

SMD. 579

CHECKLIST for ADMINISTRATIVE INJECTION APPLICATIONS

Operator: MERIT ENERGY COMPANY Well: GOVERNMENT 'D' Well No. 1

Contact: SHERIL J. CARRON Title: REGULATORY MGR. Phone: 214-701-8377

DATE IN 11.28.94 RELEASE DATE 12.12.94 DATE OUT 1.6.95

Proposed Injection Application is for: WATERFLOOD Expansion Initial

Original Order: R- Secondary Recovery Pressure Maintenance

SENSITIVE AREAS SALT WATER DISPOSAL
 WIPP Capitan Reef Commercial Operation

Data is complete for proposed well(s)? YES Additional Data _____

AREA of REVIEW WELLS

11 Total # of AOR 0 # of Plugged Wells
YES Tabulation Complete N/A Schematics of P & A's
YES Cement Tops Adequate N/A AOR Repair Required

INJECTION INFORMATION

Injection Formation(s) CHERRY CANYON

Source of Water AREA PRODUCED WATER Compatible YES

PROOF OF NOTICE

Copy of Legal Notice Information Printed Correctly
 Correct Operators Copies of Certified Mail Receipts
 Objection Received Set to Hearing _____ Date

NOTES: _____

APPLICATION QUALIFIES FOR ADMINISTRATIVE APPROVAL

COMMUNICATION WITH CONTACT PERSON:

1st Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____	Date	_____	Nature of Discussion	_____
2nd Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____	Date	_____	Nature of Discussion	_____
3rd Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____	Date	_____	Nature of Discussion	_____

12/5/97 - 12/22/97 - BS - M - WEX

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION - Engineering Bureau -

GOVERNMENT JOB # 579

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location] [DD-Directional Drilling] [SD-Simultaneous Dedication] [DHC-Downhole Commingling] [CTB-Lesse Commingling] [PLC-Pool] [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-] [WFX-Waterflood Expansion] [PMX-Pressure Maint] [SWD-Salt Water Disposal] [IPI-Injection Prer] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR]

ing) 10 20 20 SKIPPED 100000

RETURNED TO APPLICANT

(1) TYPE OF APPLICATION - Check Those Which Apply for

[A] Location - Spacing Unit - Directional Drilling

CALLED ON MARTHA ROGERS ON

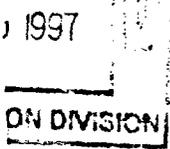
2/10/98 & ADVISED THAT THIS

WILL BE SET FOR HEARING

SHE WILL CALL BACK

(Handwritten signature)

WAITING TO HEAR ON PROTECT AREA. 3-3-98



(2) NOTIFICATION

11-24-98

[A]

[B]

[C]

[D]

[E]

[F]

Application is One Which Requires Published Legal Notice

Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

For all of the above, Proof of Notification or Publication is Attached, and/or.

Waivers are Attached

(3) INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WT, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

2/10/98 9:02 800 701 8377

Note: Statement must be completed by an individual with supervisory capacity.

Martha Rogers (Signature)

Mgr. Reg. Affairs (Title)

11/25/97 (Date)

DEPARTMENT OF
TELEPHONE SERVICE

10.11.55

10

MERIT ENERGY COMPANY

12222 MERIT DRIVE, SUITE 1500
DALLAS, TEXAS 75251
(972) 701-8377
(972) 960-1252 Fax

December 2, 1997

**State of New Mexico
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico**

Attn: Mr. Ben Stone

**FE: Application to Convert to WIW (Form C-108)
Government "D" No. 8
Eddy County, New Mexico**

Dear Mr. Stone:

Enclosed please find the original application and applicable attachments to convert the Government "D" #8 well to a water injection well.

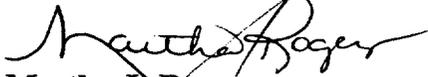
All Interested Parties were notified of our intent to convert this well through a copy of said application sent to each by certified mail on this day, December 2, 1997.

The publication affidavit will be sent to you immediately upon receipt.

