



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



April 21, 2008

Division Case No. 14122

Applicant: Pecos Operating Company, LLC  
C/o Mike Feldewert  
Holland & Hart, LLP  
PO Box 2208  
Santa Fe, NM 87504-2307

Opposing Party: Donald M. Harrod  
H&M Disposal  
PO Box 1544  
Lovington, NM 88260

**RE Application for SWD: State GA #7 API No. 30-025-03688**  
Unit B, Section 16, Township 15 South, Range 36 East, NMPM  
Lea County, New Mexico

Dear Sirs:

The Division has completed a preliminary review of this application and found a couple of items that should be addressed in any administrative application or in an examiner hearing.

- 1) The intended TD is either 13,800 or 13,900 – it was listed both ways in the application.
- 2) There is one plugged well in the ½ mile Area of Review that has inadequate cement to prevent movement from the intended Devonian injection interval up to the top of the Pennsylvanian. Division rules require the proposed injection well to be adequately cemented and that no conduits exist within the project area that could allow the injected waste water to migrate out of the permitted injection interval. In recent years, Pennsylvanian and Mississippian aged Gas Pools located to the west and northwest have been developed closer and closer to this area. The closest gas wells are currently operated by V-F Petroleum and Cimarex Energy. Please notify these two operators as to the substance and date of any upcoming hearing.

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Case No. 14122 Exhibit No. 7  
Submitted by:  
**PECOS OPERATING COMPANY**  
Hearing Date: May 15, 2008

Oil Conservation Division \* 1220 South St. Francis  
\* Santa Fe, New Mexico 87505

\* Phone: (505) 476-3440 \* Fax (505) 476-3462\* <http://www.emnrd.state.nm.us>





MARK E. FESMIRE, P.E.  
Director

MEF/wvjj

cc:  
New Mexico State Land Office – Oil Gas and Minerals Division  
Cimarex Energy, 508 W. Wall Street, Suite 600, Midland, TX 79701  
V-F Petroleum, PO Box 1889, Midland, TX 79702