

BW - /

**PERMITS,
RENEWALS,
& MODS**

C L O S E D



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

March 06, 2003

Lori Wrotenbery

Director

Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT NO. 3929 9819

Suzanne P. Holland, P.E.
Conoco-Phillips
4001 Penbrook
Odessa, Texas 79762

RE: Conoco-Phillips Warren McKee Brine wells site closure and termination of
Discharge Plan BW-001

Dear Mrs. Holland:

The New Mexico Oil Conservation Division (OCD) hereby approves of Conoco-Phillips closure activities at the Warren McKee Brine wells located in the UL N and M, Section 2, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico and hereby terminates Discharge Permit BW-001.

Please be advised that NMOCD approval of this closure plan and permit termination does not relieve Conoco-Phillips of liability should their operations have failed to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment in the foreseeable future. In addition, NMOCD approval does not relieve Conoco-Phillips of responsibility for compliance with any OCD, federal, state, or local laws and/or regulations.

Sincerely,

A handwritten signature in black ink, appearing to read "Roger C. Anderson".

Roger C. Anderson
Environmental Bureau Chief

RCA/lwp

xc: OCD Hobbs Office



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

December 19, 1994

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-962-843

Mr. Jerry W. Hoover
Conoco Inc.
10 Desta Drive, Suite 100w
Midland, Texas 79705-4500

**RE: Fee for Discharge Plan BW-001 Modification
Conoco Warren McKee Brine Station**

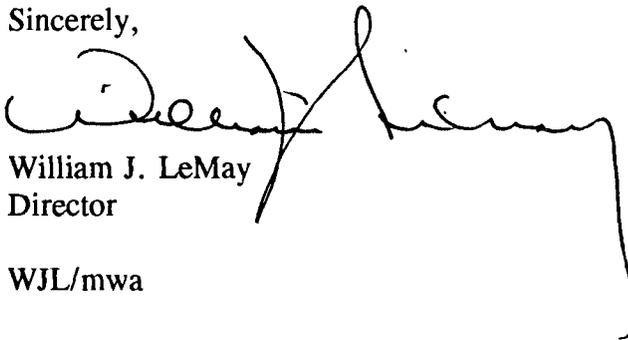
Dear Mr. Hoover:

The modification application for Conoco Inc. is subject to the WQCC Regulation 3-114.B.1.(b).3 discharge plan modification fee. But, due to the timing of the discharge plan renewal and modification the New Mexico Oil Conservation Division (OCD) has chosen to waive the flat rate of six hundred and ninety dollars (\$690.00) for brine station discharge plan modifications. Conoco Inc. is still responsible for the filing fee of fifty (50) dollars. The fifty (50) dollar filing fee has not been received by the OCD, and shall be submitted on receipt of this letter.

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office.

If you have any questions, please contact Mark Ashley of my staff at (505) 827-7155.

Sincerely,


William J. LeMay
Director

WJL/mwa

xc: OCD Hobbs Office



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

December 6, 1994

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-962-840

Mr. Jerry W. Hoover
Conoco Inc.
10 Desta Drive, Suite 100w
Midland, Texas 79705-4500

**RE: Approval of Discharge Plan BW-001 Modification
Conoco Warren McKee Brine Station**

Dear Mr. Hoover:

The discharge plan modification (BW-001) for the Conoco Warren McKee Brine Station located in the SW/4 NW/4 of Section 2, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. The modification application consists of the request for modification of the previously approved discharge plan dated June 6, 1994. The original discharge plan was approved December 18, 1982, renewed on April 10, 1989, renewed again on June 6, 1994, and will expire on April 10, 1999.

The modification application was submitted pursuant to Section 3-107.C of the New Mexico Water Quality Control Commission (WQCC) Regulations. Based on the information provided in the modification application and in the approved discharge plan, it is approved pursuant to Sections 5-101.A and 3-109. Please be advised that the approval of this plan does not relieve you of liability should your operation result in actual pollution of surface water, ground water, or the environment which may be actionable under other laws and/or regulations.

The monitoring and reporting shall be as specified in the referenced materials. Please note that Section 3-104 of the regulations requires that "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan". Pursuant to Section 3-107.C you are required to notify the Director of any facility expansions, production increase, or process modification that would result in any change in the discharge or water quality or volume.

Mr. Jerry W. Hoover
December 6, 1994
Page 2

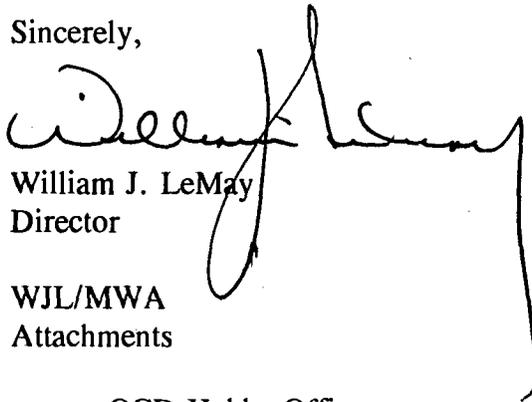
Before performing remedial work, altering or pulling casing, plugging or abandonment, or any other workover, approval of the OCD must be obtained. Approval should be requested on the OCD Form C-103 "Sundry Notices and Reports on Wells" (OCD Rule 1103-A). Submit the original form to the Environmental Bureau in the Santa Fe Office and a copy to the appropriate district office.

