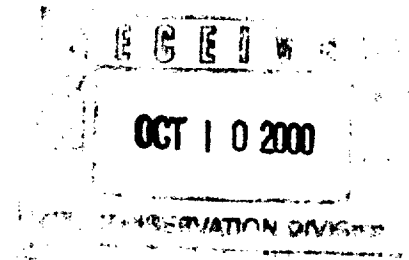


PALADIN ENERGY CORP.

SWD 10/25/00
29342428
790

October 5, 2000

State of New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505



Re: Application For Authorization To Inject
Paladin Energy Corp.
State 'BB' NCT-1 Well #1
East Caprock Field, Lea County
1989' FSL, 1985' FWL
Sec 11, T12S, R32E

Dear Sir/Madam,

Paladin Energy Corp. is herewith submitting the above referenced application to convert the State 'BB' NCT-1 #1 well to a salt water disposal well in the East Caprock Devonian Formation. Paladin is in need of additional salt water disposal capacity in the East Caprock field due to the successful re-completion of two of its Devonian producing wells, with high volume submersible pumps. The results of these workovers has been an increase in fieldwide oil and water production. Therefore, additional salt water disposal capacity will greatly improve our overall saltwater handling capabilities in the field and also facilitate further re-completions and increases in oil production.

Therefore for your consideration please find enclosed the following: a) Form C-103, to convert well to SWD, b.) Form C-108 and all necessary attachments and "proofs of notice" required for administrative approval.

If you have any questions or need further information, please call David Plaisance at 214-352-5245, Ext. 8. Thank you.

Sincerely,

David Plaisance
Production Manager

Cc Oil Conservation District
Hobbs Division

Cc State of New Mexico
Commissioner of Public Lands

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance ☒ Disposal Storage
Application qualifies for administrative approval? Yes No
- II. OPERATOR: Paladin Energy Corp.
ADDRESS: 10290 Monroe Dr., Suit 301, Dallas, Texas 75229
CONTACT PARTY: David Plaisance PHONE: 214-654-0132
- ✓ 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 geologic data on the injection zone including appropriate lithologic detail, geologic 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 sources known to be immediately underlying the injection interval.
- ✓ IX. Describe the proposed stimulation program, if any.
- *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.
- ✓ 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 sources 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: David Plaisance TITLE: PRODUCTION Manager
SIGNATURE: David Plaisance DATE: 10/05/00
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

P 003 067 800

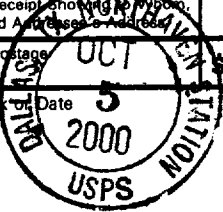


Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
State of New Mexico	
Street and No.	
P.O. Box 1148	
P.O., State and ZIP Code	
Santa Fe, NM 87504-1148	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Address	
TOTAL Postage & Fees	2.39
Postmark or Date	OCT 5 2000

PS Form 3800, June 1991



P 003 067 801



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
K.C. Resources, Inc.	
Street and No.	
224 BIRMINGHAM, #1A	
P.O., State and ZIP Code	
CARDIFF, CALIF. 92007	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Address	
TOTAL Postage & Fees	39
Postmark or Date	OCT 5 2000

PS Form 3800, June 1991



INJECTION WELL DATA SHEET

OPERATOR: PALADIN ENERGY CORP.

WELL NAME & NUMBER: NEW MEXICO STATE 'BB' NCT-1 Well No. 1

WELL LOCATION: 1989' FSL, 1985' FWL K 11 12-S 32-E
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA
Surface Casing

Hole Size: 1 1" Casing Size: 8-5/8"
Cemented with: 2400 sx. or ft³
Top of Cement: Surface Method Determined: Circ.
Intermediate Casing

Hole Size: Casing Size:
Cemented with: sx. or ft³
Top of Cement: Method Determined:

Production Casing

Hole Size: 7-3/4" Casing Size: 5-1/2"
Cemented with: 400 sx. or ft³
Top of Cement: 7,600' Method Determined: Logged
Total Depth: 11,225'

Injection Interval
11,132' 11,192' Perforated
feet to

(Perforated or Open Hole: indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 3-1/2", 9.3# N-80 Lining Material: IC0 505 Plastic Coating

Type of Packer: Weatherford Arrow Set Packer - Plastic Coated

Packer Setting Depth: 11,030'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? _____ Yes _____ x _____ No

If no, for what purpose was the well originally drilled? Devonian Producer

2. Name of the Injection Formation: Devonian

3. Name of Field or Pool (if applicable): East Caprock Devonian

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: East Caprock Wolfcamp - 8,500' (+,-)

VII. PROPOSED OPERATIONS

- A. 1.) Injection Rate: Maximum 10,000 BWP
Average 7,500 BWP
- 2.) Injection System
Closed
- 3.) Injection Pressure: Maximum 1000 psi
Average: expect to be on vacuum
- 4.) Injection Fluid: Devonian and Wolfcamp Formation Produced Water
(see enclosed analysis)
- 5.) Devonian Formation is productive in field.

