

APPLICATION
TO
WATERFLOOD

SOUTH LUCKY LAKE QUEEN FIELD UNIT
Chaves County, New Mexico

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION

EXHIBIT NO. 7
CASE NO. BB00

APPLICATION FOR AUTHORIZATION TO INJECT

- I. Purpose: ☒ Secondary Recovery ☐ Pressure Maintenance ☐ Disposal ☐ Storage
Application qualifies for administrative approval? ☐ Yes ☐ No
- II. Operator: Burk Royalty Co.
Address: P. O. Box BRC, Wichita Falls, TX 76307
Contact party: Fred M. Lynch Phone: 817/322-5421
- 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 geological data on the injection zone including appropriate lithologic detail, geological 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 source 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 source 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: Fred M. Lynch Title: Petroleum Engineer
Signature: *Fred M. Lynch* Date: 2-4-86
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal.

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; location by Section, Township, and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) the intended purpose of the injection well; with the exact location of single wells or the section, township, and range location of multiple wells;
- (3) the formation name and depth with expected maximum injection rates and pressures; and
- (4) a notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501 within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

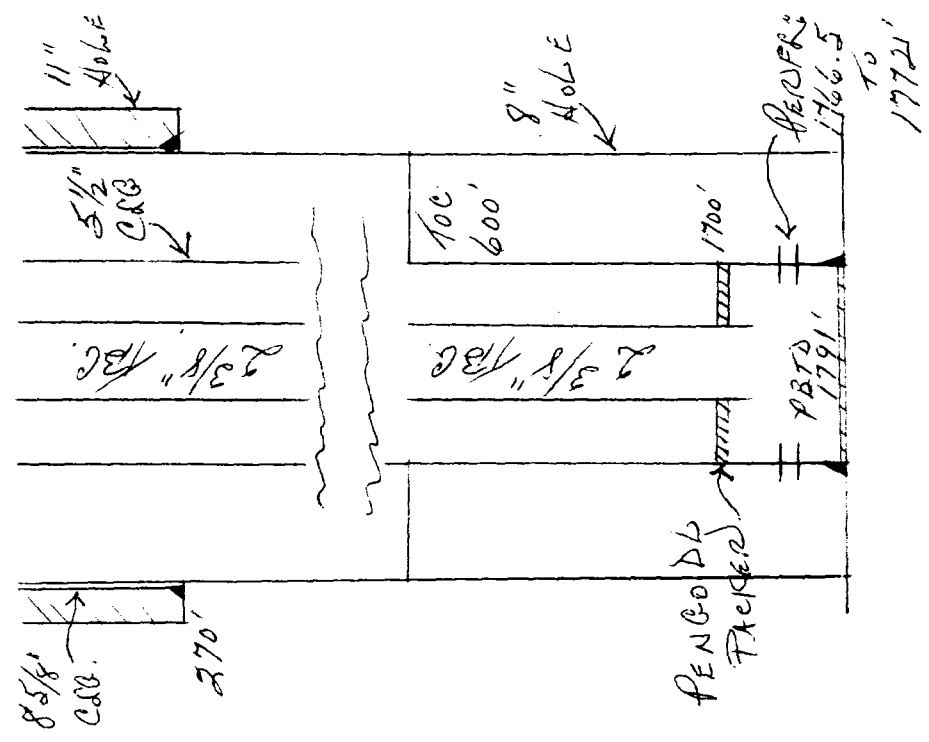
INJECTION WELL DATA SHEET

Dalport Oil Corp. Jones-Federal (Unit)
 OPERATOR
 1 2310' FSL & 330' FWL 22 15S 29E
 WELL NO. FOOTAGE LOCATION SECTION TOWNSHIP RANGE

South Lady Lake Queen Unit Tract 2 Unit No. 1
 Tabular Data
 C-104 obtained 9/8/86

Surface casing to 270'
 Size 8 5/8" - 20# Cemented with 150 sx "C" sx.
 100 Surface feet determined by circulated
 Hole size 11"
 Intermediate casing
 Size " Cemented with sx.
 100 feet determined by
 Hole size
 Long string to 1,794'
 Size 5 1/2" - 15.5# Cemented with 275 sx.
 100 600 feet determined by volume
 Hole size 8"
 Total depth 1,796' PBTD 1,791'
 Injection interval Queen
 1,766 1/2 feet to 1,772 feet
 (perforated ~~xxxxxx~~ indicate which)

Schematic



INJECTION WELL DATA SHEET -- SIDE 2

Tubing size 2 3/8" lined with fiberglass tubing set in a
 (brand and model) Pengo DL (material) packer at 1,700'± feet

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen
2. Name of Field or Pool (if applicable) South Lucky Lake
3. Is this a new well drilled for injection? ☐ Yes ☒ No
 If no, for what purpose was the well originally drilled? Oil production

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

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area.
None

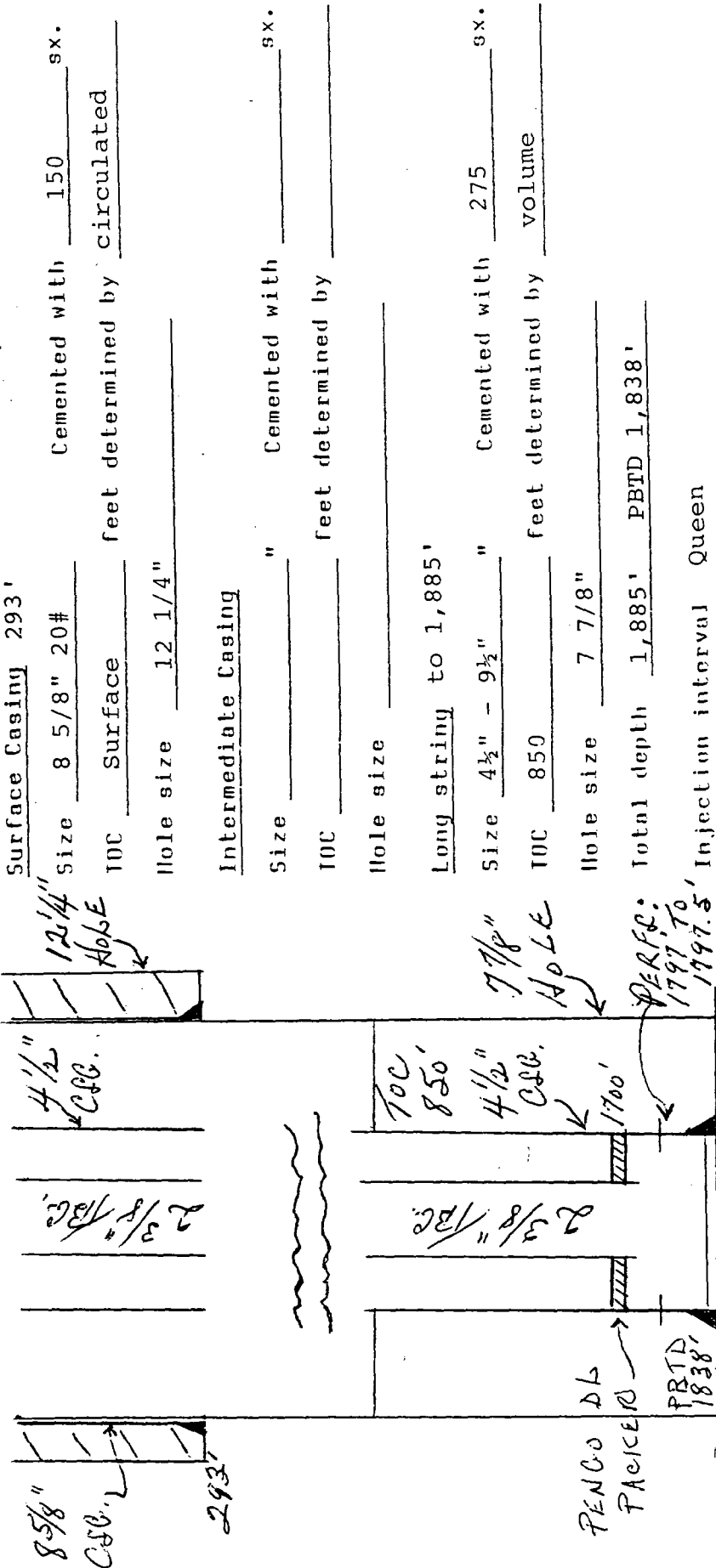
INJECTION WELL DATA SHEET

Dalport Oil Corp.		Jones-Federal	
OPERATOR		LEASE	
4	990' FSL & 1477' FWL	22	15S
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP
			RANGE
			29E

Search history hole Queen Hunt Tract 2 West 1/4 Sec. 4 T15S R29E

Tabular Data *8-10-04*
revised 8/18/86

Schematic



1,797 feet to 1,797.5 feet
(perforated ~~xxxxxxx~~, indicate which)

INJECTION WELL DATA SHEET -- SIDE 2

tubing size 2 3/8" lined with fiberglass tubing set in a
 (material)
 Pengo DL packer at 1,700± feet
 (brand and model)

