

APPLICATION FOR AUTHORIZATION TO INJECT

- I. Purpose: Secondary Recovery Pressure Maintenance Disposal Storage
Application qualifies for administrative approval? yes no
- II. Operator: Circle Ridge Production Inc.
Address: 601 N. Illinois Hobbs, NM 88240
Contact party: James Davis Phone: (505)676-2130
- 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 1-1123-3.
- 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, if any.
- * X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)
- * XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground 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: Eddie W. Seay Title Agent

Signature: Eddie W. Seay Date: 8-7-95

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated or 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 _____ from the date this application was mailed to them.

A 0-14-31

CHECKLIST for ADMINISTRATIVE INJECTION APPLICATIONS

Operator: CIRCLE RIDGE PROD. Co. Well: DRICKEY QUEEN SAND UNIT NOS. 2+4

Contact: JAMES DAVIS Title: _____ Phone: 505 676-2130
EDDIE SEAY → AGENT/CONSULTANT

DATE IN 8-14-95 RELEASE DATE 8-28-95 DATE OUT 8-28-95

Proposed Injection Application is for: WATERFLOOD Expansion initial

Original Order: R- 1128 Secondary Recovery Pressure Maintenance

SENSITIVE AREAS SALT WATER DISPOSAL

WIPP Capitan Reef Commercial Operation

Data is complete for proposed well(s) yes Additional Data _____

AREA of REVIEW WELLS

20 Total # of AOR 11 # of Plugged Wells

yes Tabulation Complete yes Schematics of P & A's

yes Cement Tops Adequate yes AOR Repair Required NO'S 5+6 PRIOR TO INJ ON #2-A

INJECTION INFORMATION

Injection Formation(s) QUEEN NO. 2-A 4-H
2796-2804 AND 3042-3066

Source of Water AREA PRODUCTION Compatible yes

PROOF OF NOTICE

yes Copy of Legal Notice yes Information Printed Correctly

yes Correct Operators yes Copies of Certified Mail Receipts

Objection Received Set to Hearing _____ Date

NOTES: REACTIVATE WELL NO. 4 - WFX-23 - SHUT IN FOR 20 YEARS

WILL WRITE UP W/ NO. 2 ON NEW WFX

APPLICATION QUALIFIES FOR ADMINISTRATIVE APPROVAL yes

COMMUNICATION WITH CONTACT PERSON:

1st Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____ Date	Nature of Discussion _____
2nd Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____ Date	Nature of Discussion _____
3rd Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____ Date	Nature of Discussion _____

FORM C-108

APPLICATION FOR AUTHORIZATION TO INJECT

CIRCLE RIDGE PRODUCTION INC.
DRICKEY QUEEN SAND UNIT R-1128-B

III. A

1. Drickey Queen Sand Unit Well #2-A
Sect. 33, Tws. 13 S., Range 31 E.
990/N 330/E Chaves Co., NM
2. 8 5/8" 24# Csg set at 308' cemented with
200 sx cement. circulated.
5 1/2" 9.5# Csg set at 2881' cemented with
450 sx cement. TOC 1362' with 50% efficiency.
3. Plan to run 2" plastic lined tubing set at
approximately 2750'.
4. Plan to run Baker tension Facker and set
approximately 2750'.

III. B

1. The injection interval is the Queen sand, Caprock
Queen field.
2. The injection interval is thru perfor from
2796' to 2804'.
3. Well was originally drilled as an oil well.
4. None.
5. None.

V. Attached.

VI. Attached.

VII. Proposed Operation

1. The average rate of injection will be approximately
300 bbl. per day with a maximum of 500 bbl. per day.
2. System will be closed.

3. The average pressure will be 400-500 psi with a maximum of 700 psi, not to exceed OGD limit.
4. The source of water will be reinjected produced water.
5. N/A

VI.I. Previously submitted.

VA. No stimulation proposed, only acid as needed.

X. Previously submitted.

XI. No fresh water well within this area. A copy of State Engineer's water well list within.

XI.I. All available geologic and engineering data has been examined and no evidence of open faults or any other hydrologic connection between the injection zone and any underground source of drinking water were found.

XIII. Attached.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT P. O. BOX 1980 HOBBS, NEW MEXICO 88240

5. LEASE DESIGNATION AND SERIAL NO.

NM-02419

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

6. INDIAN, ALLOTTEE OR TRIBE NAME

API 25-005-02419

7. UNIT AGREEMENT NAME

DRICKEY QUEEN SAND

8. FARM OR LEASE NAME

DRICKEY QUEEN SAND TR

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT

DRICKEY QUEEN SAND

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

SEC. 33

T13S, R31E

12. COUNTY OR PARISH

CHAVES

13. STATE

NM

1a. TYPE OF WELL: OIL WELL [X] GAS WELL [] DRY [] Other []

b. TYPE OF COMPLETION: NEW WELL [X] WORK OVER [] DEEP-EN [] PLUG BACK [] DIFF. RESVR. [] Other []

2. NAME OF OPERATOR

CIRCLE RIDGE PRODUCTION, INC.

3. ADDRESS OF OPERATOR

300 E. NORTH SIDE DRIVE, FT. WORTH, TX 76106

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface

990' FNL- 330' FEL

At top prod. interval reported below

At total depth

14. PERMIT NO.

DATE ISSUED

15. DATE SPUDDED 5-3-93 16. DATE T.D. REACHED 5-8-93 17. DATE COMPL. (Ready to prod.) 5-28-93 18. ELEVATIONS (DF, RKB, RT, CR, ETC.)* 4200 G.L. 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 2878 21. PLUG, BACK T.D., MD & TVD N/A 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY 2878 ROTARY TOOLS CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 25. WAS DIRECTIONAL SURVEY MADE

COMPENSATED NEUTRONS /FORMATION DENSITY WITH GAMMA RAY T.D. SURFACE

26. TYPE ELECTRIC AND OTHER LOGS RUN 27. WAS WELL CORED

DUEL LATERAL/MICRO SFL W/GAMMA RAY & CALAPER TD. TO SURFACE

NO

28. CASING RECORD (Report all strings set in well)

Table with 6 columns: CASING SIZE, WEIGHT, LB./FT., DEPTH SET (MD), HOLE SIZE, CEMENTING RECORD, AMOUNT PULLED. Rows include 8 5/8, 24/ft., 308, 12 1/4, 200 sks. class C and 5 1/2, 14/ft., 2881, 7 7/8, 450 sks cement.

29. LINER RECORD and 30. TUBING RECORD tables. LINER RECORD columns: SIZE, TOP (MD), BOTTOM (MD), SACKS CEMENT*, SCREEN (MD). TUBING RECORD columns: SIZE, DEPTH SET (MD), PACKER SET (MD). Values: 2 7/8, 2760, 2 1/4 tbg. pu

31. PERFORATION RECORD (Interval, size and number) perf 2796-2804, 2 holes per ft. 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. Table with columns: DEPTH INTERVAL (MD), AMOUNT AND KIND OF MATERIAL USED. Rows: 2796-2804, 500 gal. mud acid (7 1/2%), 2796-2804, 480 bbl. gel water, 280 sks. sand.

