

Hondo Oil & Gas Company

Box 2208
Roswell, New Mexico 88202
(505) 625-8700

Oil Conservation
Division

APR 10 1991



April 10, 1991

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

RE: Application for permit to convert to Salt Water Disposal
Lea "396" State #5
1980' FNL & 660' FEL, Section 35, T-15S, R-36E
Lea County, New Mexico

Gentlemen:

Please find enclosed Hondo Oil & Gas Company's application for permit to convert the above captioned well into a salt water disposal.

Copies have been submitted to the surface owner and the offset operators.

If you should have any questions, please contact E. L. Buttross, Jr. at 505/625-6732.

Sincerely,

A handwritten signature in cursive script that reads "Karla LeJeune". The signature is written in black ink and is positioned above the printed name and title.

Karla LeJeune
Regulatory Secretary

:kl

Enclosures

Hondo Oil & Gas Company

Box 2208
Roswell, New Mexico 88202
(505)625-8700



April 10, 1991

TO: Offset Operators

RE: Application for permit to convert to Salt Water Disposal
Lea "396" State #5
1980' FNL & 660' FEL, Section 35, T-15S, R-36E
Lea County, New Mexico

Gentlemen:

According to the Oil Conservation Division Rule 701, a copy of any injection well permit application must be sent to the offset operators and surface owner. Enclosed is our application for administrative approval to convert the above captioned well to a salt water disposal.

If you should have any questions, please contact E. L. Buttross, Jr. at 505/625-6732.

Sincerely,

A handwritten signature in cursive script, reading "Karla LeJeune".

Karla LeJeune
Regulatory Secretary

:kl

Enclosures

Hondo Oil & Gas Company

Box 2208
Roswell, New Mexico 88202
(505)625-8700



April 10, 1991

TO: State of New Mexico
Land Office
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

RE: Application for permit to convert to Salt Water Disposal
Lea "396" State #5
1980' FNL & 660' FEL, Section 35, T-15S, R-36E
Lea County, New Mexico

Gentlemen:

According to the Oil Conservation Division Rule 701, a copy of any injection well permit application must be sent to the offset operators and surface owner. Enclosed is our application for administrative approval to convert the above captioned well to a salt water disposal.

If you should have any questions, please contact E. L. Buttross, Jr.
at 505/625-6732.

Sincerely,

A handwritten signature in cursive script, reading "Karla LeJeune". The signature is written in black ink and is positioned above the typed name.

Karla LeJeune
Regulatory Secretary

:kl

Enclosures

APPLICATION FOR AUTHORIZATION TO INJECT

Lea "396" State #5
(H) Sec.35-T15S-R36E
Lea County, New Mexico

- I. Purpose: ☐ Secondary Recovery ☐ Pressure Maintenance ☒ Disposal ☐ Storage
Application qualifies for administrative approval? ☐ yes ☐ no
- II. Operator: Hondo Oil & Gas Company
Address: P. O. Box 2208, Roswell, NM 88202
Contact party: E. L. Buttross, Jr. Phone: (505)625-6732
- 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: E. L. Buttross, Jr. Title Petroleum Engineer
Signature: E. L. Buttross Jr. Date: 4/10/91
- * 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.

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.

HONDO OIL & GAS COMPANY
APPLICATION FOR AUTHORITY TO INJECT
SUPPLEMENTAL INFORMATION
LEA 396 STATE #5
LEA COUNTY, NEW MEXICO

ITEM:

III. Well Data

A. (1) Well Name: Lea 396 State #5
1980' FNL & 660' FEL
Section 35, T-15S, R36E
Lea County, New Mexico

(2) Casing Data: (Also see Exhibit "B")

Surface Casing:

13 3/8" csg. set @ 1934' in a 17 1/2" hole. Cemented
w/ 1610 sx. Circulated cement to surface.

Intermediate Casing:

8 5/8" csg. set @ 4900' in a 12 1/4" hole. Cemented
w/ 1900 sx. Circulated cement to surface.

Production Casing:

5 1/2" csg. set @ 11,650' in a 7 7/8" hole, DV tool @
7998'. Cemented as follows: 1st stage 1250 sx, 2nd
stage 575 sx. Calculated TOC @ 4500'.

(3) Injection Tubing:

2 7/8" 6.5# 8RD EUE, internally plastic coated tbg.,
set @ approximately \pm 10,300'.

(4) Packer:

Packer set @ \pm 10,300'.

B. (1) Injection Formation: Permo-Penn

(2) Injection Interval:

Injection will be thru existing perfs.
10,420'-11,588'.

(3) Original Purpose of Well:

This well was drilled in an attempt to make a
Permo-Penn oil well.

HONDO OIL & GAS COMPANY
APPLICATION FOR AUTHORITY TO INJECT
LEA 396 STATE "#5
Page 2

(4) Other perforated Intervals: (Also see Exhibit "B")

Well was later plugged back with a bridge plug set @ 11,430', perforated from 10,420'-10,692' and tested. All zones proved to be non-economical.

(5) Higher/Lower Oil Zones:

There are no higher oil zones and the only other oil zone is the Devonian.

V. Map: See Exhibit "A".

HONDO OIL & GAS COMPANY
APPLICATION FOR AUTHORITY TO INJECT
LEA 396 STATE #5
Page -3-

VI. Wells in Area of Review:

Operator: Exxon Corporation

Well Name: New Mexico AP St. #1

Location: 1980' FNL & 660' FWL, (E) Section 36, T15S, R36E

Spud date: 3/26/56

Completion Date: 6/07/56

Surface Casing: 13 3/8" set @ 340', cemented with 350 sx.

Intermediate Casing: 8 5/8" set @ 4950', cemented with 2835 sx.

Production Casing: 5 1/2" set @ 11,660', cemented with 1125 sx.

TD: 11,660'

Completion: Completed in the Penn from perforations 11,544'-11,568'. Well was later plugged back with a bridge plug set @ 11,162', perforated from 10,686'-10,726' and tested. Again, plugged well back with a CIBP set @ 10,400', perforated from 10,175'-9202', and tested. Well was P&A'd 7/25/83.

Operator: Plugged by Cities Service Oil Company
(Currently Yates Petroleum Corporation)

Well Name: State AW #3

Location: 2080' FSL & 1880' FEL, (J) Section 35, T15S, R36E

Spud date: 10/30/56

Completion Date: 1/6/57

Surface Casing: 13 3/8" set @ 368', cemented with 350 sx.

Intermediate Casing: 8 5/8" set @ 4916', cemented with 2470 sx.

Production Casing: 5 1/2" set @ 11,584', cemented with 400 sx.

TD: 11,585'

Completion: Completed in the Penn from perforations 11,505'-11,525'. For additional recovery, perforated the upper Penn from 10,641'-10,675' and 10,396'-10,408'. Perforated additional Permo-Penn from 10,443'-10,483'. P&A'd well 8/28/70.

HONDO OIL & GAS COMPANY
APPLICATION FOR AUTHORITY TO INJECT
LEA 396 STATE #5
Page -4-

Operator: Plugged by Atlantic Richfield Company
(Currently Yates Petroleum Corporation)

Well Name: State AW #4

Location: 1980' FSL & 660' FEL, (I) Section 35, T15S, R36E

Spud date: 3/16/58

Completion Date: 5/22/58

Surface Casing: 13 3/8" set @ 367', cemented with 350 sx.

Intermediate Casing: 8 5/8" set @ 4924', cemented with 1983 sx.

Production Casing: 5 1/2" set @ 11,597', cemented with 350 sx.

TD: 11,597'

Completion: Completed in the Penn from perforations 10,685'-10,694' and 11,518'-11,537'. Plugged back to 10,635' and converted to salt water disposal well by perforating the Penn @ 10,434'-10,444' and 10,468'-10,488'. Plugged back to 8391' and recompleted SWD to open hole from 4924'-8391' in the San Andres/Glorieta. Finally, P&A'd 8/71.

Operator: Atlantic Richfield Company

Well Name: Lea 758 State #1

Location: 660' FNL & 660' FWL, (D) Section 36, T15S, R36E

Spud date: 9/22/55

Completion Date: 1/28/56

Surface Casing: 13 3/8" set @ 305', cemented with 350 sx.

Intermediate Casing: 9 5/8" set @ 4985', cemented with 2800 sx.

Production Casing: 5 1/2" set @ 11,675', cemented with 400 sx.

TD: 13,005'

Completion: Completed from perforations 11,566'-11,597'. Perforated additional sections of Penn from 10,654'-10,664' and 10,670'-10,678' and then squeezed same perms. Perforated 10,731'-10,737'. P&A'd well 6/22/74.

HONDO OIL & GAS COMPANY
APPLICATION FOR AUTHORITY TO INJECT
LEA 396 STATE #5
Page -5-

Operator: Mobil Oil Corporation

Well Name: New Mexico J #1

Location: 1980' FSL & 660' FWL, (L) Section 36, T15S, R36E

Spud date: 10/03/56

Completion Date: 12/2/56

Surface Casing: 13 3/8" set @ 440', cemented with 425 sx.

Intermediate Casing: 9 5/8" set @ 4971', cemented with 2720 sx.

Production Casing: 7" set @ 11,636', cemented with 1550 sx.

TD: 11,636'

Completion: Completed in the Penn from perforations
11,530'-11,582'. Added Permo-Penn perms. from
10,688'-10,730'. P&A'd well 12/29/70.

Operator: Yates Petroleum Corporation

Well Name: Phillips YX St. #1

Location: 990' FSL & 330' FWL, (M) Section 36, T15S, R36E

Spud date: 1/31/84

Completion Date: 6/12/84

Surface Casing: 13 3/8" set @ 398', cemented with 375 sx.

Intermediate Casing: 8 5/8" set @ 4906', cemented with 2750
sx.

Production Casing: 5 1/2" set @ 11,727', cemented with 1300 sx.

TD: 11,727'

Completion: Completed in the Permo-Penn. Perforated
11,525'-11,530' and 10,695'-10,700' and set BP @
11,448'. Added perforations from
11,018'-11,054'. P&A'd well 10/14/85.

HONDO OIL & GAS COMPANY
APPLICATION FOR AUTHORITY TO INJECT
LEA 396 STATE #5
Page -6-

Operator: Plugged by Atlantic Richfield Company
(Currently Hondo Oil & Gas Company)

Well Name: Lea 396 St. #3

Location: 1980' FNL & 1980' FEL, (G) Section 35, T15S, R36E

Spud date: 1/23/56

Completion Date: 6/25/56

Surface Casing: 13 3/8" set @ 319', cemented with 350 sx.

Intermediate Casing: 9 5/8" set @ 4939', cemented with 2600 sx.

Production Casing: 7" set @ 13,725', cemented with 810 sx.

TD: 13,726'

Completion: Dually completed in the Devonian and Penn from perforations 13,690'-13,720' and 11,546'-11,578'. Added Permo-Penn perfs. 10,396'-10,404' and 10,656'-10,669'. Squeezed perfs. 10,396'-11,577'. Converted to salt water disposal through perfs. 13,690'-13,720'. P&A'd well 11/29/78.

Operator: Plugged by Cities Service Oil Company
(Currently Yates Petroleum Corporation)

Well Name: State AW #2

Location: 1980' FSL & 1980' FEL, (J) Section 35, T15S, R36E

Spud date: 4/26/56

Completion Date: 5/30/56

Surface Casing: 13 3/8" set @ 368', cemented with 350 sx.

Intermediate Casing: 8 5/8" set @ 4919', cemented with 3113 sx.

Production Casing: 5 1/2" set @ 13,657', cemented with 550 sx.

TD: 13,657'

Completion: Completed in the Devonian from perforations 13,626'-13,650'. P&A'd well 9/8/70.

HONDO OIL & GAS COMPANY
APPLICATION FOR AUTHORITY TO INJECT
LEA 396 STATE #5
Page -7-

Operator: Hondo Oil & Gas Company

Well Name: Lea 396 St. #2

Location: 1980' FNL & 1980' FWL, (F) Section 35, T15S, R36E

Spud date: 1/22/56

Completion Date: 6/15/56

Surface Casing: 13 3/8" set @ 309', cemented with 350 sx.

Intermediate Casing: 9 5/8" set @ 4950', cemented with 210 sx.

Production Casing: 7" set @ 13,700', cemented with 700 sx.

TD: 13,720'

Completion: Completed in the Permo-Penn with perforations 11,504'-11,540': For additional recovery, perforated the Devonian 13,654'-13,720'. Well was recompleted in January of 1957 in the Penn from perforations 11,504'-11,550'.

Operator: Plugged by Atlantic Richfield Co.
(Currently Hondo Oil & Gas Company)

Well Name: Lea 396 St. #4

Location: 660' FNL & 1980' FEL, (B) Section 35, T15S, R36E

Spud date: 12/8/56

Completion Date: 2/17/57

Surface Casing: 13 3/8" set @ 323', cemented with 50 sx.

Intermediate Casing: 9 5/8" set @ 4922', cemented with 2600 sx.

Production Casing: 5 1/2" set @ 11,597', cemented with 500 sx.

TD: 11,600'

Completion: Completed in the Permo-Penn with perforations 11,496'-11,552'. Well was P&A'd 6/12/1971.

HONDO OIL & GAS COMPANY
APPLICATION FOR AUTHORITY TO INJECT
LEA 396 STATE #5
Page -8-

Operator: Elk Oil Company

Well Name: State "PH" #1

Location: 660' FSL & 660' FEL, (P) Section 26, T15S, R36E

Spud date: 11/18/81

Completion Date: 3/11/82

Surface Casing: 13 3/8" set @ 1946', cemented with 1465 sx.

Intermediate Casing: 8 5/8" set @ 4729', cemented with 1350 sx.

Production Casing: 5 1/2" set @ 11,646', cemented with 785 sx.

TUBING: 2 3/8" AT 11,543'.

TD: 11,646'

Completion: Completed in the Permo-Penn from perforations
at 11,554'-11,574'.

HONDO OIL & GAS COMPANY
APPLICATION FOR AUTHORITY TO INJECT
LEA 396 STATE #5
Page -9-

VII. Proposed Operations Data:

- (1) Average Daily Injection Rate - 3000 BWPD
Maximum Daily Injection Rate - 4000 BWPD
- (2) Type of System - Closed
- (3) Average Injection Pressure - 1500 psi
Maximum Injection Pressure - 2000 psi
- (4) Source of Injection Water - Water produced from the Hondo wells J. P. Dean #1 and the Lea 396 St. #2. Water analysis are attached.
- (5) Chemical Analysis of Disposal Zone Formation - Analysis should be similar to the one for the Lea 396 St. #2.

VIII. Geological Data:

The proposed injection zone is the Permo-Penn from 10,420'-11,588'. This formation consists primarily of dolomite and limestone with some interbedded shale.

The underground sources of drinking water overlying the proposed injection zone are as follows (obtained from the State Engineers Office):

<u>Geologic Name</u>	<u>Depth to Bottom of Formation</u>
Ogalalla	250'
Triassic	500'

There are no known sources of drinking water underlying the proposed injection interval.

IX. Proposed Stimulation Program:

No additional stimulation planned.

X. Well Logs.

Copies of the well logs have been filed with the Commission.

HONDO OIL & GAS COMPANY
APPLICATION FOR AUTHORITY TO INJECT
LEA 396 STATE #5
Page -10-

XI. Chemical Analysis of Fresh Water:

There are two known producing fresh water wells within one mile of the proposed injection well. Water analysis are attached.

XII. Upon examination of the available geologic and engineering data no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water was found.

SURFACE OWNERS:

State of New Mexico
Land Office
P. O. Box 1148
Santa Fe, NM 87504-1148

OFFSET OPERATORS:

Yates Petroleum Corporation
105 S. 4th
Artesia, NM 88210

Elk Oil Company
P. O. Box 310
Roswell, NM 88202

Exxon, U.S.A.
Box 1600
Midland, TX 79702

Atlantic Richfield Company
P. O. Box 1610
Midland, TX 79702

Mobil
P. O. Box 633
Midland, TX 79702

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, Kathi Bearden

of the Hobbs Daily News-Sun, a daily newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not a supplement thereof for a period

of _____

One weeks.
Beginning with the issue dated

March 21, 1991
and ending with the issue dated

March 21, 1991

Kathi Bearden
General Manager

Sworn and subscribed to before

me this 27 day of

March, 1991

Rhonda Copeland
Notary Public.

My Commission expires _____

July 24, 1991
(Seal)

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

LEGAL NOTICE

March 21, 1991

Hondo Oil & Gas Company has applied for authority to convert the Lea "396" State Well No. 5, located 1980' FNL & 660' FEL, Section 35, T-155, R-36E, Lea County, New Mexico, into a salt water disposal well. Water produced from the Hondo wells J. P. Dean #1 and Lea "396" St. #2 will be disposed into the Permo-Penn formation from 10,420'-11,588'. The maximum daily injection rate will be 4000 BWPD with a maximum pressure of 2000 psi.

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 of this notice.

E.L. Buttross, Jr.
Petroleum Engineer
Hondo Oil &
Gas Company
P.O. Box 2208
Roswell,
New Mexico 88202
(505) 625-6732

103001

PROVAL

8400-004 EB 4/11/91

Is your RETURN ADDRESS
completed on the reverse side?

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested. 1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge)	
3. Article Addressed to: Yates Petroleum Corporation 105 S. 4th Artesia, NM 88210	4. Article Number P 340 892 859 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature — Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent X	
7. Date of Delivery	

PS Form 3811, Apr. 1989

★ U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

Thank you for using
Return Receipt Service.

Thank you for using
Return Receipt Service.

Thank you for using
Return Receipt Service.

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested. 1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge)	
3. Article Addressed to: Elk Oil Company P. O. Box 310 Roswell, NM 88202	4. Article Number P 340 892 860 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature — Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent X	
7. Date of Delivery	

PS Form 3811, Apr. 1989

★ U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested. 1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge)	
3. Article Addressed to: Atlantic Richfield Company P. O. Box 1610 Midland, TX 79702	4. Article Number P 340 898 558 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature — Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent X	
7. Date of Delivery	

PS Form 3811, Apr. 1989

★ U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS
completed on the reverse side?

Is your RETURN ADDRESS
completed on the reverse side?

Is your RETURN ADDRESS completed on the reverse side?

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested. 1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge)	
3. Article Addressed to: Exxon, U.S.A. Box 1600 Midland, TX 79702	4. Article Number P 340 892 861 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature — Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent X	
7. Date of Delivery	

PS Form 3811, Apr. 1989

★ U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

Thank you for using
Return Receipt Service.

Thank you for using
Return Receipt Service.

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested. 1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge)	
3. Article Addressed to: Mobil P. O. Box 633 Midland, TX 79702	4. Article Number P 340 900 090 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature — Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent X	
7. Date of Delivery	

PS Form 3811, Apr. 1989

★ U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

Thank you for using
Return Receipt Service.

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested. 1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge)	
3. Article Addressed to: NMOCD P. O. Box 1980 Hobbs, NM 88240	4. Article Number P 340 900 039 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature — Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent X	
7. Date of Delivery	

PS Form 3811, Apr. 1989

★ U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS completed on the reverse side?

Is your RETURN ADDRESS completed on the reverse side?

Is your **RETURN ADDRESS**
completed on the reverse side?

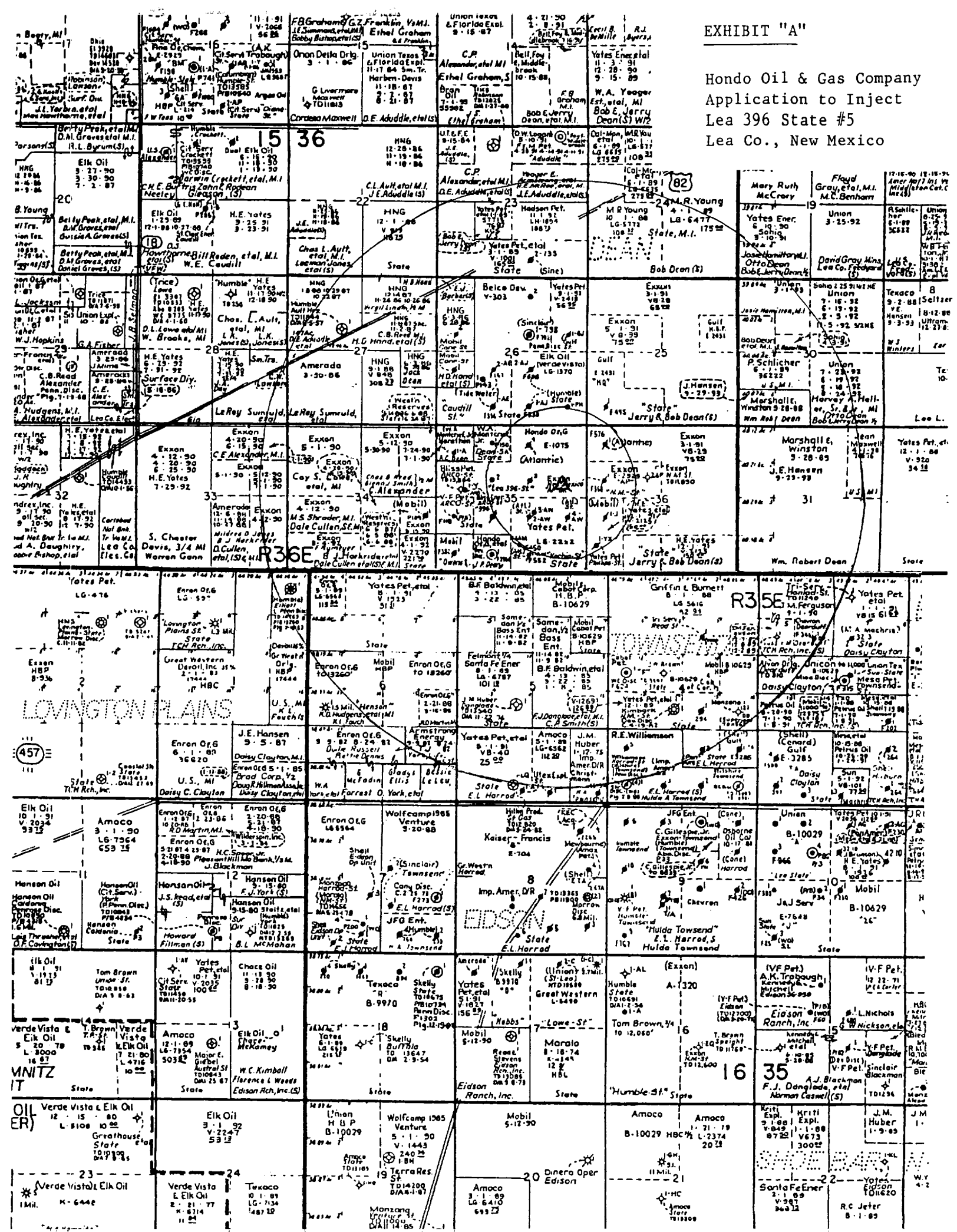
<p>SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.</p> <p>Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
3. Article Addressed to:	4. Article Number
State of New Mexico	P 340 900 038
Land Office	Type of Service:
P. O. Box 1148	<input type="checkbox"/> Registered <input type="checkbox"/> Insured
Santa Fe, NM 87504-1148	<input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD
	<input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature -- Addressee	8. Addressee's Address (ONLY if requested and fee paid)
X	
6. Signature -- Agent	
X	
7. Date of Delivery	

PS Form 3811, Apr. 1989

* U.S.G.P.O. 1989-236-815

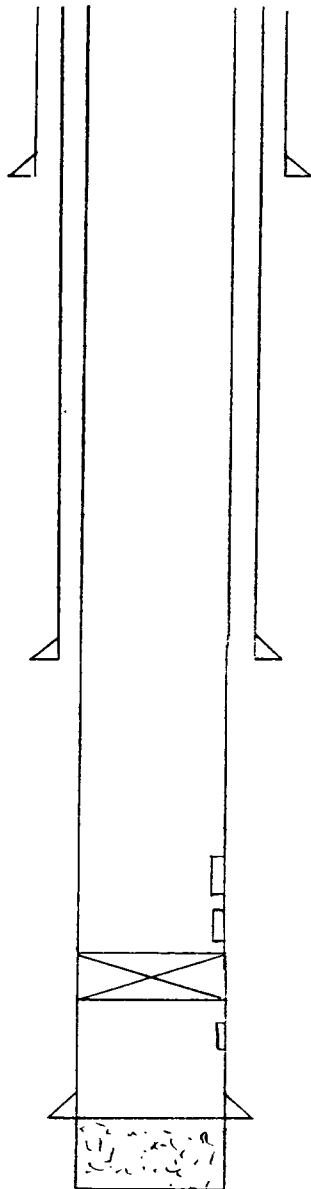
DOMESTIC RETURN RECEIPT

Hondo Oil & Gas Company
Application to Inject
Lea 396 State #5
Lea Co., New Mexico



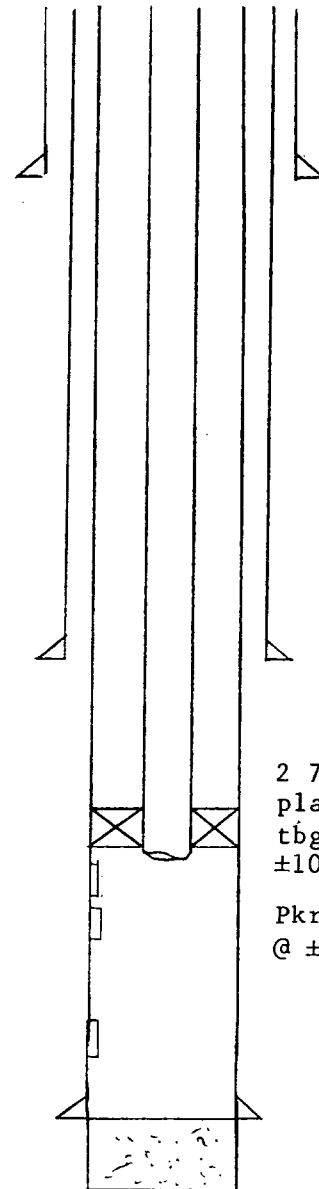
Hondo Oil & Gas Company
Application to Inject
Lea 396 State #5
Lea Co., New Mexico

PROPOSED



PBTD: 11,607'

TD: 11,650'

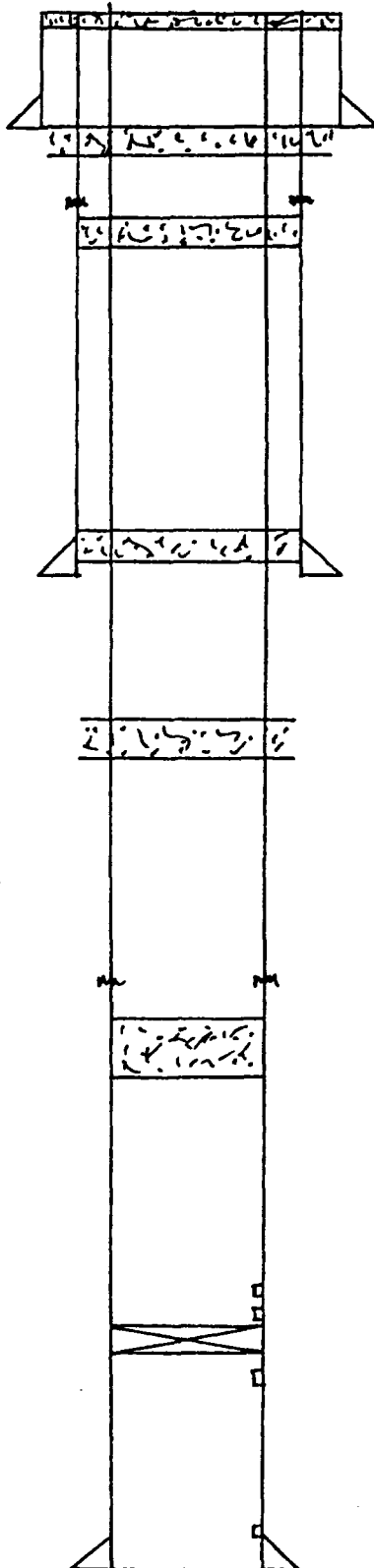


Pkr. set
@ $\pm 10,300'$

NEW MEXICO AP ST. 11

Perf. Penn 11,544-
11,568'
5 1/2" csg. set @ 11,660'

CITIES SERVICE OIL COMPANY
 STATE AW #3
 2080' FSL & 1880' FEL
 Section 35, T15S, R36E
 Lea County, New Mexico



10 sx. cmt. plug @ surf.

13 3/8" csg. set @ 368'

25 sx. cmt. plug @ 371'

shot off 8 5/8" csg. @ 588' and pulled
 25 sx. cmt. plug @ 618'

25 sx. cmt. plug @ 4860'

8 5/8" csg. set @ 4916'

25 sx. cmt. plug @ 6504'

shot off 5 1/2" csg. @ 8600' and pulled

50 sx. cmt. plug @ 8900'

Perf. 10,396-408'

Perf. 10,443-83'

BP set @ 10,494'

Perf. 10,641-75'

Perf. 11,505-25'

5 1/2" csg. set @ 11,584'

TD 11,585'

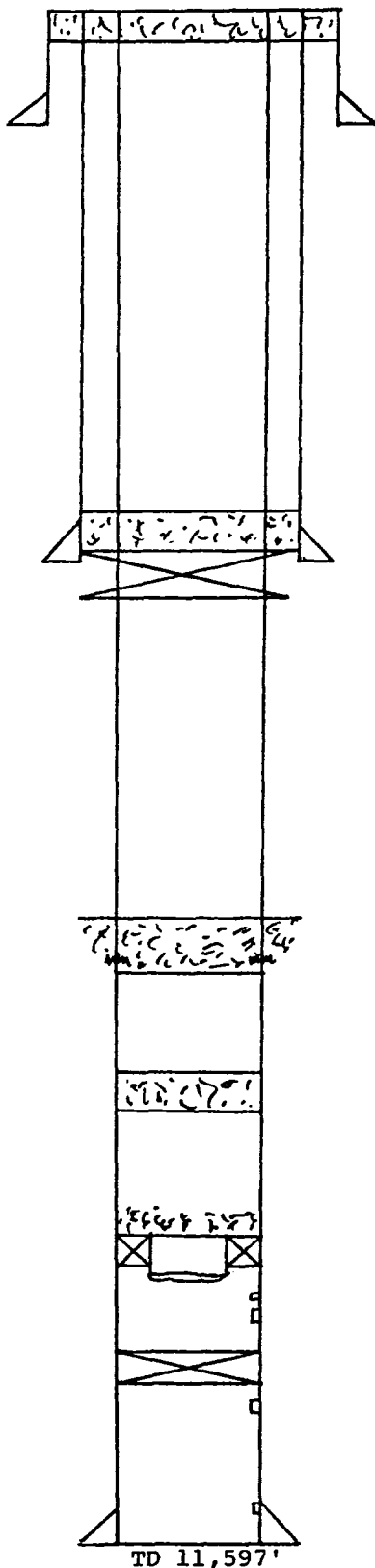
ATLANTIC RICHFIELD COMPANY

STATE AW #4

1980' FSL & 660' FEL

Section 35, T15S, R36E

Lea County, New Mexico



20 sx. cmt. plug set in top of 8 5/8" and
13 3/8" csg.

13 3/8" csg. set @ 367'

CIBP set @ 4904' w/35 sx. cmt. plug on top
(4904-4792')

8 5/8" csg. set @ 4924'

35 sx. cmt. plug from 8391-8548'
shot 5 1/2" csg. @ 8530' and pulled

15 sx. cmt. plug from 9400-9540'

pk. set @ 10,360' in 5 1/2" csg.
blanking plug set @ 10,358' w/30 sx. cmt. on top
of plug & pk. (cmt. 10,170-360')
Perf. 10,434-44' and 10,468-88'

CIBP set @ 10,650'

Perf. 10,685-94'

Perf. 11,518-37'
5 1/2" csg. set @ 11,597'

TD 11,597'

✓

13 3/8" csg. set @ 305'

100 sx. cmt. inside 9 5/8" csq. from 2400-2128'

CI retainer set @ 4870' w/300 sx. cmt. below
and 20' cmt. on top
9 5/8" csg. set @ 4985'

cut 5 1/2" csg. @ 5670' and pulled
80 sx. cmt. plug from 5570-6030'

50 sx. cmt. plug from 8500-8950'

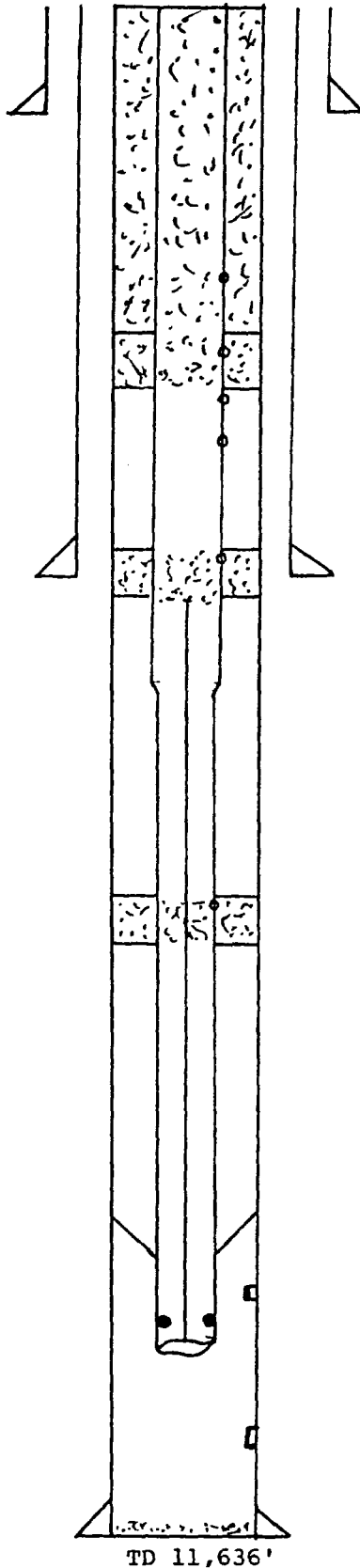
50 sx. cmt. plug from 9660-10,100'

50 sx. cmt. plug from 10,737-312'
Perf. 10,654-64' and 10,670-78'
sqz. perf. 10,654-78' w/100 sx. cmt. and drld.
out to BP @ 11,190'
Perf. 10,731-37'

Perf. 11,566-97'
5 1/2" csg. set @ 11,675'

PBTD 11,605'

MOBIL OIL CORPORATION
 NEW MEXICO J #1
 1980' FSL & 660' FWL
 Section 36, T15S, R36E
 Lea County, New Mexico



cut off 13 3/8", 9 5/8" and 7" csg. @ surf.

13 3/8" csg. set @ 440'

Perf. tbg. @ 3400'; cmt. down tbg. w/900 sx., circ.
 to surf., then sqz. 300 sx. into formation
 Perf. tbg. @ 3800'; cmt. down tbg. w/50 sx. w/1 bbl.
 in tbg.
 Perf. tbg. @ 4360' & 4150'

Perf. 2 1/2" tbg. @ 4900'; cmt. down tbg. w/50 sx.
 w/1 bbl. in tbg.
 9 5/8" csg. set @ 4971'
 top of rods approx. @ 5075'

2 1/2" tbg. to 5789'

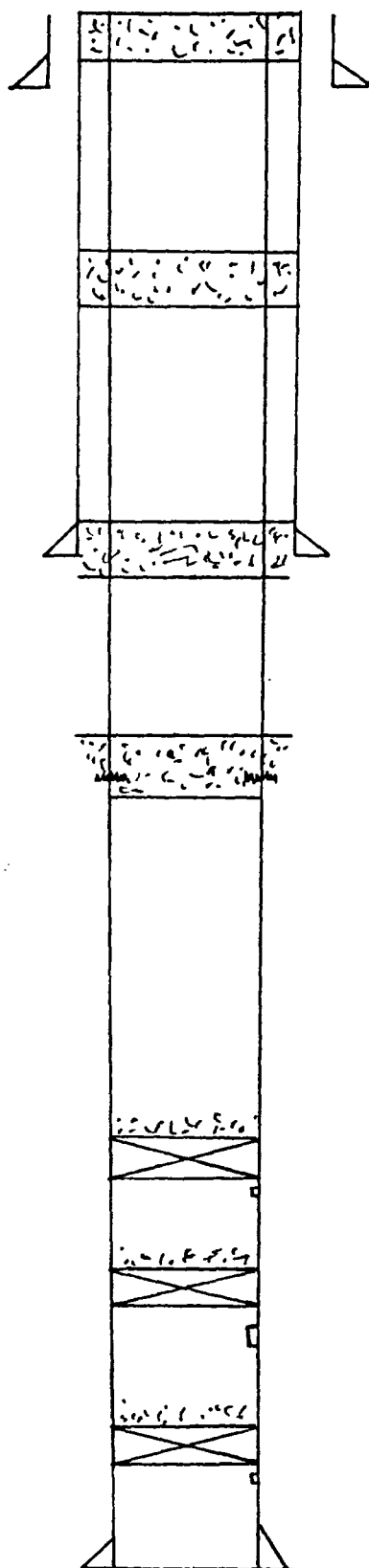
Perf. 2" tbg. @ 8000'; cmt. down tubing w/50 sx.
 w/1 bbl. cmt. in tbg.

tbg. anchor @ 10,662'
 SN @ 10,737'
 Perf. 10,688-730'
 2" tbg. from 5789-10,768'

Perf. 11,530-82'

7" csg. set @ 11,636'
 PBTD 11,623'

YATES PETROLEUM CORPORATION
PHILLIPS YX ST. #1
990' FSL & 330' FWL
Section 36, T15S, R36E
Lea County, New Mexico



50 sx. cmt. plug to surf.

13 3/8" csg. set @ 398'

35 sx. cmt. plug @ 2213'

8 5/8" csg. set @ 4906'

35 sx. cmt. plug @ 4953'

tag plug @ 4820'

35 sx. cmt. plug @ 6554'

tag plug @ 6410'

shot 5 1/2" csg. @ 6500' and pulled

CIBP set @ 10,645' w/35' cmt. on top

Perf. 10,695-700'

CIBP set @ 10,968' w/35' cmt. on top

Perf. 11,018-54'

35' cmt. on top of RBP

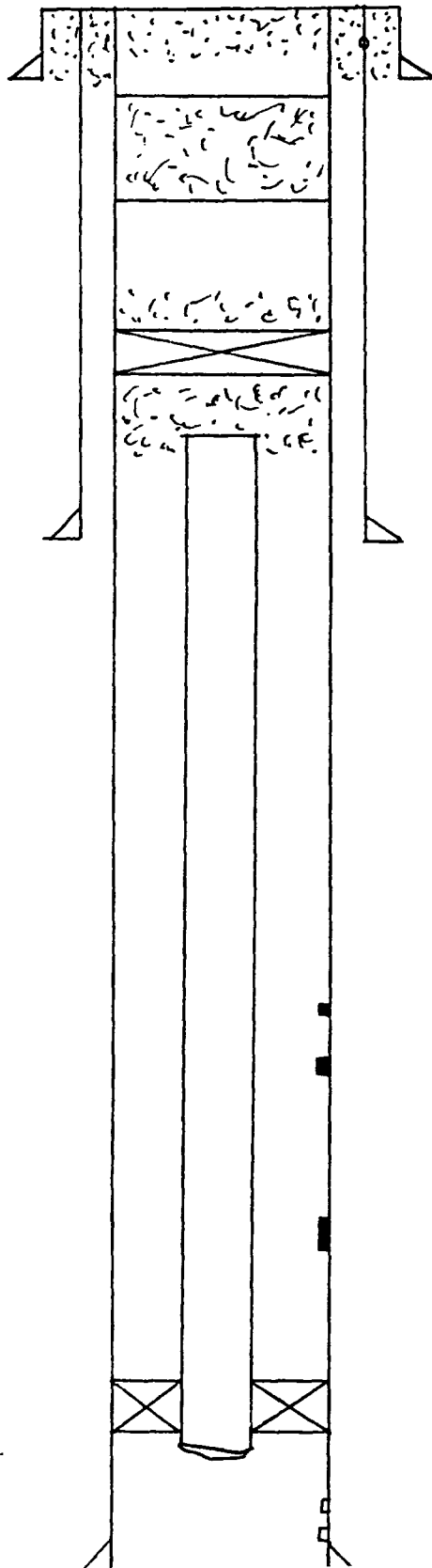
PBTD 11,448' w/RBP

Perf. 11,525-30'

5 1/2" csg. set @ 11,727'

TD 11,727'

ATLANTIC RICHFIELD COMPANY
LEA 396 ST. #3
1980' FNL & 1980' FEL
Section 35, T15S, R36E
Lea County, New Mexico



cmt. sqz. w/260 sx. thru swage in 7" csg.
and hole in 9 5/8" @ 194'
13 3/8" csg. set @ 319'

320 sx. cmt. plug from 2100-350'

cmt. retainer set @ 4320' w/100 sx. cmt. below
ret. and 100 sx. cmt. from 4320-3637'

rec. 2 3/8" tbg. to 4536'

9 5/8" csg. set @ 4939'

Perf. 10,396-404'

Perf. 10,656-69'

sqz. perfs. 10,396-11,578' w/471
sx. cmt.

Perf. 11,546-78'

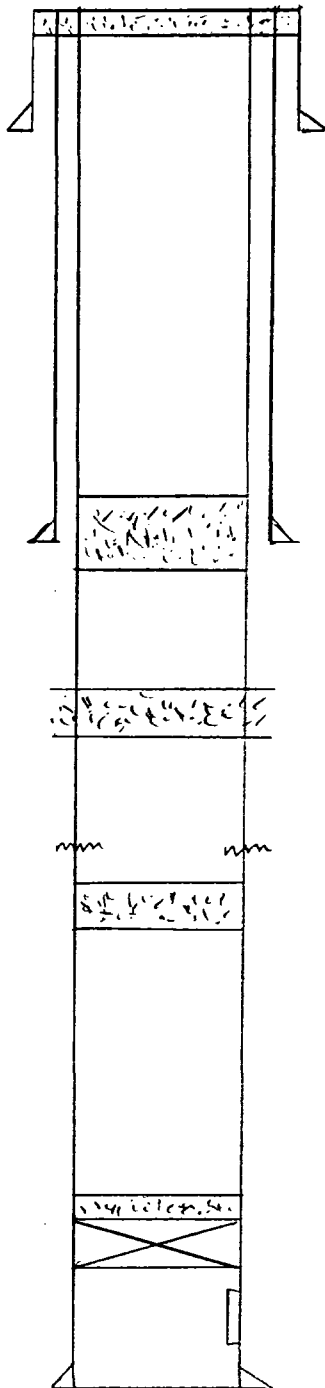
2 3/8" tbg. in pkr. set @ 13629'

Perf. 13,690-99'

Perf. 13,710-20'

7 1/2" csg. set @ 13,725'

YATES PETROLEUM
 STATE AW #2
 1980' FSL & 1980' FEL
 Section 35, T15S, R36E
 Lea County, New Mexico



15 sx. cmt. plug at surf.

13 3/8" csg. set at 368'
 with 350 sx. cmt.

8 5/8" csg. set at 4919' with
 3113 sx. cmt.

25 xs. cmt. plug @ 4946'

25 sx. cmt. plug at 6500'

shot off 5 1/2" csg @ 8900' and
 pulled 25 sx. cmt. plug @ 8988'

CIBP set at 10,116' with 2 sx. cmt on top

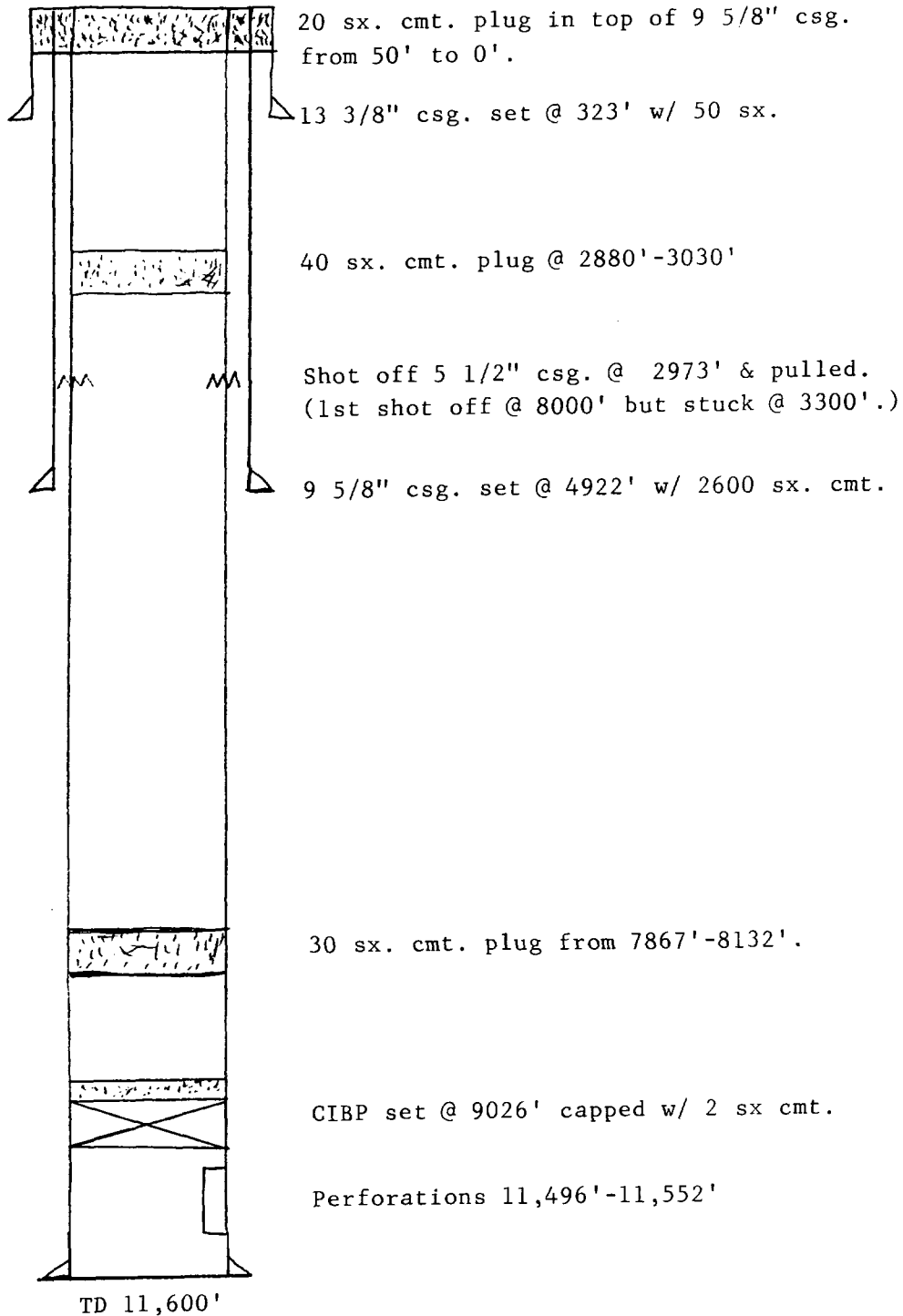
Perforations at 13,626-13,650'

5 1/2" csg. set at 13,657' with 550 sx. cmt.

TD 13,657'

ATLANTIC RICHFIELD COMPANY

LEA "396" STATE #4
660' FNL & 1980' FEL
Section 35, T15S, R36E
Lea County, New Mexico



Lib. ID No. : 060788D

Company : Hondo Oil & Gas Co.
Field :
Lease/Unit : J. P. Dean
Well ID. :
Sample Loc.:

Sampled By : Don Bamert
Sample Date:
Salesperson: Don Bamert
Formation :
Location : Hobbs, N. M.

CATIONS	MG/L	MEQ/L	ANIONS	MG/L	MEQ/L
Calcium as Ca++	2,006	100.3	Hydroxyl as OH-	0	0.0
Magnesium as Mg++	579	47.4	Carbonate as CO3=	0	0.0
Sodium as Na+ (Calc)	79,093	3,438.8	Bicarbonate as HCO3-	453	7.4
Barium as Ba++	Not Determined		Sulfate as SO4=	2,800	54.2
Other	0		Chloride as Cl-	124,972	3,525.0

Total Dissolved Solids, Calculated: 209,703 mg/L.

Calculated Resistivity:	0.010 ohm-meters	pH:	5.940
mg/L. Hydrogen Sulfide:	Present	Specific Gravity 60/60 F.:	1.134
mg/L. Carbon Dioxide:	Not Determined	Saturation Index @ 80 F.:	-0.321
mg/L. Dissolved Oxygen:	Not Determined	@ 140 F.:	+0.779

Total Hardness: 7,385 mg/L. as CaCO3
Total Iron: 8 mg/L. as Fe++

	COMPOUND	MG/L	MEQ/L	
	Ca(HCO3)2	601	7	
Calcium Sulfate Scaling Potential Not Present	CaSO4	3,687	54	
	CaCl2	2,149	39	
Estimated Temperature of Calcium Carbonate Instability is 95 F.	Mg(HCO3)2	0	0	
	MgSO4	0	0	
	MgCl2	2,260	47	
	NaHCO3	0	0	
	Na2SO4	0	0	
Analyst	01:29 PM	NaCl	201,034	3,439

WATER ANALYSIS REPORT

Lab ID No. : 060788E

Analysis Date: June 7, 1988

Company : Hondo Oil & Gas Co.
Field :
Lease/Unit : Lea
Well ID. : No. 396
Sample Loc.:

Sampled By : Don Bamert
Sample Date:
Salesperson: Don Bamert
Formation :
Location : Hobbs, N. M.

CATIONS	MG/L	MEQ/L	ANIONS	MG/L	MEQ/L
Calcium as Ca++	10,699	534.9	Hydroxyl as OH-	0	0.0
Magnesium as Mg++	1,563	128.1	Carbonate as CO3=	0	0.0
Sodium as Na+ (Calc)	56,410	2,452.6	Bicarbonate as HCO3-	134	2.2
Barium as Ba++	Not Determined		Sulfate as SO4=	550	11.5
Other	0		Chloride as Cl-	109,975	3,102.0

Total Dissolved Solids, Calculated: 179,331 mg/L.

Calculated Resistivity: 0.014 ohm-meters
mg/L. Hydrogen Sulfide: Not Present
mg/L. Carbon Dioxide: Not Determined
mg/L. Dissolved Oxygen: Not Determined

pH: 5.950
Specific Gravity 60/60 F.: 1.121
Saturation Index @ 80 F.: -0.201
@ 140 F.: +0.789

Total Hardness: 33,113 mg/L. as CaCO3
Total Iron: 40 mg/L. as Fe++

PROBABLE MINERAL COMPOSITION

	COMPOUND	MG/L	MEQ/L
	Ca(HCO3)2	178	2
Calcium Sulfate Scaling Potential Not Present	CaSO4	780	11
	CaCl2	28,932	521
Estimated Temperature of Calcium Carbonate Instability is 89 F.	Mg(HCO3)2	0	0
	MgSO4	0	0
	MgCl2	6,101	128
	NaHCO3	0	0
	Na2SO4	0	0
Analyst	NaCl	143,379	2,453
01:30 PM			

WATER ANALYSIS REPORT

Lab ID No. : 060788F

Analysis Date: June 7, 1988

Company : Hondo Oil & Gas Co.
Field :
Lease/Unit : Fresh Water
Well ID. : No. of Lea 398
Sample Loc.:

Sampled By : Don Bamert
Sample Date:
Salesperson: Don Bamert
Formation :
Location : Hobbs, N. M.

CATIONS	MG/L	MEQ/L	ANIONS	MG/L	MEQ/L
Calcium as Ca++	115	5.7	Hydroxyl as OH-	0	0.0
Magnesium as Mg++	29	2.4	Carbonate as CO3=	0	0.0
Sodium as Na+ (Calc)	49	2.1	Bicarbonate as HCO3-	177	2.9
Barium as Ba++	Below 10		Sulfate as SO4=	82	1.7
Other	0		Chloride as Cl-	200	5.6

Total Dissolved Solids, Calculated: 652 mg/L.

Calculated Resistivity: 2.703 ohm-meters
mg/L. Hydrogen Sulfide: Not Present
mg/L. Carbon Dioxide: Not Determined
mg/L. Dissolved Oxygen: Not Determined

pH: 7.670
Specific Gravity 60/60 F.: 1.000
Saturation Index @ 80 F.: +0.484
 @ 140 F.: +1.184

Total Hardness: 405 mg/L. as CaCO3
Total Iron: 0.8 mg/L. as Fe++

PROBABLE MINERAL COMPOSITION

	COMPOUND	MG/L	MEQ/L
	Ca(HCO3)2	235	3
Calcium Sulfate Scaling Potential	CaSO4	116	2
Not Present	CaCl2	62	1
Estimated Temperature of Calcium	Mg(HCO3)2	0	0
Carbonate Instability is	MgSO4	0	0
58 F.	MgCl2	113	2
	NaHCO3	0	0
	Na2SO4	0	0
Analyst	NaCl	126	2

01:32 PM

WATER ANALYSIS REPORT

Lab ID No. : 060788G

Analysis Date: June 7, 1988

Company : Hondo Oil & Gas Co.
Field :
Lease/Unit : Fresh Water
Well ID. : So. of Lea 396
Sample Loc.:

Sampled By : Don Bamert
Sample Date:
Salesperson: Don Bamert
Formation :
Location : Hobbs, N. M.

CATIONS	MG/L	MEQ/L	ANIONS	MG/L	MEQ/L
Calcium as Ca++	76	3.8	Hydroxyl as OH-	0	0.0
Magnesium as Mg++	23	1.9	Carbonate as CO3=	0	0.0
Sodium as Na+ (Calc)	55	2.4	Bicarbonate as HCO3-	161	2.6
Barium as Ba++	Below 10		Sulfate as SO4=	100	2.1
Other	0		Chloride as Cl-	120	3.4

Total Dissolved Solids, Calculated:

536 mg/L.

Calculated Resistivity: 2.588 ohm-meters
mg/L. Hydrogen Sulfide: Not Present
mg/L. Carbon Dioxide: Not Determined
mg/L. Dissolved Oxygen: Not Determined

pH: 8.310
Specific Gravity 60/60 F.: 1.003
Saturation Index @ 80 F.: +0.909
 @ 140 F.: +1.609

Total Hardness: 286 mg/L. as CaCO3
Total Iron: 0.6 mg/L. as Fe++

PROBABLE MINERAL COMPOSITION

	COMPOUND	MG/L	MEQ/L
	Ca(HCO3)2	214	3
Calcium Sulfate Scaling Potential Not Present	CaSO4	80	1
	CaCl2	0	0
Estimated Temperature of Calcium Carbonate Instability is 54 F.	Mg(HCO3)2	0	0
	MgSO4	55	1
	MgCl2	47	1
	NaHCO3	0	0
	Na2SO4	0	0
Analyst	NaCl	140	2

01:33 PM



BRUCE KING
GOVERNOR

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT ON DIVISION
REC'D

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

'91 APR 25 AM 10 25

April 15, 1991

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(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:

Wanda Oil & Gas Co. Lease 396 State # 6-14 25-15-26
Operator _____ Lease & Well No. _____ Unit _____ S-T-R _____

and my recommendations are as follows:

Yours very truly,

[Signature]
Jerry Sexton
Supervisor, District 1

/ed



JIM BACA
COMMISSIONER

State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

April 18, 1991

Sum 423

Mr. David Catanach
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
State Land Office
P. O. Box 2088
Santa Fe, New Mexico 87504

Re: Application for a Salt Water Easement

Dear Mr. Catanach:

Application is being made to Oil Conservation Division from Hondo Oil & Gas Company for approval of a Salt Water Disposal in Section 35, Township 15 South, Range 36 East located Lea County.

The Commissioner of Public Lands has no objection to your approval of the above application. However, the Commissioner reserves the right to refuse to grant a salt water easement when it would be detrimental to the Trust.

The applicant has a right under his valid oil and gas lease to dispose of the salt water subject to your approval. However, if he is going to inject salt water from other wells outside of the lease premises he will have to apply for a salt water disposal easement from the State Land Office.

If you have any questions, you may contact Leo Maes at 827-5725.

Sincerely,

Pleas M. Glenn
Assistant Commissioner

PMG/LM/d1

cc: Date File