



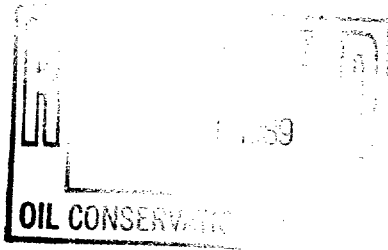
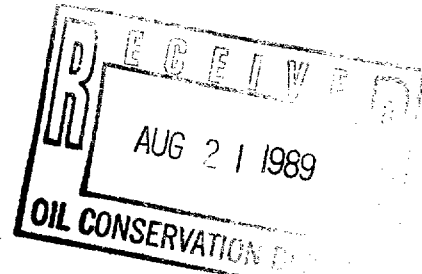
MURPHY OPERATING CORPORATION
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August 8, 1989

VIA FEDERAL EXPRESS

Mr. Michael E. Stogner, Examiner
Oil Conservation Division
Energy and Minerals Department
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87504-2088



Re: SUBMITTAL OF DOCUMENTATION IN
CONNECTION WITH "APPLICATION OF
MURPHY OPERATING CORPORATION FOR UNIT
APPROVAL AND FOR AUTHORITY TO INSTITUTE
A WATERFLOOD PROJECT" and "SUPPLEMENTAL
DATA REQUIRED BY FORM C-108".
Proposed Jennifer Chaveroo San Andres Unit
Roosevelt County, New Mexico.

Dear Mr. Stogner:

Murphy Operating Corporation ("MOC"), as designated Unit Operator for the proposed Jennifer Chaveroo San Andres Unit and on behalf of working interest owners within the proposed Unit Area, respectfully submits the information listed below related to the "Application of Murphy Operating Corporation for Unit Approval and for Authority to Institute a Waterflood Project" and "Supplemental Data Required by Form C-108". We have requested a hearing date of Wednesday, September 6, 1989 in connection with this application.

Pursuant to the rules and regulations of the Oil Conservation Division, MOC encloses herewith three (3) original sets of the following information:

FILE 1. APPLICATION FOR UNIT APPROVAL.

- Exhibit A. - Map of Unit Area.
- Exhibit B. - Schedule of Ownership and Leases.
- Exhibit C. - Unit Agreement.
- Exhibit D. - Unit Operating Agreement.
- Exhibit E. - Area of Review Map.

FILE 2. SUPPLEMENTAL DATA REQUIRED BY OCD FORM C-108 (Engineering and Geological Data).

Exhibit III. - Well data, in both tabular and schematic form ("typical data sheet"), for each well proposed for injection.

Exhibit V. - Map identifying all wells and leases within 2 miles of each proposed injection well (2-mile boundary highlighted in yellow). A one-half mile radius circle (drawn in blue) around each proposed injection well identifies the wells' areas of review.

- Chart, "Redesignation of Well Names" listing original names of wells within the Unit Area together with corresponding redesignated well names.

Exhibit VI.A. - Tabulation of data for all wells of public record within the proposed Unit Area.

Exhibit VI.B. - Tabulation of data for all wells of public record outside the proposed Unit Area but within the "area of review".

Exhibit VI.C. - Schematics (illustrating all plugging detail) of each plugged and abandoned well within the area of review.

SEE FILE 4. - Plan of Operation submitted for approval under separate cover with attached exhibits.

FILE 2. (cont.)

Exhibit VII.4. - Chemical analyses and compatibility analyses of the proposed injection fluid (fresh water samples from possible sources as described hereinabove) with that of the receiving Chaveroo San Andres formation (samples from tank batteries located on the State Section 35 lease and the State "DB" lease located within the Unit Area).

Exhibit VIII.A. - Geological data related to the injection zone
through including appropriate lithological detail, geologic
Exhibit VIII.I. name, thickness and depth.
SEE FILE 3

Exhibit X. - Appropriate logging and test data for the
SEE FILE 5 proposed injection wells.

Exhibit XI. - Map showing the location of 4 fresh water sources
together with copies of the results of chemical analyses of the fresh water.

Exhibit XIII. - Proof that copies of the application have been
furnished by certified mail to: a) the owners of the surface of the lands on
which the proposed injection wells are to be located; and b) to the leasehold
operators within one-half mile of the proposed injection wells.

FILE 3. ENGINEERING AND GEOLOGICAL REPORT.

Exhibit VIII. - Engineering and Geological Report Proposed Jennifer
Chaveroo San Andres Unit, prepared by Bert H. Murphy, Registered Professional
Petroleum Engineer dated July 15, 1989;

Exhibit VIII.A. - General Location Map;

Exhibit VIII.B. - Report dated November, 1966 prepared by Roswell
Geological Society Symposium with attached structural and isopachus maps
and type log;

Exhibit VIII.C. - Core Data - "Completion Coregraphs" for the Homme
Federal Well No. 3 and for the Wolf Federal Well No. 1 located within the Unit
Area; "Completion Coregraph" for the State "AZ" Well No. 2 located in near
proximity of Unit in Section 33, T-7-S, R-33-E;

Exhibit VIII.D. - Tabulated Summary of Geological Data;

Exhibit VIII.E. - Structure Map with proposed Unit Area delineated,
San Andres Correlation Point.

Exhibit VIII.F. - Iso-Cum Base Map with proposed Unit Area delineated,
Contour of Cumulative Oil Production to 01/01/89.

Exhibit VIII.G.1. - Cross Section A-A' (NW-SE through Sections 30-29-32);

Exhibit VIII.G.2. - Cross Section B-B' (W-E through Sections 20-21);

Exhibit VIII.G.3. - Cross Section C-C' (N-S through Sections 8-18-19);

Exhibit VIII.G.4. - Cross Section D-D' (W-E through Sections 35-36);

Exhibit VIII.G.5. - Cross Section E-E' (N-S through Sections 25-36-2);

Exhibit VIII.G.6. - Cross Section F-F' (W-E through Sections 30-29);

Exhibit VIII.G.7. - Cross Section G-G' (N-S through Sections 19-30);

Exhibit VIII.H. - Chart of Derivation of Tract Participation Factors.

Exhibit VIII.I.1. - Decline Curves for Wells within Unit Area.

Exhibit VIII.I.2. - Decline Curves for Wells outside Unit Area but
within Area of Review.

FILE 4. PLAN OF OPERATION 1989-1990 with attached Exhibits:

Exhibit 1., "Field Map Indicating Proposed Unit Facilities"; and
Exhibit 2., "Comparison of Current and Proposed Well Statuses".

FILE 5. Exhibit X. - Appropriate logging and test data for the proposed injection wells.

We greatly appreciate your prompt replies to our numerous questions in connection with this Application. Please contact me for any additional information that may be required by your office.

Sincerely,

MURPHY OPERATING CORPORATION

Ann Murphy Ezzell

Ann Murphy Ezzell, Esq.
Chairman and Chief Executive Officer

AME:nrr

Enclosures: as stated.

cc: All Working Interest Owners.

