

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



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ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners**
- [B] ☐ Offset Operators, Leaseholders or Surface Owner**
- [C] ☐ Application is One Which Requires Published Legal Notice**
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO**
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,**
- [F] ☐ Waivers are Attached**

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

Date

e-mail Address

XERIC OIL & GAS CORPORATION

1801 W. Texas, P. O. Box 352
Midland, Texas 79702
(432) 683-3171, Fax: (432) 683-6348

RECEIVED

JUN 03 2004

OIL CONSERVATION
DIVISION

June 1, 2004

Will Jones
New Mexico Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, New Mexico 87505

Re: Genesis State SWD #3 Well
Unit I, Sec. 18, 20S, 36E
Lea County, New Mexico
API #30-025-34664

Dear Mr. Jones:

Please find enclosed (3) copies of a Step-Rate Test on the Genesis State Salt Water Disposal Well #3. Beacon Resources, L.L.C. of Denton, Texas performed this test. Produced water from the disposal tanks was used during the test.

Xeric is requesting an increase in injection pressure for this disposal well. The current permitted injection pressure is 897 psi as per Administrative Order SWD-767. The Step-Rate Test shows a parting point of 1880 psi. The increase in injection pressure will allow Xeric to meet its disposal requirements for the area.

Thank you for your consideration.

Sincerely,



Angie Crawford
Production Analyst

AC

BEACON RESOURCES, L.L.C.

Step Rate Test

Company:	Xeric Oil and Gas		Company Representative:	Steve	
Lease:	Genesis State #3		Test Date & Time:	23-May-04	
State:	New Mexico	County:	Lee	Elevation:	3631
Formation:	Queen	Unit:	I	Section:	18
Township:	208	Range:	38E		
Test Crew:	David Bump				
TD @	4841	PSID @	4780		
Packer Set @	4400	Fl.			
Casing Size:	5 1/2"	Casing Weight:	15.50#		
Casing Diameter:	4 3/4" ID	Casing Set @	4841'	Fl.	
Tubing Size:	2 7/8" PC	Tubing Weight:	6.4'		
Tubing Diameter:	2" ID	Tubing Set @	4397	Fl.	
Perforations from:	4484-4499	FL TC:		Fl.	

Time	Elapsed Time (minutes)	Tubing Pressure	Tubing Pressure Less Friction	BHP	Rate BPD
9:30 A.M.	0	45			0
9:35 A.M.		200			520
9:40 A.M.		380			520
9:45 A.M.	15	470			520
9:50 A.M.		770			980
9:55 A.M.		840			980
10:00 A.M.	30	1050			980
10:05 A.M.		1230			1310
10:10 A.M.		1380			1310
10:15 A.M.	45	1450			1310
10:20 A.M.		1520			1680
10:25 A.M.		1690			1680
10:30 A.M.	60	1760			1680
10:35 A.M.		1840			1940
10:40 A.M.		1880			1940
10:45 A.M.	75	1925			1940
10:50 A.M.		2000			2240
10:55 A.M.		2005			2240
11:00 A.M.	90	2010			2240
11:05 A.M.		2075			2580
11:10 A.M.		2080			2580
11:15 A.M.	105	2085			2580

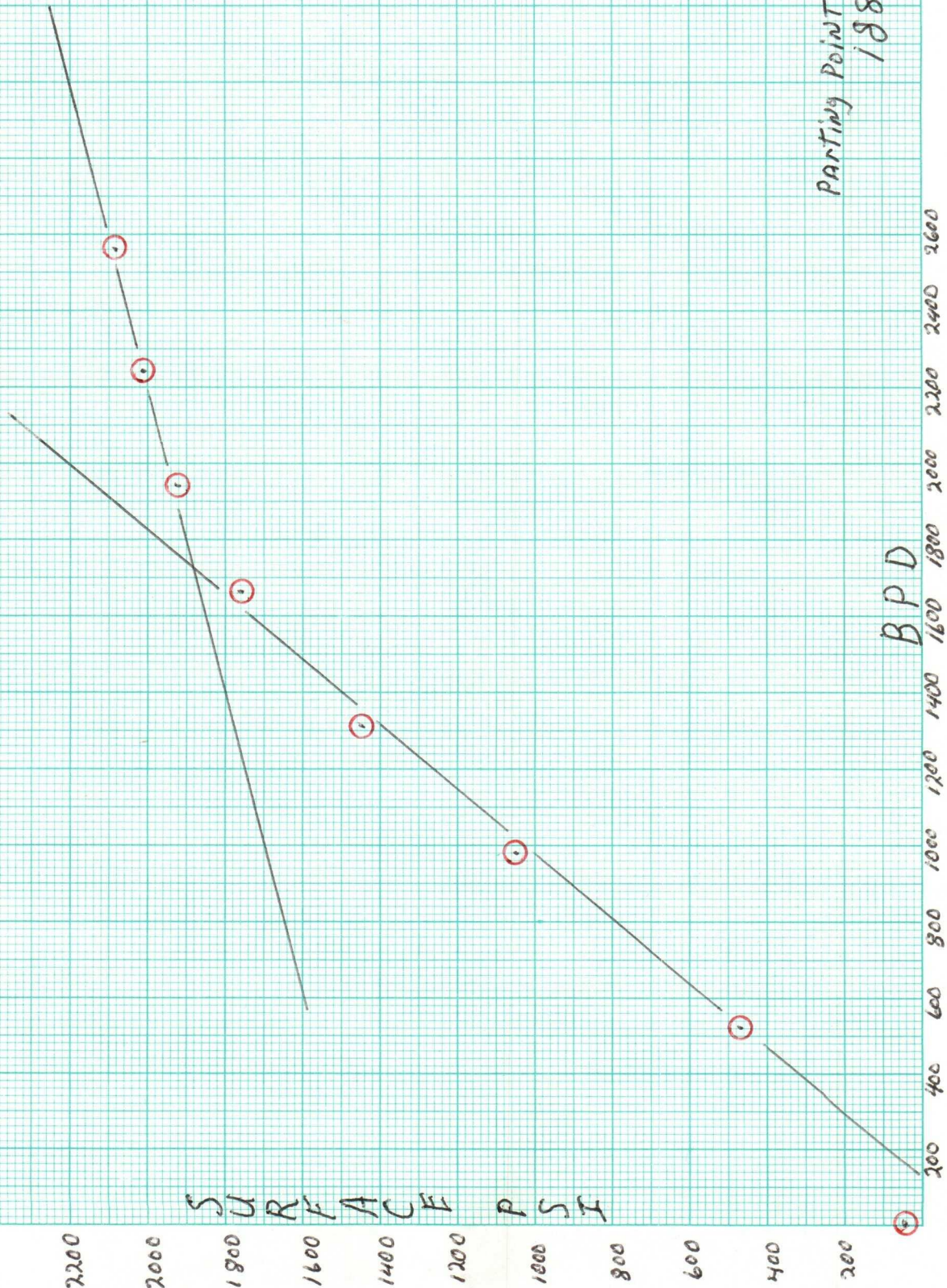
Test Conducted By: David Bump *David Bump*

Beacon Resources, L.L.C.
4401 N I-35, Ste. 109
Denton, Tx 76207

Office 940-387-3838

Fax: 940-387-3423

XEROX OIL CORP
GENESIS ST. #3
5-223-04



PARTING POINT APPEARS TO BE
1880 P.S.I.