



**MONTGOMERY
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LAW FIRM

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March 8, 2016

HAND-DELIVERY

Florene Davidson
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Page 15483

**Re: Application of Guardian Operating Corporation for Authorization to Inject,
Eddy County, New Mexico**

Dear Ms. Davidson:

Enclosed please find for filing the original and one copy of an Application regarding the above matter. Also enclosed is the proposed advertisement. Please set this matter for hearing on the April 14, 2016 examiner docket.

Thank you.

Very truly yours,

J. Scott Hall

Enclosures

cc: Randy Cate (via email, w/encs.)

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF GUARDIAN OPERATING
CORPORATION FOR AUTHORIZATION
TO INJECT, EDDY COUNTY,
NEW MEXICO.

Case No. 15483

APPLICATION

("Guardian Operating" or "Applicant"), through its undersigned counsel, Montgomery and Andrews, P.A. (J. Scott Hall, Esq.), applies pursuant to 19.15.26.8 NMAC for an order authorizing the injection of water for disposal into the Cherry Canyon member of the Delaware Mountain Group formation, Cherry Canyon SWD pool (97003), in Eddy County, New Mexico. In support of its Application, Guardian Operating states:

1. Applicant is the operator of the following well:

Kirkes SWD No. 1
API No. 30—15-23299
2080' FSL & 1773' FEL (Unit J)
Section 10
T-24-S, R-28-E, NMPM
Eddy County, New Mexico

2. The Kirkes SWD No. 1 well is drilled to a total depth of approximately 12,800'. Applicant proposes to convert the well for injection of water into the Cherry Canyon member of the Delaware Mountain Group through perforations from 3,800' to 4,600'.

3. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 700 psi and maximum pressure of 760 psi. Applicant proposes injection of water at average daily rates of approximately 3000 bbls and at maximum daily rates of approximately 5000 bbls. The source of the injected fluids will be formation water primarily

from Bone Spring and Wolfcamp formation production wells that have been drilled and are scheduled to be drilled in the area.

4. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

5. Applicant's original request for administrative approval was filed with the Division on February 18, 2016. Written objection was received and consequently, the matter must be set for hearing pursuant to NMAC §19.15.26.8 D, with notice to be given by the Division.

WHEREFORE, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on April 14, 2016 and that after notice and hearing as required by law, the Division enter its Order approving the utilization of the Kirkes SWD Well No. 1 for the injection of water into the Cherry Canyon member at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

Respectfully submitted,

MONTGOMERY & ANDREWS, P. A.

By: J. Scott Hall

J. Scott Hall

Seth C. McMillan

P.O. Box 2307

Santa Fe, NM 87504-2307

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Attorneys for Guardian Operating Corporation

Case No. 5483 *Application of Guardian Operating Corporation for Authorization to Inject, Eddy County, New Mexico.* Applicant seeks an order authorizing the injection of water for disposal into the Cherry Canyon member of the Delaware Mountain Group formation, Cherry Canyon SWD Pool (97003) in the following well:

Kirkes SWD Well No. 1
2,080' FSL & 1,773' FEL (Unit J)
Section 10
T-24-S, R-28-E, NMPM
Eddy County, New Mexico

Applicant proposes to convert the well at the above location and utilize it for injection of produced water at depths of 3,800' to 4,600' subsurface. The well is located approximately one-half mile North of Malaga, New Mexico.