



PRONGHORN SWD SYSTEM

P.O. Box 1979

3325 Enterprise Drive
Hobbs, New Mexico 88241

(505) 392-8292 Fax: (505) 392-7886
August 1, 1994

Mr. William J. Lemay
New Mexico Oil Conservation Division
P.O. Box 2088
State Land Office Bldg.
Santa Fe, NM 87504

Re: Administrative Order No. SWD-536

Dear Mr. Lemay:

Pronghorn SWD System is requesting that the above referenced order be extended for one year to a new expiration date of October 25, 1995. This order authorizes the drilling and completion of the Pronghorn Federal SWD Well No. 1 at a location in Unit B of Section 24, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico.

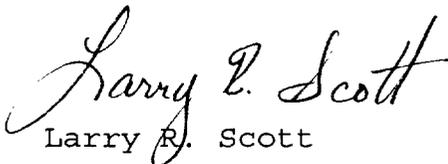
The well is intended to serve Pronghorn's existing salt water gathering system and pipeline located in western Lea County. Currently, all of the water accepted for disposal is being transported to Mewbourne Oil Company for beneficial use in their Querecho Plains Bone Springs Unit waterflood. Mewbourne is at this time willing to take all of our available water and thus there is no immediate need to drill the disposal well. This situation will change, however, as the reservoir approaches fillup, and projections are that our well will need to be developed in the next six to nine months.

Other than the timing, there have been no material changes in the information presented in our original application.

Your timely and favorable consideration of this request would be greatly appreciated. Please do not hesitate to call or write if you have any questions.

Sincerely,

PRONGHORN SWD SYSTEM


Larry R. Scott

cc: Mr. Jerry Sexton
Hobbs District Office



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

August 25, 1994

Pronghorn SWD System
P.O. Box 1979
Hobbs, New Mexico 88241

Attn: Mr. Larry Scott

*Re: Request for Extension of
Implementation Period for
Division Order SWD-536*

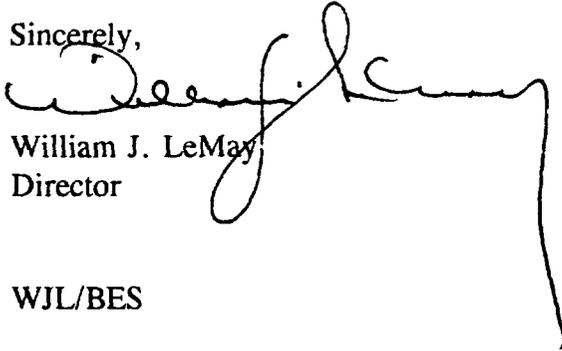
Dear Mr. Scott,

My staff has reviewed your request to extend the implementation period on the above referenced Division Order. Providing that all conditions contained in the order remain the same and there are no wells drilled in the area of review, the expiration date of the SWD-536 is hereby extended to October 25, 1995.

In the event any drilling activity occurs in the subject area of review, Pronghorn SWD System will notify the Supervisor of the Hobbs District office and the Division office. An administrative review of the permit will be conducted, and the status of the permit will be determined.

All other provisions and conditions of SWD-536 and Division Rules 706 and 1120 shall remain in full force and effect.

Sincerely,


William J. LeMay
Director

WJL/BES

cc: Oil Conservation Division - Hobbs
SWD-536