Jones, William V., EMNRD

From: Jones, William V., EMNRD

Sent: Wednesday, May 09, 2007 3:37 PM

To: Jimmy Carlile

Cc: Arrant, Bryan, EMNRD; Ezeanyim, Richard, EMNRD

Subject: SWD Application: Avalon State #1 API No. 30-015-20743

Hello Jimmy and Carl Brown:

I briefly reviewed your correspondence proposing to re-enter this well and inject via an open hole into the Bone Spring from 4000 to 8000 feet. It appears this is several miles from the Lake?

Since this will be into only one formation (although massive) and it is adequately deep and isolated from the Lake and the Reef (hopefully), it seems like you should fill out an application and send out the notice as required in Rule 701.B(2) - note this has changed from before - and send a copy to Bryan and to Santa Fe.

For the large open hole, we will likely put in a requirement that an injection survey be run initially and every 5 years. This will tell us all which intervals are taking fluid - and be good info for you also.

Regards,

William V. Jones PE New Mexico Oil Conservation Division 1220 South St. Francis Santa Fe, NM 87505 505-476-3448

FASKEN OIL AND RANCH, LTD.

303 WEST WALL AVENUE, SUITE 1800

(432) 687-1777 jimmyc@forl.com

Jimmy D. Carlile Regulatory Affairs Coordinator

April 30, 2007

Mr. Will Jones New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

Dear Mr. Jones,

Re:

Fasken Oil and Ranch, Ltd.

Potential Salt Water Disposal Application

Avalon State No. 1 - Dry Hole

API No. 30-015-20743

Fasken Oil and Ranch, Ltd. is reviewing the Avalon State No. 1 as a potential salt water disposal candidate. Please see the attached letter and data submitted to Bryan Arrant. Bryan referred us to you for these questions.

Do you see any potential problems with the proposed concept? I will be out of the office until Friday of this week. If you have any questions concerning this please call Carl Brown at (432) 687-1777.

Yours truly,

Jimmy D. Carlile

Regulatory Affairs Coordinator

FASKEN OIL AND RANCH, LTD.

303 WEST WALL AVENUE, SUITE 1800 MIDLAND, TEXAS 79701-5116

> (432) 687-1777 jimmyc@forl.com

> > Jimmy D. Carlile Regulatory Affairs Coordinator

April 25, 2007

Mr. Bryan Arrant New Mexico Oil Conservation Division 1301 W. Grande Avenue Artesia, NM 88210

Dear Mr. Arrant,

Re: Fasken Oil and Ranch, Ltd.

Potential Salt Water Disposal Application

Avalon State No. 1 Dry Hole API No. 30-015-20743

Fasken Oil and Ranch, Ltd. is looking at the Avalon State No. 1 located at 1440' FSL and 1650' FWL of Section 7, T21S, R26E, Eddy County as a potential salt water disposal well. This dry hole was plugged and abandoned on October 24, 1972. We are proposing to re-enter this wellbore and drill out plugs to 8100'. We will set an additional plug to 8000'. Our plans are to run a string of injection casing into the top of the Bone Spring at 4000'. The Bone Spring interval from 4000' to 8000' would be open for injection.

As we prepare the injection application, do you see any problems with this concept? Please give me or Carl Brown (project engineer) a call at the letterhead number so we can discuss this. I will be out of the office Friday, April 27, and Tuesday through Thursday, May 1 - 3. Carl would be happy to visit with you on this.

Yours truly,

Jimmy D. Carlile

Regulatory Affairs Coordinator

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NO. OF	COPIES RECEIVED L	•		Form C-103
DIS	TRIBUTION			Supersedes Old C-102 and C-103
SANTA	FE ·	NEW MEXICO OIL CONSER	ANTION OF WELLS SEOUL A E	D Effective 1-1-65
FILE				
U.S.G.S.				Sa. Indicate Type of Lease
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OPERA	TOR			5. State Oil & Gas Lease No.
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I. OIL WELL	GAS [other- Dry Hole		7. Unit Agreement Name
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4. Location		Bldg., Midland, Texas 7	9701	10. Field and Pool, or Wildcat
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PULL OR A	LTER CASING	CHANGE PLANS CA	SING TEST AND CEMENT JOB	·-
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OTHER				
17. Descri work)	be Proposed or Completed Oper SEE RULE 1103.	rations (Clearly state all pertinent details,	and give pertinent dates, including	estimated date of starting any propose
1.	Drilled to T.D. 1	0,8001.		
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3.	Cut off casing.			
4.	Fill cellar.			
5.	Level location an	d pits.		
	Well plugged and inspection.	abandoned October 24, 197	2. Location is level	led and ready for
18. I hereh	y certify that the information ab	ove is true and complete to the best of my	knowledge and belief.	
10. 1		Z		
	James B. Henry			
SIGNED	John 13 /2	TIPLE A	gent	DATE Mar. 28, 1973

TITLE DIL AND GAS INSPECTOR

DATE MAR 3 0 1973

NO. OF COPIES RECEIV	ED 6								Form C			
DISTRIBUTION								_		ed 1-1-65		
SANTA FE		NE₩	MEXICO OIL	_ CONSE	ERVATIO	N C	NOISSIMMC	Ì	Sa. Indica		 _	
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34. Disposition of Gas	(Sold, used for fue	l, vented, etc.)						Test	Witnessed	Ву		
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35. List of Attachments					,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,							
Summary of di	ill stem te	ests.										
36. I hereby certify thus			s of this form	is true	and comple	te to	the best of my	knowledg	e and beli-	e f.		
Jame	es B. Henry											
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INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Commission not later than 20 days after the completion of any newly-drilled or deepenest well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico					Northwestern New Mexico						
r.	Anhy	Υ.	Canyon unidentified	Τ.	Ojo Alamo	Т.	Penn. "B"	_			
r.	Salt	Τ.	Strawn unidentified	T.	Kirtland-Fruitland	T.	Penn. "C"	_			
3.	Salt	T.	Atoka 9763'	Τ.	Pictured Cliffs	T.	Penn. "D"	_			
τ.	Yates	Т.	Miss 10710'	T.	Cliff House	T.	Leadville	_			
τ.	7 Rivers	T .	Devonian	T.	Menefee	T.	Madison	_			
Γ.	Queen	T.	Silurian	T.	Point Lookout	T.	Elbert	_			
Τ.	Grayburg	T.	Montoya	T.	Mancos	T.	McCracken	÷			
T.	San Andres	T.	Simpson	T.	Gallup	T.	Ignacio Qtzte				
r.	Glorieta	Τ.	McKee	Bas	e Greenhorn	T.	Granite	_			
r.	Paddock	T.	Ellenburger	T.	Dakota	T.		_			
Γ.	Blinebry	T.	Gr. Wash	T.	Morrison	T.		_			
ŗ.	Tubb	T.	Granite	T.	Todilto	T.		_			
Γ.	Drink ard	T.	Delaware Sand 2320	T.	Entrada	T.		_			
۲.	Abo	T.	Bone Springs 3940	T.	Wingate	T.		_			
Γ.	Wolfcamp 8100' Shale	T.	First B. Sprgs SS ₅₅₀	6	Chinle	T.		_			
۲.	Penn. 8850'	T.	Third B. Sprds	T.	Permian	T.		_			
r	Cisco (Bough C) unidenti-	Т.	SS-7598'	T.	Penn "A"	Т.		_			
	fied		T/Morrow Clastics 10	34	4'						

FORMATION RECORD (Attach additional sheets if necessary)

From	То	Thickness in Feet	Formation	From	То	Thickness in Feet	Formation
320' 940'	3940' 5500'	1620 1560	Sand and Shale				
500'	5630	130	Sand	1			
630'	7550'	1920	Lime				
550'	8100'	550	Sand	N.			
100 ' 175'	8175' 8250'	75 75	Shale Lime	įį.			
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Avalon State No. 1 Proposed SWD Operator: Fasken Oil and Ranch, Ltd. GL: 3305' KB: 3321' Tops Location: 1400' FSL and 1650' FWL Sec 7, T21S, R26E Eddy County, NM Compl.: 10/24/1972 released rig API#: 30-015-20743 PBTD: 10300' TD: 10,800' 9-5/8" 40# J-55 @ 2327' KB w/2350sx + 698 cuft concrete TOC surf Casing: 9-5/8" 40# J-55 @ 2327' KB Bone Spring 3940' Proposed 5-1/2" or 7" at 4000' w/2350sx + 698 cuft concrete TOC surf Proposed 5-1/2" or 7" at 4000' 1st Bone Spr Sd 5500' Proposed Injection Interval Open Hole: 4000'-8000' Proposed Tubing: 298- jt 2-3/8" EUE 8rd N-80 IPC tbg Pkr set at 3950' 3rd Bone Spr Sd 7558' **Proposed Plug:** 42 sx 8000'-8100' proposed Wolfcamp 8020' 42 sx 8000'-8100' proposed 42 sx 8100'-8200' existing Penn Lime 8850' 42 sx 8900'-9000' existing Current plugs as fo 10-24-72: Atoka 9765' 42 sx 8100'-8200' existing 42 sx 8900'-9000' existing 42 sx 10300'-10400' existing 42 sx 10725'-10625' existing Morrow 10322' 42 sx 10300'-10400' existing

Barnett 10708'

Hole Sizes 17-1/2" 320'

12-1/4" 320'-2327"

8-3/4" 10,800'

10725'-10625' existing

42 sx

TD: 10,800'