



SWD
670

Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

June 24, 1997

Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Manzano Oil Corporation's
Appleseed SWD Fed Com #2
1980'FSL & 660'FEL
Section 17, T20S, R35E
Lea County, New Mexico

Gentlemen:

Attached is the Affidavit of Publication from the Hobbs Daily News-Sun on the captioned. All other paperwork has been previously submitted.

If you have any questions, please do not hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads "Allison Hernandez".

Allison Hernandez
Engineering Technician

:ah

Enclosure

Affidavit of Publication

STATE OF NEW MEXICO)
) ss.
 COUNTY OF LEA)

Joyce Clemens being first duly sworn on oath deposes and says that he is Adv. Director of THE LOVINGTON DAILY LEADER, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled

Legal Notice

~~and numbered~~ ~~XXXXXX~~

~~XXXXXXXXXXXX~~

~~XXXXXXXXXXXXXXXXXXXX~~ was published in a regular and entire issue of THE LOVINGTON DAILY LEADER and not in any supplement thereof, ~~XXXX XXXXXXXXXXXXXXXX~~

~~XXXXXXXXXXXXXXXXXXXX~~, for one (1) day

~~XXXXXXXXXXXXXXXXXXXX~~ beginning with the issue of

June 12, 19 97

and ending with the issue of

June 12, 19 97

And that the cost of publishing said notice is the sum of \$ 15.71

which sum has been (Paid) (~~Assessed~~) as Court Costs

Joyce Clemens

Subscribed and sworn to before me this 18th day of June, 19 97

Jean Senier
 Notary Public, Lea County, New Mexico

My Commission Expires Sept. 28, 19 98

FEL Section 17, T20S, R35E, Lea County, New Mexico to a water disposal well. This well will be known as the Manzano Oil Corporation Appleseed SWD Federal #2. Produced water will be injected into the Yates, Seven Rivers Zone at a depth of 3030' - 3065', with a maximum of 400 bbls daily at a maximum of 2000 psi. All interested parties opposing the aforementioned must file objections with the Oil Conservation Division, P. O. Box 2107, Santa Fe, New Mexico 87501 within 15 days. Additional information can be obtained by calling Donnie Brown or David Sweeney at (505) 623-1996.

LEGAL NOTICE
 Manzano Oil Corporation,
 P. O. Box 2107, Santa Fe,
 New Mexico 87501, 1997,
 proposes to construct the
 plugwell and abandoned
 Dean H. ... of
 Hudson Federal well
 located 1980' FSL & 660'

Published in the Lovington Daily Leader June 12, 1997.

SWD 7/3/97 670

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

FORM C-108
Revised 7-1-81

POST OFFICE BOX 2098
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501

JUN 18 1997

APPLICATION FOR AUTHORIZATION TO INJECT

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

II. Operator: Manzano Oil Corporation
Address: P.O. Box 2107, Roswell, NM 88202-2107
Contact party: David Sweeney/Donnie Brown Phone: (505) 623-1996

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: David Sweeney Title Drlg & Prod Superintendent

Signature: David Sweeney Date: June 16, 1997

* 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
Manzano Oil Corporation
Lea County, New Mexico

- I. The purpose of this application is to request authorization to dispose of produced water in the Yates, Seven Rivers formation. Manzano Oil Corporation plans to reenter the Deane H. Stoltz, Hudson Federal #1 well located 1980'FSL & 660'FEL of Section 17, T20S, R35E, Lea County, New Mexico. This well will be known as the Manzano Oil Corporation Appleseed SWD Fed Well #2 and will be used for disposal of produced water.
- II. Operator: Manzano Oil Corporation
P.O. Box 2107
Roswell, NM 88202-2107
David Sweeney or Donnie Brown
- III. Well Data: See Exhibit A.
- IV. This is not an expansion of an existing project.
- V. See attached map. Exhibit B.
- VI. See Exhibit C.
- VII.
 1. Proposed average daily injection volume approximately 400 BWPD.
 2. This will be a closed system.
 3. A step rate test will be run to determine pressures. Proposed maximum 2000 psi.
 4. Sources for the disposal of water will be the Manzano Appleseed Fed Com Well #1, Section 17, T20S, R35E. This well produces from the Morrow. A water analysis of the produced water is attached. See Exhibit D.
- VIII.
 1. The proposed zone for water disposal is the Yates, Seven Rivers zone. The Yates is at a depth of 3675' and the Seven Rivers at 3848'. The porous interval in which water will be injected is from a depth of 3935' to 4065'. This interval consists of fine grained, sub-angular to sub-rounded quartz sandstone.
 2. A survey of drinking water sources in the area was done using New Mexico State Engineering office data and it was found the only surface water in the area was in the SE/4SE/4 of Section 7, T20S, R35E at a depth of 35', Allium water. The Ogalla was not present in the area. No drinking water is below the proposed injection zone.
- IX. The proposed Yates, Seven River zone will be acidized with 5000 gal of 10% HCl acid. If necessary, a sand water frac will be used.
- X. Logs have been filed with your office under Deane H. Stoltz, #1 Hudson Federal. a DST from 3935-4065' recovered 2500' of mud and sulphur water. Any new logs run will be submitted.
- XI. There are no water wells located within a one mile radius of the proposed disposal well. Records at the State Engineer's office confirmed this.
- XII. Manzano Oil has examined geological and engineering data in the surrounding area of the proposed disposal well and finds no evidence of open faults or any other hydrologic connection between the disposal zone and any source of underground drinking water.

C-108
Application for Authorization to Inject
Manzano Oil Corporation
Lea County, New Mexico

(The purpose of this application is to request authorization to dispose of produced water in the Yates, Seven Rivers formation. Manzano Oil Corporation plans to reenter the Deane H. Stoltz, Hudson Federal #1 well located 1980'FSL & 660'FEL of Section 17, T20S, R35E, Lea County, New Mexico. This well will be known as the Manzano Oil Corporation Appleseed SWD Fed Well #2 and will be used for disposal of produced water.)

XIII. Proof of Notice:

1. Certified letters sent to the surface owner and offset operators are attached as Exhibit E.
2. Copy of legal advertisement attached as Exhibit F.

XIV. Certification is signed.

Offset Operators:

Mr. C.W. Trainer
TOCO, LLC
P.O. Box 754
Midland, TX 79702

Mr. Ray Westall
P.O. Box 4
Loco Hills, NM 88255

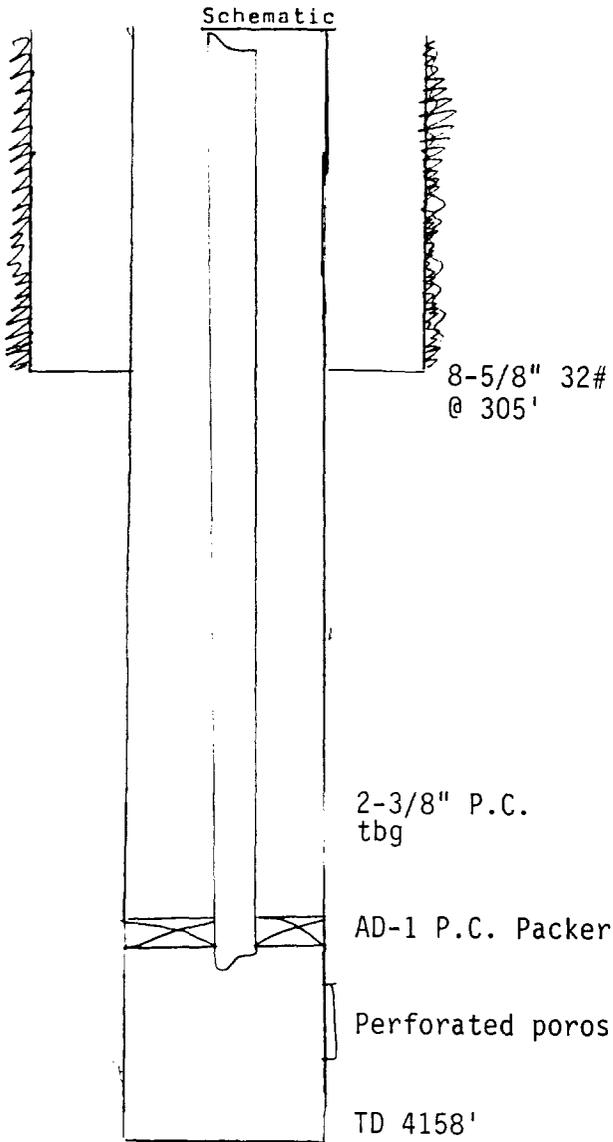
Phillips Petroleum Co.
Phillips Building
Bartlesville, OK 74004

