

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose: Secondary Recovery Pressure Maintenance Disposal, Storage
Application qualifies for administrative approval? yes no

II. Operator: Matador Operating Company

Address: 415 W. Wall, Ste 1101, Midland, TX 79701

Contact party: R. F. Burke, Operations Manager Phone: 915-687-5955

III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? yes no
If yes, give the Division order number authorizing the project _____.

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

* VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any. None proposed.

* X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)

* XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken. None within one mile.


XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: R. F. Burke Title Operations Manager

Signature:  Date: 8-10-94

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal.

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; location by Section, Township, and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) the intended purpose of the injection well; with the exact location of single wells or the section, township, and range location of multiple wells;
- (3) the formation name and depth with expected maximum injection rates and pressures; and
- (4) a notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501 within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

INJECTION WELL DATA SHEET

Matador Operating Company

V. G. Kinahan Fed #1

OPERATOR

LEASE

1 660 FSL; 1980 FEL 20 15S 30E
 WELL NO. FOOTAGE LOCATION SECTION TOWNSHIP RANGE

Schematic

Attached

Tabular DataSurface CasingSize 13-3/8 " Cemented with 600 ex.TOC surface feet determined by circulationHole size 17-1/2"Intermediate CasingSize 8-5/8 " Cemented with 800 ex.TOC surface feet determined by circulationHole size 11"Long stringSize 5-1/2 " Cemented with 300 ex.TOC NA feet determined by _____Hole size 7-7/8"Total depth 11,157'Injection interval

2176 feet to 2218 feet
 (perforated or open-hole, indicate which)

Tubing size 2-7/8" lined with NA set in a
 (material)
Elder Sur-Lok II packer at ±2125 feet
 (brand and model)

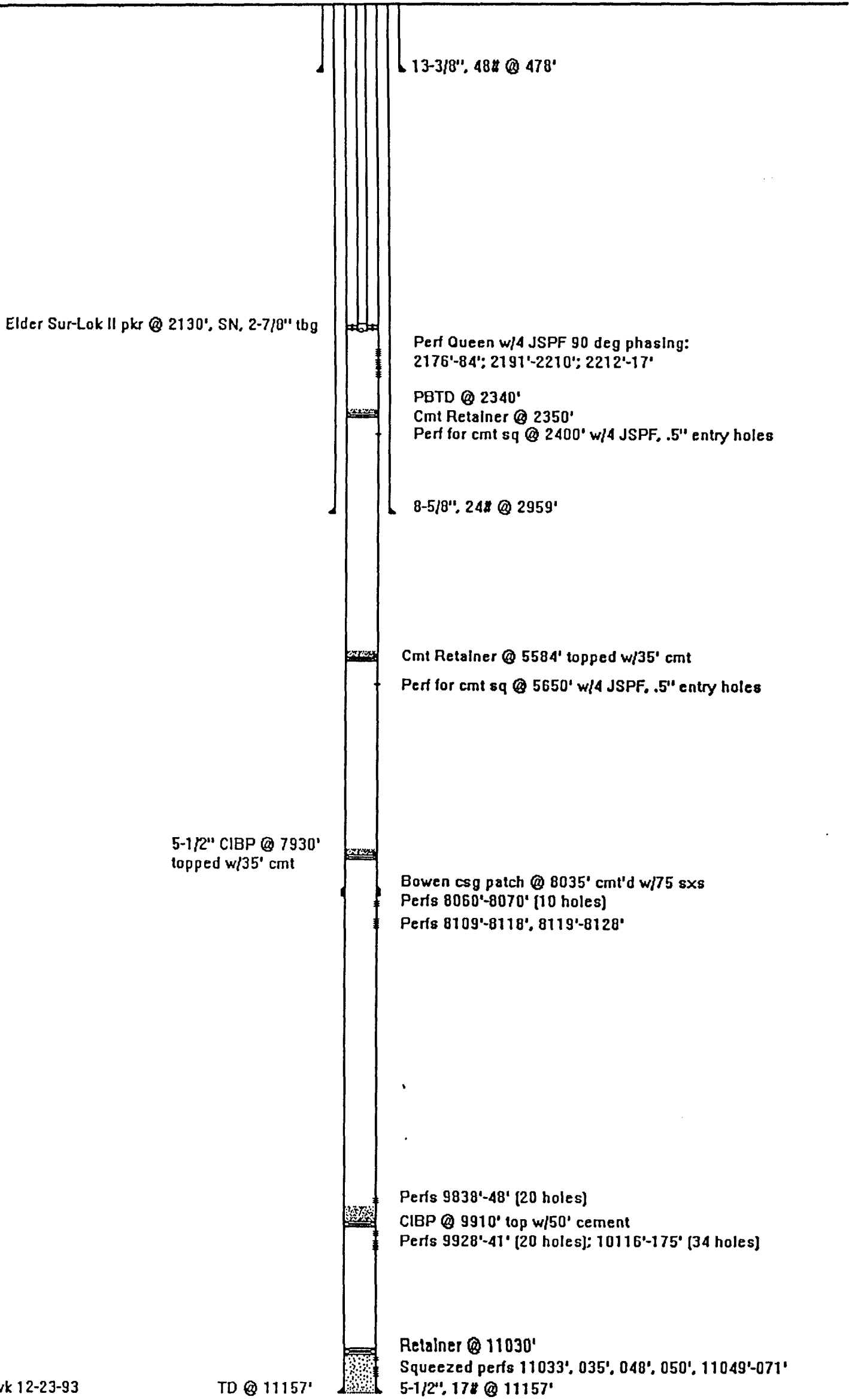
(or describe any other casing-tubing seal).

