Xeric Oil & Gas Corporation

P.O. Box 51311 Midland, Texas 79710 (915) 683-3171 FAX: (915) 683-3152

June 17, 1993

Oil Conservation Division P.O. Box 2000 Sante Fe, NFD 07504

Attn: David Catanach

Re: Division Order SUID-447

Dear David.

It was originally our intention to permit an additional injection well on the Mesa Queen Unit, which was already an active water flood unit. It would seem that we inadvertently permitted a salt water disposal well, instead. I am not certain of the difference in terminology where the O.C.D. is concerned, but there is apparently a difference.

in our original application paperwork the well was referred to about half of the time as a salt water disposal well and the other half of the time as an injection well. Volumes for injectors are reported on the C-115, while volumes for disposal wells are reported on the C-120-A. Since this injector became active, we have reported volumes on the C-115. I have just been informed of the error in reporting, since the well is classified as a salt water disposal well,

My request is that you re-classify this well as an additional injector on the Mesa Queen Unit.

Thank you in advance for your help in this matter.

Regards,

Kevin K. Gafford

cc: Jerry Sexton

O.C.D., Hobbs District Office