



Melvin Neal (1907-1968)
J. W. Neal

NEAL & NEAL, P.C.
Attorneys at Law

Neal Building, P.O. Box 278
Hobbs, New Mexico 88241-0278
Telephone 505-397-3614
Fax 505-393-7405

January 31, 1992

Mr. Saeed Afghahi, President
Avra Oil Company
Post Office Box 3193
Midland, Texas 79702

FAX 915-683-1715

Dear Saeed:

I suggest the following to be included in order of the Commission:

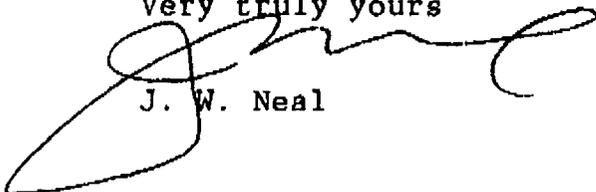
1. Well not to be used as commercial disposal;
2. Not to exceed 750 barrels per day injection, file injection reports monthly with Commission;
3. Completion:
 - (a) Cement bond log from PBTD to top of cement, furnish me log to determine cement integrity in order that fresh water is protected above the salt zone.
 - (b) Tracer survey after perforation and acidizing of injection interval.

I anticipate that well will not go on vacuum which will require pressure injection. I would want:

1. Installation of pressure gauge on annulus and reported monthly by pumper to OCD, Avra and me;
2. 5 1/2" annulus pressure test semi-annually. Test pressure to at least 300 psi. No pressure loss in excess of 10% for 30 minute periods; if loss in excess, remedial work will be commenced immediately or well will be shut in.

Report all tests to Oil Conservation Commission.

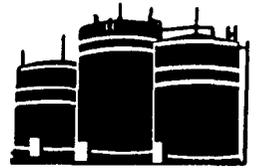
Very truly yours


J. W. Neal

JWN/b

AVRA OIL COMPANY

OIL CONSERVATION DIVISION
RECEIVED



February 3, 1992

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Ref: Application for Water Disposal Well
Forrest A, Well No. 1
Sec. 11, R18S, R38E
Lea County, New Mexico

Dear Mr. Catanach,

Enclosed please find a copy of a letter from Mr. J.W. Neal, Attorney for the offset surface owner, outlining their requirements for monitoring the disposal well. Avra Oil Company is willing to comply with their request.

Please, include Mr. J.W. Neal's letter as an Exhibit attached to your Disposal Approval Order.

Should you require or desire any additional information, please advise.

Sincerely yours,


Saeed Afghani

SA/sl



OIL CONSERVATION DIVISION
RECEIVED

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Hobbs, New Mexico 88241-0278
Telephone 505-397-3614
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C. Melvin Neal (19074968)
J. W. Neal

'92 APR 1 AM 8 46

March 30, 1992

Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Application for Water Disposal Well,
Forrest A Well # 1, Section 11, 18S, 38E

Gentlemen:

Mr. Saeed Afghahi has been working with me in connection with the water disposal well known as the Forrest A. By my letter of January 31, 1992, I had consented to an order with certain stipulations. Mr. Afghahi agreed to the stipulations and the work is being performed. It was my understanding the Commission would enter an order setting forth that this well was not to be used as a commercial disposal and would not exceed 750 barrels per day injection, such report to be filed monthly. Mr. Afghahi has furnished me the cement log which appears to be satisfactory.

I would appreciate receiving a copy of the Commission's order authorizing the well with the restrictions, except I have no objection to deleting the requirement for a tracer survey as outlined in the letter.

Very truly yours

J. W. Neal

JWN/b
Encl.

cc: Oil Conservation Division, Hobbs
cc: Mr. Saeed Afghahi
cc: Mr. A. H. Hughes
cc: Tony Knott, Trustee



C. Melvin Neal (1907-1968)
J. W. Neal

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Attorneys at Law

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January 31, 1992

Mr. Saeed Afghahi, President
Avra Oil Company
Post Office Box 3193
Midland, Texas 79702

FAX 915-683-1715

Dear Saeed:

I suggest the following to be included in order of the Commission:

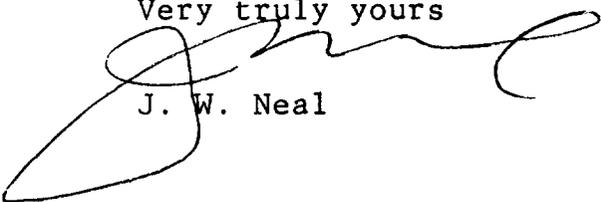
1. Well not to be used as commercial disposal;
2. Not to exceed 750 barrels per day injection, file injection reports monthly with Commission;
3. Completion:
 - (a) Cement bond log from PBTB to top of cement, furnish me log to determine cement integrity in order that fresh water is protected above the salt zone.
 - (b) Tracer survey after perforation and acidizing of injection interval.

I anticipate that well will not go on vacuum which will require pressure injection. I would want:

1. Installation of pressure gauge on annulus and reported monthly by pumper to OCD, Avra and me;
2. 5 1/2" annulus pressure test semi-annually. Test pressure to at least 300 psi. No pressure loss in excess of 10% for 30 minute periods; if loss in excess, remedial work will be commenced immediately or well will be shut in.

Report all tests to Oil Conservation Commission.

Very truly yours


J. W. Neal

JWN/b

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800



BRUCE KING
GOVERNOR

April 13, 1992

Avra Oil Company
P.O. Box 3193
Midland, Texas 79702

Attention: Mr. Saeed Afghahi

Re: Revision of Division Order No. SWD-459

Dear Mr. Afghahi:

The Division has received a letter from Neal & Neal, P.C. whereby they have withdrawn their stipulation that an injection tracer survey be run on the Forrest "A" Well No. 1 located in Unit A of Section 11, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico, subsequent to perforating and acidizing the proposed injection interval.

The stipulation that an injection tracer survey be run on the subject well is hereby deleted from Division Order No. SWD-459. All other provisions contained therein shall remain in full force and effect.

Sincerely,

A handwritten signature in cursive script that reads "David Catanach".

David Catanach
Engineer

xc: OCD-Hobbs
File-SWD-459