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen

2. Name of Field or Pool (if applicable) South Lucky Lake

3. Is this a new well drilled for injection? ☐ Yes ☒ No
 If no, for what purpose was the well originally drilled? _____

Oil production

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) _____

No

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. _____

None

INJECTION WELL DATA SHEET

Yates Petroleum Corp. Federal "DH" LEASE

1980' FNL & 330' FWL 27 SECTION 15S TOWNSHIP 29E RANGE

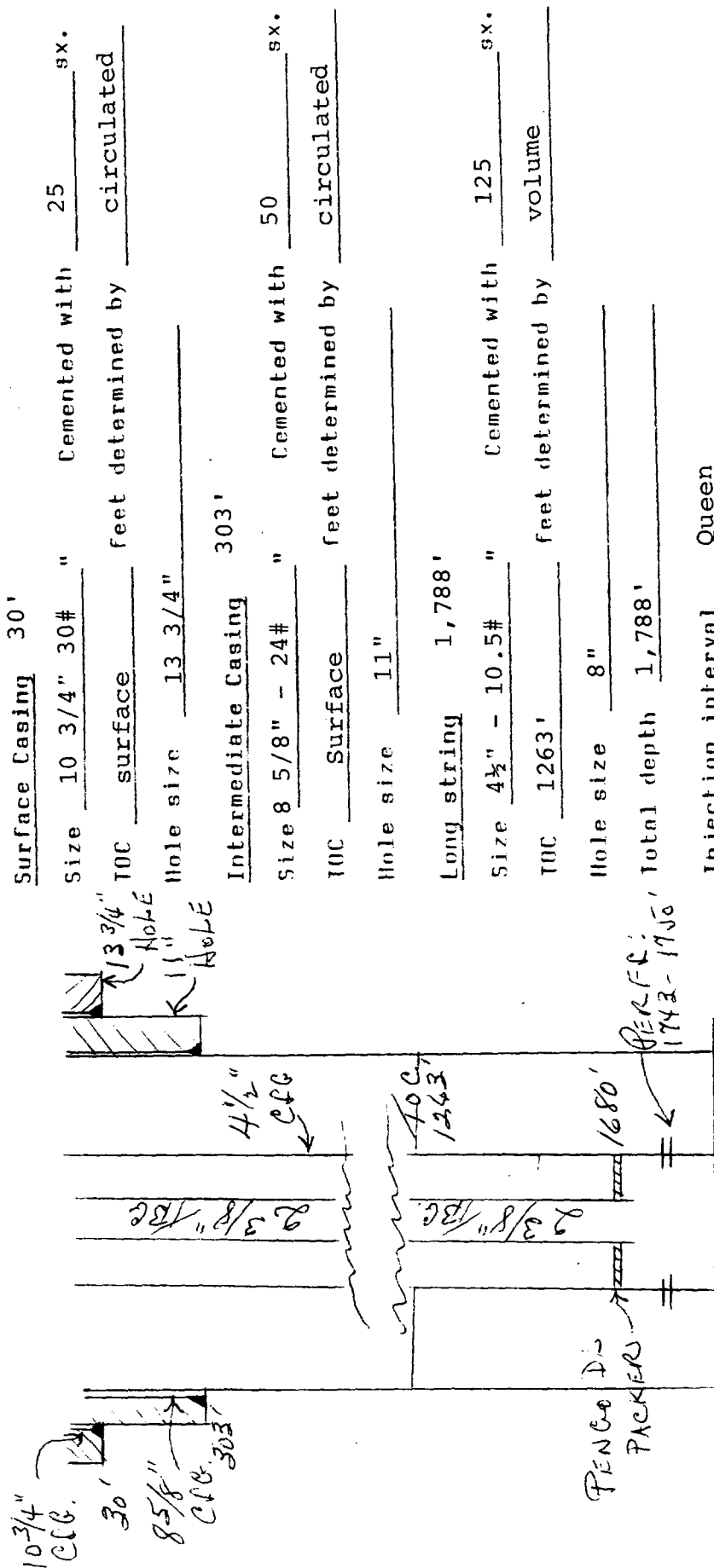
1 WELL NO. FOOTAGE LOCATION

Search history under Queen Creek Unit Tract 1 Well No. 1

8-10-86

affix 8/18/86

Schematic



Injection interval Queen

1,743 feet to 1,750 feet

(perforated ~~1743-1750~~, indicate which)

INJECTION WELL DATA SHEET -- SIDE 2

Tubing size 2 3/8" lined with fiberglass tubing set in a
 (material)
 Baker Model D packer at 1,680'± feet
 (brand and model)

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen
2. Name of Field or Pool (if applicable) South Lucky Lake
3. Is this a new well drilled for injection? ☐ Yes ☒ No
 If no, for what purpose was the well originally drilled? Oil production
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used)
No
5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area.
None

INJECTION WELL DATA SHEET

SIDE 1

Read & Stevens

Harris State 16

OPERATOR

LEASE

WELL NO. 1 FOOTAGE LOCATION 660' FSL & 1980' FEL SECTION 16 TOWNSHIP 15S RANGE 29E

South Perry Queen
Unit 7 (Unit D)
Produced 3/15/86
2-10-86 approved

Schematic

Surface Casing 303"

Size 8 5/8" - 24# " Cemented with 100 sx.

TOC Surface feet determined by circulated

Hole size 11"

Intermediate Casing

Size " Cemented with sx.

TOC feet determined by

Hole size

Long string 1,848'

Size 4 1/2" - 9.5# " Cemented with 100 sx.

TOC 1,000 feet determined by volume

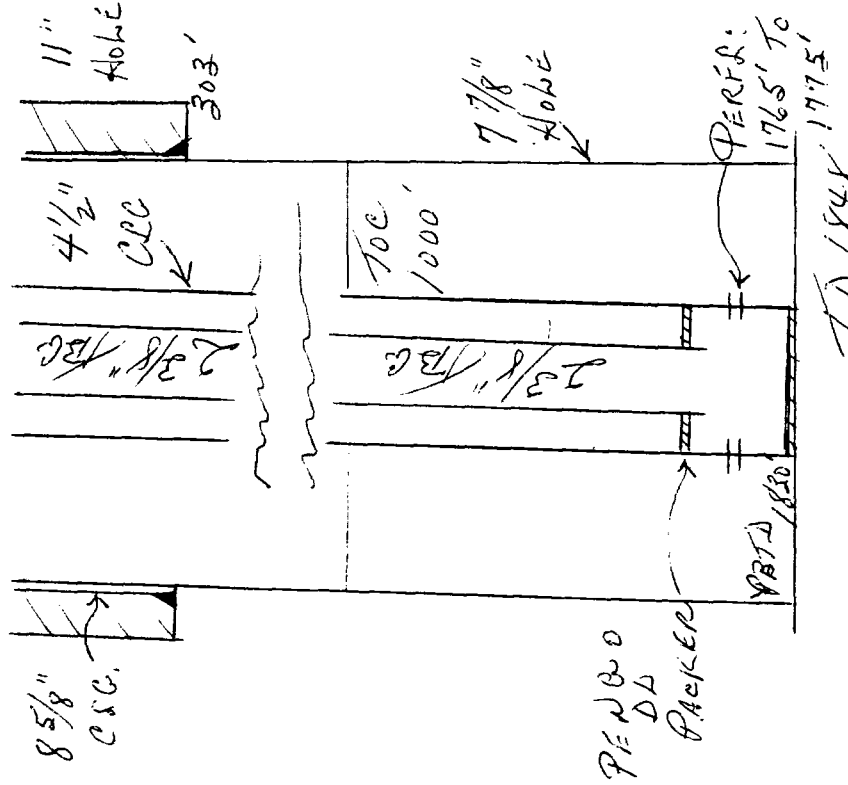
Hole size 7 7/8"

Total depth 1,848' PBTD 1,830'

Injection interval Queen

Perf. 1,765 feet to 1,775 feet

(perforated ~~xxxxxxx~~, indicate which)



INJECTION WELL DATA SHEET -- SIDE 2

Tubing size 2 3/8" lined with fiberglass tubing set in a
 (brand and model) Pengo DL (material) 1,680'± packer at 1,680'± feet
 (or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen
2. Name of Field or Pool (if applicable) South Lucky Lake
3. Is this a new well drilled for injection? ☐ Yes ☒ No
 If no, for what purpose was the well originally drilled? _____

Oil production

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) _____

No

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. _____

None

INJECTION WELL DATA SHEET

SIDE 1

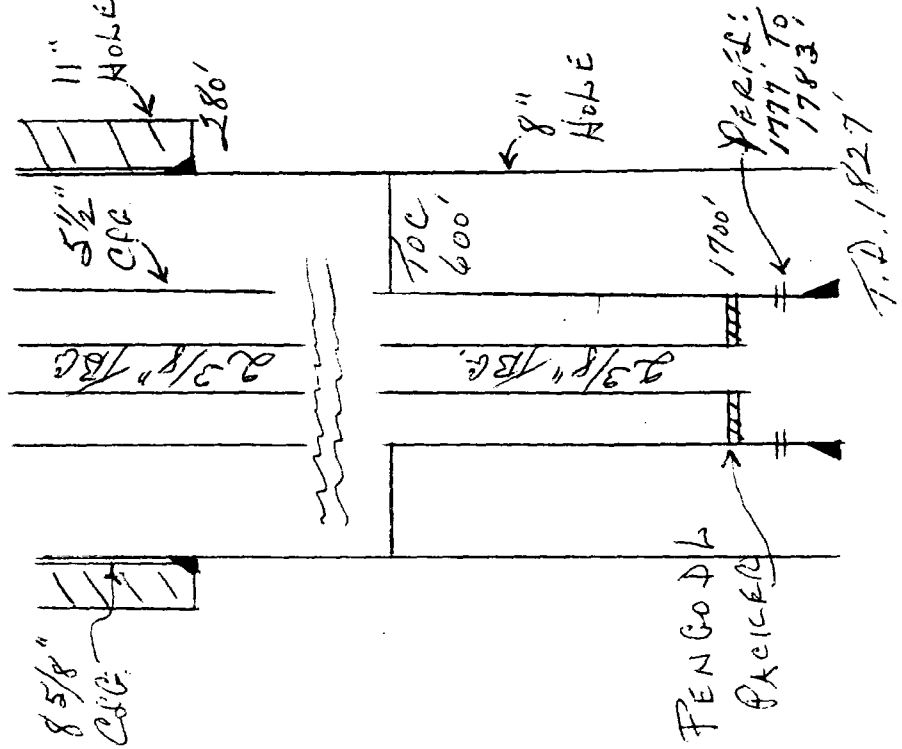
Dalport Oil Corp. Todhunter-Federal
 OPERATOR LEASE

1 2,310' FNL & 1,650' FWL 22 SECTION 15S TOWNSHIP 29E
 WELL NO. FOOTAGE LOCATION RANGE

Goodbury Lake Queen Unit Tract 3 Loc 11 No. 1 (Unit F)

Surface Casing 280' Cemented with 150 sx.
Intermediate Casing 11" Cemented with 275 sx.
Hole size 11" feet determined by circulated
Long string 1,826' Cemented with 275 sx.
Hole size 8" feet determined by volume
Total depth 1,827'
Injection interval Queen
1,777 feet to 1,783 feet
(perforated xxxxxxxxxx indicate which)

Schematic



INJECTION WELL DATA SHEET -- SIDE 2

Tubing size 2 3/8" lined with fiberglass tubing set in a
 (brand and model) Pengo DL (material) packer at 1,700' ± feet
 (or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen
2. Name of Field or Pool (if applicable) South Lucky Lake
3. Is this a new well drilled for injection? ☐ Yes ☒ No
 If no, for what purpose was the well originally drilled? _____