VIII. INJECTION ZONE

- 1.) Devonian Formation
- 2.) Dolomite
- 3.) Thickness: 90' - penetration in this wellbore.
- 4.) Depth: 11,134' to 11,225'
- 5.) Aquifers 300' (+,-)

IX. Stimulation

- 1.) Acidize w/+, - 3000 gals 15% NE HCL

- XII. Paladin Energy Corp. has examined the available geologic and engineering information for the area if interest and have found no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

David Harrison
Signature

Production Manager
Title

10/05/00
Date

709 W. INDIANA
MIDLAND, TEXAS 79701
PHONE 683-4521

REMARKS:

CHEMICAL AND PHYSICAL PROPERTIES				
	NO. 1	NO. 2	NO. 3	NO. 4
Specific Gravity at 60° F.	1.0020			
pH When Sampled				
pH When Received	6.31			
Bicarbonate as HCO ₃	185			
Supersaturation as CaCO ₃				
Undersaturation as CaCO ₃				
Total Hardness as CaCO ₃	490			
Calcium as Ca	156			
Magnesium as Mg	24			
Sodium and/or Potassium	19			
Sulfate as SO ₄	234			
Chloride as Cl	97			
Iron as Fe	0.04			
Barium as Ba				
Turbidity, Electric				
Color as Pt				
Total Solids, Calculated	715			
Temperature °F.				
Carbon Dioxide, Calculated				
Dissolved Oxygen.				
Hydrogen Sulfide	0.0			
Resistivity, ohm·m at 77° F.	10.60			
Suspended Oil				
Filtrable Solids as mg/l				
Volume Filtered, ml				

Results Reported As: Milligrams Per Liter

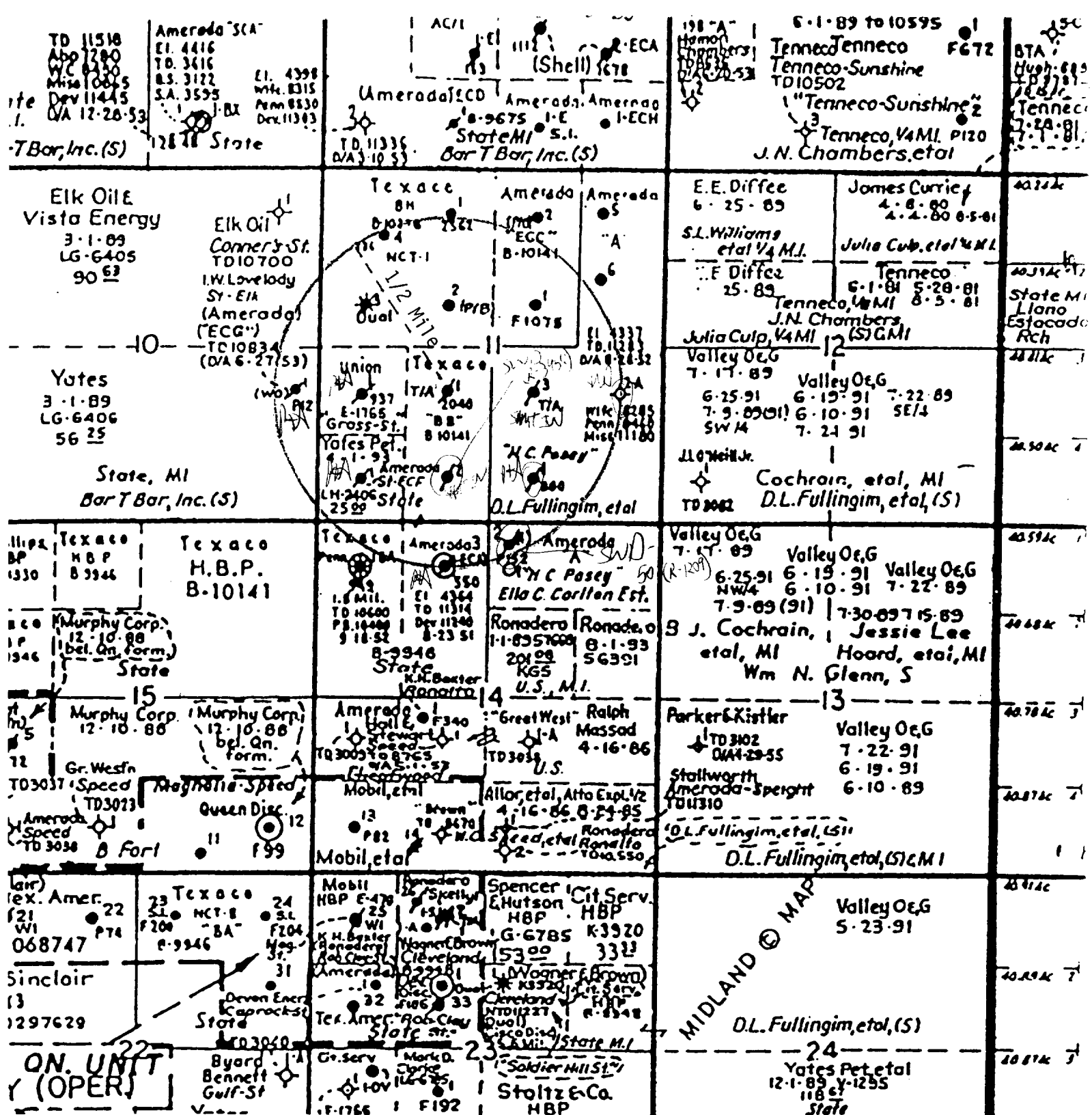
Additional Determinations And Remarks

The undersigned certifies the above to be true and correct to the best of his knowledge and belief.

Form No. 3

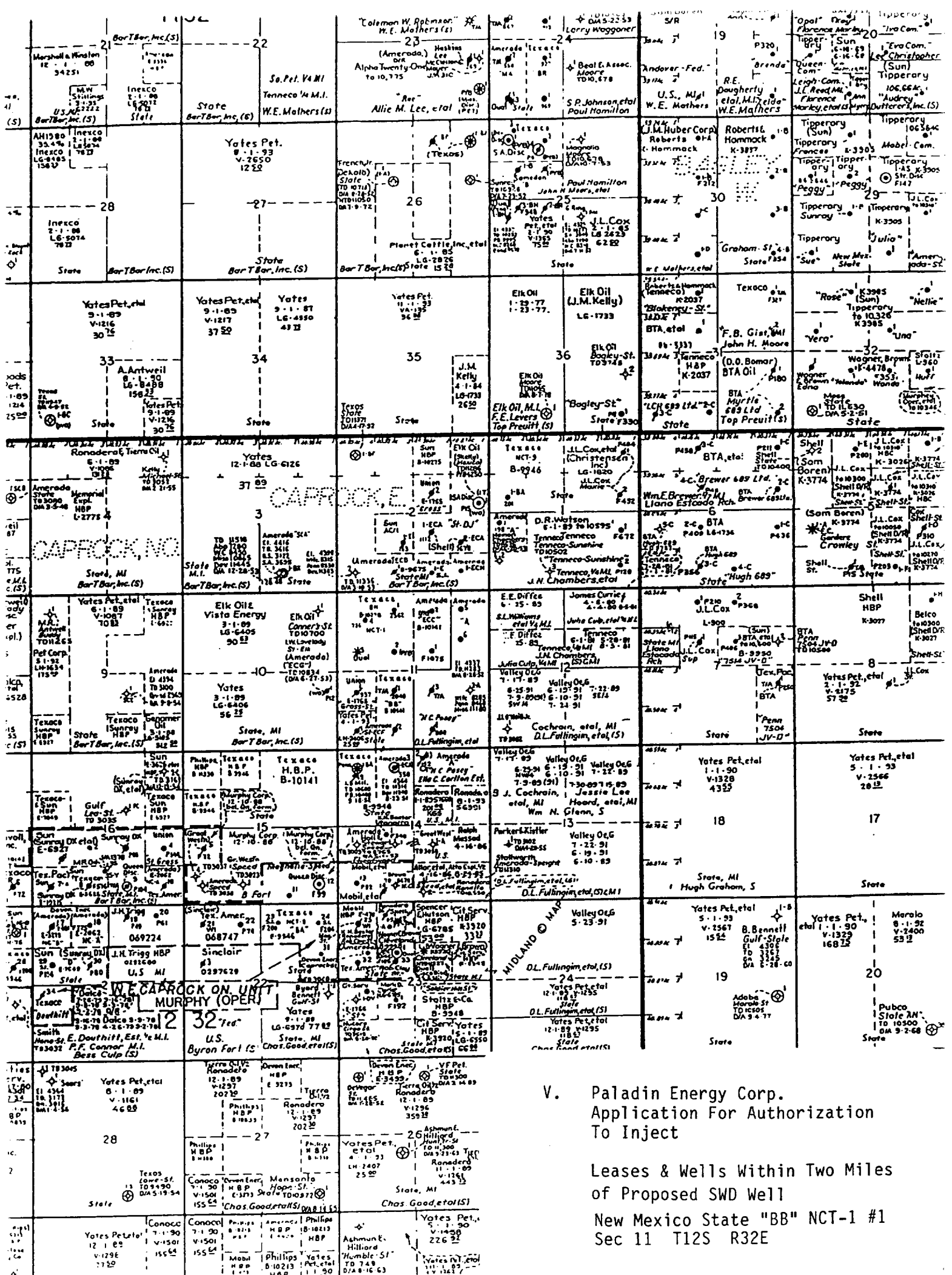
 δy

Waylan C. Martin, M.A.



