

OIL CONSERVATION DIVISION
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March 27, 1995

Mr. David Catanach
Engineering Bureau
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87506

RE: Administrative Order SWD-569
Application of Maralo, Inc., for Salt Water Disposal,
Ul. K, Sec 11, T22S, R32E, NMPM Lea County, New Mexico
Prohibition Federal Unit, Well #2

Dear Mr. Catanach:

In response to our telephone conversation this date, Maralo, Inc. proposes a change of plans to the original Form C-108 application submitted August 24, 1994.

The enclosed revised salt water conversion prognosis sets a CIBP at +/- 7200', capped with 35' cement. A sundry notice has also been sent to the Bureau of Land Management regarding this change.

Thank you for your assistance.

Sincerely,

A handwritten signature in cursive script, reading "Dorothea Logan". The signature is fluid and elegant, with a long, sweeping underline.

Dorothea Logan
Regulatory Analyst

Encl. (1)

CONVERSION PROGNOSIS

MARALO INC.

Prohibition Federal #2
1980' FSL & 2080' FWL, Sec 11, T-22-S, R-32-E
Lea County, New Mexico

ELEVATIONS: 3746.4'GL 3759.4'KB (13' AGL) 10,100'TD 9065'PBTD

CASING: 13 3/8" 54.5# @ 1,100' w/ 950 sx, circ'd to surface
8 5/8" 32# @ 4,700' w/ 1700 sx, circ'd to surface
5 1/2" 17# @ 9,225' w/ 1065 sx, TOC - 5080'

PERFORATIONS: 9135 - 9149', plugged off w/CIBP @ 9100' & 35' cmt
8481 - 8559', open
8692 - 8706', open
7280 - 7235', open

PROPOSED
OPERATION: Convert to SWD

1. RUPU. RU wireline. TIH w/5 1/2" CIBP and set @ +/- 7200'. Cap w/35' cmt.
2. RU perforators using 4" carrier guns, premium charges, and shoot 1 JSPF @ 5220, 5222, 5224, 5226, 5228, 5230, 5286, 5287, 5288, 5295, 5297, 5299, 5307, 5310, 5313, 5316, 5341, 5343, 5345, 5347, 5349, 5358, 5360, 5362, 5364, 5371, 5373, 5375, 5377, 5379, 5381, 5386, 5804, 5806, 5808, 5810, 5812, 5814, 5823, 5825, 5827, 5829, 5833, 5838, 5841, 5845, 5848, 5850, 5874, 5876, 5878, 5880, 5882, 5886, 5888, 5890, 5892, 5894, 5928, 5930, 5932, 5934, 5936, 5938, 5940, 5942' (total 66 holes). Depths picked on SWSCO GR/CNL/LDT run 10/3/92.
3. TIH w/RBP (with ball catcher), treating pkr, and workstring to +/- 6000'. Set RBP. PU & set pkr @ +/- 5700'.
4. Acidize perms 5804 - 5942' w/2500 gals 7 1/2% mud clean-out acid carrying 68 ball sealers. Pump at a rate of +/- 4 BPM. If ballout occurs, surge off balls and finish treatment. Swab back load.
5. Release pkr. Drop down and catch RBP. PU & set RBP @ +/- 5500'. PU & set pkr @ +/- 5150'.
6. Acidize perms 5220 - 5386' w/2500 gals 7 1/2% mud clean-out acid carrying 64 ball sealers. Pump at a rate of +/- 4 BPM. If ballout occurs, surge off balls and finish treatment.
7. Swab back load.
8. Release pkr. Drop down & catch RBP. TOH w/workstring, pkr, & RBP.
9. TIH w/nickel-plated injection pkr on 2 7/8" fiberglass-lined injection string. Hook up wellhead and surface equipment and place well on injection.

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



July 6, 1995

Maralo, Inc.
P.O. Box 832
Midland, Texas 79702-0832

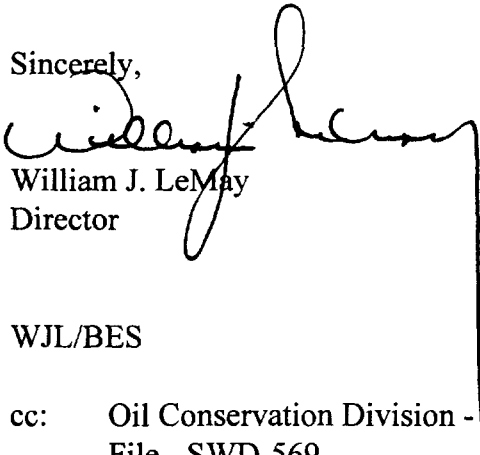
Attn: Ms. Dorothea Logan

Re: Request to amend Division Order SWD-569

Dear Ms. Logan:

Reference is made to your recent request to amend the injection interval in the Prohibition Federal Well No.2, authorized as a salt water disposal well by the above captioned Division Order. Your company's proposal is to plug back the well to a total depth of approximately 7065 feet. It appearing that the injection formation shall remain the Delaware and all other details of the operation shall remain the same, your request is hereby approved. All provisions of Division Order SWD-569 shall remain in full force and effect.

Sincerely,


William J. LeMay
Director

WJL/BES

cc: Oil Conservation Division - Artesia
File - SWD-569

VILLAGRA BUILDING - 408 Galisteo

Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830

Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco

Office of the Secretary
827-5950

Administrative Services
827-5925

Energy Conservation & Management
827-5900

Mining and Minerals
827-5970

Oil Conservation

Amend SWD 9.19.95



August 31, 1995

Mr. David Catanach
Engineering Bureau
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87506

RE: Administrative Order SWD-569
Application of Maralo, Inc., for Salt Water Disposal,
Ul. K, Sec 11, T22S, R32E, NMPM Lea County, New Mexico
Prohibition Federal Unit, Well #2

Dear Mr. Catanach:

Reference is made to the attached reply to amend Division Order
SWD-569 dated July 6, 1995.

Maralo, Inc. is planning to remove the downhole plug in the
Prohibition Federal Unit, Well #2 wellbore with the intent of
commingling the existing disposal perforations (5220 - 5942')
with previously abandoned lower Brushy Canyon perforations (8481
- 8569'). This operation is needed to both add capacity and
reduce surface injection pressure which is currently at 1050 psi.

Please reinstate Administrative Order SWD-569 as originally
approved on September 20, 1994, which permitted injection of salt
water for disposal purposes into the Delaware formation at
approximately 5220 - 8706 feet. (Copy attached)

Sincerely,

A handwritten signature in cursive script that reads "Dorothea Logan".

Dorothea Logan
Regulatory Analyst
Maralo, Inc.

attachments (2)

NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

September 19, 1995

Maralo, Inc.
P.O. Box 832
Midland, Texas 79702-0832

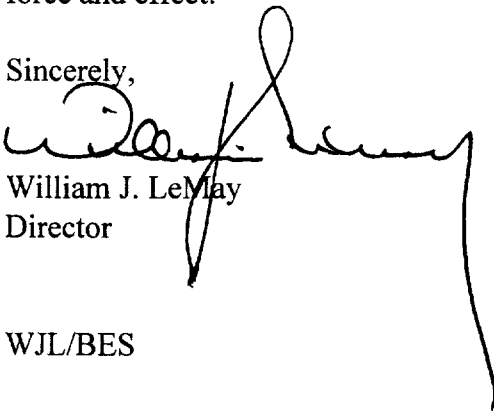
Attn: Ms. Dorothea Logan

Re: Request to Rescind Amendment of Division Order SWD-569

Dear Ms. Logan:

Reference is made to your recent request to reinstate the originally authorized injection interval in your Prohibition Federal Well No.2 as permitted by Division Order SWD-569. On July 6, 1995, your company was granted an amendment to such order authorizing an adjustment to the injection interval. As all other provisions of the subject order appear to be intact, the July 6th amendment is hereby placed in abeyance. You are therefore authorized to utilize the originally permitted injection interval of approximately 5200 feet to 8706 feet for injection into the Delaware formation. All other provisions of Division Order SWD-569 shall also remain in full force and effect.

Sincerely,



William J. LeMay
Director

WJL/BES

cc: Oil Conservation Division - Hobbs
File SWD-569