Oil production

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) _____

No

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. _____

None

INJECTION WELL DATA SHEET

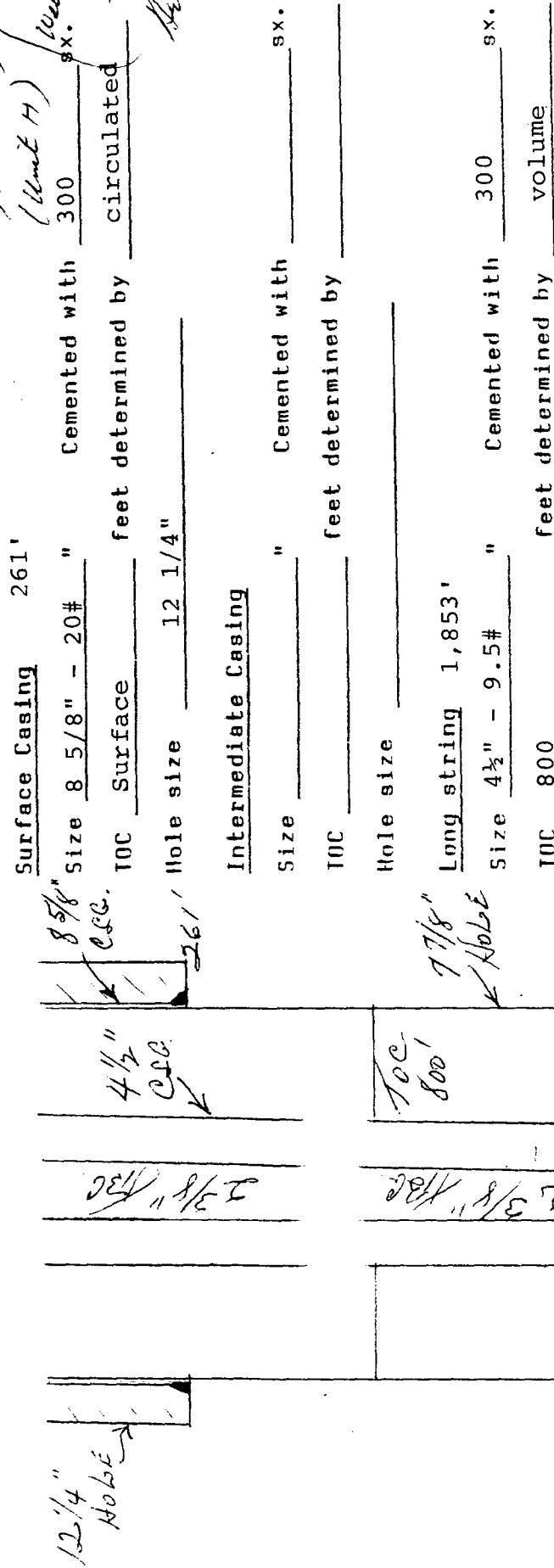
SIDE 1

Bison Petroleum Corp.		Owen-Federal	
OPERATOR		LEASE	
1	660' FEL & 1980' FNL	21	15S 29E
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP RANGE

South of Lake Queen about 1/2 mile N. of Hunt #4 (Unit H) Well File #

tabular Data

Schematic



Surface Casing	261'	
Size 8 5/8" - 20#	Cemented with	300
TOC Surface	feet determined by	circulated
Hole size	12 1/4"	
Intermediate Casing		
Size	"	Cemented with
TOC	feet determined by	
Hole size		
Long string	1,853'	
Size 4 1/2" - 9.5#	"	Cemented with
TOC	800	feet determined by
Hole size	7 7/8"	
P.B.T.D.	1,863'	P.B.T.D.
1,815'		1,815'
Injection interval	Queen	
1,733 1/2'	feet to	1,747 1/2'
(perforated xxxxxxx , indicate which)		

T.D. 1863'

INJECTION WELL DATA SHEET -- SIDE 2

Tubing size 2 3/8" lined with fiberglass tubing set in a
 (material)
 Pengo DL packer at 1,650'± feet
 (brand and model)

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen

2. Name of Field or Pool (if applicable) South Lucky Lake

3. Is this a new well drilled for injection? ☐ Yes ☒ No

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

Oil production

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) _____

No _____

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. _____

None _____

SIDE 1

South Lucky Lake Federal

PLEASE

330' FSL & 330' FWL

FOOTAGE LOCATION

SECTION

155

RANGE

and copy of

of the railway, I have

Quinn, S. J. 1

1000

Schematic

Tabular Data

Surface Casing 284'

284'

Size 8 5/8" - 24# "

Size 8 5/8" - 24# "

T0C Surface

T0C Surface

12 1/4" hole size

12 1/4" hole size

Intermediate Casing

Size "

Size "

TOC

TOC

Hole size

Long string 1,950'

Long string 1,950'

Size 4½" - 9.5# "

Size 4½" - 9.5# "

850 TOC

850 TOC

Hole size 7 7/8"

Hole size 7 7/8"

Total deaths 1.950'

Total deaths 1.950'

Injection interval Queen

Injection interval Queen

1,777 1,790

1,777 1,790

03 3331

03 3331

03 3331

INJECTION WELL DATA SHEET -- SIDE 2

Tubing size 2 3/8" lined with fiberglass tubing set in a
 (material)
Pengo DL packer at 1,680' ± feet
 (brand and model)

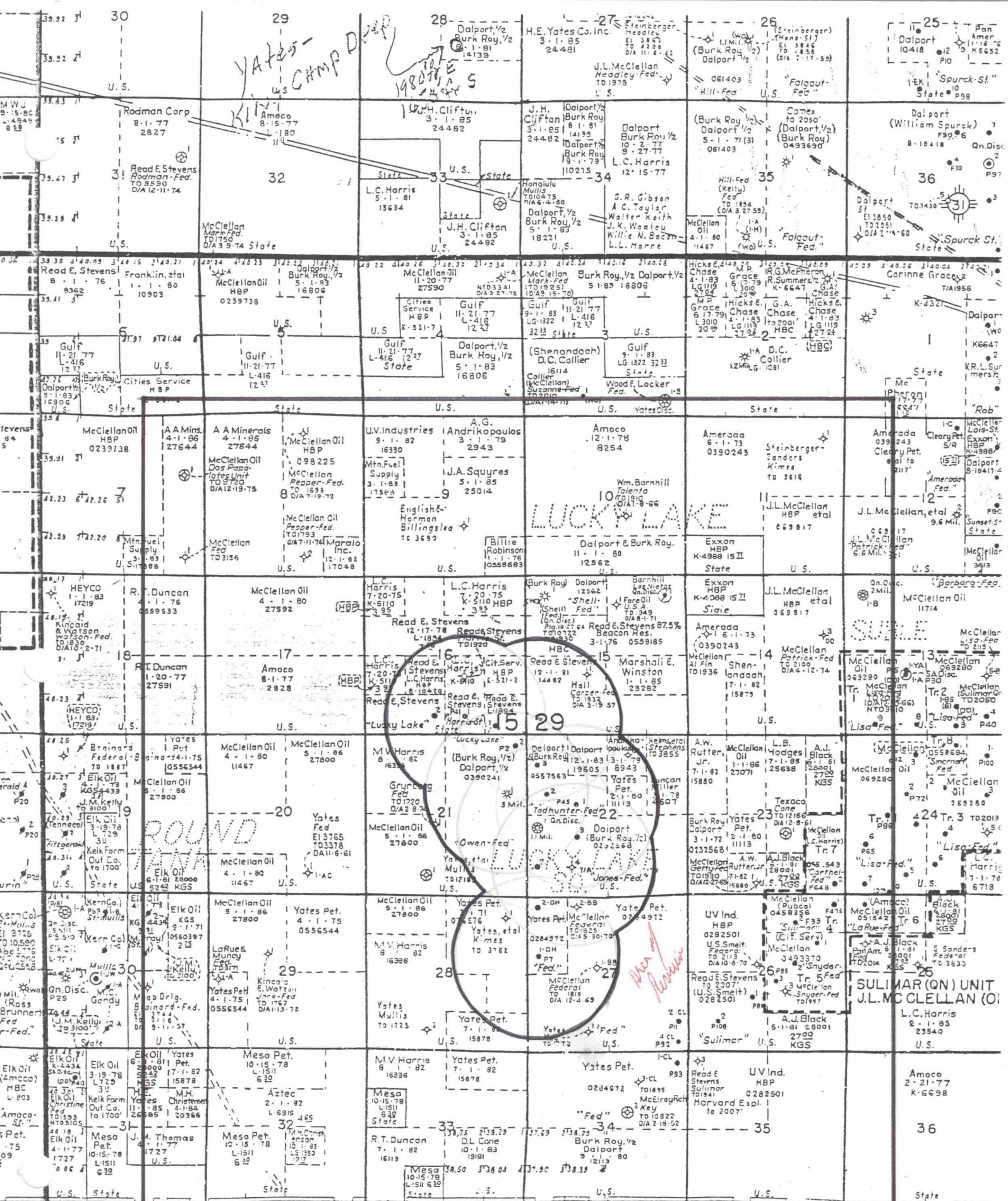
(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen
2. Name of Field or Pool (if applicable) South Lucky Lake
3. Is this a new well drilled for injection? ☐ Yes ☒ No
 If no, for what purpose was the well originally drilled? Oil production

