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17
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N

- Oil Well
- ◆ Plugged & Abandoned
- ⊗ Temporarily Abandoned
- ⊙ Dry & Abandoned
- ⊕ Water Injection Well
- ⊙ Proposed W.I.W.
- Proposed Producing Well
- ⊕ Proposed Conversion
- ⊙ Producing Well to W.I.W.
- Anadarko Acreage



**ANADARKO
PRODUCTION COMPANY**

WEST SQUARE LAKE

EDDY COUNTY, NEW MEXICO

FLOOD NO. 49

PROPOSED WATER INJECTION WELLS

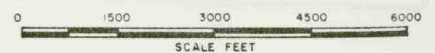
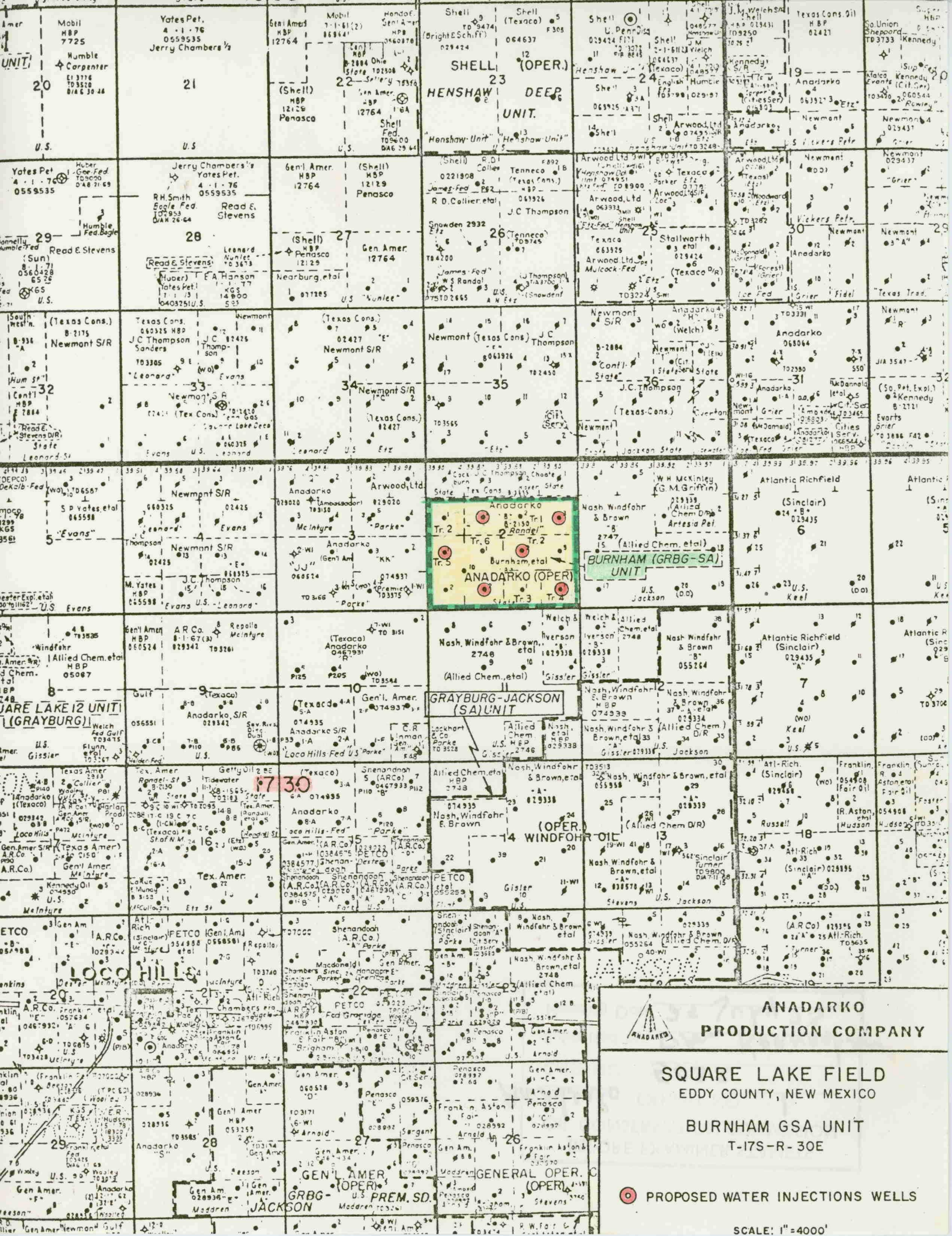


EXHIBIT I

Submitted by Dan Kernahan
Hearing Date 25 July 73



AN ADARKO EXHIBIT NO. 1
CASE NO. 5-22-1

Submitted by: DAN KERNAGHAN
Hearing Date: 25 July 73

BURNHAM G.S.A UNIT WELL NO. 1-1

SE 1/4 - NW 1/4 SECTION 2 - T17S - R-30E

ELEV. 3768 G.L.

Pressure Monitor

8 5/8" OD surface casing
set at 592'

7" OD casing set at 2436'

2 3/8" OD tubing set on
tension packer at 2800' approx.

2375 4 1/2" OD. 10.5#, J-55 liner set
2375-3196 w/200 sx
expanding cement.

2436

2816

LOCO HILLS SANDS

2852

2898

METEX SANDS

2970

2988

UPPER PREMIER

2994

3028

LOWER PREMIER

3066

3120

LOVINGTON SANDS

3196

T.D. 3211

BEFORE THE STATE ENGINEER'S
OIL COMMISSION

Anadarko
CASE NO. 5032
Subsidiary: KERNAGHAN
Hearing Date: 25 July 73

ANADARKO PRODUCTION COMPANY

DIAGRAMMATIC SKETCH
OF
WATER INJECTION WELL COMPLETION

BURNHAM G.S.A UNIT
SECTION 2 - T17S - R-30E

SQUARE LAKE FIELD
EDDY COUNTY, NEW MEXICO

Water injection down tubing into
S.A. & Grayburg perforations ARO
400 BWPD

PERFS.

3184-92

3196

3196

T.D. 3211

3196

3196

3196

3196

3196

3196

3196

3196

3196

3196

3196

3196

3196

BURNHAM G.S.A UNIT WELL NO.1-3

SE/4-NE/4 SECTION 2-T17S-R-30E

ELEV. 3755 G.L.

Pressure Monitor

8 5/8" OD surface casing
set at 571'

7" OD casing set at 2445'

2 3/8" OD tubing set on
tension packer at 2800' approx.

Water injection down tubing into S.A. &
Grayburg perforations ARO
400 BWPD

2391

4 1/2" OD liner set 2391-3196
w/400 sx expanding cement

2445

2801

LOCO HILLS SANDS

2835

2877

METEX SANDS

2950

2969

2974

UPPER PREMIER

3005

LOWER PREMIER

3035

3112

LOVINGTON SANDS

PBTD 3194'

PERFS.

2910-18

3008-18

3168-76

ANADARKO PRODUCTION COMPANY

DIAGRAMMATIC SKETCH
OF
WATER INJECTION WELL COMPLETION

BURNHAM G.S.A UNIT
SECTION 2-T17S-R-30E

SQUARE LAKE FIELD
EDDY COUNTY, NEW MEXICO

Anadarko

3-B

5032

Kernaghan

25 July 73

BURNHAM G.S.A UNIT WELL NO. 2-2

NW/4-SE/4 SECTION 2-T17S-R-30E

ELEV. 3758 GL.

Pressure Monitor

8 5/8" OD surface casing
set at 585'

7" OD casing set at 2438'

2 3/8" OD tubing set on
tension packer at 2800'

5 1/2" liner set at 2467'

2404 4" OD Hydril FJU 34#
J-55 liner 2404-3092 set w/
brown liner hanger & packer.
Cemented w/ 125 sx. expanding
cement. Top cement / 2400'

Water injection down tubing into
Grayburg perforations ARO
400 BWPD

PERFS.

2832-38

2803

LOCO HILLS SANDS

2837

2886-90

2880

METEX SANDS

2922-30

2940-44

2958-62

2966

UPPER PREMIER

2986

2990

LOWER PREMIER

3026-40

3024

3054

LOVINGTON SANDS

OTD 3086'
New TD 3092

ANADARKO PRODUCTION COMPANY

DIAGRAMMATIC SKETCH
OF
WATER INJECTION WELL COMPLETION

BURNHAM G.S.A UNIT
SECTION 2-T17S-R-30E

SQUARE LAKE FIELD
EDDY COUNTY, NEW MEXICO

ANADARKO

3-C

5032

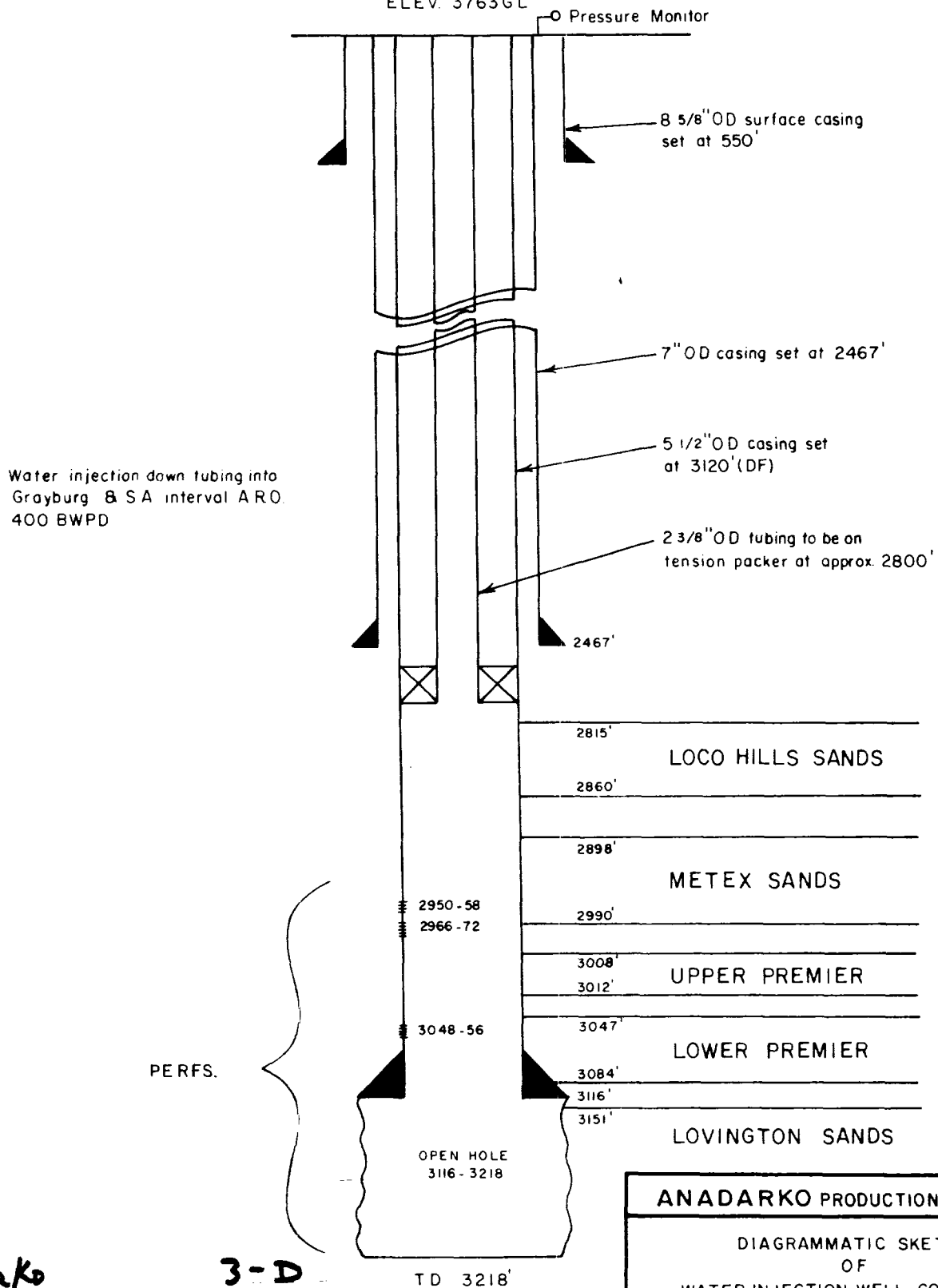
Kornaghan

20 July 73

BURNHAM G.S.A UNIT WELL NO. 4-1

SE/4-SE/4 SECTION 2-T17S-R-30E

ELEV. 3763GL



ANADARKO PRODUCTION COMPANY

DIAGRAMMATIC SKETCH
OF
WATER INJECTION WELL COMPLETION

BURNHAM G.S.A. UNIT
SECTION 2-T17S-R 30E
SQUARE LAKE FIELD
EDDY COUNTY, NEW MEXICO

Anadarko

3-D

5032

Kernaghan

20 July 73

BURNHAM G.S.A UNIT WELL NO. 5-1

NW/4 SW/4 SECTION 2-T17S-R-30E

ELEV. 3746 G.L.

Pressure Monitor

8 5/8" OD surface casing
set at 560' w/50 sx.

5 1/2" casing set at 2770'

2 3/8" OD tubing set on
tension packer at 2800' approx.

2680

4" OD 11.34 # J-55 Hydril
FJ liner set 2680-3260 w/
400 sx expanding cement.

Water injection down tubing into
Grayburg perforations ARO
400 BWPD

PROPOSED
INJECTION
INTERVAL

2790

LOCO HILLS SANDS

2827

2865

METEX SANDS

2941

2964

UPPER PREMIER

2968

3001

LOWER PREMIER

3032

3079

LOVINGTON SANDS

T.D. 3260'

BEFORE EXAMINER'S REVIEW
OIL COMPANY'S RECORD

Anadarko

3-E

CASE NO. 5032

Surveyed by KERNAGHAN

Healed by 25 July 73

ANADARKO PRODUCTION COMPANY

DIAGRAMMATIC SKETCH
OF
WATER INJECTION WELL COMPLETION

BURNHAM G.S.A UNIT
SECTION 2-T17S-R-30E

SQUARE LAKE FIELD
EDDY COUNTY, NEW MEXICO

BURNHAM G.S.A UNIT WELL NO. 6-2

SE/4-SW/4 SECTION 2-T17S-R-30E

ELEV. 3745 G.L.

Pressure Monitor

8 5/8" OD surface casing
set at 560'

7" OD casing set at 2415'

2 3/8" OD tubing set on
tension packer at 2910'

2334

4 1/2" OD 10.5# J-55 liner set
2334-3187 w/400 sx
expanding cement

2415

2805

LOCO HILLS SANDS

2843

2887

METEX SANDS

2970

2991

2998

UPPER PREMIER

3035

LOWER PREMIER

3060

3132

LOVINGTON SANDS

OPEN HOLE
3187-3208

T.D. 3208'

Water injection down tubing into S.A.,
Grayburg perforations ARO
400 BWPD

PERFS.

ANADARKO PRODUCTION COMPANY

DIAGRAMMATIC SKETCH
OF
WATER INJECTION WELL COMPLETION

BURNHAM G.S.A UNIT
SECTION 2-T17S-R-30E

SQUARE LAKE FIELD
EDDY COUNTY, NEW MEXICO

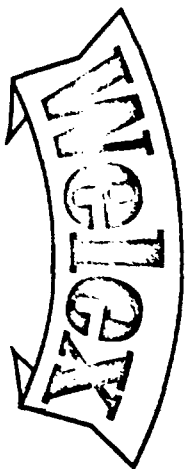
Anadarko

3-F

5032

Kearney

25 July 73



COMPENSATED
ACOUSTIC VELOCITY
LOG

COMPANY Anadarko
Production Company
WELL Burnham # 1 - 1
FIELD Square Lake
County Eddy State N.M.

COMPANY ANADARKO PRODUCTION COMPANY
WELL BURNHAM # 1 - 1
FIELD SQUARE LAKE GRAYBURG SAN ANDRES
COUNTY EDDY STATE NEW MEXICO
Location 1980' FNL & 1980' FWL
Other Services:
Caliper

Permanent Datum Ground Level Elev. _____
Log Measured From 0 Ft. Above Perm. Datum
Drilling Measured From _____ Elev. K.B. 3768'
D.F. _____
C.I. _____

Date	11/8/72			
Run No.	- One -			
Depth-Driller	3205			
Depth-Welex	3196			
Btm. Log Inter.	3192			
Top Log Inter.	Surface			
Casing-Driller	7" @ 2428	@		@
Casing-Welex				
Bit Size	6-1/4"			
Type Fluid in Hole				
Dens. Visc.	1	1	1	1
PH Fluid Loss	1 ml	1 ml	1 ml	1 ml
Source of Sample	@	@	@	@
R. a. Meas. Temp.	@	@	@	@
R. a. Meas. Temp.	@	@	@	@
Source R. a. Meas. Temp.	@	@	@	@
R. a. BHT	@	@	@	@
Time Since Circ.	@	@	@	@
Max. Rec. Temp.	@	@	@	@
Equip. Location	Sid Lobbs			
Recorded By	B.H. Stroud			

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION
Anadarko EXHIBIT NO. 4-A
CASE NO. 5032
Submitted by K. A. Ashman
Hearing Date 20 July 73

2400

2500

2600

2700

2800

2900

3000

3100

3200

LOCO HILLS SAND

METEX SAND

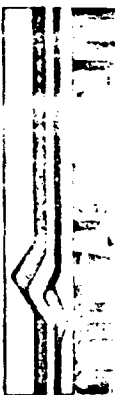
UPPER PREMIER

LOWER PREMIER

LOVINGTON

ONE MINUTE
INTERVAL MARKER

GAMMA RAY



Accounting

FILE NO.	COMPANY ANADARKO PRODUCTION COMPANY		
WELL	BURNHAM NO. 6-2		
FIELD	SQUARE LAKE		
COUNTY	EDDY	STATE	NEW MEXICO
LOCATION:	660' FSL & 1980' FWL		
SEC	2	TWP	17-S RGE 30-E
Permanent Datum	GROUND LEVEL Elev. 3745		
Log Measured from	G. L. 0 Ft. Above Permanent Datum		
Drilling Measured from	G. L.		
Date	12-14-72		
Run No.	ONE		
Depth—Driller	3208		
Depth—logger	3197 G.L.		
Bottom logged interval	3195		
Top logged interval	1690		
Casing—Driller	7" @ 2415 4 1/2" @ 2334 3187 @		@
Casing—logger	-		
Bit Size	3 7/8"		
Type Fluid in Hole	WATER		
Density and Viscosity			
pH and Fluid Loss			
Source of Sample			
Rm @ Meas. Temp.	@	@	@
Rmf @ Meas. Temp.	@	@	@
Rmc @ Meas. Temp.	@	@	@
Source of Rmf and Rmc			
Rm @ BHT	@	@	@
Time Since Circ.			
Max. Rec. Temp. Deg. F.	6028 HOBBS		
Equip. No. and Location	MC ATEE		
Recorded By	MR. BRYANT & MR. RUCKIARS		
Witnessed By			

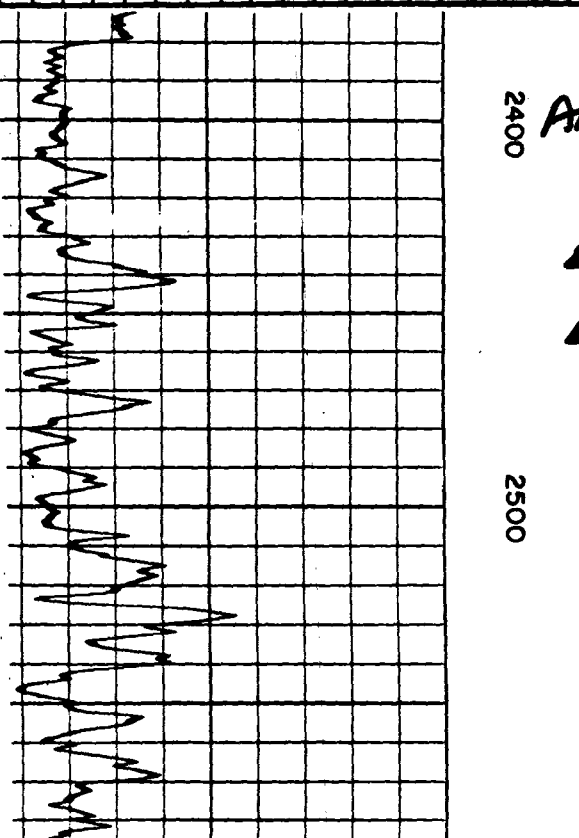
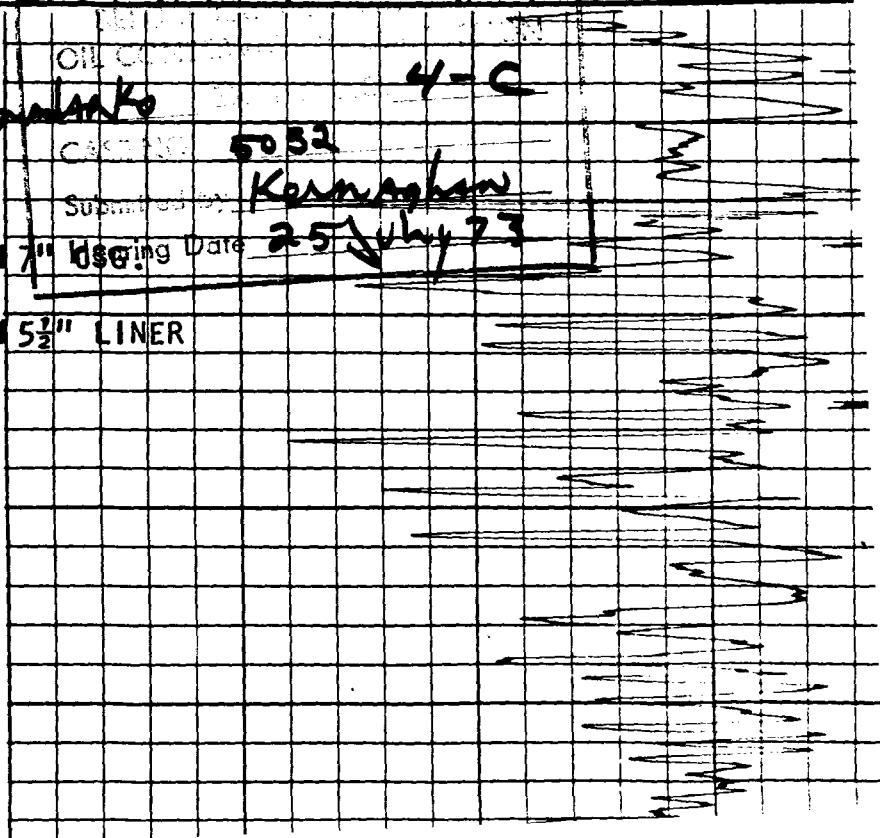
BEFORE EXAMINER STAMETS	
OIL CONSERVATION COMMISSION	
Case No.	5032
Submitted by	Kernham
Hearing Date	29 July 73

2400

2500

Stoufflog[®]

FILE NO.	COMPANY ANADARKO PRODUCTION COMPANY		
	WELL	BURNHAM NO. 2-2	
	FIELD	LOCO HILLS	
	COUNTY	EDDY	STATE NEW MEXICO
	LOCATION:	1980' FSL & 1980' FEL	
	SEC	2	TWP 17-S RGE 30-E
	Permanent Datum		G.L. Elev. 3758'
	Log Measured from		G.L. 0 Ft. Above Permanent Datum
	Drilling Measured from		G.L. Elevations: KB 3758' DF 3758' GL 3758'
Date	9-7-72		
Run No.	ONE		
Depth—Driller	3086		
Depth—Logger	3092		
Bottom Logged Interval	3090		
Top logged Interval	SURF		
Casing—Driller	7" @2438	5 $\frac{1}{2}$ " @2467	@
Casing—logger		2456	@
Bit Size	4 3/4		
Type Fluid in Hole	OIL		
Density and Viscosity			
pH and Fluid Loss			
Source of Sample			
Rm @ Meas. Temp.	@	@	@
Rmf @ Meas. Temp.	@	@	@
Rmc @ Meas. Temp.	@	@	@
Source of Rmf and Rmc			
Rm @ BHT	@	@	@
Time Since Circ.			
Max. Rec. Temp. Deg. F.			
Equip. No. and location	6040 HOBBS		
Recorded By	ROSS		



24 JUL 73 1400H
1406

COMPANY Anadarko
Production Company
 WELL Burnham
 FIELD Square Lake
 County Eddy State N.M.

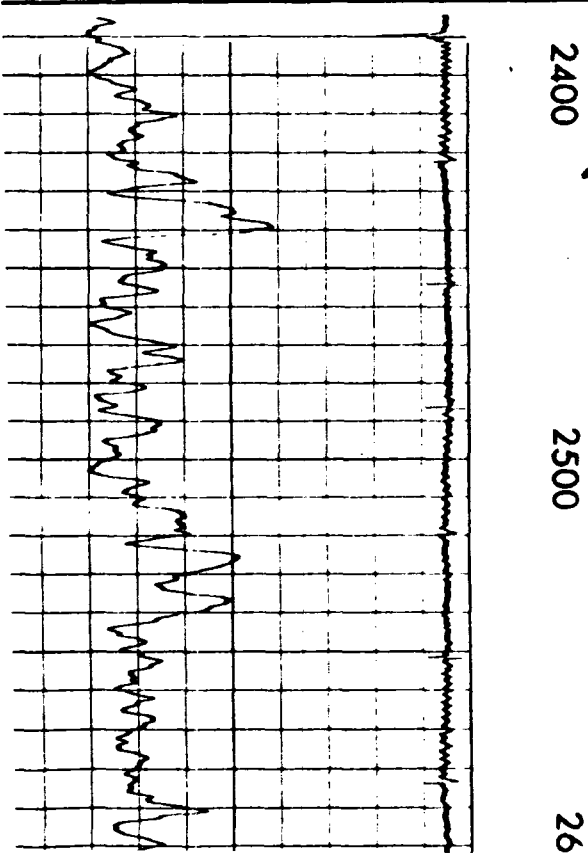
COMPANY ANADARKO PRODUCTION COMPANY
 WELL BURNHAM = 1 - 3
 FIELD SQUARE LAKE (GRAYBURG - SAN ANDRES)
 COUNTY EDDY STATE NEW MEXICO
 Location 1980' FNL & 660' FEL
 Sec. 2 Twp 17-S Rge 30-E
 Other Services:

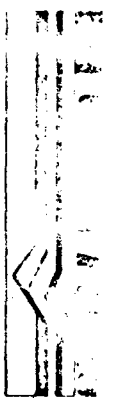
Permanent Datum Ground Level Elev. 3755'
 Log Measured From 0 ft. Above Perm. Datum
 Drilling Measured From Elev. K.B.
D.F. 3755'

Date	1/25/73			
Run No.	- One -			
Depth-Driller	3194			
Depth-Welex	3194			
Str. Log Inter.	3190			
Top Log Inter.	2380			
Casing-Driller	7" @ 2400	5-1/2" @ 2388,	4-1/2" @ 2774'	
Casing-Welex				
Bit Size				
Type Fluid in Hole	Water			
Dens. Visc.				
pH Fluid loss				
Source of Sample				
R. a Meas. Temp.	@	@	@	@
R. c Meas. Temp.	@	@	@	@
R. s Meas. Temp.	@	@	@	@
Source R. R				
R. s BHT	@	@	@	@
Time Since Circ.				
Max. Rec. Temp.	% @	% @	% @	% @
Equip. Location	S441Hobbs			
Recorded By	B.H. Stroud			
Witnessed By	Mr. Buckles			

2400 2500 26

4-B
5032
Submitted by Kennings
Hearing Date 25 July 73





Accounting®

FILE NO.	COMPANY ANADARKO PRODUCTION COMPANY		
	WELL	BURNHAM NO. 4-1	
	FIELD	WEST SQUARE LAKE	
	COUNTY	EDDY	STATE NEW MEXICO
	LOCATION:	660' FSL & 660' FEL	
	SEC 2	TWP 17-S	RGE 30-E
	Permanent Datum		Elev. 3763'
	Log Measured from		0 Ft. Above Permanent Datum
	Drilling Measured from		Elevations: KB - DF - GL 3763'
Date	9-12-72		
Run No.	ONE		
Depth—Driller	3218		
Depth—Logger	3218		
Bottom Logged Interval	3216		
Top Logged Interval	SURF		
Casing—Driller	5 1/2 @ 3120	@	@
Casing—Logger	3114		
Bit Size	4 3/4		
Type Fluid in Hole	WATER & OIL		
Density and Viscosity			
pH and Fluid Loss	cc	cc	cc
Source of Sample			
Rm @ Meas. Temp.	@	@	@
Rmf @ Meas. Temp.	@	@	@
Rmc @ Meas. Temp.	@	@	@
Source of Rmf and Rmc			
Rm @ BHT	@	@	@
Time Since Circ.			
Max. Rec. Temp. Deg. F.	5040	HOBBS	
Equip. No. and Location	HOWE		
Recorded By	MR. BUCKLES		
Entered By			

2400

Andrako

5032
Kensington

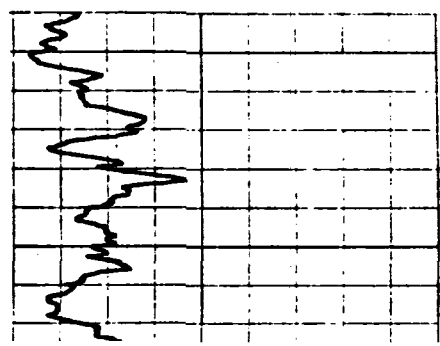
Hearing Date

26 July 73



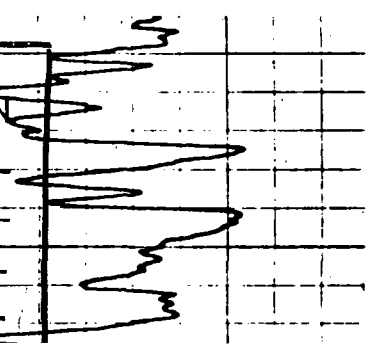
Gammie-Ray Ventilation Log

COMPANY		ANADARKO PRODUCTION COMPANY	
WELL		BUSHMAN NO. 5-1	
FIELD		SQUARE LAKE	
STATE		NEW MEXICO	
COUNTY		EDDY	
LOCATION:		1930' FSL & 660' FUL TOWN - SHIP 17 S, RANGE 30 EAST EDDY CALIPER	
SEC. 2		COUNTY	
DATE		12-7-71	
RUN NO.		ONE	
TYPE LOG		GAMMA RAY NEUTRON	
DEPTH-DRILLER		3237'	
DEPTH-LOGGERS		3236'	
BOTTOM LOGGED INTERVAL		0	
TOP LOGGED INTERVAL		WATER	
TYPE FLUID IN HOLE		STONE	
MAX. REC. TEMP., DEG. F.		MR. BUCKLES	
RECORDED BY			
WITNESSED BY			
PERMANENT DATUM: GROUND LEVEL ELEV. 3746'			
LOG MEASURED FROM: GROUND LEVEL FT. ABOVE PERM. DATUM			
DRILLING MEASURED FROM: GROUND LEVEL ELEV. 3746'			
DATE 12-7-71			
RUN NO. ONE			
TYPE LOG GAMMA RAY NEUTRON			
DEPTH-DRILLER 3237'			
DEPTH-LOGGERS 3236'			
BOTTOM LOGGED INTERVAL 0			
TOP LOGGED INTERVAL WATER			
TYPE FLUID IN HOLE STONE			
MAX. REC. TEMP., DEG. F. MR. BUCKLES			
RECORDED BY			
WITNESSED BY			
BUREAU RECORD			
NO. BIT FROM TO SIZE WGT. FROM TO			
5 1/2" 0. H. 2770'			
2770' 3237'			



2400

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION
Anadarko DISTRICT NO. **4-E**
CASE NO. **5032**
Submitted by **Kornman**
Hearing Date **25 July 73**



100,000

10,000

Barrels of Oil Per Year

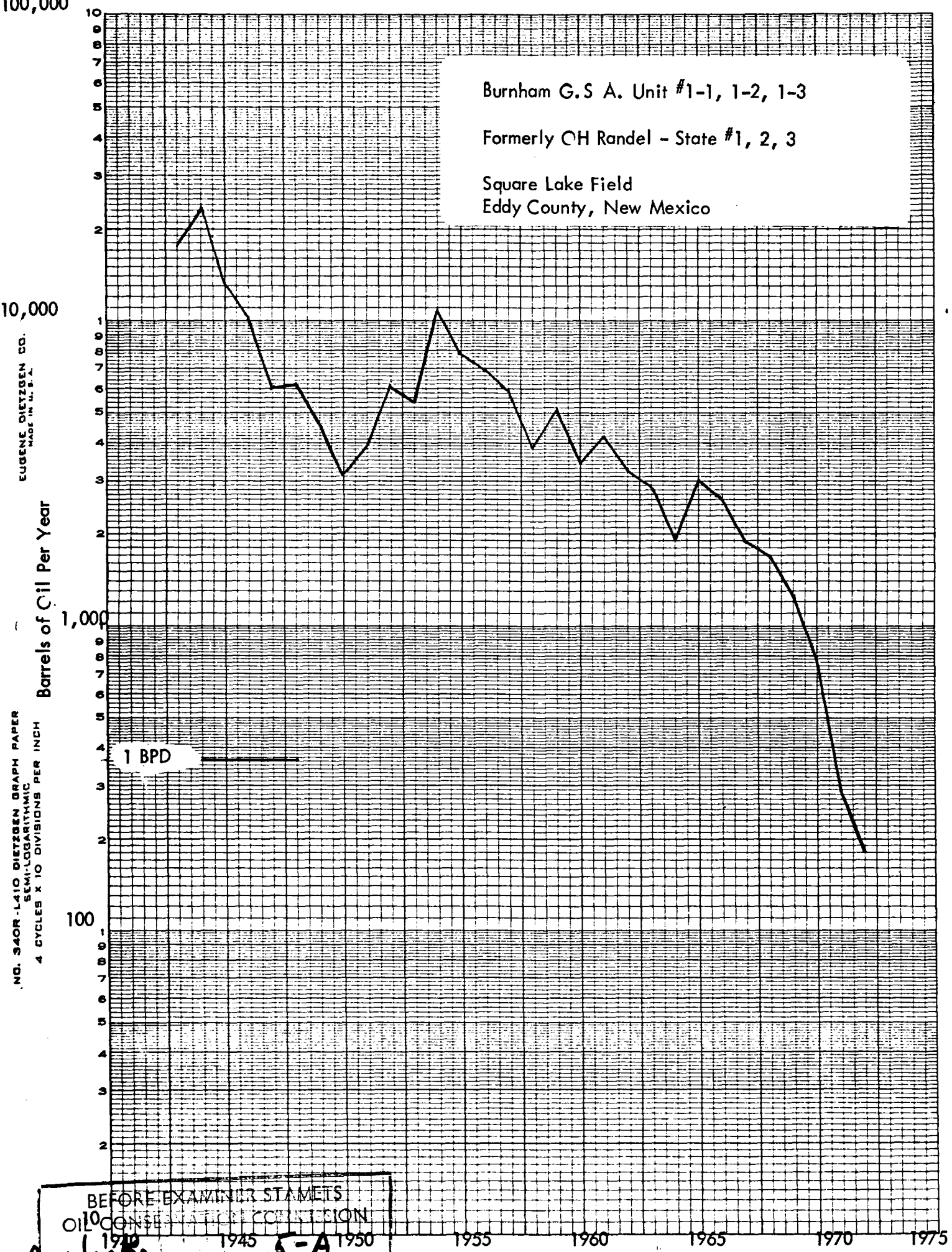
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SEMI-LOGARITHMIC
4 CYCLES X 10 DIVISIONS PER INCH

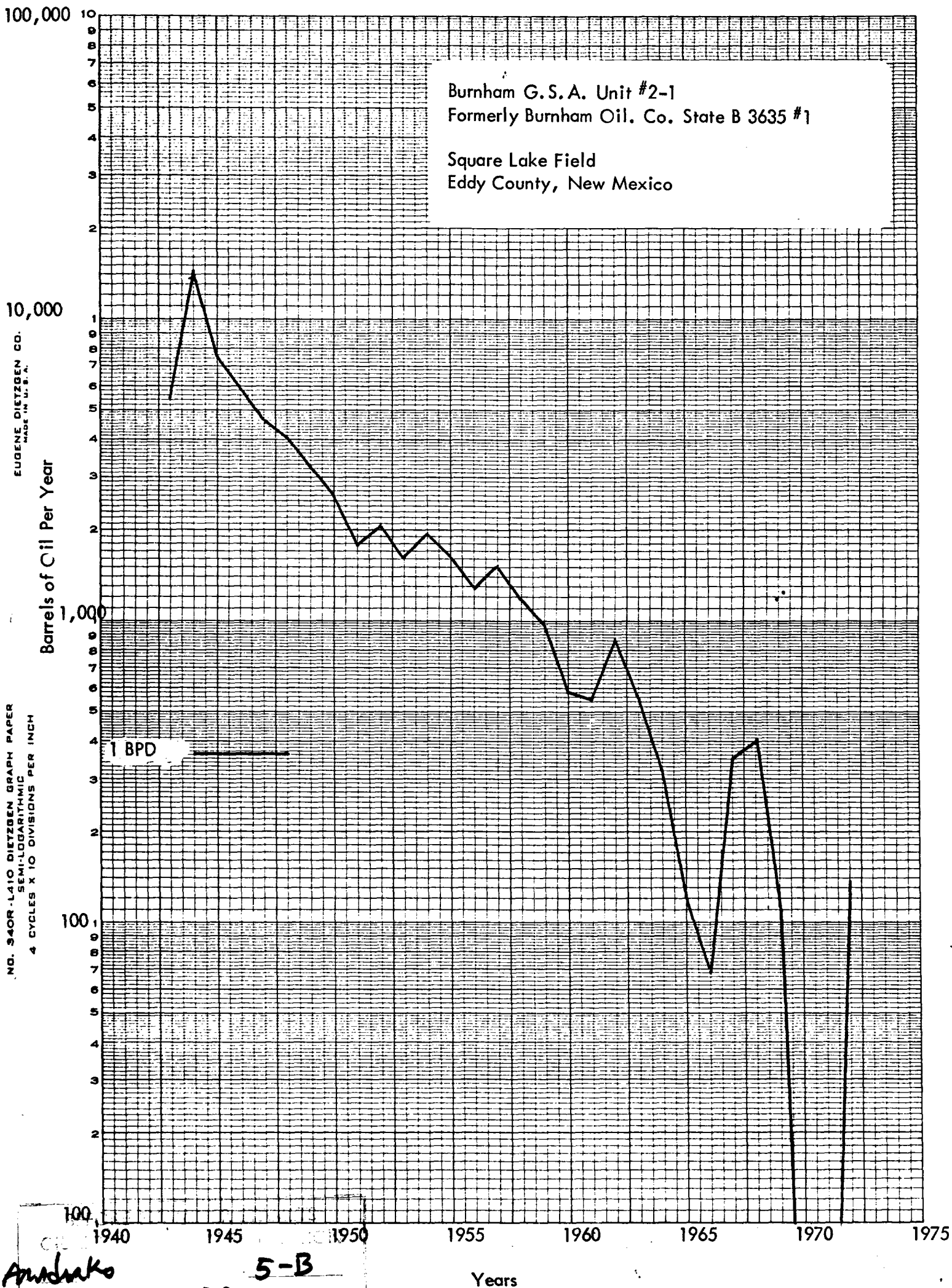
BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION
1940 1945 1950 1955 1960 1965 1970 1975
Anderson
CASE NO. 5032
Submitted by Kearney
Hearing Date 25 July 73

Burnham G.S. A. Unit #1-1, 1-2, 1-3
Formerly OH Randel - State #1, 2, 3
Square Lake Field
Eddy County, New Mexico

1 BPD

Years





Amado 5-B
 5032
 Kernaghan
 25 July 73

100,000

10,000

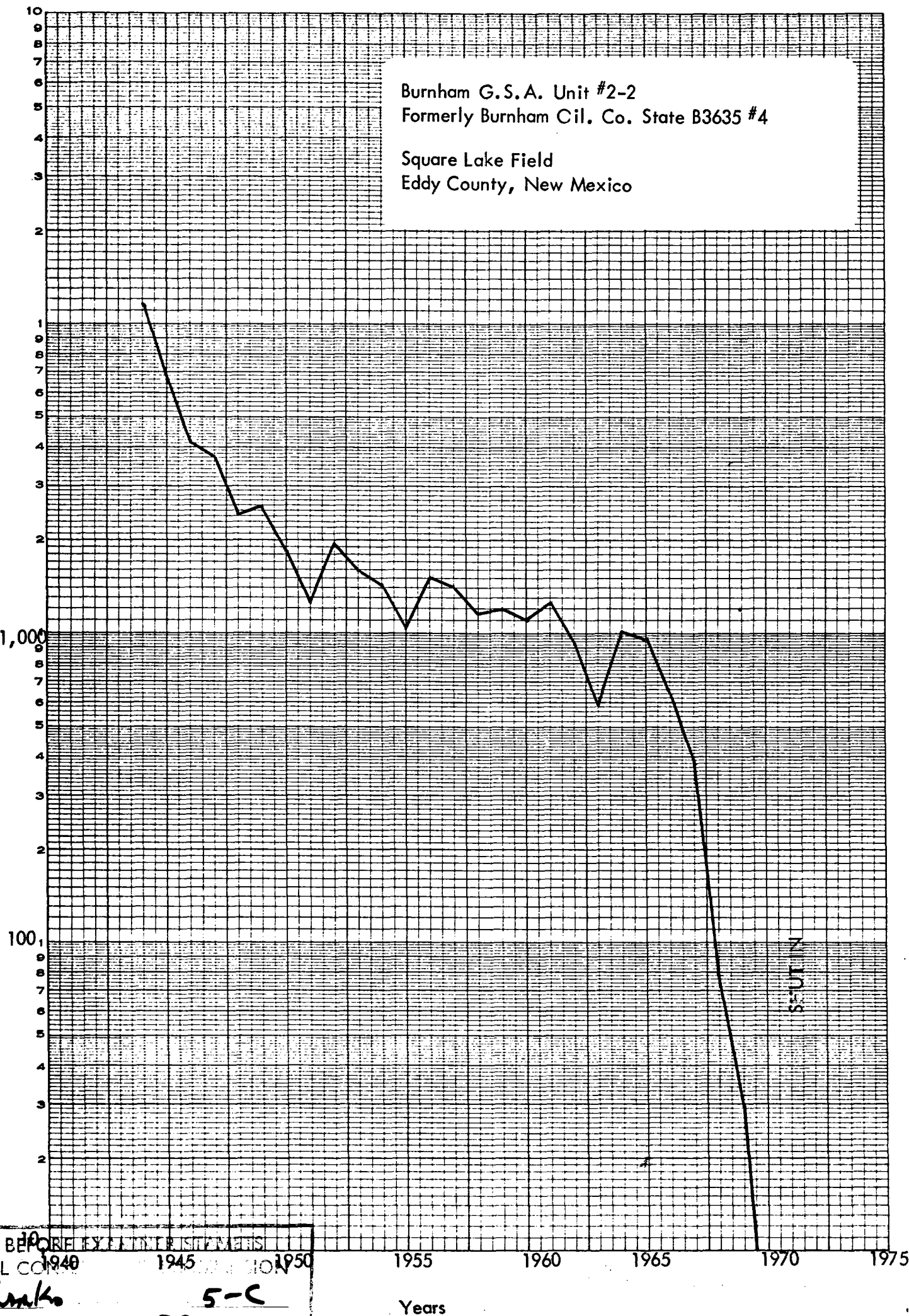
Barrels of Oil Per Year

EUGENE DIETZGEN CO.
MADE IN U. S. A.

NO. 340R - L410 DIETZGEN GRAPH PAPER
SEMI-LOGARITHMIC
4 CYCLES X 10 DIVISIONS PER INCH

Burnham G.S.A. Unit #2-2
Formerly Burnham Oil. Co. State B3635 #4

Square Lake Field
Eddy County, New Mexico



BEFORE EXAMINERS

OIL CORP 1940 1945 1950 1955 1960 1965 1970 1975

Years

Andersko *5-C*

CASE NO. *5032*

Submitted by *Kernaghan*

Hearing Date *25 July 73*

100,000

10,000

Barrels of Oil Per Year

NO. 340R-L410 DIETZEN GRAPH PAPER
SEMI-LOGARITHMIC
4 CYCLES X 10 DIVISIONS PER INCH

Analysis

5-D
6032
Kernaphan
20 July 73

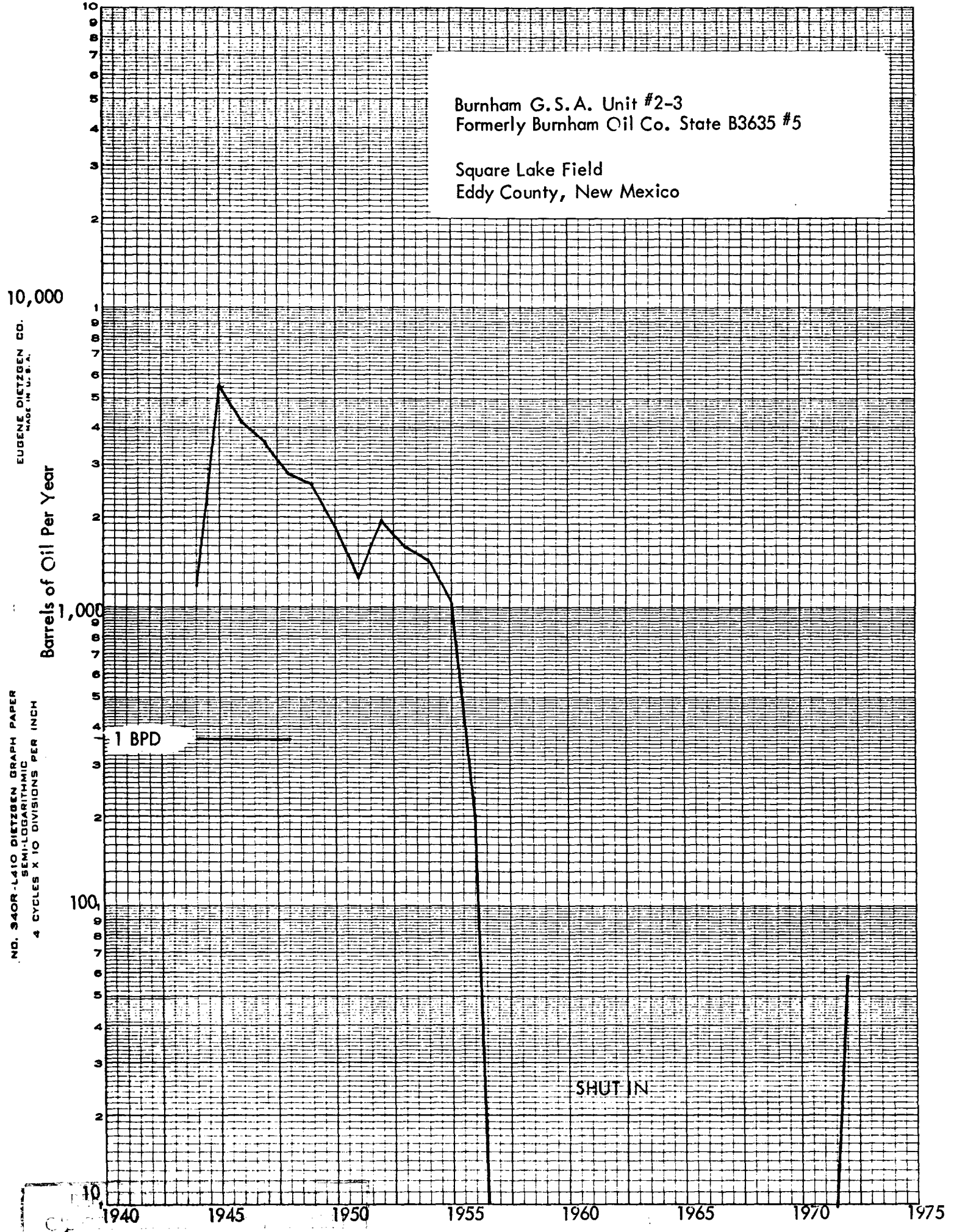
Burnham G.S.A. Unit #2-3
Formerly Burnham Oil Co. State B3635 #5

Square Lake Field
Eddy County, New Mexico

1 BPD

SHUT IN

Years



100,000

10,000

EUGENE DIETZEN CO.
MADE IN U.S.A.

NO. 340R-L410 DIETZEN GRAPH PAPER
SEMI-LOGARITHMIC
4 CYCLES X 10 DIVISIONS PER INCH

Barrels of Oil Per Year

100

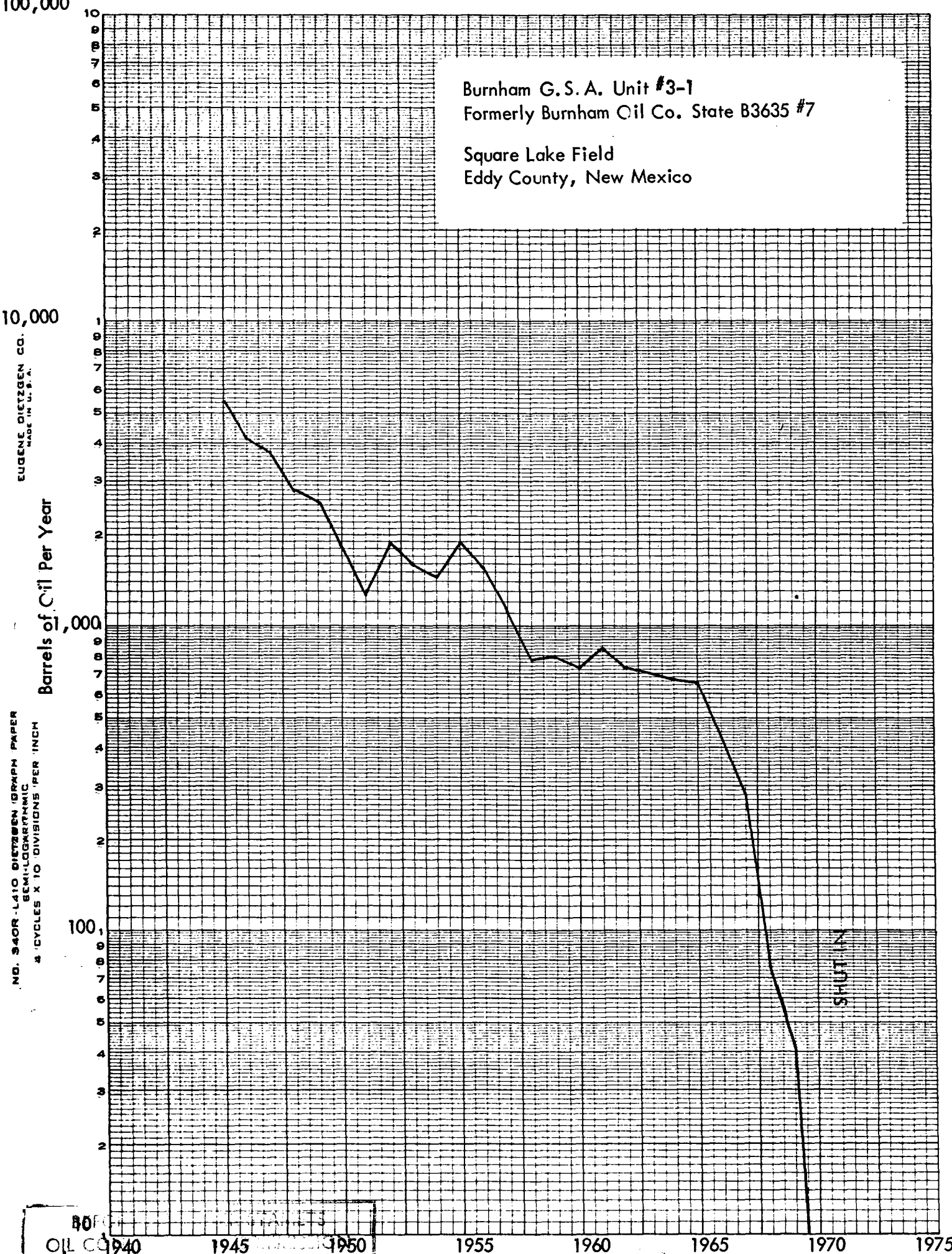
Burnham G.S.A. Unit #3-1
Formerly Burnham Oil Co. State B3635 #7

Square Lake Field
Eddy County, New Mexico

SHUT IN

800
OIL CO 1940 1945 1950
Andrako *5-E*
CASE NO. *5032*
Submitted by *Kennanham*
Hearing Date *25 July 73*

Years



100,000

EUGENE DIETZEN CO.
MADE IN U.S.A.

NO. 340R-L410 DIETZEN GRAPH PAPER
SEMI-LOGARITHMIC
4 CYCLES X 10 DIVISIONS PER INCH

Barrels of Oil Per Year

10

1940

1945

1950

1955

1960

1965

1970

1975

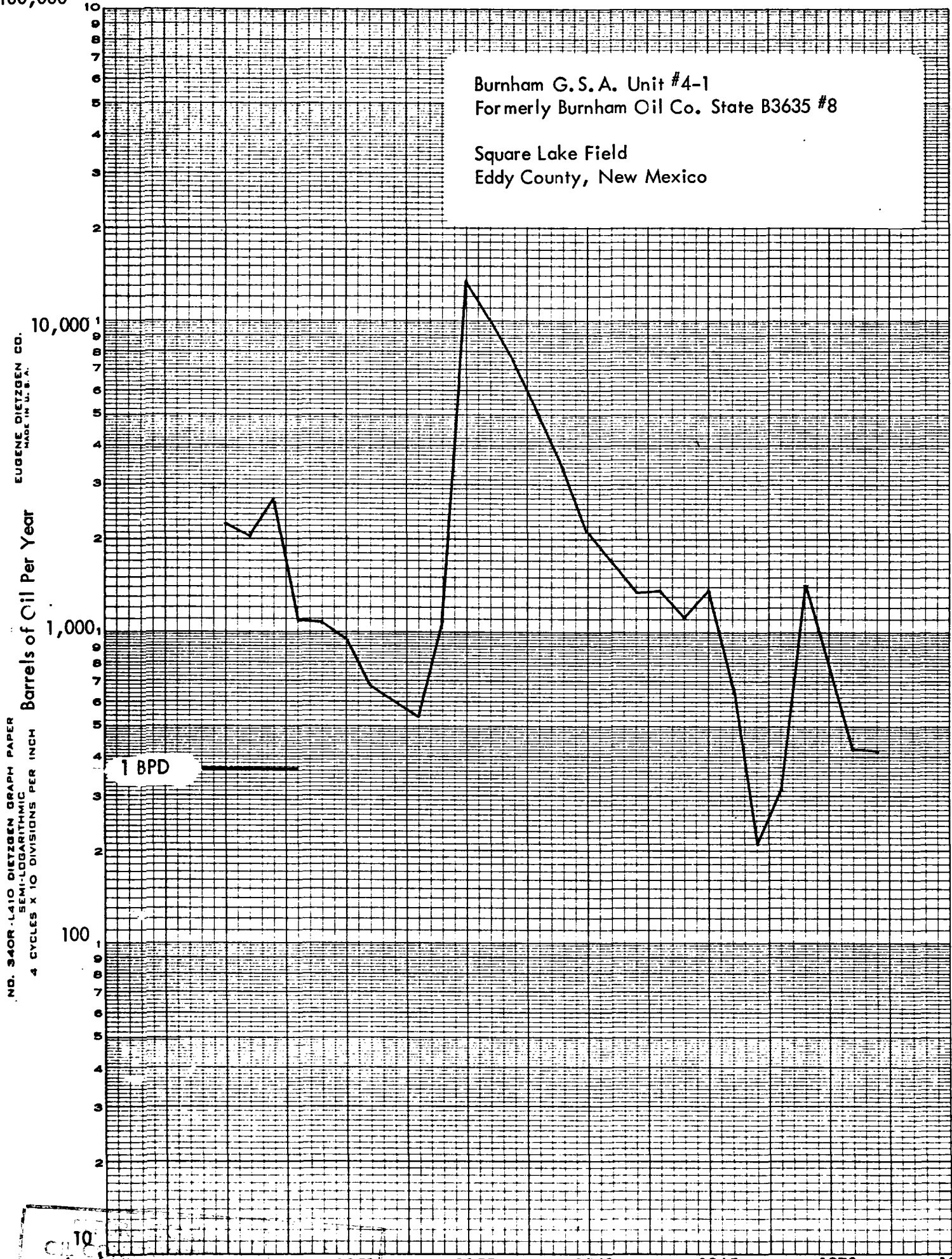
Burnham G.S.A. Unit #4-1
Formerly Burnham Oil Co. State B3635 #8

Square Lake Field
Eddy County, New Mexico

1 BPD

Years

Andarko
5032
Kearns
25 July 73



100,000

EUGENE DIETZGEN CO.
MADE IN U.S.A.

Barrels of Oil Per Year

NO. 340R-L410 DIETZGEN GRAPH PAPER
SEMI-LOGARITHMIC
4 CYCLES X 10 DIVISIONS PER INCH

Burnham G.S.A. Unit #5-1
Formerly Burnham Oil Co. State B 8146 #2

Square Lake Field
Eddy County, New Mexico

5-5

1940

1945

1950

1955

1960

1965

1970

1975

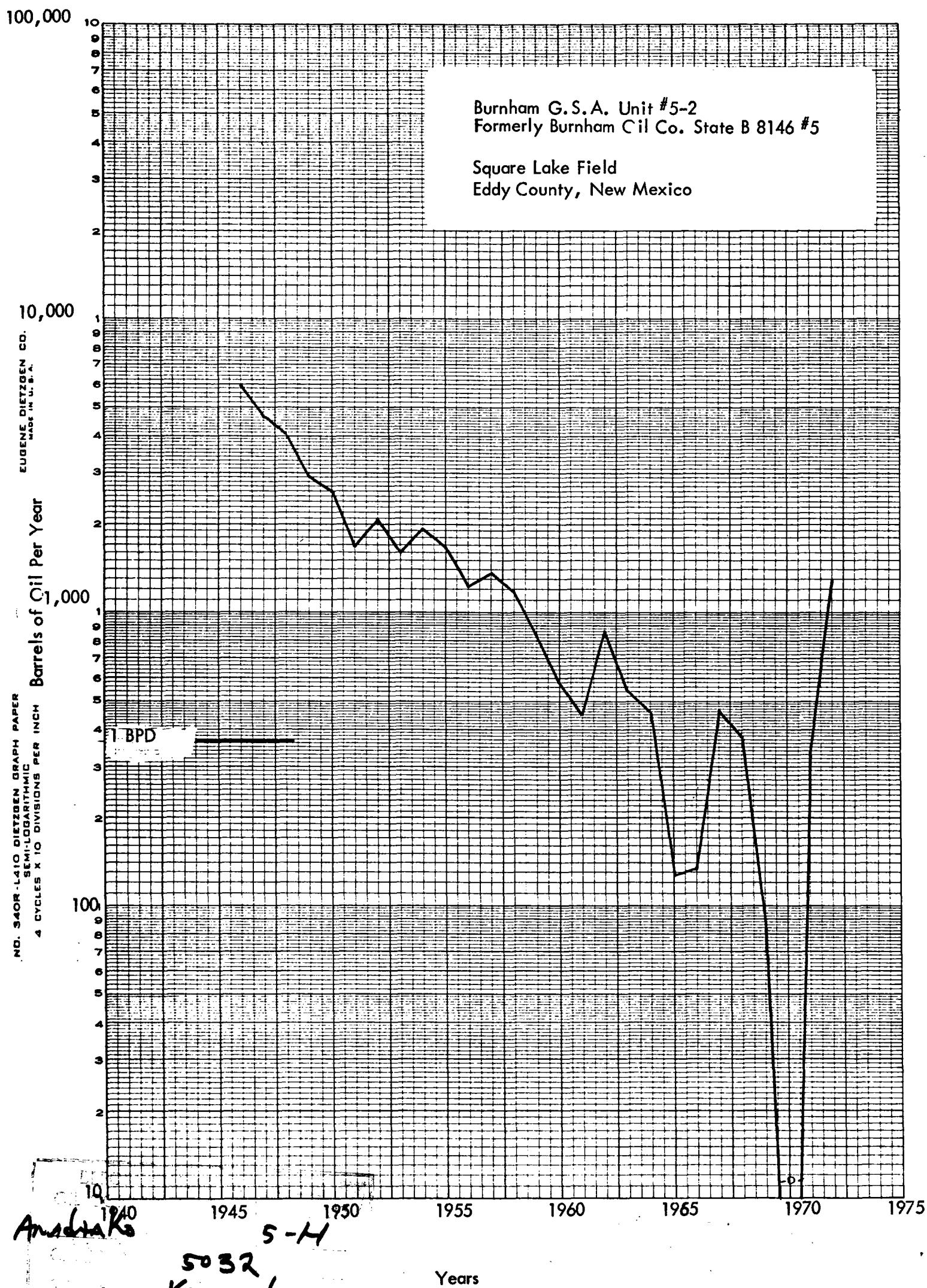
Years

Analysis

5032

Kernaghan

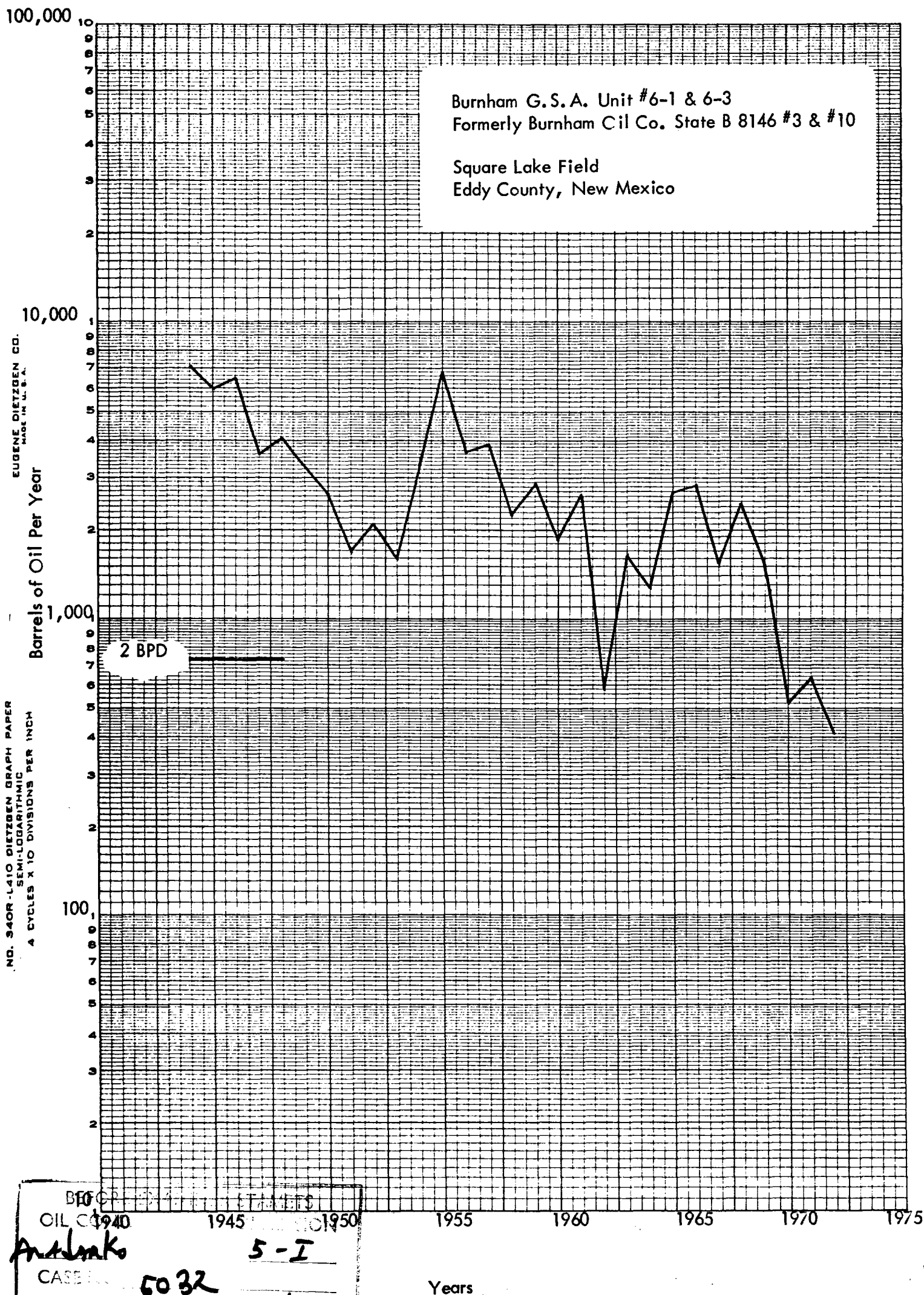
25 July 73



Amesbury
5032
Kernaghan
20 July 73

NO. 340R-1410 DIETZGEN GRAPH PAPER
SEMI-LOGARITHMIC
4 CYCLES X 10 DIVISIONS PER INCH

EUGENE DIETZGEN CO.
MADE IN U.S.A.



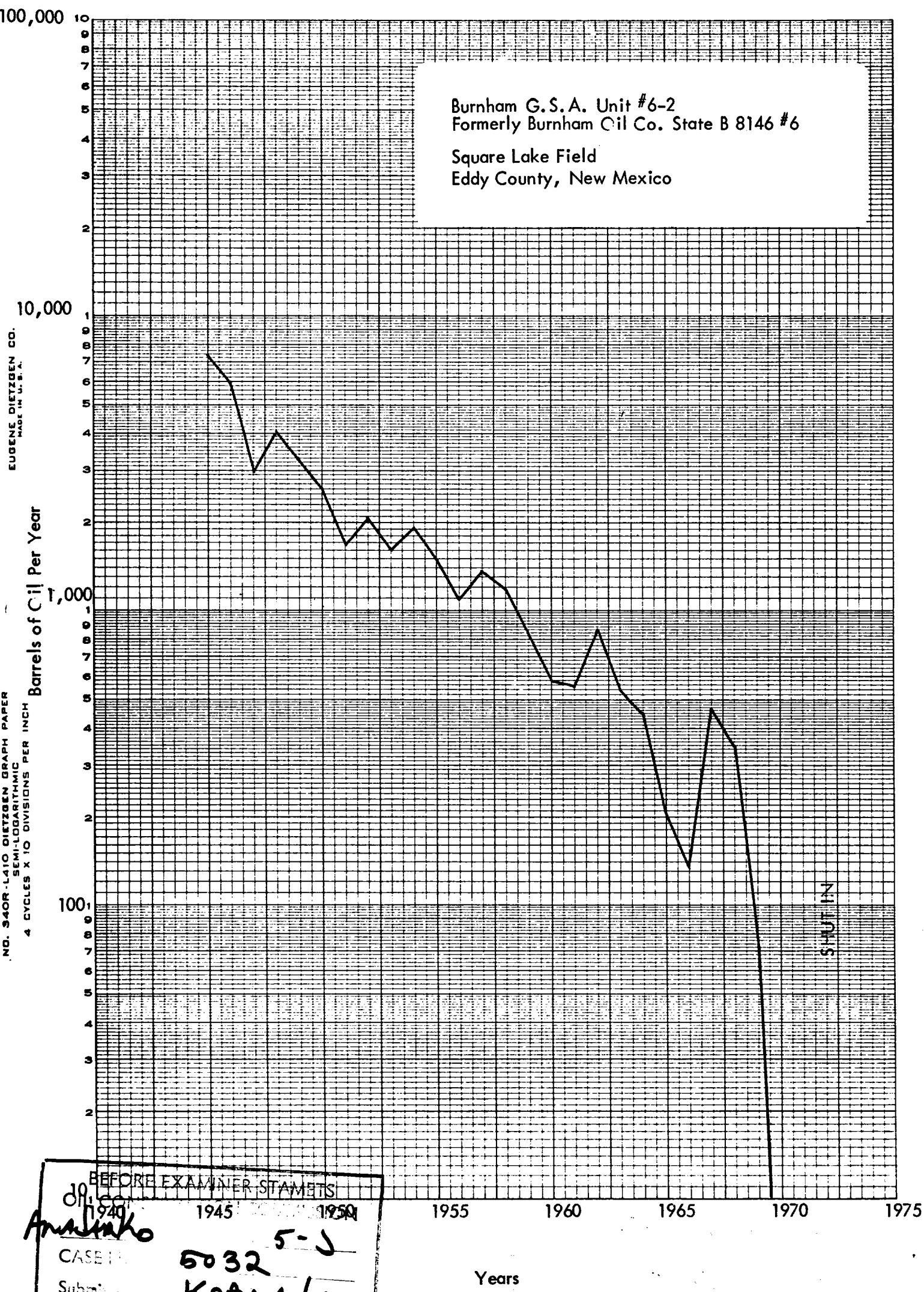
BEFORE THE STATE OF NEW MEXICO
OIL CASE 1940 1945 1950

Analysts *5-I*

CASE NO. *5032*

Submitted by *Kennedy*

Hearing Date *25 July 73*



BEFORE EXAMINER STAMETS

10/1/80

1940 1945 1950

Amaloko

CASE # 5032 5-J

Submitted Keananlan

Hearing Date 25 July 73

WATER CONTRACT

This agreement made and entered into as of the 15th day of April, 1970, by and between DOUBLE EAGLE CORPORATION OF NEW MEXICO

(N.S.L.), hereinafter referred to as "Seller", and ANADARKO PRODUCTION COMPANY, hereinafter referred to as "Buyer",

WITNESSETH:

WHEREAS, Buyer desires to purchase water from Seller to use and

to make available under injection pressure to others for use in waterflood and other recovery operations on Sections 1, 2, 3, 10 and 11, Township 17 South, Range 30 East, in Eddy County, New Mexico (all of such operations being deemed to be operations of Buyer for purposes of this contract); and

WHEREAS, Seller has available and desires to sell such water to Buyer for such purposes, subject to and upon terms and conditions hereinafter set forth:

NOW, THEREFORE, in consideration of the premises and the mutual covenants and obligations herein set out, it is agreed by and between Seller and Buyer as follows:

ARTICLE I.

Section 1. Buyer agrees that for a period of five (5) years from date hereof, and for as long thereafter as Buyer may elect, Buyer will purchase from Seller all water required by Buyer for the operations above described. Seller agrees to sell and deliver to Buyer such water as Buyer's needs require, said water to be supplied from Seller's water leases and water rights situated in Lea and Eddy Counties, New Mexico, and to consist exclusively of Ogallala water unless otherwise agreed upon by both Buyer and Seller.

Section 2. The quantity of water herein contracted to be purchased by Buyer shall be delivered by Seller in such quantities as may from time to time be requested by Buyer.

Section 3. Buyer is aware of the costs and expenses incurred and to be incurred by Seller in securing a sufficient supply of water for Buyer's needs and transporting the same to the delivery point, and in consideration of such

BEFORE EXAMINER STAMETS	
ANADARKO PRODUCTION	
EXHIBIT NO.	6
CASE NO.	5032
Submitted by	Kearney
Hearing Date	25 July 73

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costs and expense Buyer agrees to purchase exclusively from Seller all water required by Buyer for its operations during the term of this contract, provided Seller is not in default of the terms of this contract.

ARTICLE II.

Price

During the term of this contract Buyer agrees to pay to Seller for all water delivered to Buyer under the terms of this agreement the sum of \$0.0185 per barrel of water delivered (a barrel being defined as 42 U. S. Gallons), such payments to be made on a monthly basis.

ARTICLE III.

Delivery Point

Delivery of water to Buyer by Seller shall be at the following location:

Buyer's plant to be located on the Southwest Quarter of Section 2, Township 17 South, Range 30 East, Eddy County, New Mexico.

Title to such water shall pass from Seller to Buyer at the delivery point.

ARTICLE IV.

Delivery Obligations

Section 1. Seller hereby agrees to construct the necessary facilities to provide water as herein contemplated at the delivery point on or before thirty (30) days from the date of this agreement.

Section 2. Buyer agrees to notify Seller immediately if sufficient water to meet its requirements is not being supplied and Seller agrees that upon receipt of such notice it will promptly remedy such condition.

ARTICLE V.

Metering

Seller shall install at its sole cost and expense a valve and totalizing meter at the delivery point where water covered by this agreement is delivered

into Buyer's system to measure the water so delivered. Buyer may, at its option and expense, install and maintain a check meter or meters downstream from Seller's meter. Buyer shall have the right to inspect Seller's meter in the presence of Seller's representatives. If the accuracy of Seller's meter is questioned, the metering instruments shall be tested and properly adjusted upon the demand of Buyer or Seller, but the measurement shall not be considered inaccurate for accounting purposes unless it is in error by more than five percent (5%). Should any test show an error in excess of five percent (5%) correction shall be made for volumes delivered for one-half of the period elapsed since the last test; but in no event shall the correction be applied for a period in excess of thirty (30) days. In the event any test demanded by Buyer shows an error of more than five percent (5%), the cost of such test shall be borne by the Seller; however, if any error is less than five percent (5%), such cost shall be borne by the Buyer.

ARTICLE VI.

Laws, Regulations and Force Majeure

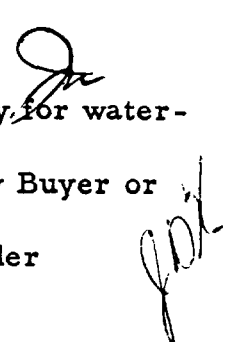
Section 1. This agreement shall be subject to all valid and applicable laws, orders, rules and regulations of any duly constituted governmental authority.

Section 2. Except for Buyer's obligations to make payments for water delivered hereunder, neither party hereto shall be liable for any failure to perform the terms of this agreement when such failure is due to "force majeure" as hereinafter defined, provided that the party claiming "force majeure" which results in a substantial failure of performance shall give the other prompt written notice thereof. The term "force majeure" as employed in this agreement shall mean acts of God, strikes, lockouts or industrial disturbances, civil disturbances, arrests and restraint from rulers and people, interruptions by government or court orders, present and future valid orders of any regulatory body having jurisdiction, acts of the public enemy, wars, riots, blockades,

insurrections, inability to secure right-of-way, inability to secure labor or materials, including inability to secure materials as a result of allocations promulgated by authorized governmental agencies, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, explosions, breakage or accident to machinery or lines of pipe, freezing of wells or pipe lines, partial or entire failure of water supply, or any other cause, whether of the kind herein enumerated or otherwise, not reasonably within the control of the party claiming "force majeure". Nothing herein contained, however, shall be construed to require either party to settle a labor dispute against its will.

ARTICLE VII.

Use of Water

The water furnished by Seller to Buyer shall be used only for water-flooding and operations conducted on the property above described by Buyer or other operators who contract with Buyer for water to be supplied under injection pressure. 

ARTICLE VIII.

Notices

All notices permitted or required to be given under the provisions hereof shall be sent by certified or registered mail, or by Western Union telegram prepaid, addressed to the parties hereto as follows:

Anadarko Production Company
3109 Winthrop Avenue
Fort Worth, Texas 76107

Double Eagle Corporation of New Mexico (N.S.L.)
Post Office Box 2239
Tulsa, Oklahoma 74101

ARTICLE IX.

Miscellaneous

Section 1. Buyer agrees to pay to Seller all sums due for water delivered under this contract to Buyer within twenty (20) days after receipt of Seller's invoice. If payment is not made within thirty (30) days after receipt of Seller's invoice the unpaid balance shall bear interest at the rate

of seven percent (7%) per annum from due date until paid and Seller shall have the right to suspend the delivery of any further water to Buyer until paid in full without liability of any kind.

Section 2. Seller reserves the right to suspend service temporarily to make necessary repairs or improvements to its water system; provided, however, Seller shall notify Buyer of any such interruptions and shall prosecute the work with due diligence and with the least possible delay in service.

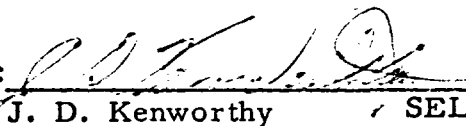
Section 3. Buyer agrees to install a throttling valve between Buyer's tank and Seller's meter to prevent damage to Seller's meter.

Section 4. This agreement may be assigned by either party hereto; provided, however, that no assignment or transfer shall relieve either party of its obligations hereunder unless the prior consent of the other party is obtained in writing.

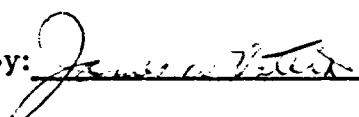
This agreement is binding upon the parties hereto, their personal representatives, successors and assigns.

IN WITNESS WHEREOF, this instrument is executed as of the day and year first above written.

DOUBLE EAGLE CORPORATION OF
NEW MEXICO (NSL)

By: 
J. D. Kenworthy / SELLER

ANADARKO PRODUCTION COMPANY

By: 
BUYER