

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 79701
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:
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: M. Keith Adams TITLE: Production Analyst
SIGNATURE: [Signature] DATE: 4/23/01
- * 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: 1952 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, 1220 South St. Francis Dr., 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.

INJECTION WELL DATA SHEET

OPERATOR: Xeric Oil & Gas Corporation

WELL NAME & NUMBER: 660' FSL & 660' FEL State "A" SMD #1

WELL LOCATION: 660' FSL & 660" FEL

FOOTAGE LOCATION

UNIT LETTER P

SECTION 36

TOWNSHIP 20S

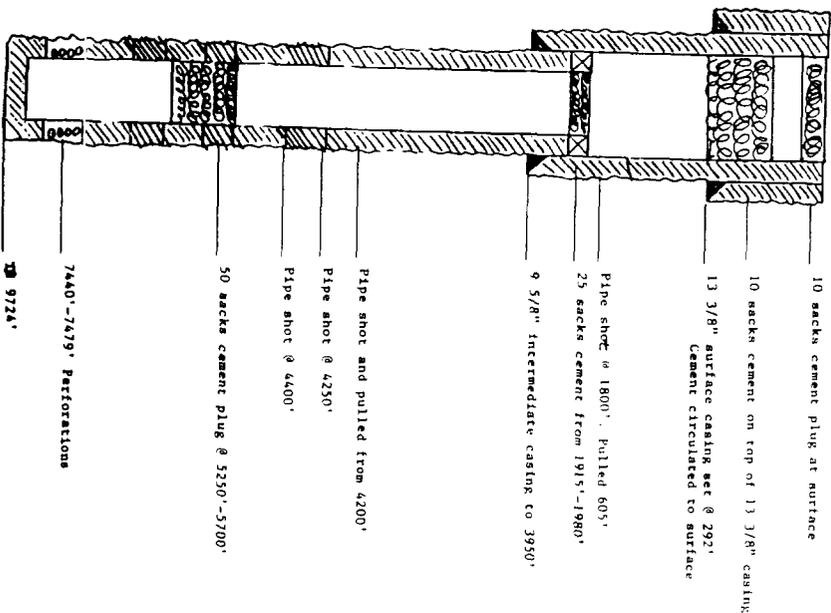
RANGE 38E

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA
Surface Casing

Xeric Oil & Gas Corporation
Application for Authorization to Inject
Salt - A - #1
UL P. Sec. 36, T30S, R38E
Lea County, New Mexico

Extracting Well Bore Diagram



Hole Size: 1 7/8" Casing Size: 13 3/8"

Cemented with: 350 SX. or ft³

Top of Cement: Surface Method Determined: Circulated

Intermediate Casing

Hole Size: 1 2 1/4" Casing Size: 9 5/8"

Cemented with: 1950 SX. or ft³

Top of Cement: 1680 Method Determined: Calculated

Production Casing

Hole Size: 8 3/4" Casing Size: 7"

Cemented with: 400 SX. or ft³

Top of Cement: Unknown Method Determined:

Total Depth: 9724'

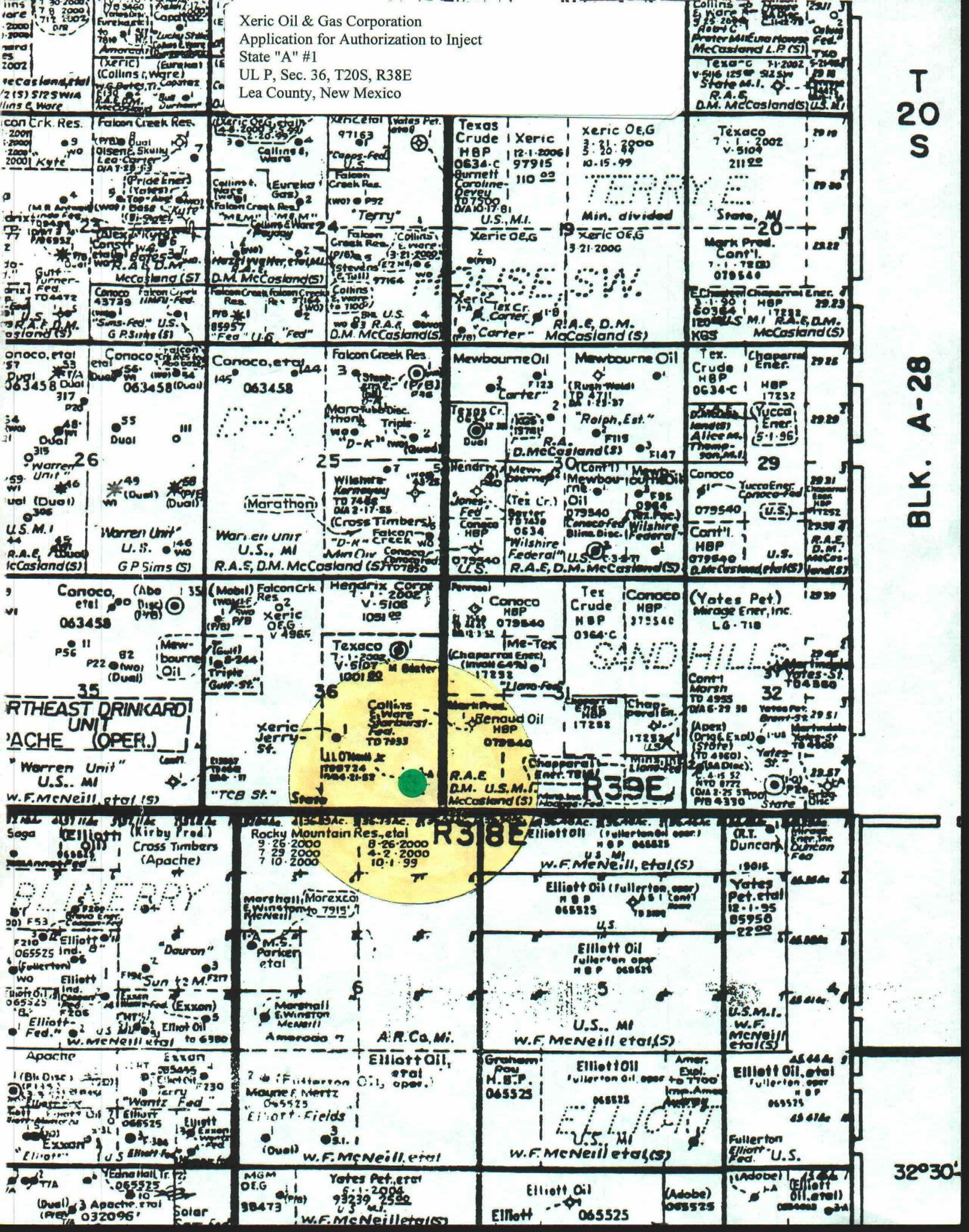
Injection Interval

7440' feet to 7479' Perforated

(Perforated or Open Hole; indicate which)

Xeric Oil & Gas Corporation
 Application for Authorization to Inject
 State "A" #1
 UL P, Sec. 36, T20S, R38E
 Lea County, New Mexico

T
20
S
BLK. A-28



Xeric O&G, et al
 97163
 Callins & Ware
 Falcon Creek Res.
 "Terry"
 D.M. McCasland (S)

Texas Crude | Xeric
 HBP | 12-1-2006
 0634-C | 97915
 Burnett | 110 02
 Caroline-Devey
 107500
 0/10-17-81
 U.S., M.I.
 Xeric O&G
 3-21-2000
 10-15-99
 Min. divided
 State, MI
 Xeric O&G
 3-21-2000

Texasco
 7-1-2002
 V-5104
 21122
 State, MI
 Mark Prod.
 Cont'l.
 7-1-2000
 070540
 Yates Pet.
 12-1-95
 HBP
 29.23
 R.A.E., D.M. McCasland (S)
 Yates Pet.
 12-1-95
 HBP
 29.23
 R.A.E., D.M. McCasland (S)

Conoco, et al
 063458
 Falcon Creek Res.
 "Marathon"
 Warren Unit
 U.S., MI
 R.A.E., D.M. McCasland (S)

Mewbourne Oil
 0634-C
 HBP
 17232
 Yucca Ener.
 (5-1-96)
 Conoco
 079540
 U.S.
 Cont'l.
 HBP
 079540
 U.S.
 D.M. McCasland (S)

Tex. Crude
 HBP
 0634-C
 17232
 Yucca Ener.
 (5-1-96)
 Conoco
 079540
 U.S.
 Cont'l.
 HBP
 079540
 U.S.
 D.M. McCasland (S)

Conoco, et al
 063458
 Falcon Creek Res.
 "Warren Unit"
 U.S., MI
 W.F. McNeill, et al (S)

Conoco
 HBP
 079540
 Me-Tex
 (Chaparral Ener.)
 17232
 "Llano-Fed"
 Benard Oil
 HBP
 079540
 R.A.E., D.M. McCasland (S)

Tex Crude
 HBP
 0364-C
 SAND HILLS
 Cont'l
 March
 TD 4955
 01A6-29 38
 Yates Pet.
 12-1-95
 HBP
 05950
 2200
 State, MI

Rocky Mountain Res., et al
 7-29-2000
 8-26-2000
 4-2-2000
 10-1-99
 Marshall, E. Winston, McNeill
 "Dauron"
 Sun M.
 Elliott Oil
 065525
 W.F. McNeill et al

Elliott Oil (Fullerton oper.)
 HBP
 065525
 W.F. McNeill, et al (S)
 Elliott Oil (Fullerton oper.)
 HBP
 065525
 U.S.
 W.F. McNeill et al (S)

Yates Pet. et al
 12-1-95
 05950
 2200
 State, MI
 Yates Pet. et al
 12-1-95
 05950
 2200
 State, MI

Elliott Oil, et al
 065525
 W.F. McNeill et al
 Yates Pet. et al
 5-1-2004
 93239 2500
 U.S.
 W.F. McNeill et al (S)

Elliott Oil
 065525
 W.F. McNeill et al (S)
 Elliott Oil
 065525

Elliott Oil, et al
 Fullerton oper.
 HBP
 065525
 Fullerton
 Elliott Fed.
 U.S.

32°30'

Xeric Oil & Gas Corporation
 Application for Authorization to Inject
 State "A" SWD # 1

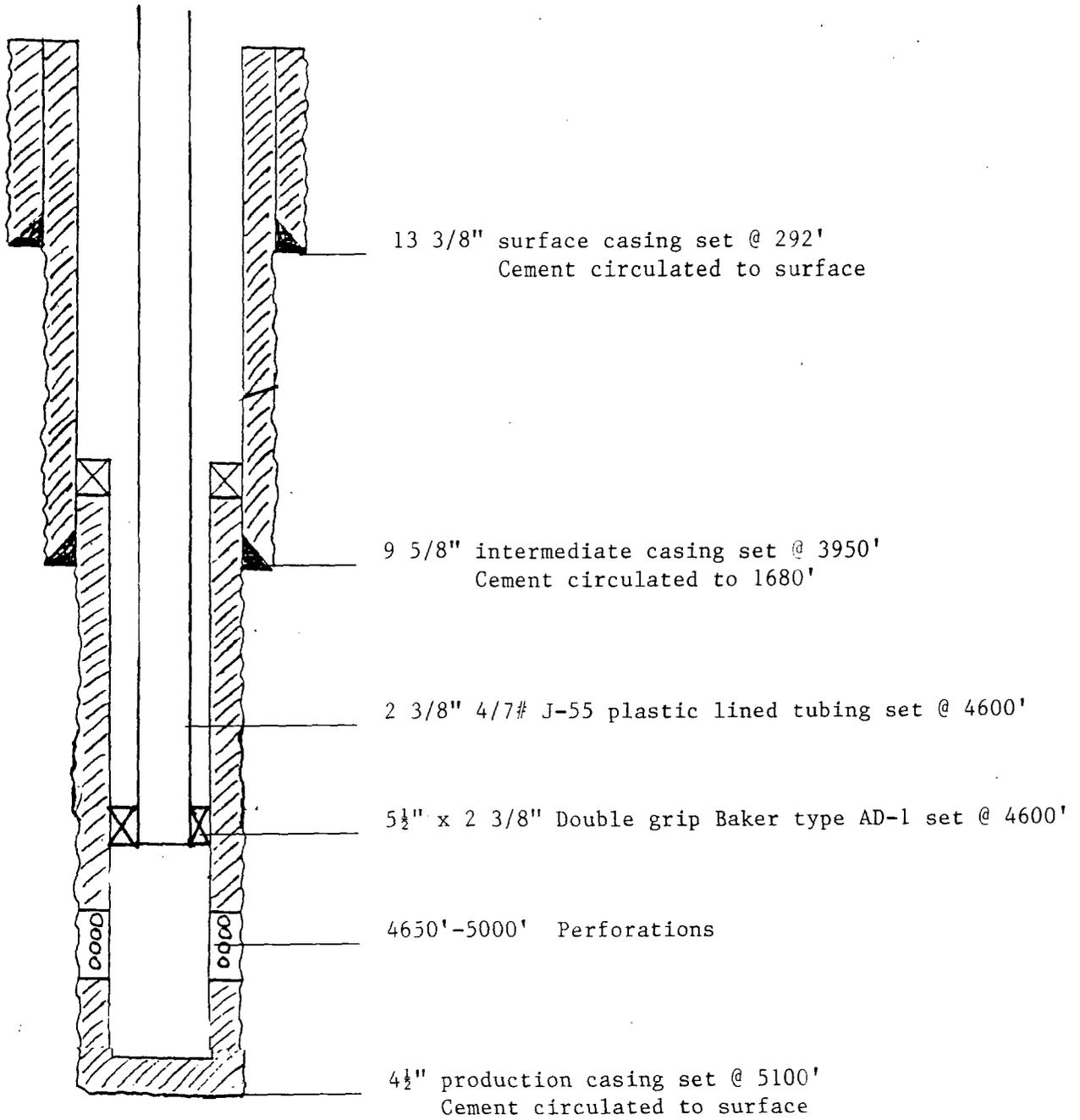
Well Name	Well Type	Construction	Date Drilled	Location	Depth	Record of Completion
Jerry State # 1	Oil	8 5/8" 24# set @ 1600' TOC surface 5 1/2" 17# set @ 7500' TOC 2500'	9/1997	UL J, Sec. 36, T20S, R38E	7700'	6642'-6804' 7017'-7028' 7035'-7040' 7070'-7076' 7196'-7382'

Xeric Oil & Gas Corporation
Application for Authorization to Inject
State "A" SWD #1

1. The proposed average volume of fluids to be injected will be 1800 bbls/day. The maximum daily rate would be 2500 bbls/day.
2. The system will be closed.
3. The proposed average injection pressure would be 1400 psi. The maximum would be 2750 psi.
4. The injection fluid will be produced water from various leases in the area.

Xeric Oil & Gas Corporation
Application for Authorization to Inject
State "A" #1
UL P, Sec. 36, T20S, R38E
Lea County, New Mexico

Proposed Well Bore Diagram



Scale: NTS

50 SHEETS
22-141 100 SHEETS
22-142 200 SHEETS
22-144



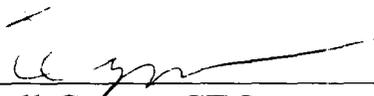
XERIC OIL & GAS CORPORATION
Application for Authorization to Inject
State "A" #1
UL P, Sec. 36, T20S, R38E
Lea County, New Mexico

Operator proposes to re-enter and convert the subject well to a salt water disposal well as follows:

- 1. Remove dry hole marker and welded plate.**
- 2. Drill out surface plug.**
- 3. Drill out plug @ 1980' - 1915'.**
- 4. Run new 4 ½" casing to 5100' and cement. Circulate to surface.**
- 5. Perforate San Andres from (4650' to 5000') 1 SPF.**
- 6. Acidize with 15% HCl.**
- 7. Install injection packer @ 4600' and plastic lined 2 3/8" tubing @ 4600'.**
- 8. Prepare surface facility for water injection and disposal.**

Xeric Oil & Gas Corporation
Application for Authorization to Inject
State "A" #1

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 State "A" #1 located in Unit Letter P, Section 36, Township 20 South, Range 38 East, Lea County, New Mexico.



Randall Capps, CEO



Date

**Oilfield Solutions, Inc.
2614 S.C.R. 1257, Midland, Tx. 79706**

WATER ANALYSIS REPORT

Company: Xeric Oil and Gas
 Location:
 Source: T.C.B. #1
 Date Sampled: .

Sampled By:
 Analysis Date: JAN 03, 2001
 Salesman:

ANALYSIS	mg/L	EQ. WT.	MEQ/L
1 pH	7.17		
2 Specific Gravity 60/60 f.	1.122		
3 Hydrogen Sulfide	Negative		
4 Carbon Dioxide	Not Determined		
5 Dissolved Oxygen	Not Determined		
6 Hydroxy. (OH ⁻)	0 /	17.0 =	0.00
7 Carbonate (CO ₃ ⁼)	0 /	30.0 =	0.00
8 Bicarbonate (HCO ₃ ⁻)	623 /	61.1 =	10.20
9 Chloride (Cl ⁻)	97,978 /	35.5 =	2,759.94
10 Sulfate (SO ₄ ⁼)	1,151 /	48.8 =	23.59
11 Calcium (CA ⁺⁺)	8,337 /	20.1 =	414.78
12 Magnesium (Mg ⁺⁺)	6,517 /	12.2 =	534.18
13 Sodium (Na ⁺)	42,430 /	23.0 =	1,844.77
14 Barium (Ba ⁺⁺)	Not Determined		
15 Total Iron (Fe)	12.50		
16 Dissolved Solids	157,036		
17 Filterable Solids			
18 Total Solids	157,036		
19 Total Total Hardness As CaCO ₃	47,642		
20 Suspended Oil			
21 Volume Filtered (ml)			
22 Resistivity @ 75 F. (calculated)	0.049 (cm.		

23 CAC03 Saturation Index	
@80 F.	1.0481
@100 F.	1.3581
@120 F.	1.6181
@140 F.	1.9781
@160 F.	2.3281

PROBABLE MINERAL COMPOSITION			
COMPOUND	EQ. WT.	X	MEQ/L = mg/L
Ca(HCO ₃) ₂	81.04		10.20 827
CaSO ₄	88.07		23.59 1,606
CaCl ₂	55.50		380.99 21,145
Mg(HCO ₃) ₂	73.17		0.00 0
MgSO ₄	60.19		0.00 0
MgCL ₂	47.62		534.18 25,438
NaHCO ₃	84.00		0.00 0
NaSO ₄	71.03		0.00 0
NaCl	58.46		1,844.77 107,845

Chemist: _____

Xeric Oil & Gas Corporation
Application for Authorization to Inject
State "A" SWD #1

Perforated Zone:

<u>Depth</u>	<u>Perforated</u>	<u>Lithologic</u>	<u>Geological Name</u>	<u>Thickness</u>
4256'-5610'	4650'-5000'	Lime	San Andres	354'

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

Coreen Morris
Xeric Oil & Gas
P.O. Box 352
MIDLAND, TX 79702

Cust#: 01105518-000
Ad#: 01547653
Phone: (915)683-3171
Date: 04/23/01

Ad taker: VG Salesperson: 05 Classification: 672

Description	Start	Stop	Ins.	Cost/Day	Surcharges	Total
07 07 Daily News-Sun Affidavit for legals	04/22/01	04/22/01	1	29.97		29.98
						0.00

Payment Reference

Total: 31.98
Tax: 1.92
Net: 33.90
Prepaid: 33.90

LEGAL NOTICE
April 22, 2001

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: State "A" Field: San Andres

Well: #1 660' FSL & 660' FEL, Sec 36, T20S, R38E

The water injection formation is San Andres at a depth of 4650'-5000' below the surface of the ground

Expected maximum injection rate is 2500 bbls. water per day and expected maximum injection

Orig. Inv 3-6348

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

April 20, 2001

Sent Via Certified Mail
#7000 0520 0024 4233 0422

Elliott Oil Co.
P O Box 1355
Roswell, NM 88202

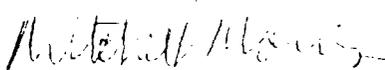
Re: State "A" SWD #1
Sec. 36, T20S, R38E
Lea County, New Mexico

Dear Sirs:

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

Sincerely yours,



Mitchell Morris

Mm
Enclosure

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only: No Insurance Coverage Provided)	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Recipient's Name (Please Print Clearly) (To be completed by mailer)	
Elliott Oil	
Street, Apt. No., or PO Box No.	
PO Box 1355	
City, State, ZIP+4	
Roswell, NM 88202	

7000 0520 0024 4233 0422

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

April 20, 2001

Sent Via Certified Mail
#7000 0520 0024 4233 0439

Rocky Mountain Resources
P O Box 7405
Midland, TX 79708

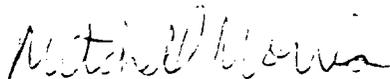
Re: State "A" SWD #1
Sec. 36, T20S, R38E
Lea County, New Mexico

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Sincerely yours,



Mitchell Morris

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U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only: No Insurance Coverage Provided)	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

7000 0520 0024 4233 0439

Postmark Here

Recipient's Name (Please Print Clearly) (To be Completed by mailer)
Rocky Mountain Resources
Street, Apt. No., or PO Box No.
PO Box 7405
City, State, ZIP
Midland, TX 79708

PS Form 3800, February 2000 See Reverse for Instructions

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

April 20, 2001

Sent Via Certified Mail
#7000 0520 0024 4233 0446

Conoco, Inc.
10 Desta Dr. Suite 100W
Midland, TX 79705

Re: State "A" SWD #1
Sec. 36, T20S, R38E
Lea County, New Mexico

Dear Sirs:

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.

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Sincerely yours,



Mitchell Morris

Mm
Enclosure

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.58

7000 0520 0024 4233 0446

Postmark Here

Recipient's Name (Please Print Clearly) (To be completed by mailer)
Conoco Inc
Street, Apt. No., or PO Box No.
10 Desta Dr. Ste 100W
City, State, ZIP
Midland, TX 79705

PS Form 3800, February 2000 See Reverse for Instructions

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

April 20, 2001

Sent Via Certified Mail
#7000 0520 0024 4233 0385

Will N. Terry Trust
P O Box 686
Hobbs, NM 88241

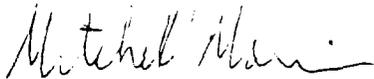
Re: State "A" SWD #1
Sec. 36, T20S, R38E
Lea County, New Mexico

Dear Sirs:

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Sincerely yours,



Mitchell Morris

Mm
Enclosure

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only: No Insurance Coverage Provided)	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

7000 0520 0024 4233 0385

Postmark Here

Recipient's Name (Please Print Clearly) (To be completed by mailer)
Will N. Terry Trust

Street, Apt. No., or PO Box No.
PO Box 686

City, State, ZIP
Hobbs, NM 88241

PS Form 3800, February 2000 See Reverse for Instructions

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

April 20, 2001

Sent Via Certified Mail
#7000 0520 0024 4233 0392

Muriel McNeill Trust
P O Box 1058
Hobbs, NM 88241

Re: State "A" SWD #1
Sec. 36, T20S, R38E
Lea County, New Mexico

Dear Sirs:

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.

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Sincerely yours,



Mitchell Morris

Mm
Enclosure

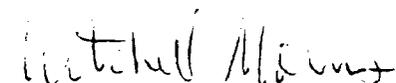
U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Recipient's Name (Please Print Clearly) (To be completed by mailer) Muriel McNeill Trust	
Street Apt. No. or PO Box No. PO Box 1058	
City, State, ZIP+4 Hobbs, NM 88241	

7000 0520 0024 4233 0392

PS Form 3800, February 2000 See Reverse for Instructions

Objections and requests for hearing should be addressed to Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505.

Sincerely yours,



Mitchell Morris

Mm
Enclosure

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Recipient's Name (Please Print Clearly) (To be completed by mailer)	
Street Apt. No. or PO Box No.	
City, State, ZIP+4	

7000 0520 0024 4233 0415

PS Form 3800, February 2000 See Reverse for Instructions

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

April 20, 2001

Sent Via Certified Mail
#7000 0520 0024 4233 0392

Muriel McNeill Trust
P O Box 1058
Hobbs, NM 88241

Re: State "A" SWD #1
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Lea County, New Mexico

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Sincerely yours,



Mitchell Morris

Mm
Enclosure

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only: No Insurance Coverage Provided)

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Muriel McNeill Trust
Street Apt. No.; or PO Box No.
PO Box 1058
City, State, ZIP+4
Hobbs, NM 88241

PS Form 3800, February 2000 See Reverse for Instructions

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

April 20, 2001

Sent Via Certified Mail
#7000 0520 0024 4233 0415

Chaparral Energy, Inc.,
10701 North Broadway
Oklahoma City, OK 73114

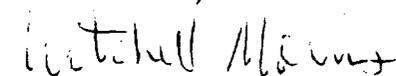
Re: State "A" SWD #1
Sec. 36, T20S, R38E
Lea County, New Mexico

Dear Sirs:

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

Sincerely yours,



Mitchell Morris

Mm
Enclosure

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Chaparral Energy, Inc.	
Street, Apt. No., or PO Box No.	
10701 North Broadway	
City, State, ZIP+4	
Oklahoma City, OK 73114	

7000 0520 0024 4233 0415

PS Form 3800, February 2000 See Reverse for Instructions

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

April 20, 2001

Sent Via Certified Mail
#7000 0520 0024 4233 0408

W. F. McNeill
P O Box 1068
Hobbs, NM 88241

Re: State "A" SWD #1
Sec. 36, T20S, R38E
Lea County, New Mexico

Dear Sirs:

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

Sincerely yours,

Mitchell Morris

Mitchell Morris

Mm
Enclosure

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only: No Insurance Coverage Provided)	
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Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
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Recipient's Name (Please Print Clearly) (To be completed by mailer)	
W. F. McNeill	
Street, Apt. No., or PO Box No.	
PO Box 1068	
City, State, ZIP+4	
Hobbs, NM 88241	

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

April 20, 2001

Sent Via Certified Mail
#7000 0520 0024 4233 0378

McCasland Limited Partnership
P O Box 206
Eunice, NM 88231

Re: State "A" SWD #1
Sec. 36, T20S, R38E
Lea County, New Mexico

Dear Sirs:

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

Sincerely yours,



Mitchell Morris

Mm
Enclosure

U.S. Postal Service	
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(Domestic Mail Only: No Insurance Coverage Provided)	
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Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

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Postmark Here

Recipient's Name (Please Print Clearly) (To be completed by mailer)
McCasland Limited Partnership
Street, Apt. Nos. or PO Box No.
PO Box 206
City, State, ZIP+4
Eunice, NM 88231

PS Form 3800, February 2000 See Reverse for Instructions



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

4/27/01

Lori Wrotenbery
Director
Oil Conservation Division

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

- MC _____
- DHC _____
- NSL _____
- NSP _____
- SWD X _____
- WFX _____
- PMX _____

Gentlemen:

I have examined the application for the:

Xeric Oil & Gas Corp State A SWD #1-P-36-20-38
 Operator Lease & Well No. Unit S-T-R Api # 30-025-07888

and my recommendations are as follows:

OK [Signature]

Yours very truly,

Chris Williams
Supervisor, District 1