If you should find that you need additional information to expedite approval of this application, please contact me at 972-383-6558.

Thank you for your assistance.

**Yours very truly,
MERIT ENERGY COMPANY**


**Martha J. Rogers
Manager, Regulatory Affairs**

xc: OCD-Artesia

[Handwritten initials]

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose: Secondary Recovery Pressure Maintenance Disposal Storage
Application qualifies for administrative approval? yes no

II. Operator: Merit Energy Company

Address: 12222 Merit Drive, Suite 1500, Dallas, Texas 75251

Contact party: Sheryl J. Carruth Phone: (214) 701-8377

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 ~~WEX 611~~ WRONG

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: Sheryl J. Carruth Title Regulatory Manager

Signature: *[Handwritten Signature]* Date: 11-14-94

* 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.

ENGINEERS CALCULATION SHEET

CO-189 (1-51)

Government D # 1

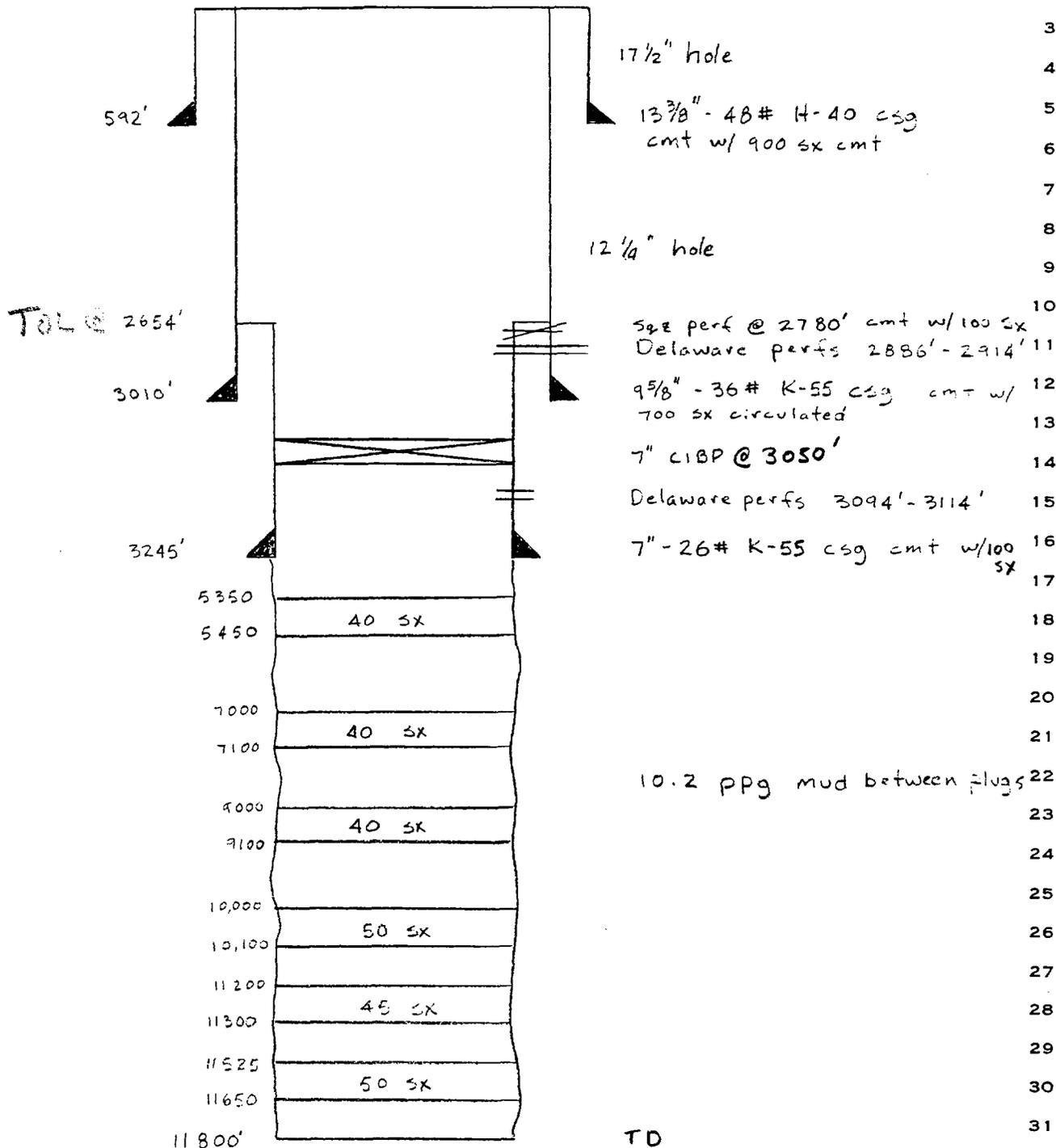
Before

FOR _____
 LOCATION Eddy Co. New Mexico
 SUBJECT Wellbore Sketch
Sec. 12 T-21 S R-27 E

JOB OR AUTH. No. _____
 PAGE _____
 DATE 3-24-86
 BY M.E. Strobel

G.L. 3208

K.B. 3227



Frac'd 2886' - 2914 w/ 37,700# 20/40 # 16,000# 12/20

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ENGINEERS CALCULATION SHEET

CO-189 (1-51)

Government D # 1

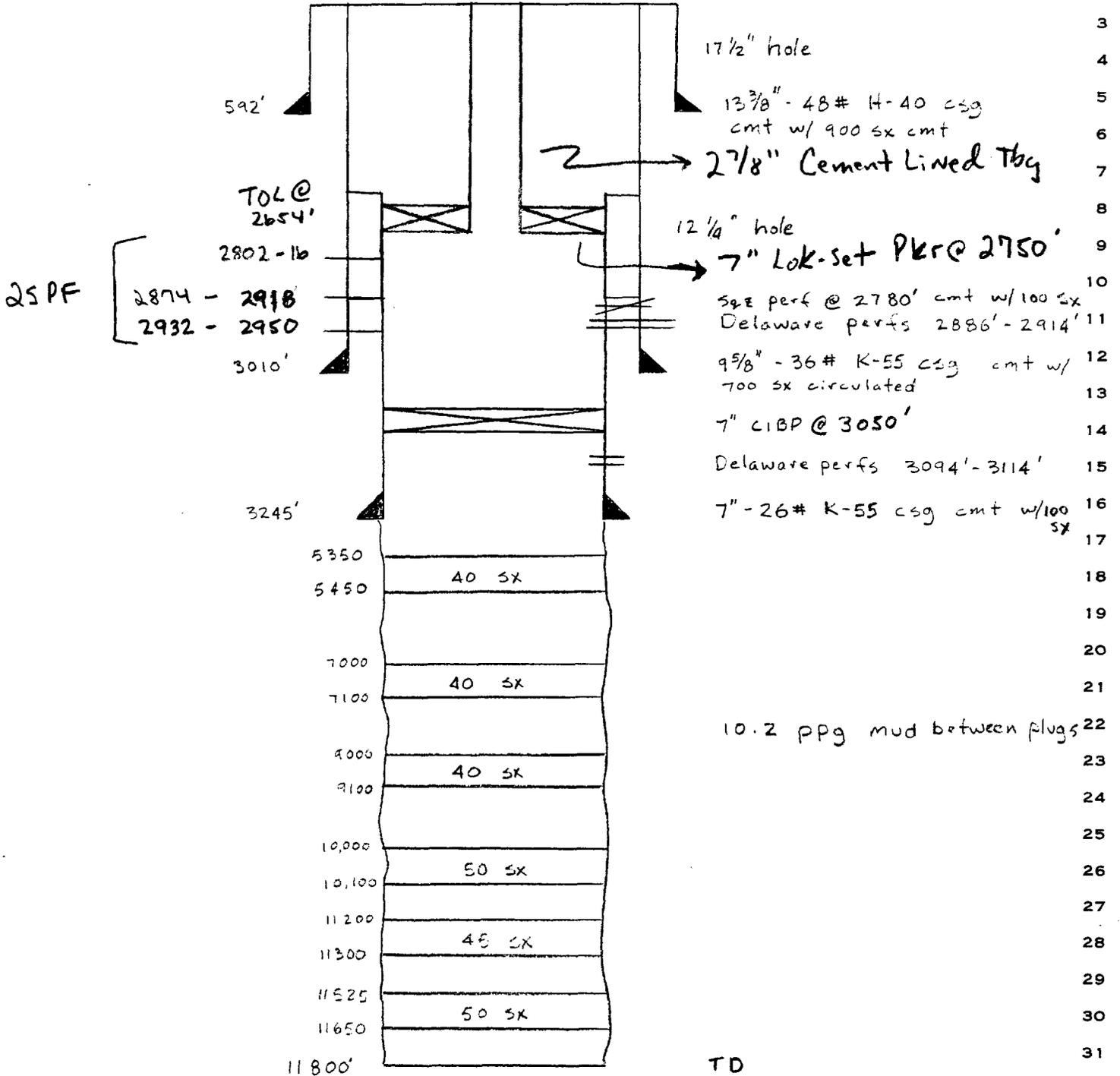
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JOB OR AUTH. No. _____
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* Frac'd 2886' - 2914 w/ 37,700# 20/40 # 16,000# 12/20

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STATUS OF WELLS WITHIN 1/2 MILE RADIUS OF CONVERSIONS
EDDY COUNTY, NEW MEXICO

LEASE NAME	WELL NO.	SPUD DATE	WELL TYPE	FOOTAGE LOCATION	LOCATION SEC/TWNSHP/RANGE	SURFACE CSG AMT OF CMT	INTER. CSG (AMT OF CMT)	LONG STRING AMT OF CMT	TOTAL DEPTH	RECORD OF COMPL ZONES
GOVERNMENT										
	2	8/10/74	OIL	1980' FNL & 660' FWL	SEC. 12, T21S, R27E	13 3/8" @ 596' (787)	9 5/8" @ 3010' (975)	5 1/2" @ 11785' (435)	11785'	MORROW
	3	8/31/85	OIL	660' FNL & 630' FWL	SEC. 12, T21S, R27E	13 3/8" @ 664' (650)		8 5/8" @ 2635' (1500)	3200'	DELAWARE
	6	9/27/85	OIL	1950' FNL & 660' FEL	SEC. 12, T21S, R27E	13 3/8" @ 650' (650)	8 5/8" @ 2650' (1000)	5 1/2" @ 3200' (250)	5735'	DELAWARE
	8	8/15/85	OIL	660' FNL & 1980' FEL	SEC. 12, T21S, R27E	13 3/8" @ 665' (900)	8 5/8" @ 2615' (1500)	5 1/2" @ 5666' (1100)	5666'	DELAWARE
	9	10/7/85	OIL	330' FNL & 2310' FWL	SEC. 12, T21S, R27E	13 3/8" @ 673' (650)		8 5/8" @ 2675' (1300)	3200'	DELAWARE
	11	5/18/86	OIL	1950' FNL & 1980' FEL	SEC. 12, T21S, R27E	13 3/8" @ 495' (500)		10 3/4" @ 1450' (650)	3200'	DELAWARE
	15	4/23/86	OIL	660' FSL & 2130' FEL	SEC. 1, T21S, R27E	13 3/8" @ 605' (450)		9 5/8" @ 2640' (1250)	3200'	DELAWARE
FEDERAL 12	1	6/2/85	OIL	2310' FSL & 990' FEL	SEC. 12, T21S, R27E	13 3/8" @ 461' (530)	8 5/8" @ 2410' (1400)	5 1/2" @ 3210' (270)	3211'	DELAWARE
WILDERSPIN FE	2	10/15/84	OIL	330' FNL & 330' FEL	SEC. 11, T21S, R27E	13 3/8" @ 508' (640)	8 5/8" @ 2530' (1120)	5 1/2" @ 5579' (850)	5579'	BONE SPRING
	3	12/20/85	OIL	1650' FNL & 660' FEL	SEC. 11, T21S, R27E	13 3/8" @ 450' (600)	8 5/8" @ 1730' (900)	5 1/2" @ 3220' (400)	3220'	DELAWARE
STOTT FED	2	5/13/85	OIL	860' FSL & 2310' FWL	Sec. 1, T21S, R27E	13 3/8" @ 437' (400)	8 5/8" @ 2547' (1400)	5 1/2" @ 5615' (875)	5615'	BONE SPRING