Other Data

- Name of the injection formation Queen
- Name of Field or Pool (if applicable) Cedar Point
- Is this a new well drilled for injection? Yes No
 If no, for what purpose was the well originally drilled? New oil well
- Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) See Attached Schematic
- Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. per section III, B, (5)
next higher O&G zone within area of review - none

Well Name: Kinahan Federal No 1
 Field: Cedar Point Wolfcamp West Gas
 County/State: Chaves, New Mexico

Spot: SWSE, 660' FSL, 1980' FEL
 Location: Sec 20, T15S, R30E
 GL: 3994' KB: 4008'



13-3/8", 48# @ 478'

Elder Sur-Lok II pkr @ 2130', SN, 2-7/8" tbg

Perf Queen w/4 JSPF 90 deg phasing:
 2176'-84'; 2191'-2210'; 2212'-17'

PBTD @ 2340'
 Cmt Retainer @ 2350'
 Perf for cmt sq @ 2400' w/4 JSPF, .5" entry holes

8-5/8", 24# @ 2959'

Cmt Retainer @ 5584' topped w/35' cmt
 Perf for cmt sq @ 5650' w/4 JSPF, .5" entry holes

5-1/2" CIBP @ 7930'
 topped w/35' cmt

Bowen csg patch @ 8035' cmt'd w/75 sxs
 Perfs 8060'-8070' (10 holes)
 Perfs 8109'-8118', 8119'-8128'

Perfs 9838'-48' (20 holes)
 CIBP @ 9910' top w/50' cement
 Perfs 9928'-41' (20 holes); 10116'-175' (34 holes)

Retainer @ 11030'
 Squeezed perfs 11033', 035', 048', 050', 11049'-071'
 5-1/2", 17# @ 11157'

APPLICATION FOR AUTHORIZATION TO INJECT
 ITEM VI
 V. G. KINAHAN FED #1

Kinahan Federal #1
 Wells within area of review

Well Name	Status	Spud	Comp	Location	TD	Perfs	Comments
1. Cedar Point #2	D&A	8-23-77	9-13-77	21L-15S-30E	2,350'		
2. E Spencer "B" Fed #1 Convert to	D&A WDW P&A	11-1-60 12-1-68	1-1-61 5-22-74	28D-15S-30E	11,353'	2,450'-2,782'	
Recomp as Sam Federal #1	D&A	2-27-86	9-24-86			10,363'-367' 10,164'-171' 9,884'-88'	
Recomp	Oil	7-30-87	9-4-87			9,695'-9,703' 9,695'-9,703' 8,748'-8,830' 8,534'-8,627'	BP @ 9,615' BP @ 8,710'
3. Peery Federal #4 OWWO Recomp as Peery Fed Com #1-A	SWD Gas TA	7-9-70 7-28-85 4-10-88	8-26-70 7-30-85 4-27-88	29A-15S-30E	11,796' 10,160'	10,024'-038' 9,995' 9,883'-94'	Sqzd old perfs 10024-038
4. Peery Federal #1	TA	5-29-58	10-9-58	29G-15S-30E	12,298'	11,050'-134' 12,068'-106'	
5. V. G. Kinahan Fed #2	Oil	4-1-94	6-3-94	20D-15S-30E	11,100'	10,989'-11,100'	Open hole

APPLICATION FOR AUTHORIZATION TO INJECT
ITEM VII.
V. G. KINAHAN FED #1

PROPOSED OPERATION:

1. Average injection rate of 200 BPD, maximum injection rate of 750 BPD.
2. Closed system.
3. Average injection pressure of 200 psi, maximum injection pressure of 500 psi.
4. Analyses attached.
5. Not within one mile.

ITEM VIII.

KB 4008

Top of Queen Sand 2176'
Bottom of Queen Sand 2218'

Fine-grained, red & gray sandstone

Perforated during recompletion attempt @:

2176-84
2191-2210
2212-17

ITEM XII.

Available geologic and engineering data has been examined and no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water has been found.

Affirmed by:



R. F. Burke
Operations Manager
Matador Operating Company



HALLIBURTON

ITEM VII. 4.
Analysis, receiving formation.

To MATADOR

Sample Number 391

*Milligrams per liter

Bank
FRANK C ROSWELL MD - 623-4920

Submitted by _____ Date Received 12-20-93

Well No. KINAHAN FEDERAL #1 Depth 2217 Formation Queens

County Eddy N.M. Field North Loco Hills Source Swab

Resistivity.....	<u>0.52 @ 69° -</u>		
Specific Gr.....	<u>1.205</u>		
pH.....	<u>6.4</u>		
Calcium*.....	<u>5750</u>		
Ca			
Magnesium*.....	<u>7650</u>		
Mg			
Chlorides*.....	<u>161000</u>		
Cl			
Sulfates*.....	<u>Moderate</u>		
SO ₄			
Bicarbonates*.....	<u>268</u>		
HCO ₃			
Soluble Iron*.....	<u>100</u>		
Fe			

HALLIBURTON SERVICES

ITEM VII. 4.

ANALYSIS OF INJECTION FLUID.

ARTESIA DISTRICT

LABORATORY REPORT

No. _____

Date 8/9/94

TO Matador Operating
415 W. Wall
Suite 1101
Midland Tx 79701

This report is the property of Halliburton Services and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management. It may however, be used in the course of regular business operations by any person of concern and employees thereof receiving such report from Halliburton Services

Submitted by 1-800-388 5955 Date Rec. 8/9/94

Well No. KINAHAN #2 Depth _____ Formation _____

Field _____ County _____ Source _____

Resistivity	<u>0.14</u>	_____	_____
Specific Gravity ..	<u>1.04</u>	_____	_____
pH	<u>6.7</u>	_____	_____
Calcium	<u>2200 mg/l</u>	_____	_____
Magnesium	<u>270 mg/l</u>	_____	_____
Chlorides	<u>33000 mg/l</u>	_____	_____
Sulfates	<u>Nil</u>	_____	_____
Bicarbonates	<u>300 mg/l</u>	_____	_____
Soluble Iron	<u>Nil</u>	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Remarks: (No Marking on Sample Bottle)

R. David McKenzie
Respectfully submitted

Analyst: _____

HALLIBURTON SERVICES

NOTICE: This report is for information only and the content is limited to the sample described. Halliburton makes no warranty, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause, including any act or omission of Halliburton resulting from the use hereof.

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, Kathi Bearden

General Manager

of the Hobbs Daily News-Sun, a daily newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not a supplement thereof for a period.

of _____

one weeks.

Beginning with the issue dated

August 3, 1994

and ending with the issue dated

August 3, 1994

Kathi Bearden
General Manager

Sworn and subscribed to before

me this 5 day of

August 1994

Charlene Perrin

Notary Public.

My Commission expires
March 15, 1997
(Seal)

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

APPLICATION FOR AUTHORIZATION TO
INJECT
ITEM XIII.
V. G. Kinahan Fed #1

LEGAL NOTICE
August 3, 1994

Matador Operating Company, 415 W. Wall, Ste 1101, Midland, TX 79701, (915) 687-5955, F. F. Burke, Operations Manager, is applying for a permit to convert to V. G. Kinahan Fed #1 well, 660' FSL, 1980' FEL; Sec. 20-T15S-R30E, Chaves County, New Mexico to a salt water

disposal well. Disposal will be into the Queen formation from 2176 to 2218 with a maximum injection rate of 750 BPD at a maximum pressure of 500 psi. Per-

sons wishing to object or request a hearing should contact the Oil Conservation Division, P.O. Box 2088, Santa Fe, NM 87501 within 15 days.

P 778 125 993
RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

Sent to		BLM/Roswell
Street and No.		P. O. Drawer 1857
P.O., State and ZIP Code		Roswell, NM 88202-1857
Postage	\$.75
Certified Fee		1.00
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt showing to whom and Date Delivered		1.00
Return Receipt showing to whom, Date, and Address of Delivery		
TOTAL Postage and Fees	\$	2.75
Postmark or Date		
8-23-94		

PS Form 3800, June 1985

MATADOR PETROLEUM CORPORATION

415 W. WALL, SUITE 1101
MIDLAND, TX 79701
(915) 687-5955

August 31, 1994

David Catanach
Oil Conservation Division
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87501

Re: V. G. Kinahan Fed #1
SWD Application

Dear Mr. Catanach:

Enclosed please find additional material for the referenced application.

1. Tabulation-Wells within area of review.
2. Schematic-Peery Federal #4.
3. Schematic-Cedar Point #2.
4. McClellan waiver letter.
5. Paloma waiver letter.
6. Copy of mail certifications.

The BLM office has stated that they have no objection to waiving the 15 day waiting period after receipt of their copy of the application.

If any additional information is needed, please call our office and we will try to comply with the request as promptly as possible.

Very truly yours,



Patti Lankford
Secretary to Mr. Burke

CALCULATED CEMENT TOPS for AREA OF REVIEW RANDOM GROUP

Proposed Injection Well: Kinahan Federal Well No. 1
 Proposed Injection Zone: 2176 to 2217
 Minimum Required TOC: 1676 Feet

Formation: Grayburg/San Andres
 Yield: 70%

Well Name	No.	Type	T.D.	Casing	Depth	Borehole	Cement	TOC	Remarks
Cedar Point	2	P&A	2350	N/A	0	0	0 sx	ERR	
				N/A	0	0	0	ERR	
				N/A	0	0	0	ERR	
Sam Federal	1	PROD	11353	13.375	469	15	400 sx	(845)	
				8.625	3000	10.5	600	466	
				4.5	10489	6	700	3,758	
Perry Federal	1	PROD	12298	13.375	450	15	600 sx	(1,521)	
				8.625	2928	10.5	1200	(2,140)	
				5.5	12298	7.25	1325	3,305	
Perry Federal	4	SWD	11796	11.75	454	13	280 sx	(917)	
				8.625	5000	10.5	1100	354	
				5.5	11150	7.25	780	5,856	
Kinahan Federal	2	PROD	11100	10.75	472	15.5	425 sx	(44)	
				8.625	3000	12.25	900	1,199	
				5.5	10989	7.875	700	7,652	

Numbers in () denote negative values, i.e., cement circulated to surface.

OK
 (25)

Well Name	Location	Type	Spud Date	Completion Date	TD	Casing	Perforations	Comments
-----------	----------	------	-----------	-----------------	----	--------	--------------	----------

1. Cedar Point #2	21L-155-30E	P&A	8-23-77	9-12-77	2350'			See attached schematic for plugging detail.
2. E. Spencer "B" Fed #1	28D-155-30E	P&A	11-1-60	1-1-61	11353'	13-3/8" @ 469' 8-5/8" @ 3000'	400'	Cmt plug 11180'-280' Cmt plug 9750'-9850' Cmt plug 7830'-7930' Cmt plug 6480'-6580' Cmt plug 4375'-4475' Cmt plug 2850'-3050' Surface plug (25 sas)
Recomp as Sam Federal #1		Oil	2-27-86	8-24-86	10500'	4-1/2" @ 10488' 7005x	10365', 365', 367' 10164'-171' 9884'-9888' 9695'-9703' 8745'-8830' 8534'-40' 8567'-89' 8596'-8627'	Cmt retainer @ 2200' Cmt squeezed all perfs Surface plug (10 sas) CIBP @ 10300' w/20' cmt on top CIBP @ 10100' w/20' cmt on top CIBP @ 9790' w/2 sas cmt on top CIBP @ 9615' w/2 sas cmt on top CIBP @ 8710' w/2 sas cmt on top

3. Peery Federal #1	29G-155-30E	TA	3-22-71		12298'	13-3/8" @ 450' 9-5/8" @ 2828' 5-1/2" @ 12298'	11050'-134' 12068'-106' 11008'-028'	Cmt retainer @ 11044' Cmt squeezed perfs 11050'-134'
		Recomp	1-28-76 4-28-76 11-8-76				8561'-98' 9640'-44' 9570'-78'	CIBP @ 10000' w/30' cmt on top CIBP @ 9500' w/35' cmt on top CIBP @ 8475' w/35' cmt on top 5-1/2" csg cut off @ 7307' Cmt plug 7344'-7130' Cmt plug 6395'-6200' Cmt plug 4345'-4145' Cmt plug 2898'-2870'
		P&A	3-23-82				2197'-2206'	CIBP @ 2100' w/25' cmt on top Cmt plug 1474'-1374' Surface plug (350 sas)
		Recomp	1-4-94				11008'-028'	5-1/2" csg tied together @ 7304' Drilled out CIBP @ 11050' Prod'g from old perfs

4. Peery Federal #4	29A-155-30E	SWD	7-9-70	8-21-70	11796'	11-3/4" @ 454'	10024'-038'	Open hole 11150'-796'
OWM/O		Gas	7-28-85	7-30-85	10160'	8-5/8" @ 5000'	9885'-9894'	Cmt squeezed perfs 10024'-038'
Recomp as Peery Fed Corn #1A		TA	3-22-88	4-27-88	9995'	5-1/2" @ 11150'		See attached schematic for plugging detail.
		P&A		1-25-89				

Note: Application to complete as SWD in original open hole filed 5-10-94

5. Kinahan Federal #2	200-155-30E	Oil	4-1-94	8-3-94	11100'	13-3/8" @ 472' 8-5/8" @ 3000' 5-1/2" @ 10989'		Open hole 10989'-11100'
-----------------------	-------------	-----	--------	--------	--------	---	--	-------------------------

280
 1100
 780
 425
 900
 TOC

New York - PEERY FED CORP

#1-A

FORMERLY
PEERY FEDERAL #4

GL 3987

112461 CUT CIRC DOWN 2 1/2' BELOW 8 1/4' 11 1/4"

112511 REEF 4 TO 504'

112419 SET 10 1/2" CUT PIPE 257-658

112517 SET 25 1/2" CUT PIPE 1457-1257

112519 SET 25 1/2" CUT PIPE 3105-2775

112617 SET 25 1/2" CUT PIPE 5071-4338 740'

112519 SET 35 1/2" CUT PIPE 5835-5055

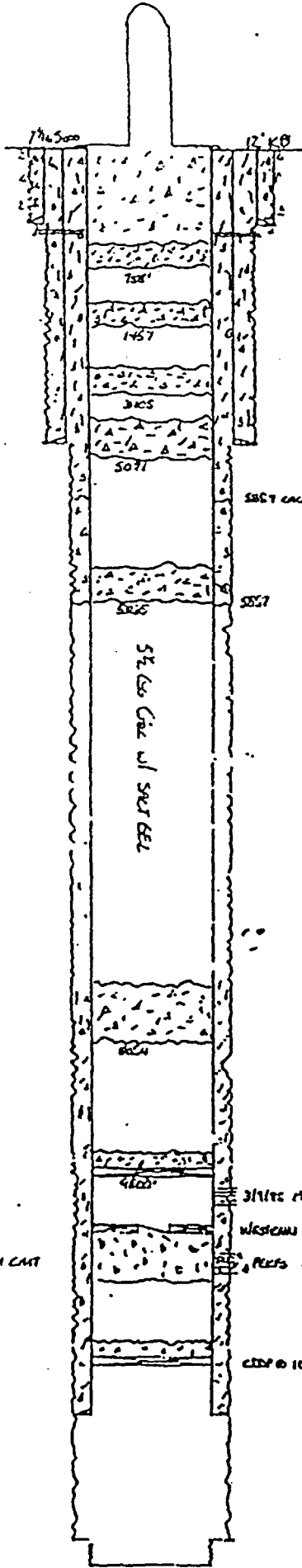
112617 SET 35 1/2" CUT PIPE 8251-7876

112117 SET 5 1/2" CAP W/ 35' CUT

SET: 00 W/ 75 1/2" CL H CUT
31278

6667L 660' N/S 570' E/L
SEC. 21 T 15S R 30E

LM 167111 112617



11 1/4" 42" H-40 SET @ 954'
CUT CIRC 15" H.S. 250 SX

8 1/2" 30" SET @ 5000'
CUT CIRC (CUT) 10 3/4" H.S.
1100 SX

Abc 6450
VC 2708
PROD 954'
MAD 10,024'
LMS 10 5'10

5 1/2" 14 1/2" 10" SET @ 11150'
CUT CIRC 7 3/4" H.S.
780

Dec. 11, 070

7-9-70 Spud

9-6-70 TD

31175 REEF MENTION 2 JUP 9983-94 12 INT 24 HOLE

WESTERN 5 1/2" CUT REEF SET @ 9985'

REFS 10071-32 PRODUCTION

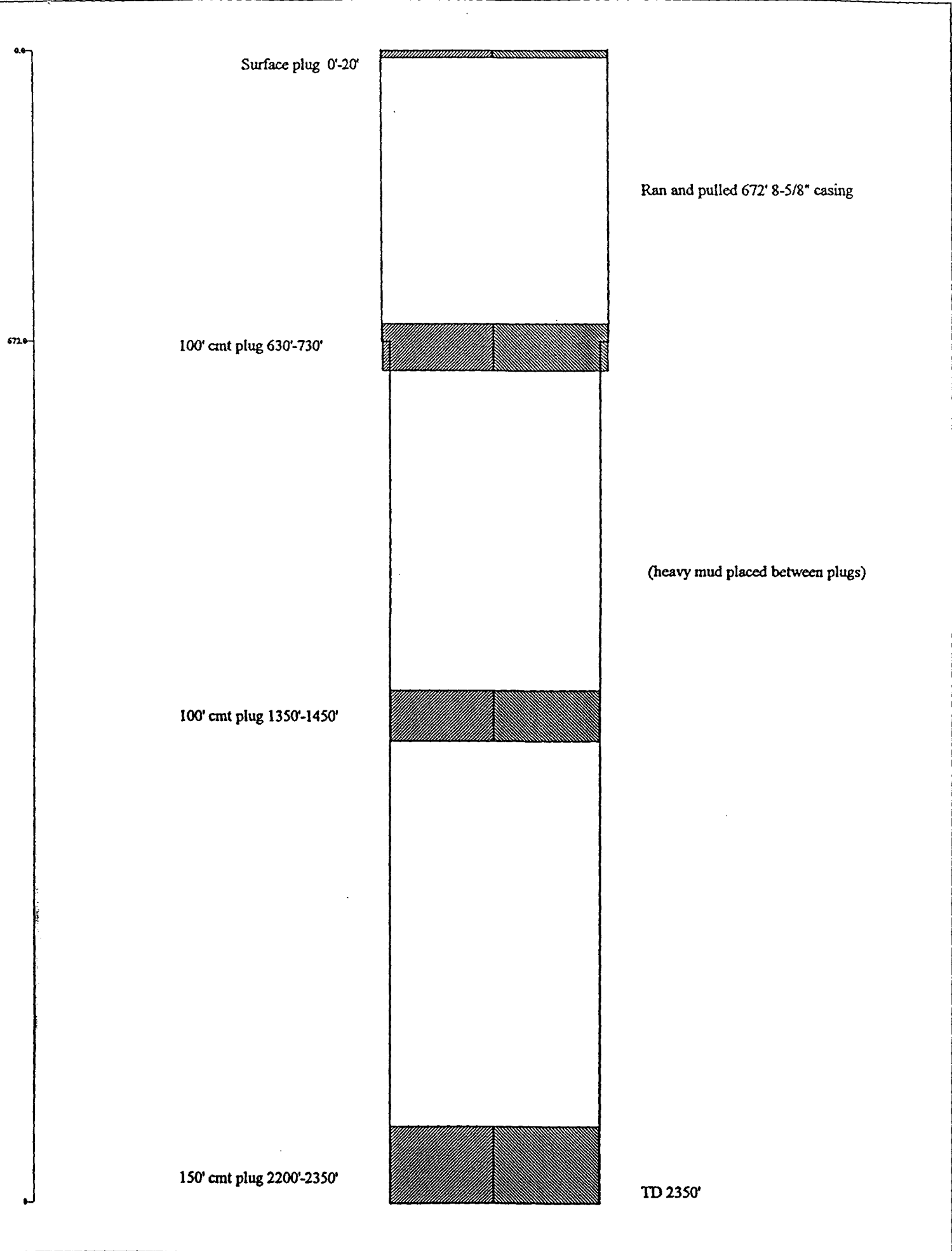
CUT @ 10 270' CAP W/ 40' CUT

1 1/2" OPEN HOLE 11150-609
ABANDONING SWD INTERVAL

4 1/2" OPEN HOLE 11620-792

TD 11796'

Cedar Point #2 (21L-15S-30E)



OPERATOR'S COPY

RECEIVED
SEP 02 1994

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG 30 8 44 AM '94

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.
NMM51837

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
V. G. Kinahan Fed #1

9. API Well No.
30-005-00504

10. Field and Pool, or Exploratory Area
Cedar Point Wolfcamp

11. County or Parish, State
Chaves

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

Type of Well
 Oil Well Gas Well Other

Name of Operator
Matador Operating Company

Address and Telephone No.
415 W. Wall, Ste 1101, Midland, TX 79701, 915-687-5955

Location of Well (Footage, Sec., T., R., M., or Survey Description)
660 FSL; 1980 FEL
Sec. 20-T15S-R30E

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other Convert to SWD
- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Application has been submitted to the Oil Conservation Division to convert this well to a Salt Water Disposal well.

If the BLM has no objection to waiving OCD's mandatory 15 day waiting period after Matador mailed the copy of the application, please signify by approving this notice.

I hereby certify that the foregoing is true and correct

Signature: *[Signature]* Title: Operations Manager

Date: 8-29-94

This space for Federal or State office use

Approved by: *[Signature]* Title: *Before injection start BLM approved ROW needed.*

APPROVED
PETER W. CHESTER
AUG 31 1994
BUREAU OF LAND MANAGEMENT
ROSWELL RESOURCE AREA

U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

8-24-95

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

SWD-568

RE: Proposed:

- MC _____
- DHC _____
- NSL _____
- NSP _____
- SWD _____
- WFX _____
- PMX _____

Gentlemen:

I have examined the application for the:

Matador Operating Co. *V.G. Kinahan Federal* # *FD 20-1553De*
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed

PALOMA RESOURCES, INC.

P.O. Box 1814
Roswell, N.M. 88201

August 30, 1994

Matador Operating Company
415 W. Wall Suite 1101
Midland, Texas 79701

Mr. R. Frank Burke
Operations Manager

**RE: Authorization for SWD
V. G. Kinahan Fed. #1
660' FSL & 1980' FEL
Sec. 20-T15S-R30E
Chaves County, New Mexico**

Dear Frank,

Paloma Resources, Inc. is in receipt of your application for a disposal well in the Queen Formation at the above location. Paloma Resources wishes you success on this endeavor and has no objections to your proposal. You may consider this letter a waiver against any objections as an offset operator. If you need any information which we may have that will assist in obtaining approval, please call or write.

