

PERMIAN RESOURCES INCORPORATED

March 6, 1998

State of New Mexico
Oil Conversation Commission
P.O Box 2088
Santa Fe, NM 87501

RECEIVED
MAR 19 1998

WICK
No. 2
ONLY
SWD
715

RE: Application for Authorization to Inject
Lynch (Yates Seven Rivers) Field
Permian Resources, Inc. #2 and #3 Wallen Bass
T20S, R34E, Section 20, (N and P)

Ladies and Gentlemen:

I recently sent an Applicaiotn to Inject for the above captioned but did not have the Legal Notice attached. Please find a copy of that notice for the Hobbs Daily Sun.

Sincerely,



Robert Marshall

c:\winword\letters\lccd-wal.doc

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, KATHI BEARDEN

Publisher

of the Hobbs Daily News-Sun, a daily newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not a supplement thereof for a period.

of 1 weeks.

Beginning with the issue dated March 8 1998

and ending with the issue dated March 8 1998

Kathi Bearden

Publisher

Sworn and subscribed to before

me this 6th day of

March 1998

Jodi Henson

Notary Public.

My Commission expires
October 18, 2000
(Seal)



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

LEGAL NOTICE

March 8, 1998

Permian Resources, Inc., P.O. Box 590, Midland, Texas 79702, is applying to convert its Wallen Bass #3 well to salt water disposal in the Yates-Seven Rivers formation at a depth of 3480 to 3642 feet. The Wallen Bass #3 is in the Lynch (Yates-Seven Rivers) Field, located in Unit P, Section 21, T20S, R34E, NMPM, Lea County, New Mexico. The expected maximum injection rate is 100 barrels of water daily at a maximum pressure of 500 psi. Interested parties must file objection or requests for hearing with the Oil Conservation Division, PO Box 2088, Santa Fe, New Mexico 87501 within 15 days. Parties requesting additional information may contact Robert Marshall at Permian Resources, Inc., at 915/685-0113 or at the above address.

#15779

01102680000

01518063

Permian Resources
P.O. Box 590
a/c# 458930
MIDLAND, TX 79702

June 19, 1998

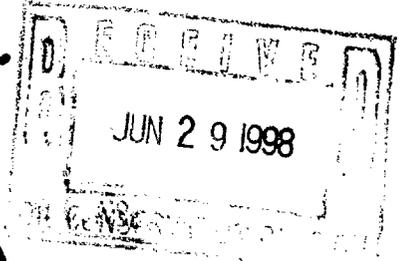
State of New Mexico
Oil Conversation Commission
P.O Box 2088
Santa Fe, NM 87501

ATTN: Mr. Ben Stone

VIA FAX: 505-

RE: Application for Authorization to Inject
Lynch (Yates Seven Rivers) Field
Permian Resources, Inc. #2 and #3 Wallen Bass
T20S, R34E, Section 20, (N and P)

NO DEEPER INJECTION
THAN 3640' AS PER
PAUL KAUTZ
6-30-98



Dear Mr. Stone:

I wanted to address and clear up the situation concerning the above captioned application.

It was never our intention to dispose into both wells at one time. We placed the #4 Wallen Bass well on production and needed a place to dispose of water because of cost to truck water. I made the application to dispose of water in the #2 well but was unsure about the downhole conditions in that well and thought that if we were not physically able to re-enter and dispose of water into that well we would use the next available borehole, the #3 well. Since that time we have been able to get into the #2 well and it has been equipped and is ready to dispose water. The #3 well has been equipped to begin producing oil and will not be used for disposal. We did not realize that it would be construed to be a pressure maintenance project and it should be classified as disposal.

We am sorry about the confusion and take full blame. We appreciate you working with us and obtaining a temporary injection testing for the project but we would really like the OCD to amend the application to dispose of produced water into the #2 well only.

Thank you for your consideration in this matter.

Sincerely,

Robert Marshall



PERMIAN RESOURCES, INC. INCORPORATED

June 19, 1998

State of New Mexico
Oil Conversation Commission
P.O Box 2088
Santa Fe, NM 87501

ATTN: Mr. Ben Stone

VIA FAX: 505- 827-1389

RE: Application for Authorization to Inject
Lynch (Yates Seven Rivers) Field
Permian Resources, Inc. #2 and #3 Wallen Bass
T20S, R34E, Section 20, (N and P)

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Sincerely,



Robert Marshall

P. O. BOX 590 • MIDLAND, TEXAS 79702-0590
PHONE: (915) 685-0113 • FAX: (915) 685-3621

Schlumberger

SIDEWALL NEUTRON POROSITY LOG

COMPANY WALLEN PRODUCTION
CO.

WELL BASS NO. 2

FIELD LYNN

COUNTY LEA STATE N.M.

LOCATION 660' FSR
2310' FWR

API SERIAL NO.	SEC.	TWP	RANGE
	<u>21</u>	<u>20S</u>	<u>3NE</u>

Other Services:

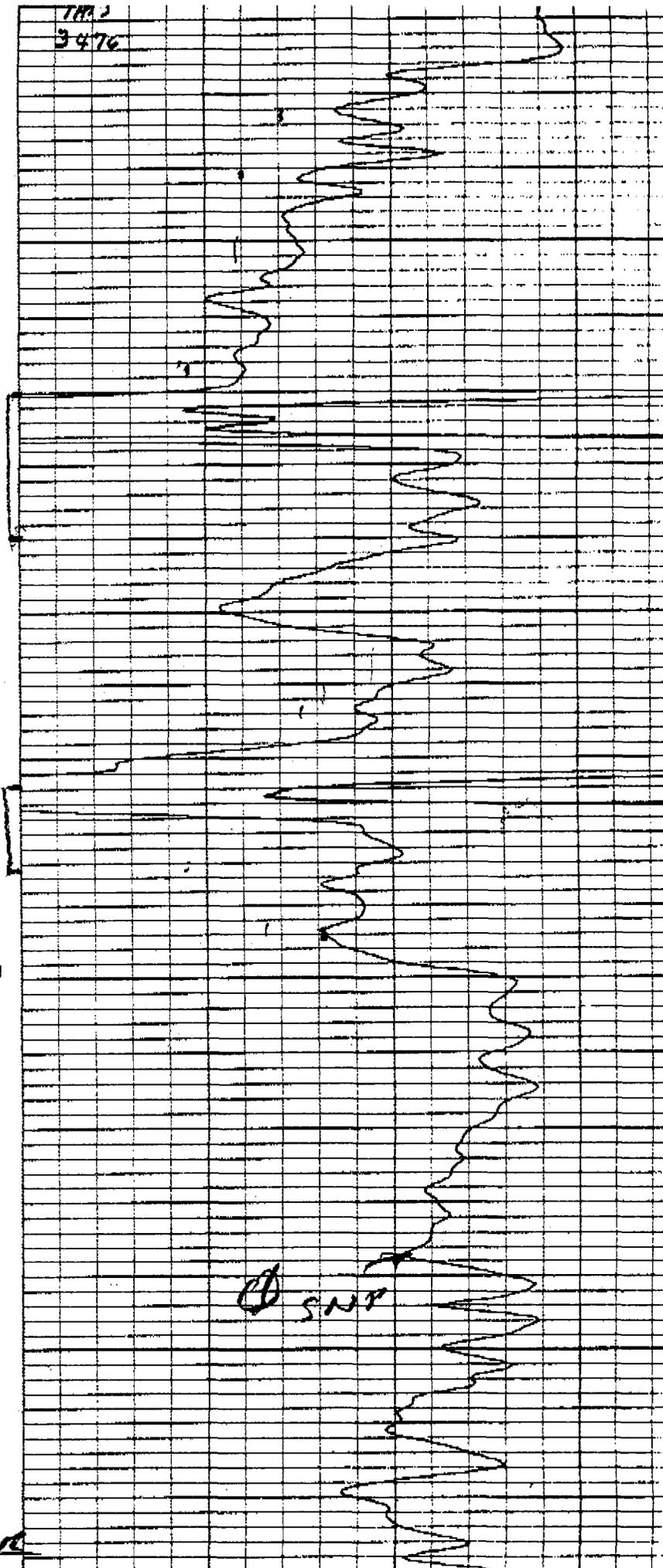
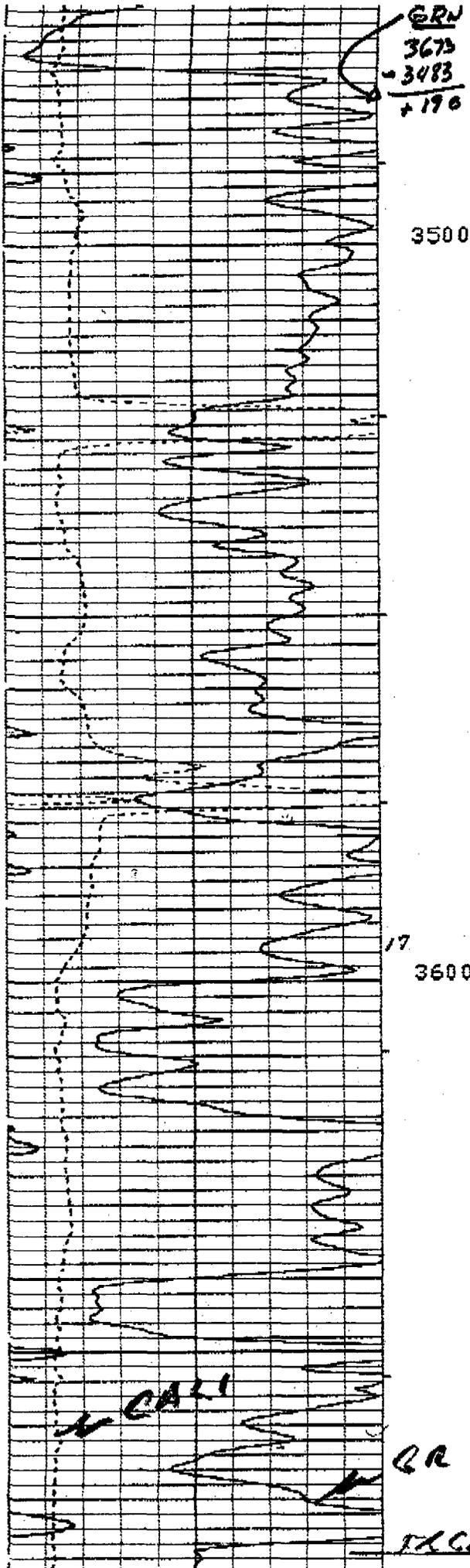
DL+

Permanent Datum: GL; Elev.: _____
 Log Measured From DF 1 Ft. Above Perm. Datum
 Drilling Measured From DF

Elev.: K.B. _____
 D.F. 3623
 G.I. 3620

Date	<u>2-29-80</u>					
Run No.	<u>1</u>					
Depth-Driller	<u>3702</u>					
Depth-Logger (Schl.)	<u>3794</u>					
Btm. Log Interval	<u>3793</u>					
Top Log Interval	<u>3400</u>					
Casing-Driller	<u>7"</u>	<u>@ 3475</u>	<u>@</u>	<u>@</u>	<u>@</u>	<u>@</u>
Casing-Logger	<u>3466</u>					
Bit Size	<u>6 1/4</u>					
Type Fluid in Hole	<u>WATER</u>					
Dens.	<u>8.3</u>	<u>27</u>				
Visc.						
pH						
Fluid Loss		<u>NC</u>	<u>ml</u>	<u>ml</u>	<u>ml</u>	<u>ml</u>
Source of Sample	<u>BAUER</u>					
Rm @ Meas. Temp.	<u>.5</u>	<u>@ 70° F</u>	<u>@</u>	<u>@</u>	<u>@</u>	<u>@</u>
Rmf @ Meas. Temp.	<u>.4</u>	<u>@ 90° F</u>	<u>@</u>	<u>@</u>	<u>@</u>	<u>@</u>
Rmc @ Meas. Temp.	<u>-</u>	<u>@ -° F</u>	<u>@</u>	<u>@</u>	<u>@</u>	<u>@</u>
Source: Rmf	<u>M</u>	<u>-</u>				
Rmc						
Rm @ BHT	<u>.4</u>	<u>@ 90° F</u>	<u>@</u>	<u>@</u>	<u>@</u>	<u>@</u>
Circulation Stopped						
Logger on Bottom						
Max. Rec. Temp.	<u>90</u>	<u>° F</u>	<u>° F</u>	<u>° F</u>	<u>° F</u>	<u>° F</u>
Equip.	<u>POG7 HOBBS</u>					
Location						
Recorded By	<u>WILSON</u>					
Witnessed By Mr.	<u>FRUG</u>					

The well name, location and borehole reference data were furnished by the customer. FOLD HERE



TRANSMITTAL COVER SHEET

**OIL CONSERVATION DIVISION
ENGINEERING BUREAU
(505) 827-7131 (OFFICE)
(505) 827-1389 (FAX)**

PLEASE DELIVER THIS FAX TO:

TO:

PAUL

FROM:

JEN

SUBJECT:

HOW'S THIS COMPARE W/ AREA?

DATE:

6-29-98

PAGES:

3

(INCLUDING COVER SHEET)

IF YOU HAVE ANY PROBLEMS RECEIVING THIS FAX, PLEASE CALL THE OFFICE NUMBER ABOVE.



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 15, 2000

Permian Resources, Inc.
P.O. Box 590
Midland, Texas 79702-0590

Attn: Mr. Robert Marshall

**RE: *Injection Pressure Increase,
Wallen Bass Federal Well No. 2,
API No. 30-025-26458-0000
Lea County, New Mexico***

Dear Mr. Marshall:

Reference is made to your request dated March 7, 2000 to increase the surface injection pressure on the above referenced well. This request is based on a step rate test conducted March 6, 2000. The results of the tests have been reviewed by my staff and we feel an increase in injection pressure on these wells is justified at this time.

You are therefore authorized to increase the surface injection pressure on the following well:

<i>Well and Location</i>	<i>Maximum Injection Pressure</i>
Wallen Bass Federal Well No. 2	1,450 PSIG
Located in Section 21, Township 20 South, Range 34 East, Lea County, New Mexico.	

The Division Director may rescind these injection pressure increases if it becomes apparent that the injected water is not being confined to the injection zone or is endangering any fresh water aquifers.

Sincerely,

Lori Wrotenberg
Director

LW/BES/kv

cc: Oil Conservation Division - Hobbs
Files: SWD-715, IPI 1st QTR 2000