

FILE COPY

BETTIS, BOYLE & STOVALL
P. O. BOX 1240
GRAHAM, TX 76450
FAX 817-549-7405 OR PHONE 817-549-0780

November 5, 1991

Oil Conservation Division
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

Attn: Mr. David Catanach

Re: Application for Authorization
To Inject
Corral Draw #2
Sec. 22-T25S-R29E
Eddy Co., NM

Dear Mr. Catanach,

Enclosed please find our application for authorization to convert the Corral Draw #2 well to a saltwater disposal well. The Corral Draw #2 was drilled by Mobil in 1974. After producing and testing two deeper zones the Bell Canyon zone 3180-3333' was tested non-commercial (water) in 1986. Since that time the well has been TA'd. In 1987 Bettis, Boyle and Stovall bought the lease from Mobil.

In June, 1990, Bettis, Boyle & Stovall tested the 7-5/8" casing to satisfy BLM requirements of proof of casing integrity. The casing was tested to 515 psi with no leakoff in 25 minutes.

At this time Bettis, Boyle and Stovall requests authority to convert the well to a disposal well to dispose of Cherry Canyon Delaware water being produced from our Pickett Draw #2 well in Section 10, T25S, R29E. Attached to our application please find pertinent well data on the well, a map showing the well location and other wells in the area, an analysis of water to be disposed, and proof of mailing to offset operators as well as proof of publication of this application.

A review of the area shows there are no wells within one-half mile of the proposed disposal well. A search of the area also revealed no fresh water wells, therefore no fresh water analysis of the area was made.

A geologic study of the area indicates the base of the salt and anhydrite at +3100'. Several wells have tested the Bell Canyon in the surrounding area but no commercial production has been established in the Bell Canyon or any shallower formation. The nearest deeper production is from the Cherry Canyon around 5200' which produces in several surrounding wells but none of which are closer than one mile away.