

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
NM OIL CONSERVATION
ARTESIA DISTRICT
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised July 18, 2013

MAR 6 2015

☐ AMENDED REPORT

RECEIVED

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

Operator Name and Address CAZA OPERATING, LLC. 200 NORTH LORAIN SUITE 1550 MIDLAND, TEXAS 79701		OGRID Number 249099
Property Code 40013		API Number 30-015-42994
Property Name FOREHAND RANCH "22" STATE		Well No. 7H

Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
L	22	T23S	R27E		2440'	SOUTH	660'	WEST	EDDY

Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
M	27	T23S	R27E		660'	SOUTH	825'	WEST	EDDY

Pool Information

Pool Name <i>Forehand Ranch; Wolfcamp, SW (per f. 3-24-15)</i>	Pool Code 96409
---	---------------------------

Additional Well Information

Work Type N	Well Type O	Cable/Rotary ROTARY	Lease Type S	Ground Level-Elevation 3150'
Multiple NO	Proposed Depth TVD-11,000' MD-17,815'	Formation WOLFCAMP	Contractor UNKNOWN	Spud Date WHEN APPROVED
Depth to Ground water 100'		Distance from nearest fresh water well .5 miles Northeast		Distance to nearest surface water No surface water near

☒ We will be using a closed-loop system in lieu of lined pits

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
SURFACE	17 1/2"	13 3/8"	48#	450'	465 Sx.	Surface
Inter	12 1/4"	9 5/8"	36#	2200'	616 Sx.	Surface
2nd Inter	8 1/4"	7"	17#8	11,327'	1403 Sx.	Est. 1500' FS

Casing/Cement Program: Additional Comments

SEE ATTACHED SHEET

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DOUBLE RAM	5000 PSI	2000 PSI	SHAFFER OR CAMERON

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

I further certify that I have complied with 19.15.14.9 (A) NMAC ☐ and/or 19.15.14.9 (B) NMAC ☐, if applicable.

Signature: *Joe T. Janica*

Printed name: **Joe T. Janica**

Title: **Permit Eng.**

E-mail Address: **joejanica@valornet.com**

Date: **03/04/15**

Phone: **575-391-8503**

OIL CONSERVATION DIVISION

Approved By: *[Signature]*

Title: *[Signature]*

Approved Date: **3/24/15**

Expiration Date: **3/24/17**

Conditions of Approval Attached

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015- 42994	Pool Code 96409	Pool Name Forehand Ranch; wolfcamp; SW
Property Code 314249	Property Name FOREHAND RANCH 22 STATE	Well Number 7H
OGRID No. 249099	Operator Name CAZA OPERATING, LLC	Elevation 3150'

Surface Location

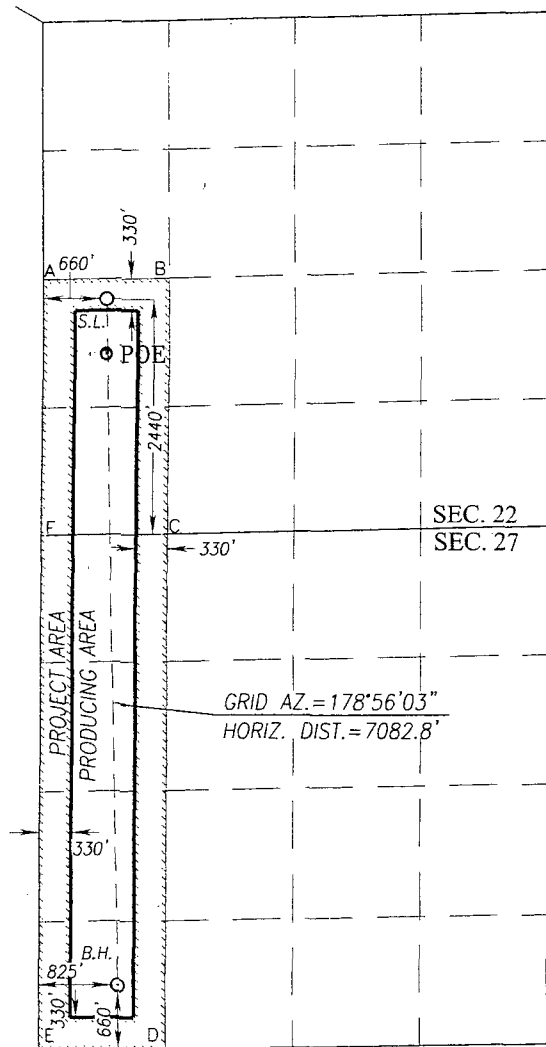
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	22	23-S	27-E		2440	SOUTH	660	WEST	EDDY

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
M	27	23-S	27-E		660	SOUTH	825	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
240			

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



GEODETIC COORDINATES
NAD 27 NME
SURFACE LOCATION
Y= 469153.8 N
X= 546191.1 E
LAT.=32.289732° N
LONG.=104.183855° W

GEODETIC COORDINATES
NAD 83 NME
SURFACE LOCATION
Y= 469212.5 N
X= 587373.5 E
LAT.=32.289851° N
LONG.=104.184354° W

CORNER COORDINATES TABLE

NAD 27 NME

A - Y= 469349.9 N, X= 545531.7 E
B - Y= 469380.0 N, X= 546844.7 E
C - Y= 466727.9 N, X= 546839.5 E
D - Y= 461421.5 N, X= 546813.5 E
E - Y= 461401.8 N, X= 545493.8 E
F - Y= 466699.3 N, X= 545525.9 E

CORNER COORDINATES TABLE

NAD 83 NME

A - Y= 469408.7 N, X= 586714.0 E
B - Y= 469438.7 N, X= 588027.0 E
C - Y= 466786.6 N, X= 588021.9 E
D - Y= 461480.0 N, X= 587996.0 E
E - Y= 461460.4 N, X= 586676.3 E
F - Y= 466758.0 N, X= 586708.3 E

GEODETIC COORDINATES
NAD 27 NME
BOTTOM HOLE LOCATION
Y= 462074.1 N
X= 546322.7 E
LAT.=32.270270° N
LONG.=104.183462° W

GEODETIC COORDINATES
NAD 83 NME
BOTTOM HOLE LOCATION
Y= 462132.6 N
X= 587505.2 E
LAT.=32.2703889° N
LONG.=104.183960° W

OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or, unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Joe T. Janica
Signature Date