V. PALADIN ENERGY CORP.
 AREA OF REVIEW MAP
 APPLICATION FOR AUTHORIZATION TO INJECT

NEW MEXICO STATE "BB" NCT-1 Well No. 1
 One Half Mile Radius Circle
 Sec 11 T12S R32E



V. Paladin Energy Corp.
Application For Authorization
To Inject

Leases & Wells Within Two Miles
of Proposed SWD Well

New Mexico State "BB" NCT-1 #1
Sec 11 T12S R32E

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-10
Revised October 18, 199

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-00109		2 Pool Code		3 Pool Name East Caprock Devonian	
4 Property Code 26437		5 Property Name New Mexico State 'BB' NCT-1			6 Well Number 1
7 OGRID No. 164070		8 Operator Name Paladin Energy Corp.			9 Elevation 4373'

10 Surface Location

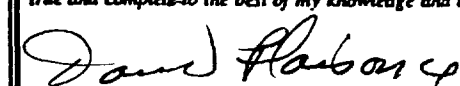

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	11	12S	32E		1989'	South	1985	West	Lea

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.   Signature David Plaisance Printed Name Production Manager Title 10/05/00 Date	
----- 1985'----- 0				18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyer	
----- 1989'-----				Certificate Number	

Affidavit of Publication

STATE OF NEW MEXICO)
) ss.
COUNTY OF LEA)

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON DAILY LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled

Legal Notice

was published in a regular and entire issue of **THE LOV-
INGTON DAILY LEADER** and not in any supplement there-
of, for one (1) day, beginning with the issue of
September 28, 2000 and ending with the issue
of September 28, 2000.

And that the cost of publishing said notice is the sum of
\$ 16.81 which sum has been (Paid) as
Court Costs.

Joyce Clemens

Subscribed and sworn to before me this 28th day of
September 2000

Debbie Schilling

Debbie Schilling
Notary Public, Lea County, New Mexico
My Commission Expires June 22, 2002

LEGAL NOTICE

Paladin Energy Corp. proposes to convert the New Mexico BB State NCT-1 well, located 1989' FSL and 1985' FWL of Section 11, T12S, R32E N.M.P.M., Lea County, New Mexico to a saltwater disposal well. Paladin will dispose of saltwater into the Devonian formation from a depth of 11,130' to 11,192' at a maximum rate of 10,000 PBD at a maximum pressure of 1000 psi. Questions pertaining to this application should be directed to Mr. David Plaisance, Manager, Drilling and Production for Paladin, 10290 Monroe Drive, Suite 301, Dallas, Texas 75229; phone number (214) 654-0132, Ext. 8. Interested parties should file objections or requests for hearing with the Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico 87501, within fifteen (15) days.

Published in the Lovington
Daily Leader September
28, 2000.

LLEGIBLE

VI
WELL WITHIN THE AREA OF REVIEW
WHICH PENETRATE THE PROPOSED INJECTION ZONE
CAPROCK, EAST (DEVONIAN)
SEC's 10,11,14, T12S-R32E
LEA COUNTY, NEW MEXICO

API Nbr: 30025000990000 State: NEW MEXICO County: LEA
Oper: AMERADA HESS CORP Oper Code: 000966
Well: 1 Lease: STATE ECG
AAPG Prov: PERMIAN BASIN Prov Code: 430
Field: CAPROCK EAST Field Code: 008270
District: 01
Meridian: NEW MEXICO 1855 Meridian Code: 23
Twp: 12.0S Rng: 32.0E SEC: 10.0 Spot:
Footages: 1980FSL 330FEL CONGRESS SECTION
Source: TBNAD27 Lat: 33.29148 Long: -103.69778

Contr: Tools: ROTARY Rig Nbr:
Oper Elev: 4415DF Rig Ht: Rig Release:
Drlr Depth: 10834 FT TVD: Form @ TD:
Spud Date: 04/26/1953 Date Well Added: 08/01/1973 Abnd Date:
Comp Date: 06/27/1953 Last Update: 06/10/2000 TD Reached:
Final Status: D&A Pool:
Initial Well Class: DEVELOPMENT WELL
Final Well Class: DEVELOPMENT WELL-DRY (INCLUDING TEMPORARILY ABANDONED WELL)

(Casing)
Size Depth Cement
13 3/8 IN 329 FT 325 SACK
8 5/8 IN 3655 FT 1500 SACK

API Nbr: 30025080070000 State: NEW MEXICO County: LEA
Oper: TEXACO INCORPORATED Oper Code: 033095
Well: 1 Lease: STATE BH
AAPG Prov: PERMIAN BASIN Prov Code: 430
Field: CAPROCK EAST Field Code: 008270
District: 01
Meridian: NEW MEXICO 1855 Meridian Code: 23
Twp: 12.0S Rng: 32.0E SEC: 11.0 Spot:
Footages: 660FNL 1980FWL CONGRESS SECTION
Source: TBNAD27 Lat: 33.29875 Long: -103.69027

Contr: Tools: ROTARY Rig Nbr:
Oper Elev: 4371ES Rig Ht: Rig Release:
Drlr Depth: 11220 FT TVD: Form @ TD: DEVONIAN
Log TD: PB Depth: 11218 FT Form Age @ TD: DEVONIAN U
Spud Date: 03/22/1952 Date Well Added: 08/01/1973 Abnd Date:
Comp Date: 07/29/1952 Last Update: 06/10/2000 TD Reached:

Final Status: OIL Pool:
 Initial Well Class: DEVELOPMENT WELL
 Final Well Class: DEVELOPMENT WELL-OIL
 (Casing)

Size	Depth	Cement
13 3/8 IN	346 FT	350 SACK
8 5/8 IN	3605 FT	2300 SACK
5 1/2 IN	11220 FT	400 SACK

788' ALG.

API Nbr: 30025000970000 State: NEW MEXICO
 Oper: AMERADA HESS CORP
 Well: 1 Lease: HC POSEY A

County: LEA
 Oper Code: 000966

AAPG Prov: PERMIAN BASIN
 Field: CAPROCK EAST
 District: 01

Prov Code: 430
 Field Code: 008270

Meridian: NEW MEXICO 1855

Meridian Code: 23

Twp: 12.0S Rng: 32.0E

SEC: 11.0

Spot:

Footages: 660FSL 1980FEL

CONGRESS SECTION

Source: TBNAD27

Lat: 33.28745

Long: -103.68529

Contr:
 Oper Elev: 4350DF

Tools: ROTARY
 Rig Ht:

Rig Nbr:
 Rig Release:

Drlr Depth: 11230 FT
 Log TD:

TVD:
 PB Depth:

Form @ TD: DEVONIAN
 Form Age @ TD: DEVONIAN U

Spud Date: 01/09/1952

Date Well Added: 08/01/1973

Abnd Date:

Comp Date: 04/25/1952

Last Update: 06/10/2000

TD Reached:

Final Status: OIL

Pool:

Initial Well Class: DEVELOPMENT WELL

Final Well Class: DEVELOPMENT WELL-OIL

(Casing)

Size	Depth	Cement
13 3/8 IN	296 FT	225 SACK
8 5/8 IN	3610 FT	1500 SACK
5 1/2 IN	11160 FT	600 SACK

608' ALG.
 8112' ALG.

ILLEGIBLE

API Nbr: 30025000980000 State: NEW MEXICO
 Oper: AMERADA HESS CORP
 Well: 2 Lease: HC POSEY A

County: LEA
 Oper Code: 000966

AAPG Prov: PERMIAN BASIN
 Field: CAPROCK EAST
 District: 01

Prov Code: 430
 Field Code: 008270

Meridian: NEW MEXICO 1855

Meridian Code: 23

Twp: 12.0S Rng: 32.0E

SEC: 11.0

Spot:

Footages: 1980FSL 660FEL

CONGRESS SECTION

Source: TBNAD27

Lat: 33.29118

Long: -103.68102

Contr:
 Oper Elev: 4337DF

Tools: ROTARY
 Rig Ht:

Rig Nbr:
 Rig Release:

Drlr Depth: 11283 FT

TVD:

Form @ TD:

Spud Date: 05/13/1952 Date Well Added: 08/01/1973 Abnd Date:
 Comp Date: 08/28/1952 Last Update: 06/10/2000 TD Reached:
 Final Status: D&A Pool:
 Initial Well Class: DEVELOPMENT WELL
 Final Well Class: DEVELOPMENT WELL-DRY (INCLUDING TEMPORARILY ABANDONED WELL)

(Casing)

Size	Depth	Cement
13 3/8 IN	296 FT	225 SACK
8 5/8 IN	3615 FT	1500 SACK

API Nbr: 30025001000000 State: NEW MEXICO County: LEA
 Oper: AMERADA HESS CORP Oper Code: 000966
 Well: 3 Lease: HC POSEY A
 AAPG Prov: PERMIAN BASIN Prov Code: 430
 Field: CAPROCK EAST Field Code: 008270
 District: 01
 Meridian: NEW MEXICO 1855 Meridian Code: 23
 Twp: 12.0S Rng: 32.0E SEC: 11.0 Spot:
 Footages: 1980FSL 1980FEL CONGRESS SECTION
 Source: TBNAD27 Lat: 33.29087 Long: -103.68559

Contr: Tools: ROTARY Rig Nbr:
 Oper Elev: 4357ES Rig Ht: Rig Release:
 Drlr Depth: 11237 FT TVD:
 Log TD: PB Depth: Form @ TD: DEVONIAN
 Form Age @ TD: DEVONIAN U

Spud Date: 08/27/1952 Date Well Added: 08/01/1973 Abnd Date:
 Comp Date: 12/07/1952 Last Update: 06/10/2000 TD Reached:
 Final Status: OIL Pool:
 Initial Well Class: DEVELOPMENT WELL
 Final Well Class: DEVELOPMENT WELL-OIL
 Prod Formation: DEVONIAN

(Casing)

Size	Depth	Cement
13 3/8 IN	301 FT	225 SACK
8 5/8 IN	3590 FT	1500 SACK
5 1/2 IN	11147 FT	600 SACK

API Nbr: 30025001060000 State: NEW MEXICO County: LEA
 Oper: AMERADA HESS CORP Oper Code: 000966
 Well: 1 Lease: STATE ECF
 AAPG Prov: PERMIAN BASIN Prov Code: 430
 Field: CAPROCK EAST Field Code: 008270
 District: 01
 Meridian: NEW MEXICO 1855 Meridian Code: 23
 Twp: 12.0S Rng: 32.0E SEC: 11.0 Spot:
 Footages: 660FSL 660FWL CONGRESS SECTION
 Source: TBNAD27 Lat: 33.28793 Long: -103.69456
 Contr: Tools: ROTARY Rig Nbr:

Oper Elev: 4389ES Rig Ht: Rig Release:

Drlr Depth: 11302 FT TVD: Form @ TD: DEVONIAN
Log TD: PB Depth: Form Age @ TD: DEVONIAN U

Spud Date: 02/05/1953 Date Well Added: 08/01/1973 Abnd Date:
Comp Date: 04/23/1953 Last Update: 06/10/2000 TD Reached:
Final Status: OIL Pool:
Initial Well Class: DEVELOPMENT WELL
Final Well Class: DEVELOPMENT WELL-OIL

(Casing)

Size	Depth	Cement
13 3/8 IN	297 FT	225 SACK
8 5/8 IN	3610 FT	1500 SACK
5 1/2 IN	11270 FT	700 SACK

API Nbr: 30025001070000 State: NEW MEXICO County: LEA
Oper: UNION OIL CO OF CAL Oper Code: 034551
Well: 1 Lease: GROSS STATE
AAPG Prov: PERMIAN BASIN Prov Code: 430
Field: CAPROCK EAST Field Code: 008270
District: 01
Meridian: NEW MEXICO 1855 Meridian Code: 23
Twp: 12.0S Rng: 32.0E SEC: 11.0 Spot:
Footages: 1980FSL 660FWL CONGRESS SECTION
Source: TBNAD27 Lat: 33.29107 Long: -103.69392

Contr: Tools: ROTARY Rig Nbr:
Oper Elev: 4341GR Rig Ht: Rig Release:

Drlr Depth: 11295 FT TVD: Form @ TD: DEVONIAN
Log TD: PB Depth: Form Age @ TD: DEVONIAN U

Spud Date: 06/30/1952 Date Well Added: 08/01/1973 Abnd Date:
Comp Date: 10/31/1952 Last Update: 06/10/2000 TD Reached:
Final Status: OIL Pool:
Initial Well Class: DEVELOPMENT WELL
Final Well Class: DEVELOPMENT WELL-OIL
Prod Formation: DEVONIAN

(Casing)

Size	Depth	Cement
11 3/4 IN	323 FT	250 SACK
8 5/8 IN	3620 FT	1500 SACK
5 1/2 IN	11278 FT	150 SACK

17516' 700 9110' TS

API Nbr: 30025001080000 State: NEW MEXICO County: LEA
 Oper: TEXACO INCORPORATED Oper Code: 033095
 Well: 3 Lease: STATE OF N M BH NCT
 AAPG Prov: PERMIAN BASIN Prov Code: 430
 Field: CAPROCK EAST Field Code: 008270
 District: 01
 Meridian: NEW MEXICO 1855 Meridian Code: 23
 Twp: 12.0S Rng: 32.0E SEC: 11.0 Spot:
 Footages: 1980FNL 663FWL CONGRESS SECTION
 Source: TBNAD27 Lat: 33.29507 Long: -103.69417

Contr: Tools: ROTARY Rig Nbr:
 Oper Elev: 4392DF Rig Ht: Rig Release:
 Drlr Depth: 11272 FT TVD:
 Log TD: PB Depth: 11270 FT Form @ TD: DEVONIAN
 Form Age @ TD: DEVONIAN U
 Spud Date: 12/13/1952 Date Well Added: 08/01/1973 Abnd Date:
 Comp Date: 04/10/1953 Last Update: 06/10/2000 TD Reached:
 Final Status: OIL Pool:
 Initial Well Class: DEVELOPMENT WELL
 Final Well Class: DEVELOPMENT WELL-OIL
 Prod Formation: DEVONIAN

(Casing)

Size	Depth	Cement
13 3/8 IN	333 FT	350 SACK
8 5/8 IN	3589 FT	2300 SACK
5 1/2 IN	11272 FT	500 SACK

API Nbr: 30025001100000 State: NEW MEXICO County: LEA
 Oper: TEXACO INCORPORATED Oper Code: 033095
 Well: 4 Lease: STATE OF N MEH NCT1
 AAPG Prov: PERMIAN BASIN Prov Code: 430
 Field: CAPROCK EAST Field Code: 008270
 District: 01
 Meridian: NEW MEXICO 1855 Meridian Code: 23
 Twp: 12.0S Rng: 32.0E SEC: 11.0 Spot:
 Footages: 990FNL 990FWL CONGRESS SECTION
 Source: TBNAD27 Lat: 33.29756 Long: -103.69370

Contr: Tools: ROTARY Rig Nbr:
 Oper Elev: 4385DF Rig Ht: Rig Release:
 Drlr Depth: 11235 FT TVD:
 Log TD: PB Depth: Form @ TD: DEVONIAN
 Form Age @ TD: DEVONIAN U
 Spud Date: 03/18/1953 Date Well Added: 08/01/1973 Abnd Date:
 Comp Date: 08/20/1953 Last Update: 06/10/2000 TD Reached:
 Final Status: OIL Pool:
 Initial Well Class: DEVELOPMENT WELL
 Final Well Class: DEVELOPMENT WELL-OIL

(Casing)

Size	Depth	Cement
13 3/8 IN	335 FT	350 SACK
8 5/8 IN	3635 FT	2300 SACK
5 1/2 IN	11215 FT	400 SACK

API Nbr: 30025001130000 State: NEW MEXICO

County: LEA

Oper: AMERADA HESS CORP

Oper Code: 000966

Well: 4

Lease: HG POSEY A

AAPG Prov: PERMIAN BASIN

Prov Code: 430

Field: CAPROCK EAST

Field Code: 008270

District: 01

Meridian: NEW MEXICO 1855

Meridian Code: 23

Twp: 12.0S Rng: 32.0E SEC: 14.0

Spot:

Footages: 330FNL 2310FEL CONGRESS SECTION

Source: TBNAD27

Lat: 33.28517

Long: -103.68651

Contr:

Tools: ROTARY

Rig Nbr:

Oper Elev: 4354DF

Rig Ht:

Rig Release:

Drlr Depth: 11255 FT

TVD:

Form @ TD: DEVONIAN

Log TD:

PB Depth:

Form Age @ TD: DEVONIAN U

Spud Date: 03/17/1953

Date Well Added: 08/01/1973 Abnd Date:

Comp Date: 06/19/1953

Last Update: 06/10/2000

TD Reached:

Final Status: OIL

Pool:

Initial Well Class: DEVELOPMENT WELL

Final Well Class: DEVELOPMENT WELL-OIL

(Casing)

Size	Depth	Cement
13 3/8 IN	299 FT	225 SACK
8 5/8 IN	3615 FT	1500 SACK
5 1/2 IN	11205 FT	600 SACK

API Nbr: 30025001150000 State: NEW MEXICO

County: LEA

Oper: AMERADA HESS CORP

Oper Code: 000966

Well: 1

Lease: STATE ECA

AAPG Prov: PERMIAN BASIN

Prov Code: 430

Field: CAPROCK EAST

Field Code: 008270

District: 01

Meridian: NEW MEXICO 1855

Meridian Code: 23

Twp: 12.0S Rng: 32.0E SEC: 14.0

Spot:

Footages: 660FNL 1980FWL CONGRESS SECTION

Source: TBNAD27

Lat: 33.28362

Long: -103.69034

Contr:

Tools: ROTARY

Rig Nbr:

Oper Elev: 4364DF

Rig Ht:

Rig Release:

Drlr Depth: 11314 FT

TVD:

Form @ TD: DEVONIAN

Log TD:

PB Depth: 11290 FT

Form Age @ TD: DEVONIAN U

Spud Date: 05/05/1951

Date Well Added: 08/01/1973 Abnd Date:

Comp Date: 08/31/1951 Last Update: 06/10/2000 TD Reached:
Final Status: OIL Pool:
Initial Well Class: NEW FIELD WILDCAT
Final Well Class: NEW FIELD WILDCAT-DISCOVERY

(Casing) Size	Depth	Cement
13 3/8 IN	296 FT	225 SACK
8 5/8 IN	3662 FT	1500 SACK
5 1/2 IN	11314 FT	600 SACK

Submit 3 Copies
to Appropriate
District Office

STATE OF NEW MEXICO
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

2040 Pacheco St.

Santa Fe, NM 87505

DISTRICT II

P.O. Drawer DD, Artesia, NM 888210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.	30.025-00109
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	B-1041
7. Lease Name or Unit Agreement Name	
NM 'BB' NCT-1	
8. Well No.	1
9. Pool name or Wildcat	E. Caprock Devonian

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well:	OIL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER SWD <input type="checkbox"/>
2. Name of Operator	Paladin Energy Corp.
3. Address of Operator	10290 Monroe Dr., Ste. Ste 301, Dallas, TX 75229
4 Well Location	Unit Letter <u>N</u> : <u>1989</u> Feet From The <u>South</u> Line and <u>1985</u> Feet from The <u>West</u> Line
Section <u>11</u>	Township <u>12-S</u> Range <u>32-E</u> NMPM <u>Lea</u> County
Elevation	(Show whether DF, RKB, RT, GR, etc) <u>4373' DF</u>

Check Appropriate Box to Indicate Nature of Notice, Report, Or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK	<input type="checkbox"/>	PLUG AND ABANDON	<input type="checkbox"/>
TEMPORARILY ABANDON	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		
OTHER	Convert to Salt Water Disposal Well	<input checked="" type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK	<input type="checkbox"/>	ALTRG CSG	<input type="checkbox"/>
COMMENCE DRLG OPNS.	<input type="checkbox"/>	P&A	<input type="checkbox"/>
CSG TST & CMT JOB	<input type="checkbox"/>		
OTHER	<input type="checkbox"/>		

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work) SEE RULE 1103

Move on location, rig up. GIH w/ 4-1/2" bit and drill out bottom of 5-1/2" casing @ 11,225'.
Drill 100 feet of open hole in Devonian Formation to 11,325' (+,-). POOH w/ drill bit. Rig up E-line, GIH with 4-1/2" Hollow Carrier perforating guns and perforate from 11,134-11,204', rig down e-line.
GIH with 5-1/2" packer and work string and set packer at 11,000'. Rig up and pump 3500 gallons of 15% HCl acid and perform ball sealer acid job. POOH with work string.

Run 5-12" Weatherford Arrow Set, plastic coated Packer w/ 11,000 3-1/2" 9.3#, N-80, plastic coated tubing.
Set packer @ 11,000' (+,-). Perform casing integrity test. Nipple up tree. Rig down & MOL.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE David Plaisance TITLE _____ DATE 10/05/00

214-654-0132

TYPE OR PRINT NAME David Plaisance, Production Manager TELEPHONE NO. _____

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 1452
Order No. R-1209

APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR THE DUAL COMPLETION
OF A WELL TO PRODUCE OIL FROM THE
PENNSYLVANIAN FORMATION ADJACENT TO
THE EAST CAPROCK PENNSYLVANIAN POOL,
LEA COUNTY, NEW MEXICO, AND TO PERMIT
THE INJECTION OF SALT WATER THROUGH
THE CASING-TUBING ANNULUS INTO THE
DEVONIAN FORMATION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 28, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 20th day of June, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Amerada Petroleum Corporation, is the owner and operator of the H. C. Posey "A" No. 4 Well, located in the NW/4 NE/4 of Section 14, Township 12 South, Range 32 East, NMPM, Lea County, New Mexico, and that said well is now depleted in the Devonian formation and that the applicant proposes to recomplete the well in the Pennsylvanian formation adjacent to the East Caprock-Pennsylvanian Pool.
- (3) That the applicant proposes to dually complete the said H. C. Posey "A" Well No. 4 in such a manner as to permit the disposal of salt water in the Devonian formation below the water-oil contact, with the salt water being injected down the casing-tubing annulus to the upper packer, through 2 1/2-inch tubing between the upper and the

lower packer, thence down 5 1/2-inch casing below the lower packer to the disposal interval.

(4) That the applicant failed to prove that by use of the proposed mechanical installation the Pennsylvanian formation can be effectively isolated from the injected salt water.

(5) That the invasion of salt water into the Pennsylvanian formation would cause waste.

(6) That the application for dual completion of the said H. C. Posey "A" No. 4 Well should be denied.

(7) That the disposal of salt water into the Devonian formation below the water-oil contact will not cause waste provided the said H. C. Posey "A" No. 4 Well is not open to the Pennsylvanian formation.

(8) That the applicant should be permitted to utilize the said H. C. Posey "A" No. 4 Well as a salt water disposal well in the Devonian formation below the water-oil contact.

IT IS THEREFORE ORDERED:

1. That the application of Amerda Petroleum Corporation for permission to dually complete its H. C. Posey "A" No. 4 Well, located in the NW/4 NE/4 of Section 14, Township 12 South, Range 32 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of oil from the Pennsylvanian formation adjacent to the East Caprock-Pennsylvanian Pool through 2-inch tubing and to permit the injection of salt water below the water-oil contact in the Devonian formation through the casing-tubing annulus to the upper packer, through 2 1/2-inch tubing between the upper and, the lower packer, thence down 5 1/2-inch casing below the lower packer to the disposal interval, be and the same is hereby denied.

2. That the applicant, Amerada Petroleum Corporation, be and the same is hereby granted permission to utilize the said H. C. Posey "A" Well No. 4 as a salt water disposal well by injecting the salt water into the Devonian formation below the water-oil contact, provided said well is not open to the Pennsylvanian formation.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

S E A L
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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4343
Order No. R-3954

APPLICATION OF TEXACO INC.
FOR SALT WATER DISPOSAL,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 29, 1970,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 4th day of May, 1970, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Texaco Inc., is the owner and
operator of the New Mexico "BB" State (NCT-1) Well No. 2, located
in Unit N of Section 11, Township 12 South, Range 32 East, NMPM,
East Caprock-Devonian Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to
dispose of produced salt water into the Devonian formation, with
injection into the perforated and open-hole interval from approxi-
mately 11,194 feet to 11,278 feet.

(4) That the injection should be accomplished through
2 7/8-inch plastic-lined tubing installed in a packer set at
approximately 9000 feet; that the casing-tubing annulus should
be filled with an inert fluid; and that a pressure gauge should

be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

(5) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to utilize its New Mexico "BB" State (NCT-1) Well No. 2, located in Unit N of Section 11, Township 12 South, Range 32 East, NMPM, East Caprock-Devonian Pool, Lea County, New Mexico, to dispose of produced salt water into the Devonian formation, injection to be accomplished through 2 7/8-inch tubing installed in a packer set at approximately 9000 feet, with injection into the perforated and open-hole interval from approximately 11,194 feet to 11,278 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary."

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary

S E A L