	
Rock, red	265	275	
Sand, white.	275	440	HFW at 760'.
Shale, light	440	455	Set & cemented 15½" casing with 200 sacks cement at 449' and while trying raise casing to allow cement to circulate around bottom of pipe, rig front was pulled in. Then drilled cement out of casing before repairing rig. Repaired rig and tried raise 15½" to recement but couldn't do so. Continued drilling ahead at 449. [illegible] hole showing about 6 bailers water per hour.
Sand, light	455	490	
Rock, red	490	615	
Sand, light	615	625	
G[illegible]	625	630	
Rock, red	630	710	

2

Lime, light	710	720	
Rock, red	720	730	Lost tools at 7[illegible] recovered that same day.
Sand, red	730	870	
Mud, red	870	875	
Rock, red	875	880	
Sand, red broken	880	900	
Gyp, white	900	905	
Mud, red	905	920	
Sand, white	920	930	Water.
Rock, red	930	935	
Sand and red rock	935	940	Small show gas at 935.
Rock, red	940	945	
Sand, light broken	945	960	
Mud, red	960	965	Set 12½" casing at 965.
Rock, red	965	1095	
Anhydrite, white	1095	1140	
Salt, white	1140	1160	
Anhydrite, white	1160	1245	
Salt, white	1245	1320	
Salt & potash, white	1320	1325	
Shale, blue	1325	1330	
Shale, red	1330	1360	
Anhydrite, light	1360	1405	
Shale, blue	1405	1410	
Rock, red	1410	1415	
Salt, white	1415	1435	
Anhydrite	1435	1450	
Salt, white	1450	1480	
Rock, red	1480	1505	
Sand, white	1505	1510	
Rock, red	1510	1520	
Salt	1520	1560	
Rock, red	1560	1565	
Salt, white	1565	1630	
Salt and potash	1630	1660	
Anhydrite, white	1660	1700	
Salt, white	1700	1815	
Anhydrite, light	1815	1835	
Salt and potash	1835	1920	
Salt, white	1920	1925	
Anhydrite, white	1925	1950	
Salt, white	1950	1970	
Red bed and potash	1970	1980	
Salt, white	1980	2160	
Anhydrite, white	2160	2180	
Salt, white	2160	2220	
Anhydrite, light	2220	2245	
Salt, light.	2245	2485	Lost tools at 2380 & recovered same.
Anhydrite, white	2485	2520	
Salt, light	2520	2555	
Anhydrite, white	2555	2590	
Salt, light	2590	2615	
Anhydrite, white	2615	2640	
Salt, light	2640	2760	
Anhydrite, white	2760	2800	
Salt, light	2800	2935	
Anhydrite, white	2935	2992	
Lime, brown	2992	3005	Set & cemented 10" casing with 75 sacks cement at 2974 SLM(3005 CM). Allowed cement to set 4 days before drilling plug.
Correction to steel line measurement	3005	2974	
Lime, gray	2974	3040	
Lime, black	3040	3098	Very slight show oil at 3040-3042.
Limestone, light broken	3098	3101	Small show oil at 3098-3101.
Lime, light	3101	3156	
Shale, light	3156	3179	
Lime and sand, light	3179	3200	Show of free oil at 3180.
Lime, white	3200	3248	Reduced hole from 10" to 8¼" at 3228. 1/2 million cu. ft. gas at 3233. At 3233, put on Master gate and moved boiler back. Increase of gas at 3248.
Lime, soft broken	3248	3251	Oil started rising in hole at 3248 to 3251. Depth of 3251 was reached on Nov. 3, 1928 & well was then shut in to erect tankage. Opened well up on Nov. 9 and it flowed a head of 72 bbls. oil. The following day, flowed a head of 65 bbls. after having been shut in over night. Rem tools and agitated but well would not flow again so started straight-reamin; shoulder at 3228, preparatory to setting 8¼" casing. Reamed to 3236, set 8¼" at that point and pulled out all 12½" casing; with shoe. Well flowed a head of 50 bbls. when 8¼" casing was set down at 3236. Connected up well preparatory to swabbing & bailing and started swabbing with hole standing almost full of fluid. Swabbed down to within 700' of bottom and at that depth got a show of water.

