

APPLICATION FOR AUTHORIZATION TO INJECT

- I. Purpose: ☒ Secondary Recovery ☐ Pressure Maintenance ☐ Disposal ☐ Storage  
Application qualifies for administrative approval? ☐ yes ☒ no
- II. Operator: Siete Oil and Gas Corporation  
Address: P. O. Box 2523 Roswell, New Mexico 88202-2523  
Contact party: Robert S. Lee Phone: 505-622-2202
- III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? ☐ yes ☒ 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 source 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: Robert S. Lee Title Senior Reservoir Engineer  
Signature: Robert S. Lee Date: February 1, 1990
- \* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and 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, P. O. Box 2088, Santa Fe, New Mexico 87501 within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

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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.

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SIETE OIL & GAS CORPORATION  
PROPOSED

WELL: Scottsdale Federal #2

FIELD: Shugart

INTERVAL:

Comp: 3/12/85

API #: 30-015-25170

Spudded 14 3/4" hole on 1/29/85

LOCATION:

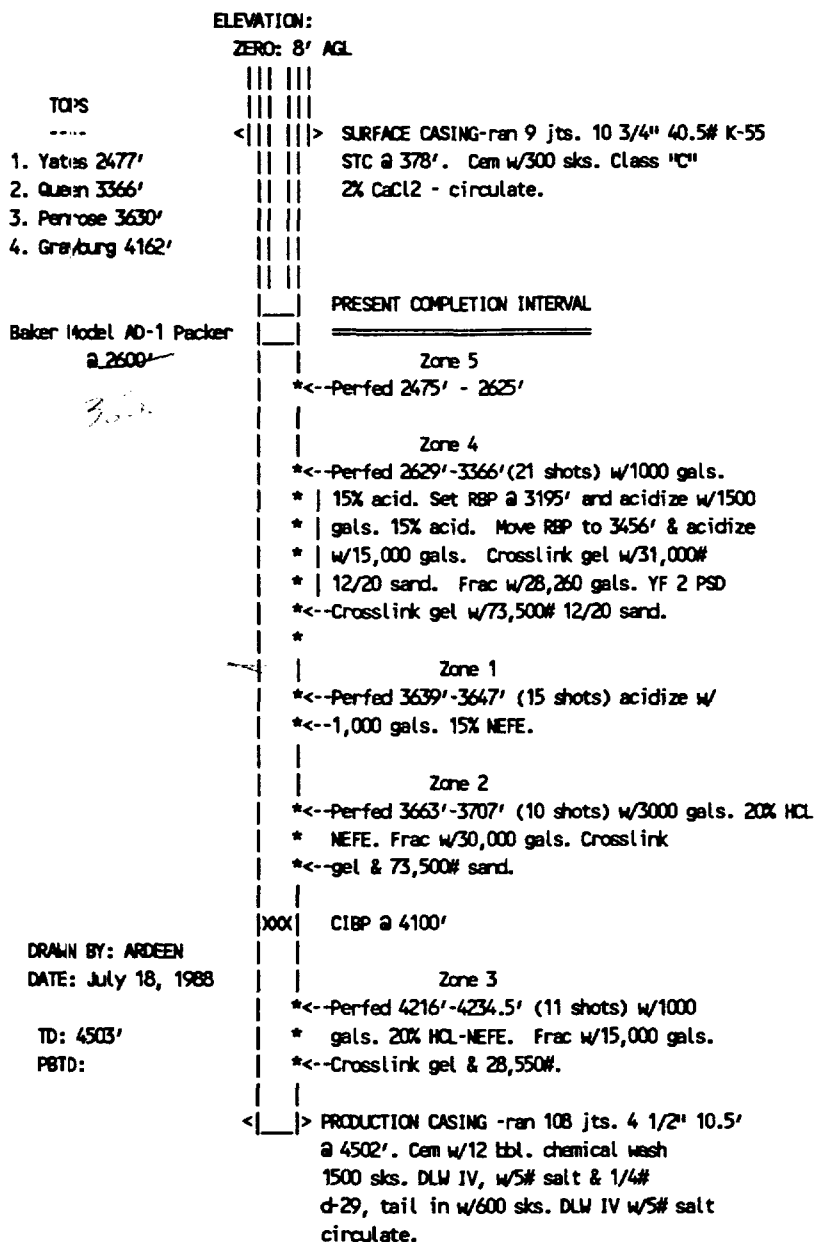
330' FML & 990' FEL

Section 27: T18S, R31E

Eddy County, N.M.

