

POST OFFICE BOX 2088
STATE LAND OFFICE
SANTA FE, N.M.

*Exhibit 1
Incomplete Set*

APPLICATION FOR AUTHORIZATION TO INJECT

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

II. Operator: WJC Inc.

Address: P. O. Box 3857 Midland, Texas 79702

Contact party: M.L. Pierce (Peak Consulting Services) Phone: 505-392-1915

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:

X. Attach appropriate logging and test data with the Division they need not be resubmitted.

XI. Attach a chemical analysis of fresh water available and producing) within one mile location of wells and dates samples were taken.

XII. Applicants for disposal wells must make examined available geologic and engineering or any other hydrologic connection between 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: Michael L. Pierce Title Consultant

Signature: *[Signature]* Date: 10/23/92

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION
<u>WJC Inc. EXHIBIT NO. 1</u>
CASE NO. <u>10613</u>

* 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.

III. WELL 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:

- (1) Lease name; Well No.; location by Section, Township, and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole 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 Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following 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.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or 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 well, 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 exact 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 Oil Conservation Division, P. O. 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 SUBMITTED.

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.

FORM C - 108 cont.

Part III. A

- 1.) J. G. Cox No. 1
660' FNL and 1980' FWL
Sec. 13 - T17S - R38E
Unit C
Lea County, New Mexico
- 2.) See attached wellbore schematic.
- 3.) Propose to run 2 7/8" plastic coated tubing, and set within 100' of open hole interval.
- 4.) Propose to run a Baker Locset Packer as a seal, and load the backside with packer fluid.

Part III. B

- 1.) The injection interval is the San Andres and Bone Spring, and the well is located in the South Knowles Devonian Field.
- 2.) The injection interval is open hole at 5000 to 8360'.
- 3.) This well was originally drilled as an oil well.
- 4.) See wellbore schematic
- 5.) The Devonian produces in this field, and there is no shallower producing zone in the immediate vicinity.

Part VII.

- 1.) The proposed daily injection will be 2000 bbls. per day. The maximum will be 5000 bbls. per day.
- 2.) The system will be closed.
- 3.) The average injection pressure will be 0(Vacuum). The maximum will not exceed the limits set forth by the OCD.
- 4.) The source of the injection water will be Devonian water from WJC operated wells.
- 5.) The injection interval is not productive within 1 mile of the proposed well.

Part VIII

The injection interval is the San Andres and Bone Spring formations in the Knowles Devonian Field, and is composed of alternating beds of porous and tight dolomite in the San Andres section. The Bone Spring section is composed of permeable, fine to medium grained sands with alternating beds of limestone and porous dolomites. The injection interval is from 5000' to approximately 8360'. This entire area is overlain by the Quaternary Alluvium and caliche. The fresh water in the area comes from the Ogallala aquifer. There are no fresh water zones below the San Andres section.

Part IX

The disposal interval will be treated with a breakdown acid job.

Part X

The logs have been previously submitted.

Part XI

The water analysis for fresh water wells within one mile of the proposed injection wells are attached.

Part XII

We have examined all available geologic and engineering data, and find no evidence of open faults or any other hydrologic connection between the disposal interval and any underground source of drinking water.