Sincerely,

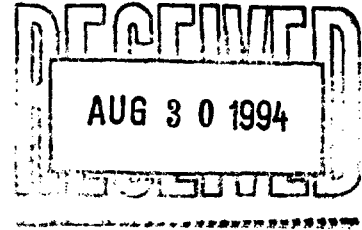


H. E. Gene LEE

Paloma Resources, Inc.



McClellan Oil Corporation



August 29, 1994

Matador Petroleum Corporation
415 W. Wall. Suite 1101
Midland, TX 79701

Attn: Patti Lankford

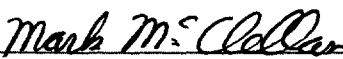
Re: Application for Authorization to Inject

Gentlemen:

McClellan Oil Corporation has no objection to Matador's Application for Authorization to Inject into the V. G. Kinahan Fed. No. 1 well located in the SE/4 of Section 20, Township 15 South, Range 30 East, N.M.P.M., Chaves County, New Mexico.

Sincerely,

McCLELLAN OIL CORPORATION



Mark McClellan, President

0 778 125 995
 RECEIPT FOR CERTIFIED MAIL



NOT FOR INTERNATIONAL MAIL
 (See Reverse)

To	Mark McClellan
Address and No.	P. O. Drawer 730
State and ZIP Code	Roswell, NM 88202-0730
Postage	\$.75
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	1.00
Return Receipt showing to whom, date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.75
Signature or Date	8/24/94

P. 778 125 994
 RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

To	Mr. Gene Lee
Address and No.	Paloma Resources Inc 1306 Meadow Lane
State and ZIP Code	Roswell, NM 88201
Postage	\$.75
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	1.00
Return Receipt showing to whom, date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.75
Signature or Date	8/24/94

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.
 Show to whom delivered, date, and addressee's address. Restricted Delivery (Extra charge)

3. Article Addressed to:
 Bureau of Land Management
 Roswell Resource Area Office
 P. O. Drawer 1857
 Roswell, NM 88202-1857

4. Article Number:
 P 778 125 993

Type of Service:
 Registered Insured
 Certified COD
 Express Mail

Always obtain signature of addressee for agent and DATE DELIVERED

5. Signature - Addressee
 X *[Signature]*

6. Signature - Agent
 X *[Signature]*

7. Date of Delivery
 8-25-94

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1987 U.S.G.P.O. (887-178-268) DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.
 Show to whom delivered, date, and addressee's address. Restricted Delivery (Extra charge)

3. Article Addressed to:
 Mr. Mark McClellan
 P. O. Drawer 730
 Roswell, NM 88202-0730

4. Article Number:
 P 778 125 995

Type of Service:
 Registered Insured
 Certified COD
 Express Mail

Always obtain signature of addressee for agent and DATE DELIVERED

5. Signature - Addressee
 X

6. Signature - Agent
 X *[Signature]*

7. Date of Delivery
 8-26-94

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1987 U.S.G.P.O. (887-178-268) DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and/or 2 for additional services.
 Complete items 3, 4, 5, and 6.
 Print your name and address on the reverse side. Failure to do this will prevent this card from being returned to you.
 Attach this form to the front of the mailpiece. Postmaster will not accept if does not permit.
 Write "Return Receipt Requested" on the mailpiece. Do not use a meter stamp.
 The Return Receipt will show to whom the article was delivered and the date delivered.

1. Article Addressed to:
 Mr. Gene Lee
 Paloma Resources Inc
 1306 Meadow Lane
 Roswell, NM 88201

2. Article Number:
 P 778 125 994

3. Service Type:
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

4. Signature - Addressee
 X *[Signature]*

5. Signature - Agent
 X *[Signature]*

6. Date of Delivery
 8-26-94

7. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S.G.P.O. (882-317-630) DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service