

CHECKLIST for ADMINISTRATIVE INJECTION APPLICATIONS

Operator: DALLAN RESRC O & G Co. Well: MURKINSON 2 STATE SWD NO. 1
Contact: CINDY REISTER Title: REGULATORY SUPER. Phone: 214-706-3640
DATE IN 6.9.95 RELEASE DATE 6.23.95 DATE OUT 7.6.95

Proposed Injection Application is for: ☐ WATERFLOOD ☐ Expansion ☐ Initial

Original Order: R- ☐ ☒ Secondary Recovery ☐ Pressure Maintenance

☐ SENSITIVE AREAS

☒ SALT WATER DISPOSAL

☐ WIPP ☐ Capitan Reef ☐ Commercial Operation

Data is complete for proposed well(s)? YES Additional Data _____

AREA of REVIEW WELLS

3 Total # of AOR 3 # of Plugged Wells

YES Tabulation Complete YES Schematics of P & A's

YES Cement Tops Adequate NO AOR Repair Required

INJECTION INFORMATION

Injection Formation(s) BELL CANYON

Source of Water AREA PRODUCERS 50K PPM Compatible YES

PROOF OF NOTICE

☐ Copy of Legal Notice

☐ Information Printed Correctly

☐ Correct Operators

☐ Copies of Certified Mail Receipts

☐ Objection Received

☐ Set to Hearing _____ Date

NOTES: _____

APPLICATION QUALIFIES FOR ADMINISTRATIVE APPROVAL YES

COMMUNICATION WITH CONTACT PERSON:

1st Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____	Date	_____	Nature of Discussion	_____
2nd Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____	Date	_____	Nature of Discussion	_____
3rd Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____	Date	_____	Nature of Discussion	_____

6-23-95

MILLER, STRATVERT, TORGERSON & SCHLENKER, P.A. DIVISION
LAW OFFICES RECEIVED

RANNE B. MILLER
ALAN C. TORGERSON
KENDALL O. SCHLENKER
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
MARGO J. McCORMICK
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
MICHAEL H. HOSES
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VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
JOHN R. FUNK
J. SCOTT HALL
THOMAS R. MACK
MICHAEL J. HAPPE
JILL BURTRAM
TERRI L. SAUER
JOEL T. NEWTON
JUDITH K. NAKAMURA
THOMAS M. DOMME
DAVID H. THOMAS III
C. BRIAN CHARLTON
MATTHEW URREA
KAREN L. ACOSTA
JEFFREY E. JONES
MANUEL I. ARRIETA
LEONARD D. SANCHEZ
ROBIN A. GOBLE

ALBUQUERQUE, N.M.
500 MARQUETTE N.W., SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, N.M. 87125
TELEPHONE: (505) 842-1950
FAX: (505) 243-4408

LAS CRUCES, N.M.
271 WEST AMADOR
POST OFFICE BOX 1209
LAS CRUCES, N.M. 88004
TELEPHONE: (505) 523-2481
FAX: (505) 526-2215

FARMINGTON, N.M.

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, N.M. 87499
TELEPHONE: (505) 326-4521
FAX: (505) 325-5474

SANTA FE, N.M.

125 LINCOLN AVE., SUITE 221
POST OFFICE BOX 1986
SANTA FE, N.M. 87504-1986
TELEPHONE: (505) 989-9614
FAX: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL

June 8, 1995

PLEASE REPLY TO SANTA FE

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

Re: Application of Dalen Resources Oil and Gas Company
for Administrative Approval of Salt Water Disposal,
Eddy County, New Mexico

Dear Mr. LeMay:

On behalf of Dalen Resources Oil and Gas Company, we submit herewith an original and one copy of NMOCD form C-108, with attached exhibits, for administrative approval of Dalen's salt water disposal well to be located 760' FSL and 330' FEL of Section 2, T-25-S, R-26-E, NMPM, Eddy County, New Mexico. This application is submitted pursuant to NMOCD Rule 701(E).

Also enclosed are an original and one copy of our affidavit that copies of the application have been sent to the surface owner and all leasehold operators and owners of unleased mineral interest within one-half mile of the proposed well. Additionally, we enclose a copy of the text of the legal advertisement for the application. Proof of publication for the advertisement will be forwarded to the Division as soon as we receive the same.

Should additional information be required, please do not hesitate to contact me.

Very truly yours,

MILLER, STRATVERT, TORGERSON
& SCHLENKER, P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall". The signature is written in a cursive, flowing style with a large initial "J" and a long, sweeping underline.

J. Scott Hall

JSH/mp
Enclosures

cc w/o encls.: Cindy Keister
 Jerry Anderson

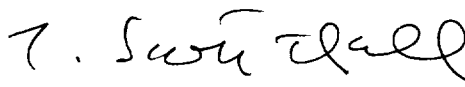
BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF
DALEN RESOURCES OIL & GAS COMPANY FOR
ADMINISTRATIVE APPROVAL FOR SALT WATER
DISPOSAL, EDDY COUNTY, NEW MEXICO

AFFIDAVIT

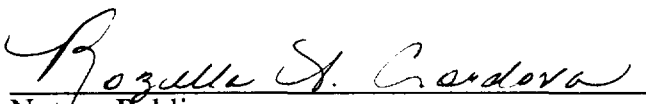
STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

J. SCOTT HALL, attorney in fact and authorized representative of Dalen Resources Oil and Gas Company, the Applicant herein, being first duly sworn, upon oath, states that the notice provisions of Rule 1207 of the New Mexico Oil Conservation Division have been complied with, that Applicant has caused to be conducted a good faith, diligent effort to find the correct addresses of all interested persons entitled to receive notice, as shown by Exhibit "A" attached hereto, and that pursuant to Rule 1207, notice has been given by certified mail at the correct addresses provided by such rule.



J. SCOTT HALL

SUBSCRIBED AND SWORN to before me this 8th day of June, 1995, by J. Scott Hall.



Notary Public

My Commission Expires:

3/28/99

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage
Application qualifies for administrative approval? Yes No
- II. OPERATOR: DALEN Resources Oil & Gas Co.
ADDRESS: 6688 N. Central Expwy., Suite 1000, Dallas, TX 75206
CONTACT PARTY: Cindy Keister PHONE: (214) 706-3640
- III. WELL DATA: Complete the data required on the reverse side of this form for each well processed 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 geological data on the injection zone including appropriate lithologic detail, geological 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 source 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: Cindy R. Keister TITLE: Supvr. Regulatory Compliance
SIGNATURE: Cindy R. Keister DATE: 05/01/95
- * 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 circumstance of the earlier submittal. _____

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 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, PO Box 2088, Santa Fe, NM 87504-2088 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.

ATTACHMENT TO
FORM C-108

- III. See Exhibit "A"
- IV. This is not an expansion of an existing project.
- V. See Exhibit "B"
- VI. See Exhibit "C"
- VII.
 - 1. Proposed average rate of fluid to be injected will be 2500 barrels salt water and maximum will be 5000 barrels salt water.
 - 2. The system will be a closed system.
 - 3. The average injection pressure will be approximately 300 psi and the maximum injection pressure will be approximately 500 psi.
 - 4. See Exhibits "D" and "D-1".
 - 5. Will be furnished upon completion of the well.
- VIII. Middle Bell Canyon is approximately 100' thick. The friable sandstone is light of medium gray and fine grained. There are no known sources of underground drinking water overlying the injection zone. See exhibit "E" for TDS analysis.
- IX. The perforations 2304'-2428' will be acidized with approximately 2000 gals non-emulsifying 7-1/2% HCl.
- X. The logs and test data will be filed upon completion of the well.
- XI. There are no fresh water wells within one mile of the proposed SWD well.
- XII. There is no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.
- XIII. See Exhibit "F"

EXHIBIT "A"

III. WELL DATA

- A. (1) Murchison 2 State SWD No. 1
760' FSL & 330' FEL
Lot P, Section 2-T25S-R26E
Eddy County, New Mexico
- (2) Proposed: Drill 12-1/4" hole, run 8-5/8" surface casing & set @250'.
Cement with 155sx cement & circulate to surface.
Drill 7-7/8" hole, run 5-1/2" casing & set @2550'. Cement with 480sx
cement & circulate cement to surface.
- (3) 2-7/8", 6.5#, coated with Ceram-Kote 54.
- (4) Baker Loc Set Retrievable Packer will be used.
- B. (1) The injection formation is the Bell Canyon section of the Delaware
pool.
- (2) The injection interval will be perforated from 2304' - 2428'.
- (3) The well will be drilled for use as a salt water disposal well.
- (4) None
- (5) Next higher producing zone is the 2096' Bell Canyon
Next lower producing zone is the 5133' Brushy Canyon

MURCHISON 2 STATE SWD NO. 1

Eddy County, New Mexico

EXHIBIT "A"

Sec. 2 - T25S - R2E

760' FWL & 330' FEL

SE/4 SE/4

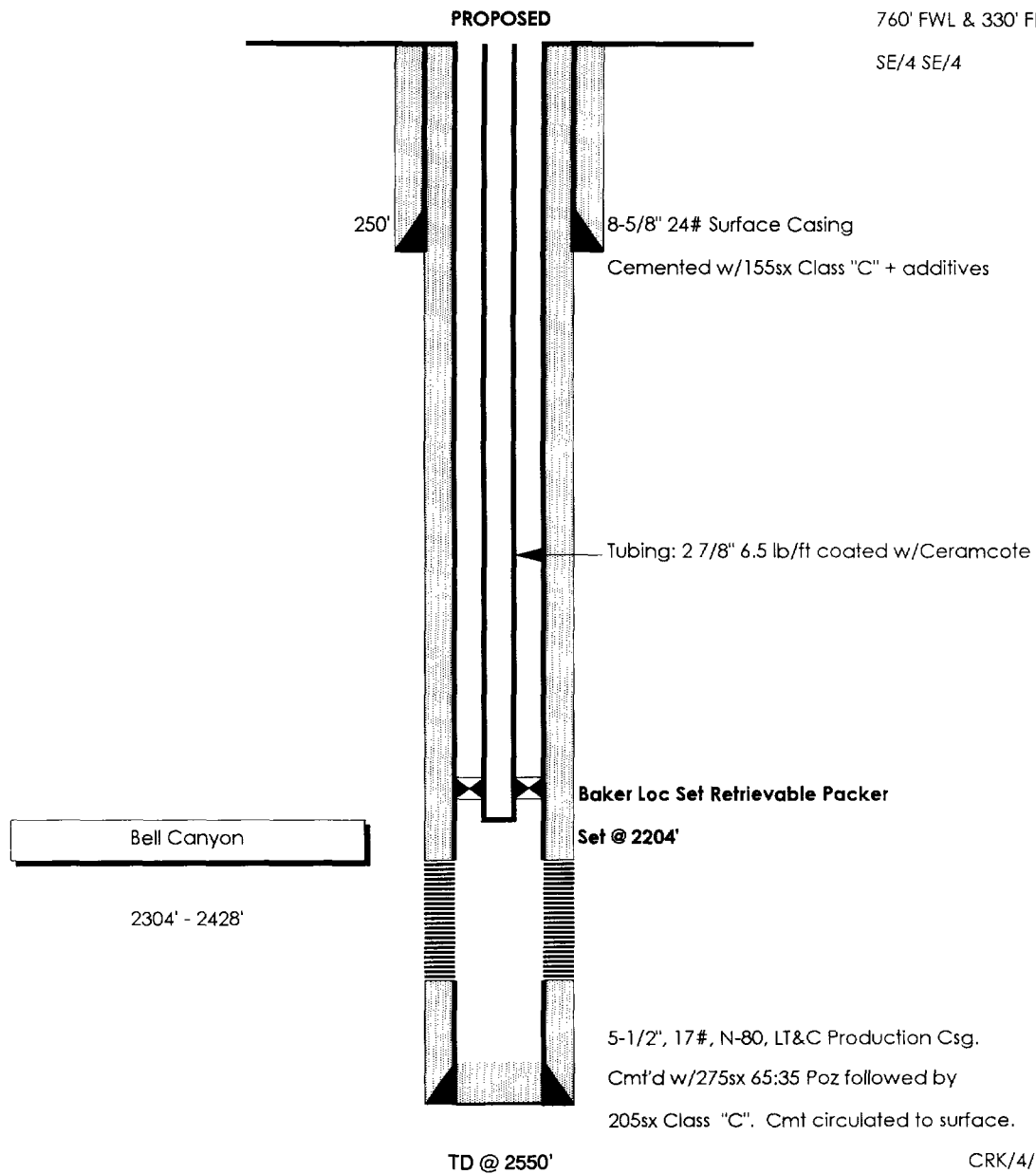


EXHIBIT "C"