33. PRODUCTION table. Columns: DATE FIRST PRODUCTION, PRODUCTION METHOD, WELL STATUS, DATE OF TEST, HOURS TESTED, CHOKER SIZE, PROD'N. FOR TEST PERIOD, OIL-BBL., GAS-MCF., WATER-BBL., GAS-OIL RATIO, FLOW. TUBING PRESS., CASING PRESSURE, CALCULATED 24-HOUR RATE, OIL-BBL., GAS-MCF., WATER-BBL., OIL GRAVITY-API (CORR.). Values: 5-25-94, PUMPING, SI, NONE, 24, N/A, 3, TSTM, 120, NONE, NONE, 36.

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) 35. LIST OF ATTACHMENTS

VENTED

TEST WITNESSED BY

MITCH GREEN

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

Jimmy D. Northey

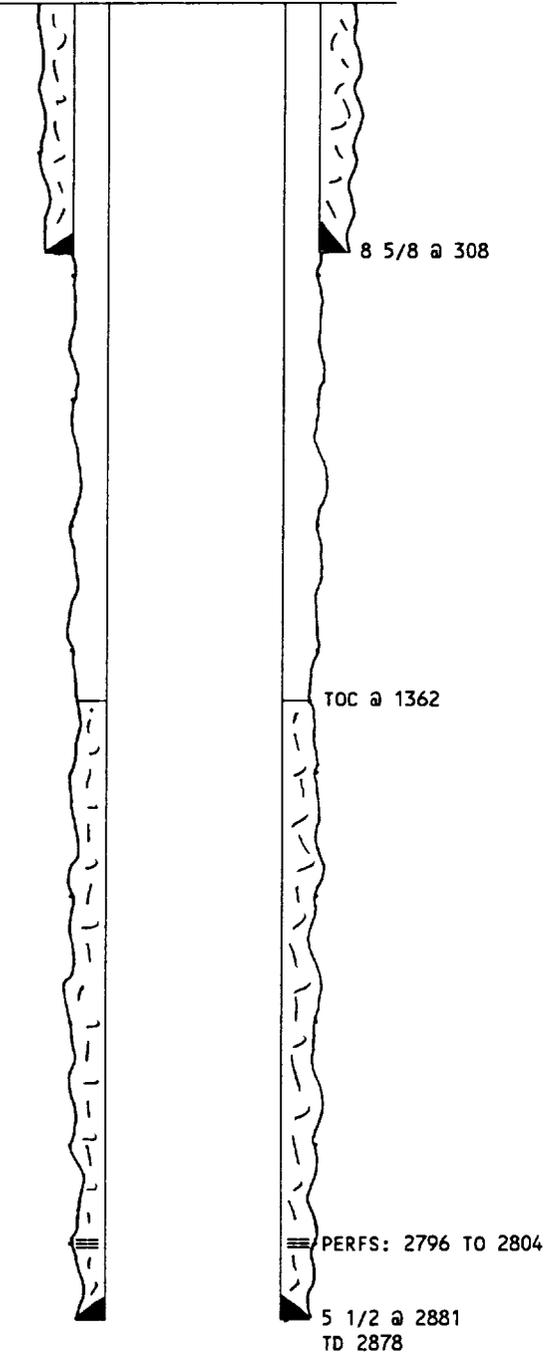
TITLE

ACCEPTED FOR RECORD PETER W. CHESTER JUN 6 1995 BUREAU OF LAND MANAGEMENT ROSWELL RESOURCE AREA

DATE 5-23-95

(See Instructions and Spaces for Additional Data on Reverse Side)

CIRCLE RIDGE PROD INC
DRICKEY QUEEN SAND UNIT # 2
UNIT: A SEC 33 T 13 S R 31 E
990/FNL 330/FEL
TD: 2878
API NUMBER: 30-005-21115



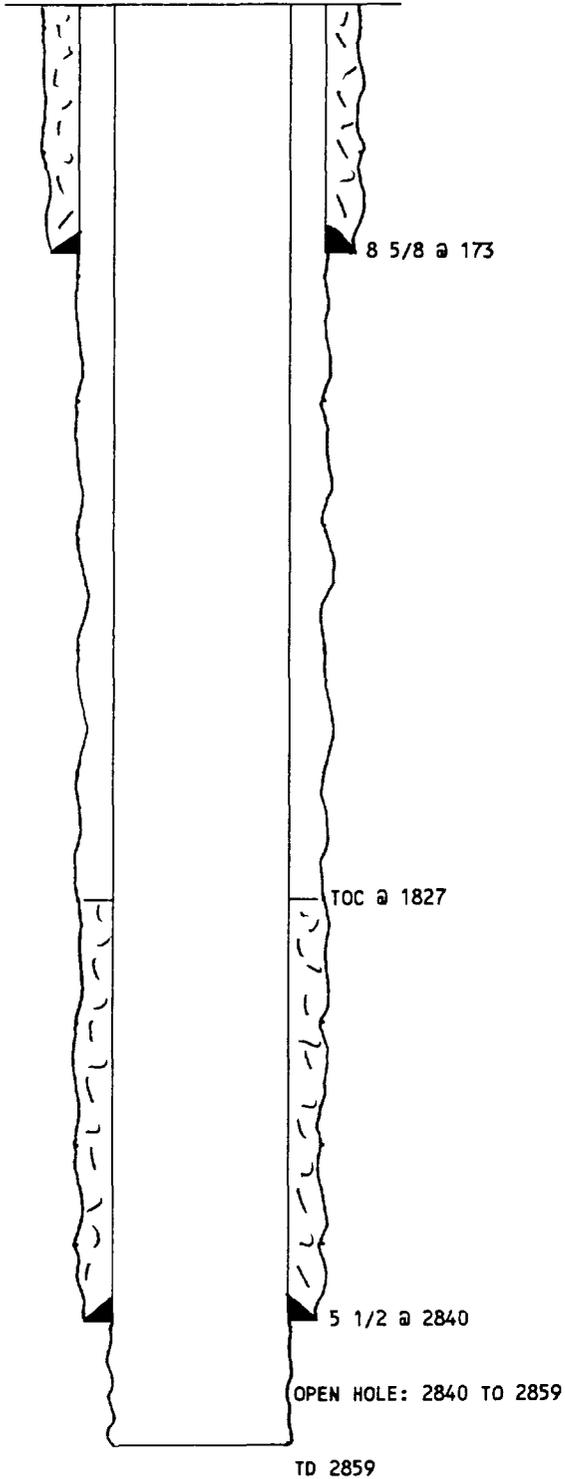
TABULAR DATA

SURFACE CASING
SIZE: 8 5/8 SET AT: 308 HOLE SIZE: 12 1/4
CEMENTED WITH 200 SXS
TOC: SURFACE DETERMINED BY: CIRC TO SURFACE

PRODUCTION CASING
SIZE: 5 1/2 SET AT: 2881 HOLE SIZE: 7 7/8
CEMENTED WITH 450 SXS
TOC: 1362 DETERMINED BY: CALC TOP CEMENT

PRODUCING INTERVAL: QUEEN
POOL: CAPROCK;QUEEN
PERFS: 2796 TO 2804

CIRCLE RIDGE PROD INC
DRICKEY QUEEN SAND UNIT # 5
UNIT: 1 SEC 33 T 13 S R 31 E
1980/FSL 660/FEL
TD: 2859
API NUMBER: 30-005-00894