IP: 40 BOPD, 12.5 MCFGPD, 10 BWPD (GOR 313)

SHUT IN 5/16/86



SIETE OIL & GAS CORPORATION  
CURRENT

WELL: Scottsdale Federal #2

LOCATION:

FIELD: Shugart

330' FNL & 990' FEL

INTERVAL:

Section 27: T186, R31E

Comp: 3/12/85

Eddy County, N.M.

API #: 30-015-25170

IP: 40 BOPD, 12.5 MCFGPD, 10 BWPD (GOR 313)

Spudded 14 3/4" hole on 1/29/85

SHUT IN 5/16/86

TEMPORARILY ABANDONED

ELEVATION:

ZERO: 8' AGL

TOYS		
----		
	<       >	SURFACE CASING-ran 9 jts. 10 3/4" 40.5# K-55
1. Yates 2477'		STC @ 378'. Cem w/300 sks. Class "C"
2. Queen 3366'		2% CaCl2 - circulate.
3. Penrose 3630'		
4. Greylburg 4162'		
		PRESENT COMPLETION INTERVAL
		Zone 5
EQUIPMENT IN HOLE		*--Perfed 2475' - 2625'
3. 113 jts. 2 3/8" tbg.		Zone 4
		*--Perfed 2629'-3366' (21 shots) w/1000 gals.
		*   15% acid. Set RBP @ 3195' and acidize w/1500
		*   gals. 15% acid. Move RBP to 3456' & acidize
		*   w/15,000 gals. Crosslink gel w/31,000#
		*   12/20 sand. Frac w/28,260 gals. YF 2 PSD
		*--Crosslink gel w/73,500# 12/20 sand.
		*
		Zone 1
		*--Perfed 3639'-3647' (15 shots) acidize w/
		*--1,000 gals. 15% NEFE.
		Zone 2
		*--Perfed 3663'-3707' (10 shots) w/3000 gals. 20% HCL
		* NEFE. Frac w/30,000 gals. Crosslink
		*--gel & 73,500# sand.
DRAWN BY: ARDEEN		CIBP @ 4100'
DATE: July 18, 1988		
		Zone 3
		*--Perfed 4216'-4234.5' (11 shots) w/1000
TD: 4503'		* gals. 20% HCL-NEFE. Frac w/15,000 gals.
PBTI):		*--Crosslink gel & 28,550#.
	<       >	PRODUCTION CASING -ran 108 jts. 4 1/2" 10.5'
		@ 4502'. Cem w/12 bbl. chemical wash
		1500 sks. DLW IV, w/5# salt & 1/4#
		d-29, tail in w/600 sks. DLW IV w/5# salt
		circulate.

SIETE OIL & GAS CORPORATION

Scottsdale Federal No. 2 - Conversion to Injection

NMOCD Form C-108 Section III

III. Data on injection well (s)

A. Injection well information (see attached schematic)

Tabular Data

1. Lease: Scottsdale Federal

Well No.: 2

Location: 330' FNL & 990' FEL  
Section 27: T-18-S, R-31-E  
Eddy County, New Mexico

2. Proposed Casing: 10 3/4" surface @ 378' w/300 sks.,  
circ. to surface  
4 1/2" production @ 4502' w/600  
sks. circ. to surface.

3. Injection tubing: + or - 84 jts. 2 3/8", 4.7  
lb/ft., J-55 internally plastic  
coated tubing.

4. Packer: Baker Model AD-1 injection packer set @  
2600 feet.

B. Other well information

1. Injection formation: Yates-7 Rivers-Queen-Penrose-  
Grayburg-San Andres

Field: Shugart-Yates 7 Rvrs Queen Grayburg San Andres

2. Cased hole perforated interval is estimated to be  
from 2475' - 2625' (Yates), 3360' - 3398'  
(Queen), 3639' - 3707' (Penrose).

3. The Scottsdale Federal No. 2 well was originally  
drilled as an oil well.

4. Within the area of the Scottsdale Federal No. 2,  
there are no other higher productive formations.

## SCOTTSDALE WATERFLOOD PROJECT

WELL NAME	OPERATOR	LOCATION	TYPE OF WELL	SPUD DATE	COMP. DATE	TD PBTD	COMPLETION INTERVAL	FORMATION	CASING PROGRAM
LITTLEFIELD #12	CHEVRON	1980' FSL 660' FEL SEC. 22 T18S R31E	OIL	5/4/70	5/16/70	3460 3413	3370 TO 3392	QUEEN	8 5/8 TO 715' CMT. W/ 325 SX. 4 1/2 TO 3459' CMT. W/ 325 SX.
LITTLEFIELD #13	CHEVRON	660' FSL 660' FEL SEC. 22 T18S R31E	OIL	12/24/70	1/14/71	3450 3412	3375 TO 3396	QUEEN	8 5/8 TO 715' CMT. W/ 350 SX. 5 1/2 TO 3449' CMT. W/ 450 SX.
LITTLEFIELD #14	CHEVRON	990' FSL 1650' FEL SEC. 22 T18S R31E	OIL	5/9/71	5/20/71	3436 3402	3372 TO 3384	QUEEN	8 5/8 TO 744' CMT. W/ 350 SX. 4 1/2 TO 3435' CMT. W/ 450 SX.
LITTLEFIELD AB-2	GULF	660' FSL 1980' FUL SEC. 22 T18S R31E	OIL	11/27/58	2/25/59	5300 3979	4982 TO 3979	GRAYBURG	8 5/8 TO 989' W/625 SX. 5 1/2 TO 5300' W/2200 SX.
KEOHANE FED.#2	WESTALL-MASK	990' FSL 330' FUL SEC. 23 T18S R31E	OIL	3/10/70	5/15/72	4000 3983	3358 TO 3816	QUEEN	8 5/8 TO 650' CMT. W/ 250 SX. 5 1/2 TO 3983' CMT. W/ 300 SX.
GREENWOOD #D-1	AMOCO	660' FNL 1980' FUL SEC. 26 T18S R31E	GAS	7/15/82	9/14/82	11875 11415	11090 TO 11111	ATOKA	13 3/8 TO 800' CMT. W/ 800 SX. 9 5/8 TO 4900' CMT. W/ 2200 SX 5 1/2 TO 11875' CMT. W/ 2150 S
HINKLE B-8	WESTALL-MASK	330' FNL 330' FUL SEC. 26 T18S R31E	OIL	3/26/76	5/21/76	4035 3700	3280 TO 3652	QUEEN	8 5/8 TO 648' CMT. W/ 300 SX. 4 1/2 TO 4035' CMT. W/ 800 SX.
GREENWOOD #3	AMOCO	1985' FNL 660' FEL SEC. 27 T18S R31E	OIL	1/7/61	2/28/61	12858 12687	9785 TO 9795	WOLFCAMP	16 TO 691' W/1500 SX. 10 TO 6385' W/2111 SX. 7 5/8 TO 12858' W/400 SX.
HINKLE F-11	MERIDIAN	330' FNL 1650' FUL SEC. 27 T18S R31E	OIL	11/15/86	12/15/86	4240 4170	3562 TO 3934	QUEEN	8 5/8 TO 733' CMT. W/ 400 SX. 5 1/2 TO 4240' CMT. W/ 1835 SX
HINKLE B-8	MERIDIAN	1880' FNL 1980' FUL SEC. 27 T18S R31E	OIL	11/6/64	11/11/64	5188 3960	3712 TO 3928	QUEEN	4 1/2 TO 5188' W/170 SX.
HINKLE F-2	WELCH V.S	1650' FNL 2310' FEL SEC. 27 T18S R31E	P&A	5/15/65	7/22/65	3979	P&A		8 5/8 TO 890' CMT. W/ 50 SX.