Land Owner:

Mr. Pat Sims
P.O. Box 45
Eunice, NM 88231

INJECTION WELL DATA SHEET

Manzano Oil Corporation	Appleseed SWD Federal		
OPERATOR	LEASE		
2	1980' FSL & 660' FEL	17	20 South 35 East
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP RANGE



Tabular Data

Surface Casing
 Size 8-5/8 " Cemented with 225 sx.
 TOC surface feet determined by circulated
 Hole size 11"

Intermediate Casing
 Size N/A " Cemented with _____ sx.
 TOC _____ feet determined by _____
 Hole size _____

Long string
 Size 5-1/2 " Cemented with 1200 sx.
 TOC surface feet determined by volumetric
 Hole size 7-7/8"
 Total depth 4158'

Injection interval
3935' feet to 4065' feet
 (~~perforated 8-5/8" hole, 1200 lbs cement~~)

8-5/8" 32#
@ 305'

2-3/8" P.C.
tbg

AD-1 P.C. Packer @ 3900'

Perforated porosity @ 3935-4065'

TD 4158'

Reenter, drill out plugs, run 5-1/2" csg from TD to surface. Bring cement to surface (approx 1200 sks).

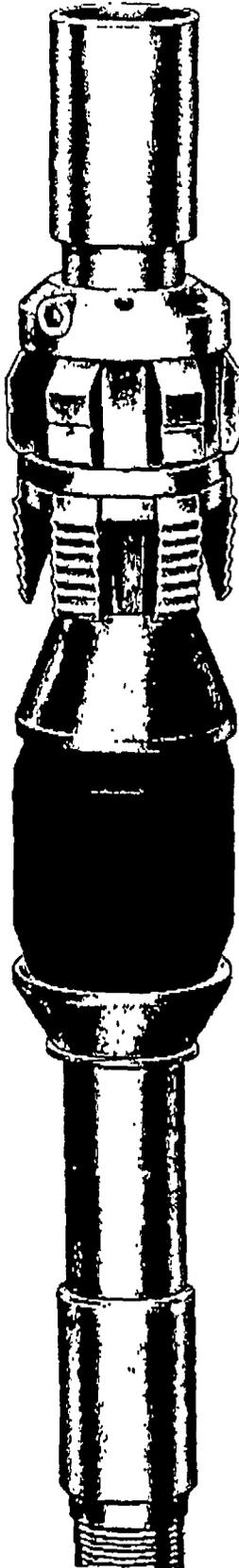
Tubing size 2-3/8" lined with Plastic set in a (material)
Baker AD-1 tension of equivalent packer at 3900' feet
 (brand and model)
 (or describe any other casing-tubing seal).

Other Data

- Name of the injection formation Yates, Seven Rivers
- Name of Field or Pool (if applicable) N/A
- Is this a new well drilled for injection? Yes No
 If no, for what purpose was the well originally drilled? Wildcat oil and gas well.
- Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) No perforations.
100 sks plug from 4158' to 3810', 40 sks plug from 1861' to 1985', 20 sks plug from 261' to 335' and 10 sks surface plug.
- Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. Underlying - Lynch Penn, Overlying - None.



RETRIEVABLE PACKER SYSTEMS



MODEL "AD-1"™ TENSION PACKER

Product No. 739-08

The "AD-1" Tension Packer is a compact, economical, retrievable packer. Primarily used in waterflood applications, this packer can also be used for production and/or treating operations. It is used where a set-down packer is impractical. Since the "AD-1" is tension set, it is ideally suited for shallow wells where set-down weight is not available.

FEATURES/BENEFITS

- Utilizes Baker's rugged rocker-type slips.
- Bore through the packer mandrel is larger than drift.
- Simple, low-cost packer for fluid injection.
- Three release methods insure retrievability.
- Uses proven one-piece packing element.

ACCESSORIES

Model "C-1"™ Tandem Tension™ Packer, (Prod. No. 602-26)
Cup-Type Packer with Unloader, (Prod. Nos. 602-30 & 675-07)
Unloading Subs, (Prod. No. 675-10)

MODEL "ADL-1"™ LARGE-BORE TENSION PACKER

Product No. 739-12

The "ADL-1" Tension Packer is a large-bore version of the Model "AD-1." The packer offers the same features and benefits as the Model "AD-1" and running and retrieving operations are the same.

