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July 7, 2009

Florene Davidson Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505 RECEIVED OCD 2009 JUL -8 A 8: 38

Case 14337

Dear Florene:

Enclosed for filing, on behalf of Nacogdoches Oil and Gas Inc., are an original and one copy of an amended application for approval of a water disposal well, *etc.*, together with a proposed advertisement. The advertisement was previously e-mailed to the Division.

Very truly yours,

Attorney for Nacogdoches Oil and Gas, Inc.

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BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

2009 JUL -8 A 8: 38

APPLICATION OF NACOGDOCHES OIL AND GAS, INC. FOR APPROVAL OF A WATER DISPOSAL WELL AND AN EXCEPTION TO DIVISION RULES NMAC 19.15.5.9 AND 19.15.26.8, MCKINLEY COUNTY, NEW MEXICO.

Case No. 14337

AMENDED APPLICATION

Nacogdoches Oil and Gas, Inc. applies for an order approving a water disposal well, and in support thereof, states:

- 1. Applicant proposes to convert to disposal the South Hospah Unit Well No. 9, located 330 feet from the north line and 2051 feet from the east line of Section 12, Township 17 North, Range 9 West, N.M.P.M., McKinley County, New Mexico.
- 2. A Form C-108 for the South Hospah Unit Well No. 9, to be re-named the South Hospah SWD Well No. 9, was previously submitted to the Division. Injection will be into the Entrada formation at a depth of 3794-3854 feet subsurface.
- 3. Applicant further requests an exception to Division Rules NMAC 19.15.5.9 and 19.15.26.8 to allow it to convert the subject well to disposal even though it has not satisfied Division compliance rules.
 - 4. The granting of this application will prevent waste and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order approving the application.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

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Nacogdoches Oil and Gas, Inc.

PROPOSED ADVERTISEMENT

Case No. 14337 (Amended and Readvertised):

Application of Nacogdoches Oil and Gas, Inc. for approval of a water disposal well and an exception to Division Rules NMAC 19.15.5.9 and 19.15.26.8, McKinley County, New Mexico. Applicant seeks an order approving water disposal into the Entrada formation in the South Hospah Unit Well No. 9, located 330 feet from the north line and 2051 feet from the east line of Section 12, Township 17 North, Range 9 West, NMPM. Applicant further requests an exception to Division Rules NMAC 19.15.5.9 and 19.15.26.8 to allow it to convert the subject well to disposal even though it has not satisfied Division compliance rules. The well is located approximately 30 miles northeast of Thoreau, New Mexico.

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