VI. **Marquardt Federal No. 4**
760' FSL & 1980' FWL
Section 1-T25S-R26E
Eddy County, New Mexico

Spud Date: 08/80
Status: P&A:12/26/89
TD: 11,824'
Field: White City Penn

Murchison 2 State No. 1
1980' FNL & 660' FEL
Section 2-T25N-R26E
Eddy County, New Mexico

Spud Date: 01/20/95
Status: Producing
TD: 8,631'
Field: Proposed White City Delaware

See attached wellbore schematics for cementing, perforating & plugging information.

MURCHISON 2 No. 1

PROPOSED WHITE CITY
EDDY CO., NEW MEXICO

EXHIBIT "C"

Spud Date: 1-20-95

RR 2-12-95

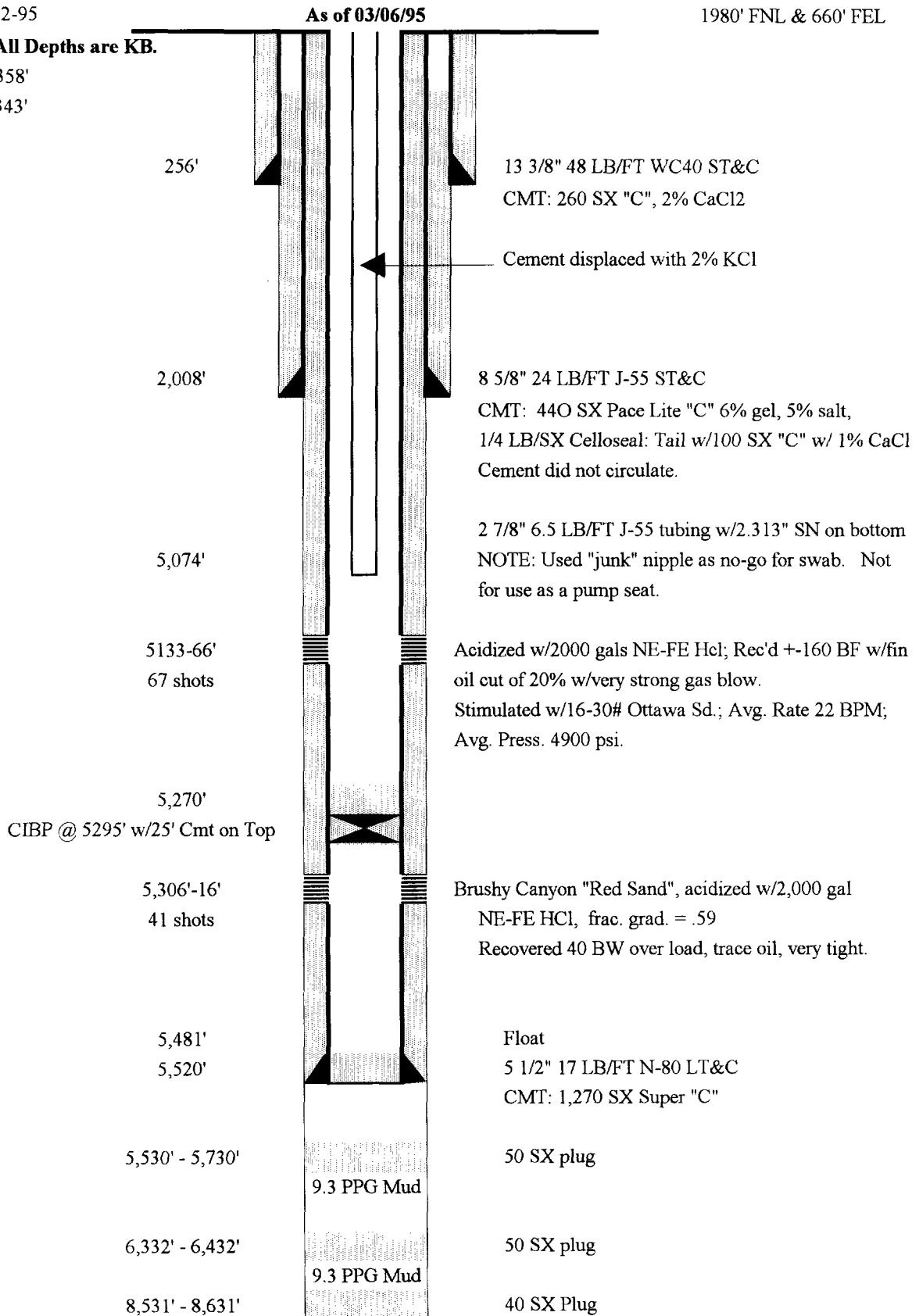
Sec. 2 - T25S - R26E

1980' FNL & 660' FEL

Note: All Depths are KB.

KB: 3,358'

GL: 3,343'



MARQUARDT FEDERAL NO. 4

EXHIBIT "C"

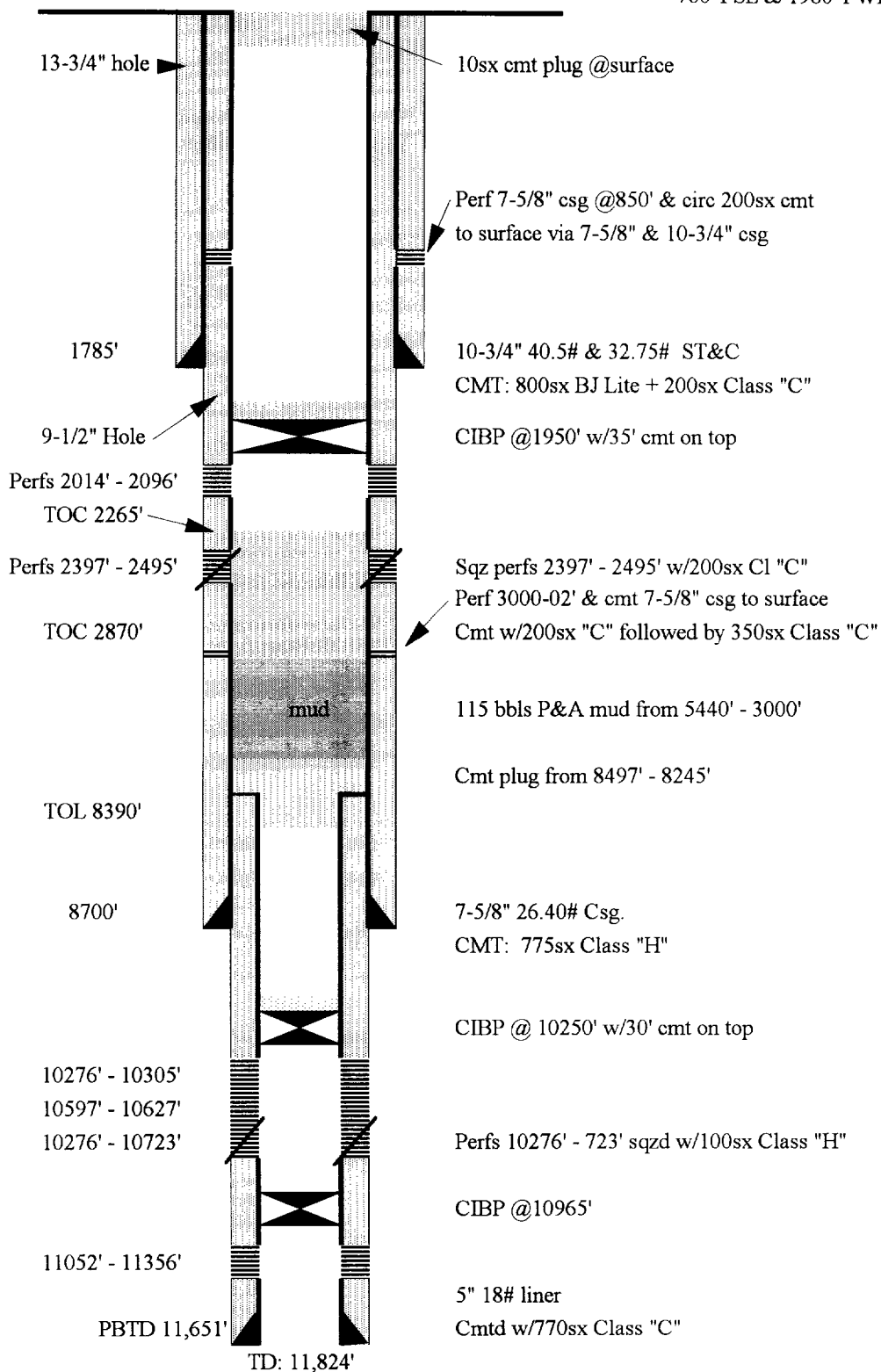
WHITE CITY PENN
EDDY CO., NEW MEXICO

Spud Date Aug-80

P&A 12/26/89

Sec. 1 - T25S - R26E
760' FSL & 1980' FWL

KB:
GL: 3315'



Morrow

GULF-FEDERAL NO.1

WILDCAT
EDDY CO., NEW MEXICO

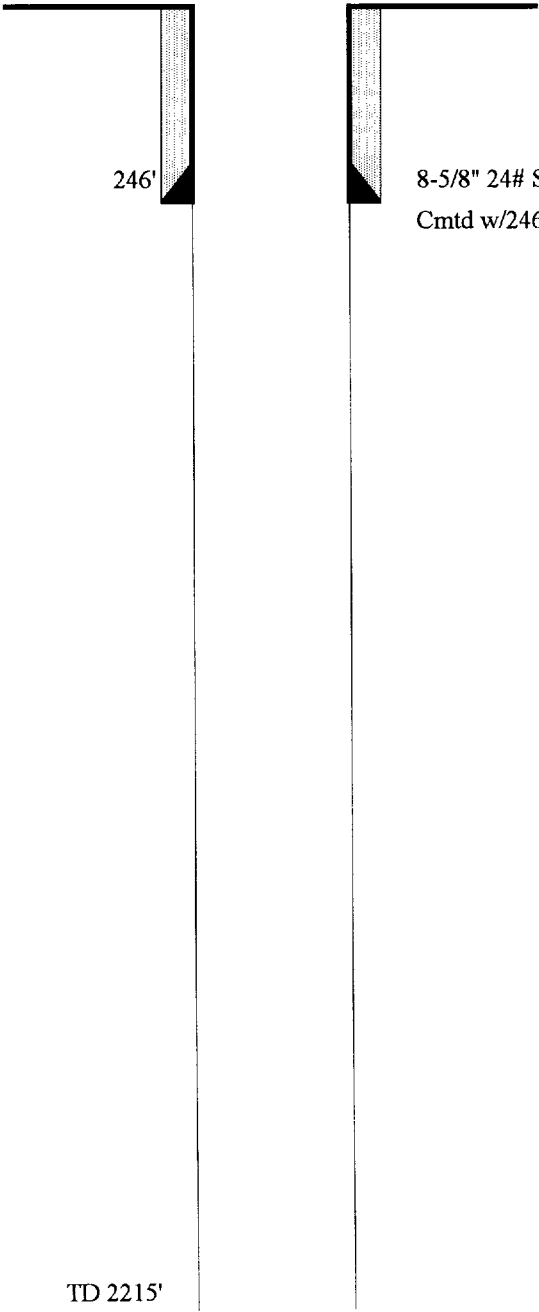
EXHIBIT "C"

WELL D&A

Spud Date: 11/17/58
RR: 11/22/58

Sec. 11 - T25S - R26E
660' FSL & 660' FWL

GL: 3,365



ARTESIA DISTRICT

LABORATORY REPORT

No. _____

TO

Dalen Resources

Date

3/31/75

This report is the property of Halliburton Services and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first obtaining the express written approval of laboratory management. It may however, be used in the course of regular business operations by any person or company and company may thereof receiving such report from Halliburton Services.

Submitted by Joe PetersonDate Rec. 3/31/75Well No. #1Depth 5133-5166Formation DelawareField Old CavananCounty EddySource Task BatteryResistivity 0.05 @ 74°FSpecific Gravity .. 1.2 @ 60°FpH 5.7Calcium 26,600 mg/lMagnesium 4200 mg/lChlorides 178,000 mg/lSulfates < 200 mg/lBicarbonates 60 mg/lSoluble Iron 100 mg/l

Remarks: Could not get enough water from wellhead sample
to run analysis

David McKenzie
Respectfully submitted

Analyst: _____

HALLIBURTON SERVICES

NOTICE:

This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause, including any act or omission of Halliburton resulting from the use hereof.