VII. PROPOSED OPERATION

1. Average daily rate - 2000 BWPD
Maximum daily rate - 2500 BWPD
2. System is closed
3. Average and maximum injection pressures - Maximum that the State will allow
4. Sources of injection fluid is reinjected produced water
5. Non-applicable

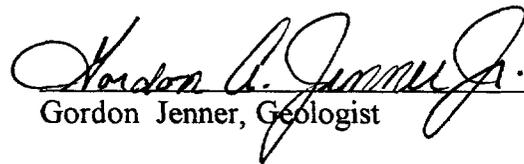
IX. PROPOSED STIMULATION PROGRAM

The proposed stimulation program will consists of 2000 gals of 15% HCL acid.

Saltwater will be injected into the Cherry Canyon Formation through perforations at 2802' - 2950' in the subject well. The Cherry Canyon formation is composed of alternating sequences of tight fine-grained sandstones, limestones and shale.

In this area, native fresh waters are encountered in aquifers from 0' to 592' below the earth's surface. In the subject well, native fresh waters have been protected from wellbore fluids by large diameter casing. There are no sources of fresh water underlying the Cherry Canyon Injection Zone at 2802' - 2950' MD.

I have examined the 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.


Gordon Jenner, Geologist

OFFSET OPERATORS
GOVERNMENT D LEASE

Bass Enterprises Production Company
201 Main Street, Suite 3100
Fort Worth, Texas 76102

Exxon Company, U.S.A.
Box 2180
Houston, Texas 77001

L & T Oil Company
2209 W. Industrial
Midland, Texas 79701

SURFACE OWNER:

United States Department of the Interior
Bureau of Land Management
Carlsbad Resource Area
P. O. Box 1778
Carlsbad, NM 88220

MERIT ENERGY COMPANY

12222 Merit Drive, Suite 1500
Dallas, Texas 75251
(214) 701-8377
(214) 960-1252 Fax

November 14, 1994

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Bass Enterprises Production Company
201 Main Street, Suite 3100
Fort Worth, Texas 76102

Re: Notice of Application for Injection Well
Merit Energy Company
Government "D" Lease Well No. 1
Fenton Delaware, Northwest Field
Eddy County, New Mexico

Gentlemen:

Merit Energy Company is making application to the Oil Conservation Division of New Mexico for authority to inject produced water into a reservoir productive of oil or gas in the above captioned well.

A copy of this application is furnished to you for your information.

Sincerely,



Sheryl J. Carruth
Regulatory Manager

SJC:s

Attachments

MERIT ENERGY COMPANY

12222 Merit Drive, Suite 1500
Dallas, Texas 75251
(214) 701-8377
(214) 960-1252 Fax

November 14, 1994

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Exxon Company, U.S.A.
Box 2180
Houston, Texas 77001

Re: Notice of Application for Injection Well
Merit Energy Company
Government "D" Lease Well No. 1
Fenton Delaware, Northwest Field
Eddy County, New Mexico

Gentlemen:

Merit Energy Company is making application to the Oil Conservation Division of New Mexico for authority to inject produced water into a reservoir productive of oil or gas in the above captioned well.

A copy of this application is furnished to you for your information.

Sincerely,



Sheryl J. Carruth
Regulatory Manager

SJC:s

Attachments

MERIT ENERGY COMPANY

12222 Merit Drive, Suite 1500
Dallas, Texas 75251
(214) 701-8377
(214) 960-1252 Fax

November 14, 1994

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

**L & T Oil Company
2209 W. Industrial
Midland, Texas 79701**

**Re: Notice of Application for Injection Well
Merit Energy Company
Government "D" Lease Well No. 1
Fenton Delaware, Northwest Field
Eddy County, New Mexico**

Gentlemen:

Merit Energy Company is making application to the Oil Conservation Division of New Mexico for authority to inject produced water into a reservoir productive of oil or gas in the above captioned well.

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Sincerely,



**Sheryl J. Carruth
Regulatory Manager**

SJC:s

Attachments

MERIT ENERGY COMPANY

12222 Merit Drive, Suite 1500
Dallas, Texas 75251
(214) 701-8377
(214) 960-1252 Fax

November 14, 1994

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

United States Department of the Interior
Bureau of Land Management
Carlsbad Resource Area
P. O. Box 1778
Carlsbad, NM 88220

Re: Notice of Application for Injection Well
Merit Energy Company
Government "D" Lease Well No. 1
Fenton Delaware, Northwest Field
Eddy County, New Mexico

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Sincerely,



Sheryl J. Carruth
Regulatory Manager

SJC:s

Attachments

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. Addressee's Address
2. Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Exxon Company, U.S.A.
 Box 2180
 Houston, Texas 77001

4a. Article Number
 Z 021 610 967

4b. Service Type

Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
 NOV 16 1991

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)


PS Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

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3. Article Addressed to:

Bass Enterprises Production Co.
 201 Main Street, Suite 3100
 Fort Worth, Texas 76102

4a. Article Number
 Z 021 610 966

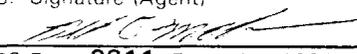
4b. Service Type

Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
 NOV 9 5 1991

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)


PS Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

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- 1. Addressee's Address
- 2. Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

L & T Oil Company
2209 W. Industrial
Midland, Texas 79701

4a. Article Number

Z 021 610 968

4b. Service Type

- Registered Insured
- Certified COD
- Express Mail Return Receipt for Merchandise

7. Date of Delivery

NOV 4 7 1994

5. Signature (Addressee)

[Handwritten Signature]

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1993-352-714

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

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- 1. Addressee's Address
- 2. Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

United States Dept. Of Interior
Bureau of Land Management
Carlsbad Resource Area
P. O. Box 1778
Carlsbad, NM 88220

4a. Article Number

4b. Service Type

- Registered Insured
- Certified COD
- Express Mail Return Receipt for Merchandise

7. Date of Delivery

11/16/94

5. Signature (Addressee)

6. Signature (Agent)

[Handwritten Signature]

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1993-352-714

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

Affidavit of Publication

No 16294

State of New Mexico,
County of Eddy, ss.

Amy McKay,
being first duly sworn, on oath says:

That she is Business Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the state wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

October 28, 19 94
_____, 19____
_____, 19____
_____, 19____
_____, 19____
_____, 19____

That the cost of publication is \$ 23.36,
and that payment thereof has been made and will
be assessed as court costs.

Amy McKay

Subscribed and sworn to before me this
31st day of October, 1994
Donna Crump

My commission expires 8/01/98
Notary Public

October 28, 1994

NOTICE OF APPLICATION FOR FLUID INJECTION WELL PERMIT

Merit Energy Company, 12222 Merit Drive, Suite 1500, Dallas, TX 75251 is applying to the State of New Mexico, Energy, Minerals and Natural Resources Department, Oil Conservation Division for a permit to inject fluid into a formation which is productive of oil or gas.

The applicant proposes to inject fluid into the Delaware formation in applicant's Government "D" well number 1. Injection interval will be from 2802'-2950' with expected maximum injection rate of 2000 barrels per day. The proposed injection well is located 1980' FNL and 1980' FWL of Section 12 T21S R37E, Eddy County, New Mexico.

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. For further information concerning the application, contact applicant's representative, Ms. Sheryl J. Carruth at (214) 701-8377.