

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Date: May 28, 2009

Administrative SWD Application

Robin Askew
CHI Operating, Inc.
P.O. Box 1799 Midland, TX 79702

RE: Application for Salt Water Disposal
Henry Well No. 3 (API 30-015-32876)
Surface Location: 990 FSL, 1,650 FWL
Unit N, Section 22, Township 22 S, Range 27 E, NMPM, Eddy County, NM
Injection into Carlsbad Strawn from 10,512 to 10,600 TVD

Dear Ms. Askew:

Your application to inject oil field salt laden wastewater into an existing wellbore in the same zone that a nearby gas well is producing from leads to potential waste. Accordingly, this application is being denied.

If you wish to have this matter heard by a Division appointed hearing examiner in Santa Fe, please consult your attorney to draft your application for hearing, and provide notice of the hearing application to all parties required in the Division rules.

IT IS THEREFORE ORDERED THAT:

The application of (**Chi Operating Inc.**) is hereby denied without prejudice.



MARK E. FESMIRE, P.E.
Director

MEF/tw

cc: Oil Conservation Division – Artesia
Well File