<p>TXO 8-9-91 J.L. Reed, M.I. P.N.B. & W. Carter</p>	<p>TXO 4-10-91 2-11-91 7-12-91 Mattie Garrett Loretta Stout, et al</p>	<p>TXO 5-11-91 5-21-84 C.S. Alves et al, M.I. Walter Fingado Ray C. Eaves</p>	<p>TXO 7-10-93 Anschutz 7-10-93 Ralph Mize, et al Charlette Arton Est.</p>	<p>TXO 9-5-89 Chevron 9-5-89</p>	<p>TXO 10-28-91 Marathon 10-28-91 O.G. Martin, M.I. W.V. Lawrence, S</p>	<p>TXO 9-14-91 Chevron 9-14-91 M.V. Black, M.I. Emma Lawrence</p>	<p>TXO 10-28-91 Marathon 10-28-91 O.G. Martin, M.I. W.V. Lawrence, S</p>	<p>TXO 12-21-90 2-10-91 Realistic Adv. Bnk Dallas, Tr. & Bk Harden, et al W.V.</p>	<p>TXO 5-10-90 N.E. Yates 5-10-90 5-8-90 Emma Lawrence</p>	<p>TXO 8-8-93 5-24-93 5-16-93 R.G. Barton, Jr. 5-16-93 Emma G. Lawrence, et al</p>	<p>TXO 8-8-93 5-24-93 5-16-93 R.G. Barton, Jr. 5-16-93</p>	<p>TXO 8-8-93 5-24-93 5-16-93 R.G. Barton, Jr. 5-16-93</p>	<p>TXO 10-11-91 6-23-94 9-9-94 Anschutz 10-11-91 6-23-94 9-9-94 J.K. Matthews Gen. H. E. Scholz</p>			
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WJC INCORPORATED

Location of fresh water samples

HALLIBURTON SERVICES
HOBBS, NEW MEXICO

To _____
WJC Inc.

Sample Number 348

*Milligrams per liter

Submitted by Mike Pierce Date Received 10-23-92

Well No. See Below Depth _____ Formation _____

County Lea Field _____ Source See Below

* Faucett #1

* Faucett #2

Resistivity..... _____

Specific Gr..... _____

pH..... _____

Calcium*..... _____

Ca

Magnesium*..... _____

Mg

Chlorides*..... 75 mgl 75 mgl

Cl

Sulfates*..... _____

SO₄

Bicarbonates*..... _____

HCO₃

Soluble Iron*..... _____

Fe

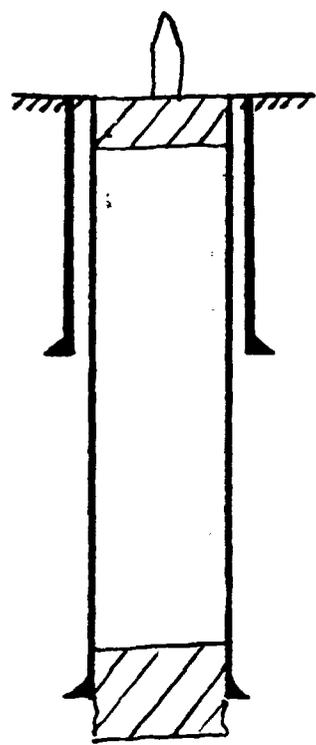
* Out side Ranch House

OPERATOR	JAKE HUNON	DATE	10-20-92
LEASE	J. G. COX	WELL NO.	1
		LOCATION	SEC 13-7175-1238E unit C

660' FWL and 1980' FWL

A+A 4-10-70

10 SX plug @ surface



13 3/8" casing set at 303' with 350 sx of _____ cemen
 Total Depth _____' Hole size 17 1/4" Circulated

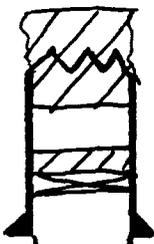
9 5/8" casing set at 5000' with 2600' sx of _____ cemen
 Hole size 12 1/4" Cement Circulated



