



ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting Lease Management Contract Pumping 7415 East Main Farmington, New Mexico 87402 (505) 327-4892 • Fax: (505) 327-9834

FEB - 9 2000

New Mexico Oil Conservation Division Attn. D. Catanach 2040 Pacheco St. Santa Fe, NM 87505

January 13, 2000

Dear Mr. Catanach,

Enclosed is the application for authorization to inject into the Cowsaround SWD #1 (Sec 16/T26N/12W) which is operated by Pendragon Energy Partners. The following application and information is arranged in the order specified by form C-108.

If you have any questions or concerns, regarding the following information please feel free to contact me anytime.

Sincerely,

John C. Thompson

Engineer

OIL CONSERVATION DIVISION 2040 SOUTH PACHECO SANTA FE, NEW MEXICO 87505

FORM C-108 Revised 4-1-98

APPLICATION FOR AUTHORIZATION TO INJECT

I.	PURPOSE: Application qua	Secondary Recovery Lifties for administrative approval	Pressure Mainter Yes	nance X	Disposal	Storage
M.	OPERATOR:_	PENDRAGON ENERGY PARTNE				
	ADDRESS:	c/o Walsh Engr. & Prod. 7415 E. Main Farmin	Corp. gton, N.M. 8740	2		
	CONTACT PA	RTY: John C. Thompson			PHONE 505 3	
III.	WELL DATA:	Complete the data required on the Additional sheets may be attached	ne reverse side of this ed if necessary. SEE	torm for each	MOMICE (505) 3 h well proposed	320-1748 for injection.
√ IV.	Is this an expan If yes, give the	sion of an existing project? Division order number authorizin	Yes X No			
v .	Attach a map the mile radius circ	nat identifies all wells and leases in the drawn around each proposed in the drawn are drawn around each proposed in the drawn around each proposed in the drawn are drawn are drawn around each proposed in the drawn are dra	within two miles of ar njection well. This ci	ny proposed i rele identifie: E: APPENDIX	njection well wi s the well's area	th a one-half of review.
√ V I.	Attach a tabulat injection zone.	tion of data on all wells of public Such data shall include a descrip f completion, and a schematic of	record within the areation of each well's ty	a of review w	hich penetrate thion, date drilled.	he proposed
√vII.	Attach data on	the proposed operation, including	ζ :			
,	 Whether the Proposed av Sources and than reinject If injection in proposed we from existin 	erage and maximum daily rate are system is open or closed; erage and maximum injection properties an appropriate analysis of injectived produced water; and, is for disposal purposes into a zonell, attach a chemical analysis of a gliterature, studies, nearby wells	essure; ion fluid and compatil ne not productive of o the disposal zone forn	bility with the	within one mile	of the
√ *VIII .	thickness, and (aquifers conta	iate geologic data on the injection depth. Give the geologic name, a ining waters with total dissolved tion zone as well as any such sout	and depth to bottom of solids concentrations	fall undergro of 10,000 mg	ound sources of d 2/1 or less) overly	lrinking water ying the
/IX.	Describe the pr	oposed stimulation program, if a	ny. SEE APPEN	IDIX A		
/ *X .	Attach appropr not be resubmi	iate logging and test data on the tted). SEE APPENDIX E	well. (If well logs hav	ve been filed	with the Division	n, they need
ν *ΧΙ .	Attach a chemi one mile of any	cal analysis of fresh water from to injection or disposal well showing	two or more fresh wat ing location of wells a	ind dates sam	vailable and production values were taken.	ducing) withir
/XII.	and engineerin	disposal wells must make an affi g data and find no evidence of or and any underground sources of d	en faults or any other	t they have e	xamined availab connection between	
XIII.	Applicants mu	st complete the "Proof of Notice"	section on the reverse	e side of this	form.	
XIV.	Certification: I of my knowled	hereby certify that the information land belief.	on submitted with this	s application	is true and corre	ct to the best
	NAME: Jo	ohn C. Thompson	TITL	E: Enginee	er/Agent	<u>i</u>
	SIGNATURE:	Jun Gity		DATE:_	1/13/2000	
•	If the informat be resubmitted	ion required under Sections VI, V Please show the date and circu	/III, X, and XI above mstances of the earlie	has been pre- r submittal:_	viously submitte	d, it need not

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office





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Pendragon Energy Partners Cowsaround SWD #1

APPLICTION FOR AUTHORIZTION TO INJECT

LIST OF APPENDIXES

INJECTION WELL DATA	APPENDIX A
WELL LOCATION MAP	APPENDIX B
OFFSET WELL LOCATIONS & MAP	APPENDIX C
WATER ANALYSIS	APPENDIX D
WELL LOGS	APPENDIX E
PROOF OF NOTIFICATION	APPENDIX F

APPLICATION FOR AUTHORIZATION TO INJECT

FORM C-108 SUPPLEMENTAL DATA

Cowsaround SWD #1 16K-26N-12W 2220' FSL & 1680' FWL

- I. Water Disposal
- II. Pendragon Energy PartnersICO Walsh Engineering & Production Corp.7415 E. Main StreetFarmington, New Mexico 87401

Contact person: John Thompson

- III. Well data sheet is attached.
- IV. This not an expansion of an existing project.
- V. See attached map showing area of review and attached list of wells.
- VI. There are no wells within the area of review that penetrate the proposed Mesaverde Injection Zone. There are also no P&A wells within the area of review that penetrate the proposed Mesaverde Injection Zone.
- VII. Data on proposed injection operations are as follows:
 - Average Injection Rate 500 bwpd (.347 bbl/min)
 Maximum Injection Rate 1500 bwpd (1.04 bbl/min)
 - 2. Closed system. Water would be trucked or piped into tanks on location.
 - Average injection pressure 745 psi Maximum injection pressure - 1490 psi
 - 4. Produced Fruitland Coal water with TDS of 30,000 to 55,000 ppm will be injected into the Mesaverde in the Cowsaround SWD #1 well. A representative analysis of the Fruitland Coal water that is to be injected is attached.
 - 5. Chemical analysis of the water in the Mesaverde zone will be submitted after the well has been completed.

- VIII. Geologic & Lithologic data on injection zone.
 - 1. The proposed zone of injection is in the Mesaverde Formation. The Mesa Verde Formation Formation is from 2402' 3939' (based on the nearest offset Frontier #1A). See attached copy of open hole logs showing the Mesaverde Formation in the Frontier #1A (sec8/T26N/R12W).
 - Lithology Mesaverde Formation which contains the Point Lookout, Menefee & Cliff
 House formations are primarily a sandstone/shale sequence w/ porosity's ranging from 8% 16%. The permeability values range from 0.5 to 2.0 millidarcy.
 - Other than the aquifers that are contained in the surface alluvium there are no known drinking water aquifers in the area of review. There are no known water wells within the area of review.
- IX. No stimulation procedures have been planned. At time of completion a step rate test will be performed to determine if the desired injection rates and pressures can be achieved without need for stimulation.
- X. Open hole logs that cover the Morrison have been previously submitted to the NMOCD when the well was originally drilled.
- XI. According to the *Hydrologic Report #6* published by the New Mexico Bureau of Mines & Mineral Resources, there are no known sources of potable water exist in the immediate area of the well.
- XII. At the present time, geologic studies of the area do not indicate fault communication between the proposed injection zone and any underground potential sources of drinking water.
- XIII. Proof of notice is attached.
- XIV. Certification is signed.

INJECTION WELL DATA SHEET

WELL NAME & NUMBER: Cowsaround SWD #1 WELL LOCATION: 2220'FSL & 1680'FWL FOOTAGE LOCATION WELLBORE SCHEMATIC SEE ATTACHMENT OF WELLBORE SCHEMATIC IN APPENDIX A	30-045-30096 K UNIT LETTER Hole Size: Cemented with: Top of Cement:	16 SECTION WELL CONS Surf 12-1/4" 140 Surface	16 SECTION TOWNSHIP WELL CONSTRUCTION DATA Surface Casing -1/4" Casing Size: 8-4 40 sx. or 100 urface Method Determined	26N 12W TOWNSHIP RANGE TRUCTION DATA ICE Casing Casing Size: 8-5/8" Casing Size: 8-5/8" Method Determined: fix
ATTAC	1 1 1	WELL CONS Surf 140 Surface	TRUCTION DA1 ace Casing Casing Size: Sx. or Method Determin	5/8" 6 6 Circulation
	Hole Size:	Interm No	Intermediate Casing NONE Casing Size:	
	Cemented with: Top of Cement:		sx. or	ned:f³
		Produ	Production Casing	
	Hole Size: 7-	7-7/8"	Casing Size: 5-1 sx. or 1045	5-1/2" 1045 f ³
	Top of Cement: Surface Total Depth: 4030'	Surface	_Method Determin	Method Determined:Circulated
	Perf. 3	Injec 3729 fe	Injection Interval feet to 3873	
	(1	erforated or Ope	(Perforated or Open Hole; indicate which)	vhich)

INJECTION WELL DATA SHEET

Tubii Tvpe	Tubing Size: 2-7/8" Lining Material: Plastic Type of Packer: Loc - Set
Packe	Packer Setting Depth: 3620'
Other	Other Type of Tubing/Casing Seal (if applicable):
	Additional Data
	Is this a new well drilled for injection? X Yes No
	If no, for what purpose was the well originally drilled?
2.	Name of the Injection Formation: Mesaverde
ω	Name of Field or Pool (if applicable): Blanco Mesaverde
4.	Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. NO
5.	Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:
	Fruitland Coal (gas), Pictured Cliffs (gas)

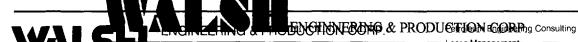


Cowsaround SWD #1

2220' FSL & 1680' FWL Sec 16 T26N R12W

Formation Top Fruitland: 934' 1227 Pictured Cliffs: Lewis: 1477' Cliff House: 2042' Surface Casing: 8-5/8" @ 200' 2675' Menefee: Hole Size: 12-1/4" Cement: 140 sx circulated to Point Lookout: 3725' 3939' Mancos: surface. Tubing: 2-7/8" Packer set @ 3530' Point Lookout Perforated Injection Zone: 3729' – 3873' Casing: Hole Size: 7-7/8" 5-1/2", #15.5 casing @ 4030'





7415 East Main

Carminatas Na

Contract Pumping

(505) 327-4892

COMPLETION PROGNOSIS FOR PENDRAGON ENERGY PARTNERS COWSAROUND SWD #1

Location: SE/4 Section 16 T26N R12W

San Juan County, New Mexico

Date: January 12, 2000

Field:

Mesa Verde

Elev:

GL 6016'

Surface: State

5-1/2"

@ 4030°

Minerals: State

Procedure:

Prior to Rig (log, perforate & fracture)

- 1. Install 5-1/2" frac flange.
- 2. RU wireline truck and run gamma ray/neutron/cement bond log. Run neutron from PBTD to top of Mesaverde. Run GR/BL to surface.
- 3. If bond looks OK proceed to step 4. If not, shoot 2 squeeze holes above cement top & squeeze as necessary.
- 4. Perforate Point Lookout sands in Mesaverde Formation 4 spf. Actual depths to be determined from Neutron log.
- 5. RU Stimulation Company. Pressure test pumps & lines. Fracture the Point Lookout w/ 120,000# of 12/20 sand in slickwater.

Move in Rig (clean out, run injection string)

- 6. MOL and RU completion rig. Hold safety meeting. NU well head & BOP.
- 7. PU 2-3/8" work string & TIH w/ notched collar on bottom.
- 8. Clean out to PBTD w/ "Bull Dog" type bailer & produced water.
- 9. TOH. PU 2-3/8"x5-1/2" packer & TIH. Set packer @ approximately 3600'. Swab sample of Mesaverde water to surface.
- 10. Release packer & TOH (laying down 2-3/8" workstring). PU 5-1/2"x2-7/8" plastic lined loc-set packer & RIH on 2-7/8" plastic lined tbg. Set packer @ approximately 3600'. Circulate corrosion inhibitor into casing annulus before setting packer. (note: pressure up on casing annulus to make sure packer is properly set.)



COMPLETION PROGNOSIS FOR Pendragon Energy Partners Cowsaround SWD #1

(continued)

- 11. Rig down and release rig. Install injection pump and facilities.
- 15. Run step rate injection test and casing integrity test (as per NMOCD regulations).

John C. Thompson

Engineer

Pendragon Energy
Cowsaround SWD #1
Basin Mesaverde
Sec. 16, T26N, R12W
San Juan, New Mexico
Slick Water Frac

TANKS REQUIRED USING 360 BBL/TANK USABLE =

6.06

Fluid & Proppant Pumping Schedule	nping Schedule						
				Proppant		Volume	
Fluid	Fluid Volume	Conc.	Toals	Mesh	Clean Fluid	Slurry Fluid	Cum Sluury
Туре	(gals)	(lb/gal)	(lbs)	Size	(bbis)	(bbls)	(bbls)
Slick Water Frac	22000	0.00	0	Pad	524	524	524
Slick Water Frac	15000	1.00	15000	20-40 Mesh Brady Sand	357	373	897
Slick Water Frac	30000	1.50	45000	20-40 Mesh Brady Sand	714	763	1660
Slick Water Frac	20000	2.00	40000	20-40 Mesh Brady Sand	476	520	2180
Slick Water Frac	4578	0.00	0	Flush	109	109	2289
Totals	91578		100000		2180	2289	2289
Rate Schedule							

Percent Pad=

25%

1		-		-	-	~-
	Slick Water Frac	Fluid Type				
	4578	20000	30000	15000	22000	Fluid Volume (gals)
	0.00	2.00	1.50	1.00	0.00	Proppant Conc. (lb/gal)
	50	50	50	50	50	Slurry Rate (bpm)
	50.0	45.8	46.8	47.8	50.0	Clean Fluid Rate (bpm)
Total Pump Time (min	0	3879	2971	2024	0	Proppant Rate (Ibs/min)
ime (min)	109	520	763	373	524	Slurry Volume (bbls)
46	2.18	10.39	15.26	7.47	10.48	Pump Time (min)

WALSH

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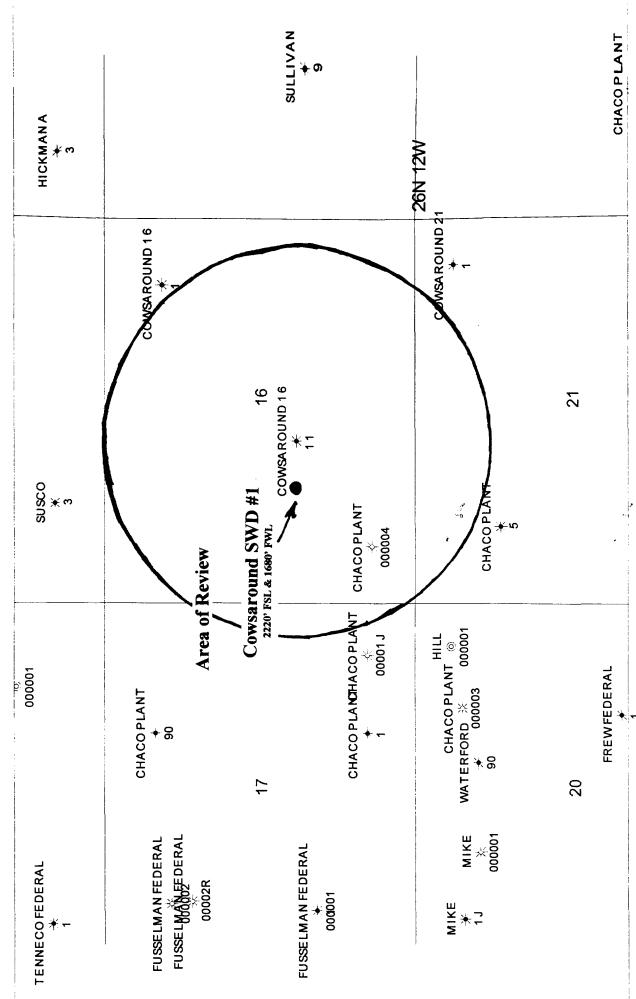
	Township	26N	Range _	12W	
	County	intySan Juan		New Mexico	
		Cowe	around SWD #1		· ·
		Cows	alound SWD #1		
- 36	s — — — — — — 31 — — -		_33	-35	- + -31-+
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<u>: </u>		Cowsaround SV	VD #1	\	
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			2220' FSL & 1680' FWL		
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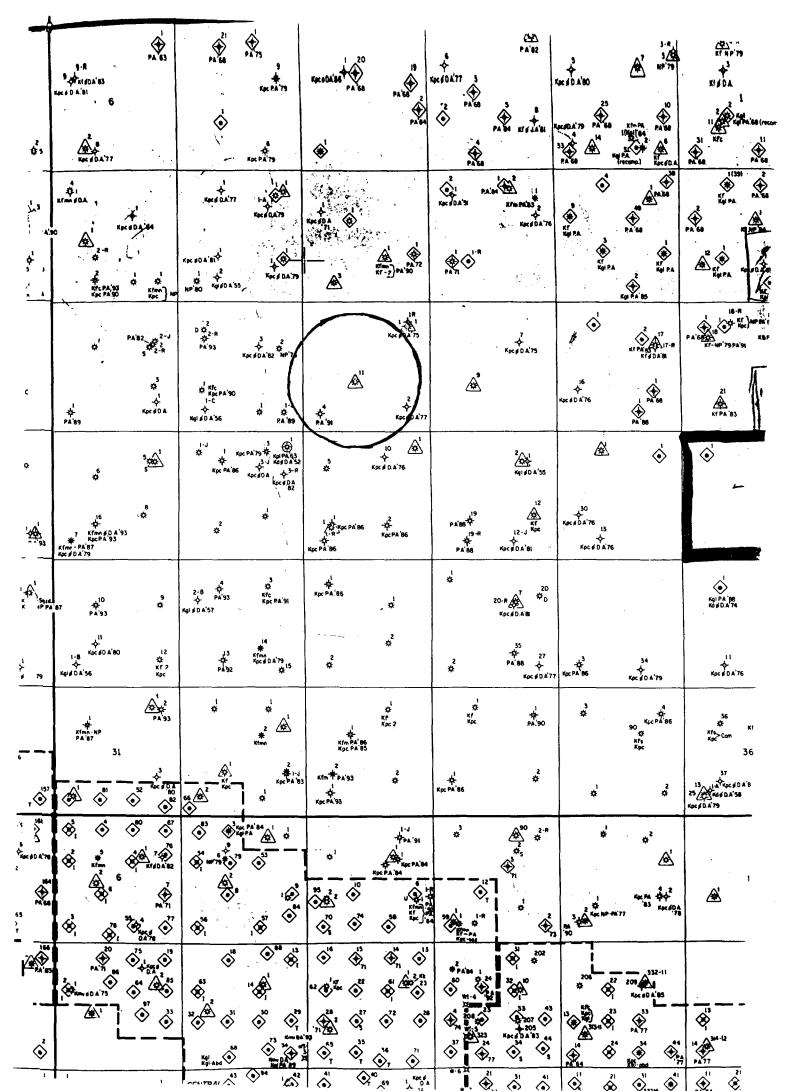
There are no wells that penetrate or have penetrated the proposed injection zone within the area of review.

Project: C:\Program Files\IHS Energy\PTools35\PROJECTS\CowsaroundSWD.MDB

Date: 1/7/2000 Time: 1:37 PM



ASE MAP DATA IS COP RI HTED TO IN INTERNATIONAL LTD ALL RI HTS RESERVED





Water Analysis

The following water analysis is intended to be a representative sample of the Fruitland formation water that will be disposed.