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

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area.
None



R29E

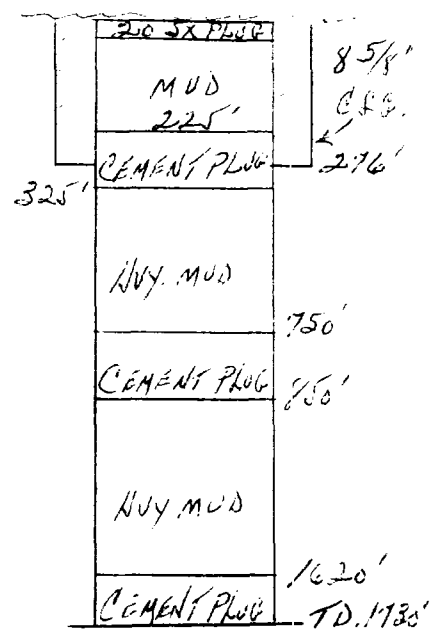
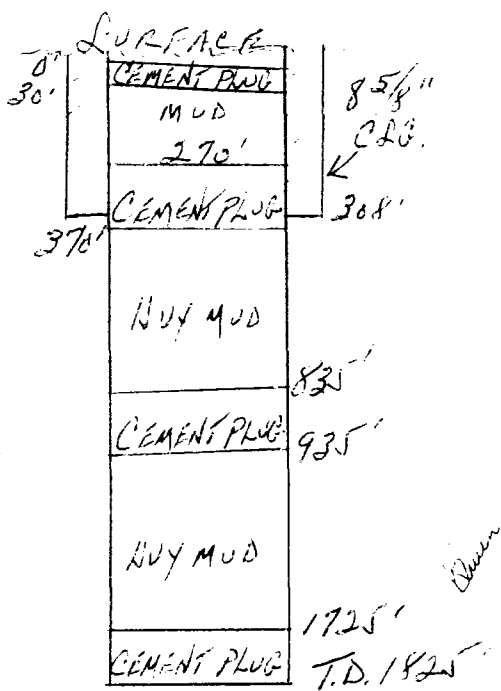
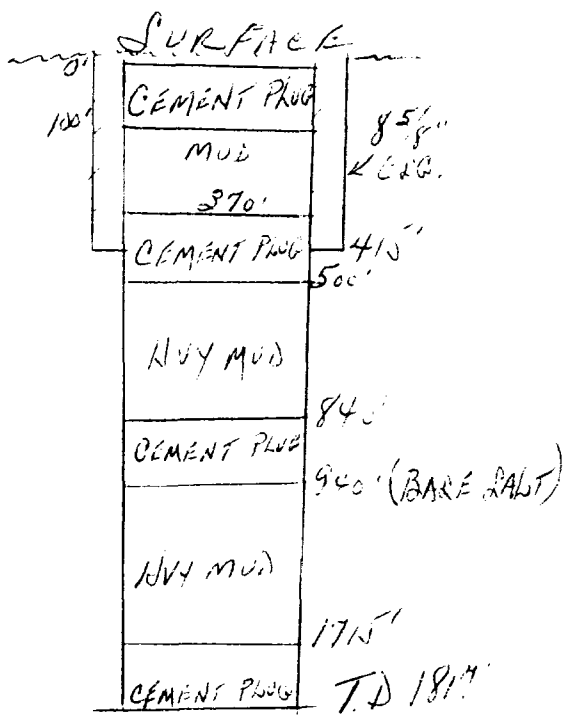
BY

N

TABULATION OF DATA
ALL WELLS WITHIN 1/2 MILE OF AN INJECTION WELL

WELL NAME	SEC-LOC T15S R29E	DATE COMP	T. D.	PETD	DFT SURF CSG & SX CMT	DPT SURF CSG & SX CMT	ZONE	THK	PERFS	FRAC ISDP #	POT OR RESULTS	CURRENT STATUS
RHAD & STEVENS #1 South Lucky Lake	15-M	1-29-82	1,950	1,915	284'/180	1950'/400	QUEEN	13"	1777-90	2150	1 BO 19 W	O11
HALL #1 Carper-Fed	15-K	3-19-57	1,853	---	477'/125	1844'/50	QUEEN	---	---	---	40' SW	P&A
READ & STEVENS #1 Lucky Lake	16-P	2-15-76	1,825	1,800	280'/100	1825'/100	QUEEN	13"	1761-71	---	55 BO	O11
READ & STEVENS #2 Lucky Lake	16-N	5-10-76	1,800	1,798	288'/100	1800'/100	QUEEN	14"	1738-48	1200	10 BO	O11
READ & STEVENS #1 Harris-State "16"	16-O	5-1-75	1,848	1,830	303'/100	1848'/100	QUEEN	15"	1765-75	1200	41 BO	O11
READ & STEVENS #2 Harris-State "16"	16-J	5-22-75	1,920	---	300'/100	1850'/100	QUEEN	12"	---	---	salt wtr.	P&A
DALPORT #1 Owen-Fed	21-H	12-23-72	1,863	1,815	261'/300	1853'/300	QUEEN	16"	1733-47	1300	3051 mcf	Gas
DALPORT #2 Owen-Fed	21-A	3-20-76	1,860	1,808	260'/175	1860'/275	QUEEN	14"	1762-69	1100	25 BO	O11
MCCLELLAN #1 Harris-Fed	21-C	1-29-83	1,805	---	331'/200	1805'/150	QUEEN	12"	1726-35	---	85 MCF	Gas
GRYNBERG #1 Federal	21-K	2-8-74	1,730	---	276'/180	---	QUEEN	---	---	---	little	P&A
DALPORT #1 Jones-Fed	22-L	3-30-72	1,796	1,791	270'/150	1794'/275	QUEEN	14"	1766-73	1300	1191 MCF 3 BO	O11
DALPORT #2 Jones-Fed	22-M	4-16-76	1,870	1,818	256'/150	1869'/150	QUEEN	16"	1773-76	1100	38 BO	O11
DALPORT #3 Jones-Fed	22-M	5-14-76	1,884	1,867	256'/150	1882'/275	QUEEN	14"	1804-16	1300	29 BO 17 BSW	O11
DALPORT #4 Jones-Fed	22-N	10-25-76	1,885	1,838	293'/150	1885'/275	QUEEN	17"	1797-97.5	---	55 BWPD	TA
DALPORT #1 Toddhunter-Fed	22-F	5-22-72	1,827	1,801	279'/150	1826'/275	QUEEN	14"	1777-83	1400	45 BO 45 BSW	O11

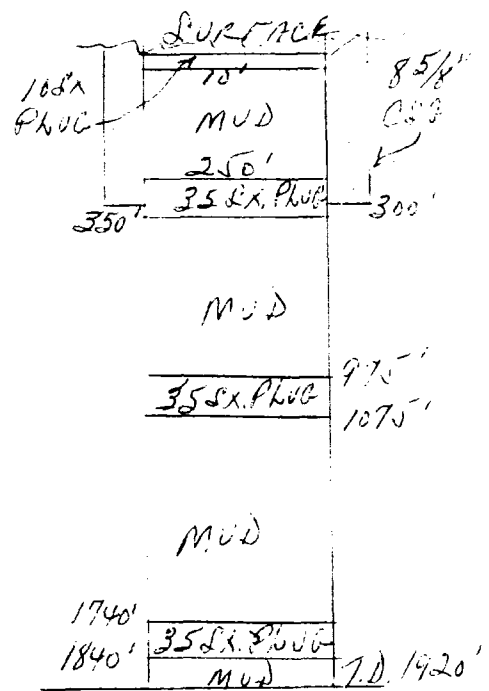
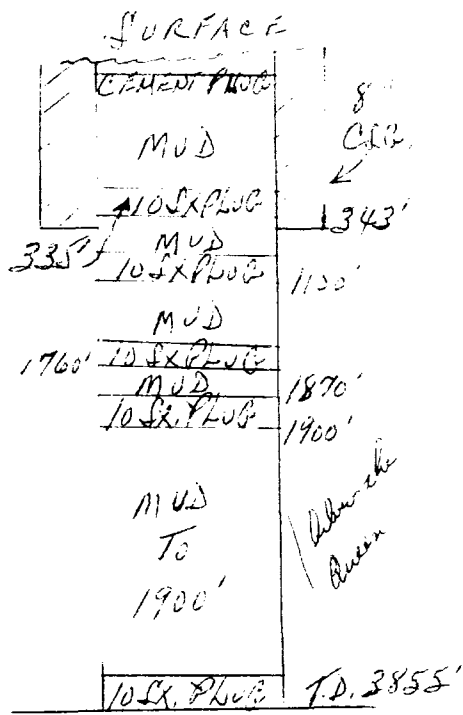
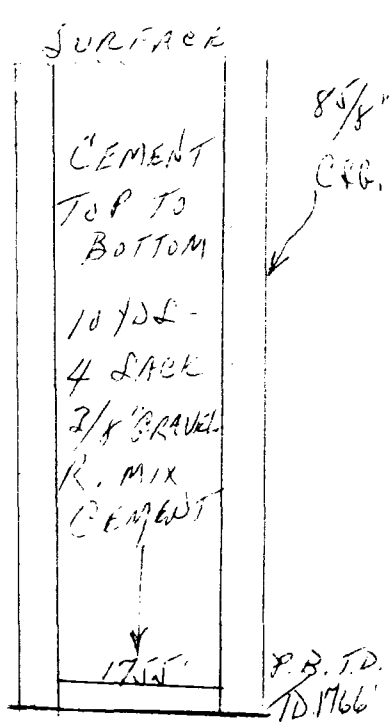
PLUGGED WELLS WITHIN AREA OF REVIEW



McClellan-Yates "BB" Fed No. 1
SEC 27-T15S-R29E-CHAVEZ

McClellan-Yates "BB" Fed No. 1
SEC 27-T15S-R29E-CHAVEZ

Grynberg Fed "A" No. 1
SEC 21-T15S-R29E-CHAVEZ



Yates-Kimer Fed No. 1
SEC 28-T15S-R29E

Helms et al - Stephens No. 1
SEC 22-T15S-R29E

R + Stevens Harris "G" S.T. No. 2
SEC 16-T15S-R29E

SURFACE
CEMENT
8" 230'
8 5/8" C.S.C.
125 SX.
477'

4 1/2" C.S.C.
@ 1844
50 SX. →

1844' → 10 SX P-202 → T.D. 1855'
HALL-CARPENTER FED No. 1
SEC 15-T152-R29E

REMARKS

Burk Royalty Co. operates the Double "L" Queen Unit Waterflood which lies within a few miles of the Proposed South Lucky Lake Flood. Jack McClellan of Roswell, New Mexico operates the Sulimar Queen Waterflood which lies approximately 3 miles east of the Proposed South Lucky Lake Flood. The Burk flood is operating at 900 PSIG well head pressure and McClellan's flood is operating at 1,000 PSIG well head pressure. These floods have experienced no problems with respect to water injection. No channeling or loss of water up or down the hole has occurred.

A step rate test, which was run on Tract 1 #11 Sulimar Queen injection well, indicates no reservoir parting until a pressure of 1340 PSIG is reached. This pressure concurs with the instantaneous shut-in frac pressures of the South Lucky Lake Field. This test is shown on the following page.

The following page is a summary of the injection data for the Double "L" Queen Unit for the month of January, 1986.

FIELD DATA SHEET

1/4/83

Test:

☐ Initial

☐ Annual

☒ Special

Test Date

Lease No. or Serial No.

Company

McClellan Oil Co.

Allottee

Field

Reservoir

Location

Unit

Completion Date

Total Depth

2014

Plug Back TD

Elevation

Form or Lease Name

Sulimar Queen

q. Size

5 1/2

Wt.

15#

d

Set At

Perforations: From

To

Well No.

Tract 1 - Well #11

q. Size

2 3/8

Wt.

Cement Lined

d

Set At

Perforations: From

1970

To 1978

Sec.

Twp - Blk

Rge -

Midway 1974

K - 24

15

29

Type Completion (Describe)

Water Injection Well

Packer Set At

1943

County or Parish

Chavez

Producing Thru

Reservoir Temp. F

Mean Ground Temp. F

Baro. Press. - P

State

New Mexico

CO. REPRESENTATIVE Paul Ragsdale

DATE	ELAP. TIME	well information			surf.	remarks
Time of Reading	Mins.	Rate BPD	Surf. Psig	B.H.P.	psi. cor friction	(Include liquid production data: Type - API Gravity - Amount)
1:30			875	1887		Shut In
2:00	0		875			1" Turbine Meter
2:15	15	80	900	1897		
2:15						
2:30	30	130	915	1928		
2:45						
2:45	45	182	940	1954		Change Gears
2:45						
1:00	1	230	965	1985		
1:00						
1:15	15	280	1002	2015		
1:15						
1:30	30	330	1040	2051		Change Gears
1:30						
1:45	45	385	1070	2086		
1:45						
2:00	2	440	1102	2121		
2:00						
2:15	15	485	1125	2147		
2:15						
2:30	30	545	1150	2167		
2:30						
2:45	45	592	1170	2186		38.4 Pump Truck
2:45						
3:00	3	650	1250	2192		

RECEIVED
JAN 11 1983
O. C. D.
ARTESIA, CALIF.

RECEIVED

JAN 11 1983

O. C. D.

ARTESIA, NEW MEXICO

HOBBS,

(505) 393-0119

STEP RATE TEST

NEW MEXICO

FIELD DATA SHEET

PAGE 2

7251:

☐ Initial

☐ Annual

☐ Special

Test Date: _____

Lease No. or Serial No.

Company

Attorney

Field

Reservoir

Location

; Unit

Completion Date

Total Depth

Plug Back TO

Elevation

Form or Lease Name

sq. Size

Wt.

d

Set A1

Perforations: From

To

Weil No.

Fig. Size

W. I.

d

Sei A:

Perforations: From

Te

Soc.

Twp - 014

Reg -

Type Completion (Describe)

Packer Sel Al

County or Parish

roducing thru

Reservoir Temp. F

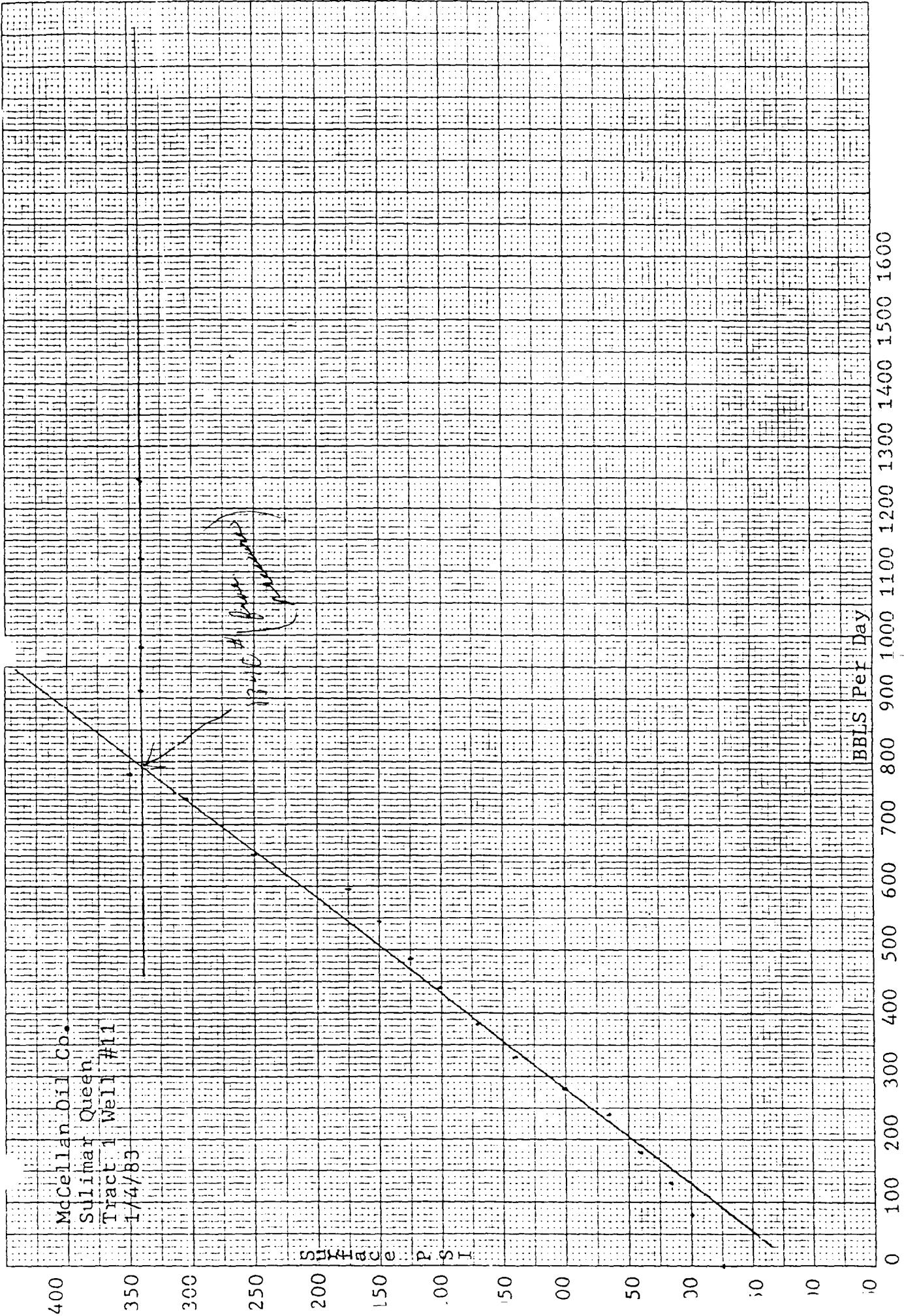
Mean Ground Temp. F

Octo. Press. - P

State

CO. REPRESENTATIVE

[illegible]



BURK ROYALTY COMPANY
WATER INJECTION REPORT

DATE: 1/31/86

DOUBLE "L" QUEEN

WELL NO	DAYS PROD	DAILY AVERAGE VOL. INJECTED BARRELS WATER	AVG MONTHLY PRESSURE		LAST MONTH		INCREASE OR DECREASE		MONTHLY VOLUME INJECTED	CUMULATIVE BARRELS
			PSIG		PSIG		PSIG			
107	31	312	395		400	13	5-		9,680	95,780
109	31	199	680		690	3-	10-		6,190	579,147
302	31	302	820		810	18	10		9,367	620,645
501	31	674	480		700	83	220-		20,923	977,269
502	31	61	905		900	10	5		1,896	178,655
701	31	50	500		380	14	120		1,574	104,017
901	30									104,164
1101	31	645	265		230	43	35		20,020	975,292
1201	31	100	900		900	5			3,129	296,750
1401	31	515	660		650	32	10		15,970	841,563
1501	31	589	485		350	44	135		18,270	901,570
1604	31	105	900		900	8			3,269	299,052
1609	27									4,435
1801	31	321	895		885	15	10		9,969	771,515
1804	31	221	895		890	11	5		6,876	507,590
1901	31	454	850		850	41			14,081	636,046
1903	31	438	655		650	9	5		13,580	835,540
2101	31	21	900		900	4-			675	121,231
2201	31	668	550		500	38	50		20,718	1,005,470
2303	31	142	820		810	12	10		4,418	368,340
2403	31	667	750		700	81	50		20,698	839,880
2404	31	202	825		820	10	5		6,268	415,092
		6,686	14,130		6,206	13,915	480	215	207,571	11,479,043

PROPOSED OPERATION

1. Average injection rate - 300 B/D. Maximum daily rate - 600 B/D.
2. Closed injection system.
3. Average injection pressure - 850 PSIG. Maximum injection pressure - 1100 PSIG.
4. Source water. Fresh water purchased from City of Carlsbad and produced Queen Sand Water. This same combination of water is being injected into the Double "L" Queen Flood with no problem of compatibility.

STIMULATION PROGRAM

The proposed injection wells will be cleaned out and acidized prior to injection.

REEF CHEMICAL COMPANY, INC.
P.O. BOX 529, SNYDER, TEXAS 79549

WATER ANALYSIS REPORT

18-FEB-1986

SAMPLE

COMPANY : BURK ROYALTY CO
SOURCE :
NUMBER : 5323

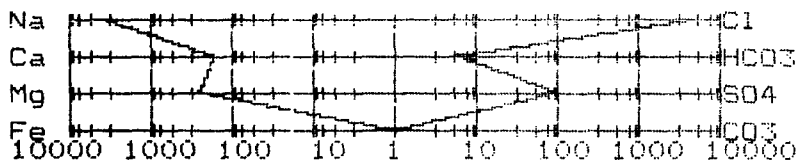
LOCATION : PRODUCED
DATE SAMPLED : 04-FEB-1986
ATTENTION :

ANALYSIS

	<u>MG/L</u>	<u>EQ. WT.</u>	<u>*MEQ</u>
1. PH	6.3		
2. SPECIFIC GRAVITY	1.137		
3. HYDROGEN SULFIDE	POSITIVE		
4. CARBON DIOXIDE	NOT DETERMINED		
5. DISSOLVED OXYGEN	NOT DETERMINED		
6. HYDROXYL (OH)	0	/ 17.0 =	0
7. CARBONATE (CO3)	0	/ 30.0 =	0
8. BICARBONATE (HCO3)	354	/ 61.1 =	6
9. CHLORIDES (CL)	133970	/ 35.5 =	3779
10. SULFATES (SO4)	4500	/ 46.8 =	92
11. CALCIUM (CA)	2867	/ 20.1 =	144
12. MAGNESIUM (MG)	2892	/ 12.2 =	237
13. SODIUM (NA)	80426	/ 23.0 =	3497
14. BARIUM (BA)	NOT DETERMINED	/ 68.7 =	0
15. TOTAL IRON (FE)	3	/ 18.2 =	0
19. TOTAL HARDNESS (CACO3)	19100		
20. RESISTIVITY (CALCULATED)	.01 /CM		
16. DISSOLVED SOLIDS	225029		
17. FILTRABLE SOLIDS	0		
18. TOTAL SOLIDS	225029		
21. SUSPENDED OIL			
22. VOLUME FILTERED (ML)			

LOGARITHMIC WATER PATTERN

*MEQ



* MILLIEQUIVALENTS

CALCULATED CALCIUM SULFATE SOLUBILITY
IN THIS BRINE IS 5763 MG/L

PROBABLE MINERAL COMPOSITION

COMPOUND	EQ.WT.	X	*MEQ	= MG/L
CA(HCO3)2	81.04		6	470
CASO4	68.07		92	6277
CACL2	55.50		46	2574
MG(HCO3)	73.17		0	0
MGSO4	60.19		0	0
MGCL2	47.62		237	11288
NAHCO3	84.00		0	0
NASO4	71.03		0	0
NACL	58.46		3490	204050

ESTIMATED TEMPERATURE OF CALCIUM CARBONATE INSTABILITY IS 67 DEGREES F.

