

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986

OIL CONSERVATION DIVISION

DEC 10 1991 8 50



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

December 6, 1991

CERTIFIED RETURN RECEIPT

State of New Mexico
OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, NM 88240

Dear Sir,

Enclosed please find a copy of form C-108 (Application for Authority to Inject) on Yates' Union "AJS" Federal #1 located in Unit J of Section 8-21S-32E, Lea County, New Mexico.

Should you have any questions, please feel free to contact me at (505) 748-1471.

Sincerely,

Brian Collins
Petroleum Engineer

BC/th

Enclosure

APPLICATION FOR AUTHORIZATION TO INJECT

- I. Purpose: ☐ Secondary Recovery ☐ Pressure Maintenance ☒ Disposal ☐ Storage
Application qualifies for administrative approval? ☐ yes ☐ no
- II. Operator: Yates Petroleum Corporation
Address: 105 S. 4th Street
Contact party: Brian Collins Phone: (505) 748-1471
- 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: Brian Collins Title: Petroleum Engineer
Signature: Brian Collins Date: November 27, 1991
- * 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.

C-108
Application For Authorization To Inject
Yates Petroleum Corporation
Union "AJS" Federal #1
J 8-21S-32E
Lea County, New Mexico

- I. The purpose of completing this well is to make a disposal well for produced Delaware Sand water into the Delaware Sand formation.

Yates Petroleum plans to convert this well to a water disposal well into the Delaware Sand.

- II. Operator: Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210
Brian Collins (505) 748-1471

- III. Well Data: See Attachment A

- IV. This is not an expansion of an existing project.

- V. See attached map, Attachment B

- VI. No wells within the area of review penetrate the proposed injection zone.

- VII. 1. Proposed average daily injection volume approximately 1000 BWPD.
Maximum daily injection volume approximately 5,000 BWPD.
2. This will be a closed system.
3. Proposed average injection pressure-unknown
Proposed maximum injection pressure--965 psi.
4. Sources of injected water would be produced water from the Delaware Sand. (See Attachment C)
5. See Attachment C.

- VIII. 1. The proposed injection interval is the portion of the Delaware Sand formation consisting of porous Sandstone from estimated depths:
- | |
|-------------|
| 4826'-4838' |
| 4987'-4990' |
| 4996'-5002' |
| 5017'-5028' |
| 5128'-5133' |
| 5144'-5157' |
| 5180'-5190' |
| 5308'-5326' |
| 5398'-5422' |

Application for Authorization to Inject
Union "AJS" Federal #1

-2-

5484'-5504'
5532'-5564'
5596'-5616'
5693'-5733'
5794'-5808'
5814'-5828'
5850'-5914'
5958'-5978'

2. Possible Fresh water zones overlies the proposed injection formations at depths to approximately 1170' feet. There are no fresh water zones underlying the formation
- IX. The proposed disposal interval will be acidized with 7-1/2% HCL acid and/or fraced with crosslinked gelled water and 20/40 Sand.
- X. Logs were filed at your office when the well was drilled.
- XI. No windmills exist within a one mile radius of the subject location.
- XII. Yates Petroleum Corporation has examined geologic and engineering data and has found that there is no evidence of faulting in the proposed interval.
- XIII. Proof of Notice
- A. Certified letters sent to the surface owner and offset operators-attached. (Attachment D)
- B. Copy of legal advertisement attached. (Attachment E)
- XIV. Certification is signed.