TO SET PACKER:

Run packer to desired setting depth, making the last movement downward. Rotate the tubing to the left one-quarter turn at the tool. Then, pick up and pack-off.

TO RETRIEVE PACKER:

Lower the tubing at least one foot (0,31 m) more than is needed to remove applied tension so that the J-pin will move fully to the top of the J-slot.

Rotate the tubing to the right one-quarter turn at the packer so slips will now be in the running position. Packer can be moved to a new position and reset or it can be retrieved.

TO SHEAR RELEASE PACKER:

As an alternate release method, the Tension Packer has shear rings designed to part at tensions varying from 13,000-100,000 lb (5,89 - 45,35 t). The cone, packing element and guide drop down and are carried out of hole by the bottom sub.

TO RELEASE IN EMERGENCY:

Left-hand square threads on the top sub of the packer allow the tubing to be retrieved when the packer will not otherwise release.

REQUIRED UPSTRAIN TO SET PACKER		
Packer Size	Upstrain	
	Lb	Kg
41	2,000	907
43 & 45	5,000	2268
47	7,500	3402
49-55	15,000	6804

ORDERING EXAMPLE:

PRODUCT NO. 739-08
SIZE: 45A4 (5-1/2" OD 15.5-20 lb/ft Casing)
MODEL "AD-1" TENSION PACKER w/2-3/8" OD EU
8 RD Box (1-55, 4.7 lb/ft Tubing x 2-3/8" OD
NU 10 RD Pin (1-55 4.6 lb/ft Tubing.

ORDERING EXAMPLE:

PRODUCT NO. 739-12
SIZE: 45B x 2.90 (5-1/2" OD 15-17 lb/ft Casing)
MODEL "ADL-1" LARGE-BORE TENSION
PACKER w/3-1/2" OD EU 8 RD Box x Pin (1-55
9.3 lb/ft Tubing.

Manzano Oil Corporation
 Appleaseed SWD Fed #2
 Well Data Information
 Exhibit C - Page 1

<u>Well Name</u>	<u>Operator</u>	<u>Type</u>	<u>Spud</u> <u>Reentry</u>	<u>Completion</u>	<u>Total</u> <u>Depth</u>	<u>Producing</u> <u>Zone</u>	<u>Perforations</u>
Appleaseed Fed Com #1 Unit H, SE/4NE/4 1980FSL & 660FEL Sec 17, T20S, R35E Lea County, NM	Manzano Oil Corp.	Gas	3/29/96	6/1/96	13,987'	Morrow	13,660-674' 13,716-780'

Completion Information
 9-5/8" 36 & 40 @ 5498'
 Pulled sg to 1425'. Tie
 onto 9-5/8" @ 1425' to
 surface. Cmt w/300 sks.
 Circulated 15 sx to surface.
 7" 26 & 29 @ 14,151'.
 Pulled csg to 9000'. Tie
 onto 7" @ 9000' & hung in
 9-5/8" @ 5264'. cmt w/535
 sks. (TOC 5264')

816

BJ SERVICES			
WATER ANALYSIS			
Date: 6/5/96		Report #: 1683	
Company: Manzano Oil Company		Sample #: From 6/4/96	
Well Name: Applesed Fed Com #1		Formation:	
County: Lea		Depth:	
State: NM		H ₂ O Type: Produced	
Station: Hobbs		Requested By:	
pH: 6.46		Sulfide: absent	
Temperature (°F): 80		Reducing Agents:	
Specific Gravity: 1.100		S.G. @ 60°F: 1.104	
CATIONS	mg/l	me/l	ppm
Sodium (calc)	7536	328	6851
Calcium	7200	360	6545
Magnesium	1920	160	1920
Iron (Fe++)	10.00	0.36	9.09
Iron (Fe+++)	0.00	0.00	0.00
ANIONS			
Chloride	27000	761	24545
Sulfate	3500	73	3182
Bicarbonate	854	14	776
Phosphate			0.0
Total Dissolved Solids	48020		43655
Total Hardness as CaCO ₃	26000		23636
Calcium Carbonate Scale: PROBABLE			
Calcium Sulfate Scale: PROBABLE			
Equivalent NaCl Concentration: 42904			
Sample taken at 4:00 PM on 6/4/96			
<i>Sample Taken During 4 Point Test</i>			
Analyzed by:			