25 SX plug @ 5000

25 SX plug @ 8360

25 SX plug @ 10180



SHOT + pulled 5 1/2" CSB @ 10131

CIBP @ 12000' + 15' CMT

5 1/2" casing set at 12203' with 500 sx of _____ cemen

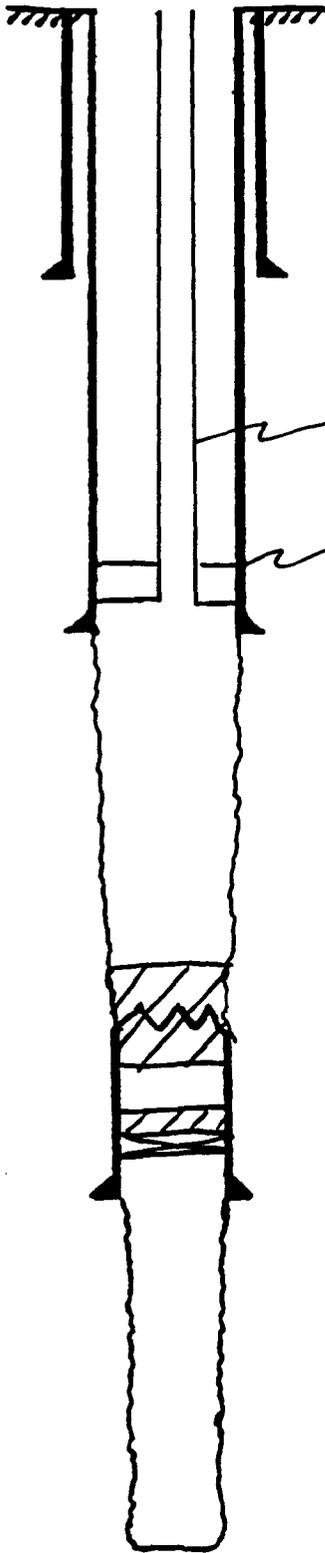
Total Depth 12243' Hole size 8 3/4" TOC by TS

OH 12203-12243

@ 10275'

OPERATOR JAKE HUMAN	DATE 10-20-92
LEASE J. G. Cox	WELL NO. 1
LOCATION SEC 13-7175-1238E Unit C	
660' FWL and 1980' FWL	

Proposed Completion



13³/₈" casing set at 303' with 350 sx of _____ cement

Total Depth _____' Hole size 17¹/₄" Circulated

2⁷/₈" plastic coated tubing set @ ± 4900'

Baker Locset packer set @ ± 4900'

9⁵/₈" casing set at 5000' with 2600' sx of _____ cement

Hole size 12¹/₄" Cement Circulated

OH interval 5000' - 8360 Injection zone

25 SX plug @ 8360

25 SX plug @ 10100

SHOT + pulled 5¹/₂" CSB @ 10131

CIBP @ 12000' + 15' CMT

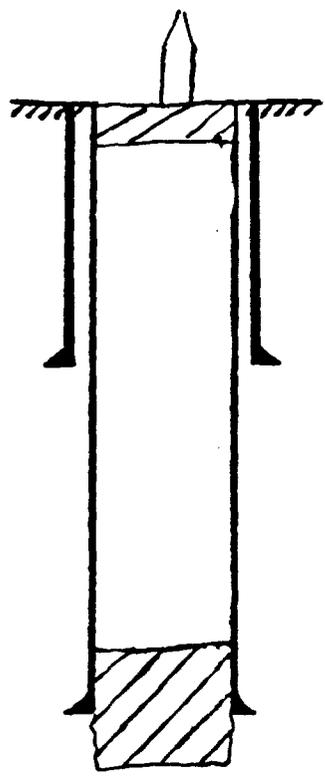
5¹/₂" casing set at 12203' with 500 sx of _____ cement

Total Depth 12243' Hole size 8³/₄" TOC by TS

OH 12203 - 12243 @ 10275'

OPERATOR	JAKE HAMON	DATE	10-20-92
LEASE	L. Cooper "A"	WELL No.	1
		LOCATION	Sec 12 T12S-R38E UNIT N

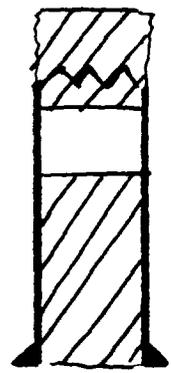
A + A
660' FSL AND 1980' FWL
6-10-1960



Set 10 sx plug @ surface

13 3/8" casing set at 304' with 300 sx of _____ cemen
Total Depth _____' Hole size 17 1/4" Circulated

9 5/8" casing set at 5000' with 2400 sx of _____ cemen
Hole size 12 1/4" Cement Circulated

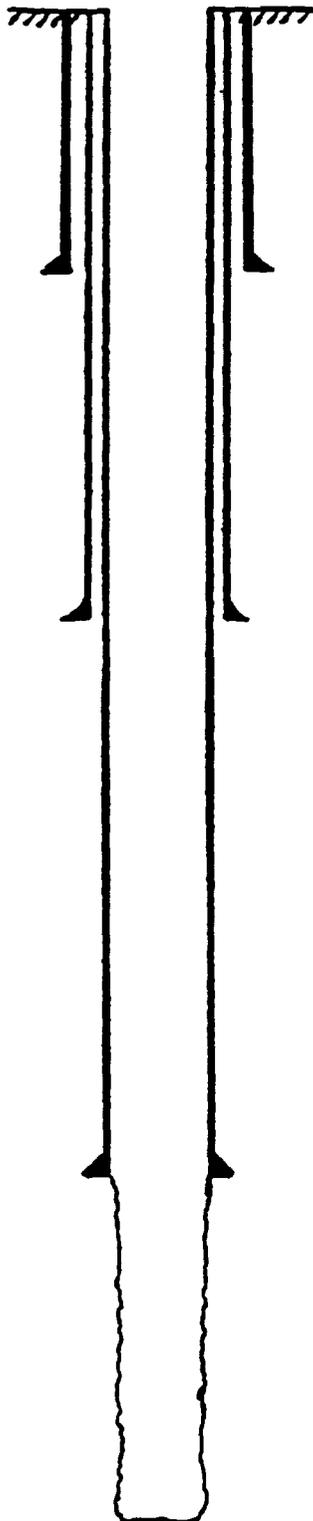


Set 50 sx plug @ 5045 - 4914
set 25 sx plug @ 9990 - 9748'
Shot + pulled 5 1/2" CSG @ 9880'
Set 50 sx plug 12244 - 11802
Perf 12215 - 12240
12240 - 12250
5 1/2" casing set at 12263' with 500 sx of _____ cemen
Total Depth 12263' Hole size 8 3/4"

OPERATOR	F + M Oil AND GAS COMPANY		DATE	10-20-92
LEASE	W. F. CME	WELL NO.	2	LOCATION
		SEC 12-7175-R38E unit 0		

660' FSL + 1980' FEL

SI (Devonian)



13³/₈ " casing set at 365 ' with 425 sx of _____ cement
 Total Depth _____ ' Hole size 17¹/₂ " Circulated

9⁵/₈ " casing set at 4799 ' with 4550 sx of _____ cement
 Hole size 12¹/₄ " Cement Circulated

SQZ CASING LEAK @ 6904 - 6967 w/ 450 SX.

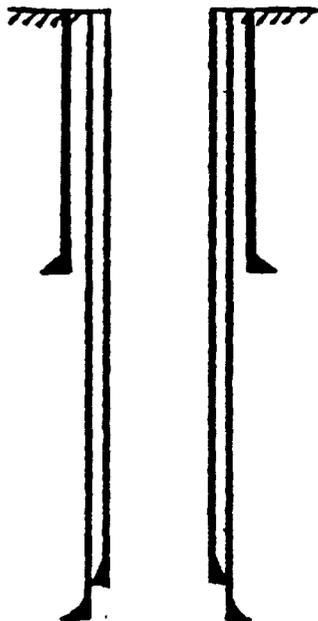
7 " casing set at 12155 ' with 450 sx of _____ cement
 Total Depth 12261 ' Hole size 8³/₄ "

OH 12155 - 12261

OPERATOR	F + M Oil and Gas Company		DATE	10-20-92	
LEASE	F.M. Holloway	WELL No.	1	LOCATION	Sec 13-T17S-R38E unit 6

660' FNL and 1980' FEL

SWD well R-51



13³/₈" casing set at 293' with 350 sx of _____ cement
 Total Depth _____' Hole size 17¹/₂" Cement circulated

7" CS9 set @ 4906 w/ 1500 sx cement

9⁵/₈" casing set at 4994' with 2700 sx of _____ cement
 Hole size 12¹/₄" Cement circulated

OH Injection 4999' - 9000'



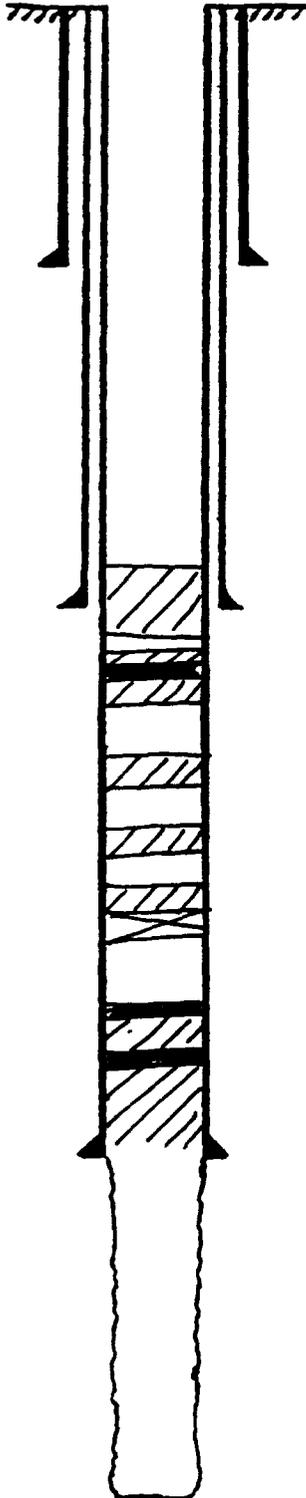
Set 50 sx plug @ 9228 - 9000
 Cut and pull 5¹/₂" CS9 @ 9105'

5¹/₂" casing set at 12147' with 500 sx of _____ cement
 Total Depth 12212' Hole size 8³/₄"

OH 12212 - 12147

OPERATOR	F + M Oil and Gas Company		DATE	10-20-92	
LEASE	F. M. Holloway	WELL NO.	3	LOCATION	SEC 13-7175-R38E Unit 6

1980' FNL AND 1980' FEL
Well is SI



13 3/8" casing set at 320' with 325 sx of _____ ceme
Total Depth _____' Hole size 17 1/2" Circulated

Set 25 sx plug 4850 - 5050

Set Cmt Ret @ 5331 + sgz w/ 40 sx + 50' on top of

9 5/8" casing set at 4998' with 2150 sx of _____ cemen:

Hole size 12 1/4" Cement Circulated

Perf 5362 - 5420

Cmt plug @ 6950 - 6750

Cmt Plug @ 9360 - 9160

Set CIP @ 9625 + 35' cmt

Set cmt Ret @ 9730 sgz w/ 1550 sx

Set Cmt Ret @ 9767 sgz w/ 400 sx

CSG collapsed @ ± 11120'

5 1/2" casing set at 12055' with 250 sx of _____ cemen

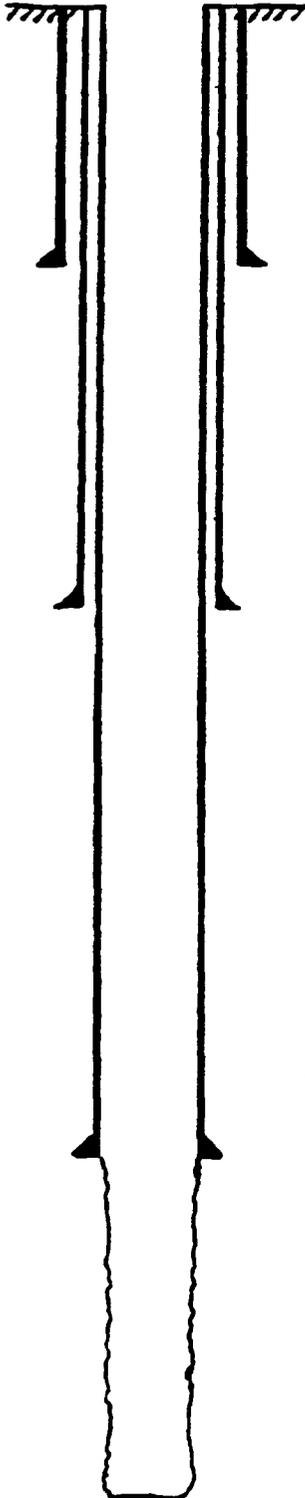
Total Depth 12080' Hole size 8 3/4"

DH 12055 - 12080

OPERATOR	AEN Energy Inc		DATE	10-20-92
LEASE	V.F. COX	WELL No.	1	
		LOCATION	SEC 13 T17S-R38E unit F	

1980' FNL + 1980' FWL

producing from Anomima



12 3/4" casing set at 365' with 450 sx of _____ ceme
 Total Depth _____' Hole size 15" Circulated

8 5/8" casing set at 5017' with 1500 sx of _____ cemen:
 Hole size 11 1/4" Cement Circulated

perf 12120 - 12134

5 1/2" casing set at 12147' with 250 sx of _____ cemen
 Total Depth 12168' Hole size 7 7/8"

DH 12147 - 12168

P 369 427 047



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	State Land Office	
Street and No.	PO Box 1149	
P.O. State and ZIP Code	Spartanburg SC 29504-1149	
Postage	\$ 1.21	
Certified Fee	1.00	
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		
Return Receipt Showing to Whom, Date, and Addressee's Address		
TOTAL Postage & Fees	\$ 2.21	
Postmark or Date		

P 369 427 048



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	Aqua Oil Co.	
Street and No.	PO Box 3193	
P.O. State and ZIP Code	Midland TX 79702	
Postage	\$.75	
Certified Fee	1.00	
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		
Return Receipt Showing to Whom, Date, and Addressee's Address		
TOTAL Postage & Fees	\$ 1.75	
Postmark or Date		

P 369 427 052



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	THE ARZHUZ Corp	
Street and No.	1221 Lamar Ste 1100	
P.O. State and ZIP Code	Houston TX 77010	
Postage	\$ 1.21	
Certified Fee	1.00	
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		
Return Receipt Showing to Whom, Date, and Addressee's Address		
TOTAL Postage & Fees	\$ 2.21	
Postmark or Date		

P 369 427 049



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	Joe V. Tabbett	
Street and No.	Route 4 box 333A	
P.O. State and ZIP Code	Spartanburg SC 29504	
Postage	\$.75	
Certified Fee	1.00	
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		
Return Receipt Showing to Whom, Date, and Addressee's Address		
TOTAL Postage & Fees	\$ 1.75	
Postmark or Date		

P 369 427 051



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	FAM O & G Co	
Street and No.	PO Box 891	
P.O. State and ZIP Code	Midland TX 79702-0891	
Postage	\$ 1.21	
Certified Fee	1.00	
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		
Return Receipt Showing to Whom, Date, and Addressee's Address		
TOTAL Postage & Fees	\$ 2.21	
Postmark or Date		

PS Form 3800, June 1991

PS Form 3800, June 1991

PS Form 3800, June 1991

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, Kathi Bearden

of the Hobbs Daily News-Sun, a daily newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not a supplement thereof for a period

of _____

One weeks.
Beginning with the issue dated

Oct. 27, 1992
and ending with the issue dated

Oct. 27, 1992

Kathi Bearden
General Manager

Sworn and subscribed to before

me this 29 day of

Oct, 1992

Paula Parrish
Notary Public.

My Commission expires _____

Aug. 5, 1995
(Seal)

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

Legal Notice
October 27, 1992
ADVERTISEMENT
WJC, INC., whose address is P.O. Box 3857, Midland, Texas 79702, proposes to convert the following well to injection for the purpose of disposing produced water. The well is the J.G. Cox No. 1, located at 660' FNL and 1980' FWL in section 13-T17S-R38E, Lea County, New Mexico. The injection

Interval is the San Andres and Bone Spring formations at a depth of approximately 5000 to 8360. The average injection rate will be 2000 bbls/day with zero pressure. The maximum pressure will not exceed the limits as set forth by the Oil Conservation Division.
Interested parties must file objections or requests for hearing with the Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, within 15 days.
Inquiries regarding this application should be directed to Peak Consulting Services, P.O. Box 636 Hobbs, New Mexico 88240, (505)392-1915.



WATER ANALYSIS
for
ENRON OIL & GAS

Date of Analysis:	FEBRUARY 28, 1990	Analysis #:	3621
Company:	ENRON OIL & GAS	Attention:	RICK SCHATZ
City:	CARLSBAD	State:	NEW MEXICO
Lease/Well #:	C.E. BROOKS #1	Field:	KNOWLES
Type of Water:	PRODUCED	Water (bbl/day):	475
Temp., C:	20	Sample Source:	WELLHEAD
Use:	N/D	Date of Sampling:	FEBRUARY 28, 1990
Representative:	STEVE STROUD	Analysis By:	CLYDE WILHOIT

WATER ANALYSIS PATTERN
(number beside ion symbol indicates me/l scale unit)

Na+	10.0	Cl-	10.0
Ca++	1.0	HCO3-	0.1
Mg++	1.0	SO4--	0.1
Fe+++	0.1	CO3--	0.1

144 96 48 0 48 96 144

DISSOLVED SOLIDS

CATIONS	mg/l	me/l
Ca++	1,920.0	96.0
Mg++	244.0	20.0
Fe+++	1.0	0.1
Ba++	0.0	0.0
Na+	23,392.5	1,017.1
Mn++	0.0	0.0
<u>ANIONS</u>		
Cl-	40,000.0	1,126.8
SO4--	180.0	3.8
CO3--	0.0	0.0
HCO3-	159.0	2.6
OH-	0.0	0.0
S--	0.0	0.0
TOTAL HARDNESS :		116.0

DISSOLVED GASES

	mg/l
Hydrogen Sulfide, H2S:	250.0
Carbon Dioxide, CO2 :	159.4
Oxygen, O2 :	0.8

PHYSICAL PROPERTIES

pH :	6.6
Specific Gravity :	1.0
TDS (calc.) p.p.m. :	65,896.5

SCALE STABILITIES

Temp.		CaCO3	CaSO4	BaSO4
C.	F.			
20	68	-0.80	3867	1
40	104	-0.38	4192	2
60	140	0.17	3910	3

TOTAL SOLIDS (quantitative):	65,896.5	Max entity, (calc):	260	0
RESIDUAL HYDROCARBONS :	0.0			

REMARKS: @ 20'C...Calcium sulfate scaling is unlikely.
@ 20'C...Moderately corrosive.



W J C, Inc.



(806) 495-2896

W. J. Collier, P.E.

(915) 685-4171

November 19, 1992

A.E.N. Energy, Inc.
Attn: Mr. Butch Nelson
P. O. Box 3883
Abilene, Texas 79604

RE: J. G. Cox #1 Well, located:
660' FNL & 1980' FWL,
Sec. 13, T-17-S, R-38-E, Unit C,
Lea County, New Mexico

Dear Mr. Nelson:

As you know we are going to re-enter the above-referenced well. Our intention is to make a salt water disposal well in the San Andres and Bone Spring Formation in the interval from 5,000' to 8360'. Would you please indicate in the space provided below that you have no objection or opposition to WJC, Inc. using this as a salt water disposal well and return two of the three copies provided in the self-addressed envelope enclosed.

Thank you for your attention to this matter.

Sincerely,

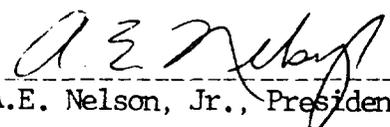
W. J. Collier

WJC/gs

STATEMENT

We have no objection or opposition to WJC, Inc. using the J. G. Cox #1 Well described above as a salt water disposal well.

A.E.N. Energy, Inc.

BY: 

A.E. Nelson, Jr., President