

# SWD - MODIFICATION

AMEND SWD

5/22/00

PERRY L. HUGHES

207 WEST MCKAY

CARLSBAD, NM 88220

505-885-5433

May 2, 2000

5

Mr. Ben Stone  
New Mexico Energy, Mineral & Natural Resources Dept.  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, NM 87505

Re: SWD 747- KCS Medallion Resources, Inc.'s, Application for Produced Water Disposal  
Eddy County, New Mexico

Dear Mr. Stone:

KCS Medallion Resources, pursuant to the captioned Order, dated January 31, 2000, and particularly that paragraph on page 2 there of which provides:

Should it become necessary in the Operator's opinion to perforate any interval in the well bore higher than 5307' the Operator shall notify the Division and provide notice to interested parties so that the proposal may be reviewed and modifications to the permit be made as deemed appropriate by the Division.

requests that the Applicant be granted administrative authority to inject produced water for disposal purposes into the Grayburg Formation at an interval from 3,946' to 3989' and the San Andres Formation at an interval from 4,152' to 4,192'. Injection into the Delaware Formation at the stated interval from 5,307' to 5,490', would continue.

Copies of this letter request have been mailed to all interested parties as listed on the second page attached hereto by certified mail, return receipt requested. The return receipts will be forwarded to you, after receipt thereof by us.

As all these depths are included in the formations set forth in the publication notice of November 9, 1999, further publication would not appear necessary. If the contrary be true, however, the same shall be done promptly upon receipt of your advice.

Appreciating your courtesy to us in this matter, I am

Very truly yours,

By



Perry L. Hughes, Agent  
KCS Medallion Resources, Inc.

ZMD - Modification

207 WEST MCKAY •

PERRY L. HUGHES

CARLSBAD, NM 88220 •

505-885-5433

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May 4, 2000

Mr. Ben Stone  
New Mexico Energy, Mineral & Natural Resources Dept.  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, NM 87505

Re: SWD 747- KCS Medallion Resources, Inc.'s, Application for Produced Water Disposal  
Eddy County, New Mexico

Dear Mr. Stone:

Here is the list of all interested parties as indicated in our letter of 05/02/00. Inadvertently this list was not attached to the original letter.

Receipt for Certified Mail  
Z 259 605 092  
United States Dept of Interior  
Bureau of Land Management  
Roswell, NM 88201

Receipt for Certified Mail  
Z 259 605 089  
Richard Cattle Company  
PO Box 487  
Carlsbad, NM 88220

Receipt for Certified Mail  
Z 259 605 086  
Pride Energy  
PO Box 2948  
Midland, TX 79702

Receipt for Certified Mail  
Z 259 605 090  
Pennzoil  
PO Box 50090  
Midland, TX 79710-0090

Receipt for Certified Mail  
Z 259 605 091  
Chevron USA Prod.  
Non-Operated Join Int. Properties  
PO Box 1635  
Houston, TX 77251

Receipt for Certified Mail  
Z 259 605 087  
Xeric Oil & Gas Corporation  
PO Box 352  
Midland, TX 79702-0352

Receipt for Certified Mail  
Z 259 605 093  
Ocean Energy, Inc.  
4305 N Garfield, Ste 237  
Midland, TX 79705

Receipt for Certified Mail  
Z 259 605 088  
Burlington Resources  
PO Box 51810  
Midland, TX 79710

Receipt for Certified Mail  
Z 259 605 094  
Concho Resources, LLC  
110 W Louisiana, Ste 410  
Midland, TX 79701

As of this date we have not received any of the Return Receipts, but we will forward these as indicated in the original letter of 05/02/00.

Sincerely,

  
Perry L. Hughes



May 23, 2000

ATTORNEYS AT LAW

500 Marquette NW  
Suite 1200  
Albuquerque, NM  
87102-5311

P.O. Box 1276  
87103-1276

505-247-2315

Facsimile  
505-764-5480

www.ejmj.com

JOHN P. EASTHAM  
ROBERT A. JOHNSON  
DONALD B. MONNHEIMER  
DENNIS E. JONTZ  
BRUCE E. CASTLE  
JAMES L. RASMUSSEN  
STEPHEN R. NELSON  
A. DREW HOFFMAN  
R. THOMAS DAWE  
KATHLEEN DAVISON LEBECK  
MARILYN C. O'LEARY  
ROSS L. CROWN  
CLINTON W. MARRS  
NICKAY B. MANNING  
CHARLOTTE LAMONT  
ALAN HALL  
JAMES T. REIST  
KARLA K. POE  
LESLIE K. COYNE  
JEFFREY H. ALBRIGHT  
TRACY T. HOWELL  
RICARDO M. CONTRERAS  
PAUL A. COOTER, Of Counsel

Mr. Ben Stone  
New Mexico Energy, Minerals &  
Natural Resources Department  
Oil Conservation Division  
2440 S. Pacheco Street  
Santa Fe, NM 87505

Re: SWD 747 - KCS Medallion Resources' Application for Produced Water Disposal, Eddy County, New Mexico

Dear Ben:

Perry Hughes recently wrote you requesting administrative authority for KCS Medallion Resources to inject produced water for disposal purposes into the Grayburg Formation at an interval from 3,946' to 3,986' and the San Andres Formation at an interval from 4,152' to 4,192'. Injection into the Delaware Formation at the interval stated in the Order from 5,307' to 5,490' would continue.

Forwarded to you with this letter are the return receipts received from the mailing of the copies of that letter to all interested parties.

Should something else be needed, your prompt advice would be appreciated.

Very truly yours,

Paul A. Cooter

PAC\smb  
enclosure  
cc w/o enc.: Perry Hughes

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Received by (Please Print Clearly)	B. Date of Delivery 5/4/00
	C. Signature X <i>Ann Gouler</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to:  <b>Sancho Resources, LLC</b> <b>110 W Louisiana, Ste 410</b> <b>Midland, TX 79701</b>	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
2. Article Number (Copy from service label) <b>Z259 605 094</b>	3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
PS Form 3811, July 1999	Domestic Return Receipt	102595-99-M-1789
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Received by (Please Print Clearly)	B. Date of Delivery MAY 08 2000
	C. Signature X <i>D. Spickelton</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to:  <b>Chevron USA Prod</b> <b>Non-Operated Joint Int. Properties</b> <b>PO Box 1635</b> <b>Houston, TX 77251</b>	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
2. Article Number (Copy from service label) <b>Z251 605 091</b>	3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
PS Form 3811, July 1999	Domestic Return Receipt	102595-99-M-1789
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Received by (Please Print Clearly)	B. Date of Delivery 5-8-00
	C. Signature X <i>Jo Cleave</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to:  <b>Pennzoil</b> <b>PO Box 50090</b> <b>Midland, TX 79710-0090</b>	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
2. Article Number (Copy from service label) <b>Z259 605 090</b>	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
PS Form 3811, July 1999	Domestic Return Receipt	102595-99-M-1789
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes		

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

United States Dept of Interior  
Bureau of Land Management  
2909 W. Second  
Roswell, NM 88201

2. Article Number (Copy from service label)

2259 605092

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**COMPLETE THIS SECTION ON DELIVERY**

- A. Received by (Please Print Clearly) *CAROL HINES* B. Date of Delivery *5-4-00*
- C. Signature *Carol Hines*  Agent  Addressee
- D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

- Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Ocean Energy, Inc.  
4305 N. Fairfield, Ste 237  
Midland, TX 79705

2. Article Number (Copy from service label)

2259 605093

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**COMPLETE THIS SECTION ON DELIVERY**

- A. Received by (Please Print Clearly) *Subrina Melton* B. Date of Delivery *5-4-00 Rk*
- C. Signature *Subrina Melton*  Agent  Addressee
- D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

- Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Richard Cattle Company  
PO Box 487  
Carlsbad, NM 88220

2. Article Number (Copy from service label)

2259 605089

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**COMPLETE THIS SECTION ON DELIVERY**

- A. Received by (Please Print Clearly) *James Richard* B. Date of Delivery *MAY 4 2000*
- C. Signature *James Richard*  Agent  Addressee
- D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

- Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Pride Energy  
PO Box 2948  
Midland, TX 79702

2. Article Number (Copy from service label)

Z 259 605 086

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) B. Date of Delivery

5-11-00

C. Signature

X Pattie O'Grady  Agent  
 Addressee

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

- Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Xeric Oil & Gas Corporation  
PO Box 352  
Midland, TX 79702-0352

2. Article Number (Copy from service label)

Z 259 605 087

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

X A. Beuman  Agent  
 Addressee

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

- Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Burlington Resources  
PO Box 51810  
Midland, TX 79710

2. Article Number (Copy from service label)

Z 259 605 088

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) B. Date of Delivery

E. Brunson MAY - 4 2000

C. Signature

X Eric Brunson  Agent  
 Addressee

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

- Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes