

109231168

AMEND SWD

4/13/01

P. O. BOX 2510

ZIA ENERGY, INC.

PHONE (505) 393-2937

HOBBS, NEW MEXICO 88241

March 26, 2001

MAR 29 2001

Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Attention: Mr. David Catanach

Re: Amendment to Administrative Order SWD-431 for Zia Energy, Inc. Simmons No. 2-SWD

(30-025-22039)

Dear Mr. Catanach:

On July 11, 1991 an order was issued for the above referenced Administrative Order. This order was the result of an application by Zia Energy, Inc. for approval to convert to salt water disposal the Simmons No. 2. The disposal formation was to be the San Andres formation. We requested approval for zones of porosity between 4456' to 5004'. The order was issued for zones from 4730' to 4910'.

We have been injecting into the zone from 4900' to 4910' for almost ten years. The wellhead injection pressure is presently near 800 psi, which is approaching the 946 psi limit approved by the order.

We request Administrative Approval to extend the injection interval to include zones of porosity from 4730' down to 5025'. We request approval from the Oil Conservation Division to add perforations from 4925' to 4940, from 4970' to 4976' and from 5000' to 5010'. The top of the Glorieta formation, as picked by Paul Kautz, is 5090'. There is a 35' dense zone between the base of porosity in the San Andres and the top of the Glorieta. Therefore, water injected into the San Andres will be confined to the San Andres formation.

We have sent a copy of this request for an amendment to Administrative Order SW-431 to the following Operators within the one-half mile radius of our Simmons No. 2-SWD: Wiser Oil Company, Arch Petroleum Inc., Texaco Exploration & Production, John H. Hendrix Corp., B.E.C. Corporation, Chevron USA, Inc., William B. Yarborough, ROC Energy, Inc. and the surface owner Wayne Henson. A copy of the advertisement which appeared in the Hobbs News Sun is also enclosed. Also enclosed is a copy of the certified mailing to each of these companies.

If there is any additional information that you need, please let us know.

Sincerely,

Certified Mailing Number

7099-3220-0002-3940-3487

Jarris Nelson

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, KATHI BEARDEN

Publisher

of the Hobbs News-Sun, a
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 1

weeks.

Beginning with the issue dated

March 25 2001

and ending with the issue dated

March 25 2001

Kathi Bearden

Publisher

Sworn and subscribed to before

me this 26th day of

March 2001

Jodi Anderson

Notary Public.

My Commission expires
October 18, 2004
(Seal)

LEGAL NOTICE

March 25, 2001

Zia Energy, Inc. whose address is P.O. Box 2510, Hobbs, N.M. 88241-2510, whose telephone number is 505-393-2937 and whose contact person is Farris Nelson, hereby advertises that Zia Energy, Inc. has filed with the Energy, Minerals and Natural Resources Department, Oil Conservation Division, an application for Administrative Approval of an amendment to Administrative Order SWD-431, which approved salt water disposal status for the Zia Energy, Inc. Simmons No.2 well located in the SW/4-NE/4 of Section 5, Township 22 South, Range 37 East, Lea County, New Mexico, to extend the disposal zone within the San Andres formation from 4910' to 5010'.

Any interested party must file objections or requests for a hearing within 15 days of this date with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, Attention David Catanach.

#18051

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.

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Zia Energy
PO Box 2510
Hobbs, NM 88240

7099 3220 0001 9928 4683

U.S. Postal Service
CERTIFIED MAIL RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

Article Sent To:
 Texacc Explcation & Production

Postage	\$ 34	Postmark here
Certified Fee	1.90	
Return Receipt Fee (Endorsement Required)	1.50	
Total Postage & Fees	\$ 3.74	

Name (Please Print Clearly) (To be completed by mailer)
 Zia Energy, Inc.
 Street, Apt. No., or PO Box No.
 P.O. Box 2510
 City, State, ZIP+4
 Hobbs, NM 88241-2510
 PS Form 3800, July 1999 See Reverse for Instructions

7099 3220 0001 9928 4676

U.S. Postal Service
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Article Sent To:
 Wiser Oil Company

Postage	\$ 34	Postmark here
Certified Fee	1.90	
Return Receipt Fee (Endorsement Required)	1.50	
Total Postage & Fees	\$ 3.74	

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7099 3220 0002 3940 3470

U.S. Postal Service
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Article Sent To:
 B.E.C. Corporation

Postage	\$ 34	Postmark here
Certified Fee	1.90	
Return Receipt Fee (Endorsement Required)	1.50	
Total Postage & Fees	\$ 3.74	

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Article Sent To:
 Chevron USA, Inc.

Postage	\$ 34	Postmark here
Certified Fee	1.90	
Return Receipt Fee (Endorsement Required)	1.50	
Total Postage & Fees	\$ 3.74	

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Article Sent To:

Mr. Wayne Hensch

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Restricted Delivery Fee (Endorsement Required)
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Article Sent To:

ROC ENERGY INC.

Postage \$.34
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Return Receipt Fee (Endorsement Required) 1.50
Restricted Delivery Fee (Endorsement Required)
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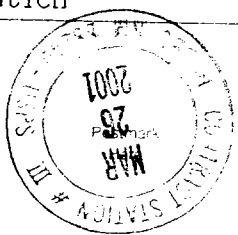
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Article Sent To:

John H. Hendrix Corporation

Postage \$.34
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Return Receipt Fee (Endorsement Required) 1.50
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$ 3.74



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Article Sent To:

Arch Petroleum, Inc.

Postage \$.34
Certified Fee 1.90
Return Receipt Fee (Endorsement Required) 1.50
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$ 3.74



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