



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 30, 1997

Mr. Ray Leissner, UIC Program Technical Advisor
U.S. Environmental Protection Agency
Region VI
6WQ-AG
1445 Ross Avenue
Suite 1200
Dallas, Texas 75202-2733

Re: Aquifer Exemption
Mesaverde formation (Menefee member)
San Juan Basin
Sandoval County, New Mexico

Dear Mr. Leissner:

Pursuant to the Underground Injection Control Program Memorandum of Agreement executed between the State of New Mexico and the United States Environmental Protection Agency, the Oil Conservation Division of the Energy, Minerals and Natural Resources Department hereby formally applies for EPA approval of a Mesaverde formation (Menefee member) aquifer exemption comprising the following described 720-acres in Sandoval County, New Mexico. The purpose of the proposed aquifer exemption is to allow the disposal of produced water into the Menefee member of the Mesaverde formation through the Pride Energy Company San Isidro Shallow Unit Well No. 7-11, located in Unit K of Section 7, Township 20 North, Range 2 West, NMPM:

TOWNSHIP 20 NORTH, RANGE 2 WEST, NMPM

Section 7: W/2, W/2 E/2

Section 18: N/2 NW/4

TOWNSHIP 20 NORTH, RANGE 3 WEST, NMPM

Section 12: E/2 E/2

Pursuant to Oil Conservation Division Rules and Regulations, Pride Energy Company has applied to utilize its San Isidro Shallow Unit Well No. 7-11 to dispose of produced water at a depth of 2,438 feet to 2,624 feet. It has been determined that the Menefee member of the Mesaverde formation in this area contains water with less than 10,000 mg/l total dissolved solids.

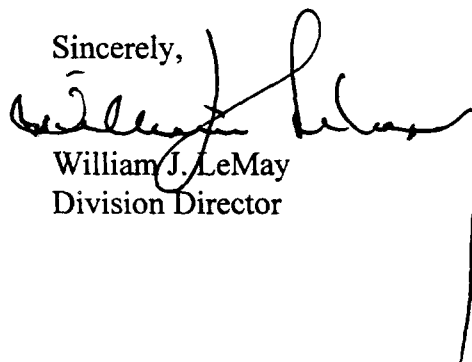
The Mesaverde formation, which is composed of the Point Lookout, Menefee and

Cliffhouse members, is generally productive of hydrocarbons in the San Juan Basin.

A public hearing was held in Santa Fe, New Mexico, on March 6, 1997, before Examiner Michael E. Stogner, to allow the introduction of new evidence by Pride Energy Company in support of this application. The case has been taken under advisement and a final order will be issued by the Division subsequent to receiving EPA's decision. Upon review of the evidence presented, the Division would recommend approval of this application.

Enclosed please find all the evidence necessary to process the aquifer exemption request. If additional information is needed, please contact me at (505) 827-8184. We appreciate your consideration and request that the review process be expedited to the extent possible.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay", is written over the typed name. The signature is fluid and cursive, with a long vertical line extending downwards from the end of the name.

William J. LeMay
Division Director

xc: Case File-11470
Mr. John Pride
OCD-Aquifer Exemption File