The modification application for the Conoco Inc. is subject to the WQCC Regulation 3-114.B.1.(b).3 discharge plan modification fee. Every billable facility submitting a discharge plan modification will be assessed a fee equal to the filing fee of fifty (50) dollars plus a flat rate of six hundred and ninety dollars (\$690.00) for brine station discharge plans. The fifty (50) dollar filing fee and the six hundred and ninety dollar (\$690.00) flat fee have not been received by the Oil Conservation Division, and shall be submitted on receipt of this approval. The required flat fee may be paid in a single payment or in five equal installments over the expected duration of the discharge plan. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge plan approval.

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office.

If you have any questions, please contact Mark Ashley of my staff at (505) 827-7155.

Sincerely,



William J. LeMay
Director

WJL/MWA
Attachments

xc: OCD Hobbs Office

ATTACHMENT TO THE DISCHARGE PLAN BW-001 APPROVAL
CONOCO INC.
WARREN MCKEE BRINE STATION
DISCHARGE PLAN REQUIREMENTS
(December 6, 1994)

1. The fifty (50) dollar filing fee plus the flat rate of six hundred and ninety dollars (\$690.00) flat fee shall be submitted on receipt of this approval. The required flat fee may be paid in a single payment or in equal installments over the expected duration of the discharge plan. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge plan approval and subsequent installments due on this date of each calendar year.
2. Brine Transfer Lines: All Below-grade brine transfer lines will be tested for integrity once every five years.
3. Sump Construction: All new or rebuilt sumps and below-grade tanks will be approved by the OCD prior to installation and will incorporate secondary synthetic containment and leak detection in their designs. All leak detection systems will be inspected weekly and the OCD Santa Fe Office will be notified immediately upon discovery of fluids in any leak detection system.
4. Drum Storage: All chemical and lubrication drums shall be stored on pad and curb type containment.
5. Tank Berming: All tanks that contain materials other than fresh water will be bermed to contain one and one-third times the capacity of the tank.
6. Spill Containment: All brine storage and transfer will be managed in such a manner to keep brine off of the ground surface. Any brine spilled onto the ground surface will be cleaned up upon discovery.
7. Spill Reporting: All spills and/or leaks shall be reported to the appropriate OCD District office pursuant to WQCC Rule 1-203 and OCD Rule 116.
8. Production Method: Fresh water shall be injected down the annulus and brine shall be recovered up the tubing. Reverse flow will be allowed once a month for up to 24 hours for clean out.
9. Maximum Injection Pressure: The maximum operating injection pressure at the well head will be such that the fracture pressure of the injection formation (Salado) will not be exceeded. Prior to initiating injection Conoco Inc. shall supply and obtain approval for the maximum and average injection pressures and injection volumes.

Mr. Jerry W. Hoover

December 6, 1994

Page 4

10. Mechanical Integrity Testing: A mechanical integrity test will be conducted on the well annually. A pressure equal to one and one-half of the normal operating pressure will be maintained for four hours. The OCD will be notified at least 72 hours prior to the test so that the OCD may witness the test.
11. Cavity Configuration: A test will be conducted to determine the size and configuration of the mined cavity prior to discharge plan renewal (April 10, 1999). The method and time of testing will be approved by the OCD prior to performing the test.
12. Production/Injection Volumes: The volumes of fluids injected (fresh water) and produced (brine) will be recorded monthly and submitted to the OCD Santa Fe Office quarterly.
13. Well Workover Operations: OCD approval will be obtained from the director prior to performing remedial work or any other workover. Approval will be requested on OCD Form C-103 "Sundry Notices and Reports on Wells" (OCD Rule 1103-A). Submit the original form to the Environmental Bureau in the Santa Fe Office and a copy to the appropriate district office.
14. Closure: The OCD will be notified when operations of the facility is discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for approval by the director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.



Midland Division
Exploration Production

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

October 14, 1994

Mr. Roger Anderson
Environmental Bureau Chief
Oil Conservation Division
P.O. 2088
Santa Fe, NM 87501-2088

RE: Modification of Discharge Plan BW-001 to Plug and Abandon the Warren McKee Brine Wells No. 1 & 2 and to Drill Two Replacement Brine Extraction Wells, The Warren McKee Brine Wells No. 3 and 4.

Dear Mr. Anderson:

Conoco recently filed a renewal application for the subject Discharge Plan BW-001 which was approved by the Oil Conservation Division June 6, 1994. In this plan renewal, both the Warren McKee Brine Wells No. 1 and 2 were approved for brine extraction. Both wells have subsequently become mechanically unusable and uneconomical to maintain.

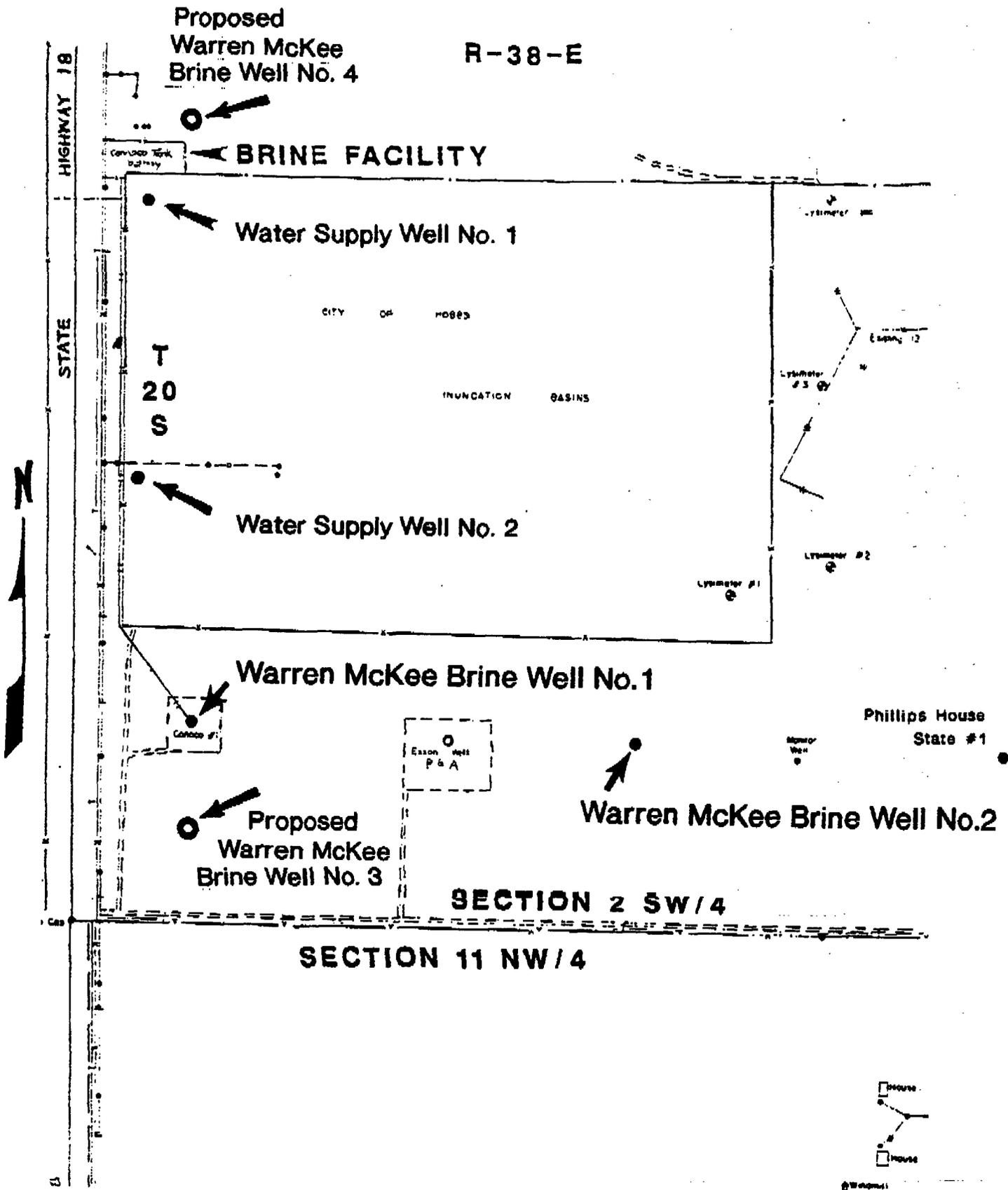
Conoco proposes to plug and abandon Wells No. 1 and 2 and to drill two replacement wells Nos. 3 and 4. The locations of these proposed new extraction wells are shown on EXHIBIT A with well No. 3 proposed for Unit M and well No. 4 proposed for Unit E in Section 2, Township 20 South, Range 38 East.

Since both of Conoco's Warren McKee and Warren Unit Blinebry-Tubb Waterflood Projects are shut-in, pending the drilling and extraction approval of these two new wells, it is requested that this proposed discharge plan modification be given notice of publication as soon as possible to expedite the re-activation of these projects. As soon as the plug and abandonment procedures, the proposed drilling plans, and the survey plats are available for these modifications, a full modification application will be filed.

It is anticipated that a detailed application can be prepared within a couple of weeks. Thank you for your help in expediting this notice of publication requirement. A suggested statement of notice is attached as EXHIBIT B. If there are any further questions or requirements at this time, please call me at (915) 686-6548.

Very truly yours,

Jerry W. Hoover
Sr. Conservation Coordinator



General Area of Brine Extraction Operations



Midland Division
Exploration Production

OIL CONSERVATION DIVISION
SANTA FE

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

NOV 30 1994

November 30, 1994

Mr. Roger Anderson
Environmental Bureau Chief
Oil Conservation Division
P.O. 2088
Santa Fe, NM 87501-2088

**RE: Modification of Discharge Plan BW-001 to Plug and Abandon the
Warren McKee Brine Wells No. 1 & 2 and to Drill Two Replacement Brine
Extraction Wells, The Warren McKee Brine Wells No. 3 and 4.**

Dear Mr. Anderson:

In a letter of October 14, 1994, Conoco requested a modification of its recently renewed Discharge Plan BW-001 which was approved by the Oil Conservation Division June 6, 1994. As that first letter explained, both of the Warren McKee Brine wells have become mechanically unusable and uneconomical to maintain and Conoco proposes to plug and abandon Wells No. 1 and 2 and to drill two replacement wells Nos. 3 and 4.

Since your receipt of the first letter, the plug and abandonment procedures have been completed and filed and the Drilling applications have been filed and approved by the NMOCD. Copies of these documents are attached to complete our application for modification of Discharge Plan BW-001.

If there are any further questions or requirements at this time, please call me at (915) 686-6548.

Very truly yours,

Jerry W. Hoover
Sr. Conservation Coordinator

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.
30-025-30707

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
B-9652

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
OIL WELL GAS WELL OTHER Brine Extraction

2. Name of Operator
Conoco, Inc.

3. Address of Operator
10 Desta Dr. Ste 100W, Midland, TX 79705

4. Well Location
Unit Letter N : 660 Feet From The South Line and 1980 Feet From The West Line
Section 2 Township 20S Range 38E NMPM Lea County

7. Lease Name or Unit Agreement Name

Warren McKee Brine

8. Well No.
2

9. Pool name or Wildcat
BSW: Salado

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3590'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

It is proposed to plug and abandon this well according to the attached procedure.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Jerry W. Hoover TITLE Sr. Conservation Coordinator DATE 11/30/94
TYPE OR PRINT NAME Jerry W. Hoover TELEPHONE NO. (915) 686-6548

(This space for State Use)
APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

Warren McKee Brine Well No. 2
P&A Procedure Outline

Well information is shown on the attached wellbore diagram.

1. Pull all production equipment from the well.
2. Set a CIBP @ 1550' MD (bottom of cased hole section - casing shoe @ 1580' MD) to isolate the open hole cavity from the wellbore.
3. RIH with open ended tubing and spot a minimum of a 35' cement plug on top of CIBP.
4. Fill casing with salt gel mud consisting of 10 pound brine with 25 pounds of gel per barrel.
5. Lay a minimum of a 100' cement plug at the 9-5/8" casing shoe @ 420' MD.
6. Fill casing with salt gel mud consisting of 10 pound brine with 25 pounds of gel per barrel.
7. Spot a surface plug with a minimum of 10 sacks.
8. Cut off the wellhead and erect a P&A marker.
9. Restore location as necessary.

NOTE: Should only need to tag the cement plug at the casing shoe.

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.
30-025-30707

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
B-9632

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE 'APPLICATION FOR PERMIT'
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
OIL WELL GAS WELL OTHER Brine Extraction

2. Name of Operator
Conoco, Inc.

3. Address of Operator
10 Desta Dr. Ste 100W, Midland, TX 79705

4. Well Location
Unit Letter N : 660 Feet From The South Line and 1980 Feet From The West Line
Section 2 Township 20S Range 38E NMPM Lea County

7. Lease Name or Unit Agreement Name
Warren McKee Brine

8. Well No.
2

9. Pool name or Wildcat
BSW: Salado

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3590'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

It is proposed to plug and abandon this well according to the attached procedure.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Jerry W. Hoover TITLE Sr. Conservation Coordinator DATE 11/30/94
TYPE OR PRINT NAME Jerry W. Hoover TELEPHONE NO. (915) 686-6548

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Warren McKee Brine Well No. 2
P&A Procedure Outline

Well information is shown on the attached wellbore diagram.

1. Pull all production equipment from the well.
2. Set a CIBP @ 1550' MD (bottom of cased hole section - casing shoe @ 1580' MD) to isolate the open hole cavity from the wellbore.
3. RIH with open ended tubing and spot a minimum of a 35' cement plug on top of CIBP.
4. Fill casing with salt gel mud consisting of 10 pound brine with 25 pounds of gel per barrel.
5. Lay a minimum of a 100' cement plug at the 9-5/8" casing shoe @ 420' MD.
6. Fill casing with salt gel mud consisting of 10 pound brine with 25 pounds of gel per barrel.
7. Spot a surface plug with a minimum of 10 sacks.
8. Cut off the wellhead and erect a P&A marker.
9. Restore location as necessary.

NOTE: Should only need to tag the cement plug at the casing shoe.

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-101
 Revised February 21, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address. CONOCO INC. 10 DESTA DRIVE STE 100W MIDLAND, TEXAS 79705		OGRID Number 005073
		API Number 30-025-32745
Property Code 15765	Property Name Warren McKee Brine	Well No. 3

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	2	20S	38E		330	South	420	West	Lea

Proposed 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
BSW: Salado Salt					Proposed Pool 1				
					Proposed Pool 2				

Work Type Code N	Well Type Code I	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3575'
Multiple No	Proposed Depth 2800'	Formation Salado Salt	Contractor	Spud Date 11/23/94

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	9-5/8"	36#	400'	200	surface
8-3/4"	7"	23#	1600'	350	surface

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

It is proposed to drill this well vertically into the Salado Salt formation and to circulate Hobbs City sewage effluent water (fresh) through the salt section. The resulting brine will then be mixed with sewage effluent water to formulate a controlled salinity brine water for injection into the Warren McKee and Warren Unit Blinbry-Tubb Waterfloods. This well will be drilled according to the following attachments:

This well will be located on State Lease B-9652

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Jerry W. Hoover</i> Printed name: Jerry W. Hoover Title: Sr. Conservation Coordinator	OIL CONSERVATION DIVISION	
	Approved by:	Approval Date: NOV 28 1994
Date: 11/22/94	Phone: (915) 686-6548	Expiration Date:
Conditions of Approval: Attached <input type="checkbox"/>		

District I
 PO Box 1960, Hobbs, NM 88241-1960
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Artec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-
 Revised February 21, 1988
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPO.

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number 30-025-32745	'Pool Code 96173-NA	'Pool Name BSW: Salado Salt
'Property Code 15765 NA	'Property Name WARREN MCKEE BRINE	
'OGRID No. 005073	'Operator Name CONOCO, INC.	
		'Well Number 3
		'Elevation 3575

¹⁰ Surface Location

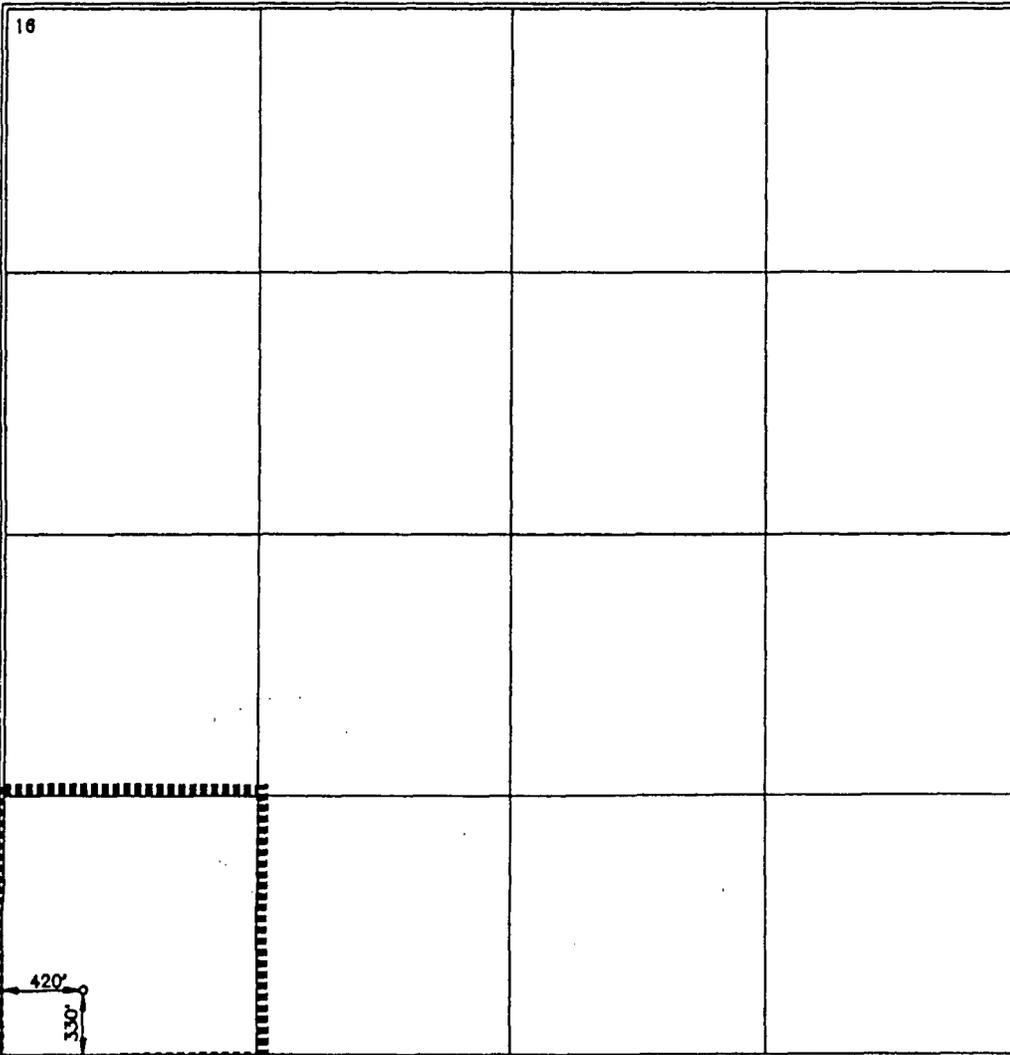
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	2	20-S	38-E		330	SOUTH	420	WEST	LEA

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

'Dedicated Acres 40	'Joint or Infill	'Consolidation Code	'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



¹⁷ OPERATOR CERTIFICATION

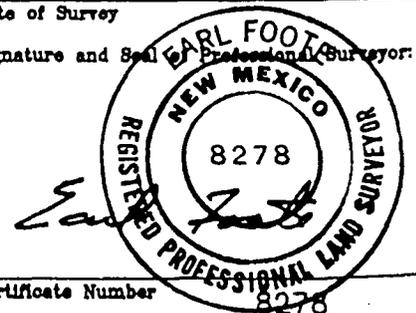
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Jerry W. Hoover
 Signature
 Jerry W. Hoover
 Printed Name
 Sr. Conservation Coordinator
 Title
 11/23/94
 Date

¹⁸ SURVEYOR CERTIFICATION

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 best of my belief.

OCTOBER 17, 1994
 Date of Survey
 Signature and Seal



Certificate Number 8278

PROPOSED WELL PLAN OUTLINE

WELL NAME **Warren McKee Brine Well #3**

LOCATION **330' FSL 420' FWL SECT. 2 T-20S R-38E LEA CO.**

TVD IN 1000'	MD	FORMATION TOPS & TYPE	DRILLING PROBLEMS	TYPE OF FORMATION EVALUATION	HOLE SIZE	CASING		FRAC GRAD	FORMATION PRESSURE GRADIENT	MUD		DAYS
						SIZE	DEPTH			WT	TYPE	
0			POSSIBLE HOLE ENLARGEMENT AND SLOUGHING		12-1/4"	9-5/8"	400'			8.4	FRESH	
					8-3/4"	34# K-55 (200' cas to surface)				10 #	BRINE	
1						7"	1600'					
		RUSTLER 1430' ANHYDRITE 1573' TOP OF SALT 1663'				23# K-55 (350' cas to surface)						6
2												
		B/SALT 2785' TD = 2800'										
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												

