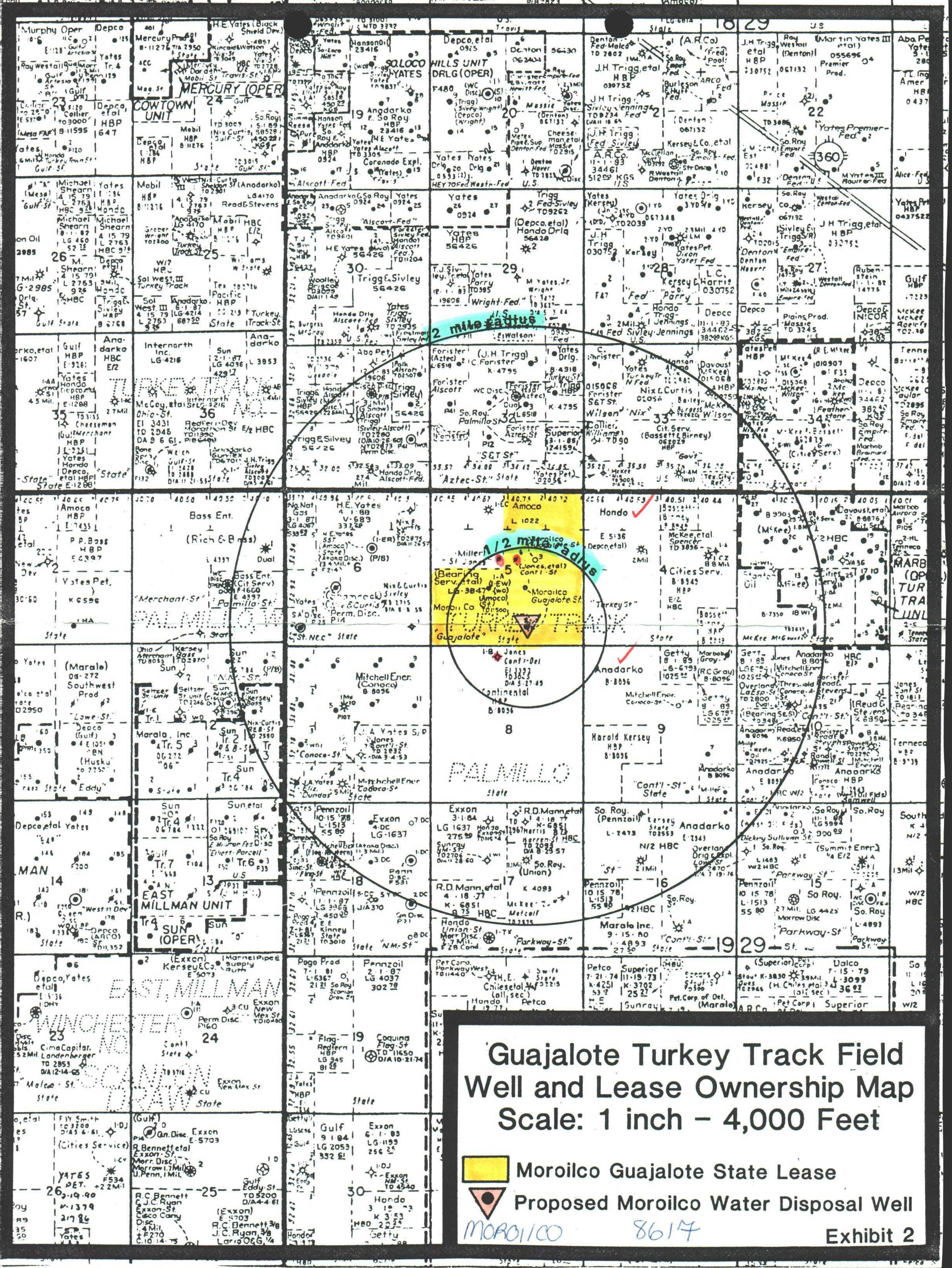
Guajalote Turkey Track Field
Well and Lease Ownership Map
Scale: 1 inch - 4,000 Feet
Moroilco Guajalote State Lease
Proposed Moroilco Water Disposal Well
MOROILCO 8617
Exhibit 2
2 mile radius
1/2 mile radius
TURKEY TRACK
PALMILLO
EAST MILLMAN
EAST MILLMAN UNIT
COWTOWN UNIT
MERCURY (OPER)
SO.LOCO HILLS UNIT DRLG (OPER)
Guajalote St.

R29E

T 18 S

T 19 S

TURKEY TRACK

LOCO HILLS, S.

EAST MILLMAN

Morolco

Morolco 1-A

Guajalote "A" State

Guajalote State

Guajalote Prospect

CUMULATIVE PRODUCTION & PRODUCING ZONE MAP

Showing Cumulative Production to 1 - 1 - 83
Month Production during August, 1983 and
Date Wells Began producing.

Stephen T. Mitchell — George L. Scott

March, 1985

EXPLANATION

- PRE SAN ANDRES
- SEVEN RIVERS
- QUEEN
- PENROSE
- GRAYBURG
- SAN ANDRES
- Proposed Wtr. disposal well
- ------- Cross Section

Exhibit 3

BEFORE EXAMINER QUINTANA
OIL CONSERVATION DIVISION
Morolco EXHIBIT NO. 3
CASE NO. 8617

PHONE (505) 748-2194
PHONE (505) 748-2325

MORoILCo.
INC.

DRAWER I
ARTESIA, NEW MEXICO 88210

May 14, 1985

Hondo Oil & Gas
P.O. Box 1610
Midland, TX 79702

Re: Application for Permit to Inject
Guajalote State #2
NW SE Section 5, T19S, R29E
Eddy County, New Mexico

Gentlemen,

Attached is a copy of MorOilCo, Inc., application to convert our Guajalote State #2 well to a produced water disposal system. The hearing date for this application is set for June 5, 1985. If you have any questions regarding our application, please contact me at (505) 748-2194. If you have no objection to the proposed system, please sign and return one copy of this letter in the stamped, self-addressed envelope which is enclosed.

Sincerely,

MOROILCO, INC.

Frank S. Morgan
Vice President

FSM/rlm

Enclosure

DATE: 5-20-85

BY: J. R. Hastings TITLE: District Engineer

PS Form 3811, July 1983 447-845

SENDER: Complete items 1, 2, 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 service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:
Hondo Oil & Gas
Box 1610
Midland, Tx. 79702

4. Type of Service:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number
010003149

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature – Addressee
X

6. Signature – Agent
X

7. Date of Delivery
5-17-83

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

MAY 17 1983 US

DOMESTIC RETURN RECEIP

PS Form 3811, July 1983 447-845

DOMESTIC RETURN RECEIP

SENDER: Complete items 1, 2, 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 service(s) requested.

1. ☐ Show to whom, date and address of delivery.

2. ☐ Restricted Delivery.

3. Article Addressed to:

Husky Oil Co.
6060 S. Willow Dr.
Englewood, Colo. 80111

4. Type of Service:

☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P 010 003 151

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature – Addressee

X Anthony Smith

6. Signature – Agent

X

7. Date of Delivery

5/17

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

PS Form 3811, July 1983 447-845

DOMESTIC RETURN RECEIP

SENDER: Complete items 1, 2, 3 and 4.

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1. ☒ Show to whom, date and address of delivery.

2. ☐ Restricted Delivery.

3. Article Addressed to:

Yates Pet. Corp.
207 S. 4th
Artesia, N.M. 88210

4. Type of Service:

☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P010 003 152

Always obtain signature of addressee or agent and **DATE DELIVERED.**

5. Signature – Addressee

X

6. Signature – Agent

X

7. Date of Delivery

5/16/85

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

PS Form 3811, July 1983 447-845

DOMESTIC RETURN RECEIPT

SENDER: Complete items 1, 2, 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 service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Conoco Inc.
Bat 1959
Midland, Tx. 79702

4. Type of Service:

☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number: 010003148

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature – Addressee

X

6. Signature – Agent

X

7. Date of Delivery

MIDLAND, TX MAY 20 1985 U.S.O.

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

P 010 003 151

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Husky Oil	
Street and No. 6860 S. Willow Dr	
P.O., State and ZIP Code Englewood Co 80111	
Postage	$ 1411
Certified Fee	75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	$ 286
Postmark or Date	MAY 15 1985

★ U.S.G.P.O. 1984-446-014

PS Form 3800, Feb. 1982

P 010 003 150

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Depco	
Street and No. 110 16th St. Suite 100	
P.O. State and ZIP Code Denve CO. 80202	
Postage	$ 14/
Certified Fee	75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	$ 286
Postmark or Date	

TESIA, NM MAY 15 1985

* U.S.G.P.O. 1984-446-014

S Form 3800, Feb. 1982

P 010 003 149

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Honodo Oil + Gas	
Street and No. Box 1610	
P.O., State and ZIP Code Midland TX 79702	
Postage	$1.41
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	$2.86
Postmark or Date	MAY 15

★ U.S.G.P.O. 1984-446-014

S Form 3800, Feb. 1982

P 010 003 148

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to CONOCO INC	
Street and No. BX 1959	
P.O., State and ZIP Code MIDLAND TX 79702	
Postage	$ 141
Certified Fee	75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	$ 286
Postmark or Date ARTESIA, N.M. MAY 15 1985	

PS Form 3800, Feb. 1982 ★ U.S.G.P.O. 1984-446-014

P 010 003 152

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Yates Pet Corp	
Street and No. 207 S 4th	
P.O., State and ZIP Code Artesia NM 88210	
Postage	$ 141
Certified Fee	75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	$ 286
Postmark or Date	

MAY 15 1985

USPO

* U.S.G.P.O. 1984-446-014

Form 3800, Feb. 1982

P 010 003 147

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Hiwaganke Prod. Co.	
Street and No. BX 2497	
P.O., State and ZIP Code Midland Tex 79702	
Postage	$1.41
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	$2.86
Postmark or Date	MAY 15 1985

★ U.S.G.P.O. 1984-446-014

Form 3800, Feb. 1982

PHONE (505) 748-2194
PHONE (505) 748-2325

RECEIVED
5/22/85

MORoILCo.
INC.

DRAWER I
ARTESIA, NEW MEXICO 88210

May 14, 1985

Depco
110 Sixteenth Street
Suite 100
Denver, CO 80202

Re: Application for Permit to Inject
Guajalote State #2
NW SE Section 5, T19S, R29E
Eddy County, New Mexico

Gentlemen,

Attached is a copy of MorOilCo, Inc., application to convert our Guajalote State #2 well to a produced water disposal system. The hearing date for this application is set for June 5, 1985. If you have any questions regarding our application, please contact me at (505) 748-2194. If you have no objection to the proposed system, please sign and return one copy of this letter in the stamped, self-addressed envelope which is enclosed.

Sincerely,

MOROILCO, INC.

Frank S. Morgan
Vice President

FSM/rlm

Enclosure

DATE: 5/17/85

BY: A L Flowers Jr. TITLE: Chief Engr.

PHONE (505) 748-2194
PHONE (505) 748-2325

MorOilCo.
INC.

DRAWER I
ARTESIA, NEW MEXICO 88210

May 14, 1985

Anadarko Production Company
P.O. Box 2497
Midland, TX 79702

Re: Application for Permit to Inject
Guajalote State #2
NW SE Section 5, T19S, R29E
Eddy County, New Mexico

Gentlemen,

Attached is a copy of MorOilCo, Inc., application to convert our Guajalote State #2 well to a produced water disposal system. The hearing date for this application is set for June 5, 1985. If you have any questions regarding our application, please contact me at (505) 748-2194. If you have no objection to the proposed system, please sign and return one copy of this letter in the stamped, self-addressed envleope which is enclosed.

Sincerely,

MOROILCO, INC.

Frank S. Morgan
Vice President

FSM/rlm

Enclosure

DATE: May 20, 1985

BY: W D Sutton TITLE: Dist Res ENGR.

PS Form 3811, July 1983 447-845

SENDER: Complete items 1, 2, 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 service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:
Anadarko Prod. Co.
Box 2497
Midland, Tx. 79702

4. Type of Service:

☐ Registered	☐ Insured
☒ Certified	☐ COD
☐ Express Mail	

Article Number
010 003147

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature – Addressee
X Betty Flanagan

6. Signature – Agent
X

7. Date of Delivery

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

MIDLAND, TX MAY 17 1985 USPO

DOMESTIC RETURN RECEIPT

PS Form 3811, July 1983 447-845

DOMESTIC RETURN RECEIPT

SENDER: Complete items 1, 2, 3 and 4.

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1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Depco
110 16th St., Ste. 1100
Denver, Colo. 80202

4. Type of Service:

☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number: 010003150

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature – Addressee
X

6. Signature – Agent
X

7. Date of Delivery
5/17/85

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

DENVER, CO MAIN OFF STA MAY 17 1985 USPO