Pendragon

County: San Juan

State: NM

Lab #: 1

Date:

12/20/99

Field:

Location: Texaco # 11-1

Formation: Coal

Depth: 0

H&M Precision **Water Analysis Report**

			Bridge (Arroy of the Control of the			
Sum +	mg/L	meq/L		Sum -	mg/L	meq/L
Potassium	0.0	0.00		Sulfate	3.0	0.06
Sodium	13,711.1	596.40		Chloride	21,000.0	592.33
Calcium	100.0	4.99		Carbonate	0.0	0.00
Magnesium	24.0	1.97		Bicarbonate	720.0	11.80
Iron	3.2	0.17		Hydroxide	0.0	0.00
Barium	0.0	0.00	Analysis	•	0.0	0.00
Strontium	0.0	0.00	Balanced	•	0.0	0.00
CATIONS	13,838.3	603.53		ANIONS	21,723.0	604.19

Total Dissolved Solids @180C 35,561 mg/L Sample Temperature, 'F 70 F Sample pH, standard units 7 Units Dissolved Oxygen 0.0 ppm Carbon Dioxide 0.0 mg/L Total Sulfide, (TS) 0.0 mg/L Sulfide Ion, (S) 0 mg/L Dissolved Hydrogen Sulfide, (TS-S) 0 mg/L

Specific Gravity Resistivity, measured lonic strength

Sulfate Reducing Bacteria Aerobic Bacteria

1.0253

0 ohm/m^3

0.607

nd nd

	CACOS	3			CASO4		
S	tiff Davis	Α		SOL	.UBILITY	S	Α
Temp F	index	index	Temp F	Actual	Calculated	Index	Index
32	-1.16	-493	·				
50	-1.03	-393	50	0.06	67.40	-67.34	-1605
68	-0.88	-296	68	0.06	67.66	-67.60	-1611
77	-0.7 9	-251	86	0.06	67.92	-67.86	-1617
86	-0.68	-197	104	0.06	68.05	-67.99	-1621
104	-0.46	-111	122	0.06	68.05	-67.99	-1620
122	-0.20	-38	140	0.06	67.09	-67.03	-1598
140	0.11	17	158	0.06	66.12	-66.06	-1575
158	0.43	50	176	0.06	65.14	-65.08	-1551
176	0.77	69					

BASO4 SCALE POSSIBLE

NO

Water Analysis Patern

NOTE: Stiff Davis Index

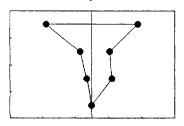
- indicates undersaturation. Scale formation negative.
- 0 indicates the water is at saturation point. Scale unlikely.
- + indicates supersaturation. A positive scaling condition exists.

NOTE: Skillman Method Calcium Sulfate 'S Index'

- indicates undersaturation. Scale formation negative.
- 0 indicates the water is at saturation point. Scale unlikely.
- + indicates supersaturation. A positive scaling condition exists.

NOTE: A Index; worst possible case. Assumes 100% precipitation.

- Units = pounds of scale produced / 1000 bbls. of water.
- A Index =< 0 Scale formation negative.
- A Index > 0 Scale formation positive.



Approved: Albert Rich 12/25/99 v4.01

Pendragon

County: San Juan

State: NM

Location: Beal A 4 R

Lab #: 1

Date: 12/20/99

Field: Renaul

Location: Beal A 4 R

Formation: Coal

Depth: 0

H & M Precision

Water Analysis Report

					3. · · · · · · · · · · · · · · · · · · ·	
Sum +	mg/L	meq/L		Sum -	mg/L	meq/L
Potassium	0.0	0.00		Sulfate	10.0	0.21
Sodium	20,581.6	895.25		Chloride	32,000.0	902.60
Calcium	203.0	10.13		Carbonate	0.0	0.00
Magnesium	62.5	5.14		Bicarbonate	610.0	10.00
Iron	24.6	1.32		Hydroxide	0.0	0.00
Barium	20.0	0.29	Analysis	-	0.0	0.00
Strontium	0.0	0.00	Balanced	-	0.0	0.00
CATIONS	20,891.7	912.13		ANIONS	32,620.0	912.81

Total Dissolved Solids @180C 53,512 mg/L Sample Temperature, 'F 70 F Sample pH, standard units 6.1 Units Dissolved Oxygen 0.0 ppm Carbon Dioxide 0.0 mg/L Total Sulfide, (TS) 0.0 mg/L Sulfide Ion, (S) 0 mg/L Dissolved Hydrogen Sulfide, (TS-S) 0 mg/L

Specific Gravity
Resistivity, measured
lonic strength
Sulfate Reducing Rester

Sulfate Reducing Bacteria Aerobic Bacteria 1.0375 0 ohm/m^3

0.921 nd

nd

0.21

	CACO	3			CASO4		
S	tiff Davis	Α		SOL	.UBILITY	S	Α
Temp F	Index	index	Temp F	Actual	Calculated	Index	Index
32	-1.95	-2079	·				
50	-1.82	-1753	50	0.21	77.36	-77.15	-1839
68	-1.69	-1470	68	0.21	77.58	-77.38	-1844
77	-1.61	-1311	86	0.21	77.81	-77.60	-1850
86	-1.49	-1123	104	0.21	77.81	-77.61	-1850
104	-1.28	-820	122	0.21	77.60	-77.39	-1845
122	-1.01	-535	140	0.21	76.63	-76.42	-1821
140	-0.68	-283	158	0.21	75.64	-75. 4 3	-1798

176

BASO4 SCALE POSSIBLE

-0.35

0.00

158

176

YES

NOTE: Stiff Davis Index

- indicates undersaturation. Scale formation negative.
- 0 indicates the water is at saturation point. Scale unlikely.
- + indicates supersaturation. A positive scaling condition exists.

-117

1

NOTE: Skillman Method Calcium Sulfate 'S Index'

- indicates undersaturation. Scale formation negative.
- 0 indicates the water is at saturation point. Scale unlikely.
- + indicates supersaturation. A positive scaling condition exists.

NOTE: A Index; worst possible case. Assumes 100% precipitation.

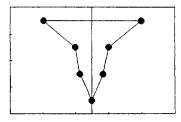
- Units = pounds of scale produced / 1000 bbls. of water.
- A Index =< 0 Scale formation negative.
- A Index > 0 Scale formation positive.

Water Analysis Patern

-74.44

-1774

74.65

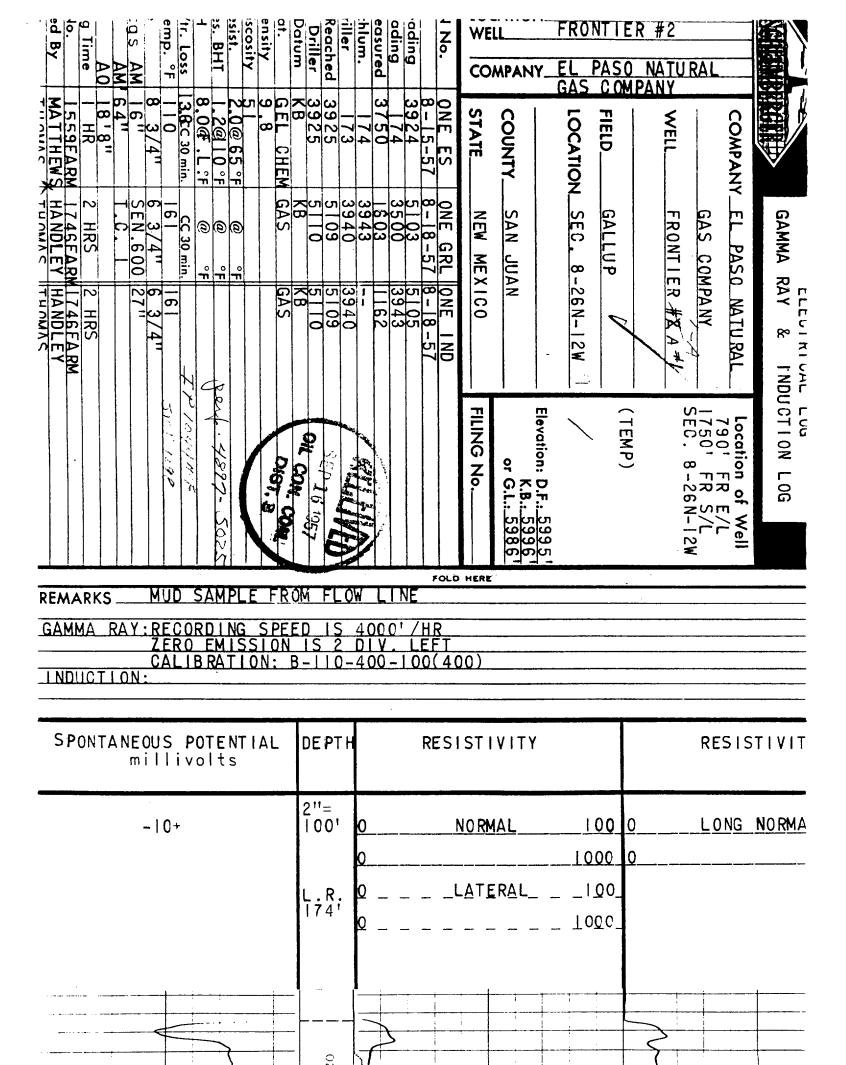


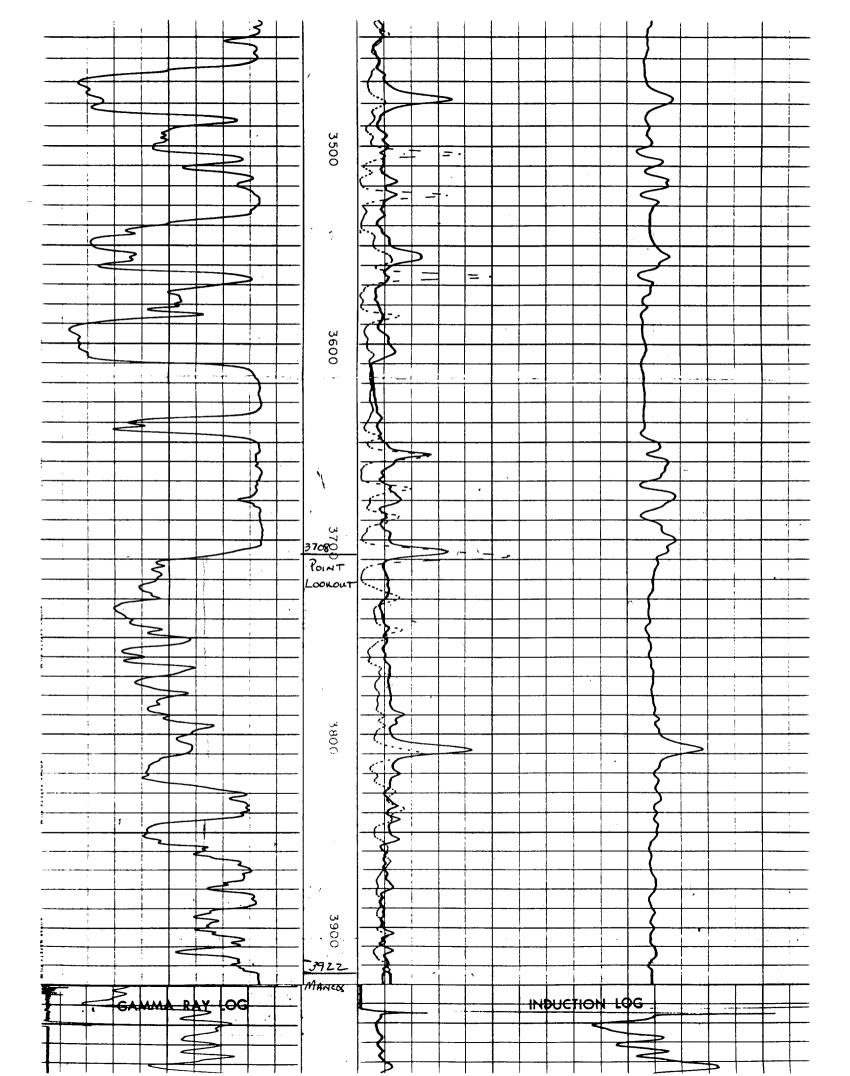
Approved: Albert Rich 12/25/99 v4.01

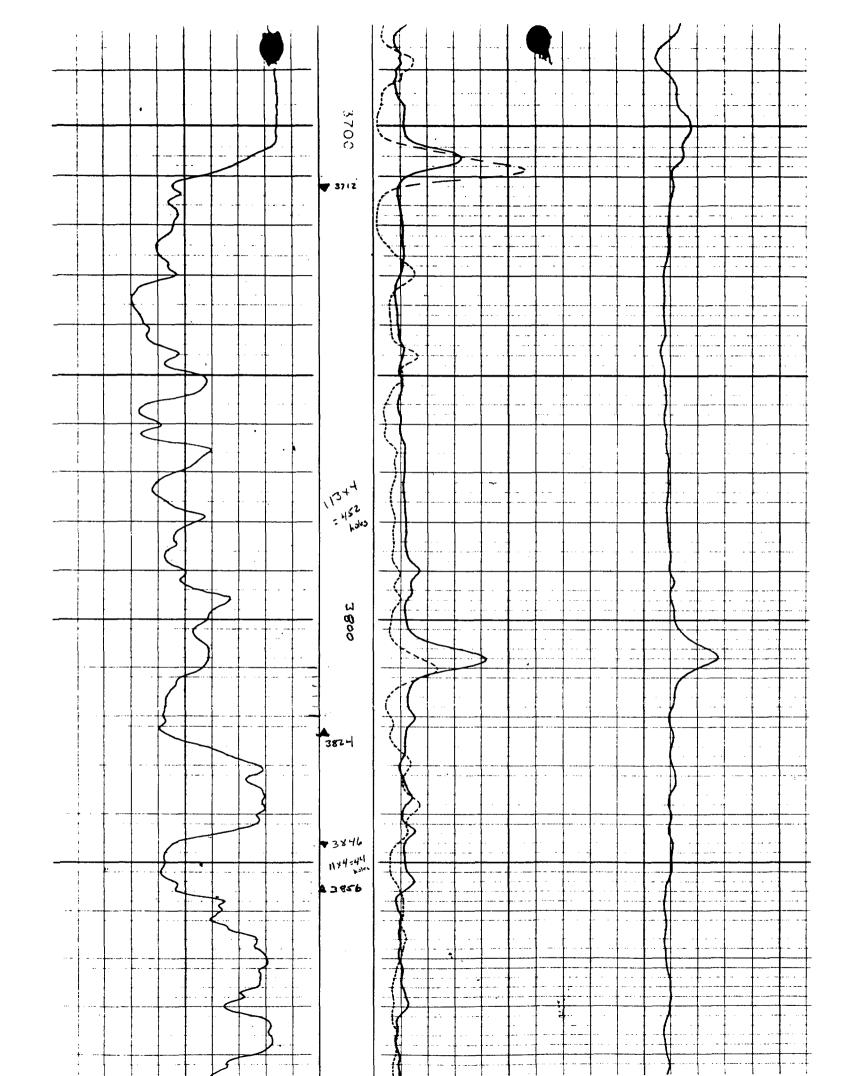


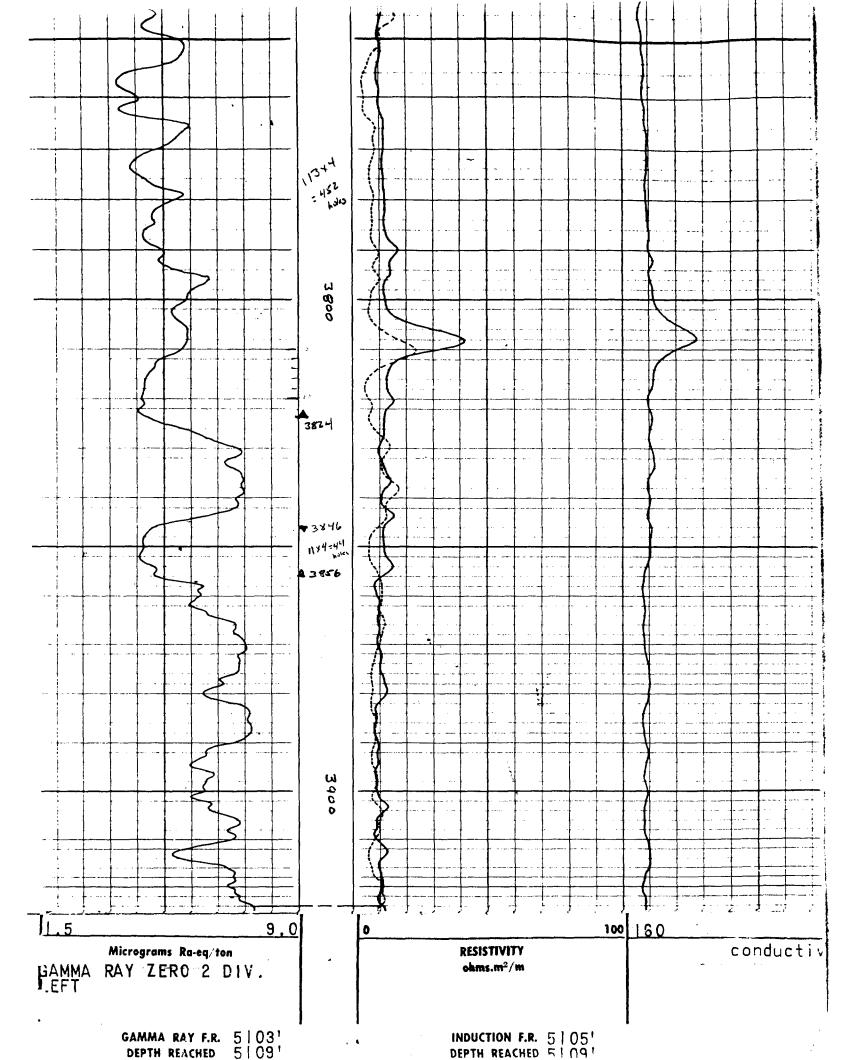
Logs

The following logs are from the Frontier No. 1-A (API no. 30-045-05919), which is the closest offset well that penetrates the proposed injection zone. The Frontier No. 1-A is located 1750' FSL & 790' FEL in Section 8, T26N, R12W (approximately 1-1/2 miles to the northwest of the Cowswround SWD #1 location). After the Cowsaround SWD #1 is drilled a cased hole Gamma Ray/Neutron log will be run to identify the Point Lookout sands in the Mesaverde Formation.









AFFIDAVIT OF PUBLICATION

Ad No. 42258

STATE OF NEW MEXICO County of San Juan:

ALETHIA ROTHLISBERGER, being duly sworn says: That she is the Classified Manager of THE DAILY TIMES, a daily newspaper of general circulation published in English at Farmington, said county and state, and that the hereto attached Legal Notice was published in a regular and entire issue of the said DAILY TIMES, a daily newspaper duly qualified for the purpose within the meeting of Chapter 167 of the 1937 Session Laws of the State of New Mexico for publication on the following day(s):

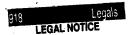
Wednesdays, January 26, 2000

And the cost of the publication is: \$20.01

On ALETHIA ROTHLISBERGER appeared before me, whom I know personally to be the person who signed the above document.

V Commission Expires May 3, 2003

COPY OF PUBLICATION



Pendragon Energy Partners, proposes to drill and complete the Cowsaround SWD #1, to be used for a water disposal well. The well will be located in Section 16K, Township 26N, Range 12W. Produced Fruitland coal water is to be disposed into the Mesaverde formation at a maximum rate of 1500 bwpd at 1,490 psi.

Questions concerning this proposal can be sent to John C. Thompson, Walsh Engineering and Production Corp., 7415 East Main Street, Farmington, New Mexico 87402 (505) 327-4892.

Interested parties should file comments or objections and requests for hearing with the New Mexico Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico 87504-2088 within 15 days.

Legal No. 42258, published in the Daily Times, Farmington, New Mexico, Wednesday, January 26, 2000.

