

## 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. \_\_\_\_\_

## 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:

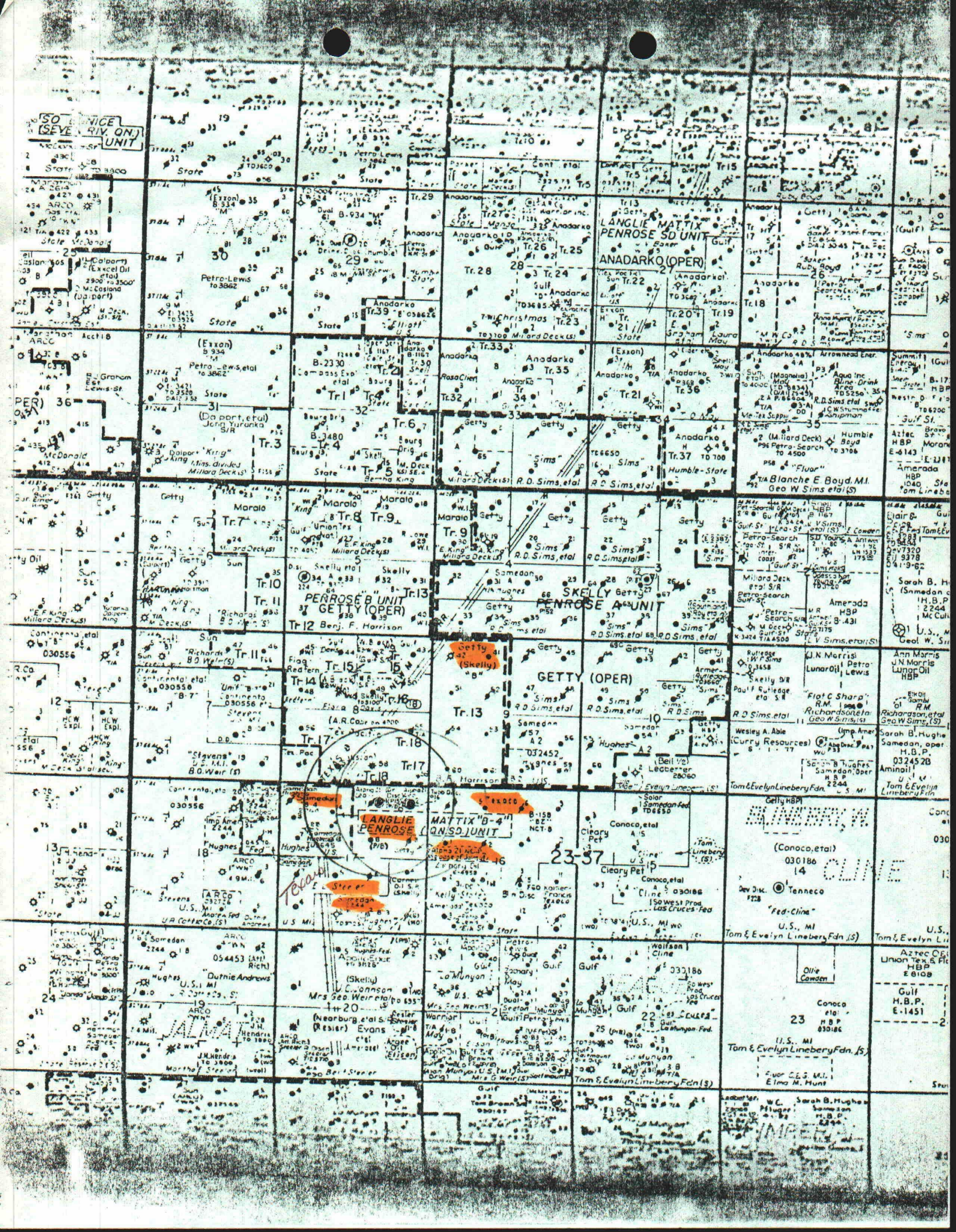
- (1) The name, address, phone number, and contact party for the applicant;
- (2) the intended purpose of the injection well; with the exact location of single wells or the section, township, and range location of multiple wells;
- (3) the formation name and depth with expected maximum injection rates 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.

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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.







