

Energy Reserves Group, Inc.
1509 West Wall Street
P.O. Drawer 2437
Midland, Texas 79702
Phone 915 682 2591



May 14, 1985

Case 8635

Re: Application for
Saltwater Disposal
(Form C-108)

Gentlemen:

Energy Reserves Group, Inc., P. O. Box 2437, Midland, Texas makes an application to utilize the McCellan No. 1 (2000' FSL & 1900' FWL, Sec 10, 6S - 33E Roosevelt Co., N. M.) as a saltwater disposal well. This well was originally drilled to a total depth of 8330 feet in attempt to make a oil producer and was later plugged and abandoned.

Energy proposes to inject into the non-productive Fusselman formation from 8150-8220'. The nearest producing well is approximately 1/2 mile away in Energy Reserves Group Miller 10 No. 1 at a depth of 7870'.

Miller 10 No. 1 is the only wellbore (active or P&A) within a 1/2 mile radius of the McCellan No. 1. Estimated maximum rate is 2000 BWPD at 2500 psi through a closed injection system. The disposal fluid is to be produced water and typical water analysis are attached. There are no underground sources of drinking water or fresh water wells in the immediate area of the McCellan No. 1.

Attached is a mailing list in which copies of this application was sent by certified mail.

Proof of notice was published in the Portales News Tribune dated April 30, 1985, as per the attached affidavit.

R. L. Robertson
Production Engineer III

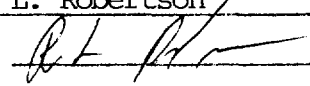
RLR/er

APPLICATION FOR AUTHORIZATION TO INJECT

- I. Purpose: ☐ Secondary Recovery ☐ Pressure Maintenance ☒ Disposal ☐ Storage
Application qualifies for administrative approval? ☐ yes ☐ no
- II. Operator: Energy Reserves Group, Inc.
Address: P. O. Box 2437 Midland, Texas 79702
Contact party: Mr. W.J. Sandidge Phone: 915/682-2591
- 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: R. L. Robertson Title Production Engineer III

Signature:  Date: 5/22/85

- * 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.

RECEIVED

AUG 10 1984

HALLIBURTON DIVISION LABORATORY
HALLIBURTON SERVICES
MIDLAND DIVISION
HOBBS, NEW MEXICO 88240

LABORATORY WATER ANALYSIS

No. W84-586

ENERGY RESOURCES GROUP
To Energy Resources Group

Date 8-9-84

Box 2437

Midland, Texas

ATTN: Mr. Floyd Wheeler

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by _____ Date Rec. 8-9-84

Well No. S.W. Taylor #1 _____ Depth _____ Formation _____

County _____ Field _____ Source _____

Windmill

Resistivity _____ 7.10 @ 75°F. _____

Specific Gravity 1.00 _____ 1.001 _____

pH _____ 8.0 _____

Calcium (Ca) _____ 125 _____ *MPL

Magnesium (Mg) _____ 60 _____

Chlorides (Cl) _____ 250 _____

Sulfates (SO₄) _____ 440 _____

Bicarbonates (HCO₃) _____ 185 _____

Soluble Iron (Fe) _____ Nil _____

Remarks: _____ *Milligrams per liter

Respectfully submitted,

Analyst: Brewer

cc:

HALLIBURTON COMPANY

By

W. J. Brewer
CHEMIST

NOTICE

THIS REPORT IS LIMITED TO THE DESCRIBED SAMPLE TESTED. ANY USER OF THIS REPORT AGREES THAT HALLIBURTON SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE, WHETHER IT BE TO ACT OR OMISSION, RESULTING FROM SUCH REPORT OR ITS USE.



Energy Reserves Group

PRODUCTION DEPARTMENT

COMPLETION DATA SHEET

Lease McClellanWell No. 1 Sec. 10 T. 6S R. 33E
Roosevelt Co., N. M.

PRESENT STATUS

DIVISION

FIELD

LOCATION

Southern

So. Peterson Fusselman

2000' FSL & 1900' FWL

WELL PROFILE

TD

DRILL PIPE

LOG

8330'

PBTD

DRILL PIPE

GAMMA-RAY

ELEVATION

DATUM POINT (GRD-KB-DF)

4385.7 GL

DATUM POINT ELEVATION

4397 KBM

cmt. 950-1050

CASING DESIGN

11.3 KB

SIZE

WEIGHT

GRADE

THREAD

COUPLING

MAKE

NO. JTS.

FOOTAGE

SACKS

8 5/8

24

K-55

8rd

ST&C

Cmt. Circ.

51

2034.94

650

cmt. 8 5/8" @ 2035'
1985-2085PERFORATED
INTERVAL

FORMATION

REMARKS

COMMENTS:

Spud 6/27/84

DST 7884-8054' 500' SGCM, 2500' 40% mud

& 60% form wtr, & 2667' SGC form wtr.

D&A 7/20/85

cmt 3048-3148

cmt 4280-4380

cmt 5704-5804

cmt 6452-6552

cmt 7170-7270

cmt 7900-8000

TD 8330'

SUBMITTED BY

R. L. Robertson

DATE

5/1/85

APPROVED BY



Energy Reserves Group

PRODUCTION DEPARTMENT

COMPLETION DATA SHEET

Lease McClellanWell No. 1 Sec. 10 T. 6S R. 33ERoosevelt Co., N.M.

PROPOSED COMPLETION

DIVISION

Southern

FIELD

South Peterson Fusselman

LOCATION

2000' FSL & 1900' FWL

WELL PROFILE

TD

DRILL PIPE

8330'

LOG

PBTD

DRILL PIPE

GAMMA-RAY

ELEVATION

DATUM POINT (GRD-KB-DF)

4385.7 GL

DATUM POINT ELEVATION

4397 KBM

CASING DESIGN

11.3 KB

SIZE	WEIGHT	GRADE	THREAD	COUPLING	MAKE	NO JTS.	FOOTAGE	SACKS
<u>8 5/8</u>	<u>24</u>	<u>K-55</u>	<u>8rd</u>	<u>ST&C</u>	<u>Cmt. Circ.</u>	<u>51</u>	<u>2034.94</u>	<u>650</u>
<u>4 1/2</u>	<u>11.6</u>	<u>K-55</u>	<u>8rd</u>	<u>LT&C</u>	<u>TOC (calc) 6200'±</u>		<u>8300</u>	<u>600</u>

8 5/8 @ 2035PERFORATED
INTERVAL

FORMATION

REMARKS

8150-8220Fusselman5000 gal 15% HCL

COMMENTS:

2 3/8" P.C. tbg.Baker Lok-set pkr
@ 79508150-8220'4 1/2" @ 8300TD 8330'

SUBMITTED BY

R.L. Robertson

DATE

5/1/85

APPROVED BY

HALLIBURTON SERVICES

MIDLAND DIVISION

HOBBS, NEW MEXICO 88240

LABORATORY WATER ANALYSIS

No. W82-1302

To Energy Reserves GroupDate 12-22-82Box 2437Midland, TexasATTN: Mr. Floyd Wheeler

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by _____

Date Rec. 12-22-82Well No. Bledsoe #2

Depth _____

Formation Cisco

County _____

Field Tannehill

Source _____

Resistivity 0.095 @ 74°F.Specific Gravity 1.069pH 6.4Calcium (Ca) 9,000

*MPL

Magnesium (Mg) 240Chlorides (Cl) 58,000Sulfates (SO₄) 600Bicarbonates (HCO₃) 160Soluble Iron (Fe) 40

Remarks:

*Milligrams per liter

Respectfully submitted,

Analyst: Brewer

HALLIBURTON COMPANY

cc:

By W. Z. Brewer

CHEMIST

NOTICE

THIS REPORT IS LIMITED TO THE DESCRIBED SAMPLE TESTED. ANY USER OF THIS REPORT AGREES THAT HALLIBURTON SHALL

HALLIBURTON DIVISION LABORATORY

HALLIBURTON SERVICES

MIDLAND DIVISION

HOBBS, NEW MEXICO 88240

LABORATORY WATER ANALYSIS

No. W84-547To Energy Reserves GroupBox 2437Midland, TexasATTN: Mr. Floyd Wheeler

RECEIVED JUL 24 1984

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Submitted by _____ Date Rec. 7-23-84Well No. Federal "9" #1 Depth _____ Formation _____County Roosevelt Field _____ Source _____7-23-84Resistivity _____ 0.113 @ 75°F.Specific Gravity _____ 1.056pH _____ 6.4Calcium (Ca) _____ 5,400 *MPLMagnesium (Mg) _____ NilChlorides (Cl) _____ 45,000Sulfates (SO₄) _____ 1,900Bicarbonates (HCO₃) _____ 160Soluble Iron (Fe) _____ 220

Remarks: Sample aprx. 4% emulsion when received - broken using
5 gallons Morflo/1000 gallons of 2% KCl water.
API Gr. of Oil - 42.4 @ 60°F.
Shake Out after adding Morflo II:

Oil - 65%
Water - 33%
Solids - 2% (Iron Sulfide)

*Milligrams per liter

Respectfully submitted,

Analyst: Brewer

cc:

HALLIBURTON COMPANY

By W. J. Brewer

CHEMIST

NOTICE

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FORM C-108 ATTACHMENT

- III. A. 1) McClellan No. 1 unit letter K, Sec 10, Township 6S, Range 33E, Roosevelt Co., N. M., 1900 FWL & 2000' FSL.
2) 8 5/8" 24# @ 2035'. 11" hole. Used 650 sx cmt to circulate hole.
4 1/2" 11.6# @ 8300' (proposed). 7 7/8" hole. 600 sx cmt has a calculated TOC of 6200'.
3) 2 3/8" J-55 tubing w/AMF tuboscope TK-75 coating. Setting depth 7950'.
4) Nickel plated Baker Mod K @ 7950'

- B. 1) Fusselman formation in South Peterson Fusselman Field.
2) 8150-8220' w/2 JSPF.
3) Original purpose of well was to test the Fusselman for commercial production.
4) No other perforations planned.
5) Top of Cisco @ 7600' & top of Granite Wash @ 8280'. Both zones non-commercial in this wellbore.