(CONTINUED ON PAGE NO. 2)

NEW MEXICO OIL CONSERVATION COMMISSION

Revised 10-1-78

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	GAS	
OPERATOR		
PRORATION OFFICE		

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Operator: ✓ Lonnie J. Buck

Address: 901 North Jefferson Hobbs, New Mexico 88240

Reason(s) for filing (Check proper box)

New Well XX
Recompletion
Change in Ownership

Change in Transporter of:
Oil
Casinghead Gas
Dry Gas
Condensate

Other (Please explain)

CASINGHEAD GAS MUST NOT BE FLARED AFTER 11-1-79 UNLESS AN EXCEPTION TO R-1070 IS OBTAINED.

If change of ownership give name and address of previous owner

DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, Including Formation	Kind of Lease	Lease No.
Monco	#2	Jalmat ok Jwk	State, Federal or Fee Fee	

Location

Unit Letter M : 670 Feet From The South Line and 660 Feet From The West

Line of Section 25 Township 25S Range 36E , NMPM, Lea County

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil ☐ or Condensate ☐: Western Oil Transportation

Address (Give address to which approved copy of this form is to be sent): Box 833 Hobbs, New Mexico

Name of Authorized Transporter of Casinghead Gas ☐ or Dry Gas ☐: El Paso Natural Gas Co.

Address (Give address to which approved copy of this form is to be sent): Midland, Texas

If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected?	When
	M	25	25S	36E	Not tested	

If this production is commingled with that from any other lease or pool, give commingling order number:

COMPLETION DATA

Designate Type of Completion – (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
	XX				Re-entry			

Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.
7-30-79	8-22-79	3327'	3303'

Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth
	Seven Rivers ok Jwk	3066'	3288'

Perforations	Depth Casing Shoe
3264-70; 81-91; 96-98	3326'

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
6¼'	~~3326'~~ 4½"-11.60#	~~3326~~ 3326'	
	DV tool at 2501'. Cemented in 2 stages. Circulated cement w/ 980 sx cement.		
	2-3/8" tubing	3288'	SN @ 3253'

TEST DATA AND REQUEST FOR ALLOWABLE

(Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

OIL WELL

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
8-24-79	8-30-79	Pumping	
Length of Test	**Tubing Pressure**	**Casing Pressure**	**Choke Size**
24 hrs.	---	vented	-
Actual Prod. During Test	**Oil - Bbls.**	**Water - Bbls.**	**Gas - MCF**
26 bbls.	22 oil	4 water	not tested

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	**Tubing Pressure (shut-in)**	**Casing Pressure (shut-in)**	**Choke Size**

CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Lonnie J. Buck
(Signature)

Owner Operator
(Title)

9-5-79
(Date)

OIL CONSERVATION DIVISION

APPROVED SEP 7 1979, 19

BY John W. Runyan

TITLE Geologist

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.

2

STATE OF NEW MEXICO
GY AND MINERALS DEPARTMENT

Form C-104
Revised 10-1-78

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Operator: Lonnie J. Buck

Address: 901 North Jefferson   Hobbs, New Mexico 88240

Reason(s) for filing (Check proper box): New Well [X]; Recompletion [ ]; Change in Ownership [ ]; Change in Transporter of: Oil [ ] Casinghead Gas [ ] Dry Gas [ ] Condensate [ ]

Other: CASINGHEAD GAS MUST NOT BE FLARED AFTER 8/6/79 UNLESS AN EXCEPTION TO R-4070 IS OBTAINED.