Gary Nettleton
CHEMIST

REEF CHEMICAL COMPANY, INC.
P.O. BOX 529, SNYDER, TEXAS 79549

WATER ANALYSIS REPORT

21-FEB-1986

SAMPLE

COMPANY : BURK ROYALTY
SOURCE :
NUMBER : 5324

LOCATION : FRESH
DATE SAMPLED : 04-FEB-1986
ATTENTION :

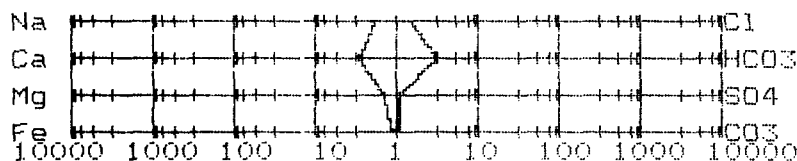
ANALYSIS

MG/L EQ. WT. *MEQ

1. PH	7.9		
2. SPECIFIC GRAVITY	1.002		
3. HYDROGEN SULFIDE	NEGATIVE		
4. CARBON DIOXIDE	NOT DETERMINED		
5. DISSOLVED OXYGEN	NOT DETERMINED		
6. HYDROXYL (OH)	0	/ 17.0 =	0
7. CARBONATE (CO3)	0	/ 30.0 =	0
8. BICARBONATE (HCO3)	183	/ 61.1 =	3
9. CHLORIDES (CL)	50	/ 35.5 =	1
10. SULFATES (SO4)	45	/ 48.8 =	1
11. CALCIUM (CA)	51	/ 20.1 =	3
12. MAGNESIUM (MG)	14	/ 12.2 =	1
13. SODIUM (NA)	38	/ 23.0 =	2
14. BARIUM (BA)	NOT DETERMINED	/ 68.7 =	0
15. TOTAL IRON (FE)	2	/ 18.2 =	0
19. TOTAL HARDNESS (CACO3)	182		
20. RESISTIVITY (CALCULATED)	2.374 /CM		
16. DISSOLVED SOLIDS	381		
17. FILTRABLE SOLIDS	0		
18. TOTAL SOLIDS	381		
21. SUSPENDED OIL			
22. VOLUME FILTERED (ML)			

LOGARITHMIC WATER PATTERN

*MEQ



* MILLIEQUIVALENTS

CALCULATED CALCIUM SULFATE SOLUBILITY
IN THIS BRINE IS 1814 MG/L

PROBABLE MINERAL COMPOSITION

COMPOUND	EQ.WT.	X	*MEQ	= MG/L
CA(HCO3)2	81.04		3	207
CASO4	68.07		0	0
CACL2	55.50		0	0
MG(HCO3)	73.17		0	33
MGSO4	60.19		1	42
MGCL2	47.62		0	0
NAHCO3	84.00		0	0
NASO4	71.03		0	16
NACL	58.46		1	82

ESTIMATED TEMPERATUR OF CALCIUM CARBONATE INSTABILITY IS 60 DEGREES F.

CHEMIST

Bary Nettleton

REEF CHEMICAL COMPANY, INC.
P.O. BOX 529, SNYDER, TEXAS 79549

WATER ANALYSIS REPORT

18-FEB-1986

SAMPLE

COMPANY : BURK ROYALTY CO
SOURCE :
NUMBER : 5325

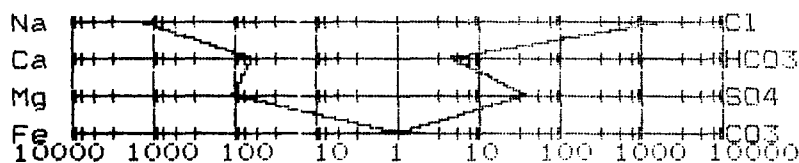
LOCATION : 40% (P.)/60% F.
DATE SAMPLED : 04-FEB-1986
ATTENTION :

ANALYSIS

	<u>MG/L</u>	<u>EQ. WT.</u>	<u>*MEQ</u>
1. PH	7.1		
2. SPECIFIC GRAVITY	1.057		
3. HYDROGEN SULFIDE	NEGATIVE		
4. CARBON DIOXIDE	NOT DETERMINED		
5. DISSOLVED OXYGEN	NOT DETERMINED		
6. HYDROXY_ (OH)	0	/ 17.0 =	0
7. CARBONATE (CO3)	0	/ 30.0 =	0
8. BICARBONATE (HCO3)	269	/ 61.1 =	4
9. CHLORIDES (CL)	52988	/ 35.5 =	1495
10. SULFATES (SO4)	1800	/ 48.8 =	37
11. CALCIUM (CA)	1123	/ 20.1 =	56
12. MAGNESIUM (MG)	1191	/ 12.2 =	98
13. SODIUM (NA)	31801	/ 23.0 =	1383
14. BARIUM (BA)	NOT DETERMINED	/ 68.7 =	0
15. TOTAL IRON (FE)	3	/ 18.2 =	0
19. TOTAL HARDNESS (CACO3)	7700		
20. RESISTIVITY (CALCULATED)	.107 /CM		
16. DISSOLVED SOLIDS	89172		
17. FILTRABLE SOLIDS	0		
18. TOTAL SOLIDS	89172		
21. SUSPENDED OIL			
22. VOLUME FILTERED (ML)			

LOGARITHMIC WATER PATTERN

*MEQ



* MILLIEQUIVALENTS

CALCULATED CALCIUM SULFATE SOLUBILITY
IN THIS BRINE IS 6179 MG/L

PROBABLE MINERAL COMPOSITION

COMPOUND	EQ.WT.	X	*MEQ	= MG/L
CA (HCO3) 2	81.04		4	357
CASO4	68.07		37	2511
CACL2	55.50		15	825
MG (HCO3)	73.17		0	0
MESO4	60.19		0	0
MGCL2	47.62		98	4649
NAHCO3	84.00		0	0
NASO4	71.03		0	0
NACL	58.46		1380	80683

ESTIMATED TEMPERATURE OF CALCIUM CARBONATE INSTABILITY IS 88 DEGREES F.

Gary Nettleton
CHEMIST

SOUTH LUCKY LAKE QUEEN UNIT

Chaves County, New Mexico

Working Interest Owners:

Yates Petroleum Corp.
207 S. 4th St.
Artesia, New Mexico 88210

Read & Stevens, Inc.
P. O. Box 1518
Roswell, New Mexico 88201

Bison Petroleum
5809 Southwestern #200
Amarillo, TX 79110-3607

Leasehold Operators:

McClellan Oil Corp.
P. O. Drawer 730
Roswell, New Mexico 88202

Cities Service Oil Co.
500 W. Texas #700
Midland, TX 79702

New Mexico Oil & Gas Co.
Attn: L. C. Harris
P. O. Box 1714
Roswell, New Mexico 88201

BLM
P. O. Box 1379
Roswell, New Mexico 88201

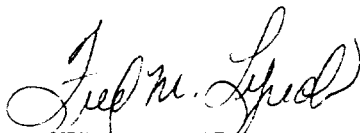
Armstrong Energy Corp.
P. O. Box 1973
Roswell, New Mexico 88201

Texas American Oil Corp.
300 W. Wall #400
Midland, TX 79701

Surface Owner:

Boyle Farms
Dexter, New Mexico 88230

Application to inject water into 7 wells in the
South Lucky Lake Queen Unit were mailed to the above
February 4, 1986.



FRED M. LYNCH

EXHIBIT

PROPOSED DISPOSAL

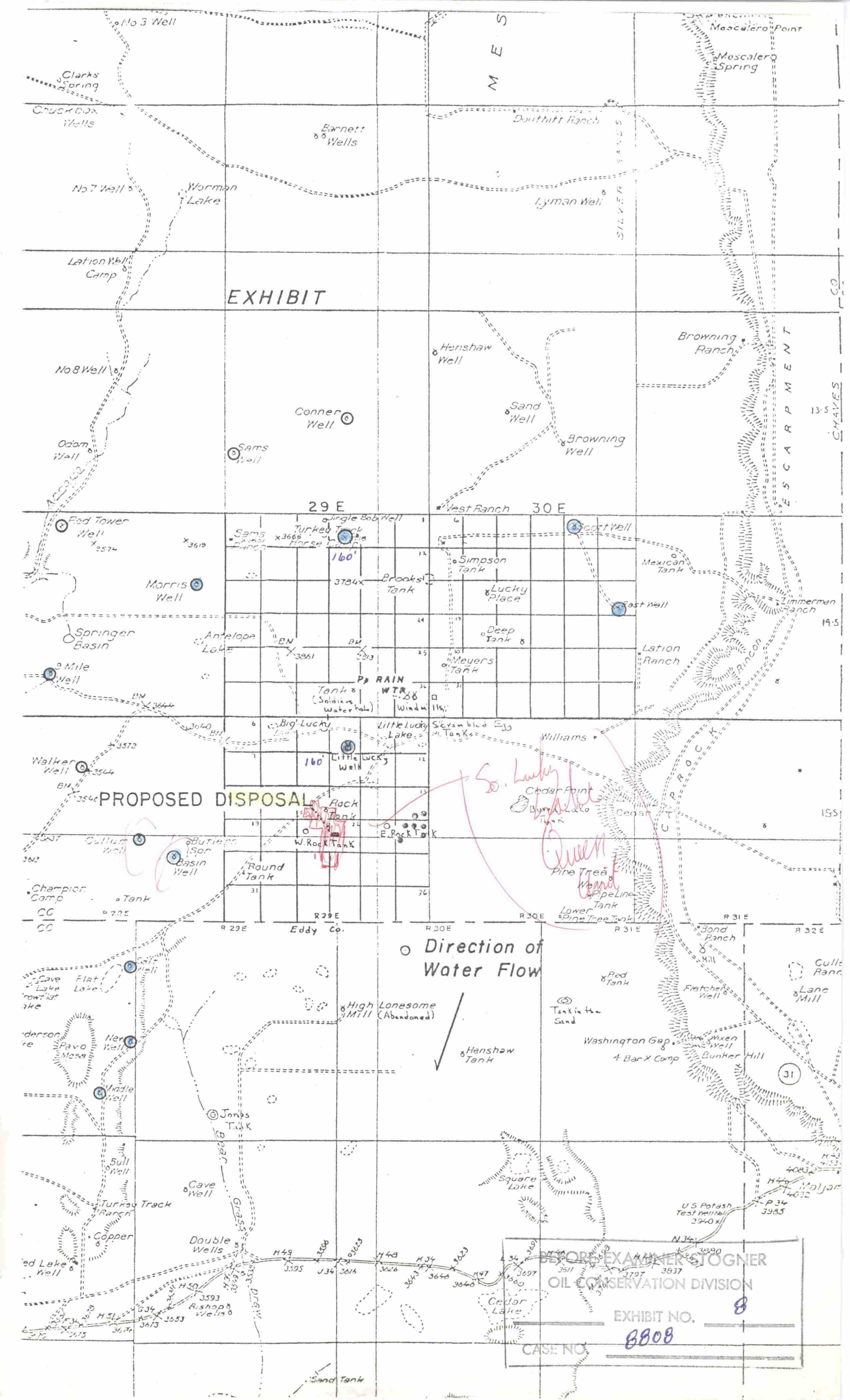
Direction of Water Flow

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION

EXHIBIT NO.

8808

CASE NO.



ATION
OR EXT. NO.

THE WESTERN COMPANY

WATER ANALYSIS

ANALYSIS NO.

GENERAL INFORMATION

OPERATOR	DALPORT Oil Co.	DATE SAMPLED	2/5/86
WELL	R-252 Little lucky ^{WATER} well	DATE RECEIVED	2/5/86
FIELD	?	SUBMITTED BY	
FORMATION	?	WORKED BY	R. Wallin
COUNTY	Eddy	SAMPLE DESCRIPTION:	H ₂ O ANALYSIS
STATE	N.M.		
DEPTH	?		

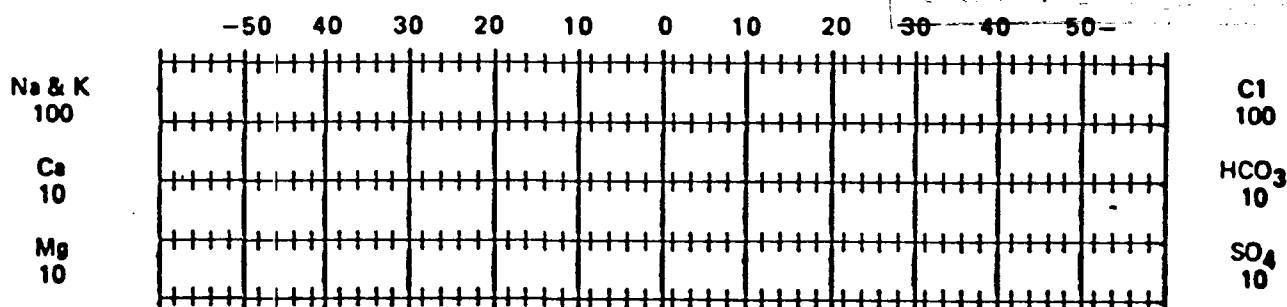
PHYSICAL AND CHEMICAL DETERMINATIONS

SPECIFIC GRAVITY	1.000 AT 74 °F	TOTAL DISSOLVED SOLIDS	—	PPM
pH	6.7	RESISTIVITY	.70 @ 74°F	PPM
IRON	NO TRACE / NO TRACE FERRIC / FERROUS	SULFATE	4300	PPM
HYDROGEN SULFIDE	NONE	BICARBONATE ^{10cc .8}	488	PPM
HARDNESS ^{1cc .8}	800	CHLORIDE ^{5cc .1}	400	PPM
CALCIUM ^{1cc .2}	80	SODIUM CHLORIDE	658	PPM
MAGNESIUM ^{1cc .6}	146 PPM	SODIUM	—	PPM
SODIUM & POTASSIUM	— PPM	POTASSIUM	—	PPM
PHOSPHATE	—		0% KC1	

REMARKS:

MAIL TO: R-252 N. HALDEMAN Rd
ARTESIA N.M. 88210

Stiff type plot (in meq./l.)



D. L. H. ~

Form 3811, Dec. 1980
RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

SENDER: Complete Items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.	
(CONSULT POSTMASTER FOR FEES)	
1. The following service is requested (check one). ☒ Show to whom and date delivered —¢ ☐ Show to whom, date, and address of delivery.. —¢	
2. ☐ RESTRICTED DELIVERY —¢ (The restricted delivery fee is charged in addition to the return receipt fee.)	
TOTAL \$1.45	
3. ARTICLE ADDRESSED TO: Bxm P.O. Box 1379 Roswell, NM 88201	
4. TYPE OF SERVICE: ☐ REGISTERED ☐ INSURED ☒ CERTIFIED ☐ COD ☐ EXPRESS MAIL	ARTICLE NUMBER P009310680
(Always obtain signature of addressee or agent)	
I have received the article described above. SIGNATURE ☐ Addressee ☐ Authorized agent	
5. DATE OF DELIVERY 2-7-86	POSTMARK
6. ADDRESSEE'S ADDRESS (Only if requested) [Signature]	
7. UNABLE TO DELIVER BECAUSE:	7a. EMPLOYEE'S INITIALS [Signature]

**PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300**



Print your name, address, and ZIP Code in the space below.

- Complete Items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

RETURN TO

~~Bark Royalty Co.~~
(Name of Security)

P. O. Box BRC

Wichita Falls, Texas 76307

(Street or P.O. Box)

3-11-63

Feb 21 1850

City, State, and ZIP Code)

PS Form 3811, Dec. 1989
RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.	
(CONSULT POSTMASTER FOR FEES)	
1. The following service is requested (check one).	
☒ Show to whom and date delivered	—¢
☐ Show to whom, date, and address of delivery..	—¢
2. ☐ RESTRICTED DELIVERY —¢ (The restricted delivery fee is charged in addition to the return receipt fee.)	
TOTAL \$1.45	
3. ARTICLE ADDRESSED TO: Texas Amer Oil Corp. 300 W. Wall #400 Midland, TX 79701	
4. TYPE OF SERVICE:	ARTICLE NUMBER
☐ REGISTERED ☐ INSURED	P009 310 681
☒ CERTIFIED ☐ COD	
☐ EXPRESS MAIL	
(Always obtain signature of addressee or agent)	
I have received the article described above.	
SIGNATURE ☐ Addressee ☐ Authorized agent	
JAY ALLISON	
5. DATE OF DELIVERY	POSTMARK
6. ADDRESSEE'S ADDRESS (Only if requested)	
7. UNABLE TO DELIVER BECAUSE:	7a. EMPLOYEE'S INITIALS

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

- Print your name, address, and ZIP Code in the space below.
- Complete items 1, 2, 3, and 4 on the reverse.
 - Attach to front of article if space permits, otherwise affix to back of article.
 - Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



RETURN
TO



Burk Royalty Co.
(Name of Sender)

P.O. Box BRC

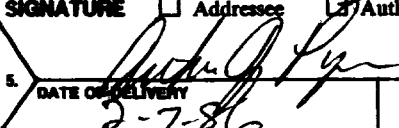
Wichita Falls, Texas 76307

(Street or P.O. Box)

Attn: Fred Lynch

(City, State, and ZIP Code)

PS Form 3811, Dec. 1980

● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.	
(CONSULT POSTMASTER FOR FEES)	
1. The following service is requested (check one). ☒ Show to whom and date delivered —¢ ☐ Show to whom, date, and address of delivery.. —¢	
2. ☐ RESTRICTED DELIVERY —¢ (The restricted delivery fee is charged in addition to the return receipt fee.)	
TOTAL \$1.45	
3. ARTICLE ADDRESSED TO: Armstrong Energy P.O. Box 1973 Roswell, NM 88201	
4. TYPE OF SERVICE: ☐ REGISTERED ☐ INSURED ☒ CERTIFIED ☐ COD ☐ EXPRESS MAIL	ARTICLE NUMBER P 009 310 678
(Always obtain signature of addressee or agent)	
I have received the article described above. SIGNATURE ☐ Addressee ☒ Authorized agent 	
5. DATE OF DELIVERY 2-7-86	POSTMARK
6. ADDRESSEE'S ADDRESS (Only if requested)	
7. UNABLE TO DELIVER BECAUSE:	7a. EMPLOYEE'S INITIALS 

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● **SENDER:** Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space
on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
- ☒ Show to whom and date delivered —¢
- ☐ Show to whom, date, and address of delivery.. —¢
2. ☐ **RESTRICTED DELIVERY** —¢
(The restricted delivery fee is charged in addition to
the return receipt fee.)

TOTAL \$1.45

3. ARTICLE ADDRESSED TO:

Boyle James
Dexter, NM 88230

4. TYPE OF SERVICE:

- ☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER

P009 310686

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

[Signature]

5. DATE OF DELIVERY

POSTMARK

6. ADDRESSEE'S ADDRESS (Only if requested)

02-07-86

7. UNABLE TO DELIVER BECAUSE:

**7a. EMPLOYEE'S
INITIALS**

[Initials]

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● **SENDER:** Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space
on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).

- ☒ Show to whom and date delivered —¢
☐ Show to whom, date, and address of delivery.. —¢

2. ☐ **RESTRICTED DELIVERY** —¢

(The restricted delivery fee is charged in addition to
the return receipt fee.)

TOTAL \$1.45

3. ARTICLE ADDRESSED TO:

Yates Petroleum
207 S. 4th St.
Artesia, NM 88210

4. TYPE OF SERVICE:

- ☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER

PCC9310683

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☒ Addressee ☐ Authorized agent

Ken Beardsley

5. DATE OF DELIVERY

2-7-86

POSTMARK

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S
INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and Zip Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



RETURN
TO



Burk Royalty Co.
P.O. Box 818

(Name of Sender)

Wichita Falls, Texas 76307

(Street or P.O. Box)

Attn: Fred Lynch

(City, State, and ZIP Code)

PS Form 3811, Dec. 1980

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● **SENDER:** Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space
on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
- ☒ Show to whom and date delivered —¢
- ☐ Show to whom, date, and address of delivery.. —¢
2. ☐ **RESTRICTED DELIVERY** —¢
(The restricted delivery fee is charged in addition to
the return receipt fee.)

TOTAL \$1.45

3. ARTICLE ADDRESSED TO:

New Mexico Oil & Gas
A.C. Harris
Box 1714
Roswell, NM 88201

4. TYPE OF SERVICE:

- ☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER

0009310676

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

E. German

5. DATE OF DELIVERY

2-7-86

POSTMARK

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

**7a. EMPLOYEE'S
INITIALS**

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

RETURN
TO



Burk Royalty Co.

(Name of Sender) BRC

Wichita Falls, Texas 76307

(Street or P.O. Box)

attn: Fred Lynch

(City, State, and ZIP Code)

PS Form 3811, Dec. 1980

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.	
(CONSULT POSTMASTER FOR FEES)	
1. The following service is requested (check one). ☒ Show to whom and date delivered —¢ ☐ Show to whom, date, and address of delivery.. —¢	
2. ☐ RESTRICTED DELIVERY —¢ (The restricted delivery fee is charged in addition to the return receipt fee.)	
TOTAL \$1.45	
3. ARTICLE ADDRESSED TO: Read & Ottens P.O. Box 1518 Roswell, NM 88201	
4. TYPE OF SERVICE: ☐ REGISTERED ☐ INSURED ☒ CERTIFIED ☐ COD ☐ EXPRESS MAIL	ARTICLE NUMBER P009310684
(Always obtain signature of addressee or agent)	
I have received the article described above.	
SIGNATURE ☒ Addressee ☐ Authorized agent S. Garibay	
5. DATE OF DELIVERY 2-7-86	POSTMARK
6. ADDRESSEE'S ADDRESS (Only if requested)	
7. UNABLE TO DELIVER BECAUSE:	7a. EMPLOYEE'S INITIALS L

PS Form 3811, Dec. 1980

● **SENDER:** Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space
on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
- ☒ Show to whom and date delivered —¢
- ☐ Show to whom, date, and address of delivery.. —¢
2. ☐ **RESTRICTED DELIVERY** —¢
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$1.45

3. ARTICLE ADDRESSED TO:

Bison Petroleum #200
5809 Southwestern
Amarillo TX 79110

4. TYPE OF SERVICE:

- ☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER

P009 310 685

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

5. DATE OF DELIVERY

12-6-86

POSTMARK

6. ADDRESSEE'S ADDRESS (Only if requested)

Edinburgh Jones

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

PS Form 3811, Dec. 1980
RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.	
(CONSULT POSTMASTER FOR FEES)	
1. The following service is requested (check one). ☒ Show to whom and date delivered —¢ ☐ Show to whom, date, and address of delivery.. —¢	
2. ☐ RESTRICTED DELIVERY —¢ (The restricted delivery fee is charged in addition to the return receipt fee.)	
TOTAL \$1.45	
3. ARTICLE ADDRESSED TO: Mc Clellan & Corp. Drawer 73C Roswell NM 88202	
4. TYPE OF SERVICE: ☐ REGISTERED ☐ INSURED ☒ CERTIFIED ☐ COD ☐ EXPRESS MAIL	ARTICLE NUMBER P009310675
(Always obtain signature of addressee or agent)	
I have received the article described above. SIGNATURE ☐ Addressee ☐ Authorized agent Maurice Smith	
5. DATE OF DELIVERY 1-7-86	POSTMARK
6. ADDRESSEE'S ADDRESS (Only if requested)	
7. UNABLE TO DELIVER BECAUSE:	7a. EMPLOYEE'S INITIALS

● **SENDER:** Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space
on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).

- ☒ Show to whom and date delivered —¢
☐ Show to whom, date, and address of delivery.. —¢

2. ☐ **RESTRICTED DELIVERY** —¢

(The restricted delivery fee is charged in addition to
the return receipt fee.)

TOTAL \$1.45

3. ARTICLE ADDRESSED TO:

Cities Serv. Oil Corp
500 W. Texas #700
Midland, TX 79702

4. TYPE OF SERVICE:

- ☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER

P 009 310 679

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

[Signature]

5.

DATE OF DELIVERY

2-10-81

POSTMARK

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS

[Initials]

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS



PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE \$300

SENDER INSTRUCTIONS

- Print your name, address, and ZIP Code in the space below.
- Complete items 1, 2, 3, and 4 on the reverse.
 - Attach to front of article if space permits, otherwise affix to back of article.
 - Enclose article "Return Receipt Requested" adjacent to number.

RETURN
CTO

8808

Burk Royalty Co.
(Name of Sender)
P. O. Box BRC

Wichita Falls, Texas 76307

(Street or P.O. Box)

attn: Fred Lynch

(City, State, and ZIP Code)

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 8840
Order No. R-8140-A

APPLICATION OF BURK ROYALTY COMPANY
FOR A WATERFLOOD PROJECT, CHAVES
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on March 5, 1986, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 14th day of November, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

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

(2) The applicant, Burk Royalty Company, seeks authority to institute a waterflood project on its South Lucky Lake Queen Unit by the injection of water at a pressure in excess of 0.2 psi per foot of depth to the uppermost perforation in the Queen formation through seven existing wells, as described on Exhibit "A" attached hereto and made a part hereof, all located in Sections 15, 16, 21, 22 and 27, Township 15 South, Range 29 East, NMPM, South Lucky Lake-Queen Pool, Chaves County, New Mexico.

(3) The project area should consist of that area within the boundary of the South Lucky Lake Queen Unit Area, as described below, which was approved by Division Order No. R-8140 issued in Case No. 8808 and dated January 30, 1986:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
CHAVES COUNTY, NEW MEXICO

Section 15: SW/4 SW/4
Section 16: SE/4 SW/4, NW/4 SE/4, S/2 SE/4
Section 21: NW/4 NE/4, E/2 E/2
Section 22: W/2
Section 27: W/2 NW/4
Section 28: E/2 NE/4

(4) The wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(5) The proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) The operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.

(7) Injection should be accomplished through plastic-lined tubing installed in a packer set approximately 100 feet above the uppermost perforation, or in the case of an open hole completion, approximately 100 feet above the casing shoe. The casing-tubing annulus in each injection well should be filled with an inert fluid and a surface pressure gauge or approved leak detection device should be attached to the annulus.

(8) The evidence presented at the time of the hearing is insufficient at this time to allow an injection pressure which exceeds 0.2 psi per foot of depth to the uppermost perforation in any of the proposed injection wells and the project injection wells or injection pressurization system should therefore be equipped with a pressure control device so as to limit injection pressure at the wellhead to no more than said 0.2 psi but the Division Director should have authority to administratively authorize a pressure limitation in excess of the above upon a showing by the operator that an increase in pressure is warranted.

(9) Prior to commencing injection operations, the casing in the subject wells should be pressure-tested throughout the interval from the surface down to the proposed packer setting depth, to assure the integrity of such casing.

(10) The operator should give advance notification to the supervisor of the Artesia district office of the Division of the date and time of the installation of injection equipment and of the mechanical integrity pressure test in order that the same may be witnessed.

(11) The subject application should be approved and the project should be governed by the provisions of Rules 702 through 708 of the Division Rules and Regulations.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Burk Royalty Company, is hereby authorized to institute and operate a waterflood project in the South Lucky Lake Queen Unit Area (as described in Finding Paragraph No. (3) of this order) by the injection of water into the Queen formation through the seven existing wells, as described on Exhibit "A" attached hereto and made a part hereof, all located in Sections 15, 16, 21, 22, and 27, Township 15 South, Range 29 East, NMPM, South Lucky Lake-Queen Pool, Chaves County, New Mexico.

PROVIDED FURTHER THAT, prior to commencing injection operations, the casing in the subject wells shall be pressure-tested to assure the integrity of such casing in a manner that is satisfactory to the supervisor of the Division's district office at Artesia.

(2) Injection into each of said wells shall be through internally coated tubing installed in a packer set approximately 100 feet above the uppermost perforation; the casing-tubing annulus of each injection well shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention-attracting leak detection device.

(3) The operator shall notify the supervisor of the Artesia district office of the Division in advance of the date and time of the installation of injection equipment and of the mechanical integrity pressure test in order that the same may be witnessed.

(4) The operator shall immediately notify the supervisor of the Division's Artesia district office of the failure of the tubing or packer in any of said injection wells, the leakage of water or oil from or around any producing well, or the leakage of water or oil from any plugged and abandoned well within the project area and shall take such timely steps as may be necessary or required to correct such failure or leakage.

EXHIBIT "A"
Case No. 8840
Order No. R-8140-A

SOUTH LUCKY LAKE QUEEN UNIT
WATERFLOOD PROJECT
INJECTION WELLS

<u>Tract and Well Numbers</u>	<u>Locations</u>
Tract 1-Well No. 1	1980' FNL - 330' FWL (Unit E) Sec. 27
Tract 2-Well No. 1	2310' FSL - 330' FWL (Unit L) Sec. 22
Tract 2-Well No. 4	990' FSL - 1477' FWL (Unit N) Sec. 22
Tract 3-Well No. 1	2310' FNL - 1650' FWL (Unit F) Sec. 22
Tract 4-Well No. 1	1980' FNL - 660' FEL (Unit H) Sec. 21
Tract 5-Well No. 1	330' FS & WL (Unit M) Sec. 15
Tract 7-Well No. 1	660' FSL - 1980' FEL (Unit O) Sec. 16.

All wells located in Township 15 South, Range 29 East, NMPM,
Chaves County, New Mexico.