

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose: ☐ Secondary Recovery ☐ Pressure Maintenance ☒ Disposal ☐ Storage
Application qualifies for administrative approval? ☒ yes ☐ no

II. Operator: Chaparral Service, Inc.

Address: P. O. Box 1768, Eunice, New Mexico 88231

Contact party: Paul D. Prather Phone: 394-2545

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 _____.

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: Chaparral Service, Inc. Title President

Signature: Paul D. Prather Date: 10/22/85

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal.

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate Division district office.

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 15 days from the date this application was mailed to them.

The map displays a comprehensive overview of the oil and gas industry in the Gulf of Mexico region. It is organized into a grid of sections, each representing a specific area of land and its associated oil fields and leases. The sections are labeled with names and numbers, providing a clear and concise way to identify and locate specific oil fields and leases. The map also includes a detailed index of the oil fields and leases, listing their names and locations. This index is a valuable tool for anyone looking to find a specific oil field or lease on the map. The map is a complex and detailed representation of the oil and gas industry in the Gulf of Mexico, providing a wealth of information for anyone interested in the industry.

VI.

Section 16
ZACHARY OIL OPERATING COMPANY
Well #2, Langlie Mattix Seven Rivers Queen
Letter "L", Section 16, Township 23S, Range 37E
Surface to 3616'

TEXACO, INC.
Well #8, Langlie Mattix Seven Rivers Queen
Letter "D", Section 16, Township 23S, Range 37E
Surface to 3700'

TEXACO, INC.
Well #1, Langlie Mattix Seven Rivers Queen
Letter "E", Section 16, Township 23S, Range 37E
Surface to 3654'

TEXACO, INC.
Well #2, Langlie Mattix
Letter "F", Section 16, Township 23S, Range 37E
Surface to 3649'

TEXACO PRODUCING, INC.
Well #57, Langlie Mattix Seven Rivers Queen
Letter "N", Section 8, Township 23S, Range 37E
Surface to 3668'

TEXACO PRODUCING, INC.
Well #59, Langlie Mattix Seven Rivers Queen
Letter "P", Section 8, Township 23S, Range 37E
Surface to 3635'

TEXACO PRODUCING, INC.
Well #58, Langlie Mattix Seven Rivers Queen
Letter "O", Section 8, Township 23S, Range 37E
Surface to 3653'

TEXACO PRODUCING, INC.
Well #55, Langlie Mattix Seven Rivers Queen
Letter "I", Section 8, Township 23S, Range 37E
Surface to 3700'

EARL R. BRUNO
Well #6, Langlie Mattix
Letter "M", Section 8, Township 23S, Range 37E
Surface to 3800'

Section 9:
TEXACO PRODUCING COMPANY
Skelly Penrose "B" Unit #53-K, Langlie Mattix Seven
Rivers Queen
1980/S, 1980/W, S9-T23-R37
TD 3660

TEXACO PRODUCING COMPANY
Skelly Penrose "B" Unit #54-L, Langlie Mattix Seven
Rivers Queen
1980/S, 660/W, S9-T23-R37
TD 3644

TEXACO PRODUCING COMPANY
Skelly Penrose "B" Unit #60-M, Langlie Mattix Seven
Rivers Queen
660/S, 660/W, S9-T23-R37
TD 3670

TEXACO PRODUCING, INC.
Skelly Penrose "B" Unit #61-N, Langlie Mattix Seven
Rivers Queen
660/S, 1980/W, S9-T23-R37

*No wells penetrate
this zone.*

Section 17

TEXACO PRODUCING, INC.

E. L. Steeler #1-B, Langlie Mattix Seven Rivers
Queen
1980/E, 660/N, S17-T23-R37
TD 3760

TEXACO PRODUCING, INC.

E. L. Steeler #2-A, Langlie Mattix Seven Rivers
Queen
660/N, 660/E, S17-T23-R37
TD 3742

TEXACO PRODUCING, INC.

E. L. Steeler #3-H, Langlie Mattix Seven Rivers
Queen
1980/N, 660/E, S17-T23-R37
TD 3727

TEXACO PRODUCING, INC.

E. L. Steeler #6-J, Langlie Mattix Seven Rivers
Queen
1980/S, 1980/E, S17-T23-R37
TD 3685

TEXACO PRODUCING, INC.

E. L. Steeler #8-G, Langlie Mattix Seven Rivers
Queen
1980/N, 1980/E, S17-T23-R37
TD 3691

SAMEDAN OIL CORPORATION

Hughes B-4 #4-D, Langlie Mattix Queen
1300/N, 500/W, S17-T23-R37
TD 3750

SAMEDAN OIL CORPORATION

Penrose Langlie Mattix Queen Unit #4-F, Langlie
Mattix Queen
1485/N, 1800/W, S17-T23-R37
TD 3750

SAMEDAN OIL CORPORATION

#7-E Langlie Mattix, Langlie Mattix Penrose Queen
Unit
1980/N, 660/W, S17-T-23-R37
TD 3630

SAMEDAN OIL CORPORATION

Langlie Mattix Penrose Queen Unit #8-F, Langlie
Mattix Queen
1980/N, 1800/W, S17-T23-R37
TD 3645

SAMEDAN OIL CORPORATION

Langlie Mattix Penrose Queen Unit #11-D, Langlie
Mattix Queen
660/N, 330/W, S17-T23-R37
TD 3686

SAMEDAN OIL CORPORATION

Langlie Mattix Penrose Queen Unit #14-C, Langlie
Mattix Queen
990/N, 1850/W, S17-T23-R37
TD 3632

VII.

1. Maximum daily rate and volume of fluid to be injected 1500 Bbls.
2. System is open.
3. Proposed average and maximum injection pressure 500#.
4. Production water.
5. Information obtained from the Oil Commission Department, Hobbs, New Mexico. These are the known chlorides of this zone:
 - S 2-T22-R37, 420 PPM
 - S23-T22-R37, 5200 PPM
 - S29-T22-R37, 2700-2800 PPM
 - S32-T22-R38, 80,000 PPM

VIII. See copies on next page.
No water table information available.

IX. See attached copies.

X. Well logs on file at Oil Commission Department,
Hobbs, New Mexico.

XI. No available water within a one mile radius.

XII. There are no known faults in this area. Checked
with OCD in Hobbs.

ST : ENGINEER OFFICE
MEMO

DATE 10/24/85

TO: Paul Prather

(☒) For Your Information () Note & Return

() For Your Files () Circulate

() For Your Handling () _____

REMARKS: Enclosed within are water wells
that are in record with our office, it
appears that only three wells are within
the area your interested in and only one
well of the three has been analysed
for chlorides. If I can be of any further
assistance please let me know.

Johnny P. Hernandez
Basin Supervisor

CAPITAN BASIC FILE										STATE ENGINEER WATER WELL RECORDS									
REFERENCE FILE										LISTING OF NAME BY WELL LOCATION									
SOU RCE										WELL LAND									
PRIORITY										FILE ACRES									
STATUS										03/21/82									
USE										SURVEY ACRES									
LOCATION										ACRE FEET									
WELL LOCATION										DATE									
WELL LOCATION										ADM BLK									
***	RANDOLPH	FRANCES H	CP	00107	DCL	IRR	235	36E	35 211A	/	7								
***	EL PASO	NAT GAS	CP	00512	PMT	EXP	235	36E	36 000	/	7								
***	AMERADA	PETRO CORP	CP	00416	DCL	DOM	235	36E	36 1134	/	7								
***	EL PASO	NAT GAS	CP	00634	PMT	EXP	235	36E	36 121	06/81	7								
***	EL PASO	NAT GAS	CP	000375	PMT	PPP	235	36E	36 1434	/	7								
***	EL PASO	NAT GAS	CP	00621	PMT	EXP	235	36E	36 223	06/81	7								
***	EL PASO	NAT GAS CO	CP	0008E	DCL	PPP	235	36E	36 2333	/	7								
***	EL PASO	NAT GAS CO	CP	00061	DCL	PPP	235	36E	36 3141	/	7								
***	EL PASO	NAT GAS CO	CP	00062	DCL	PPP	235	36E	36 3241	/	7								
***	EL PASO	NAT GAS CO	CP	00044	DCL	PPP	235	36E	36 3413	/	7								
***	EL PASO	NAT GAS CO	CP	00043	DCL	PPP	235	36E	36 3424	/	7								
***	EL PASO	NAT GAS CO	CP	00497	PMT	EXP	235	36E	36 414*	/	7								
***	SIMS	GEORGE W	CP	00185	DCL	COM	235	37E	02 2212	09/81	1								
***	SIMS	GEORGE W	CP	00186	DCL	COM	235	37E	02 4221	09/81	1								
***	SIMS	GEORGE W	CP	00198	DCL	DOM	235	37E	02 4221	/	1								
***	KING E F		CP	00389	DCL	STK	235	37E	04 1144	/	2								
***	SKELLY	OIL CO	CP	00157	DCL	OFM	235	37E	04 2114	/	2								
***	WEIR	MRS GEORGE	CP	00371	DCL	STK	235	37E	05 4321	/	3								
***	WEIR	MRS GEORGE	CP	00372	DCL	NON	235	37E	05 4424	06/81	3								
***	KING E F		CP	00390	DCL	STK	235	37E	06 1442	/	3								

STATE ENGINEER WATER WELL RECORDS
LISTING OF NAME BY WELL LOCATION

03/21/82

CAPTAN	REFERENCE	SOU	STATUS
BASIC	FILE	RCE	PRIORITY
FILE			

WELL	LAND	FILE
LOCATION	LOCATION	ACRES
USE		


FILE	SURVEY
ACRES	ACRES

ACRE	DATE	ADDITIONAL
FEET		

*** WEIR BILL CP 00632 PMT NDT 235 37E 07 300

08/81 3

WEIR MRS GEORGE CP 00373 DCL DOM 235 37E 08 2223



*** FWA DRILLING CO CP 00423 PMT DWD 235 37E 16 4141

7

*** WEIR MRS GEORGE CP 00374 DCL STK 235 37E 20 1222

16

*** WEIR MRS GEORGE CP 00375 DCL STK 235 37E 21 4432

—

GULF OIL CORP
CP 00480 NOI SRD 235 37E 22 4332

2

GULF OIL COMPANY CP 00440 NDI SRD 235 37E 27 230

30

WEIR MRS GEORGE CP 00407 PMT STK 235 37E 28 1334

10

WEIR MRS GEORGE
CP 00408 PMT STK 235 37E 28 410

Q

WEIR MRS GEORGE CP 00376 DCI TBB 235 37E 29 211A

1

*** RANDOLPH ERANCES H CP 00104 DCI STK 335 375 31 4123

1

 EL PASO NAT GAS CO CB 00037 NM 888 338 376 31 4433

360

*** EI PASO NAT GAS CO CB 00000 DCL NDN 235 275 31 1133

1

EI BASO NAT AVE CN CB 000038 PVI BBB 334 377 31 4443

0

* * *

EANNING CITY

AD WOOD

BRI

CITY

0000 0711 00 1000

100

CANNINO FRATELLI

1

B

[illegible]

1. **Introduction**

STATE ENGINEER CHEMICAL QUALITY
LISTING BY LOCATION

LOCATION	DATE COLLECTED	CHLORIDE PPM	CONDUCT M-MHOS	TEMP DEG	WBF	BASIN FILE
23S 37E 04 322321	04/01/77	68	900	68F	GAL	CP
			CARD COUNT=00001		03220	
23S 37E 06 144230	10/27/65	77	880	68F	GAL	CP 00390
23S 37E 06 144230	10/07/76	89	930	67F	GAL	CP 00390
23S 37E 06 144230	12/05/79	78	889	67F	GAL	CP 00390
			CARD COUNT=00003		03223	
23S 37E 10 42123	10/20/65	136	1075	67F	GAL	CP
23S 37E 10 42123	12/05/79	128	1050	66F	GAL	CP
23S 37E 10 42123	12/12/84	135	1055	64F	GAL	CP
			CARD COUNT=00003		03226	
23S 37E 10 42200	10/20/65	170	1015	66F	GAL	CP
			CARD COUNT=00001		03227	
23S 37E 20 33330	10/21/65	45	670	67F	GAL	CP
			CARD COUNT=00001		03228	
23S 37E 23 424221	11/02/65	452	3920	65F	GAL	CP
			CARD COUNT=00001		03229	
23S 37E 27 44141	11/02/65	134	1210	68F	GAL	CP
			CARD COUNT=00001		03230	
23S 37E 28 22144	09/28/78	24	483		GAL	CP
23S 37E 28 22144	09/28/78	15	273		GAL	CP
			CARD COUNT=00002		03232	
23S 37E 31 444321	10/20/65	130	1295	69F	GAL	CP 00038
			CARD COUNT=00001		03233	
23S 37E 32 12240A	10/22/65	84	745	74F	GAL	CP 00355
			CARD COUNT=00001		03234	
23S 37E 33 132242	10/22/65	33	615	68F	GAL	CP 00160
			CARD COUNT=00001		03235	
23S 37E 33 14113	10/28/65	40	620	70F	GAL	CP 00159
			CARD COUNT=00001		03236	
23S 37E 33 323241	10/22/65	91	875	70F	GAL	CP 00158
23S 37E 33 323241	09/08/76	135	490		GAL	CP 00158
23S 37E 33 323241	06/09/77	102	934	68F	GAL	CP 00158
23S 37E 33 323241	12/04/79	76	907	67F	GAL	CP 00158
23S 37E 33 323241	11/15/84	85	872		GAL	CP 00158
			CARD COUNT=00005		03241	
23S 37E 35 11300	05/17/66	375	3470	71F	TRS	CP 00096
23S 37E 35 11300	06/09/77	390	3725	72F	TRS	CP 00096

...well, it shall be accompanied by an "Copy of all electrical and radioactivity logs run or ... well and a summary of all special tests con- ... drilled wells, true vertical depths shall ... form is to be filed in quintuplicate except on ...

Well #2

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy	1077'	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt		T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
T. Salt		T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	2662'	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers		T. Devonian	T. Menefee	T. Madison
T. Queen	3352'	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	3613'	T. Montoya	T. Mancos	T. McCracken
T. San Andres	4017'	T. Simpson	T. Gallup	T. Ignacio Qtzite
T. Glorieta	5072'	T. McKee	Base Greenhorn	T. Granite
T. Paddock		T. Ellenburger	T. Dakota	T.
T. Blinbry	5482'	T. Gr. Wash	T. Morrison	T.
T. Tubb	6136'	T. Granite	T. Todilto	T.
T. Drinkard	6423	T. Delaware Sand	T. Entrada	T.
T. Abo		T. Bone Springs	T. Wingate	T.
T. Wolfcamp		T.	T. Chinle	T.
T. Penn.		T.	T. Permian	T.
T. Cisco (Bough C)		T.	T. Penn. "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....	No. 4, from.....to.....
No. 2, from.....to.....	No. 5, from.....to.....
No. 3, from.....to.....	No. 6, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....	feet.
No. 2, from.....to.....	feet.
No. 3, from.....to.....	feet.
No. 4, from.....to.....	feet.

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
-0-	1077'		Salt & Red Beds				
1077'	2662'		Salt & Anhydrite				
2662'	3352'		Anhydrite, Salt & Dolomite				
3352'	3613'		Sand & Dolomite				
3613'	4017'		Dolomite & Sand				
4017'	5072'		Dolomite				
5072'	5482'		Dolomite & Silt				
5482'	6136'		Anhydrite & Lime				
6136'	6423'		Lime & Anhydrite				
6423'	6700'		Lime				

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease	
STATE <input type="checkbox"/>	FEE <input checked="" type="checkbox"/>

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

b. Type of Well DRILL ☐ DEEPEN ☐ PLUG BACK ☐
OIL WELL ☐ GAS WELL ☐ OTHER Disposal Well SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. Name of Operator

Chaparral Service, Inc.

3. Address of Operator

P. O. Box 1768, Eunice, New Mexico 88231

4. Location of Well

UNIT LETTER A LOCATED 850 FEET FROM THE North LINEAND 950 FEET FROM THE East LINE OF SEC. 17 TWP. 23S RGE. 37E NMPM

7. Unit Agreement Name

8. Farm or Lease Name

Lea

9. Well No.

2

10. Field and Pool, or Wildcat

San Anders

12. County

Lea

19. Proposed Depth

5000'

19A. Formation

San Anders

20. Rotary or C.T.

Rev. Unit

21. Elevations (show whether DF, RT, etc.)

3327 Ground Level

21A. Kind & Status Plug. Bond

State Wide

21B. Drilling Contractor

ABC Rental

22. Approx. Date Work will start

Nov. 15, 1985

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4	8 5/8	28	1,150'	700	Circulated
7 7/8	5 1/2	17	6,700'	2,000	Circulated

Rig up pulling unit and reverse unit, dig out wellhead, weld on bell nipple, install wellhead, install B.O.P., run drilling collars and start drilling out bridge plugs, test casing to O.C.D. rules to 500# for 30 minutes. Perforate disposal area 4000' to 5125', run 4,100' 2 7/8 tubing, set packer, treat with acid, start injecting water.

Will notify O.C.D. when well is started.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUS BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Paula Markin Title President Date October 24, 1985

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

All distances must be from the outer boundaries of the Section.

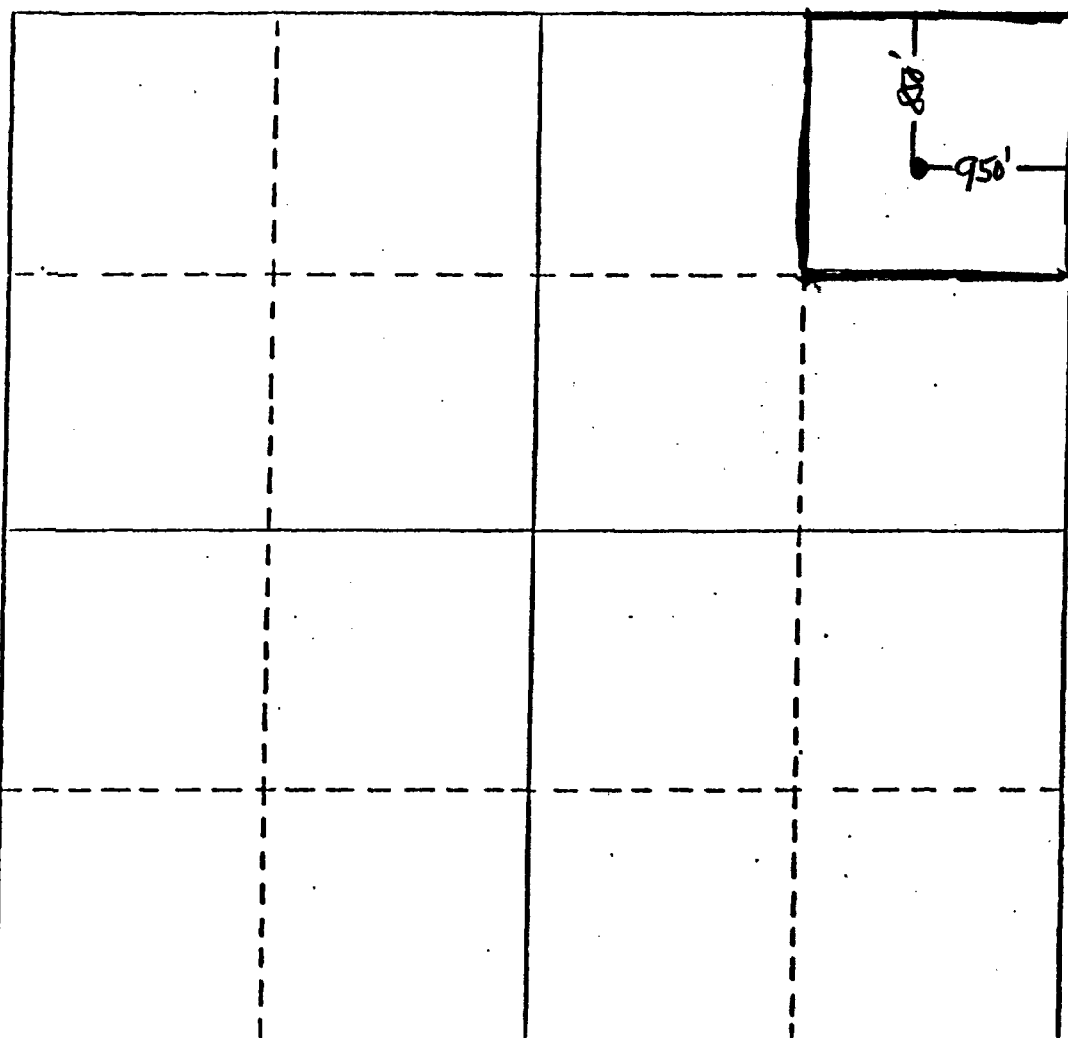
Operator Chaparral Service, Inc.		Lease Lea		Well No. 2
Unit Letter A	Section 17	Township 23S	Range 37E	County Lea
Actual Footage Location of Well: 850 feet from the North line and 950 feet from the East line				
Ground Level Elev. 3327.4	Producing Formation San Anders		Pool San Anders	Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Paul Prather

Name Paul Prather

Position
President

Company
Chaparral Service, Inc.

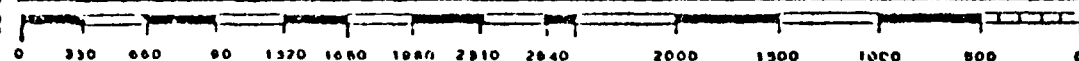
Date
October 24, 1985

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer
and/or Land Surveyor

Certificate No.



Legal Notice ran in Hobbs News Sun for 30 days.

LEGAL NOTICE

OCTOBER 20, 27,

NOVEMBER 3, 10, 1985

On October 16, 1985, Chaparral Service Inc. has submitted applications to the New Mexico Oil Conservation Commission to convert Lee #1 and 2 to disposal wells.

Lee #1 - 660' FNL and 1650' FEL to Section 17, Township 23 South, Range 37 East, Lea County, New Mexico.

Lee #2 - 850' FNL and 950' FEL of Section 17, Township 23 South, Range 37 East, Lea County, New Mexico.

The above wells will be used to inject produced water into the San Andres formation at perforation intervals of 4000' to 5000'. Injection rate estimated at a daily rate of 500 to 1000 BBLS per day at estimated injection pressure of 300#, not to exceed 500#.

Interested parties have 15 days from the date of this publication to file an objection. Objections may be filed by contacting the Oil Conservation Commission Division, P.O. Box 2088, Santa Fe, New Mexico 87501.