V. Copy of land map attached scale 1' = 4000'.

VI. ERG Miller 10 No. 1 is a flowing oil well in SW/4 NE/4 of Sec 10, Township 6S and Range 33E. Total Depth of 8096' was reached on 2/18/84. This is a Fusselman completion (7862-80') with 4 1/2" casing.

- VII. 1) Average 1500 BPD Max 2000 BPD
2) Closed system
3) Average 2000 psi Max 2500 psi
4) Fusselman and Cisco produced water from area ERG wells. "Typical" analysis are attached.
5) The Fusselman zone produces in ERG Miller 10 No. 1.

VIII. The Fusselman zone is from 7950' to 8280' (330'). A copy of the mud loggers report is attached no underground sources of drinking water were found in this wellbore.

IX. 5000 gal 15% HCL.

X. Logs and DST Summary were filed with Form C-105 on 8/13/85.

XI. Attached Halliburton Laboratory water analysis #W84-586 is from Mr. Joe Miller's windmill in NW/4 of Sec. 11.

XII. Energy Reserves Group, Inc. has examined available geologic & 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. Affidavit of publication from the Portales News Tribune is attached.

MCCELLAN NO. 1
Mailing List

Ms. Evelyn Cater Elida, N. M. 88116 - P-458-462-512	Surface Owner
Ms. Kathrin Newman Elida, N. M. 88116 - P-458-462-511	Surface Owner
Ms. Lucille Gibson Elida, N. M. 88116 - P-458-462-510	Surface Owner
Phillips Petroleum Co. 4001 Penbrook Odessa, Texas 79762 Attn: Mr. Harold McLemore Certified Mail No. - P-458-462-509	Lease Hold
McCellan Oil Corp. P.O. Box 730 Roswell, N. M. 88201 Attn: Jack McCellan Certified Mail No. - P-458-462-508	Lease Hold
Sun Exploration & Production Co. Suite 600 Sun Tower #24 Smith Road Midland, Texas 79702 Certified Mail No. - P-458-462-507	Lease Hold
McKay Oil Co. P. O. Box 2014 Roswell, N. M. 88201 Certified Mail No. - P-458-462-506	Lease Hold

[illegible]

Affidavit of Publication

LEGAL NOTICE

Energy Reserves Group, Inc. is currently negotiating for rights to re-enter the plugged and abandoned McClellan No. 1 as a saltwater disposal well. This well is located 2000' FSL & 1900' FWL, Sec 10, T-6-S, R-33-E, Roosevelt Co., N.M.

The injection zone will be in the non-productive Fusselman formation at a depth of 7950 to 8200 feet. Estimated injection rate will be 2000 BWPD at 2500 psi. Energy Reserves Group, Inc., Miller 10 No. 1 is the only well within a ½ mile radius of the subject well. All interested parties must file objections or requests for hearing with the Oil Conservation Division, P.O. Box 2080, Santa Fe, New Mexico 87501 within 15 days.

Additional questions should be addressed to W.J. Sandidge, District Production Manager, Box 2437, Midland, Texas 79702, 915-682-2591.

R.L. Robertson
Production Engineer III
Published in Portales News-Tribune April 30, 1985 Legal #8916.

I, Marshall Stinnett
Publisher of

THE PORTALES NEWS-TRIBUNE

a newspaper of general paid circulation and entered under second class postal privilege in Roosevelt County, published daily, (except Saturday) at Portales, New Mexico, for the fifty-two (52) consecutive weeks preceding this date, do solemnly swear that a copy of the above notice, as per clipping attached, was published weekly in the regular and entire issue of said

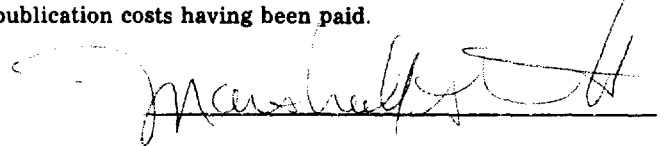
newspaper, and not in any supplement thereof for 1

consecutive weeks commencing with the issue dated

April 30 19 85

and ending with the issue dated April 30 19 85

All publication costs having been paid.



Subscribed and sworn to before me this 30th day of April 19 85

Lo Marie Barnett

Notary Public

My commission expires March 7 19 87