1082488864 SWD 4/6/01

MATADOR OPERATING COMPANY
310 W. Wall, Ste. 906
Midland, TX 79701
(915) 687-5955
(915) 687-4809 Fax

Russ Mathis
Production Manager

Writer's Direct Line
(915) 687-5968

March 19, 2001

MAR 2 2 2001

New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RE: Red Hills SWD #1
Lea County, NM
Sec. 28, T25S, R33E
Application for Authorization to Inject

Gentlemen:

Please find enclosed the Application for Authorization to Inject.

The entire Form C-108 is provided showing appropriate information for articles I, II and XIV. Also the information contained within this submittal is formatted in the same layout as the Form C-108, so the form can be referred to while reading the attached documents.

Should you have any questions, please do not hesitate to call me in the Midland office at 915-687-5955.

Sincerely,

Russ Mathis

Russ Mathis
Production Manager

RM/dk
cc: Bass Enterprises
BLM – Barry Hunt

Comdata\Red Hills SWD\OCD appl cover ltr

APPLICATION FOR AUTHORIZATION TO INJECT
Red Hills SWD #1

ITEM I

The purpose of this application is for disposal.

ITEM II

Matador Operating Company
310 W. Wall, Ste. 906
Midland, TX 79701

ITEM III

See Data Sheet attached

ITEM IV

This is NOT an expansion of an existing project.

ITEM V

See map attached

ITEM VI

See attached "Tabulation of Wells"

ITEM VII

1. Daily average injection rate is expected to be 2500 BPD. Maximum daily injection rate would be approximately 5000 BWPD.
2. The system will be closed.
3. The proposed average and maximum injection pressure are both expected to be 1400 psi.
4. Attached are "Devonian" water analysis from the Red Hills #4 well and the Red Hills 28 #1 well. Both of these wells will be supplying the water, which will be injected into the disposal well. When the proposed SWD well is drilled, water will be collected from the receiving zone and a compatibility test will be performed. The water from the Red Hills 28 #1 is currently being disposed of into the Delaware formation (same zone as proposed in this application) in the Ammons-Madera #1 well in Sec. 15, T26S, R33E approximately 4 miles to the SE. Compatibility test were performed on the water from the Red Hills 28 #1 (Devonian) and the Ammons-Madera #1 (Delaware) and the waters were compatible. Also the Texaco field disposes their Devonian water into the Delaware formation in the nearby Cotton Draw field to the West / Northwest.

5. Please find attached the water analysis for 3 wells producing from the Delaware formation.

ITEM VIII

The Red Hills Area is located in south-central Lea County, New Mexico in the axial part of the asymmetric Delaware basin.

Matador proposes to inject associated formation water produced with gas from Siluro-Devonian carbonate reservoir rocks into the Bell Canyon Formation, the uppermost formation of the Permian Delaware Mountain Group. The upper sandstones of the Bell Canyon Formation of the Delaware Mountain Group are the proposed injection zones. The depth to top of the Delaware Mountain Group/Bell Canyon Formation is approximately 5000 feet. The Delaware Mountain Group is in excess of 3500 feet thick in the Red Hills area. The base of the Bell Canyon Formation is at about 5900 to 6000 feet measured depth. The sandstones of the upper part of the Bell Canyon Formation are silt to fine-grained, lithic, weakly cemented, and calcareous. Porosity in the Bell Canyon sandstones ranges from 12 to 25%. Water saturations, calculated from open-hole logs, of the sandstones of the Bell Canyon Formation range from 60 to 100% with high bulk volume water which indicates high moveable water.

Evaporites of the Castile Formation overlie the Delaware Mountain Group and Bell Canyon Formation. All underground sources of drinking water are situated above 800 feet measured depth. No sources of drinking water exist below the proposed injection interval.

ITEM IX

The completion is expected to be a natural completion.

ITEM X

Logs and test data will be submitted when well is drilled.

ITEM XI

There are no fresh water wells within one mile of proposed disposal well.

ITEM XII

The geological and engineering staff for Matador Petroleum Corporation have examined available geologic and engineering data and have found no evidence of open faults or any other hydrological connection between the disposal zone and any underground sources of drinking water.

ITEM XIII

Matador has sent copies of this application to Bass Enterprises as Operator of Record. Also a copy has been sent to BLM as landowner.

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

FORM C-108
Revised 4-1-98

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____Secondary Recovery _____Pressure Maintenance ___X___ Disposal _____Storage
Application qualifies for administrative approval? _____Yes _____No

II. OPERATOR: Matador Operating Company

ADDRESS: 310 W. Wall, Suite 906 Midland, TX 79701

CONTACT PARTY: Russ Mathis PHONE: 915-687-5955

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: Russ Mathis TITLE: Production Manager

SIGNATURE: Russ Mathis DATE: 03/19/01

* 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: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

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.

Side 1

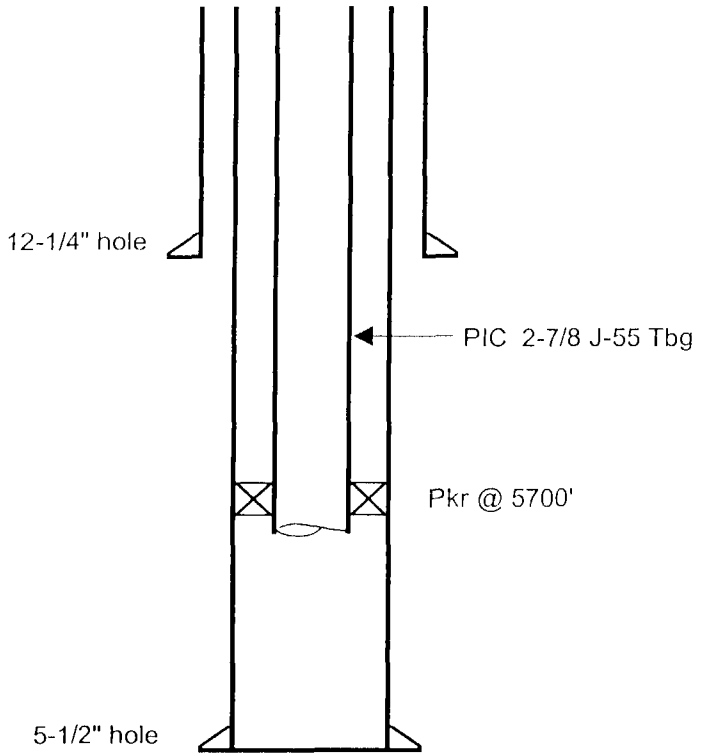
INJECTION WELL DATA SHEET

OPERATOR: Matador Operating Company

WELL NAME & NUMBER: Red Hills SWD #1

WELL LOCATION:	660 FSL 660 FWL	M	28	25S	33E
	FOOTAGE LOCATION	UNIT LETTER	SECTION	TOWNSHIP	RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

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

Cemented with: 475 sx. ***or*** 835 ft^3

Top of Cement: Surface Method Determined: Circulate

Intermediate Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. ***or*** _____ ft^3

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 7 7/8 Casing Size: 5 1/2

Cemented with: 600 sx. ***or*** 1382 ft^3

Top of Cement: 800 (projected) Method Determined: CBL

Total Depth: 6500

Injection Interval

5800 feet to 6300

(Perforated or Open Hole; indicate which)

Side 2

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8 Lining Material: Plastic TK7

Type of Packer: Arrowset

Packer Setting Depth: 5700

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

Additional Data

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

   If no, for what purpose was the well originally drilled? _____

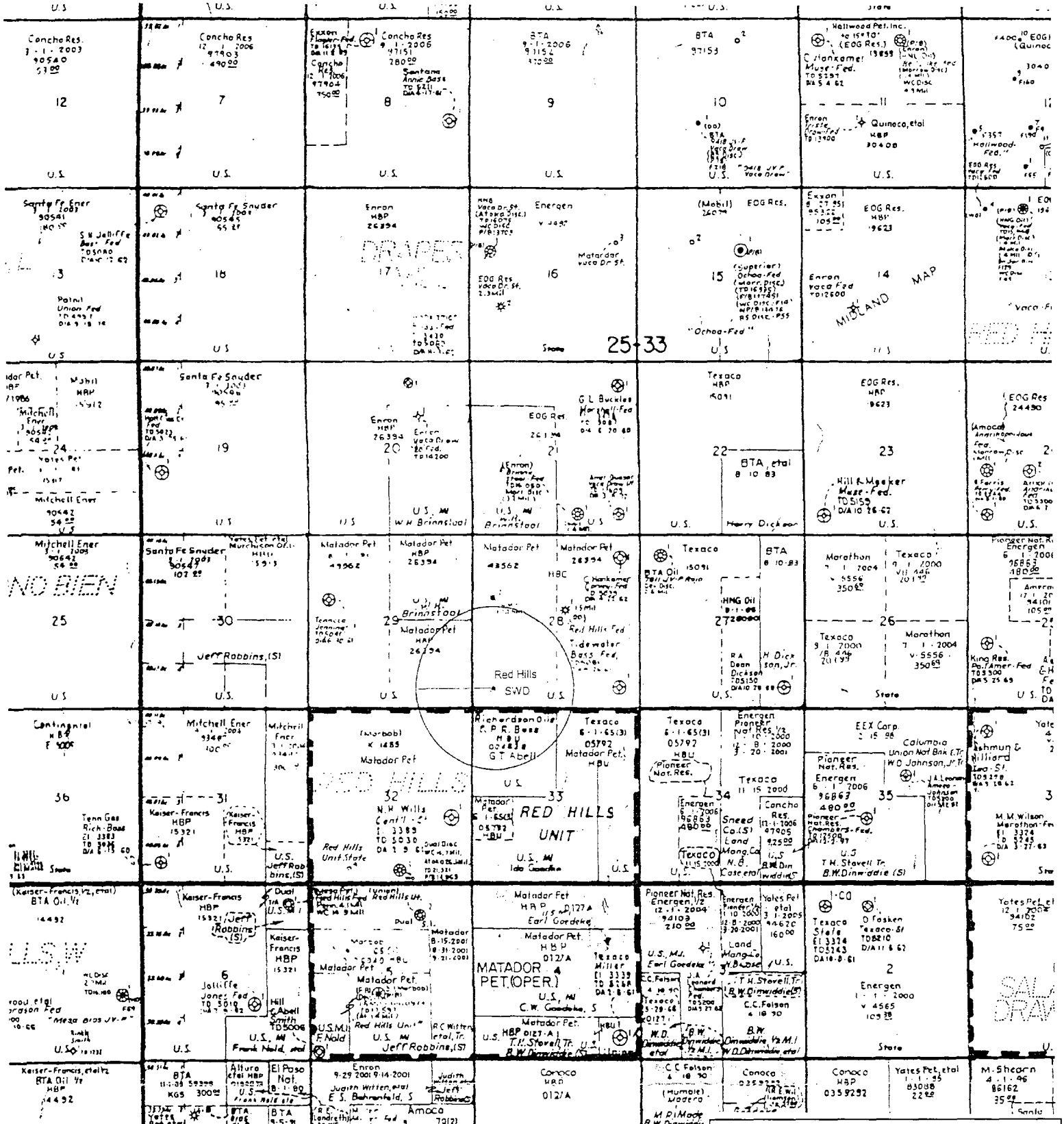
2. Name of the Injection Formation: Delaware

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

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. New Well

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

   Wolfcamp 13,400'


Red Hills SWD
RED HILLS UNIT
MAP
MIDLAND
25-33
NO BEN
Matador
PETROLEUM CORPORATION
DALLAS
MIDLAND
310 W. Wall, Ste. 906 Midland, TX 79701
Application for Authorization To Inject
Red Hills SWD
Lea County, New Mexico
Lease Ownership Map
½ Mile Radius – Area of Review

Application for Authorization To Inject
Red Hills #1 SWD
Sec. 28 T25S R33E
Lea County, New Mexico

Wells within the ½ mile radius (Area of Review) which penetrate the proposed injection zone.

	Well Name	Status	Spud	Comp.	Location	TD	Perfs/Comments
1.	Red Hills 28 Fed #2	Producing	6/5/95	10/19/95	Sec 28, T25S, R33E (E)	14,845	13530- 13678, added perfs 1/22/96: 13493-13514

Pro-Kem, Inc.

WATER ANALYSIS REPORT

Devonian Water
VII #4

SAMPLE

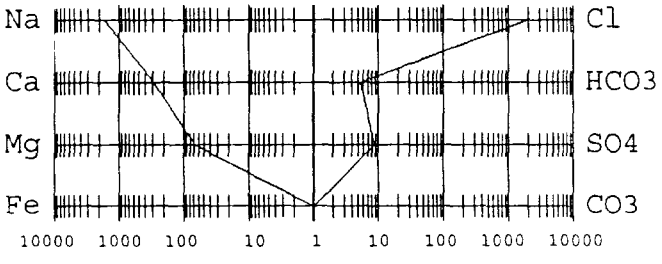
Oil Co. : **Matador Operating**
Lease : **Red Hills**
Well No.: **# 4**
Lab No. : **F:\ANALYSES\Nov1000.001**

Sample Loc. :
Date Analyzed: **10-November-2000**
Date Sampled : **30-October-2000**

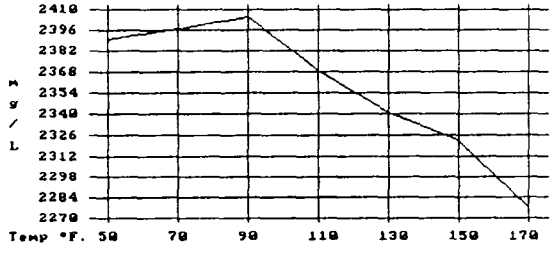
ANALYSIS

1.	pH		5.520		
2.	Specific Gravity 60/60 F.		1.088		
3.	$CaCO_3$ Saturation Index	@ 80 F.	-0.879		
		@ 140 F.	+0.026		
	Dissolved Gasses		**MG/L**	**EQ. WT.**	***MEQ/L**
4.	Hydrogen Sulfide		200		
5.	Carbon Dioxide		170		
6.	Dissolved Oxygen		Not Determined		
	Cations				
7.	Calcium	(Ca^{++})	5,602	/ 20.1 =	278.71
8.	Magnesium	(Mg^{++})	775	/ 12.2 =	63.52
9.	Sodium	(Na^{+}) (Calculated)	37,800	/ 23.0 =	1,643.48
10.	Barium	(Ba^{++})	Not Determined		
	Anions				
11.	Hydroxyl	(OH^{-})	0	/ 17.0 =	0.00
12.	Carbonate	($CO_3^{=}$)	0	/ 30.0 =	0.00
13.	Bicarbonate	(HCO_3^{-})	317	/ 61.1 =	5.19
14.	Sulfate	($SO_4^{=}$)	400	/ 48.8 =	8.20
15.	Chloride	(Cl^{-})	69,984	/ 35.5 =	1,971.38
16.	Total Dissolved Solids		114,878		
17.	Total Iron (Fe)		5	/ 18.2 =	0.27
18.	Total Hardness As $CaCO_3$		17,179		
19.	Resistivity @ 75 F. (Calculated)		0.073 /cm.		

LOGARITHMIC WATER PATTERN
***meq/L.**



Calcium Sulfate Solubility Profile



PROBABLE MINERAL COMPOSITION

COMPOUND	EQ. WT.	X *meq/L =	mg/L.
$Ca(HCO_3)_2$	81.04	5.19	420
$CaSO_4$	68.07	8.20	558
$CaCl_2$	55.50	265.32	14,725
$Mg(HCO_3)_2$	73.17	0.00	0
$MgSO_4$	60.19	0.00	0
$MgCL_2$	47.62	63.52	3,025
$NaHCO_3$	84.00	0.00	0
$NaSO_4$	71.03	0.00	0
NaCl	58.46	1,642.53	96,023

***Milli Equivalents per Liter**

This water is somewhat corrosive due to the pH observed on analysis.
The corrosivity is increased by the content of mineral salts, and the presence of H2S, CO2 in solution.

August 18, 1998

FESCO, Inc.
1408 E. Main - Alice, Texas 78332

For: Matador Operating Company
415 W. Wall, Suite 1101
Midland, Texas 79701

Field: N/A

Devonian Water
VII #4

Sample: Red Hills No. 28-1
Produced Water From Tank

Date Sampled: 08-14-98
Time Sampled: 13:10

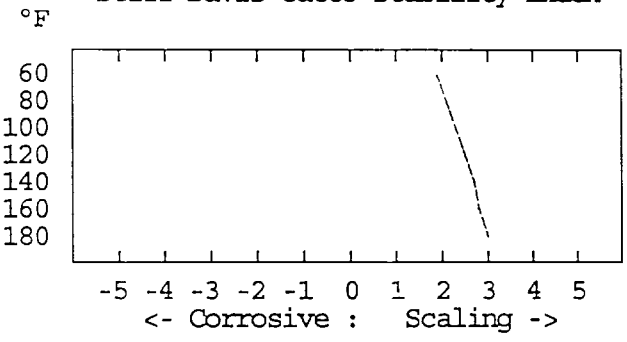
REPORT OF WATER ANALYSIS

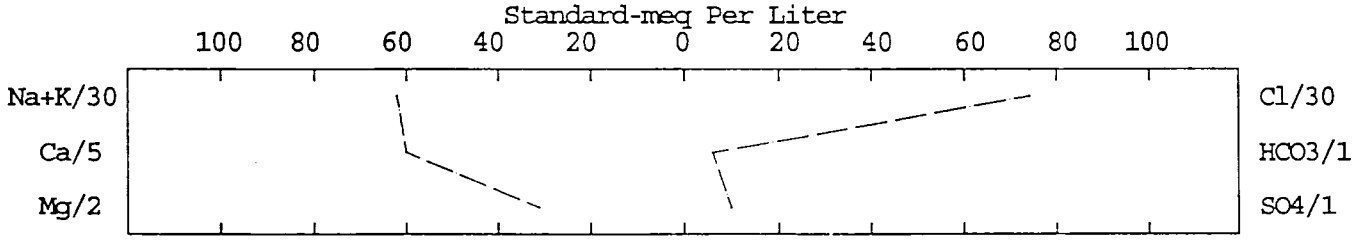
********* DISSOLVED SOLIDS **********	mg/L	meq/L
Sodium(Na)	42370	1842.17
Calcium(Ca)	5980	298.40
Magnesium(Mg)	751	61.73
Barium(Ba)	5.7	0.08
Potassium(K)	918	23.47
Iron(Fe)	2.1	----
Chloride(Cl)	78000	2209.63
Sulfate(SO4)	488	10.15
Carbonate(CO3)	0.0	0.00
Bicarbonate(HCO3)	376	6.17
Hydroxide(OH)	0.0	0.00
Sulfide(H2S)	5.9	
Total Solids	128896	
Total Alkalinity	308	(CaCO3)
Total Hardness	18025	(CaCO3)

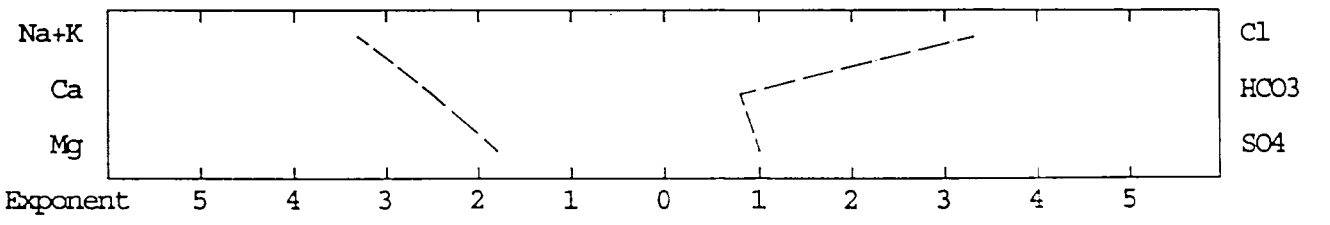
********** OTHER PROPERTIES **********

pH	7.08
Specific Gravity @ 60/60°F	1.086
Resistivity(Ohm-meters @ 77.0°F)	0.066

Stiff-Davis CaCO3 Stability Index







Certified: FESCO, Inc. - Alice, Texas

David Dannhaus

David Dannhaus 512-664-3479

Job Number: 83468.1479

Pro-Kem, Inc.

WATER ANALYSIS REPORT

Sec. 3, T20S, R34E
VII #5

SAMPLE

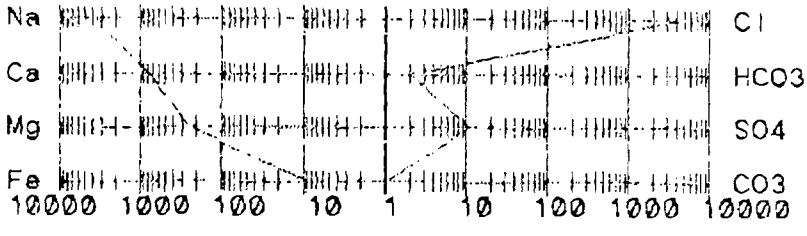
Oil Co. : Read & Stevens
Lease : Quail Fed.
Well No.: # 3
Salesman:

Sample Loc. :
Date Analyzed: 22-January-1997
Date Sampled :

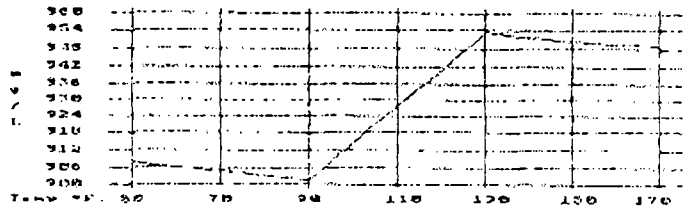
ANALYSIS

1.	pH		5.770		
2.	Specific Gravity 60/60 F.		1.169		
3.	$CaCO_3$ Saturation Index	@ 80 F.	+0.641		
		@ 140 F.	+2.676		
	Dissolved Gasses		MG/L	EQ. WT.	*MEQ/L
4.	Hydrogen Sulfide		0		
5.	Carbon Dioxide		400		
6.	Dissolved Oxygen		Not Determined		
	Cations				
7.	Calcium (Ca^{++})		14,930	/ 20.1 =	742.79
8.	Magnesium (Mg^{++})		2,917	/ 12.2 =	239.10
9.	Sodium (Na^{+})	(Calculated)	78,127	/ 23.0 =	3,396.83
10.	Barium (Ba^{++})		Not Determined		
	Anions				
11.	Hydroxyl (OH^{-})		0	/ 17.0 =	0.00
12.	Carbonate ($CO_3^{=}$)		0	/ 30.0 =	0.00
13.	Bicarbonate (HCO_3^{-})		117	/ 61.1 =	1.91
14.	Sulfate ($SO_4^{=}$)		500	/ 48.8 =	10.25
15.	Chloride (Cl^{-})		154,865	/ 35.5 =	4,365.21
16.	Total Dissolved Solids		251,556		
17.	Total Iron (Fe)		152	/ 18.2 =	8.35
18.	Total Hardness As $CaCO_3$		49,294		
19.	Resistivity @ 75 F. (Calculated)		0.001 /cm.		

LOGARITHMIC WATER PATTERN
*meq/L.



Calcium Sulfate Solubility Profile



PROBABLE MINERAL COMPOSITION

COMPOUND	EQ. WT.	X *meq/L	= mg/L.
$Ca(HCO_3)_2$	81.04	1.91	155
$CaSO_4$	68.07	10.25	697
$CaCl_2$	55.50	730.63	40,550
$Mg(HCO_3)_2$	73.17	0.00	0
$MgSO_4$	60.19	0.00	0
$MgCL_2$	47.62	239.10	11,386
$NaHCO_3$	84.00	0.00	0
$NaSO_4$	71.03	0.00	0
NaCl	58.46	3,395.49	198,500

*Milli Equivalents per Liter

This water is somewhat corrosive due to the pH observed on analysis.
The corrosivity is incressed by the content of mineral salts, and the presence of, CO2 in solution.

Pro-Kem, Inc.

WATER ANALYSIS REPORT

SAMPLE

Oil Co. : **Matador Operating**
Lease : **A.J. Fed.**
Well No. : **# 1**
Lab No. : **G:\ANALYSES\May0100.001**

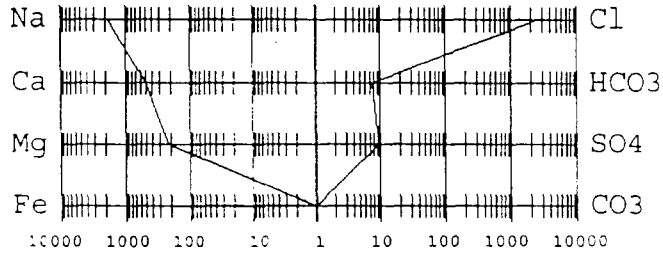
Sample Loc. :
Date Analyzed: **01-May-2000**
Date Sampled : **05-April-2000**

Sec. 10, T22S, R27E
VII #5

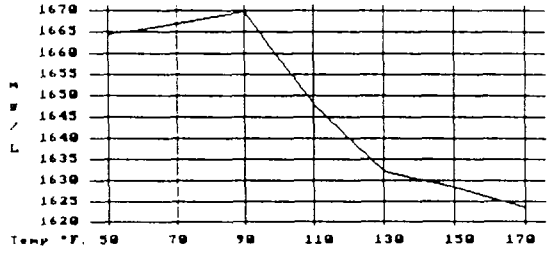
ANALYSIS

1.	pH		6.610		
2.	Specific Gravity 60/60 F.		1.108		
3.	$CaCO_3$ Saturation Index	@ 80 F.	+0.802		
		@ 140 F.	+1.702		
	Dissolved Gasses		MG/L	EQ. WT.	*MEQ/L
4.	Hydrogen Sulfide		200		
5.	Carbon Dioxide		80		
6.	Dissolved Oxygen		Not Determined		
	Cations				
7.	Calcium	(Ca^{++})	9,523	/ 20.1 =	473.78
8.	Magnesium	(Mg^{++})	2,567	/ 12.2 =	210.41
9.	Sodium	(Na^{+}) (Calculated)	41,653	/ 23.0 =	1,811.00
10.	Barium	(Ba^{++})	Not Determined		
	Anions				
11.	Hydroxyl	(OH^{-})	0	/ 17.0 =	0.00
12.	Carbonate	($CO_3^{=}$)	0	/ 30.0 =	0.00
13.	Bicarbonate	(HCO_3^{-})	439	/ 61.1 =	7.18
14.	Sulfate	($SO_4^{=}$)	450	/ 48.8 =	9.22
15.	Chloride	(Cl^{-})	87,980	/ 35.5 =	2,478.31
16.	Total Dissolved Solids		142,612		
17.	Total Iron (Fe)		2	/ 18.2 =	0.08
18.	Total Hardness As $CaCO_3$		34,351		
19.	Resistivity @ 75 F. (Calculated)		0.043 /cm.		

LOGARITHMIC WATER PATTERN
***meq/L.**



Calcium Sulfate Solubility Profile



PROBABLE MINERAL COMPOSITION

COMPOUND	EQ. WT.	X *meq/L =	mg/L.
$Ca(HCO_3)_2$	81.04	7.18	582
$CaSO_4$	68.07	9.22	628
$CaCl_2$	55.50	457.37	25,384
$Mg(HCO_3)_2$	73.17	0.00	0
$MgSO_4$	60.19	0.00	0
$MgCL_2$	47.62	210.41	10,020
$NaHCO_3$	84.00	0.00	0
$NaSO_4$	71.03	0.00	0
NaCl	58.46	1,810.53	105,843

***Milli Equivalents per Liter**

This water is slightly corrosive due to the pH observed on analysis. The corrosivity is increased by the content of mineral salts, and the presence of H_2S, CO_2 in solution.

API WATER ANALYSIS REPORT

COMPANY:	~~Matador~~	DATE :	October 3 1996
LEASE AND WELL :	~~Fed 9 Com #1~~	LAB NO. :	H096696
COUNTY, STATE :	EDDY NM	DATE SAMPLED :	October 2, 1996
FORMATION :		SAMPLE POINT :	LOCATION
TEMPERATURE (BHT) :	degrees F	SUBMITTED BY :	Company Man

Sec. 9, T21S, R27E

Avalon Delaware
VII #5

API WATER ANALYSIS REPORT

COMPANY:	Matador	DATE :	October 3 1996
LEASE AND WELL :	~~Fed 9 Com #1~~	LAB NO. :	H096696
COUNTY, STATE :	EDDY NM	DATE SAMPLED :	October 2, 1996
FORMATION :		SAMPLE POINT :	LOCATION
TEMPERATURE (BHT) :	degrees F	SUBMITTED BY :	Company Man

Specific Gravity = 1.135 @ 70 degrees F pH = 6.3

Anions

	Factor	ml	Sample	mg/l	Factor	me/l	Ionic Strength (mg/l)	Ionic Strength (me/l)
Chlorides	3545	17.2	0.5	121948.0	0.0282	3438.93	1.7073	1.7195
Sulfates			1	1200.0	0.0208	24.96	0.0252	0.0250
Carbonates	60	0.0	0	0.0	0.0333	0.00	0.0000	0.0000
Bicarbonates	1000	0.8	10	80.0	0.0164	1.31	0.0006	0.0007
Hydroxide	279			0.0	0.0588	0.00		

Cations

	Factor	ml	Sample	mg/l	Factor	me/l	Ionic Strength (mg/l)	Ionic Strength (me/l)
Barium				0.0	0.0146	0.00		
Calcium	401	24.8	0.5	19889.6	0.0499	992.49	0.9945	0.9925
Magnesium	243	7.4	0.5	3596.4	0.0823	295.98	0.2949	0.2960
Iron		0		0.0	0.0537	0.00		
Sodium				50039.8	0.0435	2175.73	1.1009	1.0884
Total Dissolved Solids =				196754		6930		
Total Ionic Strength =							4.1234	4.1219

Resistivity: 0.048 ohm-meters

Tested By: Greg Daniel

MATADOR OPERATING COMPANY
310 W. Wall, Ste. 906
Midland, TX 79701
(915) 687-5955
(915) 687-4809 Fax

Russ Mathis
Production Manager

Writer's Direct Line
(915) 687-5968

March 19, 2001

Bass Enterprises Production Co.
201 Main
Ft. Worth, TX 76101

RE: Red Hills SWD #1
Lea County, NM
Sec. 28, T25S, R33E
Application For Authorization To Inject

Dear Sir:

Please find within a copy of the Application For Authorization To Inject.

In compliance with the requirements of Form C-108 this application has been sent to you because you are the operator within one-half mile of the proposed well is located.

Please read the application carefully.

If there are no objections to the application please acknowledge below and mail to Matador Operating Company at the above address or you may fax to 915-687-4809. Any objections must be filed with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, NM 87505 within 15 days from the date this application was mailed.

Sincerely,

Russ Mathis

Russ Mathis
Production Manager

_____ has no objection to Matador's Application for Authorization To Inject into the Red Hills SWD well located in Sec.28, T25S, R33E, Lea County, New Mexico.

_____ _____
Signature Printed Name

cc: Oil Conservation Division

Comdata\Red Hills SWD\Oper Notice

MATADOR OPERATING COMPANY
310 W. Wall, Ste. 906
Midland, TX 79701
(915) 687-5955
(915) 687-4809 Fax

Russ Mathis
Production Manager

Writer's Direct Line
(915) 687-5968

March 19, 2001

Barry Hunt
Bureau of Land Management
P O Box 1778
Carlsbad, NM 88221-1778

RE: Red Hills SWD #1
Lea County, NM
Sec. 28, T25S, R33E
Application For Authorization To Inject

Dear Mr. Hunt:

Please find within a copy of the Application For Authorization To Inject.

In compliance with the requirements of Form C-108 this application has been sent to you because the BLM is the landowner where the proposed well is located.

Please read the application carefully.

If there are no objections to the application please acknowledge below and mail to Matador Operating Company at the above address or you may fax to 915-687-4809. Any objections must be filed with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, NM 87505 within 15 days from the date this application was mailed.

Sincerely,

Russ Mathis

Russ Mathis
Production Manager

_____ has no objection to Matador's Application for Authorization To Inject into the Red Hills SWD well located in Sec.28, T25S, R33E, Lea County, New Mexico.

_____ _____
Signature Printed Name

cc: Oil Conservation Division

Comdata\Red Hills SWD\Land Owner Notice

MATADOR PETROLEUM CORPORATION

310 W. Wall, Suite 906
Midland, TX 79701
(915) 687-5955
(915) 687-4809 Fax

FAX COVER SHEET

TO: Vicky

COMPANY: Hobbs News-Sun

FAX #: ~~505-393-5724~~ 505-397-0610

FROM: DIANE KUYKENDALL - 915-687-5957

DATE: 03/19/01

NUMBER OF PAGES INCLUDING THIS COVER: 1

COMMENTS: Please publish the following Legal Notice in your paper at the earliest possible time. Please furnish us with an affidavit of the publication.

Matador Operating Company, 310 W. Wall, Ste. 906, Midland, TX 79701 (915) 687-5955, Russ Mathis, Production Manager, is applying for a permit to drill the Red Hills #1 salt water disposal well 660' FSL; 660' FWL, Sec. 28, T25 S, R33E Lea County. Disposal will be into the Delaware formation from 5800' to 6300' with a maximum injection rate of 5000 BWPD at a maximum pressure of 1400 psi. Persons wishing to object or request a hearing should contact the Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87504 within 15 days.

****
*** ACTIVITY REPORT ***
****

TRANSMISSION OK

TX/RX NO.	8977
CONNECTION TEL	15053970610
CONNECTION ID	
START TIME	03/19 15:29
USAGE TIME	00'30
PAGES	1
RESULT	OK

MAR 3 0 2001

MATADOR OPERATING COMPANY

310 W. Wall, Ste. 906
Midland, TX 79701
(915) 687-5955
(915) 687-4809 Fax

Diane Kuykendall
Production Analyst

Writer's Direct Line
(915) 687-5957

March 28, 2001

New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RE: Red Hills SWD #1
Lea County, NM
Sec. 28, T25S, R33E
Application for Authorization to Inject

Gentlemen:

Please find enclosed a copy of the proof of notice. Copies of the signed return receipt requested and also the affidavit of publication in the Hobbs newspaper.

Should you have any questions, please do not hesitate to call me in the Midland office at 915-687-5955.

Sincerely,

Diane Kuykendall
Production Analyst

DK
cc: Bass Enterprises
BLM – Barry Hunt

Comdata\Red Hills SWD\OCD proof notice ltr

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write *"Return Receipt Requested"* on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

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

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

Consult postmaster for fee.

3. Article Addressed to:

Bureau of Land Management
P O B ox 1778
Carlsbad, NM 88221-1778

4a. Article Number
Z 445 058 311 Return Receipt

4b. Service Type

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

7. Date of Delivery
3/22/01

5. Received By: *(Print Name)*
BETTY HILL

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

6. Signature: *(Addressee or Agent)*
X Betty Hill

PS Form **3811**, December 1994 102595-98-B-0229 Domestic Return Receipt

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
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201 Main
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4a. Article Number
Z445 058 310 Return Receipt

4b. Service Type

- ☐ Registered
- ☐ Certified
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3/22/01

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6. Signature: *(Addressee or Agent)*
X

PS Form **3811**, December 1994 102595-98-B-0229 Domestic Return Receipt

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, KATHI BEARDEN

Publisher

of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not a supplement thereof for a period.

of 1

weeks.

Beginning with the issue dated

March 21 2001

and ending with the issue dated

March 21 2001

Kathi Bearden

Publisher

Sworn and subscribed to before me this 21st day of

March 2001

Jodi Henson

Notary Public.

My Commission expires
October 18, 2004
(Seal)

LEGAL NOTICE
March 21, 2001

Matador Operating Company, 310 W. Wall, Ste. 906, Midland, TX 79701 (915)687-5955, Russ Mathis, Production Manager, is applying for a permit to drill the Red Hills #1 salt water disposal well 660' FSL, 660' FWL, Sec. 28, T25 S, R33E Lea County. Disposal will be into the Delaware formation from 5800' to 6300' with a maximum injection rate of 5000 BWPD at a maximum pressure of 1400 psi. Persons wishing to object or request a hearing should contact the Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87504 within 15 days
#18038

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

01101892000 01547122

Matador Operating Company
310 W. Wall, Suite 906
a/c 448550
Midland, TX 79701

RECEIVED
MAR 2 8 2001

N.M. OIL CONS. COMMISSION
P.O. BOX 1980
HOBBS, NEW MEXICO 88240

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
JUL 28 10 57 AM '95

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.: NM 43562

6. If Indian, Allottee or Tribe Name:

SUBMIT IN ~~TRIPLICATE~~ Orig. + 5 Copies

7. If Unit or CA, Agreement Designation:

1. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.: Red Hills "28" Federal Com. #2

2. Name of Operator: Union Oil Company of California

9. API Well No.: 30-025-32946

3. Address and Telephone No.: P.O. Box 671 - Midland, TX 79703 (915) 685-7607

10. Field and Pool, or Exploratory Area: Wildcat

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FNL & 660' FWL
Sec. 28, T-25-S, R-33-E

11. County or Parish, State: Lea County, N.Mex.

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
☐ Notice of Intent	☐ Abandonment	☐ Change of Plans
☒ Subsequent Report	☐ Recompletion	☐ New Construction
☐ Final Abandonment Notice	☐ Plugging Back	☐ Non-Routine Fracturing
	☐ Casing Repair	☐ Water Shut-Off
	☐ Altering Casing	☐ Conversion to Injection
	☒ Other Run & cmt 7 5/8" & 7 3/4" csg	☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

7-11-95-Drl'd to 13,000' (TD for 9 7/8" hole. 7-12-95-Ru Schlumberger on 1st run, ran array ind. tool, Long Spaced Sonic, GR, Cal--2nd run CNL (13,016'-1,550'), Litho-Density (13,016'-csg @ 4935'), GR w/Cal, Micro-Density (13,016'-csg @ 4935')----13,016' is loggers depth. 7-13-95-Ran 176 jts (7950.84') 7 5/8", 39#, P-110, LSS, 8rd LTC new sml csg & 120 jts (5086.19') 7 3/4", 46.10# P-110, LSS 8rd LTC new sml csg---total 296 jts + FE (13,042.26'). Cmt'd 7 5/8" & 7 3/4" csg @ 13,033' w/20 BFW ahead 1st stg lead of 800 sxs HLC w/5# KCl, .4% CFR-3, .5% Halad-322 @ 12.4 ppg, 2.01 yield f/b 300 sxs 50/50 Poz A w.2% gel, 5# KCl, .4% CFR-3 @ 14.4#/gal, 1.24 yield @ 10-11 BPM, 600 psi. Displ rubber plug to FC @ 12,987'----did not bump plug-PD-CIP. Drop opening bomb, open DV tool @ 8491'. 7-14-95-Cmt'd 2nd stg thru DV tool @ 8491' w/1300 sxs HLC w/5# KCl, .4% CFR-3, .5% Halad-322 @ 12.4 ppg, 2.01 yld f/b 300 sxs 50/50 Poz A w/2% gel, 5# KCl, .4% CFR-3 @ 14.4 ppg, 1.24 yld @ 7 1/2-6 1/2 BPM--disp plug to DV tool @ 8491' w/358 bbls cut brine wtr @ 9 BPM, 200-500 psi--close DV tool w/2025 psi, held O.K.--PD--CIP--Ran temp survey 9 1/2 hrs after 2nd stg plug down -- TOC @ 2500'.
7-18-95-Ran CBL f/12,919' to surface-shows TOC @ 8000' & cmt f/3,300'-2,500'+/-. Drld plug, FC, 45' cmt & shoe to 13,033'-drlg new formation to 13,045'.

14. I hereby certify that the foregoing is true and correct

Signed Charlotte Beeson Title Drilling Clerk Date 7-27-95

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

ACCEPTED FOR RECORD
AUG 6 1995

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side