If change of ownership give name and address of previous owner

DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, Including Formation	Kind of Lease State, Federal or Fee	Lease No.
Monco	#1	Jalmat	Fee	

Location: Unit Letter L ; 990 Feet From The West Line and 2310 Feet From The South Line of Section 25 Township 25S Range 36E , NMPM, Lea County

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil [X] or Condensate [ ]: Cities Service Co., Trucks	Address (Give address to which approved copy of this form is to be sent): Box 1919 Midland, Texas 79701
Name of Authorized Transporter of Casinghead Gas [ ] or Dry Gas [ ]: El Paso Natural Gas	Address (Give address to which approved copy of this form is to be sent): Midland, Texas
If well produces oil or liquids, give location of tanks. Unit L Sec. 25 Twp. 25S Rge. 36E	Is gas actually connected? not tested When

If this production is commingled with that from any other lease or pool, give commingling order number:

COMPLETION DATA

Designate Type of Completion – (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
	XX			Re-Entry				

Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.
4-30-79	6-5-79	3339'	3307'
Elevations (DF, RKB, RT, GR, etc.)	**Name of Producing Formation**	**Top Oil/Gas Pay**	**Tubing Depth**
	Seven-Rivers	3050'	3293
Perforations			**Depth Casing Shoe**
3252-58; 61-63; 67-69; 72-83; 88-90; 95-99		28 holes 1 JSPF	3339'

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
7-5/8"	5½"-15.5#	3339'	920
	2-3/8" tubing	3293'	
Set DV tool at 2546'	-cement 1st stage w/	260 sx Halliburton	Class C-Circulated
2nd stage w/ 660 sx	Halliburton lite.		

TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

OIL WELL

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
6-5-79	6-6-79	Pumping	
Length of Test	**Tubing Pressure**	**Casing Pressure**	**Choke Size**
24 hrs.	-	-	-
Actual Prod. During Test	**Oil-Bbls.**	**Water-Bbls.**	**Gas-MCF**
165 bbls.	15 BOPD	150 BWPD	TSTM

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	**Tubing Pressure (Shut-in)**	**Casing Pressure (Shut-in)**	**Choke Size**

CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Lonnie J. Buck
(Signature)
[signature]
(Title)
6-22-79
(Date)

OIL CONSERVATION DIVISION

APPROVED JUL 6 1979, 19

BY [signature]

TITLE SUPERVISOR DISTRICT I

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.

2

NEW MEXICO OIL CONSERVATION COMMISSION

AUG 16 9 21 AM '68

Indicate Type of Lease: State [X] Fee [ ]

B-8880

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.)

OIL WELL [X] GAS WELL [ ] OTHER.

7. Unit Agreement Name

Name of Operator

SKELLY OIL COMPANY

8. Farm or Lease Name

State "Z"

Address of Operator

P. O. Box 730 - Hobbs, New Mexico 88240

9. Well No.

1

Location of Well

UNIT LETTER C , 660 FEET FROM THE North LINE AND 2310 FEET FROM THE West LINE, SECTION 36 TOWNSHIP 25S RANGE 36E NMPM.

10. Field and Pool, or Wildcat

Jalmat

15. Elevation (Show whether DF, RT, GR, etc.)

3001' DF

12. County

Lea

6.

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK [ ]	PLUG AND ABANDON [ ]	REMEDIAL WORK [ ]	ALTERING CASING [ ]
TEMPORARILY ABANDON [ ]		COMMENCE DRILLING OPNS. [ ]	PLUG AND ABANDONMENT [X]
PULL OR ALTER CASING [ ]	CHANGE PLANS [ ]	CASING TEST AND CEMENT JOB [ ]	
OTHER [ ]		OTHER [ ]	

17. 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.

Moved in casing pullers 8-6-68. Pulled rods & pump. Pulled 2-3/8"OD tubing and seating nipple. Reran tubing open ended to 3260', displaced oil and water with mud. Spotted 35 sacks cement 3265' to 3100'. Pulled tubing. Shot off casing at 2264', unable to pull; shot off at 2201', pulled loose. Pulled 72 jts. (2218') of 7"OD 8-R 20# SS J-55 R-2 ST&C Casing. Ran open end tubing to 2275', spotted cement and 10# mud as follows:

3100-2275'		-	Heavy mud-laden Fluid
2275-2125'		-	30 Sacks Regular Cement
2125-1385'		-	Heavy mud-laden Fluid
1385-1345'		-	20 Sacks Regular Cement
1345-20'		-	Heavy mud-laden Fluid
20'	Surface	-	20 Sack cement Surface Cap.

Installed 4" pipe as a dry hole marker. Plugging operations complete and well abandoned 3 P.M. August 13, 1968.

Left in hole: 1064' of 7"OD 20# 8R Casing from 2201-3265'; 1269' of 10-3/4"OD 40# & 32# 8R Casing from 96' to 1365'

The pits have been filled and the location cleared and levelled.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED (ORIGINAL SIGNED) V. E. Fletcher TITLE District Production Manager DATE 8-16-68

APPROVED BY [signature] TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

2

NEW MEXICO OIL CONSERVATION COMMISSION

AUG 5 10 AM '68

SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

State X

B-8880

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.

1. OIL WELL X GAS WELL ☐ OTHER-

7. Unit Agreement Name

2. Name of Operator
SIELLY OIL COMPANY

8. Farm or Lease Name
State "Z"

3. Address of Operator
P. O. Box 730 - Hobbs, New Mexico 88240

9. Well No.
1

4. Location of Well
UNIT LETTER C, 660' FEET FROM THE North LINE AND 2310' FEET FROM THE West LINE, SECTION 36 TOWNSHIP 25S RANGE 36E NMPM.

10. Field and Pool, or Wildcat
Jalmat

15. Elevation (Show whether DF, RT, GR, etc.)
3001' DF

12. County
Lea

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON X	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐		COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐	CHANGE PLANS ☐	CASING TEST AND CEMENT JOB ☐	
OTHER ☐		OTHER	

17. 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.

State "Z" Well No. 1 is a producing well in the Jalmat pool. We propose to plug and abandon this well as follows:

1. Rig up pulling unit. Pull rods & tubing.
2. Run tubing open ended to 3260'.
3. Spot cement plug from 3265'-3100' (35 sacks), and pull tubing.
4. Shoot 7"OD casing at 2400' and pull out of hole with casing pulling rig.
5. Run tubing and spot 30-sack cement from 2475'-2325'.
6. Spot 20-sack plug in 10-3/4" casing from 1385'-1345'.
7. Spot 10-sack plug in top of 10-3/4" casing from 20 to surface.

NOTE: Intervals not cemented will be filled with heavy mud-laden fluid. This well has now reached an uneconomical status to operate. A study of the well indicated that remedial work cannot be justified.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED (ORIGINAL SIGNED) V. E. Fletcher TITLE District Production Manager DATE 8-2-68

APPROVED BY [signature] TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

2

"[illegible] Lea Completion"

Place Midland, Texas
Date [illegible] 19, 1946

Glenn Staley
Proration Office
Hobbs, New Mexico.

Designate UNIT well is located in
) O

D	C	B	A
E	F	G	H
L	K	J	I
M	N	O	P

LOCATION OF WELL IS AS FOLLOWS: (Lease) Sholes Well No. 1
660 feet from South line; 1830 feet from East line; Sec. T R
25-25-36.

DATE STARTED July 1, 1946
DATE COMPLETED August 29, 1946
ELEVATION 3017
TOTAL DEPTH T.D. 3220
CABLE TOOLS Cable ROTARY TOOLS

CASING RECORD

SIZE	10 3/4"	DEPTH	426	SAX CEMENT	150
SIZE	5 1/2"	DEPTH	3226	SAX CEMENT	700
SIZE		DEPTH		SAX CEMENT	

TUBING RECORD

SIZE 2" DEPTH 3200

ACID RECORD

NO. GALS 500 (wash) NO. QTS.
NO. GALS 1000 NO. QTS.
NO. GALS 1000 NO. QTS.

FORMATION TOPS

Anhydrite	1405
Top Salt	1280
Base Salt	2605
Red Sand	
Brown Lime	2640
Top of Yates White Lime	2835
Oil or Gas Pay	3185 to 3195 (Oil)
Water	

Initial Production Test 41 bbl oil 77 bbl water Pumping Flowing Pumping
Test After Acid or Shot Pumped 102 bbl oil & 204 bbl water per day

Initial GAS VOLUME 250 MCF

SOL RULE NO. DATE

PIPE LINE TAKING OIL Texas-New Mexico Pipe Line Co.

REMARKS COMPANY Ralph Lowe

SIGNED BY: R. L. Lowe Agent

2

Place Midland, Texas
Date May 28, 1945

[illegible]
[illegible]
[illegible]

Indicate UNIT well is located in
K

[illegible] (Lease) Humphreys Well No. 2
1650 Feet from South Line; 2310 Feet from West Line; [illegible]
25-25-36.

DATE STARTED April 14, 1945
DATE COMPLETED May 26, 1945
ELEVATION 3035
TOTAL DEPTH [illegible] 3257
CABLE TOOLS Cable ROTARY TOOLS

CASING RECORD

Size	Depth	Sax Cement
10 3/4"	417	150
5 1/2"	3222	200

TUBING RECORD

SIZE 2" DEPTH 3240

SHOT RECORD

NO. QTS. ______ NO. QTS. ______
NO. QTS. ______ NO. QTS. ______
NO. QTS. ______ NO. QTS. ______

FORMATION TOPS

Anhydrite 1010
Top Salt 1145
Base Salt 2740
~~Red Sand~~ Top Yates 2924
Brown Lime 2785
White Lime 0
Oil or Gas Pay 3209- 3222 3248-3257
Water 0

Initial Production Test 120 Pumping ______ Flowing X
Test After Acid or Shot ______

Initial GAS VOLUME ______

SCHEDULE NO. ______ DATE ______

PIPE LINE TAKING OIL Texas-New Mexico Pipe Line Company

REMARKS ______ COMPANY Ralph Lowe

SIGNED BY: Ralph Lowe

2

Midland, Texas
April 7, 1945

D	C	B	A
E	F	G	H
L	K	J	I
M	N	O	P

Chas Notley
District Office
Hobbs, New Mexico.

Indicate UNIT well is located in
N

Name of OPERATOR Co.: (Lease) Ralph Lowe Humphreys Well No. 1
330 feet from South line: 2310 feet from West line; Sec. C.T.R.
25-25-36.

WELL STARTED February 18, 1945
DATE COMPLETED April 7, 1945
ELEVATION 3014
TOTAL DEPTH P.B. 3255
CABLE TOOLS Cable ROTARY TOOLS

CASING RECORD

SIZE	10 3/4"	FILLED	405	SAX CEMENT	150
SIZE	7"	DEPTH	3113	SAX CEMENT	250
SIZE	5 1/2"	DEPTH	3155	SAX CEMENT	50

TUBING RECORD

SIZE 2" DEPTH 3235

ACID RECORD

NO. GALS		NO. LBS.	
NO. GALS		NO. LBS.	
NO. GALS		NO. LBS.	

FORMATION TOPS

Anhydrite	1040
Top Salt	1285
Base Salt	2740
Red Sand	
Brown Lime	2775
White Lime	
Oil or Gas Pay	3214-55
Water	No water

Initial Production Test 180 Pumping Flowing X
Test After Acid or Shot

Initial GAS VOLUME

SOL. GAS RULE NO. DATED

PIPE LINE TAKING OIL Texas-New Mexico Pipe Line Co.

REMARKS CERTIFIED Ralph Lowe

SIGNED BY: Ralph Lowe

2

LONNIE J. BUCK
Oil Properties

901 North Jefferson
Bus. (505) 392-7538
Res. (505) 393-0425
Hobbs, New Mexico 88240

Exhibit 3

Monco #2
Salt Water Disposal Well
Sec. 25-25S-36E
Lea County, New Mexico

Data On Proposed Operation of Well

1. Proposed average and maximum daily rate and volume of fluids to be injected:

   Average daily rate of 1,000 B/D
   Maximum daily rate of 2,000 B/D

2. System will be closed.

3. Proposed average and maximum injection pressure:

   Average injection pressure: 0 (Vacuum)
   Maximum injection pressure: 250 psi

4. (A) Source of injection Fluid: Monco #1

   Seven Rivers-Queen Formation

   (B) Analysis of Formation Fluid:
   (milligrams per liter)

   Resistivity .190 @ 75 Degrees
   Specific Gravity 1.025
   Ph 6.5
   Calcium 3,250
   Magnesium 840
   Chlorides 17,500
   Sulfates 2,750
   Bicarbonate 1,025
   Iron - nil

5. Zone of disposal is productive of oil and gas within one mile of proposed disposal well, but those wells are much higher structurally than proposed disposal well.

LONNIE J. BUCK
Oil Properties

901 North Jefferson
Bus. (505) 392-7538
Res. (505) 393-0425
Hobbs, New Mexico 88240

Exhibit 4

Ref: Para VIII - C-108

Monco #2
Salt Water Disposal Well
Section 25-25S-36E, NMPM
Lea County, New Mexico

Geological Data on Injection Zone

Pool: Jalmat

Formation: Seven Rivers

Geological Name: Seven Rivers

Thickness: 58 feet

Depth: 3221 feet

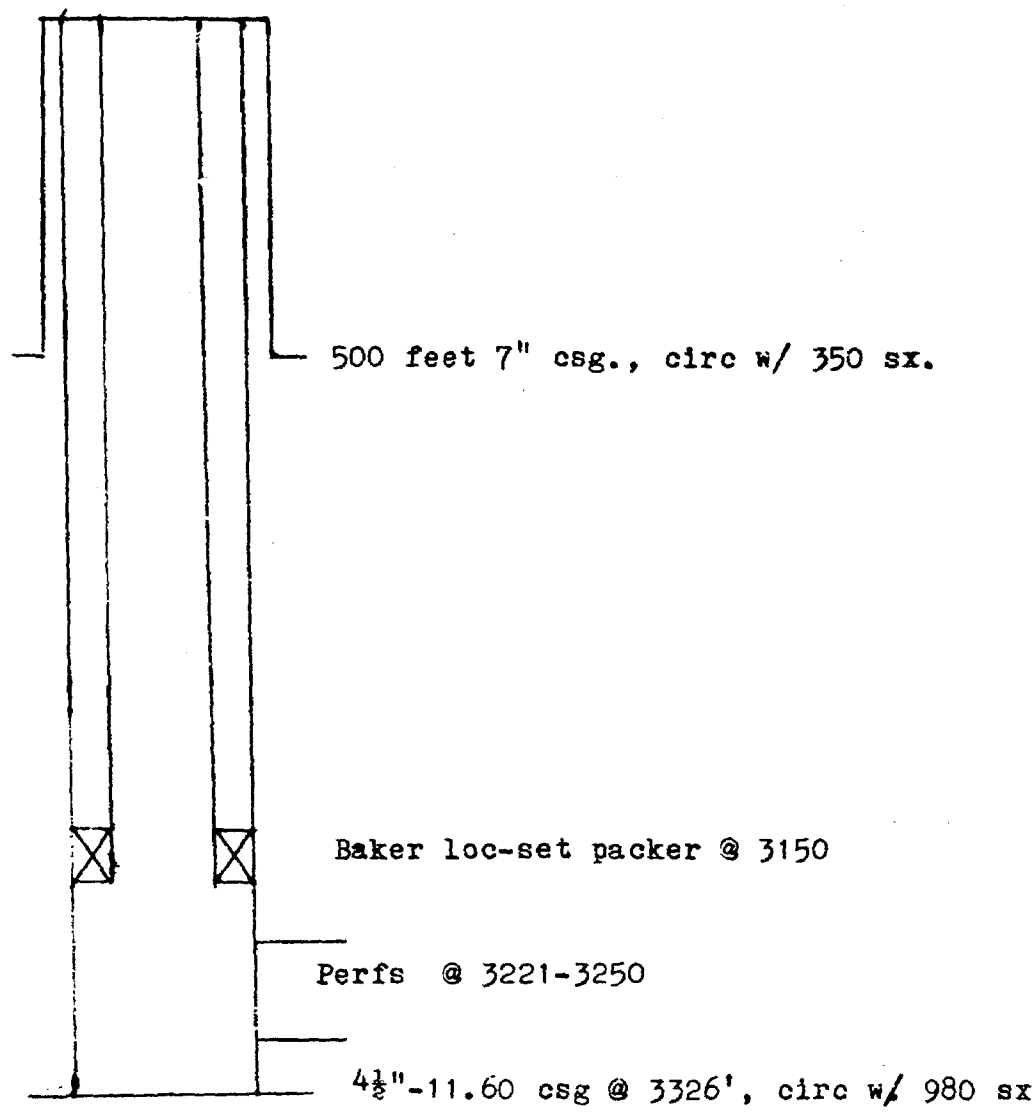
Injection Interval: 19 perforations
3221 feet to 3250 feet

LONNIE J. BUCK
Oil Properties

901 North Jefferson
Bus. (505) 392-7538
Res. (505) 393-0425
Hobbs, New Mexico 88240

Exhibit 6

Proposed Water Disposal Well
Monco #2
Section 25-25S-36E
Lea County, New Mexico



LONNIE J. BUCK
Oil Properties

901 North Jefferson
Bus. (505) 392-7538
Res. (505) 393-0425
Hobbs, New Mexico 88240

Exhibit 8

Lonnie J. Buck researched available geologic and engineering data and finds no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water

LONNIE J. BUCK
Oil Properties

901 North Jefferson
Bus. (505) 392-7538
Res. (505) 393-0425
Hobbs, New Mexico 88240

Exhibit 9

In accordance with Section XIV-C-108, applicant has mailed copies of the application to the following:

Surface Owner:

Mr. Fred Cooper
Route I
Blossom, Texas 75416

Leasehold Operators within one-half mile:

Apollo Oil Company
Box 1737
Hobbs, New Mexico

MARALO
Box 832
Midland, Texas

Applicant has caused to be published in the Lovington Leader, a newspaper of general circulation in Lea County, the attached notice.

LONNIE J. BUCK
Oil Properties

901 North Jefferson
Bus. (505) 392-7538
Res. (505) 393-0425
Hobbs, New Mexico 88240

Notice Of Publication

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
Santa Fe, New Mexico

NOTICE: To all persons having any right, title, interest or claim in the following:

Pursuant to the Rules and Regulations of the New Mexico Oil Conservation Commission, Lonnie J. Buck hereby gives public notice that he has applied to the Division for an order approving his Monco #2 well Located 660 feet from the west line and 670 feet from the south line of Section 25, 25S, R36E, NMPM, Lea County, New Mexico as a disposal well in Seven Rivers-Queen formation in the Jalmat Pool at a depth of 3221 feet to 3250 feet at a maximum rate of 2,000 barrels per day at a maximum injection pressure of 250 psi.

Any interested party must file objections or requests for hearing with the Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico 87501 within fifteen (15) days of the date of publication of this notice.

KELLAHIN & KELLAHIN
Attorneys at Law
P.O. Box 1769
Santa Fe, New Mexico 87501
(505) 982-4285
Attorneys for Lonnie J. Buck

P 335 765 492

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO: Marao
STREET AND NO.: Box 832
P.O. STATE AND ZIP CODE: Midland, Tex 79702

POSTAGE	$.18
CERTIFIED FEE	.75 ¢
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	$.93
POSTMARK OR DATE	SEP 9 1981

CONSULT POSTMASTER FOR FEES
OPTIONAL SERVICES
RETURN RECEIPT SERVICE

PS Form 3800, Apr. 1976

P 335 765 493

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO: Mr. Fred Cooper
STREET AND NO.: Route I
P.O. STATE AND ZIP CODE: Blossom, Tex. 75416

POSTAGE	$.18
CERTIFIED FEE	.75 ¢
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	$.93
POSTMARK OR DATE	SEP 9 1981

CONSULT POSTMASTER FOR FEES
OPTIONAL SERVICES
RETURN RECEIPT SERVICE

PS Form 3800, Apr. 1976

P15 3873644

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO: Apollo Oil Company
STREET AND NO.: Box 1737
P.O. STATE AND ZIP CODE: Hobbs, N.M. 88240

POSTAGE	$.18
CERTIFIED FEE	.75 ¢
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	$.93
POSTMARK OR DATE	SEP 9 1981

CONSULT POSTMASTER FOR FEES
OPTIONAL SERVICES
RETURN RECEIPT SERVICE

PS Form 3800, Apr. 1976