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 Penrose  
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 L. Howard

Basin Supervisor

CAPITAN				STATE ENGINEER WATER WELL RECORDS									
BASIC	REFERENCE	SOU	STATUS	USE	WELL	LAND	FILE	03/21/82	ACRE	DATE	ADM		
FILE	FILE	RCE	PRIORITY		LOCATION	LOCATION	ACRES	SURVEY	FEET		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 0006:	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	CDM	235 37E 02 2212					09/81	1		
***	SIMS GEORGE W	CP 00186	DCL	CDM	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	DFM	235 37E 04 2114					/	2		
***	WEIR MRS GEORGE	CP 00371	DCL	STK	235 37E 05 4321					/	3		
***	WEIR MRS GEORGE	CP 00372	DCL	NDN	235 37E 05 4424					06/81	3		
***	KING E F	CP 00390	DCL	STK	235 37E 06 1442					/	3		





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

and form is to be filed with the appropriate District Office of the Commission not later than 30 days after the completion of any newly-filled or deepened well. It shall be accompanied by a copy of all electrical and radioactivity logs, a log of the well and a summary of all special tests conducted, including fall stem tests. All depths reported shall be measured by tape. In the case of directionally drilled wells, true vertical depth shall also be reported. For multiple completions, depths from 100 through 34 shall be reported for each zone. This form is to be filed in quadruplicate except on state land, where six copies are required. See Rule 1105.

Well #1

# INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

## Southeastern New Mexico

## Northwestern New Mexico

T. Anhy 1090	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt 2480	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates 2680	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen 3360	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg 3626	T. Montoya	T. Mancos	T. McCracken
T. San Andres 3950	T. Simpson	T. Gallup	T. Ignacio Qtzite
T. Glorieta 5082	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinberry 5510	T. Gr. Wash	T. Morrison	T.
T. Tubb 6164	T. Granite	T. Todilto	T.
T. Drinkard 6450	T. Delaware Sand	T. Entrada	T.
T. Abo 6713	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-	1090	1090	Salt and Redbeds				
1090	2480	1390	Salt and Anhydrite				
2480	2680	200	Anhydrite and Salt				
2680	3360	680	Anhydrite, Salt and Dolomite				
3360	3626	266	Sand and Dolomite				
3626	3950	324	Dolomite and Sand				
3950	5082	1132	Dolomite				
5082	5510	428	Dolomite and Silt				
5510	6164	654	Anhydrite and Lime				
6164	6450	286	Lime and Anhydrite				
6450	6713	263	Lime				
6713	7200	487	Lime and Anhydrite				

SEP 23 1982  
HOBBS OFFICE

ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
HOBBS, NEW MEXICO

WATER ANALYSIS

Well Ownership: R D Simms Well No. 1

Land Status: State X Federal            Fee           

Well Location: Unit Letter J Section 16 Township 23 Range 37

Type Well: water well Depth -- feet

Well Use: livestock

Sample Number:            Date Taken: 10-24-85

Taken By: Prather

Specific Conductance:            m/~

Total Dissolved Solids:            PPM.

Chlorides: 184.6 PPM.

Sulfates:            PPM.

Ortho-phosphates:            V. LOW            LO            MED            HI

Sulfides:            NONE            LO            MED            HI

Date Analyzed: 10-24-85

By: Eddie Seay

OIL CONSERVATION DIVISION  
Eddie Seay

REMARKS: 1.3 x 142 titration = 184.6 ppm Cl



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

L CONSERVATION DIVISIO  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-101  
Revised 10-1-78

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

5A. Indicate Type of Lease  
STATE ☐ FEE ☒

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Unit Agreement Name
b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER Disposal Well <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Farm or Lease Name Lea
2. Name of Operator Chaparral Service, Inc.		9. Well No. 1
3. Address of Operator P. O. Box 1768, Eunice, New Mexico 88231		10. Field and Pool, or Wildcat
4. Location of Well UNIT LETTER B LOCATED 660 FEET FROM THE North LINE AND 1650 FEET FROM THE East LINE OF SEC. 17 TWP. 23S RGE. 37E NMPM		12. County Lea
19. Proposed Depth 5000'		19A. Formation San Anders
20. Rotary or C.T. Rev. Unit		22. Approx. Date Work will start Nov. 15, 1985
21. Elevations (Show whether DF, RT, etc.) 3327	21A. Kind & Status Plug. Bond State Wide	21B. Drilling Contractor ABC Rental

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	7,600'	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 5,125', run 2 7/8 tubing, set packer, treat with acid and start injection water.

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

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG 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 Pete Trachten 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.

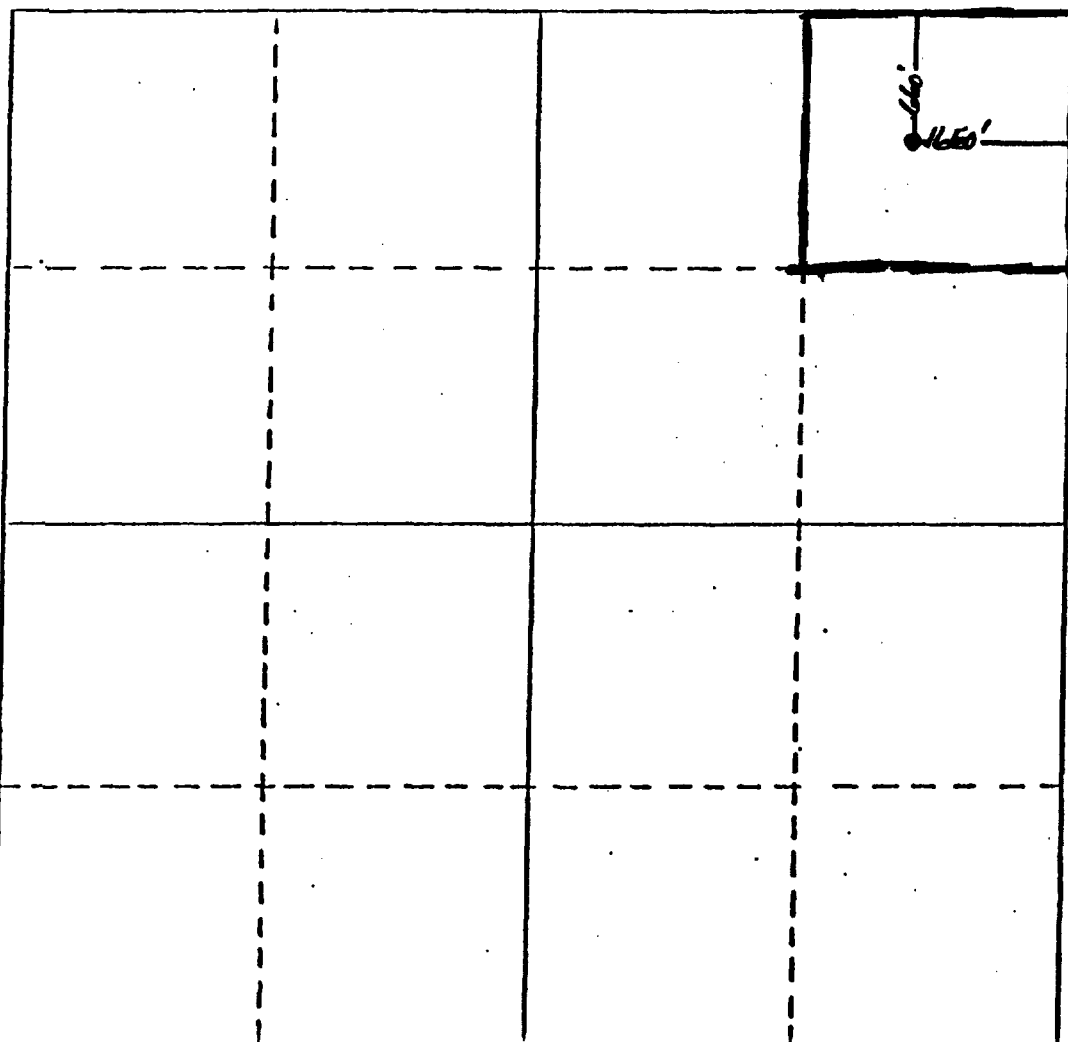
Operator <b>Chaparral Service, Inc.</b>		Lease <b>Lea</b>		Well No. <b>1</b>
Unit Letter <b>B</b>	Section <b>17</b>	Township <b>23S</b>	Range <b>37E</b>	County <b>Lea</b>
Actual Footage Location of Well: <b>660</b> feet from the <b>North</b> line and <b>1650</b> feet from the <b>East</b> line				
Ground Level Elev. <b>3327</b>	Producing Formation <b>San Anders</b>		Pool <b>San Anders</b>	Dedicated Acreage: <b>40</b> 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

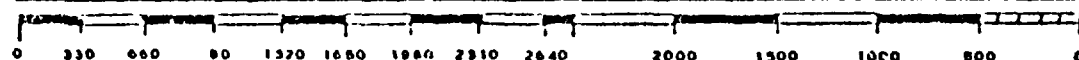
**October 24, 1985**

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 300w, not to exceed 500w.

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 169 582 640

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	Immedall Co.
Street and No.	P.O. Box 190
P.O. State and ZIP Code	Albuquerque, 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	15 OCT 1985 EUNICE, NM

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	15 OCT 1985 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	15 OCT 1985 EUNICE, NM

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	Isaac Prod. Inc.
Street and No.	P.O. Box 728
P.O. State and ZIP Code	Albuquerque, 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	15 OCT 1985 EUNICE, NM



Amended 6-17-77  
Revised 10-1-74

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 573 179 00  
(for One Well Plugging)  
AMOUNT OF BOND \$7,500.  
COUNTY Lea

NOTE: For wells less than 5,000 feet deep, the minimum bond is \$5,000 (00)  
For wells 5,000 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 (ten) or \$7,500 (ten) bond may be permitted to be drilled as much as 1000 feet deeper than the normal maximum depth, i.e., a well being drilled under a \$5 (ten) bond may be permitted to go to 5,999 feet, and a well being drilled under a \$7,500 (ten) bond may be permitted to go to 10,999 feet.

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

NOW ALL MEN BY THESE PRESENTS:

That Chaparral Service, Inc., ~~PERSONAL AND SEPARATE~~  
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 (CO<sub>2</sub>) 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 (CO<sub>2</sub>) 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  
may commence the drilling of one well not to exceed a depth of 7,000 feet, to prospect for and produce oil  
gas, or carbon dioxide (CO<sub>2</sub>) 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 (CO<sub>2</sub>) 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 660' FNL and 1650' FEL (Lea No. 1)

(Here show exact legal subdivision in oil and gas lease)  
Section 17, Township 23, ~~(North)~~ (South), Range 37, (East) ~~(XXXX)~~ 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  
conditions, the same shall remain in full force and effect.

P.O. Box 1075, Eunice, NM 88531

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

By Paul J. Prather  
Paul Prather  
President

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 \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) ss.

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.

\_\_\_\_\_  
Notary Public

6-29-86

My Commission expires \_\_\_\_\_

### 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.

\_\_\_\_\_  
Notary Public

6-29-86

My Commission expires \_\_\_\_\_

(Note: Corporate surety attach power of attorney.)

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

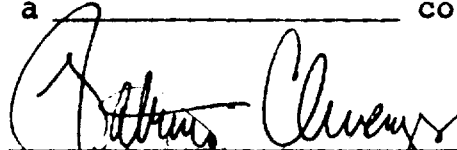
Chaparral Service, Inc.  
P. O. Box 1768  
Eunice, New Mexico 88231

By: Paul S. 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.



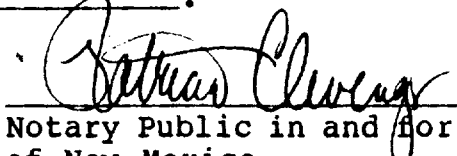
Notary Public in and for the State  
of New Mexico

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 10 19975

RECEIVED OF Paul Prather - Chaparral Service

DOLLARS

ACCT # 1034693

HOBBS NEWS-SUN

CK #

CASH ☒ By n

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.

(P)

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

LEA COUNTY CLERK

CUSTOMER COPY

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



Texas OMA  
Lea County Department

EO 13818  
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.

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

APPROVED BY  
Contract GMP  
Terms AM/Be  
Form CGK

WSH:kyb

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

CHAPARRAL SERVICE, INC.

By *Paul Parker, 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 CBK

STATE OF

COUNTY OF

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

My commission expires: 5/26/89

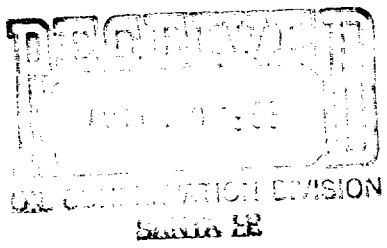
STATE OF

COUNTY OF

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.

Koyce 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.

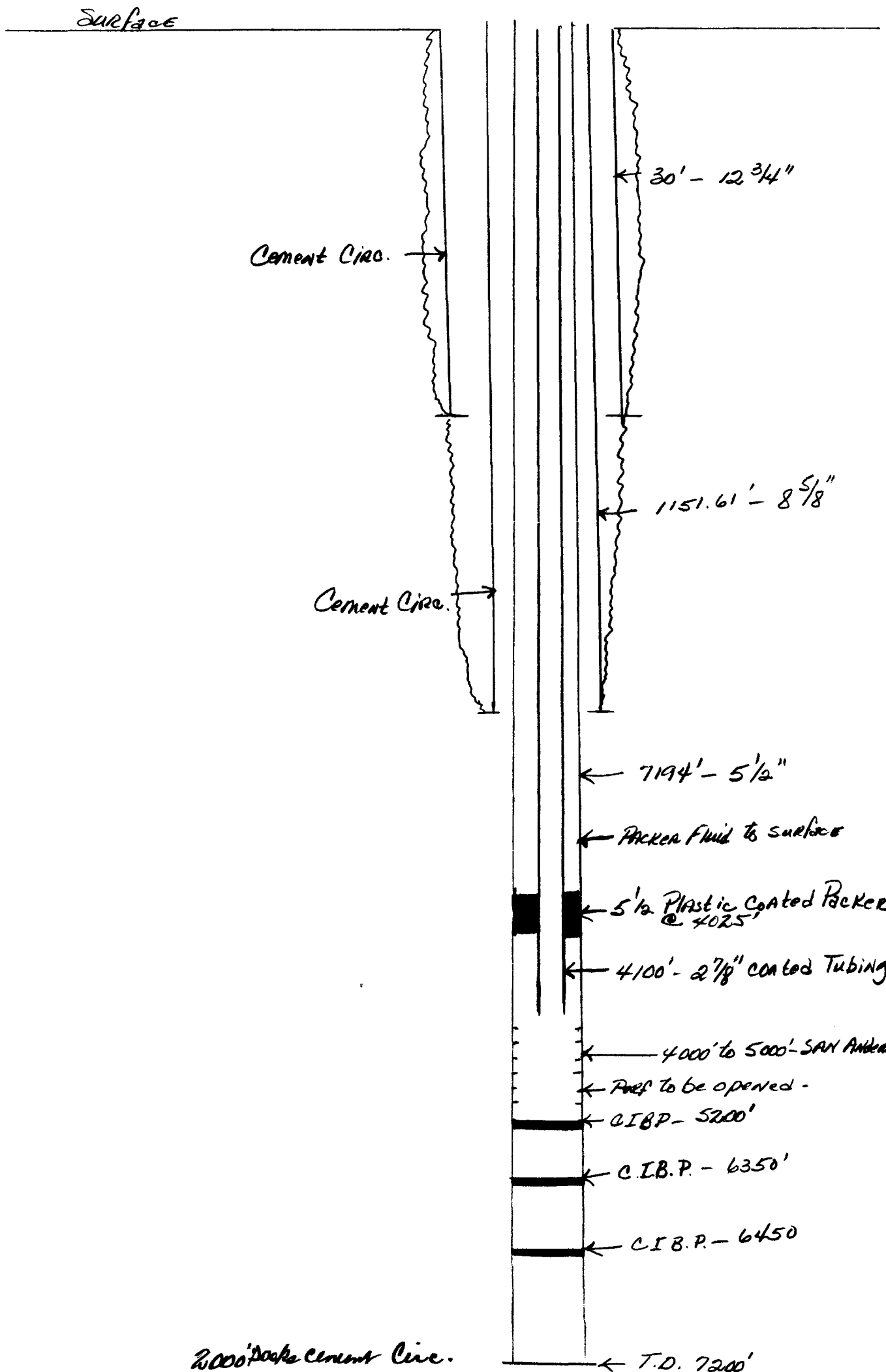
A handwritten signature in cursive script, reading "Paul Prather". The signature is fluid and stylized, with large loops for the 'P' and 'r'.

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:

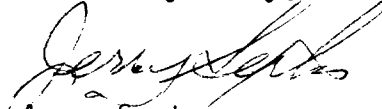
I have examined the application for the:

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