P 382 741 484

US Postal Service
Receipt for Certified Mail

No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to	Philippa
Street & Number	1000
Post Office, State, & ZIP Code	Madison TX 78702
Postage	\$.78
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.23
Postmark or Date	

PS Form 3800, April 1995

Applesed SWD

P 382 741 481

US Postal Service
Receipt for Certified Mail

No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to	Mr. Ray Westall
Street & Number	P.O. Box 4
Post Office, State, & ZIP Code	LOCO HILLS, NM 88255
Postage	\$.78
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.23
Postmark or Date	

PS Form 3800, April 1995

Applesed SWD

P 382 741 483

US Postal Service
Receipt for Certified Mail

No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to	Philippa
Street & Number	Bldg
Post Office, State, & ZIP Code	Madison TX 78702
Postage	\$.78
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.23
Postmark or Date	

PS Form 3800, April 1995

Applesed SWD

P 382 741 482

US Postal Service
Receipt for Certified Mail

No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to	Philippa
Street & Number	P.O. Box 4
Post Office, State, & ZIP Code	LOCO HILLS, NM 88255
Postage	\$.78
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.23
Postmark or Date	

PS Form 3800, April 1995

Applesed SWD



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

June 16, 1997

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. C. W. Trainer
TOCO, LLC
P.O. Box 754
Midland, TX 79702

Re: Appleseed SWD Federal #2
Lea County, New Mexico

Dear Mr. Trainer:

In accordance with the requirements of the New Mexico Oil Conservation Division Form C-108 (Application for Authorization to Inject), please find attached a copy for Manzano Oil Corporation's, Appleseed SWD Federal #2, located in Section 17, T20S, R35E, Lea County, New Mexico.

If you have any questions, please feel free to contact me at 505/623-1996.

Very truly yours,

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

David Sweeney

DS:ah

Enclosure



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

June 16, 1997

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Ray Westall
P.O. Box 4
Loco Hills, NM 88255

Re: Appleseed SWD Federal #2
Lea County, New Mexico

Dear Mr. Westall:

In accordance with the requirements of the New Mexico Oil Conservation Division Form C-108 (Application for Authorization to Inject), please find attached a copy for Manzano Oil Corporation's, Appleseed SWD Federal #2, located in Section 17, T20S, R35E, Lea County, New Mexico.

If you have any questions, please feel free to contact me at 505/623-1996.

Very truly yours,

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

David Sweeney

DS:ah

Enclosure



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

June 16, 1997

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Phillips Petroleum Co.
Phillips Building
Bartlesville, OK 74004

Re: Appleseed SWD Federal #2
Lea County, New Mexico

Gentlemen:

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Very truly yours,

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

David Sweeney

DS:ah

Enclosure



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

June 16, 1997

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Pat Sims
P.O. Box 45
Eunice, NM 88231

Re: Appleseed SWD Federal #2
Lea County, New Mexico

Dear Mr. Sims:

In accordance with the requirements of the New Mexico Oil Conservation Division Form C-108 (Application for Authorization to Inject), please find attached a copy for Manzano Oil Corporation's, Appleseed SWD Federal #2, located in Section 17, T20S, R35E, Lea County, New Mexico.

If you have any questions, please feel free to contact me at 505/623-1996.

Very truly yours,

David Sweeney

DS:ah

Enclosure

Manzano Oil Corporation, P. O. Box 2107, Roswell, New Mexico 88202-2107, proposes to convert the plugged and abandoned Deane H. Stoltz #1 Hudson Federal well located 1980' FSL & 660' FEL Section 17, T20S, R35E, Lea County, New Mexico to a water disposal well. This well will be known as the Manzano Oil Corporation Appleseed SWD Federal #2. Produced water will be injected into the Yates, Seven Rivers Zone at a depth of 3935' - 4065', with a maximum of 400 bbls daily at a maximum of 2000 psi. All interested parties opposing the aforementioned must file objections with the Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501 within 15 days. Additional information can be obtained by contacting Donnie Brown or David Sweeney at (505) 623-1996.