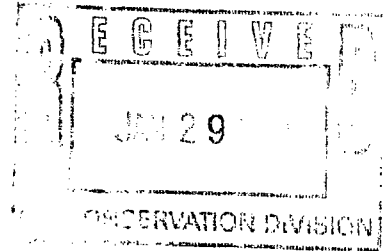# PERMIAN RESOURCES INCORPORATED

January 13, 1998

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

Re: Approved Application for Authorization to Inject
        Administrative Order SWD-690
        Permian Resources, Inc.
        Quail State #1
        Quail (Queen) Field
        660 fsl, 1980 fel
        Section 11, T-19-S, R-34-E
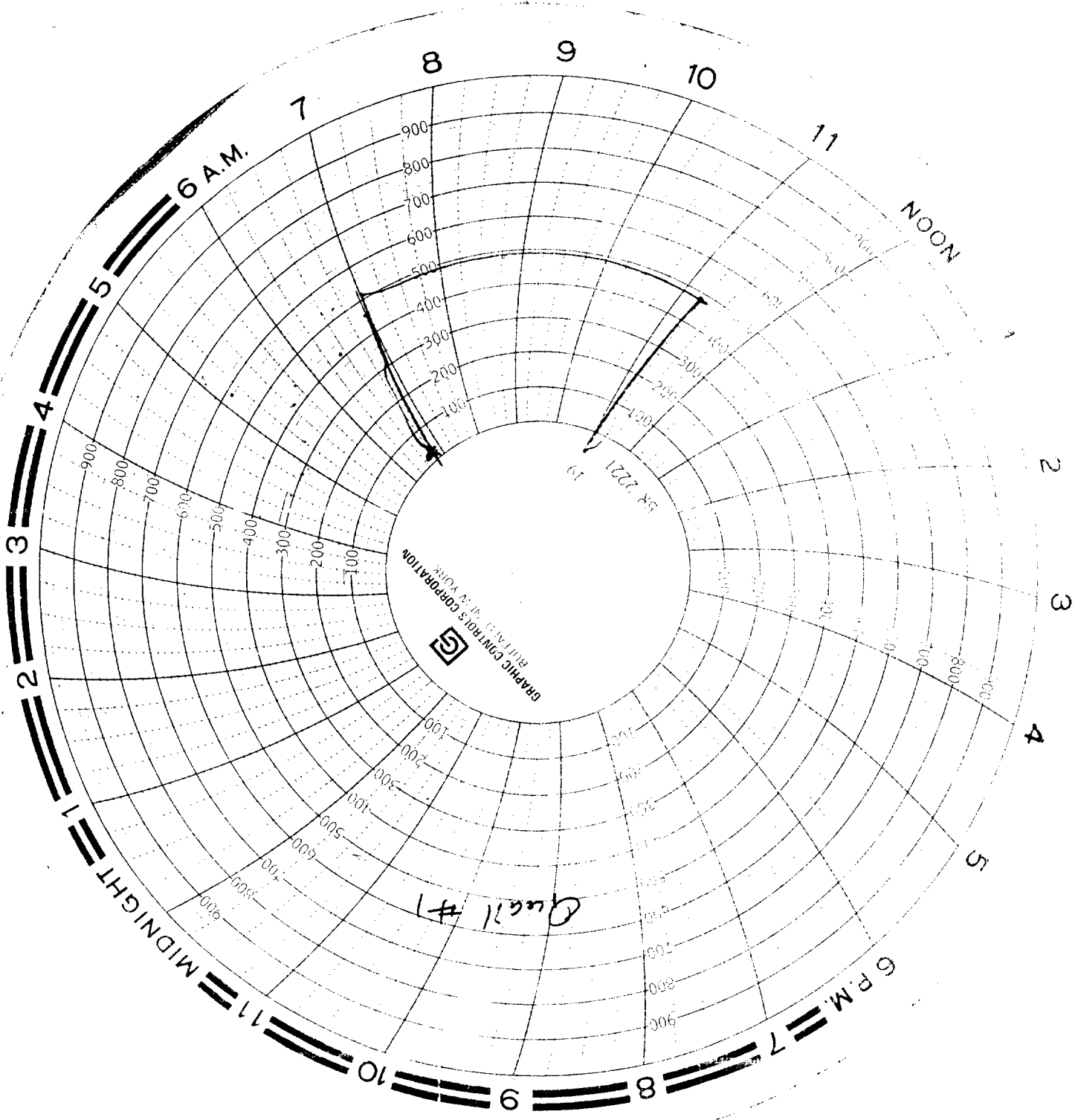   Lea County, New Mexico

Sirs:

Enclosed, please find a copy of the pressure chart from the casing pressure test performed
January 7, 1998 prior to starting injection into the Quail #1.

Very truly yours,

Randy L. Stevens

xc: Oil Conservation Division - Hobbs

GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

Quail #1

PERMIAN RESOURCES
QUAIL STATE
30 min TEST

MACLASKY
1-7-77
813.h
4:00 P.m

CHECKLIST for ADMINISTRATIVE INJECTION APPLICATIONS

Operator: _Permian Resources, Inc._   Well: _Quail State No. 1_

Contact: _Randy Stevens_ ___ Title: _Eng._ ___ Phone: _915-685-1855_

DATE IN _12-19-97_   RELEASE DATE _12-2-97_   DATE OUT _12-29-97_

Proposed Injection Application is for: ___ **WATERFLOOD**   ___ Expansion ___ Initial

Original Order: R-_____   ___ Secondary Recovery   ___ Pressure Maintenance

SENSITIVE AREAS   _X_ **SALT WATER DISPOSAL** ___ Commercial Well

___ WIPP   ___ Capitan Reef

Data is complete for proposed well(s)? _yes_   Additional Data Req'd _NO_

AREA of REVIEW WELLS

_11_ Total # of AOR   _2_ # of Plugged Wells

yes Tabulation Complete   _yes_ Schematics of P & A's

yes Cement Tops Adequate   _NO_ AOR Repair Required

INJECTION FORMATION

Injection Formation(s) _Queen_   Compatible Analysis _yes_

Source of Water or Injectate _area production_

PROOF of NOTICE

yes Copy of Legal Notice   _yes_ Information Printed Correctly

yes Correct Operators   _yes_ Copies of Certified Mail Receipts

_NO_ Objection Received   ___ Set to Hearing _____ Date

NOTES: _____

APPLICATION QUALIFIES FOR ADMINISTRATIVE APPROVAL? _yes_

COMMUNICATION WITH CONTACT PERSON:

1st Contact: ___ Telephoned   ___ Letter _12-19-97_ Date   Nature of Discussion _Verbal approval to Randy Stevens_

2nd Contact: ___ Telephoned   ___ Letter _____ Date   Nature of Discussion _____

3rd Contact: ___ Telephoned   ___ Letter _____ Date   Nature of Discussion _____