

Form 3160-5 (November 1994)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

1625 N. French Drive Hobbs, NM 88240

FORM APPROVED OMB No. 1004-0135 Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

- 5. Lease Serial No. NM 88163
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. Avion Federal #2 & #3
9. API Well No. 30-025-34817 (#3) 30-025-33862 (#2)
10. Field and Pool, or Exploratory Area Diamond Tail Delawrae
11. County or Parish, State Lea, NM

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well [X] Oil Well [ ] Gas Well [ ] Other
2. Name of Operator Echo Production, Inc.
3a. Address PO Box 1210, Graham, TX 76450
3b. Phone No. (include area code) (940) 549-3292
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1880' FSL & 1880' FEL Sec 22 T23S R32E (#3)
990' FSL & 330' FEL Sec 22 T23S R32E (#2)

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

Table with columns: TYPE OF SUBMISSION, TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production (Start/Resume), Water Shut-Off, etc.

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

- 1. Formation producing water on Lease: Delaware
2. Amount of water produced: +450 BPD
3. Current water analysis: attached
4. How water is stored on Lease: 300 & 210 bbl fiberglass tanks
5. How water is moved to disposal facility: Polyethelene line
6. Disposal Facility
A. Operators name: Concho Resources, Inc.
B. Well Name: Diamondtail '23' Federal #2
C. Well type & well number: SWD, #2
D. Location: 1980' FNL & 660' FEL Sec 23 T23S R32E
7: Injection Permit: attached

(ORIG. SGD.) GARY GOURLEY

RECEIVED 2000 JUL 10 P 1:31 BUREAU OF LAND MGMT. HOBBS, NEW MEXICO

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Tom Golden
Signature [Handwritten Signature]

Title Operations Manager
Date 7/5/00

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by ORIGINAL SIGNED BY CHRIS WILLIAMS DISTRICT 1 SUPERVISOR
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title
Office
ACCEPTED FOR RECORD
JUL 10 2000
BLM

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)



## Water Analysis Report

**Customer:** ECHO PRODUCTION INC.

7/3/00

**Address:**

**City:**                      **State:**                      **Zip:**

**Attention:** TOM GOLDEN

**Date Sampled:** 6/30/00

**CC1:** TOM HONEWELL

**Date Received:** 6/30/00

**CC2:**

**SALESMAN NAME:** PRESTON SOUTHARD

**LEASE:** AVION

**SAMPLE POINT:** AVION # *Battery*

**WELL:** AVION #1

**REMARKS:**

<b>CHLORIDE:</b>	168500
<b>SULFATE:</b>	207
<b>BICARBONATE:</b>	68
<b>CALCIUM:</b>	22536
<b>MAGNESIUM:</b>	4325
<b>IRON:</b>	49
<b>BARIUM:</b>	0
<b>STRONTIUM:</b>	
<b>MEASURED pH:</b>	5.6
<b>TEMPERATURE:</b>	85
<b>DISSOLVED CO2:</b>	130
<b>MOLE PERCENT CO2 IN GAS:</b>	0.50
<b>DISSOLVED H2S:</b>	
<b>PRESSURE (PSIA):</b>	100
<b>SODIUM (PPM):</b>	75365

**TOTAL DISSOLVED SOLIDS:** 271050

**IONIC STRENGTH:** 4.76

<b>CALCITE (CaCO3) SI:</b> -0.14	<b>CALCITE PTB:</b> N/A
<b>GYPSUM (CaSO4) SI:</b> -0.46	<b>GYPSUM PTB:</b> N/A
<b>BARITE (BaSO4) SI:</b> N/A	<b>BARITE PTB:</b> N/A
<b>CELESTITE (SrSO4) SI:</b> N/A	<b>CELESTITE PTB:</b> N/A

SI calculations based on Tomson-Oddo

*Julie Coxner*



**NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT**

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

*ADMINISTRATIVE ORDER SWD-760*

***APPLICATION OF CONCHO RESOURCES, INC. FOR SALT WATER DISPOSAL,  
LEA COUNTY, NEW MEXICO.***

**ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION**

Under the provisions of Rule 701(B), Concho Resources, Inc. made application to the New Mexico Oil Conservation Division on November 8, 1999, for permission to complete for produced water disposal its Diamondtail '23' Federal Well No. 2 located 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 23, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico.

**THE DIVISION DIRECTOR FINDS THAT:**

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

**IT IS THEREFORE ORDERED THAT:**

The applicant herein, is hereby authorized to complete its Diamondtail '23' Federal Well No. 2 located 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 23, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, in a such manner as to permit the injection of produced water for disposal purposes into the Delaware Cherry Canyon formation from approximately 5,950 feet to 6,065 feet through 2 7/8 inch plastic-lined tubing set in a packer located at approximately 5,900 feet.

**IT IS FURTHER ORDERED THAT:**

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 1190 psi.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Delaware Cherry Canyon formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment and of any mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Hobbs district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

PROVIDED FURTHER THAT, jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

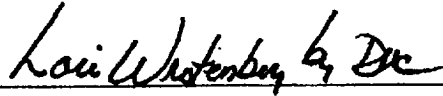
The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

*Administrative Order SWD-760*  
*Concho Resources, Inc.*  
*November 23, 1999*  
*Page 3*

---

Approved at Santa Fe, New Mexico, on this 23<sup>rd</sup> day of November, 1999.



LORI WROTENBERY, Director

LW/MWA/kv

cc: Oil Conservation Division – Hobbs  
U.S. Bureau of Land Management – Carlsbad