Joe T. Janica 03/04/15
Printed Name

joetjanica@valornet.com,
E-mail Address

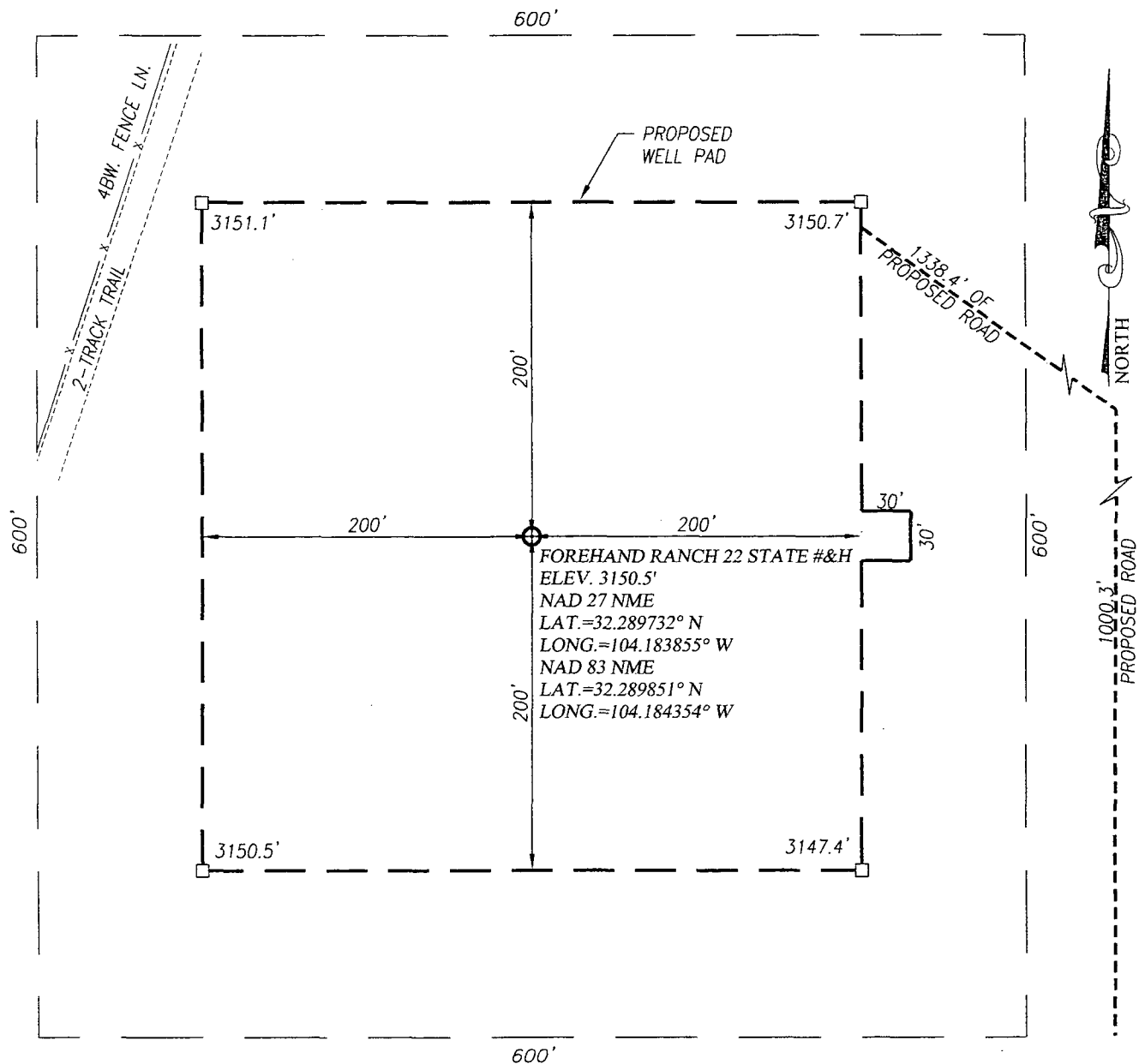
SURVEYOR CERTIFICATION

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 the best of my belief.

FEBRUARY 11, 2015
Date of Survey
Signature & Seal of Professional Surveyor:

3239
REGISTERED PROFESSIONAL SURVEYOR
Certificate Number Gary G. Eidson 12641
Ronald J. Eidson 3239
LSL JWSC W.O.: 15.11.0229

1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17 1/2" hole to 450'. Run and set 450' of 13 3/8" 48# H-40 ST&C casing. Cement with 265 Sx. of Class "C" cement + 2% CaCl₂ + 4% Bentonite + 0.25# Celloflakes/Sx. Yield 1.75 100% excess. Tail in with 200 Sx. of Class "C" cement + 2% CaCl₂, Yield 1.33 100% excess circulate cement to surface.
3. Drill 12 1/4" hole to 2200'. Run and set 2200' of 9 5/8" 36# J-55 LT&C casing. Cement with 416 Sx. of 35/65 Class "C" lite POZ cement + 4% Gel, + 5% Salt, Yield 2.16 100% excess. Tail in with 200 Sx. of Class "C" cement + 1% CaCl₂, Yield 1.33 100% excess, circulate cement to surface.
4. Drill 8 1/4" hole to 11,327'. Run and set 11,327' of 7" 29# as follows: 1327' of 7" 29# HCP-110 BT&C casing, 10,000' of 7" 29# HCP-110 LT&C casing. Cement with 758 Sx. of Class "H" 35/65 POZ cement + 1#/Sx. KOL Seal Yield 1.93 50% excess. Tail in with 645 Sx. of Class "H" cement + fluid loss control + Defoamer, Yield 1.17 50% excess, estimated top of cement 1500' from surface.
5. Drill 6 1/4" hole to 17,815' MD. Run and set 7412' of 4 1/2" 13.5# HCP-110 CDC liner. Cement with 360 Sx. of Class "H" SolCem acid soluble cement + fluid loss control, + Defoamer. Yield 2.59, 35% excess. Estimate top of cement 10,350' from surface.

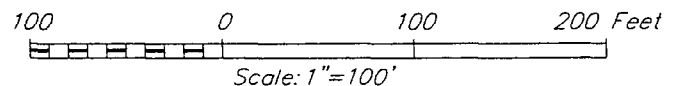


NOTE:

1) SEE "TOPOGRAPHICAL AND ACCESS ROAD MAP" FOR PROPOSED ROAD LOCATION.

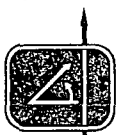
DIRECTIONS TO FOREHAND RANCH 22 STATE #7H:

FROM THE INTERSECTION OF U.S. HWY. 285 CO. RD. 728 GO WEST ON CO. RD. 728 APPROX. 3.7 MILES TO CO. RD. 706 (GRANDI RD.) TURN LEFT AND GO SOUTH ON CO. RD. 706 APPROX. 0.3 MILES TO CALICHE LEASE ROAD TURN RIGHT AND GO SOUTHWEST APPROX. 0.3 MILES THEN ROAD BENDS LEFT AND GOES SOUTH APPROX. 0.6 MILES TURN RIGHT AND GO WEST APPROX. 0.2 MILES FOLLOW ROAD NORTH APPROX. 0.1 MILES THEN TURN LEFT AND GO WEST APPROX. 0.2 MILES TO EXISTING WELL FROM THE NW PAD CORNER, FOLLOW STAKED ROAD NORTH 1000.3' THEN NW 1338.4 FEET TO THIS LOCATION.



CAZA OPERATING, LLC

FOREHAND RANCH 22 STATE #7H WELL
 LOCATED 2440 FEET FROM THE SOUTH LINE
 AND 660 FEET FROM THE WEST LINE OF SECTION 22,
 TOWNSHIP 23 SOUTH, RANGE 27 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO



PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO HOBBS, N.M. 88240
 (575) 393-3117 www.jwsc.biz
 TBPLS# 10021000

Survey Date: 2/11/15

CAD Date: 2/24/15

Drawn By: LSL

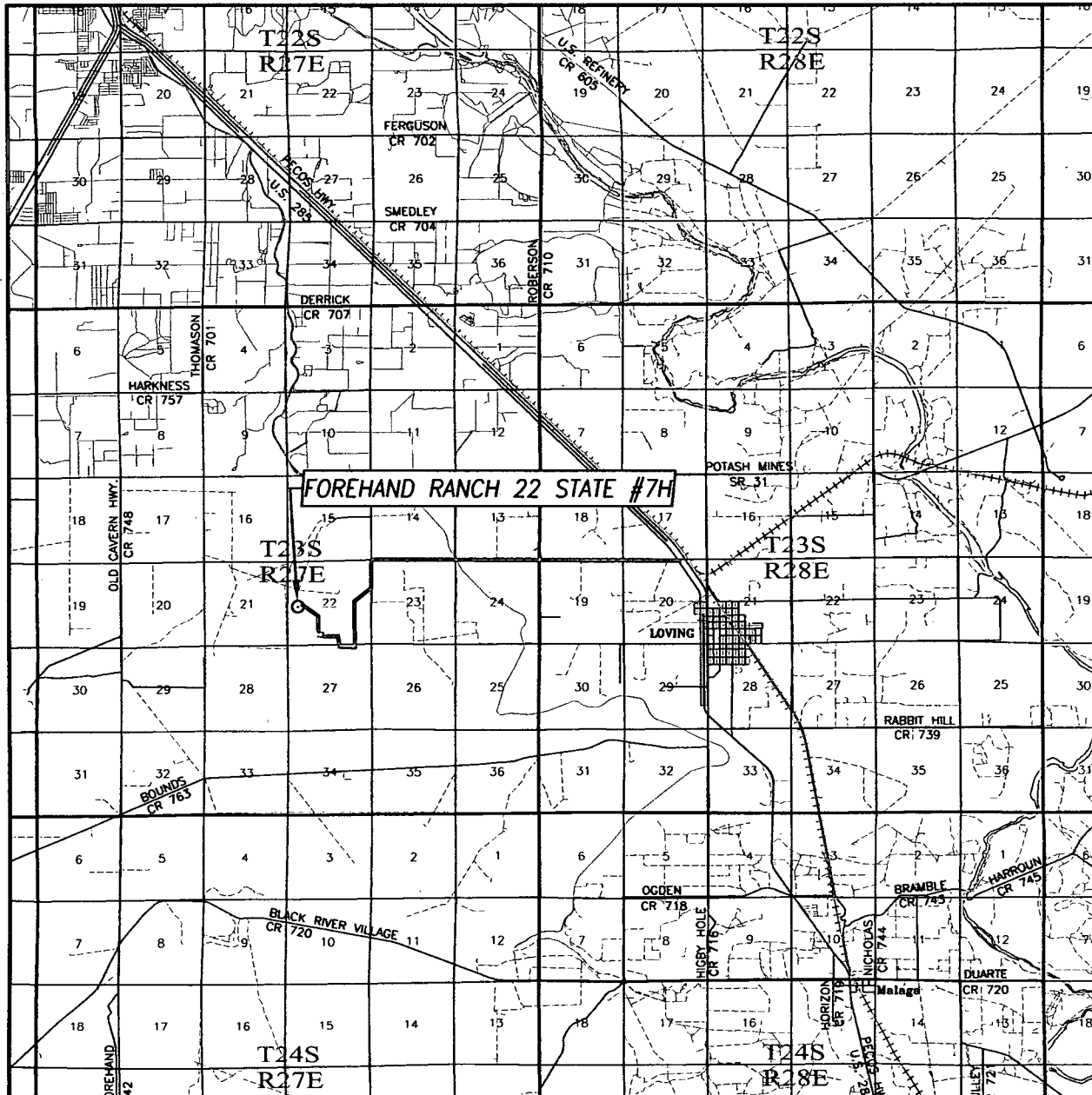
W.O. No.: 15110229

Rev: .

Rel. W.O.:

Sheet 1 of 1

VICINITY MAP



SCALE: 1" = 2 MILES

DRIVING ROUTE: SEE TOPOGRAPHICAL AND ACCESS ROAD MAP

SEC. 22 TWP. 23-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 2440' FSL & 660' FWL

ELEVATION 3150'

OPERATOR CAZA OPERATING, LLC

LEASE FOREHAND RANCH 22 STATE

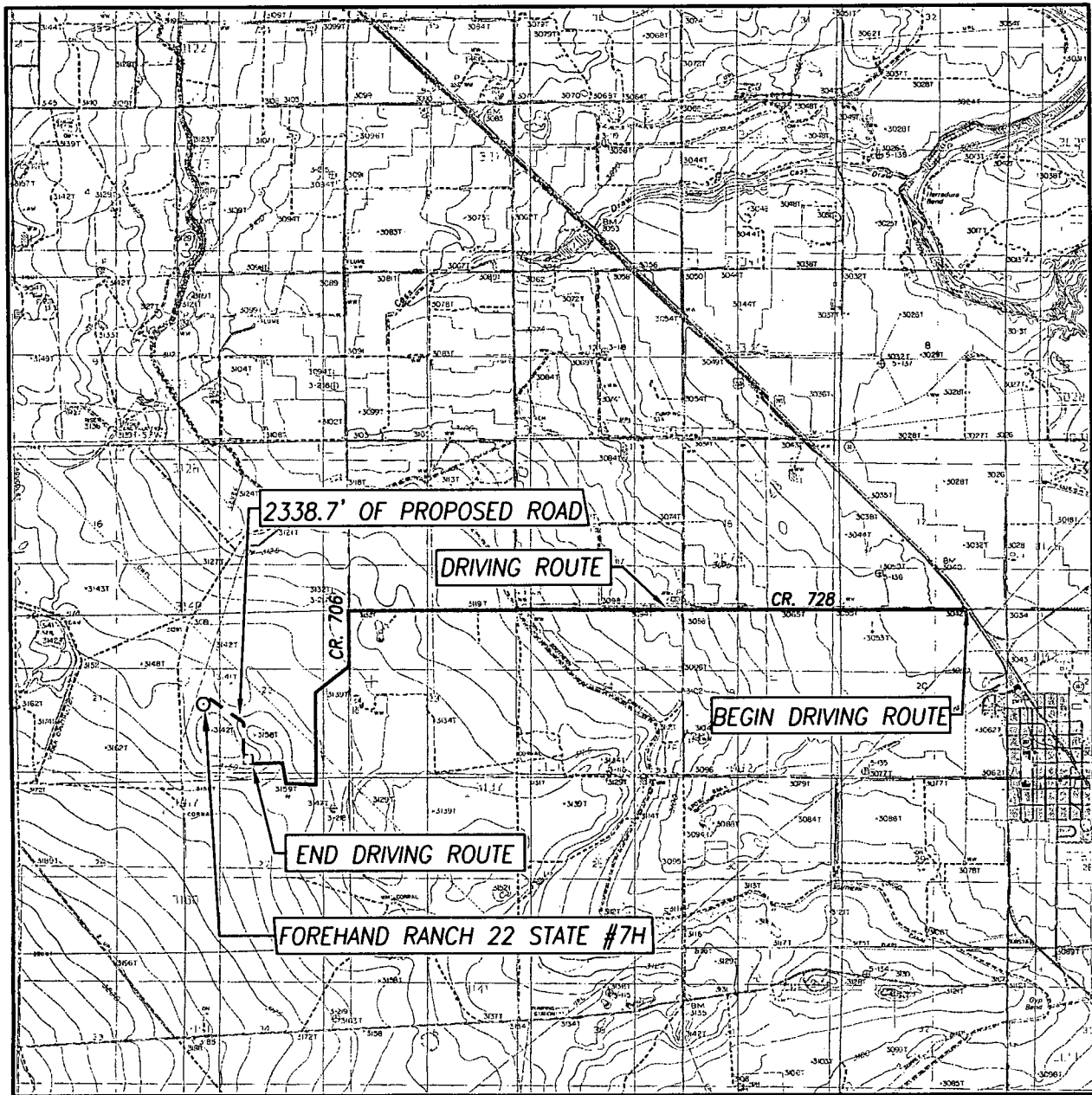


PROVIDING SURVEYING SERVICES
SINCE 1946

JOHN WEST SURVEYING COMPANY

412 N. DAL PASO HOBBS, N.M. 88240
(575) 393-3117 www.jwsc.biz
TBPLS# 10021000

TOPOGRAPHICAL AND ACCESS ROAD MAP



SCALE: 1" = 5280'

CONTOUR INTERVAL:
OTIS, N.M. - 10'

SEC. 22 TWP. 23-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 2440' FSL & 660' FWL

ELEVATION 3150'

OPERATOR CAZA OPERATING, LLC

LEASE FOREHAND RANCH 22 STATE

U.S.G.S. TOPOGRAPHIC MAP
OTIS, N.M.

DIRECTIONS TO FOREHAND RANCH 22 STATE #7H:

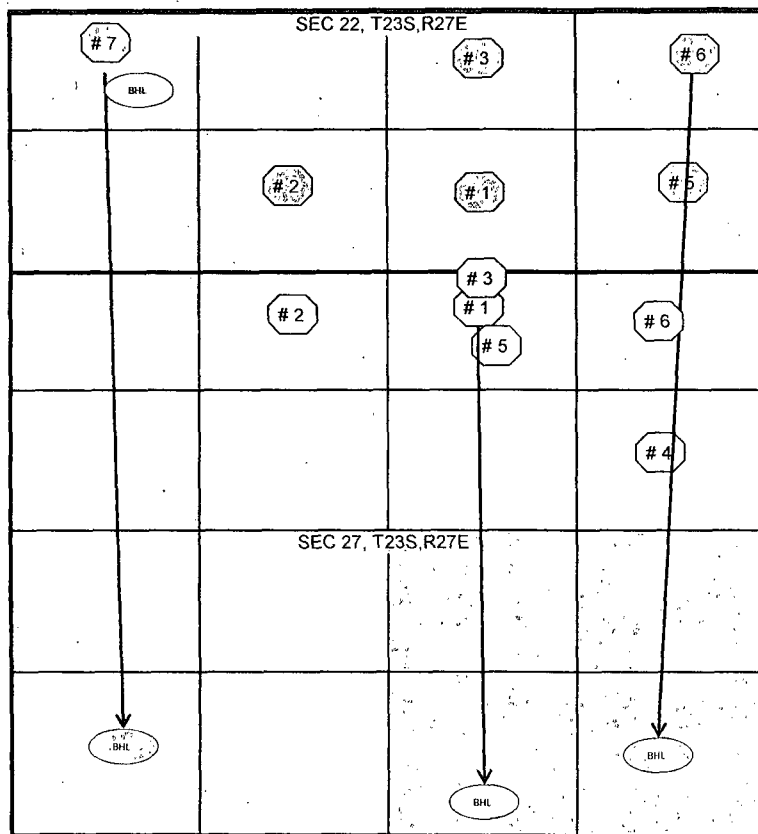
FROM THE INTERSECTION OF U.S. HWY. 285 CO. RD. 728 GO WEST ON CO. RD. 728 APPROX. 3.7 MILES TO CO. RD. 706 (GRANDI RD.) TURN LEFT AND GO SOUTH ON CO. RD. 706 APPROX. 0.3 MILES TO CALICHE LEASE ROAD TURN RIGHT AND GO SOUTHWEST APPROX. 0.3 MILES THEN ROAD BENDS LEFT AND GOES SOUTH APPROX. 0.6 MILES TURN RIGHT AND GO WEST APPROX. 0.2 MILES FOLLOW ROAD NORTH APPROX. 0.1 MILES THEN TURN LEFT AND GO WEST APPROX. 0.2 MILES TO EXISTING WELL FROM THE NW PAD CORNER, FOLLOW STAKED ROAD NORTH 1000.3' THEN NW 1338.4 FEET TO THIS LOCATION.



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO HOBBS, N.M. 88240
(575) 393-3117 www.jwsc.biz
TBPLS# 10021000

Forehand Ranch 22 St. Com # 7H_Wlfcmp Horizontal

Sec 22 & 27, T-23-S, R-27-E, Eddie County, New Mexico



Well Name	Surface Location	Depth and Strata	Current Prod Zone	Bottom Hole Location	
Forehand Rch 22 St Com # 7H	2440' FSL & 660' FWL	TD = 9200' 2nd Bone Springs Hr	Hrztl Wlfcmp	660' FSL & 825' FWL, Sec 27	± 11,000 TVD
Forehand Rch 22 St Com # 6H	2310' FSL & 330' FEL	TD = 9200' 2nd Bone Springs Hr	Hrztl Wlfcmp	660' FSL & 825' FEL, Sec 27	± 11,000 TVD
Forehand Rch 27 St Com # 1H	252' FNL & 1900' FEL	TD = 9200' 2nd Bone Springs Hr	Horiz Bone, Sprgs	330' FSL & 1900' FEL	± 7450 TVD
Forehand Rch 27 State # 5	500' FNL & 1650' FEL	TD = 3545' Delaware	Delaware	Same	
Forehand Rch 27 State # 3	150' FNL & 1900' FEL	NOT Drilled = Ramsey proposal	N/A	Permitted	
Forehand Rch 27 State # 2	330' FNL & 1980' FWL	Not Drilled. 3rd Bone proposal	N/A	Permitted	
Forehand Rch 27 State # 4	1980' FNL & 660' FEL	Delaware Pressure Maintenance	N/A	Drilled & completed	
Forehand Rch 27 State # 6	660' FNL & 660' FEL	TD = 4000' Delaware	Permit filed	Permit Filed	
Forehand Rch 22 State # 1	660' FSL & 1980' FEL	Ramsey producer	Ramsey	Producing	
Forehand Rch 22 State # 2	660' FSL & 1980' FWL	4000' Delaware Proposal	Permit approved	Permit approved	
Forehand Rch 22 State # 3	1980' FSL & 1780' FEL	4000' Delaware Proposal	Permit approved	Permit approved	
Forehand Rch 22 State # 5	782' FSL & 527' FEL	4000' Delaware Proposal	Permit filed	Permit Filed	

LONG's METHOD OF SURVEY COMPUTATION

OBLIQUE CIRCULAR ARC INTERPOLATION

6000	MD OF INTERPOLATION DEPTH,(feet)
#N/A	TVD COORDINATE OF THE DEPTH (feet)
#N/A	N/S COORDINATE OF DEPTH (feet)
#N/A	E/W COORDINATE OF DEPTH (feet)

3 D DISTANCE BETWEEN STATION A AND STATION B

DISTANCE TABLE

STATION A	STATION B
400.00	600.00
300.00	400.00
100.00	300.00
300.00	ft

TABLE OF SURVEY STATIONS

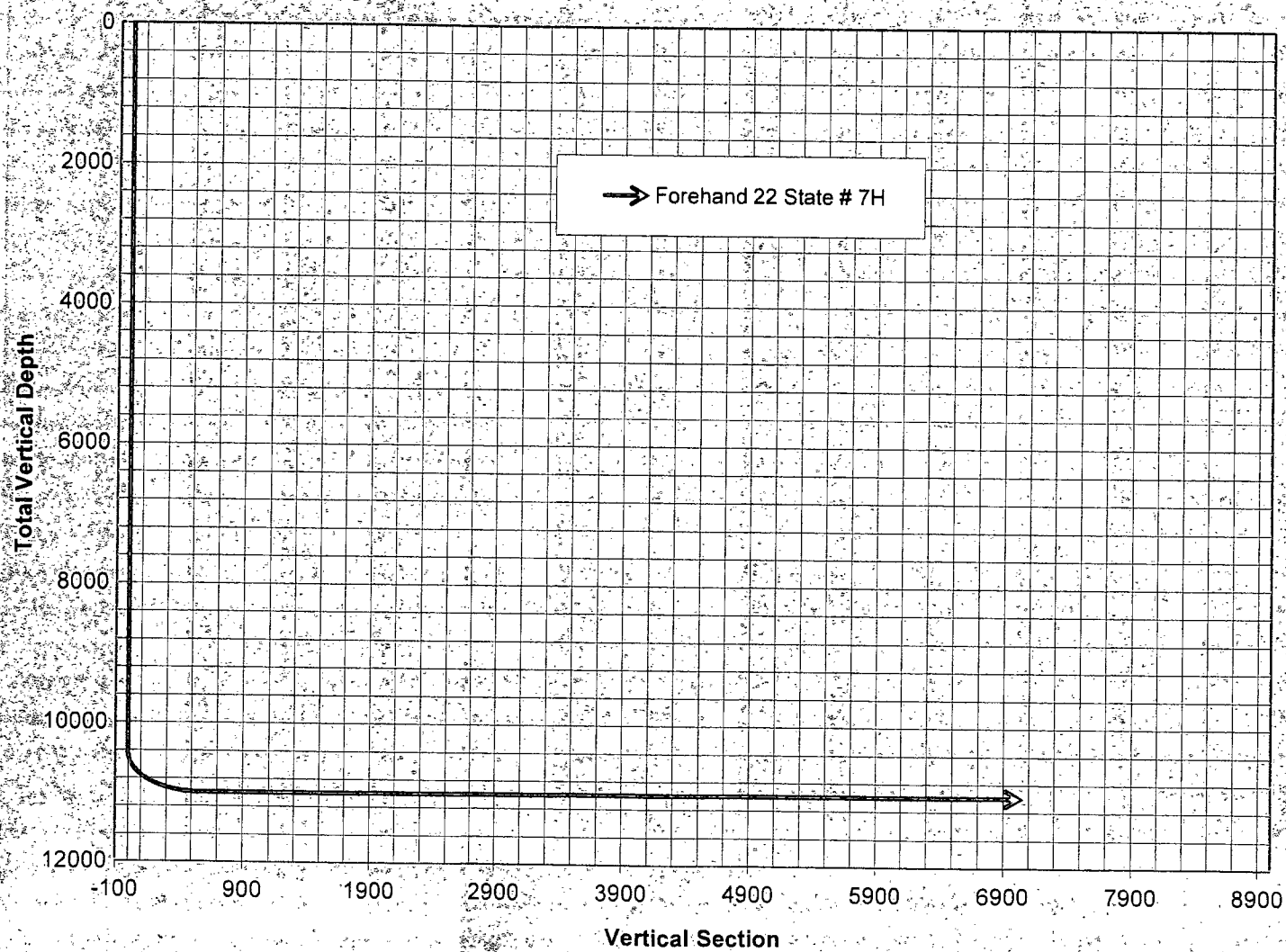
Calculator =

STA #	ΔMD ft	INCL deg	AZIM deg	MD ft	TVD ft	N+S- ft	E+W- ft	DLS deg/100FT
1	TIE POINT =>	0	0	10428.00	10428.00	0.00	0.00	-
2	100	10	178.66	10528.00	10527.49	-8.70	0.20	10.00
3	100	20	178.66	10628.00	10623.96	-34.54	0.81	10.00
4	100	30	178.66	10728.00	10714.48	-76.74	1.80	10.00
5	100	40	178.66	10828.00	10796.29	-134.01	3.13	10.00
6	100	50	178.66	10928.00	10866.91	-204.61	4.79	10.00
7	100	60	178.66	11028.00	10924.20	-286.40	6.70	10.00
8	100	70	178.66	11128.00	10966.40	-376.89	8.82	10.00
9	100	80	178.66	11228.00	10992.25	-473.34	11.07	10.00
10	100	90	178.66	11328.00	11000.96	-572.80	13.40	10.00
11	100	90	178.66	11428.00	11000.96	-672.77	15.74	0.00
12	100	90	178.66	11528.00	11000.96	-772.75	18.08	0.00
13	100	90	178.66	11628.00	11000.96	-872.72	20.41	0.00
14	100	90	178.66	11728.00	11000.96	-972.69	22.75	0.00
15	100	90	178.66	11828.00	11000.96	-1072.66	25.09	0.00
16	100	90	178.66	11928.00	11000.96	-1172.64	27.43	0.00
17	100	90	178.66	12028.00	11000.96	-1272.61	29.77	0.00
18	100	90	178.66	12128.00	11000.96	-1372.58	32.11	0.00
19	100	90	178.66	12228.00	11000.96	-1472.55	34.45	0.00
20	100	90	178.66	12328.00	11000.96	-1572.53	36.78	0.00
21	100	90	178.66	12428.00	11000.96	-1672.50	39.12	0.00
22	100	90	178.66	12528.00	11000.96	-1772.47	41.46	0.00
23	100	90	178.66	12628.00	11000.96	-1872.45	43.80	0.00
24	100	90	178.66	12728.00	11000.96	-1972.42	46.14	0.00
25	100	90	178.66	12828.00	11000.96	-2072.39	48.48	0.00
26	100	90	178.66	12928.00	11000.96	-2172.36	50.82	0.00
27	100	90	178.66	13028.00	11000.96	-2272.34	53.15	0.00
28	100	90	178.66	13128.00	11000.96	-2372.31	55.49	0.00
29	100	90	178.66	13228.00	11000.96	-2472.28	57.83	0.00
30	100	90	178.66	13328.00	11000.96	-2572.25	60.17	0.00
31	100	90	178.66	13428.00	11000.96	-2672.23	62.51	0.00
32	100	90	178.66	13528.00	11000.96	-2772.20	64.85	0.00
33	100	90	178.66	13628.00	11000.96	-2872.17	67.18	0.00
34	100	90	178.66	13728.00	11000.96	-2972.14	69.52	0.00
35	100	90	178.66	13828.00	11000.96	-3072.12	71.86	0.00
36	100	90	178.66	13928.00	11000.96	-3172.09	74.20	0.00
37	100	90	178.66	14028.00	11000.96	-3272.06	76.54	0.00
38	100	90	178.66	14128.00	11000.96	-3372.04	78.88	0.00

Forehand 22 Fed #7H
Caza Operating, LLC
Eddy County, New Mexico

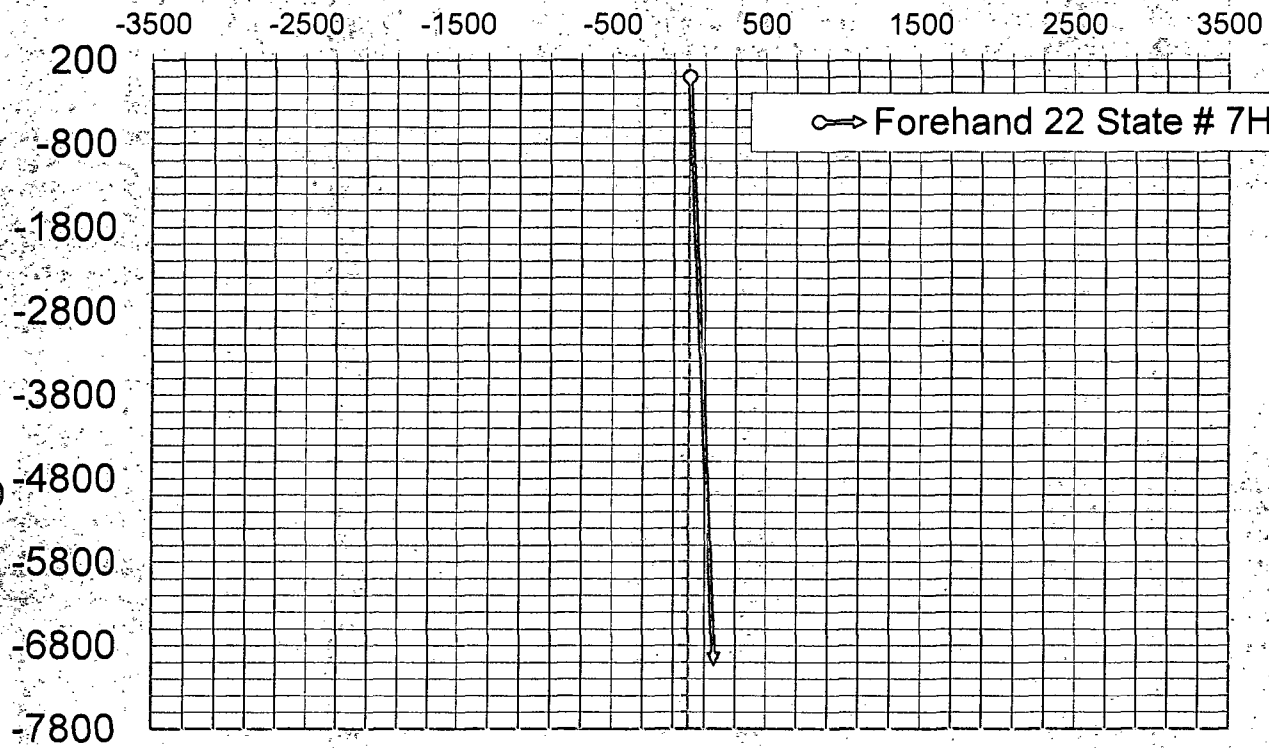
39	100	90	178.66	14228.00	11000.96	-3472.01	81.22	0.00
40	100	90	178.66	14328.00	11000.96	-3571.98	83.55	0.00
41	100	90	178.66	14428.00	11000.96	-3671.95	85.89	0.00
42	100	90	178.66	14528.00	11000.96	-3771.93	88.23	0.00
43	100	90	178.66	14628.00	11000.96	-3871.90	90.57	0.00
44	100	90	178.66	14728.00	11000.96	-3971.87	92.91	0.00
45	100	90	178.66	14828.00	11000.96	-4071.84	95.25	0.00
46	100	90	178.66	14928.00	11000.96	-4171.82	97.59	0.00
47	100	90	178.66	15028.00	11000.96	-4271.79	99.92	0.00
48	100	90	178.66	15128.00	11000.96	-4371.76	102.26	0.00
49	100	90	178.66	15228.00	11000.96	-4471.73	104.60	0.00
50	100	90	178.66	15328.00	11000.96	-4571.71	106.94	0.00
51	100	90	178.66	15428.00	11000.96	-4671.68	109.28	0.00
52	100	90	178.66	15528.00	11000.96	-4771.65	111.62	0.00
53	100	90	178.66	15628.00	11000.96	-4871.63	113.96	0.00
54	100	90	178.66	15728.00	11000.96	-4971.60	116.29	0.00
55	100	90	178.66	15828.00	11000.96	-5071.57	118.63	0.00
56	100	90	178.66	15928.00	11000.96	-5171.54	120.97	0.00
57	100	90	178.66	16028.00	11000.96	-5271.52	123.31	0.00
58	100	90	178.66	16128.00	11000.96	-5371.49	125.65	0.00
59	100	90	178.66	16228.00	11000.96	-5471.46	127.99	0.00
60	100	90	178.66	16328.00	11000.96	-5571.43	130.33	0.00
61	100	90	178.66	16428.00	11000.96	-5671.41	132.66	0.00
62	100	90	178.66	16528.00	11000.96	-5771.38	135.00	0.00
63	100	90	178.66	16628.00	11000.96	-5871.35	137.34	0.00
64	100	90	178.66	16728.00	11000.96	-5971.32	139.68	0.00
65	100	90	178.66	16828.00	11000.96	-6071.30	142.02	0.00
66	100	90	178.66	16928.00	11000.96	-6171.27	144.36	0.00
67	100	90	178.66	17028.00	11000.96	-6271.24	146.69	0.00
68	100	90	178.66	17128.00	11000.96	-6371.21	149.03	0.00
69	100	90	178.66	17228.00	11000.96	-6471.19	151.37	0.00
70	100	90	178.66	17328.00	11000.96	-6571.16	153.71	0.00
71	100	90	178.66	17428.00	11000.96	-6671.13	156.05	0.00
72	100	90	178.66	17528.00	11000.96	-6771.11	158.39	0.00
73	100	90	178.66	17628.00	11000.96	-6871.08	160.73	0.00
74	100	90	178.66	17728.00	11000.96	-6971.05	163.06	0.00
75	88	90	178.66	17816.00	11000.96	-7059.03	165.12	0.00

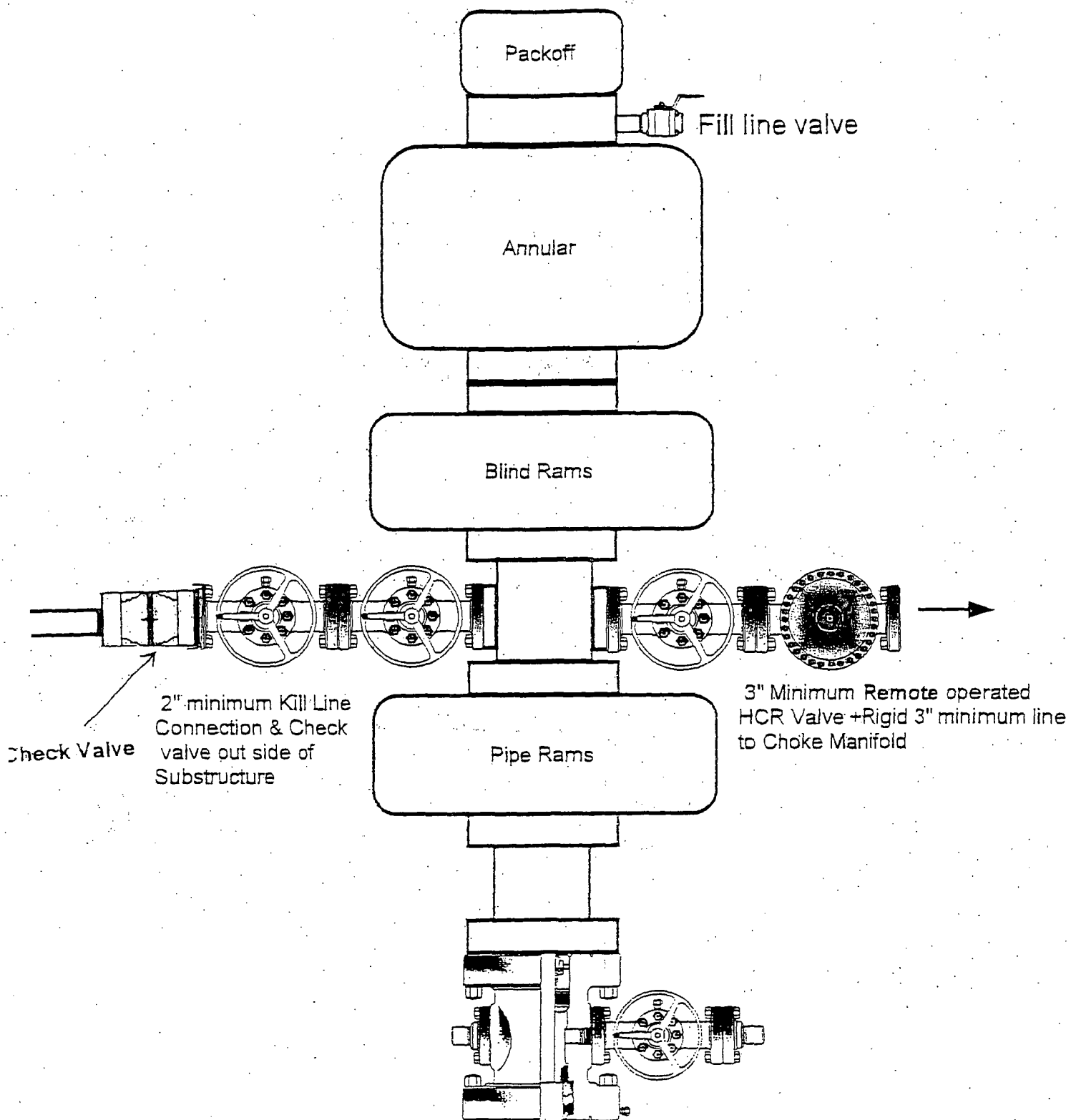
Forehand 22 State # 6H



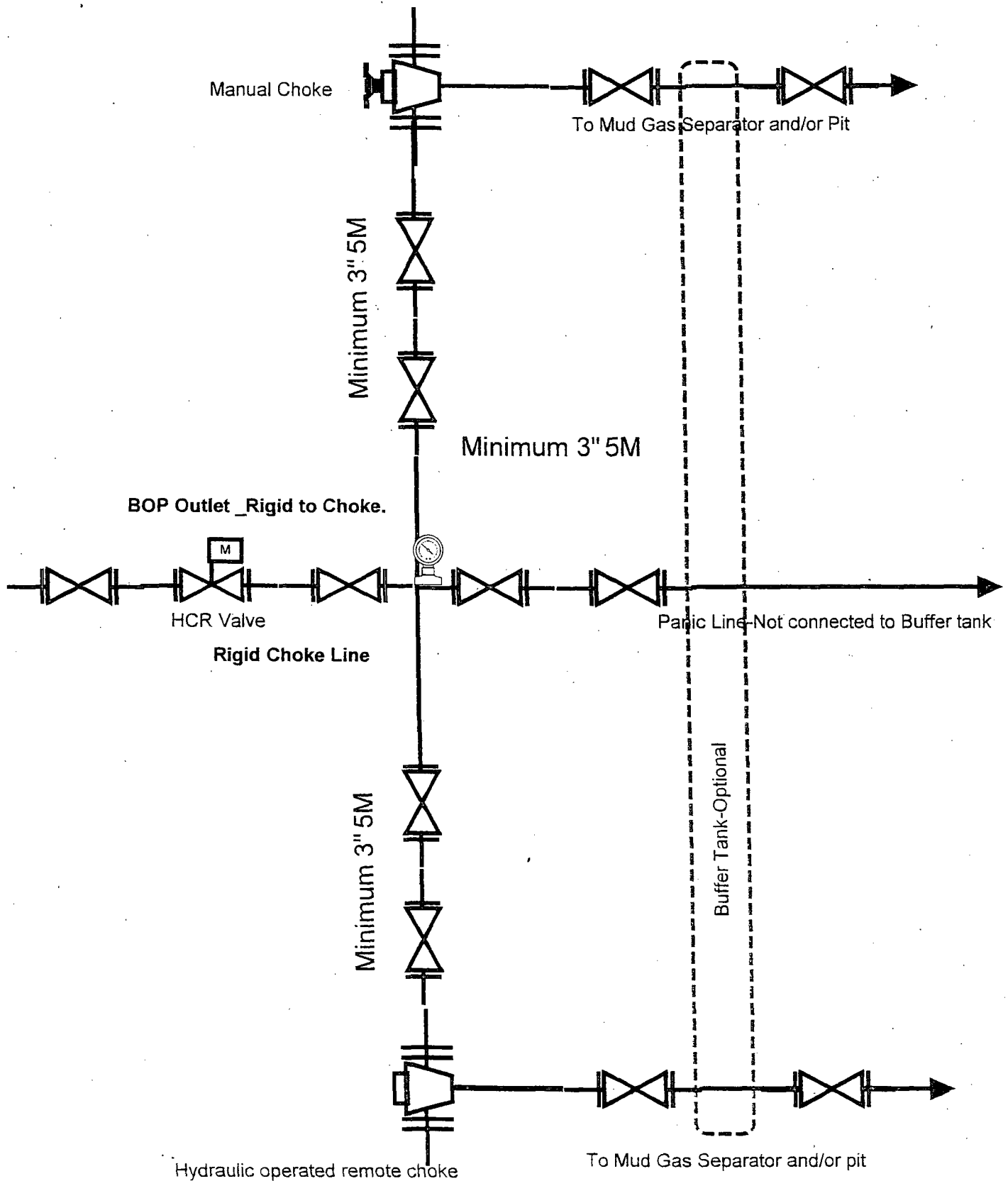
Horizontal Plane Footage +East/-West

Footage + North/- South

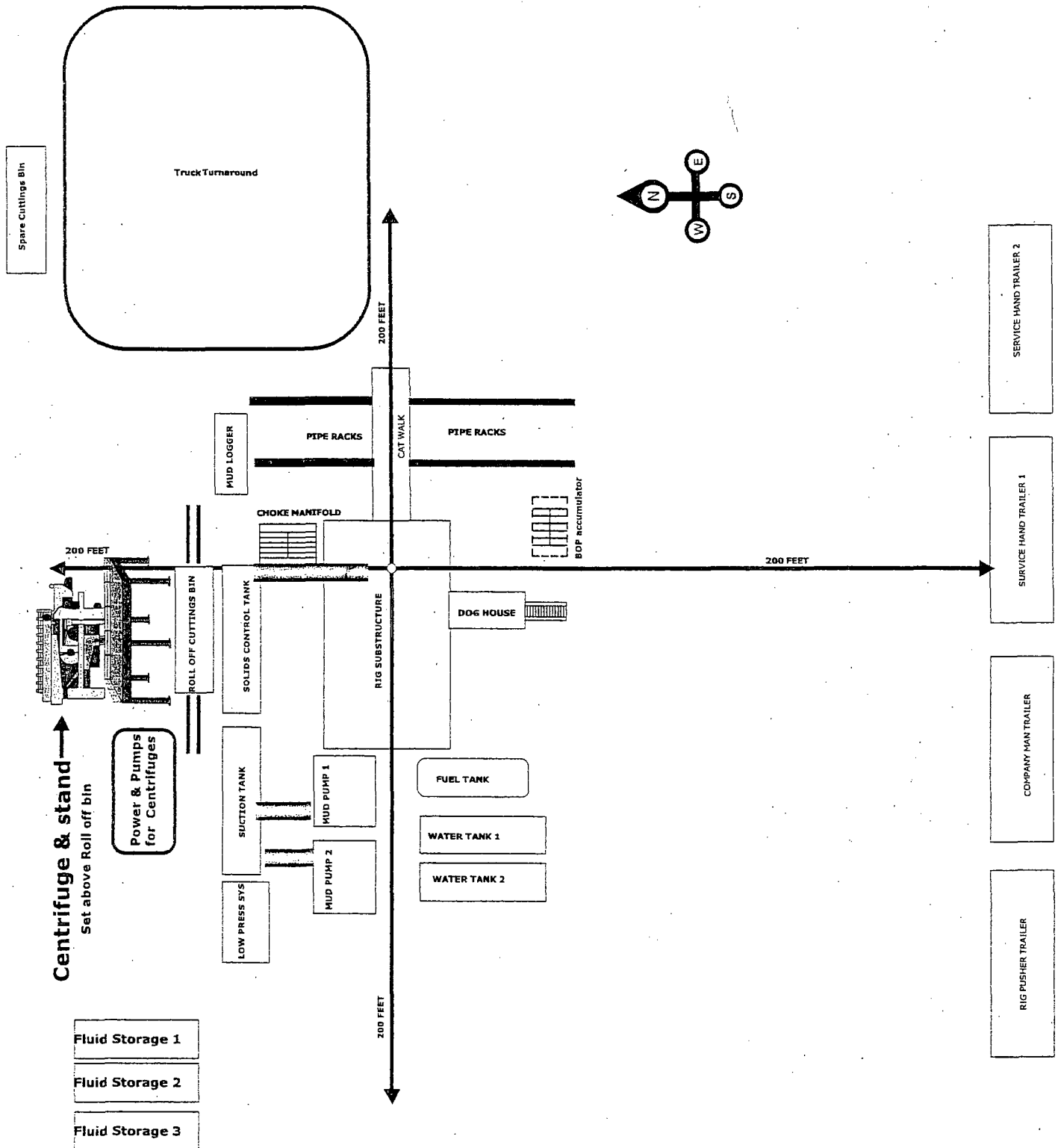




5,000 psi Manifold Equipment- Configuration of chokes may vary.



CLOSED LOOP OIL WELL
FOREHAND RANCH "22" STATE #7H



Note: The Rig and Closed System Company for this well have not been selected thus the set up shown is simply generic.



FOREHAND RANCH "22" STATE #7H

#7H

CLOSED LOOP DRILLING SYSTEM

Operations and Maintenance Plan

Closed Loop equipment will be inspected and monitored closely on a daily basis by each drilling rig Tour and by those hired specifically to operate the equipment. Any leak or release detected will be repaired immediately and the proper NMOCD official will be notified within the 48 hr requirement. A large release will require Caza Operating, LLC representatives to contact NMOCD immediately at the Hobbs office 575 393 6161 as stated by NMOCD rule 116.

Closure Plan

During and after drilling operations, liquids (which apply), all drill cuttings and drilling fluids will be hauled and disposed of at the R-360 disposal (permit number NM-01-0006) located about 30 miles East of Carlsbad, New Mexico. An alternate approved disposal site has been selected "Sundance" Parabo NM-01-0003 which is 5 miles East of Eunice, NM. The Second site would only be used in the event of problems with R-360 disposal.