C-108 Application For Authorization To Inject Yates Petroleum Corporation Medano "VA" State #1 K 16-23S-31E Eddy County, New Mexico

 The purpose of completing this well is to make a disposal well for produced Bell Canyon water into the Cherry Canyon, Brushy Canyon, and Bone Spring formations.

Yates Petroleum plans to convert this well to a dual water disposal well into the Cherry Canyon, Brushy Canyon and Bone Spring, and a producing well in the Bell Canyon.

- II. Operator: Yates Petroleum Corporation
 105 South Fourth Street
 Artesia, NM 88210
 Brian Collins (505) 748-1471
- III. Well Data: See Attachment A
 - IV. This is not an expansion of an existing project.
 - V. See attached map, Attachment B
- VI. Tabulation of data on all wells within area of review which penetrate the proposed injection zone. (See Attachment C.)

One well penetrates the proposed injection zone. This is the Medano "VA" State #2 also operated by Yates Petroleum Corporation. It is a gas well located 1980'FNL, 660'FWL of Section 16-23S-31E approximately 1/4 mile NW of proposed well. (See wellbore sketch, Attachment D.)

- VII. 1. Proposed average daily injection volume approxi-1500 BWPD. Maximum daily injection volume approximately 5000 BWPD.
 - 2. This will be a closed system.
 - 3. Proposed average injection pressure-unknown. Proposed maximum injection pressure--1204 psi.
 - 4. Sources of injected water would be produced water from the Bell Canyon Sand. (See Attachment E.)
 - 5. See Attachment F.