DATE _____

APPROVED _____

WELL NAME: Warren McKee Brine #3

C E M E N T I N G P R O G R A M

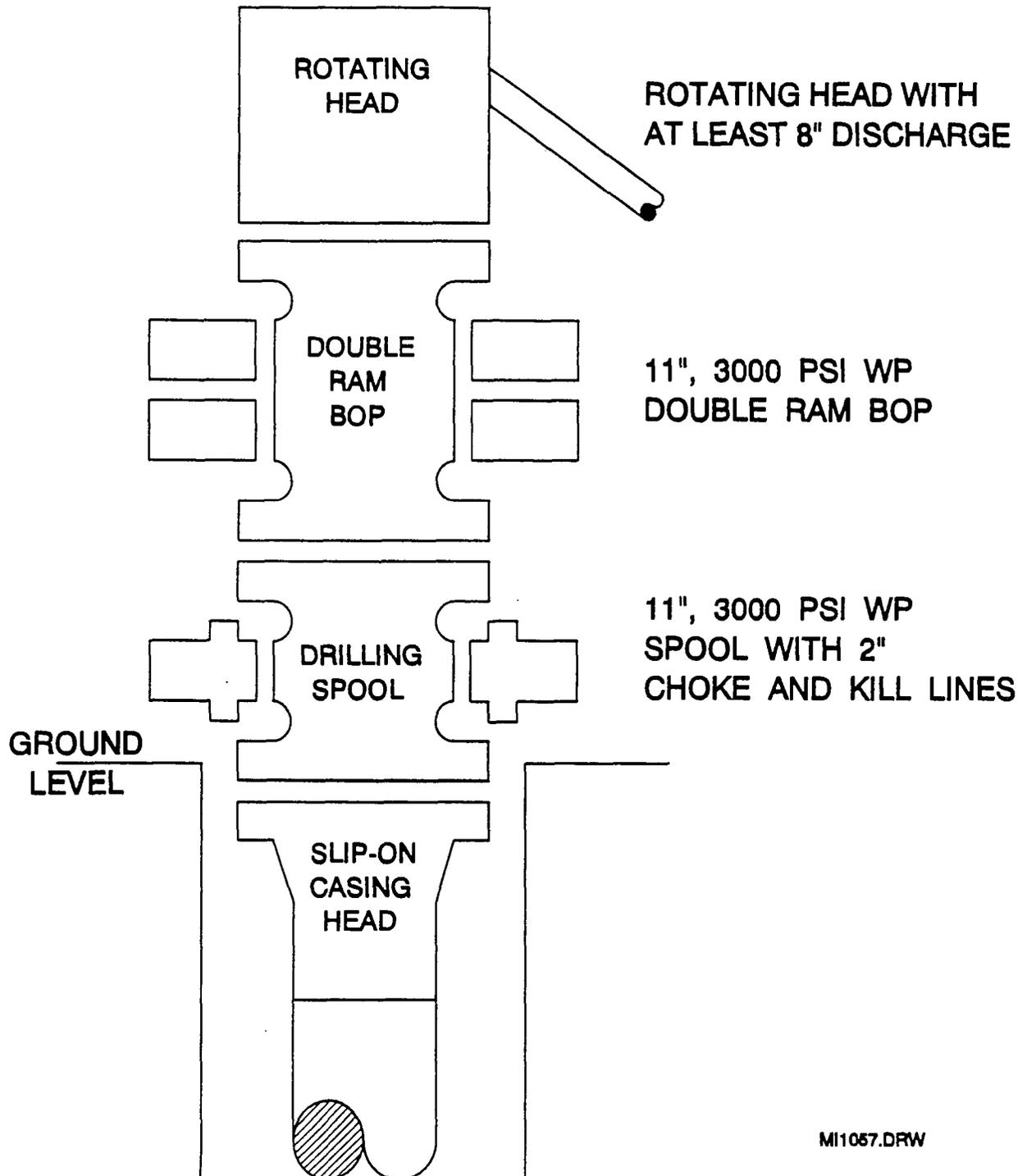
SURFACE CASING STRING

LEAD 100 sxs Class C Mixed at 13.7 ppg
Additives 4 % Gel + 2 % CaCl₂
TAIL 100 sxs Class C Mixed at 14.8 ppg
Additives 2 % CaCl

PRODUCTION CASING STRING

LEAD 200 sxs Class C Mixed at 13.7 ppg
Additives 4 % Gel + 2 % CaCl₂ + .2 % SMS
TAIL 150 sxs Class C Mixed at 14.8 ppg
Additives 2 % CaCl₂

BOP SPECIFICATIONS



MI1057.DRW

District I
 P.O. Box 1980, Hobbs, NM 88241-1980
 District II
 P.O. Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-101
 Revised February 21, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address. CONOCO INC. 10 DESTA DRIVE STE 100W MIDLAND, TEXAS 79705		OGRID Number 005073
Property Code 15765		API Number 30-025-32746
Property Name Warren McKee Brine		Well No. 4

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	2	20S	38E		330	South	1980	West	Lea

8 Proposed 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
BSW Salado Salt					Proposed Pool 2				

Work Type Code N	Well Type Code I	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3568'
Multiple No	Proposed Depth 2800'	Formation Salado Salt	Contractor	Spud Date 11/23/94

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	9-5/8"	36#	400'	200	surface
8-3/4"	7"	23#	1600'	350	surface

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

It is proposed to drill this well vertically into the Salado Salt formation and to circulate Hobbs City sewage effluent water (fresh) through the salt section. The resulting brine will then be mixed with sewage effluent water to formulate a controlled salinity brine water for injection into the Warren McKee and Warren Unit Blinebry-Tubb Waterfloods. This well will be drilled according to the following attachments:

This well will be located on State Lease B-9652

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Jerry W. Hoover</i>		OIL CONSERVATION DIVISION Approved by: Title: ORIGINAL SIGNATURE OF JERRY W. HOOPER DISTRICT I SUPERVISOR	
Printed name: Jerry W. Hoover Title: Sr. Conservation Coordinator			
Date: 11/22/94	Phone: (915) 686-6548	Approval Date: NOV 28 1994	Expiration Date:
Conditions of Approval: Attached <input type="checkbox"/>			

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Artec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-1
 Revised February 21, 1988
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number 30-025-32746		'Pool Code 96173 -NA-		BSW: Salado Salt		'Pool Name	
'Property Code 15765-NA		'Property Name WARREN MCKEE BRINE				'Well Number 4	
'OGED No. 005073		'Operator Name CONOCO, INC.				'Elevation 3568	

¹⁰ Surface Location

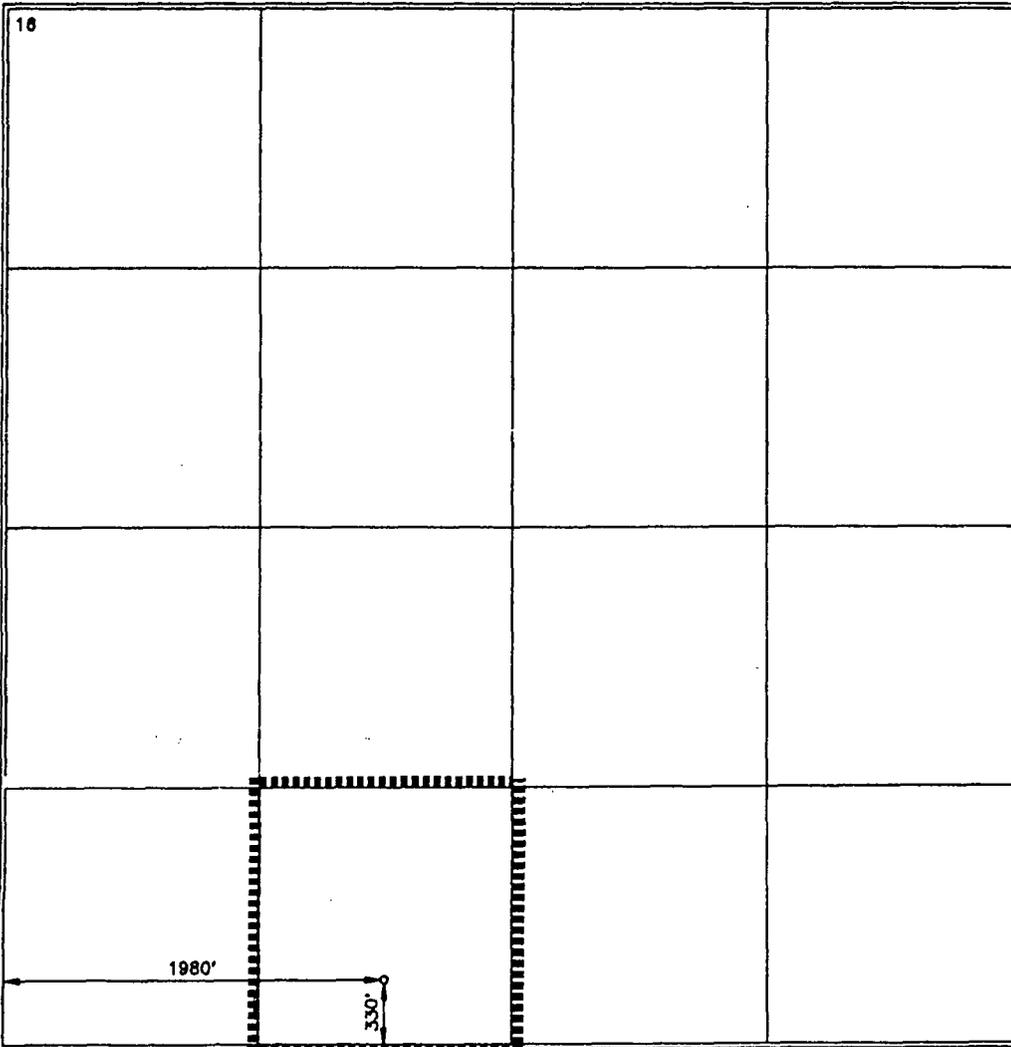
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	2	20-S	38-E		330	SOUTH	1980	WEST	LEA

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

'Dedicated Acres 40	'Joint or Infill	'Consolidation Code	'Order No.
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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



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Jerry W. Hoover
 Signature
 Jerry W. Hoover
 Printed Name
 Sr. Conservation Coordinator
 Title
 11/23/94
 Date

¹⁸ SURVEYOR CERTIFICATION

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 best of my belief.

OCTOBER 17, 1994
 Date of Survey

Signature and Seal of Registered Professional Surveyor:

 Certificate Number 8278

PROPOSED WELL PLAN OUTLINE

WELL NAME **Warren McKee Brine Well #4**

LOCATION **330' FSL 1980' FWL SECT. 2 T-20S R-38E LEA CO.**

TVD IN 1000'	MD	FORMATION TOPS & TYPE	DRILLING PROBLEMS	TYPE OF FORMATION EVALUATION	HOLE SIZE	CASING		FRAC GRAD	FORMATION PRESSURE GRADIENT	MUD		DAYS	
						SIZE	DEPTH			WT	TYPE		
0			POSSIBLE HOLE ENLARGEMENT AND SLOUGHING		12-1/4"					8.4	FRESH		
							9-5/8"	400'					
							8-3/4"	(200' to surface)			10 #	BRINE	
1													
		RUSTLER 1430'					7"	1600'					
		ANHYDRITE 1573'					23# K-55	(350' to surface)					6
2		TOP OF SALT 1663'											
3		R/SALT 2785'											
		TD = 2800'											
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													

DATE _____

APPROVED _____

WELL NAME: Warren McKee Brine #4

C E M E N T I N G P R O G R A M

SURFACE CASING STRING

LEAD 100 sxs Class C Mixed at 13.7 ppg
Additives 4 % Gel + 2 % CaCl₂

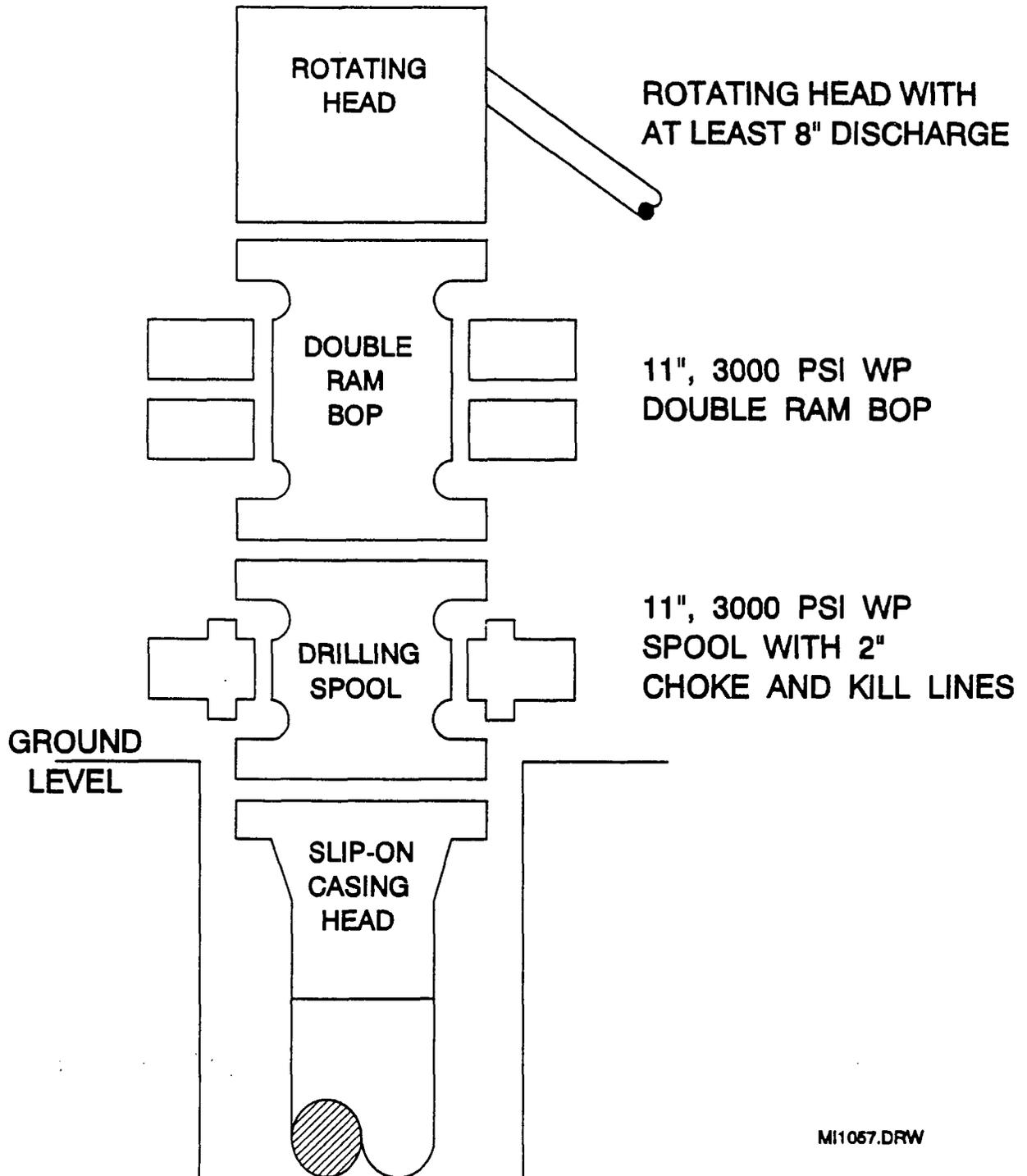
TAIL 100 sxs Class C Mixed at 14.8 ppg
Additives 2 % CaCl

PRODUCTION CASING STRING

LEAD 200 sxs Class C Mixed at 13.7 ppg
Additives 4 % Gel + 2 % CaCl₂ + .2 % SMS

TAIL 150 sxs Class C Mixed at 14.8 ppg
Additives 2 % CaCl₂

BOP SPECIFICATIONS



MI1057.DRW

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 12-28-94,

or cash received on _____ in the amount of \$ 50⁰⁰

from Conoco Inc

for Warren McKee (BW-01)

Submitted by: _____ Date: _____
(Facility Name) (DP No.)

Submitted to ASD by: Chois Eustice Date: 2-15-95

Received in ASD by: Conce F. Sabaldan Date: 2/15/95

Filing Fee New Facility _____ Renewal _____

Modification _____ Other _____
(specify)

Organization Code 521.07 Applicable FY 95

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

CONOCO, INC.

SHERRI L. WILLIAMS
WORKING FUND
10 DESTA DR., SUITE 100W
MIDLAND, TEXAS 79705

12-28- 1994

88-1046
1163

PAY TO THE ORDER OF WQMD - Water Quality Management \$ 50.00
Trifty of 009,100 DOLLARS

<u>filing fee</u>			

Bashaw Adams

THIS CHECK IS DELIVERED FOR PAYMENT ON THE ACCOUNTS LISTED

TEXAS NATIONAL BANK
POST OFFICE BOX 3290, MIDLAND, TEXAS 79702