DALEN Resources
Oil & Gas Co.



Mr. J. Scott Hall

June 7, 1995

Miller, Stratvert, Torgerson & Schlenker, P.A.

125 Lincoln Avenue

Suite 221

Post Office Box 1986

Santa Fe, New Mexico 87504-1986

RE: Total Dissolved Solids

Proposed Middle Bell Canyon Water Disposal Zone

Dear Mr. Hall:

As per our conversation, DALEN does not have a water sample from the proposed water disposal zone and we are not aware of any other operator in the area who has perforated this zone and recovered such. However, in the recently drilled DALEN Resources Oil & Gas Co. #2 Murchison State "2", located 1,070 feet north of the proposed location, the sodium chloride (Na Cl) concentration can be calculated for the proposed injection zone from petrophysical parameters recorded on the well logs. Using the standard Permian Basin water saturation formula and assuming 100% water saturation in the pore spaces because no hydrocarbons were detected in the mud gas analysis, the calculations would be as follows:

$$\text{water saturation} = \sqrt[2.1]{\phi \times R_w / R_t}$$

$$100 \% = \sqrt[2.1]{.2 \times R_w / 3}$$

$$1 = .2^{2.1} \times R_w / 3$$

$$3 / .2^{2.1} = R_w$$

$$.12 = R_w$$

ϕ = density log porosity

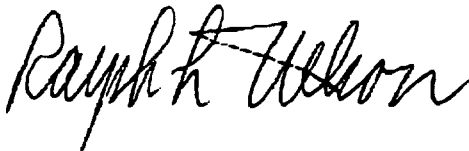
R_t = measured resistivity of the formation

R_w = resistivity of the formation water

The R_w combined with the formation temperature of 85 Degrees F derived from gradient charts as well as extrapolations from nearby measured bottom hole temperatures yields of a Na Cl concentration of 52,000 ppm. This concentration is only part of the total dissolved solids in the formation and is above five times the limit of 10,000 ppm total dissolved solids as per OCD regulations.

Should you have further questions or need additional data, please advise.

Sincerely,



Ralph L. Nelson

Staff Geologist

RLN:dp

Murchison 2 No. 1

A) Disposal Interval

- 1) Depth 2304'-2420'
- 2) Porosity - 24%
- 3) Resistivity - 3.5 Ω -m
- 4) Temperature - 74° F

From Mud Logs - No show

By all criteria - Zone is water bearing

- Assume zone is 100% wet

$$SW = \sqrt{\frac{1}{\phi^2} \frac{RW}{R_t}}$$

$$1.0 = \sqrt{\frac{1}{(.24)^2} \frac{RW}{(3.5)}}$$

$$1.0 = \sqrt{4.96 \text{ RW}}$$

Square both sides

$$1.0 = 4.96 \text{ RW}$$

$$RW = .20$$

From Log Charts - Schulumberger

$$PPM = 30,000+$$

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name Wildcat (Bell Canyon)
Property Code	Property Name MURCHISON STATE 2 SWD	Well Number 1
OGRI# No. 016751	Operator Name DALEN RESOURCES OIL AND GAS CO.	Elevation 3338'

Surface Location

UI or lot No. P	Section 2	Township 25 S	Range 26 E	Lot Idn	Feet from the 330	North/South line EAST	Feet from the 760	East/West line SOUTH	County EDDY
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Bottom Hole Location If Different From Surface

UI 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

	OPERATOR CERTIFICATION <i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief</i> Signature Cindy R. Keister Printed Name Supvr. Regulatory Compliance Title 05/01/95 Date	
	SURVEYOR CERTIFICATION <i>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.</i> APRIL 18, 1995 Date Surveyed Signature & Seal of Professional Surveyor 7977 # 5132 Certificate No. GARY L JONES. 7977	



Chevron

June 5, 1995

Chevron U.S.A. Production Company
P.O. Box 1150
Midland, TX 79702

Dalen Resources Oil and Gas Company
6688 N. Central Expressway, Suite 1000
Dallas, Texas 75206

Attention: Mr. Ralph Nelson

Application of Dalen Resources
Oil and Gas Company
for a salt water disposal well,
SE/SE Section 2-T25S-R26E,
Eddy County, New Mexico

Dear Ralph:

Chevron supports Dalen's application for the drilling of a water disposal well in the SE/SE Section 2-T25S-R26E, Eddy County, New Mexico. Per our phone conversation today, we will not appear at a hearing regarding your proposed well so that your application can be granted administratively. Please provide us a copy of your form C-108 when it is filed with the OCD.

Sincerely,

Dave Rittersbacher

Dave Rittersbacher
Senior Geologist

DJR/mjt
15833.doc

MILLER, STRATVERT, TORGERSON & SCHLENKER, P.A.

ROBINSON & SCHLENKER, P.A. LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
KENDALL O. SCHLENKER
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
MARGO J. MCCORMICK
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DAVID H. THOMAS III
C. BRIAN CHARLTON
MATTHEW URREA
KAREN L. ACOSTA
JEFFREY E. JONES
MANUEL I. ARRIETA
LEONARD D. SANCHEZ
ROBIN A. GOBLE

RECEIVED

JUN 20 1995

ALBUQUERQUE, N.M.

500 MARQUETTE N.W., SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, N.M. 87125
TELEPHONE: (505) 842-1950
FAX: (505) 243-4408

LAS CRUCES, N.M.

277 EAST AMADOR
POST OFFICE BOX 1209
LAS CRUCES, N.M. 88004
TELEPHONE: (505) 523-2481
FAX: (505) 526-2215

FARMINGTON, N.M.

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, N.M. 87499
TELEPHONE: (505) 326-4521
FAX: (505) 325-5474

SANTA FE, N.M.

125 LINCOLN AVE., SUITE 221
POST OFFICE BOX 1986
SANTA FE, N.M. 87504-1986
TELEPHONE: (505) 989-9614
FAX: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL

June 19, 1995

PLEASE REPLY TO SANTA FE

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505

Re: Application of Dalen Resources Oil and Gas Company For
Administrative Approval of Salt Water Disposal
SE/SE Sec. 2, T-25-S, R-26-E, NMPM
Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed is an original and one copy of the Affidavit of Publication for the legal advertisement of the above application in the Carlsbad Current-Argus on June 14, 1995.

Very truly yours,

MILLER, STRATVERT, TORGERSON
& SCHLENKER, P.A.



J. Scott Hall

JSH/ag

Enclosure

cc: Cindy Keister
Jerry Anderson

Affidavit of Publication

Nº 16666

State of New Mexico,
County of Eddy, ss.

June 14, 1995

**NOTICE OF APPLICATION
FOR APPROVAL OF SALT
WATER DISPOSAL WELL
EDDY COUNTY,
NEW MEXICO**

Amy McKay,
being first duly sworn, on oath says:

That she is Business Manager
of the Carlsbad Current-Argus, a newspaper pub-
lished daily at the City of Carlsbad, in said county
of Eddy, state of New Mexico and of general paid
circulation in said county; that the same is a duly
qualified newspaper under the laws of the state
wherein legal notices and advertisements may be
published; that the printed notice attached hereto
was published in the regular and entire edition of
said newspaper and not in supplement thereof on
the date as follows, to wit:

June 14, 19 95
_____, 19____
_____, 19____
_____, 19____
_____, 19____
_____, 19____

That the cost of publication is \$ 24.53,
and that payment thereof has been made and will
be assessed as court costs.

Amy McKay

Subscribed and sworn to before me this

15th day of June, 19 95

Donna Crump

My commission expires 8/01/98
Notary Public

Dalen Resources Oil and Gas Company has filed an application with the New Mexico Oil Conservation Division for administrative approval for a salt water disposal well to be drilled at a location 760 feet from the south line and 330 feet from the east line of Section 2, Township 25 South, Range 26 East, NMPM, Eddy County New Mexico. Applicant proposes to dispose of produced salt water into the Bell Canyon member of the Delaware formation through the perforated interval from approximately 2,304 feet to 2,428 feet at an expected maximum injection rate of 5,000 barrels per day at a maximum injection pressure of 500 psi. Interested parties must file objections or requests for hearing with the Oil Conservation Division, P.O. Box 2088, Santa Fe, NM 87504-2088 within 15 days. For further information, contact J. Scott Hall, Miller, Stratvert, Torgerson & Schlenker, P.A., P.O. Box 1986, Santa Fe, NM 87504-1986, 505-989-9614.

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE