

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose: Secondary Recovery Pressure Maintenance Disposal Storage
Application qualifies for administrative approval? yes no

II. Operator: Texaco Inc.

Address: P. O. Box 730, Hobbs, NM 88240

Contact party: J. A. Head Phone: (505) 393-7191

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. ATTACHED

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. ATTACHED

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.). ATTACHED

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. ATTACHED

IX. Describe the proposed stimulation program, if any. ATTACHED

X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.) ATTACHED

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. ATTACHED

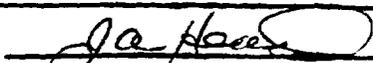
II. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water. ATTACHED

III. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

IV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: J. A. HEAD Title AREA MANAGER

Signature:  Date: AUGUST 31, 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.

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.

CASE 10066: (Continued from September 5, 1990, Examiner Hearing.)

Application of Matador Petroleum Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation or to a depth of 13,600 feet, whichever is deeper, underlying the following described acreage in Section 5, Township 20 South, Range 34 East, and in the following manner: Lots 3 and 4, the S/2 NW/4, and SW/4 (W/2 equivalent) to form a standard 320-acre, more or less, gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent (which presently includes but is not necessarily limited to the Undesignated Quail Ridge-Morrow Gas Pool); Lots 3 and 4 and the S/2 NW/4 (NW/4 equivalent) to form a standard 160-acre, more or less, gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; and the SW/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent (which presently includes but is not necessarily limited to the Undesignated South Quail Ridge-Bone Spring Pool). Said units are to be dedicated to a single well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit underlies the area underneath Mile Marker No. 77 on U.S. Highway 62/180.

CASE 10092: Application of Chevron U.S.A., Inc. for acreage rededication, two non-standard gas proration units, simultaneous dedication, and two unorthodox gas well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to rededicate certain Eumont Gas Pool acreage in portions of Sections 4 and 9, Township 21 South, Range 36 East, thereby forming: a 160-acre non-standard gas spacing and proration unit for said pool comprising Lots 12 and 13 and the W/2 SW/4 of said Section 4, to be simultaneously dedicated to its existing Bell Ramsay NCT-A Well No. 5 located at a standard gas well location 660 feet from the South and West lines (Unit U) and to Well No. 8 located at an unorthodox gas well location 3258 feet from the North line and 660 feet from the West line (Unit L) both in said Section 4; and, a 240-acre non-standard gas spacing and proration unit comprising the NW/4 and E/2 SW/4 of said Section 9, to be dedicated to a well to be drilled at an unorthodox gas well location 990 feet from the South line and 1980 feet from the West line (Unit M) of said Section 9. Said area is located approximately 1 mile west of Oil Center, New Mexico.

CASE 9962: (Continued and Readvertised)

Application of Stevens & Tull, Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks blanket approval for the downhole commingling of Abo, Drinkard, Tubb and Blinbry production in the wellbore of all existing wells and all wells subsequently drilled on its Carter "23" Prospect acreage, which includes the N/2 SE/4 of Section 23, Township 20 South, Range 38 East. Said area is located approximately 4.75 miles south by east of Nadine, New Mexico.

CASE 10031: (Readvertised) (Continued from September 5, 1990, Examiner Hearing.)

Application of Nearburg Producing Company for a non-standard oil proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an 80-acre non-standard oil spacing and proration unit comprising the W/2 NE/4 of Section 31, Township 19 South, Range 25 East, Undesignated North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Said unit is located approximately 9 miles west by south of Lakewood, New Mexico.

CASE 10093: Application of Nearburg Producing Company for compulsory pooling and a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 31, Township 19 South, Range 36 East, forming a 636.79-acre non-standard gas spacing and proration unit for the North Osudo-Morrow Gas Pool, said unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 8.5 miles west by south of Monument, New Mexico.

CASE 10094: Application of Chevron U.S.A., Inc. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location for its Lea "YL" late Well No. 2 to be drilled 2230 feet from the South line and 2310 feet from the East line (Unit J) of Section 2, Township 17 South, Range 37 East, Shipp-Strawn Pool, the W/2 SE/4 of said Section 2 to be dedicated to said well forming a standard 80-acre oil spacing and proration unit for said pool. Said unit is located approximately 4.5 miles north of Humble City, New Mexico.

Application of Texaco Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Moore-Devonian and Moore Permo-Pennsylvanian Pools through the perforated interval from approximately 10,440 feet to 10,700 feet in its New Mexico 80 State Well No. 2 located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 24, Township 11 South, Range 32 East, which is located approximately 3.25 miles southeast by south of Caprock, New Mexico.

CASE 10096: Application of Texaco Producing Inc. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location for its West Dollarhide Drinkard Unit Well No. 111 to be drilled 2630 feet from the South line and 130 feet from the East line (Unit J) of Irregular Section 33, Township 24 South, Range 38 East, Dollarhide Tubb-Drinkard Pool, Skelly West Dollarhide Drinkard Waterflood Project Area, said well to be dedicated to an existing 47.26-acre non-standard oil spacing and proration unit comprising Lot 3 and the NE/4 SW/4 of said Section 33, which is presently dedicated to the West Dollarhide Drinkard Unit Well No. 58 located 1980 feet from the South line and 630 feet from the East line (Unit K) of said Section 33. Said unit is located approximately 3 miles north of New Mexico State Highway No. 128 at that point where it meets the New Mexico/Texas Stateline.

10,550 - 10,800

PLEASE NOTE THAT THE SEPTEMBER 19, 1990, EXAMINER HEARING WILL BE HELD IN THE STATE HIGHWAY AUDITORIUM, 1120 CERRILLOS ROAD, SANTA FE, NEW MEXICO.

DOCKET NO. 26-90

Dockets Nos. 28-90 and 29-90 are tentatively set for October 3, 1990 and October 17, 1990. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 19, 1990

8:15 A.M. - STATE HIGHWAY AUDITORIUM, 1120 CERRILLOS ROAD,
SANTA FE, NEW MEXICO

The following cases will be heard before David R. Catanach, Examiner, or Michael E. Stogner, Alternate Examiner:

CASE 10089: Application of Merrion Oil & Gas Corporation to amend the special rules and regulations for the Dufers Point Gallup-Dakota Oil Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a revision of the special rules and regulations for the Dufers Point Gallup-Dakota Oil Pool, as promulgated by Division Order No. R-7435, to increase the limiting gas/oil ratio to 5000 cubic feet of gas per barrel of oil. Said pool is located in Townships 24, 25 and 26 North, Ranges 8 and 9 West.

CASE 10090: Application of Yates Energy Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation underlying the SW/4 SW/4 (Unit M) of Section 1, Township 18 South, Range 31 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 40-acre spacing (which presently includes the Undesignated Tamano-San Andres and Undesignated Tamano-Bone Spring Pools). Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is approximately 5.5 miles south by west of New Mexico State Highway No. 529's intersection with the Lea/Eddy County line.

CASE 10067: (Continued from September 5, 1990, Examiner Hearing.)

Application of Bird Creek Resources, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation or to a depth of 6,250 feet, whichever is deeper, underlying the SW/4 SE/4 of Section 15, Township 23 South, Range 28 East, forming a standard 40-acre oil spacing and proration unit for either the Undesignated East Loving-Delaware Pool or Undesignated South Loving-Delaware Pool, to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 1.5 miles northeast of Loving, New Mexico.

CASE 10091: Application of Bird Creek Resources, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation or to a depth of 6250 feet, whichever is deeper, underlying the NW/4 SE/4 (Unit J) of Section 15, Township 23 South, Range 28 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 40-acre oil spacing, which presently includes but is not necessarily limited to the Undesignated Loving-Cherry Canyon Pool and Undesignated East Loving-Delaware Pool. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2 miles east-northeast of Loving, New Mexico.

CASE 10055: (Readvertised)

Application of Meridian Oil, Inc. for a non-standard gas proration unit, an unorthodox coal gas well location, and directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox coal gas well location for its Payne Well No. 271, to be drilled 65 feet from the North line and 300 feet from the East line (Unit A) of Section 27, Township 32 North, Range 10 West, Cedar Hill-Fruitland Basal Coal Pool, Lots 1 through 8 (E/2 equivalent) of said Section 27 to be dedicated to said well to form a non-standard 305.03-acre gas spacing and proration unit for said pool. ALTERNATELY, the applicant seeks to directionally drill said well from the above-described surface location to a standard bottomhole coal gas well location within the NE/4 equivalent of said Section 27. Said unit is located approximately 1.5 miles northeast of Cedar Hill, New Mexico.

CASE 10056: (Continued from September 5, 1990, Examiner Hearing.)

Application of Meridian Oil, Inc. for three non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 6 of Division Order No. R-8768 to establish three non-standard gas spacing and proration units for Basin-Fruitland Coal (Gas) Pool production in Irregular Sections 6, 7, 18, 19, and 30, Township 31 North, Range 8 West. Said row of Sections are located approximately 8.5 miles northwest of the Navajo Reservoir Dam.