TABULAR DATA

SURFACE CASING
SIZE: 8 5/8 SET AT: 173 HOLE SIZE:
CEMENTED WITH 100 SXS
TOC: SURFACE DETERMINED BY: CIRC TO SURFACE

PRODUCTION CASING
SIZE: 5 1/2 SET AT: 2840 HOLE SIZE:
CEMENTED WITH 300 SXS
TOC: 1827 DETERMINED BY: CALC TOP CEMENT

PRODUCING INTERVAL: QUEEN
POOL: CAPROCK;QUEEN

OPEN HOLE: 2840 TO 2859

CIRCLE RIDGE PROD INC
DRICKEY QUEEN SAND UNIT # 6
UNIT: J SEC 33 T 13 S R 31 E
1980/FSL 1980/FEL
TD: 2809
API NUMBER: 30-005-00895

TABULAR DATA

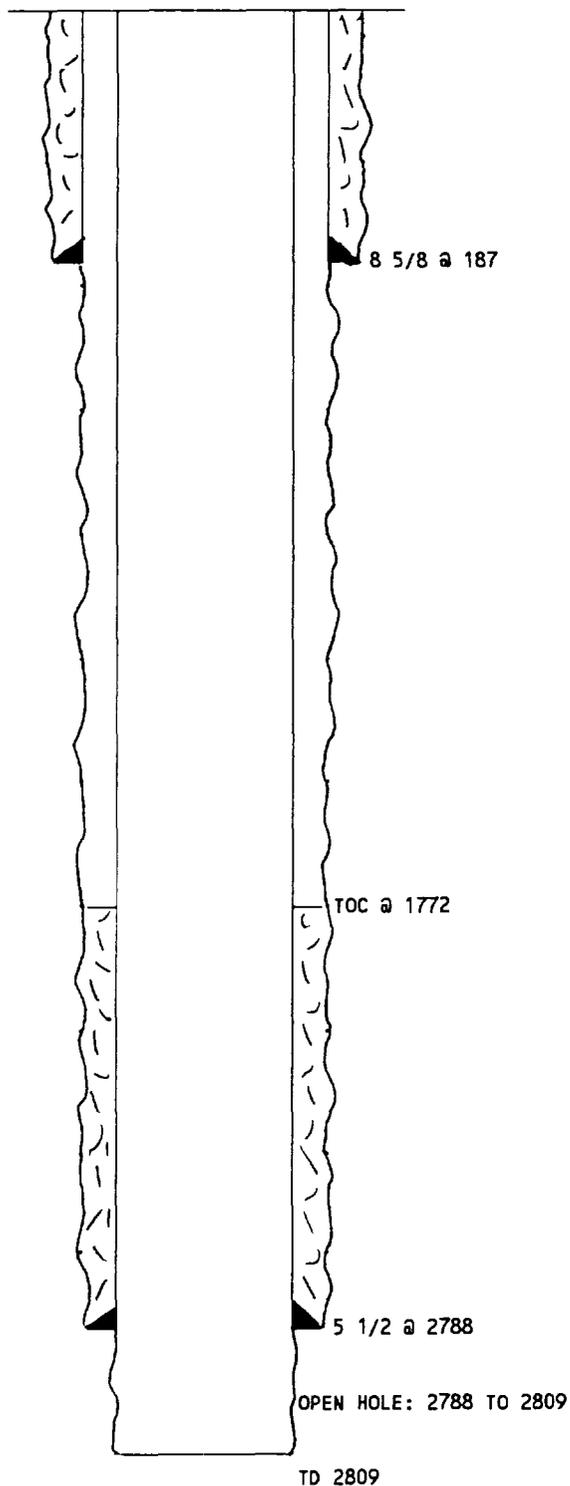
SURFACE CASING _____
SIZE: 8 5/8 SET AT: 187 HOLE SIZE:
CEMENTED WITH 125 SXS
TOC: SURFACE DETERMINED BY: CIRC TO SURFACE

PRODUCTION CASING _____
SIZE: 5 1/2 SET AT: 2788 HOLE SIZE:
CEMENTED WITH 300 SXS
TOC: 1772 DETERMINED BY: CALC TOP CEMENT

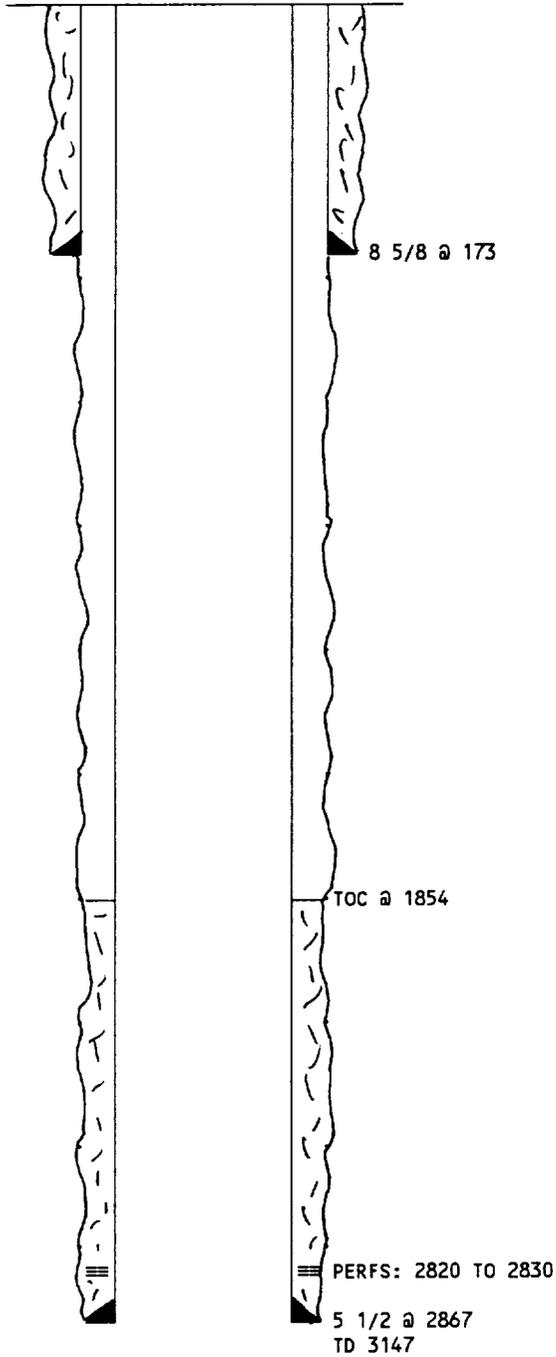
INJECTION INTERVAL: QUEEN
POOL: CAPROCK;QUEEN

OPEN HOLE: 2788 TO 2809
COMMENTS:

TA 02/01/90



CIRCLE RIDGE PROD INC
DRICKEY QUEEN SAND UNIT # 1
UNIT: H SEC 33 T 13 S R 31 E
1980/FNL 660/FEL
TD: 3147
API NUMBER: 30-005-00898



TABULAR DATA

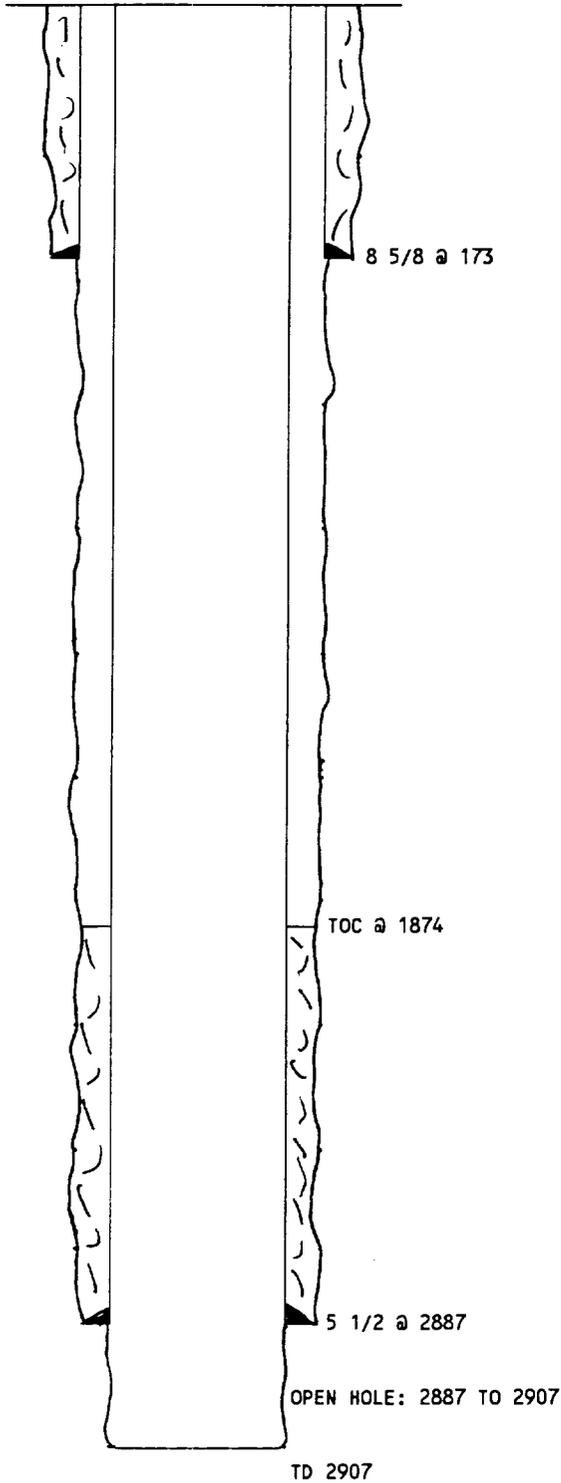
SURFACE CASING
SIZE: 8 5/8 SET AT: 173 HOLE SIZE:
CEMENTED WITH 125 SXS
TOC: SURFACE DETERMINED BY: CIRC TO SURFACE

PRODUCTION CASING
SIZE: 5 1/2 SET AT: 2867 HOLE SIZE:
CEMENTED WITH 300 SXS
TOC: 1854 DETERMINED BY: CALC TOP CEMENT

INJECTION INTERVAL: QUEEN
POOL: CAPROCK;QUEEN
PERFS: 2820 TO 2830

COMMENTS:
TA 02/01/90

CIRCLE RIDGE PROD INC
DRICKEY QUEEN SAND UNIT # 3
UNIT: L SEC 34 T 13 S R 31 E
1980/FSL 660/FWL
TD: 2907
API NUMBER: 30-005-00902



TABULAR DATA

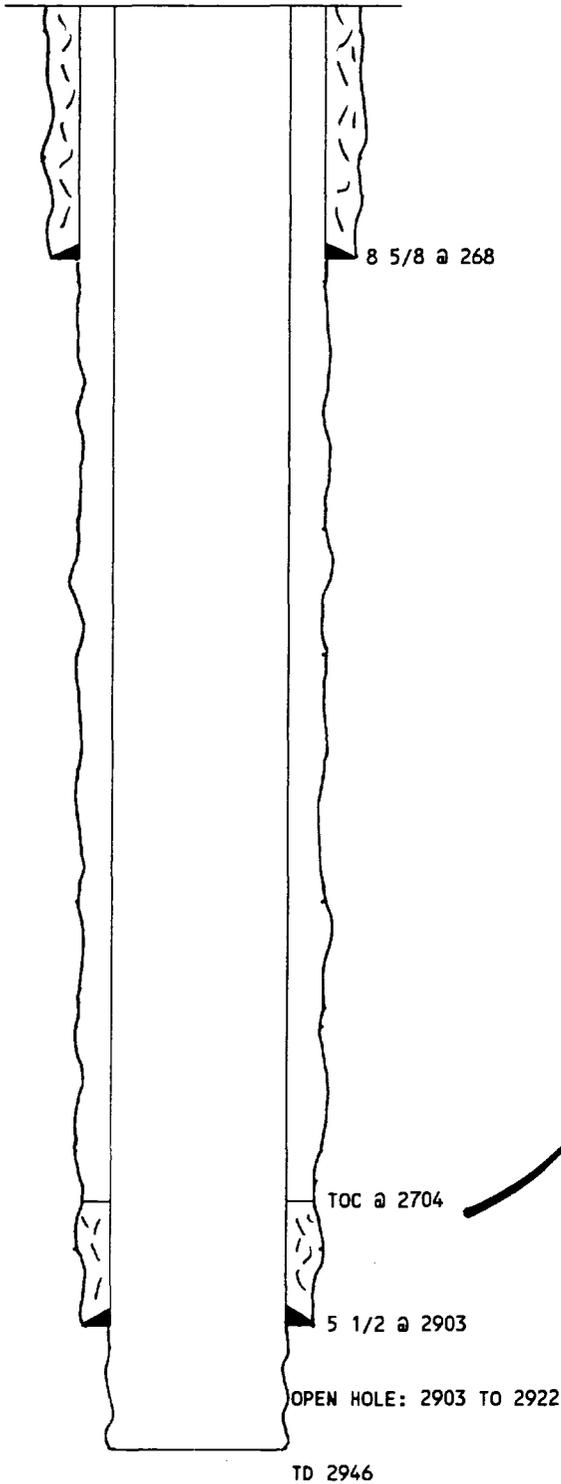
SURFACE CASING		
SIZE: 8 5/8	SET AT: 173	HOLE SIZE:
CEMENTED WITH 125 SXS		
TOC: SURFACE DETERMINED BY: CIRC TO SURFACE		
PRODUCTION CASING		
SIZE: 5 1/2	SET AT: 2887	HOLE SIZE:
CEMENTED WITH 300 SXS		
TOC: 1874 DETERMINED BY: CALC TOP CEMENT		

INJECTION INTERVAL: QUEEN
POOL: CAPROCK;QUEEN

OPEN HOLE: 2887 TO 2907
COMMENTS:

TA 02/01/90

CIRCLE RIDGE PROD INC
ROCK QUEEN UNIT # 6
UNIT: F SEC 34 T 13 S R 31 E
1980/FNL 1980/FWL
TD: 2946
API NUMBER: 30-005-00907



TABULAR DATA

SURFACE CASING		
SIZE: 8 5/8	SET AT: 268	HOLE SIZE: 11
CEMENTED WITH 175 SXS		
TOC: SURFACE	DETERMINED BY: CIRC TO SURFACE	

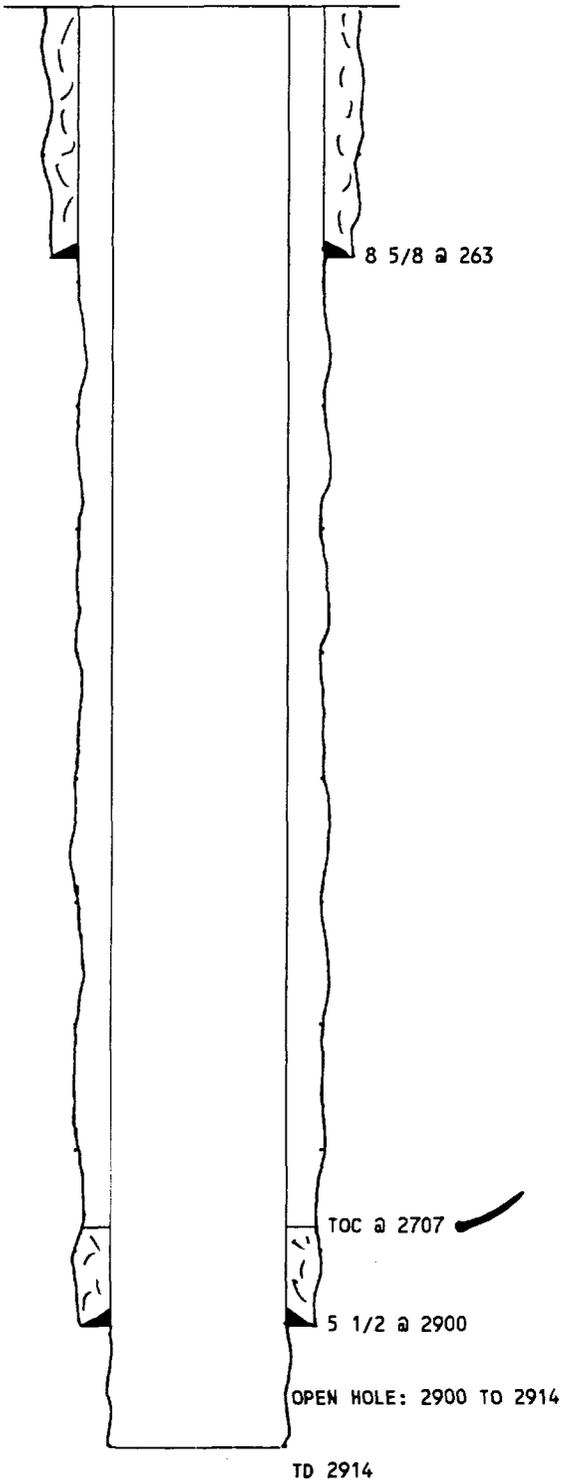
PRODUCTION CASING		
SIZE: 5 1/2	SET AT: 2903	HOLE SIZE: 7 7/8
CEMENTED WITH 75 SXS		
TOC: 2704	DETERMINED BY: CALC TOP CEMENT	

INJECTION INTERVAL: QUEEN
POOL: CAPROCK;QUEEN

OPEN HOLE: 2903 TO 2922
COMMENTS:

TA 07/29/87

CIRCLE RIDGE PROD INC
ROCK QUEEN UNIT # 5
UNIT: E SEC 34 T 13 S R 31 E
2310/FNL 990/FWL
TD: 2914
API NUMBER: 30-005-00908



TABULAR DATA

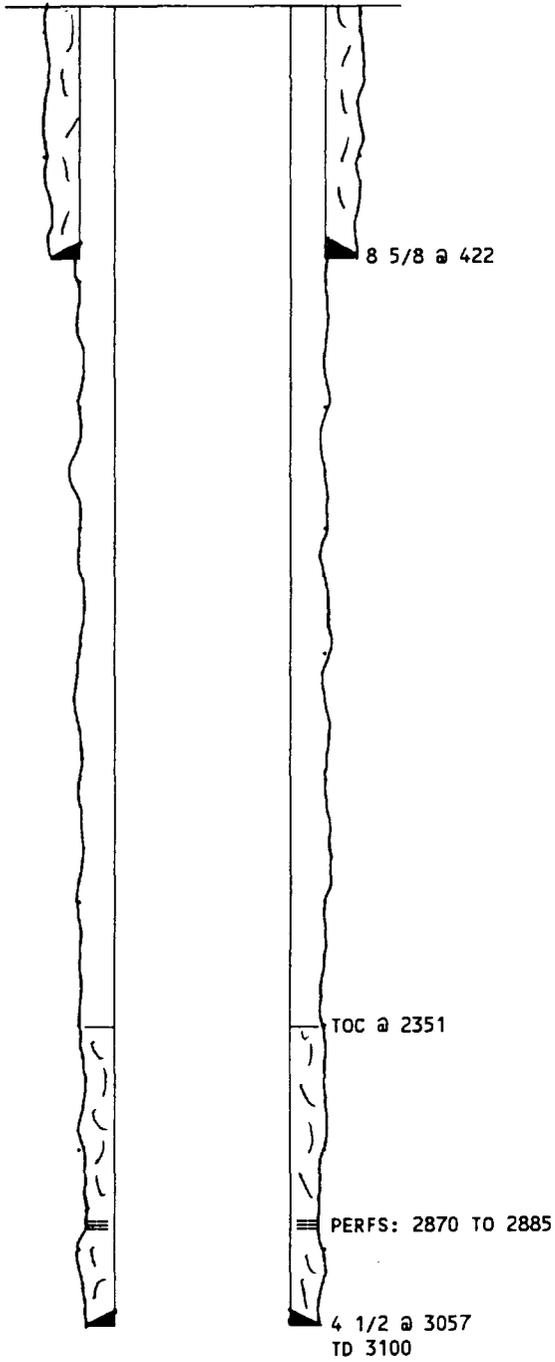
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SIZE: 8 5/8 SET AT: 263 HOLE SIZE: 11
CEMENTED WITH 175 SXS
TOC: SURFACE DETERMINED BY: CIRC TO SURFACE

PRODUCTION CASING
SIZE: 5 1/2 SET AT: 2900 HOLE SIZE: 7 7/8
CEMENTED WITH 75 SXS
TOC: 2707 DETERMINED BY: CALC TOP CEMENT

PRODUCING INTERVAL: QUEEN
POOL: CAPROCK;QUEEN

OPEN HOLE: 2900 TO 2914

GROVER-MCKINNEY OIL CO
CAUDILL # 1
UNIT: C SEC 34 T 13 S R 31 E
660/FNL 1980/FWL
TD: 3100
API NUMBER: 30-005-21060



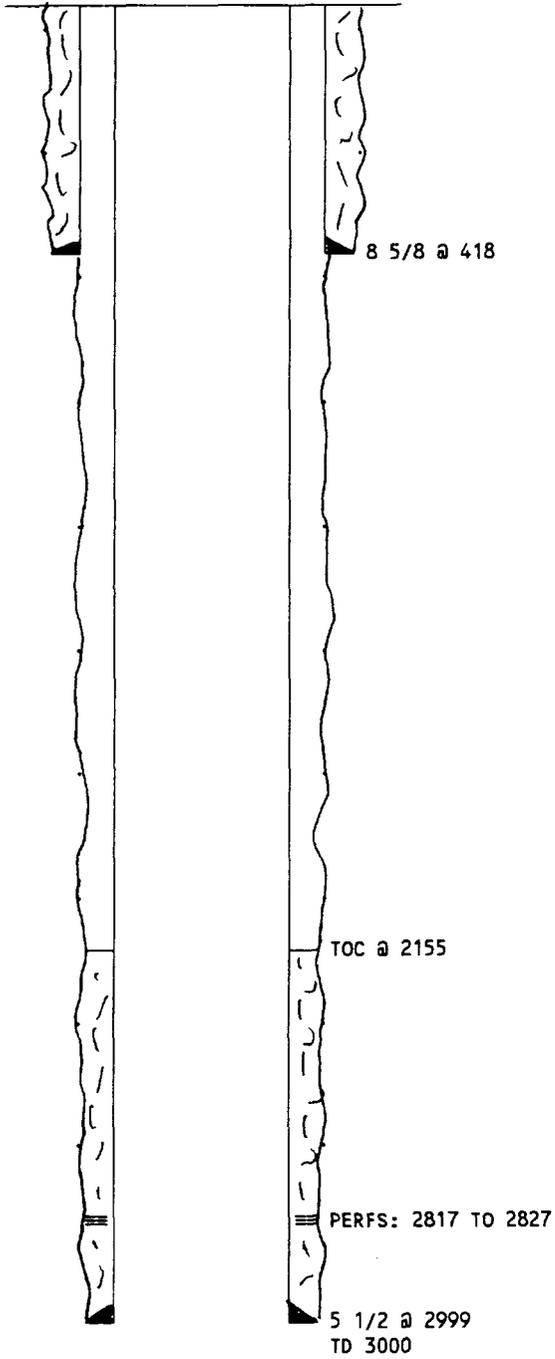
TABULAR DATA

SURFACE CASING
SIZE: 8 5/8 SET AT: 422 HOLE SIZE: 12 1/4
CEMENTED WITH 250 SXS
TOC: SURFACE DETERMINED BY: CIRC TO SURFACE

PRODUCTION CASING
SIZE: 4 1/2 SET AT: 3057 HOLE SIZE: 7 7/8
CEMENTED WITH 275 SXS
TOC: 2351 DETERMINED BY: CALC TOP CEMENT

INJECTION INTERVAL: QUEEN
POOL: SWD;QUEEN
PERFS: 2870 TO 2885

GROVER-MCKINNEY OIL CO
CAUDILL # 2
UNIT: D SEC 34 T 13 S R 31 E
330/FNL 750/FWL
TD: 3000
API NUMBER: 30-005-21083



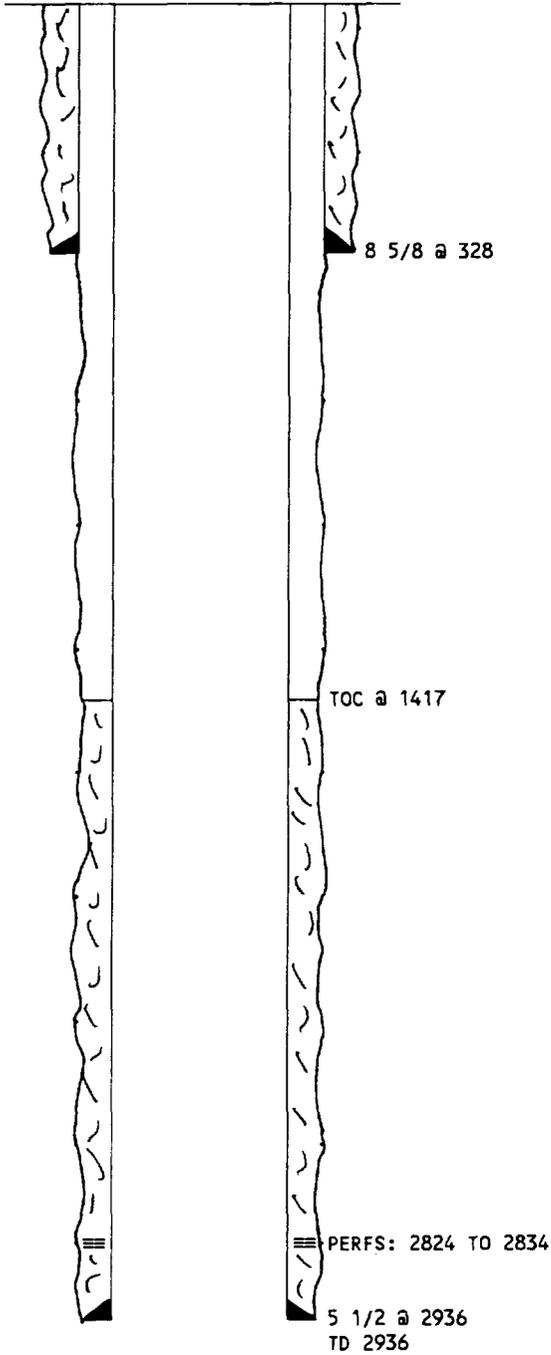
TABULAR DATA

SURFACE CASING
SIZE: 8 5/8 SET AT: 418 HOLE SIZE: 12 1/4
CEMENTED WITH 250 SXS
TOC: SURFACE DETERMINED BY: CIRC TO SURFACE

PRODUCTION CASING
SIZE: 5 1/2 SET AT: 2999 HOLE SIZE: 7 7/8
CEMENTED WITH 250 SXS
TOC: 2155 DETERMINED BY: CALC TOP CEMENT

PRODUCING INTERVAL: QUEEN
POOL: CAPROCK;QUEEN
PERFS: 2817 TO 2827

DAKOTA RESOURCES INC (I)
WAKAN TANKA FEDERAL # 2
UNIT: M SEC 27 T 13 S R 31 E
330/FSL 990/FWL
TD: 2936
API NUMBER: 30-005-21082



