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HRC, INC.
P. O. BOX 5102
HOBBS, NM 88241
Phone (505) 393-3194
Fax (505) 397-2725

November 6, 2000

State of New Mexico
Energy, Minerals & Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

NOV 13 2000

RE: Salt Water Disposal Well
Wildcat Pool
Well No. 1
Letter P, Section 26, Township 19S, Range 38E
Lea County, NM

Gentlemen:

HRC, Inc. respectfully requests administrative approval for a salt water disposal well by converting the A. N. ETZ Well No. 1 drilled by The Texas Company. This well was drilled to depth of 8586 feet and was plugged and abandoned February 19, 1959.

The following data is submitted in support of this request:

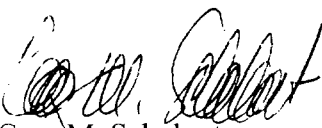
- Form C-108 with miscellaneous data attached
- Form C-102
- A map reflecting the location of the proposed injection well (No. 1). The map identifies all wells located within a two-mile radius of the proposed injector and has a one-half mile radius circle drawn around the proposed injection well which identifies the well's Area of Review.
- An injection well data sheet
- There are no wells of public record within the well's Area of Review.
- A list of Offset Operators and Surface Owners (these parties have been notified of this application by certified mail)

HRC, INC.
P. O. BOX 5102
HOBBS, NM 88241
Phone (505) 393-3194
Fax (505) 397-2725

- An Affidavit of Publication and copy of the legal advertisement that was published in the county in which the well is located.

Your favorable consideration of our request will be appreciated. If you have any questions of a technical nature, please call me at (505) 393-3194.

Sincerely,



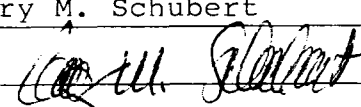
Gary M. Schubert

CC: Oil Conservation Division
Hobbs District Office
P. O. Box 1980
Hobbs, NM 88241

Offset Operators (see attached list)

Surface Owners (see attached list)

APPLICATION FOR AUTHORIZATION TO INJECT

- ✓ I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance X Disposal _____ Storage
Application qualifies for administrative approval? _____ Yes _____ No
- ✓ II. OPERATOR: HRC, Inc.
ADDRESS: PO Box 1606, Hobbs, New Mexico 88241
CONTACT PARTY: Gary M. Schubert PHONE: (505) 393-3194
- 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:
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: Gary M. Schubert TITLE: President
SIGNATURE:  DATE: 4/16/00
- * 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: _____

Attachment to Form C-108
Miscellaneous Data

A. N. ETZ No. 1
Unit Letter P
Section 26, T-19S, R-38E
Lea County, New Mexico

III. Well Data

- A. (1) See injection well data sheet
- (2) See injection well data sheet
- (3) 3 1/2" tubing lined with Duoline (fiberglass liner), setting depth 4087'
- (4) Guiberson - Uni VI Packer

- B. (1) Injection Formation - San Andres
- (2) Injection interval - 4087' - 5800' Open-hole
- (3) Original purpose of well - production
- (4) Spotted cement plugs as follows: 100 sacks from 7900' to 8163', 30 sacks from 6821' to 6900', 30 sacks 3964' to 4095' and 15 sacks from top 9 5/8" casing to surface. Job comp. 2-22-59.
- (5) Next higher zone - Queen @ +/- 3610'
Next lower zone - Glorietta @ +/- 5460'

VI. The Texas Company - A. N. ETZ No. 1

Type

Construction

Date Drilled - 12/29/58 - 2/19/59

Location - SE SE Sec. 26, T-19S, R-38E, Lea County, New Mexico

Depth - 8586'

Record of completion - Total depth 8586'

9 5/8" csg. set at 4080'

Run electric logs.

Spot cement plugs as follows:

100 sx. 7900' to 8163', 30 sx. At 6821' to 6900',
30 sx. At 3964' to 4095' and 15 sx. from top 9 5/8"
casing to surface.

Install marker.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-23360	² Pool Code	³ Pool Name Wildcat
⁴ Property Code	⁵ Property Name A. N. ETZ	⁶ Well Number 1
⁷ OGRID No.	⁸ Operator Name H.R.C. Inc.	⁹ Elevation 3599

¹⁰ Surface Location

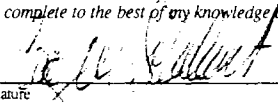
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	26	19S	38E	P	660	S	660	E	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Gary M. Schubert Printed Name President Title November 6, 2000 Date			
	¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Date of Survey Signature and Seal of Professional Surveyor See attached Well Location and Acreage Dedication Plat. Certificate Number			

Schematic of plugging detail

VII. Proposed operation

(1) ~~25 GPM~~ 100 GPM PER EAST SCHUBERT.

(2) ~~Open~~ ~~CLOSED~~ PER EAST SCHUBERT.

(3) 50 lbs.

(4) Reinject produced water

(5) From DST information THOB, & DRINKING WATER

DST #3, 4, & 5. All waters recovered were black sulfur water.

VIII. Geologic Data

Calcareous Limestone

Tan Colored

San Andres (Geologic Name)

Thickness - 1220'

Top of S. A. 4435'

Drinking Water - Ogulala Aquifer - Bottom Depth 140'

XI. Stimulation Program

Spot acid in San Andres, if necessary

X. N/A. Already submitted.

XII. HRC, Inc. affirms that available geologic and engineering data has been examined resulting in the finding of no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

Section A.

Date December 16, 1958

Operator THE TEXAS COMPANY Lease A. N. Etz 3 01
Well No. 1 Unit Letter P Section 26 Township 19-South Range 38 East NMPM
Located 660 Feet From South Line, 660 Feet From East Line
County Lea G. L. Elevation 3588 Dedicated Acreage 40 Acres
Name of Producing Formation Clear Fork Pool Wildcat (On Structure)

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes X No .
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes No . If answer is "yes," Type of Consolidation
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner

Land Description

Section B

RAY D. McNEILL THE TEXAS CO. LEASE		
(26)	A. N. Etz The Texas Co. Lease Tot. 840 ac.	
Christene Johnson The Texas Co. Lease	40 Ac. 1 660'	

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

THE TEXAS COMPANY

(Operator)

Division Civil Engineer
P. O. Box 1720, Ft. Worth, Te

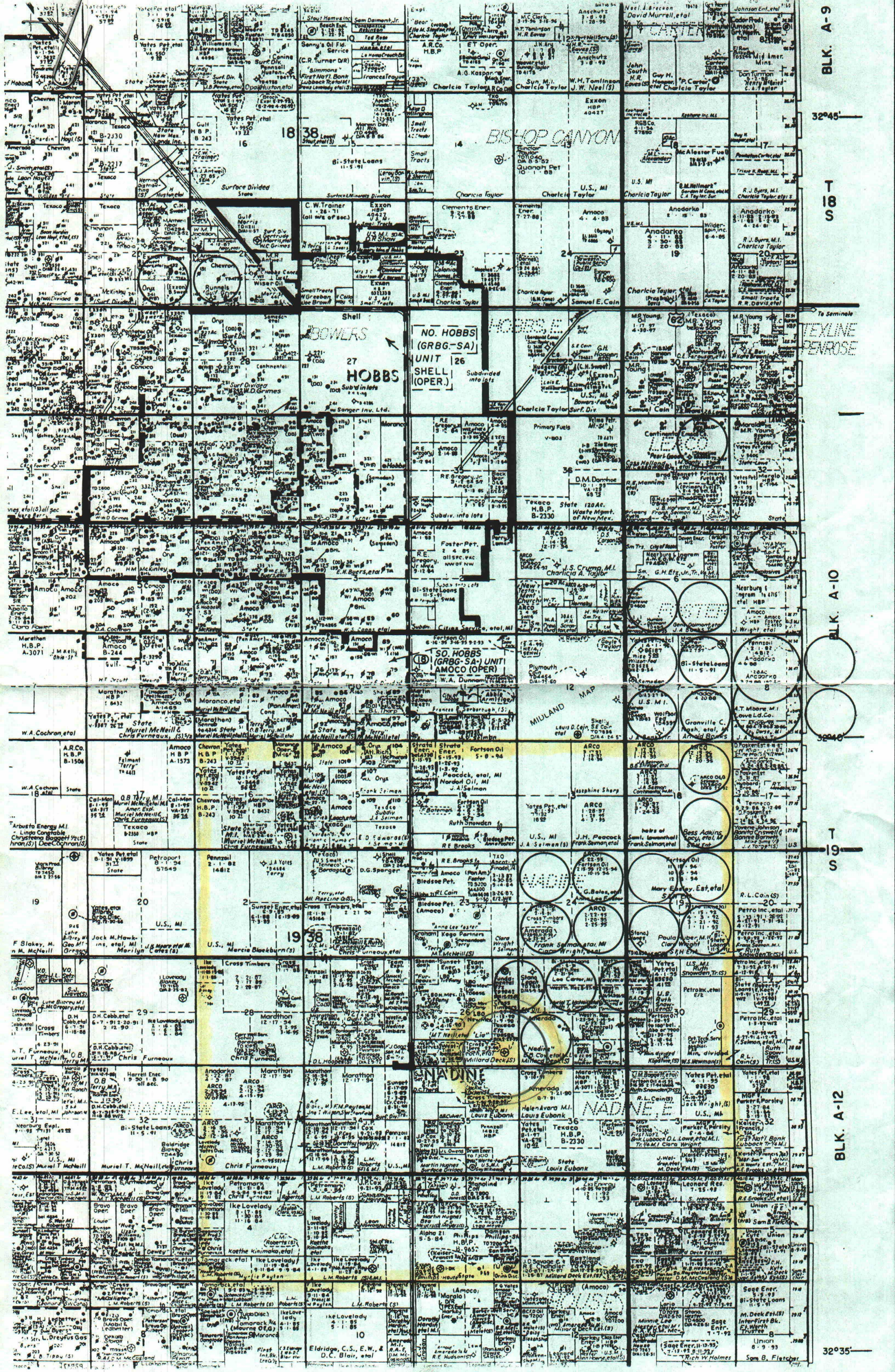
Address

This is to certify that the well location shown on the plat in Section B was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed 12-14-58
Registered Professional Engineer and/or Land Surveyor.

Certificate No. 8174

(See instructions for completing this form on the reverse side)



BLK. A-9

T 18 S

TEXLINE
PENROSE

BLK. A-10

T 19 S

BLK. A-12

32°35'

This image shows a blank, aged, cream-colored page, likely an endpaper or flyleaf of a book. The paper has a slightly textured appearance with some faint smudges and discoloration, particularly along the edges. The left edge of the page shows the binding of the book, with visible stitching or staples. There is no text or other markings on the page.

INJECTION WELL DATA SHEET

OPERATOR: HRC, Inc.

WELL NAME & NUMBER: A. N. ETZ No. 1

WELL LOCATION: 660' FEL & 660' FSL

FOOTAGE LOCATION

UNIT LETTER

SECTION

TOWNSHIP

RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17 1/2" Casing Size: 13 3/8"

Cemented with: 500 SX. or 321 ft

Top of Cement: 534 Method Determined: Pump

Intermediate Casing

Hole Size: 12 1/4" Casing Size: 9 5/8"

Cemented with: 1700 SX. or 4068 ft

Top of Cement: 4080 Method Determined: Pump

Production Casing

Hole Size: N/A Casing Size: _____

Cemented with: _____ SX. or _____ ft

Top of Cement: _____ Method Determined: _____

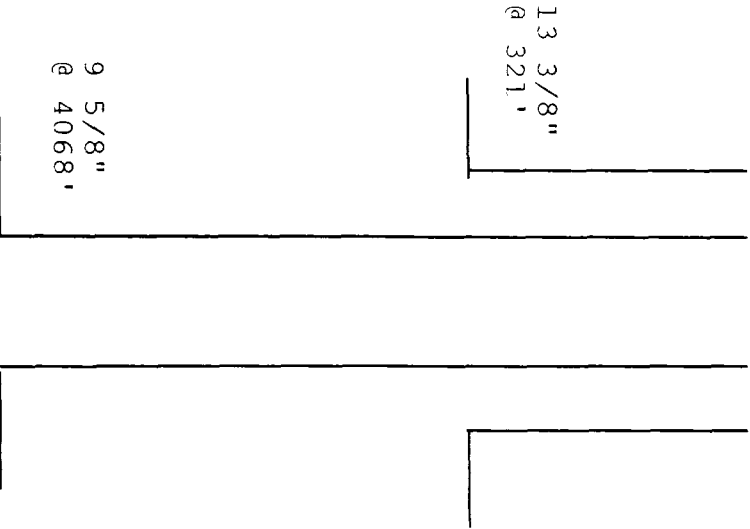
Total Depth: _____

Injection Interval

4087' feet to 5800' 4800'

(Perforated or Open Hole indicate which)

PEZ
SANDHILL



INJECTION WELL DATA SHEETTubing Size: 3 1/2 : Lining Material: Duoline (Fiberglass)Type of Packer: Guiberson UNI VIPacker Setting Depth: 3987 'Other Type of Tubing/Casing Seal (if applicable): None**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 Production

2. Name of the Injection Formation: San Andres

3. Name of Field or Pool (if applicable): Wildcat

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. No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

See Schedule

SCHEDULE TO INJECTION WELL DATA SHEET

5. Name and depths of oil or gas zones:

<u>Formation</u>	<u>Depth of Top</u>
Anhydrite	1600'
Yates	2800
Seven Rivers	3050
Queen	3610
San Andres	4240
Glorietta	5460
Drinkard	6440
Wichita-Albany	7200
Siluro-Devonian	7731
Montoya	8753
Simpson	9035
McKee	9333
Ellenburger	9600
Total Depth	9700

LIST OF OFFSET OPERATORS & SURFACE OWNERS

A. N. ETZ

Well No. 1

Letter P, Section 26, T-19-S, R-38-E

Lea County, New Mexico

Offset Operators

There are no producing oil or gas wells within one-half mile.

Surface owner

S & H Enterprises, Inc.

P. O. Box 1606

Hobbs, NM 88240

Affidavit of Publication

STATE OF NEW MEXICO)
) ss.
COUNTY OF LEA)

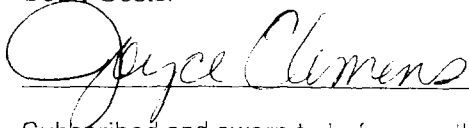
Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON DAILY LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled

Legal Notice

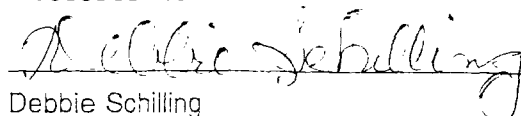
was published in a regular and entire issue of **THE LOVINGTON DAILY LEADER** and not in any supplement thereof, for one (1) day, beginning with the issue of October 8, 2000 and ending with the issue of October 8, 2000.

And that the cost of publishing said notice is the sum of \$ 18.21 which sum has been (Paid) as Court Costs.



Joyce Clemens

Subscribed and sworn to before me this 11th day of October 2000



Debbie Schilling

Notary Public, Lea County, New Mexico

My Commission Expires June 22, 2002

disposal of salt water. The exact location of the well is 660 feet FEL and 660 feet FSL of Section 26, Township 19S, Range 38E, Lea County, New Mexico.

LEGAL NOTICE

HRC, Inc. is filing application for authorization to convert the A.N. ETZ Well No. 1 drilled by The Texas Company and plugged and abandoned 2/19/59, to a salt water disposal well.

Operator: HRC, Inc.
Address: P.O. Box 5102,
Hobbs, NM 88241
Phone: (505)393-3194
Contact Party: Gail Parker

The intended purpose of the injection well is for the

The injection formation is San Andres with an injection interval 4087 feet to 5800 feet. Proposed operation is 25 GPM, openhold, 50 pounds.

Interested parties must file objections or request for hearing with the Oil Conservation Division, 2040 South Pacheco, Santa Fe, NM 87505 within 15 days.

Published in the Lovington Daily Leader October 8, 2000.