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Telephone 982-4285 Area Code 505

July 28, 1986

Mr. Richard L. Stamets Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504

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Re: Chaveroo Operating Co. Salt Water Disposal Atlantic "B" State #2 Unit B, Section 30, T17S, R36E Lea County, New Mexico

OIL CONSERVATION DIVISION

Case 8976

Dear Mr. Stamets:

On behalf of Chaveroc Operating Company, please set enclosed application for hearing at the next available examiner's docket now set for August 20, 1986.

Thomas

WTK:ca Enc.

Darrell McBride cc: Box 6069 Hobbs, New Mexico 88241

> William Graham G&P Exploration, Inc. 4800 San Felipe Suite 620 Houston, Texas 77056

## STATE OF NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS OIL CONSERVATION DIVISION

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IN THE MATTER OF THE APPLICATION OF CHAVEROO OPERATING COMPANY, FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

CASE: 8976

## APPLICATION

Comes now Chaveroo Operating Company, by and through its attorneys, Kellahin & Kellahin, and applies to the New Mexico Oil Conservation Division for authority to dispose of produced salt water into the San Andres Formation in an open hole from 4790 feet to 6400 feet in the Atlantic "B" State #2 well, located in Unit B, 990 feet from the North line and 2310 feet from the East line of Section 30, T17s, R36E, NMPM, Lea County, and in support thereof would show:

- l. Applicant has obtained an assignment of the lease on which the Atlantic "B" State #2 well is located from Atlantic Richfield, who is the current leaseholder. Such assignment is conditioned upon Applicant obtaining permission from the OCD to use the Atlantic "B" State #2 for salt water disposal.
- 2. Applicant will be the operator of the subject well.

- 3. Applicant seeks to convert the subject well to a salt water disposal well in the San Andres Formation through an open hole at 4790 feet to 6400 feet.
- 4. Applicant is preparing Division Form C-108 and will submit that document separately.
- 5. Wherefore, Applicant requests that this application be set for hearing and that after notice and hearing the application be granted.

Kellahin & Kellahin

W. Thomas Keylahin

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