



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

July 11, 2002

Lori Wrotenbery

Director

Oil Conservation Division

Mr. Sam Brandon
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210-2118

Re: Administrative Application for SWD: Zingaro SWD Well No. 6
Section 1, T22S, R23E, NMPM, Eddy County, New Mexico.

Dear Mr. Brandon:

The division received your application June 14, 2002 and on July 11th had conversations with Ms. Cherry Matchus concerning additional information as necessary to complete the order. The information needed includes the following:

- 1) Ensure the well bore diagram matches the earlier statements about the injection configuration – will this be perforated casing or open hole?
- 2) Concerning Item XII of the form C-108, please have a geologist sign the affirmation.
- 3) Concerning Item XIII of the form C-108, please provide evidence that notices were sent to the surface owner and the offset leaseholders.
- 4) If available, please provide a copy of the APD.
- 5) Please provide another “fresh” water analysis in the vicinity or provide more explanation of why the windmill water is higher in TDS than the water being disposed of. Provide the approximate location of the windmill.

In addition, since the disposal water is less than 10,000 mg/l TDS and injected volumes will be large, discuss alternatives to disposal of this water including if possible the cents per barrel costs of these alternatives. Also provide some estimate of total volume to be injected into this SWD well and the net thickness and estimated average effective porosity of the injection zone.

Pending receipt of this information and since our 30-day limit for pending applications is approaching, your application is being returned. If I can be of further assistance, please call (505) 476-3448.

Sincerely,

William V Jones Jr. PE

cc: OCD-Artesia /