Yates Petroleum Corporation
Union "AJS" Federal #1
J 8-T21S-R32E

Attachment A
Page 1

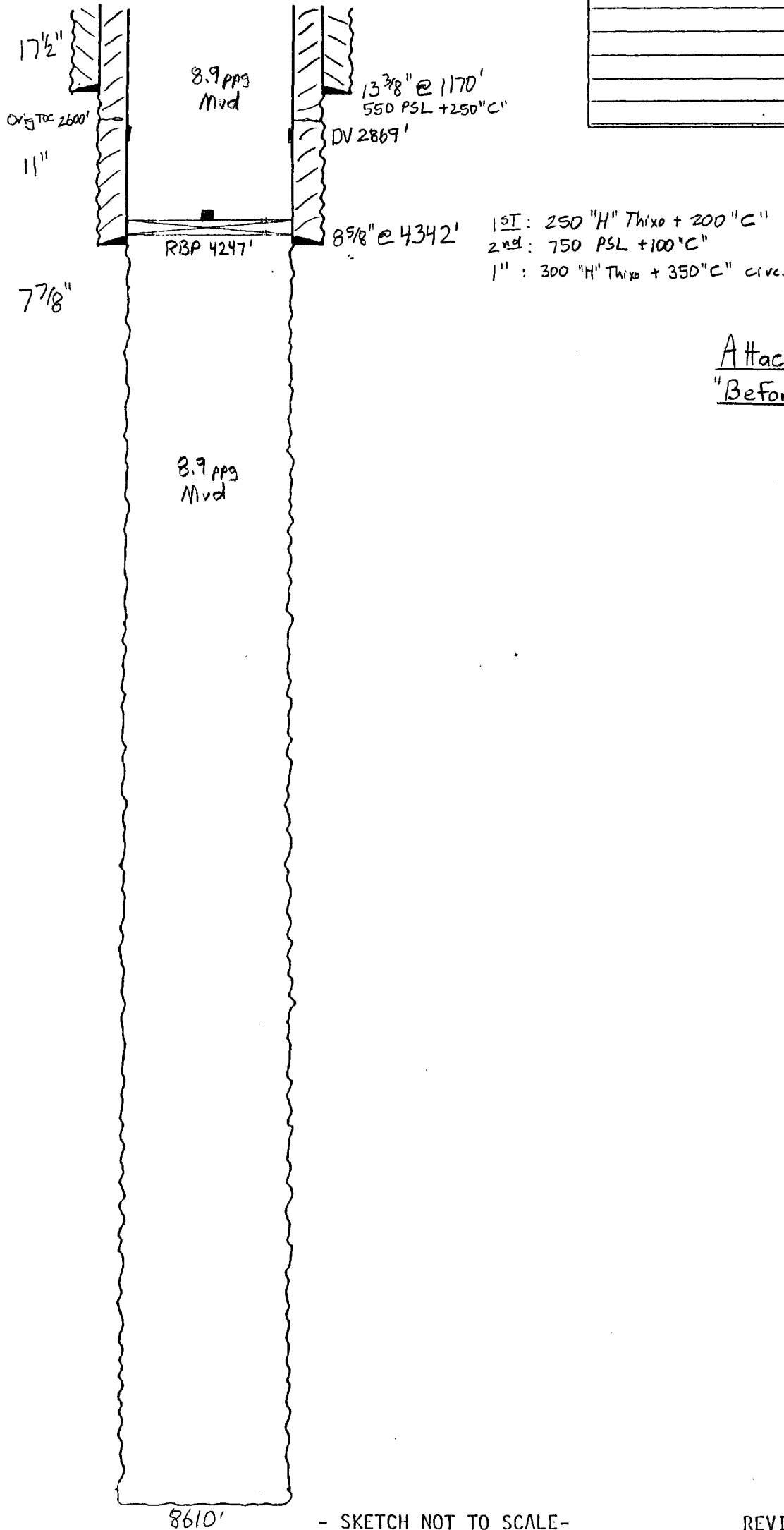
III. Well Data

- A. 1. Lease Name/Location:
Union "AJS" Federal #1
J 8-T21S-R32E
1980' FSL & 1980' FEL
2. Casing Strings:
a. Present Well Condition
13 3/8", 54.5#, J55 @ 1170' w/800 sx
8 5/8", 32#, J55, HC 80 @ 4342' w/1950 sx
RBP @ 4247'
TD @ 8610'
- Present Status: Temporary cessation of
drilling operations
3. Proposed well condition:
100' cement plug 8530'-8430'
100' cement plug 6300'-6200'
Casing same as above except 5 1/2", 15.5#, J55
@ 6200' with sufficient cement to bring TOC to
4200'.
3 1/2" 9.3 J55 or 2 7/8" 6.5 J55 plastic-
coated injection tubing @ 4750'.
4. Propose to use Guiberson or Baker plastic-
coated or nickel-plated packer set at 4750'.
- B. 1. Injection Formation: Delaware Sand
2. Injection Interval will be through perfora-
tions from approximately 4826'-5978'.
3. Well was originally drilled as an exploratory
Delaware Sand oil well. Well will be Delaware
Sand water disposal well (4826'-5978') when
work is completed.
4. Perforations: None
5. Next higher (shallower) oil or gas zone within
2 miles--None
Next lower (deeper) oil or gas zone within 2
miles--Delaware Sand

WELL NAME: Union AJS Fed. 1 FIELD AREA: Livingston Ridge
LOCATION: 1980' FSL, 1980' FEL 8-215-32c Lea, NM
GL: 3685' ZERO: 19' AGL:
KB: 3704' ORIG. DRLG./COMPL. DATE:
COMMENTS:

CASING PROGRAM:

| SIZE/WT./GR./CONN. | DEPTH SET |
|--------------------|-----------|
| 13 3/8" 54.5 J55 | 1170' |
| 8 5/8" 32 J55, HCB | 4342' |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
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| | |

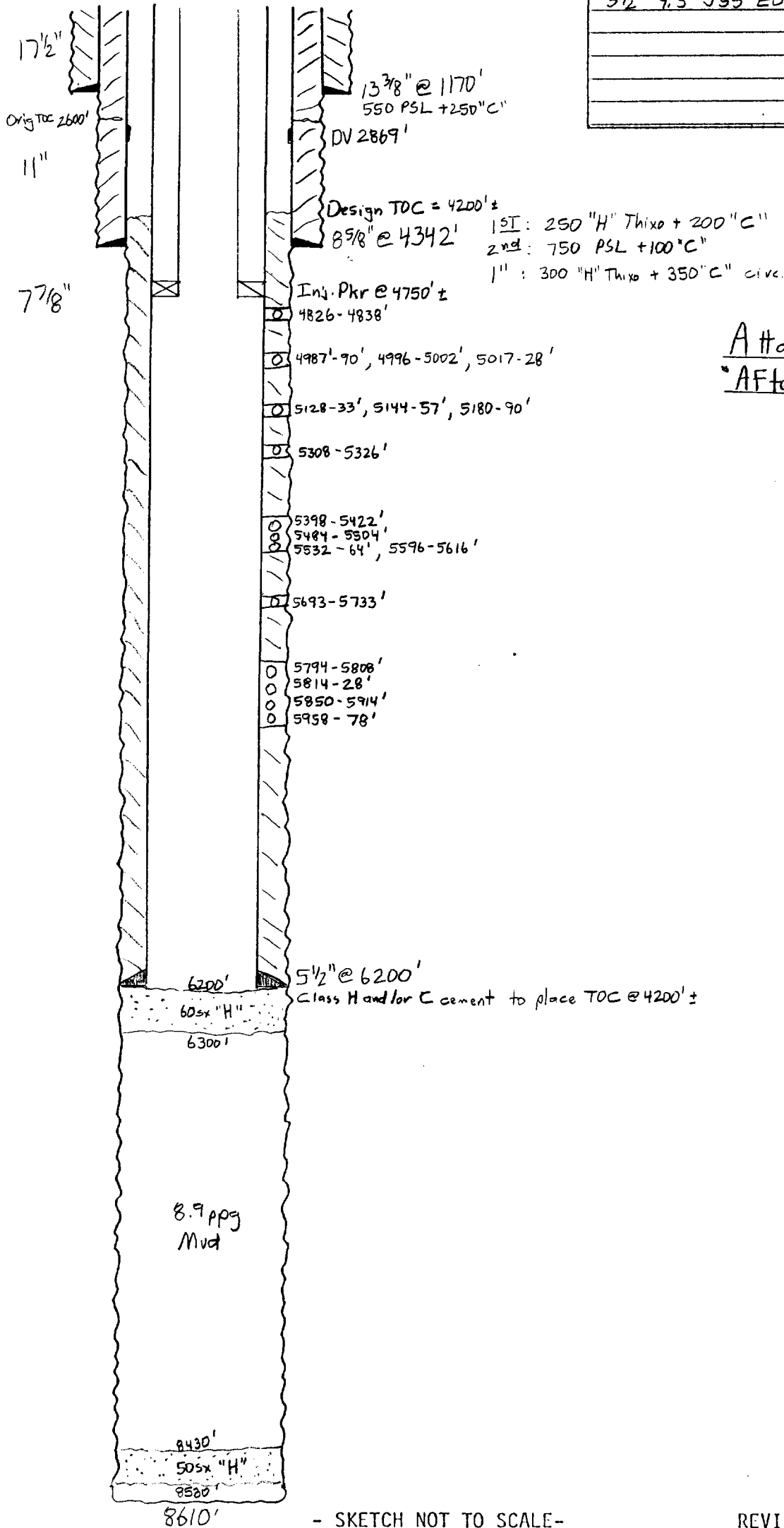


Attachment A
"Before" Wellbore Schematic

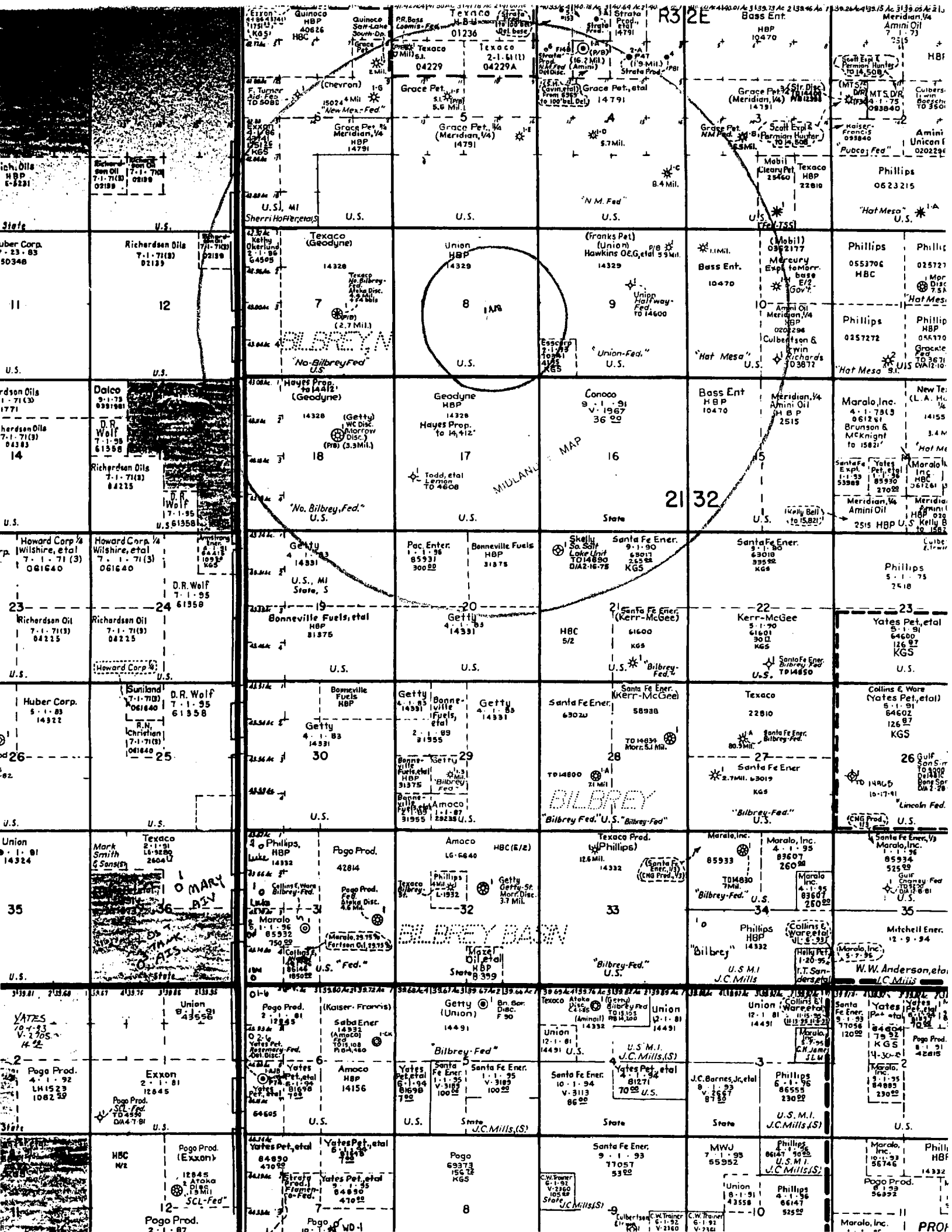
WELL NAME: Union AJS Fed. 1 FIELD AREA: Livingston Ridge
LOCATION: 1980' FSL, 1980' FEL 8-219-32c Lea, NM
GL: 3685' ZERO: 19' AGL:
KB: 3704' ORIG. DRLG./COMPL. DATE:
COMMENTS:

CASING PROGRAM:

| SIZE/WT./GR./CONN. | DEPTH SET |
|-----------------------------------|-----------|
| 13 3/8" 54.9 J55 | 1170' |
| 8 5/8" 32 J55, HCB | 4342' |
| 5 1/2" 15.5 J55 LTC | 6200' |
| 3 1/2" 9.3 J55 EUE Plastic Coated | 4750' |
| | |
| | |
| | |
| | |
| | |
| | |



Attachment A
"After" Wellbore Schematic



YATES PETROLEUM CORPORATION
UNION "AJS" FEDERAL #1
PROPOSED SALT WATER DISPOSAL
SEC. 8-21S-32E
1980'FSL & 1980'FEL
LEA COUNTY, NEW MEXICO
ATTACHMENT B

ATTACHMENT C
WATER ANALYSIS REPORT

Company : YATES PET.
Address : ARTESIA
Lease : MEDANO ~~BA~~ V A
Well : 1
Sample Pt. : WELLHEAD

Date : 10-22-90
Date Sampled : 10-19-90
Analysis No. : 1

| ANALYSIS | | mg/L | | * meq/L |
|---------------------------------------|-------|----------|------|---------|
| ----- | | ---- | | ----- |
| 1. pH | 7.1 | | | |
| 2. H2S | POS | | | |
| 3. Specific Gravity | 1.085 | | | |
| 4. Total Dissolved Solids | | 115832.4 | | |
| 5. Suspended Solids | | NR | | |
| 6. Dissolved Oxygen | | NR | | |
| 7. Dissolved CO2 | | NR | | |
| 8. Oil In Water | | NR | | |
| 9. Phenolphthalein Alkalinity (CaCO3) | | | | |
| 10. Methyl Orange Alkalinity (CaCO3) | | | | |
| 11. Bicarbonate | HCO3 | 207.0 | HCO3 | 3.4 |
| 12. Chloride | Cl | 68799.0 | Cl | 1940.7 |
| 13. Sulfate | SO4 | 1750.0 | SO4 | 36.4 |
| 14. Calcium | Ca | 1480.0 | Ca | 73.9 |
| 15. Magnesium | Mg | 268.2 | Mg | 22.1 |
| 16. Sodium (calculated) | Na | 43328.2 | Na | 1884.7 |
| 17. Iron | Fe | 0.0 | | |
| 18. Barium | Ba | 0.0 | | |
| 19. Strontium | Sr | 0.0 | | |
| 20. Total Hardness (CaCO3) | | 4800.0 | | |

PROBABLE MINERAL COMPOSITION

| *milli equivalents per Liter | | Compound | Equiv wt X meq/L | = | mg/L |
|------------------------------------|------------|-----------|------------------|--------|--------|
| +-----+ | +-----+ | | | | |
| 74 *Ca <----- | 3 *HCO3 | Ca(HCO3)2 | 81.0 | 3.4 | 275 |
| ----- /-----> | ----- | CaSO4 | 68.1 | 36.4 | 2480 |
| 22 *Mg -----> | 36 *SO4 | CaCl2 | 55.5 | 34.0 | 1888 |
| ----- <-----/ | ----- | Mg(HCO3)2 | 73.2 | | |
| 1885 *Na -----> | 1941 *Cl | MgSO4 | 60.2 | | |
| +-----+ | +-----+ | MgCl2 | 47.6 | 22.1 | 1050 |
| Saturation Values Dist. Water 20 C | | NaHCO3 | 84.0 | | |
| CaCO3 | 13 mg/L | Na2SO4 | 71.0 | | |
| CaSO4 * 2H2O | 2090 mg/L | NaCl | 58.4 | 1884.7 | 110139 |
| BaSO4 | 2.4 mg/L | | | | |

REMARKS:

Petrolite Oilfield Chemicals Group

Respectfully submitted,
L MALLETT

LOCATION

YOUR EXT. NO.

THE WESTERN COMPANY

WATER ANALYSIS

ANALYSIS NO.

GENERAL INFORMATION

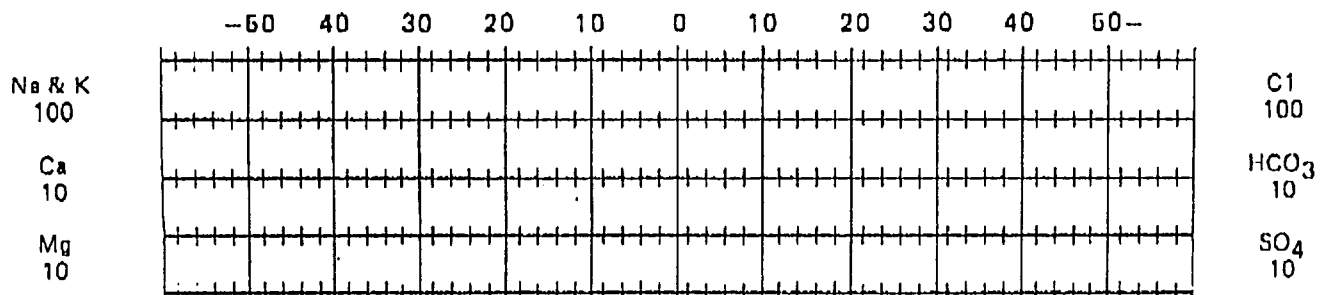
| | |
|----------------------------|-----------------------------|
| OPERATOR <i>Yates</i> | DATE SAMPLED <i>2-1-91</i> |
| WELL <i>MARTHA-ARK 141</i> | DATE RECEIVED <i>2-1-91</i> |
| FIELD | SUBMITTED BY <i>Crew</i> |
| FORMATION <i>Delaware</i> | WORKED BY <i>Shupland</i> |
| COUNTY <i>LEA CO.</i> | SAMPLE DESCRIPTION: |
| STATE <i>N.M.</i> | |
| DEPTH <i>7900</i> | |

PHYSICAL AND CHEMICAL DETERMINATIONS

| | | |
|---|---------------------------------|-----|
| SPECIFIC GRAVITY <i>1.155</i> AT <i>71 °F</i> | TOTAL DISSOLVED SOLIDS | PPM |
| pH <i>5.7</i> | RESISTIVITY <i>.047 @ 68</i> | PPM |
| IRON <i>250 ppm Fe²⁺</i> | SULFATE <i>350</i>) <i>303</i> | PPM |
| HYDROGEN SULFIDE | BICARBONATE <i>3063</i> | PPM |
| HARDNESS | CHLORIDE <i>1212/2</i> | PPM |
| CALCIUM <i>20432</i> | SODIUM CHLORIDE | PPM |
| MAGNESIUM <i>3366</i> PPM | SODIUM | PPM |
| SODIUM & POTASSIUM <i>50096</i> PPM | POTASSIUM | PPM |
| PHOSPHATE | | |

REMARKS: *20 % oil in sample water is cloudy*

for Stiff type plot (in meq./l.)



TO Yates Pet

ATTACHMENT C

No. 1-27-91

Date 1-27-91

This report is the property of Halliburton Services and neither it nor any part thereof nor any thereof is to be published or disclosed without first obtaining the express written approval of Halliburton Services. It may however, be used in the course of regular business operations by any person or persons and employees thereof receiving such report from Halliburton Services.

Submitted by _____ Date Rec. 1-25-91

Well No. _____ Depth _____ Formation _____

Field _____ County _____ Source _____

| | | |
|---------------------|-----------------------|-----------------------|
| | <u>Martha Hill #1</u> | <u>Medano VAST #1</u> |
| Resistivity | <u>0.050 @ 70</u> | <u>0.051 @ 70</u> |
| Specific Gravity .. | <u>1.2064 @ 70</u> | <u>1.1970 @ 70</u> |
| pH | <u>6.5</u> | <u>6.5</u> |
| Calcium | <u>21680</u> | <u>11672</u> |
| Magnesium | <u>10063</u> | <u>6063</u> |
| Chlorides | <u>190000</u> | <u>181000</u> |
| Sulfates | <u>200</u> | <u>400</u> |
| Bicarbonates | <u>152</u> | <u>275</u> |
| Soluble Iron | <u>100</u> | <u>75</u> |
| ----- | ----- | ----- |
| ----- | ----- | ----- |
| ----- | ----- | ----- |

Remarks:

Evan Jacobson
Respectfully Submitted

Analyst: Evan Jacobson

HALLIBURTON SERVICES

NOTICE:

This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable.

ATTACHMENT D

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

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SECRETARY
DENNIS G. KINSEY
TREASURER

December 6, 1991

CERTIFIED RETURN RECEIPT

State of New Mexico
OIL CONSERVATION DIVISION
P. O. Drawer 1980
Hobbs, NM 88240

Dear Sir,

Enclosed please find a copy of form C-108 (Application for Authority to Inject) on Yates' Union "AJS" Federal #1 located in Unit J of Section 8-21S-32E, Lea County, New Mexico.

Should you have any questions, please feel free to contact me at (505) 748-1471.

Sincerely,

Brian Collins
Petroleum Engineer

BC/th

Enclosure

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December 6, 1991

CERTIFIED RETURN RECEIPT

Bureau of Land Management
P. O. Box 1778
Carlsbad, NM 88220

Dear Sir,

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CERTIFIED RETURN RECEIPT

Hawkins Oil & Gas
400 S. Boston
Suite 800
Tulsa, OK 74103

Dear Sir,

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Union Oil of California
P. O. Box 3100
Midland, TX 79701

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Collins & Ware
303 W. Wall Ave.
Suite 2200
Midland, TX 79701

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Vernon D. Netzley
52 Carmel Ave.
Salinas, CA 93901

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December 6, 1991

Hobbs News Sun
201 N. Thorp
Hobbs, NM 88240

Gentlemen,

Yates Petroleum Corporation desires to place a public notice in your newspaper for one day. The notice is enclosed.

Please place this notice in your paper on Thursday, December 12, 1991 and forward a copy of it along with your billing as soon as possible to:

Yates Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210
Attn: Brian Collins

If you have any questions, please contact me at 748-1471, Ext. 182. Thank you for your cooperation in this matter.

Sincerely,

Brian Collins
Petroleum Engineer

BC/th

Enclosure

Attachment E

Legal Notice

Yates Petroleum Corporation, 105 South Fourth Street, Artesia, NM 88210, has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for an injection well. The proposed well, the "Union "AJS" Federal #1" located 1980' FSL & 1980' FEL of Section 8, Township 21 South, Range 32 East of Lea County, New Mexico, will be used for saltwater disposal. Disposal waters from the Delaware Sand will be re-injected into the Delaware Sand at a depth of 4826'-5978' with a maximum pressure of 965 psi and a maximum rate of 5,000 BWPD.

All interested parties opposing the aforementioned must file objections or requests for a hearing with the Oil Conservation Division, P. O. Box 2088, Santa Fe, NM 87501, within 15 days. Additional information can be obtained by contacting Brian Collins at (505) 748-1471.

SWD-458



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

'91 DE 17 AM 9 20

12-12-91

BRUCE KING
GOVERNOR

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 | <u>X</u> _____ |
| WFX | _____ |
| PMX | _____ |

Gentlemen:

I have examined the application for the:

Yates Petroleum Corp. Union AQS Federal #1-J 8-21-32
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

BT

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed