

APPLICATION FOR AUTHORIZATION TO INJECT

- ✓ I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance X _____ Disposal _____ Storage
Application qualifies for administrative approval? X Yes _____ No
- ✓ II. OPERATOR: Xeric Oil & Gas Corporation
ADDRESS: P O Box 352 Midland, TX 79702-0352
CONTACT PARTY: Mitchell Morris PHONE: (915) 683-3171
- ✓ 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 X _____ 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: AUG 28
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 geologic data on the injection zone including appropriate lithologic detail, geologic 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 sources 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 sources 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: Mitchell Morris TITLE: Production Analyst
SIGNATURE: Mitchell Morris DATE: 8/23/00

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: 1953 when well was drilled

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 the 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, 2040 South Pacheco, Santa Fe, New Mexico 87505, 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.

Xeric Oil & Gas Corporation
Application for Authorization to Inject
Mexico U #1 (30-025-12512)

- I. Purpose: Water Disposal
- II. Operator: Xeric Oil & Gas Corporation, P O Box 352,
Midland, TX 70701, Attn: Mitchell Morris, (915) 683-3171
- III. Well Data: Attachment A
- IV. This is not an expansion of an existing project.
- V. Map: Attachment B
- VI. Wells in Area of Review: Attachment C
- VII. Proposed Operations: Attachment D and Attachment E
- VIII. Geological Data: Attachment F and Attachment G
- IX. Proposed Stimulation: None
- X. Logs and test data: Submitted when well was drilled in 1953
- XI. Chemical Analysis of water: Attachment H
- XII. Affirmative statement concerning drinking water: Attachment I
- XIII. Proof of Notice: Attachment J

Side 1

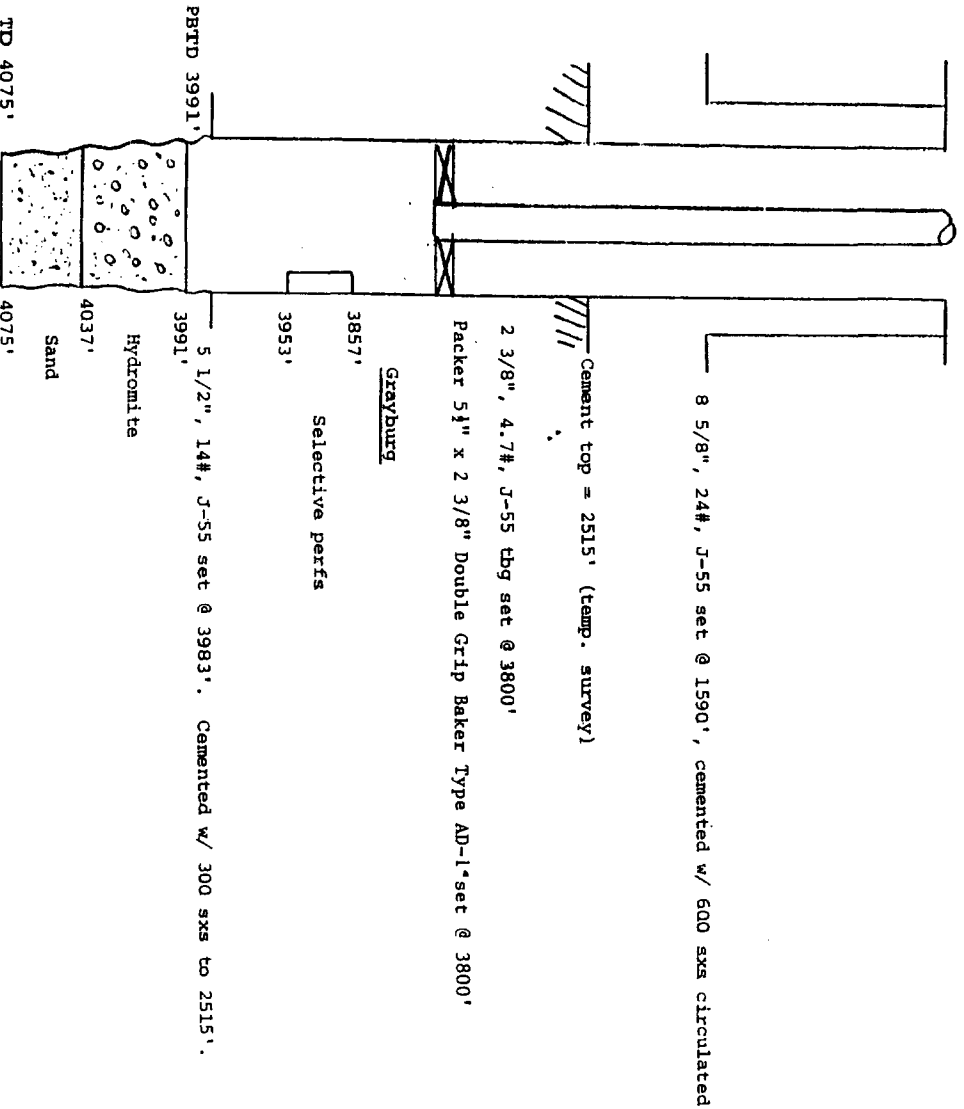
OPERATOR: Xeric Oil & Gas Corporation

WELL NAME & NUMBER: Mexico U #1

WELL LOCATION: 330' FNL & 1650' FEL B 8 19S 38E
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC

Mexico U #1
Hobbs Grayburg San Andres



WELL CONSTRUCTION DATA
Surface Casing

Hole Size: 11" Casing Size: 8 5/8"

Cemented with: 600 sx. or ft³

Top of Cement: Surface Method Determined:

Intermediate Casing

Hole Size: Casing Size:

Cemented with: sx. or ft³

Top of Cement: Method Determined:

Production Casing

Hole Size: 7 7/8" Casing Size: 5 1/4"

Cemented with: 300 sx. or ft³

Top of Cement: 2515' Method Determined: Temperature Survey

Total Depth: 3983'

Injection Interval

3857'-3953' Perforated
3983'-3991' feet to Open Hole

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8" 4.7# J-55 Lining Material: None

Type of Packer: 5 1/2" X 2 3/8" Double Grip Baker Type AD-1

Packer Setting Depth: 3800'

Other Type of Tubing/Casing Seal (if applicable): N/A

Additional Data

1. Is this a new well drilled for injection? Yes X No

If no, for what purpose was the well originally drilled? Oil/Gas exploration

2. Name of the Injection Formation: Grayburg

3. Name of Field or Pool (if applicable): Hobbs Grayburg San Andres

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. 4037'-4075' Sand plug;

4028'-4037' Hydromite plug; 4008'-4028' Hydromite plug; 3991'-4008' Hydromite plug.

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area. Queen-3449' overlying; San Andres-4085' underlying.

[illegible]

Xeric Oil & Gas Corp.
Application for Authorization to Inject
Mexico U #1
Attachment C

Well Name	Well Type	Construction	Date Drilled	Location	Depth	Record of Completion
South Hobbs GSA #171	Injection	8 5/8" 24# set @ 1532' 5 1/2" 15.5# set @ 4300'	2/15/84	UL D Sec. 9, T19S, R38E	4300'	4140'-58, 4170'-76', 4189'-96', 4211'-16'
South Hobbs GSA #52	Oil	13 3/8" 48# set @ 200' 5 1/2" 15.5# set @ 4109'	3/28/48	UL P, Sec. 5, T19S, R38E	4110'	4070'-78', 4038'-52', 3965'-85' 4247', 4255', 4264, 4270' 4276' 4148', 4160', 4180' 4184', 4188, 4196', 4200', 4100'-4135', 4175'-4230'
South Hobbs GSA #51	Injection	8 5/8" 29.35# set @ 297' 5 1/2" 14# set @ 4307'	7/27/53	UL N, Sec. 5, T19S, R38E	4313'	4070'-130', 4121'-30', 3980'-4050' 4150'-62', 4170'-76', 4180'-84', 4190'-4208', 4218'-20', 4037'-53'
South Hobbs GSA #40	Injection	16" 70# set @ 192' 10 3/4" 45.5# set @ 2784' 6 5/8" 26# set @3980'	1/35/31	UL K, Sec. 5, T19S, R38E	4195'	4160'-68, 4176'-89', 4186'-89', 4005'-25', 4120'-48', 4078-4100', 3923'-26', 3930'-33', 3936'-40', 3946'-52', 3956'-53', 3965'-74' 4146'-54'
South Hobbs GSA #53	Injection	12 1/2" set @ 196' 9 5/8" set @ 2778' 7" set @ 3965' 4 1/2" liner set @ 3702'-4220'	2/18/72	UL M, Sec. 4, T19S, R38E	4200'	4164'-4206', 3984'-86', 3990'-95', 4002'-16', 20'-22', 29'-31', 50'-60', 70'-78', 83'-88', 4100'-10', 15'-17', 19'-21', 43'-48', 50'-53'

Xeric Oil & Gas Corp.
Application for Authorization to Inject
Mexico U #1
Attachment C

<u>Well Name</u>	<u>Well Type</u>	<u>Construction</u>	<u>Date Drilled</u>	<u>Location</u>	<u>Depth</u>	<u>Record of Completion</u>
South Hobbs GSA #61	Oil	8 5/8" 32# set @ 1598' 5 1/2" 14# set @ 4195'	3/5/47	UL A, Sec. 8, T19S, R38E	4195'	4062'-70', 3992'-4006', 4126'-82'
South Hobbs GSA #70	Oil	8 5/8" 28# set @ 323' 5 1/2" 15.5# set @ 4125'	8/24/58	UL H, Sec. 8, T19S, R38E	4125'	4065'-89', 4033'-65'
South Hobbs GSA #80	Oil	7" 17-20# set @ 334' 4 1/2" 9.5# set @ 4179'	5/26/59	UL I, Sec. 8, T19S, R38E	4180'	4132'-70'
South Hobbs GSA #119	Oil	8 5/8" 28# set @ 281' 5 1/2" 15.5# set @ 4010'	10/5/53	UL C, Sec. 8, T19S, R38E	4110'	4000'-110'
South Hobbs GSA #185	Oil	14" 36.71# set @ 40' 8 5/8" 24# set @ 1498' 5 1/2" 15.5 set @ 4324'	2/19/85	UL H/I Sec. 5, T19S, R38E	4324'	4134'-4234', 4086'-94', 4098'-4102', 4113'-117'
South Hobbs GSA #187	Injection	15 1/2" 70# set @ 180' 9 5/8" 40# set @ 2979' 7" 24# set @ 3970'	12/6/30	UL J, Sec. 5, T19S, R38E	4178'	4040'-4187', 3994', 3997', 4006', 4008', 4015', 4020', 4191'-4203'
South Hobbs GSA #188	Oil	14" set @ 40' 8 5/8" 54.5# set @ 1583' 5 1/2" 15.5# set @ 4325'	12/19/84	UL K, Sec. 5, T19S, R38E	4325'	4201'-4266', 4004'-10', 4012'-24', 40'-48', 4178'-90', 4056'-66', 4264'-80', 3966'-4004', 4148'-54'

Xeric Oil & Gas Corp.
Application for Authorization to Inject
Mexico U #1
Attachment C

Well Name	Well Type	Construction	Date Drilled	Location	Depth	Record of Completion
South Hobbs GSA #189	Oil	14" set @ 40' 8 5/8" 24# set @ 1529' 5 1/2" 15.5# set @ 4315'	3/11/85	UL J, Sec. 5, T19S, R38E	4315'	4155'-4228'
South Hobbs GSA #190	Oil	14" set @ 40' 8 5/8" 24# set @ 1520' 5 1/2" 15.5# set @ 4300'	1/24/85	UL I, Sec. 5, T19S, R38E	4300'	4130'-4224', 4092'-96' 4112'-20', 4084'-88', 4092'-98'
South Hobbs GSA #192	Injection	8 5/8" 24# set @ 1481' 5 1/2" 14# set @ 4280'	7/3/73	UL O, Sec. 5, T19S, R38E	4280'	4129', 35', 39', 52', 56' 4161', 4068'-72', 4102' 4114'-16', 4128'-30', 4134'-40', 4150'-58', 4160'-65', 4170'-73', 4175'-87', 4192'-97', 4201'-08', 4213'-19'
South Hobbs GSA #193	Injection	14" set @ 40' 8 5/8" 24# set @ 1450' 5 1/2" 15.5# set @ 4300'	2/27/85	UL P, Sec. 5, T19S, R38E	4300'	4124', 4127', 4133'-39' 4148'-60', 4162'-64', 4167'-82', 4191'-4201' 4207'-14', 4216'-26', 4228'-30'

Xeric Oil & Gas Corp.
Application for Authorization to Inject
Mexico U #1
Attachment C

<u>Well Name</u>	<u>Well Type</u>	<u>Construction</u>	<u>Date Drilled</u>	<u>Location</u>	<u>Depth</u>	<u>Record of Completion</u>
South Hobbs GSA #194	Oil	14" set @ 40' 8 5/8" 24# set @ 1550' 5 1/2" 15.5# set @ 4300'	1/28/85	UL O, Sec. 5, T19S, R38E	4300'	4008'-14', 4032'-36', 4044'-51', 3990'-4051 4142'-50', 4160'-64'
South Hobbs GSA #195	Oil	14" set @ 40' 8 5/8" 24# set @ 1550' 5 1/2" 15.5# set @ 4300'	11/29/84	UL P, Sec. 5, T19S, R38E	4300'	4124'-29', 4140'-42', 4145'-49', 4162'-67', 4176'-79', 4181'-87', 4189'-91', 4200'-02', 4206'-17', 4220'-34'
South Hobbs GSA #196	Oil	14" set @ 40' 8 5/8" 24# set @ 1503' 5 1/2" 15.5# set @ 4300'	12/10/84	UL M, Sec. 4, T19S, R38E	4300'	4120'-31', 4133'-35', 4146'-51', 4155'-57', 4165'-71', 4175'-77', 4181'-83', 4192'-96', 4203'-15', 4219'-32'
South Hobbs GSA #205	Oil	14" set @ 40' 8 5/8" 24# set @ 1613' 5 1/2" 15.5# set @ 4095'	2/3/86	UL N, Sec. 5, T19S, R38E	4095'	4000'-4093'

Xeric Oil & Gas Corp.
Application for Authorization to Inject
Mexico U #1
Attachment C

Well Name	Well Type	Construction	Date Drilled	Location	Depth	Record of Completion
South Hobbs GSA #208	Injection	14" 36.71# set @ 40' 8 5/8" 24# set @ 1592' 5 1/2" 15.5# set @ 4300'	4/9/86	UL N, Sec. 5, T19S, R38E	4300'	4149'-54', 4165'-90', 4194'-4205'

Xeric Oil & Gas Corporation
Well Bore Diagram
Application for Authorization to Inject
Mexico U #1
Attachment C

Lease: South Hobbs (GSA) Unit #209

Status of well: Plugged and Abandon

Location: UL: D, 330 FNL & 990 FWL, Sec. 8, T19S, R38E
Lea County, New Mexico

Elevation: 3622' KB

Casing Record: 8 5/8" 32# Set at 312'
5 1/2" 17# Set at 4051'

Well History:

01/54 Well drilled

01/54 Perforated 4051'-4140'

Plugging Record:

11/85 Set cement retainer at 3979' Squeezed 150 sx
class C cement. Displaced hole with mud.
Pulled tubing to 2954' and spotted 25 sx class
C cement. Pulled tubing to 1650' and spotted
25 sx class C cement. Perforated 301'-300.
Pumped down casing and squeezed 125 sx
Class C cement to surface.

	301' 125 sx class C cement
	1650' 25 sx class C cement
	2954' 25 sx class C cement
	3979' 150 sx class C cement

**Xeric Oil & Gas Corporation
Application for Authorization to Inject
Mexico U #1
Attachment D**

1. The proposed average volume of fluids to be injected will be 650 bbls/day. The maximum daily rate would be 900 bbls/day.
2. The system will be closed.
3. The proposed average injection pressure would 1500 psi. The maximum would be 1900 psi.
4. The injection fluid will be produced water from the Mexico U lease.
5. Attachment E is a chemical analysis of the disposal zone formation water of the Mexico U #1.

P. O. BOX 1468
MONAHANS, TEXAS 79756
PH. 943-3234 OR 563-1040

709 W. INDIANA
MIDLAND, TEXAS 79701
PHONE 683-4521

TO: Mr. Mitch Morris
P.O. Box 352, Midland, Texas 79702

LABORATORY NO. 80082
SAMPLE RECEIVED 8/14/00
RESULTS REPORTED 8/16/00

COMPANY Xeric Oil & Gas Corporation LEASE Mexico U #1
FIELD OR POOL _____
SECTION _____ BLOCK _____ SURVEY _____ COUNTY Lea STATE NM
SOURCE OF SAMPLE AND DATE TAKEN:
NO. 1 Produced water - taken from Mexico U #1. 8/13/00
NO. 2 _____
NO. 3 _____
NO. 4 _____

CHEMICAL AND PHYSICAL PROPERTIES				
	NO. 1	NO. 2	NO. 3	NO. 4
Specific Gravity at 60° F.	1.0099			
pH When Sampled				
pH When Received	7.30			
Bicarbonate as HCO ₃	2,562			
Supersaturation as CaCO ₃				
Undersaturation as CaCO ₃				
Total Hardness as CaCO ₃	1,980			
Calcium as Ca	568			
Magnesium as Mg	136			
Sodium and/or Potassium	3,549			
Sulfate as SO ₄	948			
Chloride as Cl	4,686			
Iron as Fe	0.17			
Barium as Ba				
Turbidity, Electric				
Color as Pt				
Total Solids, Calculated	12,449			
Temperature °F.				
Carbon Dioxide, Calculated				
Dissolved Oxygen,				
Hydrogen Sulfide	244			
Resistivity, ohms/m at 77° F.	0.570			
Suspended Oil				
Filtrable Solids as mg/l				
Volume Filtered, ml				

Results Reported As Milligrams Per Liter

Additional Determinations And Remarks The undersigned certifies the above to be true and correct to the best of his knowledge and belief.

Form No. 3

By

Waylan C. Martin, M.A.

Xeric Oil & Gas Corporation
Application for Authorization to Inject
Mexico U #1
Attachment F

Perforated Zone:

Depth	Perforated	Lithologic	Geological Name	Thickness
3856'-58'	3857'	Dolomite	Grayburg	2'
3866'-75'	3869' 3872'	Dolomite	Grayburg	9'
3882'-93'	3883' 3890'	Dolomite	Grayburg	11'
3899'-3900'	3900'	Dolomite	Grayburg	1'
3905'-07'	3906'	Dolomite	Grayburg	2'
3914'-20'	3919'	Sandy Dolomite	Grayburg	6'
3930'-34'	3932'	Dolomite	Grayburg	4'
3946'-50'	3948'	Sandy Dolomite	Grayburg	4'
3952'-55'	3953'	Sandy Dolomite	Grayburg	3'

Open Hole Zone

Depth	Lithologic	Geological Name	Thickness
3987'-89'	Sandy Dolomite	Grayburg	2'

Xeric Oil & Gas Corporation
Application for Authorization to Inject
Mexico U #1
Attachment G

Geological Name: Alluvium

Depth to Bottom of Water: 30 feet below surface.

There are no known sources of drinking water underlying the proposed injection interval.

Source of Information is the New Mexico Office of the State Engineer web site.

**Xeric Oil & Gas Corporation
Attachment H**

Martin Water Laboratories, Inc.

P. O. BOX 1468
MONAHANS, TEXAS 79756
PH. 943-3234 OR 563-1040

709 W. INDIANA
MIDLAND, TEXAS 79701
PHONE 683-4521

RESULT OF WATER ANALYSES

TO: Mr. Mitch Morris LABORATORY NO. 80083
P.O. Box 352, Midland, Texas 79702 SAMPLE RECEIVED 8/14/00
RESULTS REPORTED 8/16/00

COMPANY Xeric Oil & Gas LEASE Mexico U #1.

FIELD OR POOL _____

SECTION _____ BLOCK _____ SURVEY _____ COUNTY Lea STATE NM

SOURCE OF SAMPLE AND DATE TAKEN:

NO. 1 Raw water - taken from Cochran House water well. 8/10/00

NO. 2 Raw water - taken from windmill. 8/10/00

NO. 3 _____

NO. 4 _____

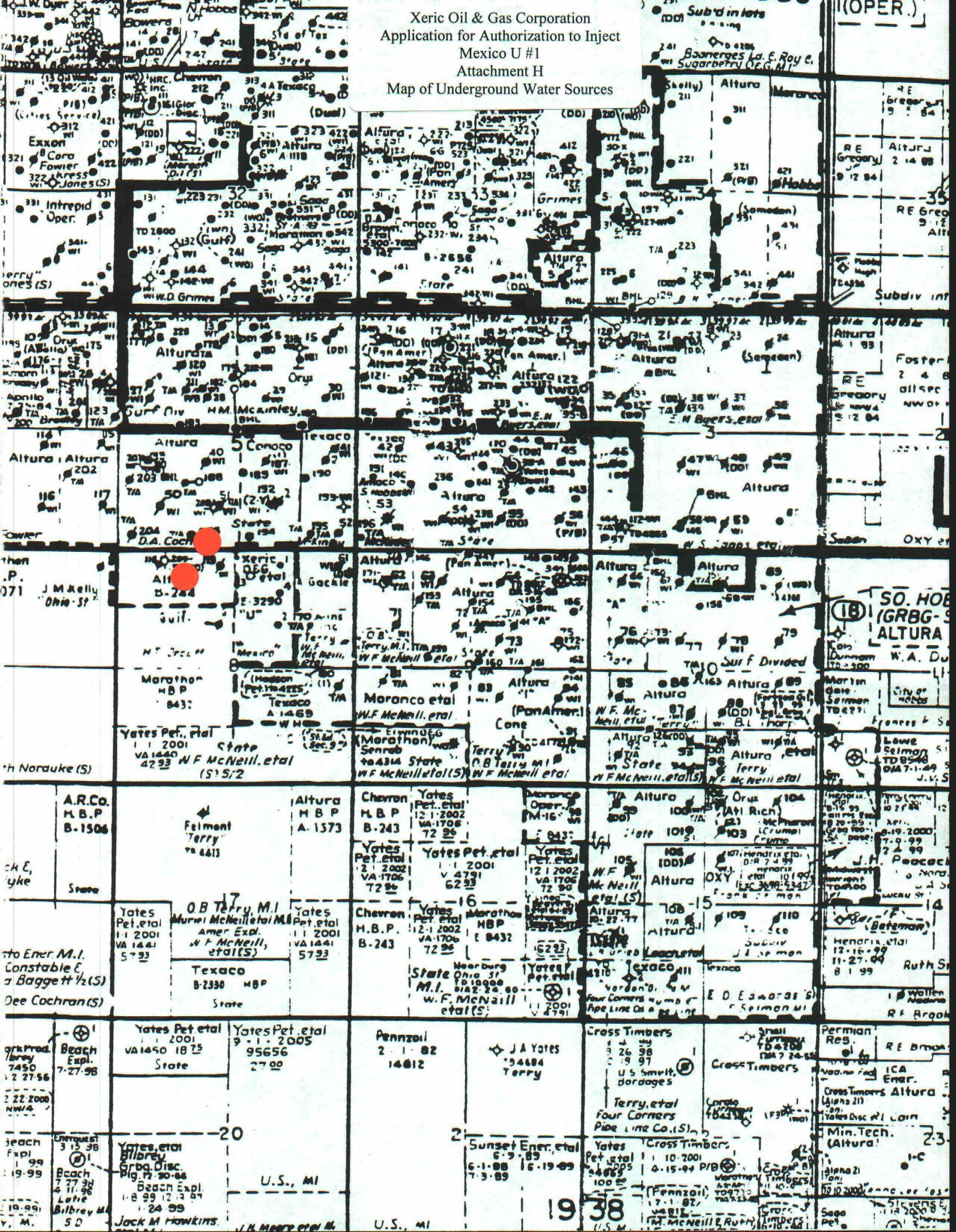
REMARKS: _____

CHEMICAL AND PHYSICAL PROPERTIES				
	NO. 1	NO. 2	NO. 3	NO. 4
Specific Gravity at 60° F.	1.0027	1.0017		
pH When Sampled				
pH When Received	7.90	7.70		
Bicarbonate as HCO ₃	317	244		
Supersaturation as CaCO ₃				
Undersaturation as CaCO ₃				
Total Hardness as CaCO ₃	400	260		
Calcium as Ca	132	64		
Magnesium as Mg	17	24		
Sodium and/or Potassium	115	21		
Sulfate as SO ₄	183	62		
Chloride as Cl	142	28		
Iron as Fe	21.1	0.43		
Barium as Ba				
Turbidity, Electric				
Color as Pt				
Total Solids, Calculated	906	444		
Temperature °F.				
Carbon Dioxide, Calculated				
Dissolved Oxygen.				
Hydrogen Sulfide	0.0	0.0		
Resistivity, ohms/m at 77° F.	8.46	19.70		
Suspended Oil				
Filtrable Solids as mg/l				
Volume Filtered, ml				
Nitrate, as N	4.5	2.2		

Results Reported As Milligrams Per Liter

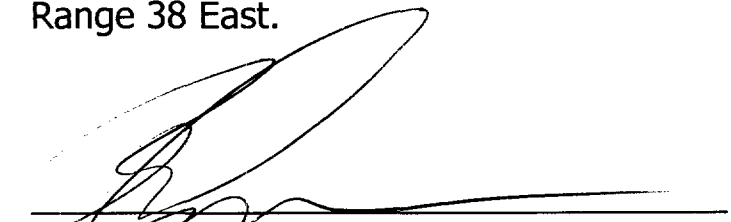
Additional Determinations And Remarks The undersigned certifies the above to be true and correct to the best of his knowledge and belief.

Xeric Oil & Gas Corporation
Application for Authorization to Inject
Mexico U #1
Attachment H
Map of Underground Water Sources



Xeric Oil & Gas Corporation
Application for Authorization to Inject
Mexico U #1
Attachment I

I, Randall Capps of Xeric Oil & Gas Corporation, 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 sources of drinking water concerning the Mexico U #1 located in Unit Letter B, Section 8, Township 19 South, Range 38 East.



Randall Capps, CEO

8/23/00

Date

Advertising Receipt

Hobbs Daily News-Sun

201 N Thorp
P O Box 850
Hobbs, NM 88241-0850
Phone: (505) 393-2123
Fax: (505) 397-0610

Doreen Morris
Xeric Oil & Gas
P.O. Box
MIDLAND, TX 79702

Cust#: 01105518-000
Ad#: 01542844
Phone: (915)683-3171
Date: 08/15/00

Ad taker: VG **Salesperson:** **Classification:** 672

Description	Start	Stop	Ins.	Cost/Day	Surcharges	Total
07 07 Daily News-Sun	08/20/00	08/20/00	1	28.82		28.82

Payment Reference:

Total: 28.82

Tax: 1.73

Net: 30.55

Prepaid: 30.55

LEGAL NOTICE

August 20, 2000

Notice is hereby given of the application of Xeric Oil & Gas Corporation, P.O. Box 352, Midland, TX. 79701, Attn: Mitchell Morris, (915)683-3171, to the Oil Conservation Division, New Mexico Energy & Minerals Department, for the approval of the following water injection well authorization for the purpose of produced water injection.

Total Due 0.00

Lease Name: Mexico U Field: Hobbs Grayburg
San Andres

Well: #1 330' FNL & 1650' FEL, Sec. 8, T-19-S, R-38-E

The water injection formation is Grayburg San Andres at a depth of 3857-3991' below the surface of the ground.

Expected maximum injection rate is 350 bbls. water per day and expected maximum injection

*Credit
Card*

AUG 17 2000

Xeric Oil & Gas Corporation
P O Box 352
Midland, Texas 79701
(915) 683-3171

August 23, 2000

Sent Via Certified Mail
#Z150399714

D. A. Cockran
P O Box 145
Hobbs, New Mexico 88241

Re: Mexico U #1
Sec. 8, T19S, R38E
Lea County, New Mexico

Dear Mr. Cockran:

In accordance with Rules and Regulations of the Oil Conservation Division of the State of New Mexico you are being provided a copy of the Application for Authorization to Inject on the above captioned well.

Objections or requests for hearing must be filed with the Oil Conservation Division within fifteen (15) from the above date. Objections and requests for hearing should be addressed to Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505.

Sincerely yours,



Mitchell Morris
Production Analyst

MM/

Z 150 399 714

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
D A Cockran	
Street & Number	
PO Box 145	
Post Office, State, & ZIP Code	
Hobbs, NM 88241	
Postage	\$ 1.21
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.25
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 2.86
Postmark or Date	

PS Form 3800, April 1995

Xeric Oil & Gas Corporation
P O Box 352
Midland, Texas 79701
(915) 683-3171

August 23, 2000

Sent Via Certified Mail
#Z150399713

Occidental Permian Limited Partnership
P O Box 4294
Houston, Texas 77210-4294

Re: Mexico U #1
Sec. 8, T19S, R38E
Lea County, New Mexico

To Whom It May Concern:

In accordance with Rules and Regulations of the Oil Conservation Division of the State of New Mexico you are being provided a copy of the Application for Authorization to Inject on the above captioned well.

Objections or requests for hearing must be filed with the Oil Conservation Division within fifteen (15) days from the above date. Objections and requests for hearing should be addressed to Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505.

Sincerely yours,



Mitchell Morris
Production Analyst

MM/

Z 150 399 713

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to <i>Occidental Petroleum Limited P.O.</i>	
Street & Number <i>PO Box 4294</i>	
Post Office, State, & ZIP Code <i>Houston, TX 77210-4294</i>	
Postage	\$ <i>1.21</i>
Certified Fee	<i>1.40</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	<i>1-4-85</i>
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ <i>2.86</i>
Postmark or Date	

PS Form 3800, April 1995

P.O. Box 352
Midland, TX 79702
Ph. (915) 683-3171
Fax (915) 683-3152

CONFIDENTIAL

To: Mark Ashley OCD Fax: 505-827-8177
From: Mitchell Morris Date: 9/11/00
Re: Mexico U #1 SWD Pages: 5

CC:

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

CONFIDENTIAL

Xeric Oil & Gas Corporation
Application for Authorization to Inject
Mexico U #1
Additional Information Requested

Well Name	Well Type	Construction	Sacks of Cement Used and Type	Calculated Tops
✓ South Hobbs GSA #171	Injection	8 5/8" 24# set @ 1532' 5 1/2" 15.5# set @ 4300'	875 sx class C 1500 sx class C neat	Surface Surface
✓ South Hobbs GSA #52	Oil	13 3/8" 48# set @ 200' 5 1/2" 15.5# set @ 4109'	200 sx Unknown type 1334 sx Unknown type	Surface 3100'
✓ South Hobbs GSA #51	Injection	8 5/8" 29.35# set @ 297' 5 1/2" 14# set @ 4307'	250 sx Unknown type 205 sx Unknown type plus 105 Cu Ft. perlite	Surface 2142'
✓ South Hobbs GSA #40	Injection	16" 70# set @ 192' 10 3/4" 45.5# set @ 2784' 38 6 5/8" 26# set @ 3980'	100 sx Unknown type 200 sx Unknown type 150 sx Unknown type	Unknown 4180 Unknown 1638 Unknown 3178 ca
✓ South Hobbs GSA #53	Injection	12 1/2" set @ 196' 9 5/8" set @ 2778' 7" set @ 3965' 4 1/2" liner set @ 3702'-4220'	200 sx Unknown type 600 sx Unknown type 200 sx Unknown type 50 sx Unknown type	Unknown Unknown Unknown Unknown ca
✓ South Hobbs GSA #61	Oil	8 5/8" 32# set @ 1598' 5 1/2" 14# SET @ 4195'	300 sx Unknown type 400 sx Unknown type	Surface 948'

Xeric Oil & Gas Corporation
Application for Authorization to Inject
Mexico U #1
Additional Information Requested

Well Name	Well Type	Construction	Sacks of Cement Used and Type	Calculated Tops
✓ South Hobbs GSA #70	Oil	8 5/8" 28# set @ 323' 5 1/2" 15.5# set @ 4125'	225 sx Unknown type 125 sx Unknown type	Surface 3173'
✓ South Hobbs GSA # 80	Oil	7" 17-20# set @ 334' 4 1/2" 9.5# set @ 4179'	250 sx Unknown type 250 sx Unknown type	Surface 963'
✓ South Hobbs GSA #119	Oil	8 5/8" 28# set @ 281' 5 1/2" 15.5# set @ 4010'	250 sx Unknown type 350 sx Unknown type	Surface 1344'
✓ South Hobbs GSA # 185	Oil	14" 36.71# set @ 40' 8 5/8" 24# set @ 1498' 5 1/2" 15.5# set @ 4324'	4 1/2 yards Redi-Mix 981 sx Class C 1400 sx class A self stress I	Surface Surface 535'
South Hobbs GSA #187	Injection	15 1/2" 70# set @ 180' 9 5/8" 40# set @ 2979' 7" 24# set @ 3970'	250 sx Unknown type 600 sx Unknown type 300 sx Unknown type	Unknown Unknown Unknown
✓ South Hobbs GSA #188	Oil	14" set @ 40' 8 5/8" 54.5# set @ 1583' 5 1/2" 15.5# set @ 4325'	4 yards Redi-Mix 875 sx Class C 1000 sx Class A self stress	Surface Surface 375'

Xeric Oil & Gas Corporation
Application for Authorization to Inject
Mexico U #1
Additional Information Requested

Well Name	Well Type	Construction	Sacks of Cement Used and Type	Calculated Tops
✓ South Hobbs GSA #189	Oil	14" set @ 40' 8 5/8" 24# set @ 1529' 5 1/2" 15.5# set @ 4315'	5 yards Redi-Mix 875 sx Class C neat 460 sx self stress I & 1600 sx self stress I w/additive	Surface Surface Surface
✓ South Hobbs GSA #190	Oil	14" set @ 40' 8 5/8" 24# set 1520' 5 1/2" 15.5# set @ 4300'	4 1/2 yards Redi-Mix 875 sx Class C 1200 sx Class A self stress	Surface Surface Surface
✓ South Hobbs GSA #192	Injection	8 5/8" 24# set @ 1481' 5 1/2" 14# set @ 4280'	750 sx Unknown type 430 sx Unknown type	Surface 1008'
✓ South Hobbs GSA #193	Injection	14" set @ 40' 8 5/8" 24# set @ 1450' 5 1/2" 15.5# set @ 4300'	4 1/2 yards Redi-Mix 875 sx Class C with additive 1050 sx A self stress I & 125 sx C neat	Surface Surface Surface
✓ South Hobbs GSA #194	Oil	14" set @ 40' 8 5/8" 24# set @ 1550' 5 1/2" 15.5# set @ 4300'	5 yards Redi-Mix 875 sx C with additive 1000 sx A self stress I	Surface Surface Surface
✓ South Hobbs GSA #195	Oil	14" set @ 40' 8 5/8" 24# set @ 1550' 5 1/2" 15.5# set @ 4300'	2 1/2 yards Redi-Mix 875 sx Class C 850 sx class A self stress I & 100 sx self stress A	Surface Surface Surface

Xeric Oil & Gas Corporation
Application for Authorization to Inject
Mexico U #1
Additional Information Requested

Well Name	Well Type	Construction	Sacks of Cement Used and Type	Calculated Tops
✓ South Hobbs GSA #196	Oil	14" set @ 40' 8 5/8" 24# set @ 1503' 5 1/2" 15.5# set @ 4300'	5 yards Redi-Mix 875 sx Class C with additive 825 sx Class A & 125 sx C neat	Surface Surface Surface
South Hobbs GSA #205	Oil	14" 36.73# set @ 40' 8 5/8" 24# set @ 1613' 5 1/2" 15.5# set @ 4095'	4 1/4 yards & 13 sx Redi-Mix 1075 sx Class C with 1% CaCl2 350 sx Class A & 650 sx Class A with 1% CaCl2	Surface Surface Surface
South Hobbs GSA #208	Injection	14" 36.71# set 40' 8 5/8" 24# set @ 1592" 5 1/2" 15.5# set @ 4300'	4 yards & 135 sx Redi Mix 1050 sx Class C with 1% CaCl 150 sx Class A with additives and 1050 sx Class A	Surface Surface Surface

Note: Wells #40, #53, #187. Insufficient information to calculated tops.

P.O. Box 352
Midland, Texas 79702
Phone: 915-683-3171
Fax: 915-683-6348

**XERIC OIL & GAS
CORPORATION**

Fax

To: Mark Ashley, OCD From: Mitchell Morris
Fax: 505-827-8177 Pages: 5
Phone: _____ Date: 9/7/00
Re: Mexico U #1 SWD CC: _____

☐ Urgent

☒ For Review

☐ Please Comment

☐ Please Reply

Comments:

Here is the information you requested. All information was taken from forms on file with the OCD in Hobbs. If you need additional information, please give me a call.

Xeric Oil & Gas Corporation
Application for Authorization to Inject
Mexico U #1
Additional Information Requested

<u>Well Name</u>	<u>Well Type</u>	<u>Construction</u>	<u>Sacks of Cement Used and Type</u>
South Hobbs GSA #171	Injection	8 5/8" 24# set @ 1532' 5 1/2" 15.5# set @ 4300'	875 sx class C 1500 sx class C neat
South Hobbs GSA #52	Oil	13 3/8" 48# set @ 200' 5 1/2" 15.5# set @ 4109'	200 sx Unknown type 1334 sx Unknown type
South Hobbs GSA #51	Injection	8 5/8" 29.35# set @ 297' 5 1/2" 14# set @ 4307'	250 sx Unknown type 205 sx Unknown type plus 105 Cu Ft. petite
South Hobbs GSA #40	Injection	16" 70# set @ 192' 10 3/4" 45.5# set @ 2784' 6 5/8" 26# set @ 3980'	100 sx Unknown type 200 sx Unknown type 150 sx Unknown type
South Hobbs GSA #53	Injection	12 1/2" set @ 196' 9 5/8" set @ 2778' 7" set @ 3965' 4 1/2" liner set @ 3702'-4220'	200 sx Unknown type 600 sx Unknown type 200 sx Unknown type 50 sx Unknown type
South Hobbs GSA #61	Oil	8 5/8" 32# set @ 1598' 5 1/2" 14# SET @ 4195'	300 sx Unknown type 400 sx Unknown type

Xeric Oil & Gas Corporation
Application for Authorization to Inject
Mexico U #1
Additional Information Requested

Well Name	Well Type	Construction	Sacks of Cement Used and Type
South Hobbs GSA #70	Oil	8 5/8" 28# set @ 323' 5 1/2" 15.5# set @ 4125'	225 sx Unknown type 125 sx Unknown type
South Hobbs GSA # 80	Oil	7" 17-20# set @ 334' 4 1/2" 9.5# set @ 4179'	250 sx Unknown type 250 sx Unknown type
South Hobbs GSA #119	Oil	8 5/8" 28# set @ 281' 5 1/2" 15.5# set @ 4010'	250 sx Unknown type 350 sx Unknown type
South Hobbs GSA # 185	Oil	14" 36.71# set @ 40' 8 5/8" 24# set @ 1498' 5 1/2" 15.5# set @ 4324'	4 1/2 yards Redi-Mix 981 sx Class C 1400 sx class A self stress I
South Hobbs GSA #187	Injection	15 1/2" 70# set @ 180' 9 5/8" 40# set @ 2979' 7" 24# set @ 3970'	250 sx Unknown type 600 sx Unknown type 300 sx Unknown type
South Hobbs GSA #188	Oil	14" set @ 40' 8 5/8" 54.5# set @ 1583' 5 1/2" 15.5# set @ 4325'	4 yards Redi-Mix 875 sx Class C 1000 sx Class A self stress

Xeric Oil & Gas Corporation
Application for Authorization to Inject
Mexico U #1
Additional Information Requested

<u>Well Name</u>	<u>Well Type</u>	<u>Construction</u>	<u>Sacks of Cement Used and Type</u>
South Hobbs GSA #189	Oil	14" set @ 40' 8 5/8" 24# set @ 1529' 5 1/2" 15.5# set @ 4315'	5 yards Redi-Mix 875 sx Class C neat 460 sx self stress I & 1600 sx self stress I w/addi
South Hobbs GSA #190	Oil	14" set @ 40' 8 5/8" 24# set 1520' 5 1/2" 15.5# set @ 4300'	4 1/2 yards Redi-Mix 875 sx Class C 1200 sx Class A self stress
South Hobbs GSA #192	Injection	8 5/8" 24# set @ 1481' 5 1/2" 14# set @ 4280'	750 sx Unknown type 430 sx Unknown type
South Hobbs GSA #193	Injection	14" set @ 40' 8 5/8" 24# set @ 1450' 5 1/2" 15.5# set @ 4300'	4 1/4 yards Redi-Mix 875 sx Class C with additive 1050 sx A self stress I & 125 sx C neat
South Hobbs GSA # 194	Oil	14" set @ 40' 8 5/8" 24# set @ 1550' 5 1/2" 15.5# set @ 4300'	5 yards Redi-Mix 875 sx C with additive 1000 sx A self stress I
South Hobbs GSA #195	Oil	14" set @ 40' 8 5/8" 24# set @ 1550' 5 1/2" 15.5# set @ 4300'	2 1/2 yards Redi-Mix 875 sx Class C 850 sx class A self stress I & 100 sx self stress A

Xeric Oil & Gas Corporation
Application for Authorization to Inject
Mexico U #1
Additional Information Requested

<u>Well Name</u>	<u>Well Type</u>	<u>Construction</u>	<u>Sacks of Cement Used and Type</u>
South Hobbs GSA #196	Oil	14" set @ 40' 8 5/8" 24# set @ 1503' 5 1/2" 15.5# set @ 4300'	5 yards Redi-Mix 875 sx Class C with additive 825 sx Class A & 125 sx C neat
South Hobbs GSA #205	Oil	14" 36.73# set @ 40' 8 5/8" 24# set @ 1613' 5 1/2" 15.5# set @ 4095'	4 1/4 yards & 13 sx Redi-Mix 1075 sx Class C with 1% CaCl2 350 sx Class A & 650 sx Class A with 1% CaCl2
South Hobbs GSA #208	Injection	14" 36.71# set 40' 8 5/8" 24# set @ 1592" 5 1/2" 15.5# set @ 4300'	4 yards & 135 sx Redi Mix 1050 sx Class C with 1% CaCl 150 sx Class A with additives and 1050 sx Class