Jones, William V., EMNRD

From:

Jones, William V., EMNRD

Sent:

Wednesday, June 11, 2008 11:22 AM

To:

Kautz, Paul, EMNRD; 'MPGEOL@aol.com'

Cc:

Price, Wayne, EMNRD; Davidson, Florene, EMNRD; Ezeanyim, Richard, EMNRD

Subject: Devonian/Fusselman tops for Targa's new Acid Gas well application

Thanks Paul and Mike:

Seems like the formation tops dip towards the northwest - higher to the southeast?

Mike - Targa's attorney does need to get a Case created with Florene, as soon as is practical. As soon as you know, let me know?

I'll put this info in the application and when Targa obtains a Case file - the application as submitted by Mike will go in there.

Also, I gave Wayne Price a copy of your application and asked for his comments - to go in the Case file. Applicants for injection wells are supposed to give Paul Kautz (for District 1) a copy for his review.

Will

From: Kautz, Paul, EMNRD

Sent: Wednesday, June 11, 2008 11:04 AM

To: MPGEOL@aol.com

Cc: Jones, William V., EMNRD

Subject: RE: Devonian/Fusselman tops

Mike & Will

The tops look ok to me

Paul

From: MPGEOL@aol.com [mailto:MPGEOL@aol.com]

Sent: Wednesday, June 11, 2008 10:50 AM

To: Kautz, Paul, EMNRD

Subject: Devonian/Fusselman tops

Hello Paul

Here are the Devonian/Fusselman tops in the area of the proposed AGI well for Targa.

	Unit P	Unit G	Unit F	Unit N
Devonian	8250'	8325'	8335'	8392'
Fusselman	8868'	9168'	9178'	9255'

These wells are all in section 36 T19S R36E. I estimate the top of Devonian at the drilling location to be 8321(-4750). Please let me know what you think. Thanks

Michael L. Pierce

mpgeol@aol.com 575-392-1915 505-948-0545

Jones, William V., EMNRD

From:

MPGEOL@aol.com

Sent:

Wednesday, June 11, 2008 12:32 PM

To:

Jones, William V., EMNRD

Subject: Re: Devonian/Fusselman tops for Targa's new Acid Gas well application

Will,

The Devonian structure appears to be a small NW SE trending anticline with four way closure. This structure has been tested repeatedly in the form of DST'S by Amerada, Arco, and others when they were drilling for the McKee-Ellenberger. None of the tests encountered commercial oil or gas, just water. The OCD has many of these tests on file in the well files.

Scott Hall is our attorney In Santa Fe, and knows he will need to get with Florene.

I look forward to hearing any suggestions Wayne may have.

I sent Paul a copy of the application when I sent The copies for Santa Fe.

Thanks for all your feedback.

Michael L. Pierce

mpgeol@aol.com 575-392-1915 505-948-0545

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Jones, William V., EMNRD

From: Jones, William V., EMNRD

Sent: Friday, June 06, 2008 11:38 AM

To: 'MPGEOL@aol.com'

Hello Mike Pierce

Cc: Ezeanyim, Richard, EMNRD; Warnell, Terry G, EMNRD; Price, Wayne, EMNRD; Williams, Chris, EMNRD; Brooks,

David K., EMNRD

Subject: Targa's proposed Monument AGI #1 in Unit O of Sec 36 T19S R36E Lea County

•

Concerning this proposed application for Water/CO2/H2S injection.

As you know, ACID GAS injection applications are all being processed at hearing - so please let Targa know that it is responsible for setting this to hearing - the Division is not doing that anymore. I did look over your application and am making comments - but the hearing officer may or may not have the same concerns.

(Peak Consulting Services, PO Box 16555, Alb, NM 87191-6555, 505-948-0545)

- 1) Targa Resources LLC is making the application, yet Targa Midstream Services Limited Partnership (OGRID 24650) is the only operator of record we have for Targa. What is the reasoning for not make the application from the actual operator who has the OGRID and the Bond?
- 2) I noticed that Targa has a shallower SWD well just to the SW of this proposed location. Why not retain the existing SWD well for injection of water and use the new well for injection of CO2/H2S? so the phases and fluids could be consistent.
- 3) Targa has an LPG well about 1/2 mile to the west. Is this well still active?
- 4) Please obtain a recent fresh water analysis from a source near here and present with the application. Also, turn in an analysis of the Waters to be disposed of in this proposed well and a representative Devonian/Fusselman water analysis and comments about compatibility of waters.
- 5) Since this is being set to hearing without a protest please notice all parties again, this time of the upcoming hearing. Who is the surface owner and were they notified? Per Rule 701B(2), is the Devonian/Fusselman minerals controlled by the same parties you noticed? If this interval is not leased, then Targa would need to notice all mineral rights owners in the 1/2 mile radius. Please notice the nearest resident you show in your application.
- 6) What is the Devonian structure in this area and the nearest Devonian or Fusselman production? Why is this interval not productive when intervals above and below are?
- 7) Does Paul Kautz agree with the formation tops you show in the application for the Devonian and the base of the Fusselman?
- 8) Could you include with the hearing application a detailed wellbore diagram showing the proposed well with casing and cement in place AND the tubing, packer, downhole shutoff, annulus fluid and type of fluid, remote controlled surface valves and pressure controllers?

There is one plugged back well in the AOR, Apache's NMGSAU #285 (30-025-12481) that needs additional cement plugs set in order to isolate the injection interval from the Tubb, Abo, and the McKee/Ellenburger productive formations. The well could be re-entered and replugged back with additional cement and Apache's Grb/SA completion could be re-established or transferred to another well.

Thanks for applying for the deeper interval - less trouble with the Devonian than injection into the corrosive and highly drilled San Andres.

William V. Jones PE New Mexico Oil Conservation Division 1220 South St. Francis Santa Fe, NM 87505 505-476-3448