## SCOTTSDALE WATERFLOOD PROJECT

WELL NAME	OPERATOR	LOCATION	TYPE OF WELL	SPUD DATE	COMP. DATE	TD PBTD	COMPLETION INTERVAL	FORMATION	CASING PROGRAM
HINKLE F-3	WELCH V.S.	1990' FNL 1980' FNL SEC. 27 T18S R31E	OIL	6/1/65	8/4/65	3976 3960	3908 TO 3926	QUEEN	8 5/8 TO 870' CMT. W/ 50 SX. 5 1/2 TO 3976' CMT. W/ 100 SX.
HINKLE B-20	WESTALL- MASK	2310' FSL 2310' FEL SEC. 27 T18S R31E	OIL	10/18/87	3/31/88	4300 3000	2530 TO 2702	YATES	8 5/8 TO 450' CMT. W/ 400 SX. 4 1/2 TO 4300' CMT. W/ 2000 SX
SCOTTSDALE #1	SIETE	330' FNL 2310' FEL SEC. 27 T18S R31E	OIL	9/25/84	10/18/84	4070 3900	3580 TO 3650	QUEEN	8 5/8 TO 750' W/ 300 SX. CMT. 5 1/2 TO 4070' CMT. W/ 770 SX.
SCOTTSDALE #2	SIETE	330' FNL 990' FEL SEC. 27 T18S R31E	OIL	5/16/86	3/12/85	4503 4525	2629 TO 4234	YATES QUEEN SAN ANDRES	10 3/4 TO 378' CMT. W/ 300 SX. 4 1/2 TO 4502' CMT. W/ 2100 SX
SCOTTSDALE #3	SIETE	1850' FNL 2310' FEL SEC. 27 T18S R31E	OIL	6/19/85	7/3/85	4500 4489	3574 TO 3952	QUEEN	13 3/8 TO 355' CMT. W/ 400 SX. 5 1/2 TO 4499' CMT. W/ 2600 SX

[illegible]



WELL: Hinkle F No. 2

Spurited 5/15/65

1/8/81

**LOCATION:**

Section 27, T-18S, R31E

1/8/81

< | > 8-5/8", 24#/ft. @ 47' cement w/100 sx. cir

This well was originally plugged by V. S. Welch in 1965. It was re-plugged by Southland Royalty in January 1981.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEYSUBMIT IN TRIPLICATE\*  
(Other instructions on re-  
verse side)Form approved.  
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.

LC 029392 B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

## SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different well. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> P & A Well		JAN 14 1981	
2. NAME OF OPERATOR <del>Southland Royalty Company</del> V.S. Welch / O.C.D.			
3. ADDRESS OF OPERATOR 1100 Wall Towers West Midland, Texas 79701 ARTESIA, OFFICE			
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1650' FNL & 2310 FEL, Sec. 27, T-18-S, R-31-E			
14. PERMIT NO.		15. ELEVATIONS (Show whether DF, RT, GR, etc.) 3637 GR	
		12. COUNTY OR PARISH Eddy	13. STATE New Mexico

## 16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

## NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(Other) <input type="checkbox"/>	

## SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input checked="" type="checkbox"/>
(Other) Re-enter & re-plug	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Re-enter w/11" bit & drl to 60'. Ran 47' 8 5/8" 24# csg & cmt w/100 sxs Cl "C" w/4 3/8 CaCl. Cmt circ. GIH w/6 1/4" bit & drl cmt to 123'. Drlg samples indicated new hole deviating from old hole where 8 5/8" csg was pulled and plugged. POH & GIH w/7 7/8" bit to ream out hole and attempt to penetrate plug above 8 5/8". Drl thru 140' cmt @ 501-641' then samples indicated Red Bed & Shale. Continue drlg from 693-760' showing anhydrite. Did not find csg. Spotted cmt plug from TD to 300'. Pulled up & spotted 50' cmt plug from csg shoe to surface.

This procedure was approved by USGS in verbal agreement between USGS office in Artesia and SRC representative, Mr. Don Craig, when it became apparent that the original plans could not be carried out.

RECEIVED

JAN 12 1981

U.S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

18. I hereby certify that the foregoing is true and correct

SIGNED

*E. C. Parson*

TITLE

District Operations Engineer

DATE

1-8-81

(This space for Federal or State office use)

APPROVED BY

(Orig. Sgd.) PETER W. CHESTER

TITLE

ACTING DISTRICT ENGINEER

DATE

JAN 13 1981

CONDITIONS OF APPROVAL, IF ANY:

N. M. D. C. C. COPY  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEYSUBMIT IN  
(Other ins  
verse side)PLICATED  
ons on re-Form approved  
Budget Bureau No. 42-R1424

## SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)OIL WELL ☒ GAS WELL ☐ OTHER ☐

Dry Hole

NAME OF OPERATOR

V. S. WELCH

ADDRESS OF OPERATOR

DRAWER H - ARTESIA, NEW MEXICO

LOCATION OF WELL (Report location clearly and in accordance with any State requirements.  
See also space 17 below.)  
At surface1650' FROM NORTH AND 2310' FROM E. LINE OF  
Sec. 27-18S-31E

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, ST, GA, etc.)

16.

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐FRACTURE TREAT ☐SHOOT OR ACIDIZE ☐REPAIR WELL ☐(Other) ☐PULL OR ALTER CASING ☐MULTIPLE COMPLETE ☐ABANDON\* ☐CHANGE PLANS ☐

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐FRACTURE TREATMENT ☐SHOOTING OR ACIDIZING ☐(Other) ☐REPAIRING WELL ☐ALTERING CASING ☐ABANDONMENT\* ☐(NOTE: Report results of multiple completion on Well  
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) \*

PLUGGED THE ABOVE WELL AS FOLLOWS:

CEMENT FROM 3979 TO 3880

MUD FROM 3880 TO 21-5

GRAVEL FROM 2105 TO 2020

CEMENT FROM 2020 TO 1910

MUD FROM 1910 TO 995

GRAVEL FROM 995 TO 940

CEMENT FROM 940 TO 837

KNOCKED OFF AND PULLED 8-5/8" CASING @ 724 FT. FILLED WITH  
MUD TO 100 FT. FILLED WITH GRAVEL TO 15 FT. RAN 20 BAGS  
CEMENT PLUG AND REGULATION MARKER.

(TWO COPIES OF ELECTRIC LOG ATTACHED)

18. I hereby certify that the foregoing is true and correct

SIGNED

TITLE

AGENT

DATE

8/2/65

(This space for Federal or State office use)

TITLE

DATE

APPROVED  
OCT 15 1965REMOVED BY  
CONDITIONS OF APPROVAL, IF ANY:H. C. ELLIOTT  
ACTING DISTRICT ENGINEER

\*See Instructions on Reverse Side

ILLEGIBLE

SIETE OIL GAS CORPORATION

Scottsdale Waterflood Project

NMOCD Form C-108 Section VII

VII. Injection Data

1. Injection Rates
  - a. Proposed average daily water injection is 300 BWP/Well.
  - b. Maximum rate of daily water injection is 500 BWP/Well.
2. We will utilize Meridian's injection station.
3. Injection Pressures
  - a. Proposed average daily injection pressure is 500 PSI.
  - b. Maximum daily injection pressure is 520 PSI\*.  
\* Note: Maximum injection pressure abides by .2 PSI/Ft maximum injection pressure imposed by the NMOCD. Future necessary increases in surface pressure will be obtained administratively from the NMOCD using field obtained "Step Rate Test" data.
4. Injection water will come from Meridian's waterflood facility on the Hinkle Lease. The water will be produced water from the Penrose-Queen-Grayburg formation. This is the same formation we are injecting into, therefore, the waters will be compatible.
5. Water injection will be into a zone currently productive of oil and gas.

VIII. Geologic Data:

The injection interval for the Scottsdale #2 will be the Yates-Seven Rivers-Queen-Grayburg formations. These horizons produce from fine to medium grained sandstones of the Guadalupian Series and Permian age. The Yates top is at a depth of 2474' (+1198' subsea). The Yates has a gross thickness of 190'. The net pay zone to be injected into is about 35' thick. The Seven Rivers top is at a depth of 2662' (+1010' subsea) and has a gross thickness of 700'. The net pay zone to be injected into is about 20' thick. The Queen top is at a depth of 3362' (+310 subsea). The Queen has a gross thickness of 470'. The net pay zone to be injected into is about 75' thick. The Grayburg top is at a depth of 3832' (-160' subsea) and has a gross thickness of 420'. The net pay zone to be injected into is about 40' thick.

VIII. (con't)

There are no sources of drinking water underlying the zones to be injected into. A thorough search of the State Water Board records show there is a fresh water well located in the center of the NW NE portion of Section 27. It is owned by Southland Royalty. The depth of the well can not be found in any of the State Water Board records. Some other fresh water wells, located over 1 1/2 miles from our injection well are 300' to 400' deep.

- IX. No additional stimulation is planned.
- X. Well logs have been submitted. The Scottsdale #2 is currently shut-in.
- XI. The fresh water well in Section 27 T18S R31E was sampled on 1/26/87. It had chlorides of 38,830 ppm and specific conductance of 92,693. This well is owned by Southland Royalty and appears to be a source well for drilling water, because it is too salty for potable water.
- XII. I, Robert Lee, a Production/Reservoir Engineer for Siete Oil and Gas Corporation and in behalf of, have compiled and examined all available geologic and engineering data and have not found any evidence of hydrologic connections between the proposed Shugart Penrose-Grayburg Waterflood Project injection zone and any sources of underground drinking water.
- XIII. Proof of Notice - requirements
  - 1. See attached mailing list and registered mail certificates.

PADILLA & SNYDER

ATTORNEYS AT LAW

200 W. MARCY, SUITE 212

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

(505) 988-7577

ERNEST L. PADILLA  
MARY JO SNYDER

FAX 988-7592  
AREA CODE 505

February 28, 1990

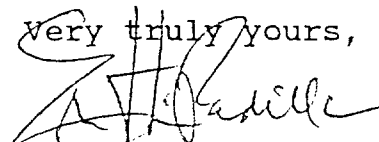
CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

TO: ALL OFFSET OPERATORS (See attached list)

RE: Application of Siete Oil & Gas Corporation for a  
Waterflood Project, Scottsdale Federal Well No. 2,  
Eddy County, New Mexico

Pursuant to the Rules and Regulations of the General Rules of the Oil Conservation Division of New Mexico, notice is hereby given of the above-referenced application. You may protest the enclosed application by appearing at the hearing of this application which will be heard on March 21, 1990, beginning at the hour of 8:15 a.m., at the offices of the Oil Conservation Division, State Land Office Building, 310 Old Santa Fe Trail, Santa Fe, New Mexico.