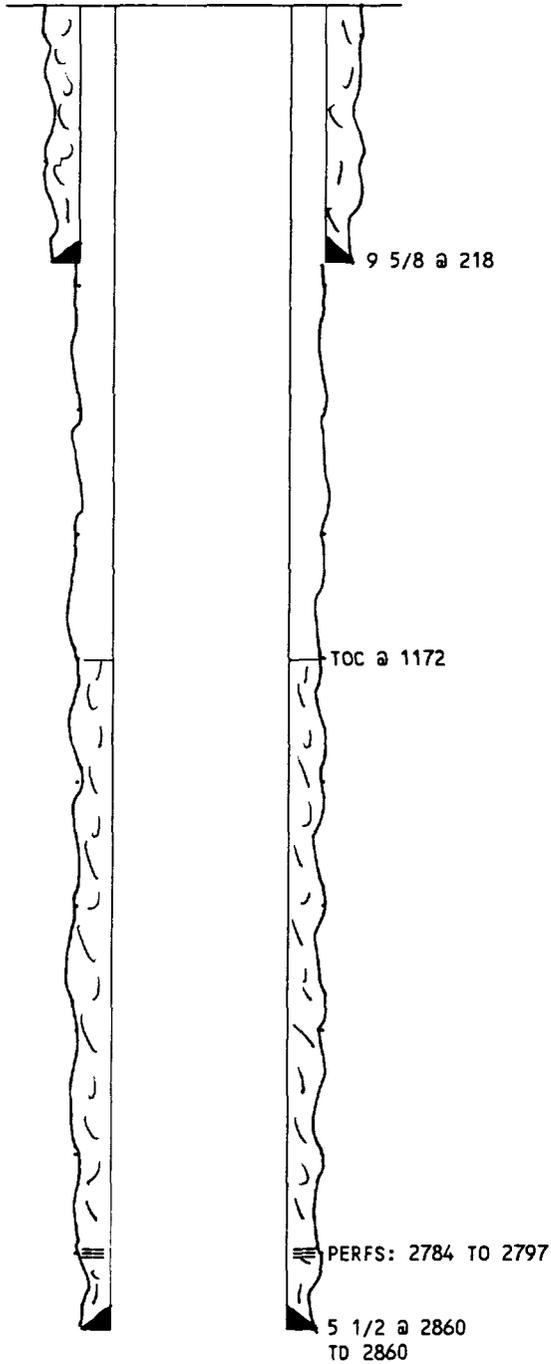
TABULAR DATA

SURFACE CASING
SIZE: 8 5/8 SET AT: 328 HOLE SIZE: 12 1/4
CEMENTED WITH 328 SXS
TOC: SURFACE DETERMINED BY: CIRC TO SURFACE

PRODUCTION CASING
SIZE: 5 1/2 SET AT: 2936 HOLE SIZE: 7 7/8
CEMENTED WITH 450 SXS
TOC: 1417 DETERMINED BY: CALC TOP CEMENT

PRODUCING INTERVAL: QUEEN
POOL: CAPROCK;QUEEN
PERFS: 2824 TO 2834

DAKOTA RESOURCES INC (I)
KARANKAWA FEDERAL # 1
UNIT: P SEC 28 T 13 S R 31 E
330/FSL 330/FEL
TD: 2860
API NUMBER: 30-005-21118



TABULAR DATA

SURFACE CASING
SIZE: 9 5/8 SET AT: 218 HOLE SIZE: 12 1/4
CEMENTED WITH 150 SXS
TOC: SURFACE DETERMINED BY: CIRC TO SURFACE

PRODUCTION CASING
SIZE: 5 1/2 SET AT: 2860 HOLE SIZE: 7 7/8
CEMENTED WITH 500 SXS
TOC: 1172 DETERMINED BY: CALC TOP CEMENT

PRODUCING INTERVAL: QUEEN
POOL: CAPROCK; QUEEN
PERFS: 2784 TO 2797

August 2, 1995

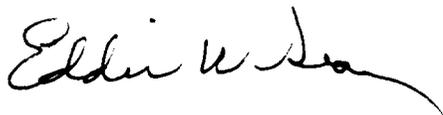
Dear Sir:

Pursuant to the rules and regulations of the State of New Mexico, Oil Conservation Division, Santa Fe, NM, notice is hereby given that Circle Ridge Production Inc. is filing for expansion of their Drickey Queen Unit Chaves Co., NM.

Circle Ridge Production Inc. wishes to convert Well #2 Unit A 990/FNL 330/FEL Sect. 33, Township 13 S., Range 31 E., Chaves Co., NM, from producer to an injector, for the reinjection of produced water at approximately 300 bls. per day at 500= pressure into the Queen formation through existing perforations from 2796' to 2804'. Any questions about the application should be directed to Eddie W. Seay, 601 W. Illinois, Hobbs, NM 88240. (505)392-2236.

Any objections must be filed with the Oil Conservation Division, 2040 S. Pacheco, Santa Fe, NM 87505, within 15 days.

Sincerely,

A handwritten signature in black ink, appearing to read "Eddie W. Seay". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Eddie W. Seay, Agent

Z 106 612 611

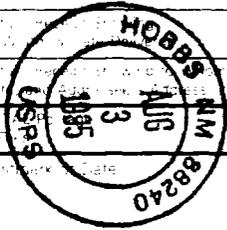


Receipt for Certified Mail

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

Dakota Resource Inc.	
310 W. Wall, Suite 814	
Midland, TX 79701	
Postage	\$ ✓
Insurance	✓
Registration	✓
Signature	✓
Postmark	✓
Postage	\$ 2.22

PS Form 3800, March 1993



Z 106 612 612

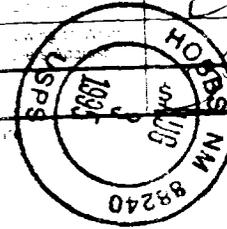


Receipt for Certified Mail

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

Grover-McKinney Oil Co.	
P.O. Box 10946	
Midland, TX 79702	
Postage	\$ ✓
Insurance	✓
Registration	✓
Signature	✓
Postmark	✓
Postage	\$ 2.22

PS Form 3800, March 1993



Z 106 612 613



Receipt for Certified Mail

E. P. Caudill	
21401 N. Denver City Hwy.	
Hobbs, NM 88240	
Postage	\$ ✓
Insurance	✓
Registration	✓
Signature	✓
Postmark	✓
Postage	\$ 2.22

PS Form 3800, March 1993



Z 106 612 614



Receipt for Certified Mail

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

Box 1857	
Roswell, NM 88202	
Postage	\$ ✓
Insurance	✓
Registration	✓
Signature	✓
Postmark	✓
Postage	\$ 2.22

PS Form 3800, March 1993



LEGAL NOTICE

Pursuant to the rules and regulations of the State of New Mexico, Oil Conservation Division, Santa Fe, NM, notice is hereby given that Circle Ridge Production Inc. is filing for expansion of their Drickey Queen Unit Chaves Co., NM.

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Any objections must be filed with the Oil Conservation Division, 2040 S. Pacheco, Santa Fe, NM 87505, within 15 days.

AFFIDAVIT OF PUBLICATION

County of Chaves
State of New Mexico

I, Jean M. Pettit,
Bus. Manager,

Of the Roswell Daily Record, a daily newspaper published at Roswell, New Mexico, do solemnly swear that the clipping hereto attached was published once a week in the regular and entire issue of said paper and not in a supplement thereof for a period of: one time weeks

beginning with issue dated August 2nd, 1995 and ending with the issue dated August 2nd, 1995

.....
Manager

Sworn and subscribed to before me

this 2nd day of August, 1995

.....
Marilyn A. Skipper
.....

Notary Public

My Commission expires

..... July 25, 1998
(SEAL)

Publish August 2, 1995

LEGAL NOTICE

Pursuant to the rules and regulations of the State of New Mexico, Oil Conservation Division, Santa Fe, NM, notice is hereby given that Circle Ridge Production, Inc., is filing for expansion of their Drickey Queen Unit Chaves Co., NM.

Circle Ridge Production, Inc., wishes to convert Well #2 Unit A 990/FNL 330/FEL Sect. 33, Township 13 S., Range 31 E., Chaves Co., NM, from producer to an injector, for the reinjection of produced water at approximately 300 lbs. per day at 500# pressure into the Queen formation through existing perforations from 2796'. Any questions about application should be directed to Eddie W. Seay, 601 W. Illinois, Hobbs, NM 88240, (505) 392-2236.

Any objections must be filed with the Oil Conservation Division, 2040 S. Paseo, Santa Fe, NM 87505, within 15 days.



BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 1704
Order No. R-1128-B

APPLICATION OF CITIES SERVICE OIL
COMPANY FOR AN AMENDMENT OF ORDER
NOS. R-1128 AND R-1128-A TO PRO-
VIDE FOR CAPACITY ALLOWABLES FOR
EIGHT WELLS IN THE PROJECT AREA
OF ITS WATER FLOOD PROJECT IN THE
CAPROCK-QUEEN POOL, LEA AND CHAVES
COUNTIES, NEW MEXICO, AND TO PRO-
VIDE FOR A CAPACITY ALLOWABLE FOR
ONE WELL OFFSETTING SAID PROJECT
AREA, AND TO ESTABLISH AN ADMIN-
ISTRATIVE PROCEDURE WHEREBY THE
PROJECT AREA MAY BE EXPANDED AND
ADDITIONAL WELLS CONVERTED TO
WATER INJECTION WITHOUT NOTICE
AND HEARING

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8:00 o'clock a.m. on June 24, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 7th day of July, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Cities Service Oil Company, was authorized by Order Nos. R-1128 and R-1128-A to institute a water flood project in the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico, on its Government "B" Lease comprising Section 3 and the N/2 of Section 10, Township 14 South, Range 31 East, NMP, Chaves County, New Mexico.

(3) That the applicant seeks an amendment of said Order Nos. R-1128 and R-1128-A to provide for capacity allowables for the following-described nine wells, eight of which are on the Government "B" Lease and thus within the project area, the other of which is located on applicant's State "AN" Lease offsetting the water flood project area:

Government B Well No. 2, SW/4 NE/4 of Section 10
Government B Well No. 3, NE/4 NE/4 of Section 10
Government B Well No. 11, NE/4 NW/4 of Section 10
Government B Well No. 8, SW/4 SE/4 of Section 3
Government B Well No. 9, NE/4 SE/4 of Section 3
Government B Well No. 12, SW/4 NE/4 of Section 3
Government B Well No. 15, NE/4 SW/4 of Section 3
Government B Well No. 19, SW/4 SW/4 of Section 3
State AN Well No. 1, SW/4 SW/4 of Section 2

all in Township 14 South, Range 31 East, Caprock-Queen Pool, Chaves County, New Mexico.

(4) That the applicant further seeks an amendment of said Order Nos. R-1128 and R-1128-A to establish an administrative procedure whereby the project area may be expanded and whereby additional wells may be converted to water injection without notice and hearing.

(5) That the evidence indicates that said water flood project has caused an increase in the producing capacity of the eight above-described wells located on applicant's Government "B" Lease to the extent that they are now or soon will be individually capable of producing in excess of the top unit allowable for the Caprock-Queen Pool and/or that they are now or soon will be collectively capable of producing in excess of the project allowable authorized by Order No. R-1128-A.

(6) That the evidence further indicates that the water flood project has caused an increase in the producing capacity of said State "AN" Well No. 1, which offsets the water flood project area, to the extent that it is now capable of producing in excess of top unit allowable for the Caprock-Queen Pool.

(7) That there is a possibility that waste will occur if production from the above-described wells is restricted.

(8) That the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That the following-described wells in and offsetting the applicant's Water Flood Project in the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico, be and the same are hereby granted allowables equal to their capacity to produce:

Government B Well No. 2, SW/4 NE/4 of Section 10
Government B Well No. 3, NE/4 NE/4 of Section 10
Government B Well No. 11, NE/4 NW/4 of Section 10
Government B Well No. 8, SW/4 SE/4 of Section 3
Government B Well No. 9, NE/4 SE/4 of Section 3
Government B Well No. 12, SW/4 NE/4 of Section 3
Government B Well No. 15, NE/4 SW/4 of Section 3
Government B Well No. 19, SW/4 SW/4 of Section 3
State AN Well No. 1, SW/4 SW/4 of Section 2

all in Township 14 South, Range 31 East, Chaves County, New Mexico.

(2) That an administrative procedure be and the same is hereby established whereby the project area of said Water Flood Project may be expanded without notice and hearing.

PROVIDED HOWEVER, That notice of the application for expansion shall be submitted to all operators offsetting the proposed expansion. If no objection is received from any such offset operator within fifteen (15) days, the Secretary-Director may grant approval of the proposed expansion for good cause shown. The Secretary-Director may grant immediate approval of the proposed expansion upon receipt of waivers of objection from all operators offsetting the proposed expansion.

(3) That an administrative procedure be and the same is hereby established to provide that additional wells in said Project may be converted to water injection without notice and hearing.

PROVIDED HOWEVER, That no well located in said Water Flood Project shall be eligible for administrative approval for conversion to water injection unless it is established to the satisfaction of the Secretary-Director that the proposed water injection well has experienced a substantial response to the water flood project or is directly offset by a producing well which has experienced such response; and that it is located on a water injection pattern which will result in a thorough and efficient sweep of oil by said water flood.

PROVIDED FURTHER, That to obtain administrative approval for the conversion of any well to water injection, applicant shall submit to the Commission in triplicate a request for such administrative approval, setting forth therein all the facts pertinent to the need for converting additional wells to water injection, and attaching thereto Commission Form C-116, showing production tests of the affected well or wells both before and after stimulation by water flood. Applicant shall also attach plats of the water flood project area and immediate surrounding area, indicating thereon the owner of each lease and the location of all water injection wells and producing wells, and shall submit evidence that a copy of the application to convert additional wells to water injection has been sent to each operator offsetting the proposed injection well.

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Case No. 1704

Order No. R-1128-7

The Secretary-Director of the Commission may, if in his opinion there is need for the conversion of additional wells to water injection, authorize said conversion without notice and hearing, provided no offset operator objects to said conversion within fifteen (15) days. The Secretary-Director may grant immediate approval of the conversion to water injection upon receipt of waivers of objection from all operators offsetting the proposed water injection well.

(4) That the project allowable provision of Order No. R-1128-A be and the same is hereby superseded.

(5) That this order shall become effective at 7:00 o'clock a.m., Mountain Standard Time, July 7, 1959.

(6) That the Commission hereby retains jurisdiction in this cause to amend all or any part of this order and further to enter any additional order or orders deemed necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

**STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION**

JOHN BURROUGHS, Chairman

S E A L

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

ver./

WFX-675



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

8/25/95

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

GOVERNOR

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:
MC _____
DHC _____
NSL _____
NSP _____
SWD _____
WFX X _____
PMX _____

Gentlemen:

I have examined the application for the:

Circle Ridge Prod Inc Dickey W Sand Ut #2-A 33-13s-3le
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed