

SWD 12/30/99
762

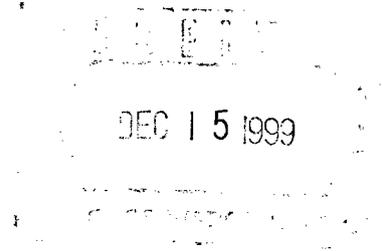


KERR-MCGEE OIL & GAS ONSHORE LLC

P.O. BOX 809004 • DALLAS, TEXAS 75380-9004 • PH (972) 715-4000
14311 WELCH ROAD • DALLAS, TEXAS 75244-3934 • FAX (972) 715-4069

December 6, 1999

Energy, Minerals & Natural Resources Dept.
Oil & Gas Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505



Re: Bunnell Federal #3 30-015-30701

Ladies and Gentlemen:

Kerr McGee Oil & Gas Onshore LLC is planning to utilize the Bunnell Federal #3 as a disposal well. The well is located 2050 feet from the south line, 1850 feet from the east line in Section 18, Township 21 S, Range 23 E in Eddy County, New Mexico.

Kerr McGee Oil & Gas Onshore LLC intends to complete into the Devonian formation and dispose of Cisco-Canyon produced water at 2,100 psi and 30,000 bbls per day maximum. All parties must file objections or request for hearing with the Oil Conservation, PO Drawer 2088, Santa Fe, New Mexico, 87501, within fifteen days.

If you have any questions concerning this application, please contact me at my direct office number 972-715-4520.

Yours truly,

A handwritten signature in black ink, appearing to read 'Stephen Fore'.

Stephen Fore
Technical Analyst

Enclosure:

2040 Pacheco St.
Santa Fe, Nm 87505

APPLICATION FOR AUTHORIZATION TO INJECT

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

✓ II. Operator: KERR-McGEE OIL & GAS ONSHORE LLC
Address: P.O. Box 809004, Dallas, TX 75380-9004
Contact Party: STEPHEN FORE Phone: 972-715-4520

✓ 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/1 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 text data on the well. (If well logs have been filed with the Division they need not be submitted.)

✓* 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.

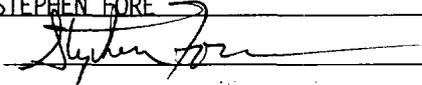
✓ XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

✓ 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: STEPHEN FORE Title: TECHNICAL ANALYST

Signature:  Date: 12-06-99

If the information required under Section 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.

Affidavit of Publication

No 20220

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 coun-
ty; 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:

<u>November 12</u>	,	<u>1999</u>
_____	,	<u>1999</u>

That the cost of publication is \$ 30.84
and that payment thereof has been made and will be
assessed as court costs.

Amy McKay

12 day of November 1999
Romaine Reparte

My commission expires 5/25/03
Notary Public

November 12, 1999

LEGAL NOTICE
November 9, 1999

Kerr-McGee Oil & Gas Onshore LLC hereby gives public notice that is is applying to the Oil Conservation Division of New Mexico, Santa Fe, for a permit to dispose of produced saltwater by injection into a formation which is not productive of oil and/or gas.

The applicant proposes to inject fluid into Bunnell Federal Lease Well #3, located 2050 FSL and 1850 FEL of Section 18, Lot J, T21S, R23E, Eddy County, New Mexico. Fluid will be injected into strata in the subsurface depth interval ranging from 9,500 - 11,000 at a maximum rate of 30,000 barrels of water per day and/or a maximum surface pressure of 2100 psi.

Any objections or requests for hearing by interested parties, who can show they are adversely affected, should be submitted in writing within fifteen days of publication, to Oil Conservation Division of New Mexico, Energy and Mineral Department, P.O. Drawer 2088, Santa Fe, New Mexico 87501. For further information, contact Kerr-McGee Oil & Gas Onshore LLC, PO Box 809004, Dallas, TX 75380-9004 (Telephone 972-715-4520).

INJECTION WELL DATA SHEET

SIDE 1

OPERATOR	LEASE		
KERR-McGEE	BUNNELL FEDERAL		
WELL NO.	FOOTAGE LOCATION	TOWNSHIP	RANGE
#3	2050 FSL & 1850 FEL	21 S	23 E
	SECTION		
	18		

Schematic

Tabular Data

Surface Casing
 Size 16" " Cemented with GROUT sx.
 TOC SURFACE feet determined by VISUAL
 Hole size 18 1/2"

Intermediate Casing
 Size 9 5/8" " Cemented with 730 SXS sx.
 TOC SURFACE feet determined by VISUAL
 Hole size 14 3/4"

Long string
 Size 7" & 5" LINER " Cemented with 600 sx.
 TOC 5,400' & 6,900 feet determined by TEMP SURVEY
 Hole size 8 3/4" & 6 1/8"
 Total depth 10,000'

Injection interval
9,500' OH feet to 10,000' OH feet.
 (perforated or open-hole, indicate which)

INJECTION WELL DATA SHEET -- SIDE 2

Tubing size 3 1/2" & 2 7/8" lined with INTERNAL PLASTIC COATED set in a _____ feet
(material)

BAKER LOCK-SET packer at 9,500' feet
(brand and model)

(or describe any other casing-tubing seal.)

Other Data

1. Name of the injection formation DEVONIAN
2. Name of Field or Pool (if applicable) INDIAN BASIN
3. Is this a new well drilled for injection? Yes No
If no, for what purpose was the well originally drilled? WELL WAS DRILL TO TD 7,400' AS UPPER PENN GAS WELL. UPPER PENN IS NOT PRODUCTIVE. WELL BORE WILL BE DEEPEN AND UTILIZED AS A SWD WELL IN THE DEVONNIAN FORMATION.
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) YES
PERFS 7,025 - 7,361' UPPER PENN. PERFS WILL BE SQUEZZED AND 5" LINER WILL OVER LAP 125'
5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. UPPER PENN 7,025'

VII.

1. Proposed average and maximum daily rate @ 15,000 BWPD and 30,000 BWPD, respectively.
2. System is closed.
3. Proposed average and maximum daily pressure @ 1000 psig and 2100 psig.

VIII.

The proposed injection zone for the Cisco-Canyon produced water is the Devonian formation from 9,500' to 10,000' MD. Lithologically the Devonian formation consists of dolomite and cherty dolomites characterized by intercrystalline and vugular porosity. The proposed injection zone will be an open-hole interval. The total Devonian thickness in the area is 500 feet. There are no known sources of drinking water in the immediate area of the proposed salt-water disposal well.

IX.

Proposed stimulation program consists of approximately 8,000 gallons of 15% NEFEHCL with nitrogen and assumes 500 feet of treating interval.

X.

After penetrating the top of the Devonian formation, the attached logging program will be run from the Devonian to surface casing. It should be noted Kerr McGee has no plans to run logs across the 500 feet of openhole Devonian section.

XI.

Kerr McGee has reviewed the available geologic and engineering data and has concluded that there is no known underground source of drinking water with open faults or other hydrologic connection which could communicate with the disposal water

WELLS IN AREA OF REVIEW

WELL NAME	OPERATOR	API#	TYPE WELL	SPUD DATE	TD	COMP. DATE	CASING PROGRAM
Bunnell Federal #3	Kerr McGee	30-015-30701	Disposal	8/10/99	PTD 10,000	10/2/99	16"-25 surf. csg w/grout to surface 9 5/8" 36# @ 1,300' w/1,730 sx cmt, TOC @ surface Stage collar @ 3,020' w/265 sx 7" 23 & 26# @ 7,400' w/ 205 sx, TOC @ 5,400' (calc) perfs 7,025 - 7,361'

NO OTHER WELL BORES WITHIN THE ONE-HALF MILE RADIUS PENETRATE THE PROPOSED FORMATION

Proposed Completion

KB: 4110.0'
DF: 4109.0'
GL: 4096.0'
Datum: KB, 14.0' above GL

Bunnell Federal #3 SWD

Rob Brown 10/25/99

2050' FSL & 1850' FEL
Sec 18-T21S-R23E
Eddy Co, NM

9-5/8", 36#/ft @ 1,300' w/1,730 sx
TOC @ surface

Stage collar @ 3,020' w/265 sx

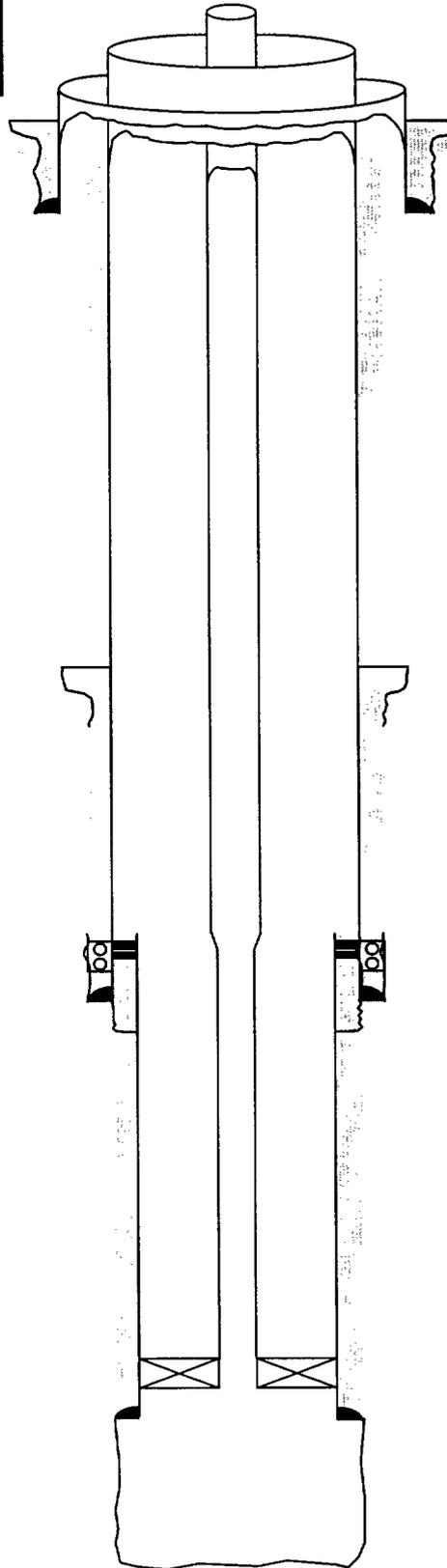
TOC @ 5,400' (calc)

7", 23/26#/ft @ 7,400' w/205 sx

5", 15#/ft, FJ liner from 6,900-9,500'
TOC @ 6,900'

ECP & stage collar @ +/- 9,500'

TD = 10,000'



Sqzd perfs: 7,025-7,361'

Tapered tbg string :
3-1/2", 9.3 #/ft, L-80, IPC @ 6,900'
2-7/8", FJ, L-80, IPC 6,900-9,400'

Packer @ 9,400'

OH: 9,500 - 10,000'

DRAFT

TO: Doug Casteel
P.O. Box 867, Andrews, TX 79714
COMPANY Oryx Energy Company
FIELD

LAB. NO.
DATE REC 1-15-98
RR
Conoco State #2

SEC BLK SURVEY CO:
NO. 1 Produced water - taken from Conoco State #2.

NO. 2
NO. 3.
NO. 4

REMARKS:

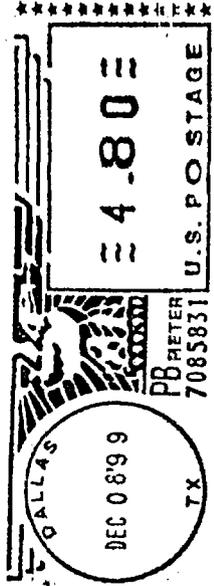
Specific Gravity @ 60oF.	1.0018
pH When Sampled	
pH When Received	4.68
Bicarbonate, as HC03	54
Supersaturated, as CaC03	
Undersaturated, as CaC03	
Total Hardness, as CaC03	450
Calcium, as Ca	100
Magnesium, as Mg	49
Sodium and/or Potassium	99
Sulfate, as SO4	0
Chloride, as Cl	440
Iron, as Fe	14.8
Barium, as Ba	0.0
Turbidity	
Color	
Total Solids, Calc.	741
Temperature, oF.	
Carbon Dioxide	
Oxygen	
Hydrogen Sulfide	159
Resistivity, ohms/m @ 77oF.	6.79
Suspended Oil	
Filtrable Solids	
Volume Filtered, ml	

Date	1/16/98	# of pages	1
From	Casteel		
Co.			
Phone #			
Fax #	3752		
Post-It* Fax Note	7671		
To	Steve Fore		
Co./Dept.			
Phone #			
Fax #			

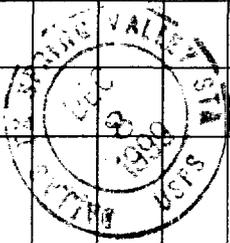
Remarks: We are not familiar with the specific location of this well or the zone being produced, but we do note that this water is composed of essentially all condensed water vapor.

Name and Address of Sender

KERR-MCGEE ONSHORE OIL & GAS LLC
 PO BOX 809004, DALLAS TX 75380-9004



Line	Article Number	Name of Addressee, Street, and Post Office Address	Indicate type of mail		Check appropriate block for Registered Mail:		Insured Value
			<input type="checkbox"/> Registered	<input type="checkbox"/> Insured	<input type="checkbox"/> With Postal Insurance	<input type="checkbox"/> Without Postal Insurance	
1		SANTA FE SNYDER CORP, 550 W Texas Ste 1330 Midland TX 79701	<input type="checkbox"/> Registered	<input type="checkbox"/> Insured	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Int'l Recorded Del.	
2		YATES PETROLEUM CORP 1050 S 4th St Artesia NM 88210	<input type="checkbox"/> Registered	<input type="checkbox"/> Insured	<input type="checkbox"/> Int'l Recorded Del.	<input type="checkbox"/> Express Mail	
3		MOBIL PRODUCING TX & NM INC 12450 Greenspoint Dr Houston TX 77060	<input type="checkbox"/> Registered	<input type="checkbox"/> Insured	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Int'l Recorded Del.	
4		TRUSTEES OF THE MOORE TRUSTS PO Box 10908 Midland TX 79702	<input type="checkbox"/> Registered	<input type="checkbox"/> Insured	<input type="checkbox"/> Int'l Recorded Del.	<input type="checkbox"/> Express Mail	
5		CHEVRON USA INC PO Box 1150 Midland TX 79702	<input type="checkbox"/> Registered	<input type="checkbox"/> Insured	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Int'l Recorded Del.	
6		MARATHON OIL CO PO Box 522 Midland TX 79702	<input type="checkbox"/> Registered	<input type="checkbox"/> Insured	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Int'l Recorded Del.	
7		NADEL & GUSSMAN PERMIAN INC 601 N Marienfeld Ste 508 Midland TX 79701	<input type="checkbox"/> Registered	<input type="checkbox"/> Insured	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Int'l Recorded Del.	
8		BUREAU OF LAND MANAGEMENT 2909 W 2nd St Roswell NM 88202	<input type="checkbox"/> Registered	<input type="checkbox"/> Insured	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Int'l Recorded Del.	
9							
10							
11							
12							
13							
14							
15							



The full declaration of value is required on all domestic and international registered mail. The maximum indemnity payable for the reconstruction of nonnegotiable documents under Express Mail document reconstruction insurance is \$50,000 per piece subject to a limit of \$500,000 per occurrence. The maximum indemnity payable on Express Mail merchandise insurance is \$500. The maximum indemnity payable is \$25,000 for registered mail, sent with optional postal insurance. See Domestic Mail Manual R900, S913, and S921 for limitations of coverage on insured and COD mail. See International Mail Manual for limitations of coverage on international mail. Special handling charges apply only to Standard Mail (A) and Standard Mail (B) parcels.

Total Number of Pieces Listed by Sender	8
Total Number of Pieces Received at Post Office	8
Postmaster, Per (Name of Receiving Employee)	<i>W. H. M.</i>

Form Must Be Completed by Typewriter, Ink, or Ball Point Pen



KERR-McGEE OIL & GAS ONSHORE LLC

P.O. BOX 809004 • DALLAS, TEXAS 75380-9004 • PH (972) 715-4000
14311 WELCH ROAD • DALLAS, TEXAS 75244-3934 • FAX (972) 715-4069

December 6, 1999

Bureau of Land Management
2909 West Second Street
Roswell, New Mexico 88202

Re: Bunnell Federal #3

Ladies and Gentlemen:

Kerr McGee Oil & Gas Onshore LLC is planning to utilize the Bunnell Federal #3 as a disposal well. The well is located 2050 feet from the south line, 1850 feet from the east line in Section 18, Township 21 S, Range 23 E in Eddy County, New Mexico.

Kerr McGee Oil & Gas Onshore LLC intends to complete into the Devonian formation and dispose of Cisco-Canyon produced water at 2,100 psi and 30,000 bbls per day maximum. All parties must file objections or request for hearing with the Oil Conservation, PO Drawer 2088, Santa Fe, New Mexico, 87501, within fifteen days.

If you have any questions concerning this application, please contact me at my direct office number 972-715-4520.

Yours truly,

Stephen Fore
Technical Analyst

Enclosure:



KERR-McGEE OIL & GAS ONSHORE LLC

P.O. BOX 809004 • DALLAS, TEXAS 75380-9004 • PH (972) 715-4000
14311 WELCH ROAD • DALLAS, TEXAS 75244-3934 • FAX (972) 715-4069

December 6, 1999

Nadel and Gussman Permian Inc.
Suite 508
601 North Marienfeld
Midland, Texas 79701

Re: Bunnell Federal #3

Ladies and Gentlemen:

Kerr McGee Oil & Gas Onshore LLC is planning to utilize the Bunnell Federal #3 as a disposal well. The well is located 2050 feet from the south line, 1850 feet from the east line in Section 18, Township 21 S, Range 23 E in Eddy County, New Mexico.

Kerr McGee Oil & Gas Onshore LLC intends to complete into the Devonian formation and dispose of Cisco-Canyon produced water at 2,100 psi and 30,000 bbls per day maximum. All parties must file objections or request for hearing with the Oil Conservation, PO Drawer 2088, Santa Fe, New Mexico, 87501, within fifteen days.

If you have any questions concerning this application, please contact me at my direct office number 972-715-4520.

Yours truly,

A handwritten signature in black ink that reads "Stephen Fore".

Stephen Fore
Technical Analyst

Enclosure:



KERR-McGEE OIL & GAS ONSHORE LLC

P.O. BOX 809004 • DALLAS, TEXAS 75380-9004 • PH (972) 715-4000
14311 WELCH ROAD • DALLAS, TEXAS 75244-3934 • FAX (972) 715-4069

December 6, 1999

Marathon Oil Company
PO Box 522
Midland, TX 79702

Re: Bunnell Federal #3

Ladies and Gentlemen:

Kerr McGee Oil & Gas Onshore LLC is planning to utilize the Bunnell Federal #3 as a disposal well. The well is located 2050 feet from the south line, 1850 feet from the east line in Section 18, Township 21 S, Range 23 E in Eddy County, New Mexico.

Kerr McGee Oil & Gas Onshore LLC intends to complete into the Devonian formation and dispose of Cisco-Canyon produced water at 2,100 psi and 30,000 bbls per day maximum. All parties must file objections or request for hearing with the Oil Conservation, PO Drawer 2088, Santa Fe, New Mexico, 87501, within fifteen days.

If you have any questions concerning this application, please contact me at my direct office number 972-715-4520.

Yours truly,

Stephen Fore
Technical Analyst

Enclosure:



KERR-MCGEE OIL & GAS ONSHORE LLC

P.O. BOX 809004 • DALLAS, TEXAS 75380-9004 • PH (972) 715-4000
14311 WELCH ROAD • DALLAS, TEXAS 75244-3934 • FAX (972) 715-4069

December 6, 1999

Chevron, U.S.A., Inc.
PO Box 1150
Midland, TX 79702

Re: Bunnell Federal #3

Ladies and Gentlemen:

Kerr-McGee Oil & Gas Onshore LLC is planning to utilize the Bunnell Federal #3 as a disposal well. The well is located 2050 feet from the south line, 1850 feet from the east line in Section 18, Township 21 S, Range 23 E in Eddy County, New Mexico.

Kerr-McGee Oil & Gas Onshore LLC intends to complete into the Devonian formation and dispose of Cisco-Canyon produced water at 2,100 psi and 30,000 bbls per day maximum. All parties must file objections or request for hearing with the Oil Conservation, PO Drawer 2088, Santa Fe, New Mexico, 87501, within fifteen days.

If you have any questions concerning this application, please contact me at my direct office number 972-715-4520.

Yours truly,

Stephen Fore
Technical Analyst

Enclosure:



KERR-MCGEE OIL & GAS ONSHORE LLC

P.O. BOX 809004 • DALLAS, TEXAS 75380-9004 • PH (972) 715-4000
14311 WELCH ROAD • DALLAS, TEXAS 75244-3934 • FAX (972) 715-4069

December 6, 1999

Trustees of the Moore Trusts
PO Box 10908
Midland, Texas 79702

Re: Bunnell Federal #3

Ladies and Gentlemen:

Kerr McGee Oil & Gas Onshore LLC is planning to utilize the Bunnell Federal #3 as a disposal well. The well is located 2050 feet from the south line, 1850 feet from the east line in Section 18, Township 21 S, Range 23 E in Eddy County, New Mexico.

Kerr McGee Oil & Gas Onshore LLC intends to complete into the Devonian formation and dispose of Cisco-Canyon produced water at 2,100 psi and 30,000 bbls per day maximum. All parties must file objections or request for hearing with the Oil Conservation, PO Drawer 2088, Santa Fe, New Mexico, 87501, within fifteen days.

If you have any questions concerning this application, please contact me at my direct office number 972-715-4520.

Yours truly,

Stephen Fore
Technical Analyst

Enclosure:



KERR-McGEE OIL & GAS ONSHORE LLC

P.O. BOX 809004 • DALLAS, TEXAS 75380-9004 • PH (972) 715-4000
14311 WELCH ROAD • DALLAS, TEXAS 75244-3934 • FAX (972) 715-4069

December 6, 1999

Mobil Producing Texas & New Mexico Inc.
12450 Greenspoint Drive
Houston, Texas 77060

Re: Bunnell Federal #3

Ladies and Gentlemen:

Kerr McGee Oil & Gas Onshore LLC is planning to utilize the Bunnell Federal #3 as a disposal well. The well is located 2050 feet from the south line, 1850 feet from the east line in Section 18, Township 21 S, Range 23 E in Eddy County, New Mexico.

Kerr McGee Oil & Gas Onshore LLC intends to complete into the Devonian formation and dispose of Cisco-Canyon produced water at 2,100 psi and 30,000 bbls per day maximum. All parties must file objections or request for hearing with the Oil Conservation, PO Drawer 2088, Santa Fe, New Mexico, 87501, within fifteen days.

If you have any questions concerning this application, please contact me at my direct office number 972-715-4520.

Yours truly,

A handwritten signature in black ink, appearing to read 'Stephen Fore'.

Stephen Fore
Technical Analyst

Enclosure:



KERR-McGEE OIL & GAS ONSHORE LLC

P.O. BOX 809004 • DALLAS, TEXAS 75380-9004 • PH (972) 715-4000
14311 WELCH ROAD • DALLAS, TEXAS 75244-3934 • FAX (972) 715-4069

December 6, 1999

Yates Petroleum Corporation
1050 South Fourth Street
Artesia, New Mexico 88210

Re: Bunnell Federal #3

Ladies and Gentlemen:

Kerr McGee Oil & Gas Onshore LLC is planning to utilize the Bunnell Federal #3 as a disposal well. The well is located 2050 feet from the south line, 1850 feet from the east line in Section 18, Township 21 S, Range 23 E in Eddy County, New Mexico.

Kerr McGee Oil & Gas Onshore LLC intends to complete into the Devonian formation and dispose of Cisco-Canyon produced water at 2,100 psi and 30,000 bbls per day maximum. All parties must file objections or request for hearing with the Oil Conservation, PO Drawer 2088, Santa Fe, New Mexico, 87501, within fifteen days.

If you have any questions concerning this application, please contact me at my direct office number 972-715-4520.

Yours truly,

Stephen Fore
Technical Analyst

Enclosure:



KERR-MCGEE OIL & GAS ONSHORE LLC

P.O. BOX 809004 • DALLAS, TEXAS 75380-9004 • PH (972) 715-4000
14311 WELCH ROAD • DALLAS, TEXAS 75244-3934 • FAX (972) 715-4069

December 6, 1999

Santa Fe Synder Corporation
Suite 1330
550 West Texas
Midland, Texas 79701

Re: Bunnell Federal #3

Ladies and Gentlemen:

Kerr McGee Oil & Gas Onshore LLC is planning to utilize the Bunnell Federal #3 as a disposal well. The well is located 2050 feet from the south line, 1850 feet from the east line in Section 18, Township 21 S, Range 23 E in Eddy County, New Mexico.

Kerr McGee Oil & Gas Onshore LLC intends to complete into the Devonian formation and dispose of Cisco-Canyon produced water at 2,100 psi and 30,000 bbls per day maximum. All parties must file objections or request for hearing with the Oil Conservation, PO Drawer 2088, Santa Fe, New Mexico, 87501, within fifteen days.

If you have any questions concerning this application, please contact me at my direct office number 972-715-4520.

Yours truly,

Stephen Fore
Technical Analyst

Enclosure: