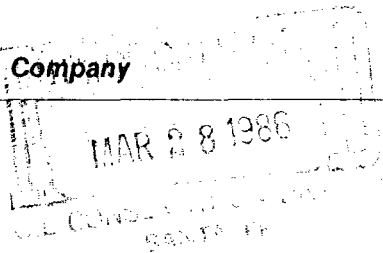


Nearburg Producing Company

Exploration and Production
P.O. Box 31405
5447 Glen Lakes Drive
Dallas, Texas 75231-0405
214-739-1778



March 25, 1986

Mr. Les Clements
New Mexico Oil Conservation Division
324 West Main Street
Artesia, NM 88210

RE: SALT WATER DISPOSAL WELL APPLICATION
AIKMAN STATE #1-SWD
SECTION 27, T19S, R25E
EDDY COUNTY, NEW MEXICO

Dear Mr. Clements:

Please find attached a Form C-108, Application to Dispose of Salt Water by Injection into a Porous Formation. We have scheduled a hearing on this proposed disposal well for April 16, 1986.

Please contact me if further information is required.

Yours truly,

NEARBURG PRODUCING COMPANY

T. R. MacDonald
Engineering Manager

kay

enc

cc; NMOCD-Santa Fe
William F. Carr

APPLICATION FOR AUTHORIZATION TO INJECT

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

II. Operator: Nearburg Producing Company

Address: P. O. Box 31405 - Dallas, TX 75231

Contact party: Mark K. Nearburg

Phone: 214/739-1778

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: J. R. MacDonald

Title: Engineering Manager

Signature: J.R. MacDonald

Date: March 24, 1986

* 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.

Schematic

Tubular Data

Surface Casing (Existing)

Size 12-3/4" Cemented with 550 sx.
TOC Circ feet determined by ---
Hole size 17-1/2"

Intermediate Casing (Existing)

Size 9-5/8" Cemented with 550 sx.
TOC Circ feet determined by ---
Hole size 12"

Long string (Proposed)

Size 7" Cemented with --- sx.
TOC within intermediate casing. feet determined by ---
Hole size 8-3/4"
Total depth 7900'

Injection interval

7772 feet to 7850 feet
(perforated or open-hole, indicate which)

PROPOSED INJECTION
INTERVAL
7772'-7850'

Well P & A'd 2/22/74 as follows:
Plug No. 1 - Surface - 10 sx.
Plug No. 2 - 350'-450' - 35 sx.
Plug No. 3 - 1150'-1250' - 35 sx.
Plug No. 4 - 2300'-2400' - 35 sx.
Plug No. 5 - 3075'-3175' - 35 sx.
Plug No. 6 - 6250'-6350' - 35 sx.
Plug No. 7 - 7600'-7700' - 35 sx.
Plug No. 8 - 8700'-8800' - 35 sx.
Plug No. 9 - 9050'-9200' - 50 sx.

PROPOSED 7"
PRODUCTION CSG
@ ± 7900'

35 SX CMT PLUG
8700-8800'

50 SX CMT PLUG
9050-9200'

ORIGINAL TO
9544'

tubing size 2-7/8" lined with Tuboscope TK-69 or Equivalent set in a
(material)
Baker Model ADL Tension (Nickel Plated) packer at 7672 feet.
(brand and model)

(describe any other casing-tubing seal).

Other Data

Name of the injection formation Canyon Dolomite

Name of Field or Pool (if applicable) Not Applicable

Is this a new well drilled for injection? ☐ Yes ☒ No

If no, for what purpose was the well originally drilled? Drilled as a Morrow test by Coquina as the Aikman State Com #1, 1/74.

Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) No - See above for

Plugging Record.

Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area.

PROPOSED OPERATIONS

NEARBURG PRODUCING COMPANY AIKMAN #1-SWD

We propose to re-enter the subject well (originally drilled the Coquina Aikman-State #1) by drilling out and running 7" production casing. After cementing, we then propose to selectively perforate the gross interval from 7772'-7850', and stimulate with acid if necessary.

GEOLOGICAL DATA

NEARBURG PRODUCING COMPANY AIKMAN #1-SWD

The formation into which we propose to inject is the Canyon Dolomite, which is 460 feet thick in the Aikman well and is comprised of fine to medium crystalline dolomites and locally dolomitic limestones. These dolomites are locally porous due to the presence of vugs and vertically-limited fractures. Permeable zones are separated from one another by tens of feet of impermeable carbonates, with no probable vertical communication between zones.

The Canyon Dolomite ranges from 7694 to 8148 feet depth in the well and is considered not economically productive of hydrocarbons at that location. The closest Canyon production is 1-1/2 miles to the northwest in the Anadarko #1 Osage in Section 21. The Canyon is overlain by tight interbedded limestones and shales of the Cisco formation and underlain by shalier carbonates of the Strawn formation. None of these formations are sources of potable water in the area.

WELLS WITHIN 1/2 MILE AREA OF REVIEW

Coquina Oil Corporation - Pan Canadian #1

Location: 1980' FNL, 1980' FWL Section 34, T19S, R25E
Date Drilled: April, 1977
Depth: 9640'
Current Completion: TA CIBP @ 9175' w/35' cement on top.
CIBP @ 8800' w/35' cement on top.

PROPOSED OPERATING DATA

Average Daily Rate: 1500 BPD
Maximum Daily Rate: 3000 BPD
Closed System
Average Injection Pressure: 500#
Maximum Injection Pressure: 1500#
Source of Disposal Water: Produced Water