Chaparral Service Inc.
Paul Dean Prather
(505) 394-2811

P 169 582 641

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

PS Form 3800, Feb. 1982

★ U.S.G.P.O. 1984-446-014

Sent to	Amendable Co.
Street and No.	P.O. Box 190
P.O. State and ZIP Code	Artes, NM 88240
Postage	\$ 22
Certified Fee	75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$1.67
Postmark or Date	

USPO
1985
OCT
EUNICE, NM

P 169 582 640

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

PS Form 3800, Feb. 1982

★ U.S.G.P.O. 1984-446-014

Sent to	Carl Bruno
Street and No.	Box 5456
P.O. State and ZIP Code	Midland, TX 79704
Postage	\$ 22
Certified Fee	75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$1.67
Postmark or Date	

USPO
1985
OCT
EUNICE, NM

P 169 582 642

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

PS Form 3800, Feb. 1982

★ U.S.G.P.O. 1984-446-014

Sent to	Alpha Twenty one Prod. Co.
Street and No.	20010 Illinois Suite 200
P.O. State and ZIP Code	Midland, TX 79701
Postage	\$ 22
Certified Fee	75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$1.67
Postmark or Date	

USPO
1985
OCT
EUNICE, NM

PS Form 3800, Feb. 1982

★ U.S.G.P.O. 1984-446-014

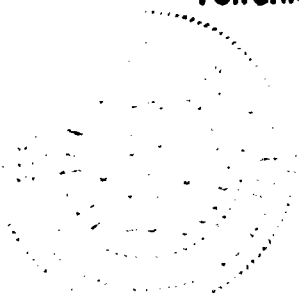
Sent to	Isaac Prod. Inc.
Street and No.	P.O. Box 728
P.O. State and ZIP Code	Artes, NM 88240
Postage	\$ 22
Certified Fee	75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$1.67
Postmark or Date	

USPO
1985
OCT
EUNICE, NM

STATE OF NEW MEXICO

ONE-WELL PLUGGING BOND

FOR CHAVES, EDDY, LEA, MCKINLEY, RIO ARRIBA, ROOSEVELT,
SANDOVAL, AND SAN JUAN COUNTIES ONLY



BOND NO. 3SE 573 180 00
(For Use in Surety Company)
AMOUNT OF BOND \$7,500.
COUNTY Lea

NOTE: For wells less than 3,000 feet deep, the minimum bond is \$5,000.00*
For wells 3,000 feet to 10,000 feet deep, the minimum bond is \$7,500.00*
For wells more than 10,000 feet deep, the minimum bond is \$10,000.00*

* Under certain conditions, a well being drilled under a \$5,000.00 or \$7,500.00 bond may be permitted to be drilled as much as 100 feet deeper than the normal maximum depth, i.e., a well being drilled under a \$5,000.00 bond may be permitted to go to 3,499 feet, and a well being drilled under a \$7,500.00 bond may be permitted to go to 34,999 feet (See Rule 100).

File with Oil Conservation Division, P.O. Box 2088, Santa Fe 87501

NOW ALL MEN BY THESE PRESENTS:

That Chaparral Service, Inc., a corporation organized in the State of New Mexico, with its principal office in the city of Eunice, State of New Mexico, and authorized to do business in the State of New Mexico, as PRINCIPAL, and American Manufacturers Mutual Insurance Company, a corporation organized and existing under the laws of the State of Illinois, and authorized to do business in the State of New Mexico, as SURETY, are held firmly bound unto the State of New Mexico, for the use and benefit of the Oil Conservation Division of New Mexico pursuant to Section 65-3-11, New Mexico Statutes Annotated, 1953 Compilation, as amended, in the sum of Seven thousand five hundred and no/100-- dollars lawful money of the United States, for the payment of which, well and truly to be made, said PRINCIPAL and SURETY hereby bind themselves, their successors and assigns, jointly and severally, firmly by these presents.

The conditions of this obligation are such that:

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or helium gas leases with the State of New Mexico; and

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or helium gas leases on lands patented by the United States of America to private individuals, and on lands otherwise owned by private individuals; and

WHEREAS, The above principal, individually, or in association with one or more other parties, has commenced or is commencing the drilling of one well not to exceed a depth of 7,000 feet, to prospect for and produce oil, gas, or carbon dioxide (CO₂) gas or helium gas, or does own or may acquire, own or operate such well, or such well owned by others on land embraced in said State oil and gas leases, or carbon dioxide (CO₂) leases, or helium gas leases, and on land patented by the United States of America to private individuals, and on land otherwise owned by private individuals, the identification and location of said well being 850' FNL and 950' FEL (Lea No.2)

(Place above facts in full compliance with the above conditions)
Section 17, Township 23 (~~North~~)(South), Range 37 (East)(~~West~~), N.M.P.M.
Lea County, New Mexico.

NOW, THEREFORE, If the above bounden principal and surety or either of them or their successors or assigns, or any of them, shall plug said well when dry or when abandoned in accordance with the rules, regulations, and orders of the Oil Conservation Division of New Mexico in such way as to confine the oil, gas, and water in the strata in which they are found, and to prevent them from escaping into other strata;

THEN, THEREFORE, This obligation shall be null and void; otherwise and in default of complete compliance with any and all of said obligations, the same shall remain in full force and effect.

PRINCIPAL

SURETY

P.O. Box 1075, Eunice, NM 88231

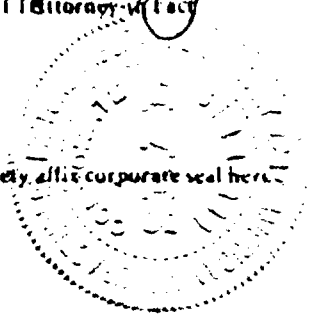
c/o Daniels Insurance, Box 1258, Hobbs, NM 88240

By Paul Prather
Paul Prather
President
Title

By Pat Cargile
Pat Cargile
Attorney-in-Fact

(Note: Principal, if corporation, affix corporate seal here.)

(Note: Corporate surety, affix corporate seal here.)



ACKNOWLEDGEMENT FORM FOR NATURAL PERSONS

STATE OF _____) ss.
COUNTY OF _____)

On this _____ day of _____, 19____, before me personally appeared _____, to me known to be the person (persons) described in and who executed the foregoing instrument and acknowledged that he (they) executed the same as his (their) free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

Notary Public
My Commission expires _____

ACKNOWLEDGEMENT FORM FOR CORPORATION

STATE OF New Mexico)
COUNTY OF Lea) ss.

On this 3rd day of October, 1985, before me personally appeared Paul Prather, to me personally known who, being by me duly sworn, did say that he is President of Chaparral Service, Inc. and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

6-29-86
My Commission expires _____

Notary Public

ACKNOWLEDGEMENT FORM FOR CORPORATE SURETY

STATE OF New Mexico)
COUNTY OF Lea) ss.

On this 3rd day of October, 1985, before me appeared Pat Cargile, to me personally known, who, being by me duly sworn, did say that he is Attorney-in-Fact of American Manufacturers Mutual Insurance Co. and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

6-29-86
My Commission expires _____
(Note: Corporate surety attach power of attorney.)

Notary Public

APPROVED BY:

OIL CONSERVATION COMMISSION OF NEW MEXICO

By _____

Date _____

6/85

Bond No. 3SE 573 181 00

PLUGGING BOND

STATE OF NEW MEXICO

COUNTY OF LEA

{
{ KNOW ALL MEN BY THESE PRESENTS:
{

THAT, CHAPARRAL SERVICE, INC., as principal, and

American Manufacturers Mutual Insurance Company

individually and jointly, as sureties, are held and firmly bound unto TEXACO PRODUCING INC., a Delaware corporation, its successors and assigns, in the sum of Fifteen Thousand Dollars (\$15,000.00) conditioned that the above bound principal shall perform all the duties and obligations pertaining to the plugging of all unplugged wells as provided in that certain Bill of Sale executed 10-7-85, 1985, from TEXACO PRODUCING INC., as Assignor, to CHAPARRAL SERVICE, INC., as Assignee, such wells being located:

Lea No. 1: 660' FNL and 1650' FEL of Section 17, Township 23 South, Range 37 East, Lea County, New Mexico.

Lea No. 2: 850' FNL and 950' FEL of Section 17, Township 23 South, Range 37 East, Lea County, New Mexico.

This Plugging Bond is given for and to secure the proper plugging of all unplugged wells in or on the above described land. Principal shall comply with all statutory requirements and governmental rules and regulations in effect at the time of plugging any well and binds himself to hold Texaco Producing Inc. harmless against any expense, claim or cause of action brought against Texaco Producing Inc. by any third party, including any governmental agency, arising from Principal's failure to plug or properly plug any such well.

IN WITNESS WHEREOF this agreement is executed this 3rd day of October, 1985, but made effective as of October 7, 1985.

SURETIES:

American Manufacturers Mutual Ins.Co.

ADDRESS:

c/o Daniels Insurance, Inc.
Box 1258, Hobbs, NM 88240

ADDRESS:

By: Pat Cargile
Pat Cargile, Attorney-in-Fact

PRINCIPAL

Chaparral Service, Inc.

P. O. Box 1768

Eunice, New Mexico 88231

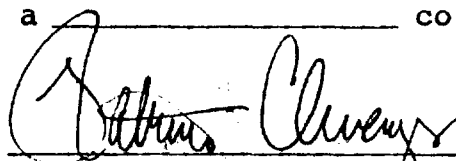
By: Paul Prather

Title Paul Prather, President

STATE OF NEW MEXICO {

COUNTY OF Lea {

This instrument was acknowledged before me on October 3,
1985, by Paul Prather, President
of Chaparral Service, Inc., a _____ corporation,
on behalf of said corporation.



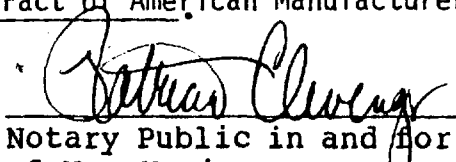
Notary Public in and for the State
of New Mexico

My commission expires: 6-29-86

STATE OF NEW MEXICO {

COUNTY OF Lea {

This instrument was acknowledged before me on October 3,
1985, by Pat Cargile, Attorney-in-Fact of American Manufacturers Mutual
Insurance Co.



Notary Public in and for the State
of New Mexico

My commission expires: 6-29-86

STATE OF NEW MEXICO {

COUNTY OF _____ {

This instrument was acknowledged before me on _____,
19____, by _____.

Notary Public in and for the State
of New Mexico

My commission expires: _____

\$ 35.85 10-21 1985 19975

RECEIVED OF Paul Prather - Chaparral Service
DOLLARS

ACCT # 1034693 HOBBS NEWS-SUN

CK #

CASH ☒ By *h*

4946

LEGAL PUBLICATION INVOICE

HOBBS DAILY NEWS-SUN

BOX 860

HOBBS, NEW MEXICO 88241-0860

505-393-2123

DATES PUBLISHED	LINES	TIMES	AMOUNT	TAX	TOTAL
October 20, 27, November 3, 10, 1985	37	4	34.41	1.47	35.88

NAME:

Paul Dean Prather, Chaparral Service Inc.

ACCOUNT NO: 1034693

ADDRESS:

P.O. Box 1768

CITY:

Eunice, New Mexico 88231

STATE:

ZIP:

DESCRIPTION:

Application to inject into or convert Lea #1, and #2 Wells to disposal Wells.

Legal notices are charged as an accommodation and are payable upon receipt of this invoice.

P.O. BOX 1507

LOVINGTON, N.M. 88260

505 396-2819

RECEPTION #S FROM 59523 TO 59523 RECEIPT # 016893
DATE 10/21/85 TIME 11:23 AM
THE LEA COUNTY CLERK RECEIVED THE AMOUNT OF *****4.00
FROM CHAPARRAL SERVICE CO

BILL OF SALE OR FIN STMT

4.00

CASH

BY 

DEPUTY CLERK

PAT SNIPES
COUNTY CLERK



Texaco USA
Producing Department

PO Box 3109
Midland TX 79702

August 26, 1985

313860 - E. L. STEELER LEASE

LEA COUNTY, NEW MEXICO

LEA NO. 1: 660' FNL AND 1650' FEL

LEA NO. 2: 850' FNL AND 950' FEL

SECTION 17, T-23-S, R-37-E

Chaparral Service, Inc.
P. O. Box 1768
Eunice, New Mexico 88231

Gentlemen:

Texaco Producing Inc. is the owner and holder of that certain Oil and Gas Lease dated April 1, 1926 between E. L. Steeler, Lessor, and Frank W. Dauron, Lessee, recorded in Volume 4, Page 157 of the Records of Lea County, New Mexico covering among other lands, the N/2 NE/4 of Section 17, T-23-S, R-37-E, Lea County, New Mexico, and also the owners of an unleased mineral interest underlying the same.

You desire to utilize the Lea Well No. 1 located: 660' FNL and 1650' FEL of Section 17 and the Lea Well No. 2 located: 850' FNL and 950' FEL of Section 17 for the injection and disposal of salt water produced from wells you operate in the area and vicinity of said wells.

Texaco has no objection to your re-entry of and utilization of said wells for salt water disposal purposes in the zone between 4,000' to 7,250' only, with no disposal being allowed from the surface to the base of the Langlie Mattix. In connection therewith it is our understanding that:

(1) You shall obtain all necessary easements, approvals, permits and agreements for the drilling of the wells, the utilizing of the wells as to salt water disposal wells, and the transporting of salt water to the wells, including but not limited to all necessary New Mexico Oil Conservation Commission approvals and surface owner approvals and upon request shall furnish Texaco Producing Inc. evidence of all easements, approvals, permits and agreements so obtained.

(2) You shall conduct any operations on said wells without any costs or expenses whatsoever to Texaco Producing Inc. and you agree to defend, indemnify and hold Texaco Producing Inc. harmless from any and all actions, causes of action, damages, and costs arising out of your drilling, maintenance and operation of said

Chaparral Service, Inc.
August 26, 1985
Page 2

wells or out of the construction, maintenance and operation of any salt water lines, or arising out of your failure to obtain all proper easements, permits, approvals and agreements or arising out of the failure to properly plug said salt water disposal wells.

(3) This agreement may be cancelled by either party on thirty (30) days' written notice to the other party.

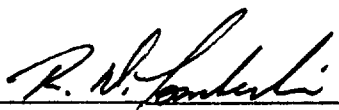
If this agreement is acceptable, please indicate your approval by signing in the space provided below. Keep one copy for your file and return the other signed copy to Texaco Producing Inc.

Yours very truly,

TEXACO PRODUCING INC.

APPROVED BY

By



R. D. Tomberlin
Attorney-in-Fact

Contract GMP

Terms AW/Be

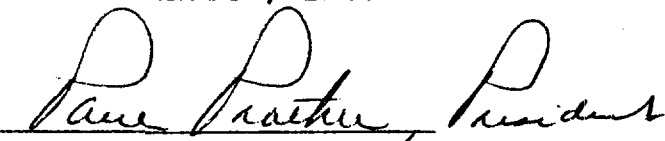
Form CGK

WSH:kyb

The above agreement is accepted and agreed to this 4th day of September 1985.

CHAPARRAL SERVICE, INC.

By

 President

BILL OF SALE

STATE OF NEW MEXICO }

COUNTY OF LEA }

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of Ten Dollars (\$10.00) cash in hand paid and of the covenants and agreements herein contained, TEXACO PRODUCING INC., as Seller, does hereby grant, sell and convey unto CHAPARRAL SERVICE, INC., whose address is P. O. Box 1768, Eunice, New Mexico 88231, as Buyer, all of its right, title and interest in and to those certain wells known as the Lea No. 1 and Lea No. 2 and any material and equipment therein. Such wells are located:

Lea No. 1: 660' FNL and 1650' FEL of Section 17, Township 23 South, Range 37 East, Lea County, New Mexico.

Lea No. 2: 850' FNL and 950' FEL of Section 17, Township 23 South, Range 37 East, Lea County, New Mexico.

Seller does not warrant or represent, either expressly or impliedly, the condition of said wells or the quantity, quality or condition of said material and equipment or its fitness for use or the suitability for use of same in whole or in part. Seller does not warrant, either expressly or impliedly, title to said wells and material and equipment therein.

THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF. ASSIGNOR DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY OF ANY PERSONAL PROPERTY OR OF THE FITNESS OF ANY PERSONAL PROPERTY FOR ANY PURPOSE, AND ASSIGNEE AGREES THAT ANY PERSONAL PROPERTY IS SOLD "AS IS."

Buyer agrees that any attempted use of said wells and the equipment and material thereon or therein shall be at its sole risk and liability and that Buyer will defend, indemnify and hold Seller harmless from and against any claim or cause of action or liability in connection with Buyer's use of said wells or material and equipment conveyed hereby. Buyer does also hereby agree that it will properly plug and abandon said wells and will defend, indemnify and hold Seller harmless from and against any claim or cause of action or liability in connection therewith. Buyer additionally agrees to clean up and restore the surface of the land around said wells upon abandonment thereof.

The parties hereto recognize that Seller is not transferring or conveying any rights to the land or lease upon which said wells are located or the right to operate the same. Buyer shall be responsible for acquiring any rights, permits and authorization from the owners of the land and governmental regulatory agencies necessary to conduct operations upon said wells and agrees to defend, indemnify and hold Seller harmless from and against any claim or cause of action or liability in connection therewith.

IN WITNESS WHEREOF, this agreement is executed this 4th
day of September, 1985.

SELLER:

TEXACO PRODUCING INC.

By R. D. Tomberlin
R. D. Tomberlin
Attorney-in-Fact

BUYER:

Chaparral Service Inc.
By Paul Prather, President

APPROVED AS TO

Contract GMP
Terms MC/OC
Form CGK

STATE OF Texas
COUNTY OF Midland

This instrument was acknowledged before me on September 4,
1985, By R. D. TOMBERLIN, Attorney-in-Fact of TEXACO
PRODUCING INC., a Delaware corporation, on behalf of said corpor-
ation.

Carolyn Cason Carolyn Cason
Notary Public in and for the State
of Texas

My commission expires: 5/24/89

STATE OF New Mexico
COUNTY OF Lea

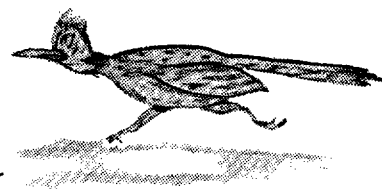
This instrument was acknowledged before me on September 4,
1985, by Paul Prather, President
of Chaparral Service, Inc., a New Mexico corporation,
on behalf of said corporation.

Joyce Shahan
Notary Public in and for the State
of New Mexico

My commission expires: 6/25/88

Chaparral Service, Inc.

SCC NM 841-1



☆ Phone (505) 394-2545 ☆ West Texas Ave. ☆ P. O. Box 1768 ☆ Eunice, New Mexico 88231 ☆

November 5, 1985

New Mexico Oil Conservation Commission
Sante Fe, New Mexico

Attention: Mr. David Catanack,

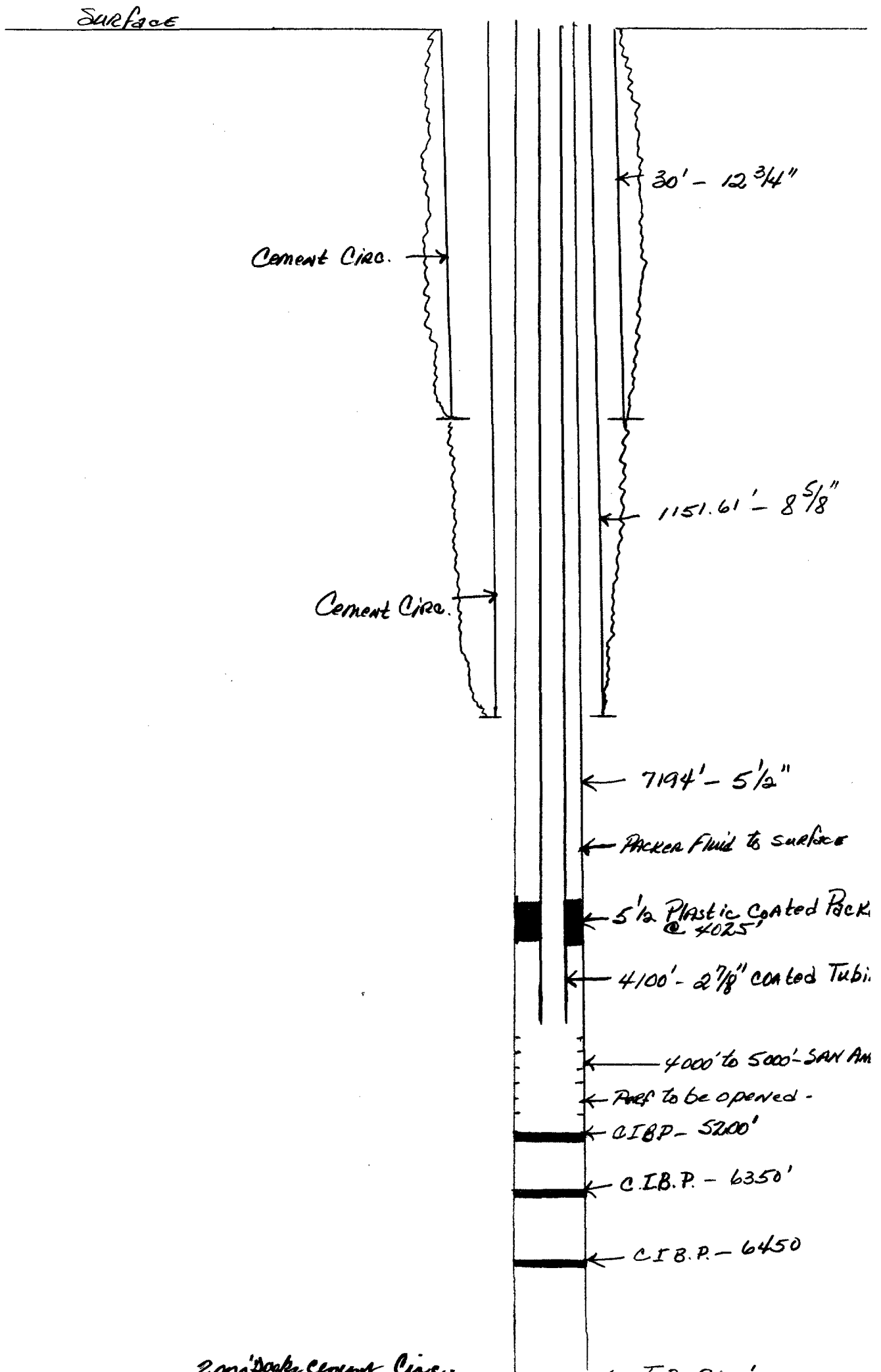
In reference to your phone call on November 4, 1985, I hope these are the answers to your questions. If I can be of any more assistance, please call.

Paul Prather

- Questions:
- #1. There are no wells in this $\frac{1}{2}$ mile area that penetrates the injection zone.
 - #2. Disposal water well comes from the south east part of New Mexico and will be treated to be compatible.
 - #3. Water analysis from disposal zone - There are no wells in this zone and water samples are not available.
 - #4. There is no production in this zone in this area.
 - #5. Schematic-- Next page.

Schematic of Proposed Wells

11-5-85



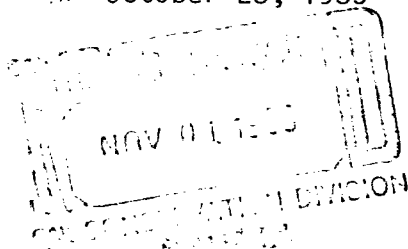


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

October 28, 1985

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 393-6161



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

RE: Proposed:

MC _____
DHC _____
NSL _____
NSP _____
SWD _____ X _____
WFX _____
PMX _____

Gentlemen:

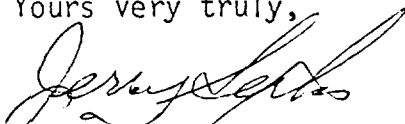
I have examined the application for the:

Chaparral Service, Inc. Lea Nos. 1 & 2 17-23-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

O.K.----J.S.

Yours very truly,


Jerry Sexton
Supervisor, District 1

/mc