Blaine Hess Oil Properties Post Office Box 326 Roswell, New Mexico 88202-0326 (505) 623-5400

MAY - 6 1996

April 30, 1996

Oil Conservation Division Post Office Box 2088 State Land Office Building Santa Fe, New Mexico 87501

Attention: Mr. Ben Stone

Re: Form C-108 Application for Authorization to Inject Barbados State No. 1 Well 1980' FSL & 660' FEL of Section 32, T-23-S, R-26-E, N.M.P.M. Eddy County, New Mexico

Dear Mr. Stone:

Find enclosed Form C-108, Application for Authorization to Inject covering the captioned well. Please review said form and either contact Mr. Kent Sams at Louis Dreyfus Natural Gas Corp. at (405) 749-1300, or me at the captioned telephone number should you have any questions or comments.

Thank you for all your help in this matter.

Sincerely,

Blaine Hess

BH/arh

cc: Oil Conservation Division - Artesia

ENSRI	STATE OF NEW MEXICO ICY AND HINERALS DEPARTMENT MAY - 6 1995	FORM C-LOB Revised 7-1-81
APPLIC	ATION FOR AUTHORIZATION TO INJECT	
Ι.	Purpose: Secondary RecoverCONSERVATION DIVISIANTE Application qualifies for administrative approvation	
11.	Louis Dreyfus Natural Gas Corp	
	Address: 14000 Quail Springs Pkwy, Ste 600 Oklaho	ma City, OK 73134
	Contact party: Kent Sams	Phone: (405) 749-1300
ш.	Well data: Complete the data required on the reverse proposed for injection. Additional sheet	side of this form for each well s may be attached if necessary.
Ι٧.	Is this an expansion of an existing project? I ye If yes, give the Division order number authorizing th	
۷.	Attach a map that identifies all wells and leases with injection well with a one-half mile radius circle dra well. This circle identifies the well's area of revi	in around each proposed injection
VI.	Attach a tabulation of data on all wells of public re- penetrate the proposed injection zone. Such data sha well's type, construction, date drilled, location, de a schematic of any plugged well illustrating all plug	il include a description of each oth, record of completion, and
VII.	Attach data on the proposed operation, including:	
	 Proposed average and maximum daily rate and values Whether the system is open or closed; Proposed average and maximum injection pressure Sources and an appropriate analysis of inject the receiving formation if other than reinj; If injection is for disposal purposes into a at or within one mile of the proposed well, the disposal zone formation water (may be militerature, studies, nearby wells, etc.). 	re; ion fluid and compatibility with ected produced water; and cone not productive of oil or gas attach a chemical analysis of
VIII.	Attach appropriate geological data on the injection z detail, geological name, thickness, and depth. Give bottom of all underground sources of drinking water (total dissolved solids concentrations of 10,000 mg/l injection zone as well as any such source known to be injection interval.	the geologic name, and depth to aquifers containing waters with or less) overlying the proposed
IX.	Describe the proposed stimulation program, if any.	
×.	Attach appropriate logging and test data on the well. with the Division they need not be resubmitted.)	(If well logs have been filed
×I.	Attach a chemical analysis of fresh water from two or available and producing) within one mile of any inject location of wells and dates samples were taken.	
XII.	Applicants for disposal wells must make an affirmative examined available geologic and engineering data and or any other hydrologic connection between the dispos- source of drinking water.	Find no evidence of open faults

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form. XIV City of Carlsbad Requirements <u>VIV</u>. Certification

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

Kent Sams Title Production Engineer Name: 4-15-96 Mento Date: Signature: 1 ams

* 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. $_{\rm N/A}$

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

III. HELL DATA

- A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:
 - Lense name: Well No.: Incation by Section, Township, and Bange: and Fustage location within the section.
 - (2) Each casing string used with its size, setting depth, sucks of cement used, hule size, top of cement, and how such top was determined.
 - (3) A description of the tubing to be used including its size, lining material, and setting depth.
 - (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District offices have supplies of Hell Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical well: may submit a "typical data sheet" rather than submitting the data for each well.

- B. The f liawing must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.
 - (1) The name of the injection formation and, if applicable, the field or pool name.
 - (2) The injection interval and whether it is perforated or open-hole.
 - (33 State if the well was drilled for injection or, if not, the original purpose of the we
 - (4) Give the depths of any other perforated intervals and detail on the sacks of cement o. bridge plugs used to seal off such perforations.
 - (5) Give the depth to and name of the next higher and next lower oil or gas zone in the area of the woll, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) the intended purpose of the injection well; with the exect location of single wells or the section, township; and range location of multiple wells;
- (3) the formation name and depth with expected maximum injection rates and pressures; and
- (4) a notation that interested parties must file objections or requests for hearing with the Gil Conservation Division, P. G. Box 2088, Santa Fe, New Mexico 87501 within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN (1).

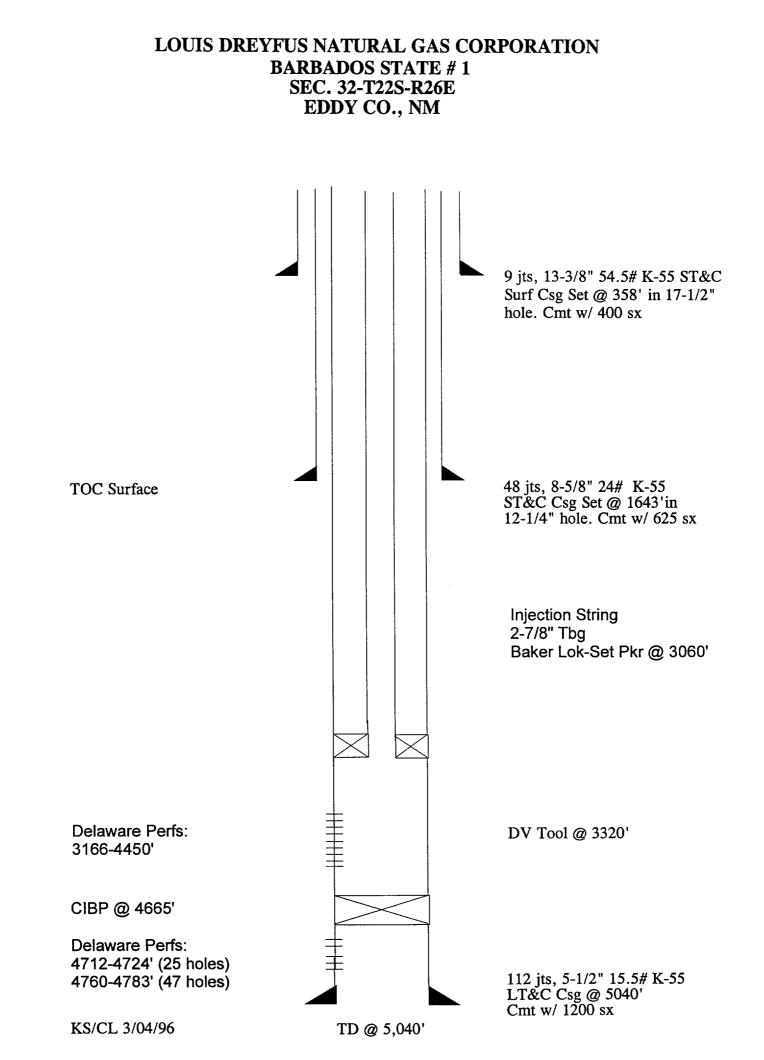
NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

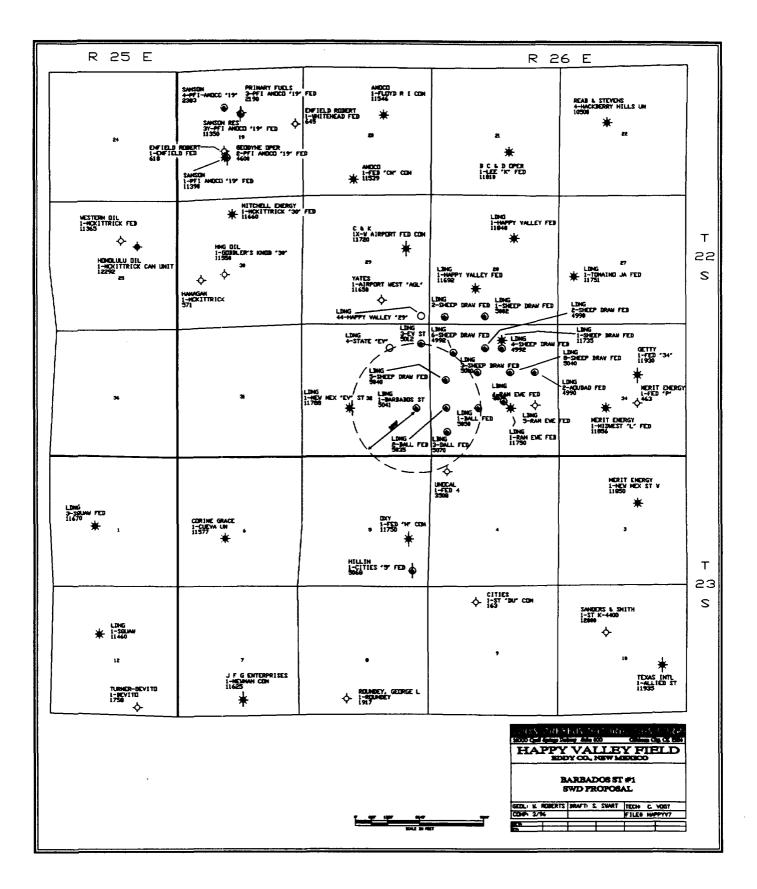
INJECTION WELL DATA SHEET

Louis Drey	fus Natural Gas Con	rp		Barl	bados	State			
OPERATOR			<u> </u>	ASE					
# 1 WELL NO.	1980'FSL & 660' FOOTAGE LOCATION	FEL		32 SECTI			T22S TOWNSHIP	R26E RANGE	
Schem	atic	<u></u>				Tabula	r Data		
			Surfa	ce Casi	ing				
			Size	13 3	<u> 8/8"</u>		Cemented with	400	_s×.
							determined by		
			_						
			Inter	mediate	e Casi	ng			
			Size	85	5/8"	Ni	Cemented with	625	SX.
	ı.	۱					determined by		
						2 1/4"	·		- <u></u>
			Long	string					
			Size	51	/2"		Cemented with	1200	sx.
			TOC _	Surf	ace	🖳 feet	determined by	Inspection	
			Hole			7/8"			
				-		5040'			
			-	tion in 6'			4450'	feet	
			(perf	orated	or op	en-hole,	indicate which)		
	6 .								

•

•		2 3/8"	lined with	TK-7 from (Tubosc	ope)	set in a
1001		Lok-Set		(materia packer at _	* /	feet
(01		and and model) e any other casi				
<u>Othe</u> 1.	er Data Name of	the injection f	De	laware Happy Valley Del		
~ • .						
3.	If no, 1	a new well drii for what purpose ted but no comme	was the well or	on? <u>/</u> 7 Yes <u>/</u> / riginally drilled? _ found.	To Test the D	elaware
4.	and give	well ever been e plugging detai aware 4712-4783	1 (sacks of ceme	ny other zone(s)? l ent or bridge plug(s P @ 4665'	.ist all such pe 3) used)	rforated interval
5.	Give th this er	e depth to and n ea	ame of any over Overlay: None	lying and/or underly		zones (pools) in
	1		Inderlay: Bone S	Springs 5045'	a 1999 k	





		LOCATION PARTY AND	15 XLINNOO			S UIB	Surface Inte	CASING TR	Protection Line	10	size seat Purta		E CONE	' 관련 같이 다	PROD TOP BTM NET STATUS PERF PERF PAY	M NET JE PAY	ACID		STIMULATION	COMP	COMMENTS
ouis Orevtus Natural Gas Corb	BARBADOS STATE # 1	I Sec 32-T22S-R26E	EDDY	MN	Oil 5,040	4,993 13 3	18 358 85	5,040 4,993 13.3/8 358 85/8 1643 51/2	Z 5,040	Surf. 2	2 7/8	Pump	p Delaware	E TA	4,712 4,783		35 1500 gal 7 1/2% HCL	15,300 gal 30# g	15,300 gal 30# gel, No Stimulation	11/23/95	11/23/95 CIBP @ 4665
										7	2 7/8 4,301	Pump	p Delaware	re TA	4,342 4,426	1	26 1200 gal 7 1/2% HCL	17500 gals 30# gel,	el, 53,000 # 16/30 sand	sand 02/10/96 tested wet	tested wet
Louis Dreytus Natural Gas Corp	DALL FEDERAL #1	K Sec 33-T22S-R26E	EDDY	O MN	Oil 5,050	5,050 2,800 13 3/8	/8 345 85/8	5/8 1600 5 1/2	72 2,800	1,000_2	2 7/8 2,428	Pump	p Delaware	я ЯЧ	2,544 2,579		35 1500 gai 7 1/2% HCL	15,300 gal 30 <u># gel.</u>	el, 44,500 # 12/20 sand	sand 10/6/93	
Louis Dreyfus Natural Gas Corp	DALL FEDERAL #2	L Sec 33-T22S-R26E	EDDY	0 WN	Oil 5,030	5,030 4,986 13 3/8	/8 370 8 5/8	5/8 1582 51/2	/2 5,030	Surf. 2	2 7/8 4,700	Pump	p Delaware	re TA	4,708 4,720		12 1000 gai 7 1/2% HCL	14,000 gal 30# gel.	el, 18,900 # 16/30 sand		08/09/95 CIBP @ 4660'
				U	ō					đ	2 7/8 2,589	Pump	p Delawar	PR	2,558 2,568		10 1000 gal 7 1/2% HCL	23,000 gal 30# gel,	el, 64,000 # 16/30 sand	sand 08/22/95	
Louis Dreyfus Natural Gas Corp	DALL FEDERAL #3	M Sec 33-T225-R26E	EDDY	0 MN	Oil 5,070	5,058 13 3/8	361	8 5/8 1665 5 1/2	R 5,070	Surf. 2	2 7/8 2,638	dund	p Delaware	ie PR	2,550 2,563		13 1000 gal 7 1/2% NE FE	14,500 gal 30# gel,	el, 37,000 # 16/30 sand	sand 11/22/95	
Louis Dreyfus Natural Gas Corp	NEW MEXICO EV STATE #1	K Sec 32-T22S-R26E	EDDY	NM	Gas 11,788	11,788 10,785 13 3/8 1,725 9 5/8 2,603	/8 1,725 95	5/8 2,603 5	11,788	1,900 2	2 7/8 9,820	9,820 Flow	v U. Могтом	ow TA	10,962 11,355		393 3600 gais 7 1/2% KCL	53,000 gals foam	32,000 int bauxite		12/08/85 BP @ 10,780'
				Ú	Gas				1			Flow	v Strawn	РК	10,001 10,391		390 9156 gais 15% FE HCL	12,264 gals 15%	12,264 gals 15% foamed MS acid	2/19/86	
Louis Dreyfus Natural Gas Corp	"EV" STATE #3	A Sec 32-T22S-R26E	EDDY	MN	Oil 5,010	5,010 4,951 13 3/8	356	8 5/8 1,620 5 1/2	72 5,010		2 7/8 4,259	dund	p Delaware	re PR	4,190 4,210		20 1000 gals 7 1/2% HCL	17,500 gals 30# gel	gel 65,000 # 16/30 sand	sand 02/06/96	
Louis Dreyfus Natural Gas Corp	SHEEP DRAW FEDERAL #5	K Sec 33-T22S-R26E	ЕДДУ	MN	Oil 5,040	5,040 2,750 13 3/8		339 85/8 1,610 51/2	/2 2,750	, κ	2 7/8 2,506	Pump	p Delaware	re PR	2,537 2,565		18 2000 gais 7 1/2% NEFE acid	17,000 gals 30# gel	gel 42,000 20/40 sand	and 10/1/93	
				U	5							dwnd	p Delawarc	8. 2	2,416 2,434		18 2000 gals 7 1/2% NEFE acid	NO STIM		10/16/93	
Louis Dreyfus Natural Gas Corp	SHEEP DRAW FEDERAL #6	D Sec 33-T225-R26E	EDOY	NM	Oil 4,987	4,987 4,943 13 3/8		357 8 5/8 1,642 5 1/2	12 4,987		2 7/8 4,868	dwnd	p Delaware	re TA	4,868 4,876		8 1000 gats 7 1/2% NEFE acid	14,000 gals 30# gel	gel 12,100 # 16/30 sand		07/10/95 CIBP @ 4830'
				J	Ð						2 7/6 2,789	Pump	p Delaware	re PR	2,540 2,700		48 3250 gats 7 1/2% NEFE acid	15,000 gais 30# gei	gel 42,300 # 16/30 sand	sand 07/20/95	

ITEM VII of NEW MEXICO OCD Form C-108

DATA on PROPOSED OPERATIONS

BARBADOS STATE # 1

- 1. The proposed average and maximum daily injection rate is expected to be 1000 BWPD and 1800 BWPD, respectively.
- 2. The injection system will be operated as a closed system. With tank level monitoring to prevent over flow of tanks.
- 3. The average injection pressure is expected to be 1200 psi. The maximum injection pressure should not be over 1600 psi.
- 4. The source for the disposal water will be all wells that Louis Dreyfus Natural Gas Corp operates or owns an interest in : Sections 27, 28, 29, 32, 33, 34 of T22S-R26E and Sections 3, 4, 5 of T23S-R26E Eddy County New Mexico. Water analysis for the Delaware water in the Dall Federal # 2 is attached as Exhibit VII 4a. Water analysis for the Strawn water in the NM "EV" State # 1 is attached as Exhibit VII 4b.
- 5. Water analysis of the disposal zone formation water in the Barbados State # 1 is attached as Exhibit 5a.

EXHIBIT VII 4a



Na

Ca

Mg

Fe 100

1 2/ L

And

120

• F 30

st.

70

90

1 mill

110

130

LABORATORIES, INC.

3312 Bankhead Hwy. Midland, Texas 79701 (915) 689-7252 FAX # (915) 689-0130

CAPROCK

WATER ANALYSIS REPORT

SAMPLE

Sample Loc. : 1980' FSL & 660' FWL Date Analyzed: 04-April-1996 Date Sampled : Analysis No. : 3 Oil Co. : Louis Dreyfus Natural Gas Lease : Dall Federal #2 Well No.: Sec 32, T-225, R-26 B Job No. : 9604024

ANALYSIS

INTI	<u>-1515</u>				
1. 2. 3.	pH 6.65 Specific Gravity 60/60 F. 1.08 CaCO ₃ Saturation Index @ 80 F. + @ 140 F. +	0 2 0.559 1.449			
<u>D</u>	issolved Gasses	MG/L	EQ. WT.	*MEQ/L	
4. 5. 6.	Hydrogen Sulfide Carbon Dioxide Not D Dissolved Oxygen Not D	101 etermined etermined			
<u>C</u>	ations				
7. 8. 9. 10.	Calcium (Ca ⁺⁺) Magnesium (Mg ⁺⁺) Sodium (Na ⁺) (Calculated) Barium (Ba ⁺⁺) Not D	6,854 1,532 39,121 etermined	/ 20.1 = / 12.2 = / 23.0 =	341.00 125.57 1,700.91	
A	nions				
11.12.13.13.14.15.15.111.111.1111111111111111	Hydroxyl (OH ⁻) Carbonate (CO ₃ ⁼) Bicarbonate (HCO ₃ ⁻) Sulfate (SO ₄ ⁼) Chloride (C1 ⁻)	0 439 1,561 75,515	/ 17.0 = / 30.0 = / 61.1 = / 48.8 = / 35.5 =	0.00 0.00 7.18 31.99 2,127.18	
16. 17. 18. 19.	Total Dissolved Solids Total Iron (Fe) Total Hardness As CaCO3 Resistivity @ 75 F. (Calculated)	125,022 0 23,421 0.062 /cm.	/ 18.2 =	0.03	
	LOGARITHMIC WATER PATTERN *meq/L.	PROB COMPOUND	ABLE MINER EQ. WT.	AL COMPOSI X *meq/L	TION = mg/L.
 	MHILL + MHILL + MHILL + + + + + + + + + + + + + + + + + +	Ca(HCO3)2 81.04	7.18	582
+++++		03 CaSO4	68.07	31.99	2,177
₩₩₩	MILLER MILLER SO	4 CaCl ₂	55.50	301.82	16,751
) 2 73.17	0.00	0
	000 100 10 1 10 100 1000 1000	U MgSO₄	60.19	0.00	0
<u>Car</u>	cium Sulfate Solubility Profile	MgCL ₂	47.62	125.57	5,980
2119 2108 2097		NaHCO3	84.00	0.00	0
2996 2975 2964		NaSO4	71.03	0.00	0
2053 2042 2031		NaCl	58.46	1,699.79	99,370
2020					• .

150

170

*Milli Equivalents per Liter

EXHIBIT VII 4b



 3312
 Bankhead
 Hwy.

 Midland, Texas
 79701

 (915)
 689-7232

 FAX # (915)
 689-0130

WATER ANALYSIS REPORT

- ---

SAMPLE

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Oil Co. : Louis Dreyfus Natural Gas
Lease : New Mexico 'KV' State #1Sample Loc. : 1980' FSL & 1980' FWL
Date Analyzed: 04-April-1996Well No.: Sec 32, T-225, R-26 E
Job No. : 9604024Date Sampled :
Analysis No. : 1

ANALYSIS

1. 2. 3.	pH Specific Gr CaCO3 Satur	avity 60 ation In	5.550 /60 F. 1.068 dex @ 80 F1.170 @ 140 F0.235		
D	issolved Gas	ses	MG/L	EQ. WT.	*MEO/L
4. 5. 6.	Hydrogen Su Carbon Diox Dissolved C	llfide ide Xygen	Not Present Not Determined Not Determined		
<u>C</u>	ations				
7. 8. 9. 10.	Calcium Magnesium Sodium Barium	(Ca++) (Mg++) (Na+) (Ba++)	5,972 681 (Calculated) 32,383 Not Determined	/ 20.1 = / 12.2 = / 23.0 =	297.11 55.82 1,407.96

Anions

11. 12. 13. 14. 15.	Hydroxyl (OH^-) (CO_3^-) Carbonate (CO_3^-) Bicarbonate (HCO_3^-) Sulfate (SO_4^-) Chloride $(C1^-)$	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	
16. 17. 18. 19.	Total Dissolved Solids Total Iron (Fe) Total Hardness As CaCO3 Resistivity @ 75 F. (Calculated)	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	
	LOGARITHMIC WATER PATTERN	PROBABLE MINERAL COMPOSITI	I

*meg/L. C1 ₩₩₩ŦŦŦ~₩₩₽₽₩₩₩ŦŦ-HCO3 Ca ╫╫╫┼┼╶┼╌╸ ╶╉╼┽┽┟╏╢╢╧╌╴╄╌┧┽╎║╽╢ Mg <u>}</u>}}}}+<u>+</u>++-+|}}}++++---<u>|</u>}} ┼┼┼┼┼ ╶╂╌╞┊┊┊╏║╢ ╾╄╶┠╉┞┟╬╬╌╼╌┫╶┨╊╋╿╄╫╣ S04 Fe HIHH HIHH HIHH CO3 10000 1000 100 10 1 10 100 1000 1000

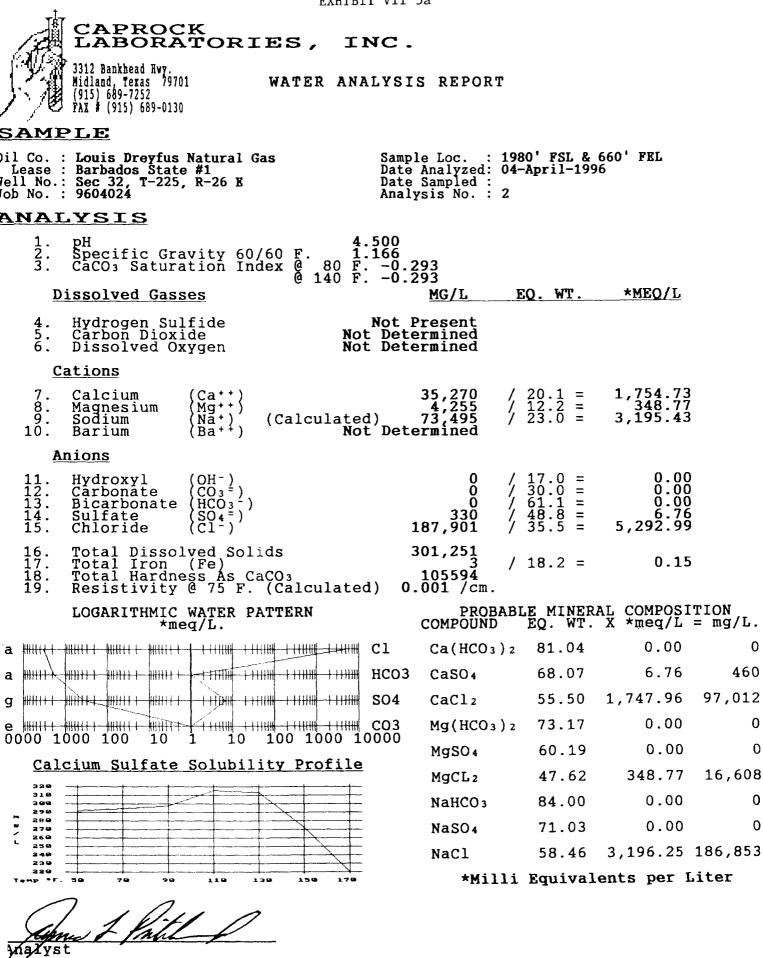
Calcium Sulfate Solubility Profile 2160 2146 2132 2118 2104 2090 _ y -2076 -١. 2062 2048 2034 2020 -Temp *F. 50 70 90 110 .138 159 170

17,716 .089 /cm.	10.2 =	0.01	-
PROBABI COMPOUND	LE MINERAL EQ. WT. X	COMPOSI *meq/L	TION $= mg/L$.
Ca(HCO3)2	81.04	2.60	211
CaSO₄	68.07	0.00	0
CaCl ₂	55.50	294.51	16,345
Mg(HCO3)2	73.17	0.00	0
MgSO4	60.19	0.00	0
MgCL ₂	47.62	55.82	2,658
NaHCO ₃	84.00	0.00	0
NaSO4	71.03	0.00	0
NaCl	58.46 1	,407.33	82,273

*Milli Equivalents per Liter

Apalyst Juchand

EXHIBIT VII 5a



ITEM VIII of NEW MEXICO OCD Form C-108

Geologic Data of the Injection Zone & Underground Drinking Water

Barbados State # 1

The proposed interval for salt water disposal is the Delaware between the depth of 3166' and 4450' in the Barbados State # 1. The Delaware is a sequence of well consolidated sandstone, siltstone and shale strata of Permian age.

The proposed Delaware disposal zones had the following stimulation and production test results.

Interval	Holes Perforated	Stimulation	Results
4712-4783'	72 holes	1500 gal 7 1/2%	Swab dry 1/2 bbl entry/ hr 1% oil cut. Non-Commercial Set CIBP at 4665'
4342-4426'	58 holes	1200 gal 7 1/2% 17500 gal 30 # gel w/ 53000 # 16/30 sand	Pump well prod 180 BWPD No oil cut. Non-Commercial
3166-4450'	290 holes of addi	tional Delaware perforations for disp	osal.

Calculates wet from open hole logs with no economical shows from mud log.

No commercial pay in the Delaware has been found in the Barbados State #1.

Based on information from the New Mexico State Engineers office in Roswell, the nearest fresh water well is 1/2 mile from the proposed saltwater disposal well. This water well has a total depth of 150' and is located in the NE NE NE/4 of Section 32-T22S-R26E. The fresh water zone in this well is the Alluvium found at a depth of 80' to 250' from surface. The City of Carlsbad has fresh water wells producing from the Capitan Acquifer at a depth range of 600' to 1500'. The City of Carlsbad wells are 2.2 miles from the proposed salt water injection well. The location of the wells are in the SE SE of Section 1-T23S-R25E.

There are no known fresh water strata underlying the Delaware formation.

ITEMS IX through XIII

New Mexico OCD From C-108

Barbados State # 1

- Item IX. The proposed Delaware disposal zones from 3166' to 4450' will be acidized with 7 1/2% acid solution and if needed stimulated with 30 # gel w/ 16/30 sand. Volumes to be determined at later date.
- Item X. There is no test data on this well other than what is out lined in the schematic and that given in Item VIII of this application.

All logs for this well are attached and included with the original completion form for the well.

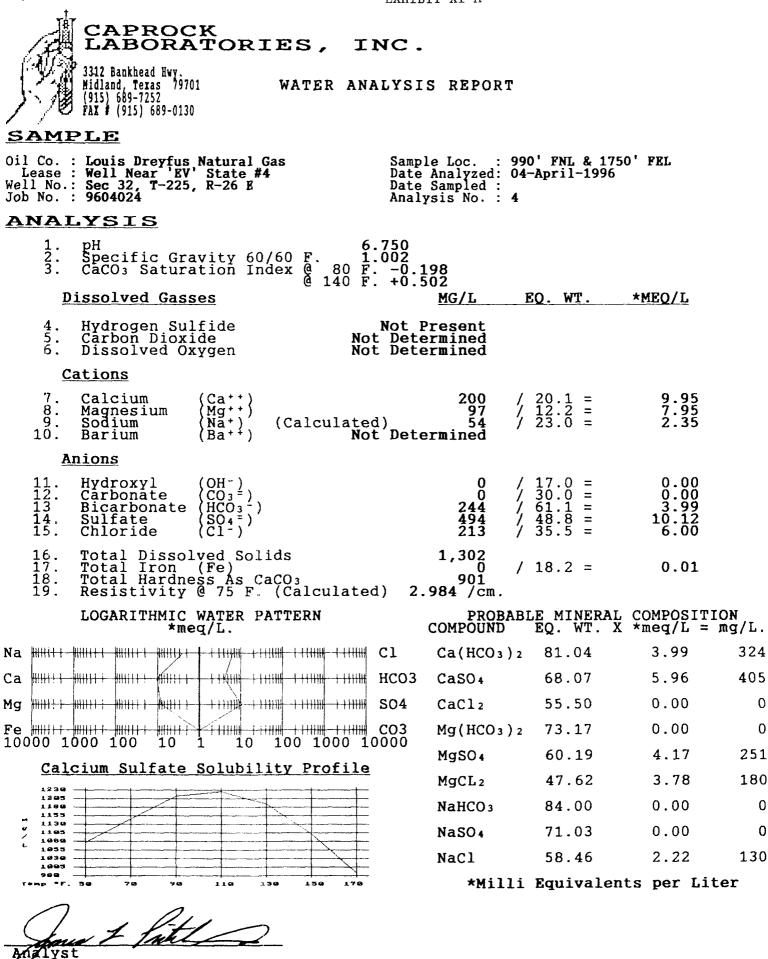
Item XI. The Alluvium water aquifer produces water from a depth range of 80 to 250'. No contamination of this water should occur since the proposed disposal well has surface casing set at 358' from surface with cement circulated to surface. The Capitan Acquifer produces fresh water from 600' to 1500'. No contamination of this aquifer should occur since the proposed disposal well has intermediate casing set at 1643' with cement circulated to surface.

A water analysis of the fresh water well in the NE NE NE of Section 32-T22S-R26E is attached as Exhibit XI A..

A water analysis of the City of Carlsbad fresh water well in the SE SE Section 1-T23S-R25E is attached as Exhibit XI B.

- Item XII. Louis Dreyfus Natural Gas Corp. has examined all applicable geological and engineering data in the surrounding area of the proposed disposal well and finds no evidence of open faults or any other hydraulic connection between the disposal zone and any underground source of drinking water.
- Item XIII. Proof of notice is attached. See Exhibits XIII A and B.

EXHIBIT XI A



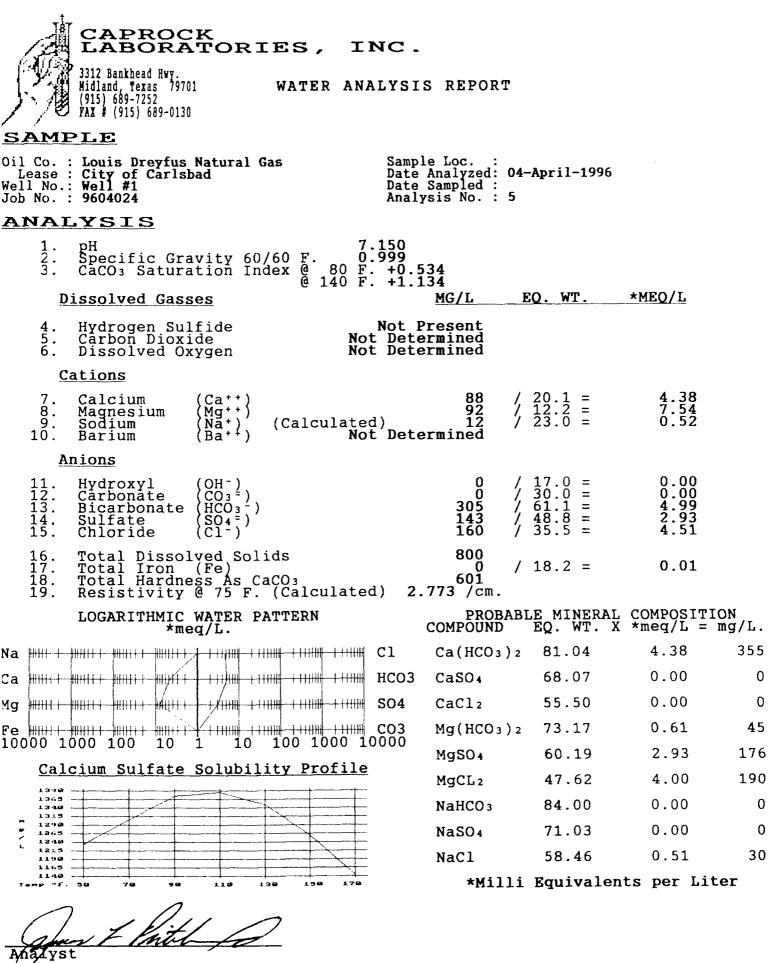


EXHIBIT XIII A

LOUIS DREYFUS NATURAL GAS CORP. APPLICATION FOR AUTHORIZATION TO INJECT BARBADOS STATE #1 EDDY COUNTY, NEW MEXICO

CERTIFICATE OF SERVICE

I, Kent Sams, Engineer, Louis Dreyfus Natural Gas Corp., Operator of the Barbados State #1, have on this 23rd day of April, 1996, mailed or caused to be mailed, postage prepaid, a copy of the Application for Authorization to Inject to the following persons:

Land Owner

State of New Mexico P.O. Box 1148 Santa Fe, NM 87504-1148

Grazing Lessee

Fech Land and Cattle Company 353 Dark Canyon Road Carlsbad, NM 88220

Offset Operators

None

ITEM XIV

CITY of CARLSBAD REQUIREMENTS

- Louis Dreyfus Natural Gas Corp. (LDNG) agrees that the proposed Barbados State #1 -Water Disposal well and related facilities will be subject to the following:
 - (a) The water disposal well and related facilities will only be used for the disposal of water from currently producing oil and/ or gas wells and any future producing oil and/ or gas wells located in the following Sections:

Sections 27, 28, 29, 32, 33, and 34 of T22S-R26E Eddy County, New Mexico Sections 3, 4, and 5 of T23S-R26E Eddy County, New Mexico

- (b) The water disposal well and related facilities will be limited to the disposal of water from producing oil and/ or gas wells which are either operated by LDNG or in which LDNG owns an interest. In no event will the disposal well and related facilities become a commercial facility. This condition shall be applicable to the successors and assigns of LDNG.
- (c) At all times during the operation of the disposal well and related facilities, the City of Carlsbad, its employees and agents shall have access, at its individual risk and expense, to inspect the facility. The City of Carlsbad, its employees and agents, agree to indemnify and hold harmless LDNG, its employees and agents from and against any and all liens, judgments, and claims of any kind or character resulting from or arising out of its right to inspect the disposal well and related facilities, including without limitation any injuries resulting from such inspection.

Affidavit of Publication

State of New Mexico, County of Eddy, ss.

<u>Amy McKay</u> being first duly sworn, on oath says:

That she isBusiness Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the state wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

April 26	, 19 <u>96</u>
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That the cost of publication is 19.86, and that payment thereof has been made and will be assessed as court costs.

Subscribed and sworn to before me this

day of

My commission expires 08/01/98 Notary Public

Nº 17957

April 26, 1996

NEWSPAPER RELEASE (Eddy County, New Mexico)

Louis Dreyfus Natural Gas Corp., 14000 Quail Springs Parkway, Suite 600, Oklahoma City, Oklahoma 73134-2600, Attention: Mr. Kent Sams, Production Engineer (405) 749-1300, proposes to convert the Barbados State #1 well from a temporarily abandoned well to a water disposal well. The Barbados State #1 well is located 1980' FSL & 660' FEL of Section 32, Township 22 South, Range 26 East, N.M.P.M., Eddy County, New Mexico.

1,800 barrels of water per day maximum shall be injected at 1,600 psi into the Delaware

formation at a depth of 3,166' to 4,450'.

Interested parties must file objections or request a hearing with the New Mexico Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico 87501 within 15 days.

SENDER: I also wish to receive the Complete items 1 and/or 2 for-additional services following services (for an extra · Complete items 3, and 4a & b. · Print your name and address on the reverse of this form so that we can fee): Sez return this card to you. 1. Addressee's Address · Attach this form to the front of the mailpiece, or on the back if space 2 does not permit. ă Write "Return Receipt Requested" on the mailpiece below the article number 2. C Restricted Delivery The Return Receipt will show to whom the article was delivered and the date Consult postmaster for fee. delivered. 5 3. Article Addressed to: 4a. Article Number B Ē P 144 846 621 ADDRESS comple Mr. Jon Tully 4b. Service Type Registered Insured City Administrator Certified P.O. Box 1569 Return Receipt for Express Mail Merchandise 88221-1569 Carlsbad, NM 7. Date of Delivery - ----ETURN 8. Addressee's Address (Only if requested Signature (Addressee) 5. and fee is paid) Sec. 1 . 76 gnature (Agent) 6 Ā Ŋ(¥(1 VOUL 381 (, Deca 1991 DOMESTIC RETURN RECEIP mber #U.S. GPO: 1900 orm 67 2. Same 1.1. in the second SENDER: the I also wish to receive Complete items 1 and/or 2 for additional services. Complete items 3, and 4a & b. following services (for an extra · Print your name and address on the reverse of this form so that we can fee): 5. 1 **1 1 1 1** 1 return this card to you. • Attach this form to the front of the mailpiece, or does not permit. 1. Addressee's Address piece, or on the back if space in the second . Write "Return Receipt Requested" on the mailpiece below the article number 2. Restricted Delivery The Return Receipt will show to whom the article was delivered and the data
delivered Consult postmaster for fee. S delivered. 27 A DI HIM 3. Article Addressed to: 4a. Article Number 656 P 144 846 State of New Mexico 4b. Service Type **Oil & Gas Division** Registered P.O. Box 1148 A R Certified Santa Fe, NM 87504-1148 Express/Me DMen ADDR 7. Date q D 5 RN 8. Addressee's Address (Only 5. Signature (Addressee) requested and fee RETU 6. Signature (Agent) lro VOUL 3811, December 1991 PS Form ±U.S. GPO: 1993 DOMESTIC RETURN RECEIPT (1) 123 F.S side SENDER: I also wish to receive the •- Complete sems 1 and/or 2 for additional services. following services (for an extra Complete items 3, and 4a & b. ٠ · Print your name and address on the reverse of this form so that we can fee): return this card to you. 1. 🗌 Addressee's Address ŭ · Attach this form to the front of the mailpiece, or on the back if space does not permit. ъ Write "Return Receipt Requested" on the mailpiece below the article number 2. C Restricted Delivery Ę 909 The Return Receipt will show to whom the article was delivered and the date Consult postmaster for fee. 5 delivered. ž 4a. Article Number 3. Article Addressed to: Return P 144 846 655 Fech Land and Cattle Co. 튤 4b. Service Type 353 Dark Canyon Road Registered Insured COM Bujsn 8822 Carlsbad, NM 🗆 COD Certified ADDRESS Return Receipt for L Express Mail Merchandise ē Date of Delivery Addressee's Address (Only if requested R 8 ¥ 5. Signature (Addressee) and fee is paid) **ner** RET 6. Signature (Agent) VOUL DOMESTIC RETURN RECEIPT PS Form 3811, December 1991 *U.S. GPO: 1993-352-714



Blaine Hess Oil Properties Post Office Box 326 Roswell, New Mexico 88202-0326 (505) 623-5400

May 3, 1996

Oil Conservation Division Post Office Box 2088 State Land Office Building Santa Fe, New Mexico 87501

Attention: Mr. Ben Stone

Re: Application for Authorization to Inject Barbados State No. 1 Well 1980' FSL & 660' FEL of Section 32, T-23-S, R-26-E, N.M.P.M. Eddy County, New Mexico

Dear Mr. Stone:

Enclosed are copies of the return receipts whereby notification was given to offset leasehold operators, surface owners and grazing lessees of the proposal to convert the above well to a salt water disposal well.

If you need any further information, please do not hesitate to call.

Very truly yours, in these

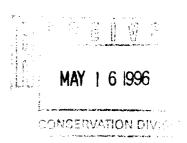
Blaine Hess

BH/arh

Joita WATERS - CITY & CARISOND ENVIRON DEDT 885 JOZZ 887 (191

May 14, 19

New Mexico Oil Conservation Division 2040 South Pacheco Santa Fe, NM 87505



Dear Sirs,

Enclosed find a letter sent to you in regards to an injection well proposed by Louis Dryphus(sp?). See the original letter for the complete description and our original statements.

The address published with the news release was an out-of-date address. We feel this means this should be republished with the correct address for comments to be sent and an extended deadline should be set.

Sincerely,

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Jesse and Ann Rayroux P.O. Box 644, 230 McKittrick Road Carlsbad, NM 88221-0644 (505)887-1472

May 6, 1996

New Mexico Oil Conservation Division P.O. Box 2088 Santa Fe, NM 87501

Dear Sirs,

RE: Barbados State #1,Section 32, T 22S, R 26E, NMPM,Eddy Co.

OBJECTION TO INJECTION WELL- Barbados State #1 well located 1980' FSL and 660' FEL of section 32, Township 22 South, Range 26 East, N.M.P.M.

I have reservations about making this an injection well for brine water as this well is located just three miles east of the City of Carlsbad water well field. Also there are other residential wells located within sight of this well.

It might be all right if the brine water is injected at the greatest depth of 4450' and close monitoring is done DAILY to ensure the casing isn't leaking into the fresh water zones. I would rather see injections wells put in East of the Pecos River as all our fresh water theoretically moves from the west to east in this area.

I would also stress that ONLY water produced within this field be injected. I object strongly to the injection of fluids produced outside and trucked into this site.

Sincerely,

Jesséand Ann Rayroux 230 McKittrick Road P.O. Box 644 Carlsbad, NM 88221-0644 (505)887-1472

Jesse P. Haypoux Ann Roenour

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Louis Dreyfus Natural Gas Corp. 14000 Quail Springs Parkway, Suite 600, Oklahoma City, OK 73134 405-749-1300

Louis Dreyfus Date: <u>6/18/96</u> Number of pages including cover sheet: <u>2</u> FAX **Natural Gas Operations Department** From: Kent Sams To: Ben Stone NM-OCO_ John Waters - City of Carlobad Environ Dept Rigine Hebs 505 827- 8177 Phone: 405-749-5259 Phone: 505- 885- 1101 505- 623-5400 Urgent For your review Reply ASAP Please Comment REMARKS: Stone mr Sections (d) + (e) of the attached document are the changes the City of Carlsbad wanted to make. Please include this New Item XIV In the SWD permit package. If you need add info please let me know Hent Sams LANG

ITEM XIV

CITY of CARLSBAD REQUIREMENTS

- I. Louis Dreyfus Natural Gas Corp. (LDNG) agrees that the proposed Barbados State #1 -Water Disposal well and related facilities will be subject to the following:
 - (a) The water disposal well and related facilities will only be used for the disposal of water from currently producing oil and/ or gas wells and any future producing oil and/ or gas wells located in the following Sections:

Sections 27, 28, 29, 32, 33, and 34 of T22S-R26E Eddy County, New Mexico Sections 3, 4, and 5 of T23S-R26E Eddy County, New Mexico

- (b) The water disposal well and related facilities will be limited to the disposal of water from producing oil and/ or gas wells which are either operated by LDNG or in which LDNG owns an interest. In no event will the disposal well and related facilities become a commercial facility. This condition shall be applicable to the successors and assigns of LDNG.
- (c) At all times during the operation of the disposal well and related facilities, the City of Carlsbad, its employees and agents shall have access, at its individual risk and expense, to inspect the facility. The City of Carlsbad, its employees and agents, agree to indemnify and hold harmless LDNG, its employees and agents from and against any and all liens, judgments, and claims of any kind or character resulting from or arising out of its right to inspect the disposal well and related facilities, including without limitation any injuries resulting from such inspection.
- (d) The City of Carlsbad reserves the right to report any and all results obtained from said sampling of the permitted well to the proper authorities (i.e. the -New Mexico Oil Conservation Division and/or the New Mexico Environment Department) at any time.
- (e) The City of Carlsbad also requires that the permit holder submit a report stating the quantity injected at the SWD for each month to the Environmental Services Department of the City of Carlsbad. This report will be sent at the same time as required by the Oil Conservation Division.

City of Carlsbad New Mexico Fax Transmission Cover Sheet Environmental Services Dept. TO: Ben Stone, NMOCD Fax Number: (505) 827-8177 FROM: John P. Waters, Environmental & Laboratory Services Manager DATE: June 18, 1996 NUMBER OF PAGES (incl. cover): 1 RE: Dreyfus Oil-Proposed SWD (Barbados State #1 Well)

The City of Carlsbad wishes to amend the application to state the following on the final page under section XIV: City Requirements:

"The City of Carlsbad reserves the right to report any and all results obtained from said sampling of the permitted well to the proper state authorities (i.e. the New Mexico Oil Conservation Division and/or the New Mexico Environment Department) at any time."

"The City also requires that the permit holder submit a report stating the total quantity injected at the SWD for each month to the Environmental Services Department of the City of Carlsbad. This report will be sent at the same time as that required by the Oil Conservation Division."

If you have any problems with this transmission or need additional information, please give me a call at (505) 887-1191, extension 115.

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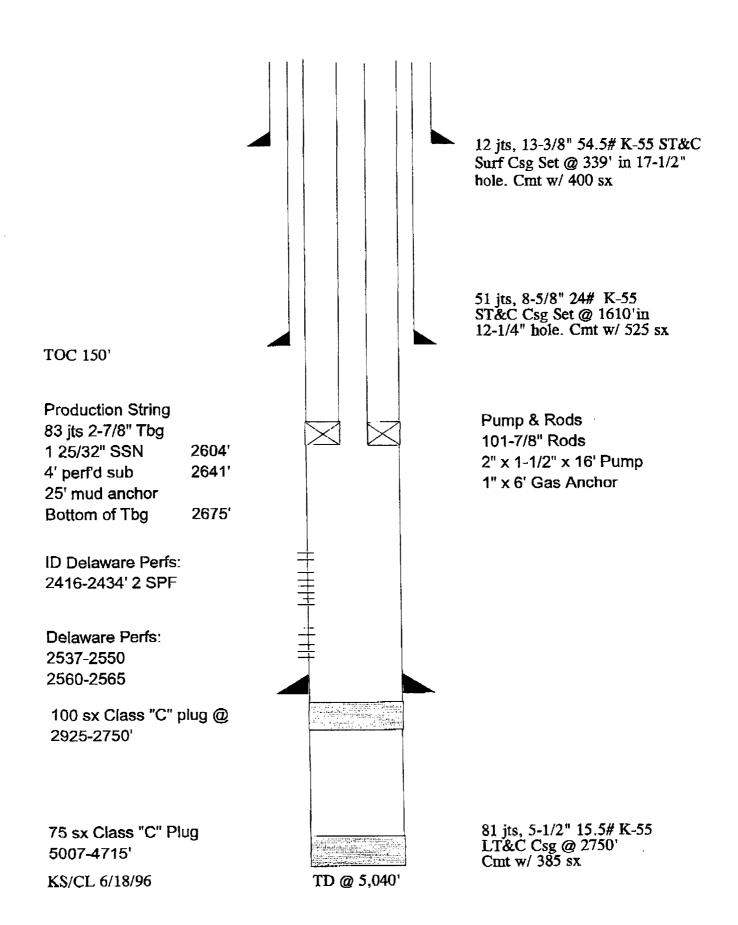
LDNGC-OP

Louis Dreyfus Natural Gas Corp. 14000 Quail Springs Parkway, Suite 600, Oklahoma City, OK 73134 405-749-1300

Louis Dreyfus Natural Gas Operations Department	Date: Number of pages including cover sheet:
To: <u>Ben Stone</u> <u>NM DCA</u> Phone:	From: Kent Sams Phone: 405-749-5257
Fax 505 827 8177 REMARKS: Urgent For your review Ben Pursuant to your convers Alease Find attached well sch sheep Braw Fed #5 to and Should you need addition me know. Kent	iation w/ Blaine Hess ematics for the the EV state #3.

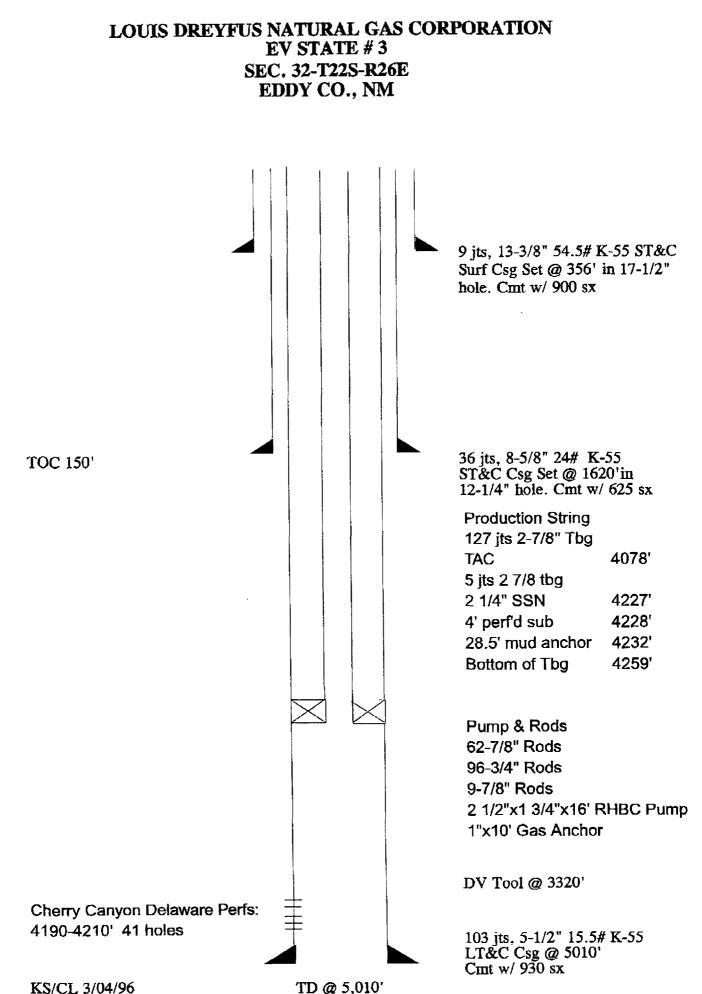
LDNGC-OP

LOUIS DREYFUS NATURAL GAS CORPORATION SHEEP DRAW FEDERAL # 5 SEC. 33-T22S-R26E EDDY CO., NM





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