Very truly yours,

  
Ernest L. Padilla

ELP:pmc  
Enclosure as stated

BEFORE EXAMINER STORAGE
Oil Conservation Division
<i>Siete</i> Exhibit No. <u>3</u>
9896

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  
Amoco Production Co.  
P. O. Box 39  
Hobbs, NM 88240

4. Article Number  
P561 866 507

Type of Service:  
☐ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and **DATE DELIVERED.**

5. Signature — Address  
X *Cliff Friel*

6. Signature — Agent  
X

7. Date of Delivery  
3-5-90

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  
Westall Mask  
P. O. Box 234  
Loco Hills, NM 88255

4. Article Number  
P561 866 300

Type of Service:  
☐ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and **DATE DELIVERED.**

5. Signature — Address  
X *Gaut B. Westall*

6. Signature — Agent  
X

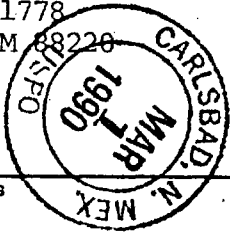
7. Date of Delivery  
MAR 05 1990

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

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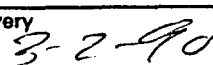
1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: Bureau of Land Management P. O. Box 1778 Carlsbad, NM 88228	4. Article Number P443 508 951
	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
	Always obtain signature of addressee or agent and <b>DATE DELIVERED</b> .
	8. Addressee's Address (ONLY if requested and fee paid)
5. Signature — Address X	
6. Signature — Agent X <i>[Signature]</i>	
7. Date of Delivery	

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
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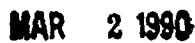
1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: Meridian Oil, Inc. 21 Desta Drive Midland, TX 79705	4. Article Number P561 866 297
	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
	Always obtain signature of addressee or agent and <b>DATE DELIVERED</b> .
	8. Addressee's Address (ONLY if requested and fee paid)
5. Signature — Address X	
6. Signature — Agent X <i>[Signature]</i>	
7. Date of Delivery 3-2-90 MAR • 2 1990	

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

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1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: Chevron, U.S.A., Inc. P. O. Box 1150 Midland, TX 79702	4. Article Number P561 866 298
	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
	Always obtain signature of addressee or agent and <b>DATE DELIVERED</b> .
	8. Addressee's Address (ONLY if requested and fee paid)
5. Signature — Address X	
6. Signature — Agent X <i>[Signature]</i>	
7. Date of Delivery MAR 2 1990	

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT



OFFSET OPERATORS - Scottsdale Federal No. 2

Amoco Production Co.  
P. O. Box 39  
Hobbs, New Mexico 88240

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

Meridian Oil, Inc.  
21 Desta Drive  
Midland, TX 79705

Bureau of Land Management  
P. O. Box 1778  
Carlsbad, NM 88220

Westall Mask  
P. O. Box 234  
Loco Hills, NM 88255

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:

Bureau of Land Management  
P.O. Box 1778  
Carlsbad, NM 88200

4. Article Number

Type of Service:

☒ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Address  
X

6. Signature — Agent  
X

7. Date of Delivery  
1-29-90

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

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1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:

Wostal Mask  
P.O. Box 234  
Lobo Hills, NM 88255

4. Article Number

Type of Service:

☒ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Address  
X

6. Signature — Agent  
X

7. Date of Delivery  
JAN 29 1990

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

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1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:

Amoco Production Co.  
P.O. B. 39  
Hobbs, New Mexico 88240

4. Article Number

Type of Service:

☒ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Address  
X

6. Signature — Agent  
X

7. Date of Delivery  
1-29-90

8. Addressee's Address (ONLY if requested and fee paid)

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1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:

Chevron U.S.A, Inc.  
P.O. Box 1150  
Midland, Tx 79702

4. Article Number

Type of Service:

☒ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Address  
X

6. Signature — Agent  
X

7. Date of Delivery  
JAN 29 1990

8. Addressee's Address (ONLY if requested and fee paid)

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1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:

Meridian Oil, Inc.  
21 Desta Drive  
Midland, Tx 79705

4. Article Number

Type of Service:

☒ Registered ☐ Insured  
☐ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Address  
X

6. Signature — Agent  
X

7. Date of Delivery  
JAN 29 1990

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT