

July 7, 1998



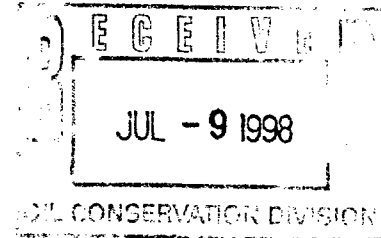
Chevron

721

Administrative Application
Salt Water Disposal Well
South Black River Field
Murchison 2 State #4
660' FNL & 330' FEL
Section 2, T25S, R26E
Eddy County, New Mexico

Chevron U.S.A. Production Company
P.O. Box 1150
Midland, TX 79702

Oil Conservation Division
State of New Mexico
Post office Box 2088
Santa Fe, New Mexico 87501



Gentlemen:

Attached is an original and one copy of Chevron's administrative application for approval of a salt water disposal well. (Form C-108 with appropriate attachments).

Chevron plans to convert the Murchison 2 State #4 from Shut-in status to active injection in order to dispose of produced salt water into the Delaware-Bell Canyon formation, South Black River Pool. Legal location of said well is 660' FNL & 330' FEL, Unit A, Section 2, Township 25S, Range 26E, Eddy County, New Mexico.

A copy of this application has been mailed to the OCD district office in Artesia. As surface owner State Land Office was also mailed a copy of this application. All leasehold operators were sent a copy by registered mail.

If you have any questions, please contact Greg Roberts at (915) 687-7284.

Sincerely,



Greg Roberts
Petroleum Engineer.

Attachment - Application For Authorization to Inject
cc. - Oil Conservation Division, Artesia District Office

APPLICATION FOR AUTHORIZATION TO INJECT

- I. Purpose: ☐ Secondary Recovery ☐ Pressure Maintenance ☒ Disposal ☐ Storage
Application qualifies for administrative approval? ☐ yes ☐ no
- II. Operator: CHEVRON USA PRODUCTION COMPANY
Address: P.O. BOX 1150 MIDLAND, TX 79702
Contact party: GREG ROBERTS Phone: (915) 687-7284
- 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 SWD-667
- 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: GREG ROBERTS Title Sr. Petroleum Engr.

Signature: Greg Roberts Date: 6/18/98

- * 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.

Section III See Attachment 1

Section V See Attachment 2

Section VI See Attachment 3

Section VII (Proposed Operation)

1. Est. Average daily rate = 1000 bwpd
Est. Maximum daily rate = 2000 bwpd
Est. Injection volume = 4 mmbbls
2. The salt water disposal system will be a closed system.
3. Est. average injection pressure = 600 psi
Est. Maximum injection pressure = 800 psi
4. Injection water chemical analysis (see attachment 4 & 5).
(Note): Fluid compatibility testing not necessary since the injection and receiving fluids are both in the Delaware Formation.
5. Disposal zone formation water analysis (see attachment 6).

Section VIII (Geologic Description of Proposed Injection Zone)

The proposed injection zone for the Murchison 2 State #4 is the Bell Canyon formation of the Delaware Mountain Group. The proposed injection interval for the #4 is the middle 500' of the Bell Canyon from 2200' to 2700'. The upper 200' of the Bell Canyon was not considered for injection because it contains hydrocarbon shows and has potential for future production. The Bell Canyon formation is composed of very fine grained sandstone with occasional thin siltstone beds. The only known fresh water aquifer in the area is the overlying Quaternary Alluvium at depths less than 250'. No known aquifers underlie the proposed Bell Canyon injection interval.

Section IX (Proposed Stimulation)

Perforate 4 JHPF between 2200'-2700'. Breakdown the perforations with 2500 gals 15% HCL acid. Fracture stimulate down tubing with 30,000 gas cross linked gel carrying 90,000 lb. 16/30 mesh sand at 15 BPM and 800 psi.

Section X (Logging and Test Data)

<u>Perfs</u>	<u>Zone</u>	<u>Test Data</u>
5167'-5206'	Delaware - Brushy Canyon	36 bopd 956 bwpd Gas TSTM (24 hr projected rate).

Well logs for the Murchison 2 State #4 have been filed with the Oil Conservation Division.

Section XI (Fresh Water Analysis)

Ken Fresquez, State Engineers office, Roswell, NM, confirmed that no fresh water wells are filed on record within one mile of the proposed disposal well location as 6/17/98. Mr. Fresquez indicated the closest well was in the SE of the NW ¼, section 3, T25S R26E. This well is approximately 1 ½ miles from the proposed disposal well and is used as a drilling supply well.

Section XII (Affirmative Statement)

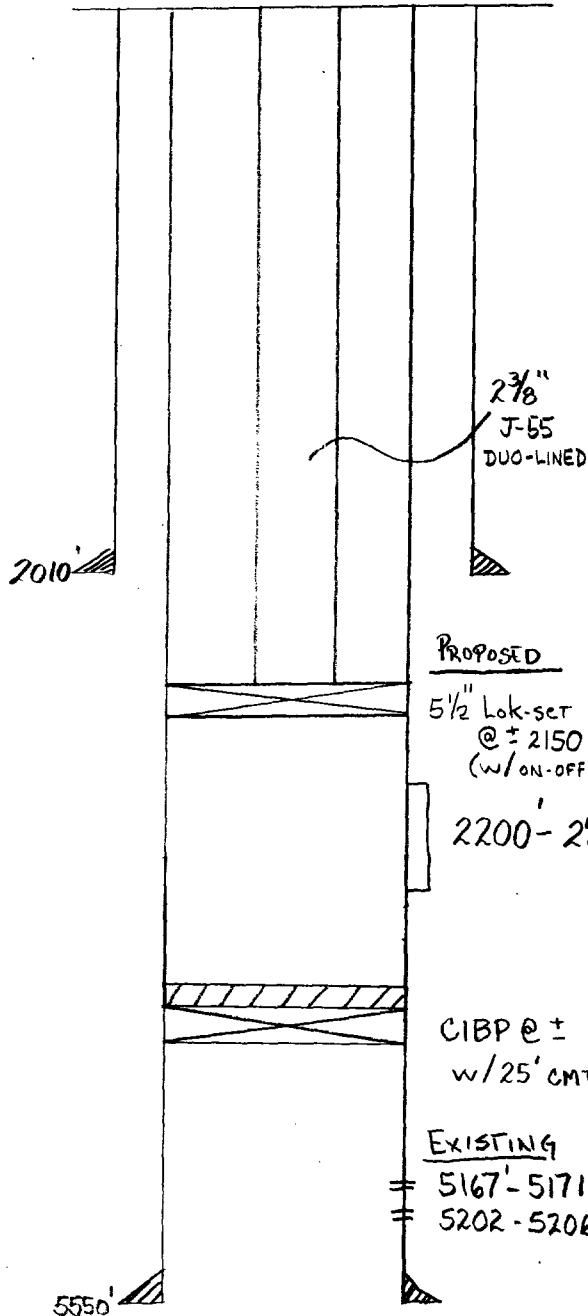
All available geologic data has been examined and no known hydrologic connection exists between the shallow aquifer and the proposed Bell Canyon disposal zone. The data consists of well logs, structure maps and seismic. The Castille Formation, composed of evaporites, immediately overlies the Bell Canyon and provides a seal between the Bell Canyon and any shallow aquifer.

Section XIII (Proof of Notice)

see attachment 7 & 8

INJECTION WELL DATA SHEET

Chevron USA Production		MURCHISON 2 STATE		
OPERATOR		LEASE		
4	660 FNL & 330 FEL	2	25S	26 E
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE

SchematicTabular DataSurface Casing

Size 8 5/8 " Cemented with 1285 sx.
 TOC SURFACE feet determined by CIRCULATION
 Hole size 12 1/4 "

Intermediate Casing

Size NA " Cemented with NA sx.
 TOC NA feet determined by NA
 Hole size NA

Long string

Size 5 1/2 " Cemented with 580 sx.
 TOC 1620 feet determined by CBL
 Hole size 7 7/8 "
 Total depth 5550

Injection interval

2200 feet to 2700 feet
 (perforated or open-hole, indicate which)

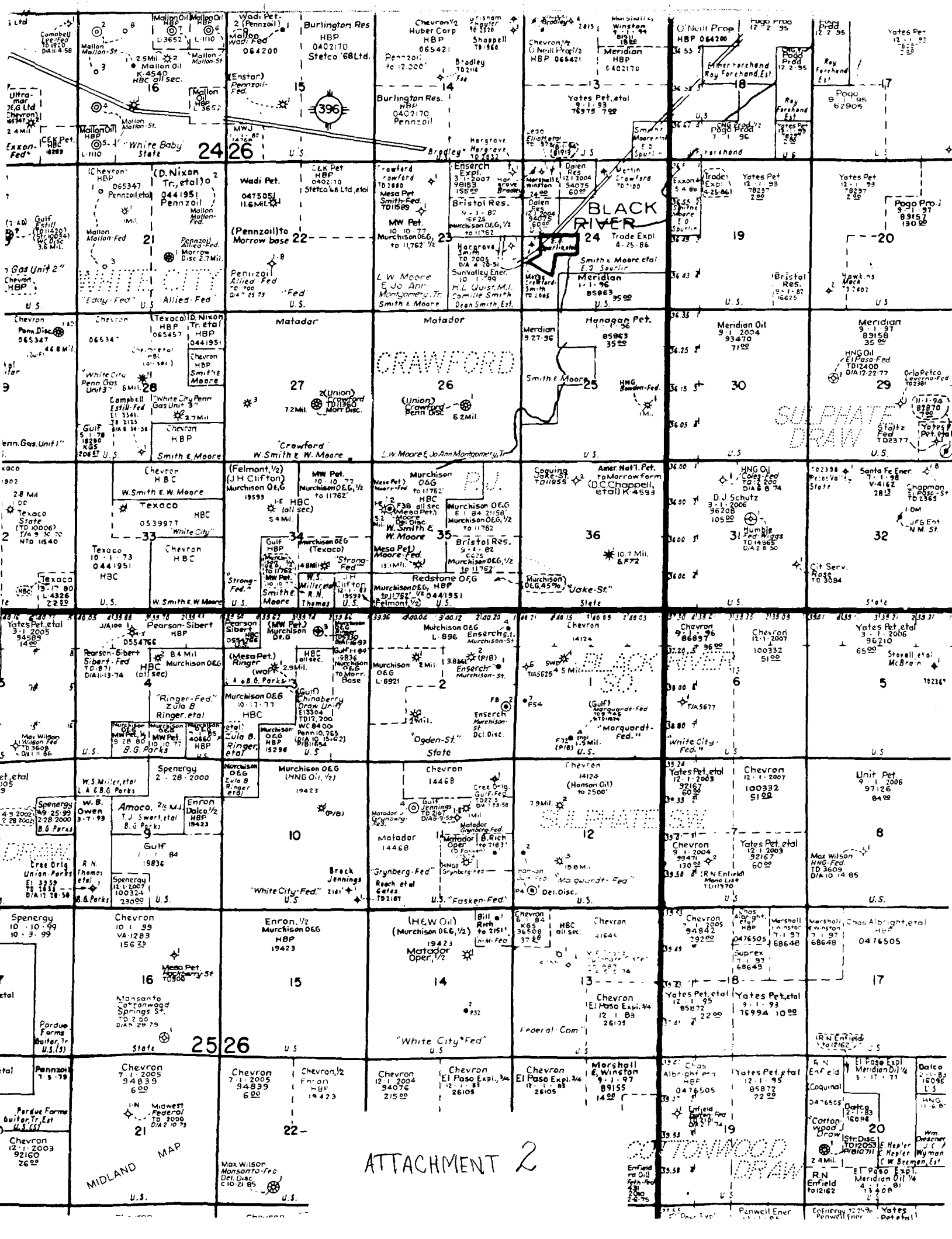
Tubing size _____ lined with _____ set in a
(material)
_____ packer at _____ feet
(brand and model)
(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation _____
2. Name of Field or Pool (if applicable) _____
3. Is this a new well drilled for injection? ☒ Yes ☒ No
If no, for what purpose was the well originally drilled? _____

4. 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) _____

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. _____



Section VI
Data on all Wells of Public Record Within Area of Review.

<u>Well</u>	<u>Type</u>	<u>Method</u>	<u>Construction</u>	<u>Spud Date</u>	<u>Location</u>	<u>TD</u>	<u>PBTD</u>	<u>Record of Completion</u>
Murchison 2 State #1	SI		13-3/8" @ 256' (TOC @ surf. by circ) 8-5/8" @ 2008' (TOC @ 758' by calc) 5-1/2" @ 5520' (TOC @ surf by circ)	1/20/95	Sec. 2 T25S, R26E 1980' FNL & 660' FEL Eddy County, New Mexico	8631'	5270'	Perf 5133-66', Acidize, Sand Frac Perf 4804-4834', Perf 4675-4681' Perf 3033-3060 & 3089-3105'.
Murchison 2 State #2	SI		8-5/8" @ 1947' (TOC @ surf by circ) 5-1/2" @ 5553' (TOC @ surf by circ)	5/10/95	Sec. 2 T25S, R26E 1830' FSL & 330' FEL Eddy County, New Mexico	5553'	5451'	Perf 5177-97', Acidize Perf 5138'-52', Acidize, Sand Frac
Ogden State Com #2	P	Flowing	16" @ 253' (TOC @ surf. by circ) 10 3/4" @ 2025' (TOC @ surf by circ) 7-5/8" @ 8642' (TOC see below)					
Marquardt Federal #6	SI		8-5/8" @ 272' (TOC @ surf by circ) 5-1/2" @ 5625' (TOC @ surf by circ)	6/95	Sec. 1 T25S, R26E 1980' FNL & 330' FWL Eddy County, New Mexico	5625'	3015'	see attachment VLA
Marquardt Federal #7	SI		8-5/8" @ 517' (TOC @ surf by circ) 5-1/2" @ 6400' (TOC @ surf by circ)	7/13/95	Sec 1, T25S, R26E 1980' FSL & 330' FWL Eddy County, New Mexico	5650'	5050'	Perf 5104'-17, Acidize, Sand Frac Perf 4794'-4836', Acidize, Sand Frac
Marquardt Federal #1	P	Flowing	9-5/8" @ 2150' (TOC @ surf by circ) 7" @ 9720' (TOC @ 1339' by calc) 5" 9336'-111659' (Cmt w/ 250 sxs)	12/19/78	Sec 1, T25S, R26E 1650' FNL & 1650 FWL Eddy County, New Mexico	11670'	11617'	Perf 11139-11548', Acidize Perf 10318-28', Acidize Perf 9609-9746', Acidize

Note: Marquardt Federal #1. Cement sqzd. 7" casing on 11/96. Original TOC @7630' by TS. Perf 7" @ 6500'. Pmp 760 sxs CI "C" cmt. Calculated TOC 1339' from surface. Refer to Attachment VI.B & VI.C for documentation on cmt squeeze.

Note: Ogden State Com #2. Records indicate the 7-5/8" esg was cmt'd in two stages with a total of 1600 sxs. The stage tool was set at 3944'. Records indicate the second stage used 750 sxs. Assuming a 9-7/8" hole with 7-5/8" casing and 20% losses the TOC calculates to be 256' from surface. Based on calculation this well is cemented across the proposed disposal zone for the Murchison 2 State #4.

CURRENT WELLBORE DIAGRAM

LEASE: MARQUARDT FED	WELL: 6	FIELD: <u>SOUTH BLACK RIVER</u> <u>S. SULPHATE DRAW</u>	API: _____
LOC: 1980' FNL & 330' FWL	SEC: 1	BLK: T2SS, R26E	REF NO: _____
SVY: _____	GL: _____	CTY/ST: EDDY CO., N.M.	SPUD: _____
CURRENT STATUS: _____	KB: _____	DF: _____	TD DATE: _____
			COMP. DATE: _____

FRESH WATER
DEPTH:

HOLE SIZE:
SURF CSG & SIZE: 8 5/8", WC-50
SET @: 272'
SXS CMT: 200 SKS
CIRC: 50 SKS
TOC AT: SUR
TOC BY: CIRC

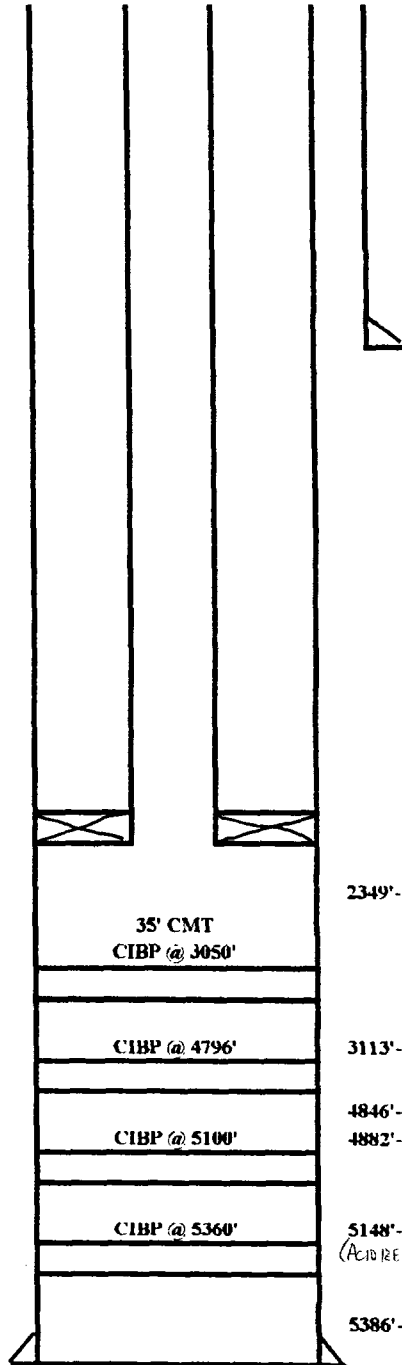
COMMENTS:

*****GEOLOGY*****
TOPS OF ALL ZONES
PRODUCTIVE OF HYDRO-
CARBONS:

FIBERLINE
TBG: 2 7/8", 6.5#, J-55
JTS: 75
SN: 2294'
TAC:
ROD SIZE:

PKR: 2298'
TYPE: BAKER LOK-SET
W/ 1.81" F PROFILE

OH ID:
COYD:
PBTB: 3015'
TD: 5625'



2349'-2697' { SWD INTERVAL
DIVISION ORDER }
SWD-667
(ACIDIZED & SAND FRAC)

3113'-3128' (ACIDIZE & SAND FRAC
HOLE SIZE: 7 7/8"
PROD. CSG & SIZE: 5 1/2", 15.5#, K-55
SET @: 5625'
SXS CMT: 1125 SKS
CIRC: 85 SKS
TOC AT: SUR
TOC BY: CIRC

5148'-5209' (ACIDIZE & FRAC)
5386'-5450' (ACIDIZE & FRAC)

CURRENT PERFS:
2349, 73, 89, 2409, 23, 39,
2449, 2517-39, 2542-56
+ 2652-97

SQUEEZE JOBS:

OPEN HOLE:

LINER:

BY:
3/2/98

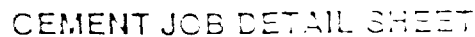
ATTACHMENT VI. A

LEASE NAME **WELL #**
MARQUARDT FE # 1

Daily Completion / WO Report

Start Da 10/22/96		Act. Da: 12	Ath. Day:		TD: 11817 PBDT 11817
Job Description: CO-MINGLE WOLFCAMP & PENN KB Correction: 16'					
Fluid Ty N/R		Weight:			
Prod Cs 7"	Weight: 26#	Grd: N/A	Set: 9720'	TOC: N/A	
Liner OI 5"	Weight: 15 #	Grd: N/A	Liner Set at: MD: 11659'		
Tubing I WI	Grade Threads	Depth	Details	Liner Top At: MD: 93336'	TOC: N/A
2.375"	4.700	N-80 8 RD	9497	304JTS	
Packer (Packer Make & Model)			Perfs From:	To:	Details
9518	5" LOK-SET W/ 1.78 (F) PROFILE NIPPLE		9609'	9748'	WOLFCAMP
6254'	WHTAKER FULLBORE PKR.		10318'	10328'	STRAWN
7500'	WHTAKER LOK-SET RBP.		11139'	11544'	MORROW
Fish Top		Details:			
Hrs From To: Operations Covering 24 Hours - Ending at Midnight (24:00 hrs)					
07:00	10:00	RU STAR R.U. PUMP BBLs @ 2.4 BPM @ 1000 PSI HAD NO RETURNS OUT SURFACE.			
10:00	03:30	RU BJ SERVICES PUMP 20 BBL F/W SPACER EST RATE 2.5 BPM @ 1500 PSI MIXED & PUMP 500 SXS (C) + 5/10 % FL-62 LEAD CMT W / FLUID LOSS : 488 . PUMPED @ 2.5 BPM @ 2000 PSI MIXED & PUMP 260 SXS (C) + 2 % CACL2 + 6/10 % BA-10 + 3/10 % GEL PUMPED @ 2.8 BPM @ 1000 PSI SHUT DOWN WASH UP PUMP & LINES. STARTED DISPLACEMENT 2.5 BPM @ 50 PSI DISPLACED W/ 26.5 BBLs . ISIP 1200 PSI STARTED HESITATION . MADE 8 HESITATIONS FNIAL SQZ PRSSURE 2000 PSI . TOTAL BBLs DISPLACED 28 BBLs . DISPLACE CMT DOWN TO 6351' . S.W.I.F.N.			
PREP TO RH W/ T.S. LOG					
CONTRACTOR HRS: RIG: 34 OTHERS: 42.5 TOTAL: 77					
Fld. lost to Form. Daily: Cumulative:					
Hours Charged To Cont.:		Chevron	Other:	Total:	0
Remarks:					
G&A:	0	H2S:	ACCIDENTS:		
Cum Int.	70,423	Daily Well Cost:	13,138	AFE #:	PU 972000
Cum Tar	0	Cum W/O G&A:	70,423	AFE TOTAL:	
MSC:					
District:	PGPC	Rig:	PRIDE # 185	Phone:	(915) 556-5155
Field:	S.BLACK RIVER	Lease:	MARQUARDT FED	Well No:	#1
WO Rep:	DEWAYNE JARRE				
Date:	11/6/96				

ATTACHMENT VI B



DT 1557 - 17

UNICHEM

A Division of BJ Services Company

Lab Test No : 6951

Chevron

Sample Date : 8/28/95

Lab Date In : 8/31/95

Lab Date Out : 9/1/95

Water Analysis

Fed #6 Zone

Listed below please find water analysis report from : Marquart

Specific Gravity : 1.187
 Total Dissolved Solids : 262288
 pH : 5.35
 Conductivity (uohms):
 Ionic Strength : 5.558

MARQUARDT FEDERAL #6
 1980' FWL & 330 FWL
 SEC. 1, T25S-R26E, Eddy Co. NM

=====

Cations: mg/l

Calcium (Ca++):	24000
Magnesium (Mg++):	7290
Sodium (Na+):	65733
Iron (Fe++):	362.60
Dissolved Iron (Fe++):	
Barium (Ba++):	0.70
Strontium (Sr):	
Manganese (Mn++):	11.01
Resistivity :	.044 @ 72

BRUSHY CANYON
 PERFS: 5148' - 5209'

Anions:

Bicarbonate (HCO3-):	85
Carbonate (CO3--):	0
Hydroxide (OH-):	0
Sulfate (SO4--):	180
Chloride (Cl-):	165000

=====

Gases: ppm

Carbon Dioxide (CO2):
 Oxygen (O2):
 Hydrogen Sulfide (H2S):

=====

Scale Index (positive value indicates scale tendency) a blank indicates some tests were not run

Temperature	CaCO3 SI	CaSO4 SI
86F 30.0C	1.14	-3.37
104F 40.0C	1.97	-3.37
122F 50.0C	2.27	-3.93
140F 60.0C	2.27	-3.81
168F 70.0C	2.27	-3.33
176F 80.0C	2.27	-2.57

Comments :

If you have any questions or require further information, please contact us.

Sincerely,

Laboratory Technician

cc: John Offutt
Joe Hay

UNICHEM

A Division of BJ Services Company

Lab Test No : 6953

Chevron

Sample Date : 8/28/95

Lab Date In : 8/31/95

Lab Date Out : 9/1/95

Water Analysis

Listed below please find water analysis report from : Marquart

Fed #7 5104-5117

Specific Gravity : 1.157
 Total Dissolved Solids : 219238
 pH : 5.99
 Conductivity (uohms):
 Ionic Strength : 4.698

MARQUARDT FEDERAL #7
 1980' FSL & 330' FWL
 SEC. 1, T25S-R26E, EDDY Co, NM

=====

Cations: mg/l

Calcium (Ca++):	22000
Magnesium (Mg++):	6075
Sodium (Na+):	52844
Iron (Fe++):	65.90
Dissolved Iron (Fe++):	
Barium (Ba++):	0.80
Strontium (Sr):	
Manganese (Mn++):	5.67
Resistivity:	.047 @ 72

BRUSHY CANYON
 PERFS: 5104' - 5117'

Anions:

Bicarbonate (HCO3-):	122
Carbonate (CO3--):	0
Hydroxide (OH-):	0
Sulfate (SO4--):	197
Chloride (Cl-):	138000

=====

Gases: ppm

Carbon Dioxide (CO2):
 Oxygen (O2):
 Hydrogen Sulfide (H2S):

=====

Scale Index (positive value indicates scale tendency) a blank indicates some tests were not run

Temperature	CaCO3 SI	CaSO4 SI
86F 30.0C	0.96	-5.15
104F 40.0C	1.40	-5.15
122F 50.0C	1.82	-5.54
140F 60.0C	2.89	-5.68
168F 70.0C	3.03	-5.68
176F 80.0C	3.03	-5.55

Comments :

If you have any questions or require further information, please contact us.

Sincerely,

ATTACHMENT 5

cc: John Offutt
Joe Hay

Laboratory Technician

UNICHEM

A Division of E.J. Services Company

Lab Test No: 13060

Chevron

Post-It Fax Note

7671

Date	10/29	# of pages	1
To	Nathan Maurer	From	John Offutt
Co./Dept.	USA	Co.	Unichem
Phone #		Phone #	
Fax #	394-1293	Fax #	393-1150

Water Analysis

Sample Date: 10/2/96

Lab Date In: 10/10/96

Lab Date Out: 10/29/96

Listed below please find water analysis report from:

White City

6 Fed #1

Specific Gravity: 1.078

Total Dissolved Solids: 109130

pH:

Conductivity (µmhos):

Ionic Strength: 2.171

Cations:		mg/L
Calcium	(Ca ⁺⁺):	6000
Magnesium	(Mg ⁺⁺):	2430
Sodium	(Na ⁺):	32633
Lithium	(Li ⁺):	22.90
Dissolved Iron	(Fe ⁺⁺):	
Barium	(Ba ⁺⁺):	4.40
Strontium	(Sr):	
Manganese	(Mn ⁺⁺):	8.30
Resistivity:		
Anions:		
Bicarbonate	(HCO ₃ ⁻):	
Carbonate	(CO ₃ ⁻):	
Hydroxide	(OH ⁻):	0
Sulfate	(SO ₄ ⁻):	67
Chloride	(Cl ⁻):	68000

Gases:		ppm
Carbon Dioxide	(CO ₂):	
Hydrogen Sulfide	(H ₂ S):	

White City "6" Federal #1
Sec. 6 - T25S - R27E, Eddy Co.
N.

Bell Canyon
Perts 2092 - 2116

≈ .07 @ 80°F Est. BHT

Scale Index (positive value indicates scale tendency) a blank indicates some tests were not run

Temperature	CaCO ₃ SI	CaSO ₄ SI
85°F	30.0C	
104°F	40.0C	
122°F	50.0C	
140°F	60.0C	
168°F	70.0C	
176°F	80.0C	

Comments:

If you have any questions or require further information, please contact us.

Sincerely,

Laboratory Technician

cc: John Offutt

Joe Hay

P.O. Box 61427, Midland, TX 79711 • 4312 S. County Rd. 1298, Midland, TX 79705
Office: (915) 461-0241 • Fax: (915) 563-0243

ATTACHMENT

Affidavit of Publication

Nº 19165

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:

June 23, 19 98
_____, 19____
_____, 19____
_____, 19____
_____, 19____
_____, 19____

That the cost of publication is \$ 18.17,
and that payment thereof has been made and will be assessed as court costs.

Amy McKay

Subscribed and sworn to before me this

26th day of June, 1998

Donna Crump

My commission expires 8/1/98

Notary Public

June 23, 1998

June 17, 1998

Chevron USA Production Co.,
P.O. Box 1150 Midland, Tx
79702, New Mexico Team
(915) 687-7766, intends to
permit a salt water disposal
well on the Murchison 2 State
Lease. The legal location is
Section 2, T25S, R26E, 660'
FNL & 330' FEL, Eddy
County, New Mexico. Injection
formation is the Delaware-Bell
Canyon, Black River; Delaware South Field, approximately 2300'. Estimated maximum injection rate and pressure is 2000 bwpd & 600 psi.

Note: Interested parties must file objections or requests for hearing with the Oil Conservation Division, P.O. Box 2088, Santa Fe, NM 87501 within 15 days from the date an application was mailed to them.

ATTACHMENT 7

Fold at line over top of envelope to the right of the return address

CERTIFIED

P 497 455 116

MAIL



First Class Mail

Is your RETURN ADDRESS completed on the reverse side?

SENDER: Ric Murchison 2 St #4

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- 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.

3. Article Addressed to:

Murchison Oil + Gas
1445 Ross Ave, Ste 5300
Dallas TX 75202-2807

4a. Article Number

P 497 455 116

4b. Service Type

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

7. Date of Delivery

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X

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

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

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

Consult postmaster for fee.

Thank you for using Return Receipt Service.

PS Form 3811, December 1994

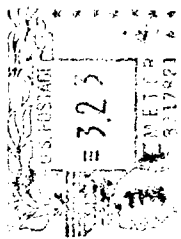
Domestic Return Receipt

Fold at line over top of envelope to
the right of the return address

CERTIFIED

P 497 455 117

MAIL



First Class Mail

Is your RETURN ADDRESS completed on the reverse side?

SENDER: Re: Murphison 244

- Complete items 1 and/or 2 for additional services.
- 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:

Hannon Operating Co.
8411 Preston Rd. Ste 800
Dallas TX 75225

4a. Article Number

P 497 455 117

4b. Service Type

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

7. Date of Delivery

5. Received By: (Print Name)

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

6. Signature: (Addressee or Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

CHECKLIST for ADMINISTRATIVE INJECTION APPLICATIONS

Operator: CHEVRON USA Well: MURCHISON '2' ST. No. 4
Contact: GREG ROBERTS Title: P.E. Phone: 915-687-7766
DATE IN * 7-9-98 RELEASE DATE _____ DATE OUT _____

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 _____
* ADD'D 7-28

AREA of REVIEW WELLS

<u>6</u> Total # of AOR	<u>0</u> # of Plugged Wells
<u>YES</u> Tabulation Complete	_____ Schematics of P & A's
<u>YES</u> Cement Tops Adequate	_____ AOR Repair Required

INJECTION FORMATION

Injection Formation(s) BELL CANYON Compatible Analysis YES
Source of Water or Injectate AREA PRODUCTION

PROOF of NOTICE

<u>✓</u> _____ Copy of Legal Notice	<u>✓</u> _____ Information Printed Correctly
<u>✓</u> _____ Correct Operators	<u>✓</u> _____ Copies of Certified Mail Receipts
<u>* X</u> _____ Objection Received	_____ Set to Hearing _____ Date

NOTES:

* AMENDED INTERVAL SATISFIED OBJECTION.

APPLICATION QUALIFIES FOR ADMINISTRATIVE APPROVAL? YES

COMMUNICATION WITH CONTACT PERSON:

1st Contact:	_____ Telephoned	_____ Letter	_____ Date	Nature of Discussion _____
2nd Contact:	_____ Telephoned	_____ Letter	_____ Date	Nature of Discussion _____
3rd Contact:	_____ Telephoned	_____ Letter	_____ Date	Nature of Discussion _____